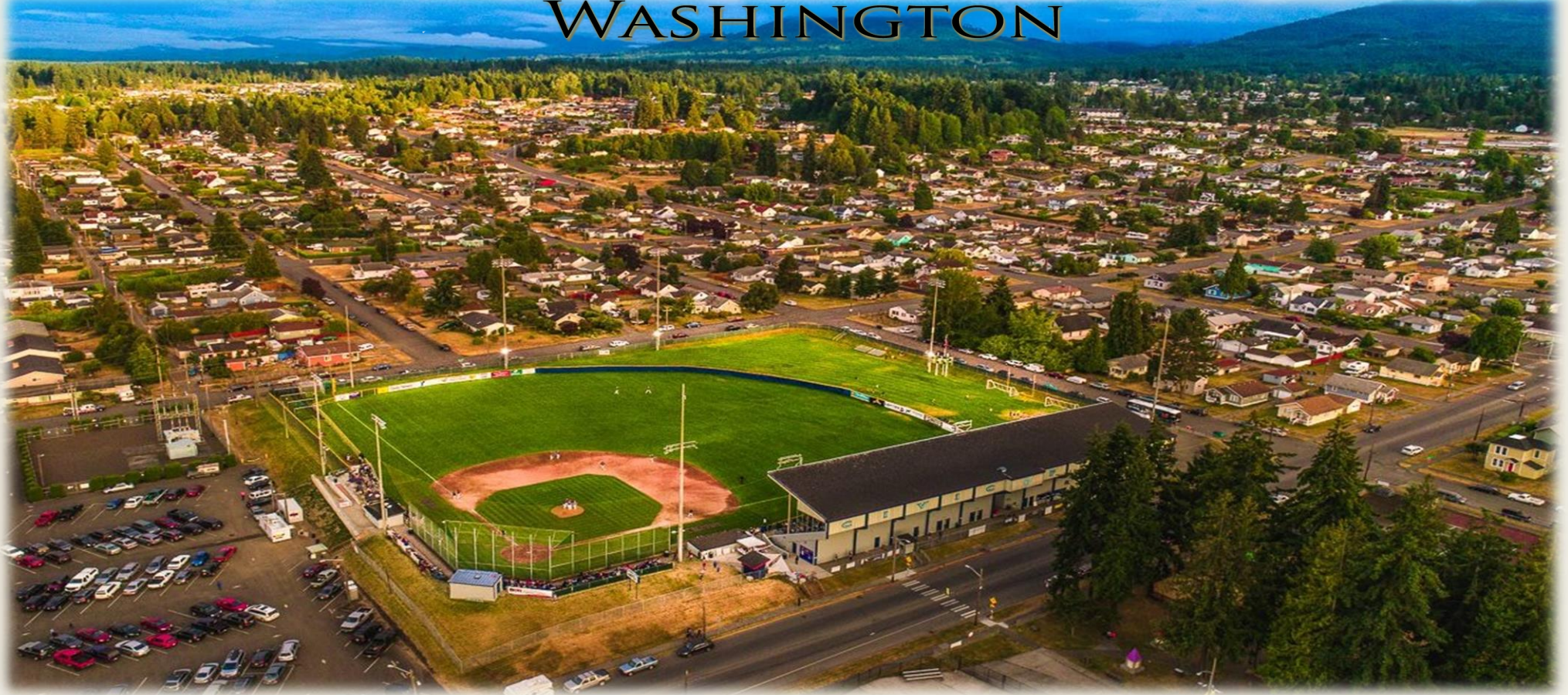


THE CITY OF  
**PORT ANGELES**  
WASHINGTON



**2019 UTILITY RATES – City Council Presentation**

October 16, 2018

# Comparison of 2018 to Budgeted 2019 Rates

Standard Residential Customer						
	2018 Rates		2019 Rates			
Consumption	Rate	Amount	Rate	Amount	Difference	Percent
Electric (KWH)		1,300.00				
Water (CF)		450.00				
Electric Base	20.10	20.10	20.10	20.10	-	0.0%
Electric Consumption	0.0809	105.17	0.0809	105.17	-	0.0%
Medic 1	8.66	8.66	8.84	8.84	0.18	2.1%
Water Base (5/8" meter)	31.07	31.07	32.75	32.75	1.68	5.4%
Water Consumption 0-1000	0.024103	10.85	0.025410	11.43	0.59	5.4%
Sewer Usage 430 + CF	60.09	60.09	60.39	60.39	0.30	0.5%
CSO Usage 430+ CF	22.88	22.88	22.88	22.88	-	0.0%
Waste Collections EOW 90 Gallon	25.65	25.65	25.65	25.65	-	0.0%
<b>Total bill</b>		284.47		287.21	<b>2.75</b>	per month
			<b>Percent increase</b>		<b>0.97%</b>	

# Comparison of 2018 to Budgeted 2019 Rates

Standard Commercial Customer						
	2018 Rates		2019 Rates			
	Consumption	Rate	Amount	Rate	Amount	Difference
Electric (KWH)	5,000.00					
Water (CF)	2,000.00					
Electric Base		25.84	25.84	25.84	25.84	- 0.0%
Electric Consumption		0.0764	382.00	0.0764	382.00	- 0.0%
Medic 1		9.50	9.50	9.79	9.79	0.29 3.1%
Water Base (5/8" meter)		50.05	50.05	50.05	50.05	- 0.0%
Water Consumption		0.022980	45.96	0.022980	45.96	- 0.0%
Sewer Base		18.34	18.34	18.43	18.43	0.09 0.5%
CSO Base		5.68	5.68	5.68	5.68	- 0.0%
Sewer Usage		0.0559	111.80	0.0562	112.40	0.60 0.5%
CSO Usage		0.0195	39.00	0.0195	39.00	- 0.0%
Waste Collections 300 Gallon		97.76	97.76	97.76	97.76	- 0.0%
<b>Total bill</b>			785.93		786.91	<b>0.98</b> per month
				<b>Percent increase</b>		<b>0.12%</b>

## Rate Factors

- balancing to the 2019 Budget
- reflection of the City cost containment emphasis
- maintenance of Capital Assets (prefunding)
- maintenance of required fund level balances (both bond and policy related)

## Rates proposed for one year (2019) only

- COSA and other rate analysis were completed in 2018
- COSA results impacted the distribution of rate changes in Water and Wastewater
- Review of COSAs implications can be evaluated in 2019, allowing for future year adjustments
- Multi-year rates will be considered for the future

## With the exception of Water and Wastewater

- Revenue requirements for all other utilities can be covered with 2018 rate continuation

	Electric	Water	Wastewater	Stormwater	SW Transfer Stn	SW Collections	Total
Rate Revenue	25,869,500	6,333,800	6,342,300	2,108,900	6,754,600	4,587,100	51,996,200
Non Rate Revenue	1,464,650	340,100	690,000	47,000	135,300	142,100	2,819,150
Total Revenue	27,334,150	6,673,900	7,032,300	2,155,900	6,889,900	4,729,200	54,815,350
Expenses	25,633,800	5,355,150	5,440,200	1,731,600	5,833,000	4,403,600	48,397,350
Bond Principal	480,000	464,250	500,200	-	455,500	-	1,899,950
Interest	240,300	236,400	219,000	13,400	266,400	-	975,500
Debt Service	21,500	117,500	50,400	-	-	-	189,400
Capital	1,090,200	601,000	822,500	404,500	-	129,500	3,047,700
Total Expenditures	27,465,800	6,774,300	7,032,300	2,149,500	6,554,900	4,533,100	54,509,900
Net Fund Impact	(131,650)	(100,400)	-	6,400	335,000	196,100	305,450
Fund adjustments:							
AMI 2nd yr rate-stabilization	(152,000)	(100,400)					
<b>Fund increase</b>	<b>20,350</b>	<b>-</b>	<b>-</b>	<b>6,400</b>	<b>335,000</b>	<b>196,100</b>	

Continuing 2018 rates

## **Electric Utility**

- Zero rate increase for 2019
- Includes use of AMI settlement funds (\$152,000)
- Capital transfers (\$1,090,200) includes \$250,000 for Light Ops building

## **Stormwater Utility**

- Zero rate increase for 2019
- Includes Capital transfers (\$404,500)

## **Solid Waste Transfer Station**

- Zero rate increase for 2019

## **Solid Waste Collections**

- Zero rate increase for 2019
- Includes transfers to Governmental Capital (\$129,500) and Streets maintenance (\$150,000)

### 3.8% overall rate increase for 2019

- increase in residential rates by 5.4%
- commercial, municipal and irrigation rates held at 2018 level
- the 2019 Water COSA reflects a need to raise residential rates to balance the overall equity compared to other rates

### Rate revenue needs decreased by AMI transfer funds (\$100,400)

- AMI settlement funds to provide rate relief over 5 years
- 2019 is the second year

### Rate revenue contribution to Water Capital projects fund - \$562,000

- Transfer to Government shared projects - \$39,000

### Industrial Water rates are to be calculated separately

- The COSA and 2019 Budget are currently being addressed

	2014 Actual	2015 Actual	2016 Actual	2017 Actual	3year	2018 Actual		4 year	2019 Budget		5 year
	Rate	Rate	Rate	Rate	% Change	Rate	% Change	% Change	Rate	% Change	% Change
<b>Residential</b>											
Base/month - 1 inch meter	34.18	35.44	36.42	37.34	9.2%	37.64	0.8%	10.1%	39.68	5.4%	16.1%
Usage/cf - up to 1,000	0.0219	0.0227	0.0233	0.0239	9.2%	0.0241	0.8%	10.1%	0.0254	5.4%	16.0%
Usage/cf - 1,001 to 1,500	0.0277	0.0287	0.0295	0.0302	9.2%	0.0305	0.8%	10.0%	0.0321	5.4%	16.0%
Usage/cf - above 1,500	0.0334	0.0346	0.0356	0.0365	9.1%	0.0367	0.8%	10.0%	0.0387	5.4%	16.0%
<b>Commercial/Municipal</b>											
Base/month - 1 inch meter	47.05	51.27	54.83	58.45	24.2%	58.90	0.8%	25.2%	58.90	0.0%	25.2%
Usage/cf	0.0184	0.0200	0.0214	0.0228	23.9%	0.0230	0.8%	24.9%	0.0230	0.0%	24.9%
<b>Irrigation</b>											
Base/month - 1 inch meter	40.51	42.64	47.90	57.59	42.2%	48.93	-15.0%	20.8%	48.93	0.0%	20.8%
Usage/cf	0.0196	0.0206	0.0231	0.0278	42.0%	0.0236	-15.0%	20.6%	0.0236	0.0%	20.6%

Note: Above rates apply to City residents.

0.37% overall rate increase for 2019

- Operational rate increase - .50%
- CSO rate increase - zero

Revenues match expenditures

Rate revenue contribution to Wastewater Capital projects fund - \$783,500

- Transfer to Government shared projects \$39,000

	2015 Actual	2016 Actual		2017 Actual		2018 Actual		2019 Budget	
	Rate	Rate	% Change	Rate	% Change	Rate	% Change	Rate	% Change
<b>Residential</b>									
<b>Base/month-below 430 cf</b>	66.33	51.63	-22.2%	55.16	6.8%	56.55	2.5%	56.83	0.5%
<b>- CSO</b>	-	19.23	100.0%	20.54	6.8%	20.49	-0.2%	20.49	0.0%
<b>Total Rate</b>	66.33	70.86	6.8%	75.70	6.8%	77.04	1.8%	77.32	0.4%
<b>Base/month-at or above 430 cf</b>	71.45	54.86	-23.2%	58.61	6.8%	60.09	2.5%	60.39	0.5%
<b>- CSO</b>	-	21.47	100.0%	22.94	6.8%	22.88	-0.3%	22.88	0.0%
<b>Total Rate</b>	71.45	76.33	6.8%	81.55	6.8%	82.97	1.7%	83.27	0.4%
<b>Commercial/Municipal</b>									
<b>Base/month</b>	19.47	16.26	-16.5%	17.89	10.0%	18.34	2.5%	18.43	0.5%
<b>- CSO</b>	-	5.17	100.0%	5.69	10.1%	5.68	-0.2%	5.68	0.0%
<b>Total Rate</b>	19.47	21.43	10.1%	23.58	10.0%	24.02	1.9%	24.11	0.4%
<b>Consumption/100 cf</b>	6.11	4.95	-19.0%	5.45	10.1%	5.59	2.6%	5.62	0.5%
<b>- CSO</b>	-	1.77	100.0%	1.95	10.2%	1.95	0.0%	1.95	0.0%
<b>Total Rate</b>	6.11	6.72	10.0%	7.40	10.1%	7.54	1.9%	7.57	0.4%

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Questions?