



FY 2015/16 Ord Community Compensation Plan

May 8, 2015

FORA Board Requested Action

- Receive Presentation on FY 2015-2016 Ord Community Service Area Budgets & Plans
- Adopt Resolution No. 15-XX: Approves Compensation Plan for the Ord Community Service Area
- Adopt Resolution No. 15-XX: Approves the Capacity Charge Element of Compensation Plan of the Ord Community Service Area

Meeting & Outreach efforts

- March 12th – Draft Compensation Plan
 - Sent to FORA for distribution to WWOC
- April 1st – WWOC Meeting
 - First discussion on Revised Draft Compensation Plan
 - Provided responses to questions received
- April 15th – WWOC Meeting
 - Further review of Revised Draft Compensation Plan
 - Provided responses to questions received
- April 29th – WWOC Meeting
 - Draft Presentation of FY 2015/16 Ord Community Compensation Plan
 - Committee recommendation to FORA Board to approve Compensation Plan
- **May 8th – FORA Board Meeting**
 - **Presentation of FY 2015/16 Ord**

FY2015/16 Compensation Plan:

- Funds required on-going O&M
- Funds existing debt and coverage requirements
- Provides partial Pay as You Go funding
 - Remaining FY 2015-16 CIP to be Capital Reserve funded
- Expenditures supported by scheduled 9% water rate and 4% sewer rate increase
 - Typical monthly water increase of \$8.75 based on 13 hcf
 - Monthly sewer increase of \$1.10

MCWD Ord System: Background & Statistics

- 4,287 accounts
- 208 miles of water / 112 miles of sewer
- 5 wells and 15 lift stations
- Total Ord asset value - \$141M
- Average life of asset – 47 years
- Annual depreciation - \$3M ($\$141\text{M} \div 47 \text{ yrs}$)

Summary – Compensation Plan Numbers

- Revenues: \$11.395 mil
- Expenses: \$ 7.993 mil
- C I P/Capitalized Equipment: \$ 4.954 mil
- Debt Service (Annual Principal): \$ 2.727 mil
- Capital Repl. Reserve Fund: \$ 0.300 mil
- Transfer from Reserve Fund: \$ 4.579 mil

FORA's approval of the Compensation Plan

- Complies with Facilities Agreement
- Enables future debt
- Funds updated Water & Sewer System Master Plans
- Funds development of Asset Management Program
- Funds / incentivizes conservation programs
- Funds less expensive, preventive maintenance program



Thank You

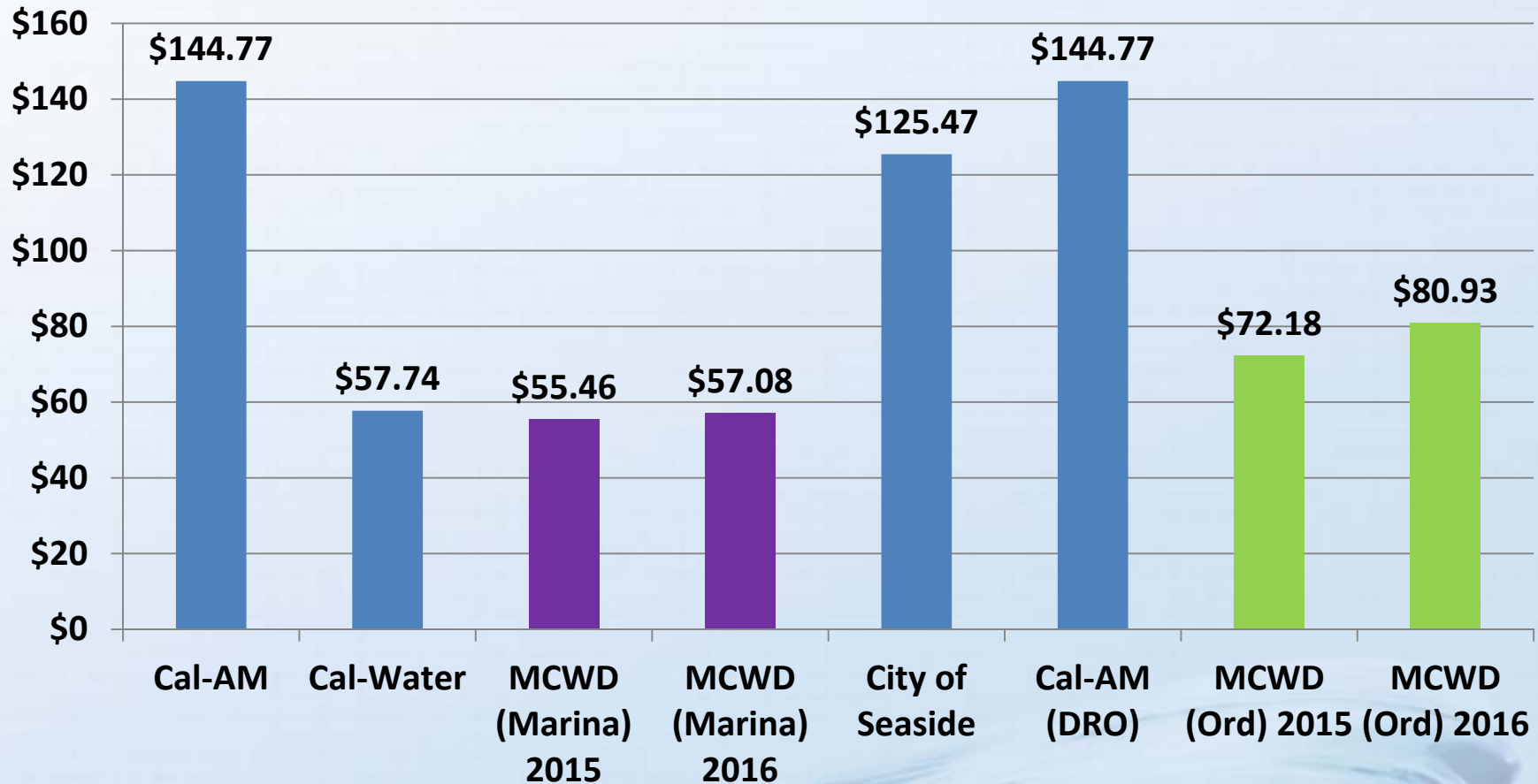
Scheduled Ord Water and Sewer Rates



Description	FY 2013/ 2014	FY 2014/ 2015	FY 2015/ 2016	FY 2016/ 2017	FY 2017/ 2018
Consumption Rates (per hcf)					
0 to 8 hcf	\$2.22	\$2.60	\$2.97	\$3.40	\$3.68
9 to 15 hcf	3.40	3.98	4.56	5.22	5.65
16+ hcf	4.59	5.37	6.14	7.03	7.62
Monthly Service Charges					
5/8" - 3/4"	\$ 28.96	\$ 31.48	\$ 34.37	\$ 37.55	\$ 38.79
1"	45.18	49.11	53.62	58.57	60.51
1 1/2"	72.21	78.49	85.71	93.62	96.71
2"	104.64	113.74	124.20	135.66	140.14
3"	180.37	196.05	214.09	233.85	241.57
4"	288.45	313.52	342.36	373.96	386.31
6"	558.75	607.31	663.18	724.39	748.31
8"	1,099.66	1,195.24	1,305.19	1,425.66	1,472.72
Flat Rate	\$ 98.36	\$112.65	\$127.29	\$143.94	\$153.99
Sewer (EDU)	\$ 26.49	\$ 27.55	\$ 28.65	\$ 29.80	\$ 32.18

Water Rate Comparison

(Based on 13 hcf = hundred cubic feet)



Wastewater Rate Comparison

