

CITY OF BEAVERTON

BUDGET TREND ANALYSIS - FY 2016-17 TO FY 2019-20

With Explanations on Significant Changes between Budgeted 2018-19 and Recommended 2019-20

Fund:		Water Debt Service					
CLASS	Actual FY 2016-17	Actual FY 2017-18	Budget FY 2018-19	Estimated FY 2018-19	Recommended FY 2019-20	% Change Budgeted Vs. Recommended	
Debt Service	\$1,499,208	\$748,426	\$2,184,994	\$2,184,994	\$2,185,648	0.03%	
SUB-TOTAL	\$1,499,208	\$748,426	\$2,184,994	\$2,184,994	\$2,185,648		
Contingency			70,198		70,544		
TOTAL	\$1,499,208	\$748,426	\$2,255,192	\$2,184,994	\$2,256,192		

Explanation of item(s) that are significant (10% and greater than \$10,000):

Debt Service:

No significant changes

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET

FUND: 504 WATER DEBT SERVICE	DEPARTMENT: FINANCE
DEPARTMENT HEAD: PATRICK O'CLAIRE	

MISSION STATEMENT:

Amounts budgeted in this fund are for payment of maturing principal and interest of the Water Revenue and Refunding Bond Series 2016, a Series 2018 Water Revenue Bond and a loan from the State of Oregon Infrastructure Financing Authority (Drinking Water Revolving Fund). Transfer expenditures are for the unspent water revenue bond proceeds and are contributed to the construction fund for the uncompleted water projects included in the bond sale, if any. Contingency is the unappropriated excess of resources over expenditure requirements. Additional Water Revenue bonds are anticipated late in FY 2019-20 for an approximate amount of \$30 million.

REQUIREMENTS	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 BUDGETED	FY 2019-20 PROPOSED	FY 2019-20 ADOPTED
POSITION					
DEBT SERVICE	\$1,499,208	\$748,426	\$2,184,994	\$2,185,648	\$0
TRANSFERS					
CONTINGENCY	0	0	70,198	70,544	0
TOTAL	\$1,499,208	\$748,426	\$2,255,192	\$2,256,192	\$0

Funding Sources:	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2019-20
Beginning Working Capital	\$70,879	\$68,321	\$69,298	\$70,198	\$0
Miscellaneous Revenue	1,490	978	900	1,000	0
Transfers from Water Fund	1,495,160	748,426	2,184,994	2,184,994	0

WATER BONDS

Water Revenue and Refunding Bonds Series 2016 were issued in November 2016, with an interest rate of 1.84% in an original amount of \$5,615,000. The refunding resulted in net present value savings of approximately \$611,104. The proceeds of the initial series 2006 Water Revenue Bond were used to finance the costs of additions, replacements, expansions and/or improvements to the City's Water System, and the acquisition of all real and personal property necessary, useful or convenient thereto and the City's share of the Joint Water Commission capital expansion project. The remaining principal and interest payments for Water Revenue and Refunding Bonds Series 2016 are as follows:

Water Revenue and Refunding Bonds Series 2016			
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2019-2020	\$ 600,000	\$81,788	\$681,788
2020-2021	610,000	70,748	680,748
2021-2022	625,000	59,524	684,524
2022-2023	635,000	48,024	683,024
2023-2024	645,000	36,340	681,340
2024-2025	660,000	24,472	684,472
2025-2026	670,000	12,328	682,328
Total	\$4,445,000	\$333,224	\$4,778,224

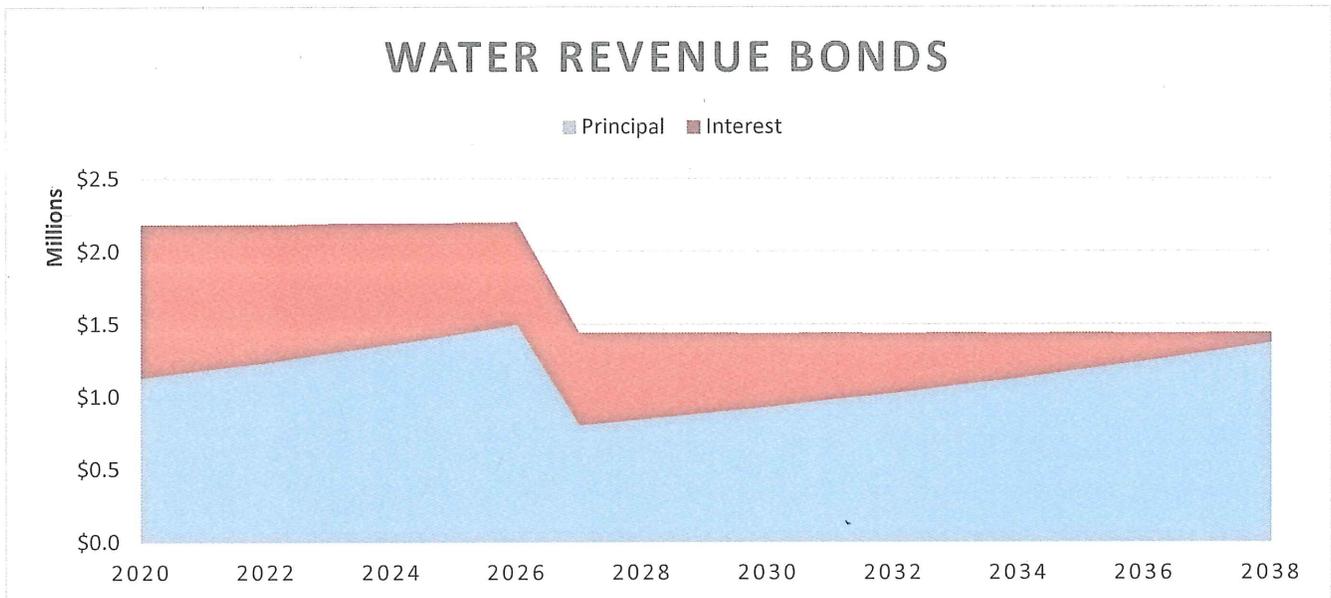
In June 2018, the City issued \$21,000,000 in Water Revenue Bonds at a premium of approximately \$3 million. The bond proceeds will be used to finance the costs of infrastructure construction in the new South Cooper Mountain area: a second 5.5mg reservoir at the existing Cooper Mountain Reservoir site with associate transmission and distribution lines and opportunity projects with other jurisdictions that would result in savings to the City based on the timing of construction.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET

FUND: 504 WATER DEBT SERVICE	DEPARTMENT: FINANCE
	DEPARTMENT HEAD: PATRICK O'CLAIRE

Water Revenue Bonds Series 2018

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2019-20	\$570,000	\$868,750	\$1,438,750
2020-21	600,000	840,250	1,440,250
2021-22	625,000	810,250	1,435,250
2022-23	660,000	779,000	1,439,000
2023-24	690,000	746,000	1,436,000
2024-25	725,000	711,500	1,436,500
2025-26	760,000	675,250	1,435,250
2026-27	800,000	637,250	1,437,250
2027-28	840,000	597,250	1,437,250
2028-29	885,000	555,250	1,440,250
2029-30	925,000	511,000	1,436,000
2030-31	975,000	464,750	1,439,750
2031-32	1,020,000	416,000	1,436,000
2032-33	1,075,000	365,000	1,440,000
2033-34	1,125,000	311,250	1,436,250
2034-35	1,185,000	255,000	1,440,000
2035-36	1,240,000	195,750	1,435,750
2036-37	1,305,000	133,750	1,438,750
2037-38	1,370,000	68,500	1,438,500
Total	\$17,375,000	\$9,941,750	\$27,316,750



Combined Debt Service Projections (2016 + 2018 Series)

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET

FUND: 504 WATER DEBT SERVICE	DEPARTMENT: FINANCE
	DEPARTMENT HEAD: PATRICK O'CLAIRE

SAFE DRINKING WATER REVOLVING LOAN

The City entered into a financing contract with the State of Oregon, acting by and through the Oregon Infrastructure Finance Authority (IFA), for the financing of the Aquifer Storage and Recovery Well Number 5. The loan is federal financial assistance under Capitalization Grants for Drinking Water State Revolving Funds and is pass-thru financing from the State. The IFA provides the City with a 20 year non-revolving loan with an interest rate of 2.96% in the amount of \$5,000,000 of which \$750,000 is a forgivable loan, leaving a remaining loan of \$4,250,000. The allowance of a \$750,000 “forgivable” portion of the loan brings the net interest rate to nearly zero.

Repayment starts 90 days after the project completion date and are due and payable each December 1. Repayment is expected to begin sometime in FY 20-21 and the schedule is dependent on the rate of expenditure and draw-down of funds. Future budgets will contain detail on these obligations.

Performance Measures:	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
	Actual	Actual	Budgeted/Revised	Proposed
Water Revenue Bond Debt Service Ratio Coverage	4.38	9.90	2.42	2.30

BUDGET PREPARATION WORKSHEET SUMMARY

FUND: 504 WATER DEBT SERVICE FUND

DEPT: 03 REVENUE

OBJ	2017 - ACTUAL		2018 - ACTUAL		2019 BUDGETED		2019 YTD	2019	2020 - PROPOSED		2020 - RECOMD		2020 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	ACT AMT	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE

CLASS: 05 BEGINNING WORKING CAPITAL

301 BEGINNING WORKING CAPITAL

	-70,879		-68,321		-69,298		-69,298	-69,298	-70,198		-70,198			
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TOTAL CLASS: 05 BEGINNING WORKING CAPITAL

	-70,879		-68,321		-69,298		-69,298	-69,298	-70,198		-70,198			
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CLASS: 35 MISCELLANEOUS REVENUES

384 INVESTMENT INTEREST EARNINGS

	-1,490		-978		-900		-412	-900	-1,000		-1,000			
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TOTAL CLASS: 35 MISCELLANEOUS REVENUES

	-1,490		-978		-900		-412	-900	-1,000		-1,000			
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CLASS: 40 INTERFUND TRANSFERS/LOANS

419 TRSFERS FROM WATER FUND

	-1,495,160		-748,426		-2,184,994		-1,548,671	-2,184,994	-2,184,994		-2,184,994			
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TOTAL CLASS: 40 INTERFUND TRANSFERS/LOANS

	-1,495,160		-748,426		-2,184,994		-1,548,671	-2,184,994	-2,184,994		-2,184,994			
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TOTAL DEPARTMENT: 03 REVENUE

	-1,567,529		-817,725		-2,255,192		-1,618,381	-2,255,192	-2,256,192		-2,256,192			
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543

BUDGET PREPARATION WORKSHEET SUMMARY

FUND: 504 WATER DEBT SERVICE FUND

DEPT: 85 PUBLIC WORKS - OPERATIONS

OBJ	2017 - ACTUAL		2018 - ACTUAL		2019 BUDGETED		2019 YTD	2019	2020 - PROPOSED		2020 - RECOMD		2020 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	ACT AMT	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE

CLASS: 20 DEBT SERVICE

708 BOND PRINCIPAL 2006

425,000

719 2018 BOND PRINCIPAL WTR REV BOND

750,000

750,000

750,000

570,000

570,000

720 2018 BOND INTEREST WTR REV BOND

687,240

687,240

687,240

868,750

868,750

741 BOND PRIN 2014 WATER REV BONDS

751,225

742 BOND INTRST 2014 WTR REV BONDS

11,118

743 2016 BOND PRIN - REFUND 2006 REV BONDS

580,000

590,000

590,000

600,000

600,000

744 2016 BOND INT - REFUND 2006 REV BONDS

58,259

103,316

92,644

46,322

92,644

81,788

81,788

755 BOND INTEREST 2006

127,096

798 CONTRACTUAL DEBT

65,110

65,110

65,110

65,110

65,110

65,110

65,110

799 DEBT SERVICE FEES

61,400

TOTAL CLASS: 20 DEBT SERVICE

1,499,208

748,426

2,184,994

1,548,672

2,184,994

2,185,648

2,185,648

CLASS: 30 FUND BAL/CONTINGENCY/RESERVES

992 UNAPPROPRIATED ENDING FUND BAL

BUDGET PREPARATION WORKSHEET SUMMARY

FUND: 504 WATER DEBT SERVICE FUND

DEPT: 85 PUBLIC WORKS - OPERATIONS

OBJ	2017 - ACTUAL		2018 - ACTUAL		2019 BUDGETED		2019 YTD	2019	2020 - PROPOSED		2020 - RECOMD		2020 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	ACT AMT	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE
					70,198				70,544		70,544			
TOTAL CLASS: 30 FUND BAL/CONTINGENCY/RESERVES														
					70,198				70,544		70,544			
TOTAL DEPARTMENT: 85 PUBLIC WORKS - OPERATIONS														
	1,499,208		748,426		2,255,192		1,548,672	2,184,994	2,256,192		2,256,192			

545

City of Beaverton - Finance
 Budget Preparation - 2020

BP WORKSHEET & JUSTIFICATION

FUND: 504 WATER DEBT SERVICE FUND
 DEPT: 03 REVENUE
 PROGRAM: 0000 UNRESTRICTED

OBJ	2017 - ACTUAL		2018 - ACTUAL		2019 BUDGETED		2019	2020 - PROPOSED		2020 - RECOMD		2020 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE
CLASS: 05 BEGINNING WORKING CAPITAL													
301	BEGINNING WORKING CAPITAL												
	70,879		68,321		69,298		69,298	70,198		70,198		70,198	
TOTAL CLASS: 05 BEGINNING WORKING CAPITAL													
	70,879		68,321		69,298		69,298	70,198		70,198		70,198	
CLASS: 35 MISCELLANEOUS REVENUES													
384	INVESTMENT INTEREST EARNINGS												
	1,490		978		900		900	1,000		1,000		1,000	
TOTAL CLASS: 35 MISCELLANEOUS REVENUES													
	1,490		978		900		900	1,000		1,000		1,000	
CLASS: 40 INTERFUND TRANSFERS/LOANS													
419	TRSFERS FROM WATER FUND												
	1,495,160		748,426		2,184,994		2,184,994	2,184,994		2,184,994		2,184,994	
TOTAL CLASS: 40 INTERFUND TRANSFERS/LOANS													
	1,495,160		748,426		2,184,994		2,184,994	2,184,994		2,184,994		2,184,994	
TOTAL PROGRAM: 0000 UNRESTRICTED													
	1,567,529		817,725		2,255,192		2,255,192	2,256,192		2,256,192		2,256,192	
TOTAL DEPARTMENT: 03 REVENUE													
	1,567,529		817,725		2,255,192		2,255,192	2,256,192		2,256,192		2,256,192	

BP WORKSHEET & JUSTIFICATION

FUND: 504 WATER DEBT SERVICE FUND
 DEPT: 03 REVENUE
 PROGRAM: 0000 UNRESTRICTED

OBJ	OBJECT DESCRIPTION
	JUSTIFICATIONS

301 BEGINNING WORKING CAPITAL

384 INVESTMENT INTEREST EARNINGS

INTEREST EARNINGS IS BASED ON AVAILABLE CASH BALANCES AND INTEREST RATES:
 FY 16-17 BUDGETED INTEREST EARNINGS ARE BASED UPON .55%
 FY 17-18 BUDGETED INTEREST EARNINGS ARE BASED UPON 1.10%
 FY 18-19 BUDGETED INTEREST EARNINGS ARE BASED UPON 1.75% FY 19-20 BUDGETED INTEREST EARNINGS ARE BASED UPON 3.00% \$1,000

419 TRSFERS FROM WATER FUND

FY 2017- 18 COVERS DEBT SERVICE FOR:
 2016 WATER REFUNDING BOND (REFUNDING THE 2006 BOND ISSUE)
 BUREAU OF RECLAMATION FOR 2 WATER RIGHTS CONTRACTS TOTALING 4,000 AC FT IN THE SCOGGINS RESERVOIR AND DAM.
 FY 2018-19 COVERS DEBT SERVICE FOR:
 2016 WATER REFUNDING BOND (REFUNDING THE 2006 BOND ISSUE)
 BUREAU OF RECLAMATION FOR 2 WATER RIGHTS CONTRACTS TOTALING 4,000 AC FT IN THE SCOGGINS RESERVOIR AND DAM.
 2018 NEW \$21 MILLION WATER REVENUE BOND ISSUE
 FY 2019-20 COVERS DEBT SERVICE FOR: \$2,184,994
 2016 WATER REFUNDING BOND (REFUNDING THE 2006 BOND ISSUE) \$681,738
 2018 \$21 MILLION WATER REVENUE BOND ISSUE \$1,438,750
 BUREAU OF RECLAMATION FOR 2 WATER RIGHTS CONTRACTS TOTALING 4,000 AC FT IN THE SCOGGINS RESERVOIR AND DAM. \$65,110

City of Beaverton - Finance
 Budget Preparation - 2020

BP WORKSHEET & JUSTIFICATION

FUND: 504 WATER DEBT SERVICE FUND
 DEPT: 85 PUBLIC WORKS - OPERATIONS
 PROGRAM: 0001 DEBT SERVICE

OBJ	2017 - ACTUAL		2018 - ACTUAL		2019 BUDGETED		2019	2020 - PROPOSED		2020 - RECOMD		2020 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE

CLASS: 20 DEBT SERVICE

708	BOND PRINCIPAL 2006		425,000										
719	2018 BOND PRINCIPAL WTR REV BOND				750,000		750,000	570,000		570,000			
720	2018 BOND INTEREST WTR REV BOND				687,240		687,240	868,750		868,750			
741	BOND PRIN 2014 WATER REV BONDS		751,225										
742	BOND INTRST 2014 WTR REV BONDS		11,118										
743	2016 BOND PRIN - REFUND 2006 REV BONDS		580,000		590,000		590,000	600,000		600,000			
744	2016 BOND INT - REFUND 2006 REV BONDS		58,259	103,316	92,644		92,644	81,788		81,788			
755	BOND INTEREST 2006		127,096										
798	CONTRACTUAL DEBT		65,110	65,110	65,110		65,110	65,110		65,110			
799	DEBT SERVICE FEES		61,400										
TOTAL CLASS: 20 DEBT SERVICE													
	1,499,208		748,426		2,184,994		2,184,994	2,185,648		2,185,648			

CLASS: 30 FUND BAL/CONTINGENCY/RESERVES

992	UNAPPROPRIATED ENDING FUND BAL				70,198			70,544		70,544			
TOTAL CLASS: 30 FUND BAL/CONTINGENCY/RESERVES													
					70,198			70,544		70,544			

TOTAL PROGRAM: 0001 DEBT SERVICE

	1,499,208		748,426		2,255,192		2,184,994	2,256,192		2,256,192			
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TOTAL DEPARTMENT: 85 PUBLIC WORKS - OPERATIONS

	1,499,208		748,426		2,255,192		2,184,994	2,256,192		2,256,192			
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TOTAL FUND: 504 WATER DEBT SERVICE FUND

	1,499,208		748,426		2,255,192		2,184,994	2,256,192		2,256,192			
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BP WORKSHEET & JUSTIFICATION

FUND: 504 WATER DEBT SERVICE FUND
 DEPT: 85 PUBLIC WORKS - OPERATIONS
 PROGRAM: 0001 DEBT SERVICE

OBJ	OBJECT DESCRIPTION	JUSTIFICATIONS
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708	BOND PRINCIPAL 2006 PRINCIPAL PAYMENT 2006 BOND ISSUE. THESE BOND WERE REFUNDED IN FY 2016-17 WITH THE 2014 WATER REVENUE REFUNDING BOND ISSUE.	
719	2018 BOND PRINCIPAL WTR REV BOND BOND PRINCIPAL 2018 WATER REVENUE BONDS. PRINCIPAL PAYMENTS BEGAN FY 2018-19 AND WILL END IN FY 2037-38 FY 2019-20 PRINCIPAL PAYMENT \$570,000	
720	2018 BOND INTEREST WTR REV BOND BOND INTEREST 2018 WATER REVENUE BONDS. INTEREST PAYMENTS BEGAN IN FY 2018-19 AND WILL END IN FY 2037-38 FY 2019-20 BOND INTERST PAYMENT \$868,750	
741	BOND PRIN 2014 WATER REV BONDS 2014 WATER REVENUE REFUNDING BONDS MATURED IN FY 2016-17	
742	BOND INTRST 2014 WTR REV BONDS 2014 WATER REVENUE REFUNDING BONDS MATURED IN FY 2016-17	
743	2016 BOND PRIN - REFUND 2006 REV BONDS BOND PRINCIPAL 2016 WATER REVENUE REFUNDING BONDS. THIS BOND ISSUE REFUNDED THE REMAINING 2006 BONDS. THE PRINCIPAL PAYMENTS BEGAN IN FY 2017-18 AND WILL END IN FY 2025-26 FY 2019-20 BOND PRINCIPAL PAYMENT \$600,000	
744	2016 BOND INT - REFUND 2006 REV BONDS BOND INTEREST 2016 WATER REVENUE REFUNDING BONDS. THIS BOND ISSUE REFUNDED THE REMAINING 2006 BONDS. THE PRINCIPAL PAYMENTS BEGAN IN FY 2016-17 AND WILL END IN FY 2025-26 FY 2019-20 BOND INTEREST PAYMENT \$81,788	
755	BOND INTEREST 2006 PRINCIPAL PAYMENT 2006 BOND ISSUE. THESE BOND WERE REFUNDED IN FY 2016-17 WITH THE 2014 WATER REVENUE REFUNDING BOND ISSUE.	
798	CONTRACTUAL DEBT DEBT ON SCOGGINS DAM \$65,110	
799	DEBT SERVICE FEES DEBT SERVICE FEES FOR BOND PAYING AGENT SERVICES	

992 UNAPPROPRIATED ENDING FUND BAL