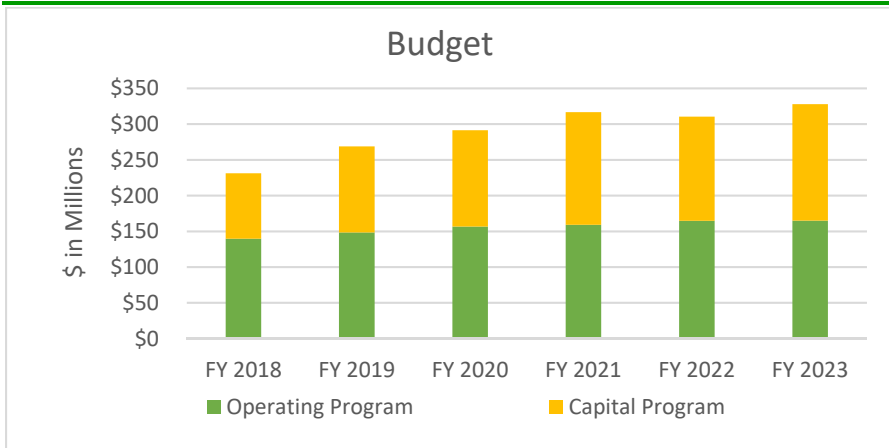


## BUDGET



### FUTURE UPDATES

#### Operating Budget

- FY 2018 Fall BuMP
- Strategic Plan
- Escalation Factors
- FY19-23 Operating Plan

#### Capital Program

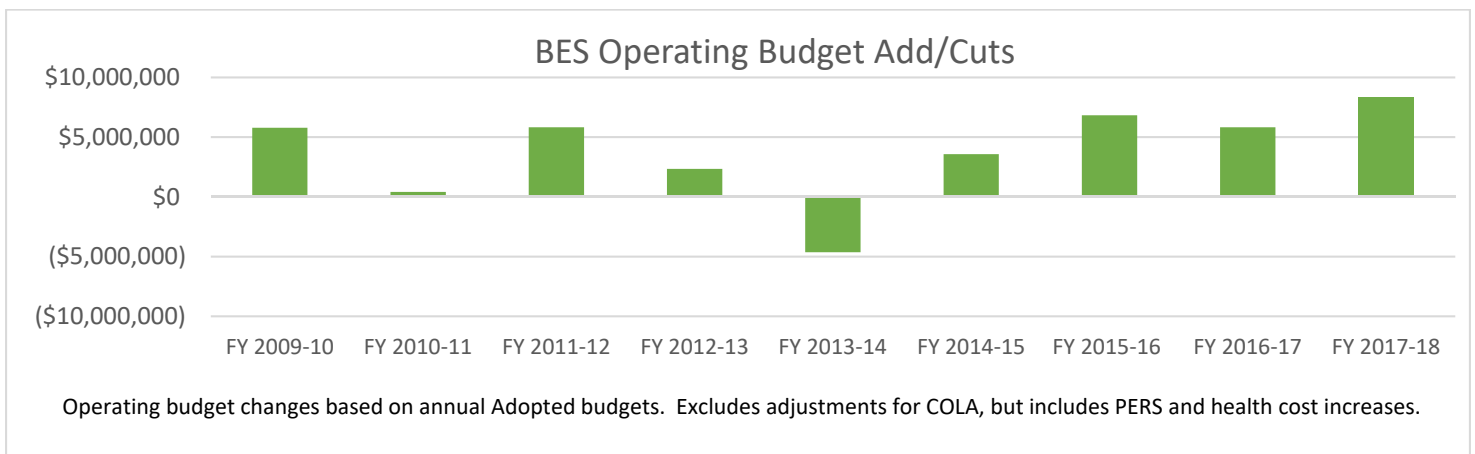
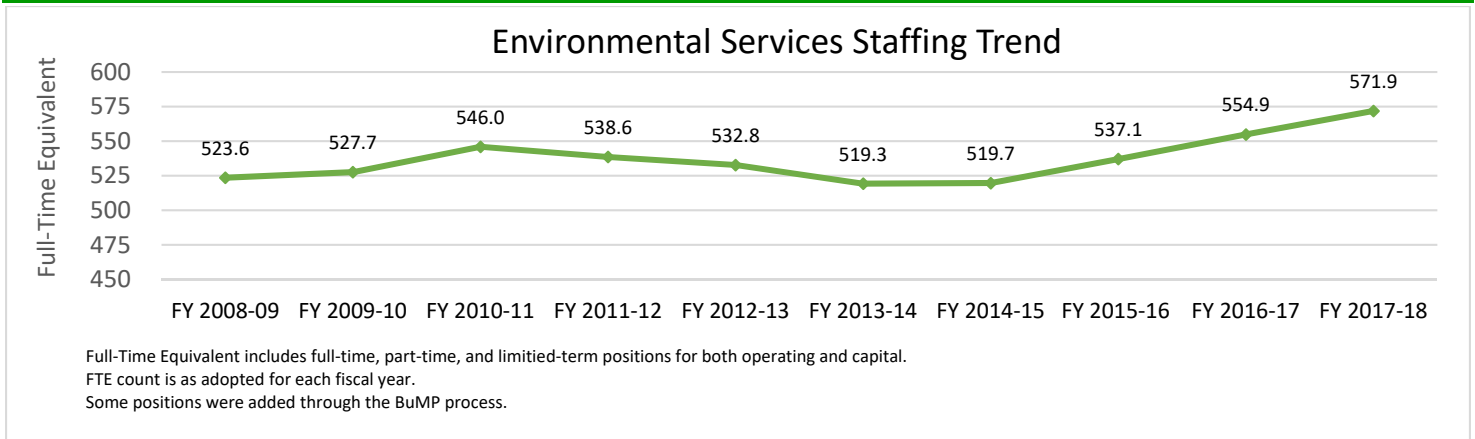
- CBWTP Secondary

(Dollars in Millions)	Fiscal Year Ending in Year					
	2018	2019	2020	2021	2022	2023
<b>Operating Program<sup>a</sup></b>	<b>\$139.7</b>	<b>\$148.5</b>	<b>\$156.7</b>	<b>\$159.2</b>	<b>\$164.7</b>	<b>\$165.1</b>
percent change		6.3%	5.5%	1.6%	3.5%	0.2%
<b>Capital Program<sup>b</sup></b>	<b>\$91.5</b>	<b>\$120.4</b>	<b>\$134.8</b>	<b>\$157.5</b>	<b>\$145.7</b>	<b>\$162.9</b>

<sup>a</sup> Operating Program includes inflation calculated from City Economist escalation rates of costs for labor, materials, and services.

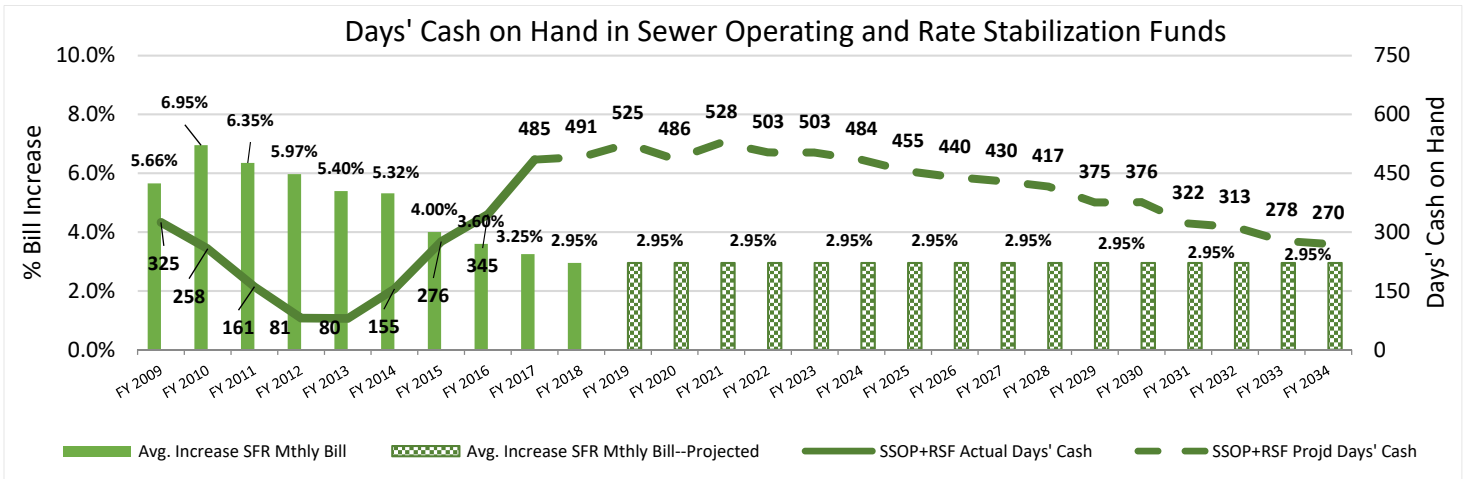
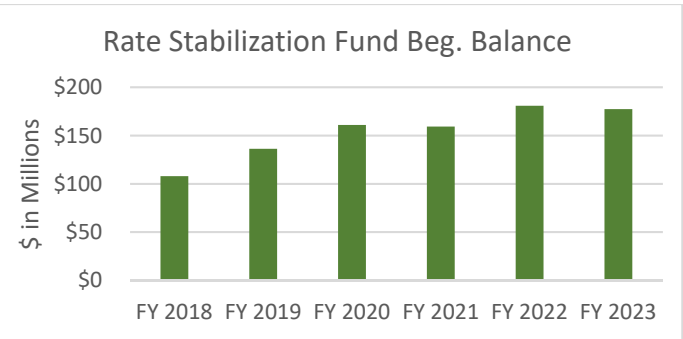
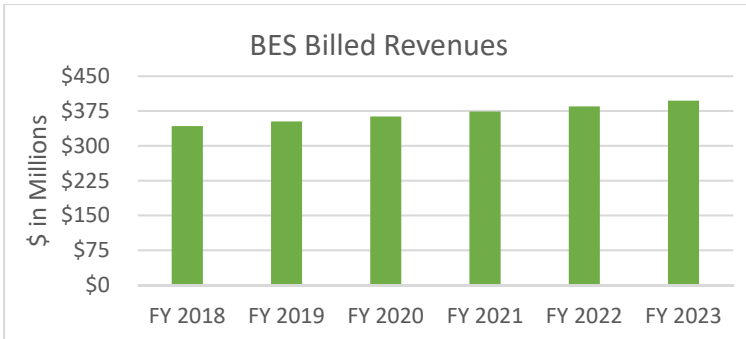
<sup>b</sup> Capital Program includes direct project costs only, BES's share of the Portland Building Renovation Project, and inflation.

## STAFFING AND BUDGET HISTORY

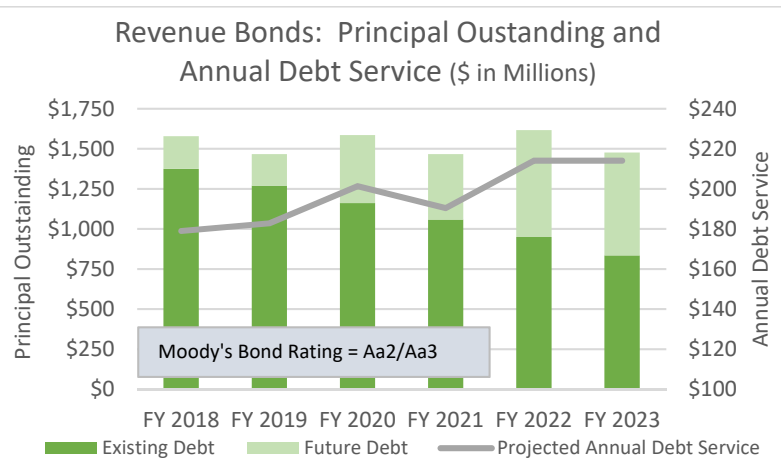
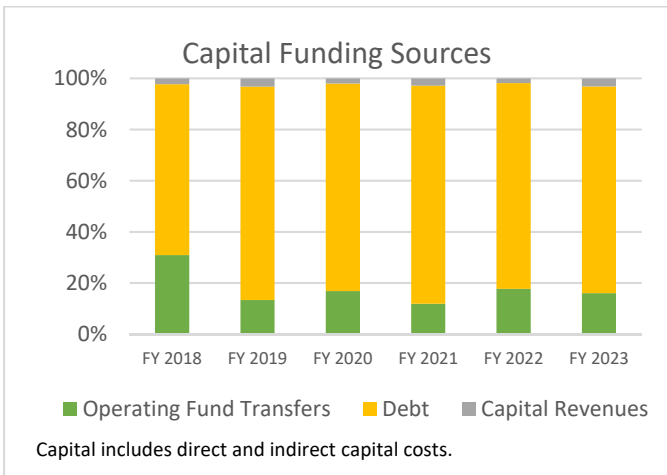


## RETAIL RATES, REVENUES, RATE STABILIZATION

	Fiscal Year Ending in Year				
Forecast % Increase in Average Single-Family Monthly Bill	2019	2020	2021	2022	2023
	2.95%	2.95%	2.95%	2.95%	2.95%
Financial Plan Avg. Bill Increase	2014	2015	2016	2017	2018
Adopted Avg. Bill Increase	6.5%	4.0%	3.85%	3.45%	2.85%
	5.4%	4.0%	3.6%	3.25%	2.95%



## BOND SALES



### FUTURE UPDATES

- 2018 Issue targeted for Spring 2018.
- The timing of future bond issues and issuance amounts will be updated with the Five-Year Capital Program.

**RETAIL RATE DRIVERS AND IMPACTS TO FORECAST**

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**POSITIVE DRIVERS**

- Current Strong Economy/SDCs
- Low near-term Inflation
- Strong Fund Balances
- Recent Bond Refinancings

**NEGATIVE DRIVERS**

- Regulatory Risk
- Increasing Pension/Healthcare Costs
- Future CIP/Operating Needs
  - Portland Building
  - Portland Harbor
  - Delayed Maintenance
  - Stormwater System Planning
  - Seismic Resiliency
  - Treatment Plants



**DRIVER IMPACTS UNDETERMINED**

- Escalation Factors
  - Cost of Living Adjustments
  - Interest Earnings Rates
- Future Development/SDC growth or decline
- Labor Contracts
- Retail Demand
- RCNG Revenues
- Low Income Program Expansion
- Capital Program Updates
  - CBWTP Secondary Expansion
  - Condition Assessment
  - Portland Building Renovation
- Portland Harbor Liability
- Interagency/General Fund Overhead

## **SCHEDULE AND PROCESS**

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### **Now through November**

- “Big Picture” presented to PUB (11/7)
- Publish Strategic Plan & CIP PREP Phase I Report
- Bureau Leadership Team review and refine 5-Year Plan projections and Preliminary FY 2018-19 Operating Budget.
- Preliminary 5-Year Capital Program completed and presented to PUB (11/21)
- Development of decision packages and draft narratives

### **December**

- Review Preliminary FY 2018-19 operating budget, draft decision packages, and potential staffing requests with PUB (12/5).
- Begin technical budget development and refine narratives.

### **January**

- Budget status update to PUB (1/9)
- Prepare FY 2019-23 Preliminary Financial Plan
- Submit FY 2018-19 Requested Budget

### **February**

- Budget update to PUB (2/6)