



BUDGET INCLUDES THE FOLLOWING KEY DELIVERABLES:

- Annual Assessment requirement
- Operating / Development / Replacement Reserve / NM&E Funds components
- Reserve Study update / Capital Spend Plan
- Rates and Fees Schedules

ASSESSMENT GROWTH RATES

COMPOUNDED ANNUAL GROWTH RATES TO 2018

	5 YEAR	10 YEAR	20 YEAR
Operating	3.5%	3.6%	4.3%
Capital	6.1%	6.9%	7.9%
Combined Total	4.8%	5.1%	5.8%

RECENT CHALLENGES + OPPORTUNITIES



Capital improvement reserve funds for aging facilities



Federal and state regulatory cost pressures (California minimum wage increases \$1/9% from \$11 to \$12, effective 1/1/2019)



Addressing strategic guidance drivers