

City of Tarpon Springs - FY 2018 Water & Sewer Revenue Sufficiency Analysis

Assumptions & Preliminary Results Workbook



Preliminary Financial Management Plan

Assumptions

Schedule 1

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<u>Annual System Growth:</u>											
Water System Connections	10,853	10,878	10,903	10,928	10,953	10,978	11,003	11,028	11,053	11,078	11,103
Growth in Water System Connections	25	25	25	25	25	25	25	25	25	25	25
% Increase in Connections	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%
% Increase in Usage (100% of Connection Growth)	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%
Sewer System Connections	8,314	8,369	8,394	8,419	8,444	8,469	8,494	8,519	8,544	8,569	8,594
Growth in Sewer System Connections ⁽¹⁾	85	55	25	25	25	25	25	25	25	25	25
% Increase in Connections	1.03%	0.66%	0.30%	0.30%	0.30%	0.30%	0.30%	0.29%	0.29%	0.29%	0.29%
% Increase in Usage (100% of Connection Growth)	1.03%	0.66%	0.30%	0.30%	0.30%	0.30%	0.30%	0.29%	0.29%	0.29%	0.29%
<u>Annual Price Elasticity:</u>											
Applicable to Usage Charge Revenue	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
<u>Impact Fee Per ERC: ⁽²⁾</u>											
Water System	\$ 2,347	2,417	2,490	2,565	2,642	2,721	2,802	2,887	2,973	3,062	3,154
Sewer System	\$ 1,577	1,624	1,673	1,723	1,775	1,828	1,883	1,940	1,998	2,058	2,119
<u>Average Annual Interest Earnings Rate: ⁽³⁾</u>											
Water & Sewer Enterprise Fund	0.23%	1.00%	1.25%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
<u>Working Capital Reserve:</u>											
Target (Number of Months of Operating Expenses)	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<u>Operating Cost Escalation - Personal Services:</u>											
23 Life & Health Insurance	N/A	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
All Other Personal Services	N/A	2.00%	2.00%	3.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
<u>Annual Cost Escalation - Operating & Maintenance:</u>											
43 Utility Services	N/A	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
43-01 Water Service	N/A	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
45 Insurance	N/A	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
52 Operating Supplies	N/A	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
53 Road Materials & Supplies	N/A	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
All Other Operating & Maintenance	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Weighted Average Cost Escalation - All Operating	N/A	5.68%	3.33%	3.83%	4.32%	4.34%	4.36%	4.38%	4.41%	4.43%	4.45%
<u>Annual Cost Escalation - Minor Capital Outlays ⁽⁵⁾</u>											
64 Machinery & Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<u>Annual Cost Escalation - Interfund Transfers</u>											
91 Transfers	N/A	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
<u>Operating Expenses Execution Rates:</u>											
Personal Services	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Operating & Maintenance (Excl. Water Supply)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Purchased Water / Water Treatment Plant	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Preliminary Financial Management Plan

Assumptions

Schedule 1

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
<u>Minor Capital Outlays Execution Rate:</u>											
64 Machinery & Equipment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<u>Capital Spending Execution Rate:</u>											
% of Capital Budget	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	88.0%	75.0%	75.0%	75.0%

- (1) Accounting for future sewer system expansion phases, 60 additional new sewer connections are reflected in FY 2018, followed by 30 additional new sewer connections in FY 2019.
- (2) Reflects annual cost escalation rate of 3.00%, based upon the average annual change in ENR-CCI.
- (3) FY 2018 interest earnings rates have been calibrated to generate budgeted FY 2018 interest earnings revenue. Beginning in FY 2019, annual interest earnings revenue is calculated based upon projected average annual fund balances and assumed annual interest earnings rates.
- (4) In addition to assumed annual cost escalation, FY 2019 operating costs reflect incremental increases associated with the provision of sewer service as well as the impacts associated with a proposed position re-org.
- (5) FY 2018 minor capital outlays are as budgeted (as verified by City staff on January 29, 2018). Future minor capital outlays include the schedule of vehicle and computer requirements discussed with City staff on January 26, 2018 and verified on January 29, 2018, plus adjustments for vehicles in FY 2020 and FY 2024 identified in the City's 10-year CIP (as verified by City staff on January 29, 2018).

Fund Balances as of Sept. 30, 2017 ⁽¹⁾

Schedule 2

FUND BALANCES	9/30/2017
Water Impact Fees	\$ 826,454
Sewer Impact Fees	452,119
Construction Fund	160,408
Renewal & Replacement ⁽²⁾	737,761
Revenue Fund	5,847,946
Restricted Reserves ⁽³⁾	2,045,894
TOTAL CONSOLIDATED FUND BALANCE	\$ 10,070,581

	Revenue Fund	Water Impact Fees	Sewer Impact Fees	Construction Fund	Renewal & Replacement	Restricted Reserves
CURRENT ASSETS						
Cash and Cash Equivalents	\$ 2,530,255	353,699	393,321	160,408	737,761	2,045,894
Investments	5,325,952	476,924	359,964	-	-	-
Interest Receivables	24,468	2,051	6,553	-	-	-
Accounts Receivables - Billed (Net of Uncollectible)	1,499,629	(1,038)	6,642	-	-	-
Inventories	165,409	-	-	-	-	-
Prepaid Items	111,397	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-
TOTAL CURRENT ASSETS	\$ 9,657,110	831,637	766,480	160,408	737,761	2,045,894
Less: Accounts Payable	(498,216)	-	-	-	-	-
Less: Contracts Payable	(31,470)	-	-	-	-	-
Less: Accrued Liabilities	(31,865)	-	-	-	-	-
Less: Deferred Revenue	(7,383)	1,031	(11,792)	-	-	-
Less: Bonds Payable	-	-	-	-	-	-
CALCULATED FUND BALANCE	\$ 9,088,177	832,668	754,688	160,408	737,761	2,045,894
Plus/(Less): Restricted - Other Contractual Obligations	\$ (276,807)	-	-	-	-	-
Plus/(Less): Restricted - Encumbrances	-	(6,214)	-	-	-	-
Plus/(Less): Unrestricted - Encumbrances	(2,574,407)	-	(302,569)	-	-	-
Plus/(Less): Unrestricted - Insurance	(45,646)	-	-	-	-	-
Plus/(Less): Reconciliation to Trial Balances, as of 1/26/18	(343,372)	-	-	-	-	-
NET UNRESTRICTED FUND BALANCE	\$ 5,847,946	826,454	452,119	160,408	737,761	2,045,894

(1) Based upon unaudited 2017 Trial Balances, as of September 30, 2017 (report run on January 25, 2018, and adjusted January 26, 2018).

(2) Represents minimum Renewal & Replacement Fund balance requirement.

(3) Represents funds restricted for debt service reserve.

Preliminary Financial Management Plan

Capital Improvement Program ⁽¹⁾

Schedule 3

PROJECT DESCRIPTION:	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1 <u>ROWF Projects</u>											
2 Additional CIP Costs ⁽²⁾	\$ 250,000	125,000	100,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
3 Future Raw Water Wells	350,000	1,275,000	350,000	-	-	400,000	-	400,000	-	-	-
4 Generators/Electrical Upgrades	450,000	-	-	-	-	1,200,000	-	-	-	-	-
5 Well Field Improvements/Meters/VFD/Pumps/Controls/Security	75,000	-	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
6 Membrane Element Replacement	-	-	-	-	-	-	-	500,000	-	-	-
7 Solar/Energy Efficiency Improvements	1,200,000	-	-	-	800,000	-	-	-	500,000	-	-
8 4305 Buildings	-	-	100,000	-	80,000	-	-	-	-	-	-
9 Outfall Permit Renewal	-	45,000	-	-	-	-	-	-	-	-	-
10 <u>Water Supply / Well Systems Projects</u>											
11 Well Improvements, Hydrant Flushing Automation	\$ 25,000	10,000	45,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
12 SCADA Improvements/Flow Meters	-	20,000	25,000	-	25,000	-	25,000	-	25,000	-	-
13 Compliance Monitoring Equipment	-	15,000	-	15,000	-	25,000	-	25,000	-	25,000	-
14 Control System	-	20,000	-	-	-	-	-	-	-	-	-
15 Data Management System	60,000	-	-	-	-	-	-	-	-	-	-
16 Water Conservation Programs	-	20,000	50,000	50,000	30,000	-	-	-	-	-	-
17 <u>Water Distribution Projects</u>											
18 Hydrant improvements and assessments	\$ -	100,000	300,000	200,000	200,000	50,000	50,000	50,000	50,000	50,000	50,000
19 Miscellaneous Improvements/Major Repairs	-	50,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
20 Water Pipe/Valve Replacement Program	500,000	500,000	600,000	600,000	700,000	700,000	700,000	700,000	650,000	700,000	600,000
21 Water Distribution Assessment Planning/Engineering	-	131,250	-	-	-	-	-	-	-	-	-
22 Geographical Information System (GIS)	60,000	100,000	40,000	40,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
23 Utilities for Other Projects (Water)	-	200,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	175,000
24 Major water line replacement (20" segment)	-	-	-	-	-	-	-	-	-	-	1,150,000
25 Beckett Bridge utility replacement-water portion	-	-	300,000	-	-	-	-	-	-	-	-
26 <u>Meter Repair/Backflow</u>											
27 Meter Change Out/Upgrade Program	\$ 225,000	125,000	125,000	100,000	100,000	100,000	100,000	100,000	100,000	75,000	75,000
28 General Building Repairs- Meter Repair/Backflow	-	-	-	-	10,000	-	-	-	-	-	-
29 <u>Sewage Collection Projects</u>											
30 Force Main Evaluation	\$ -	150,000	-	-	-	-	150,000	-	-	-	-
31 Force Main Improvements	-	-	150,000	450,000	-	-	-	150,000	300,000	-	-
32 Sewer System Improvements - Manhole and Sewer Line Rehab	250,000	225,000	200,000	250,000	300,000	250,000	300,000	400,000	300,000	300,000	400,000
33 Seabreeze Drive Sewer Expansion (Engineering)	-	210,000	-	-	-	-	-	-	-	-	-
34 Seabreeze Drive Sewer Expansion (Construction)	-	-	1,400,000	-	-	-	-	-	-	-	-
35 Miscellaneous Sewer Expansion	-	200,000	-	250,000	-	250,000	-	250,000	-	250,000	-
36 Utilities for Other Projects (Sewer) ⁽³⁾	-	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
37 <u>Sewage Treatment Projects</u>											
38 Filter Rehab	\$ -	-	-	-	-	40,000	-	-	-	-	-
39 Corrosion Control Program	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
40 Scada Upgrade	-	-	50,000	-	-	-	150,000	-	-	-	-
41 Pump Station Rehabs	50,000	75,000	100,000	20,000	75,000	350,000	75,000	20,000	75,000	-	-
42 Disinfection System Upgrade (UV/Ozone/Bleach)	-	-	-	-	-	-	150,000	-	40,000	-	-
43 Security Improvements	20,000	-	20,000	-	20,000	-	20,000	-	20,000	-	-
44 Sludge Process Improvements	-	-	-	75,000	-	-	-	110,000	950,000	-	-
45 Bar Screen/Headworks Rehab/Grit	-	-	180,000	-	-	200,000	-	-	-	-	-
46 Plant Repermitting	-	90,000	-	-	-	-	100,000	-	-	-	-
47 I.R. Pump Upgrade (Meters/VFD's/Rail System)	-	200,000	-	-	-	-	200,000	-	-	-	-

Preliminary Financial Management Plan

Capital Improvement Program ⁽¹⁾

Schedule 3

PROJECT DESCRIPTION:	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
48 Chemical Feed Systems Upgrade	-	-	-	80,000	-	-	-	20,000	-	-	-
49 Plant Electrical System Upgrade	90,000	-	-	100,000	-	-	-	-	200,000	1,600,000	-
50 Clean All Basins	50,000	-	-	-	-	-	-	60,000	-	-	-
51 Second Grit Removal System	-	-	-	-	-	110,000	-	-	-	-	-
52 Repave Treatment Plant Roadway	-	-	-	-	-	40,000	-	-	-	-	-
53 Odor Control Improvements	-	50,000	-	-	-	-	50,000	-	-	-	-
54 Biological Process Evaluation Future Expansion (MBR/UF/NF)	-	-	-	-	-	-	-	100,000	-	-	-
55 Basin Rehab: Main Treatment Basin	-	-	-	-	100,000	-	-	-	-	-	-
56 Buildings Improvements/Upgrades	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	350,000	25,000	25,000
57 Return Activated Sludge Pump Replacement	-	-	-	50,000	-	-	-	-	-	-	-
58 Main Generator and Switch Gear Replacement	-	-	-	-	-	-	-	-	-	900,000	-
59 Reclaimed Pump Station Replacement	-	-	-	-	200,000	-	800,000	-	-	-	-
60 D002 IMPROVEMENT	-	250,000	-	-	-	-	-	-	-	-	-
61 Beckett Bridge utility replacement-sewer portion	-	-	700,000	-	-	-	-	-	-	-	-
62 <u>Sewage Lift stations Projects</u>											
63 Wet well Rehab	\$ 75,000	75,000	75,000	75,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
64 Drywell Rehab	40,000	40,000	40,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
65 Control System Improvements	45,000	45,000	45,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000
66 Emergency Generators\Bypass Pumping	80,000	60,000	-	60,000	-	-	-	-	-	-	-
67 Submersible Pump Replacement	60,000	60,000	60,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
68 Station Rehab. (Design)	-	-	-	110,000	-	-	-	110,000	-	-	-
69 Station Rehab. (Construction)	-	-	-	-	910,000	-	-	-	1,000,000	-	-
70 Electric Service Improvements	30,000	30,000	30,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
71 General Building Improvements	10,000	10,000	10,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
72 <u>Reclaimed Water System</u>											
73 Oakleaf Village RW Dist. System - Water Allocation	\$ -	-	75,000	700,000	-	-	-	-	-	-	-
74 Oakleaf Village RW Dist. System - Sewer Allocation	-	-	75,000	700,000	-	-	-	-	-	-	-
75 Minor infill expansion projects	-	75,000	75,000	-	75,000	-	75,000	-	75,000	-	-
76 Total CIP Budget (Current \$)	\$ 4,050,000	4,736,250	5,900,000	5,030,000	4,870,000	4,960,000	4,190,000	4,240,000	5,855,000	5,145,000	3,445,000
77 Compounded Annual Cost Escalation Factor ⁽⁴⁾	1.000	1.030	1.061	1.093	1.126	1.159	1.194	1.230	1.267	1.305	1.344
78 Annual Capital Spending Execution Rate	88%	88%	88%	88%	88%	88%	88%	88%	75%	75%	75%
79 Final CIP Funding Level (Future \$)	\$ 3,564,000	4,292,937	5,508,712	4,838,055	4,825,586	5,058,803	4,402,517	4,589,376	5,563,714	5,035,669	3,472,560

(1) As provided by City staff on May 29, 2018 for Fiscal Years 2018 - 2028.

(2) Expansion-related project eligible for 100% funding from water impact fees.

(3) Expansion-related project eligible for 100% funding from sewer impact fees.

(4) Annual cost escalation factor of 3.00% is based upon the 5-year average increase in utility construction costs, per the Engineering News Record Construction Cost Index (ENR-CCI).

Preliminary Financial Management Plan

Projection of Cash Inflows

Schedule 4

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1 Rate Revenue Growth Assumptions											
2 Growth in Water Connections	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%
3 Growth in Water Usage	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%
4 Growth in Sewer Connections	1.03%	0.66%	0.30%	0.30%	0.30%	0.30%	0.30%	0.29%	0.29%	0.29%	0.29%
5 Growth in Sewer Usage	1.03%	0.66%	0.30%	0.30%	0.30%	0.30%	0.30%	0.29%	0.29%	0.29%	0.29%
6 Assumed Rate Revenue Adjustments											
7 Assumed Water Rate Adjustment	6.75%	4.00%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
8 Assumed Sewer Rate Adjustment	6.75%	4.00%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
9 Water & Sewer Rate Revenue ⁽¹⁾											
10 Water - Base Facility Charge	\$ 3,268,663	3,338,783	3,438,484	3,541,144	3,646,850	3,755,691	3,867,761	3,983,154	4,101,970	4,224,307	4,350,271
11 Water - Gallonage Charge	6,070,374	6,302,421	6,472,772	6,647,692	6,827,304	7,011,732	7,201,104	7,395,553	7,595,214	7,800,225	8,010,728
12 Sewer - Base Facility Charge	1,824,726	1,910,268	1,968,664	2,028,827	2,090,809	2,154,667	2,220,455	2,288,233	2,358,059	2,429,995	2,504,104
13 Sewer - Gallonage Charge	4,257,693	4,439,464	4,562,593	4,689,096	4,819,064	4,952,591	5,089,773	5,230,709	5,375,502	5,524,256	5,677,078
14 Total Water & Sewer Rate Revenue	\$ 15,421,456	15,990,937	16,442,513	16,906,759	17,384,027	17,874,680	18,379,093	18,897,650	19,430,744	19,978,782	20,542,181
15 Other Operating Revenue ⁽²⁾											
16 61 02 Water Meter Connect. Fee	\$ 23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
17 61 03 Effluent Sales	407,000	407,000	407,000	407,000	407,000	407,000	407,000	407,000	407,000	407,000	407,000
18 61 04 Water Turn On Fees	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000
19 61 06 Sewer Connection Fees	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000
20 61 07 Delinquent Penalty Water	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000
21 61 08 Delinquent Penalty Sewer	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
22 61 09 Backflow Maintenance Fee	244,000	245,080	246,160	247,240	248,320	249,400	250,480	251,560	252,640	253,720	254,800
23 61 12 Backflow Assembly Charge	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
24 61 16 Effluent Connection Fees	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
25 61 20 Grease Waste Mon Chg	6,100	6,100	6,100	6,100	6,100	6,100	6,100	6,100	6,100	6,100	6,100
26 65 03 Admin. Fees	220,021	220,021	220,021	220,021	220,021	220,021	220,021	220,021	220,021	220,021	220,021
27 65 04 Admin. Fees W/S Conn.	5,700	5,700	5,700	5,700	5,700	5,700	5,700	5,700	5,700	5,700	5,700
28 Total Other Operating Revenue	\$ 1,149,021	1,150,101	1,151,181	1,152,261	1,153,341	1,154,421	1,155,501	1,156,581	1,157,661	1,158,741	1,159,821
29 Non-Operating Revenue / Other Sources of Funds ⁽³⁾											
30 Repayment of Interfund Loan to CRA Fund	\$ -	116,667	116,667	116,667	-	-	-	-	-	-	-
31 Interest Earnings	20,000	90,822	109,118	126,713	130,925	130,305	129,702	130,855	124,179	113,189	116,807
32 Water System Impact Fees	125,000	60,435	62,248	64,116	66,039	68,020	70,061	72,163	74,328	76,558	78,854
33 Sewer System Impact Fees ⁽⁴⁾	106,000	80,225	83,635	69,446	71,530	73,675	56,679	48,488	49,942	51,441	52,984
34 Total Non-Operating Revenue / Other Sources of Funds	\$ 251,000	348,148	371,668	376,941	268,494	272,001	256,442	251,506	248,449	241,187	248,646
35 TOTAL CASH INFLOWS	\$ 16,821,477	17,489,186	17,965,362	18,435,961	18,805,862	19,301,103	19,791,037	20,305,737	20,836,854	21,378,710	21,950,648

(1) Future rate revenues are based upon FY 2018 rate revenues (currently, based upon the FY 2018 Budget), adjusted for assumed customer/demand growth, rate adjustments, and price elasticity impacts.

(2) Unless otherwise specified, future other operating revenues are based upon budgeted FY 2018 revenues. Backflow Maintenance Fee revenue is projected to increase by 50 units per year.

(3) Beginning in FY 2019, annual interest earnings revenue is calculated based upon projected average annual fund balances and assumed annual interest earnings rates. Beginning in FY 2019, impact fee revenues are calculated based upon applicable impact fees and projected growth in connections.

(4) It is assumed that 15% of the new connections resulting from sewer system expansion phases will pay their sewer impact fee within 12 months of connection; whereas, the remaining 85% will finance their sewer impact fees over a five year-period at 0% interest, upon not paying within the first 12 months of connection. In FY 2013, there were 85 new connections from system expansion, of which an estimated 85% will begin financed payments in FY 2014. Per staff direction, 57 new connections are assumed in FY 2015, followed by 60 new connections in FY 2018 and 30 new connections in FY 2019.

Preliminary Financial Management Plan

Projection of Cash Outflows

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	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1 <u>0332 Administrative Services / Utility Billing</u>											
2 <u>Personal Services</u>											
3 12 Regular Salaries & Wages	\$ 118,716	121,090	123,512	127,217	132,306	137,598	143,102	148,826	154,780	160,971	167,410
4 14 Overtime	4,000	4,080	4,162	4,286	4,458	4,636	4,822	5,015	5,215	5,424	5,641
5 21 Fica Taxes	8,551	8,722	8,896	9,163	9,530	9,911	10,308	10,720	11,149	11,595	12,058
6 22 Retirement Contribution	10,677	10,891	11,108	11,442	11,899	12,375	12,870	13,385	13,920	14,477	15,056
7 23 Life & Health Insurance	24,367	26,316	28,422	30,695	33,151	35,803	38,667	41,761	45,102	48,710	52,607
8 24 Worker'S Compensation	257	262	267	275	286	298	310	322	335	348	362
9 Sub-Total: Personal Services	\$ 166,568	171,361	176,368	183,080	191,631	200,622	210,079	220,029	230,500	241,524	253,134
10 <u>Operating & Maintenance</u>											
11 40 Travel Per Diem	\$ 2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498	2,560
12 41 Communication Services	1,797	1,842	1,888	1,935	1,984	2,033	2,084	2,136	2,189	2,244	2,300
13 42 Postage & Freight	233	239	245	251	257	264	270	277	284	291	298
14 43 Utility Services	2,022	2,123	2,229	2,341	2,458	2,581	2,710	2,845	2,987	3,137	3,294
15 44 Rents & Leases	1,140	1,169	1,198	1,228	1,258	1,290	1,322	1,355	1,389	1,424	1,459
16 46 Repairs & Maintenance	300	308	315	323	331	339	348	357	366	375	384
17 47 Printing & Binding	200	205	210	215	221	226	232	238	244	250	256
18 51 Office Supplies	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873	1,920
19 52 Operating Supplies	1,450	1,523	1,599	1,679	1,762	1,851	1,943	2,040	2,142	2,249	2,362
20 55 Training	875	897	919	942	966	990	1,015	1,040	1,066	1,093	1,120
21 Sub-Total: Operating & Maintenance	\$ 11,517	11,892	12,280	12,683	13,100	13,533	13,983	14,448	14,932	15,433	15,954
22 Total: 0332 Administrative Services / Utility Billing	\$ 178,085	183,253	188,648	195,763	204,731	214,155	224,062	234,477	245,432	256,958	269,088
23 <u>0333 Administrative Services / Meter Readers</u>											
24 <u>Personal Services</u>											
25 12 Regular Salaries & Wages	\$ 125,021	127,521	130,072	133,974	139,333	144,906	150,703	156,731	163,000	169,520	176,301
26 14 Overtime	5,000	5,100	5,202	5,358	5,572	5,795	6,027	6,268	6,519	6,780	7,051
27 15 Special Pay	4,700	4,794	4,890	5,037	5,238	5,448	5,665	5,892	6,128	6,373	6,628
28 21 Fica Taxes	9,642	9,835	10,032	10,332	10,746	11,176	11,623	12,088	12,571	13,074	13,597
29 22 Retirement Contribution	11,721	11,955	12,195	12,560	13,063	13,585	14,129	14,694	15,282	15,893	16,529
30 23 Life & Health Insurance	43,416	46,889	50,640	54,692	59,067	63,792	68,896	74,407	80,360	86,789	93,732
31 24 Worker'S Compensation	5,591	5,703	5,817	5,991	6,231	6,480	6,739	7,009	7,289	7,581	7,884
32 Sub-Total: Personal Services	\$ 205,091	211,798	218,847	227,945	239,250	251,183	263,782	277,089	291,149	306,009	321,721
33 <u>Operating & Maintenance</u>											
34 40 Travel Per Diem	\$ 200	205	210	215	221	226	232	238	244	250	256
35 41 Communication Services	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498	2,560
36 45 Insurance	3,514	3,690	3,874	4,068	4,271	4,485	4,709	4,945	5,192	5,451	5,724
37 46 Repairs & Maintenance	8,500	8,713	8,930	9,154	9,382	9,617	9,857	10,104	10,356	10,615	10,881
38 52 Operating Supplies	11,234	11,796	12,385	13,005	13,655	14,338	15,055	15,807	16,598	17,428	18,299
39 54 Books-Publ-Subscriptions	80	82	84	86	88	91	93	95	97	100	102
40 55 Training	1,050	1,076	1,103	1,131	1,159	1,188	1,218	1,248	1,279	1,311	1,344
41 Sub-Total: Operating & Maintenance	\$ 26,578	27,611	28,689	29,812	30,984	32,207	33,483	34,814	36,203	37,653	39,166
42 Total: 0333 Administrative Services / Meter Readers	\$ 231,669	239,409	247,536	257,757	270,234	283,390	297,265	311,903	327,352	343,662	360,887
43 <u>0903 City Clerk / Collection Center</u>											
44 <u>Personal Services</u>											
45 11 Executive Salaries	\$ 37,203	37,947	38,706	39,867	41,462	43,120	44,845	46,639	48,505	50,445	52,462
46 12 Regular Salaries & Wages	97,612	99,564	101,556	104,602	108,786	113,138	117,663	122,370	127,265	132,355	137,649

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	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
47 13 Other Salaries & Wages	13,406	13,674	13,948	14,366	14,941	15,538	16,160	16,806	17,478	18,178	18,905
48 14 Overtime	2,250	2,295	2,341	2,411	2,508	2,608	2,712	2,821	2,934	3,051	3,173
49 21 Fica Taxes	10,460	10,669	10,883	11,209	11,657	12,124	12,609	13,113	13,638	14,183	14,750
50 22 Retirement Contribution	11,794	12,030	12,270	12,639	13,144	13,670	14,217	14,785	15,377	15,992	16,632
51 23 Life & Health Insurance	46,958	50,715	54,772	59,154	63,886	68,997	74,516	80,478	86,916	93,869	101,379
52 24 Worker'S Compensation	316	322	329	339	352	366	381	396	412	428	446
53 Sub-Total: Personal Services	\$ 219,999	227,216	234,804	244,586	256,736	269,561	283,103	297,408	312,523	328,501	345,396
54 <u>Operating & Maintenance</u>											
55 34 Other Contract Services	\$ 4,730	4,848	4,969	5,094	5,221	5,352	5,485	5,622	5,763	5,907	6,055
56 40 Travel Per Diem	1,746	1,790	1,834	1,880	1,927	1,975	2,025	2,075	2,127	2,181	2,235
57 41 Communication Services	500	513	525	538	552	566	580	594	609	624	640
58 42 Postage & Freight	10,115	10,368	10,627	10,893	11,165	11,444	11,730	12,024	12,324	12,632	12,948
59 43 Utility Services	2,616	2,747	2,884	3,028	3,180	3,339	3,506	3,681	3,865	4,058	4,261
60 44 Rents & Leases	852	873	895	918	940	964	988	1,013	1,038	1,064	1,091
61 46 Repairs & Maintenance	17,735	18,178	18,633	19,099	19,576	20,066	20,567	21,081	21,608	22,149	22,702
62 51 Office Supplies	2,206	2,261	2,318	2,376	2,435	2,496	2,558	2,622	2,688	2,755	2,824
63 52 Operating Supplies	2,730	2,867	3,010	3,160	3,318	3,484	3,658	3,841	4,033	4,235	4,447
64 55 Training	635	651	667	684	701	718	736	755	774	793	813
65 Sub-Total: Operating & Maintenance	\$ 43,865	45,095	46,363	47,669	49,016	50,404	51,834	53,309	54,830	56,398	58,016
66 Total: 0903 City Clerk / Collection Center	\$ 263,864	272,312	281,167	292,256	305,752	319,965	334,938	350,717	367,353	384,899	403,411
67 <u>4001 Utility Administration</u>											
68 <u>Personal Services</u>											
69 11 Executive Salaries	\$ 106,113	108,235	110,400	113,712	118,260	122,991	127,910	133,027	138,348	143,882	149,637
70 12 Regular Salaries & Wages	36,338	37,065	37,806	38,940	40,498	42,118	43,802	45,555	47,377	49,272	51,243
71 14 Overtime	500	510	520	536	557	580	603	627	652	678	705
72 21 Fica Taxes	10,406	10,614	10,826	11,151	11,597	12,061	12,544	13,045	13,567	14,110	14,674
73 22 Retirement Contribution	12,593	12,845	13,102	13,495	14,035	14,596	15,180	15,787	16,418	17,075	17,758
74 23 Life & Health Insurance	25,694	27,750	29,969	32,367	34,956	37,753	40,773	44,035	47,558	51,362	55,471
75 24 Worker'S Compensation	2,743	2,798	2,854	2,939	3,057	3,179	3,306	3,439	3,576	3,719	3,868
76 Sub-Total: Personal Services	\$ 194,387	199,816	205,478	213,140	222,961	233,277	244,119	255,514	267,496	280,099	293,357
77 <u>Operating & Maintenance</u>											
78 40 Travel Per Diem	\$ 4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995	5,120
79 41 Communication Services	1,100	1,128	1,156	1,185	1,214	1,245	1,276	1,308	1,340	1,374	1,408
80 42 Postage & Freight	200	205	210	215	221	226	232	238	244	250	256
81 44 Rents & Leases	450	461	473	485	497	509	522	535	548	562	576
82 45 Insurance	1,609	1,689	1,774	1,863	1,956	2,054	2,156	2,264	2,377	2,496	2,621
83 46 Repairs & Maintenance	300	308	315	323	331	339	348	357	366	375	384
84 47 Printing & Binding	50	51	53	54	55	57	58	59	61	62	64
85 48 Promotional Activities	500	513	525	538	552	566	580	594	609	624	640
86 51 Office Supplies	300	308	315	323	331	339	348	357	366	375	384
87 52 Operating Supplies	1,500	1,575	1,654	1,736	1,823	1,914	2,010	2,111	2,216	2,327	2,443
88 54 Books-Publ-Subscriptions	1,600	1,640	1,681	1,723	1,766	1,810	1,856	1,902	1,949	1,998	2,048
89 55 Training	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249	1,280
90 Sub-Total: Operating & Maintenance	\$ 12,609	13,002	13,409	13,830	14,265	14,716	15,183	15,667	16,168	16,687	17,225
91 Total: 4001 Utility Administration	\$ 206,996	212,818	218,886	226,970	237,226	247,994	259,302	271,182	283,665	296,786	310,582
92 <u>4302 Water / Water Supply / Well Systems</u>											
93 <u>Operating & Maintenance</u>											

Preliminary Financial Management Plan

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		<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
94	31 Professional Services	\$ 61,539	63,077	64,654	66,271	67,928	69,626	71,366	73,151	74,979	76,854	78,775
95	34 Other Contract Services	80,000	82,000	84,050	86,151	88,305	90,513	92,775	95,095	97,472	99,909	102,407
96	42 Postage & Freight	300	308	315	323	331	339	348	357	366	375	384
97	43 Utility Services	23,699	24,884	26,128	27,435	28,806	30,247	31,759	33,347	35,014	36,765	38,603
98	44 Rents & Leases	500	513	525	538	552	566	580	594	609	624	640
99	45 Insurance	3,937	4,134	4,341	4,558	4,785	5,025	5,276	5,540	5,817	6,108	6,413
100	46 Repairs & Maintenance	13,100	13,428	13,763	14,107	14,460	14,821	15,192	15,572	15,961	16,360	16,769
101	51 Office Supplies	100	103	105	108	110	113	116	119	122	125	128
102	52 Operating Supplies	28,724	30,160	31,668	33,252	34,914	36,660	38,493	40,418	42,438	44,560	46,788
103	54 Books-Publ-Subscriptions	700	718	735	754	773	792	812	832	853	874	896
104	55 Training	500	513	525	538	552	566	580	594	609	624	640
105	Sub-Total: Operating & Maintenance	\$ 213,099	219,835	226,811	234,035	241,516	249,267	257,297	265,618	274,241	283,178	292,444
106	Total: 4302 Water / Water Supply / Well Systems	\$ 213,099	219,835	226,811	234,035	241,516	249,267	257,297	265,618	274,241	283,178	292,444
107	<u>4303 Water Distribution</u>											
108	<u>Personal Services</u>											
109	12 Regular Salaries & Wages	\$ 386,370	394,097	401,979	414,039	430,600	447,824	465,737	484,367	503,741	523,891	544,847
110	13 Other Salaries & Wages	2,018	2,058	2,100	2,163	2,249	2,339	2,433	2,530	2,631	2,736	2,846
111	14 Overtime	29,587	30,179	30,782	31,706	32,974	34,293	35,665	37,091	38,575	40,118	41,723
112	15 Special Pay	13,250	13,515	13,785	14,199	14,767	15,357	15,972	16,611	17,275	17,966	18,685
113	21 Fica Taxes	32,243	32,888	33,546	34,552	35,934	37,371	38,866	40,421	42,038	43,719	45,468
114	22 Retirement Contribution	37,341	38,088	38,850	40,015	41,616	43,280	45,012	46,812	48,684	50,632	52,657
115	23 Life & Health Insurance	86,637	93,568	101,053	109,138	117,869	127,298	137,482	148,481	160,359	173,188	187,043
116	24 Worker'S Compensation	16,607	16,939	17,278	17,796	18,508	19,248	20,018	20,819	21,652	22,518	23,419
117	Sub-Total: Personal Services	\$ 604,053	621,332	639,373	663,607	694,517	727,012	761,184	797,131	834,956	874,768	916,686
118	<u>Operating & Maintenance</u>											
119	31 Professional Services	\$ 92,270	94,577	96,941	99,365	101,849	104,395	107,005	109,680	112,422	115,233	118,113
120	34 Other Contract Services	3,000	3,075	3,152	3,231	3,311	3,394	3,479	3,566	3,655	3,747	3,840
121	40 Travel Per Diem	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249	1,280
122	41 Communication Services	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995	5,120
123	42 Postage & Freight	247	253	260	266	273	279	286	294	301	308	316
124	44 Rents & Leases	750	769	788	808	828	849	870	892	914	937	960
125	45 Insurance	6,206	6,516	6,842	7,184	7,543	7,921	8,317	8,732	9,169	9,628	10,109
126	46 Repairs & Maintenance	157,616	170,000	174,250	178,606	183,071	187,648	192,339	197,148	202,077	207,128	212,307
127	47 Printing & Binding	100	103	105	108	110	113	116	119	122	125	128
128	49 Other Current Charges	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249	1,280
129	51 Office Supplies	200	205	210	215	221	226	232	238	244	250	256
130	52 Operating Supplies	58,106	65,000	68,250	71,663	75,246	79,008	82,958	87,106	91,462	96,035	100,836
131	53 Road Materials & Supplies	12,000	12,420	12,855	13,305	13,770	14,252	14,751	15,267	15,802	16,355	16,927
132	54 Books-Publ-Subscriptions	6,100	6,253	6,409	6,569	6,733	6,902	7,074	7,251	7,432	7,618	7,809
133	55 Training	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995	5,120
134	Sub-Total: Operating & Maintenance	\$ 346,595	369,420	380,568	392,088	403,994	416,301	429,025	442,180	455,783	469,851	484,402
135	Total: 4303 Water Distribution	\$ 950,648	990,752	1,019,941	1,055,694	1,098,511	1,143,313	1,190,209	1,239,311	1,290,738	1,344,619	1,401,089
136	<u>4304 Water / Meter Repair / Maintenance</u>											
137	<u>Personal Services</u>											
138	12 Regular Salaries & Wages	\$ 78,093	79,655	81,248	83,685	87,033	90,514	94,135	97,900	101,816	105,889	110,124
139	13 Other Salaries & Wages	1,346	1,373	1,400	1,442	1,500	1,560	1,622	1,687	1,755	1,825	1,898
140	14 Overtime	1,530	1,561	1,592	1,640	1,705	1,773	1,844	1,918	1,995	2,075	2,158

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	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
141 15 Special Pay	1,700	1,734	1,769	1,822	1,895	1,970	2,049	2,131	2,216	2,305	2,397
142 21 Fica Taxes	5,877	5,995	6,114	6,298	6,550	6,812	7,084	7,368	7,662	7,969	8,288
143 22 Retirement Contribution	7,075	7,217	7,361	7,582	7,885	8,200	8,528	8,869	9,224	9,593	9,977
144 23 Life & Health Insurance	21,839	23,586	25,473	27,511	29,712	32,089	34,656	37,428	40,422	43,656	47,149
145 24 Worker'S Compensation	3,428	3,497	3,566	3,673	3,820	3,973	4,132	4,297	4,469	4,648	4,834
146 Sub-Total: Personal Services	\$ 120,888	124,616	128,524	133,653	140,099	146,892	154,051	161,599	169,561	177,960	186,825
147 <u>Operating & Maintenance</u>											
148 40 Travel Per Diem	\$ 600	615	630	646	662	679	696	713	731	749	768
149 41 Communication Services	2,200	2,255	2,311	2,369	2,428	2,489	2,551	2,615	2,680	2,747	2,816
150 44 Rents & Leases	300	308	315	323	331	339	348	357	366	375	384
151 45 Insurance	1,967	2,065	2,169	2,277	2,391	2,510	2,636	2,768	2,906	3,051	3,204
152 46 Repairs & Maintenance	54,291	55,648	57,039	58,465	59,927	61,425	62,961	64,535	66,148	67,802	69,497
153 51 Office Supplies	100	103	105	108	110	113	116	119	122	125	128
154 52 Operating Supplies	16,568	17,396	18,266	19,180	20,139	21,145	22,203	23,313	24,478	25,702	26,988
155 54 Books-Publ-Subscriptions	600	615	630	646	662	679	696	713	731	749	768
156 55 Training	500	513	525	538	552	566	580	594	609	624	640
157 Sub-Total: Operating & Maintenance	\$ 77,126	79,518	81,992	84,553	87,203	89,946	92,786	95,727	98,772	101,926	105,193
158 Total: 4304 Water / Meter Repair / Maintenance	\$ 198,014	204,134	210,516	218,206	227,302	236,838	246,837	257,326	268,333	279,886	292,018
159 <u>4305 Water Treatment Plant</u>											
160 <u>Personal Services</u>											
161 12 Regular Salaries & Wages	\$ 727,290	741,836	756,673	779,373	810,548	842,970	876,688	911,756	948,226	986,155	1,025,601
162 14 Overtime	56,100	57,222	58,366	60,117	62,522	65,023	67,624	70,329	73,142	76,068	79,110
163 15 Special Pay	13,917	14,195	14,479	14,914	15,510	16,131	16,776	17,447	18,145	18,870	19,625
164 21 Fica Taxes	60,299	61,505	62,735	64,617	67,202	69,890	72,685	75,593	78,617	81,761	85,032
165 22 Retirement Contribution	69,736	71,131	72,553	74,730	77,719	80,828	84,061	87,423	90,920	94,557	98,339
166 23 Life & Health Insurance	163,764	176,865	191,014	206,295	222,799	240,623	259,873	280,663	303,116	327,365	353,554
167 24 Worker'S Compensation	31,153	31,776	32,412	33,384	34,719	36,108	37,552	39,054	40,617	42,241	43,931
168 Sub-Total: Personal Services	\$ 1,122,259	1,154,530	1,188,233	1,233,430	1,291,019	1,351,572	1,415,260	1,482,265	1,552,782	1,627,018	1,705,193
169 <u>Operating & Maintenance</u>											
170 31 Professional Services	\$ 190,537	195,300	200,183	205,188	210,317	215,575	220,965	226,489	232,151	237,955	243,903
171 34 Other Contract Services	80,000	82,000	84,050	86,151	88,305	90,513	92,775	95,095	97,472	99,909	102,407
172 40 Travel Per Diem	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995	5,120
173 41 Communication Services	13,000	13,325	13,658	14,000	14,350	14,708	15,076	15,453	15,839	16,235	16,641
174 42 Postage & Freight	400	410	420	431	442	453	464	475	487	500	512
175 43 Utility Services	514,632	590,000	619,500	650,475	682,999	717,149	753,006	790,656	830,189	871,699	915,284
176 44 Rents & Leases	500	513	525	538	552	566	580	594	609	624	640
177 45 Insurance	49,050	51,503	54,078	56,782	59,621	62,602	65,732	69,018	72,469	76,093	79,897
178 46 Repairs & Maintenance	44,854	45,975	47,125	48,303	49,510	50,748	52,017	53,317	54,650	56,016	57,417
179 47 Printing & Binding	500	513	525	538	552	566	580	594	609	624	640
180 48 Promotional Activities	300	308	315	323	331	339	348	357	366	375	384
181 49 Other Current Charges	1,000	1,025	1,051	1,077	1,104	1,131	1,160	1,189	1,218	1,249	1,280
182 51 Office Supplies	600	615	630	646	662	679	696	713	731	749	768
183 52 Operating Supplies	482,640	525,000	551,250	578,813	607,753	638,141	670,048	703,550	738,728	775,664	814,447
184 54 Books-Publ-Subscriptions	2,400	2,460	2,522	2,585	2,649	2,715	2,783	2,853	2,924	2,997	3,072
185 55 Training	20,000	20,500	21,013	21,538	22,076	22,628	23,194	23,774	24,368	24,977	25,602
186 Sub-Total: Operating & Maintenance	\$ 1,404,413	1,533,546	1,601,047	1,671,694	1,745,638	1,823,038	1,904,061	1,988,883	2,077,685	2,170,662	2,268,015
187 Total: 4305 Water Treatment Plant	\$ 2,526,672	2,688,076	2,789,280	2,905,124	3,036,657	3,174,610	3,319,321	3,471,148	3,630,467	3,797,680	3,973,208

Preliminary Financial Management Plan

Projection of Cash Outflows

Schedule 5

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
188 <u>4602 Sewer / Sewage Collection</u>											
189 <u>Personal Services</u>											
190 12 Regular Salaries & Wages	\$ 345,718	352,632	359,685	370,476	385,295	400,706	416,735	433,404	450,740	468,770	487,521
191 13 Other Salaries & Wages	1,346	1,373	1,400	1,442	1,500	1,560	1,622	1,687	1,755	1,825	1,898
192 14 Overtime	13,661	13,934	14,213	14,639	15,225	15,834	16,467	17,126	17,811	18,523	19,264
193 15 Special Pay	10,757	10,972	11,192	11,527	11,988	12,468	12,967	13,485	14,025	14,586	15,169
194 21 Fica Taxes	27,174	27,717	28,272	29,120	30,285	31,496	32,756	34,066	35,429	36,846	38,320
195 22 Retirement Contribution	32,202	32,846	33,503	34,508	35,888	37,324	38,817	40,370	41,984	43,664	45,410
196 23 Life & Health Insurance	94,002	101,522	109,644	118,415	127,889	138,120	149,169	161,103	173,991	187,910	202,943
197 24 Worker'S Compensation	10,806	11,022	11,243	11,580	12,043	12,525	13,026	13,547	14,089	14,652	15,238
198 Sub-Total: Personal Services	\$ 535,666	552,019	569,151	591,708	620,113	650,033	681,559	714,788	749,824	786,776	825,764
199 <u>Operating & Maintenance</u>											
200 34 Other Contract Services	\$ 1,900	1,948	1,996	2,046	2,097	2,150	2,203	2,259	2,315	2,373	2,432
201 40 Travel Per Diem	300	308	315	323	331	339	348	357	366	375	384
202 41 Communication Services	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873	1,920
203 43 Utility Services	3,371	3,540	3,717	3,902	4,097	4,302	4,517	4,743	4,981	5,230	5,491
204 44 Rents & Leases	1,200	1,230	1,261	1,292	1,325	1,358	1,392	1,426	1,462	1,499	1,536
205 45 Insurance	8,467	8,890	9,335	9,802	10,292	10,806	11,347	11,914	12,510	13,135	13,792
206 46 Repairs & Maintenance	98,521	100,984	103,509	106,096	108,749	111,467	114,254	117,111	120,038	123,039	126,115
207 49 Other Current Charges	250	256	263	269	276	283	290	297	305	312	320
208 51 Office Supplies	50	51	53	54	55	57	58	59	61	62	64
209 52 Operating Supplies	38,058	39,961	41,959	44,057	46,260	48,573	51,001	53,551	56,229	59,040	61,992
210 53 Road Materials & Supplies	14,000	14,490	14,997	15,522	16,065	16,628	17,210	17,812	18,435	19,081	19,748
211 54 Books-Publ-Subscriptions	5,300	5,433	5,568	5,708	5,850	5,996	6,146	6,300	6,458	6,619	6,784
212 55 Training	9,000	9,225	9,456	9,692	9,934	10,183	10,437	10,698	10,966	11,240	11,521
213 Sub-Total: Operating & Maintenance	\$ 181,917	187,852	194,003	200,379	206,987	213,839	220,943	228,310	235,952	243,878	252,101
214 Total: 4602 Sewer / Sewage Collection	\$ 717,583	739,872	763,154	792,087	827,100	863,872	902,502	943,099	985,775	1,030,654	1,077,864
215 <u>4603 Sewer / Sewage Treatment</u>											
216 <u>Personal Services</u>											
217 12 Regular Salaries & Wages	\$ 898,946	916,925	935,263	963,321	1,001,854	1,041,928	1,083,605	1,126,950	1,172,028	1,218,909	1,267,665
218 13 Other Salaries & Wages	2,018	2,058	2,100	2,163	2,249	2,339	2,433	2,530	2,631	2,736	2,846
219 14 Overtime	55,794	56,910	58,048	59,790	62,181	64,668	67,255	69,945	72,743	75,653	78,679
220 15 Special Pay	11,954	12,193	12,437	12,810	13,322	13,855	14,410	14,986	15,585	16,209	16,857
221 21 Fica Taxes	72,509	73,959	75,438	77,702	80,810	84,042	87,404	90,900	94,536	98,317	102,250
222 22 Retirement Contribution	84,579	86,271	87,996	90,636	94,261	98,032	101,953	106,031	110,272	114,683	119,271
223 23 Life & Health Insurance	190,570	205,816	222,281	240,063	259,268	280,010	302,411	326,603	352,732	380,950	411,426
224 24 Worker'S Compensation	30,307	30,913	31,531	32,477	33,776	35,127	36,533	37,994	39,514	41,094	42,738
225 Sub-Total: Personal Services	\$ 1,346,677	1,385,045	1,425,095	1,478,961	1,547,722	1,620,002	1,696,003	1,775,939	1,860,041	1,948,552	2,041,732
226 <u>Operating & Maintenance</u>											
227 31 Professional Services	\$ 25,000	25,625	26,266	26,922	27,595	28,285	28,992	29,717	30,460	31,222	32,002
228 34 Other Contract Services	180,000	184,500	189,113	193,840	198,686	203,653	208,745	213,963	219,313	224,795	230,415
229 40 Travel Per Diem	5,000	5,125	5,253	5,384	5,519	5,657	5,798	5,943	6,092	6,244	6,400
230 41 Communication Services	9,000	9,225	9,456	9,692	9,934	10,183	10,437	10,698	10,966	11,240	11,521
231 42 Postage & Freight	600	615	630	646	662	679	696	713	731	749	768
232 43 Utility Services	283,141	297,298	312,163	327,771	344,160	361,368	379,436	398,408	418,328	439,245	461,207
233 44 Rents & Leases	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873	1,920
234 45 Insurance	48,639	51,071	53,624	56,306	59,121	62,077	65,181	68,440	71,862	75,455	79,228
235 46 Repairs & Maintenance	241,891	247,938	254,137	260,490	267,002	273,677	280,519	287,532	294,721	302,089	309,641

Preliminary Financial Management Plan

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Schedule 5

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
236 48 Promotional Activities	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873	1,920
237 51 Office Supplies	400	410	420	431	442	453	464	475	487	500	512
238 52 Operating Supplies	274,845	288,587	303,017	318,167	334,076	350,780	368,319	386,735	406,071	426,375	447,694
239 54 Books-Publ-Subscriptions	2,015	2,065	2,117	2,170	2,224	2,280	2,337	2,395	2,455	2,516	2,579
240 55 Training	9,000	9,225	9,456	9,692	9,934	10,183	10,437	10,698	10,966	11,240	11,521
241 Sub-Total: Operating & Maintenance	\$ 1,082,531	1,124,760	1,168,803	1,214,743	1,262,668	1,312,668	1,364,841	1,419,285	1,476,107	1,535,416	1,597,328
242 Total: 4603 Sewer / Sewage Treatment	\$ 2,429,208	2,509,805	2,593,897	2,693,704	2,810,390	2,932,670	3,060,843	3,195,224	3,336,147	3,483,968	3,639,060
243 4604 Sewer / Sewage Lift Stations											
244 Personal Services											
245 12 Regular Salaries & Wages	\$ 103,206	105,270	107,376	110,597	115,021	119,621	124,406	129,383	134,558	139,940	145,538
246 13 Other Salaries & Wages	2,018	2,058	2,100	2,163	2,249	2,339	2,433	2,530	2,631	2,736	2,846
247 14 Overtime	6,120	6,242	6,367	6,558	6,821	7,093	7,377	7,672	7,979	8,298	8,630
248 15 Special Pay	9,604	9,796	9,992	10,292	10,703	11,132	11,577	12,040	12,522	13,022	13,543
249 21 Fica Taxes	8,507	8,677	8,851	9,116	9,481	9,860	10,254	10,665	11,091	11,535	11,996
250 22 Retirement Contribution	9,499	9,689	9,883	10,179	10,586	11,010	11,450	11,908	12,385	12,880	13,395
251 23 Life & Health Insurance	25,199	27,215	29,392	31,743	34,283	37,026	39,988	43,187	46,642	50,373	54,403
252 24 Worker'S Compensation	4,610	4,702	4,796	4,940	5,138	5,343	5,557	5,779	6,010	6,251	6,501
253 Sub-Total: Personal Services	\$ 168,763	173,650	178,756	185,588	194,282	203,424	213,042	223,163	233,817	245,036	256,852
254 Operating & Maintenance											
255 40 Travel Per Diem	\$ 2,600	2,665	2,732	2,800	2,870	2,942	3,015	3,091	3,168	3,247	3,328
256 41 Communication Services	7,000	7,175	7,354	7,538	7,727	7,920	8,118	8,321	8,529	8,742	8,961
257 42 Postage & Freight	400	410	420	431	442	453	464	475	487	500	512
258 43 Utility Services	96,173	100,982	106,031	111,332	116,899	122,744	128,881	135,325	142,091	149,196	156,656
259 44 Rents & Leases	350	359	368	377	386	396	406	416	426	437	448
260 45 Insurance	10,850	11,393	11,962	12,560	13,188	13,848	14,540	15,267	16,030	16,832	17,674
261 46 Repairs & Maintenance	131,180	134,460	137,821	141,267	144,798	148,418	152,129	155,932	159,830	163,826	167,921
262 49 Other Current Charges	320	328	336	345	353	362	371	380	390	400	410
263 51 Office Supplies	200	205	210	215	221	226	232	238	244	250	256
264 52 Operating Supplies	84,043	88,245	92,657	97,290	102,155	107,263	112,626	118,257	124,170	130,378	136,897
265 54 Books-Publ-Subscriptions	1,250	1,281	1,313	1,346	1,380	1,414	1,450	1,486	1,523	1,561	1,600
266 55 Training	4,000	4,100	4,203	4,308	4,415	4,526	4,639	4,755	4,874	4,995	5,120
267 Sub-Total: Operating & Maintenance	\$ 338,366	351,602	365,407	379,809	394,834	410,510	426,870	443,942	461,762	480,364	499,783
268 Total: 4604 Sewer / Sewage Lift Stations	\$ 507,129	525,252	544,163	565,397	589,115	613,935	639,912	667,106	695,580	725,399	756,635
269 5001 PROJECT ADMINISTRATION											
270 Personal Services											
271 11 Executive Salaries	\$ 53,057	54,118	55,201	56,857	59,131	61,496	63,956	66,514	69,175	71,942	74,819
272 12 Regular Salaries & Wages	52,808	53,864	54,941	56,590	58,853	61,207	63,656	66,202	68,850	71,604	74,468
273 14 Overtime	4,500	4,590	4,682	4,822	5,015	5,216	5,424	5,641	5,867	6,102	6,346
274 15 Special Pay	4,600	4,692	4,786	4,929	5,127	5,332	5,545	5,767	5,997	6,237	6,487
275 21 Fica Taxes	8,355	8,522	8,693	8,953	9,311	9,684	10,071	10,474	10,893	11,329	11,782
276 22 Retirement Contribution	10,002	10,202	10,406	10,718	11,147	11,593	12,057	12,539	13,040	13,562	14,105
277 23 Life & Health Insurance	19,336	20,883	22,554	24,358	26,306	28,411	30,684	33,139	35,790	38,653	41,745
278 24 Worker'S Compensation	1,641	1,674	1,707	1,759	1,829	1,902	1,978	2,057	2,140	2,225	2,314
279 29 Salary/Benefit Increase	-	40,000	40,800	42,024	43,705	45,453	47,271	49,162	51,129	53,174	55,301
280 Sub-Total: Personal Services	\$ 154,299	198,545	203,769	211,010	220,424	230,294	240,642	251,495	262,880	274,827	287,366
281 Operating & Maintenance											
282 31 Professional Services	\$ 69,307	71,040	72,816	74,636	76,502	78,415	80,375	82,384	84,444	86,555	88,719

Preliminary Financial Management Plan

Projection of Cash Outflows

Schedule 5

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
283 40 Travel Per Diem	4,200	4,305	4,413	4,523	4,636	4,752	4,871	4,992	5,117	5,245	5,376
284 41 Communication Services	2,129	2,182	2,237	2,293	2,350	2,409	2,469	2,531	2,594	2,659	2,725
285 44 Rents & Leases	480	492	504	517	530	543	557	571	585	599	614
286 47 Printing & Binding	250	256	263	269	276	283	290	297	305	312	320
287 51 Office Supplies	1,200	1,230	1,261	1,292	1,325	1,358	1,392	1,426	1,462	1,499	1,536
288 52 Operating Supplies	1,000	1,050	1,103	1,158	1,216	1,276	1,340	1,407	1,477	1,551	1,629
289 54 Books-Publ-Subscriptions	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873	1,920
290 55 Training	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122	3,200
291 Sub-Total: Operating & Maintenance	\$ 82,566	84,655	86,798	88,995	91,249	93,561	95,932	98,363	100,858	103,416	106,040
292 Total: 5001 Project Administration	\$ 236,865	283,200	290,567	300,005	311,674	323,854	336,574	349,858	363,738	378,243	393,407
293 8803 Miscellaneous / W/S Non-Departmental											
294 Personal Services											
295 12 Regular Salaries & Wages	\$ 259,558	264,749	270,044	278,145	289,271	300,842	312,876	325,391	338,406	351,943	366,020
296 14 Overtime	2,500	2,550	2,601	2,679	2,786	2,898	3,014	3,134	3,259	3,390	3,525
297 15 Special Pay	1,400	1,428	1,457	1,500	1,560	1,623	1,688	1,755	1,825	1,898	1,974
298 21 Fica Taxes	19,840	20,237	20,642	21,261	22,111	22,996	23,915	24,872	25,867	26,902	27,978
299 22 Retirement Contribution	23,138	23,601	24,073	24,795	25,787	26,818	27,891	29,007	30,167	31,374	32,628
300 23 Life & Health Insurance	46,302	50,006	54,007	58,327	62,993	68,033	73,475	79,353	85,702	92,558	99,963
301 24 Worker'S Compensation	559	570	582	599	623	648	674	701	729	758	788
302 29 Salary/Benefit Increase (1)	57,500	160,000	163,200	168,096	174,820	181,813	189,085	196,649	204,514	212,695	221,203
303 Sub-Total: Personal Services	\$ 410,797	523,141	536,604	555,403	579,952	605,670	632,618	660,862	690,470	721,517	754,080
304 Operating & Maintenance											
305 31 Professional Services	\$ 53,500	54,838	56,208	57,614	59,054	60,530	62,044	63,595	65,185	66,814	68,485
306 32 Accounting & Auditing	23,716	24,309	24,917	25,540	26,178	26,832	27,503	28,191	28,896	29,618	30,358
307 34 Other Contract Services	13,500	13,838	14,183	14,538	14,901	15,274	15,656	16,047	16,448	16,860	17,281
308 40 Travel Per Diem	7,500	7,688	7,880	8,077	8,279	8,486	8,698	8,915	9,138	9,366	9,601
309 41 Communication Services	50	51	53	54	55	57	58	59	61	62	64
310 42 Postage & Freight	44,271	45,378	46,512	47,675	48,867	50,089	51,341	52,624	53,940	55,288	56,671
311 44 Rents & Leases	3,600	3,690	3,782	3,877	3,974	4,073	4,175	4,279	4,386	4,496	4,608
312 45 Insurance	80,772	84,811	89,051	93,504	98,179	103,088	108,242	113,654	119,337	125,304	131,569
313 46 Repairs & Maintenance	9,172	9,401	9,636	9,877	10,124	10,377	10,637	10,903	11,175	11,455	11,741
314 47 Printing & Binding	650	666	683	700	717	735	754	773	792	812	832
315 49 Other Current Charges	8,000	8,200	8,405	8,615	8,831	9,051	9,278	9,509	9,747	9,991	10,241
316 51 Office Supplies	300	308	315	323	331	339	348	357	366	375	384
317 52 Operating Supplies	1,000	1,050	1,103	1,158	1,216	1,276	1,340	1,407	1,477	1,551	1,629
318 54 Books-Publ-Subscriptions	600	615	630	646	662	679	696	713	731	749	768
319 55 Training	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	2,498	2,560
320 Sub-Total: Operating & Maintenance	\$ 248,631	256,891	265,460	274,350	283,575	293,150	303,088	313,404	324,116	335,239	346,792
321 93 Other Non Operating Interest	\$ 6,000	6,150	6,304	6,461	6,623	6,788	6,958	7,132	7,310	7,493	7,681
322 Total: 8803 Miscellaneous / W/S Non-Departmental	\$ 665,428	786,182	808,368	836,214	870,150	905,608	942,664	981,398	1,021,897	1,064,249	1,108,552
323 Total Operating Expense (@ 100% Execution)	\$ 9,325,260	9,854,900	10,182,933	10,573,211	11,030,359	11,509,471	12,011,725	12,538,366	13,090,718	13,670,182	14,278,245
324 Personal Services	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
325 Operating & Maintenance (Excl. Water Supply)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
326 Purchased Water / Water Treatment Plant	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
327 Total Operating Expense Funding Requirement	\$ 9,325,260	9,854,900	10,182,933	10,573,211	11,030,359	11,509,471	12,011,725	12,538,366	13,090,718	13,670,182	14,278,245

Preliminary Financial Management Plan

Projection of Cash Outflows

Schedule 5

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
328 <u>Senior-Lien Debt Service Expense</u>											
329 Series 2013A-1 Bonds - Principal	\$ 265,000	275,000	280,000	290,000	300,000	310,000	315,000	325,000	335,000	345,000	355,000
330 Series 2013A-1 Bonds - Interest	212,713	204,763	196,513	185,313	178,513	169,138	161,369	153,494	143,588	133,538	123,188
331 Series 2013A-2 Bonds - Principal	615,000	640,000	660,000	685,000	695,000	715,000	745,000	760,000	785,000	805,000	835,000
332 Series 2013A-2 Bonds - Interest	948,850	924,250	905,050	885,250	871,550	846,975	823,431	804,806	781,888	758,338	728,188
333 <u>Projected Cumulative Debt Service - P&I</u>	-	-	-	-	-	-	-	-	-	-	-
334 <u>Total Senior-Lien Debt Service Expense</u>	\$ 2,041,563	2,044,013	2,041,563	2,045,563	2,045,063	2,041,113	2,044,800	2,043,300	2,045,475	2,041,875	2,041,375
335 <u>Minor Capital Outlay</u> ⁽²⁾											
336 64 Machinery & Equipment	\$ 297,279	120,000	480,000	20,000	-	-	350,000	-	-	-	-
337 <u>Total Minor Capital Outlay (@ 100% Execution)</u>	\$ 297,279	120,000	480,000	20,000	-	-	350,000	-	-	-	-
338 <u>Minor Capital Outlays Execution Rate</u>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
339 <u>Total Minor Capital Outlays Funding Requirement</u>	\$ 297,279	120,000	480,000	20,000	-	-	350,000	-	-	-	-
340 <u>Interfund Transfers</u>											
341 91 Transfers	\$ 949,487	973,224	997,555	1,022,494	1,048,056	1,074,257	1,101,114	1,128,642	1,156,858	1,185,779	1,215,424
342 <u>Interfund Loan to CRA Fund</u>	350,000	-	-	-	-	-	-	-	-	-	-
343 <u>Renewal & Replacement Fund Contribution</u> ⁽³⁾	778,966	829,524	861,593	885,141	909,287	933,415	957,970	983,215	1,009,254	1,035,629	1,062,536
344 <u>Total Interfund Transfers</u>	\$ 2,078,453	1,802,748	1,859,148	1,907,634	1,957,343	2,007,672	2,059,084	2,111,857	2,166,112	2,221,408	2,277,959
345 TOTAL CASH OUTFLOWS	\$ 13,742,554	13,821,661	14,563,643	14,546,408	15,032,764	15,558,256	16,465,609	16,693,523	17,302,305	17,933,465	18,597,579

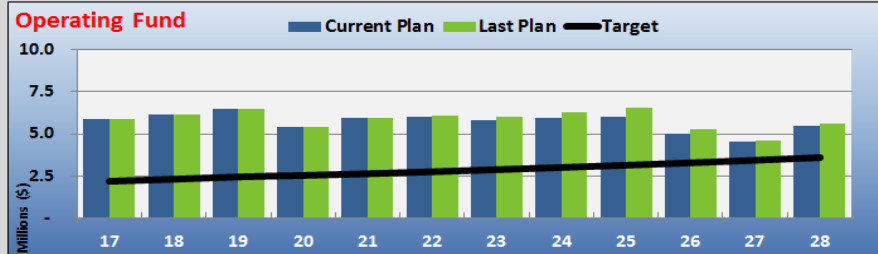
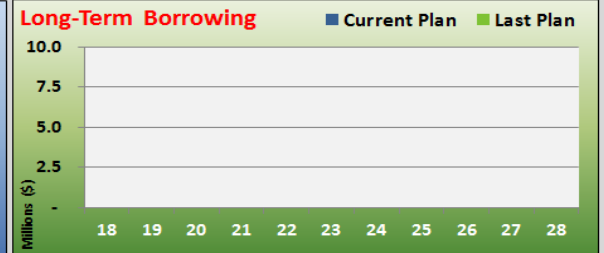
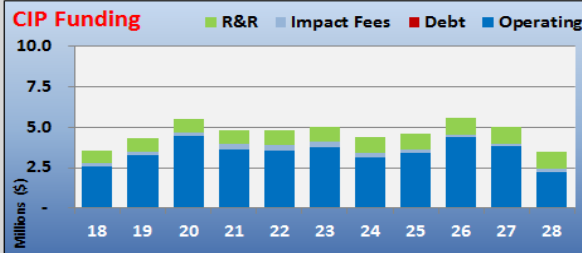
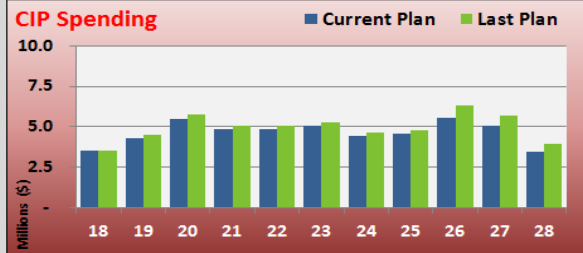
(1) To the extent the scenario is active, reflects incremental personal services impacts resulting from proposed ReOrg impacts.

(2) FY 2018 minor capital outlays are as budgeted. Future minor capital outlays include the same schedule vehicle and computer requirements reflected in the FY 2016 Water & Sewer Revenue Sufficiency and Cost of Water Analysis, Final Report dated June 9, 2017, plus adjustments for vehicles in FY 2021 and FY 2024 identified in the City's 10-year CIP (as reflected in the version provided by City staff on January 8, 2018).

(3) Calculated in each year of the analysis as 5% of prior year gross operating revenue.

FINANCIAL ANALYSIS AND MANAGEMENT SYSTEM (FAMS) SUMMARY

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Cumulative Change	
													FY 2023	FY 2028
Water Rate Increases		0.00%	4.00%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	15.88%	32.67%
<i>Last Plan</i>		0.00%	5.00%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	17.62%	35.71%
Sewer Rate Increases		0.00%	4.00%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	15.95%	32.76%
<i>Last Plan</i>		0.00%	5.00%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	17.69%	35.69%
Rate Covenant		3.56	3.61	3.68	3.72	3.73	3.75	3.74	3.74	3.73	3.71	3.69	PS FY19 ▶	100%
<i>Last Plan</i>		3.56	3.71	3.80	3.85	3.88	3.91	3.93	3.95	3.95	3.95	3.95	OMV FY19 ▶	100%
CIP Execution % ▶		88%	88%	88%	88%	88%	88%	88%	88%	75%	75%	75%	OMF FY19 ▶	100%
Operating Reserve % ▶		25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	Elasticity	0.10
Water	\$53.07	\$53.07	55.20	56.70	58.27	59.87	61.50	63.20	64.93	66.69	68.54	70.41	CRA Loan	\$350,000
Sewer	\$52.17	\$52.17	54.26	55.77	57.30	58.86	60.49	62.15	63.83	65.60	67.40	69.26	ReOrg PS	YES
MONTHLY BILL @ 6500 Gal.		\$105.24	109.46	112.47	115.57	118.73	121.99	125.35	128.76	132.29	135.94	139.67	SPLOST	0%
<i>Last Plan</i>		\$105.24	110.50	113.66	116.94	120.34	123.82	127.42	131.09	134.87	138.78	142.81	Check	-



NOTE: The Current Plan (blue) reflects the results of the preliminary financial management plan as presented herein; whereas, the Last Plan (green) reflects the preliminary results assuming Alternative CIP Scenario 1, as presented in the Condensed Assumptions & Preliminary Results Workbook distributed on April 14, 2018.

Preliminary Financial Management Plan

Forecast of Net Revenues and Debt Service Coverage

Schedule 7

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1 Rate Revenue Subject to Growth & Rate Adjustments											
2 Water and Sewer Rate Revenue	\$ 15,421,456	15,421,456	15,990,937	16,442,513	16,906,759	17,384,027	17,874,680	18,379,093	18,897,650	19,430,744	19,978,782
3 Additional Rate Revenue From Growth	-	61,750	41,126	42,179	43,258	44,365	45,501	46,666	47,861	49,086	50,343
4 Subtotal: Base Rate Revenue With Growth	\$ 15,421,456	15,417,381	16,032,063	16,484,692	16,950,017	17,428,392	17,920,181	18,425,759	18,945,511	19,479,830	20,029,126
5 Water Rate Increase	N/A	4.00%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
6 Sewer Rate Increase	N/A	4.00%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
7 Additional Rate Revenue From Rate Increase	-	616,695	440,882	453,329	466,125	479,281	492,805	506,708	521,002	535,695	550,801
8 Price Elasticity Adjustment	-	(43,140)	(30,431)	(31,262)	(32,116)	(32,993)	(33,893)	(34,818)	(35,768)	(36,743)	(37,745)
9 Total Rate Revenue	\$ 15,421,456	15,990,937	16,442,513	16,906,759	17,384,027	17,874,680	18,379,093	18,897,650	19,430,744	19,978,782	20,542,181
10 Plus: Other Operating Revenue											
11 Other Operating Revenue	\$ 1,149,021	1,150,101	1,151,181	1,152,261	1,153,341	1,154,421	1,155,501	1,156,581	1,157,661	1,158,741	1,159,821
12 Equals: Total Operating Revenue	\$ 16,570,477	17,141,038	17,593,694	18,059,020	18,537,368	19,029,101	19,534,594	20,054,231	20,588,405	21,137,523	21,702,002
13 Less: Operating Expenses											
14 Personal Services	\$ (4,127,188)	(4,388,541)	(4,516,768)	(4,688,681)	(4,907,687)	(5,137,970)	(5,380,182)	(5,635,018)	(5,903,217)	(6,185,569)	(6,482,912)
15 Operating & Maintenance (Excl. Water Supply)	(2,591,400)	(2,696,283)	(2,792,836)	(2,893,255)	(2,997,710)	(3,106,379)	(3,219,446)	(3,337,106)	(3,459,561)	(3,587,024)	(3,719,717)
16 Purchased Water / Water Treatment Plant	(2,606,672)	(2,770,076)	(2,873,330)	(2,991,275)	(3,124,962)	(3,265,123)	(3,412,097)	(3,566,243)	(3,727,940)	(3,897,589)	(4,075,615)
17 Equals: Net Operating Income	\$ 7,245,217	7,286,137	7,410,762	7,485,809	7,507,008	7,519,630	7,522,870	7,515,865	7,497,687	7,467,341	7,423,758
18 Plus: Non-Operating Income/(Expense)											
19 Interest Earned On Fund Balances	\$ 20,000	90,822	109,118	126,713	130,925	130,305	129,702	130,855	124,179	113,189	116,807
20 Water System Impact Fees	125,000	60,435	62,248	64,116	66,039	68,020	70,061	72,163	74,328	76,558	78,854
21 Sewer System Impact Fees	106,000	80,225	83,635	69,446	71,530	73,675	56,679	48,488	49,942	51,441	52,984
22 Equals: Net Income	\$ 7,496,217	7,517,619	7,665,763	7,746,083	7,775,502	7,791,631	7,779,312	7,767,370	7,746,136	7,708,528	7,672,403
23 Less: Revenues Excluded From Coverage Test											
24 Water System Impact Fees	\$ (125,000)	(60,435)	(62,248)	(64,116)	(66,039)	(68,020)	(70,061)	(72,163)	(74,328)	(76,558)	(78,854)
25 Sewer System Impact Fees	(106,000)	(80,225)	(83,635)	(69,446)	(71,530)	(73,675)	(56,679)	(48,488)	(49,942)	(51,441)	(52,984)
26 Equals: Net Income Available For Debt Service	\$ 7,265,217	7,376,959	7,519,879	7,612,521	7,637,934	7,649,935	7,652,572	7,646,720	7,621,866	7,580,530	7,540,565
27 Senior-Lien Debt Service Coverage Test											
28 Existing Debt Service	\$ 2,041,563	2,044,013	2,041,563	2,045,563	2,045,063	2,041,113	2,044,800	2,043,300	2,045,475	2,041,875	2,041,375
29 Cumulative Debt Service for Future Borrowings	-	-	-	-	-	-	-	-	-	-	-
30 Total Senior-Lien Debt Service	\$ 2,041,563	2,044,013	2,041,563	2,045,563	2,045,063	2,041,113	2,044,800	2,043,300	2,045,475	2,041,875	2,041,375
31 Debt Service Coverage: Test I	1.10 Req.	3.56	3.61	3.68	3.72	3.73	3.75	3.74	3.74	3.73	3.71
OR											
32 Debt Service Coverage: Test II (Net Income)	1.05 Req.	3.56	3.61	3.68	3.72	3.73	3.75	3.74	3.74	3.73	3.71
33 Debt Service Coverage: Test II (Net Income, Avail Impact Fees)	1.20 Req.	3.67	3.68	3.75	3.79	3.80	3.82	3.80	3.80	3.79	3.78
34 Cash Flow Test											
35 Net Income Available for Debt Service	\$ 7,265,217	7,376,959	7,519,879	7,612,521	7,637,934	7,649,935	7,652,572	7,646,720	7,621,866	7,580,530	7,540,565
36 Total Senior-Lien Debt Service	(2,041,563)	(2,044,013)	(2,041,563)	(2,045,563)	(2,045,063)	(2,041,113)	(2,044,800)	(2,043,300)	(2,045,475)	(2,041,875)	(2,041,375)
37 Minor Capital Outlay	(297,279)	(120,000)	(480,000)	(20,000)	-	-	(350,000)	-	-	-	-
38 Interfund Transfer	(1,299,487)	(856,558)	(880,888)	(905,827)	(1,048,056)	(1,074,257)	(1,101,114)	(1,128,642)	(1,156,858)	(1,185,779)	(1,215,424)
39 Renewal & Replacement Fund Contribution	(778,966)	(829,524)	(861,593)	(885,141)	(909,287)	(933,415)	(957,970)	(983,215)	(1,009,254)	(1,035,629)	(1,062,536)
40 Net Cash Flow	\$ 2,847,923	3,526,865	3,255,836	3,755,991	3,635,528	3,601,151	3,198,688	3,491,563	3,410,279	3,317,247	3,221,231

Preliminary Financial Management Plan

Forecast of Net Revenues and Debt Service Coverage

Schedule 7

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
41 <u>Unrestricted Working Capital Reserve Fund</u>											
42 Balance At Beginning Of Fiscal Year	\$ 5,847,946	6,135,112	6,470,484	5,429,597	5,906,657	5,991,278	5,824,012	5,910,875	5,977,714	5,020,711	4,512,351
43 Cash Flow Surplus/(Deficit)	2,847,923	3,526,865	3,255,836	3,755,991	3,635,528	3,601,151	3,198,688	3,491,563	3,410,279	3,317,247	3,221,231
44 Capital Projects Paid With Unrestricted Reserve Funds	(2,560,757)	(3,191,493)	(4,296,722)	(3,278,932)	(3,550,907)	(3,768,417)	(3,111,825)	(3,424,724)	(4,367,282)	(3,825,607)	(2,230,370)
45 Balance At End Of Fiscal Year	\$ 6,135,112	6,470,484	5,429,597	5,906,657	5,991,278	5,824,012	5,910,875	5,977,714	5,020,711	4,512,351	5,503,212
46 Minimum Working Capital Reserve Target	2,331,315	2,463,725	2,545,733	2,643,303	2,757,590	2,877,368	3,002,931	3,134,592	3,272,680	3,417,546	3,569,561
47 Excess Working Capital Above Target	\$ 3,803,797	4,006,759	2,883,864	3,263,354	3,233,688	2,946,644	2,907,944	2,843,122	1,748,032	1,094,805	1,933,651

Preliminary Financial Management Plan

Capital Project Funding Summary

Schedule 8

CAPITAL PROJECT FUNDING SOURCES:	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Water Impact Fees	\$ 220,000	113,300	93,368	240,460	247,720	254,980	207,948	73,197	74,335	76,558	78,854
Sewer Impact Fees	-	90,640	93,368	96,184	99,088	101,992	105,072	108,240	95,025	97,875	100,800
Construction Fund ⁽¹⁾	-	67,980	163,661	337,339	18,584	-	19,701	-	17,817	-	-
Renewal & Replacement	783,243	829,524	861,593	885,141	909,287	933,415	957,970	983,215	1,009,254	1,035,629	1,062,536
Revenue Fund	2,560,757	3,191,493	4,296,722	3,278,932	3,550,907	3,768,417	3,111,825	3,424,724	4,367,282	3,825,607	2,230,370
Future Long-Term Borrowing Proceeds	-	-	-	-	-	-	-	-	-	-	-
Total Capital Project Funding	\$ 3,564,000	4,292,937	5,508,712	4,838,055	4,825,586	5,058,803	4,402,517	4,589,376	5,563,714	5,035,669	3,472,560

(1) Represents 50% grant funding for reclaimed water capital project annual requirements.

Preliminary Financial Management Plan

Funding Summary by Fund

Schedule 9

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
WATER IMPACT FEES											
Balance at Beginning of the Fiscal Year	\$ 826,454	733,230	687,433	664,712	497,016	321,427	137,887	1,034	8	0	0
Additional Annual Revenues	125,000	60,435	62,248	64,116	66,039	68,020	70,061	72,163	74,328	76,558	78,854
Less: Payment of Debt Service	-	-	-	-	-	-	-	-	-	-	-
Total Amount Available for Projects	\$ 951,454	793,665	749,681	728,827	563,055	389,448	207,948	73,197	74,335	76,558	78,854
Amount Paid For Projects	(220,000)	(113,300)	(93,368)	(240,460)	(247,720)	(254,980)	(207,948)	(73,197)	(74,335)	(76,558)	(78,854)
Subtotal	\$ 731,454	680,365	656,313	488,367	315,335	134,468	-	-	-	-	-
Plus: Interest Earnings	1,776	7,068	8,398	8,648	6,093	3,419	1,034	8	0	0	0
Less: Interest Allocated to Cash Flow	-	-	-	-	-	-	-	-	-	-	-
Balance at End of Fiscal Year	\$ 733,230	687,433	664,712	497,016	321,427	137,887	1,034	8	0	0	0
SEWER IMPACT FEES											
Balance at Beginning of the Fiscal Year	\$ 452,119	559,270	554,395	551,532	532,866	513,094	492,262	450,890	397,453	357,994	316,581
Additional Annual Revenues	106,000	80,225	83,635	69,446	71,530	73,675	56,679	48,488	49,942	51,441	52,984
Less: Payment of Debt Service	-	-	-	-	-	-	-	-	-	-	-
Total Amount Available for Projects	\$ 558,119	639,495	638,031	620,978	604,396	586,770	548,941	499,377	447,395	409,434	369,565
Amount Paid For Projects	-	(90,640)	(93,368)	(96,184)	(99,088)	(101,992)	(105,072)	(108,240)	(95,025)	(97,875)	(100,800)
Subtotal	\$ 558,119	548,855	544,663	524,794	505,308	484,778	443,869	391,137	352,370	311,559	268,765
Plus: Interest Earnings	1,152	5,541	6,869	8,072	7,786	7,484	7,021	6,315	5,624	5,022	4,390
Less: Interest Allocated to Cash Flow	-	-	-	-	-	-	-	-	-	-	-
Balance at End of Fiscal Year	\$ 559,270	554,395	551,532	532,866	513,094	492,262	450,890	397,453	357,994	316,581	273,155
CONSTRUCTION FUND ⁽¹⁾											
Balance at Beginning of the Fiscal Year	\$ 160,408	160,773	111,141	695	5	0	0	0	0	0	0
Additional Annual Revenues	-	16,995	52,520	336,644	18,579	-	19,701	-	17,817	-	-
Total Amount Available for Projects	\$ 160,408	177,768	163,661	337,339	18,584	0	19,701	0	17,817	0	0
Amount Paid For Projects	-	(67,980)	(163,661)	(337,339)	(18,584)	-	(19,701)	-	(17,817)	-	-
Subtotal	\$ 160,408	109,788	-	-	-	0	-	0	-	0	0
Plus: Interest Earnings	366	1,353	695	5	0	0	0	0	0	0	0
Less: Interest Allocated to Cash Flow	-	-	-	-	-	-	-	-	-	-	-
Balance at End of Fiscal Year	\$ 160,773	111,141	695	5	0	0	0	0	0	0	0
RENEWAL & REPLACEMENT											
Balance at Beginning of the Fiscal Year ⁽²⁾	\$ 737,761	733,484	733,484	733,484	733,484	733,484	733,484	733,484	733,484	733,484	733,484
Additional Annual Revenues	778,966	829,524	861,593	885,141	909,287	933,415	957,970	983,215	1,009,254	1,035,629	1,062,536
Total Amount Available for Projects	\$ 1,516,727	1,563,008	1,595,077	1,618,625	1,642,771	1,666,899	1,691,454	1,716,699	1,742,738	1,769,113	1,796,020
Amount Paid For Projects	(783,243)	(829,524)	(861,593)	(885,141)	(909,287)	(933,415)	(957,970)	(983,215)	(1,009,254)	(1,035,629)	(1,062,536)
Subtotal	\$ 733,484	733,484	733,484	733,484	733,484	733,484	733,484	733,484	733,484	733,484	733,484
Plus: Interest Earnings	1,677	7,335	9,169	11,002	11,002	11,002	11,002	11,002	11,002	11,002	11,002
Less: Interest Allocated to Cash Flow	(1,677)	(7,335)	(9,169)	(11,002)	(11,002)	(11,002)	(11,002)	(11,002)	(11,002)	(11,002)	(11,002)
Balance at End of Fiscal Year	\$ 733,484	733,484	733,484	733,484	733,484	733,484	733,484	733,484	733,484	733,484	733,484

Preliminary Financial Management Plan

Funding Summary by Fund

Schedule 9

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
REVENUE FUND											
Balance at Beginning of the Fiscal Year	\$ 5,847,946	6,135,112	6,470,484	5,429,597	5,906,657	5,991,278	5,824,012	5,910,875	5,977,714	5,020,711	4,512,351
Additional Annual Revenues	2,847,923	3,526,865	3,255,836	3,755,991	3,635,528	3,601,151	3,198,688	3,491,563	3,410,279	3,317,247	3,221,231
Less: Restricted Funds	(2,331,315)	(2,463,725)	(2,545,733)	(2,643,303)	(2,757,590)	(2,877,368)	(3,002,931)	(3,134,592)	(3,272,680)	(3,417,546)	(3,569,561)
Total Amount Available for Projects	\$ 6,364,554	7,198,252	7,180,587	6,542,286	6,784,595	6,715,061	6,019,769	6,267,847	6,115,314	4,920,412	4,164,021
Amount Paid For Projects	(2,560,757)	(3,191,493)	(4,296,722)	(3,278,932)	(3,550,907)	(3,768,417)	(3,111,825)	(3,424,724)	(4,367,282)	(3,825,607)	(2,230,370)
Subtotal	\$ 3,803,797	4,006,759	2,883,864	3,263,354	3,233,688	2,946,644	2,907,944	2,843,122	1,748,032	1,094,805	1,933,651
Add Back: Restricted Funds	2,331,315	2,463,725	2,545,733	2,643,303	2,757,590	2,877,368	3,002,931	3,134,592	3,272,680	3,417,546	3,569,561
Plus: Interest Earnings	13,659	63,028	74,376	85,022	89,235	88,615	88,012	89,164	82,488	71,498	75,117
Less: Interest Allocated to Cash Flow	(13,659)	(63,028)	(74,376)	(85,022)	(89,235)	(88,615)	(88,012)	(89,164)	(82,488)	(71,498)	(75,117)
Balance at End of Fiscal Year	\$ 6,135,112	6,470,484	5,429,597	5,906,657	5,991,278	5,824,012	5,910,875	5,977,714	5,020,711	4,512,351	5,503,212
RESTRICTED RESERVES ⁽³⁾											
Balance at Beginning of the Fiscal Year	\$ 2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894
Additional Funds:											
Debt Service Reserve on New Debt	-	-	-	-	-	-	-	-	-	-	-
Other Additional Funds	-	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894
Plus: Interest Earnings	4,664	20,459	25,574	30,688	30,688	30,688	30,688	30,688	30,688	30,688	30,688
Less: Interest Allocated to Cash Flow	(4,664)	(20,459)	(25,574)	(30,688)	(30,688)	(30,688)	(30,688)	(30,688)	(30,688)	(30,688)	(30,688)
Balance at End of Fiscal Year	\$ 2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894	2,045,894

- (1) Represents grant proceeds restricted for reclaimed water projects.
- (2) Represents minimum Renewal & Replacement Fund balance requirement.
- (3) Represents funds restricted for debt service reserve.

Preliminary Financial Management Plan

Long-Term Borrowing Projections

Schedule 10

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
Term (Years)	20	20	20	20	20	20	20	20	20	20	20
Interest Rate	2.85%	4.00%	4.50%	5.00%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
<u>Sources of Funds</u>											
Par Amount	\$ -	-	-	-	-	-	-	-	-	-	-
<u>Uses of Funds</u>											
Proceeds	\$ -	-	-	-	-	-	-	-	-	-	-
Cost of Issuance	1.00%	of Par	-	-	-	-	-	-	-	-	-
Debt Service Reserve	1	Years of Debt Service	-	-	-	-	-	-	-	-	-
Other Costs	-	-	-	-	-	-	-	-	-	-	-
Total Uses	\$ -	-	-	-	-	-	-	-	-	-	-
1 Year Interest	\$ -	-	-	-	-	-	-	-	-	-	-
Annual Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
Total Debt Service	\$ -	-	-	-	-	-	-	-	-	-	-
Cumulative New Annual Debt Service ⁽¹⁾	\$ -	-	-	-	-	-	-	-	-	-	-

(1) First year debt service requirement reflects interest-only payment.