Attachment A: Wastewater Treatment Division Financial Plan for the 2017 Proposed Sewer Rate

Biennium Recommended	2015 Forecast	2016 Forecast	2017 Forecast	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
CUSTOMER EQUIVALENTS (RCEs)	736.09	740.50	744.94	748.67	752.79	757.45	762.15	766.88
MONTHLY RATE	$42.03	$42.03	$44.22	$44.22	$46.53	$46.53	$ 47.73	$ 48.97
% Increase	5.6%	0.0%	5.2%	0.0%	5.2%	0.0%	2.6%	2.6%
BEGINNING OPERATING FUND	$ 59,120	$ 59,120	$ 61,028	$ 60,993	$ 58,980	$ 55,989	$ 48,738	$ 46,397
OPERATING REVENUE:								
Customer Charges	$ 371,252	$ 373,480	$ 395,329	$ 397,305	$ 420,327	$ 422,940	$ 436,537	$ 450,637
Capacity Charge	66,405	66,202	70,366	75,623	81,204	87,187	93,513	100,266
Other Income	12,230	10,656	11,000	11,330	11,670	12,020	12,381	12,752
Investment Income	2,764	2,512	2,596	3,519	5,441	7,780	9,392	11,422
Rate Stabilization	(12,000)	-	-	2,500	3,600	7,885	3,000	9,365
TOTAL OPERATING REVENUES	$ 440,651	$ 452,850	$ 479,291	$ 490,277	$ 522,242	$ 537,811	$ 554,823	$ 584,441
OPERATING EXPENSE	(128,700)	(147,783)	(147,431)	(152,301)	(158,393)	(164,729)	(171,318)	(178,171)
DEBT SERVICE REQUIREMENT PARITY DEBT	(167,694)	(162,435)	(165,266)	(169,657)	(179,260)	(190,334)	(198,703)	(209,970)
DEBT SERVICE REQUIREMENT PARITY LIEN OBLIGATIONS	(41,209)	(54,017)	(54,236)	(54,188)	(54,124)	(53,554)	(53,488)	(53,436)
SUBORDINATE DEBT SERVICE	(18,169)	(38,164)	(47,518)	(53,035)	(52,430)	(51,500)	(51,930)	(53,491)
DEBT SERVICE COVERAGE RATIO PARITY DEBT	1.86	1.88	2.01	1.99	2.03	1.96	1.93	1.93
DEBT SERVICE COVERAGE RATIO TOTAL PAYMENTS	1.37	1.20	1.24	1.22	1.27	1.26	1.26	1.28
AMORTIZATION OF VARIABLE RATE DEBT	-	-	(920)	(1,647)	(1,739)	(1,832)	(2,288)	(11,510)
LIQUIDITY RESERVE CONTRIBUTION	(450)	(1,908)	35	(487)	(609)	(634)	(659)	(685)
TRANSFERS TO CAPITAL	(85,109)	(60,335)	(76,328)	(71,750)	(87,827)	(86,938)	(88,287)	(88,635)
RATE STABILIZATION RESERVE	$ 46,250	$ 46,250	$ 46,250	$ 43,750	$ 40,150	$ 32,265	$ 29,265	$ 19,900
OPERATING LIQUIDITY RESERVE BALANCE	12,870	14,778	14,743	15,230	15,839	16,473	17,132	17,817
OPERATING FUND ENDING BALANCE	$ 59,120	$ 61,028	$ 60,993	$ 58,980	$ 55,989	$ 48,738	$ 46,397	$ 37,717
CONSTRUCTION FUND								
BEGINNING FUND BALANCE	$ 36,287	$ 87,323	$ 62,834	$ 5,001	$ 5,000	$ 5,000	$ 5,000	$ 5,000
REVENUES:								
Parity Bonds	71,900	35,615	-	60,976	134,183	152,668	118,422	151,653
Variable Debt Bonds (new money only)	-	-	-	47,297	-	-	20,405	-
Interim Debt			920	1,647	1,739	1,832	2,288	11,510
Grants & Loans	32,330	58,917	18,523	-	-	-	-	-
Other	500	500	500	500	500	500	500	500
Transfers From Operating Fund	85,109	60,335	76,328	71,750	87,827	86,938	88,287	88,635
TOTAL REVENUES	$ 189,839	$ 155,367	$ 96,271	$ 182,170	$ 224,249	$ 241,938	$ 229,902	$ 252,297
CAPITAL EXPENDITURES	(152,800)	(175,975)	(162,832)	(184,242)	(219,912)	(226,811)	(218,105)	(237,917)
DEBT ISSUANCE COSTS	(646)	(712)	-	(1,456)	(2,684)	(3,053)	(2,470)	(3,033)
BOND RESERVE TRANSACTIONS	3,076	(2,251)	10,000	5,570	(240)	(11,091)	(8,603)	(11,017)
ADJUSTMENTS	11,567	(917)	(1,272)	(2,043)	(1,413)	(982)	(723)	(330)
ENDING FUND BALANCE	$ 87,323	$ 62,834	$ 5,001	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
CONSTRUCTION FUND RESERVES								
Bond & Loan Reserves	$ 173,918	$ 175,801	$ 167,073	$ 163,564	$ 165,218	$ 177,291	$ 186,617	$ 197,964
Policy Reserves	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
TOTAL FUND RESERVES	$ 188,918	$ 190,801	$ 182,073	$ 178,564	$ 180,218	$ 192,291	$ 201,617	$ 212,964
CONSTRUCTION FUND BALANCE	$ 276,242	$ 253,635	$ 187,074	$ 183,564	$ 185,218	$ 197,291	$ 206,617	$ 217,964