

WASTEWATER TREATMENT ENTERPRISE 2005 RATE FINANCIAL PLAN

	2003	2004	2005	2006	2007	2008	2009
	Unaudited	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
CUSTOMER EQUIVALENTS (RCEs)	685.06	685.06	688.49	691.93	698.85	705.84	712.89
MONTHLY RATE	\$23.40	\$23.40	\$25.60	\$25.60	\$28.55	\$31.48	\$34.15
BEGINNING OPERATING FUND	28,946	7,384	7,696	17,279	8,731	9,307	9,737
OPERATING REVENUE:							
Customer Charges	191,919	192,365	211,503	212,560	239,425	266,659	292,121
Investment Income	5,034	2,382	4,827	4,698	5,586	6,884	7,365
Capacity Charge	15,376	15,729	18,969	22,625	25,713	28,861	30,475
Rate Stability	0	0	(9,250)	9,250	0	0	0
Other Income	7,549	6,950	7,158	7,373	7,594	7,822	8,057
TOTAL OPERATING REVENUES	219,878	217,426	233,207	256,507	278,319	310,226	338,018
OPERATING EXPENSE	(82,558)	(84,640)	(86,860)	(91,541)	(95,383)	(98,244)	(101,191)
DEBT SERVICE REQUIREMENT PARITY DEBT	(93,361)	(100,306)	(112,937)	(124,226)	(138,625)	(161,940)	(181,916)
SUBORDINATED DEBT SERVICE	(5,020)	(7,263)	(7,621)	(11,310)	(11,804)	(12,583)	(13,272)
DEBT SERVICE COVERAGE RATIO PARITY DEBT	1.47	1.32	1.30	1.33	1.32	1.31	1.30
DEBT SERVICE COVERAGE RATIO TOTAL PAYMENTS	1.40	1.17	1.15	1.15	1.15	1.15	1.15
LIQUIDITY RESERVE CONTRIBUTION	(438)	(312)	(333)	(702)	(576)	(429)	(442)
TRANSFERS TO CAPITAL	(60,501)	(24,905)	(25,456)	(28,728)	(31,931)	(37,029)	(41,197)
RATE STABILITY RESERVE	0	0	9,250	0	0	0	0
OPERATING LIQUIDITY RESERVE BALANCE	7,384	7,696	8,029	8,731	9,307	9,737	10,179
OPERATING FUND ENDING BALANCE	7,384	7,696	17,279	8,731	9,307	9,737	10,179

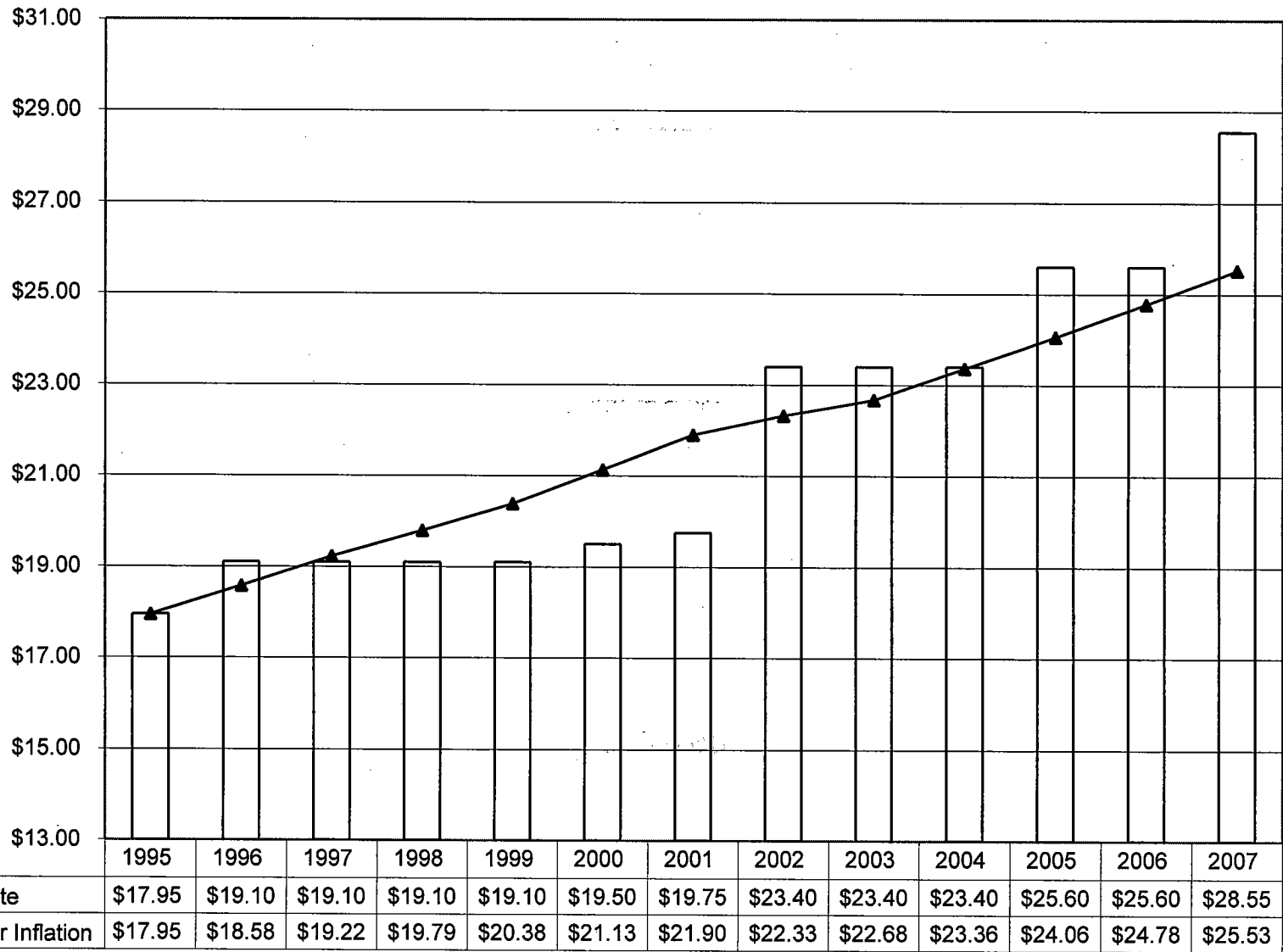
CONSTRUCTION FUND

BEGINNING FUND BALANCE	65,921	5,000	5,639	5,008	5,202	5,010	4,997
REVENUES:							
Parity Bonds	0	211,000	184,000	173,508	237,301	327,932	317,184
Variable Debt Bonds	6,700	0	4,500	25,109	27,246	38,394	36,344
Grants & Loans	95,652	35,922	13,685	1,936	0	1,249	0
Other	4,156	2,140	2,100	2,000	2,000	2,000	2,000
Transfers From Operating Fund	60,501	24,905	25,456	28,728	31,931	37,029	41,197
TOTAL REVENUES	167,009	273,967	229,740	231,280	298,478	406,605	396,724
CAPITAL EXPENDITURES	(228,227)	(234,855)	(223,278)	(223,491)	(292,778)	(378,171)	(369,319)
DEBT ISSUANCE COSTS	(34)	(2,144)	(3,703)	(3,596)	(4,882)	(6,751)	(6,525)
BOND RESERVE TRANSACTIONS	0	0	0	0	0	(20,663)	(19,986)
AMOUNTS TO ASSET MANAGEMENT RESERVE	(3,000)	(3,000)	(3,000)	(3,000)	0	0	0
ADJUSTMENTS	3,330	(33,330)	(391)	(1,000)	(1,009)	(1,033)	(894)
ENDING FUND BALANCE	5,000	5,639	5,008	5,202	5,010	4,997	4,997
CONSTRUCTION FUND RESERVES							
Bond & SRF Reserves	68,492	68,634	68,979	69,932	70,892	92,536	113,361
Policy Reserves	11,889	14,932	17,977	21,024	21,074	21,126	21,181
TOTAL FUND RESERVES	80,381	83,566	86,956	90,956	91,966	113,662	134,541
CONSTRUCTION FUND BALANCE	85,381	89,204	91,965	96,158	96,975	118,658	139,539

General Assumptions 2005 Rate Forecast

	2004	2005	2006	2007	2008
Sewer Rate					
Rate	\$23.40	\$25.60	\$25.60	\$28.55	\$31.48
Total RCEs	685,060	688,490	691,930	698,850	705,840
RCE Growth Rates	0.0%	0.5%	0.5%	1.0%	1.0%
Capacity Charge Rate					
Rate	\$18.00	\$28.50	\$36.05	\$37.13	\$38.25
New Connections	9,000	9,000	9,000	9,000	9,000
Capital Accomplishment Rate					
CIP Expenditures	234,855,000	223,278,000	223,491,000	292,778,000	378,171,000
CIP Accomplishment Rate	82%	85%	85%	85%	85%
Inflation & Interest					
General Inflation	3.00%	3.00%	3.00%	3.00%	3.00%
Bond Interest Rate	5.25%	5.25%	5.25%	5.25%	5.25%
Variable Debt Interest Rate	1.75%	1.75%	1.75%	1.75%	1.75%
Public Trust Loans	0.50%	0.50%	0.50%	0.50%	0.50%
SRF Loans	1.50%	1.50%	1.50%	1.50%	1.50%
Investment Interest Rate	2.00%	2.00%	2.00%	2.00%	2.00%
Reserve Balances					
Liquidity Reserve (15% operating)	12,696,000	13,029,000	13,731,000	14,307,000	14,737,000
Asset Management Reserve	9,000,000	12,000,000	15,000,000	15,000,000	15,000,000
Bond Reserve	66,848,000	66,848,000	66,848,000	66,848,000	87,513,000
Borrowings					
New SRF Loans	18,842,000	4,317,000	603,000	1,806,000	
New Public Trust Loans	686,000	8,966,000	1,274,000	688,000	
New Variable Debt	0	4,500,000	25,109,000	27,246,000	38,394,000
New Sewer Bonds	211,000,000	184,000,000	173,387,000	237,376,000	327,965,000

Sewer Rates 1995-2007



WTD Capital Accomplishment Rate

