

**ARCH CAPE SANITARY DISTRICT
LONG RANGE FINANCIAL PLAN**

KEY ASSUMPTIONS:

- 2 Hookups per year
- Expense allocation: Blended 55.5% Sanitary
- Expense growth: 2% growing to 4%
- Rates adjusted to retain approximately 1/6th Op Ex on hand
- Inclusion of \$20K to WD with IGA payments
- Contingency set at 15% of Operating Expenses
- Payoff of Irrigation loan : 2023-24 & reduction of debt service from \$41 to \$32 per quarter in the billing rate
- Transfer from Gen Fund to Capital Fund:
 - \$296K : 2019-20
 - \$60K : 2022-23
- Imposition of Tax : 2017-18 : \$147,551
- User rates adjusted for Op Ex needs and Capital Expenses
 - Rate increased to \$225 : 2018-19
 - Rate increased to \$236 : 2021-22

EXPECTED FUTURE CAPITAL FUND EXPENDITURE:

- \$16K SCADA Upgrade : 2019-20
- \$60K Web Lift Station Upgrade : 2019-20
- \$335K Phase One Membrane : 2019-20
- \$110K Phase Two Membrane : 2022-23

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SANITARY DISTRICT - GENERAL FUND												
ASSUMPTIONS	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
GENERAL INFLATION			2.0%	2.5%	2.5%	2.5%	2.5%	3.0%	3.0%	3.0%	4.0%	4.0%
CONTINGENCY			15% of expenditures is budgeted; assume 20% of that amount is spent per year									
HOOKUPS		336	338	340	342	344	346	348	350	352	354	356
Change in Hookups		2	2	2	2	2	2	2	2	2	2	2
System Development Charge		7,596	7,596	7,596	7,596	7,596	7,596	7,596	7,596	7,596	7,596	7,596
Excess usage Charge % of User Fees		8.1%	6.4%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
SD Quarterly User Rates		215	215	225	225	225	236	236	236	236	236	236
<i>Usage charges</i>		174	174	184	184	184	195	195	204	204	204	204
<i>Debt service surcharges</i>		41	41	41	41	41	41	41	32	32	32	32
Annual increase - Total				4.7%			5%					
Annual increase - Usage chg. Only				5.7%			6%		5%			
	Act	EOY PROJ	PROJECTED									
RESOURCES	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
BEGINNING BALANCE	281,414	353,438	362,217	324,790	355,062	79,245	94,727	121,792	82,609	110,549	131,837	143,330
REVENUE												
USER FEES	206,925	226,098	232,206	250,240	251,712	253,184	269,880	271,440	285,600	287,232	288,864	290,496
EXCESS USAGE CHARGES	32,226	18,266	15,000	20,019	20,137	20,255	21,590	21,715	22,848	22,979	23,109	23,240
FEE SURCHARGE FOR DEBT	54,161	53,890	53,890	54,587	54,587	54,587	54,587	54,587	38,703	38,703	38,703	38,703
PROPERTY TAX RECEIPTS	142,955	132,378	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
OTHER	4,756	6,213	6,064	6,216	6,371	6,530	6,694	6,894	7,101	7,314	7,607	7,911
TOTAL REVENUE	441,023	436,845	451,760	475,662	477,407	479,156	497,351	499,237	498,852	500,828	502,883	504,950
ADDITIONAL DEBT/GRANTS												
Membrane Replacement												
TOTAL ADDITIONAL DEBT												
TOTAL RESOURCES	722,437	790,283	813,978	800,452	832,468	558,401	592,078	621,028	581,461	611,377	634,719	648,279

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REQUIREMENTS	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
EXPENDITURES												
MATERIALS & SVCS												
WD IGA CHARGES	105,498	123,140	167,651	125,794	128,939	132,163	135,467	139,531	143,717	148,028	153,949	160,107
MAINTENANCE & CHEMICALS	18,736	34,691	35,500	36,388	37,297	38,230	39,185	40,361	41,572	42,819	44,532	46,313
UTILITIES	43,683	46,669	49,000	50,225	51,481	52,768	54,087	55,709	57,381	59,102	61,466	63,925
GEN'L & ADMINISTRATIVE	24,270	24,317	37,850	33,796	34,641	35,507	36,395	37,487	38,611	39,770	41,360	43,015
TOTAL M&S	192,187	228,816	290,001	246,203	252,358	258,667	265,134	273,088	281,280	289,719	301,308	313,360
DEBT SERVICE	54,713	54,650	54,587	54,587	54,587	54,587	54,587	54,587	38,703	38,703	38,703	38,703
USDA PLANT UPGRADE - GO BONDS	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
CONTINGENCY		45,000	37,000	36,930	37,854	38,800	39,770	40,963	42,192	43,458	45,196	47,004
CONTINGENCY (amt. spent @ 15%/yr)					5,678	5,820	5,966	6,144	6,329	6,519	6,779	7,051
TOTAL OPERATING EXPENDITURES	391,500	428,066	489,188	445,390	457,223	463,674	470,286	478,419	470,912	479,540	491,390	503,713
TRANSFER TO CAPITAL FUND					296,000			60,000				
CONTINGENCY		45,000	37,000	36,930	37,854	38,800	39,770	40,963	42,192	43,458	45,196	47,004
DESIGNATED RESERVES		25,256	74,259	20,256	20,256	20,256	20,256	20,256	5,000	5,000	5,000	5,000
UNDESIGNATED		291,961	213,531	297,875	21,136	35,671	61,766	21,390	63,357	83,379	93,133	92,562
CONTING. + ENDING BALANCE	330,937	362,217	324,790	355,062	79,245	94,727	121,792	82,609	110,549	131,837	143,330	144,566
TOTAL REQUIREMENTS	722,437	790,283	813,978	800,452	832,468	558,401	592,078	621,028	581,461	611,377	634,719	648,279
REVENUE OVER/(UNDER) EXPENSE	49,523	8,779	(37,427)	30,272	20,184	15,482	27,065	20,817	27,940	21,287	11,493	1,236
RESOURCES OVER/(UNDER) REQ.												
LIQUIDITY REQ'MENT: 1/6 OP EXP		71,344	81,531	74,232	76,204	77,279	78,381	79,737	78,485	79,923	81,898	83,952
ENDING BALANCE MINUS LIQUIDITY REQ.		290,873	243,258	280,830	3,041	17,448	43,411	2,873	32,064	51,913	61,431	60,614
ENDING BALANCE (Capital)	61,088	76,280	91,472	106,664	6,856	22,048	37,240	2,432	17,624	32,816	48,008	63,200

LRFP Blended Rates :

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Water Qtrly Rate	140	140	148	148	148	152	152	152	171	171	171
Sanitary Qtrly Rate	215	215	225	225	225	236	236	236	236	236	236
Water Rate % Chg			6%			3%			13%		
Sanitary Rate % Chg			5%			5%					
Water Qtrly Rate : Annual \$	\$ 560	\$ 560	\$ 592	\$ 592	\$ 592	\$ 608	\$ 608	\$ 608	\$ 684	\$ 684	\$ 684
Sanitary Qtrly Rate : Annual \$	\$ 860	\$ 860	\$ 900	\$ 900	\$ 900	\$ 944	\$ 944	\$ 944	\$ 944	\$ 944	\$ 944
Total Yearly Utility Cost	\$ 1,420	\$ 1,420	\$ 1,492	\$ 1,492	\$ 1,492	\$ 1,552	\$ 1,552	\$ 1,552	\$ 1,628	\$ 1,628	\$ 1,628
Total Annual % Chg			5%			4%			5%		

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SANITARY DISTRICT - CAPITAL FUND												
	Act	EOY PROJ	PROJECTED									
RESOURCES	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
BEGINNING BALANCE	38,630	61,088	76,280	91,472	106,664	6,856	22,048	37,240	2,432	17,624	32,816	48,008
REVENUE												
SDC REVENUE	22,458	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192
TOTAL REVENUE	22,458	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192	15,192
TRANSFER FROM GENERAL FUND					296,000			60,000				
TOTAL RESOURCES	61,088	76,280	91,472	106,664	417,856	22,048	37,240	112,432	17,624	32,816	48,008	63,200
REQUIREMENTS												
EXPENDITURES												
Membrane Replacement					335,000			110,000				
SCADA Upgrade					16,000							
Webb Station Upgrade					60,000							
TOTAL EXPENDITURES					411,000			110,000				
ENDING BALANCE	61,088	76,280	91,472	106,664	6,856	22,048	37,240	2,432	17,624	32,816	48,008	63,200
TOTAL REQUIREMENTS	61,088	76,280	91,472	106,664	417,856	22,048	37,240	112,432	17,624	32,816	48,008	63,200
REVENUE OVER/(UNDER) EXPENDS	22,458	15,192	15,192	15,192	(395,808)	15,192	15,192	(94,808)	15,192	15,192	15,192	15,192

SANITARY DISTRICT - G.O. DEBT SVC												
	Act	EOY PROJ	PROJECTED									
RESOURCES	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
BEGINNING BALANCE	22,824	21,199	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003
TAX IMPOSED	144,818	134,600	147,551	147,551	147,551	147,551	147,551	147,551	147,551	147,551	147,551	147,551
REVENUE												
PROPERTY TAX RECEIPTS	142,975	132,404	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
TOTAL REVENUE	142,975	132,404	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
TOTAL RESOURCES	165,799	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603
REQUIREMENTS												
EXPENDITURES	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
ENDING BALANCE	21,199	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003	9,003
TOTAL REQUIREMENTS	165,799	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603	153,603