

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

KEY ASSUMPTIONS:

- 2 Hookups per year
- Expense allocation: Blended 53.0% Sanitary
- Expense growth: 2% growing to 4%
- 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
- Elimination of 15% contingency spent in 2019-20 & 2020-21
- Transfer from Gen Fund to Capital Fund:
 - \$295K : 2020-21
 - \$85K : 2024-25
- Imposition of Tax : 2018-19 : \$142K : retention of \$9K balance
- User rates adjusted for Op Ex needs and Capital Expenses
 - Rate increased to \$220 : 2021-22
 - Rate increased to \$225 : 2022-23
 - Rate increased to \$240 : 2023-24

EXPECTED FUTURE CAPITAL FUND EXPENDITURES:

- \$16K SCADA Upgrade : 2019-20
- \$365K Membrane Replacement : 2020-21
- \$150K Web Lift Station Upgrade : 2024-25
- \$400K Membrane Replacement : 2030-31

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SANITARY DISTRICT - GENERAL FUND												
ASSUMPTIONS	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
GENERAL INFLATION		2.0%	2.5%	2.5%	2.5%	2.5%	3.0%	3.0%	3.0%	4.0%	4.0%	4.0%
CONTINGENCY		Assume 15% of operating expenditures is budgeted after 2017-18; and 15% of that amount is spent per year.										
HOOKUPS	336	341	343	345	347	349	351	353	355	357	359	361
Change in Hookups	2	2	2	2	2	2	2	2	2	2	2	2
System Development Charge	7,596	7,968	8,175	8,175	8,175	8,175	8,175	8,175	8,175	8,175	8,175	8,175
Excess usage Charge % of User Fees	8.5%	6.4%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	6.0%
SD Quarterly User Rates	215	215	215	215	215	220	225	240	240	240	248	248
Usage charges	174	174	174	174	174	179	193	208	208	208	216	216
Debt service surcharges	41	41	41	41	41	41	32	32	32	32	32	32
Annual increase - Total						2%	2%	7%			3%	
Annual increase - Usage chg. Only						3%	8%	8%			4%	
	Act	EOY PROJ	PROJECTED									
RESOURCES	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
BEGINNING BALANCE	292,350	305,219	342,567	353,548	383,105	167,021	172,724	193,277	230,208	175,529	196,100	218,867
REVENUE												
USER FEES	221,486	226,229	234,963	240,120	241,512	249,884	270,972	293,696	295,360	297,024	310,176	311,904
EXCESS USAGE CHARGES	18,925	34,356	18,000	19,210	19,321	19,991	21,678	23,496	23,629	23,762	24,814	18,714
FEE SURCHARGE FOR DEBT	52,365	53,259	55,365	54,587	54,587	54,587	38,703	38,703	38,703	38,703	19,383	19,383
PROPERTY TAX RECEIPTS	132,164	154,243	141,436	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
OTHER	7,048	9,148	6,100	6,253	6,409	6,569	6,766	6,969	7,178	7,465	7,764	8,074
TOTAL REVENUE	431,988	477,236	455,863	464,769	466,429	475,631	482,719	507,464	509,470	511,554	506,737	502,676
ADDITIONAL DEBT/GRANTS												
SCADA Upgrade				16,000								
TOTAL ADDITIONAL DEBT				16,000								
TOTAL RESOURCES	724,338	782,455	798,430	834,317	849,534	642,652	655,443	700,740	739,678	687,083	702,837	721,543

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REQUIREMENTS	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
EXPENDITURES												
MATERIALS & SVCS												
WD IGA CHARGES	122,641	126,458	124,722	127,959	131,158	134,437	138,470	142,624	146,903	152,779	158,890	165,245
MAINTENANCE & CHEMICALS	33,324	38,152	40,500	41,513	42,550	43,614	44,922	46,270	47,658	49,565	51,547	53,609
UTILITIES	46,875	43,934	46,000	47,150	48,329	49,537	51,023	52,554	54,130	56,296	58,547	60,889
GEN'L & ADMINISTRATIVE	22,733	32,157	34,540	35,404	36,289	37,196	38,312	39,461	40,645	42,271	43,961	45,720
TOTAL M&S	225,573	240,701	245,762	252,025	258,325	264,783	272,727	280,909	289,336	300,910	312,946	325,464
DEBT SERVICE	54,650	54,587	54,521	54,587	54,587	54,587	38,703	38,703	38,703	38,703	19,383	19,383
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		37,000	39,000	37,804	38,749	39,718	40,909	42,136	43,400	45,136	46,942	48,820
CONTINGENCY (amt. spent @ 15%/yr)						5,958	6,136	6,320	6,510	6,770	7,041	7,323
TOTAL OPERATING EXPENDITURES	424,823	439,888	444,883	451,212	457,512	469,928	462,166	470,532	479,149	490,983	483,970	496,770
TRANSFER TO CAPITAL FUND					225,000				85,000			
CONTINGENCY		37,000	39,000	37,804	38,749	39,718	40,909	42,136	43,400	45,136	46,942	48,820
DESIGNATED RESERVES		70,756	70,756	20,256	20,256	20,256	20,256	5,000	5,000	5,000	5,000	
UNDESIGNATED	299,515	234,811	243,792	325,045	108,017	112,751	132,112	183,072	127,129	145,964	166,925	175,953
CONTING. + ENDING BALANCE	299,515	342,567	353,548	383,105	167,021	172,724	193,277	230,208	175,529	196,100	218,867	224,773
TOTAL REQUIREMENTS	724,338	782,455	798,430	834,317	849,534	642,652	655,443	700,740	739,678	687,083	702,837	721,543
REVENUE OVER/(UNDER) EXPENSE	7,165	37,348	10,981	13,557	8,916	5,703	20,553	36,932	30,321	20,571	22,767	5,906
RESOURCES OVER/(UNDER) REQ.												
LIQUIDITY REQ'MENT: 1/6 OP EXP	70,804	73,315	74,147	75,202	76,252	78,321	77,028	78,422	79,858	81,830	80,662	82,795
ENDING BALANCE MINUS LIQUIDITY	228,711	269,252	279,401	307,903	90,769	94,403	116,249	151,786	95,671	114,270	138,205	141,978
CAPITAL ENDING BALANCE	76,280	107,780	124,130	124,480	830	17,180	33,530	49,880	1,230	17,580	33,930	50,280

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	2027-28
Water Qtrly Rate	140	140	152	162	172	172	172	174	174	174	174	174
Sanitary Qtrly Rate	215	215	215	215	215	220	225	240	240	240	248	248
Water Rate % Chg			9%	7%	6%			1%				
Sanitary Rate % Chg						2%	2%	7%			3%	
Water Qtrly Rate : Annual \$	\$ 560	\$ 560	\$ 608	\$ 648	\$ 688	\$ 688	\$ 688	\$ 696	\$ 696	\$ 696	\$ 696	\$ 696
Sanitary Qtrly Rate : Annual \$	\$ 860	\$ 860	\$ 860	\$ 860	\$ 860	\$ 880	\$ 900	\$ 960	\$ 960	\$ 960	\$ 992	\$ 992
Total Yearly Utility Cost	\$ 1,420	\$ 1,420	\$ 1,468	\$ 1,508	\$ 1,548	\$ 1,568	\$ 1,588	\$ 1,656	\$ 1,656	\$ 1,656	\$ 1,688	\$ 1,688
Total Annual % Chg			3%	3%	3%	1%	1%	4%			2%	

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SANITARY DISTRICT - CAPITAL FUND												
	Act	EOY PROJ	PROJECTED									
RESOURCES	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
BEGINNING BALANCE	61,088	76,280	107,780	124,130	124,480	830	17,180	33,530	49,880	1,230	17,580	33,930
REVENUE												
SDC REVENUE	15,192	31,500	16,350	16,350	16,350	16,350	16,350	16,350	16,350	16,350	16,350	16,350
TOTAL REVENUE	15,192	31,500	16,350	16,350	16,350	16,350	16,350	16,350	16,350	16,350	16,350	16,350
TRANSFER FROM GENERAL FUND					225,000				85,000			
TOTAL RESOURCES	76,280	107,780	124,130	140,480	365,830	17,180	33,530	49,880	151,230	17,580	33,930	50,280
REQUIREMENTS												
EXPENDITURES												
Membrane Replacement					365,000							
Screening Upgrade												
SCADA Upgrade				16,000								
Webb Station Upgrade									150,000			
TOTAL EXPENDITURES				16,000	365,000				150,000			
ENDING BALANCE	76,280	107,780	124,130	124,480	830	17,180	33,530	49,880	1,230	17,580	33,930	50,280
TOTAL REQUIREMENTS	76,280	107,780	124,130	140,480	365,830	17,180	33,530	49,880	151,230	17,580	33,930	50,280
REVENUE OVER/(UNDER) EXPENDS	15,192	31,500	16,350	350	(348,650)	16,350	16,350	16,350	(133,650)	16,350	16,350	16,350

SANITARY DISTRICT - G.O. DEBT SVC												
	Act	EOY PROJ	PROJECTED									
RESOURCES	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
BEGINNING BALANCE	21,199	8,764	12,164	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
TAX IMPOSED	134,600	147,551	142,000	142,000	142,000	142,000	142,000	142,000	142,000	142,000	142,000	142,000
REVENUE												
PROPERTY TAX RECEIPTS	132,165	148,000	141,436	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
TOTAL REVENUE	132,165	148,000	141,436	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
TOTAL RESOURCES	153,364	156,764	153,600	153,600	153,600	153,600	153,600	153,600	153,600	153,600	153,600	153,600
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	8,764	12,164	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
TOTAL REQUIREMENTS	153,364	156,764	153,600	153,600	153,600	153,600	153,600	153,600	153,600	153,600	153,600	153,600