

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

KEY ASSUMPTIONS:

- 2 Hookups per year
- Expense allocation: Blended 57.0% Sanitary
- Expense growth: 2% growing to 4%
- Contingency set at 4% of Operating Expenses : 2019-20 thru 2021-22
- Liquidity Requirement set to 15% in 2019-20; 5% in 2020-21 and 4% in 2021-22
- Transfer from Gen Fund to Capital Fund:
 - \$270K : 2019-20
 - \$132K : 2021-22
 - \$225K : 2028-29
- Imposition of Tax : 2019-20 : \$142K : retention of \$6K balance
- User rates adjusted for Op Ex needs and Capital Expenses
 - Rate increased by 9% to \$234 : 2019-20
 - Rate increased by 8% to \$253 : 2020-21
 - Rate increased by 7% to \$271 : 2021-22
 - Rate increased by 2% to \$276 : 2022-23
 - Rate increased by 2% to \$282 : 2023-24
 - Rate increased by 2% to \$288 : 2024-25
 - Rate increased by 2% to \$294 : 2025-26

EXPECTED FUTURE CAPITAL FUND EXPENDITURES:

- \$325K Membrane & Screens Replacement : 2019-20
- \$50K Screening Upgrade : 2019-20
- \$21K SCADA Upgrade : 2019-20
- \$180K Web Lift Station Upgrade : 2021-22
- \$350K Membrane Replacement : 2028-29
- \$400K Membrane Replacement : 2037-38

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SANITARY DISTRICT - GENERAL FUND												
ASSUMPTIONS	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
GENERAL INFLATION	2.0%	2.5%	2.5%	2.5%	2.5%	3.0%	3.0%	3.0%	4.0%	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	340	341	342	344	346	348	350	352	354	356	358	360
Change in Hookups	2	2	2	2	2	2	2	2	2	2	2	2
System Development Charge	7,968	8,175	8,175	8,379	8,589	8,847	9,112	9,385	9,761	10,151	10,557	10,979
Excess usage Charge % of User Fees	6.4%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	6.0%	6.0%
SD Quarterly User Rates	215	215	234	253	271	276	282	288	294	294	294	294
User Rate % increase			9.0%	8.0%	7.0%	2.0%	2.0%	2.0%	2.0%			
Usage charges	174	174	194	213	232	243	254	261	267	280	280	281
Debt service surcharges	41	41	40	40	39	33	28	27	27	14	14	13
Annual increase - Total			9%	8%	7%	2%	2%	2%	2%			
Annual increase - Usage chg. Only			11.5%	9.8%	9%	5%	5%	3%	2%	5%		0%
	Act	EOY PROJ	PROJECTED									
RESOURCES	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
BEGINNING BALANCE	290,027	327,192	341,611	77,959	114,298	41,872	104,568	176,917	252,754	327,179	410,549	474,429
REVENUE												
USER FEES	231,810	235,154	261,384	293,088	321,088	338,256	355,600	367,488	378,072	398,720	400,960	404,640
EXCESS USAGE CHARGES	33,039	23,357	21,000	23,447	25,687	27,060	28,448	29,399	30,246	31,898	24,058	24,278
FEE SURCHARGE FOR DEBT	54,571	55,352	55,527	54,383	54,311	46,493	38,702	38,702	38,702	19,383	19,383	19,383
PROPERTY TAX RECEIPTS	150,541	144,325	140,000	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
OTHER	14,155	12,536	6,064	6,216	6,371	6,562	6,759	6,962	7,240	7,530	7,831	8,144
TOTAL REVENUE	484,116	470,724	483,975	521,734	552,057	562,972	574,109	587,151	598,860	602,131	596,832	601,046
ADDITIONAL DEBT/GRANTS												
SCADA Upgrade												
TOTAL ADDITIONAL DEBT												
TOTAL RESOURCES	774,143	797,916	825,585	599,693	666,355	604,844	678,677	764,068	851,614	929,310	1,007,381	1,075,475

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REQUIREMENTS	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
EXPENDITURES												
MATERIALS & SVCS												
WD IGA CHARGES	125,515	131,407	146,126	150,654	154,420	159,052	163,824	168,739	175,488	182,508	189,808	197,400
MAINTENANCE & CHEMICALS	43,214	46,428	45,500	46,638	47,803	49,238	50,715	52,236	54,326	56,499	58,759	61,109
UTILITIES	43,117	44,246	46,000	47,150	48,329	49,779	51,272	52,810	54,923	57,119	59,404	61,780
GEN'L & ADMINISTRATIVE	30,071	35,103	40,947	41,971	43,020	44,311	45,640	47,009	48,889	50,845	52,879	54,994
TOTAL M&S	241,917	257,184	278,573	286,412	293,572	302,379	311,451	320,794	333,626	346,971	360,850	375,284
DEBT SERVICE	54,587	54,521	54,453	54,383	54,311	46,493	38,702	38,702	38,702	19,383	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	40,000	11,456	11,743	45,357	46,718	48,119	50,044	52,046	54,127	56,293
CONTINGENCY SPENT(@ 15%/yr)						6,804	7,008	7,218	7,507	7,807	8,119	8,444
CAPITAL OUTLAY	16,715											
TOTAL OPERATING EXPENDITURES	258,632	257,184	278,573	286,412	293,572	302,379	311,451	320,794	333,626	346,971	360,850	375,284
TOTAL GENERAL FUND EXPENDITURES	457,819	456,305	477,626	485,395	492,483	500,276	501,760	511,314	524,435	518,761	532,952	547,711
TRANSFER TO CAPITAL FUND			270,000		132,000							225,000
CONTINGENCY		39,000	40,000	11,456	11,743	45,357	46,718	48,119	50,044	52,046	54,127	56,293
DESIGNATED RESERVES		72,123	16,682	20,256	20,256	20,256	5,000	5,000	5,000	5,000		
UNDESIGNATED	316,324	230,488	21,277	82,586	9,873	38,955	125,199	199,635	272,135	353,503	420,301	246,471
CONTING. + ENDING BALANCE	316,324	341,611	77,959	114,298	41,872	104,568	176,917	252,754	327,179	410,549	474,429	302,764
TOTAL REQUIREMENTS	774,143	797,916	825,585	599,693	666,355	604,844	678,677	764,068	851,614	929,310	1,007,381	1,075,475
END BAL OVER/(UNDER) BEG BAL	26,297	14,419	(263,651)	36,339	(72,426)	62,696	72,349	75,837	74,426	83,370	63,880	(171,665)
RESOURCES OVER/(UNDER) REQ.												
LIQUIDITY REQ'MENT: 16% OP EXP	76,303	76,051	22,286	22,913	11,743	48,381	49,832	51,327	53,380	55,515	57,736	60,045
ENDING BALANCE MINUS LIQUIDITY RE	240,021	265,560	55,673	91,385	30,129	56,187	127,085	201,427	273,799	355,034	416,693	242,719
CAPITAL ENDING BALANCE	107,780	124,130	14,480	31,239	416	18,110	36,333	55,104	74,625	94,928	116,042	13,001

LRFP Blended Rates :

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Water Qtrly Rate	140	160	166	169	172	175	179	183	187	191	195	199
Sanitary Qtrly Rate	215	215	234	253	271	276	282	288	294	294	294	294
Water Rate % Chg		14%	3.75%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Sanitary Rate % Chg			9%	8%	7%	2%	2%	2%	2%			
Water Qtrly Rate : Annual \$	\$ 560	\$ 640	\$ 664	\$ 676	\$ 688	\$ 700	\$ 716	\$ 732	\$ 748	\$ 764	\$ 780	\$ 796
Sanitary Qtrly Rate : Annual \$	\$ 860	\$ 860	\$ 936	\$ 1,012	\$ 1,084	\$ 1,104	\$ 1,128	\$ 1,152	\$ 1,176	\$ 1,176	\$ 1,176	\$ 1,176
Total Yearly Utility Cost	\$ 1,420	\$ 1,500	\$ 1,600	\$ 1,688	\$ 1,772	\$ 1,804	\$ 1,844	\$ 1,884	\$ 1,924	\$ 1,940	\$ 1,956	\$ 1,972
Total Annual % Chg		6%	7%	5%	5%	2%	2%	2%	2%	1%	1%	1%

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SANITARY DISTRICT - CAPITAL FUND												
	Act	EOY PROJ	PROJECTED									
RESOURCES	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
BEGINNING BALANCE	76,280	107,780	124,130	14,480	31,239	416	18,110	36,333	55,104	74,625	94,928	116,042
REVENUE												
SDC REVENUE	31,500	16,350	16,350	16,759	17,178	17,693	18,224	18,771	19,521	20,302	21,114	21,959
TOTAL REVENUE	31,500	16,350	16,350	16,759	17,178	17,693	18,224	18,771	19,521	20,302	21,114	21,959
TRANSFER FROM GENERAL FUND			270,000		132,000							225,000
TOTAL RESOURCES	107,780	124,130	410,480	31,239	180,416	18,110	36,333	55,104	74,625	94,928	116,042	363,001
REQUIREMENTS												
EXPENDITURES												
Membrane Replacement			325,000									350,000
Screening Upgrade			50,000									
SCADA Upgrade			21,000									
Webb Station Upgrade					180,000							
TOTAL EXPENDITURES			396,000		180,000							350,000
ENDING BALANCE	107,780	124,130	14,480	31,239	416	18,110	36,333	55,104	74,625	94,928	116,042	13,001
TOTAL REQUIREMENTS	107,780	124,130	410,480	31,239	180,416	18,110	36,333	55,104	74,625	94,928	116,042	363,001
REVENUE OVER/(UNDER) EXPENDS	31,500	16,350	(379,650)	16,759	(162,822)	17,693	18,224	18,771	19,521	20,302	21,114	(328,041)

SANITARY DISTRICT - G.O. DEBT SVC												
	Act	EOY PROJ	PROJECTED									
RESOURCES	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
BEGINNING BALANCE	9,284	15,226	6,026	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426
TAX IMPOSED	147,551	142,000	142,000	146,000	146,000	146,000	146,000	146,000	146,000	146,000	146,000	146,000
REVENUE												
PROPERTY TAX RECEIPTS	150,542	135,400	140,000	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
TOTAL REVENUE	150,542	135,400	140,000	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600	144,600
TOTAL RESOURCES	159,826	150,626	146,026	146,026	146,026	146,026	146,026	146,026	146,026	146,026	146,026	146,026
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	15,226	6,026	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426
TOTAL REQUIREMENTS	159,826	150,626	146,026	146,026	146,026	146,026	146,026	146,026	146,026	146,026	146,026	146,026