

Financial Analysis - Well 2 Funded - No Future Capital Projects Funded - 5% Rate Increase FY 2021

Assumptions:

- 1. Only Well 2 Funded - no other Capital Projects
- 2. Cash Reserves healthy by Fiscal Year 2027
- 3. Inflation factor of 3% per year
- 4. Imported Water cost increase of 4% per year

WW#19 Proposed RCA Loan Proceeds and Repayment Analysis											
FISCAL YEAR 2019-20											
	FY19 Actual	FY20 Adopted Budget	FY20 Adjusted Budget	FY20 Actual (AP06)	FY20 Yr-End Projection (AP6)	FY20 Yr-End (Modified)	FY21 Estimate	FY22 Estimate	FY23 Estimate	FY24 Estimate	FY25 Estimate
1	<b>OPERATING INCOME:</b>										
	<i>Actual/Estimated Usage (AF)</i>										
	2,444	2,505	2,505	1,055	2,346	2,259	2,259	2,259	2,259	2,259	2,259
2	Water Sales	\$3,343.1	\$3,895.9	\$3,895.9	\$1,636.1	\$3,716.8	\$3,599.9	\$3,689.9	\$3,855.5	\$4,003.7	\$4,147.7
3	Other Revenue- Late Charges & Customer Fees	\$48.6	\$10.1	\$10.1	\$3.8	\$10.1	\$10.1	\$10.1	\$10.1	\$10.1	\$10.1
4	Misc Revenue- Permit,Planning, Eng., Interest etc.	\$23.0	\$61.6	\$61.6	\$21.2	\$51.3	\$51.3	\$51.3	\$73.1	\$60.9	\$74.6
5	<b>Total Operating Income</b>	\$3,414.7	\$3,967.6	\$3,967.6	\$1,661.1	\$3,778.2	\$3,661.3	\$3,751.3	\$3,938.7	\$4,074.7	\$4,232.4
6											
7	<b>OPERATING EXPENSES:</b>										
8	County & Agency Svcs	\$239.9	\$203.8	\$203.8	\$172.9	\$358.8	\$358.8	\$209.9	\$216.2	\$222.7	\$229.4
9	Imported Water Cost	\$916.9	\$1,380.7	\$1,380.7	\$232.5	\$792.7	\$793.0	\$817.1	\$849.8	\$883.8	\$919.1
10	Local Water Cost - Power& Ground Water Extract.	\$454.5	\$568.9	\$568.9	\$284.3	\$569.6	\$571.0	\$589.8	\$607.7	\$626.1	\$645.2
11	Operation & Maintenance	\$985.5	\$1,201.3	\$1,205.3	\$703.6	\$1,115.4	\$1,115.4	\$1,161.2	\$1,196.1	\$1,232.0	\$1,268.9
12	Regulatory Permit Costs	\$23.1	\$22.2	\$22.2	\$8.8	\$28.6	\$28.6	\$22.9	\$23.6	\$24.3	\$25.0
13	System Maint, Repairs & Replc.	\$592.1	\$380.8	\$398.2	\$231.8	\$407.0	\$407.0	\$592.1	\$592.1	\$592.1	\$592.1
14	Depreciation Expense	\$341.5	\$341.4	\$341.4	\$172.1	\$341.4	\$341.4	\$392.9	\$392.9	\$392.9	\$392.9
15	<b>Total Operating Expenses</b>	\$3,553.5	\$4,099.1	\$4,120.6	\$1,806.0	\$3,613.6	\$3,615.2	\$3,785.9	\$3,878.4	\$3,973.9	\$4,072.6
16	<b>NET OPERATING GAIN (LOSS)</b>	<b>(\$138.8)</b>	<b>(\$131.5)</b>	<b>(\$153.0)</b>	<b>(\$144.9)</b>	<b>\$164.6</b>	<b>\$46.0</b>	<b>(\$34.7)</b>	<b>\$60.3</b>	<b>\$100.8</b>	<b>\$159.8</b>
17											
18	<b>NON-OPERATING (EXPENSES)INCOME</b>										
19	Interest Earnings	\$25.0	\$26.8	\$26.8	\$2.5	\$26.8	\$5.6	\$10.1	\$15.3	\$22.8	\$28.8
20	Capital Improvement Charges	\$22.8	\$8.0	\$8.0	\$2.0	\$8.0	\$8.0	\$2.4	\$2.4	\$2.4	\$2.4
21	Debt & Capital Reserve Contributions	\$0.0	(\$51.7)	(\$51.7)	(\$51.7)	(\$51.7)	(\$51.7)	\$15.1	\$15.1	\$15.1	\$0.0
22	Debt service- USDA Loan	(\$161.2)	(\$160.9)	(\$160.9)	(\$109.6)	(\$160.9)	(\$131.7)	\$0.0	\$0.0	\$0.0	\$0.0
23	Debt service- RCA - USDA Loan Payoff (\$2.264M/24yrs/2%)						(\$21.7)	(\$137.4)	(\$137.4)	(\$137.4)	(\$137.4)
24	Debt Service - RCA - Well 2 Loan (\$1.214M/30yrs/2%)						(\$31.9)	(\$54.2)	(\$54.2)	(\$54.2)	(\$54.2)
25	General Fund Loan Interest						(\$3.0)				
26	<b>Total Non Operating (Expenses)Income</b>	<b>(\$113.4)</b>	<b>(\$177.8)</b>	<b>(\$177.8)</b>	<b>(\$156.7)</b>	<b>(\$177.8)</b>	<b>(\$194.5)</b>	<b>(\$141.7)</b>	<b>(\$158.9)</b>	<b>(\$151.3)</b>	<b>(\$160.4)</b>
27	<b>NET INCOME GAIN (LOSS)</b>	<b>(\$252.2)</b>	<b>(\$309.3)</b>	<b>(\$330.8)</b>	<b>(\$301.7)</b>	<b>(\$13.2)</b>	<b>(\$148.5)</b>	<b>(\$176.4)</b>	<b>(\$98.5)</b>	<b>(\$50.5)</b>	<b>\$50.6</b>

WWD19 Special CAC  
Meeting  
2/28/2020

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28														
29				FY19 Actual	FY20 Adopted Budget	FY20 Adjusted Budget	FY20 Actual (AP06)	FY20 Yr-End Projection (AP6)	FY20 Yr-End (Modified)	FY21 Estimate	FY22 Estimate	FY23 Estimate	FY24 Estimate	FY25 Estimate
30	PROJECTED CASH FLOW:													
31	A Line 22 from Schedule 1 Net Income (Loss)			(\$252.2)	(\$309.3)	(\$330.8)	(\$301.7)	(\$13.2)	(\$148.5)	(\$176.4)	(\$98.5)	(\$50.5)	(\$0.7)	\$50.6
32	Add													
33	B Items in Operations not Requiring Cash:													
34	1 Depreciation (Line 17, Section 1))			\$341.5	\$341.4	\$341.4	\$172.1	\$341.4	\$341.4	\$392.9	\$392.9	\$392.9	\$392.9	\$392.9
35	C Cash Provided from:													
36	1 Proceeds from USDA Loan			\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0				
37	2 Proceeds from State Grant								\$0.0	\$2,650.0				
38	3 Proceeds from RCA - Well#2								\$0.0	\$1,214.4	\$0.0	\$0.0	\$0.0	\$0.0
39	4 Proceeds from RCA - PayOff USDA Loan Balance								\$2,599.0					
	5 USDA Reserve Fund Transferred back to District's Account								\$335.5					
40	6 Proceeds from Loan				\$4,925.0	\$4,925.0	\$0.0	\$0.0	\$0.0	\$0.0				
41	7 General Fund Loan				\$0.0	\$0.0	\$0.0	\$0.0	\$700.0	\$0.0				
42	8 Incr. (Dec.) in Accounts Payable, Accruals, and Other Current Liab.			(\$202.7)	(\$125.1)	(\$125.1)	(\$183.1)	(\$125.1)	(\$0.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
43	9 Dec (Incr) in Acct. Rec., Inventories, and Other Curr. Assets (Exclude Ca			\$66.5	\$472.4	\$511.9	\$511.9	(\$2.6)	(\$2.6)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
44	10 Others:													
45	11 CAFR Adjustments													
46	D Total all A, B, and C Items			(\$47.0)	\$5,304.3	\$5,322.4	\$199.3	\$200.5	\$3,824.8	\$4,081.0	\$294.4	\$342.4	\$392.3	\$443.6
47														
48	E Less: Cash Expended for:													
49	1 All Construction, Equipment and New Capital Items													
50	2 Acquisition of Land													
51	3 Water Syst. Replacement & Construction Projects			\$56.7	\$5,110.0	\$5,323.2	\$70.8	\$154.0	\$130.0	\$174.9	\$74.4	\$75.9	\$77.4	\$78.9
52	4 Well 2 Treatment Facility			\$119.9	\$0.0	\$0.0	\$39.3	\$159.5	\$1,000.0	\$2,864.4	\$0.0	\$0.0	\$0.0	\$0.0
53	5 Misc Water System Improvement			\$26.1	\$378.0	\$388.7	\$2.1	\$399.1	\$399.1	\$100.0	\$100.0	\$100.0	\$100.0	\$100.0
54	6 Other Capital Expenses			\$10.0	\$9.4	\$9.4	\$0.0	\$9.4	\$9.4	\$9.4	\$9.4	\$9.4	\$9.4	\$9.4
55	8 USDA Loan O/S Balance PayOff								\$2,599.0					
56	9 General Fund Loan Repayment								\$0.0	\$700.0				
57	Total E 1 through 7			\$212.7	\$5,497.4	\$5,721.3	\$112.2	\$722.1	\$4,137.5	\$3,848.7	\$183.8	\$185.3	\$186.8	\$188.3
58														
59	F Add: Beginning Cash Balance			\$856.3	\$596.6	\$596.6	\$596.6	\$596.6	\$596.6	\$283.8	\$516.1	\$626.7	\$783.8	\$989.3
60	G Ending Cash Balances			596.56	403.49	197.69	683.65	74.94	283.85	516.07	626.69	783.82	989.29	1,244.50
61	Mininum Cash Balance Requirement: 25% O&M/10% Rate Revenue			\$1,263.0	\$1,467.5	\$1,472.9	\$655.4	\$1,328.2	\$1,315.1	\$1,354.0	\$1,399.3	\$1,438.0	\$1,480.8	\$1,520.9
62	Variance: (shortfall)/surplus			(\$666.4)	(\$1,064.0)	(\$1,275.2)	\$28.2	(\$1,253.3)	(\$1,031.2)	(\$838.0)	(\$772.6)	(\$654.2)	(\$491.5)	(\$276.4)
63														
66														
67				FY2019	FY2019	FY20 Adjusted Budget	FY20 Actual (AP06)	FY20 Yr-End Projection (AP6)	FY20 Yr-End (Modified)	FY21 Estimate	FY22 Estimate	FY23 Estimate	FY24 Estimate	FY25 Estimate
68	% Commodity Rate Increase			0%	0%	0%	0%	0%	0%	5%	4.0%	3.5%	3.5%	3.5%
69	% Fixed Rate Increase			0%	0%	0%	0%	0%	0%	5%	4.0%	3.5%	3.5%	3.5%