

Table 1
Water System CAPITAL IMPROVEMENT PROGRAM (CIP)

| PROJECT | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | TOTAL | SDC % | SDC \$ |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------|------------------|
| New hydrants and valves | | \$20,000 | \$20,000 | \$20,000 | \$20,000 | \$20,000 | \$20,000 | \$20,000 | \$140,000 | 0.0% | \$0 |
| North Valley Road Reservoir Upgrades | \$1,700,000 | \$500,000 | | | | | | | \$2,200,000 | 15.0% | \$330,000 |
| Water System Master Plan Update | \$300,000 | \$20,000 | | | | | | | \$320,000 | 25.0% | \$80,000 |
| General Piping projects | | | \$100,000 | \$100,000 | \$100,000 | \$100,000 | \$100,000 | \$100,000 | \$600,000 | 50.0% | \$300,000 |
| S. Springbrook Rd. | \$200,000 | \$200,000 | | | | | | | \$400,000 | 100.0% | \$400,000 |
| Hypochlorite Generator | | | | \$500,000 | | | | | \$500,000 | 0.0% | \$0 |
| Valves on College Street | | | | \$200,000 | | | | | \$200,000 | 0.0% | \$0 |
| Wellfield, New Well #9 | \$550,000 | | | | | | | | \$550,000 | 100.0% | \$550,000 |
| College St. | | | \$470,000 | | | | | | \$470,000 | 10.0% | \$47,000 |
| Decommission Well #1 | | | | \$100,000 | | | | | \$100,000 | 0.0% | \$0 |
| Decommission Well #2 | | | | \$100,000 | | | | | \$100,000 | 0.0% | \$0 |
| Fixed Base Radio Head | | | | | \$1,000,000 | \$25,000 | \$25,000 | \$25,000 | \$1,075,000 | 5.0% | \$53,750 |
| N. Springbrook Rd | | | | | | | \$500,000 | \$500,000 | \$1,000,000 | 85.0% | \$850,000 |
| Water Rights Review & Reconfiguration | | | \$25,000 | | | | | | \$25,000 | 50.0% | \$12,500 |
| MULTI FUNDED PROJECTS (Water Share Only) | | | | | | | | | | | |
| Maintenance Facility - Fleet | | | | \$187,500 | | | | | \$187,500 | 20.0% | \$37,500 |
| Maintenance Facility - Administration | | | | | | \$250,000 | | | \$250,000 | 20.0% | \$50,000 |
| Maintenance Facility - Site Work | | | \$100,000 | | | | | | \$100,000 | 20.0% | \$20,000 |
| | | | | | | | | | \$0 | | |
| Total Water CIP | \$2,750,000 | \$740,000 | \$715,000 | \$1,207,500 | \$1,120,000 | \$395,000 | \$645,000 | \$645,000 | 8,217,500 | | 2,730,750 |
| Inflation Adjusted | \$2,750,000 | \$762,200 | \$758,544 | \$1,319,469 | \$1,260,570 | \$457,913 | \$770,163 | \$793,268 | \$8,872,127 | | |
| By Funding Source | | | | | | | | | | | |
| SDCs | \$1,080,000 | \$288,400 | \$137,387 | \$95,614 | \$112,551 | \$117,377 | \$568,667 | \$585,727 | 2,985,722 | | |
| Rates | \$1,670,000 | \$473,800 | \$621,157 | \$1,223,854 | \$1,148,019 | \$340,537 | \$201,496 | \$207,541 | 5,886,404 | | |
| Total | \$2,750,000 | \$762,200 | \$758,544 | \$1,319,468 | \$1,260,570 | \$457,913 | \$770,164 | \$793,269 | 8,872,127 | | |
| <i>Cumulative</i> | <i>\$2,750,000</i> | <i>\$3,512,200</i> | <i>\$4,270,744</i> | <i>\$5,590,211</i> | <i>\$6,850,781</i> | <i>\$7,308,694</i> | <i>\$8,078,858</i> | <i>\$8,872,127</i> | | | |

Table 2

Water System Capital Funding Sources*

| | Total |
|------------------------|---------------------|
| Existing Reserves | \$6,966,027 |
| Current Rates | \$5,942,076 |
| SDCs | \$765,611 |
| Total Sources | \$13,673,713 |
| Inflation-Adjusted CIP | \$7,308,696 |
| Ending Reserves* | \$6,365,017 |
| Total Uses | \$13,673,713 |

*Thru FY2020/21 only; Master Plan will identify additional improvements

Table 3

Water System Operation & Maintenance (O&M) Costs

| | 2015/16 | Fiscal Year 2016/17 | 2017/18 |
|--------------------------------------|--------------------|--------------------------------|--------------------|
| Personnel Services | | | |
| Salaries | \$857,272 | \$891,563 | \$927,226 |
| Benefits | \$521,271 | \$542,596 | \$564,812 |
| Materials & Services | \$497,829 | \$511,909 | \$526,419 |
| Repair & Maintenance | \$216,200 | \$221,656 | \$228,306 |
| Utilities | \$220,000 | \$228,800 | \$237,952 |
| Central Services | \$567,110 | \$589,794 | \$613,386 |
| Franchise Fees | \$257,312 | \$264,370 | \$272,656 |
| Capital Outlay | \$268,400 | \$213,345 | \$217,052 |
| Total | \$3,405,394 | \$3,464,033 | \$3,587,808 |
| Adjusted for 98% Budget Spent | \$3,337,286 | \$3,394,752 | \$3,516,052 |
| 2014 Rate Cycle Projections | 3,375,436 | 3,556,965 | 3,749,458 |

Table 4

Preliminary Annual Revenue Requirements from Water Rates

| Item | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Revenue Requirements: | | | | | | |
| O&M Costs | \$3,337,286 | \$3,394,752 | \$3,516,052 | \$3,641,967 | \$3,771,785 | \$3,922,657 |
| Transfers -- Debt Service | \$1,254,280 | \$858,268 | \$860,403 | \$827,670 | \$834,433 | \$1,230,211 |
| Transfers -- Capital Projects | \$3,672,500 | \$473,800 | \$621,157 | \$1,223,854 | \$1,148,019 | \$340,537 |
| Total Revenue Requirements | \$8,264,066 | \$4,726,820 | \$4,997,612 | \$5,693,492 | \$5,754,237 | \$5,493,404 |
| Less: | | | | | | |
| Uses of (Additions to) Reserves | \$3,076,637 | (\$599,614) | (\$471,582) | \$57,943 | (\$52,581) | (\$473,012) |
| Nonrate Revenues | \$377,456 | \$240,741 | \$237,411 | \$233,434 | \$228,709 | \$359,752 |
| Revenue Requirements from Rates | \$4,809,973 | \$5,085,692 | \$5,231,783 | \$5,402,115 | \$5,578,110 | \$5,606,664 |
| <i>Projected Rate Increase</i> | | 3.50% | 3.50% | 3.50% | 3.50% | 3.50% |

Table 5*Water Capital Fund Summaries*

| Fund/Description | Adj. Budget 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|--------------------------------------|------------------------|-------------|-------------|-------------|-------------|-------------|
| Water System Development Fund | | | | | | |
| Sources of Funds | | | | | | |
| Beginning Fund Balance -- July 1 | \$655,168 | \$926,082 | \$619,946 | \$507,858 | \$437,207 | \$349,407 |
| Interest Earned | 600 | \$2,778 | \$1,860 | \$1,524 | \$1,312 | \$1,048 |
| Interest Receivable | 500 | 500 | 500 | 500 | 500 | 500 |
| Transfer In - Water Fund | 843,731 | 0 | 0 | 0 | 0 | 0 |
| Transfer In - General | 21,939 | 21,939 | 21,939 | 21,939 | 21,939 | 21,939 |
| Assesment Installments | 1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 |
| SDCs | 250,000 | 356,047 | 400,000 | 400,000 | 400,000 | 400,000 |
| Total Sources of Funds | \$1,772,938 | \$1,308,346 | \$1,045,245 | \$932,821 | \$861,958 | \$773,894 |
| Uses of Funds | | | | | | |
| Transfers -- Capital Projects | \$3,125 | \$288,400 | \$137,387 | \$95,614 | \$112,551 | \$117,377 |
| Debt Service | 843,731 | \$400,000 | \$400,000 | \$400,000 | \$400,000 | \$0 |
| Ending Fund Balance -- June 30 | | | | | | |
| Fund Balance | \$926,082 | \$619,946 | \$507,858 | \$437,207 | \$349,407 | \$656,518 |
| Total Uses of Funds | \$1,772,938 | \$1,308,346 | \$1,045,245 | \$932,821 | \$861,958 | \$773,894 |
| Water Capital Projects | | | | | | |
| Sources of Funds | | | | | | |
| Beginning Fund Balance -- July 1 | \$0 | \$925,625 | \$925,625 | \$928,402 | \$931,186 | \$933,979 |
| Interest Earned | \$0 | \$0 | \$2,777 | \$2,785 | \$2,794 | \$2,802 |
| Transfer -- Water Fund | \$3,672,500 | \$473,800 | \$621,157 | \$1,223,854 | \$1,148,019 | \$340,537 |
| Transfer -- System Development | \$3,125 | \$288,400 | \$137,387 | \$95,614 | \$112,551 | \$117,377 |
| Total Sources of Funds | \$3,675,625 | \$1,687,825 | \$1,686,946 | \$2,250,655 | \$2,194,549 | \$1,394,694 |
| Uses of Funds | | | | | | |
| Capital Improvements | \$2,750,000 | \$762,200 | \$758,544 | \$1,319,469 | \$1,260,570 | \$457,913 |
| Ending Fund Balance -- June 30 | | | | | | |
| Fund Balance | \$925,625 | \$925,625 | \$928,402 | \$931,186 | \$933,979 | \$936,781 |
| Total Uses of Funds | \$3,675,625 | \$1,687,825 | \$1,686,946 | \$2,250,655 | \$2,194,549 | \$1,394,694 |
| Debt Service | | | | | | |
| Sources of Funds | | | | | | |
| Beginning Fund Balance -- July 1 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Transfers from SDCs | \$843,731 | \$400,000 | \$400,000 | \$400,000 | \$400,000 | \$0 |
| Transfers from Rates | \$410,549 | \$858,268 | \$860,403 | \$827,670 | \$834,433 | \$1,230,211 |
| Total Sources of Funds | \$1,254,280 | \$1,258,268 | \$1,260,403 | \$1,227,670 | \$1,234,433 | \$1,230,211 |
| Uses of Funds | | | | | | |
| Debt Service | \$1,254,280 | \$1,258,268 | \$1,260,403 | \$1,227,670 | \$1,234,433 | \$1,230,211 |
| Ending Fund Balance -- June 30 | | | | | | |
| Fund Balance | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Uses of Funds | \$1,254,280 | \$1,258,268 | \$1,260,403 | \$1,227,670 | \$1,234,433 | \$1,230,211 |

1/7/2016

Table 6*Water Operating Fund Summary*

| Fund/Description | Adj. Budget 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|-------------------------------------|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Water Fund | | | | | | |
| Sources of Funds | | | | | | |
| Beginning Fund Balance -- July 1 | \$3,495,592 | \$6,196,386 | \$7,270,614 | \$8,326,883 | \$8,393,856 | \$8,561,962 |
| User Fees | \$5,054,929 | \$5,114,441 | \$5,181,229 | \$5,268,740 | \$5,357,915 | \$5,424,184 |
| Interest Earned | \$13,000 | \$20,170 | \$23,361 | \$25,044 | \$25,396 | \$26,413 |
| Reimbursed Cost | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 |
| Reimbursed Cost | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 |
| Reimbursed Cost -- Capital Projects | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 |
| Dev Review & Inspection | \$10,000 | \$15,000 | \$15,000 | \$15,000 | \$15,000 | \$15,000 |
| Connections Charges | \$50,000 | \$76,000 | \$76,000 | \$76,000 | \$76,000 | \$76,000 |
| Utility Billing Penalties | \$30,000 | \$39,000 | \$39,000 | \$39,000 | \$39,000 | \$39,000 |
| Other Fees: Hydrant Permits | \$7,500 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 |
| Transfers In -- Water Replace | \$5,147,328 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Miscellaneous Income | \$15,000 | \$15,000 | \$15,000 | \$15,000 | \$15,000 | \$15,000 |
| Total Sources of Funds | \$13,830,349 | \$11,492,998 | \$12,637,204 | \$13,782,666 | \$13,939,167 | \$14,174,560 |
| Uses of Funds | | | | | | |
| O&M (1) | \$2,707,183 | \$2,890,316 | \$2,828,761 | \$3,337,286 | \$3,394,752 | \$3,530,543 |
| Transfer -- Capital Projects | \$3,672,500 | \$473,800 | \$621,157 | \$1,223,854 | \$1,148,019 | \$340,537 |
| Transfer -- Debt Service | \$410,549 | \$858,268 | \$860,403 | \$827,670 | \$834,433 | \$1,230,211 |
| Transfer -- Water SDC | \$843,731 | | | | | |
| Ending Fund Balance -- June 30 | | | | | | |
| Fund Balance | \$4,379,188 | \$5,440,780 | \$6,509,436 | \$6,548,526 | \$6,699,079 | \$7,186,849 |
| Contingency | \$559,791 | \$569,430 | \$589,777 | \$610,898 | \$632,673 | \$657,980 |
| Contingency- Debt Service | \$1,257,407 | \$1,260,403 | \$1,227,670 | \$1,234,433 | \$1,230,211 | \$1,228,440 |
| Total Uses of Funds | \$13,830,349 | \$11,492,998 | \$12,637,204 | \$13,782,666 | \$13,939,167 | \$14,174,560 |

(1) Operation & Maintenance costs based on 98% of budget spent