

Financial Analysis - Well 2 and Future Capital Projects Funded - Original Proposed Rates 9% and 12% FY 2021

Assumptions:

- 1. Well 2 Funded
- 2. Capital Projects Funded - assume 1 project every other year starting in Fiscal Year 2022.
- 3. Cash Reserves healthy by Fiscal Year 2025
- 4. Inflation factor of 3% per year
- 5. 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>											
	Actual/Estimated Usage (AF)	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	\$3,768.9	\$4,036.4	\$4,220.3	\$4,391.9	\$4,545.2
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	\$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	\$75.4
5	<b>Total Operating Income</b>	\$3,414.7	\$3,967.6	\$3,967.6	\$1,661.1	\$3,778.2	\$3,661.3	\$3,830.3	\$4,119.6	\$4,291.3	\$4,476.6	\$4,630.6
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	\$236.3
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	\$955.9
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	\$664.8
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	\$1,157.0
12	Regulatory Permit Costs	\$23.1	\$22.2	\$22.2	\$8.8	\$28.6	\$28.6	\$22.9	\$23.6	\$24.3	\$25.0	\$25.7
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	\$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	\$392.9
15	<b>Total Operating Expenses</b>	\$3,553.5	\$4,099.1	\$4,120.6	\$1,806.0	\$3,613.6	\$3,615.3	\$3,785.9	\$3,878.4	\$3,973.9	\$4,072.6	\$4,024.7
16	<b>NET OPERATING GAIN (LOSS)</b>	(\$138.8)	(\$131.5)	(\$153.0)	(\$144.9)	\$164.6	\$46.0	\$44.4	\$241.3	\$317.4	\$404.0	\$605.9
17												
18	<b>NON-OPERATING (EXPENSES)INCOME</b>											
19	Interest Earnings	\$25.0	\$26.8	\$26.8	\$2.5	\$26.8	\$5.6	\$11.7	\$18.8	\$30.0	\$35.3	\$46.7
20	Capital Improvement Charges	\$22.8	\$8.0	\$8.0	\$2.0	\$8.0	\$8.0	\$2.4	\$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	\$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	\$0.0
23	Debt service- RCA - USDA Loan Payoff (\$2.264M/24yrs/2%)						(\$21.7)	(\$137.4)	(\$137.4)	(\$137.4)	(\$137.4)	(\$137.4)
24	Debt Service - RCA - Well 2 Loan (\$1.214M/30yrs/2%)							(\$31.9)	(\$174.8)	(\$174.8)	(\$331.1)	(\$331.1)
25	General Fund Loan Interest						(\$3.0)					
26	<b>Total Non Operating (Expenses)Income</b>	(\$113.4)	(\$177.8)	(\$177.8)	(\$156.7)	(\$177.8)	(\$194.5)	(\$140.1)	(\$275.9)	(\$264.6)	(\$430.8)	(\$419.4)
27	<b>NET INCOME GAIN (LOSS)</b>	(\$252.2)	(\$309.3)	(\$330.8)	(\$301.7)	(\$13.2)	(\$148.5)	(\$95.7)	(\$34.6)	\$52.8	(\$26.8)	\$186.5

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	<b>PROJECTED CASH FLOW:</b>											
31	<b>A</b> Line 22 from Schedule 1 Net Income (Loss)	(\$252.2)	(\$309.3)	(\$330.8)	(\$301.7)	(\$13.2)	(\$148.5)	(\$95.7)	(\$34.6)	\$52.8	(\$26.8)	\$186.5
32	Add											
33	<b>B</b> Items in Operations not Requiring Cash:											
34	<b>1</b> 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	<b>C Cash Provided from:</b>											
36	<b>1</b> Proceeds from USDA Loan	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0				
37	<b>2</b> Proceeds from State Grant						\$0.0	\$2,650.0				
38	<b>3</b> Proceeds from RCA						\$0.0	\$1,214.4	\$2,700.0	\$0.0	\$3,500.0	\$0.0
39	<b>4</b> Proceeds from RCA - PayOff USDA Loan Balance						\$2,599.0					
	<b>5</b> USDA Reserve Fund Transferred back to District's Account						\$335.5					
40	<b>6</b> Proceeds from Loan		\$4,925.0	\$4,925.0	\$0.0	\$0.0	\$0.0	\$0.0				
41	<b>7</b> General Fund Loan		\$0.0	\$0.0	\$0.0	\$0.0	\$700.0	\$0.0				
42	<b>8</b> Incr. (Dec.) in Accounts Payable, Accruals, and Other Current Liab.	(\$202.7)	(\$125.1)	(\$125.1)	(\$183.1)	(\$125.1)	(\$0.00)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
43	<b>9</b> 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	<b>10</b> Others:											
45	<b>11</b> CAFR Adjustments											
46	<b>D Total all A, B, and C Items</b>	(\$47.0)	\$5,304.3	\$5,322.4	\$199.3	\$200.5	\$3,824.7	\$4,161.6	\$3,058.3	\$445.7	\$3,866.1	\$579.5
47												
48	<b>E Less: Cash Expended for:</b>											
49	<b>1</b> All Construction, Equipment and New Capital Items											
50	<b>2</b> Acquisition of Land											
51	<b>3</b> Water Syst. Replacement & Construction Projects	\$56.7	\$5,110.0	\$5,323.2	\$70.8	\$154.0	\$130.0	\$174.9	\$2,774.4	\$75.9	\$3,577.4	\$78.9
52	<b>4</b> 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	<b>5</b> 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	<b>6</b> 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	<b>8</b> USDA Loan O/S Balance PayOff						\$2,599.0					
56	<b>9</b> 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	\$2,883.8	\$185.3	\$3,686.8	\$188.3
58												
59	<b>F Add: Beginning Cash Balance</b>	\$856.3	\$596.6	\$596.6	\$596.6	\$596.6	\$596.6	\$283.8	\$596.7	\$771.2	\$1,031.6	\$1,210.9
60	<b>G Ending Cash Balances</b>	596.56	403.49	197.69	683.65	74.94	283.81	596.66	771.20	1,031.60	1,210.91	1,602.04
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	\$1,361.9	\$1,447.5	\$1,489.8	\$1,574.5	\$1,577.8
62	Variance: (shortfall)/surplus	(\$666.4)	(\$1,064.0)	(\$1,275.2)	\$28.2	(\$1,253.3)	(\$1,031.3)	(\$765.3)	(\$676.3)	(\$458.2)	(\$363.5)	\$24.2
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%	9%	5%	4.0%	4.0%	3.0%
69	% Fixed Rate Increase		0%	0%	0%	0%	0%	12%	5%	4.0%	4.0%	3.0%