



SOUTH TAHOE
PUBLIC UTILITY DISTRICT

**TEN-YEAR
FINANCIAL PLAN
2014/15 TO 2023/24**

JUNE 2014

TABLE OF CONTENTS

Sewer

Sewer Fund Ten-Year Financial Plan	1
Funding Sources for Capital Projects.....	6
Ten-Year Capital Outlay Projections.....	7-8
Ten-Year Financial Plan by Department and Project.....	9

Water

Water Fund Ten-Year Financial Plan	29
Funding Sources for Capital Projects.....	35
Ten-Year Capital Outlay Projections.....	36-37
Ten-Year Financial Plan by Department and Project.....	38

Acknowledgments	55
-----------------------	----

SEWER FUND
TEN-YEAR FINANCIAL PLAN

SEWER TEN-YEAR FINANCIAL PLAN

July 1, 2014 to June 30, 2024

PURPOSE

In an effort to set a responsible financial plan for South Tahoe Public Utility District, finance staff prepares a Ten-Year Financial Plan (the Plan) for use by the Board of Directors and management. The ten-year period covered is July 1, 2014 to June 30, 2024. This Plan is based on the best available information and Board direction as of June 5, 2014. How closely the ten-year plan comes to forecasting the financial results will depend on whether the assumptions used prove to be correct and the number of unforeseen changes during the ten-year period.

ASSUMPTIONS

The Plan assumptions are: operations and maintenance expenses and depreciation increase at 2.0% per year; salaries increase at 2.0% per year and benefits increase at 3.0% per year due to anticipated increases of health insurance and retirement costs; property tax revenue begins to increase 2% annually in fiscal year 2014/15; interest income is forecasted at an earnings rate of 1.0% early on working up to 3.0% mid-way through the forecast; capacity/connection fees are expected to be received from 30 residential allocations each year. Commercial capacity/connection fees are forecasted based on the anticipated timing of new development with none expected in the first three years of the Plan.

CAPITAL SPENDING

Capital spending over the ten-year period is anticipated to total \$65.7 million, of which \$58.5 million is engineered infrastructure improvements. The District's investment in capital is more than 100% of the forecasted depreciation expense, which is estimated to total \$50.0 million over ten years. District staff developed several capital improvement plan

scenarios for the Board to consider, each requiring different rate increases. The Board ultimately adopted the rates to fund the staff recommended “Adequate and Appropriate” plan. The capital projects include spending for the sewer treatment plant and system upgrades, pump station improvements, pipeline extensions and upgrades, heavy equipment replacement, and other equipment purchases. Specifically, the Plan includes the Diamond Valley Ranch irrigation project which will allow the District to distribute its treated effluent on the District owned land in Alpine county. Also, the much needed upgrades to the Luther Pass pump station power and control systems will be completed in the first two years of the Plan. Other projects include improvements to the systems at Fallen Leaf Lake, improvements to the Tahoe Keys, Upper Truckee, and Al Tahoe force main bypasses, a new generator for the treatment plant, SCADA upgrades, development of additional emergency storage ponds in Alpine county, and several other wastewater collection, treatment and recycling projects. Fifty-four percent of the infrastructure costs are forecasted to be self-funded, and the remaining 46% of the costs are borrowed from lenders. The District is seeking to borrow approximately \$27.2 million from the California State Revolving Loan Program through the State Water Resources Control Board in the form of low-interest loans. See the accompanying Capital Outlay schedules for details by project or item.

CASH RESERVES

The District prudently maintains minimum reserve levels to address unexpected expenditures or reduction in revenue sources. Reserves are available for operations, capital projects, and to avoid large rate increases. The operating reserve is equal to two months of operating expenses, while the capital reserve is at least one year of budgeted capital spending. The rate stabilization reserve is equal to one year’s property tax receipts. At June 30, 2024, the District's reserves are forecast as follows:

Capital Outlay Reserve	\$4,628,193
Rate Stabilization Fund	7,321,000
Operating Reserve	<u>3,721,973</u>
Total	\$15,671,166

RATE CHANGES

The adopted budget for 2014/15 includes a 6% increase to rates. Following issuance of a multi-year Proposition 218 notice, the Board adopted a five-year rate schedule. Years two through five also include a 6% annual increase to rates. The rate changes are not automatic. The Board is required to confirm the increase for each of the remaining four years. Rate changes for years six through ten are forecasted at 4% per year. The continued need for infrastructure maintenance and replacement, along with the day-to-day operating expenditures of the District, necessitates consistent marginal rate adjustments. The District Board of Directors and a majority of the ratepayers have historically preferred this methodology over occasional large rate adjustments.

SEWER TEN-YEAR FINANCIAL PLAN

	2014/15 BUDGET		2015/16 FORECAST		2016/17 FORECAST		2017/18 FORECAST		2018/19 FORECAST	
	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE
BEGINNING CASH BALANCES	2,864,937	15,021,880	2,883,550	12,891,275	2,940,931	13,493,790	3,095,723	12,207,028	3,156,869	13,973,737
REVENUES (1)	18,576,978	443,000	19,680,978	443,000	20,590,978	443,000	21,565,978	862,000	22,616,978	862,000
BORROWINGS	0	2,750,000	0	6,432,250		2,725,807	0	4,361,910	0	1,873,387
AVAILABLE FUNDS	21,441,915	18,214,880	22,564,528	19,766,525	23,531,909	16,662,597	24,661,701	17,430,938	25,773,847	16,709,124
SALARIES (2)	5,267,319	726,659	5,372,665	741,192	5,480,119	756,016	5,589,721	771,136	5,701,515	786,559
BENEFITS (2)	2,859,630	320,690	2,945,419	330,311	3,033,781	340,220	3,124,795	350,427	3,218,539	360,939
OPERATIONS & MAINTENANCE (2)	5,518,976	116,025	5,644,656	118,346	5,754,489	120,712	5,894,007	123,127	5,996,588	125,589
CAPITAL OUTLAY		6,589,400		8,259,890		6,327,000		6,030,900		6,709,352
DEBT SERVICE (3)	741,000	1,751,000	696,000	1,797,000	890,000	2,199,000	832,000	2,256,000	951,000	2,592,000
TOTAL CASH OUTLAYS	14,386,925	9,503,774	14,658,740	11,246,738	15,158,389	9,742,948	15,440,523	9,531,590	15,867,642	10,574,440
BALANCE BEFORE TRANSFERS	7,054,990	8,711,106	7,905,788	8,519,786	8,373,521	6,919,649	9,221,177	7,899,348	9,906,205	6,134,684
CAPITAL OUTLAY FUND TRANSFERS	-4,171,441	4,171,441	-4,964,857	4,964,857	-5,277,798	5,277,798	-6,064,309	6,064,309	-6,617,417	6,617,417
ACCRUAL TO CASH ADJUSTMENT	0	8,729	0	9,147	0	9,581	0	10,080	0	10,584
RATE STABILIZATION FUND TRANSFERS		-6,131,000		-6,253,000		-6,378,000		-6,505,000		-6,635,000
OPERATING AND CAPITAL OUTLAY RESERVES (4)	2,883,550	6,760,275	2,940,931	7,240,790	3,095,723	5,829,028	3,156,869	7,468,737	3,288,788	6,127,684
RATE STABILIZATION FUND (5)		6,131,000		6,253,000		6,378,000		6,505,000		6,635,000
TOTAL RESERVE BALANCES	2,883,550	12,891,275	2,940,931	13,493,790	3,095,723	12,207,028	3,156,869	13,973,737	3,288,788	12,762,684
AMORTIZATION (NON-CASH ITEM)	189,883		189,883		189,883		189,883		189,883	
DEPRECIATION (NON-CASH ITEM)	4,572,000		4,663,000		4,756,000		4,851,000		4,948,000	

ASSUMPTIONS:

(1) REVENUES

Enterprise Revenue includes property taxes, service charges, interest income and other misc revenue.

Capital Fund Revenue includes capacity charges and capital grant receipts.

Service charge rates increase 6% in 2014/15 - 2018/19 and 4% each year after.

Service charges growth assumes a minimum of 45 sewer units per year.

Investments earn 1% to 3.0% net of management fees.

Commercial capacity fees based on projected commercial projects.

Residential capacity fees are based on 30 residential allocations each year.

(2) EXPENDITURES

Benefits include a 3.0% escalator beginning 2015/16 due to potential PERS/health insurance increases.

Salaries include a 2.0% escalator beginning 2015/16 to account for standard step increases and other potential adjustments.

O&M Expenses & Depreciation increase at 2.0% per year. Specific known changes adjusted as appropriate.

Ten Year CIP plan in the amount of \$58.5 million.

Debt Service includes principle & interest payments for current SRF loans and additional debt of \$26.5 million over the ten year forecast.

All future borrowings are anticipated to be low interest loans from the SWRCB SRF program. See debt service page.

\$150,000 contingency reserve for all years.

SEWER TEN-YEAR FINANCIAL PLAN (CONTINUED)

	2019/20		2020/21		2021/22		2022/23		2023/24	
	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE
BEGINNING CASH BALANCES	3,288,788	12,762,684	3,368,143	11,798,452	3,425,121	11,305,802	3,507,559	12,559,250	3,656,442	11,800,487
REVENUES (1)	23,311,978	862,000	24,055,978	862,000	24,853,978	862,000	25,786,978	862,000	26,651,978	862,000
BORROWINGS	0	2,029,889	0	2,705,722		3,673,633	0	0	0	0
AVAILABLE FUNDS	26,600,766	15,654,573	27,424,121	15,366,174	28,279,099	15,841,435	29,294,537	13,421,250	30,308,420	12,662,487
SALARIES (2)	5,815,546	802,290	5,931,857	818,336	6,050,494	834,703	6,171,504	851,397	6,294,934	868,425
BENEFITS (2)	3,315,095	371,768	3,414,548	382,921	3,516,984	394,408	3,622,494	406,240	3,731,169	418,428
OPERATIONS & MAINTENANCE (2)	6,144,059	128,101	6,239,400	130,663	6,379,488	133,276	6,507,078	135,942	6,637,220	138,661
CAPITAL OUTLAY		6,890,992		7,520,300		7,020,589		5,320,203		5,079,800
DEBT SERVICE (3)	918,000	2,714,000	848,000	2,785,000	816,000	2,920,000	938,000	3,306,000	852,000	3,391,000
TOTAL CASH OUTLAYS	16,192,700	10,907,151	16,433,805	11,637,220	16,762,967	11,302,976	17,239,076	10,019,782	17,515,322	9,896,313
BALANCE BEFORE TRANSFERS	10,408,066	4,747,422	10,990,316	3,728,955	11,516,132	4,538,459	12,055,461	3,401,468	12,793,098	2,766,174
CAPITAL OUTLAY FUND TRANSFERS	-7,039,923	7,039,923	-7,565,195	7,565,195	-8,008,573	8,008,573	-8,399,019	8,399,019	-9,071,126	9,071,126
ACCRUAL TO CASH ADJUSTMENT	0	11,107		11,652		12,218		0		111,893
RATE STABILIZATION FUND TRANSFERS		-6,766,000		-6,901,000		-7,038,000		-7,178,000		-7,321,000
OPERATING AND CAPITAL OUTLAY RESERVES (4)	3,368,143	5,032,452	3,425,121	4,404,802	3,507,559	5,521,250	3,656,442	4,622,487	3,721,973	4,628,193
RATE STABILIZATION FUND (5)		6,766,000		6,901,000		7,038,000		7,178,000		7,321,000
TOTAL RESERVE BALANCES	3,368,143	11,798,452	3,425,121	11,305,802	3,507,559	12,559,250	3,656,442	11,800,487	3,721,973	11,949,193
AMORTIZATION (NON-CASH ITEM)	189,883		189,883		189,883		189,883		189,883	
DEPRECIATION (NON-CASH ITEM)	5,046,000		5,146,000		5,248,000		5,352,000		5,459,000	

(3) OPERATING & CAPITAL RESERVES

Operating reserve is equal to two months of operating costs. Remaining reserves are for capital projects.

(4) RATE STABILIZATION FUND

The rate stabilization fund (reserve) is equal to one years property tax receipts net of jurisdictional transfers

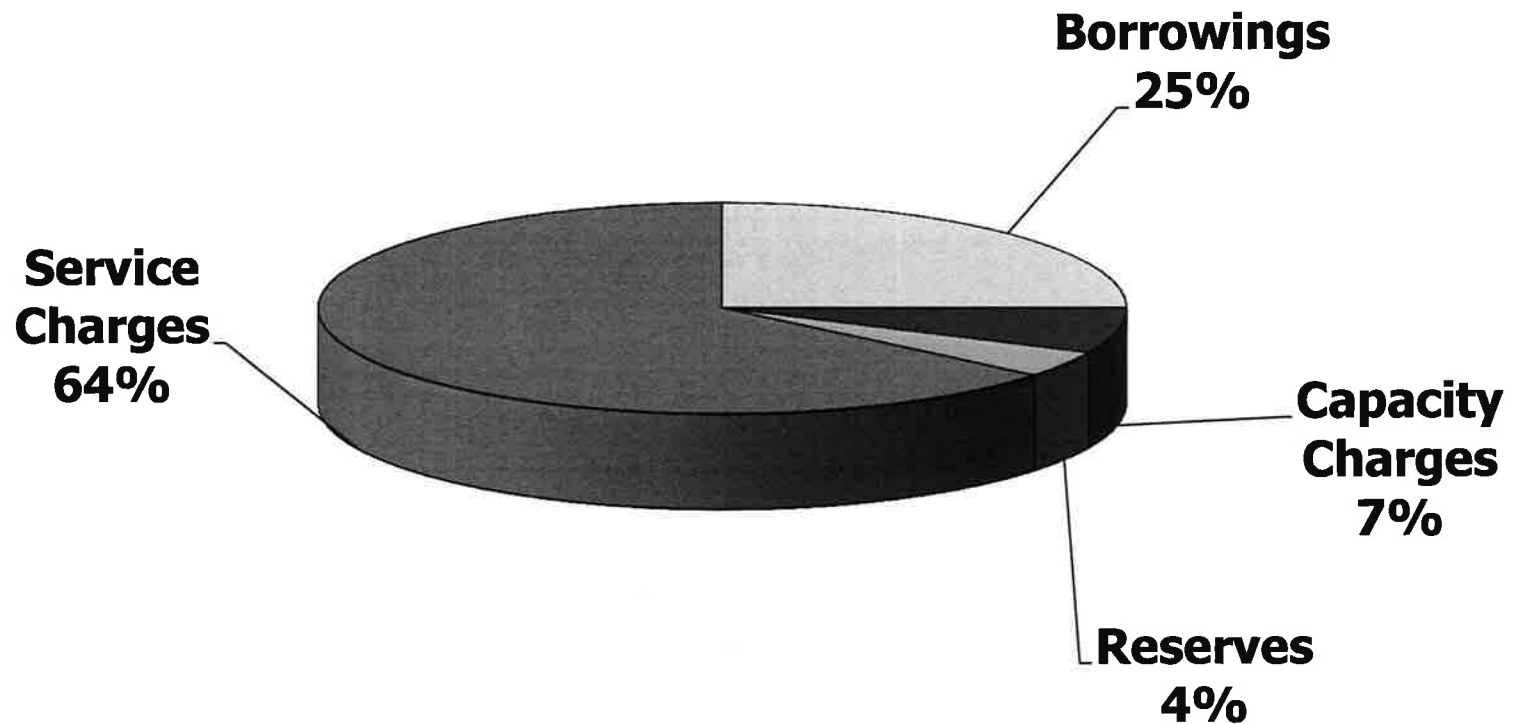
RESULTS:

Operating revenue covers operating expenses at all times.

District is in compliance with the "net revenue" debt covenants.

SEWER ENTERPRISE FUND

Funding Sources for Capital Projects Fund

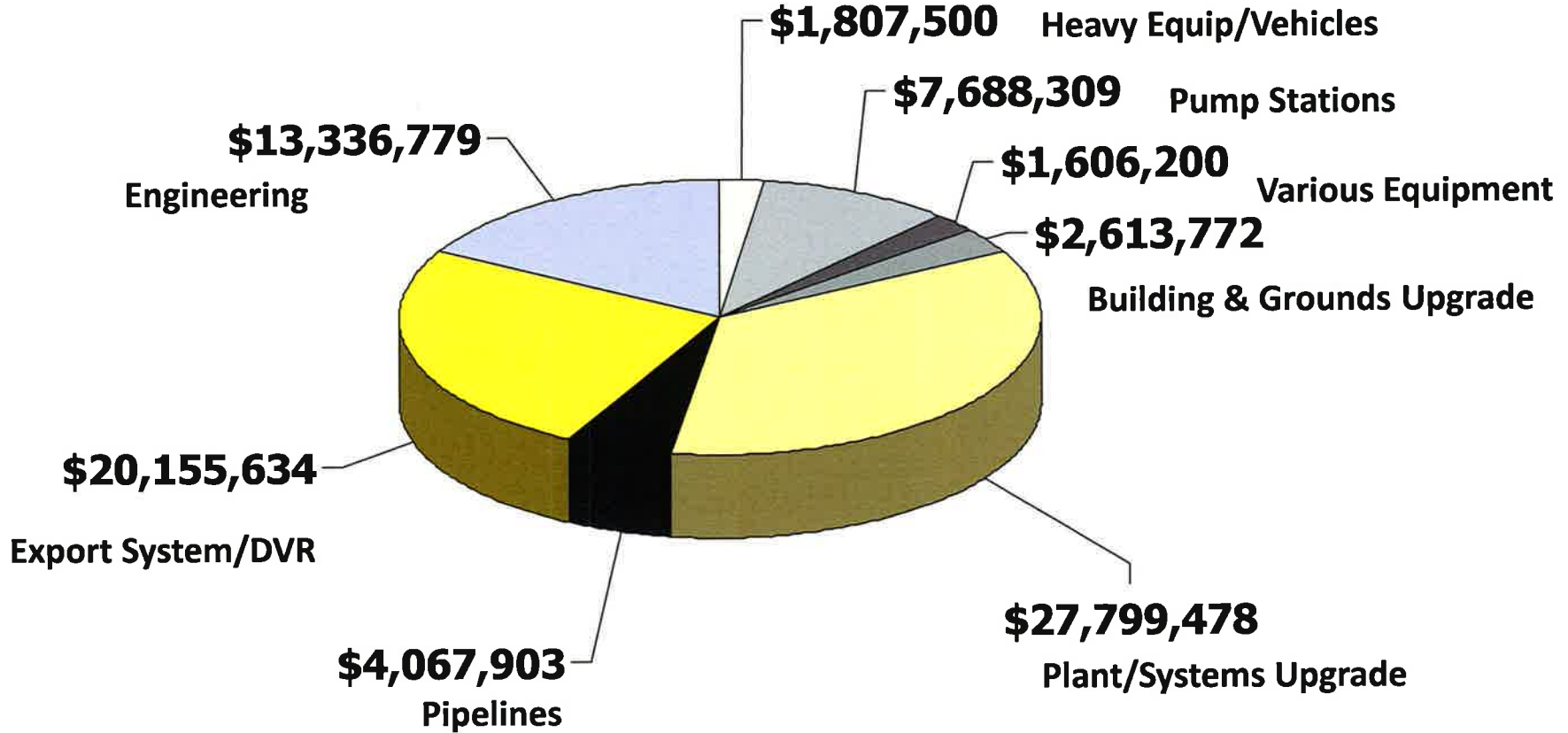


**SEWER TEN-YEAR CAPITAL OUTLAY PROJECTIONS – 2015/2024
BY FUNCTIONAL CATEGORY**

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1) HEAVY EQUIPMENT & VEHICLES	107,500	280,000	435,000	210,000	285,000	210,000	113,000	62,000	80,000	25,000	1,807,500
2) PUMP STATIONS	93,200	68,400	1,379,919	28,255	793,217	1,634,489	1,125,786	1,155,293	55,034	1,354,716	7,688,309
3) VARIOUS EQUIPMENT	184,200	414,000	189,000	148,000	144,000	119,000	124,000	162,000	102,000	20,000	1,606,200
4) BUILDING & GROUNDS UPGRADE	99,219	124,455	103,729	50,041	553,721	52,784	109,217	55,694	62,215	1,402,697	2,613,772
5) PLANT/SYSTEMS UPGRADE	3,010,603	615,235	3,713,979	3,759,770	4,158,243	2,455,477	1,915,794	2,548,700	4,202,460	1,419,217	27,799,478
6) PIPELINES	192,250	168,045	475,336	408,928	579,637	794,716	964,221	469,770	0	15,000	4,067,903
7) EXPORT SYSTEM/DIAMOND VALLEY RANCH	2,903,000	6,590,640	27,400	1,426,321	195,027	1,622,565	3,167,078	2,565,340	816,869	841,394	20,155,634
8) ENGINEERING STAFF & EXPENSES	1,163,374	1,198,275	1,234,223	1,271,250	1,309,388	1,348,669	1,389,129	1,430,803	1,473,727	1,517,939	13,336,779
TOTAL SEWER	7,753,346	9,459,050	7,558,586	7,302,565	8,018,233	8,237,700	8,908,225	8,449,600	6,792,305	6,595,963	79,075,575

SEWER ENTERPRISE FUND CAPITAL PROJECTS

Ten Years Ending June 30, 2024



SEWER

TEN-YEAR FINANCIAL PLAN

BY DEPARTMENT

and

BY PROJECT

SEWER TOTALS

DEPARTMENT	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
UNDERGROUND REPAIR	15,000	45,000	72,000	19,000	0	20,000	10,000	19,000	0	20,000	220,000
PUMPS	61,500	76,500	33,500	34,500	39,500	26,500	35,500	31,500	34,500	0	373,500
ELECTRICAL	64,400	33,400	58,700	37,000	24,300	34,600	29,900	25,200	25,500	25,800	358,800
HEAVY MAINTENANCE	163,000	205,000	165,000	20,000	70,000	5,000	60,000	5,000	10,000	5,000	708,000
EQUIPMENT REPAIR	107,500	340,000	434,000	213,000	345,000	210,000	113,000	122,000	80,000	25,000	1,989,500
OPERATIONS	256,000	109,600	141,400	123,200	85,000	417,000	69,000	71,000	73,100	75,300	1,420,600
LABORATORY	16,000	74,000	25,000	0	10,000	0	10,000	0	10,000	0	145,000
BOARD OF DIRECTORS	0	0	0	0	0	0	0	0	0	0	0
ADMINISTRATION	0	0	0	18,000	0	0	0	19,000	0	0	37,000
HUMAN RESOURCES	0	19,000	0	0	0	0	0	20,000	0	0	39,000
PUBLIC OUTREACH	0	0	0	0	0	0	0	0	0	0	0
DIAMOND VALLEY RANCH	441,000	204,100	27,400	53,200	79,100	130,000	30,900	31,800	32,700	33,700	1,063,900
ENGINEERING	5,333,572	6,941,175	5,289,363	5,433,415	5,996,945	5,946,931	7,071,796	6,630,297	4,975,778	4,893,224	58,512,498
INFORMATION SYSTEMS	114,000	206,000	57,000	80,000	57,000	31,000	87,000	44,000	37,000	0	713,000
CUSTOMER SERVICE	0	0	0	0	0	48,000	0	18,000	0	0	66,000
FINANCE	18,000	7,000	21,000	0	2,000	20,000	2,000	0	22,000	0	92,000
ENGINEERING STAFF & EXPENSES	1,163,374	1,198,275	1,234,223	1,271,250	1,309,388	1,348,669	1,389,129	1,430,803	1,473,727	1,517,939	13,336,779
TOTALS	7,753,346	9,459,050	7,558,586	7,302,565	8,018,233	8,237,700	8,908,225	8,449,600	6,792,305	6,595,963	79,075,575

SEWER UNDERGROUND REPAIR

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 SMART COVERS	15,000	15,000		15,000		15,000		15,000		15,000	90,000
2 REPLACE HYDRAULIC JACKHAMMER				4,000				4,000			8,000
3 REPLACE MAIN CAMERA			40,000								40,000
4 REPLACE TV TRUCK COMPUTER			4,000			5,000				5,000	14,000
5 REPLACE SEWER LATERAL CAMERA (TV TRUCK)			18,000								18,000
6 REPLACE STAND ALONE LATERAL CAMERA		18,000									18,000
7 COLD BARN REHAB		12,000									12,000
8 HYDRO NOZZLES			10,000				10,000				20,000
TOTALS	15,000	45,000	72,000	19,000	0	20,000	10,000	19,000	0	20,000	220,000

SEWER PUMPS

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 REPLACE FAIRWAY #1 AND #2 PUMPS				8,000							8,000
2 WET WELL COATING: TAHOE KEYS		30,000									30,000
3 NEW FLOWMETERS FOR JOHNSON SEWER (3)		20,000									20,000
4 NEW FLOWMETER UPPER TRUCKEE (1)			7,000								7,000
5 SECURITY MEASURES	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	238,500
6 REBUILD MOTOR/PUMP CV LPPS	20,000										20,000
7 BALDWIN WET WELL REPAIR	5,000										5,000
8 GARDNER MOUNTAIN NEW PUMPS					13,000						13,000
9 BELLEVUE REBUILD PUMPS							9,000				9,000
10 JOHNSON REBUILD #3								5,000			5,000
11 BIJOU REBUILD #1 AND #3									8,000		8,000
12 PONDEROSA SPARE PUMP	10,000										10,000
TOTALS	61,500	76,500	33,500	34,500	39,500	26,500	35,500	31,500	34,500	0	373,500

SEWER ELECTRICAL

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 SEWER PUMP STATION MOTOR REBUILDS **	8,200	8,400	8,700	9,000	9,300	9,600	9,900	10,200	10,500	10,800	94,600
2 REPL. SCADA REPORTING ACTIVE FACTORY SOFTWARE				6,000							6,000
3 REPLACE ULTRASONIC LEVEL DETECT.(STANFORD P.S.)				7,000							7,000
4 PUMP STATION CONTROLS		10,000				10,000					20,000
5 CATHODIC PROTECTION EQUIPMENT			5,000				5,000				10,000
6 REPLACE SCADA RTU'S		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	135,000
7 PLANT 1,500 KVA TRANSFORMER	50,000										50,000
8 PRESSURE CALIBRATOR	6,200										6,200
9 R A S PUMP VFD'S			30,000								30,000
TOTALS	64,400	33,400	58,700	37,000	24,300	34,600	29,900	25,200	25,500	25,800	358,800

** INCLUDES A 3% INCREASE PER YEAR (ROUNDED)

SEWER HEAVY MAINTENANCE

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 PAVING REPAIRS & MAINTENANCE			50,000				50,000				100,000
2 REBUILD SECONDARY CLARIFIER DRIVE	55,000		55,000								110,000
3 REPLACE LINERS FOR SLUDGE AUGERS	20,000		20,000								40,000
4 REBUILD CENTRIFUGES					60,000						60,000
5 REPLACE SLUDGE GRINDERS (BIOSOLIDS BLDG.)	20,000		20,000								40,000
6 REBUILD SLUDGE PUMPS (BIOSOLIDS BLDG.)			10,000								10,000
7 REPLACE ROLL-UP DOOR	10,000	5,000	10,000	5,000	10,000	5,000	10,000	5,000	10,000	5,000	75,000
8 REPLACE TOOLS: PORTABLE WELDER	10,000										10,000
9 REPLACE A- LINE SURGE AIR COMPRESSOR		15,000		15,000							30,000
10 REPLACE 10,000 GALLON DIESEL TANK		65,000									65,000
11 GAS BOY SYSTEM	48,000										48,000
12 R A S PUMPS (3)		120,000									120,000
TOTALS	163,000	205,000	165,000	20,000	70,000	5,000	60,000	5,000	10,000	5,000	708,000

SEWER EQUIPMENT REPAIR (VEHICLES) - PAGE 2

USE OR BENEFIT EXPLANATION	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	TOTALS
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
1 REPLACE U/R TRUCK #1 (1988)			30,000								30,000
2 REPLACE U/R TRUCK #63 (2002 TV VAN)			70,000								70,000
3 REPLACE U/R TRUCK #12 (1997 VACUUM)		180,000									180,000
4 REPLACE U/R TRUCK #4 (2011)							30,000				30,000
5 REPLACE U/R TRUCK #38 (2003)		30,000									30,000
6 REPLACE U/R TRUCK #20 (2001)								35,000			35,000
7 REPLACE U/R TRUCK #52 (1998)								27,000			27,000
8 REPLACE U/R TRUCK #58 (2002 HYDRO)			200,000								200,000
9 REPLACE PUMPS TRUCK #46 (2011)								23,000			23,000
10 REPLACE PUMPS TRUCK #16 (2008)				35,000							35,000
11 REPLACE PUMPS TRUCK #59 (2010)						30,000					30,000
12 REPLACE PUMPS TRUCK #30 (2007)										25,000	25,000
13 REPLACE PUMPS TRUCK #36 (2004 VACUUM)					100,000						100,000
14 REPLACE PUMPS TRUCK #42 (2008)	35,000										35,000
15 REPLACE PUMPS SNOWMOBILE				15,000							15,000
16 REPLACE ELECTRIC SHOP TRUCK #51(2011)								30,000			30,000
17 REPLACE ELECTRIC SHOP TRUCK #28 (2001)	35,000										35,000
18 REPLACE ELECTRIC SHOP TRUCK #2 (1997)				35,000							35,000
19 REPLACE ELECTRIC SHOP TRUCK #21 (2002)			35,000								35,000
20 REPLACE H/M WELDING TRUCK #19 (2008)				35,000							35,000
21 REPLACE H/M ONE TON TRUCK #14 (2002)		35,000									35,000
22 HEAVY MAINT. ARTICULATING MANLIFT (2006)						90,000					90,000
23 REPLACE EQUIP. REPAIR TRUCK #11 (2008)					45,000						45,000
24 REPLACE OPS TRUCK #74 (2007)					35,000						35,000
25 REPLACE OPS KAWASAKI MULE #66 (2003)			12,000								12,000
26 REPLACE LAB TRUCK #49 (2011)							30,000				30,000
27 REPLACE DIAMOND VALLEY RANCH TRUCK #70 (2004)	30,000										30,000
28 REPLACE DIAMOND VALLEY RANCH TRACTOR #9 (1997)				90,000							90,000
29 REPLACE DIAMOND VALLEY RANCH QUADRUNNER (2005)			12,000								12,000
30 REPLACE D.V.R. DUMP TRUCK #56 (2009)								80,000			80,000
31 REPLACE DIAMOND VALLEY RANCH BACKHOE #29 (2004)						90,000					90,000
32 REPLACE ENGINEERING VEHICLE #73 (2002)					35,000						35,000
33 REPLACE ENGINEERING VEHICLE #68 (2004)					35,000						35,000
34 REPLACE ENGINEERING VEHICLE #76 (2004)					35,000						35,000
35 REPLACE C.S. TRUCK #18 W/SHELL (2007)			35,000								35,000
36 REPLACE C.S. TRUCK #50 (2006)		35,000									35,000
37 REPLACE C.S. TRUCK #62 (2004)			30,000								30,000
SUBTOTALS	100,000	280,000	424,000	210,000	285,000	210,000	113,000	62,000	80,000	25,000	1,789,000
TOTALS	107,500	340,000	434,000	213,000	345,000	210,000	113,000	122,000	80,000	25,000	1,989,500

SEWER OPERATIONS

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 PLANT SCADA SYSTEM	49,000										49,000
2 PLANT SECURITY	37,000										37,000
3 OTHER PLANT IMPROVEMENTS **		59,600	61,400	63,200	65,000	67,000	69,000	71,000	73,100	75,300	604,600
4 HIGH EFFICIENCY BLOWER						300,000					300,000
5 REPLACE CHEMICAL STORAGE TANKS (5)			80,000								80,000
6 REPLACE POLYMER PUMPS	20,000				20,000						40,000
7 PRIMARY DRIVE REBUILD		50,000									50,000
8 REHAB EMERGENCY PUMP & MOTOR				60,000							60,000
9 REPLACE HYPO PUMPS						50,000					50,000
10 REPLACE AERATION BASIN WATERLINE	100,000										100,000
11 POND FENCING	30,000										30,000
12 EYE WASH UNITS (2)	20,000										20,000
TOTALS	256,000	109,600	141,400	123,200	85,000	417,000	69,000	71,000	73,100	75,300	1,420,600

**INCLUDES A 3% INCREASE PER YEAR (ROUNDED)

SEWER LABORATORY

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 REPLACE BOD INCUBATOR	6,000										6,000
2 REPLACE FINAL SAMPLER					10,000						10,000
3 REPLACE DISCREET ANALYZER		40,000									40,000
4 REPLACE SECONDARY SAMPLER			10,000								10,000
5 ICR SAMPLE BOAT			5,000								5,000
6 REPLACE PRIMARY SAMPLER		10,000									10,000
7 REPLACE HYDROLAB DATA SONDE								10,000			10,000
8 REPLACE RAW SAMPLER							10,000				10,000
9 REPLACE COPIER (SHARED WITH OPERATIONS)		18,000									18,000
10 REPLACE SPECTROPHOTOMETER	10,000										10,000
11 REPLACE AMPEROMETRIC C12 TITRATOR		6,000									6,000
12 REPLACE LAB FIELD METERS (3)			10,000								10,000
TOTALS	16,000	74,000	25,000	0	10,000	0	10,000	0	10,000	0	145,000

SEWER ADMINISTRATION

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 REPLACE COPIER				18,000				19,000			37,000
TOTALS	0	0	0	18,000	0	0	0	19,000	0	0	37,000

SEWER HUMAN RESOURCES

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 REPLACE COPIER		19,000						20,000			39,000
TOTALS	0	19,000	0	0	0	0	0	20,000	0	0	39,000

SEWER DIAMOND VALLEY RANCH

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 DITCH PIPING	80,000					100,000					180,000
2 MILLICH DITCH DIVERSION STRUCTURE		94,000									94,000
3 FENCING DIAMOND VALLEY RANCH	15,000										15,000
4 TRACK PACKER		7,500									7,500
5 UNDESIGNATED PROJECTS **		26,600	27,400	28,200	29,100	30,000	30,900	31,800	32,700	33,700	270,400
6 PAVING/SEALING ROADS	45,000	25,000		25,000							95,000
7 NUTRIENT MANAGEMENT PLAN		31,000			50,000						81,000
8 MINE REVEG	25,000	20,000									45,000
9 DITCH/RESERVOIR MONITORING	30,000										30,000
10 REPLACE AERATION SYSTEM - HARVEY PLACE RESERVOIR	85,000										85,000
11 NEW DAMMER DIKER	46,000										46,000
12 WATER TRAILER	15,000										15,000
13 ICR VAULT SAFETY	100,000										100,000
TOTALS	441,000	204,100	27,400	53,200	79,100	130,000	30,900	31,800	32,700	33,700	1,063,900

**INCLUDES A 3% INCREASE PER YEAR (ROUNDED)

SEWER ENGINEERING - PAGE 1

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 SEWER REPAIR-COUNTRY CLUB/BAKERSFIELD	5,150										5,150
2 CATHODIC PROTECTION				84,413	86,946						171,359
3 EROSION CONTROL PROJECTS **	22,860	23,340	24,040	24,761	25,504	26,269	27,057	27,869	28,705	29,566	259,771
4 HIGHWAY 50 UTILITY RELOCATIONS	51,500	53,045									104,545
5 DVR IRRIGATION IMPROVEMENTS	2,050,000	3,250,000									5,300,000
6 TROUT CREEK RIVER RESTORATION	633,603										633,603
7 FALLEN LEAF LAKE SYSTEM IMPROVEMENTS	200,000		327,818	337,653	347,782						1,213,253
8 LPPS POWER AND CONTROL UPGRADES	412,000	3,136,540									3,548,540
9 AERATION BASIN 1 REHAB	1,236,000										1,236,000
10 PRIMARY CLARIFIER 2 REHAB	513,500	159,135									672,635
11 PRIMARY CLARIFIER 1 REHAB					1,275,201	119,405					1,394,606
12 AERATION BASIN 2 REHAB								1,266,770	260,955		1,527,725
13 BMP PROJECTS **	18,559	19,115	19,689	20,280	20,888	21,515	22,160	22,825	23,510	24,215	212,756
14 TALLAC STREET SEWER CROSSING	100,000										100,000
15 FORCEMAIN BYPASS - AL TAHOE			218,545	393,928							612,473
16 ANGORA CREEK SEWER LINE RELOCATION PROJECT - PHASE II	20,600										20,600
17 BONEYARD STABILIZATION PLAN	20,000										20,000
18 UPPER TRUCKEE PS - ASSESS AND IMPROVE	50,000		218,545		191,280						459,825
19 BEECHER WET WELL COATING				11,255							11,255
20 TREATMENT PLANT GENERATOR (REPLACE BY 2020)			1,748,363	1,982,021							3,730,384
21 WOUS - SEWER LINE CROSSINGS CONDITION ASSESSMENT			256,791								256,791
22 RAS SUMP PITS (REPAIR & COAT CONCRETE) 3				67,531							67,531
23 BREAKPOINT CHAMBER					358,216						358,216
24 AERATION BASIN INFLUENT CHANNEL (WALL/FLOOR/COVER/CONDUIT)				75,409							75,409
25 FORCEMAIN BYPASS - UPPER TRUCKEE					579,637						579,637
26 TAHOE KEYS PUMP STATION CAPACITY UPGRADE			1,115,674								1,115,674
27 PUMP STATION SCADA UPGRADES						1,614,889	1,106,886	1,140,093			3,861,868
28 HARVEY PLACE EMERGENCY STORAGE PONDS - PHASE I							1,598,836				1,598,836
29 HARVEY PLACE EMERGENCY STORAGE PONDS - PHASE II								2,533,540			2,533,540
30 HIGHWAY 89 & 5TH STREET REPLACEMENT							114,378	454,770			569,148
31 C-LINE/SURGE LINE INSPECTION & REPLACEMENT							138,976				138,976
32 CARBON ODOR SCRUBBER/STROBIC FAN							542,374				542,374
33 FILTERS REHAB 1,2 (HIGHER PRIORITY)						597,026	614,937				1,211,963
34 SECONDARY CLARIFIERS REHAB						579,115	596,489	614,383			1,789,987
35 EMERGENCY PUMP STATION IMPROVEMENTS (CONCRETE REHAB)					579,637						579,637
36 BLOWERS (EMERGENCY BLOWER REPLACE BY 2020 FOR EPA)						716,431					716,431
37 PLANT PAVING		200,000		56,275	57,964		61,494	63,339			439,072
38 WWTP PIPING EVAL/PROTECT/REPLACE		100,000				779,716	710,867				1,590,583
39 SEWER REPLACEMENT - PRIORITY 2								506,708			506,708
40 CONDENSATION PIT (COATING)									13,048		13,048
SUBTOTALS	5,333,572	6,941,175	3,929,465	3,063,526	3,523,055	4,454,366	5,534,454	6,630,297	326,218	53,781	39,779,909
**INFLATION	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34	

SEWER ENGINEERING - PAGE 2

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
41 PLANT SCADA SYSTEM									19,572		19,572
42 FLOW METERS AT IMPORTANT PUMP STATIONS									36,534		36,534
43 ELIMINATE ODOR SOURCES									326,193		326,193
44 BALLAST POND LINER									815,483	839,948	1,655,431
45 PLANT MASTER PLAN FOR LAND USE									170,925		170,925
46 FILTERS REHAB 3.4 (LOWER PRIORITY)									1,355,007		1,355,007
47 PLANT SECURITY IMPROVEMENTS									652,387		652,387
48 SNOWSHOE THOMPSON PHASE 2									784,169	807,694	1,591,863
49 AL TAHOE PUMP STATION MAINTENANCE IMPROVEMENTS										1,343,916	1,343,916
50 LOWER & FOUNTAIN SHOP BUILDING IMPROVEMENTS										1,343,916	1,343,916
51 SNOWSHOE THOMPSON PHASE 3				1,373,121							1,373,121
52 AUTOMATE CENTRIFUGE POLY FEED			382,454								382,454
53 WILDWOOD SEWER INTERCEPTOR			977,444	1,006,768							1,984,212
54 FLOW MONITORING AND HYDRAULIC MODEL UPDATE					231,855						231,855
55 LOWER SHOP VEHICLE PARKING					497,329						497,329
56 CS MASTER PLAN UPDATE					115,927						115,927
57 DVR MASTER PLAN UPDATE					115,927						115,927
58 HARVEY PLACE BYPASS PIPELINE						1,492,565	1,537,342				3,029,907
59 AERATION BASIN SPLITTER BOX (CONCRETE REPAIR & COAT)						52,167					52,167
60 EMERGENCY PUMP STATION (COATING)						106,653					106,653
61 EQ BASINS (REMOVE PIPING AND COAT)						1,159,274					1,159,274
62 MISCED LIQUOR SPLITTER BOX (REPLACE GATES/WEIR, COATING)						57,964					57,964
63 PRIMARY EFFLUENT SPLIT BOX (CONCRETE REHAB/COAT, REPAIR GATES)						69,556					69,556
64 SLUDGE STORAGE TANK (COATING)						67,238					67,238
65 BYPASS MIXED LIQUOR SYSTEM									489,290	503,969	993,259
SUBTOTALS	0	0	1,359,898	2,379,889	2,473,890	1,492,565	1,537,342	0	4,649,560	4,839,443	18,732,587
TOTALS	5,333,572	6,941,175	5,289,363	5,433,415	5,996,945	5,946,931	7,071,796	6,630,297	4,975,778	4,893,224	58,512,496

SEWER INFORMATION TECHNOLOGY

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 GIS IMPLEMENTATION/UPGRADES	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000
2 VIRTUAL SERVER	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000
3 GIS SOFTWARE/LICENSES		9,000									9,000
4 BACKUP POWER - SERVER ROOM	6,000				5,000			5,000			16,000
5 NETWORKING EQUIP./IMPROVEMENTS - FOUNTAIN			4,000					4,000			8,000
6 NETWORKING EQUIP./IMPROVEMENTS	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	45,000
7 TELEPHONE SYSTEM UPGRADES	5,000	72,000				5,000					87,000
8 NEW FINANCE SYSTEM/MIGRATION/ENHANCEMENTS/STUDY		100,000				5,000		10,000			115,000
9 SQL ADDITIONAL LICENSES			6,000			6,000					12,000
10 REPLACE DOMAIN CONTROLLER					10,000				5,000		15,000
11 REPLACE PRESENTATION EQUIPMENT	5,000				5,000						10,000
12 REPLACE SEWER HYDRAULIC MODELING SOFTWARE			15,000								15,000
13 MICROSOFT OFFICE UPGRADES	30,000			30,000			30,000				90,000
14 VIRTUALIZATION SOFTWARE	11,000		7,000				7,000				25,000
15 STRATEGIC PLAN IMPLEMENTATION	25,000			20,000			20,000				65,000
16 INFRAMAP LICENSES	7,000				7,000				7,000		21,000
TOTALS	114,000	206,000	57,000	80,000	57,000	31,000	87,000	44,000	37,000	0	713,000

SEWER CUSTOMER SERVICE

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 REPLACE COPIER/PRINTER/FAX						18,000			18,000		36,000
2 REPLACE DIGITAL LOCATING EQUIP. (2)						30,000					30,000
TOTALS	0	0	0	0	0	48,000	0	0	18,000	0	66,000

SEWER FINANCE

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 REPLACE MICROFICHE READER		5,000									5,000
2 REPLACE PRINTER/COPIER/FAX MACHINE	18,000		19,000			20,000			20,000		77,000
3 ADP UPGRADES		2,000	2,000		2,000		2,000		2,000		10,000
TOTALS	18,000	7,000	21,000	0	2,000	20,000	2,000	0	22,000	0	92,000

WATER FUND
TEN-YEAR FINANCIAL PLAN

WATER TEN-YEAR FINANCIAL PLAN

July 1, 2014 to June 30, 2024

PURPOSE

In an effort to set a responsible financial plan for South Tahoe Public Utility District, finance staff prepares a Ten-Year Financial Plan (the Plan) for use by the Board of Directors and management. The ten-year period covered is July 1, 2014 to June 30, 2024. This Plan is based on the best available information and Board direction as of June 5, 2014. How closely the ten-year plan comes to forecasting the financial results will depend on whether the assumptions used prove to be correct and the number of unforeseen changes during the ten-year period.

ASSUMPTIONS

The Plan assumptions are: operations and maintenance expenses and depreciation increase at 2.0% per year; salaries increase at 2.0% per year and benefits increase at 3.0% per year due to anticipated increases of health insurance and retirement costs; property tax revenue begins to increase 2% annually in fiscal year 2014/15; interest income is forecasted at an earnings rate of 1.0% early on working up to 3.0% mid-way through the forecast; capacity/connection fees are expected to be received from 30 residential allocations each year. Commercial capacity/connection fees are forecasted based on the anticipated timing of new development with none expected in the first three years of the Plan.

CAPITAL SPENDING

Capital spending over the ten-year period is forecast to total \$49.9 million of which \$45.1 million is engineered infrastructure improvements. The District's investment in capital is more than 100% of the forecasted depreciation expense, which is estimated to total \$31.6 million over ten years. District staff developed several capital improvement plan scenarios for the Board to consider, each requiring different rate increases. The Board ultimately adopted the rates to fund the "Delayed B" plan. Consistent with the Sewer Fund, the staff recommendation was the "Adequate and Appropriate" plan which included \$69.5 million of engineered infrastructure improvements. The approved Plan allows for installing all remaining meters (approximately 8,000) on unmetered connections. The District is required by state law to have all water connections metered by the year 2025. This project is utilizing funding from several zero interest loans from the California Department of Public Health. The capital improvement plan also allows for the replacement of a portion of the undersized waterlines in the water distribution system. Currently, approximately 15% of the distribution system is undersized and does not provide adequate flows for fire protection. Other capital projects in the Plan include pump station and water tank improvements, heavy equipment replacement, and technological equipment upgrades. Thirty-seven percent of the infrastructure costs are forecasted to be self-funded and the remaining 63% of the costs are borrowed from lenders. See the accompanying Capital Outlay schedules for details by project or item.

CASH RESERVES

The District prudently maintains minimum reserve levels to address unexpected expenditures or reduction in revenue sources. Reserves are available for operations, capital projects, and to avoid large rate increases. The operating reserve is equal to two months of operating expenses, while the capital reserve is at least one year of budgeted capital spending. The rate stabilization reserve is equal to 10% of water rate revenues. In 2002 the District settled its MTBE water

contamination lawsuit, and the Board of Directors restricted the money from the lawsuit. The restriction allowed the money to only be used for MTBE-related expenses and capital projects. Any other use of the funds (which never occurred) required a 4/5ths vote of the Board. The MTBE remediation money was fully expended during 2013/14. At June 30, 2024, the District's reserves are forecast as follows:

Capital Outlay Reserve	\$5,443,229
MTBE Remediation	0
Rate Stabilization Fund	1,430,100
Operating Reserve	<u>2,137,262</u>
Total Reserves	\$9,010,591

RATE CHANGES

The adopted budget for 2014/15 includes a 6.5% increase to rates. Following issuance of a multi-year Proposition 218 notice, the Board adopted a five-year rate schedule. Years two through four also include a 6.5% annual increase to rates, while year five includes a 5% increase. The rate changes are not automatic. The Board is required to confirm the increase for each of the remaining four years. Rate changes for years six through ten are forecasted at 2% per year. The continued need for infrastructure maintenance and replacement, along with the day-to-day operating expenditures of the District, necessitates consistent marginal rate adjustments. The District Board of Directors and a majority of the ratepayers have historically preferred this methodology over occasional large rate adjustments.

WATER TEN-YEAR FINANCIAL PLAN

	2014/15 BUDGET	2014/15 BUDGET	2015/16 FORECAST	2015/16 FORECAST	2016/17 FORECAST	2016/17 FORECAST	2017/18 FORECAST	2017/18 FORECAST	2018/19 FORECAST	2018/19 FORECAST
	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE
BEGINNING CASH BALANCES	1,860,891	5,202,004	1,755,827	3,836,641	1,688,076	4,131,285	1,801,879	4,993,060	1,867,534	3,829,152
REVENUES (1)	10,166,278	1,952,000	10,754,000	1,652,000	10,699,000	1,652,000	11,550,000	1,915,000	12,169,000	1,915,000
BORROWINGS	0	6,915,000	0	4,100,000	0	7,100,000	0	4,100,000	0	6,200,000
AVAILABLE FUNDS	12,027,169	14,069,004	12,509,827	9,588,641	12,387,076	12,883,285	13,351,879	11,008,060	14,036,534	11,944,152
SALARIES (2)	3,074,857	726,659	3,136,354	741,192	3,199,081	756,016	3,263,063	771,136	3,328,324	786,559
BENEFITS (2)	1,693,390	320,690	1,744,192	330,311	1,796,517	340,220	1,850,413	350,427	1,905,925	360,939
OPERATIONS & MAINTENANCE (2)	3,124,938	303,425	3,165,915	109,494	3,250,755	111,683	3,294,248	113,917	3,381,655	116,195
CAPITAL OUTLAY		10,025,300		6,159,700		7,673,200		7,467,100		8,315,900
DEBT SERVICE (2)	191,000	1,100,000	172,000	729,000	323,000	1,034,000	304,000	1,258,000	285,000	1,482,000
TOTAL CASH OUTLAYS	8,084,185	12,476,074	8,218,461	8,069,696	8,569,354	9,915,119	8,711,724	9,960,580	8,900,905	11,061,594
BALANCE BEFORE TRANSFERS	3,942,984	1,592,930	4,291,366	1,518,944	3,817,722	2,968,165	4,640,155	1,047,480	5,135,629	882,558
CAPITAL OUTLAY FUND TRANSFERS	-2,243,711	2,243,711	-2,612,341	2,612,341	-2,024,895	2,024,895	-2,781,672	2,781,672	-3,203,581	3,203,581
ACCRUAL TO CASH ADJUSTMENT	56,553	0	9,051		9,051		9,051	0	9,051	0
RATE STABILIZATION FUNDS		-996,400		-1,062,800		-1,135,400		-1,213,000		-1,277,500
OPERATING AND CAPITAL OUTLAY RESERVES (3)	1,755,827	2,840,241	1,688,076	3,068,485	1,801,879	3,857,660	1,867,534	2,616,152	1,941,100	2,808,639
RESERVED FOR MTBE REMEDIATION (4)										
RATE STABILIZATION RESERVE (4)		996,400		1,062,800		1,135,400		1,213,000		1,277,500
TOTAL RESERVE BALANCES	1,755,827	3,836,641	1,688,076	4,131,285	1,801,879	4,993,060	1,867,534	3,829,152	1,941,100	4,086,139
AMORTIZATION (NON-CASH ITEM)	9,051		9,051		9,051		9,051		9,051	
DEPRECIATION (NON-CASH ITEM)	2,892,000		2,949,000		3,007,000		3,067,000		3,128,000	

ASSUMPTIONS:

(1) REVENUES

Enterprise revenue includes service charges, interest income and other misc revenue.

Capital Fund revenue includes capacity charges, capital grants and capital improvement charges

Service charge rates increase 6.5% in 2014/15 - 17/18, 5.0% in 18/19, 2% in 19/20 - 23/24.

Investments earn 1% to 3% net of investment fees.

Commercial capacity fees based on projected commercial projects.

Residential capacity fees are based on 30 residential allocations each year.

(2) EXPENDITURES

O&M Expenses and Depreciation increase at 2.0% per year. Specific known changes adjusted as appropriate.

Benefits include a 3.0% escalator beginning year 2015/16 due to potential PERS/health insurance increases.

Salaries include a 2% escalator beginning 2015/16 to account for standard step increases and other potential adjustments.

Ten Year CIP plan in the amount of \$44.5 million.

Debt Service includes principle and interest payments on current debt as well as an additional \$28.4M million over the ten year forecast.

\$150,000 contingency reserve for all years.

(3) OPERATING & CAPITAL RESERVES

Operating reserve is equal to two months of operating costs. Remaining reserves are available for capital projects.

WATER TEN-YEAR FINANCIAL PLAN (CONTINUED)

	2019/20 FORECAST	2019/20 FORECAST	2020/21 FORECAST	2020/21 FORECAST	2021/22 FORECAST	2021/22 FORECAST	2022/23 FORECAST	2022/23 FORECAST	2023/24 FORECAST	2023/24 FORECAST
	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE	ENTERPRISE FUND	CAPITAL OUTLAY RESERVE
BEGINNING CASH BALANCES	1,941,100	4,086,139	2,001,390	4,374,863	2,017,962	5,863,766	2,052,633	4,854,850	2,095,628	5,674,240
REVENUES (1)	12,485,000	1,915,000	12,810,000	1,915,000	13,180,000	1,915,000	13,471,000	1,915,000	13,831,000	1,915,000
BORROWINGS	0	0	0	0	0	0	0	0	0	0
AVAILABLE FUNDS	14,426,100	6,001,139	14,811,390	6,289,863	15,197,962	7,778,766	15,523,633	6,769,850	15,926,628	7,589,240
SALARIES (2)	3,394,891	802,290	3,462,788	818,336	3,532,044	834,703	3,602,685	851,397	3,674,739	868,425
BENEFITS (2)	1,963,103	371,768	2,021,996	382,921	2,082,656	394,408	2,145,136	406,240	2,209,490	418,428
OPERATIONS & MAINTENANCE (2)	3,427,766	118,519	3,517,844	120,890	3,566,678	123,307	3,659,534	125,774	3,711,203	128,289
CAPITAL OUTLAY		2,051,700		1,120,800		3,762,500		1,958,900		1,412,755
DEBT SERVICE (2)	265,000	1,665,000	249,000	1,534,000	234,000	1,548,000	219,000	1,564,000	204,000	1,579,000
TOTAL CASH OUTLAYS	9,050,760	5,009,277	9,251,628	3,976,946	9,415,379	6,662,918	9,626,355	4,906,311	9,799,431	4,406,897
BALANCE BEFORE TRANSFERS	5,375,340	991,862	5,559,761	2,312,916	5,782,584	1,115,848	5,897,278	1,863,539	6,127,196	3,182,344
CAPITAL OUTLAY FUND TRANSFERS	-3,383,001	3,383,001	-3,550,850	3,550,850	-3,739,002	3,739,002	-3,810,701	3,810,701	-4,003,985	4,003,985
ACCRUAL TO CASH ADJUSTMENT	9,051	0	9,051	0	9,051	0	9,051	0	9,051	0
RATE STABILIZATION FUNDS		-1,306,800		-1,336,700		-1,367,200		-1,398,400		-1,430,100
OPERATING AND CAPITAL OUTLAY RESERVES (3)	2,001,390	3,068,063	2,017,962	4,527,066	2,052,633	3,487,650	2,095,628	4,275,840	2,132,262	5,756,229
RESERVED FOR MTBE REMEDIATION (4)										
RATE STABILIZATION RESERVE (4)		1,306,800		1,336,700		1,367,200		1,398,400		1,430,100
TOTAL RESERVE BALANCES	2,001,390	4,374,863	2,017,962	5,863,766	2,052,633	4,854,850	2,095,628	5,674,240	2,132,262	7,186,329
AMORTIZATION (NON-CASH ITEM)	9,051		9,051		9,051		9,051		9,051	
DEPRECIATION (NON-CASH ITEM)	3,190,000		3,253,000		3,318,000		3,384,000		3,451,000	

(4) RATE STABILIZATION & MTBE RESERVES

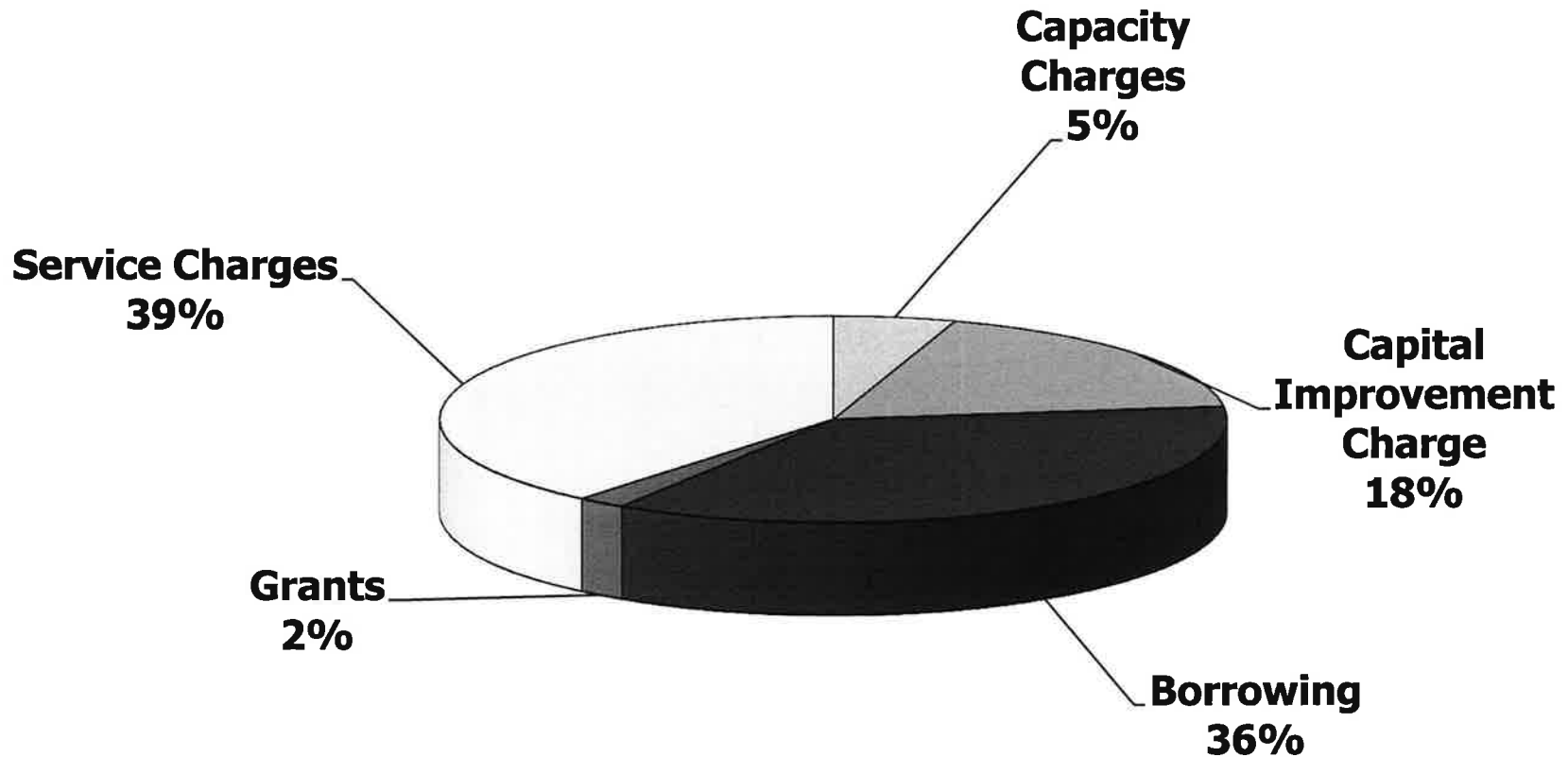
Per District policy, a water rate stabilization reserve is established at 10% of water service charge revenues. MTBE reserves have been exhausted.

RESULTS:

Funding is available for all proposed Capital Projects and reserve levels comply with the Reserve Policy. Operating revenue covers operating expenses at all times. District is in compliance with the "net revenue" debt covenants.

WATER ENTERPRISE FUND

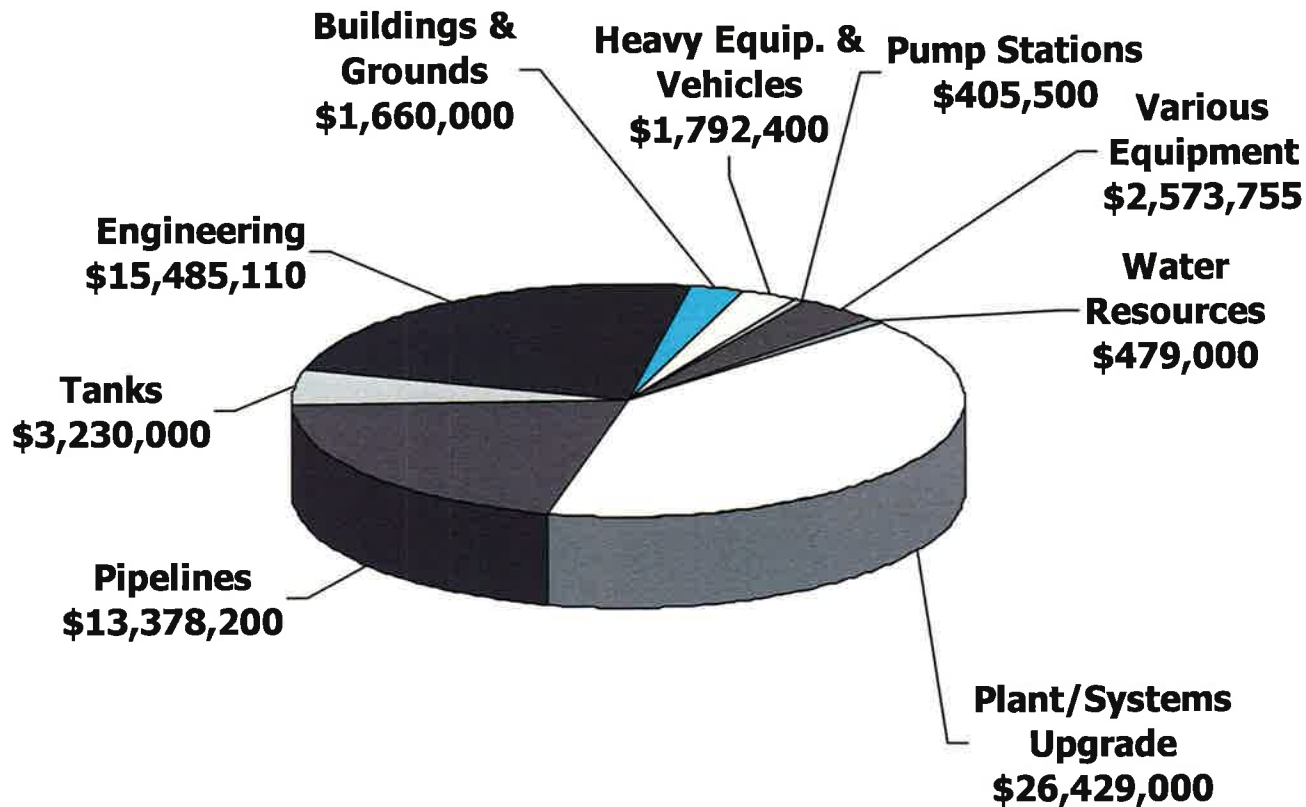
Funding Sources for Capital Projects Fund



**WATER TEN-YEAR CAPITAL OUTLAY PROJECTIONS – 2015/2024
BY FUNCTIONAL CATEGORY**

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1) HEAVY EQUIPMENT & VEHICLES	391,000	310,000	421,800	223,000	82,000	120,000	42,200	185,000	7,400	10,000	1,792,400
2) PUMP STATIONS	24,500	328,000	6,000	6,000	6,000	7,000	7,000	7,000	7,000	7,000	405,500
3) VARIOUS EQUIPMENT	437,800	268,700	241,400	207,100	193,900	326,700	260,600	214,500	177,500	245,555	2,573,755
4) BUILDING & GROUNDS UPGRADE	314,000	232,000	123,000	131,000	137,000	138,000	137,000	146,000	145,000	157,000	1,660,000
5) WATER RESOURCES	141,000	0	0	338,000	0	0	0	0	0	0	479,000
6) PLANT/SYSTEMS UPGRADE	3,000,000	4,115,000	4,100,000	4,507,000	6,200,000	0	0	2,190,000	1,475,000	842,000	26,429,000
7) PIPELINES	5,559,000	898,000	1,663,000	1,034,000	1,689,000	1,452,000	666,000	135,000	139,000	143,200	13,378,200
8) TANKS	158,000	8,000	1,118,000	1,021,000	8,000	8,000	8,000	885,000	8,000	8,000	3,230,000
9) ENGINEERING STAFF & EXPENSES	1,350,774	1,391,297	1,433,036	1,476,027	1,520,308	1,565,917	1,612,895	1,661,282	1,711,120	1,762,454	15,485,110
TOTAL WATER	11,376,074	7,550,997	9,106,236	8,943,127	9,836,208	3,617,617	2,733,695	5,423,782	3,670,020	3,175,209	65,432,965

WATER ENTERPRISE FUND CAPITAL PROJECTS Ten Years Ending June 30, 2024



WATER

TEN-YEAR FINANCIAL PLAN

BY DEPARTMENT

and

BY PROJECT

WATER TOTALS

DEPARTMENT	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
UNDERGROUND REPAIR	124,000	128,000	124,000	152,000	135,000	162,000	136,000	150,000	153,000	156,200	1,420,200
PUMPS	8,000	25,000	8,000	13,000	8,000	13,000	8,000	13,000	8,000	13,000	117,000
ELECTRICAL	24,500	6,000	6,000	6,000	6,000	7,000	7,000	7,000	7,000	7,000	83,500
HEAVY MAINTENANCE	14,000	0	0	0	7,000	0	0	0	0	7,000	28,000
EQUIPMENT REPAIR	399,000	310,000	471,800	205,000	82,000	170,000	42,200	185,000	7,400	10,000	1,882,400
LABORATORY	15,000	15,000	5,000	15,000	6,000	10,000	0	10,000	6,000	100,000	182,000
BOARD OF DIRECTORS	0	5,000	0	0	0	5,000	0	0	0	5,000	15,000
ADMINISTRATION	0	0	0	0	0	0	0	0	0	0	0
HUMAN RESOURCES	0	0	0	0	0	0	0	0	0	0	0
PUBLIC OUTREACH	0	0	0	0	0	0	0	0	0	0	0
ENGINEERING	9,086,500	5,462,000	6,920,000	6,939,000	7,936,000	1,498,000	712,000	3,248,000	1,660,000	1,027,000	44,488,500
INFORMATION SYSTEMS	48,000	125,000	45,000	50,000	49,000	66,000	125,000	66,000	34,000	0	608,000
CUSTOMER SERVICE	306,300	81,700	93,400	85,100	86,900	118,700	90,600	81,500	83,500	85,555	1,113,255
FINANCE	0	2,000	0	2,000	0	2,000	0	2,000	0	2,000	10,000
ENGINEERING STAFF & EXPENSES	1,350,774	1,391,297	1,433,036	1,476,027	1,520,308	1,565,917	1,612,895	1,661,282	1,711,120	1,762,454	15,485,110
TOTALS	11,376,074	7,550,997	9,106,236	8,943,127	9,836,208	3,617,617	2,733,695	5,423,782	3,670,020	3,175,209	65,432,965

WATER UNDERGROUND REPAIR

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 IN-HOUSE WATERLINE REPLACEMENT UPSIZE **	109,000	113,000	116,000	119,000	123,000	127,000	131,000	135,000	139,000	143,200	1,255,200
2 TRUCK MOUNTED HYD. UNIT FOR HYDRAULIC TOOLS			8,000			8,000					16,000
3 REPLACE MOLE	5,000				7,000			8,000			20,000
4 REPLACE WACKER		5,000			5,000		5,000		6,000		21,000
5 REPLACE VACUUM ON VEHICLE #77				18,000							18,000
6 VACUUM FOR STANDBY TRUCK #61 (VALVE EXER. PROG.)				15,000				15,000			30,000
7 VALVE EXERCISE EQUIPMENT		10,000				15,000					25,000
8 LINE LOCATOR	5,000					6,000				6,500	17,500
9 LINE LOCATOR	5,000					6,000				6,500	17,500
TOTALS	124,000	128,000	124,000	152,000	135,000	162,000	136,000	150,000	153,000	156,200	1,420,200

** INCLUDES A 3% INCREASE PER YEAR (ROUNDED)

WATER PUMPS

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 SECURITY MEASURES		5,000		5,000		5,000		5,000		5,000	25,000
2 CORNELIAN REBUILD PUMPS/MOTORS		12,000									12,000
3 NEW TANK MIXERS	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	80,000
TOTALS	8,000	25,000	8,000	13,000	8,000	13,000	8,000	13,000	8,000	13,000	117,000

WATER ELECTRICAL

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 REBUILD MOTORS	6,000	6,000	6,000	6,000	6,000	7,000	7,000	7,000	7,000	7,000	65,000
2 PREVENTATIVE MAINTENANCE BAYVIEW VFD	9,000										9,000
3 VFD FOR TWIN PEAKS BOOSTER	9,500										9,500
TOTALS	24,500	6,000	6,000	6,000	6,000	7,000	7,000	7,000	7,000	7,000	83,500

WATER HEAVY MAINTENANCE

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 HVAC REBUILD	14,000				7,000					7,000	28,000
TOTALS	14,000	0	0	0	7,000	0	0	0	0	7,000	28,000

WATER EQUIPMENT REPAIR - PAGE 1

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 REPLACE GENERATOR SETS			50,000			50,000					100,000
2 REPLACE ENGINE/TRANSMISSION **	6,000		6,800		7,000		7,200		7,400		34,400
3 STORE ROOM	8,000										8,000
SUBTOTALS	14,000	0	56,800	0	7,000	50,000	7,200	0	7,400	0	142,400

** INCLUDES A 3% INCREASE PER YEAR (ROUNDED)

WATER EQUIPMENT REPAIR (VEHICLES) - PAGE 2

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 REPLACE U/R WATER SERVICE TRUCK #77 (2001)				45,000							45,000
2 REPLACE U/R TRUCK #32 (2009)					45,000						45,000
3 REPLACE U/R FLATBED TRUCK #43 (1988)		40,000									40,000
4 REPLACE U/R CAMEL TRUCK #57 (2003)			200,000								200,000
5 REPLACE U/R VACUUM TRUCK #24 (1995)	175,000										175,000
6 REPLACE U/R BACKHOE #47 (2003)		90,000									90,000
7 REPLACE U/R TRUCK #61 (2011)							35,000				35,000
8 REPLACE U/R TRUCK #25 (2000)		40,000									40,000
9 REPLACE U/R LOADER #22 (2007)								185,000			185,000
10 REPLACE U/R LOADER #55 (1997)			185,000								185,000
11 REPLACE U/R BACKHOE #48 (2006)				90,000							90,000
12 REPLACE U/R DUMP TRUCK #8 (1995)	120,000										120,000
13 REPLACE U/R DUMP TRUCK #80 (2006)						120,000					120,000
14 REPLACE PUMPS TRUCK #41 (2005)	35,000										35,000
15 REPLACE PUMPS TRUCK #17 (2009)					30,000						30,000
16 REPLACE PUMPS TRUCK #13 (2008)	25,000										25,000
17 REPLACE PUMPS TRUCK #31 (2003)		35,000									35,000
18 REPLACE EQUIP. REPAIR TRUCK #33 (2005)		35,000									35,000
19 REPLACE LAB TRUCK #82 (2006)				35,000							35,000
20 REPLACE ENG. TRUCK #15 (2000)	30,000										30,000
21 REPLACE ENG. TRUCK #37 (2002)		35,000									35,000
22 REPLACE ENG. TRUCK #39 (2003)		35,000									35,000
23 REPLACE C.S. TRUCK #64 (2003)										10,000	10,000
24 REPLACE C.S. TRUCK #72 (1999)			30,000								30,000
25 REPLACE PURCHASING VEHICLE #5 (1989)				35,000							35,000
SUBTOTALS	385,000	310,000	415,000	205,000	75,000	120,000	35,000	185,000	0	10,000	1,740,000
TOTALS	399,000	310,000	471,800	205,000	82,000	170,000	42,200	185,000	7,400	10,000	1,862,400

WATER LABORATORY

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 REPLACE STERILIZING OVEN									6,000		6,000
2 REPLACE SENTINEL WELLS' PUMPS/TUBING		15,000									15,000
3 REPLACE AUTOCLAVE (SMALL)	10,000			10,000				10,000			30,000
4 QED WELL WIZARD SAMPLE PUMP CONTROLLER				5,000							5,000
5 REPLACE COLIFORM INCUBATOR					6,000						6,000
6 REPLACE LAB pH METER			5,000								5,000
7 REPLACE AUTOCLAVE (LARGE)						10,000					10,000
8 REPLACE 20 LITER WATER BATH	5,000										5,000
9 LIMS COMPUTER SOFTWARE										100,000	100,000
TOTALS	15,000	15,000	5,000	15,000	6,000	10,000	0	10,000	6,000	100,000	182,000

WATER BOARD OF DIRECTORS

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 REPLACE BOARDROOM COMPONENTS		5,000				5,000				5,000	15,000
TOTALS	0	5,000	0	0	0	5,000	0	0	0	5,000	15,000

WATER PUBLIC OUTREACH

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
											0
TOTALS	0	0	0	0	0	0	0	0	0	0	0

WATER ENGINEERING

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 HYDROLOGY SOFTWARE	6,000										6,000
2 GIS ARETE	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	400,000
3 REPLACE COPIER	7,500										7,500
4 TANK COATINGS			563,000					877,000			1,440,000
5 BIJOU EROSION CONTROL PROJECT	75,000										75,000
6 BMP PROJECTS	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	100,000
7 DAVID BOOSTER (GENERATORS AND BUILDING)		310,000									310,000
8 KELLER BOOSTER/TANKS - STUDY AND IMPLEMENTATION	150,000		547,000	1,013,000							1,710,000
9 HIGHWAY 50 UTILITY RELOCATES	100,000	200,000									300,000
10 HARRISON AVENUE STREETScape	100,000										100,000
11 EROSION CONTROL PROJECTS (15) **	107,000	110,000	113,000	116,000	120,000	123,000	127,000	131,000	135,000	135,000	1,217,000
12 WATERLINE, STATE STREETS (PROJECT QQ,RR,SS)	3,300,000										3,300,000
13 WATERLINE, SADDLE/KELLER	1,800,000										1,800,000
14 2014 METERS	3,000,000										3,000,000
15 BOWERS AREA WATERLINE		319,000	1,273,000								1,592,000
16 WELL DESTRUCTIONS: BR#1,TATA #1,#2,#3, CHRIS WELL	121,000										121,000
17 FIRE HYDRANTS ON SIX-INCH LINES/LOOP LINES/BLOWOFFS	250,000	266,000	274,000								790,000
18 PAVING CHRISTMAS VALLEY TANK ROAD		107,000									107,000
19 GLENWOOD WELL MTBE TREATMENT	20,000			338,000							358,000
20 PIONEER TRAIL CHECK VALVES				244,000							244,000
21 NEW PRV AT PIONEER/BUSCH				134,000							134,000
22 NEW PRV AT WASHOAN/NADOWA				136,000							136,000
23 NEW PRV AT GLEN EAGLES				137,000							137,000
24 12" WATERLINE ELKS TO BUSCH				671,000	928,000						1,599,000
25 WATERLINE BLACK BART PROJECT PP					638,000	539,000					1,177,000
26 WATERLINE BROCKAWAY PROJECT U						457,000					457,000
27 METERS SIERRA TRACT PROJECT S (113)								1,873,000			1,873,000
28 WATERLINE SIERRA TRACT PROJECT M						329,000	535,000				864,000
29 PRV IMPROVEMENTS								317,000	1,475,000		1,792,000
30 WATERLINE GARDNER MOUNTAIN PROJECT H										842,000	842,000
31 METER PROJECTS		4,100,000	4,100,000	4,100,000	6,200,000						18,500,000
TOTALS	9,086,500	5,462,000	6,920,000	6,939,000	7,936,000	1,498,000	712,000	3,248,000	1,660,000	1,027,000	44,488,500

** INCLUDES A 3% INCREASE PER YEAR (ROUNDED)

WATER INFORMATION TECHNOLOGY

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 FIREWALL SOFTWARE/UPGRADES		8,000				8,000		8,000			24,000
2 SOFTWARE (NEW, UPGRADES, COMPLIANCE)	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	72,000
3 SQL ADDITIONAL LICENSES	7,000			7,000				7,000			21,000
4 STORAGE SYSTEM (SAN)/ADDITIONS		75,000	6,000		6,000			75,000			162,000
5 DATABASE SOFTWARE/UPDATES		8,000				8,000					16,000
6 REPLACE FIBER WAN - SHOPS		5,000			5,000				5,000		15,000
7 REPLACE NETWORKING EQUIP /IMPROVEMENTS			5,000		5,000		5,000		5,000		20,000
8 WIRELESS CONTROLLER/ACCESS POINTS	8,000			10,000				10,000			28,000
9 REPLACE ZONE PAGING SYSTEM		6,000				6,000					12,000
10 BACKUP/DISASTER RECOVERY APPLIANCE		5,000		15,000				15,000			35,000
11 REPLACE WATER HYDRAULIC MODELING SOFTWARE					15,000			15,000			30,000
12 AUTOCAD CIVIL LICENSES			6,000			6,000			6,000		18,000
13 STRATEGIC PLAN IMPLEMENTATION/UPDATE			20,000			30,000					50,000
14 LASERFICHE UPGRADE	25,000				10,000				10,000		45,000
15 REPLACE DOMAIN CONTROLLER SERVER #2		10,000					10,000				20,000
16 CORE SWITCH							20,000				20,000
17 REPLACE SCADA HISTORIAN SERVER				10,000				10,000			20,000
TOTALS	48,000	125,000	45,000	50,000	49,000	66,000	125,000	66,000	34,000	0	608,000

WATER CUSTOMER SERVICE

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 REPLACE LARGE CAPITAL METERS **	198,400	55,700	57,400	59,100	60,900	62,700	64,600	66,500	68,500	70,555	764,355
2 METER RETROFIT MXU	87,900	26,000	26,000	26,000	26,000	26,000	26,000	26,000	15,000	15,000	288,900
3 REPLACE SENSUS HAND-HELD METER READER			10,000								10,000
4 REPLACE DIGITAL LOCATING EQUIPMENT (2)						30,000					30,000
5 PORTABLE WATER METER TESTER	5,000										5,000
6 PLAN REVIEW SMART BOARD	15,000										15,000
TOTALS	306,300	81,700	93,400	85,100	86,900	118,700	90,600	81,500	83,500	85,555	1,113,255

** INCLUDES A 3% INCREASE PER YEAR (ROUNDED)

WATER FINANCE

USE OR BENEFIT EXPLANATION	14-15 BUDGET	15-16 BUDGET	16-17 BUDGET	17-18 BUDGET	18-19 BUDGET	19-20 BUDGET	20-21 BUDGET	21-22 BUDGET	22-23 BUDGET	23-24 BUDGET	TOTALS
1 ADP UPGRADES		2,000		2,000		2,000		2,000		2,000	10,000
TOTALS	0	2,000	0	2,000	0	2,000	0	2,000	0	2,000	10,000

ACKNOWLEDGMENTS

Paul Hughes, Chief Financial Officer

Debbie Henderson, Accounting Manager

Susan Rasmussen, Finance Administrative Assistant

BOARD OF DIRECTORS' FINANCE COMMITTEE:

Eric Schafer

Kelly Sheehan

