

Fund Financial Plans

2012 Adopted Financial Plan Water Fund (Fund 43000)

Amounts in \$1,000s	2010 Actuals	2011 Adopted	2011 Revised	2012 Adopted	2013 Projected	2014 Projected	2015 Projected
OPERATING CASH							
Beginning Operating Cash Balance	8,194	7,080	8,434	7,120	7,435	7,899	8,118
Sources							
Income Statement Items (in order of IS)							
Retail Water Sales	136,443	141,204	138,909	152,537	165,648	180,251	188,785
Wholesale Water Sales	44,830	47,200	45,902	47,574	47,268	47,103	46,794
Facilities Charges	242	173	242	2,199	2,199	2,747	2,747
Water Service for Fire Protection	5,958	6,659	6,635	7,052	7,658	8,333	8,728
Tap Fees	2,855	4,000	2,400	3,038	3,075	3,114	3,153
Other Operating Revenues	1,875	1,897	1,940	1,994	2,038	2,089	2,141
Build America Bond Interest Income	2,195	2,135	2,135	2,135	2,135	2,135	2,135
Rentals--Non-City	395	391	605	415	425	436	447
Other Non-Operating Revenue	385	243	508	379	384	389	394
Capital Grants and Contributions	1,605	3,143	1,709	1,854	1,883	1,916	1,964
Operating Grants	540	0	104	0	0	0	0
Transfers from Construction Fund	45,447	57,759	53,160	30,114	38,589	28,079	33,904
Investment Income (See Construction Fund)	0	0	0	0	0	0	0
Public Works Loan Proceeds	9,000	0	0	0	0	0	0
Inventory Purchased by SDOT	708	741	741	755	770	786	802
Op Transfer In - Rev Stab Subfund	3,000	1,434	1,434	0	0	0	0
Op Transfer In - Rev Stab Subfund - BPA Acct	680	81	0	0	0	0	0
Call Center Reimbursement from SCL	1,638	1,727	1,722	1,685	1,719	1,753	1,788
GF Reimb Abandoned Vehicles	53	54	54	0	56	57	58
Reimbursement for NS activities	39	180	40	41	42	43	44
Total Sources	257,888	269,022	258,240	251,773	273,891	279,230	293,883
Uses							
CIP							
Distribution	(17,525)	(20,492)	(20,492)	(15,194)	(19,778)	(20,394)	(22,751)
Habitat Conservation Program	(5,798)	(11,123)	(11,123)	(4,913)	(3,372)	(3,649)	(2,945)
Shared Cost Projects	(10,003)	(15,048)	(15,282)	(14,641)	(18,164)	(17,696)	(17,590)
Technology	(3,331)	(4,770)	(4,770)	(5,358)	(7,709)	(8,685)	(6,456)
Transmission	(1,017)	(1,688)	(1,686)	(1,343)	(3,027)	(3,076)	(3,137)
Water Quality & Treatment	(20,970)	(18,329)	(17,921)	(6,613)	(5,293)	(1,547)	(202)
Water Resources	(5,813)	(6,516)	(8,016)	(5,616)	(5,576)	(8,743)	(8,741)
Watershed Stewardship	(865)	(1,142)	(1,142)	(1,828)	(1,035)	(729)	(600)
CIP Subtotal	(65,322)	(79,108)	(80,432)	(55,506)	(63,954)	(64,519)	(62,422)
Accomplishment Rate Adjustment		7,911	8,043	8,326	9,593	9,678	9,363
O&M							
Administration	(6,946)	(4,137)	(5,469)	(8,743)	(9,093)	(9,457)	(9,835)
Customer Service	(9,062)	(10,222)	(10,209)	(10,010)	(10,411)	(10,827)	(11,260)
General Expense	(131,481)	(134,772)	(133,438)	(136,550)	(142,012)	(147,693)	(153,600)
Other Operating	(41,835)	(47,068)	(47,068)	(47,754)	(49,664)	(51,650)	(53,716)
O&M subtotal	(189,323)	(196,199)	(196,184)	(203,058)	(211,180)	(219,627)	(228,412)
Total Uses	(254,645)	(267,396)	(268,573)	(250,238)	(265,541)	(274,468)	(281,471)
Adjustments	(3,003)	(1,670)	9,018	(1,219)	(7,885)	(4,544)	(12,206)
Ending Operating Cash Balance	8,434	7,036	7,120	7,435	7,899	8,118	8,324

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Fund Financial Plans

2012 Adopted Financial Plan

Water Fund (Fund 43000) (cont'd.)

Amounts in \$1,000s	2010 Actuals	2011 Adopted	2011 Revised	2012 Adopted	2013 Projected	2014 Projected	2015 Projected
CONSTRUCTION FUND							
Beginning Construction Fund Balance	15,646	77,220	99,124	33,523	3,457	42,647	14,642
Bond Proceeds	132,748	33,232	0	0	81,830	0	74,468
Transfer to Bond Reserve Account	(7,748)	(1,709)	0	0	(4,175)	0	(3,799)
Transfers to Operating Fund	(45,447)	(57,759)	(53,160)	(30,114)	(38,589)	(28,079)	(33,904)
Interest	3,926	538	(12,441)	48	125	73	79
Ending Construction Fund Balance	99,124	51,521	33,523	3,457	42,647	14,642	51,486
RESERVES							
Bond Reserve Account	(16,684)	(18,933)	(16,904)	(17,072)	(22,673)	(23,271)	(27,104)
Revenue Stabilization Fund	(10,434)	(9,000)	(9,000)	(9,072)	(9,297)	(9,524)	(9,757)
BPA Account	(563)	0	0	0	0	0	0
Vendor Deposit	(13)	0	0	0	0	0	0
Total Reserves	(27,694)	(27,933)	(25,904)	(26,144)	(31,971)	(32,795)	(36,860)
FINANCIAL PERFORMANCE THROUGH END OF RATE PERIOD (2014)							
Percent Increase (SYSTEM)							
Wholesale	2.2%	-1.0%	-1.0%	18.0%	0.0%	0.0%	
Retail	7.7%	3.5%	3.5%	8.7%	8.7%	8.5%	
Typical Retail Single Family Residential							
Average Monthly Bill (5 ccf / mo) *	\$30.67	\$34.01	\$31.70	\$33.95	\$36.38	\$38.93	
Percent Increase	7.7%	3.3%	3.4%	7.1%	7.2%	7.0%	
	<u>Target</u>						
Net Income	Generally positive	\$709	\$2,386	(\$2,579)	\$5,997	\$7,630	\$15,727
Year End Cash Balance	1/12 Oper Exp	\$8,434	\$7,036	\$7,120	\$7,435	\$7,899	\$8,118
	<i>Target</i>	\$6,450	\$7,036	\$7,125	\$7,435	\$7,899	\$8,118
Cash Financing of CIP							
-Single Year	Min 15%	21.8%	18.5%	16.1%	38.3%	35.2%	48.6%
-Avg of Rate Period	Min 20%		17.0%	17.7%			40.8%
Debt Service Coverage	1.70	1.59	1.52	1.45	1.58	1.62	1.70

* The typical customer's water use as measured per 100 cubic feet (ccf) has fallen due to conservation from 5.5 ccf in the 2009-2011 rate proposal to 5.0 ccf in the 2012-2014 rate proposal. The typical bills displayed above have been calculated using the 5.0 ccf figure.