

Fund Financial Plans

2012 Adopted Financial Plan¹ Drainage and Wastewater Fund (Fund 44010)

Amounts in \$1,000s	2010	2011	2011	2012	2013	2014	2015
	Actuals	Adopted	Revised	Adopted	Projected	Projected	Projected
OPERATING CASH							
Beginning Operating Cash Balance	23,525	12,601	30,256	21,285	10,700	10,399	10,418
Sources							
Wastewater Utility Services	186,655	210,512	206,372	211,886	232,216	230,967	226,547
Drainage Utility Services	58,292	67,129	67,204	75,129	87,049	89,175	99,444
Side Sewer Permit Fees	862	862	905	905	905	905	905
Drainage Permit Fees	197	197	214	214	214	214	214
Other Operating Revenues	156	160	68	53	49	49	49
GIS CGDB Corporate Support (N2408 and N2418)	788	1,148	1,148	1,171	1,171	1,171	1,171
GIS Maps & Publications (N2409 and 2419)	158	158	158	158	158	158	158
Parks & Other City Depts. (N4405)	1,126	502	502	511	511	511	511
SCL Fund (N4403)	235	338	338	339	339	339	339
SCL for ReLeaf	0	0	0	80	80	80	80
SDOT Fund (N4404)	3,693	1,630	1,630	3,571	1,250	1,250	1,250
GF - Various GIS & Eng Svcs (N4303 & N2418)	955	881	956	1,205	1,205	1,205	1,205
Investment Income (see Construction Fund)	0	0	0	0	0	0	0
Capital Grants & Contributions (excl. donated ass)	3,173	4,923	3,916	4,525	1,700	1,700	1,700
Operating Grants	300	300	315	315	300	300	300
Call Center Reimbursement from SCL	1,772	1,676	1,671	1,689	1,689	1,689	1,689
GF - Transfer In -- Restore Our Waters	107	184	109	0	0	0	0
Transfer from Construction Fund ²	42,217	57,419	54,403	69,860	92,413	64,709	69,282
GF Reimbursement of Abandoned Vehicles	51	52	52	0	0	0	0
Build America Bond Interest Income	1,645	0	1,886	1,886	1,886	1,886	1,886
Technical Adjustments	0	960	0	0	0	0	0
Total Sources	302,383	349,032	341,850	373,498	423,135	396,308	406,731
Uses							
CIP							
Combined Sewer Overflow	(16,996)	(17,807)	(18,062)	(26,888)	(53,217)	(29,496)	(35,961)
Flooding, Sewer Back-up, and Landslides	(14,906)	(35,070)	(37,870)	(24,186)	(26,294)	(19,210)	(18,283)
Protection of Beneficial Uses	(1,863)	(2,283)	(5,025)	(4,800)	(6,135)	(2,798)	(2,702)
Rehabilitation	(9,526)	(6,472)	(6,472)	(12,623)	(14,388)	(13,965)	(14,681)
Sediments	(4,051)	(6,350)	(6,350)	(5,595)	(2,102)	(1,457)	(1,207)
Shared Cost Projects	(8,347)	(11,804)	(12,025)	(14,931)	(13,289)	(12,571)	(11,141)
Technology	(2,456)	(4,062)	(4,062)	(4,815)	(7,331)	(7,551)	(5,302)
CIP Subtotal	(58,146)	(83,848)	(89,866)	(93,838)	(122,756)	(87,048)	(89,277)
Accomplishment Rate Adjustment	0	8,385	8,987	9,384	12,276	8,705	8,928
O&M							
General Expense	(197,015)	(215,411)	(215,546)	(219,634)	(228,400)	(237,536)	(247,037)
Administration	(3,881)	(3,102)	(3,965)	(5,594)	(5,817)	(6,050)	(6,292)
Customer Service	(5,976)	(7,090)	(7,077)	(7,426)	(7,742)	(8,052)	(8,374)
Other Operating	(42,678)	(49,113)	(50,329)	(51,117)	(53,162)	(55,288)	(57,500)
O&M Subtotal	(249,550)	(274,716)	(276,917)	(283,771)	(295,122)	(306,926)	(319,203)
Total Uses	(307,696)	(350,179)	(357,797)	(368,225)	(405,602)	(385,270)	(399,553)
Adjustments	12,044	(1,032)	6,977	(15,858)	(17,834)	(11,019)	(7,254)
Ending Operating Cash Balance	30,256	10,421	21,285	10,700	10,399	10,418	10,342

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Fund Financial Plans

2012 Adopted Financial Plan¹

Drainage and Wastewater Fund (Fund 44010) (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	116,140	62,031	76,519	22,886	61,141	73,755	10,067
Bond Proceeds	0	0	0	107,087	104,268	0	105,394
Transfers to Operating Fund	(42,217)	(57,419)	(54,403)	(69,860)	(92,413)	(64,709)	(69,282)
Interest	2,595	784	771	1,028	759	1,021	843
Ending Construction Fund Balance	76,519	5,397	22,886	61,141	73,755	10,067	47,022

RESERVES							
Bond Reserve Account	(12,757)	(12,757)	(12,757)	(19,028)	(29,455)	(29,455)	(39,994)
Bond Parity Fund	(1,620)	(1,620)	(1,620)	(1,620)	(1,620)	(1,620)	(1,620)
Vendor Deposits	(745)	0	0	0	0	0	0
Total Reserves	(15,122)	(14,377)	(14,377)	(20,648)	(31,075)	(31,075)	(41,614)

FINANCIAL PERFORMANCE THROUGH END OF RATE PERIOD (2012)

Percent Increase (SYSTEM)

Wastewater	1.0%	4.1%	4.1%	4.2%
Drainage	1.9%	13.1%	13.1%	11.2%

Typical Retail Single Family Residential

Wastewater				
Average Monthly Bill (4.3 ccf)²	\$38.61	\$44.20	\$44.20	\$45.92
Percent Increase	1.0%	14.5%	14.5%	3.9%
Drainage				
Average Monthly Bill	\$17.17	\$19.58	\$19.58	\$21.81
Percent Increase	1.9%	14.0%	14.0%	11.4%

Target

Net Income	Generally positive	\$5,851	\$11,282	\$1,000	\$10,000
Year End Cash Balance	1/12 Treatment Cost	\$30,256	\$10,421	\$21,285	\$10,700
	Target	\$9,274	\$10,421	\$10,406	\$10,303
Cash Financing of CIP	25% (4 year rolling avg)	25%	25%	25%	26%
Debt Service Coverage	1.80	2.53	2.84	2.61	2.59
Debt to Asset Ratio	Less than 70%	62%	61%	61%	66%

NOTES:

1. This financial plan includes the increase in King County's sewer treatment costs that was passed through to City of Seattle customers in the 2011 Adopted and 2012 Endorsed Budget. The body of the 2011-2012 Drainage and Wastewater Rate Study did not include the King County rate increase, the impacts of which are reflected in Appendices A&B of the Rate Study.

2. The typical customer's sewer usage as measured per 100 cubic feet (ccf) has fallen commensurate with reductions in water usage, and has been adjusted downward in this presentation from 5.2 ccf to 4.3 ccf. The typical bills displayed above have been calculated using the 4.3 ccf figure.