



**Construction Work-in-Progress Quarterly Report
(Unaudited, Pre-close)**

As of June 30, 2018

For questions, please contact:

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WATER SYSTEM

Percent of Spend Compared to Annual Budget and Capital Improvement Plan (CIP) Requests

The rate of spend of is a key performance indicator. The development of the FY 2019-2023 CIP included a realignment of projected spend for FY 2018 and forward to accurately forecast planned spend. The Water system spend is 92.4% of the FY 2018 realigned budget. While the ratios for FY 2017 of 37.9% and for FY 2018 of 33.6% are lower than a simple benchmark of 80% the FY 2019 CIP Net Budget is funded at 100% and anticipated to achieve spending in full. Numerous project designs have already and/or will soon complete that will allow for increased construction spend to occur in FY 2019. The effort associated with the development of new spend projections and ongoing effort of monitoring spend are anticipated to result in 100% spend in FY19.

Water System Projects	FY 2017 Original Plan and Budget	FY 2017 Activity	FY 2017 Activity as a Percentage of Budget	FY 2018 Amended Budget	FY 2018 Pre-Close Activity (Unaudited)	FY 2018 Pre-Close as a Percent of Budget (Unaudited)
FY 2017 CIP Project Requests @ 100%	\$ 130,232,000	\$ 39,483,833	30.3%			
FY 2017 CIP Net Budget (approx. 80% of request)	104,185,600	39,483,833	37.9%			
FY 2018 CIP Project Requests @ 100%				\$ 137,655,000	\$ 37,013,482	26.9%
FY 2018 CIP Net Budget (approx. 80% of request)				110,124,000	37,013,482	33.6%
FY 2018 CIP Realigned Forecast as per 2019 CIP				40,043,000	37,013,482	92.4%

It should be noted that these interim reports have been prepared on a modified cash basis. This means that expenses may lag in vendor invoice receipt and posting. Known expenses, material in nature, have been accrued.

WASTEWATER SYSTEM

Percent of Spend Compared to Annual Budget and Capital Improvement Plan (CIP) Requests

The rate of spend of is a key performance indicator. The development of the FY 2019-2023 CIP included a realignment of projected spend for FY 2018 and forward to accurately forecast planned spend. The Water system spend is 98.5% of the FY 2018 realigned budget. While the ratios for FY 2017 of 55% and for FY 2018 of 38.1% are lower than a simple benchmark of 80% the FY 2019 CIP Net Budget is funded at 100% and anticipated to achieve spending in full. Numerous project designs have already and/or will soon complete that will allow for increased construction spend to occur in FY 2019. The effort associated with the development of new spend projections and ongoing effort of monitoring spend are anticipated to result in 100% spend in FY19.

Wastewater System Projects	FY 2017 Original Plan and Budget (Twelve Months)	FY 2017 Activity	FY 2017 Activity as a Percent of Budget	FY 2018 Amended Budget	FY 2018 Pre-Close Activity (Unaudited)	FY 2018 Pre-Close Activity as a Percent of Budget (Unaudited)
FY 2017 CIP Project Requests @ 100%	\$ 128,973,000	56,788,123	44.0%			
FY 2017 CIP Net Budget (approx. 80% of request)	103,178,400	56,788,123	55.0%			
FY 2018 CIP Project Requests @ 100%				\$ 160,746,000	49,043,353	30.5%
FY 2018 CIP Net Budget (approx. 80% of request)				128,596,800	49,043,353	38.1%
FY 2018 CIP Realigned Forecast as per 2019 CIP				70,632,000	69,567,318	98.5%

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