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MEMORANDUM

GLWA Financial Forecast Update

December 17, 2020

To: Nicolette Bateson

Note: PDF pages 6-14 and
page 17 are 11x17.

From: Bart Foster

This memorandum is intended to introduce updated long-term financial plan forecasts for the GLWA Regional System Water and Sewer funds, prepared in coordination with development of the Fiscal Year 2022 budget and charges. These PRELIMINARY updated projections reflect forecasted financial results for a ten-year¹ projection period (*Fiscal Year 2021 through Fiscal Year 2031*) for GLWA's capital and operating requirements. Separate exhibits are designed to summarize forecasts for both the Water Fund and the Sewer Fund. These forecast summaries are presented in similar format to prior published work products we have prepared in various forums, which largely focused on revenue requirements (reflected as either "budget" or "cash" basis) in a manner that aligns with requirements of the GLWA Master Bond Ordinances (MBO's). We are in the process of updating the forecast exhibits that illustrate projected "GAAP basis" results. Those exhibits will be presented in subsequent documents.

This version of the forecast report is entirely focused on projected financial results for the GLWA Regional System. We are in the process of incorporating preliminary budget and forecast information for the DWSD Local System into the comprehensive forecast. Those exhibits will also be presented in subsequent documents.

Executive Summary Takeaways

- This forecast introduces recommended overall ***System Charge Adjustments*** of a 2.0% increase for Water and a 0.2% decrease for Sewer.
 - *The Water adjustment is proposed to increase the average charge to Member Partners by 2.0% is the product of:*
 - 1.2% to address a \$3.95 million revenue requirement increase;
 - 1.0% to address a \$3.61 million decrease in budgeted non-operating revenue;

¹ Actually 11 years, including estimated results for the current year.

- -0.2% (reduction) to reflect a \$0.8 million increase in budgeted water sales under existing charges
- *The 0.2% Sewer decrease has been established to result in no increase in charges paid via the recently proposed SHAREs and is the product of:*
 - 0.9% to address a \$4.18 million decrease in budgeted non-operating revenue
 - 0.9% to address a negative budgeted revenue variance totaling \$4.23 million, which is made up of:
 - the \$5.96 million decrease in charge revenue associated with of the revenue related to the OMID contribution, offset by:
 - a moderate \$0.44 million increase in baseline billings to industrial specific customers, and:
 - the decision to not include any bad debt expense related to Highland Park in the FY 2022 charges to suburban wholesale Member Partners
 - -2.0% (reduction) to decrease the overall revenue requirement by \$9.54 million in order to balance the revenue requirement and meet the objective of no System Charge adjustment for SHAREs Member Partners
- *These proposed adjustments will be more fully documented in the coming weeks, as the FY 2022 Charges are formally presented.*
- Despite the lower FY 2022 charge adjustments (compared to the 2nd year of the existing biennial budget) the budgeted FY 2022 amounts available for the I&E Funds are approximately \$30 million for each System.
- The Water CIP creates relatively more financing pressure on the forecast than does the Sewer CIP. As a result the Water System forecast contains continuation of significant debt financing, while mostly “pay go” capital financing is forecasted for the Sewer System towards the end of the ten year period.
 - *This fundamental difference in the Water and Sewer Forecasts is highlighted throughout this memorandum and in the accompanying exhibits.*

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Forecast Introduction and Exhibits

The efforts undertaken to prepare these forecasts are consistent with the analyses that we utilize to prepare financial feasibility report(s) that we have provided to GLWA in support of financial transactions. However, the efforts to date have not been as rigorous as those designed to support a public offering of debt, and should be considered “**Preliminary**”. We encourage stakeholders to review these forecasts with that understanding in mind. In addition, our formally published forecasts always carry this caveat:

In conducting our studies and formulating our projections and opinions contained herein, we reviewed the books, records, agreements, capital improvement programs and other information produced by the Authority as we deemed necessary. While we consider such books, records, and other documents to be reliable, we have not verified the accuracy of these documents. The projections set forth herein are intended as “forward-looking statements”. Actual results may differ materially from those projected, as influenced by conditions, events, and circumstances that may actually occur.

Having said all that, let’s review our first look at the updated forecasts. First, an introduction of the core executive summary assumptions we’ve incorporated into the baseline analysis.

1. FY 2021 estimated activity is consistent with the formally amended budget, with additional minor estimates to reflect ongoing review.
2. FY 2022 through FY 2026 O&M is consistent with the preliminary budget prepared by GLWA.
 - FY 2022 increase of 2.0% in total (combined Water and Sewer) compared to originally approved FY 2021 budget
 - Water increase is 6.1%, Sewer is a decrease of 1.0% - this reflects diligent review of the FY 2022 budget preparation and individual budget programs
3. Future O&M growth = 2%
4. CIP’s reflects current versions presented to Member Partners on November 10.
5. CIP Expenditure Level reflects a 75% Spend Rate Assumption for entire forecast period.
6. Investment earnings rate = 0.33% for FY 2022, gradually increasing to 1.00% by FY 2026 and 1.50% thereafter (consistent with estimates provided by PFM)
7. Capital financing forecast policy:
 - Fund all Major CIP expenditures via Construction Fund, which is sourced by:
 - SRF loans
 - Transfers from I&E
 - Bond Proceeds
 - Investment Earnings on Bond Proceeds
 - CIP funding source priority:
 - Apply “confirmed” SRF resources to specific projects;

- Identify short lived CIP projects that should be financed by I&E (*currently estimated at 10% of total CIP*)
 - Spend existing I&E Funds until they reach policy minimum (\$90 million);
 - Do not rely on annual deposits to I&E to finance CIP until subsequent year(s);
 - Issue debt to finance remainder of annual capital requirements;
 - Plan biennial bond sales in amounts that result in zero “carryover” at end of 2nd year²
8. FY 2022 System Charge adjustments = **2.0% increase** for Water and a **0.2% decrease** for Sewer.
- *Consistent with our understanding of pending charge proposals scheduled to be presented next month*
 - *After recognition of baseline revenue variances, results in overall total FY 2022 revenue requirement adjustments of:*
 - 1.2% **increase** for Water
 - 2.0% **decrease** for Sewer
9. “Top Line” increase in annual revenue requirements = 3% starting in FY 2023.
10. Total GLWA / DWSD “Legacy Pension Obligation” annual payments reduce from \$45.4 million to \$9.0 million starting in FY 2024, and all amounts are treated as a non-operating expense after FY 2023.

The forecasted financial results resulting from our application of these assumptions are summarized in the attached exhibits, and briefly introduced below. The exhibit page number references are consistent between the separate Water (W) and Sewer (S) page numbers.

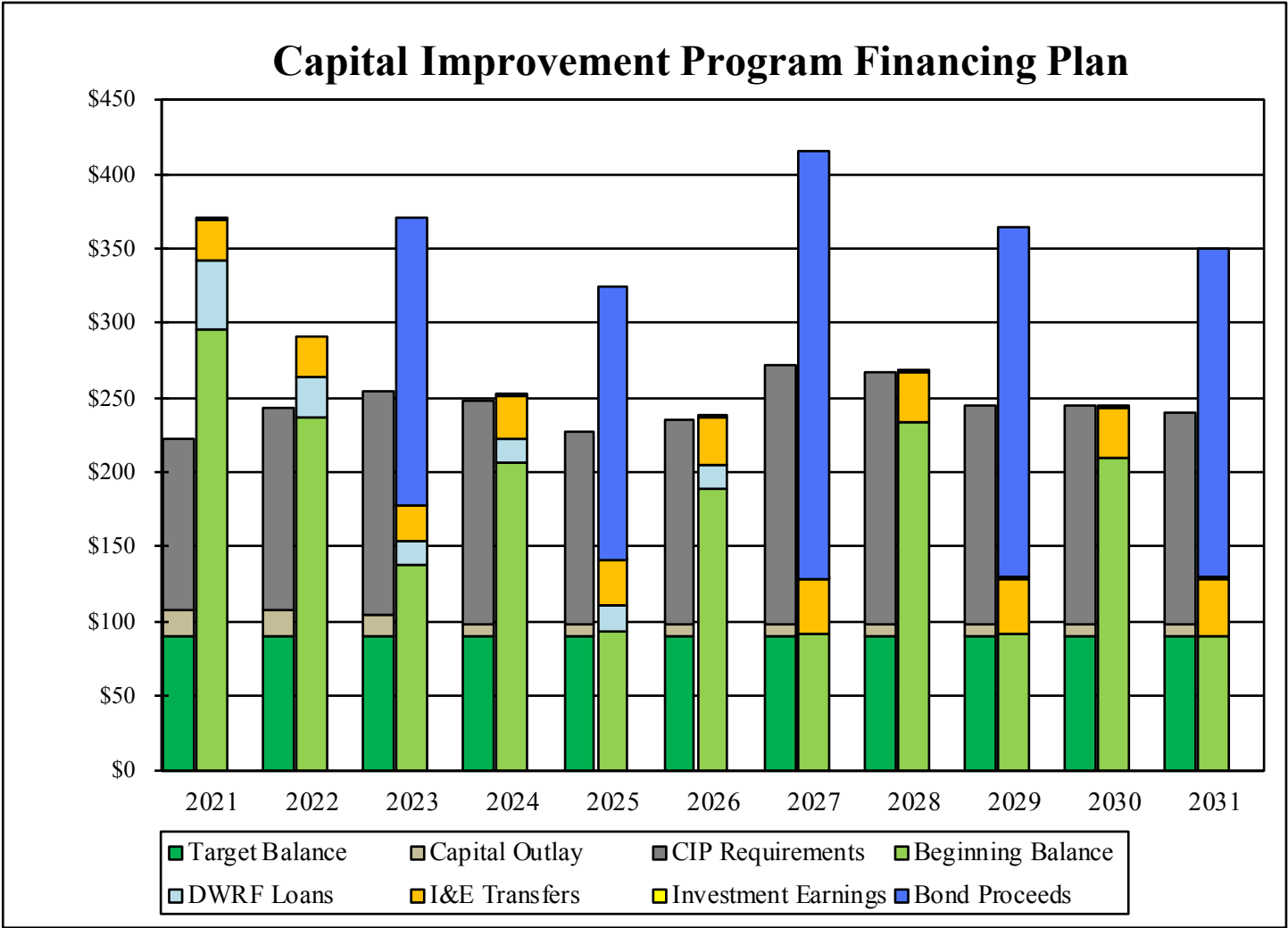
1. Forecasted CIP Financing Plan
 - Illustrates forecasted plan resulting from application of CIP financing policy noted above. Note that the forecast anticipates the next “new money Regional System” bond transactions to occur in FY 2023 for both the Water and Sewer Systems. These are subject to change, and could be impacted by availability of additional SRF loans, DWSD Local System needs, and/or refinancing opportunities. Also note the relatively larger need for forecasted additional Water bond sales compared to Sewer due to the relatively larger Water CIP requirements. The Sewer forecast anticipates being able to “pay go” all CIP Financing starting in FY 2028.
2. Forecasted CIP Financing Plan Table
 - Same as 1, in tabular form consistent with published Feasibility Reports.
3. Forecasted Application of CIP Funding Sources
 - Illustrates growing utilization of I&E monies to finance annual capital improvements, particularly for Sewer. The Water picture is “muddled” because of the early year spend down of existing balances while the Sewer picture is

² In prior forecasts a \$50 million annual carryover minimum in Bond Funds was projected. This has been removed to facilitate compliance reporting and to recognize the \$90 million I&E balances.

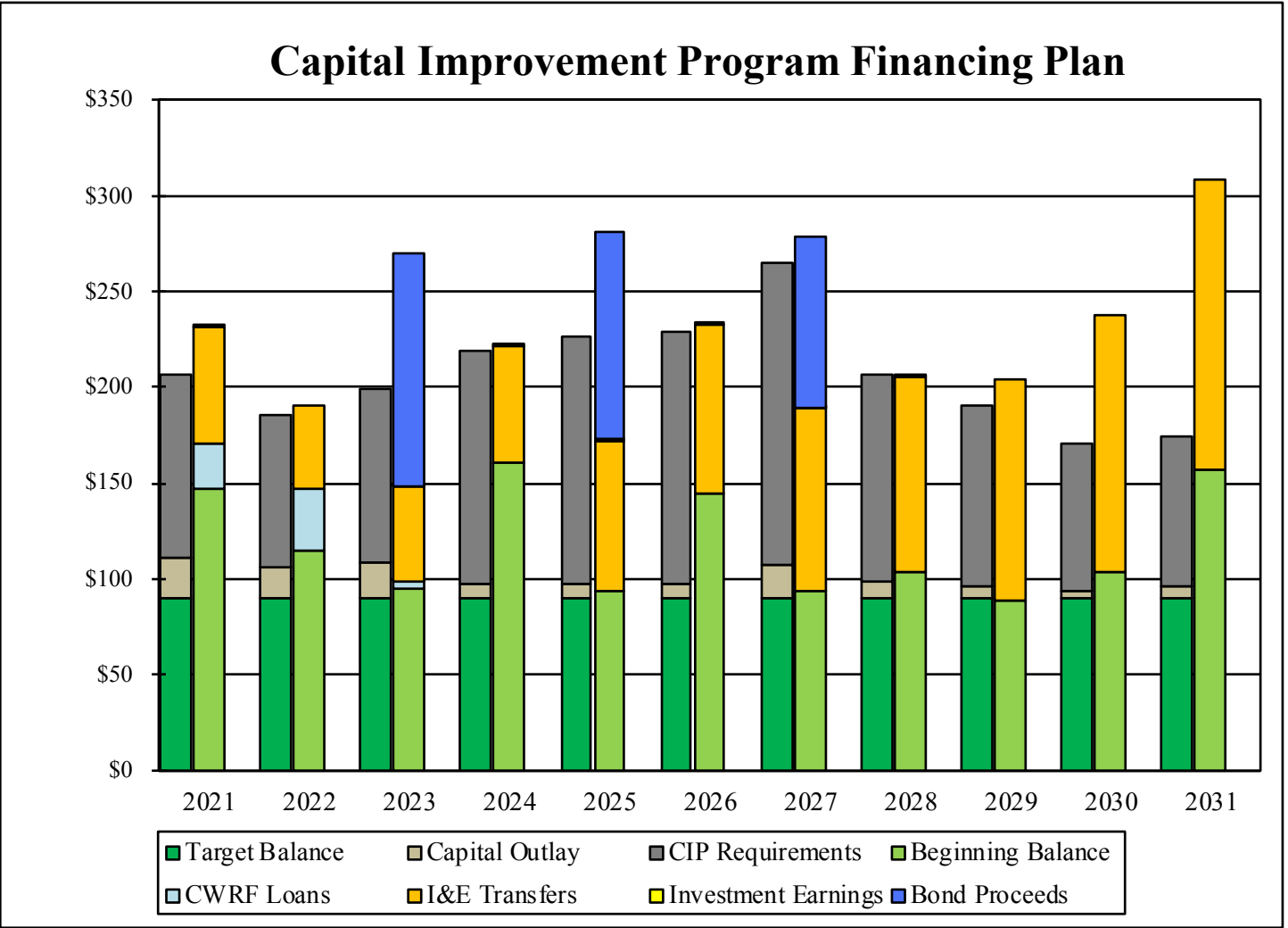
more evident of steady growth – sufficient to fully fund the CIP and exceed the \$90 million policy minimum by the end of the forecast period.

4. Revenue Requirement Financing Plan
 - Graphical depiction of the “business plan” for the FY 2022 Budget / Charge adjustments of 2% for Water and the moderate reduction for Sewer, then following the 3% top line / 2% O&M growth rate assumption for the balance of the forecast period. Note the relatively stable transfers to Water I&E compared to the rapid growth in the Sewer amounts.
5. Wholesale System Revenue Requirement Financing Plan Table
 - Same as 4, in tabular form consistent with published Feasibility Reports.
6. Forecasted Fund Balance Summary
 - Illustrates “non-restricted” liquidity balances and debt service coverage (as computed for the Regional System portion)
 - Shows forecasted reduction of existing I&E balances to policy minimums for both systems, with Sewer increasing towards the end of the forecast period.
 - * *Note that if full “pay go” status of the Sewer CIP is achieved it would be appropriate to reduce the top line revenue growth assumption in the forecast.*
 - Debt service coverage provided by Regional System net revenues is relatively stable for Water and materially increasing for Sewer.
7. Projected Cash and Investment Balances – Wholesale System Table
 - Same as 6, in tabular form consistent with published Feasibility Reports.
 - Documents forecasted “Days Cash on Hand” metric
8. Relative Revenue Requirement Distribution
 - Illustrates “where each \$ of revenue goes” with respect to revenue requirements. Again, note the reduction in debt service, and corresponding increase in I&E bottom line transfers for Sewer, while the Water bottom line contribution is fairly constant as the relative debt service portion increases.
9. I&E Flow of Funds Forecast
 - Illustrates draw down of existing balances to fund CIP requirements, maintenance of the \$90 million policy minimums, and the growth in annual transfers from revenues, particularly for Sewer.
10. Schedule 1 – Revenue Requirements Budget Summary
 - Budget summary schedule version of Revenue Requirement Financing Plan. Illustrates the “anatomy of a charge increase” calculation introduced in the Executive Summary to this memorandum.
11. Schedule 5 – Capital Financing Budget Summary
 - Budget summary schedule version of Capital Financing Plan. Illustrates the flow of funds concept for the Construction Fund.

We are hopeful that this executive summary presentation provides a platform for discussion of financial planning policies and assumptions as the development of the FY 2022 Budget and related forecast proceeds. We are prepared to present this material at the Audit Committee meeting scheduled for December 18 and to discuss this matter further at your convenience.



	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<u>Requirements</u>											
Target Balance	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Capital Outlay	17.9	17.0	14.1	8.8	8.6	8.5	7.9	7.5	7.9	7.4	7.6
CIP Requirement	114.6	136.6	150.6	149.4	128.2	136.8	174.6	170.2	147.1	147.7	142.8
Total	222.5	243.6	254.6	248.1	226.8	235.3	272.5	267.6	245.0	245.0	240.4
<u>Sources</u>											
Beginning Balance	296.0	237.5	138.1	206.2	93.7	188.5	92.3	233.3	91.2	209.3	90.3
DWRF Loans	45.4	26.1	16.6	16.6	16.6	15.8	0.0	0.0	0.0	0.0	0.0
I&E Transfers	28.5	28.1	23.3	28.4	31.3	32.4	35.7	33.4	37.2	34.2	38.9
Investment Earnings	0.1	0.0	0.2	0.7	0.4	1.0	1.1	2.1	0.9	1.8	0.8
Bond Proceeds	0.0	0.0	192.7	0.0	183.3	0.0	286.7	0.0	235.0	0.0	220.9
Total Sources	369.9	291.7	370.9	251.9	325.3	237.6	415.8	268.8	364.3	245.3	350.9
End Balance	237.5	138.1	206.2	93.7	188.5	92.3	233.3	91.2	209.3	90.3	200.4



	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<u>Requirements</u>											
Target Balance	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Capital Outlay	20.5	16.0	18.2	8.0	7.1	7.6	16.7	9.2	5.7	4.2	5.9
CIP Requirement	95.8	79.3	91.5	121.0	129.7	131.9	158.0	107.4	95.1	76.2	78.0
Total	206.3	185.3	199.7	219.0	226.8	229.5	264.7	206.6	190.7	170.4	173.9
<u>Sources</u>											
Beginning Balance	147.1	114.7	94.7	160.4	93.3	144.0	93.7	104.0	89.2	103.3	156.7
CWRf Loans	23.6	32.0	4.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
I&E Transfers	60.2	43.3	48.9	61.4	79.2	88.7	95.4	101.5	114.8	133.9	150.9
Investment Earnings	0.1	0.0	0.1	0.4	0.2	0.5	0.4	0.2	0.0	0.0	0.0
Bond Proceeds	0.0	0.0	122.2	0.0	108.1	0.0	89.3	0.0	0.0	0.0	0.0
Total Sources	231.0	190.0	270.1	222.2	280.8	233.1	278.7	205.8	204.0	237.2	307.7
End Balance	114.7	94.7	160.4	93.3	144.0	93.7	104.0	89.2	103.3	156.7	223.8

Water Table 4
GLWA Wholesale System Capital Improvement Program Financing Plan (\$ millions)

Line No.		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Fiscal Year Ended June 30,													
Financing Requirements													
1	Budgeted Capital Outlay	17.9	17.0	14.1	8.8	8.6	8.5	7.9	7.5	7.9	7.4	7.6	113.0
2	Major Capital Improvement Program (a)	114.6	136.6	150.6	149.4	128.2	136.8	174.6	170.2	147.1	147.7	142.8	1,598.5
3	Total Financing Requirements	132.5	153.6	164.6	158.1	136.8	145.3	182.5	177.6	155.0	155.0	150.4	1,711.6
Financing Sources													
Construction Fund													
4	Beginning Balance (b)	-	-	-	-	-	-	-	-	-	-	-	(g)
5	State Drinking Water Revolving Fund Loans	74.4	45.8	16.6	16.6	16.6	15.8	-	-	-	-	-	185.8
6	Less: Transfer to DWSD Constr. Fund	(29.0)	(19.7)	-	-	-	-	-	-	-	-	-	(48.7)
7	Net State DWRF Financing for Authority	45.4	26.1	16.6	16.6	16.6	15.8	-	-	-	-	-	137.1
8	Transfers from Water Constr. Bond Fund (Line 20)	19.0	0.0	76.7	113.2	88.9	97.2	146.8	144.3	117.8	120.8	111.5	1,036.2
9	Transfers from Water I&E Fund (Line 26)	50.1	110.5	57.3	19.6	22.7	23.8	27.8	25.9	29.3	26.8	31.3	425.2
10	Total Construction Fund Sources	114.6	136.6	150.6	149.4	128.2	136.8	174.6	170.2	147.1	147.7	142.8	1,598.5
11	Uses - Major CIP Expenditures (Line 2)	114.6	136.6	150.6	149.4	128.2	136.8	174.6	170.2	147.1	147.7	142.8	1,598.5
12	Ending Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(h)
Subsidiary Capital Financing Funds													
Construction Bond Fund													
13	Beginning Balance (b)	19.0	-	-	116.2	3.7	98.5	2.3	143.3	1.2	119.3	0.3	19.0 (g)
Bond Proceeds													
14	Water System Revenue Bonds (c)	-	-	205.0	-	195.0	-	305.0	-	250.0	-	235.0	1,190.0
15	Less: Transfer to DWSD Const. Fund (e)	-	-	-	-	-	-	-	-	-	-	-	0.0
16	Less: Issuance Expenses (f)	-	-	(12.3)	-	(11.7)	-	(18.3)	-	(15.0)	-	(14.1)	(71.4)
17	Net Bond Proceeds Available	-	-	192.7	-	183.3	-	286.7	-	235.0	-	220.9	1,118.6
18	Investment Income	0.1	0.0	0.2	0.7	0.4	1.0	1.1	2.1	0.9	1.8	0.8	9.1
19	Total Constr. Bond Fund Sources	19.0	0.0	192.9	116.9	187.4	99.4	290.1	145.5	237.1	121.1	222.0	1,146.6
20	Less: Transfer to GLWA Constr. Fund	(19.0)	0.0	(76.7)	(113.2)	(88.9)	(97.2)	(146.8)	(144.3)	(117.8)	(120.8)	(111.5)	(1,036.2)
21	Ending Balance	0.0	0.0	116.2	3.7	98.5	2.3	143.3	1.2	119.3	0.3	110.4	(h)
GLWA Regional System Improvement and Extension Account													
22	Beginning Balance (b)	277.0	237.5	138.1	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	277.0 (g)
23	Transfers from Water Receiving Fund	28.5	28.1	23.3	28.4	31.3	32.4	35.7	33.4	37.2	34.2	38.9	351.3
24	Total I&E Fund Sources	305.5	265.6	161.4	118.4	121.3	122.4	125.7	123.4	127.2	124.2	128.9	628.3
25	Less: Capital Outlay (Line 1)	(17.9)	(17.0)	(14.1)	(8.8)	(8.6)	(8.5)	(7.9)	(7.5)	(7.9)	(7.4)	(7.6)	(113.0)
26	Less: Transfer to GLWA Constr. Fund	(50.1)	(110.5)	(57.3)	(19.6)	(22.7)	(23.8)	(27.8)	(25.9)	(29.3)	(26.8)	(31.3)	(425.2)
27	Ending Balance	237.5	138.1	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	(h)

(a) From Table 1.

(b) Estimated balance available June 30, 2020 (applies only to Fiscal Year 2021).

(c) Par value for future bonds.

(d) Reserved

(e) Includes amounts to provide funding to the DWSD CIP.

(f) Assumes amounts will be required from bond proceeds to fund debt service reserve fund.

(g) Total column reflects estimated balance available June 30, 2020.

(h) Total column reflects estimated balance available June 30, 2031.

Sewer Table 4
GLWA Wholesale System Capital Improvement Program Financing Plan (\$ millions)

Line No.		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Fiscal Year Ended June 30,													
Financing Requirements													
1	Budgeted Capital Outlay	20.5	16.0	18.2	8.0	7.1	7.6	16.7	9.2	5.7	4.2	5.9	119.1
2	Major Capital Improvement Program (a)	95.8	79.3	91.5	121.0	129.7	131.9	158.0	107.4	95.1	76.2	78.0	1,163.8
3	Total Financing Requirements	116.3	95.3	109.7	129.0	136.8	139.5	174.7	116.6	100.7	80.4	83.9	1,282.9
Financing Sources													
Construction Fund													
4	Beginning Balance (b)	-	-	-	-	-	-	-	-	-	-	-	(g)
5	State Clean Water Revolving Fund Loans	32.6	40.5	4.1	-	-	-	-	-	-	-	-	77.2
6	Less: Transfer to DWSD Constr. Fund	(9.0)	(8.5)	-	-	-	-	-	-	-	-	-	(17.5)
7	Net State DWRF Financing for Authority	23.6	32.0	4.1	-	-	-	-	-	-	-	-	59.7
8	Transfers from Sewer Constr. Bond Fund (Line 2)	21.2	-	51.9	67.5	57.7	50.8	79.3	14.2	-	-	-	342.7
9	Transfers from Sewer I&E Fund (Line 27)	51.0	47.3	35.4	53.4	72.1	81.0	78.6	93.2	95.1	76.2	78.0	761.4
10	Total Construction Fund Sources	95.8	79.3	91.5	121.0	129.7	131.9	158.0	107.4	95.1	76.2	78.0	1,163.8
11	Uses - Major CIP Expenditures (Line 2)	95.8	79.3	91.5	121.0	129.7	131.9	158.0	107.4	95.1	76.2	78.0	1,163.8
12	Ending Balance	-	-	-	-	-	-	-	-	-	-	-	(h)
Subsidiary Capital Financing Funds													
Construction Bond Funds													
13	Beginning Balance (b)	21.1	-	-	70.4	3.3	54.0	3.7	14.0	-	-	-	166.5 (g)
Bond Proceeds													
14	Sewer System Revenue Bonds (c)	-	-	130.0	-	115.0	-	95.0	-	-	-	-	340.0
15	Less: Transfer to DWSD Const. Fund (e)	-	-	-	-	-	-	-	-	-	-	-	-
16	Less: Issuance Expenses (f)	-	-	(7.8)	-	(6.9)	-	(5.7)	-	-	-	-	(20.4)
17	Net Bond Proceeds Available	-	-	122.2	-	108.1	-	89.3	-	-	-	-	319.6
18	Investment Income	0.1	-	0.1	0.4	0.2	0.5	0.4	0.2	-	-	-	2.0
19	Total Constr. Bond Fund Sources	21.2	-	122.3	70.8	111.6	54.5	93.4	14.2	-	-	-	488.1
20	Less: Transfer to GLWA Constr. Fund	(21.2)	-	(51.9)	(67.5)	(57.7)	(50.8)	(79.3)	(14.2)	-	-	-	(342.7)
21	Ending Balance	-	-	70.4	3.3	54.0	3.7	14.0	-	-	-	-	145.4 (h)
GLWA Regional System Improvement and Extension Account													
22	Beginning Balance (b)	126.0	114.7	94.7	90.0	90.0	90.0	90.0	90.0	89.2	103.3	156.7	1,134.6 (g)
23	Transfers from Sewer Receiving Fund	40.9	34.6	48.9	61.4	79.2	88.7	95.4	101.5	114.8	133.9	150.9	950.3
24	Other Sources - DWSD Loan Receivable Pmts	19.3	8.7	-	-	-	-	-	-	-	-	-	28.0
25	Total I&E Fund Sources	186.2	158.0	143.6	151.4	169.2	178.7	185.4	191.5	204.0	237.2	307.7	2,112.8
26	Less: Capital Outlay (Line 1)	(20.5)	(16.0)	(18.2)	(8.0)	(7.1)	(7.6)	(16.7)	(9.2)	(5.7)	(4.2)	(5.9)	(119.1)
27	Less: Transfer to GLWA Constr. Fund	(51.0)	(47.3)	(35.4)	(53.4)	(72.1)	(81.0)	(78.6)	(93.2)	(95.1)	(76.2)	(78.0)	(761.4) (h)
28	Ending Balance	114.7	94.7	90.0	90.0	90.0	90.0	90.0	89.2	103.3	156.7	223.8	1,232.4

(a) From Table 1.

(b) Estimated balance available June 30, 2020 (applies only to Fiscal Year 2021).

(c) Par value for future bonds.

(d) Reserved

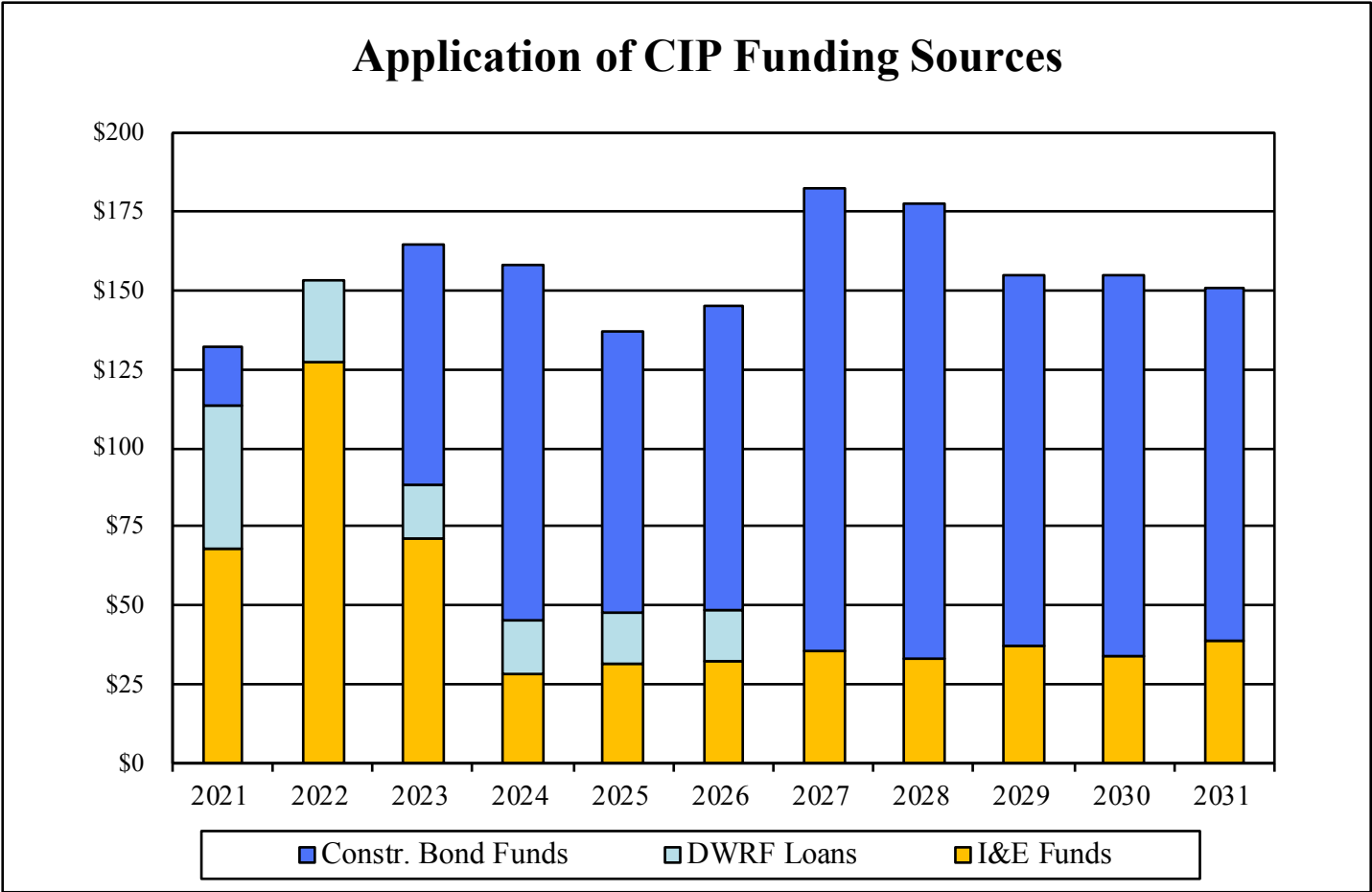
(e) Includes amounts to provide funding to the DWSD CIP.

(f) Assumes amounts will be required from bond proceeds to fund debt service reserve fund.

(g) Total column reflects estimated balance available June 30, 2020.

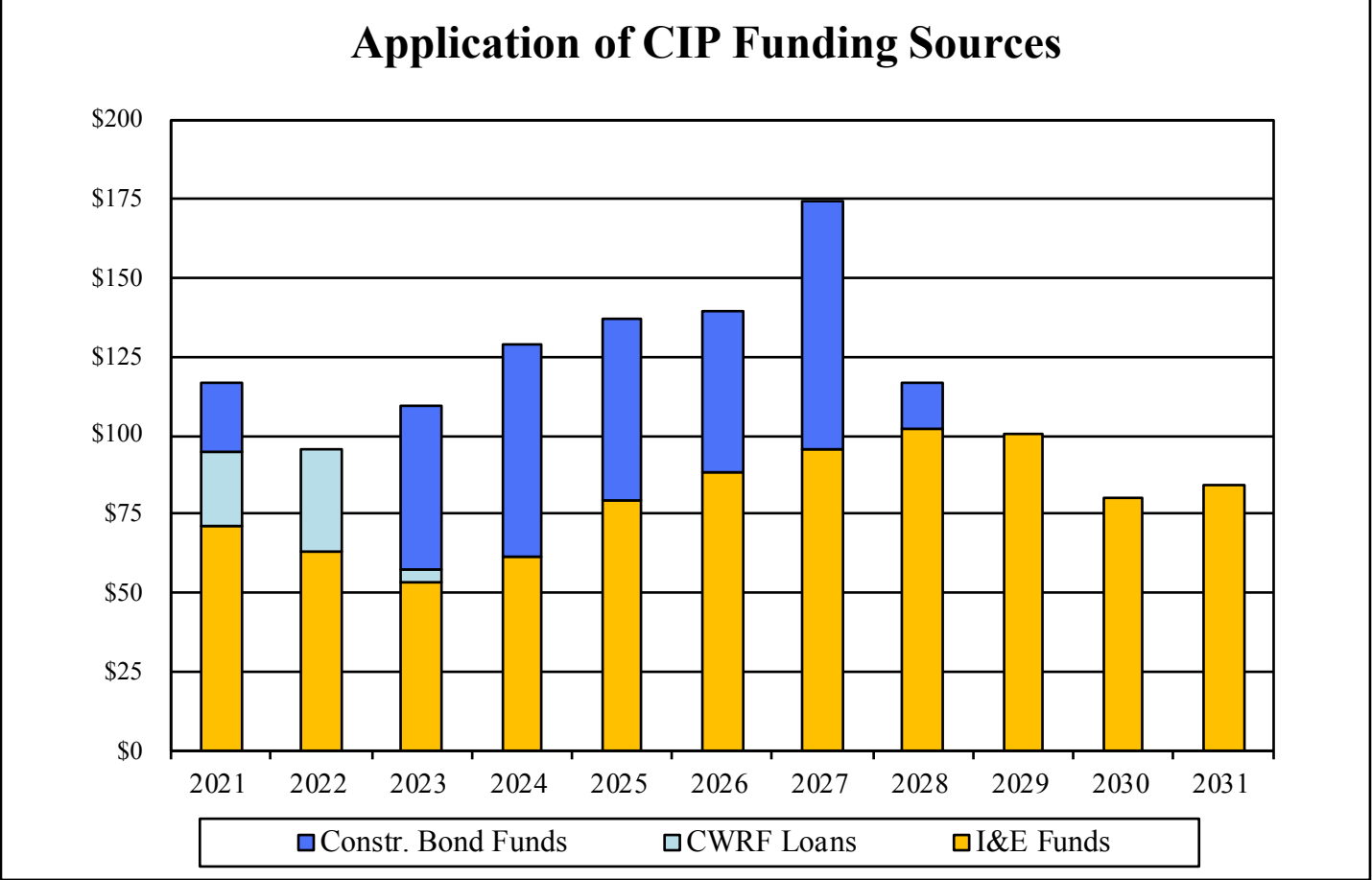
(h) Total column reflects estimated balance available June 30, 2031.

GLWA Water Supply System Financial Plan Summary (\$ millions)

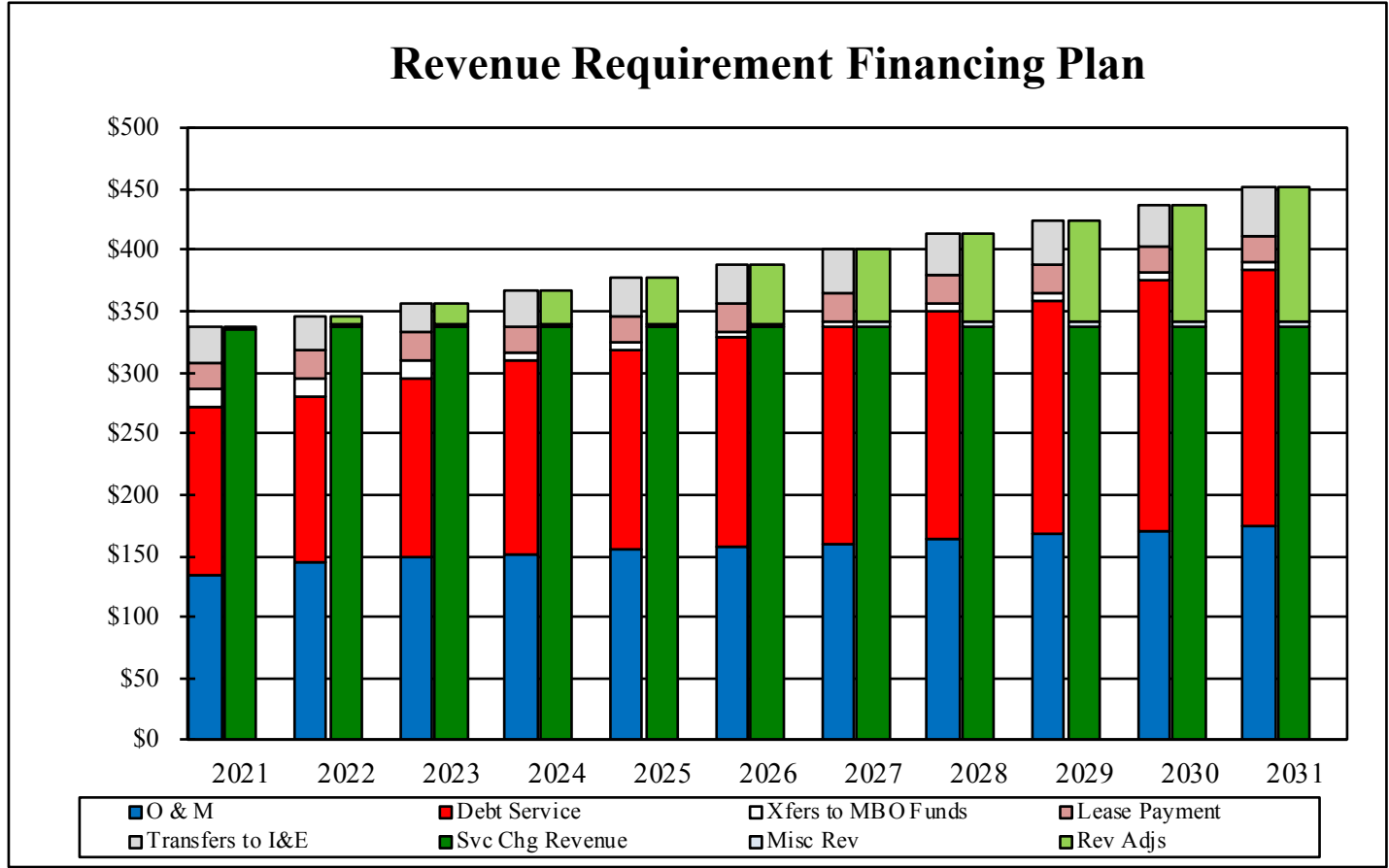


	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
I&E Funds	68.0	127.5	71.4	28.4	31.3	32.4	35.7	33.4	37.2	34.2	38.9
DWRF Loans	45.4	26.1	16.6	16.6	16.6	15.8	0.0	0.0	0.0	0.0	0.0
Constr. Bond Funds	19.0	0.0	76.7	113.2	88.9	97.2	146.8	144.3	117.8	120.8	111.5
I&E % of Total	51%	83%	43%	18%	23%	22%	20%	19%	24%	22%	26%

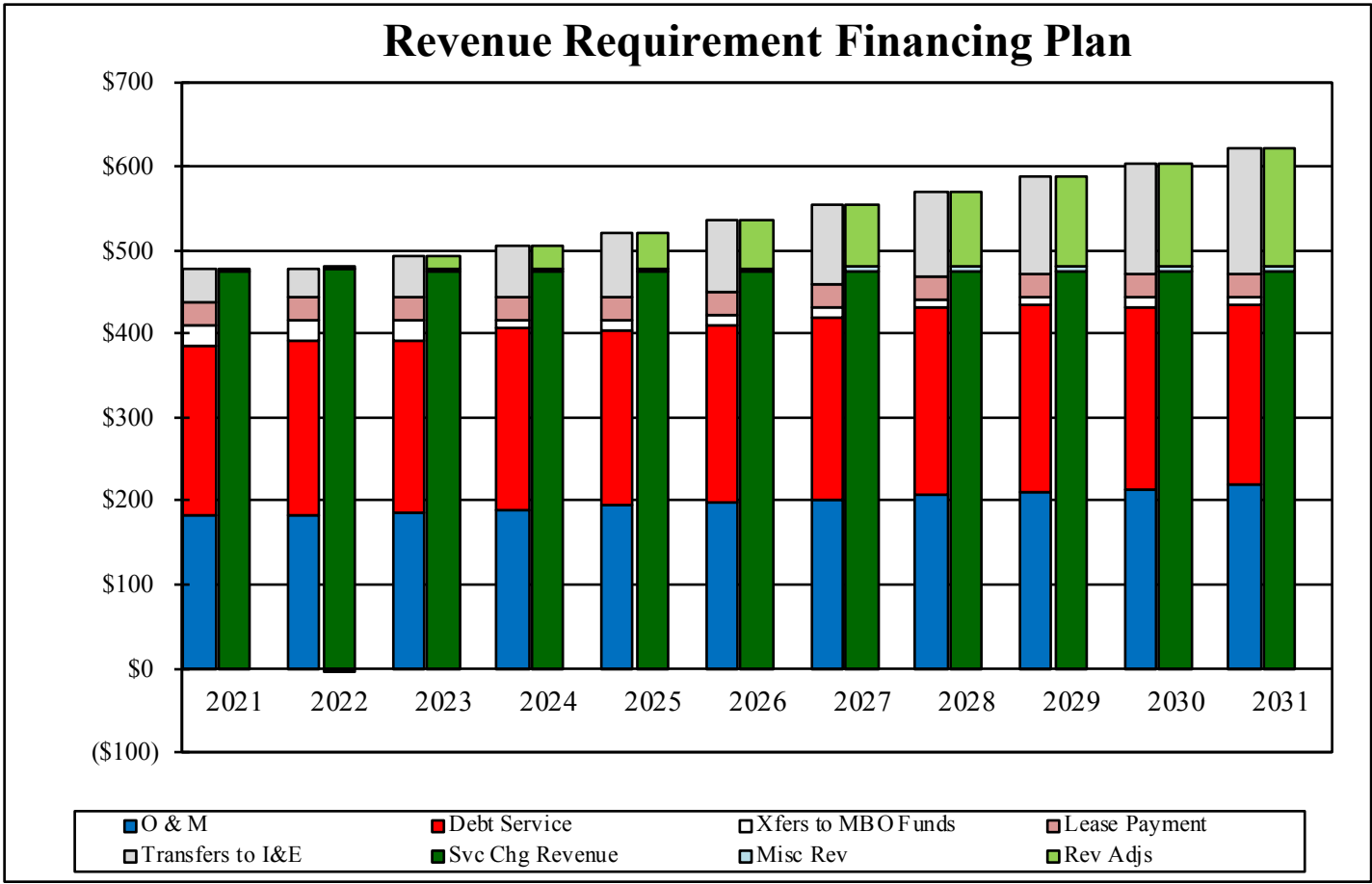
GLWA Sewage Disposal System Financial Plan Summary (\$ millions)



	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
I&E Funds	71.5	63.3	53.6	61.4	79.2	88.7	95.4	102.3	100.7	80.4	83.9
CWRP Loans	23.6	32.0	4.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Constr. Bond Funds	21.2	0.0	51.9	67.5	57.7	50.8	79.3	14.2	0.0	0.0	0.0
I&E % of Total	61%	66%	49%	48%	58%	64%	55%	88%	100%	100%	100%



	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
REVENUE											
Svc. Chg. Revenue	335.1	337.6	337.6	337.6	337.6	337.6	337.6	337.6	337.6	337.6	337.6
Charge Adjustments		2.0%	3.0%	2.9%	2.9%	2.8%	2.7%	3.0%	3.0%	3.0%	3.0%
Revenue from Adjs		6.8	17.1	27.5	38.2	48.9	59.4	71.3	83.7	96.4	109.5
Other	1.5	1.2	1.2	1.5	1.8	2.5	3.6	3.7	3.7	3.8	3.8
Total Revenue	336.5	345.6	356.0	366.6	377.6	389.0	400.6	412.7	425.0	437.8	450.9
BUDGET											
O&M Expense	134.1	145.5	149.5	151.6	154.8	157.5	160.7	163.9	167.1	170.5	173.9
Debt Service	137.4	135.5	146.5	158.9	163.0	170.5	175.8	187.0	192.3	204.6	209.6
Xfers to MBO Funds	14.0	14.0	14.1	5.2	6.1	6.1	6.0	5.9	5.9	6.0	6.0
Lease Payment	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5
Transfers to I&E	28.5	28.1	23.3	28.4	31.3	32.4	35.7	33.4	37.2	34.2	38.9
Total BUDGET	336.5	345.6	356.0	366.6	377.6	389.0	400.6	412.7	425.0	437.8	450.9
Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)



	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
REVENUE											
Svc. Chg. Revenue	475.9	476.9	475.6	475.6	475.6	475.6	475.6	475.6	475.6	475.6	475.6
Charge Adjustments		-0.2%	3.2%	2.9%	3.0%	2.9%	2.8%	3.0%	3.0%	3.0%	2.9%
Revenue from Adjs		(1.1)	14.3	28.6	43.5	58.4	73.2	89.8	106.9	124.2	141.6
Other	1.4	1.4	1.6	2.0	2.3	3.1	4.4	4.4	4.4	4.7	5.4
Total Revenue	477.4	477.2	491.5	506.3	521.5	537.1	553.2	569.8	586.9	604.5	622.6
BUDGET											
O&M Expense	182.3	183.1	185.6	190.3	194.1	198.3	202.3	206.3	210.4	214.6	218.9
Debt Service	201.8	207.2	204.6	218.0	209.9	211.8	217.6	224.2	223.8	218.1	214.9
Xfers to MBO Funds	24.9	24.8	24.9	9.0	10.8	10.8	10.5	10.3	10.3	10.3	10.4
Lease Payment	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
Transfers to I&E	40.9	34.6	48.9	61.4	79.2	88.7	95.4	101.5	114.8	133.9	150.9
Total BUDGET	477.4	477.2	491.5	506.3	521.5	537.1	553.2	569.8	586.9	604.5	622.7
Balance	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)

Water Table 5a
Wholesale System Revenue Requirement Financing Plan (\$ millions)

Line No.	Item	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Revenue (a)												
1	Operating Revenue Under Existing Charges	335.1	337.6	337.6	337.6	337.6	337.6	337.6	337.6	337.6	337.6	337.6
<u>Projected Revenue from Adjustments</u>												
2	FY 2022: 2.0%		6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8
3	FY 2023: 3.0%			10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4
4	FY 2024: 2.9%				10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4
5	FY 2025: 2.9%					10.7	10.7	10.7	10.7	10.7	10.7	10.7
6	FY 2026: 2.8%						10.7	10.7	10.7	10.7	10.7	10.7
7	FY 2027: 2.7%							10.5	10.5	10.5	10.5	10.5
8	FY 2028: 3.0%								11.9	11.9	11.9	11.9
9	FY 2029: 3.0%									12.4	12.4	12.4
10	FY 2030: 3.0%										12.7	12.7
11	FY 2031: 3.0%											13.1
12	Total Projected Revenue from Water Charges	335.1	344.4	354.7	365.1	375.8	386.5	397.0	409.0	421.3	434.0	447.1
13	Other Revenue	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
14	Non-Operating Revenue	1.3	1.0	1.0	1.3	1.6	2.3	3.4	3.5	3.5	3.6	3.6
15	Total Revenue Available	336.5	345.6	356.0	366.6	377.6	389.0	400.6	412.7	425.0	437.8	450.9
Revenue Requirements												
16	Transfer to GLWA Regional O&M Account	134.1	145.5	149.5	151.6	154.8	157.5	160.7	163.9	167.1	170.5	173.9
18	Total O&M Expense	140.2	151.5	155.6	151.6	154.8	157.5	160.7	163.9	167.1	170.5	173.9
19	Debt Service Allocation - Regional System	137.4	135.5	146.5	158.9	163.0	170.5	175.8	187.0	192.3	204.6	209.6
20	Non-Operating Portion of Pension Obligation	5.4	5.4	5.4	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
21	B & C Note Non-Operating Payments	0.9	0.9	0.9	0.9	1.7	1.6	1.4	1.3	1.3	1.2	1.2
22	Transfer to Pension Obligation Payment Fund	6.3	6.3	6.3	3.4	4.2	4.1	4.0	3.8	3.8	3.8	3.7
23	Transfer to WRAP Fund	1.7	1.7	1.8	1.8	1.9	1.9	2.0	2.1	2.1	2.2	2.3
24	Lease Payment to DWSD Local System	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5
25	Transfer to GLWA Regional I&E Account	28.5	28.1	23.3	28.4	31.3	32.4	35.7	33.4	37.2	34.2	38.9
26	Total Revenue Requirements	336.5	345.6	356.0	366.6	377.6	389.0	400.6	412.7	425.0	437.8	450.9
27	Indicated Balance (Deficiency)	-	-	-	-	-	-	-	-	-	-	-
28	Projected Debt Service Coverage Ratio (Regional)	1.43	1.43	1.37	1.35	1.37	1.36	1.37	1.33	1.34	1.31	1.32
29	<i>Net Revenues (15) - (18)</i>	196.3	194.0	200.4	215.0	222.9	231.5	240.0	248.8	257.9	267.3	277.0
30	<i>Revenues Remaining after Debt Service (29)-(19)</i>	58.9	58.6	53.8	56.1	59.8	60.9	64.2	61.7	65.6	62.7	67.4
31	<i>Applied to MBO Reserve Funds (22,23)</i>	(7.9)	(8.0)	(8.0)	(5.2)	(6.1)	(6.1)	(6.0)	(5.9)	(5.9)	(6.0)	(6.0)
32	<i>Applied as Lease Payment to DWSD (24)</i>	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)
33	<i>Available for I&E Fund (29) - (30,31,32)</i>	28.5	28.1	23.3	28.4	31.3	32.4	35.7	33.4	37.2	34.2	38.9

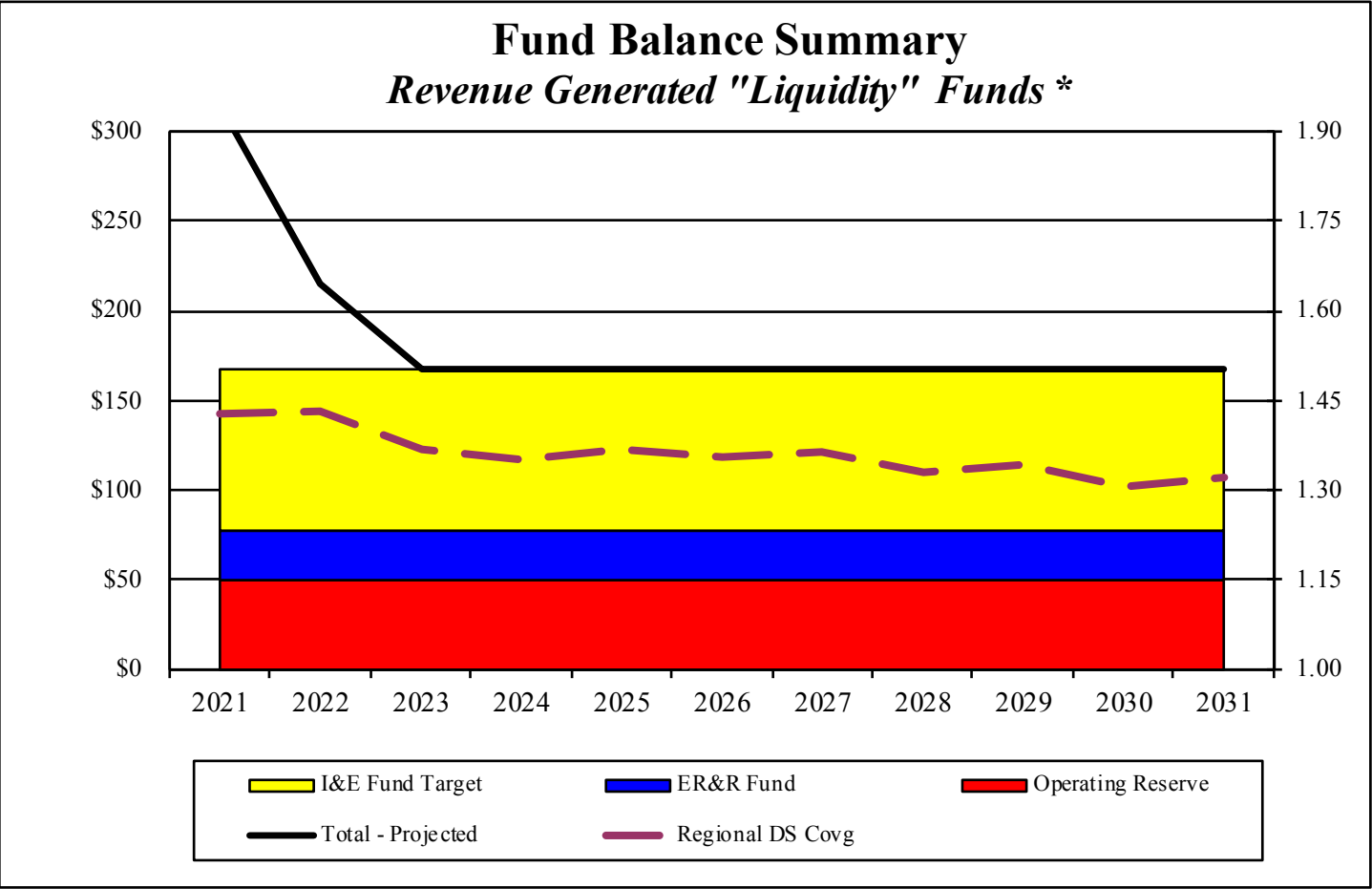
(a) From Table 3. Based on application of FY 2021 charges for 2021 through 2031.

Sewer Table 5a
Wholesale System Revenue Requirement Financing Plan (\$ millions)

Line No.	Item	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Revenue (a)												
1	Operating Revenue Under Existing Charges	475.9	476.9	475.6	475.6	475.6	475.6	475.6	475.6	475.6	475.6	475.6
<u>Projected Revenue from Adjustments</u>												
2	FY 2022: -0.2%		(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)
3	FY 2023: 3.2%			15.4	15.4	15.4	15.4	15.4	15.4	15.4	15.4	15.4
4	FY 2024: 2.9%				14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3
5	FY 2025: 3.0%					14.9	14.9	14.9	14.9	14.9	14.9	14.9
6	FY 2026: 2.9%						14.9	14.9	14.9	14.9	14.9	14.9
7	FY 2027: 2.8%							14.8	14.8	14.8	14.8	14.8
8	FY 2028: 3.0%								16.6	16.6	16.6	16.6
9	FY 2029: 3.0%									17.1	17.1	17.1
10	FY 2030: 3.0%										17.3	17.3
11	FY 2031: 2.9%											17.4
12	Total Operating Revenue	475.9	475.8	489.9	504.2	519.1	534.0	548.8	565.5	582.5	599.8	617.2
13	Other Revenue	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
14	Non-Operating Revenue	1.0	1.0	1.2	1.6	1.9	2.7	4.0	4.0	4.0	4.3	5.0
15	Total Revenue Available	477.4	477.2	491.5	506.3	521.5	537.1	553.2	569.8	586.9	604.5	622.6
Revenue Requirements												
16	Transfer to GLWA Regional O&M Account	182.3	183.1	185.6	190.3	194.1	198.3	202.3	206.3	210.4	214.6	218.9
17	Transfer to GLWA Pension O&M Account	10.8	10.8	10.8	-	-	-	-	-	-	-	-
18	Total O&M Expense	193.1	193.9	196.4	190.3	194.1	198.3	202.3	206.3	210.4	214.6	218.9
19	Debt Service Allocation - Regional System	201.8	207.2	204.6	218.0	209.9	211.8	217.6	224.2	223.8	218.1	214.9
20	Non-Operating Portion of Pension Obligation	9.7	9.7	9.7	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
21	B & C Note Non-Operating Payments	2.0	2.0	2.0	2.0	3.7	3.6	3.3	2.9	2.9	2.8	2.7
22	Transfer to Pension Obligation Payment Fund	11.6	11.6	11.6	6.5	8.2	8.2	7.8	7.4	7.4	7.3	7.2
23	Transfer to WRAP Fund	2.4	2.3	2.5	2.5	2.6	2.7	2.8	2.8	2.9	3.0	3.1
24	Lease Payment to DWSD Local System	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
25	Transfer to GLWA Regional I&E Account	40.9	34.6	48.9	61.4	79.2	88.7	95.4	101.5	114.8	133.9	150.9
26	Total Revenue Requirements	477.4	477.2	491.5	506.3	521.5	537.1	553.2	569.8	586.9	604.5	622.7
27	Indicated Balance (Deficiency)	-	-	-	-	-	-	-	-	-	-	-
28	Projected Debt Service Coverage Ratio (Regional)	1.41	1.37	1.44	1.45	1.56	1.60	1.61	1.62	1.68	1.79	1.88
29	<i>Net Revenues (15) - (18)</i>	284.2	283.3	295.1	315.9	327.4	338.8	351.0	363.5	376.5	389.9	403.7
30	<i>Revenues Remaining after Debt Service (29)-(19)</i>	82.4	76.1	90.5	97.9	117.5	127.0	133.4	139.3	152.6	171.7	188.8
31	<i>Applied to MBO Reserve Funds (22,23)</i>	(14.0)	(14.0)	(14.1)	(9.0)	(10.8)	(10.8)	(10.5)	(10.3)	(10.3)	(10.3)	(10.4)
32	<i>Applied as Lease Payment to DWSD (24)</i>	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)
33	<i>Available for I&E Fund (29) - (30,31,32)</i>	40.9	34.6	48.9	61.4	79.2	88.7	95.4	101.5	114.8	133.9	150.9

(a) From Table 3. Based on application of FY 2021 charges for 2021 through 2031.

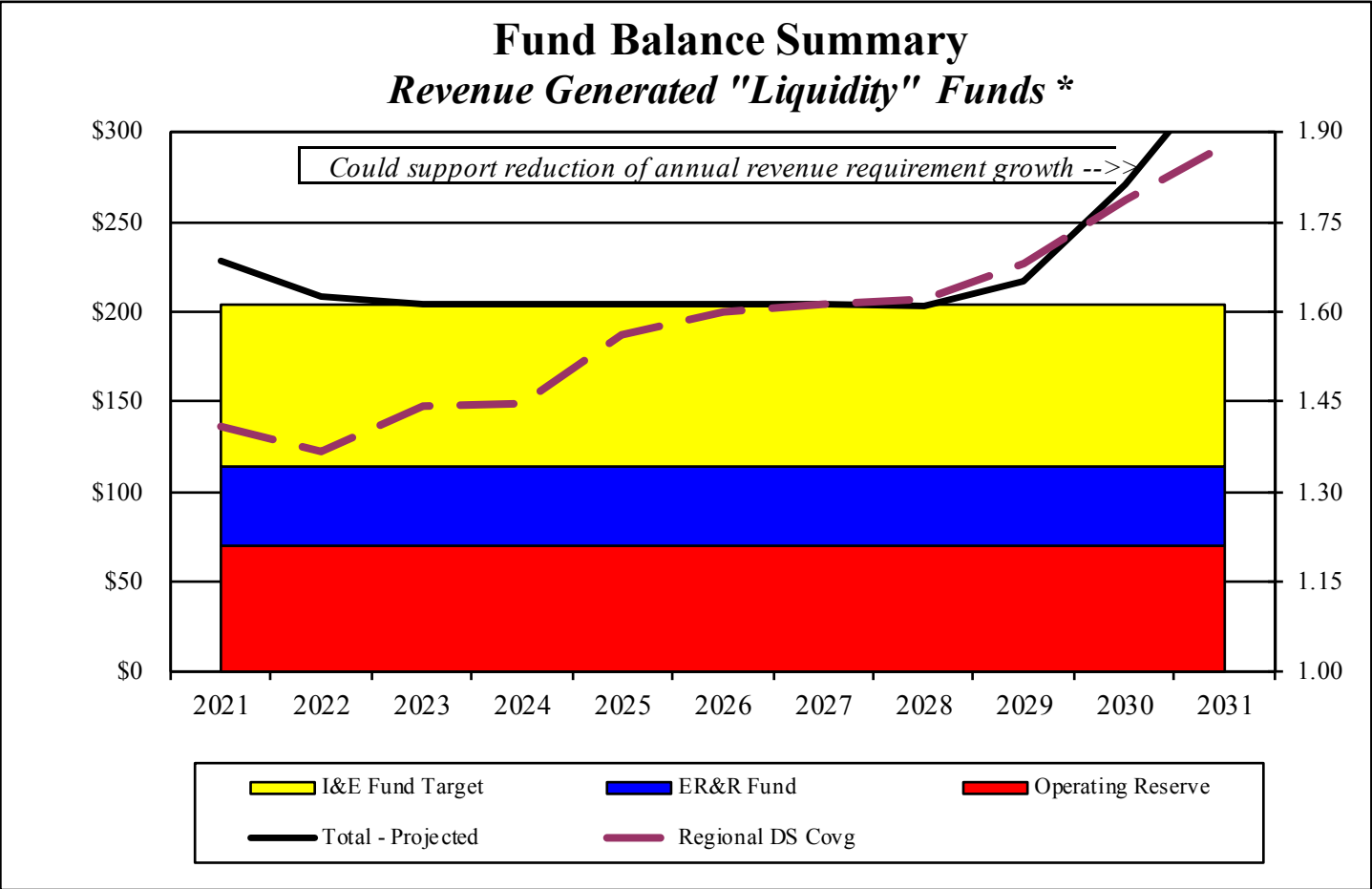
GLWA Water Supply System Financial Plan Summary (\$ millions)



	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<u>Fund Balance Minimums</u>											
Operating Reserve	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0
ER&R Fund	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
I&E Fund Target	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Total - Minimums	167.5	167.5	167.5	167.5	167.5	167.5	167.5	167.5	167.5	167.5	167.5
<u>Projections</u>											
Operating Reserve	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0
ER&R Fund	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
I&E Fund	237.5	138.1	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Total - Projected	315.0	215.6	167.5	167.5	167.5	167.5	167.5	167.5	167.5	167.5	167.5
Projected > Minimum	147.5	48.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Regional DS Covg	1.43	1.43	1.37	1.35	1.37	1.36	1.37	1.33	1.34	1.31	1.32

* Revenue Generated Funds only. Excludes Debt Service Reserve & Construction Funds (Bond Generated) & "Pass Thru" Funds such as Debt Service Payment Funds, WRAP, etc.

GLWA Sewage Disposal System Financial Plan Summary (\$ millions)



	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<u>Fund Balance Minimums</u>											
Operating Reserve	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
ER&R Fund	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
I&E Fund Target	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Total - Minimums	204.0	204.0	204.0	204.0	204.0	204.0	204.0	204.0	204.0	204.0	204.0
<u>Projections</u>											
Operating Reserve	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
ER&R Fund	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
I&E Fund	114.7	94.7	90.0	90.0	90.0	90.0	90.0	89.2	103.3	156.7	223.8
Total - Projected	228.7	208.7	204.0	204.0	204.0	204.0	204.0	203.2	217.3	270.7	337.8
Projected > Minimum	24.7	4.7	0.0	0.0	0.0	0.0	0.0	(0.8)	13.3	66.7	133.8
Regional DS Covg	1.41	1.37	1.44	1.45	1.56	1.60	1.61	1.62	1.68	1.79	1.88

* Revenue Generated Funds only. Excludes Debt Service Reserve & Construction Funds (Bond Generated) & "Pass Thru" Funds such as Debt Service Payment Funds, WRAP, etc.

Water Table 6
Projected Cash and Investment Fund Balances - Wholesale System (\$ millions) (a)

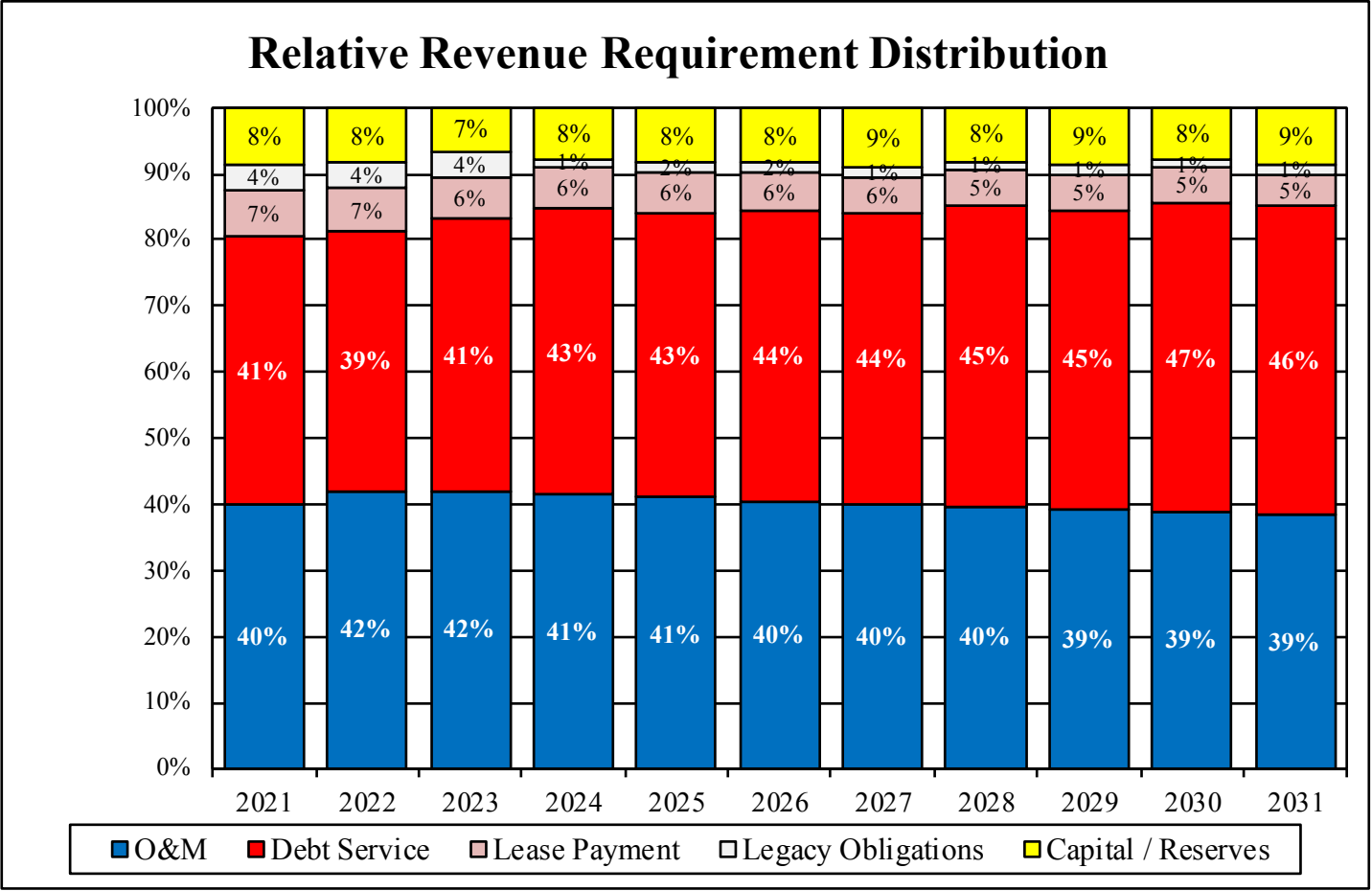
Line No.	Fiscal Year Ended June 30,										
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<u>Operating Fund</u>											
1	Beginning Balance	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0
2	Deposit from Operations	-	-	-	-	-	-	-	-	-	-
3	Ending Balance	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0
<u>Budget Stabilization Fund (a)</u>											
4	Beginning Balance	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
5	Deposits / (Withdrawals)	-	-	-	-	-	-	-	-	-	-
6	Ending Balance	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
<u>ER&R Fund (a)</u>											
7	Beginning Balance	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
8	Transfers In	-	-	-	-	-	-	-	-	-	-
9	Ending Balance	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
<u>I&E Fund (b)</u>											
10	Beginning Balance	277.0	237.5	138.1	90.0	90.0	90.0	90.0	90.0	90.0	90.0
11	Budgeted Capital Outlay	(17.9)	(17.0)	(14.1)	(8.8)	(8.6)	(8.5)	(7.9)	(7.5)	(7.4)	(7.6)
12	Transfer to Construction Fund	(50.1)	(110.5)	(57.3)	(19.6)	(22.7)	(23.8)	(27.8)	(25.9)	(26.8)	(31.3)
13	Subtotal prior to Revenue Transfer	209.0	110.0	66.7	61.6	58.7	57.6	54.3	56.6	55.8	51.1
14	Deposits from Revenues (b)	28.5	28.1	23.3	28.4	31.3	32.4	35.7	33.4	37.2	38.9
15	Ending Balance	237.5	138.1	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
<u>Total Revenue Generated Funds (c)</u>											
16	Beginning Balance	356.5	317.0	217.6	169.5	169.5	169.5	169.5	169.5	169.5	169.5
17	Net Sources and Uses	(39.6)	(99.4)	(48.1)	-	-	-	-	-	-	-
18	Ending Balance	317.0	217.6	169.5	169.5	169.5	169.5	169.5	169.5	169.5	169.5
19	Days Cash on Hand (d)	857	541	409	403	395	388	381	373	366	352
<u>Other Funds</u>											
20	Bond Reserve (excludes Surety)	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
21	Construction Bond Fund	-	-	116.2	3.7	98.5	2.3	143.3	1.2	119.3	0.3
22	Construction Fund	-	-	-	-	-	-	-	-	-	-
23	Total Funds	321.5	222.1	290.2	177.7	272.5	176.3	317.3	175.2	293.3	284.4
24	Subtotal w/o Construction Funds	321.5	222.1	174.0	174.0	174.0	174.0	174.0	174.0	174.0	174.0

(a) Technically includes "Combined System" amounts held by GLWA.
(b) Only includes GLWA Regional I&E Account. Does not include Lease Payment transferred to DWSD Local I&E Account.
(c) Excludes MBO Funds that are funded and assumed to be fully expended each year, such as the Bond Interest and Redemption Funds, the Pension Obligation Payment Fund, and the WRAP Fund.
(d) Excludes Budget Stabilization Fund amounts from Line 6.

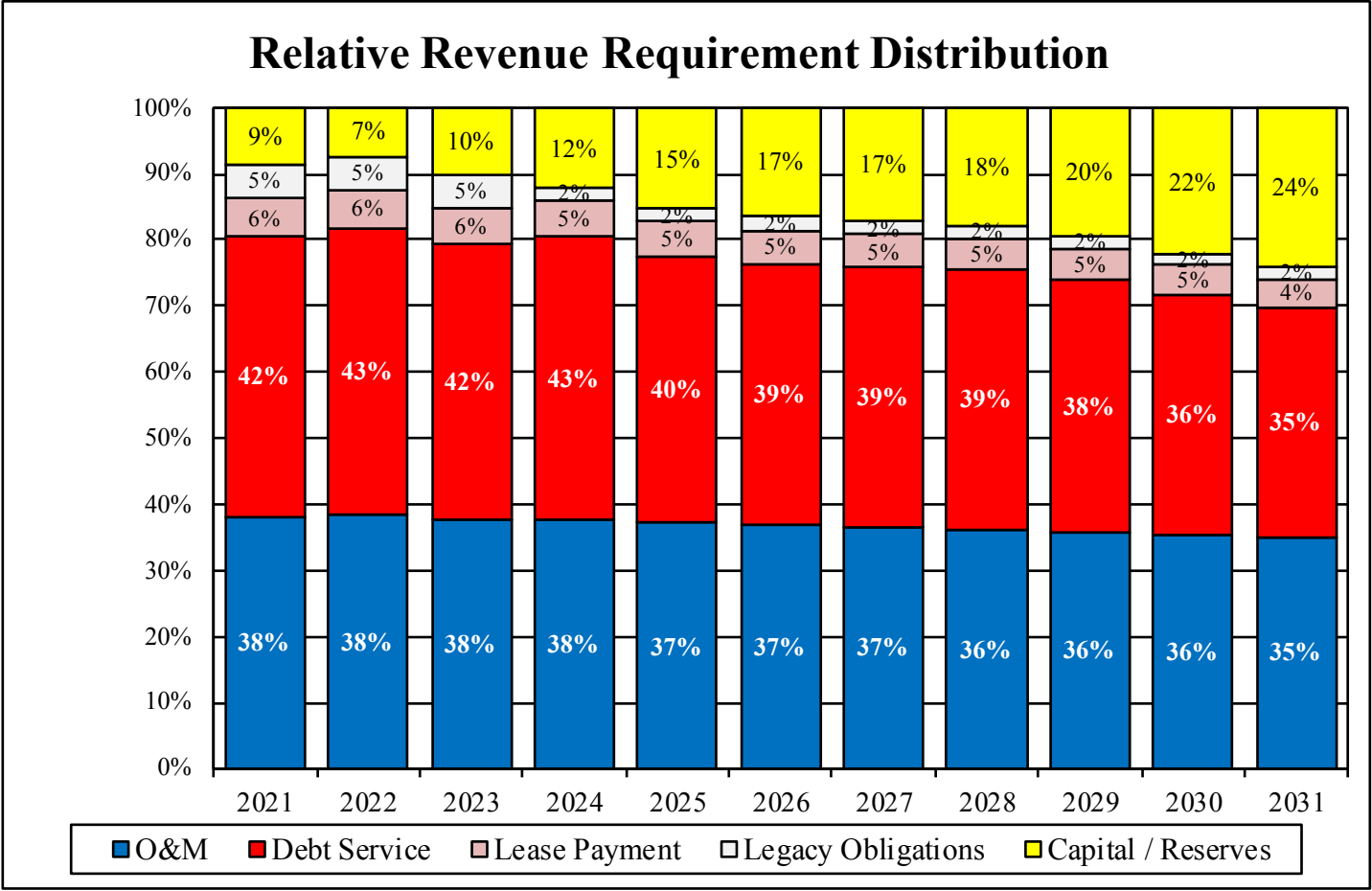
Sewer Table 6
Projected Cash and Investment Fund Balances - Wholesale System (\$ millions) (a)

Line No.	Fiscal Year Ended June 30,										
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<u>Operating Fund</u>											
1	Beginning Balance	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
2	Deposit from Operations	-	-	-	-	-	-	-	-	-	-
3	Ending Balance	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
<u>Budget Stabilization Fund (a)</u>											
4	Beginning Balance	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
5	Deposits / (Withdrawals)	-	-	-	-	-	-	-	-	-	-
6	Ending Balance	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
<u>ER&R Fund (a)</u>											
7	Beginning Balance	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
8	Transfers In	-	-	-	-	-	-	-	-	-	-
9	Ending Balance	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
<u>I&E Fund (b)</u>											
10	Beginning Balance	126.0	114.7	94.7	90.0	90.0	90.0	90.0	89.2	103.3	156.7
11	Budgeted Capital Outlay	(20.5)	(16.0)	(18.2)	(8.0)	(7.1)	(7.6)	(16.7)	(9.2)	(5.7)	(5.9)
12	Transfer to Construction Fund	(51.0)	(47.3)	(35.4)	(53.4)	(72.1)	(81.0)	(78.6)	(93.2)	(95.1)	(78.0)
13	Subtotal prior to Revenue Transfer	54.5	51.4	41.1	28.6	10.8	1.3	(5.4)	(12.3)	(11.5)	22.8
14	Deposits from Revenues (b)	40.9	34.6	48.9	61.4	79.2	88.7	95.4	101.5	114.8	133.9
15	Other Deposits (c)	19.3	8.7	-	-	-	-	-	-	-	-
16	Ending Balance	114.7	94.7	90.0	90.0	90.0	90.0	90.0	89.2	103.3	223.8
<u>Total Revenue Generated Funds (c)</u>											
17	Beginning Balance	245.0	233.7	213.7	209.0	209.0	209.0	209.0	209.0	208.2	275.7
18	Net Sources and Uses	(30.6)	(28.7)	(4.7)	-	-	-	-	(0.8)	14.1	67.1
19	Ending Balance	214.4	205.0	209.0	209.0	209.0	209.0	209.0	208.2	222.3	342.8
20	Days Cash on Hand (e)	419	399	401	391	384	376	368	359	377	563
<u>Other Funds</u>											
21	Bond Reserve (excludes Surety)	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3
22	Construction Bond Fund	-	-	70.4	3.3	54.0	3.7	14.0	-	-	-
23	Construction Fund	-	-	-	-	-	-	-	-	-	-
24	Total Funds	653.8	623.9	700.8	623.7	666.9	608.4	611.4	587.9	619.4	926.3
25	Subtotal w/o Construction Funds	653.8	623.9	630.4	620.5	612.9	604.8	597.4	587.9	619.4	926.3

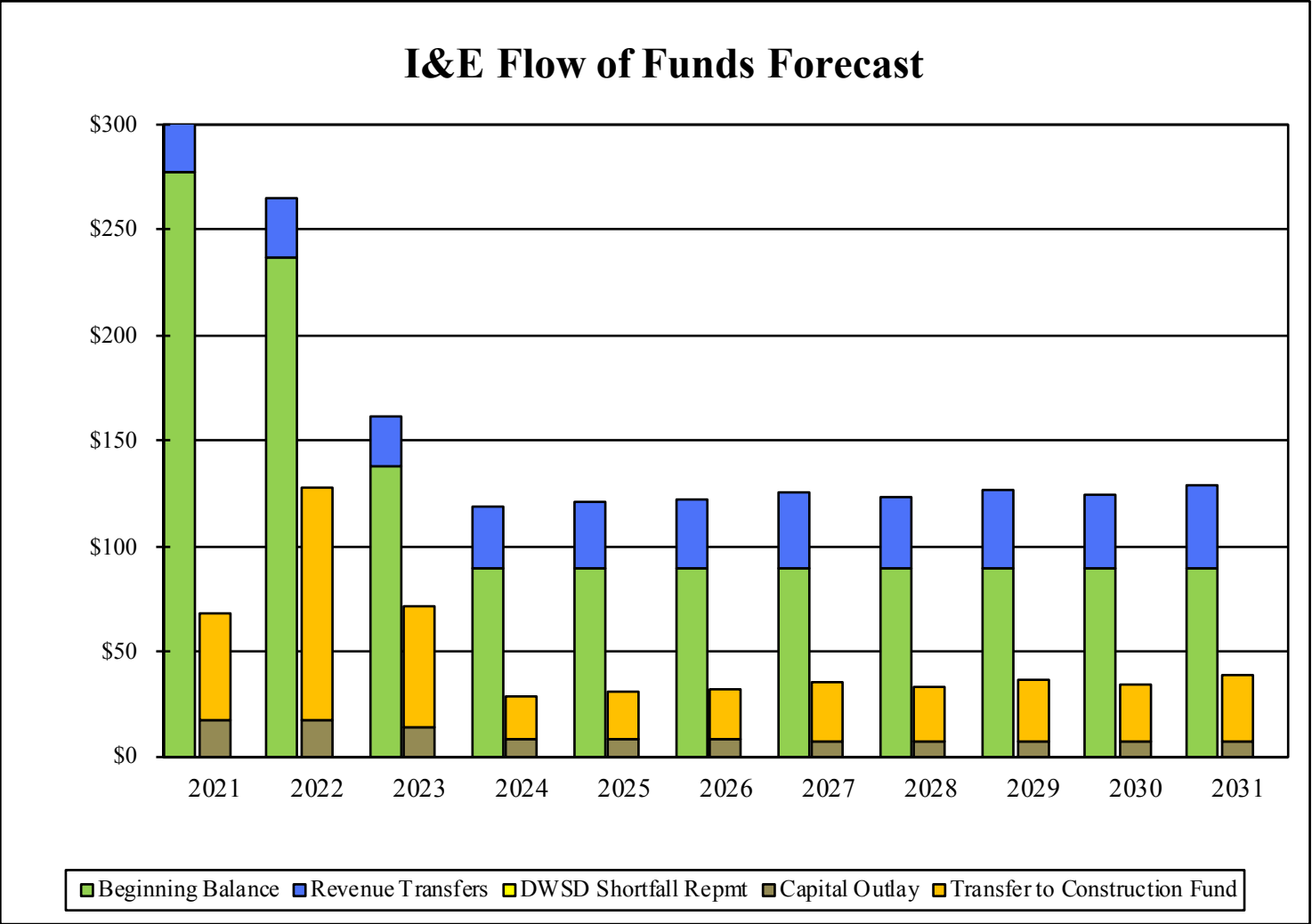
(a) Technically includes "Combined System" amounts held by GLWA.
(b) Only includes GLWA Regional I&E Account. Does not include Lease Payment transferred to DWSD Local I&E Account.
(c) Repayment of DWSD loan receivable.
(d) Excludes MBO Funds that are funded and assumed to be fully expended each year, such as the Bond Interest and Redemption Funds, the Pension Obligation Payment Fund, and the WRAP Fund.
(e) Excludes Budget Stabilization Fund amounts from Line 6.



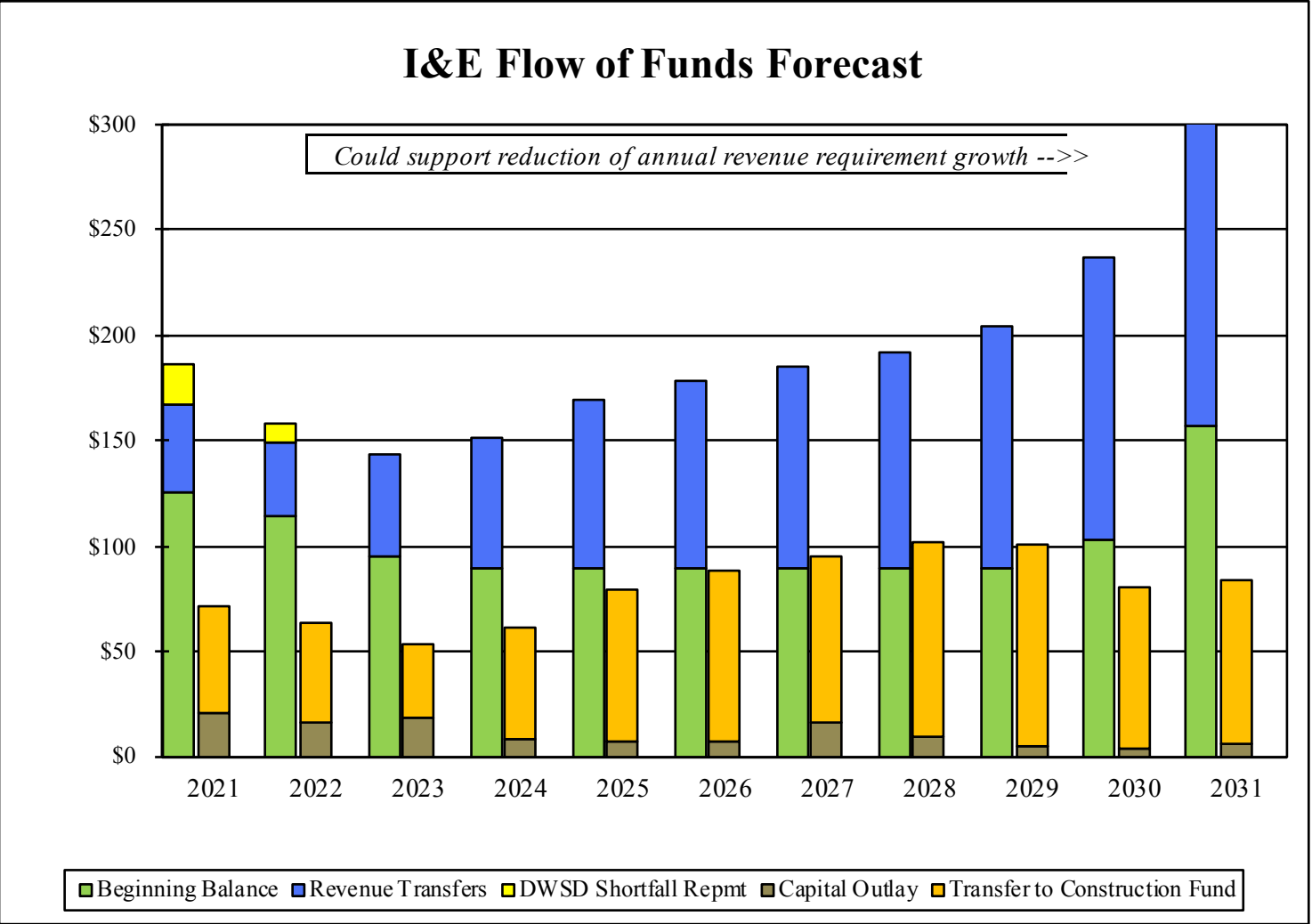
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
O&M	134.1	145.5	149.5	151.6	154.8	157.5	160.7	163.9	167.1	170.5	173.9
Debt Service	137.4	135.5	146.5	158.9	163.0	170.5	175.8	187.0	192.3	204.6	209.6
Lease Payment	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5
Legacy Obligations	14.0	14.0	14.1	5.2	6.1	6.1	6.0	5.9	5.9	6.0	6.0
Capital / Reserves	28.5	28.1	23.3	28.4	31.3	32.4	35.7	33.4	37.2	34.2	38.9
Total	336.5	345.6	356.0	366.6	377.6	389.0	400.6	412.7	425.0	437.8	450.9



	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
O&M	182.3	183.1	185.6	190.3	194.1	198.3	202.3	206.3	210.4	214.6	218.9
Debt Service	201.8	207.2	204.6	218.0	209.9	211.8	217.6	224.2	223.8	218.1	214.9
Lease Payment	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
Legacy Obligations	24.9	24.8	24.9	9.0	10.8	10.8	10.5	10.3	10.3	10.3	10.4
Capital / Reserves	40.9	34.6	48.9	61.4	79.2	88.7	95.4	101.5	114.8	133.9	150.9
Total	477.4	477.2	491.5	506.3	521.5	537.1	553.2	569.8	586.9	604.5	622.7



	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Beginning Balance	277.0	237.5	138.1	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Capital Outlay	(17.9)	(17.0)	(14.1)	(8.8)	(8.6)	(8.5)	(7.9)	(7.5)	(7.9)	(7.4)	(7.6)
Transfer to Constr	(50.1)	(110.5)	(57.3)	(19.6)	(22.7)	(23.8)	(27.8)	(25.9)	(29.3)	(26.8)	(31.3)
Initial Balance	209.0	110.0	66.7	61.6	58.7	57.6	54.3	56.6	52.8	55.8	51.1
Revenue Transfers	28.5	28.1	23.3	28.4	31.3	32.4	35.7	33.4	37.2	34.2	38.9
DWSD Shortfall Repmt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0



	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Beginning Balance	126.0	114.7	94.7	90.0	90.0	90.0	90.0	90.0	89.2	103.3	156.7
Capital Outlay	(20.5)	(16.0)	(18.2)	(8.0)	(7.1)	(7.6)	(16.7)	(9.2)	(5.7)	(4.2)	(5.9)
Transfer to Constr	(51.0)	(47.3)	(35.4)	(53.4)	(72.1)	(81.0)	(78.6)	(93.2)	(95.1)	(76.2)	(78.0)
Initial Balance	54.5	51.4	41.1	28.6	10.8	1.3	(5.4)	(12.3)	(11.5)	22.8	72.9
Revenue Transfers	40.9	34.6	48.9	61.4	79.2	88.7	95.4	101.5	114.8	133.9	150.9
DWSD Shortfall Repmt	19.3	8.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Schedule 1A - Water System Revenue Requirements Budget

		Current Year (a)		Biennial Budget						Forecast		
		FY 2021 Adopted	FY 2021 Estimated	FY 2022 Requested	FY 2022 \$ Change	FY 2022 % Change	FY 2023 Requested	FY 2023 \$ Change	FY 2023 % Change	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast
Water System Revenue Requirements												
Revenues												
1	Revenues from Charges	\$ 336,807,600	\$ 335,060,200	\$ 344,369,900	\$ 7,562,300	2.2%	\$354,735,100	\$ 10,365,200	3.0%	\$365,140,600	\$375,821,200	\$386,492,500
2	Other Operating Revenue	-	175,000	175,000	175,000	NA	175,000	-	0.0%	175,000	175,000	175,000
3	Non-Operating Revenue	4,834,400	1,276,400	1,046,000	(3,788,400)	-78.4%	1,048,500	2,500	0.2%	1,322,000	1,640,500	2,298,100
4	Total Revenues	341,642,000	336,511,600	345,590,900	3,948,900	1.2%	355,958,600	10,367,700	3.0%	366,637,600	377,636,700	388,965,600
Revenue Requirements												
5	Operations & Maintenance (O&M) Expense	\$137,127,300	\$134,127,300	\$145,497,300	\$8,370,000	6.1%	\$149,545,300	\$4,048,000	2.8%	\$151,643,700	\$154,753,000	\$157,501,200
6	O&M Legacy Pension Allocation	6,048,000	6,048,000	6,048,000	-	0.0%	6,048,000	-	0.0%	-	-	-
7	Debt Service Allocation	143,189,900	137,436,100	135,481,000	(7,708,900)	-5.4%	146,520,400	11,039,400	8.1%	158,907,300	163,033,800	170,520,200
8	Accelerated Legacy Pension Allocation	6,268,300	6,268,300	6,268,300	-	0.0%	6,268,300	-	0.0%	3,395,500	4,173,300	4,142,200
9	Water Residential Assistance Program	1,669,400	1,669,400	1,702,000	32,600	2.0%	1,779,800	77,800	4.6%	1,833,200	1,888,200	1,944,800
10	Lease Payment to Local System I&E Account (b)	22,500,000	22,500,000	22,500,000	-	0.0%	22,500,000	-	0.0%	22,500,000	22,500,000	22,500,000
11	Improvement & Extension Fund Allocation	23,962,500	28,462,600	28,093,900	4,131,400	17.2%	23,296,400	(4,797,500)	-17.1%	28,357,400	31,287,900	32,356,700
12	Operating Reserve Deposit	876,600	-	-	(876,600)	-100.0%	-	-	NA	-	-	-
13	Extraordinary Repair & Replacement Deposit	-	-	-	-	NA	-	-	NA	-	-	-
14	Annual Revenue Requirements	\$ 341,642,000	\$ 336,511,700	\$ 345,590,500	\$ 3,948,500	1.2%	\$355,958,200	\$ 10,367,700	3.0%	\$366,637,100	\$377,636,200	\$388,965,100
15	Change in Annual Revenue Requirement				3,948,500	1.2%		10,367,700	3.0%	3.0%	3.0%	3.0%
16	Change Attributable to Non-Charge Revenue (FY 2022 reduction in investment earnings see lines 2&3)				3,613,400	1.1%		(2,500)	0.0%	-0.1%	-0.1%	-0.2%
17	Change Attributable to Sales Revenue (FY 2022 attributable to increased projected Water Sales)				(809,700)	-0.2%		-	0.0%	0.0%	0.0%	0.0%
18	Charge Adjustment (Based on System Charge Adjustment of 2.0%)				6,752,200	2.0%		10,365,200	3.0%	2.9%	2.9%	2.8%

(a) The originally adopted FY 2021 Budget did not reflect anticipated debt service savings projected by the bond refinancing, nor the increase in the deposit to the I&E Fund. However that expectation was understood as part of the budget approval process, and was accomplished via the First Quarter FY 2021 Budget Amendment once the May 2020 transaction closed.

Schedule 1B - Sewer System Revenue Requirements Budget

Sewer System Revenue Requirements	Current Year (a)		Biennial Budget						Forecast		
	FY 2021 Adopted	FY 2021 Estimated	FY 2022 Requested	FY 2022 \$ Change	FY 2022 % Change	FY 2023 Requested	FY 2023 \$ Change	FY 2023 % Change	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast
Revenues											
1 Revenues from Charges	\$ 481,162,100	\$ 475,904,100	\$ 475,802,800	\$ (5,359,300)	-1.1%	\$ 489,928,100	\$ 14,125,300	3.0%	\$ 504,239,700	\$ 519,116,500	\$ 534,044,000
2 Other Operating Revenue	-	400,000	400,000	400,000	NA	400,000	-	0.0%	400,000	400,000	400,000
3 Non-Operating Revenue	5,589,200	1,045,900	1,010,800	(4,578,400)	-81.9%	1,201,900	191,100	18.9%	1,636,200	1,947,800	2,664,200
4 Total Revenues	486,751,300	477,350,000	477,213,600	(9,537,700)	-2.0%	491,530,000	14,316,400	3.0%	506,275,900	521,464,300	537,108,200
Revenue Requirements											
5 Operations & Maintenance (O&M) Expense	\$ 184,946,100	\$ 182,296,000	\$ 183,096,700	\$ (1,849,400)	-1.0%	\$ 185,619,000	\$ 2,522,300	1.4%	\$ 190,339,700	\$ 194,068,500	\$ 198,295,100
6 O&M Legacy Pension Allocation	10,824,000	10,824,000	10,824,000	-	0.0%	10,824,000	-	0.0%	-	-	-
7 Debt Service Allocation	209,739,900	201,780,500	207,209,500	(2,530,400)	-1.2%	204,566,500	(2,643,000)	-1.3%	218,008,000	209,894,000	211,809,200
8 Accelerated Legacy Pension Allocation	11,620,700	11,620,700	11,620,700	-	0.0%	11,620,700	-	0.0%	6,479,300	8,228,800	8,158,800
9 Water Residential Assistance Program	2,415,100	2,415,100	2,345,600	(69,500)	-2.9%	2,457,600	112,000	4.8%	2,531,400	2,607,300	2,685,500
10 Lease Payment to Local System I&E Account (b)	27,500,000	27,500,000	27,500,000	-	0.0%	27,500,000	-	0.0%	27,500,000	27,500,000	27,500,000
11 Improvement & Extension Fund Allocation	39,705,500	40,913,900	34,616,900	(5,088,600)	-12.8%	48,942,000	14,325,100	41.4%	61,417,300	79,165,400	88,659,300
12 Operating Reserve Deposit	-	-	-	-	NA	-	-	NA	-	-	-
13 Extraordinary Repair & Replacement Deposit	-	-	-	-	NA	-	-	NA	-	-	-
15 Annual Budgeted Revenue Requirements	\$ 486,751,300	\$ 477,350,200	\$ 477,213,400	\$ (9,537,900)	-2.0%	\$ 491,529,800	\$ 14,316,400	3.0%	\$ 506,275,700	\$ 521,464,000	\$ 537,107,900
16 <i>Change in Annual Revenue Requirement</i>				(9,537,900)	-2.0%		14,316,400	3.0%	3.0%	3.0%	3.0%
17 <i>Change Attributable to Non-Charge Revenue (FY 2022 reduction in investment earnings see lines 2&3)</i>				4,178,400	0.9%		(191,100)	0.0%	-0.1%	-0.1%	-0.1%
18 <i>Change Attributable to Sales Revenue (FY 2022 attributable to elimination of one time OMID Charge)</i>				<u>4,226,100</u>	<u>0.9%</u>		<u>-</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
19 Charge Adjustment (Based on no change in overall charges to "SHAREs" Member Partners)				(1,133,400)	-0.2%		14,125,300	3.0%	2.9%	2.9%	2.9%

(a) The originally adopted FY 2021 Budget did not reflect anticipated debt service savings projected by the bond refinancing, nor the increase in the deposit to the I&E Fund. However that expectation was understood as part of the budget approval process, and was accomplished via the First Quarter FY 2021 Budget Amendment once the June 2020 transaction closed.

Schedule 5A - Water Capital Financing Plan
Water Construction Fund

	Current Year	Biennial Budget		Forecast		
Inflows & Outflows	FY 2021 Estimated	FY 2022 Requested	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast
Water Construction Fund						
Initial <i>Transfer / Assignment</i> of Bond Proceeds	\$18,960,300					
Transfers of Bond Proceeds	-	-	76,468,400	112,518,000	88,551,400	96,191,400
Transfer of Bond Fund Earnings on Investments	62,600	-	202,300	674,100	356,700	984,600
Contributions In Aid of Construction	-	-	-	-	-	-
Grant Revenues (DWRF Loans)	45,397,000	26,100,000	16,600,000	16,600,000	16,600,000	15,810,000
Transfers from I&E Fund	50,139,100	110,481,000	57,280,300	19,597,900	22,705,900	23,837,000
Project Expenditures	(114,559,000)	(136,581,000)	(150,551,000)	(149,390,000)	(128,214,000)	(136,823,000)
Increase (Decrease) in Construction Funds	-	\$0	\$0	\$0	\$0	\$0
Beginning Year Balance	-	-	-	-	-	-
Projected Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0

Water Improvement & Extension Fund

	Current Year	Biennial Budget		Forecast		
Inflows & Outflows	FY 2021 Estimated	FY 2022 Requested	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast
Water Improvement & Extension Fund						
Water System Revenue Transfers	\$28,462,600	\$28,093,900	\$23,296,400	\$28,357,400	\$31,287,900	\$32,356,700
Receipt of DWSD Shortfall Loan	-	-	-	-	-	-
Grant Revenues	-	-	-	-	-	-
Earnings on Investments, Net	-	-	-	-	-	-
Budgeted Capital Outlay	(17,892,000)	(17,006,600)	(14,078,600)	(8,759,500)	(8,582,000)	(8,519,700)
Minimum Transfer to Construction Fund	(11,455,900)	(13,658,100)	(15,055,100)	(14,939,000)	(12,821,400)	(13,682,300)
Additional Transfer to Construction Fund	(38,683,200)	(96,822,900)	(42,225,200)	(4,658,900)	(9,884,500)	(10,154,700)
Increase (Decrease) in I&E Reserves	(\$39,568,500)	(\$99,393,700)	(\$48,062,500)	\$0	\$0	\$0
Beginning Year Balance	277,024,700	237,456,200	138,062,500	90,000,000	90,000,000	90,000,000
Projected Ending Balance	\$237,456,200	\$138,062,500	\$90,000,000	\$90,000,000	\$90,000,000	\$90,000,000

Water Construction Bond Fund

	Current Year	Biennial Budget		Forecast		
Inflows & Outflows	FY 2021 Estimated	FY 2022 Requested	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast
Water Construction Bond Fund						
Bond Proceeds, Net	-	-	192,700,000	-	183,300,000	-
Earnings on Investments, Net	62,600	-	202,300	674,100	356,700	984,600
Transfer / Assignment to Construction Fund	(19,022,900)	-	(76,670,700)	(113,192,100)	(88,908,100)	(97,176,000)
Increase (Decrease) in Construction <u>Bond</u> Funds	(\$18,960,300)	\$0	\$116,231,600	(\$112,518,000)	\$94,748,600	(\$96,191,400)
Beginning Year Balance	18,960,300	-	-	116,231,600	3,713,600	98,462,200
Projected Ending Balance	\$0	\$0	\$116,231,600	\$3,713,600	\$98,462,200	\$2,270,800

Schedule 5B - Sewer Capital Financing Plan
Sewer Construction Fund

	Current Year	Biennial Budget		Forecast		
Inflows & Outflows	FY 2021 Estimated	FY 2022 Requested	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast
Sewer Construction Fund						
Initial <i>Transfer / Assignment</i> of Bond Proceeds	\$21,137,700					
Transfers of Bond Proceeds	-	-	122,200,000	-	108,100,000	-
Transfer of Bond Fund Earnings on Investments	69,800	-	128,300	408,400	218,300	539,500
Contributions In Aid of Construction	-	-	-	-	-	-
Grant Revenues (CWRf Loans)	23,586,000	31,992,000	4,122,000	-	-	-
Transfers from I&E Fund	51,020,500	47,321,000	35,422,000	53,437,400	72,055,300	81,027,400
Project Expenditures	(95,814,000)	(79,313,000)	(91,456,000)	(120,972,000)	(129,713,000)	(131,850,000)
Increase (Decrease) in Construction Funds	-	\$0	\$70,416,300	(\$67,126,200)	\$50,660,600	(\$50,283,100)
Beginning Year Balance	-	-	-	70,416,300	3,290,100	53,950,700
Projected Ending Balance	\$0	\$0	\$70,416,300	\$3,290,100	\$53,950,700	\$3,667,600

Sewer Improvement & Extension Fund

	Current Year	Biennial Budget		Forecast		
Inflows & Outflows	FY 2021 Estimated	FY 2022 Requested	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast
Sewer Improvement & Extension Fund						
Sewer System Revenue Transfers	\$40,913,900	\$34,616,900	\$48,942,000	\$61,417,300	\$79,165,400	\$88,659,300
Receipt of DWSD Shortfall Loan	19,288,300	8,705,000	-	-	-	-
Grant Revenues	-	-	-	-	-	-
Earnings on Investments, Net	-	-	-	-	-	-
Budgeted Capital Outlay	(20,521,300)	(15,965,100)	(18,211,900)	(7,979,900)	(7,110,100)	(7,631,900)
Minimum Transfer to Construction Fund	(9,581,400)	(7,931,300)	(9,145,600)	(12,097,200)	(12,971,300)	(13,185,000)
Additional Transfer to Construction Fund	(41,439,100)	(39,389,700)	(26,276,400)	(41,340,200)	(59,084,000)	(67,842,400)
Increase (Decrease) in I&E Reserves	(\$11,339,600)	(\$19,964,200)	(\$4,691,900)	\$0	\$0	\$0
Beginning Year Balance	125,995,700	114,656,100	94,691,900	90,000,000	90,000,000	90,000,000
Projected Ending Balance	\$114,656,100	\$94,691,900	\$90,000,000	\$90,000,000	\$90,000,000	\$90,000,000

Sewer Construction Bond Fund

	Current Year	Biennial Budget		Forecast		
Inflows & Outflows	FY 2021 Estimated	FY 2022 Requested	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast
Sewer Construction Bond Fund						
Bond Proceeds, Net	\$0	\$0	\$122,200,000	\$0	\$108,100,000	\$0
Earnings on Investments, Net	69,800	-	128,300	408,400	218,300	539,500
Transfer / Assignment to Construction Fund	(21,207,500)	-	(122,328,300)	(408,400)	(108,318,300)	(539,500)
Increase (Decrease) in Construction <u>Bond</u> Funds	(\$21,137,700)	\$0	\$0	\$0	\$0	\$0
Beginning Year Balance	21,137,700	-	-	-	-	-
Projected Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0