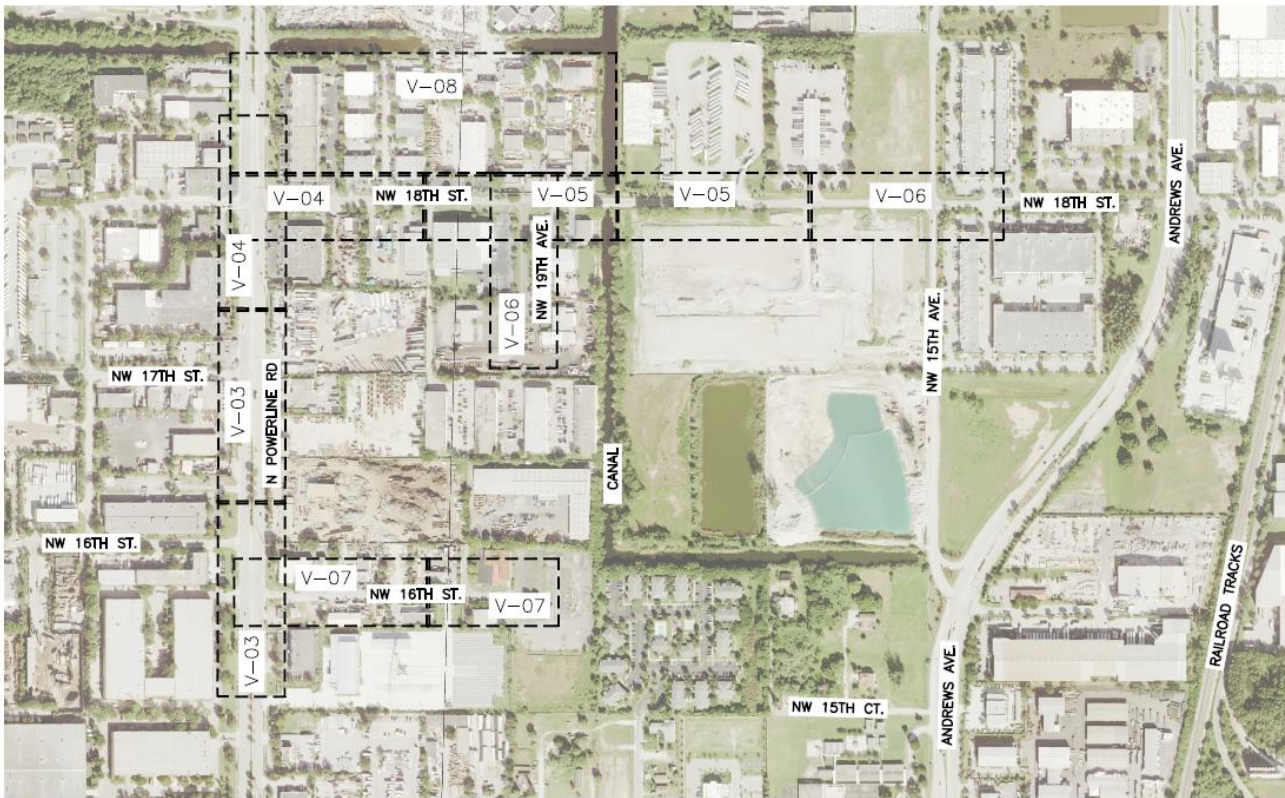


Attachment #1 Brief Project Description

Project Sponsor: City of Pompano Beach
Project Name: City of Pompano Beach CWSRF Non Sewer C Drainage Improvement Area
Project Number: WW06247

This project area is located between Powerline Road to the west, the stormwater ditch canal to the east, NW 16th Street to the south and the stormwater ditch canal to the north. This area is a commercial/industrial park area, with no residential homes within the project boundaries. The proposed sanitary sewer improvements include 28 manholes, approximately 4,340 linear feet of 8" gravity sewer, 32 6" service laterals, a new duplex submersible lift station, and approximately 1,735 linear feet of 4" and 6" force main to provide a centralized wastewater collection system for this area currently served by septic tanks. The reduction and elimination of septic tanks one of the ways the city of Pompano Beach is proactively improving the health of the local environment and waterways.



Source: EPGMD, Environmental Resource Permit.



OFFICE OF THE CITY ATTORNEY

City Attorney | Mark E. Berman*

Deputy City Attorney | Tracy A. Lyons*

Assistant City Attorneys | Fawn Powers, James E. Saunders III

*Board Certified City, County and Local Government Law

Attachment #2: Legal Opinion Letter

City Attorney's Communication #2022-607
April 26, 2022

Ms. Angela Knecht
Program Administrator
State Revolving Fund Management
3900 Commonwealth Blvd., Mail Station 3505
Tallahassee, Florida 32399-3000

Re: WW06247 – City of Pompano Beach
Non-Sewer Area C Sanitary Sewer Improvement Project

Dear Ms. Knecht:

I am the duly appointed City Attorney for the City of Pompano Beach. The City proposes to borrow \$2,882,108 from the State Revolving Fund for capacity allocation financing of the Non-Sewer Area C Sanitary Sewer Improvement Project. The loan will be secured by the net revenues of the City's wastewater system, and the pledged revenues are legally available to pledge. The City of Pompano Beach has the legal authority to increase rates to ensure repayment of the loan.

The pledge on revenues is subject to a prior lien with the following issues: City of Pompano Beach, Florida, Water and Wastewater Revenue Bonds, Series 2021.

Sincerely,

MARK E. BERMAN
City Attorney

MEB/jrm
L:cor/atty/2022-607

Attachment #3: Authorizing Resolution

Please note a final resolution will be forwarded after signature.

ATTACHMENT 4

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Business-type Activities - Enterprise Funds					Governmental Activities
	Utility	Parking	Stormwater	Nonmajor Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES						
Charges for services	\$ 48,026,838	\$ 2,251,549	\$ 3,836,672	\$ 9,936,695	\$ 64,051,754	\$ 26,315,810
Fines and forfeitures	-	268,582	-	-	268,582	-
Miscellaneous	-	134,917	-	64,433	199,350	13,225
Total operating revenues	<u>48,026,838</u>	<u>2,655,048</u>	<u>3,836,672</u>	<u>10,001,128</u>	<u>64,519,686</u>	<u>26,329,035</u>
OPERATING EXPENSES						
Personnel services	12,998,313	344,222	717,884	2,486,765	16,547,184	4,155,468
Other current expenses	26,071,388	1,295,671	1,245,101	7,811,493	36,423,653	23,680,467
Depreciation and amortization	7,633,075	768,357	884,779	1,580,497	10,866,708	412,346
Total operating expenses	<u>46,702,776</u>	<u>2,408,250</u>	<u>2,847,764</u>	<u>11,878,755</u>	<u>63,837,545</u>	<u>28,248,281</u>
Operating income (loss)	<u>1,324,062</u>	<u>246,798</u>	<u>988,908</u>	<u>(1,877,627)</u>	<u>682,141</u>	<u>(1,919,246)</u>
NONOPERATING REVENUES (EXPENSES)						
Investment earnings	1,392,812	89,799	357,575	43,142	1,883,328	873,341
Miscellaneous revenue	-	-	-	-	-	651
Interest expense and fiscal agent fees	(183,614)	(1,249,686)	(1,671)	(7,694)	(1,442,665)	-
Operating grants and contributions	107,000	-	-	115,174	222,174	-
Gain or (loss) from disposition of capital assets	25,688	-	68,731	5,291	99,710	7,928
Assets and liabilities transferred to governmental activities	-	-	-	(14,169,782)	(14,169,782)	-
Total nonoperating revenues (expenses)	<u>1,341,886</u>	<u>(1,159,887)</u>	<u>424,635</u>	<u>(14,013,869)</u>	<u>(13,407,235)</u>	<u>881,920</u>
Income (loss) before contributions and transfers	2,665,948	(913,089)	1,413,543	(15,891,496)	(12,725,094)	(1,037,326)
Capital grants and contributions	404,358	-	266,840	69,850	741,048	-
Transfers in	415,251	450,000	-	19,145	884,396	-
Transfers out	-	-	(223,667)	-	(223,667)	-
Change in net position	<u>3,485,557</u>	<u>(463,089)</u>	<u>1,456,716</u>	<u>(15,802,501)</u>	<u>(11,323,317)</u>	<u>(1,037,326)</u>
Total net position - beginning	129,217,666	(1,404,282)	24,966,215	30,540,028	183,319,627	10,983,092
Total net position - ending	<u>\$ 132,703,223</u>	<u>\$ (1,867,371)</u>	<u>\$ 26,422,931</u>	<u>\$ 14,737,527</u>	<u>\$ 171,996,310</u>	<u>\$ 9,945,766</u>

CITY OF POMPANO BEACH, FLORIDA
 UTILITY PLEDGED REVENUE BOND COVERAGE
 LAST TEN FISCAL YEARS

Schedule 13

FISCAL YEAR ENDED	(1) GROSS REVENUES	(2) OPERATING EXPENSES	(3) NET REVENUE AVAILABLE FOR DEBT SERVICE (1)-(2)	DEBT SERVICE CASH REQUIREMENTS			COVERAGE (3):(4)
				PRINCIPAL	INTEREST	(4) TOTAL	
2011	\$ 40,662,838	\$ 24,135,671	\$ 16,527,167	\$ 3,110,000	\$ 1,262,506	\$ 4,372,506	3.78%
2012	41,308,536	24,236,123	17,072,413	3,225,000	1,140,118	4,365,118	3.91%
2013	40,073,305	23,882,921	16,190,384	3,370,000	1,013,206	4,383,206	3.69%
2014	39,365,370	23,951,731	15,413,639	2,590,000	876,218	3,466,218	4.45%
2015	42,343,075	23,764,781	18,578,294	2,915,000	222,723	3,137,723	5.92%
2016	42,137,548	25,251,052	16,886,496	2,790,000	242,592	3,032,592	5.57%
2017	42,287,977	25,702,146	16,585,831	2,835,000	195,720	3,030,720	5.47%
2018	43,268,774	28,408,312	14,860,462	2,890,000	148,092	3,038,092	4.89%
2019	45,745,931	30,918,627	14,827,304	2,935,000	99,540	3,034,540	4.89%
2020	48,167,930	31,022,005	17,145,925	2,990,000	50,232	3,040,232	5.64%

Source: City Finance Department

(1) Gross revenues include operating revenues and interest income. Excludes impact fees per City Ordinance 92-74

(2) Operating expenses include personal services and current expenses. Excludes depreciation and administrative service charges per City Ordinance 92-74

Governmental/Business-type Activities Obligation:

The City contracted with Siemens Industry, Inc. (Siemens) under an energy performance

CITY OF POMPANO BEACH, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

contract to perform an audit of City facilities in order to identify energy performance projects which, if implemented, would result in energy savings to the City. As a mechanism to finance the projects identified by Siemens, the City entered into a loan agreement with Chase Equipment Finance on November 12, 2010 for the purchase of energy efficiency equipment for various City facilities. It is anticipated that the savings from these projects will be utilized to cover the obligation for the note. At September 30, 2020, total principal and interest remaining related to Governmental Activities was \$876,223 and \$3,172,515 was related to Business-type Activities. Interest on the loan is fixed at 2.72%, with a final maturity date of August 12, 2023. Principal and interest is due and payable quarterly.

Credit Risk

Note: *The outstanding loan associated with the business-type activities is \$3,172,515 for the water/sewer/reuse system which equates to \$1,057,505 per year. This debt is anticipated to continue until FY 2023 and is included in the unaudited FY 2021 information as well as the future projections of debt service.*

ATTACHMENT 5

Unaudited statements as of 3-10-2022

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities	
	Utility	Parking	Stormwater	Nonmajor Enterprise Funds	Total	Internal Service Funds
LIABILITIES						
Current liabilities, unrestricted:						
Accounts payable	1,433,850	116,349	818,548	1,225,714	3,594,461	323,336
Accrued expenses	211,645	2,212	13,028	4,388	231,273	71,497
Accrued interest payable	29,527	304,100	20,753	4,388	358,768	-
Due to other funds	-	-	-	-	-	219,869
Compensated absences	27,467	-	-	-	27,467	4,673
Claims and judgments	-	-	-	-	-	2,604,210
Current portion of long-term debt	360,000	-	315,000	-	675,000	-
Notes payable	1,011,961	-	272,739	-	1,284,700	-
Capital lease payable	-	-	-	252,205	252,205	-
Certificates of participation payable	-	500,000	-	-	500,000	-
Total current liabilities, unrestricted	<u>3,074,450</u>	<u>922,661</u>	<u>1,440,068</u>	<u>1,486,695</u>	<u>6,923,874</u>	<u>3,223,585</u>
Current liabilities payable from restricted assets:						
Deposits payable	1,939,969	40,878	-	-	1,980,847	-
Total current liabilities payable from restricted assets	<u>1,939,969</u>	<u>40,878</u>	<u>-</u>	<u>-</u>	<u>1,980,847</u>	<u>-</u>
Total current liabilities	<u>5,014,419</u>	<u>963,539</u>	<u>1,440,068</u>	<u>1,486,695</u>	<u>8,904,721</u>	<u>3,223,585</u>
Noncurrent liabilities:						
Compensated absences	1,410,291	9,318	100,414	346,414	1,866,437	737,347
Total OPEB liability	1,862,027	16,927	101,563	440,115	2,420,632	626,319
Claims and judgments	-	-	-	-	-	12,300,790
Notes payable	1,039,769	-	4,757,092	-	5,796,861	-
Revenue bonds payable	10,015,000	-	8,825,000	-	18,840,000	-
Capital lease payable	-	-	-	770,763	770,763	-
Certificates of participation payable	-	22,775,000	-	-	22,775,000	-
Net pension liability	19,515,338	225,254	523,897	3,234,764	23,499,253	-
Total noncurrent liabilities	<u>33,842,425</u>	<u>23,026,499</u>	<u>14,307,966</u>	<u>4,792,056</u>	<u>75,968,946</u>	<u>13,664,456</u>
Total liabilities	<u>38,856,844</u>	<u>23,990,038</u>	<u>15,748,034</u>	<u>6,278,751</u>	<u>84,873,667</u>	<u>16,888,041</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	1,151,413	5,277	35,528	161,455	1,353,673	-
Deferred inflows related to OPEB	78,079	710	4,258	18,455	101,502	26,262
Total deferred inflows of resources	<u>1,229,492</u>	<u>5,987</u>	<u>39,786</u>	<u>179,910</u>	<u>1,455,175</u>	<u>26,262</u>
NET POSITION						
Net investment in capital assets	108,032,469	(4,171,250)	16,914,008	15,338,658	136,113,885	1,147,538
Restricted:						
Renewal & replacement/rate stabilization	3,824,452	-	-	-	3,824,452	-
Capital Projects	10,515,000	463,225	9,265,000	-	20,243,225	-
Unrestricted	<u>14,782,721</u>	<u>3,151,064</u>	<u>1,184,031</u>	<u>1,017,612</u>	<u>20,135,428</u>	<u>9,372,418</u>
Total net position	<u>\$ 137,154,642</u>	<u>\$ (556,961)</u>	<u>\$ 27,363,039</u>	<u>\$ 16,356,270</u>	<u>\$ 180,316,990</u>	<u>\$ 10,519,956</u>

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities	
	Utility	Parking	Stormwater	Nonmajor Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES						
Charges for services	\$ 49,692,572	\$ 3,958,609	\$ 4,169,059	\$ 10,317,637	\$ 68,137,877	\$ 27,043,124
Fines and forfeitures	-	290,921	-	-	290,921	-
Miscellaneous	-	367,524	-	1,824,729	2,192,253	235,022
Total operating revenues	<u>49,692,572</u>	<u>4,617,054</u>	<u>4,169,059</u>	<u>12,142,366</u>	<u>70,621,051</u>	<u>27,278,146</u>
OPERATING EXPENSES						
Personnel services	12,972,087	146,346	810,567	2,701,608	16,630,608	4,299,490
Other current expenses	26,684,138	1,807,918	1,209,144	8,162,023	37,863,223	22,284,288
Depreciation and amortization	8,112,537	748,653	921,052	1,674,017	11,456,259	464,573
Total operating expenses	<u>47,768,762</u>	<u>2,702,917</u>	<u>2,940,763</u>	<u>12,537,648</u>	<u>65,950,090</u>	<u>27,048,351</u>
Operating income (loss)	<u>1,923,810</u>	<u>1,914,137</u>	<u>1,228,296</u>	<u>(395,282)</u>	<u>4,670,961</u>	<u>229,795</u>
NONOPERATING REVENUES (EXPENSES)						
Investment earnings	(65,185)	(19,136)	9,079	8,176	(67,066)	(6,568)
Miscellaneous revenue	2,400,000	-	-	-	2,400,000	-
Interest expense and fiscal agent fees	(158,643)	(1,234,591)	(67,598)	(15,188)	(1,476,020)	-
Operating grants and contributions	-	-	-	14,418	14,418	-
Gain or (loss) from disposition of capital assets	12,339	-	6,300	24	18,663	5,100
Total nonoperating revenues (expenses)	<u>2,188,511</u>	<u>(1,253,727)</u>	<u>(52,219)</u>	<u>7,430</u>	<u>889,995</u>	<u>(1,468)</u>
Income (loss) before contributions and transfers	4,112,321	660,410	1,176,077	(387,852)	5,560,956	228,327
Capital grants and contributions	339,098	-	-	841,885	1,180,983	-
Transfers in	-	650,000	14,222,608	1,164,710	16,037,318	345,863
Transfers out	-	-	(14,458,577)	-	(14,458,577)	-
Change in net position	<u>4,451,419</u>	<u>1,310,410</u>	<u>940,108</u>	<u>1,618,743</u>	<u>8,320,680</u>	<u>574,190</u>
Total net position - beginning	132,703,223	(1,867,371)	26,422,931	14,737,527	171,996,310	9,945,766
Total net position - ending	<u>\$ 137,154,642</u>	<u>\$ (556,961)</u>	<u>\$ 27,363,039</u>	<u>\$ 16,356,270</u>	<u>\$ 180,316,990</u>	<u>\$ 10,519,956</u>

Revenue Bonds

The City issued revenue bonds in FY 2021 for the wastewater system (amortization schedule provided by the City's financial advisor PFM). The debt service is included in the unaudited FY 2021 debt service information as well as the future projections of debt service.

City of Pompano Beach, Florida
Water and Wastewater Revenue Bond, Series 2021

Final Numbers

Bank Lender: CenterState Bank, N.A.

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2021	140,000	2.570%	50,293.83	190,293.83	
03/01/2022	145,000	2.570%	133,318.75	278,318.75	468,612.58
09/01/2022	215,000	2.570%	131,455.50	346,455.50	
03/01/2023	210,000	2.570%	128,692.75	338,692.75	685,148.25
09/01/2023	215,000	2.570%	125,994.25	340,994.25	
03/01/2024	220,000	2.570%	123,231.50	343,231.50	684,225.75
09/01/2024	220,000	2.570%	120,404.50	340,404.50	
03/01/2025	225,000	2.570%	117,577.50	342,577.50	682,982.00
09/01/2025	230,000	2.570%	114,686.25	344,686.25	
03/01/2026	230,000	2.570%	111,730.75	341,730.75	686,417.00
09/01/2026	235,000	2.570%	108,775.25	343,775.25	
03/01/2027	235,000	2.570%	105,755.50	340,755.50	684,530.75
09/01/2027	240,000	2.570%	102,735.75	342,735.75	
03/01/2028	240,000	2.570%	99,651.75	339,651.75	682,387.50
09/01/2028	250,000	2.570%	96,567.75	346,567.75	
03/01/2029	245,000	2.570%	93,355.25	338,355.25	684,923.00
09/01/2029	250,000	2.570%	90,207.00	340,207.00	
03/01/2030	255,000	2.570%	86,994.50	341,994.50	682,201.50
09/01/2030	255,000	2.570%	83,717.75	338,717.75	
03/01/2031	265,000	2.570%	80,441.00	345,441.00	684,158.75
09/01/2031	270,000	2.570%	77,035.75	347,035.75	
03/01/2032	265,000	2.570%	73,566.25	338,566.25	685,602.00
09/01/2032	270,000	2.570%	70,161.00	340,161.00	
03/01/2033	275,000	2.570%	66,691.50	341,691.50	681,852.50
09/01/2033	280,000	2.570%	63,157.75	343,157.75	
03/01/2034	280,000	2.570%	59,559.75	339,559.75	682,717.50
09/01/2034	285,000	2.570%	55,961.75	340,961.75	
03/01/2035	290,000	2.570%	52,299.50	342,299.50	683,261.25
09/01/2035	295,000	2.570%	48,573.00	343,573.00	
03/01/2036	295,000	2.570%	44,782.25	339,782.25	683,355.25
09/01/2036	300,000	2.570%	40,991.50	340,991.50	
03/01/2037	305,000	2.570%	37,136.50	342,136.50	683,128.00
09/01/2037	310,000	2.570%	33,217.25	343,217.25	
03/01/2038	310,000	2.570%	29,233.75	339,233.75	682,451.00
09/01/2038	320,000	2.570%	25,250.25	345,250.25	
03/01/2039	320,000	2.570%	21,138.25	341,138.25	686,388.50
09/01/2039	330,000	2.570%	17,026.25	347,026.25	
03/01/2040	325,000	2.570%	12,785.75	337,785.75	684,812.00
09/01/2040	335,000	2.570%	8,609.50	343,609.50	
03/01/2041	335,000	2.570%	4,304.75	339,304.75	682,914.25
	10,515,000		2,947,069.33	13,462,069.33	13,462,069.33

ATTACHMENT 6

		Audited FY 2020	Unaudited FY 2021
A)	Operating Revenues		
	Charges for Services	\$48,026,838	\$49,692,572
B)	Interest Income		
C)	Other Incomes or Revenues		
D)	Total Revenues	\$48,026,838	\$49,692,572
E)	Operating Expenses (with depreciation and amortization)	\$46,702,776	\$47,768,762
	Less: Depreciation & Amortization	\$7,633,075	\$8,112,537
		\$39,069,701	\$39,656,225
F)	Net Revenues	\$8,957,137	\$10,036,347
	<i>Debt Service Calculation:</i>		
	Actual Debt Service	\$3,040,232	\$1,247,799
G)	Debt Service (including coverage)	\$4,560,348	\$1,871,698

Note: The debt service coverage calculation shown in the City's FY 2020 annual financial report (Schedule 13) excludes administrative costs when calculating operating expenses. The operating expenses shown in "Part V – Supplementary Information" in the loan application (Operating Expenses) includes administrative costs to be conservative and includes the City's internal target on debt service of 1.5 (total debt service).

ATTACHMENT 7

Revenue Requirements	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Water					
O&M Expenses					
Personal Services	\$7,149,132	\$8,114,265	\$8,357,693	\$8,608,424	\$8,866,676
Operating Expenses	\$12,836,034	\$13,156,935	\$13,485,858	\$13,823,005	\$14,168,580
Rate Funded Capital	\$2,113,000	\$3,326,000	\$2,880,000	\$2,560,000	\$2,610,000
Capital Outlay	\$887,321	\$732,248	\$754,215	\$776,842	\$800,147
Debt Service					
Existing Debt	\$1,057,505	\$1,077,139	\$19,634	\$19,634	\$19,634
Future Debt	\$0	\$1,294,795	\$1,294,795	\$3,339,268	\$3,339,268
Subtotal Water	\$24,042,992	\$27,701,381	\$26,792,195	\$29,127,172	\$29,804,305
Reuse					
O&M Expenses					
Personal Services	\$1,336,593	\$1,517,033	\$1,562,544	\$1,609,420	\$1,657,703
Operating Expenses	\$1,224,403	\$1,255,013	\$1,286,388	\$1,318,548	\$1,351,512
Rate Funded Capital	\$716,000	\$892,000	\$842,000	\$858,000	\$858,000
Capital Outlay	\$320,743	\$330,365	\$340,276	\$350,485	\$360,999
Debt Service					
Existing Debt	\$0	\$0	\$0	\$0	\$0
Future Debt	\$0	\$132,758	\$929,306	\$929,306	\$929,306
Subtotal Reuse	\$3,597,739	\$4,127,169	\$4,960,515	\$5,065,759	\$5,157,520
Wastewater					
O&M Expenses					
Personal Services	\$3,632,415	\$4,122,791	\$4,246,475	\$4,373,869	\$4,505,085
Operating Expenses	\$14,783,243	\$15,998,193	\$16,412,137	\$16,842,377	\$17,289,596
Rate Funded Capital	\$4,410,000	\$3,490,000	\$3,645,000	\$4,050,000	\$4,400,000
Capital Outlay	\$598,055	\$615,997	\$634,477	\$653,511	\$673,116
Debt Service					
Existing Debt	\$624,774	\$685,148	\$679,687	\$684,226	\$683,636
Future Debt	\$0	\$0	\$165,988	\$165,988	\$165,988
Subtotal Wastewater	\$24,048,487	\$24,912,129	\$25,783,763	\$26,769,970	\$27,717,421
Total Utility Revenue Requirements	\$51,689,218	\$56,740,680	\$57,536,473	\$60,962,902	\$62,679,247
	5.8%	8.9%	1.4%	5.6%	2.7%
Subtotal O&M Expenses	\$ 40,961,820	\$ 44,164,230	\$ 45,351,095	\$ 46,575,642	\$ 47,839,152
Subtotal Rate Funded Capital (Pay-go)	\$ 7,239,000	\$ 7,708,000	\$ 7,367,000	\$ 7,468,000	\$ 7,868,000
Subtotal Capital Outlay	\$ 1,806,119	\$ 1,678,610	\$ 1,728,968	\$ 1,780,837	\$ 1,834,262
Subtotal Existing Debt	\$ 1,682,279	\$ 1,762,287	\$ 699,321	\$ 703,860	\$ 703,270
Subtotal Proposed Debt	\$ -	\$ 1,427,553	\$ 2,390,089	\$ 4,434,563	\$ 4,434,563
	\$ 51,689,218	\$ 56,740,680	\$ 57,536,473	\$ 60,962,902	\$ 62,679,247

Debt Service Detail	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Existing Debt					
Capital Lease - water	\$1,057,505	\$1,057,505	\$0	\$0	\$0
Revenue bond- sewer	\$624,774	\$685,148	\$679,687	\$684,226	\$683,636
SRF existing loan water	\$0	\$19,634	\$19,634	\$19,634	\$19,634
Subtotal: Existing	\$1,682,279	\$1,762,287	\$699,321	\$703,860	\$703,270
Proposed					
(application in process)					
SRF - water (reservoir)		\$631,005	\$631,005	\$631,005	\$631,005
SRF - sewer		\$165,988	\$165,988	\$165,988	\$165,988
	\$0	\$796,992	\$796,992	\$796,992	\$796,992
(debt to be pursued at a later date)					
SRF - reuse	\$0	\$132,758	\$929,306	\$929,306	\$929,306
SRF - water	\$0	\$663,790	\$663,790	\$2,708,264	\$2,708,264
	\$0	\$796,548	\$1,593,096	\$3,637,570	\$3,637,570
Subtotal: Proposed Debt	\$0	\$1,593,541	\$2,390,089	\$4,434,563	\$4,434,563
Total Debt Service	\$1,682,279	\$3,355,828	\$3,089,410	\$5,138,422	\$5,137,833

Obligation

- 1 Capital Lease (Chase Lease Payable)
- 2 Revenue Bonds
- 3 Existing SRF Loan for Water
- 4 Applied SRF Loan for Wastewater
- 5 SRF Loan application fo C-51 Reservoir - water

Fiscal Year	#1	#2	#3	#4	#5	Total Det	Total SRF Debt Service w/ Coverage
FY 2021	\$1,057,505	\$190,294	0			\$1,247,799	\$1,871,698
FY 2022	\$1,057,505	\$624,774	\$0			\$1,682,279	\$2,523,419
FY 2023	\$1,057,505	\$685,148	\$19,634	\$165,988	\$631,005	\$2,559,280	\$3,838,920
FY 2024	\$0	\$679,687	\$19,634	\$165,988	\$631,005	\$1,496,313	\$2,244,470
FY 2025	\$0	\$684,226	\$19,634	\$165,988	\$631,005	\$1,500,852	\$2,251,278
FY 2026	\$0	\$683,636	\$19,634	\$165,988	\$631,005	\$1,500,262	\$2,250,394
FY 2027	\$0	\$682,982	\$19,634	\$165,988	\$631,005	\$1,499,608	\$2,249,413
FY 2028	\$0	\$687,264	\$19,634	\$165,988	\$631,005	\$1,503,890	\$2,255,835
FY 2029	\$0	\$686,417	\$19,634	\$165,988	\$631,005	\$1,503,043	\$2,254,565
FY 2030	\$0	\$685,506	\$19,634	\$165,988	\$631,005	\$1,502,132	\$2,253,199
FY 2031	\$0	\$684,531	\$19,634	\$165,988	\$631,005	\$1,501,157	\$2,251,736
FY 2032	\$0	\$683,491	\$19,634	\$165,988	\$631,005	\$1,500,118	\$2,250,177
FY 2033	\$0	\$682,388	\$19,634	\$165,988	\$631,005	\$1,499,014	\$2,248,521

Revenues	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenues from rates					
Water	\$26,436,833	\$27,563,693	\$27,563,693	\$27,563,693	\$27,563,693
Wastewater	\$23,893,391	\$25,700,607	\$25,700,607	\$25,700,607	\$25,700,607
Reuse	\$1,889,085	\$1,961,923	\$1,964,044	\$1,966,008	\$1,968,096
	\$52,219,309	\$55,226,223	\$55,228,343	\$55,230,307	\$55,232,396
Other Revenues					
Capital recovery fees	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Utility connection fees	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000
Other revenues	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Total Revenues	\$52,719,309	\$55,726,223	\$55,728,343	\$55,730,307	\$55,732,396

NOTES:

- Projections of operations and maintenance expenses are based on the City's FY 2022 budget and then escalated on average by 2.7% for each year except FY 2023. FY 2023 costs include anticipated costs resulting from new collective bargaining agreements plus other anticipated cost increases. Operations and maintenance costs include administrative expenses.
- Existing debt service is comprised of a capital lease that ends in FY 2023, a revenue bond for the wastewater system with debt service payments beginning in FY 2021, and an existing SRF loan for the water system.
- Proposed debt includes the \$9.2 million reservoir to be funded by the loan being requested in a separate SRF application, as well as the SRF loan for the non-sewer system that the City is submitting for approval as part of this application. Proposed debt in the projections above also include debt that will be required to fund the entire capital plan (though none of this debt is being pursued at this time).
- Projections of revenues include Commission approved rate increases in FY 2023 of 4.2% for water and reuse and 7.75% for wastewater. Revenues from rates do not include any growth in customer accounts or water/sewer flow. The revenues do not reflect any future rate increases, though they may be necessary. The City has a 5-year capital plan that includes funded and unfunded projects. The debt service projections shown above include the funding of the entire 5-year capital plan but do not include any rate increases that will be required to meet the entire needs of the capital plan. The City reviews its revenues and expenditures each year to determine the level of future rate increases needed to meet capital and operating needs.