



Financial Projections

DRAFT

Sewer Enterprise

DRAFT June 2022



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS

Table 1
Whispering Palms CSD
Current Rates

Annual Sewer Rate	FY 2021/22
Flat Rate Per EDU	\$450

Table 2
Whispering Palms CSD
Revenue & Expenses

	<u>FY 2021/22</u>
<u>REVENUES</u>	<u>Budget</u>
Sewer Service and Standby Charges	\$696,000
Capacity Fees	\$6,862
Property Tax Allocation	\$60,000
Rancho Paseana Reclaimed Water	\$0
<u>Interest on Reserves</u>	<u>\$3,500</u>
Total Revenues	\$766,362

	<u>FY 2021/22</u>
<u>EXPENDITURES</u>	<u>Budget</u>
<u>OPERATIONS</u>	<u>Budget</u>
Treatment Plant and Pump Station Labor	\$244,440
Power	\$142,747
Solar panels loan payment	\$112,421
Water	\$2,659
Telephone and Alarm Monitoring	\$4,918
Consumables and Lubricants	\$28,361
Minor Equipment, Tools, and Supplies	\$1,096
Laboratory	\$16,773
Permit Fees	\$27,861
Sewer Cleaning	\$67,330
Sludge Disposal	\$33,946
Landscape Maintenance	\$31,777
Trash and Screenings Disposal	\$2,637
Equipment Repair	\$65,125
<u>Vehicle Expenses</u>	<u>\$8,924</u>
Sub-Total Operations Expenditures	\$791,013

FY 2021/22**ADMINISTRATION****Budget**

Management	\$94,080
Professional Services	\$10,835
Mileage and Reimbursables	\$0
Printing and Publications	\$1,258
Conferences	\$600
Organizational Dues (split 50/50 with LID)	\$3,004
Insurance (split 50/50 with LID)	\$12,948
Audit (split 50/50 with LID)	\$14,000
Directors' Compensation (split 50/50 with	\$3,000
Meeting Room (split 50/50 with LID)	\$147
Miscellaneous	\$406
<u>HOA Dues for Plant Access Road</u>	<u>\$26,000</u>
Sub-Total Administration Expenditures	\$166,278
TOTAL EXPENDITURES	\$957,291
NET INCOME	(\$190,929)

Table 3
Whispering Palms CSD
Capital Replacement Reserve Fund Balance

	<u>FY 2021-22</u>
<u>Sewer Reserve Fund Balance</u>	
TOTAL RESERVE AT END OF FISCAL YEAR	\$1,300,000

Table 4
Whispering Palms CSD
Sewer Enterprise Financial Projections

	Budget 2021-22	Projections		
		2022-23	2023-24	2024-25
Beginning Balance		\$1,300,000	\$1,296,590	\$1,284,283

Rate Adjustments		15.0%	15.0%	15.0%
Rate, Effective July 1st	\$450.00	\$520.00	\$600.00	\$690.00
Estimated EDUs	1,534	1,541	1,543	1,545

	Budget 2021-22	Projections		
		2022-23	2023-24	2024-25
<u>SEWER - OPERATING REVENUES</u>				
Sewer Service and Standby Charges	\$690,300	\$807,520	\$925,800	\$1,066,050
Capacity Fees	6,000	5,362	6,000	6,000
Property Tax Allocation	60,000	63,000	66,150	69,458
Rancho Paseana Reclaimed Water	0	0	0	0
<u>Interest on Reserves</u>	<u>7,500</u>	<u>6,300</u>	<u>6,615</u>	<u>6,946</u>
SUBTOTAL	\$763,800	\$882,182	\$1,004,565	\$1,148,453
Total Revenue	\$763,800	\$882,182	\$1,004,565	\$1,148,453

ACCOUNT TITLE	Budget 2021-22	Projections		
		2022-23	2023-24	2024-25
<u>OPERATIONS</u>	<u>5% annual escalation</u>			
Treatment Plant and Pump Station Labor	\$244,440	\$251,760	\$264,348	\$277,565
Power	142,747	45,000	47,250	49,613
Solar panels loan payment	112,421	112,500	118,125	124,031
Water	2,659	3,000	3,150	3,308
Telephone and Alarm Monitoring	4,918	5,000	5,250	5,513
Consumables and Lubricants	28,361	30,000	31,500	33,075
Minor Equipment, Tools, and Supplies	1,096	1,000	1,050	1,103
Laboratory	16,773	17,500	18,375	19,294
Permit Fees	27,861	29,000	30,450	31,973
Sewer Cleaning	67,330	50,000	52,500	55,125
Sludge Disposal	33,946	50,000	52,500	55,125
Landscape Maintenance	31,777	8,000	8,400	8,820
Trash and Screenings Disposal	2,637	2,700	2,835	2,977
Equipment Repair	65,125	68,500	71,925	75,521
<u>Vehicle Expenses</u>	<u>8,924</u>	<u>9,000</u>	<u>9,450</u>	<u>9,923</u>
SUBTOTAL	\$791,013	\$682,960	\$717,108	\$752,963

ADMINISTRATION**5% annual escalation**

Management	\$94,080	\$96,900	\$101,745	\$106,832
Professional Services	10,835	11,000	11,550	12,128
Mileage and Reimbursables	0	500	525	551
Printing and Publications	1,258	1,300	1,365	1,433
Conferences	600	1,200	1,260	1,323
Organizational Dues (split 50/50 with LID)	3,004	3,200	3,360	3,528
Insurance (split 50/50 with LID)	12,948	13,600	14,280	14,994
Audit (split 50/50 with LID)	14,000	7,432	7,804	8,194
Directors' Compensation (split 50/50 with LID)	3,000	3,500	3,675	3,859
Meeting Room (split 50/50 with LID)	147	0	0	0
Miscellaneous	406	2,000	2,100	2,205
<u>HOA Dues for Plant Access Road</u>	<u>26,000</u>	<u>2,000</u>	<u>2,100</u>	<u>2,205</u>
SUBTOTAL	\$166,278	\$142,632	\$149,764	\$157,252

Total Operating Expenses **\$957,291** **\$825,592** **\$866,872** **\$910,215**

Net Revenue Before Capital(Loss) **(\$193,491)** **\$56,590** **\$137,693** **\$238,238**

CAPITAL

<u>Capital Improvement Program</u>	<u>60,000</u>	<u>60,000</u>	<u>150,000</u>	<u>157,500</u>
SUBTOTAL	\$60,000	\$60,000	\$150,000	\$157,500

Total Exp & CIP **\$1,017,291** **\$885,592** **\$1,016,872** **\$1,067,715**

Net Revenue(Loss) **(\$253,491)** **(\$3,410)** **(\$12,307)** **\$80,738**

Ending Balance **\$1,300,000** **\$1,296,590** **\$1,284,283** **\$1,365,021**
Days O&M in Reserve *496* *573* *541* *547*

Table 5
Whispering Palms CSD
Current and Proposed Rates

Overall Rate Increase % 15.0% 15.0% 15.0%

Annual Sewer Rate	Current	FY 2022/23	FY 2023/24	FY 2024/25
Flat Rate Per EDU	\$450	\$520	\$600	\$690