

25 YEAR FINANCIAL PLAN



2016-2040

GRANT WATER & SANITATION DISTRICT

This 25 Year Financial Plan for the Grant Water & Sanitation District evaluates the District's revenue requirements and rate structure required to meet the District's operating and maintenance expenses as well as capital improvements projected for the years 2016 to 2040

25 YEAR FINANCIAL PLAN

For the Grant Water & Sanitation District

Board of Directors

DATED MARCH 15, 2017

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25 YEAR FINANCIAL PLAN

GRANT WATER & SANITATION DISTRICT

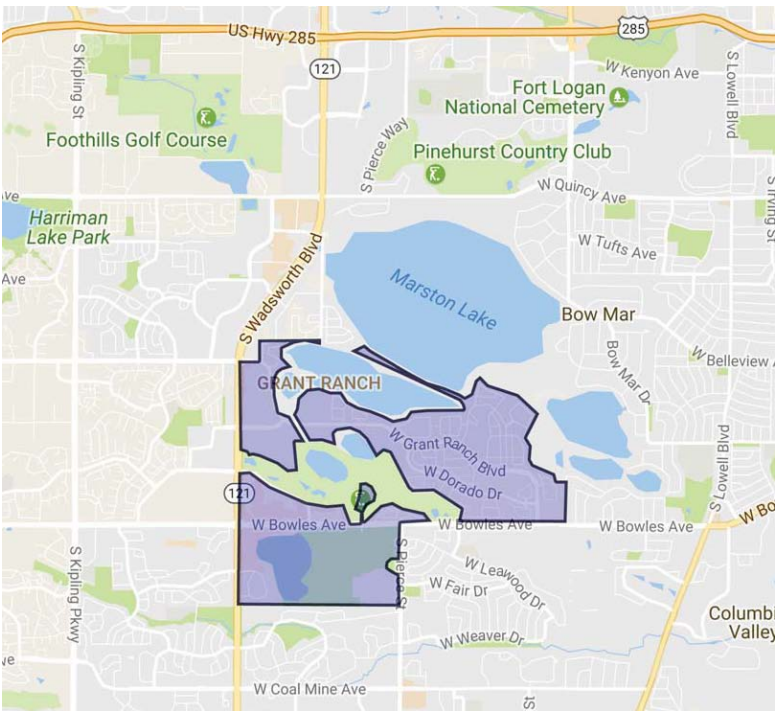
OVERVIEW

This 25 year financial plan has been prepared for the Grant Water & Sanitation District using the information provided in the District’s 25 year Capital Improvements Plan (CIP) prepared by the District’s engineering consultant, Martin/Martin, Inc., which was completed in March, 2017. The purpose of this financial plan is to analyze the District’s funding requirements over the next 25 years for both operations and capital improvements and develop a long range revenue plan that will generate the funds needed to maintain and rehabilitate the District’s infrastructure on a proactive basis as it ages. The goal is to avoid large fluctuations in customer rates and maintain an adequate level of capital reserves.

BACKGROUND INFORMATION

The District was formed in 1964, as a quasi-municipal entity governed by the Colorado Special District Act, to provide water and sanitary sewer service to its service area which is highlighted in purple on the map below. The District serves the Grant Ranch area including the commercial properties on the east side of Wadsworth from Belleview to the medical office buildings south of Bowles Avenue. Clement Park, Columbine Library, and the Raccoon Creek Golf Course are also in the district.

District Map



The District provides water and sanitary sewer services to its customers primarily through intergovernmental agreements. In 1987 the District participated in the cost of water mains constructed by the Denver Board of Water Commissioners (Denver Water) to acquire the right to sufficient capacity in the water mains to serve the District's customers. The District does not own or have maintenance responsibility for any of the water mains serving the District. Denver Water charges the District's customers directly for their water service as stipulated in the District's total service agreement with Denver Water.

Sanitary sewer service is provided by the District within its service area, however, the District does not directly provide sewage treatment service. That service is provided through the District's agreement with the City of Littleton. In order for the District to transmit the sewage from its service area to the Littleton/Englewood Bi-City treatment plant, the District uses the sewer interceptors of both the Platte Canyon Water and Sanitation District and the Southwest Metropolitan Water and Sanitation District. The District purchased capacity in these Districts' lines through service agreements which include cost sharing requirements for system rehabilitation costs. The City of Littleton charges the District's customers directly for the sewage treatment service. The District bills a sewer service fee to all its customers to cover the costs of maintaining the sanitary sewer lines owned by the District and for any cost sharing required by the Platte Canyon or Southwest Metropolitan Districts for rehabilitation projects.

The District also provides underdrain service to the homes in the Grant Ranch. When the Grant Ranch was developed in the 1990's, a high ground water table was found. The developer installed a common underdrain system that the foundation drains for all the homes could tie into that provided a simple gravity system for eliminating the ground water. The District agreed to take over the ownership and maintenance of the underdrain system. The District bills an underdrain service fee to its residential customers to cover the costs of maintaining the system.

The infrastructure owned and maintained by the District includes approximately 22 miles of sanitary sewer mains, 15 miles of underdrain mains and 935 manholes, as well as two sanitary sewer lift stations with close to 2,400 lineal feet of force main.

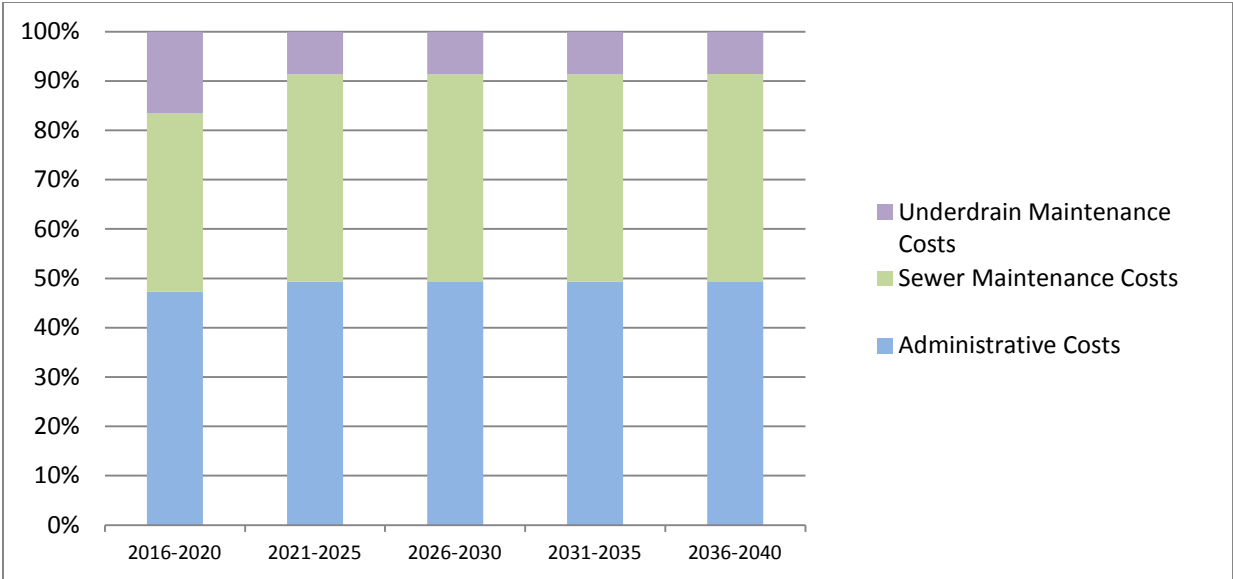
OPERATING COSTS

The District operates as an enterprise fund and therefore charges fees for the services it provides to its customers. It levies no taxes and has no outstanding debt. The District has no employees and all operations and administrative functions are contracted. The District's annual operating costs are tracked in three main categories; administrative, sewer maintenance and underdrain maintenance.

For this financial plan's 25 year planning period, the District's operating costs are estimated below. An overall inflation rate of 3% per year was applied to the District's projected operating costs using the District's actual costs for 2016 and budgeted costs for 2017 as the base years.

5 Year Period	2016-2020	2021-2025	2026-2030	2031-2035	2036-2040
Administrative Costs	1,181,344	1,394,817	1,620,383	1,871,079	2,172,500
Sewer Maintenance Costs	903,384	1,187,402	1,376,525	1,595,769	1,849,934
Underdrain Maintenance Costs	413,089	244,676	283,646	328,823	378,843
TOTAL OPERATING COSTS	\$ 2,498,267	\$ 2,826,895	\$ 3,280,554	\$ 3,795,671	\$ 4,401,277

Until about 2011, the District’s underdrain maintenance costs accounted for less than 6% of the District’s total operating costs. This was mainly because the District’s cleaning schedule for the underdrain system was only on an every four year cycle. When the District started encountering problems getting a jetting head through the mains, further investigations with a TV camera found large deposits of calcium had been building up in underdrain mains. The District then embarked upon a very costly remediation program to eliminate the calcium deposits in the underdrain system. From 2012 to 2017, the underdrain maintenance costs averaged nearly 26% of the District’s operating costs. The District anticipates completing the underdrain remediation program in 2017, after which the underdrain maintenance costs are projected to make up approximately 10% of the District’s operating costs. These maintenance costs will include a more frequent cleaning schedule for the underdrains system with one third of the system being cleaned and televised every year. An annual cleaning schedule will be implemented for those areas where large calcium carbonate deposits were found in the underdrain mains.



The District’s administrative costs are estimated to be about 50% of the total operating costs for the 25 year planning period. The costs include general operating expenses for insurance, meetings, director fees, elections and public relations which make up approximately 18% to 20% of the total administrative costs. The remaining 80% to 82% of the District’s administrative costs are for professional services including accounting, audit, engineering, legal and management services. The District relies on contracted professional services to manage and operate the District.

The District’s sewer maintenance costs averaged about 15% of its total operating costs for the 10 year period preceding 2016. Sewer maintenance costs are projected to exceed 40% of the total operating costs from 2016 to 2040 as the sewer system ages.

The District's sewer maintenance costs make up the remaining portion of the District's operating costs and closely match the District's administrative costs for the 25 year planning period. The District's sewer maintenance costs averaged about 15% of its total operating costs for the 10 year period preceding 2016. Looking forward from 2016 to 2040, sewer maintenance costs are projected to make up approximately 42% of the total operating costs. This large increase in sewer maintenance costs is anticipated due to the aging of the District's sewer system. Development first started occurring in the District in the early 1980's and the sewer infrastructure installed at that time is now reaching the end of its 40 year life cycle. The largest portion of the District was developed in the 1990's when PVC pipe was available. As is explained in the District's 25 year CIP, the life cycle for PVC pipe has not been documented yet but its useful life could be as much as 50 to 100 years. The District's 25 year CIP uses an estimated design life of 75 years so none of the District's PVC infrastructure is scheduled for replacement due to age. However, because PVC is more susceptible to earth movement, sags and deformations are more likely to cause the newer portion of the District's sewer system to require more frequent cleaning. When the sags and deformations reach a point that flow is impeded in the system, point repairs will be needed. The District's sewer maintenance costs for the 25 year planning period have been increased to include more frequent cleaning and point repairs as identified in the 25 year CIP.

CAPITAL PROJECT COSTS

The District's 25 year CIP identifies a five phase capital improvements plan that allows the District to be proactive rather than reactive to the rehabilitation needs of its sewer and underdrain infrastructure. The system rehabilitation has been prioritized for those facilities that have the greatest need for replacement which allows the District to minimize unscheduled repairs and unplanned operating costs. A summary of the capital costs identified over the 25 year planning period is shown below.

5 Year Period	Phase I 2016-2020	Phase II 2021-2025	Phase III 2026-2030	Phase IV 2031-2035	Phase V 2036-2040	25 Year Total
Projected Capital Costs	\$ 962,566	\$ 1,151,510	\$ 1,324,200	\$ 1,230,670	\$ 1,051,460	\$ 5,720,406

In the first phase of the CIP, the District's lift stations and sanitary sewer collection system will require the majority of the capital costs projected. In the remaining phases of the CIP, the majority of the costs will be expended for main replacements to mitigate sags and deformations. Capital expenditures are projected in all phases for manhole linings and for ongoing replacement of lift station equipment.

REVENUE REQUIREMENTS

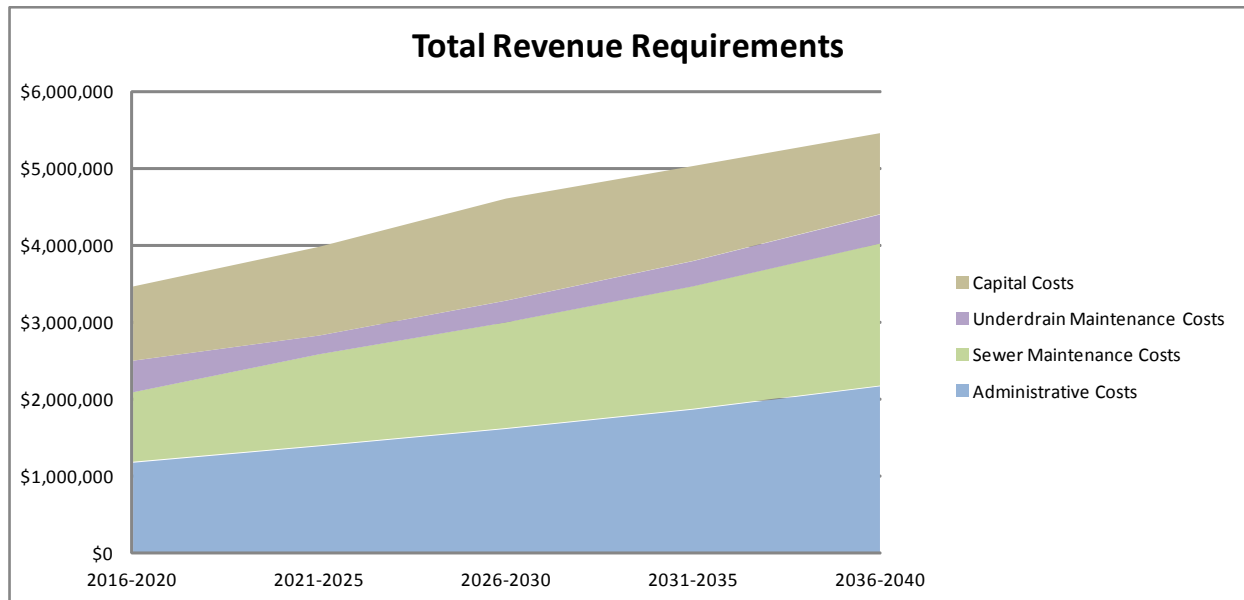
Based on the operating and capital project costs identified above, the total revenue requirements for the District are shown in the charts on the next page. On average for the 25 year planning period, operating costs comprise 75% of the total revenue requirements and capital costs comprise 25%.

For the first five year period of the plan, the District's average annual operating expenditures are estimated at \$499,670 and the average annual capital costs are estimated at \$192,515, together totaling approximately \$692,185 of annual costs. For the remaining Phases II through V, the average annual operating costs are projected to grow by 76% with the average operating expenditures estimated to be over \$880,000 a year in Phase V. The capital expenditures planned for the 25 year period are expected to grow over the first three phases and then level out such that the overall increase over 25 years will be 9.24%.

GRANT WATER & SANITATION DISTRICT

Revenue Requirements
2016 - 2040

5 Year Period	2016-2020	2021-2025	2026-2030	2031-2035	2036-2040	25 Year Total
Administrative Costs	1,181,344	1,394,817	1,620,383	1,871,079	2,172,500	8,240,122
Sewer Maintenance Costs	903,834	1,187,402	1,376,525	1,595,769	1,849,934	6,913,465
Underdrain Maintenance Costs	413,089	244,676	283,646	328,823	378,843	1,649,077
TOTAL OPERATING COSTS	\$ 2,498,267	\$ 2,826,895	\$ 3,280,553	\$ 3,795,671	\$ 4,401,277	\$ 16,802,664
TOTAL CAPITAL COSTS	\$ 962,566	\$ 1,151,510	\$ 1,324,200	\$ 1,230,670	\$ 1,051,460	\$ 5,720,406
TOTAL REVENUE REQUIRED	\$ 3,460,833	\$ 3,978,405	\$ 4,604,753	\$ 5,026,341	\$ 5,452,737	\$ 22,523,070
Operating Revenues	\$2,774,690	\$2,826,895	\$3,280,553	\$3,795,671	\$4,401,277	\$ 17,079,087
Capital Revenues	\$1,329,695	\$1,537,237	\$1,412,436	\$1,272,224	\$1,104,748	\$ 6,656,340
TOTAL REVENUES	\$4,104,385	\$4,364,132	\$4,692,990	\$5,067,896	\$5,506,025	\$ 23,735,427
Funding (from)/to Reserves	\$643,553	\$385,727	\$88,236	\$41,554	\$53,288	\$1,212,357
Net Capital Reserve Balance	\$2,863,616	\$3,249,342	\$3,337,578	\$3,379,133	\$3,432,420	



REVENUE SOURCES

There are two revenue sources the District plans to use to fund its total revenue requirements. The District's main source of revenue is generated through service fees charged to its customer base. The second source is from interest earnings on the District's operating and capital reserves, however, this source is very limited with the current low interest rate environment. The District's interest earnings on its operating cash and capital reserves are projected to provide only 21% of the revenues needed to fund the District's 25 year CIP.

The District's capital reserves are a third funding source should annual expenditures exceed annual earnings, however, the District tries to limit the use of its reserves for emergencies only. The District's minimum level of capital reserves is \$2.5 million, which the District's Board of Directors set many years ago as a goal to reach by the year 2018. This goal was set as part of the District's efforts to reduce operating costs. The District was able to cut its annual insurance premium in half if it raised its insurance deductible to \$1,000,000 per occurrence, thus insuring for a catastrophic event only. The District began building its capital reserves so funds would be available to pay the insurance deductible should a catastrophic event occur. The District's capital reserves are projected to grow by \$932,420 above the \$2.5 million minimum by the year 2040.

The District's capital reserves are invested in various agency bonds, certificates of deposit, and investment pools. The District's investment policy is simply to adhere to the Colorado Revised Statutes governing Special District investments (C.R.S. 24-75-601) which limits investments for terms no longer than five years or less depending on the type of investment. As stated earlier, the District earns modest interest on its capital reserve fund which helps offset the costs of capital projects. The District's interest earnings on its capital reserves for 2015 and 2016 have been 1.3% and 1%, respectively. The interest earnings for 2017 are projected to be 1.12%. The estimated interest earnings on the District's capital reserves for the remaining years of the 25 year plan are based on a conservative, gradual increase of long term interest rates which are projected to increase to only 2% by the year 2040.

In addition to its capital reserves, the District has set its minimum operating cash level at \$150,000, with an additional \$200,000 reserve set aside for unexpected major repairs. These funds are kept in liquid bank accounts that earn little or no interest. The interest earnings on the District's operating cash is projected at less than \$700 a year, totaling less than \$15,000 for the entire 25 year plan.

Although there are other revenue sources available such as revenue bonds and levying property taxes to fund the District's revenue requirements, the District's Board of Directors considers these funding sources expensive and would require the District to charge its customers more for the same service if it relied on these sources.

Over the 25 year span of the financial plan, the District's single family residential customers, multi-family residential customers and commercial customers will see an average annual rate increase of no more than 1%, 2.1% and 2.1%, respectively

SERVICE FEES

As mentioned earlier, the District's main source of revenues is from the service fees it charges its customers. Until this 25 year financial plan was developed, the District set its service fees annually based on the projected revenue requirements of the District for the coming year. This method seemed reasonable until the District's infrastructure started aging and the calcium buildup was discovered in the District's underdrain mains. When significant maintenance and capital projects were identified that needed to be addressed quickly, the District relied on its reserves to fund the projects so the impact on customers' annual service fees would be limited. Unfortunately, when the District's capital reserves were diminished to almost half and interest rates began to drop to very low levels, the District found that the interest earnings on its reserves could no longer be relied on to offset the District's increasing revenue requirements. The District's Board of Directors had to start raising rates significantly in order to fund its operating and capital project costs. Understandably, the rate increases were not received well by the District's customers. At this point, the District decided to take a proactive approach to its revenue requirements and engaged its engineering and management consultants to develop a 25 year plan that would identify the probable maintenance and rehabilitation needs for the District's infrastructure for the next 25 years and a financial plan that would fund the costs projected with modest rate increases. The service fee rate structure developed for this 25 year financial plan is summarized below. Over the 25 year span of the financial plan, the District's single family residential customers, multi-family residential customers and commercial customers will see an average annual rate increase of no more than 1%, 2.1% and 2.1%, respectively.

RATE PROJECTIONS

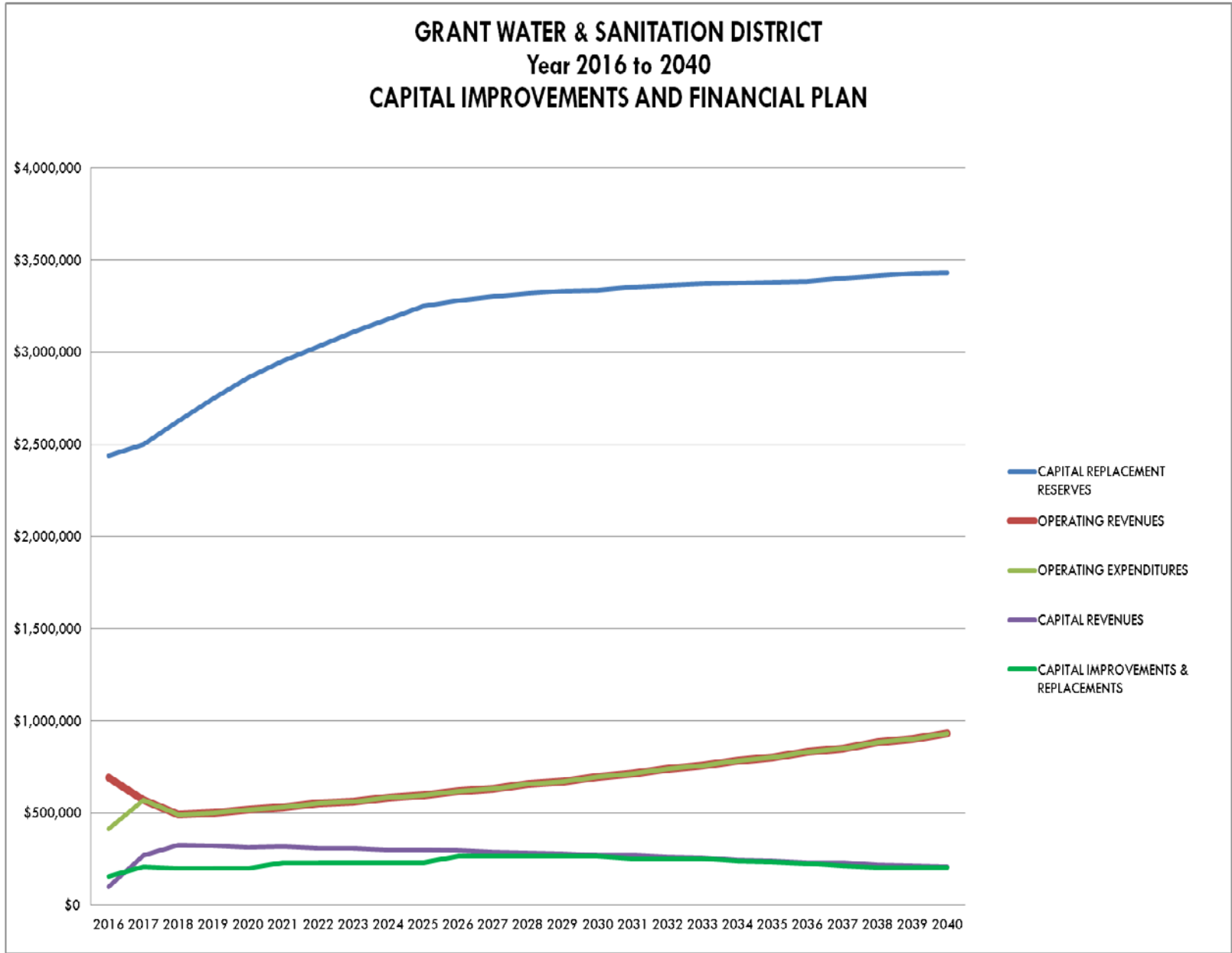
5 Year Period	2016-2020	2021-2025	2026-2030	2031-2035	2036-2040
Single Family Rate Change	2016 Rate: \$280 2020 Rate: \$293	2021 Rate: \$297 2025 Rate: \$305	2026 Rate: \$307 2030 Rate: \$315	2031 Rate: \$318 2035 Rate: \$330	2036 Rate: \$332 2040 Rate: \$344
Average Annual % Change	.9%	.8%	.7%	1.0%	.8%
Multi Family Rate Change	2016 Rate: \$101.30/unit 2020 Rate: \$108/unit	2021 Rate: \$110/unit 2025 Rate: \$112/unit	2026 Rate: \$113/unit 2030 Rate: \$117/unit	2031 Rate: \$118/unit 2035 Rate: \$124/unit	2036 Rate: \$126/unit 2040 Rate: \$137/unit
Average Annual % Change	1.3%	.7%	.9%	1.2%	2.1%
Commercial Rate Change	2016 Rate: \$2.60 per 1,000 gallons 2020 Rate: \$2.80 per 1,000 gallons	2021 Rate: \$2.85 per 1,000 gallons 2025 Rate: \$3.02 per 1,000 gallons	2026 Rate: \$3.07 per 1,000 gallons 2030 Rate: \$3.31 per 1,000 gallons	2031 Rate: \$3.37 per 1,000 gallons 2035 Rate: \$3.62 per 1,000 gallons	2036 Rate: \$3.70 per 1,000 gallons 2040 Rate: \$4.00 per 1,000 gallons
Average Annual % Change	1.5%	1.6%	1.9%	1.9%	2.1%

With the above projected rate schedule, the District will generate adequate service fee revenues that will fund, along with interest earnings, 100% of the District's projected operating and capital costs. Additionally, \$1.2 million dollars will be added to the District capital reserves over the 25 year period. A detailed table of the District's rate projections by year, customer type and cost center along with the assumptions used for customer type cost allocations is provided in Appendix A. The District tracks its operating costs by four cost centers; administration, residential sewer, commercial sewer and underdrain. These costs are allocated to customer types based on the degree to which they use the District's infrastructure. For instance, commercial customers are not allocated any costs for the District's underdrain system because they do not use the system. However, the District's commercial customers put more of a burden on the District's sewer system, especially commercial customers like restaurants who have onsite food preparation. Most of the District's sewer mains that serve the commercial areas of the District require more frequent maintenance and accelerated deterioration of the District's mains and manholes is prevalent in these areas. This is the main reason why the rate increases for the District's commercial customers are higher than for its residential customers.

A summary of the District's costs, revenues and capital reserves for the 25 year plan is shown in the table below and the chart on page 11. Appendix B has the complete detail by year of this information.

COSTS, REVENUES & RESERVES

5 Year Period	2016-2020	2021-2025	2026-2030	2031-2035	2036-2040	25 Year Total
Administrative Costs	1,181,344	1,394,817	1,620,383	1,871,079	2,172,500	8,240,122
Sewer Maintenance Costs	903,834	1,187,402	1,376,525	1,595,769	1,849,934	6,913,465
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TOTAL OPERATING COSTS	\$ 2,498,267	\$ 2,826,895	\$ 3,280,553	\$ 3,795,671	\$ 4,401,277	\$ 16,802,664
TOTAL CAPITAL COSTS	\$ 962,566	\$ 1,151,510	\$ 1,324,200	\$ 1,230,670	\$ 1,051,460	\$ 5,720,406
TOTAL REVENUE REQUIRED	\$ 3,460,833	\$ 3,978,405	\$ 4,604,753	\$ 5,026,341	\$ 5,452,737	\$ 22,523,070
Operating Revenues	\$2,774,676	\$2,826,895	\$3,280,553	\$3,795,671	\$4,401,277	\$ 17,079,073
Capital Revenues	\$1,329,695	\$1,537,237	\$1,412,436	\$1,272,224	\$1,104,748	\$ 6,656,340
TOTAL REVENUES	\$4,104,371	\$4,364,132	\$4,692,990	\$5,067,896	\$5,506,025	\$ 23,735,413
Funding (from)/to Reserves	\$643,539	\$385,727	\$88,236	\$41,554	\$53,288	\$1,212,343
Net Capital Reserve Balance	\$2,863,616	\$3,249,342	\$3,337,579	\$3,379,133	\$3,432,421	



APPENDIX A

RATE PROJECTIONS - YEARS 2016 TO 2040

Grant Water and Sanitation District Service Fee Rate Projections

2016-2040

RATES	2016	2017	2018	2019	2020
Administrative Fee	\$ 65.44	\$ 61.96	\$ 65.37	\$ 65.75	\$ 69.26
Overage Fee Per 1000 gal.	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20
Base Sewer Fee	\$ 51.56	\$ 59.14	\$ 61.83	\$ 63.69	\$ 65.58
Base Underdrain Fee	\$ 146.00	\$ 93.65	\$ 27.80	\$ 28.62	\$ 29.48
Total Base Fees	\$ 263.00	\$ 214.75	\$ 155.00	\$ 158.06	\$ 164.32
Sewer Capital Fee	\$ 17.00	\$ 60.40	\$ 60.00	\$ 61.00	\$ 59.00
Underdrain Capital Reserve Fee	\$ -	\$ 13.35	\$ 75.76	\$ 72.46	\$ 69.17
Total Capital Reserve Fees	\$ 17.00	\$ 73.75	\$ 135.76	\$ 133.46	\$ 128.17
Single Family Residential Minimum Bill	\$ 280.00	\$ 288.50	\$ 290.76	\$ 291.52	\$ 292.49
Administrative Fee	\$ 46.62	\$ 43.95	\$ 46.31	\$ 46.59	\$ 49.07
Base Sewer Fee	\$ 42.68	\$ 29.90	\$ 31.17	\$ 32.11	\$ 33.07
Base Underdrain Fee	\$ 146.00	\$ 93.65	\$ 27.78	\$ 28.62	\$ 29.48
Total Base Fees	\$ 235.30	\$ 167.50	\$ 105.26	\$ 107.31	\$ 111.61
Sewer Capital Fee	\$ 12.00	\$ 30.45	\$ 28.00	\$ 28.00	\$ 26.00
Underdrain Capital Reserve Fee	\$ -	\$ 13.35	\$ 75.76	\$ 72.46	\$ 69.17
Total Capital Reserve Fees	\$ 12.00	\$ 43.80	\$ 103.76	\$ 100.46	\$ 95.17
Multifamily Unit W/ Underdrain Minimum Bill	\$ 247.30	\$ 211.30	\$ 209.02	\$ 207.78	\$ 206.78
Multifamily Unit W/O Underdrain Minimum Bill	\$ 101.30	\$ 104.30	\$ 105.48	\$ 106.69	\$ 108.14
Base Sewer Fee per 1,000 Gallons	\$ 1.36	\$ 1.06	\$ 1.10	\$ 1.12	\$ 1.15
Administrative Fee per 1,000 Gallons	\$ 0.99	\$ 0.76	\$ 0.80	\$ 0.81	\$ 0.85
Capital Reserve Fee per 1,000 Gallons	\$ 0.25	\$ 0.85	\$ 0.81	\$ 0.81	\$ 0.80
Total Commercial Rate per 1000/gallons	\$ 2.60	\$ 2.67	\$ 2.71	\$ 2.74	\$ 2.80
Single Family Rate Increase		3.04%	0.78%	0.26%	0.33%
Multi-Family Rate Increase		2.95%	1.13%	1.15%	1.35%
Commercial Rate Increase		2.23%	1.50%	1.11%	2.15%

Grant Water and Sanitation District Service Fee Rate Projections

2016-2040

RATES	2021	2022	2023	2024	2025
Administrative Fee	\$ 69.76	\$ 71.85	\$ 72.44	\$ 74.62	\$ 75.30
Overage Fee Per 1000 gal.	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20
Base Sewer Fee	\$ 67.55	\$ 69.57	\$ 71.66	\$ 73.81	\$ 76.03
Base Underdrain Fee	\$ 30.36	\$ 31.27	\$ 32.21	\$ 33.17	\$ 34.17
Total Base Fees	\$ 167.66	\$ 172.70	\$ 176.31	\$ 181.61	\$ 185.49
Sewer Capital Fee	\$ 56.00	\$ 56.00	\$ 56.00	\$ 56.00	\$ 56.00
Underdrain Capital Reserve Fee	\$ 73.12	\$ 69.17	\$ 67.85	\$ 64.56	\$ 63.24
Total Capital Reserve Fees	\$ 129.12	\$ 125.17	\$ 123.85	\$ 120.56	\$ 119.24
Single Family Residential Minimum Bill	\$ 296.79	\$ 297.87	\$ 300.17	\$ 302.17	\$ 304.73
Administrative Fee	\$ 49.43	\$ 50.92	\$ 51.33	\$ 52.88	\$ 53.36
Base Sewer Fee	\$ 34.06	\$ 35.09	\$ 36.14	\$ 37.22	\$ 38.34
Base Underdrain Fee	\$ 30.36	\$ 31.27	\$ 32.21	\$ 33.17	\$ 34.17
Total Base Fees	\$ 113.85	\$ 117.27	\$ 119.68	\$ 123.28	\$ 125.86
Sewer Capital Fee	\$ 25.00	\$ 23.00	\$ 23.00	\$ 21.00	\$ 20.00
Underdrain Capital Reserve Fee	\$ 73.12	\$ 69.17	\$ 67.85	\$ 64.56	\$ 63.24
Total Capital Reserve Fees	\$ 98.12	\$ 92.17	\$ 90.85	\$ 85.56	\$ 83.24
Multifamily Unit W/ Underdrain Minimum Bill	\$ 211.98	\$ 209.44	\$ 210.53	\$ 208.83	\$ 209.11
Multifamily Unit W/O Underdrain Minimum Bill	\$ 108.49	\$ 109.00	\$ 110.47	\$ 111.10	\$ 111.69
Base Sewer Fee per 1,000 Gallons	\$ 1.18	\$ 1.22	\$ 1.25	\$ 1.29	\$ 1.33
Administrative Fee per 1,000 Gallons	\$ 0.86	\$ 0.88	\$ 0.89	\$ 0.92	\$ 0.93
Capital Reserve Fee per 1,000 Gallons	\$ 0.81	\$ 0.79	\$ 0.78	\$ 0.76	\$ 0.76
Total Commercial Rate per 1000/gallons	\$ 2.85	\$ 2.89	\$ 2.92	\$ 2.97	\$ 3.02
Single Family Rate Increase	1.47%	0.36%	0.77%	0.67%	0.85%
Multi-Family Rate Increase	0.33%	0.47%	1.35%	0.57%	0.53%
Commercial Rate Increase	1.81%	1.45%	1.17%	1.52%	1.58%

Grant Water and Sanitation District Service Fee Rate Projections

2016-2040

RATES	2026	2027	2028	2029	2030
Administrative Fee	\$ 77.56	\$ 78.32	\$ 80.67	\$ 81.53	\$ 83.98
Overage Fee Per 1000 gal.	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20
Base Sewer Fee	\$ 78.31	\$ 80.66	\$ 83.08	\$ 85.57	\$ 88.13
Base Underdrain Fee	\$ 35.20	\$ 36.25	\$ 37.34	\$ 38.46	\$ 39.61
Total Base Fees	\$ 191.06	\$ 195.23	\$ 201.09	\$ 205.55	\$ 211.73
Sewer Capital Fee	\$ 57.00	\$ 58.00	\$ 58.00	\$ 59.00	\$ 60.00
Underdrain Capital Reserve Fee	\$ 59.29	\$ 55.99	\$ 51.38	\$ 48.09	\$ 42.82
Total Capital Reserve Fees	\$ 116.29	\$ 113.99	\$ 109.38	\$ 107.09	\$ 102.82
Single Family Residential Minimum Bill	\$ 307.35	\$ 309.22	\$ 310.47	\$ 312.64	\$ 314.54
Administrative Fee	\$ 54.96	\$ 55.50	\$ 57.17	\$ 57.77	\$ 59.51
Base Sewer Fee	\$ 39.49	\$ 40.67	\$ 41.89	\$ 43.15	\$ 44.45
Base Underdrain Fee	\$ 35.20	\$ 36.25	\$ 37.34	\$ 38.46	\$ 39.61
Total Base Fees	\$ 129.64	\$ 132.42	\$ 136.40	\$ 139.38	\$ 143.57
Sewer Capital Fee	\$ 18.00	\$ 17.00	\$ 15.00	\$ 15.00	\$ 13.00
Underdrain Capital Reserve Fee	\$ 59.29	\$ 55.99	\$ 51.38	\$ 48.09	\$ 42.82
Total Capital Reserve Fees	\$ 77.29	\$ 72.99	\$ 66.38	\$ 63.09	\$ 55.82
Multifamily Unit W/ Underdrain Minimum Bill	\$ 206.93	\$ 205.42	\$ 202.78	\$ 202.47	\$ 199.39
Multifamily Unit W/O Underdrain Minimum Bill	\$ 112.45	\$ 113.17	\$ 114.06	\$ 115.92	\$ 116.95
Base Sewer Fee per 1,000 Gallons	\$ 1.37	\$ 1.41	\$ 1.45	\$ 1.50	\$ 1.54
Administrative Fee per 1,000 Gallons	\$ 0.95	\$ 0.96	\$ 0.99	\$ 1.00	\$ 1.03
Capital Reserve Fee per 1,000 Gallons	\$ 0.75	\$ 0.75	\$ 0.74	\$ 0.75	\$ 0.74
Total Commercial Rate per 1000/gallons	\$ 3.07	\$ 3.12	\$ 3.19	\$ 3.25	\$ 3.31
Single Family Rate Increase	0.86%	0.61%	0.40%	0.70%	0.61%
Multi-Family Rate Increase	0.68%	0.64%	0.78%	1.63%	0.89%
Commercial Rate Increase	1.91%	1.64%	1.96%	2.01%	2.00%

Grant Water and Sanitation District Service Fee Rate Projections

2016-2040

RATES	2031	2032	2033	2034	2035
Administrative Fee	\$ 84.93	\$ 87.48	\$ 88.54	\$ 92.72	\$ 93.94
Overage Fee Per 1000 gal.	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20
Base Sewer Fee	\$ 90.78	\$ 93.50	\$ 96.31	\$ 99.20	\$ 102.17
Base Underdrain Fee	\$ 40.80	\$ 42.02	\$ 43.29	\$ 44.58	\$ 45.92
Total Base Fees	\$ 216.51	\$ 223.01	\$ 228.13	\$ 236.51	\$ 242.03
Sewer Capital Fee	\$ 62.00	\$ 64.00	\$ 65.00	\$ 65.00	\$ 65.00
Underdrain Capital Reserve Fee	\$ 39.53	\$ 33.60	\$ 30.30	\$ 25.69	\$ 22.40
Total Capital Reserve Fees	\$ 101.53	\$ 97.60	\$ 95.30	\$ 90.69	\$ 87.40
Single Family Residential Minimum Bill	\$ 318.04	\$ 320.61	\$ 323.44	\$ 327.20	\$ 329.43
Administrative Fee	\$ 60.18	\$ 61.99	\$ 62.74	\$ 65.71	\$ 66.57
Base Sewer Fee	\$ 45.78	\$ 47.15	\$ 48.57	\$ 50.02	\$ 51.52
Base Underdrain Fee	\$ 40.80	\$ 42.02	\$ 43.29	\$ 44.58	\$ 45.92
Total Base Fees	\$ 146.76	\$ 151.17	\$ 154.59	\$ 160.31	\$ 164.01
Sewer Capital Fee	\$ 12.00	\$ 10.00	\$ 10.00	\$ 7.00	\$ 6.00
Underdrain Capital Reserve Fee	\$ 39.53	\$ 33.60	\$ 30.30	\$ 25.69	\$ 22.40
Total Capital Reserve Fees	\$ 51.53	\$ 43.60	\$ 40.30	\$ 32.69	\$ 28.40
Multifamily Unit W/ Underdrain Minimum Bill	\$ 198.29	\$ 194.77	\$ 194.90	\$ 193.01	\$ 192.41
Multifamily Unit W/O Underdrain Minimum Bill	\$ 117.96	\$ 119.14	\$ 121.31	\$ 122.73	\$ 124.09
Base Sewer Fee per 1,000 Gallons	\$ 1.59	\$ 1.64	\$ 1.69	\$ 1.74	\$ 1.79
Administrative Fee per 1,000 Gallons	\$ 1.04	\$ 1.07	\$ 1.09	\$ 1.14	\$ 1.15
Capital Reserve Fee per 1,000 Gallons	\$ 0.74	\$ 0.72	\$ 0.72	\$ 0.68	\$ 0.68
Total Commercial Rate per 1000/gallons	\$ 3.37	\$ 3.43	\$ 3.49	\$ 3.56	\$ 3.62
Single Family Rate Increase	1.11%	0.81%	0.88%	1.16%	0.68%
Multi-Family Rate Increase	0.86%	1.00%	1.82%	1.17%	1.11%
Commercial Rate Increase	1.75%	1.75%	1.81%	1.77%	1.88%

Grant Water and Sanitation District Service Fee Rate Projections

2016-2040

RATES	2036	2037	2038	2039	2040
Administrative Fee	\$ 96.76	\$ 98.10	\$ 101.04	\$ 102.51	\$ 105.58
Overage Fee Per 1000 gal.	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20
Base Sewer Fee	\$ 105.24	\$ 108.39	\$ 111.65	\$ 115.00	\$ 118.45
Base Underdrain Fee	\$ 47.30	\$ 48.72	\$ 50.18	\$ 51.69	\$ 51.69
Total Base Fees	\$ 249.30	\$ 255.21	\$ 262.87	\$ 269.19	\$ 275.71
Sewer Capital Fee	\$ 65.00	\$ 68.00	\$ 68.00	\$ 69.00	\$ 68.00
Underdrain Capital Reserve Fee	\$ 17.13	\$ 11.86	\$ 5.93	\$ 0.66	\$ -
Total Capital Reserve Fees	\$ 82.13	\$ 79.86	\$ 73.93	\$ 69.66	\$ 68.00
Single Family Residential Minimum Bill	\$ 331.43	\$ 335.07	\$ 336.80	\$ 338.85	\$ 343.71
Administrative Fee	\$ 68.57	\$ 69.51	\$ 71.60	\$ 72.64	\$ 74.82
Base Sewer Fee	\$ 53.07	\$ 54.66	\$ 56.30	\$ 57.99	\$ 59.73
Base Underdrain Fee	\$ 47.30	\$ 48.72	\$ 50.18	\$ 51.69	\$ 51.69
Total Base Fees	\$ 168.94	\$ 172.89	\$ 178.08	\$ 182.31	\$ 186.23
Sewer Capital Fee	\$ 4.00	\$ 4.00	\$ 3.00	\$ 3.00	\$ 2.00
Underdrain Capital Reserve Fee	\$ 17.13	\$ 11.86	\$ 5.93	\$ 0.66	\$ -
Total Capital Reserve Fees	\$ 21.13	\$ 15.86	\$ 8.93	\$ 3.66	\$ 2.00
Multifamily Unit W/ Underdrain Minimum Bill	\$ 190.06	\$ 188.75	\$ 187.01	\$ 185.97	\$ 188.23
Multifamily Unit W/O Underdrain Minimum Bill	\$ 125.64	\$ 128.17	\$ 130.90	\$ 133.63	\$ 136.55
Base Sewer Fee per 1,000 Gallons	\$ 1.84	\$ 1.90	\$ 1.95	\$ 2.01	\$ 2.07
Administrative Fee per 1,000 Gallons	\$ 1.19	\$ 1.21	\$ 1.24	\$ 1.26	\$ 1.30
Capital Reserve Fee per 1,000 Gallons	\$ 0.67	\$ 0.67	\$ 0.65	\$ 0.65	\$ 0.63
Total Commercial Rate per 1000/gallons	\$ 3.70	\$ 3.77	\$ 3.85	\$ 3.92	\$ 4.00
Single Family Rate Increase	0.61%	1.10%	0.52%	0.61%	1.44%
Multi-Family Rate Increase	1.25%	2.02%	2.13%	2.08%	2.19%
Commercial Rate Increase	2.16%	1.94%	1.94%	1.99%	1.99%

APPENDIX B

DETAILED FINANCIAL PLAN - YEARS 2016-2040

25 Year Rate Assumptions

Short-Term Interest Rate Projections	0.10%	0.10%	0.10%	0.10%
Long-Term Interest Rate Projections	1.10%	1.20%	1.20%	1.25%
General Expenses & Professional Fees Inflation Projections	3.00%	3.00%	3.00%	3.00%
System Maintenance & Repairs Inflation Projections	3.00%	3.00%	3.00%	3.00%

GRANT WATER & SANITATION DISTRICT

Twenty-Five Year Revenue and Expense Projections	Projected Year 2016	Projected Year 2017	Projected Year 2018	Projected Year 2019	Projected Year 2020
FUNDS AVAILABLE - BEGINNING OF YEAR:	\$ 2,570,077	\$ 2,790,327	\$ 2,848,827	\$ 2,974,664	\$ 3,098,455
OPERATING REVENUES					
Service Fees:					
Residential: Single Family & Multi-Family	313,729	283,916	298,289	303,334	316,231
Underdrain Fees	222,504	142,175	42,205	43,440	44,743
Commercial	124,577	116,984	121,697	123,616	128,028
Total Service Fees	660,810	543,075	462,132	470,347	488,973
Total Other Income	30,008	28,550	29,391	30,256	31,148
TOTAL OPERATING REVENUES	\$ 690,818	\$ 571,625	\$ 491,523	\$ 500,603	\$ 520,121
OPERATING EXPENDITURES					
General Expense, Insurance, Elections, Meetings, etc.	37,832	41,300	47,539	43,815	50,130
Professional Services:	150,701	186,150	191,735	197,487	203,411
Repairs & Maintenance - General	3,755	4,300	4,429	4,562	4,699
Sewer Lines - Commercial	23,931	68,216	70,262	71,870	73,526
Sewer Lines - Residential	48,135	129,484	135,368	139,429	143,612
Underdrains	140,555	142,175	42,175	43,440	44,743
TOTAL OPERATING EXPENDITURES	\$ 414,409	\$ 571,625	\$ 491,523	\$ 500,603	\$ 520,121
NET INCREASE/(DECREASE) IN OPERATING FUNDS	\$276,409	\$0	\$0	\$0	\$0
NON-OPERATING REVENUES					
CAPITAL REVENUES	\$ 98,667	\$ 269,000	\$ 324,917	\$ 322,870	\$ 314,241
NON-OPERATING EXPENDITURES					
Tap Admin & Inspections	4,018	10,000			
CAPITAL IMPROVEMENTS & REPLACEMENTS					
Capital Projects	150,808	200,500	149,080	149,080	149,080
Contingency			50,000	50,000	50,000
CAPITAL IMPROVEMENTS & REPLACEMENTS	\$ 154,826	\$ 210,500	\$ 199,080	\$ 199,080	\$ 199,080
NET INCREASE/(DECREASE) IN NON-OPERATING FUNDS	\$ (56,159)	\$ 58,500	\$125,837	\$123,790	\$115,161
NET INCREASE/(DECREASE) IN FUNDS	\$220,250	\$58,501	\$125,837	\$123,790	\$115,161
FUNDS AVAILABLE - END OF YEAR:	\$ 2,790,327	\$ 2,848,827	\$ 2,974,664	\$ 3,098,455	\$ 3,213,616
Major Repairs Contingency (\$200,000 Target)	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
CAPITAL REPLACEMENT RESERVES	2,440,327	2,498,827	2,624,664	2,748,455	2,863,616
Operating Funds (\$150,000 Target)	150,000	150,000	150,000	150,000	150,000
\$ 2,790,327	\$ 2,848,827	\$ 2,974,664	\$ 3,098,455	\$ 3,213,616	

25 Year Rate Assumptions

Short-Term Interest Rate Projections	0.15%	0.15%	0.15%	0.15%	0.15%
Long-Term Interest Rate Projections	1.30%	1.30%	1.35%	1.35%	1.40%
General Expenses & Professional Fees Inflation Projections	3.00%	3.00%	3.00%	3.00%	3.00%
System Maintenance & Repairs Inflation Projections	3.00%	3.00%	3.00%	3.00%	3.00%

GRANT WATER & SANITATION DIST

Twenty-Five Year Revenue and Expense Projections	Projected Year 2021	Projected Year 2022	Projected Year 2023	Projected Year 2024	Projected Year 2025
FUNDS AVAILABLE - BEGINNING OF YEAR:	\$ 3,213,616	\$ 3,302,738	\$ 3,381,294	\$ 3,459,747	\$ 3,530,016
OPERATING REVENUES					
Service Fees:					
Residential: Single Family & Multi-Family	321,786	331,451	337,493	347,630	354,157
Underdrain Fees	46,086	47,468	48,892	50,359	51,870
Commercial	130,637	134,560	137,364	141,489	144,501
Total Service Fees	498,508	513,479	523,749	539,478	550,528
Total Other Income	32,067	38,013	39,138	45,296	46,639
TOTAL OPERATING REVENUES	\$ 530,575	\$ 551,492	\$ 562,887	\$ 584,774	\$ 597,167
OPERATING EXPENDITURES					
General Expense, Insurance, Elections, Meetings, etc.	46,484	52,878	49,314	55,794	52,318
Professional Services:	209,513	215,799	222,273	228,941	235,809
Repairs & Maintenance - General	4,840	4,985	5,134	5,288	5,447
Sewer Lines - Commercial	75,732	78,004	80,344	82,754	85,237
Sewer Lines - Residential	147,921	152,358	156,929	161,637	166,486
Underdrains	46,086	47,468	48,892	50,359	51,870
TOTAL OPERATING EXPENDITURES	\$ 530,575	\$ 551,492	\$ 562,887	\$ 584,774	\$ 597,167
NET INCREASE/(DECREASE) IN OPERATING FUNDS	\$0	\$0	\$0	\$0	\$0
NON-OPERATING REVENUES					
CAPITAL REVENUES	\$ 319,424	\$ 308,858	\$ 308,755	\$ 300,571	\$ 299,629
NON-OPERATING EXPENDITURES					
Tap Admin & Inspections					
CAPITAL IMPROVEMENTS & REPLACEMENTS					
Capital Projects	180,302	180,302	180,302	180,302	180,302
Contingency	50,000	50,000	50,000	50,000	50,000
CAPITAL IMPROVEMENTS & REPLACEMENTS	\$ 230,302	\$ 230,302	\$ 230,302	\$ 230,302	\$ 230,302
NET INCREASE/(DECREASE) IN NON-OPERATING FUNDS	\$89,122	\$78,556	\$78,453	\$70,269	\$69,327
NET INCREASE/(DECREASE) IN FUNDS	\$89,122	\$78,556	\$78,453	\$70,269	\$69,327
FUNDS AVAILABLE - END OF YEAR:	\$ 3,302,738	\$ 3,381,294	\$ 3,459,747	\$ 3,530,016	\$ 3,599,342
Major Repairs Contingency (\$200,000 Target)	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
CAPITAL REPLACEMENT RESERVES	2,952,738	3,031,294	3,109,747	3,180,016	3,249,342
Operating Funds (\$150,000 Target)	150,000	150,000	150,000	150,000	150,000
\$ 3,302,738	\$ 3,381,294	\$ 3,459,747	\$ 3,530,016	\$ 3,599,342	

25 Year Rate Assumptions

Short-Term Interest Rate Projections	0.25%	0.35%	0.45%	0.55%	0.65%
Long-Term Interest Rate Projections	1.45%	1.45%	1.50%	1.50%	1.55%
General Expenses & Professional Fees Inflation Projections	3.00%	3.00%	3.00%	3.00%	3.00%
System Maintenance & Repairs Inflation Projections	3.00%	3.00%	3.00%	3.00%	3.00%

GRANT WATER & SANITATION DIST

Twenty-Five Year Revenue and Expense Projections	Projected Year 2026	Projected Year 2027	Projected Year 2028	Projected Year 2029	Projected Year 2030
FUNDS AVAILABLE - BEGINNING OF YEAR:	\$ 3,599,342	\$ 3,628,566	\$ 3,653,176	\$ 3,669,192	\$ 3,682,532
OPERATING REVENUES					
Service Fees:					
Residential: Single Family & Multi-Family	364,793	371,834	383,000	390,586	402,314
Underdrain Fees	53,426	55,029	56,680	58,380	60,131
Commercial	148,840	152,073	156,638	160,105	164,911
Total Service Fees	567,059	578,936	596,318	609,071	627,357
Total Other Income	53,023	54,599	61,223	63,045	69,924
TOTAL OPERATING REVENUES	\$ 620,082	\$ 633,534	\$ 657,540	\$ 672,117	\$ 697,280
OPERATING EXPENDITURES					
General Expense, Insurance, Elections, Meetings, etc.	58,887	55,504	62,169	58,884	65,650
Professional Services:	242,884	250,170	257,675	265,405	273,368
Repairs & Maintenance - General	5,611	5,779	5,952	6,131	6,315
Sewer Lines - Commercial	87,794	90,428	93,141	95,935	98,813
Sewer Lines - Residential	171,481	176,625	181,924	187,381	193,003
Underdrains	53,426	55,029	56,680	58,380	60,131
TOTAL OPERATING EXPENDITURES	\$ 620,082	\$ 633,534	\$ 657,540	\$ 672,117	\$ 697,280
NET INCREASE/(DECREASE) IN OPERATING FUNDS	\$0	\$0	\$0	\$0	\$0
NON-OPERATING REVENUES					
CAPITAL REVENUES	\$ 294,064	\$ 289,450	\$ 280,856	\$ 278,180	\$ 269,886
NON-OPERATING EXPENDITURES					
Tap Admin & Inspections					
CAPITAL IMPROVEMENTS & REPLACEMENTS					
Capital Projects	214,840	214,840	214,840	214,840	214,840
Contingency	50,000	50,000	50,000	50,000	50,000
CAPITAL IMPROVEMENTS & REPLACEMENTS	\$ 264,840	\$ 264,840	\$ 264,840	\$ 264,840	\$ 264,840
NET INCREASE/(DECREASE) IN NON-OPERATING FUNDS	\$29,224	\$24,610	\$16,016	\$13,340	\$5,046
NET INCREASE/(DECREASE) IN FUNDS	\$29,224	\$24,610	\$16,016	\$13,340	\$5,046
FUNDS AVAILABLE - END OF YEAR:	\$ 3,628,566	\$ 3,653,176	\$ 3,669,192	\$ 3,682,532	\$ 3,687,578
Major Repairs Contingency (\$200,000 Target)	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
CAPITAL REPLACEMENT RESERVES	3,278,566	3,303,176	3,319,192	3,332,532	3,337,578
Operating Funds (\$150,000 Target)	150,000	150,000	150,000	150,000	150,000
FUNDS AVAILABLE - END OF YEAR:	\$ 3,628,566	\$ 3,653,176	\$ 3,669,192	\$ 3,682,532	\$ 3,687,578

25 Year Rate Assumptions

Short-Term Interest Rate Projections	0.75%	0.85%	0.95%	1.05%	1.15%
Long-Term Interest Rate Projections	1.60%	1.65%	1.70%	1.75%	1.80%
General Expenses & Professional Fees Inflation Projections	3.00%	3.00%	3.00%	3.00%	3.00%
System Maintenance & Repairs Inflation Projections	3.00%	3.00%	3.00%	3.00%	3.00%

GRANT WATER & SANITATION DISTRICT

Twenty-Five Year Revenue and Expense Projections	Projected Year 2031	Projected Year 2032	Projected Year 2033	Projected Year 2034	Projected Year 2035
FUNDS AVAILABLE - BEGINNING OF YEAR:	\$ 3,687,578	\$ 3,704,283	\$ 3,712,575	\$ 3,720,128	\$ 3,724,489
OPERATING REVENUES					
Service Fees:					
Residential: Single Family & Multi-Family	410,479	422,803	431,582	448,338	457,882
Underdrain Fees	61,935	63,793	65,707	67,678	69,709
Commercial	168,626	173,687	177,665	184,198	188,490
Total Service Fees	641,040	660,284	674,954	700,214	716,081
Total Other Income	72,008	79,156	81,519	83,953	86,461
TOTAL OPERATING REVENUES	\$ 713,049	\$ 739,440	\$ 756,473	\$ 784,167	\$ 802,542
OPERATING EXPENDITURES					
General Expense, Insurance, Elections, Meetings, etc.	62,470	69,344	66,274	73,263	70,310
Professional Services:	281,569	290,016	298,716	307,678	316,908
Repairs & Maintenance - General	6,504	6,699	6,900	7,107	7,320
Sewer Lines - Commercial	101,777	104,831	107,976	111,215	114,551
Sewer Lines - Residential	198,793	204,757	210,900	217,226	223,743
Underdrains	61,935	63,793	65,707	67,678	69,709
TOTAL OPERATING EXPENDITURES	\$ 713,049	\$ 739,440	\$ 756,473	\$ 784,167	\$ 802,542
NET INCREASE/(DECREASE) IN OPERATING FUNDS	\$0	\$0	\$0	\$0	\$0
NON-OPERATING REVENUES					
CAPITAL REVENUES	\$ 268,038	\$ 259,626	\$ 257,887	\$ 245,695	\$ 240,978
NON-OPERATING EXPENDITURES					
Tap Admin & Inspections					
CAPITAL IMPROVEMENTS & REPLACEMENTS					
Capital Projects	201,334	201,334	201,334	201,334	201,334
Contingency	50,000	50,000	49,000	40,000	35,000
CAPITAL IMPROVEMENTS & REPLACEMENTS	\$ 251,334	\$ 251,334	\$ 250,334	\$ 241,334	\$ 236,334
NET INCREASE/(DECREASE) IN NON-OPERATING FUNDS	\$16,704	\$8,292	\$7,553	\$4,361	\$4,644
NET INCREASE/(DECREASE) IN FUNDS	\$16,704	\$8,292	\$7,553	\$4,361	\$4,644
FUNDS AVAILABLE - END OF YEAR:	\$ 3,704,283	\$ 3,712,575	\$ 3,720,128	\$ 3,724,489	\$ 3,729,133
Major Repairs Contingency (\$200,000 Target)	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
CAPITAL REPLACEMENT RESERVES	3,354,283	3,362,575	3,370,128	3,374,489	3,379,133
Operating Funds (\$150,000 Target)	150,000	150,000	150,000	150,000	150,000
\$ 3,704,283	\$ 3,712,575	\$ 3,720,128	\$ 3,724,489	\$ 3,729,133	

25 Year Rate Assumptions

Short-Term Interest Rate Projections	1.25%	1.35%	1.45%	1.55%	1.65%
Long-Term Interest Rate Projections	1.85%	1.90%	1.95%	2.00%	2.00%
General Expenses & Professional Fees Inflation Projections	3.00%	3.00%	3.00%	3.00%	3.00%
System Maintenance & Repairs Inflation Projections	3.00%	3.00%	3.00%	3.00%	3.00%

GRANT WATER & SANITATION DISTRICT

Twenty-Five Year Revenue and Expense Projections	Projected Year 2036	Projected Year 2037	Projected Year 2038	Projected Year 2039	Projected Year 2040
FUNDS AVAILABLE - BEGINNING OF YEAR:	\$ 3,729,133	\$ 3,735,589	\$ 3,752,187	\$ 3,767,039	\$ 3,777,332
OPERATING REVENUES					
Service Fees:					
Residential: Single Family & Multi-Family	471,627	481,869	496,332	507,315	522,541
Underdrain Fees	71,800	73,954	76,173	78,458	78,458
Commercial	194,147	198,738	204,702	209,610	215,900
Total Service Fees	737,574	754,561	777,208	795,383	816,899
Total Other Income	94,045	96,856	104,752	107,886	116,114
TOTAL OPERATING REVENUES	\$ 831,619	\$ 851,417	\$ 881,960	\$ 903,269	\$ 933,013
OPERATING EXPENDITURES					
General Expense, Insurance, Elections, Meetings, etc.	77,420	74,592	81,830	79,135	86,509
Professional Services:	326,415	336,208	346,294	356,683	367,383
Repairs & Maintenance - General	7,540	7,766	7,999	8,239	8,486
Sewer Lines - Commercial	117,988	121,528	125,173	128,929	132,796
Sewer Lines - Residential	230,456	237,369	244,490	251,825	259,380
Underdrains	71,800	73,954	76,173	78,458	78,458
TOTAL OPERATING EXPENDITURES	\$ 831,619	\$ 851,417	\$ 881,960	\$ 903,269	\$ 933,013
NET INCREASE/(DECREASE) IN OPERATING FUNDS	\$0	\$0	\$0	\$0	\$0
NON-OPERATING REVENUES					
CAPITAL REVENUES	\$ 231,148	\$ 229,290	\$ 219,544	\$ 214,985	\$ 209,780
NON-OPERATING EXPENDITURES					
Tap Admin & Inspections					
CAPITAL IMPROVEMENTS & REPLACEMENTS					
Capital Projects	204,692	204,692	204,692	204,692	204,692
Contingency	20,000	8,000	-	-	-
CAPITAL IMPROVEMENTS & REPLACEMENTS	\$ 224,692	\$ 212,692	\$ 204,692	\$ 204,692	\$ 204,692
NET INCREASE/(DECREASE) IN NON-OPERATING FUNDS	\$6,456	\$16,598	\$14,852	\$10,293	\$5,088
NET INCREASE/(DECREASE) IN FUNDS	\$6,456	\$16,598	\$14,852	\$10,293	\$5,088
FUNDS AVAILABLE - END OF YEAR:	\$ 3,735,589	\$ 3,752,187	\$ 3,767,039	\$ 3,777,332	\$ 3,782,420
Major Repairs Contingency (\$200,000 Target)	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
CAPITAL REPLACEMENT RESERVES	3,385,589	3,402,187	3,417,039	3,427,332	3,432,420
Operating Funds (\$150,000 Target)	150,000	150,000	150,000	150,000	150,000
\$ 3,735,589	\$ 3,752,187	\$ 3,767,039	\$ 3,777,332	\$ 3,782,420	

APPENDIX C

RECAP OF 25 YEAR CAPITAL IMPROVEMENTS PLAN COSTS

PHASES I-V

Phase I (2016 - 2020)				
Improvement	Quantity	Units	Anticipated Unit Cost	Anticipated Total Cost
Main Replacement	866	LF	\$ 400.00	\$ 346,400.00
Point Repair	10	EA	\$ 15,000.00	\$ 150,000.00
Manhole Lining	50	EA	\$ 4,000.00	\$ 200,000.00
Chanson Plaza Pump 1	1	EA	\$ 15,000.00	\$ 15,000.00
Chanson Plaza Motor VFD	2	EA	\$ 5,000.00	\$ 10,000.00
Chanson Plaza Valves	1	EA	\$ 8,000.00	\$ 8,000.00
NE Lift Station Valves	2	EA	\$ 8,000.00	\$ 16,000.00
Underdrain Remediation	1	EA	\$ 100,000.00	\$ 100,000.00
Phase I Total =				\$ 845,400.00
Phase I Total per Year =				\$ 169,080.00

Phase II (2021 - 2025)					Interest rate: 4%	
Improvement	Quantity	Units	Anticipated Unit Cost	Anticipated Total Cost	Round Unit Cost	Round Total Cost
Main Replacement	949	LF	\$ 488.40	\$ 463,490.31	\$ 490.00	\$ 465,010.00
Point Repair	10	EA	\$ 18,314.95	\$ 183,149.49	\$ 18,300.00	\$ 183,000.00
Manhole Lining	48	EA	\$ 4,883.99	\$ 234,431.35	\$ 4,900.00	\$ 235,200.00
Chanson Plaza Pump 2	1	EA	\$ 18,314.95	\$ 18,314.95	\$ 18,300.00	\$ 18,300.00
Phase II Total =				\$ 899,386.09		\$ 901,510.00
Phase II Total per Year =				\$ 179,877.22		\$ 180,302.00

Phase III (2026 - 2030)						
Improvement	Quantity	Units	Anticipated Unit Cost	Anticipated Total Cost	Round Unit Cost	Round Total Cost
Main Replacement	1,119	LF	\$ 596.33	\$ 667,296.71	\$ 600.00	\$ 671,400.00
Point Repair	10	EA	\$ 22,362.49	\$ 223,624.90	\$ 22,350.00	\$ 223,500.00
Manhole Lining	10	EA	\$ 5,963.33	\$ 59,633.31	\$ 6,000.00	\$ 60,000.00
NE Lift Station Generator	1	EA	\$ 59,633.31	\$ 59,633.31	\$ 59,650.00	\$ 59,650.00
Chanson Plaza Generator	1	EA	\$ 59,633.31	\$ 59,633.31	\$ 59,650.00	\$ 59,650.00
Phase III Total =				\$ 1,069,821.53		\$ 1,074,200.00
Phase III Total per Year =				\$ 213,964.31		\$ 214,840.00

Phase IV (2031 - 2035)						
Improvement	Quantity	Units	Anticipated Unit Cost	Anticipated Total Cost	Round Unit Cost	Round Total Cost
Main Replacement	749	LF	\$ 728.12	\$ 545,362.37	\$ 730.00	\$ 546,770.00
Point Repair	10	EA	\$ 27,304.52	\$ 273,045.24	\$ 27,300.00	\$ 273,000.00
Manhole Lining	10	EA	\$ 7,281.21	\$ 72,812.07	\$ 7,300.00	\$ 73,000.00
NE Lift Station Pump	2	EA	\$ 27,304.52	\$ 54,609.05	\$ 27,300.00	\$ 54,600.00
NE Lift Station Level Sensor	1	EA	\$ 16,018.65	\$ 16,018.65	\$ 16,000.00	\$ 16,000.00
Chanson Plaza Level Sensor	1	EA	\$ 16,018.65	\$ 16,018.65	\$ 16,000.00	\$ 16,000.00
Chanson Plaza Pump 1	1	EA	\$ 27,304.52	\$ 27,304.52	\$ 27,300.00	\$ 27,300.00
Phase IV Total =				\$ 1,005,170.56		\$ 1,006,670.00
Phase IV Total per Year =				\$ 201,034.11		\$ 201,334.00

Phase V (2036 - 2040)						
Improvement	Quantity	Units	Anticipated Unit Cost	Anticipated Total Cost	Round Unit Cost	Round Total Cost
Main Replacement	588	LF	\$ 889.03	\$ 522,751.31	\$ 890.00	\$ 523,320.00
Point Repair	10	EA	\$ 33,338.73	\$ 333,387.31	\$ 33,340.00	\$ 333,400.00
Manhole Lining	10	EA	\$ 8,890.33	\$ 88,903.28	\$ 8,900.00	\$ 89,000.00
NE Lift Station Motor VFD	2	EA	\$ 11,112.91	\$ 22,225.82	\$ 11,100.00	\$ 22,200.00
Chanson Plaza Pump 2	1	EA	\$ 33,338.73	\$ 33,338.73	\$ 33,340.00	\$ 33,340.00
Chanson Plaza Motor VFD	2	EA	\$ 11,112.91	\$ 22,225.82	\$ 11,100.00	\$ 22,200.00
Chanson Plaza Valves	1	EA	\$17,780.66	\$ 17,780.66	\$ 17,800.00	\$ 17,800.00
NE Lift Station Valves	2	EA	\$17,780.66	\$ 35,561.31	\$ 17,800.00	\$ 35,600.00
Phase V Total =				\$ 1,022,832.28		\$ 1,023,460.00
Phase V Total per Year =				\$ 204,566.46		\$ 204,692.00