

Presented to Board 10/4/06 E: Copy

# Defined Level of Service with Supporting Rate Assumptions

## Southeast Metro Stormwater Authority

	2004	2007	2008	2009	2010	2011	2012
<b>Inflation** (Calculated on #)</b>		1	2	3	4	5	6
<b>Employee Related Costs Inflation (Calculated on ##)</b>		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
<b>USES OF FUNDS</b>							
<b>Program Costs</b>							
Total Employee and Related for Programs (no maintenance)##		\$1,803,261	\$1,893,424	\$1,988,095	\$2,087,500	\$2,191,875	\$2,301,468
Total Building and Related		\$223,692	\$223,692	\$223,692	\$223,692	\$223,692	\$223,692
Total Services and Administration#		\$355,718	\$366,390	\$377,381	\$388,703	\$400,364	\$412,375
Total Loan Repayment		\$1,499,151	\$799,152	\$799,151	\$799,148	\$799,148	\$799,148
<b>Subtotal Program Costs</b>		<b>\$3,881,822</b>	<b>\$3,282,657</b>	<b>\$3,388,319</b>	<b>\$3,499,042</b>	<b>\$3,615,079</b>	<b>\$2,937,535</b>
<b>Maintenance Costs</b>							
Assumption: 25% Increase @ 5 Years, 50% Increase @ 10 Years							
Employee Related Maintenance Costs##		\$400,000	\$420,000	\$441,000	\$463,050	\$607,753	\$638,141
Total Field Operations for Maintenance##		\$740,865	\$777,908	\$816,804	\$857,644	\$1,125,658	\$1,181,940
<b>Subtotal Maintenance Costs</b>		<b>\$1,140,865</b>	<b>\$1,197,908</b>	<b>\$1,257,804</b>	<b>\$1,320,694</b>	<b>\$1,733,411</b>	<b>\$1,820,081</b>
<b>CIP Costs</b>							
High Priority CIP (10 Years)#	\$30,000,000	\$3,278,181	\$3,376,526	\$3,477,822	\$3,582,157	\$3,689,622	\$3,800,310
Other CIP (10 Years)	\$45,000,000						
First year CIP		\$3,000,000					
<b>Subtotal CIP Costs</b>		<b>\$6,278,181</b>	<b>\$3,376,526</b>	<b>\$3,477,822</b>	<b>\$3,582,157</b>	<b>\$3,689,622</b>	<b>\$3,800,310</b>
<b>TOTAL USES OF FUNDS</b>		<b>\$11,300,868</b>	<b>\$7,857,092</b>	<b>\$8,123,945</b>	<b>\$8,401,893</b>	<b>\$9,038,111</b>	<b>\$8,557,927</b>
<b>SOURCES OF FUNDS</b>							
Balance From Previous Year			\$1,384,232	\$718,765	\$17,194	-\$724,655	-\$1,065,009
User Fees* (Assume \$6.25 Per Month, 1.75% Annual Growth)		\$6,750,000	\$7,256,250	\$7,473,938	\$7,698,156	\$7,929,100	\$8,166,973
User Fee Automatic Inflation Adjustments	3%		\$217,688	\$224,218	\$230,945	\$237,873	\$245,009
User Fee Rate Increases every 5 years	10%					\$792,910	\$816,697
Less Credits Against User Fees (2%)		\$135,000	\$145,125	\$149,479	\$153,963	\$158,582	\$163,339
Less Delinquent Accounts (1%)		\$67,500	\$72,563	\$74,739	\$76,982	\$79,291	\$81,670
Urban Drainage District Matching Funds		\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Project Funds Previously Set Aside		\$2,232,600	\$0	\$0	\$0	\$0	\$0
Loan Proceeds		\$4,000,000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL SOURCES OF FUNDS</b>		<b>\$13,685,100</b>	<b>\$9,575,857</b>	<b>\$9,141,139</b>	<b>\$8,677,239</b>	<b>\$8,973,102</b>	<b>\$8,908,680</b>
<b>SOURCES LESS USES</b>							
CUMULATIVE RESERVE		\$2,384,232	\$1,718,765	\$1,017,194	\$275,345	-\$65,009	\$350,753
<b>BALANCE AT END OF YEAR</b>		<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
		<b>\$1,384,232</b>	<b>\$718,765</b>	<b>\$17,194</b>	<b>-\$724,655</b>	<b>-\$1,065,009</b>	<b>-\$649,247</b>

\* User Fees are plus or minus 10% and assume an average fee of \$6.25 per month for single family residential

\*\* Average Inflation for 2005 per the Consumer Price Index, Bureau of Labor Statistics

# Defined Level of Service with Supporting Rate Assumptions

## Southeast Metro Stormwater Authority

	2013	2014	2015	2016	2017	2018	2019
<b>Inflation** (Calculated on #)</b>	7	8	9	10	11	12	13
<b>Employee Related Costs Inflation (Calculated on ##)</b>	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
<b>USES OF FUNDS</b>							
<b>Program Costs</b>							
Total Employee and Related for Programs (no maintenance)##	\$2,416,542	\$2,537,369	\$2,664,237	\$2,797,449	\$2,937,322	\$3,084,188	\$3,238,397
Total Building and Related	\$223,692	\$223,692	\$223,692	\$223,692	\$223,692	\$223,692	\$223,692
Total Services and Administration#	\$424,746	\$437,488	\$450,613	\$464,131	\$478,055	\$492,397	\$507,169
Total Loan Repayment							
<b>Subtotal Program Costs</b>	<b>\$3,064,980</b>	<b>\$3,198,549</b>	<b>\$3,338,542</b>	<b>\$3,485,273</b>	<b>\$3,639,069</b>	<b>\$3,800,277</b>	<b>\$3,969,258</b>
<b>Maintenance Costs</b>							
Assumption: 25% Increase @ 5 Years, 50% Increase @ 10 Years							
Employee Related Maintenance Costs##	\$670,048	\$703,550	\$738,728	\$1,163,496	\$1,221,671	\$1,282,755	\$1,346,892
Total Field Operations for Maintenance##	\$1,241,037	\$1,303,089	\$1,368,244	\$2,154,984	\$2,262,733	\$2,375,870	\$2,494,663
<b>Subtotal Maintenance Costs</b>	<b>\$1,911,085</b>	<b>\$2,006,640</b>	<b>\$2,106,972</b>	<b>\$3,318,480</b>	<b>\$3,484,404</b>	<b>\$3,658,624</b>	<b>\$3,841,556</b>
<b>CIP Costs</b>							
High Priority CIP (10 Years)#	\$3,914,320	\$4,031,749	\$4,152,702	\$4,277,283	\$4,405,601	\$4,537,769	\$4,673,902
Other CIP (10 Years)							
First year CIP					\$4,405,601	\$4,537,769	\$4,673,902
<b>Subtotal CIP Costs</b>	<b>\$3,914,320</b>	<b>\$4,031,749</b>	<b>\$4,152,702</b>	<b>\$4,277,283</b>	<b>\$4,405,601</b>	<b>\$4,537,769</b>	<b>\$4,673,902</b>
<b>TOTAL USES OF FUNDS</b>	<b>\$8,890,385</b>	<b>\$9,236,938</b>	<b>\$9,598,216</b>	<b>\$11,081,035</b>	<b>\$11,529,074</b>	<b>\$11,996,670</b>	<b>\$12,484,716</b>
<b>SOURCES OF FUNDS</b>							
Balance From Previous Year	-\$649,247	-\$281,732	\$31,967	\$285,907	\$286,792	\$187,096	-\$22,315
User Fees* (Assume \$6.25 Per Month, 1.75% Annual Growth)	\$8,411,983	\$8,664,342	\$8,924,272	\$9,192,000	\$9,467,760	\$9,751,793	\$10,044,347
User Fee Automatic Inflation Adjustments	\$252,359	\$259,930	\$267,728	\$275,760	\$284,033	\$292,554	\$301,330
User Fee Rate Increases every 5 years	\$841,198	\$866,434	\$892,427	\$1,838,400	\$1,893,552	\$1,950,359	\$2,008,869
Less Credits Against User Fees (2%)	\$168,240	\$173,287	\$178,485	\$183,840	\$189,355	\$195,036	\$200,887
Less Delinquent Accounts (1%)	\$84,120	\$86,643	\$89,243	\$91,920	\$94,678	\$97,518	\$100,443
Urban Drainage District Matching Funds	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Project Funds Previously Set Aside	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loan Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$9,608,653</b>	<b>\$10,268,905</b>	<b>\$10,884,123</b>	<b>\$12,367,828</b>	<b>\$12,716,170</b>	<b>\$12,974,356</b>	<b>\$13,133,562</b>
<b>SOURCES LESS USES</b>							
CUMULATIVE RESERVE	\$718,268	\$1,031,967	\$1,285,907	\$1,286,792	\$1,187,096	\$977,685	\$648,847
BALANCE AT END OF YEAR	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
	-\$281,732	\$31,967	\$285,907	\$286,792	\$187,096	-\$22,315	-\$351,153

\* User Fees are plus or minus 10% and assume an average fee of \$6.25 per month for single family residential

\*\* Average Inflation for 2005 per the Consumer Price Index, Bureau of Labor Statistics

# Defined Level of Service with Supporting Rate Assumptions

## Southeast Metro Stormwater Authority

	2020	2021	2022	2023	2024	2025	2026
<b>Inflation** (Calculated on #)</b>	14	15	16	17	18	19	20
Employee Related Costs Inflation (Calculated on ##)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
<b>USES OF FUNDS</b>							
<b>Program Costs</b>							
Total Employee and Related for Programs (no maintenance)##	\$3,400,317	\$3,570,333	\$3,748,850	\$3,936,292	\$4,133,107	\$4,339,762	\$4,556,750
Total Building and Related	\$223,692	\$223,692	\$223,692	\$223,692	\$223,692	\$223,692	\$223,692
Total Services and Administration#	\$522,384	\$538,055	\$554,197	\$570,823	\$587,948	\$605,586	\$623,754
Total Loan Repayment							
<b>Subtotal Program Costs</b>	<b>\$4,146,393</b>	<b>\$4,332,080</b>	<b>\$4,526,739</b>	<b>\$4,730,807</b>	<b>\$4,944,746</b>	<b>\$5,169,040</b>	<b>\$5,404,196</b>
<b>Maintenance Costs</b>							
Assumption: 25% Increase @ 5 Years, 50% Increase @ 10 Years							
Employee Related Maintenance Costs##	\$1,414,237	\$1,484,949	\$1,559,196	\$1,637,156	\$1,719,014	\$1,804,964	\$1,895,213
Total Field Operations for Maintenance##	\$2,619,396	\$2,750,366	\$2,887,885	\$3,032,279	\$3,183,893	\$3,343,087	\$3,510,242
<b>Subtotal Maintenance Costs</b>	<b>\$4,033,633</b>	<b>\$4,235,315</b>	<b>\$4,447,081</b>	<b>\$4,669,435</b>	<b>\$4,902,907</b>	<b>\$5,148,052</b>	<b>\$5,405,454</b>
<b>CIP Costs</b>							
High Priority CIP (10 Years)#							
Other CIP (10 Years)	\$4,814,119	\$4,958,543	\$5,107,299	\$5,260,518	\$5,418,334	\$5,580,884	\$5,748,310
First year CIP							
<b>Subtotal CIP Costs</b>	<b>\$4,814,119</b>	<b>\$4,958,543</b>	<b>\$5,107,299</b>	<b>\$5,260,518</b>	<b>\$5,418,334</b>	<b>\$5,580,884</b>	<b>\$5,748,310</b>
<b>TOTAL USES OF FUNDS</b>	<b>\$12,994,146</b>	<b>\$13,525,938</b>	<b>\$14,081,119</b>	<b>\$14,660,760</b>	<b>\$15,265,987</b>	<b>\$15,897,976</b>	<b>\$16,557,961</b>
<b>SOURCES OF FUNDS</b>							
Balance From Previous Year	-\$351,153	-\$809,746	-\$343,459	\$2,414	\$216,455	\$286,514	\$199,665
User Fees* (Assume \$6.25 Per Month, 1.75% Annual Growth)	\$10,345,677	\$10,656,048	\$10,975,729	\$11,305,001	\$11,644,151	\$11,993,476	\$12,353,280
User Fee Automatic Inflation Adjustments	\$310,370	\$319,681	\$329,272	\$339,150	\$349,325	\$359,804	\$370,598
User Fee Rate Increases every 5 years	\$2,069,135	\$3,196,814	\$3,292,719	\$3,391,500	\$3,493,245	\$3,598,043	\$3,705,984
Less Credits Against User Fees (2%)	\$206,914	\$213,121	\$219,515	\$226,100	\$232,883	\$239,870	\$247,066
Less Delinquent Accounts (1%)	\$103,457	\$106,560	\$109,757	\$113,050	\$116,442	\$119,935	\$123,533
Urban Drainage District Matching Funds	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Project Funds Previously Set Aside	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loan Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$13,184,400</b>	<b>\$14,182,479</b>	<b>\$15,083,533</b>	<b>\$15,877,215</b>	<b>\$16,552,501</b>	<b>\$17,097,641</b>	<b>\$17,500,126</b>
<b>SOURCES LESS USES</b>							
CUMULATIVE RESERVE	\$190,254	\$656,541	\$1,002,414	\$1,216,455	\$1,286,514	\$1,199,665	\$942,165
<b>BALANCE AT END OF YEAR</b>	<b>-\$809,746</b>	<b>-\$343,459</b>	<b>\$2,414</b>	<b>\$216,455</b>	<b>\$286,514</b>	<b>\$199,665</b>	<b>-\$57,835</b>

\* User Fees are plus or minus 10% and assume an average fee of \$6.25 per month for single family residential

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