Date: Monday, June 13, 2011

To: Honorable Mayor and City Council

FROM: Lorie Race, Chief Finance Officer

Presentation of the five year forecasting model.

Attachments.

City of Twin Falls

Water Fund Cash Flow Projection

As of3/31/2011

50.00%

	Annual Growth	9/30/2011 Budgeted	9/30/2011 Projected	9/30/2012 Projected	9/30/2013 Projected	9/30/2014 Projected	9/30/2015 Projected	9/30/2016 Projected
Beginning cash reserve		6,160,817	6,160,817	6,442,657	6,736,544	7,077,638	7,703,259	8,059,835
Revenues								
Water revenue	1.4%	5,790,201	5,591,171	5,865,138	6,093,878	6,331,540	6,578,470	6,835,030
Flat rate-Arsenic compliance		1,958,625	$ 2,052,000	$ 2,052,000	$ 2,052,000	$ 2,052,000	$ 2,052,000	$ 2,052,000
Tap fees	0.0%	127,100	47,133	48,783	50,002	51,252	52,534	53,847
Irrigation revenue	0.0%	457,160	449,607	465,343	476,977	488,901	501,123	513,652
Development fees	0.0%	-	-	-	-	-	-	-
Investment income	0.6%	75,000	75,000	75,450	75,903	76,358	76,816	115,000
Other	0.0%	159,487	154,357	154,357	154,357	154,357	154,357	154,357
Contributed assets								
Transfers	5.0%	247,072	247,072	259,426	272,397	286,017	300,318	315,333
Reserves								
Transfers from Rate Stabilization Account		-	-	-	-	-	-	-
Total revenues		**8,814,645**	**8,616,340**	**8,920,497**	**9,175,514**	**9,440,425**	**9,715,618**	**10,039,219**
Change from prior year		21.6%	-2.2%	3.5%	2.9%	2.9%	2.9%	3.3%
			$ (198,305)					
			$ (291,680)					
Water Supply		**2011 Budget**	***2011 Est.***					
Personnel Costs		$ 284,559	$ 254,800	$ 264,252	$ 275,137	$ 286,869	$ 299,324	$ 315,180
Operating and Maintenance Costs	5.0%	$ 1,235,498	$ 1,235,498	$ 1,319,273	$ 1,409,237	$ 1,505,698	$ 1,608,983	$ 1,689,432
Capital		$ 569,224	$ 265,760	$ 205,000	$ 35,000	$ -	$ 237,500	$ 37,500
Debt Service		$ 2,887,900	$ 2,887,900	$ 2,934,878	$ 2,934,878	$ 2,934,878	$ 2,934,878	$ 2,934,878
Totals		$ 4,977,181	$ 4,643,958	$ 4,723,403	$ 4,654,251	$ 4,727,446	$ 5,080,685	$ 4,976,990
			-6.70%	1.71%	-1.46%	1.57%	7.47%	-2.04%
PI			$ (333,223)					
Operating and Maintenance Costs	3.0%	$ 130,755	$ 130,755	$ 120,000	$ 122,000	$ 125,000	$ 130,000	$ 133,900
Capital		$ 5,000	$ 5,000	$ 100,000	$ 22,000	$ 25,000	$ 30,000	$ 35,000
Totals		$ 135,755	$ 135,755	$ 220,000	$ 144,000	$ 150,000	$ 160,000	$ 168,900
			0.00%	62.06%	-34.55%	4.17%	6.67%	5.56%
Water Distribution								
Personnel Costs		$ 1,067,578	$ 965,000	$ 999,811	$ 1,038,965	$ 1,081,088	$ 1,125,655	$ 1,182,179
Operating and Maintenance Costs	5.0%	$ 681,672	$ 681,672	$ 740,756	$ 751,543	$ 789,121	$ 828,577	$ 870,005
Capital		$ 684,250	$ 684,250	$ 658,500	$ 899,000	$ 654,500	$ 668,000	$ 696,000
Totals		$ 2,433,500	$ 2,330,922	$ 2,399,067	$ 2,689,508	$ 2,524,708	$ 2,622,231	$ 2,748,185
			-4.22%	2.92%	12.11%	-6.13%	3.86%	4.80%
Utility Billing			$ (102,578)					
Personnel Costs		$ 290,118	$ 245,773	$ 256,144	$ 267,316	$ 279,387	$ 292,250	$ 308,732
Operating and Maintenance Costs	5.0%	$ 186,009	$ 186,009	$ 195,309	$ 205,075	$ 215,329	$ 226,095	$ 237,400
Capital		$ -	$ -	$ 1,000	$ 1,000	$ 1,000	$ 15,000	$ 5,000
Totals		$ 476,127	$ 431,782	$ 452,453	$ 473,391	$ 495,716	$ 533,345	$ 551,132
			-9.31%	4.79%	4.63%	4.72%	7.59%	3.33%
Transfers	5.0%	$ 792,082	$ 792,082	$ 831,686	$ 873,270	$ 916,934	$ 962,781	$ 1,010,920
Totals Expenditures		**$ 8,814,645**	**$ 8,334,500**	**$ 8,626,609**	**$ 8,834,421**	**$ 8,814,804**	**$ 9,359,042**	**$ 9,456,126**
			-5.45%	3.50%	2.41%	-0.22%	6.17%	1.04%
Total Revenues less Expenditures		-	**281,840**	**293,888**	**341,093**	**625,621**	**356,576**	**583,093**
Ending Cash Reserves		6,160,817	6,442,657	6,736,544	7,077,638	7,703,259	8,059,835	8,642,928
Rate increases applied to revenue numbers		2.50%	2.50%	3.50%	2.50%	2.50%	2.50%	2.50%
	Target reserve #--Represents 25% cc		485,000	392,000	392,000	392,000	392,000	392,000

City of Twin Falls
Wastewater Fund Cash Flow Projection
6/2/2011 13:52

Baseline

	Annual Growth	9/30/2011 Budget	As of 3-31-11 9/30/2011 Projected	9/30/2012 Projected	10/1/2013 Projected	10/1/2014 Projected	10/1/2015 Projected	9/30/2016 Projected
Beginning cash reserve		1,148,056	*1,148,056*	895,305	835,588	656,501	840,126	937,238
Revenues								
Residential & commercial	*1.4%*	4,117,169	*4,013,844*	4,351,007	4,629,472	4,879,463	5,081,961	5,153,108
Industrial	0.0%	1,741,680	*1,483,706*	1,587,566	1,666,944	1,733,622	1,781,296	1,830,282
Municipal	0.0%	138,274	*107,244*	114,751	120,488	125,308	128,754	132,295
Capacity fees	0.0%	259,337	*120,959*	129,426	135,897	141,333	145,220	149,214
Development fees	0.0%	-	-	-	-	-	-	-
Investment income	0.60%	52,312	*20,000*	20,120	20,241	20,362	20,484	20,607
Other		43,251	*43,425*	43,250	43,250	43,250	43,250	43,250
Flat Fee for WWTP/NPDES Permit Compliance		-	-	-	**693,750**	**693,750**	**693,750**	**693,750**
Grants	0.0%	-	*18,795*	-	-	-	-	-
Reserves		-	-	-	-	-	-	-
Total revenues		6,352,023	*5,807,974*	6,246,120	7,310,042	7,637,088	7,894,715	8,022,506
Change from prior year			*-8.6%*	*7.5%*	*17.0%*	*4.5%*	*3.4%*	*1.6%*
WWC-Expenditures			$ (544,049)					
Personnel Costs		481,314	489,000	518,255	535,692	556,495	578,469	597,535
Operating and Maintenance Costs	5.0%	214,810	*214,810*	225,551	236,828	248,669	261,103	274,158
Capital		778,500	*778,500*	766,000	1,104,125	1,277,906	1,132,377	822,570
Totals		1,474,624	*1,482,310*	1,509,805	1,876,645	2,083,071	1,971,949	1,694,263
				1.9%	24.3%	11.0%	-5.3%	-14.1%
WWT-Expenditures								
Operating and Maintenance Costs	5.0%	2,847,579	*2,847,579*	2,989,958	3,139,456	3,296,429	3,461,250	3,634,313
Operations/Contract Services		75,000	*10,500*	-	75,000	-	-	-
Wetlands-cleaning/surveying/monitoring	3.5%	-	-	*25,000*	*25,875*	*26,781*	*27,718*	*28,688*
Capital		147,750	*241,750*	*251,000*	*259,785*	*268,877*	*528,288*	*308,028*
Debt Service		1,261,671	*984,171*	984,171	1,539,171	1,176,448	1,176,448	1,176,448
Totals		4,332,000	*4,084,000*	4,250,129	5,039,287	4,768,535	5,193,704	5,147,477
				4.1%	18.6%	-5.4%	8.9%	-0.9%
Transfers	5.0%	519,907	*519,907*	545,902	573,197	601,857	631,950	663,548
				5.0%	5.0%	5.0%	5.0%	5.0%
Total Expenditures		6,326,531	*6,086,217*	6,305,836	7,489,129	7,453,463	7,797,603	7,505,288
				3.6%	18.8%	-0.5%	4.6%	-3.7%
Total Revenues over Expenditures		**25,492**	**(278,243)**	**(59,717)**	**(179,087)**	**183,625**	**97,112**	**517,218**
				-	138,750	138,750	138,750	138,750
Beginning fund balance		1,148,056	1,173,548	895,305	835,588	656,501	840,126	937,238
Ending fund balance		1,173,548	895,305	835,588	656,501	840,126	937,238	1,454,456
			3.500%	*7.00%*	*5.000%*	*4.00%*	*2.75%*	*2.75%*