

RESOLUTION 16-2019

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF BENSON, ARIZONA, ADOPTING NEW WATER AND WASTEWATER RATES

WHEREAS, the Code of the City of Benson requires that its water and wastewater rates generate sufficient revenue to equal the cost of providing water and wastewater services to its customers and the water and wastewater rates currently in effect are being evaluated to determine if the current rates and rate structure are sufficient to satisfy the requirement of generating sufficient revenue to equal the cost of providing said water and wastewater services;

WHEREAS, in accordance with A.R.S. §9-511.01, the City of Benson prepared a written report supplying data supporting the proposed water and wastewater rates modifications, said report being entitled the "City of Benson, Arizona 2019 Water and Sewer Financial Planning Study" dated April, 2019;

WHEREAS, in accordance with A.R.S. § 9-511.01, the City adopted Resolution 6-2019 as a Notice of Intention to modify its water and wastewater utility rates and published in a newspaper of general circulation a notice of the hearing at which the proposed rate modification would be discussed; and

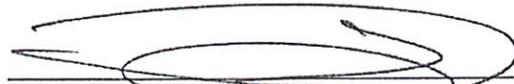
WHEREAS, on May 28, 2019, the Mayor and Council held a public hearing at which the proposed water and wastewater rates were discussed.

NOW, THEREFORE BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL as follows:

1. Effective the first billing cycle after July 1, 2019, adopting the increased 2019 rates for providing water and wastewater service based on the rate sheet attached as Exhibit B.
2. Effective the first billing cycle after July 1st of each year beginning in 2020, through and including 2023, adopting the increased rates for providing water and wastewater service based on the rate sheet attached as Exhibit B as listed under each calendar year.

BE IT FURTHER RESOLVED that the City's officers and staff are authorized to take all steps necessary and proper to implement the Agreement and carry out its intents and purposes.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE CITY OF BENSON, ARIZONA, this 28th day of May, 2019.


TONEY D. KING, SR., Mayor

ATTEST:


VICKI L. VIVIAN, CMC, City Clerk

APPROVED AS TO FORM:


MESCH CLARK ROTHSCHILD
By Gary J. Cohen
City's Attorney

City of Benson

Newly Adopted Water Utility Rates

Residential Water 5/8" x 3/4"	Existing 2018	New 2019	New 2020	New 2021	New 2022	New 2023
1-5 Units	\$ 1.21	\$ 1.39	\$ 1.53	\$ 1.68	\$ 1.73	\$ 1.79
6-10 Units	\$ 1.82	\$ 2.09	\$ 2.30	\$ 2.53	\$ 2.61	\$ 2.69
11-30 Units	\$ 3.03	\$ 3.48	\$ 3.83	\$ 4.22	\$ 4.34	\$ 4.47
>30 Units	\$ 4.24	\$ 4.88	\$ 5.36	\$ 5.90	\$ 6.08	\$ 6.26
Base Fee	\$ 8.00	\$ 9.20	\$ 10.12	\$ 11.13	\$ 11.47	\$ 11.81

Residential Water 1"	Existing 2018	New 2019	New 2020	New 2021	New 2022	New 2023
1-5 Units	\$ 1.21	\$ 1.39	\$ 1.53	\$ 1.68	\$ 1.73	\$ 1.79
6-10 Units	\$ 1.82	\$ 2.09	\$ 2.30	\$ 2.53	\$ 2.61	\$ 2.69
11-30 Units	\$ 3.03	\$ 3.48	\$ 3.83	\$ 4.22	\$ 4.34	\$ 4.47
>30 Units	\$ 4.24	\$ 4.88	\$ 5.36	\$ 5.90	\$ 6.08	\$ 6.26
Base Fee	\$ 20.00	\$ 23.00	\$ 25.30	\$ 27.83	\$ 28.66	\$ 29.52

Residential Water 2"	Existing 2018	New 2019	New 2020	New 2021	New 2022	New 2023
1-5 Units	\$ 1.21	\$ 1.39	\$ 1.53	\$ 1.68	\$ 1.73	\$ 1.79
6-10 Units	\$ 1.82	\$ 2.09	\$ 2.30	\$ 2.53	\$ 2.61	\$ 2.69
11-30 Units	\$ 3.03	\$ 3.48	\$ 3.83	\$ 4.22	\$ 4.34	\$ 4.47
>30 Units	\$ 4.24	\$ 4.88	\$ 5.36	\$ 5.90	\$ 6.08	\$ 6.26
Base Fee	\$ 64.00	\$ 73.60	\$ 80.96	\$ 89.06	\$ 91.73	\$ 94.48

Commercial Water 5/8" x 3/4"	Existing 2018	New 2019	New 2020	New 2021	New 2022	New 2023
Fixed Unit Fee	\$ 1.97	\$ 2.27	\$ 2.49	\$ 2.74	\$ 2.82	\$ 2.91
Base Fee	\$ 8.00	\$ 9.20	\$ 10.12	\$ 11.13	\$ 11.47	\$ 11.81

Commercial Water 1"	Existing 2018	New 2019	New 2020	New 2021	New 2022	New 2023
Fixed Unit Fee	\$ 1.97	\$ 2.27	\$ 2.49	\$ 2.74	\$ 2.82	\$ 2.91
Base Fee	\$ 20.00	\$ 23.00	\$ 25.30	\$ 27.83	\$ 28.66	\$ 29.52

Commercial Water 1.5"	Existing 2018	New 2019	New 2020	New 2021	New 2022	New 2023
Fixed Unit Fee	\$ 1.97	\$ 2.27	\$ 2.49	\$ 2.74	\$ 2.82	\$ 2.91
Base Fee	\$ 20.00	\$ 23.00	\$ 25.30	\$ 27.83	\$ 28.66	\$ 29.52

Fixed Unit Fee	\$ 1.97	\$ 2.27	\$ 2.49	\$ 2.74	\$ 2.82	\$ 2.91
Base Fee	\$ 40.00	\$ 46.00	\$ 50.60	\$ 55.66	\$ 57.33	\$ 59.05

Commercial Water 2"	Existing	New	New	New	New	New
	2018	2019	2020	2021	2022	2023
Fixed Unit Fee	\$ 1.97	\$ 2.27	\$ 2.49	\$ 2.74	\$ 2.82	\$ 2.91
Base Fee	\$ 64.00	\$ 73.60	\$ 80.96	\$ 89.06	\$ 91.73	\$ 94.48

Commercial Water 3"	Existing	New	New	New	New	New
	2018	2019	2020	2021	2022	2023
Fixed Unit Fee	\$ 2.64	\$ 3.04	\$ 3.34	\$ 3.67	\$ 3.78	\$ 3.90
Base Fee	\$ 120.00	\$ 138.00	\$ 151.80	\$ 166.98	\$ 171.99	\$ 177.15

Hydrant Meter	Existing	New	New	New	New	New
	2018	2019	2020	2021	2022	2023
Fixed Unit Fee	\$ 4.81	\$ 5.53	\$ 6.08	\$ 6.69	\$ 6.89	\$ 7.10
Base Fee	\$ 29.00	\$ 33.35	\$ 36.69	\$ 40.35	\$ 41.56	\$ 42.81

Commercial Water 4"/6"	Existing	New	New	New	New	New
	2018	2019	2020	2021	2022	2023
Fixed Unit Fee	\$ 2.64	\$ 3.04	\$ 3.34	\$ 3.67	\$ 3.78	\$ 3.90
Base Fee	\$ 200.00	\$ 230.00	\$ 253.00	\$ 278.30	\$ 286.65	\$ 295.25

Newly Adopted Wastewater Utility Rate

5 Year Plan

Wastewater Fee	Existing	New	New	New	New	New
	2018	2019	2020	2021	2022	2023
Base Fee 5/8" x 3/4" Waterline	\$ 14.04	\$ 24.57	\$ 24.57	\$ 24.57	\$ 24.57	\$ 24.57
Base Fee 1" Waterline	\$ 27.71	\$ 48.49	\$ 48.49	\$ 48.49	\$ 48.49	\$ 48.49
Base Fee 1 1/2" Waterline	\$ 46.10	\$ 80.68	\$ 80.68	\$ 80.68	\$ 80.68	\$ 80.68
Base Fee 2" Waterline	\$ 64.61	\$ 113.07	\$ 113.07	\$ 113.07	\$ 113.07	\$ 113.07
Base Fee 4" Waterline	\$ 166.01	\$ 290.52	\$ 290.52	\$ 290.52	\$ 290.52	\$ 290.52
Base Fee 6" Waterline	\$ 249.87	\$ 437.27	\$ 437.27	\$ 437.27	\$ 437.27	\$ 437.27
Charge Per Unit Average Water Use Dec-Feb	\$ 2.18	\$ 3.82	\$ 3.82	\$ 3.82	\$ 3.82	\$ 3.82
Accommodation Charge (Business Hours)	\$30	\$30	\$30	\$30	\$30	\$30
Accommodation Charge (After Hours)	\$60	\$60	\$60	\$60	\$60	\$60

City of Benson, Arizona



2019

Water and Sewer Financial Planning Study



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Section 1 – Executive Summary

The City of Benson (City) provides water and sewer service to approximately 2,463 households. The City's water and sewer enterprise funds are self-supporting and funds the operations and maintenance (O&M), repair and replacement and expansion of the water and sewer systems. User rate revenue is the primary revenue stream for both the operations of both utilities and provides a stable revenue source. The main objective of the study was to develop five-year financial plans that promoted the self-sustainability of the water and sewer utilities, including recommended revenue adjustments.

1.1 Study Overview

The City contracted with Willdan Financial Services (“Willdan”), to complete a water and sewer financial plan which was comprised of the following objectives:

- **Five-Year Financial Plan:** Identify the revenues required by each utility to meet the respective annual costs of operation and system expansion.
- **Financial Models:** Develop and provide the City with financial models reflecting projected revenues and expenditures that City staff can use as a tool to track the financial health of the utilities in the future.

1.2 Financial Plans

The five-year water and financial plans were developed based on projected revenues and expenditures, system growth and recent consumption and discharge trends. The projections reflect the best available information and assessments developed and refined through numerous meetings between Willdan and City staff.

1.3 Cash Reserve Targets

Through the study process Willdan worked with City staff to identify and recommended financially prudent cash reserve targets for each utility to help ensure the financial viability of the water and sewer enterprise funds. The cash reserve targets include:

- **Operating Reserve:** Cash reserve equivalent to 90 days of annual operations and maintenance expenses.

1.4 Findings and Recommendations

The analysis indicated that revenue increases are needed for both the water and sewer utilities in order to fund ongoing expenditures. While this study is intended to be comprehensive from a financial standpoint, it

is based on the best available information today and future events will change the current outlook. It is, therefore recommended that the City update the revenue sufficiency analysis each year to ensure projected revenue is sufficient to fund projected expenses going forward as assumptions made during this analysis may change and have a material impact upon the analysis. As customer usage and discharge patterns change or the composition of the City's customer base changes considerably, the City should conduct an in-depth cost of service analysis to ensure appropriate allocation of costs to customer classes.

Section 2 - Introduction

1.1 Introduction

Willdan Financial Services (“Willdan”) was retained by the City of Benson, Arizona (“City”) to conduct a Water and Sewer Financial Sufficiency or Financial Plan (Financial Plan) for the City’s water and sewer utilities (“Utilities”). This report details the results of the financial analysis for the forecast period, budgeted fiscal year (FY) 2018-19 and projected FY 2019-20 through FY 2023-24, the results of which are presented in this Financial Plan Report.

The results of the Financial Plans presented herein are designed to provide revenues sufficient to fund the ongoing operating and capital costs necessary to operate the City’s water and sewer utilities, while striving to meet the financial requirements and goals set forth by the City’s for the water and sewer enterprise funds.

Based on discussion with City staff, this report presents the recommended financial plans and adjustments to meet the City’s objectives.

1.2 Goal and Objectives

The primary goal of the Financial Plan was to develop a financial strategy that identify the adequacy of the current revenue streams to meet its ongoing costs (operations & maintenance and capital), and to maintain industry standard financially prudent cash reserves for the utilities. More specifically the Financial Plan was undertaken to:

- Conduct the analysis in accordance with industry standards consistent with American Water Works (“AWWA”) and Water Environment Federation (“WEF”) guidelines; and
- Develop financial plans consistent with industry standards and best practices while recognizing the needs specific to the City.

1.3 Overview of the Rate Study Process

This financial plan process consists of one primary study component. A determination of the adequacy of system revenues to meet system expenses during the study forecast period must be made. The results of this analysis, known as the Revenue Sufficiency Analysis, is an assessment of the ability of the existing revenue stream to meet the projected financial requirements of the system during the forecast period and, to the extent required, the identification of the magnitude and timing of any required rate adjustments.

1.4 Organization of this Report

This financial plan presents an overview of the financial planning concepts employed in the development of the analysis contained herein. The analysis is followed by a discussion of the data, assumptions and results associated with each component of the analysis. Finally, appendices with detailed schedules are presented for further investigation into the data, assumptions and calculations which drive the results presented in this Financial Plan. The report is organized as follows:

- Section 1 - Introduction
- Section 2 – Overview of Financial Plan Principles, Processes and Issues
- Section 3 – Rate Study Development and Results
- Section 4 – Conclusions and Recommendations
- Appendix A –Water Financial Plan (debt financing)
- Appendix B –Water Financial Plan (cash funded capital)
- Appendix C –Sewer Financial Plan (debt financing)
- Appendix D – Sewer Financial Plan (cash funded capital)

1.5. Reliance on Data

During this project the City (and/or its representatives) provided Willdan with a variety of technical information, including capital cost and demographic data. This data was used by Willdan in the process of developing the financial plans. Willdan did not independently assess or test for the accuracy of such data historic or projected but worked with City staff to better understand the data and believe it to be the best available information at the time of the study.

1.6. Acknowledgements

We wish to extend our appreciation to the City and its staff for their cooperation during the progress of this study. In particular, we would like to thank Mr. Seth Judd, Finance Director, Mr. Brad Hamilton, PE Public Works Director/City Engineer and Ms. Vicki Vivian, City Manager.

Section 2 – Overview of Financial Planning Principles, Processes and Issues

2.1 Introduction

The scope of this study included the development of water and sewer financial plans for the FY 2018-19 budget and planning period FY 2019-20 through FY 2023-24.

The Rate Study utilized generally accepted financial principles established by the American Water Works Association (AWWA) in its “M1 Principles of Water Rates Fees and Charges” manual and by the Water Environment Federation (WEF) in its “Financing and Charges for Sewer Systems, Manual of Practice No. 27 (2004)”. The principles used resulted in the development of financial plans which are projected to generate sufficient revenue to meet the financial operations and maintenance and debt service requirements of the water and sewer utilities.

2.2 The Revenue Sufficiency Process

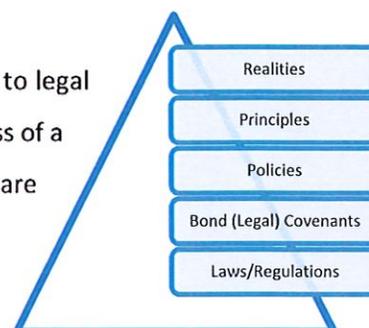
In order to identify if existing rates and charges which will generate sufficient revenue to meet the fiscal requirements of the water and sewer utilities, a determination of the annual rate revenue required must be completed. The first step in the process is the Revenue Sufficiency Analysis. The Revenue Sufficiency Analysis compares the forecasted revenues of the utility under its existing rates to its forecasted operations and maintenance, capital, and reserve costs to determine the adequacy of the existing rates to recover the utility’s costs.

The process employed in the Revenue Sufficiency Analysis involves a rigorous review of operating, maintenance and capital budgets for the utility, and results in the identification of revenue requirements of the system, such as operating expenses, capital expenses (minor and major), debt service expense (including a provision for debt service coverage if there is outstanding debt), transfers in and out, and the maintenance of both restricted and unrestricted reserves at appropriate levels. These revenue requirements are then compared to the total sources of funds available during each year of the forecast period to determine the adequacy of projected revenues to meet projected revenue requirements. To the extent that the existing revenue stream is projected to be insufficient to meet the annual revenue requirements of the system during the projection period, a series of rate revenue increases are calculated which would be required to provide revenue sufficient to meet those needs.

2.3.1 Determination of the Revenue Requirements

Considerations in Setting Revenue Requirements

There are a multitude of considerations, ranging from financial to political to legal that must be analyzed or discussed during the revenue requirements process of a rate analysis. This section provides an overview of the considerations that are reviewed during this process.



Capital Budgeting and Financing

Capital needs are defined by the City's water and sewer capital improvement plan (CIP). As part of its budget and planning process, the City identifies capital improvements that are necessary for the continued delivery of clean, safe, drinking water, and collection and treatment of sewer flows. The CIP is funded by a variety of sources including system depreciation, water or sewer rates and capital reserves.

Capital Funding: Debt vs. PAYGO

The selection of the most appropriate funding strategy for capital projects is primarily a policy decision between use of cash ("Pay-as-you-go financing" or PAYGO), the issuance of debt, or a combination. PAYGO is the use or build-up of cash to fund capital improvements. With debt financing, capital improvements are funded with borrowed funds (usually through the issuance of bonds) with the obligation of repayment, typically with interest, in future years. Development of an optimal capital financial plan depends on the definition of optimal. Each funding mechanism has a different impact on water and sewer rates in the short and long run, different net present values, risks, and legal obligations. Due to the borrowing costs associated with debt, cash funding can be cheaper in the end; however, debt typically ensures greater generational equity for larger and longer lasting capital projects.

The City, as is typical for a public utility, operates its water and sewer utilities on a "cash basis". Under the "cash basis" approach, revenues and expenses are recognized at the time physical cash is received or paid out. Revenue requirements are determined for a specified period of time (in the case of the City a July 1 through June 30 fiscal year), by summing the total anticipated expenses to be paid out during the fiscal year. Where cash flows and balances are insufficient, the revenue requirements analysis recommends the needed additional cash flows to meet all funding goals. The two primary categories of expenses are as follows:

- Operations and Maintenance (O&M) expenses, such as salaries and benefits of utility personnel, transfers out, existing and reserves; and

- Capital expenses, such as the annual capital improvement program, including waterline replacements and sewer treatment plant related projects.

Financial Planning

In the development of the revenue requirements, certain parameters are utilized to project future expenditures, growth in customers and consumption, and necessary revenue adjustments. The City’s budget documents are used as the baseline, which are then projected over a planning horizon to account for fluctuations in costs from year to year. Growth assumptions and prudent financial planning are fundamental in ensuring adequate rate revenue to promote financial stability.

2.4 Financial Management Goals of the City

The establishment of specific financial management goals of a utility is a key step in developing financial plans which will ensure the financial health of the utility remains strong. The financial management goals of the City are described below.

2.4.1 Cash Reserve Targets

In order to maintain financially stable and sustainable utilities, the City has identified several reserve targets for each utility that it strives to maintain. The reserve targets are identified in Table 2-1.

Table 2-1 Reserve Targets		
Reserve	Purpose	Minimum Balance
Operating Reserve	Manage timing differences between revenue receipt and expense payments	90 days of O&M

While it is not essential that the City meet operating reserves (water and sewer) on annual basis (it is not a legal requirement), prudent financial planning suggests that the City should strive to maintain its operating reserves and should not dip below these reserves on a continuous basis.

2.4.2 Debt Service Coverage

While the City does not currently have any outstanding debt, there is a proposed financial plan option for both water and sewer that anticipates the issuance of debt during the first 3 years of the study period for to fund capital improvements until new development occurs. The new debt is assumed to require a coverage ratio of 1.20 times. In other words, the utility must generate \$1.20 for every \$1.00 of debt service on an annual basis. The financial plans that have been developed meet this requirement.

Section 3 – Rate Study Development and Results

3.1 Revenue Sufficiency Analysis

3.1.1 General Methodology

In order to identify rates and charges which generate sufficient revenue to meet the fiscal requirements of the City, a determination of the annual revenue from rates which, combined with other sources of funds, will provide sufficient funds to meet those fiscal requirements must first be completed. This process is typically referred to as a Revenue Sufficiency Analysis.

The process employed in the Revenue Sufficiency Analysis resulted in the identification of revenue requirements of the system, such as operating expenses, capital expenses (minor and major), transfers out and the maintenance of both restricted and unrestricted reserves at appropriate levels. These revenue requirements were then compared to the total sources of funds during each year of the forecast period to determine the adequacy of projected revenues to meet requirements. To the extent that the existing revenue stream is not sufficient to meet the annual revenue requirements of the system, a series of rate revenue increases are calculated to provide revenue sufficient to meet those needs.

3.1.2 Data Items

Key data items reviewed, discussed and incorporated into the Revenue Sufficiency Analysis were:

- Financial management goals of the City
- FY 2017-18 Fund Balances
- FY 2018-19 Adopted Budgets
- Capital Improvement Needs
- General assumptions related to:
 - Customer growth
 - Cost escalation factors
 - Prior Interfund loans

A discussion of the use of each of the above data items is presented below.

3.1.3 FY 2017-18 Fund Balance

To better understand what funds the City had on hand to start the forecast period, a detailed review of fund balances of the FY 2017-18 end-of-year fund balances was conducted and discussed with City staff. A summary of the fund balances associated with the water and sewer utility enterprise funds for the beginning of FY 2018-19, as adjusted for use in this analysis, is presented in Table 3-2 below.

Table 3-2 Beginning Fund Balance Fiscal Year Ending June 30, 2018		
Description	Water	Sewer
Fund Balance	(\$3,483)	(\$22,606)

3.1.4 FY 2018-19 Budgets

Staff provided Willdan with the FY 2018-19 Adopted Budgets, and associated line-item detail, as the basis for the projection of financial performance. The line-item projected expenses for FY 2018-19 were used as the basis for the projection of future budgetary line-items for the remainder of the forecast period.

Cost escalation factors were reviewed by staff and were used to project line-item costs beyond the FY 2018-19 budget. Those factors were applied based on line-item cost classifications.

A summary of the FY 2018-19 budget, and subsequent projected budgetary expenses is presented below in Table 3-3. A more detailed presentation of the line-item budgeted and projected revenues and expenses is presented in Schedules A-3 through A-4, B-3 through B-4, C3 through C-4 and D-3 through D-4 respectively, in the Appendices.

Table 3-3 Operating Budget Fiscal Years Ending June 30						
Description	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Water						
O&M	\$720,556	\$764,316	\$796,550	\$870,069	\$970,375	\$946,436
Sewer						
O&M	\$727,549	\$762,727	\$791,061	\$820,623	\$851,471	\$1,003,007

3.1.5 Capital Improvements Plan (CIP)

The City provided Willdan with a forecast of capital requirements for the study period. The CIP provided by the City was provided in current day dollars and has been escalated for future years using the Engineering News Record (ENR) construction cost index at an inflationary rate of 2.59%. The water inflated CIP for FY

2018-19 through FY 2023-24 totals \$960,331. The sewer inflated CIP for FY 2018-19 through FY 2023-24 totals \$1,880,555. A summary table of the CIP (in inflated dollars) for the FY 2019-20 – FY 2023-24 forecast period is presented below in Tables 3-4 (debt funding plan) and 3-5 (cash funded plan). The CIP is presented in Schedules A-5, B-5, C-5 and D-5 respectively, in the Appendices.

Table 3-4						
Capital Improvement Plan – Debt Funding						
Fiscal Years Ending June 30 (\$ thousands)						
FY	19-20	20-21	21-22	22-23	23-24	Total
Water						
Cash Funded	\$0	\$0	\$200	\$305	\$68	\$573
Debt Funded	<u>226</u>	<u>142</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>368</u>
Total	\$226	\$142	\$200	\$305	\$68	\$941
Sewer						
Cash Funded	\$21	\$21	\$140	\$177	\$182	\$541
Debt Funded	<u>513</u>	<u>316</u>	<u>486</u>	<u>0</u>	<u>0</u>	<u>1,315</u>
Total	\$533	\$337	\$626	\$177	\$182	\$1,856
Note: Variances are due to rounding						

Table 3-5						
Capital Improvement Plan – Cash Funding						
Fiscal Years Ending June 30 (\$ thousands)						
FY	19-20	20-21	21-22	22-23	23-24	Total
Water	\$226	\$142	\$200	\$305	\$68	\$941
Sewer	\$533	\$337	\$626	\$177	\$182	\$1,856
Note: Variances are due to rounding						

3.1.7 General Assumptions

In order to develop the financial and rate projections, certain assumptions were made with regard to elements of the revenue sufficiency analysis. A summary of those assumptions is presented below.

3.1.7.1. System Growth

The City anticipates significant growth in the future (Villages at Vigneto) impacting the customer base for both the water and sewer systems. The ultimate growth is anticipated to be 2,000 new homes a year, but this financial plan assumes a phasing in development period. Growth is anticipated to begin in FY 2022 with 250 new homes, increasing to 500 new homes in FY 2023, and growing by an increment of 500 through FY 2026 at which point 2,000 new homes will be developed. The number of housing units anticipated to grow by 60% by FY 2023-24 and an average annual growth rate of 10%.

3.1.7.2. O&M Escalation Factors

Willdan worked with City staff to identify reasonable cost escalation factors to be applied to operations and maintenance expenses in recognition of increasing costs over time. It was determined that a 2% inflationary factor represented a reasonable estimate of annual cost increases during the study period. There were, however, some expenses which were anticipated to have higher changes in cost. Personnel costs are expected to increase at a higher than 3% rate and are projected at 5% per year, and utility costs are projected to increase at a rate of 5.0% per year.

3.1.7.2. Interfund Loans

While the City's water and sewer utilities do not have any loans or borrowings from outside agencies, both utilities have borrowed funds from other City funds in the past. The water utility has borrowings from the solid waste fund of \$259,215 to be repaid over 20 years (\$12,961 a year) and the sewer utility has borrowings from the gas and solid waste funds totaling \$160,163 to be repaid over 20 years (\$8,018 a year). Under the debt financing plan the loans will begin to be repaid in FY 2019-20. Under the cash funding capital plan, the loans begin to be repaid in FY 2021-22.

3.1.7.4. Results of the Revenue Sufficiency Analysis

After a thorough review of the above-mentioned data elements, a draft of the Revenue Sufficiency Analysis was developed and reviewed with City staff. This draft provided the forum in which various alternative assumptions were discussed, tested and evaluated for both their reasonableness and their impact upon the ultimate financial health of the utilities.

The resulting financial plan presented herein is the embodiment of the data, assumptions and review process undertaken with City staff in several meetings. Table 3-6 provides a summary of the annual revenue requirements (O&M, interfund loans and CIP) for both the water and sewer utilities incorporating the assumptions in Section 3 of this report as compared to the projected rate revenue described in more detail in Schedules A-1, B-1, C-1 and D-1 of the appendices.

Table 3-6					
Revenue Requirements vs. Revenue Under Existing Rates					
Fiscal Years Ending June 30 (\$ thousands)					
	19-20	20-21	21-22	22-23	23-24
Water					
Revenue Under Existing Rates	\$812	\$812	\$893	\$1,056	\$1,381
O&M, Interfund Loans & Capital	<u>990</u>	<u>939</u>	<u>1,070</u>	<u>1,212</u>	<u>1,015</u>
Difference	(\$178)	(\$127)	(\$177)	(\$156)	\$366
Sewer					
Revenue Under Existing Rates	\$805	\$805	\$886	\$1,048	\$1,373
O&M, Interfund Loans & Capital	<u>1,296</u>	<u>1,128</u>	<u>1,447</u>	<u>1,029</u>	<u>1,185</u>
Difference	(\$491)	(\$323)	(\$561)	\$19	\$188
Note: Values are rounded to the nearest \$1,000					

The revenues and expenditures identified in Table 3-6 represent operating revenues and operating expenditures. There are additional cash inflows and outflows for both utilities which are identified in Table 3-8 - Net Operating Fund Results.

3.1.7.2. Rate Revenue Increases Required

Our analysis of the water and sewer utilities indicate that in the early years of the study period assuming all capital expenditures occur as projected, there will not be sufficient operating revenue to fund operating expenses and will need to rely on the existing fund balances. Without revenue increases and debt financing, the utilities will not generate sufficient cashflows to meet their respective operations and maintenance, repair and replacement capital and interfund loan repayments throughout the study period. In part this is because anticipated growth (in the early years of the study period) is projected to be less than the cost increase associated with operating expenses. Therefore, we recommend increases for both the water systems and the sewer utility in order to maintain pace with increasing operating costs, fund capital needs and pay annual debt service. Two options for each utility were identified, one option which included debt financing of capital projects in the early years and one option that anticipates cash funding of identified capital needs.

Table 3-6 below reflects our projections of revenue increases during the forecast period in order for the City to move towards covering its ongoing operational costs.

Table 3-7 Projected Rate Revenue Increases Fiscal Years Ending June 30				
Description	Water Financial Plan		Sewer Financial Plan	
	Capital Debt Financing	Cash Funded Capital	Capital Debt Financing	Cash Funded Capital
2019-20	10.0%	15.0%	10.0%	75.0%
2020-21	6.0%	10.0%	10.0%	0.0%
2021-22	0.0%	10.0%	10.0%	0.0%
2022-23	0.0%	3.0%	3.0%	0.0%
2023-24	0.0%	3.0%	3.0%	0.0%

The anticipated debt in the debt funding scenarios are identified in Table 3-8 below and are shown in Appendices A-6 and C-6.

Table 3-8 Projected Debt Issuance Fiscal Years Ending June 30		
Description	Water	Sewer
2019-20	\$0	\$0
2020-21	367,782	1,314,570
2021-22	0	0
2022-23	0	0
2023-24	0	0

Regardless of the financial plan option adopted, the rates (base and volume/flow) would increase in an across-the-board manner by the revenues increases identified in Table 3-6. A more detailed presentation of the pro forma, including a fund balance reconciliation is presented in Schedules A-1, B-1, C-1 and D-1 of the appendices.

3.1.7.3. Summary of Revenue Sufficiency Analysis

The resulting financial plans are presented in Tables 3-9 and 3-10 provide for funding of projected revenue requirements during the forecast period.

Table 3-9
Projected Net Operating Fund Results – Debt Financing Plan
Fiscal Years 2019-20 to 2023-24
(\$ thousands)

Description	19-20	20-21	21-22	22-23	23-24
Water					
Beginning Fund Balance	\$68	\$194	\$313	\$254	\$242
Total Operating Revenue	890	942	1,037	1,226	1,604
Operating Expenses	<u>764</u>	<u>797</u>	<u>870</u>	<u>907</u>	<u>946</u>
Net Revenue	126	146	167	318	658
<u>Less:</u>					
Cash Funded CIP and Debt Service	<u>0</u>	<u>26</u>	<u>226</u>	<u>330</u>	<u>94</u>
Net Cash Flow	<u>126</u>	<u>120</u>	<u>(59)</u>	<u>(12)</u>	<u>564</u>
Ending Fund Balance	\$194	\$313	\$254	\$242	\$806
Sewer					
Beginning Fund Balance	\$30	\$130	\$196	\$315	\$622
Total Operating Revenue	884	970	1,172	1,429	1,927
Operating Expenses	<u>763</u>	<u>791</u>	<u>821</u>	<u>851</u>	<u>1,003</u>
Net Revenue	121	179	352	577	924
<u>Less:</u>					
Cash Funded CIP and Debt Service	<u>21</u>	<u>113</u>	<u>233</u>	<u>269</u>	<u>274</u>
Net Cash Flow	<u>100</u>	<u>66</u>	<u>119</u>	<u>308</u>	<u>650</u>
Ending Fund Balance	\$130	\$196	\$315	\$622	\$1,272
Note: Variances are due to rounding values to the nearest \$1,000					

Table 3-10					
Projected Net Operating Fund Results – Cash Funded Capital Plan					
Fiscal Years 2019-20 to 2023-24					
(\$ thousands)					
Description	19-20	20-21	21-22	22-23	23-24
Water					
Beginning Fund Balance	\$68	\$20	\$113	\$274	\$560
Total Operating Revenue	929	1,019	1,231	1,499	2,021
Operating Expenses	<u>751</u>	<u>784</u>	<u>870</u>	<u>907</u>	<u>946</u>
Net Revenue	178	235	361	591	1,074
<u>Less:</u>					
CIP	<u>226</u>	<u>142</u>	<u>200</u>	<u>305</u>	<u>68</u>
Net Cash Flow	(48)	93	161	287	1,006
Ending Fund Balance	\$20	\$113	\$274	\$560	\$1,566
Sewer					
Beginning Fund Balance	\$30	\$135	\$408	\$496	\$1,284
Total Operating Revenue	1,393	1,393	1,535	1,817	2,383
Operating Expenses	<u>755</u>	<u>783</u>	<u>821</u>	<u>851</u>	<u>1,003</u>
Net Revenue	638	610	714	966	1,380
<u>Less:</u>					
CIP	<u>533</u>	<u>337</u>	<u>626</u>	<u>177</u>	<u>182</u>
Net Cash Flow	105	274	88	789	1,198
Ending Fund Balance	\$135	\$408	\$496	\$1,284	\$2,482
Note: Variances are due to rounding values to the nearest \$1,000					

3.1.6.7. Turn on/Turn Off Fees

The revenue increase projections identified in Table 3-6 are not intended to apply to the City’s existing turn on/turn off fees of \$30 for in City and \$40 for out of City during regular business hours and \$60 for in City and \$80 for out of City after hours. Those fees are proposed to remain static during the study period.

3.1.6.7. Revenue Sufficiency Analysis Conclusions

Based on the revenue requirements identified in our analysis, it is our opinion that:

- Revenue projections based on existing rates are insufficient to meet the revenue requirements for FY 2018-19 through FY 2023-24;

-
- Rate revenue adjustments are needed in order to keep pace with increasing O&M and capital costs and capital needs;
 - The proposed rate revenue increases identified in Tables 3-6, move the utilities towards the identified goals based upon the assumptions contained in this report.

Section 4 – Conclusions and Recommendations

4.1 Conclusions

- Projected operating revenues and operating expenses for the forecast period were developed by, and/or in consultation with, City staff and are based upon reasonable projections.
- The projected capital project expenses have been developed by City staff, to address water and sewer system needs.
- Based on Conclusions 1 and 2 above, we are of the opinion that the financial projections presented herein assist the water and sewer utilities' ability to meet its obligations with regard to:
 - Operating expenses,
 - Non-operating expenses,
 - Capital project expenses, and
 - Key financial policies, including:
 - Achieving 3 months of operating reserve balances,
 - Legal debt service coverage of at least 1.20.

4.2 Recommendations

- It is recommended that the City implement the proposed revenue increases presented in this Report for FY 2018-19 in an across-the-board manner.
- It is recommended that the City update the revenue sufficiency analysis portion of this study each year to ensure projected revenue is sufficient to fund projected expenses going forward as assumptions made during this analysis may change and have a material impact upon the analysis. Specially, if the growth in the Villages at Vigneto begins to increase at a faster rate than projected over the next five years.

City of Benson
 Projected Operating Results - Water System
 Fiscal Years 2019 - 2028

Line No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Sources of Funds											
1	Beginning-of-Year Cash	(\$3,483)	\$67,655	\$193,516	\$313,222	\$254,257	\$242,081	\$806,065	\$1,485,437	\$2,819,494	\$4,596,119
Operating Revenues											
2	Operating Revenue	\$ 781,567	\$ 859,724	\$ 911,307	\$ 1,003,607	\$ 1,188,806	\$ 1,558,805	\$ 2,113,603	\$ 2,853,801	\$ 3,593,799	\$ 4,333,796
3	Other Revenues	30,127	30,127	30,127	32,153	34,204	44,307	54,461	72,666	88,872	105,077
4	Total Operating Revenues	\$ 811,694	\$ 889,851	\$ 941,434	\$ 1,035,760	\$ 1,225,010	\$ 1,603,112	\$ 2,170,264	\$ 2,926,467	\$ 3,682,670	\$ 4,438,873
Non-Operating Revenue											
5	Interest Income	-	326	632	706	615	1,303	2,852	5,358	9,228	14,714
6	Total Non-Operating Revenue	\$ -	\$ 326	\$ 632	\$ 706	\$ 615	\$ 1,303	\$ 2,852	\$ 5,358	\$ 9,228	\$ 14,714
7	Total Revenues	\$ 811,694	\$ 890,177	\$ 942,066	\$ 1,036,466	\$ 1,225,626	\$ 1,604,415	\$ 2,173,116	\$ 2,931,826	\$ 3,691,899	\$ 4,453,587
Operating Expenses											
8	Administration	\$ 503,256	\$ 525,659	\$ 549,127	\$ 613,491	\$ 641,237	\$ 670,311	\$ 738,367	\$ 772,177	\$ 807,615	\$ 879,932
9	Treatment	217,300	225,696	234,462	243,617	253,178	263,164	273,596	284,495	295,884	307,785
10	Collection	-	-	-	-	-	-	-	-	-	-
11	Transfers	-	12,961	12,961	12,961	12,961	12,961	12,961	12,961	12,961	12,961
12	Capital	-	-	-	-	-	-	-	-	-	-
13	Total Operating Expenses	\$ 720,556	\$ 764,316	\$ 796,550	\$ 870,069	\$ 907,375	\$ 946,436	\$ 1,024,924	\$ 1,069,633	\$ 1,116,460	\$ 1,200,678
14	Net Result of Operations	\$ 91,138	\$ 125,861	\$ 145,516	\$ 166,597	\$ 318,251	\$ 657,979	\$ 1,148,192	\$ 1,862,193	\$ 2,575,439	\$ 3,252,909
Non-Operating Expenses											
15	Capital Improvements	\$ 20,000	-	-	\$ 199,750	\$ 304,616	\$ 68,183	\$ 443,010	\$ 502,325	\$ 773,002	\$ 591,620
16	Existing Debt Service	0	0	0	0	0	0	0	0	0	0
17	Other Miscellaneous	-	-	-	-	-	-	-	-	-	-
18	Total Non-Operating Expenses	\$ 20,000	\$ -	\$ -	\$ 199,750	\$ 304,616	\$ 68,183	\$ 443,010	\$ 502,325	\$ 773,002	\$ 591,620
19	Net Available After Operations	\$ 71,138	\$ 125,861	\$ 145,516	\$ (33,153)	\$ 13,634	\$ 589,796	\$ 705,182	\$ 1,359,868	\$ 1,802,436	\$ 2,661,289
Other Uses											
	New Debt Service	\$ -	\$ -	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811
20	Total Other Uses	\$ -	\$ -	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811
21	Net Available After Other Uses	\$ 71,138	\$ 125,861	\$ 119,705	\$ (58,964)	\$ (12,177)	\$ 563,985	\$ 679,371	\$ 1,334,057	\$ 1,776,625	\$ 2,635,478
22	End-of-Year Cash	\$67,655	\$193,516	\$313,222	\$254,257	\$242,081	\$806,065	\$1,485,437	\$2,819,494	\$4,596,119	\$7,231,597
23	Target Cash - Operations	177,671	188,461	196,410	214,538	223,736	233,368	252,721	263,745	275,292	296,058
24	Target Cash - Repair & Replacement	-	-	-	-	-	-	-	-	-	-
25	Target Cash	\$177,671	\$188,461	\$196,410	\$214,538	\$223,736	\$233,368	\$252,721	\$263,745	\$275,292	\$296,058

Fund Balances

		Beginning Balances	
Line No	Description	Operating Fund	
Current Assets:			
1	Cash - Combined Fund	\$	16,126
2	Accounts Receivable		44,766
3			-
<hr/>			
4	Total Current Assets	\$	60,892
<hr/>			
Current Liabilities (payable from current assets):			
5	Accounts Payable	\$	21,740
6	Accrued Expenses		5,295
7	Refundable Deposits		16,126
8	Compensated Absences		21,214
<hr/>			
9	Total Current Liabilities	\$	64,375
<hr/>			
Adjustments:			
Less:			
	Adjustment for Unrestricted Net Position		
10			-
11	Net Adjustments	\$	-
<hr/>			
12	Net Beginning Balances (Current Assets less Current Liabilities - Including Adjustments)	\$	(3,483)

City of Benson
 Revenues - Water System
 Water Financial Model

Line No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Operating Revenues											
Water											
1	Operating Revenue	\$ 781,567	\$ 859,724	\$ 911,307	\$ 1,003,607	\$ 1,168,606	\$ 1,558,605	\$ 2,113,603	\$ 2,853,601	\$ 3,593,799	\$ 4,333,776
2	Other Revenues	30,127	30,127	30,127	32,153	34,204	44,307	56,461	72,666	88,872	105,077
3	Total Operating Revenues	\$ 811,694	\$ 889,851	\$ 941,434	\$ 1,035,760	\$ 1,225,010	\$ 1,603,112	\$ 2,170,264	\$ 2,926,267	\$ 3,682,670	\$ 4,438,853
Non-Operating Revenue											
4	Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Interest Income	-	326	632	706	615	1,303	2,852	5,358	9,228	14,714
6	Total Non-Operating Revenue	\$ -	\$ 326	\$ 632	\$ 706	\$ 615	\$ 1,303	\$ 2,852	\$ 5,358	\$ 9,228	\$ 14,714
7	Total Revenues	\$ 811,694	\$ 890,177	\$ 942,066	\$ 1,036,466	\$ 1,225,626	\$ 1,604,415	\$ 2,173,116	\$ 2,931,626	\$ 3,691,899	\$ 4,453,567
OPERATING REVENUES											
Charges for Services											
8	Rate Revenue	\$ 781,567	\$ 781,567	\$ 859,724	\$ 911,307	\$ 1,003,607	\$ 1,168,606	\$ 1,558,605	\$ 2,113,603	\$ 2,853,601	\$ 3,593,799
9	Growth	0.00%	0.00%	0.00%	10.15%	18.43%	31.12%	35.60%	35.01%	25.93%	20.59%
	Revenues Adjusted for Growth	\$ 781,567	\$ 781,567	\$ 859,724	\$ 1,003,607	\$ 1,168,606	\$ 1,558,605	\$ 2,113,603	\$ 2,853,601	\$ 3,593,799	\$ 4,333,776
10	Revenue Increase	0.00%	10.00%	6.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11	Percent of Year w/Rate Increase	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
12	Revenues under old rates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Revenues under new rates	\$ 781,567	\$ 859,724	\$ 911,307	\$ 1,003,607	\$ 1,168,606	\$ 1,558,605	\$ 2,113,603	\$ 2,853,601	\$ 3,593,799	\$ 4,333,776
14	Total Charges for Services - After Revenue Increase	\$ 781,567	\$ 859,724	\$ 911,307	\$ 1,003,607	\$ 1,168,606	\$ 1,558,605	\$ 2,113,603	\$ 2,853,601	\$ 3,593,799	\$ 4,333,776
Other Sewer Revenue											
15	New Hook Ups	9,500	9,500	9,500	10,464	12,393	16,250	22,036	29,750	37,464	45,178
16	Water Tank Rental	10,170	10,170	10,170	10,170	10,170	10,170	10,170	10,170	10,170	10,170
17	Water Accomodation Fees	10,457	10,457	10,457	11,518	13,641	17,837	24,255	32,747	41,238	49,729
Interest Income											
18	Interest Income	-	326	632	706	615	1,303	2,852	5,358	9,228	14,714
19	Total Operating Revenues	\$ 811,694	\$ 890,177	\$ 942,066	\$ 1,036,466	\$ 1,225,626	\$ 1,604,415	\$ 2,173,116	\$ 2,931,626	\$ 3,691,899	\$ 4,453,567

City of Benson
 Estimated & Projected Uses of Funds - Water System
 Water Financial Model

Line No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
OPERATING EXPENSES											
1	Administration	\$ 503,255	\$ 525,659	\$ 549,127	\$ 613,491	\$ 641,237	\$ 670,311	\$ 733,367	\$ 772,177	\$ 807,615	\$ 879,932
2	Treatment	217,300	225,696	234,452	243,617	253,178	263,164	273,596	284,495	295,684	307,785
3	Collection	-	12,961	12,961	12,961	12,961	12,961	12,961	12,961	12,961	12,961
4	Transfers	-	-	-	-	-	-	-	-	-	-
5	Capital	-	-	-	-	-	-	-	-	-	-
6	Total OPERATING EXPENSES	\$ 720,556	\$ 744,316	\$ 796,550	\$ 870,069	\$ 907,375	\$ 946,436	\$ 1,024,924	\$ 1,049,633	\$ 1,116,460	\$ 1,200,678
OPERATING EXPENSES											
Personnel											
7	Salaries & Wages	\$ 283,333	\$ 297,500	\$ 312,375	\$ 327,593	\$ 344,373	\$ 361,613	\$ 379,693	\$ 398,678	\$ 418,612	\$ 439,542
8	Additional Staff	-	-	-	30,600	32,130	33,737	44,337	67,553	70,931	101,331
9	Benefits for Additional Staff	-	-	-	9,180	9,639	10,121	19,301	20,265	21,279	33,459
10	Overtime Wages	10,500	11,025	11,576	12,155	12,763	13,401	14,071	14,775	15,513	16,269
11	Payroll Taxes	22,478	23,492	24,782	26,021	27,322	28,688	30,123	31,629	33,210	34,871
12	Retirement Benefits	34,672	36,406	38,226	40,137	42,144	44,251	46,464	48,787	51,226	53,788
13	Employee Insurance	63,273	63,287	65,451	69,774	73,262	76,925	80,772	84,810	89,051	93,503
Contracts & Services											
14	Professional Services	35,000	35,700	36,414	37,142	37,885	38,643	39,416	40,204	41,008	41,828
15	Chemical Analysis	3,000	3,040	3,121	3,184	3,247	3,312	3,378	3,445	3,515	3,585
16	Education and Training	4,000	4,060	4,162	4,245	4,330	4,416	4,505	4,595	4,687	4,780
17	Bank Charges	3,000	3,040	3,121	3,184	3,247	3,312	3,378	3,445	3,515	3,585
18	Utilities	133,000	141,730	149,838	156,279	164,073	172,258	180,913	189,959	199,456	209,429
19	Telephone	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390
20	Repairs & Maintenance	20,000	20,400	20,808	21,224	21,649	22,082	22,523	22,974	23,433	23,902
21	Rentals	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
22	Uniforms	1,800	1,836	1,873	1,910	1,948	1,987	2,027	2,068	2,109	2,151
23	Insurance	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951
24	Public Notices & Advertising	1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195
25	Dues & Licenses	15,000	15,300	15,606	15,918	16,236	16,561	16,892	17,230	17,575	17,926
26	Bad Debt Write Off	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
Supplies											
26	Printing & Postage	5,000	5,100	5,202	5,305	5,412	5,520	5,631	5,743	5,858	5,975
27	Computer Supplies	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
28	Operating Supplies	40,000	40,800	41,616	42,448	43,297	44,163	45,046	45,947	46,866	47,804
29	Vehicle Fuel & Oil	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951
30	Equipment Repairs & Maint	5,000	5,100	5,202	5,305	5,412	5,520	5,631	5,743	5,858	5,975
31	Vehicle Repairs & Maint	15,000	15,300	15,606	15,918	16,236	16,561	16,892	17,230	17,575	17,926
Loan Repayment											
32	Water Loan Repayments to Solid Waste Fund	-	12,961	12,961	12,961	12,961	12,961	12,961	12,961	12,961	12,961
33	TOTAL OPERATING EXPENSES	\$ 720,556	\$ 744,316	\$ 796,550	\$ 870,069	\$ 907,375	\$ 946,436	\$ 1,024,924	\$ 1,049,633	\$ 1,116,460	\$ 1,200,678

City of Benson
 Capital Improvement Plan
 Fiscal Years 2018 - 2028

Line No.	Proj No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Water - Identified Needs												
1	07-9	Truck Purchase	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	WF	291 Pumpo Upgrade	-	65,000	-	-	-	-	-	-	-	-
3	0	Truck Replacements (debt)	-	25,000	25,000	-	-	-	-	-	-	-
4	0	Truck Replacements	-	-	-	25,000	25,000	25,000	25,000	30,000	30,000	30,000
5	0	Heavy Equipment Replacements (debt)	-	30,000	35,000	-	-	-	-	-	-	-
6	0	Heavy Equipment Replacements	-	-	-	35,000	35,000	35,000	35,000	40,000	40,000	40,000
7	CPF	Water Planning Model (debt)	-	-	50,000	-	-	-	-	-	-	-
8	0	Water Planning Model	-	-	-	-	-	-	-	50,000	-	-
9	0	Water Master Plan	-	-	-	60,000	-	-	-	-	60,000	-
10	0	North 4th Street Water Line	-	-	-	-	65,000	-	-	-	-	-
11	CPF	302 Well Replacement	-	-	-	-	-	-	300,000	-	-	-
12	CPF	302 Storage Tank	-	-	-	-	-	-	-	300,000	-	-
13	CPF	Whelstone Water Interconnect	-	-	-	40,000	150,000	-	-	-	-	-
14	CPF	Cochise Storage Tank	-	-	-	-	-	-	-	-	500,000	400,000
15	0	City Yard Improvements (debt)	-	25,000	25,000	-	-	-	-	-	-	-
16	0	City Yard Improvements	-	-	-	25,000	-	-	-	-	-	-
17	0	Rate Study	-	-	-	-	-	-	20,000	-	-	-
18	0	West Benson Well Abandonment	-	75,000	-	-	-	-	-	-	-	-
19	0	0	-	-	-	-	-	-	-	-	-	-
20	0	0	-	-	-	-	-	-	-	-	-	-
21	0	0	-	-	-	-	-	-	-	-	-	-
22	0	0	-	-	-	-	-	-	-	-	-	-
23	0	0	-	-	-	-	-	-	-	-	-	-
24	0	0	-	-	-	-	-	-	-	-	-	-
25	0	0	-	-	-	-	-	-	-	-	-	-
26		Total Capital Project Costs	\$ 20,000	\$ 220,000	\$ 135,000	\$ 185,000	\$ 275,000	\$ 40,000	\$ 380,000	\$ 420,000	\$ 630,000	\$ 470,000
27		Total Escalated Capital Project Costs	\$ 20,000	\$ 225,698	\$ 142,084	\$ 199,750	\$ 304,616	\$ 68,183	\$ 443,010	\$ 502,325	\$ 773,002	\$ 591,620
28		Total Funded Through Prioritization Process	\$ 20,000	\$ 225,698	\$ 142,084	\$ 199,750	\$ 304,616	\$ 68,183	\$ 443,010	\$ 502,325	\$ 773,002	\$ 591,620

New Debt Service

Operations Bond Debt Service

							2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Annual New Debt Required							\$ -	\$ 367,782	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fiscal Year	Term (Yrs)	Rate	Issuance Costs	Capital Project Proceeds Required	Issuance Costs	Total Debt Required	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
2019	30	5.5%	2.0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2020	30	5.5%	2.0%	367,782	7,356	375,137	-	25,811	25,811	25,811	25,811	25,811	25,811	25,811	25,811	25,811	
2021	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2022	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2023	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2024	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2025	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2026	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2027	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2028	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative Annual New Operating Bond Debt Service							\$ -	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	\$ 25,811	

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Households	2,463	2,463	2,463	2,463	2,713	3,213	4,213	5,713	7,713	9,713	11,713
New Homes per year		0	0	0	250	500	1,000	1,500	2,000	2,000	2,000
System Growth		0.00%	0.00%	0.00%	10.15%	18.43%	31.12%	35.60%	35.01%	25.93%	20.59%
Rate Revenue 1		0.00%	0.00%	0.00%	10.15%	18.43%	31.12%	35.60%	35.01%	25.93%	20.59%

City of Benson
 Projected Operating Results - Sewer System
 Fiscal Years 2019 - 2028

Line No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Sources of Funds											
1	Beginning-of-Year Cash	(\$22,604)	\$29,791	\$130,054	\$195,629	\$314,803	\$622,467	\$1,272,741	\$2,594,809	\$4,919,054	\$8,342,474
Operating Revenues											
2	Operating Revenue	\$ 783,721	\$ 842,093	\$ 948,302	\$ 1,149,013	\$ 1,401,597	\$ 1,692,958	\$ 2,443,937	\$ 3,676,608	\$ 4,768,861	\$ 5,923,339
3	Other Revenues	21,225	21,225	21,225	22,770	25,861	32,043	41,315	53,478	64,041	78,404
4	Total Operating Revenues	\$ 804,946	\$ 863,318	\$ 969,527	\$ 1,171,783	\$ 1,427,458	\$ 1,925,001	\$ 2,685,251	\$ 3,730,086	\$ 4,834,902	\$ 6,001,743
Non-Operating Revenue											
5	Interest Income	-	200	405	635	1,167	2,340	4,816	9,357	16,509	26,422
6	Total Non-Operating Revenue	\$ -	\$ 200	\$ 405	\$ 635	\$ 1,167	\$ 2,340	\$ 4,816	\$ 9,357	\$ 16,509	\$ 26,422
7	Total Revenues	\$ 804,946	\$ 863,518	\$ 969,934	\$ 1,172,419	\$ 1,428,625	\$ 1,927,341	\$ 2,690,068	\$ 3,739,443	\$ 4,851,410	\$ 6,028,165
Operating Expenses											
8	Administration	\$ 479,549	\$ 499,499	\$ 520,366	\$ 542,194	\$ 565,030	\$ 708,262	\$ 739,228	\$ 771,454	\$ 805,610	\$ 841,372
9	Treatment	245,000	255,210	262,677	270,411	278,424	285,727	293,333	304,255	313,506	323,101
10	Collection	-	-	-	-	-	-	-	-	-	-
11	Transfers	-	8,018	8,018	8,018	8,018	8,018	8,018	8,018	8,018	8,018
12	Capital	-	-	-	-	-	-	-	-	-	-
13	Total Operating Expenses	\$ 724,549	\$ 762,727	\$ 791,041	\$ 820,623	\$ 851,471	\$ 1,003,007	\$ 1,042,579	\$ 1,083,927	\$ 1,122,135	\$ 1,172,291
14	Net Result of Operations	\$ 77,397	\$ 100,791	\$ 178,893	\$ 351,796	\$ 577,153	\$ 924,354	\$ 1,642,488	\$ 2,655,516	\$ 3,724,276	\$ 4,835,874
Non-Operating Expenses											
15	Capital Improvements	\$ 25,000	\$ 20,518	\$ 21,049	\$ 140,345	\$ 177,231	\$ 181,821	\$ 233,163	\$ 239,202	\$ 208,568	\$ 213,990
16	Existing Debt Service	0	0	0	0	0	0	0	0	0	0
17	Other Miscellaneous	-	-	-	-	-	-	-	-	-	-
18	Total Non-Operating Expenses	\$ 25,000	\$ 20,518	\$ 21,049	\$ 140,345	\$ 177,231	\$ 181,821	\$ 233,163	\$ 239,202	\$ 208,568	\$ 213,990
19	Net Available After Operations	\$ 52,397	\$ 100,273	\$ 157,843	\$ 211,431	\$ 399,922	\$ 742,533	\$ 1,414,325	\$ 2,416,313	\$ 3,515,688	\$ 4,641,884
Other Uses											
	New Debt Service	\$ -	\$ -	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258
20	Total Other Uses	\$ -	\$ -	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258
21	Net Available After Other Uses	\$ 52,397	\$ 100,273	\$ 65,585	\$ 119,173	\$ 307,664	\$ 650,275	\$ 1,322,067	\$ 2,324,055	\$ 3,423,430	\$ 4,549,626
22	End-of-Year Cash	\$29,791	\$130,044	\$195,629	\$314,803	\$622,467	\$1,272,741	\$2,594,809	\$4,919,064	\$8,342,474	\$12,872,120
23	Target Cash - Operations	179,316	168,070	195,056	202,345	209,952	247,317	237,074	267,270	277,924	297,055
24	Target Cash - Repair & Replacement	-	-	-	-	-	-	-	-	-	-
25	Total Cash	\$179,316	\$168,070	\$195,056	\$202,345	\$209,952	\$247,317	\$237,074	\$267,270	\$277,924	\$297,055

Fund Balances

		Beginning Balances	
Line No	Description	Operating Fund	
Current Assets:			
1	Cash - Combined Fund	\$	-
2	Accounts Receivable		34,359
<hr/>			
3	Total Current Assets	\$	34,359
<hr/>			
Current Liabilities (payable from current assets):			
4	Accounts Payable	\$	32,996
5	Accrued Expenses		4,263
6	Compensated Absences		19,706
<hr/>			
7	Total Current Liabilities	\$	56,965
<hr/>			
Adjustments:			
Less:			
	Adjustment for Unrestricted Net Position		
8			-
9	Net Adjustments	\$	-
<hr/>			
10	Net Beginning Balances (Current Assets less Current Liabilities - Including Adjustments)	\$	(22,606)

City of Benson
 Revenues - Sewer System
 Sewer Financial Model

Line No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Operating Revenues											
Sewer											
1	Operating Revenue	\$ 783,721	\$ 852,093	\$ 948,302	\$ 1,149,013	\$ 1,401,597	\$ 1,692,958	\$ 2,643,937	\$ 3,676,608	\$ 4,768,861	\$ 5,923,339
2	Other Revenues	21,225	21,225	21,225	22,770	25,861	32,043	41,315	53,678	66,041	78,424
3	Total Operating Revenues	\$ 804,946	\$ 883,318	\$ 969,527	\$ 1,171,783	\$ 1,427,458	\$ 1,925,001	\$ 2,685,251	\$ 3,730,286	\$ 4,834,902	\$ 6,001,763
Non-Operating Revenue											
4	Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Interest Income	-	200	406	635	1,167	2,350	4,816	9,357	16,509	26,422
6	Total Non-Operating Revenue	\$ -	\$ 200	\$ 406	\$ 635	\$ 1,167	\$ 2,350	\$ 4,816	\$ 9,357	\$ 16,509	\$ 26,422
7	Total Revenues	\$ 804,946	\$ 883,518	\$ 969,934	\$ 1,172,419	\$ 1,428,625	\$ 1,927,351	\$ 2,690,068	\$ 3,739,643	\$ 4,851,410	\$ 6,028,185
OPERATING REVENUES											
Charges for Services											
8	Rate Revenue	\$ 783,721	\$ 783,721	\$ 852,093	\$ 948,302	\$ 1,149,013	\$ 1,401,597	\$ 1,692,958	\$ 2,643,937	\$ 3,676,608	\$ 4,768,861
9	Growth	0.00%	0.00%	0.00%	10.15%	18.43%	31.12%	35.60%	35.01%	25.93%	20.37%
10	Revenues Adjusted for Growth	\$ 783,721	\$ 783,721	\$ 852,093	\$ 1,044,557	\$ 1,360,774	\$ 1,837,624	\$ 2,555,929	\$ 3,559,523	\$ 4,629,962	\$ 5,750,815
10	Revenue Increase	0.0%	10.00%	10.00%	10.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
11	Percent of Year w/Rate Increase	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
12	Revenues under old rates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Revenues under new rates	\$ 783,721	\$ 852,093	\$ 948,302	\$ 1,149,013	\$ 1,401,597	\$ 1,692,958	\$ 2,643,937	\$ 3,676,608	\$ 4,768,861	\$ 5,923,339
14	Total Charges for Services - After Revenue Increase	\$ 783,721	\$ 852,093	\$ 948,302	\$ 1,149,013	\$ 1,401,597	\$ 1,692,958	\$ 2,643,937	\$ 3,676,608	\$ 4,768,861	\$ 5,923,339
Other Sewer Revenue											
15	New Hook Ups	15,225	15,225	15,225	16,770	19,861	26,043	35,315	47,678	60,041	72,424
16	Misc Revenue	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
17	Interest Income	-	200	406	635	1,167	2,350	4,816	9,357	16,509	26,422
18	Total Operating Revenues	\$ 804,946	\$ 883,518	\$ 969,934	\$ 1,172,419	\$ 1,428,625	\$ 1,927,351	\$ 2,690,068	\$ 3,739,643	\$ 4,851,410	\$ 6,028,185

City of Benson
 Estimated & Projected Uses of Funds - Water System
 Water Financial Model

Line No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
OPERATING EXPENSES											
1	Administration	\$ 503,256	\$ 525,459	\$ 549,127	\$ 613,491	\$ 441,237	\$ 470,311	\$ 738,367	\$ 772,177	\$ 607,615	\$ 879,932
2	Treatment	217,300	225,696	234,462	243,617	253,178	263,164	273,596	284,495	295,684	307,785
3	Collection	-	-	-	-	-	-	-	-	-	-
4	Transfers	-	12,961	12,961	12,961	12,961	12,961	12,961	12,961	12,961	12,961
5	Capital	-	-	-	-	-	-	-	-	-	-
6	Total OPERATING EXPENSES	\$ 720,556	\$ 764,316	\$ 796,550	\$ 870,069	\$ 907,375	\$ 946,436	\$ 1,024,924	\$ 1,069,633	\$ 1,116,460	\$ 1,200,678
OPERATING EXPENSES											
Personnel											
7	Salaries & Wages	\$ 283,333	\$ 297,500	\$ 312,375	\$ 327,593	\$ 344,393	\$ 361,613	\$ 379,693	\$ 398,478	\$ 418,419	\$ 437,542
8	Additional Staff	-	-	-	30,600	32,130	33,737	44,337	67,553	70,931	101,531
9	Benefits for Additional Staff	-	-	-	9,160	9,639	10,121	19,301	20,266	21,279	30,459
10	Overtime Wages	10,500	11,025	11,576	12,155	12,763	13,401	14,071	14,775	15,513	16,289
11	Payroll Taxes	22,476	23,492	24,762	26,021	27,322	28,668	30,123	31,629	33,210	34,871
12	Retirement Benefits	34,672	36,436	38,226	40,137	42,144	44,251	46,464	48,787	51,226	53,788
13	Employee Insurance	60,273	63,287	66,451	69,774	73,262	76,925	80,772	84,810	89,051	93,503
Contracts & Services											
14	Professional Services	35,000	35,700	36,414	37,142	37,885	38,643	39,416	40,204	41,008	41,828
15	Chemical Analysis	3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585
16	Education and Training	4,000	4,060	4,122	4,245	4,330	4,416	4,505	4,595	4,687	4,780
17	Bank Charges	3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585
18	Utilities	133,000	141,250	148,838	155,279	164,093	172,258	180,913	189,759	199,456	209,429
19	Telephone	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390
20	Repairs & Maintenance	20,000	20,400	20,808	21,224	21,649	22,082	22,523	22,974	23,433	23,902
21	Rentals	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
22	Uniforms	1,800	1,836	1,873	1,910	1,948	1,987	2,027	2,068	2,109	2,151
23	Insurance	10,000	10,300	10,604	10,912	10,824	11,041	11,262	11,487	11,717	11,951
24	Public Notices & Advertising	1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195
25	Dues & Licenses	15,000	15,300	15,606	15,918	16,236	16,561	16,892	17,230	17,575	17,926
26	Bad Debt Write Off	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
Supplies											
26	Printing & Postage	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975
27	Computer Supplies	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
28	Operating Supplies	40,000	40,600	41,416	42,448	43,297	44,163	45,046	45,947	46,866	47,804
29	Vehicle Fuel & Oil	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951
30	Equipment Repairs & Maint	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975
31	Vehicle Repairs & Maint	15,000	15,300	15,606	15,918	16,236	16,561	16,892	17,230	17,575	17,926
Loan Repayment											
32	Water Loan Repayments to Solid Waste Fund	-	12,961	12,961	12,961	12,961	12,961	12,961	12,961	12,961	12,961
33	TOTAL OPERATING EXPENSES	\$ 720,556	\$ 764,316	\$ 796,550	\$ 870,069	\$ 907,375	\$ 946,436	\$ 1,024,924	\$ 1,069,633	\$ 1,116,460	\$ 1,200,678

City of Benson
 Capital Improvement Plan
 Fiscal Years 2018 - 2028

Line No.	Proj No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Water - Identified Needs												
1	07-9	Truck Purchase	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	WF	291 Pumpo Upgrade	-	65,000	-	-	-	-	-	-	-	-
3	0	Truck Replacements	-	25,000	25,000	-	-	-	-	-	-	-
4	0	Truck Replacements	-	-	-	25,000	25,000	25,000	25,000	30,000	30,000	30,000
5	0	Heavy Equipment Replacements	-	30,000	35,000	-	-	-	-	-	-	-
6	0	Heavy Equipment Replacements	-	-	-	35,000	35,000	35,000	35,000	40,000	40,000	40,000
7	CPF	Water Planning Model	-	-	50,000	-	-	-	-	-	-	-
8	0	Water Planning Model	-	-	-	-	-	-	-	50,000	-	-
9	0	Water Master Plan	-	-	-	60,000	-	-	-	-	60,000	-
10	0	North 4th Street Water Line	-	-	-	-	65,000	-	-	-	-	-
11	CPF	302 Well Replacement	-	-	-	-	-	-	300,000	-	-	-
12	CPF	302 Storage Tank	-	-	-	-	-	-	-	300,000	-	-
13	CPF	Whetstone Water Interconnect	-	-	-	40,000	150,000	-	-	-	-	-
14	CPF	Cochise Storage Tank	-	-	-	-	-	-	-	-	500,000	400,000
15	0	City Yard Improvements (debt)	-	25,000	25,000	-	-	-	-	-	-	-
16	0	City Yard Improvements	-	-	-	25,000	-	-	-	-	-	-
17	0	Rate Study	-	-	-	-	-	-	20,000	-	-	-
18	0	West Benson Well Abandonment	-	75,000	-	-	-	-	-	-	-	-
19	0	0	-	-	-	-	-	-	-	-	-	-
20	0	0	-	-	-	-	-	-	-	-	-	-
21	0	0	-	-	-	-	-	-	-	-	-	-
22	0	0	-	-	-	-	-	-	-	-	-	-
23	0	0	-	-	-	-	-	-	-	-	-	-
24	0	0	-	-	-	-	-	-	-	-	-	-
25	0	0	-	-	-	-	-	-	-	-	-	-
26	Total Capital Project Costs		\$ 20,000	\$ 220,000	\$ 135,000	\$ 185,000	\$ 275,000	\$ 40,000	\$ 380,000	\$ 420,000	\$ 630,000	\$ 470,000
27	Total Escalated Capital Project Costs		\$ 20,000	\$ 225,698	\$ 142,084	\$ 199,750	\$ 304,616	\$ 68,183	\$ 443,010	\$ 502,325	\$ 773,002	\$ 591,620
28	Total Funded Through Privatization Process		\$ 20,000	\$ 225,698	\$ 142,084	\$ 199,750	\$ 304,616	\$ 68,183	\$ 443,010	\$ 502,325	\$ 773,002	\$ 591,620

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Households	2,463	2,463	2,463	2,463	2,713	3,213	4,213	5,713	7,713	9,713	11,713
New Homes per year		0	0	0	250	500	1,000	1,500	2,000	2,000	2,000
System Growth		0.00%	0.00%	0.00%	10.15%	18.43%	31.12%	35.60%	35.01%	25.93%	20.59%
Rate Revenue 1		0.00%	0.00%	0.00%	10.15%	18.43%	31.12%	35.60%	35.01%	25.93%	20.59%

City of Benson
 Projected Operating Results - Water System
 Fiscal Years 2019 - 2028

Line No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Sources of Funds											
1	Beginning-of-Year Cash	(\$3,483)	\$67,655	\$19,640	\$112,942	\$273,697	\$560,228	\$1,566,128	\$2,916,759	\$5,260,815	\$8,449,214
Operating Revenues											
2	Operating Revenue	\$ 781,567	\$ 698,802	\$ 988,482	\$ 1,197,939	\$ 1,461,278	\$ 1,973,563	\$ 2,756,518	\$ 3,833,163	\$ 4,971,924	\$ 6,175,562
3	Other Revenues	30,127	30,127	30,127	32,153	34,204	44,307	56,461	72,666	88,872	105,077
4	Total Operating Revenues	\$ 811,694	\$ 928,929	\$ 1,018,609	\$ 1,230,092	\$ 1,497,482	\$ 2,017,849	\$ 2,812,979	\$ 3,905,829	\$ 5,060,796	\$ 6,280,639
Non-Operating Revenue											
5	Interest Income	-	109	165	482	1,039	2,650	5,586	10,184	17,066	26,640
6	Total Non-Operating Revenue	\$ -	\$ 109	\$ 165	\$ 482	\$ 1,039	\$ 2,650	\$ 5,586	\$ 10,184	\$ 17,066	\$ 26,640
7	Total Revenues	\$ 811,694	\$ 929,038	\$ 1,018,775	\$ 1,230,574	\$ 1,498,522	\$ 2,020,520	\$ 2,818,565	\$ 3,916,013	\$ 5,077,862	\$ 6,307,280
Operating Expenses											
8	Administration	\$ 503,256	\$ 525,659	\$ 549,127	\$ 613,491	\$ 641,237	\$ 670,311	\$ 738,367	\$ 772,177	\$ 807,615	\$ 879,932
9	Treatment	217,300	225,696	234,462	243,617	253,178	263,164	273,596	284,495	295,884	307,785
10	Collection	-	-	-	-	-	-	-	-	-	-
11	Transfers	-	-	-	12,961	12,961	12,961	12,961	12,961	12,961	12,961
12	Capital	-	-	-	-	-	-	-	-	-	-
13	Total Operating Expenses	\$ 720,556	\$ 751,355	\$ 783,589	\$ 870,089	\$ 907,375	\$ 946,436	\$ 1,024,924	\$ 1,069,633	\$ 1,116,460	\$ 1,200,678
14	Net Result of Operations	\$ 91,138	\$ 177,683	\$ 235,386	\$ 360,505	\$ 591,146	\$ 1,074,084	\$ 1,793,641	\$ 2,846,380	\$ 3,961,402	\$ 5,106,602
Non-Operating Expenses											
15	Capital Improvements	\$ 20,000	\$ 225,698	\$ 142,084	\$ 199,750	\$ 304,616	\$ 68,183	\$ 443,010	\$ 502,325	\$ 773,002	\$ 591,620
16	Existing Debt Service	0	0	0	0	0	0	0	0	0	0
17	Other Miscellaneous	-	-	-	-	-	-	-	-	-	-
18	Total Non-Operating Expenses	\$ 20,000	\$ 225,698	\$ 142,084	\$ 199,750	\$ 304,616	\$ 68,183	\$ 443,010	\$ 502,325	\$ 773,002	\$ 591,620
19	Net Available After Operations	\$ 71,138	\$ (48,015)	\$ 93,302	\$ 160,755	\$ 286,530	\$ 1,005,901	\$ 1,350,631	\$ 2,344,055	\$ 3,188,399	\$ 4,514,981
Other Uses											
20	New Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Net Available After Other Uses	\$ 71,138	\$ (48,015)	\$ 93,302	\$ 160,755	\$ 286,530	\$ 1,005,901	\$ 1,350,631	\$ 2,344,055	\$ 3,188,399	\$ 4,514,981
22	End-of-Year Cash	\$67,655	\$ 19,640	\$ 112,942	\$ 273,697	\$ 560,228	\$ 1,566,128	\$ 2,916,759	\$ 5,260,815	\$ 8,449,214	\$ 12,964,195
23	Target Cash - Operations	177,671	185,266	193,214	214,538	223,736	233,368	252,721	263,745	275,292	296,058
24	Target Cash - Repair & Replacement	-	-	-	-	-	-	-	-	-	-
25	Target Cash	\$177,671	\$185,266	\$193,214	\$214,538	\$223,736	\$233,368	\$252,721	\$263,745	\$275,292	\$296,058

Fund Balances

		Beginning Balances	
Line No	Description		Operating Fund
Current Assets:			
1	Cash - Combined Fund	\$	16,126
2	Accounts Receivable		44,766
3			-
<hr/>			
4	Total Current Assets	\$	60,892
<hr/>			
Current Liabilities (payable from current assets):			
5	Accounts Payable	\$	21,740
6	Accrued Expenses		5,295
7	Refundable Deposits		16,126
8	Compensated Absences		21,214
<hr/>			
9	Total Current Liabilities	\$	64,375
<hr/>			
Adjustments:			
Less:			
	Adjustment for Unrestricted Net Position		
10			-
11	Net Adjustments	\$	-
<hr/>			
12	Net Beginning Balances (Current Assets less Current Liabilities - Including Adjustments)	\$	(3,483)

City of Benson
 Revenues - Water System
 Water Financial Model

Line No.	Description	2011	2020	2021	2022	2023	2024	2025	2026	2027	2028
Operating Revenues											
Water											
1	Operating Revenue	\$ 781,567	\$ 818,802	\$ 858,682	\$ 1,197,939	\$ 1,461,278	\$ 1,973,563	\$ 2,756,518	\$ 3,833,163	\$ 4,971,924	\$ 6,175,562
2	Other Revenues	30,127	30,127	30,127	32,153	34,204	44,307	56,461	72,666	88,872	105,077
3	Total Operating Revenues	\$ 811,694	\$ 929,038	\$ 1,018,975	\$ 1,230,092	\$ 1,495,482	\$ 2,017,870	\$ 2,812,979	\$ 3,905,829	\$ 5,060,796	\$ 6,280,639
Non-Operating Revenue											
4	Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Interest Income	-	109	165	482	1,039	2,450	5,586	10,184	17,066	26,640
4	Total Non-Operating Revenue	\$ -	\$ 109	\$ 165	\$ 482	\$ 1,039	\$ 2,450	\$ 5,586	\$ 10,184	\$ 17,066	\$ 26,640
7	Total Revenues	\$ 811,694	\$ 929,038	\$ 1,018,975	\$ 1,230,574	\$ 1,496,521	\$ 2,020,320	\$ 2,818,565	\$ 3,916,013	\$ 5,077,862	\$ 6,307,279
OPERATING REVENUES											
Charges for Services											
8	Rate Revenue	\$ 781,567	\$ 781,567	\$ 818,802	\$ 858,682	\$ 1,197,939	\$ 1,461,278	\$ 1,973,563	\$ 2,756,518	\$ 3,833,163	\$ 4,971,924
9	Growth	0.00%	0.00%	0.00%	10.15%	18.43%	31.12%	35.60%	35.01%	25.93%	20.55%
10	Revenues Adjusted for Growth	\$ 781,567	\$ 781,567	\$ 818,802	\$ 1,089,036	\$ 1,418,717	\$ 1,916,083	\$ 2,676,232	\$ 3,721,517	\$ 4,877,111	\$ 5,975,692
11	Revenue Increase	0.0%	15.00%	10.0%	10.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
11	Percent of Year w/Rate Increase	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
12	Revenues under old rates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Revenues under new rates	\$ 781,567	\$ 818,802	\$ 858,682	\$ 1,197,939	\$ 1,461,278	\$ 1,973,563	\$ 2,756,518	\$ 3,833,163	\$ 4,971,924	\$ 6,175,562
14	Total Charges for Services - After Revenue Increase	\$ 781,567	\$ 818,802	\$ 858,682	\$ 1,197,939	\$ 1,461,278	\$ 1,973,563	\$ 2,756,518	\$ 3,833,163	\$ 4,971,924	\$ 6,175,562
Other Sewer Revenue											
15	New Hook Ups	9,500	9,500	9,500	10,464	12,393	16,250	22,036	29,750	37,454	45,178
16	Water Tank Rental	10,170	10,170	10,170	10,170	10,170	10,170	10,170	10,170	10,170	10,170
17	Water Accommodation Fees	10,457	10,457	10,457	11,518	13,641	17,887	24,255	32,747	41,238	49,729
Interest Income											
18	Interest Income	-	109	165	482	1,039	2,450	5,586	10,184	17,066	26,640
19	Total Operating Revenues	\$ 811,694	\$ 929,038	\$ 1,018,975	\$ 1,230,574	\$ 1,496,521	\$ 2,020,320	\$ 2,818,565	\$ 3,916,013	\$ 5,077,862	\$ 6,307,279

City of Benson
 Estimated & Projected Uses of Funds - Water System
 Water Financial Model

Line No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
OPERATING EXPENSES											
1	Administration	\$ 503,256	\$ 525,659	\$ 549,127	\$ 613,491	\$ 641,237	\$ 670,311	\$ 738,367	\$ 772,177	\$ 807,615	\$ 879,932
2	Treatment	217,500	225,676	234,452	243,617	253,178	263,164	273,596	284,495	295,884	307,785
3	Collection	-	-	-	-	-	-	-	-	-	-
4	Transfers	-	-	-	12,961	12,961	12,961	12,961	12,961	12,961	12,961
5	Capital	-	-	-	-	-	-	-	-	-	-
6	Total OPERATING EXPENSES	\$ 720,556	\$ 751,355	\$ 783,589	\$ 870,059	\$ 907,375	\$ 946,436	\$ 1,024,924	\$ 1,049,633	\$ 1,116,460	\$ 1,200,678
OPERATING EXPENSES											
Personnel											
7	Salaries & Wages	\$ 283,333	\$ 297,500	\$ 312,375	\$ 327,993	\$ 344,393	\$ 361,613	\$ 379,693	\$ 398,678	\$ 418,612	\$ 439,542
8	Additional Staff	-	-	-	30,630	32,130	33,737	44,337	67,553	70,931	101,531
9	Benefits for Additional Staff	-	-	-	9,180	9,659	10,121	19,301	20,265	21,279	30,459
10	Overtime Wages	10,500	11,025	11,576	12,155	12,763	13,401	14,071	14,775	15,513	16,289
11	Payroll Taxes	22,478	23,402	24,782	26,021	27,322	28,668	30,123	31,629	33,210	34,871
12	Retirement Benefits	34,672	36,406	38,226	40,137	42,144	44,251	46,464	48,787	51,226	53,783
13	Employee Insurance	60,273	63,287	65,451	69,774	73,262	76,925	80,772	84,810	89,051	93,503
Contracts & Services											
14	Professional Services	35,000	35,700	36,414	37,142	37,885	38,643	39,416	40,204	41,008	41,828
15	Chemical Analysis	3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,445	3,515	3,585
16	Education and Training	4,000	4,060	4,122	4,245	4,330	4,416	4,505	4,595	4,687	4,780
17	Bank Charges	3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,445	3,515	3,585
18	Utilities	135,000	141,750	148,838	156,279	164,093	172,298	180,913	189,959	199,456	209,429
19	Telephone	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390
20	Repairs & Maintenance	20,000	20,400	20,808	21,224	21,649	22,082	22,523	22,974	23,433	23,902
21	Rentals	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
22	Uniforms	1,800	1,836	1,873	1,910	1,948	1,987	2,027	2,068	2,109	2,151
23	Insurance	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951
24	Public Notices & Advertising	1,000	1,020	1,043	1,061	1,082	1,104	1,126	1,149	1,172	1,195
25	Dues & Licenses	15,000	15,300	15,606	15,918	16,236	16,551	16,892	17,230	17,575	17,926
26	Bad Debt Write Off	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
Supplies											
26	Printing & Postage	5,000	5,100	5,202	5,305	5,412	5,520	5,631	5,743	5,858	5,975
27	Computer Supplies	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
28	Operating Supplies	40,000	40,800	41,616	42,443	43,297	44,163	45,046	45,947	46,868	47,804
29	Vehicle Fuel & Oil	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951
30	Equipment Repairs & Maint	5,000	5,100	5,202	5,305	5,412	5,520	5,631	5,743	5,858	5,975
31	Vehicle Repairs & Maint	15,000	15,300	15,606	15,918	16,236	16,551	16,892	17,230	17,575	17,926
Loan Repayment											
32	Water Loan Repayments to Solid Waste Fund	-	-	-	12,961	12,961	12,961	12,961	12,961	12,961	12,961
33	TOTAL OPERATING EXPENSES	\$ 720,556	\$ 751,355	\$ 783,589	\$ 870,059	\$ 907,375	\$ 946,436	\$ 1,024,924	\$ 1,049,633	\$ 1,116,460	\$ 1,200,678

City of Benson
 Capital Improvement Plan
 Fiscal Years 2018 - 2028

Line No.	Proj No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Sewer - Identified Needs												
1	07-4	Truck Purchase	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	0	Truck Replacements (debt)	-	25,000	25,000	-	-	-	-	-	-	-
3	0	Truck Replacements	-	-	-	25,000	25,000	25,000	25,000	30,000	30,000	30,000
4	0	Heavy Equipment Replacements (debt)	-	30,000	35,000	-	-	-	-	-	-	-
5	0	Heavy Equipment Replacements	-	-	-	35,000	35,000	35,000	35,000	40,000	40,000	40,000
6	CPF	Wastewater Planning Model (debt)	-	-	80,000	-	-	-	-	-	-	-
7	CPF	Wastewater Planning Model	-	-	-	-	-	-	40,000	-	-	-
8	CPF	Wastewater Master Plan	-	-	-	50,000	-	-	-	30,000	-	-
9	0	WW UV System Replacement	-	260,000	-	-	-	-	-	-	-	-
10	0	High Pressure Jet Router	-	85,000	-	-	-	-	-	-	-	-
11	CPF	Whetstone SCADA Connection	-	-	30,000	50,000	-	-	-	-	-	-
12	CPF/WW	Whetstone Force Main Pump System	-	-	30,000	300,000	-	-	-	-	-	-
13	0	Wastewater Collections Improvements (debt)	-	100,000	100,000	100,000	-	-	-	-	-	-
14	0	Wastewater Collections Improvements	-	-	-	-	100,000	100,000	100,000	100,000	100,000	100,000
15	0	City Yard Improvements	-	20,000	20,000	20,000	-	-	-	-	-	-
16	0	0	-	-	-	-	-	-	-	-	-	-
17	Total Capital Project Costs		\$ 25,000	\$ 520,000	\$ 320,000	\$ 580,000	\$ 140,000	\$ 140,000	\$ 200,000	\$ 200,000	\$ 170,000	\$ 170,000
18	Total Escalated Capital Project Costs		\$ 25,000	\$ 533,468	\$ 336,791	\$ 626,243	\$ 177,231	\$ 181,821	\$ 233,163	\$ 239,202	\$ 208,588	\$ 213,990
19	Total Funded Through Prioritization Process		\$ 25,000	\$ 533,468	\$ 336,791	\$ 626,243	\$ 177,231	\$ 181,821	\$ 233,163	\$ 239,202	\$ 208,588	\$ 213,990

New Debt Service
Operations Bond Debt Service

							2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Annual New Debt Required							\$ -	\$ 1,314,570	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fiscal Year	Term (Yrs)	Rate	Issuance Costs	Capital Project Proceeds Required	Issuance Costs	Total Debt Required	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
2019	30	5.5%	2.0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2020	30	5.5%	2.0%	1,314,570	26,291	1,340,861	-	92,258	92,258	92,258	92,258	92,258	92,258	92,258	92,258	92,258	
2021	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2022	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2023	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2024	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2025	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2026	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2027	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
2028	30	5.5%	2.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative Annual New Operating Bond Debt Service							\$ -	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	\$ 92,258	

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Households	2,463	2,463	2,463	2,463	2,713	3,213	4,213	5,713	7,713	9,713	11,713
New Homes per year		0	0	0	250	500	1,000	1,500	2,000	2,000	2,000
System Growth		0.00%	0.00%	0.00%	10.15%	18.43%	31.12%	35.60%	35.01%	25.93%	20.59%
Rate Revenue 1		0.00%	0.00%	0.00%	10.15%	18.43%	31.12%	35.60%	35.01%	25.93%	20.59%

City of Benson
 Projected Operating Results - Sewer System
 Fiscal Years 2019 - 2028

Line No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Sources of Funds											
1	Beginning-of-Year Cash	(\$22,604)	105	274	88	787	1,198				
Operating Revenues											
2	Operating Revenue	\$ 783,721	\$ 1,371,512	\$ 1,371,512	\$ 1,510,723	\$ 1,767,146	\$ 2,345,992	\$ 3,181,261	\$ 4,294,953	\$ 5,438,645	\$ 6,522,337
3	Other Revenues	21,225	21,225	21,225	22,770	25,881	32,043	41,315	53,678	68,041	78,424
4	Total Operating Revenues	\$ 804,946	\$ 1,392,737	\$ 1,392,737	\$ 1,533,494	\$ 1,815,007	\$ 2,378,035	\$ 3,222,576	\$ 4,348,631	\$ 5,506,686	\$ 6,600,761
Non-Operating Revenues											
5	Interest Income	-	205	477	1,126	2,218	4,492	8,617	14,832	23,768	35,480
6	Total Non-Operating Revenue	\$ -	\$ 205	\$ 477	\$ 1,126	\$ 2,218	\$ 4,492	\$ 8,617	\$ 14,832	\$ 23,768	\$ 35,480
7	Total Revenues	\$ 804,946	\$ 1,392,942	\$ 1,393,214	\$ 1,534,620	\$ 1,817,225	\$ 2,382,727	\$ 3,231,193	\$ 4,363,464	\$ 5,530,454	\$ 6,636,241
Operating Expenses											
8	Administration	\$ 479,549	\$ 499,499	\$ 520,346	\$ 542,194	\$ 565,030	\$ 708,242	\$ 739,228	\$ 771,454	\$ 805,410	\$ 841,172
9	Treatment	243,000	255,210	262,677	270,411	278,424	286,727	295,333	304,235	313,506	323,101
10	Collection	-	-	-	-	-	-	-	-	-	-
11	Transfers	-	-	-	8,018	8,018	8,018	8,018	8,018	8,018	8,018
12	Capital	-	-	-	-	-	-	-	-	-	-
13	Total Operating Expenses	\$ 722,549	\$ 754,709	\$ 783,023	\$ 820,623	\$ 851,471	\$ 1,003,007	\$ 1,042,579	\$ 1,083,927	\$ 1,127,135	\$ 1,172,271
14	Net Result of Operations	\$ 77,397	\$ 638,233	\$ 610,191	\$ 713,197	\$ 965,754	\$ 1,379,720	\$ 2,188,614	\$ 3,279,537	\$ 4,371,340	\$ 5,463,970
Non-Operating Expenses											
15	Capital Improvements	\$ 25,000	\$ 533,418	\$ 336,791	\$ 626,243	\$ 177,231	\$ 181,821	\$ 233,163	\$ 239,202	\$ 208,568	\$ 213,930
16	Existing Debt Service	0	0	0	0	0	0	0	0	0	0
17	Other Miscellaneous	-	-	-	-	-	-	-	-	-	-
18	Total Non-Operating Expenses	\$ 25,000	\$ 533,418	\$ 336,791	\$ 626,243	\$ 177,231	\$ 181,821	\$ 233,163	\$ 239,202	\$ 208,568	\$ 213,930
19	Net Available After Operations	\$ 52,397	\$ 104,765	\$ 273,381	\$ 87,754	\$ 788,522	\$ 1,197,899	\$ 1,955,450	\$ 3,040,334	\$ 4,162,772	\$ 5,249,940
Other Uses											
20	New Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Total Other Uses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Net Available After Other Uses	\$ 52,397	\$ 104,765	\$ 273,381	\$ 87,754	\$ 788,522	\$ 1,197,899	\$ 1,955,450	\$ 3,040,334	\$ 4,162,772	\$ 5,249,940
22	End-of-Year Cash	\$28,791	\$184,554	\$408,137	\$495,891	\$1,284,413	\$2,482,312	\$4,437,762	\$7,478,094	\$11,440,843	\$16,892,783
23	Target Cash - Operations	179,576	186,093	193,079	202,345	209,552	247,317	257,074	267,270	277,924	289,058
24	Target Cash - Repair & Replacement	-	-	-	-	-	-	-	-	-	-
25	Target Cash	\$179,576	\$186,093	\$193,079	\$202,345	\$209,552	\$247,317	\$257,074	\$267,270	\$277,924	\$289,058

Fund Balances

		Beginning balances	
Line No	Description	Operating Fund	
Current Assets:			
1	Cash - Combined Fund	\$	16,126
2	Accounts Receivable		44,766
3			-
<hr/>			
4	Total Current Assets	\$	60,892
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Current Liabilities (payable from current assets):			
5	Accounts Payable	\$	21,740
6	Accrued Expenses		5,295
7	Refundable Deposits		16,126
8	Compensated Absences		21,214
<hr/>			
9	Total Current Liabilities	\$	64,375
<hr/>			
Adjustments:			
Less:			
Adjustment for Unrestricted Net Position			
10			-
11	Net Adjustments	\$	-
<hr/>			
12	Net Beginning Balances (Current Assets less Current Liabilities - Including Adjustments)	\$	(3,483)

City of Benson
 Revenues - Sewer System
 Sewer Financial Model

Line No.	Description	2011	2020	2021	2022	2023	2024	2025	2026	2027	2028
Operating Revenues											
Sewer											
1	Operating Revenue	\$ 783,721	\$ 1,371,512	\$ 1,371,512	\$ 1,510,723	\$ 1,769,146	\$ 2,345,992	\$ 3,181,261	\$ 4,294,953	\$ 5,408,645	\$ 6,522,337
2	Other Revenues	21,225	21,225	21,225	22,770	25,851	32,043	41,315	53,678	66,041	78,404
3	Total Operating Revenues	\$ 804,946	\$ 1,392,737	\$ 1,392,737	\$ 1,533,494	\$ 1,815,007	\$ 2,378,035	\$ 3,222,576	\$ 4,348,631	\$ 5,474,686	\$ 6,600,741
Non-Operating Revenue											
4	Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Interest Income	-	205	677	1,126	2,218	4,692	8,617	14,832	23,768	35,480
6	Total Non-Operating Revenue	\$ -	\$ 205	\$ 677	\$ 1,126	\$ 2,218	\$ 4,692	\$ 8,617	\$ 14,832	\$ 23,768	\$ 35,480
7	Total Revenues	\$ 804,946	\$ 1,392,942	\$ 1,393,414	\$ 1,534,620	\$ 1,817,225	\$ 2,382,727	\$ 3,231,193	\$ 4,363,464	\$ 5,498,474	\$ 6,636,221
OPERATING REVENUES											
Charges for Services											
8	Rate Revenue	\$ 783,721	\$ 783,721	\$ 1,371,512	\$ 1,371,512	\$ 1,510,723	\$ 1,769,146	\$ 2,345,992	\$ 3,181,261	\$ 4,294,953	\$ 5,408,645
9	Growth	0.00%	0.00%	0.00%	10.15%	18.43%	31.12%	35.60%	35.01%	25.93%	20.59%
10	Revenues Adjusted for Growth	\$ 783,721	\$ 783,721	\$ 1,371,512	\$ 1,510,723	\$ 1,769,146	\$ 2,345,992	\$ 3,181,261	\$ 4,294,953	\$ 5,408,645	\$ 6,522,337
11	Revenue Increase	0.0%	25.00%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
12	Percent of Year w/Rate Increase	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
13	Revenues under old rates	\$ 783,721	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	Total Charges for Services - After Revenue Increase	\$ 783,721	\$ 1,371,512	\$ 1,371,512	\$ 1,510,723	\$ 1,769,146	\$ 2,345,992	\$ 3,181,261	\$ 4,294,953	\$ 5,408,645	\$ 6,522,337
Other Sewer Revenue											
15	New Hook Ups	15,225	15,225	15,225	16,770	19,851	26,043	35,315	47,678	60,041	72,404
16	Misc Revenue	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
17	Interest Income	-	205	677	1,126	2,218	4,692	8,617	14,832	23,768	35,480
18	Total Operating Revenues	\$ 804,946	\$ 1,392,942	\$ 1,393,414	\$ 1,534,620	\$ 1,817,225	\$ 2,382,727	\$ 3,231,193	\$ 4,363,464	\$ 5,498,474	\$ 6,636,221

City of Benson
 Estimated & Projected Uses of Funds - Sewer System
 Sewer Financial Model

Line No.	Description	2011	2020	2021	2022	2023	2024	2025	2026	2027	2028
OPERATING EXPENSES											
1	Administration	\$ 479,549	\$ 499,499	\$ 520,366	\$ 542,194	\$ 565,030	\$ 708,262	\$ 739,228	\$ 771,654	\$ 805,610	\$ 841,172
2	Treatment	248,000	255,210	262,677	270,411	278,424	286,727	295,333	304,235	313,505	323,101
3	Collection	-	-	-	-	-	-	-	-	-	-
4	Transfers	-	-	-	8,018	8,018	8,018	8,018	8,018	8,018	8,018
5	Capital	-	-	-	-	-	-	-	-	-	-
6	Total OPERATING EXPENSES	\$ 727,549	\$ 754,709	\$ 783,043	\$ 820,623	\$ 851,471	\$ 1,003,007	\$ 1,042,579	\$ 1,083,927	\$ 1,127,135	\$ 1,172,211
OPERATING EXPENSES											
Personnel											
7	Salaries and Wages	\$ 228,398	\$ 239,818	\$ 251,809	\$ 264,399	\$ 277,619	\$ 291,500	\$ 306,075	\$ 321,379	\$ 337,448	\$ 354,320
8	Additional Staff	-	-	-	-	-	91,800	94,390	101,210	104,270	111,583
9	Additional Benefits	-	-	-	-	-	27,540	28,917	30,363	31,891	33,475
10	Overtime Wages	15,000	15,750	16,538	17,364	18,233	19,144	20,101	21,107	22,162	23,270
11	Payroll Taxes	18,420	19,551	20,529	21,555	22,633	23,764	24,953	26,200	27,510	28,888
12	Retirement Benefits	28,721	30,157	31,665	33,248	34,911	36,654	38,489	40,413	42,434	44,556
13	Employee Insurance	54,550	57,288	60,152	63,160	66,318	69,634	73,116	76,771	80,610	84,640
Contracts & Services											
14	Professional Services	35,000	35,700	36,414	37,142	37,885	38,643	39,416	40,204	41,008	41,828
15	Chemical Analysis	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951
16	Education and Training	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975
17	Bank Charges	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975
18	Utilities	75,000	78,750	82,668	86,822	91,163	95,721	100,507	105,533	110,809	116,350
19	Telephone	4,500	4,590	4,682	4,775	4,871	4,968	5,068	5,169	5,272	5,378
20	Repairs & Maintenance	100,000	102,000	104,040	106,121	108,243	110,408	112,616	114,867	117,166	119,509
21	Rentals	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975
22	Uniforms	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
23	Insurance	35,000	35,700	36,414	37,142	37,885	38,643	39,416	40,204	41,008	41,828
24	Public Notices & Advertising	250	255	260	265	271	276	282	287	293	299
25	Dues & Licenses	12,000	12,240	12,485	12,734	12,987	13,244	13,514	13,784	14,056	14,341
26	Bad Debt Write Off	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793
Supplies											
26	Printing & Postage	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975
27	Computer Supplies	7,500	7,650	7,803	7,959	8,118	8,281	8,446	8,615	8,787	8,963
28	Operating Supplies	45,000	45,900	46,818	47,754	48,709	49,684	50,677	51,691	52,725	53,779
29	Vehicle Fuel & Oil	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951
30	Equipment Repairs & Maint	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975
31	Vehicle Repairs & Maint	20,000	20,400	20,808	21,224	21,647	22,078	22,523	22,974	23,433	23,902
Loan Repayments											
31	Sewer Loan Repayments to Solid Waste and Gas Funds	-	-	-	8,018	8,018	8,018	8,018	8,018	8,018	8,018
32		-	-	-	-	-	-	-	-	-	-
33	TOTAL OPERATING EXPENSES	\$ 727,549	\$ 754,709	\$ 783,043	\$ 820,623	\$ 851,471	\$ 1,003,007	\$ 1,042,579	\$ 1,083,927	\$ 1,127,135	\$ 1,172,211

City of Benson
 Capital Improvement Plan
 Fiscal Years 2018 - 2028

Line No.	Proj No.	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Sewer - Identified Needs												
1	07-4	Truck Purchase	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	0	Truck Replacements	-	25,000	25,000	-	-	-	-	-	-	-
3	0	Truck Replacements	-	-	-	25,000	25,000	25,000	25,000	30,000	30,000	30,000
4	0	Heavy Equipment Replacements	-	30,000	35,000	-	-	-	-	-	-	-
5	0	Heavy Equipment Replacements	-	-	-	35,000	35,000	35,000	35,000	40,000	40,000	40,000
6	CPF	Wastewater Planning Model	-	-	80,000	-	-	-	-	-	-	-
7	CPF	Wastewater Planning Model	-	-	-	-	-	-	40,000	-	-	-
8	CPF	Wastewater Master Plan	-	-	-	50,000	-	-	-	30,000	-	-
9	0	WW UV System Replacement	-	260,000	-	-	-	-	-	-	-	-
10	0	High Pressure Jet Router	-	85,000	-	-	-	-	-	-	-	-
11	CPF	Whetstone SCADA Connector	-	-	30,000	50,000	-	-	-	-	-	-
12	CPF/WW	Whetstone Force Main Pump System	-	-	30,000	300,000	-	-	-	-	-	-
13	0	Wastewater Collections Improvements	-	100,000	100,000	100,000	-	-	-	-	-	-
14	0	Wastewater Collections Improvements	-	-	-	-	100,000	100,000	100,000	100,000	100,000	100,000
15	0	City Yard Improvements	-	20,000	20,000	20,000	-	-	-	-	-	-
16	0	0	-	-	-	-	-	-	-	-	-	-
17	Total Capital Project Costs		\$ 25,000	\$ 520,000	\$ 320,000	\$ 580,000	\$ 140,000	\$ 160,000	\$ 200,000	\$ 200,000	\$ 170,000	\$ 170,000
18	Total Escalated Capital Project Costs		\$ 25,000	\$ 533,448	\$ 336,791	\$ 626,243	\$ 177,231	\$ 181,821	\$ 233,143	\$ 239,202	\$ 208,588	\$ 213,990
19	Total Funded Through Prioritization Process		\$ 25,000	\$ 533,448	\$ 336,791	\$ 626,243	\$ 177,231	\$ 181,821	\$ 233,143	\$ 239,202	\$ 208,588	\$ 213,990

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Households	2,463	2,463	2,463	2,463	2,713	3,213	4,213	5,713	7,713	9,713	11,713
New Homes per year		0	0	0	250	500	1,000	1,500	2,000	2,000	2,000
System Growth		0.00%	0.00%	0.00%	10.15%	18.43%	31.12%	35.60%	35.01%	25.93%	20.59%
Rate Revenue 1		0.00%	0.00%	0.00%	10.15%	18.43%	31.12%	35.60%	35.01%	25.93%	20.59%



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