

**LOVELAND WATER AND POWER
RAW WATER FUNDING
FINANCIAL FORECAST
2019-2028**

With Original CBT Assumptions

			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	A	% of Water Sales Transferred to Raw Water Fund
			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	B	Future Raw Water Prj's % growth/year
			2.00%	2.50%	3.00%	3.25%	3.50%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	C	Interest on Investments
			0.00%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	D	Inflation Rate on Water & Wastewater Specific Projects
			1.99%	0.00%	1.60%	2.10%	2.10%	2.10%	1.70%	1.70%	1.70%	1.70%	1.70%	E	Growth from New Development
			9.00%	8.00%	8.00%	8.00%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	F	Water Sales Rate Increase
			-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	G	Usage Increase / (Decrease) Per Customer
			7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	H	Payment in Lieu of Taxes (PILT)
			0.00%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	I	General Inflation Rate

	Final 2017	Budget 2018	Forecast 2018	Budget 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	2019 to 2028 Total	A	B	C	D	E	F	G	H	I
1 BEGINNING BALANCE	\$20,860,637	\$25,517,761	\$25,517,761	\$21,393,614	\$4,349,044	\$3,602,011	\$3,007,518	\$2,485,493	\$1,670,381	\$884,420	\$118,010	(\$626,298)	(\$1,322,302)										
2 Hi-Use Surcharge	\$138,206	\$74,667	\$74,667	\$73,118	\$73,120	\$74,290	\$75,850	\$77,440	\$79,070	\$80,410	\$81,780	\$83,170	\$84,580	\$782,828					Y				
3 Raw Water Devlpmt Fees/Cap Rec Srchg	362,217	513,926	462,533	484,188	363,141	368,951	400,699	409,114	417,705	424,806	432,028	439,372	446,842	\$4,186,846					Y				
4 Cash-in-Lieu	120,972	527,084	210,834	227,167	227,170	230,800	235,650	240,600	245,650	249,830	254,080	258,400	262,790	\$2,432,137					Y				
5 Native Raw Water Storage Fees Received	489,608	31,598	31,598	196,876	196,880	200,030	204,230	208,520	212,900	216,520	220,200	223,940	227,750	\$2,107,846					Y				
6 Transfer from General Funds	3,078	1,026	1,026	1,026	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	1,030	\$10,296									
7 Revenue Transfer from Water Rates	445,202	491,220	491,220	491,220	528,060	576,120	631,420	663,620	697,470	730,250	764,570	800,510	838,130	\$6,721,370									
8 Water Loan Payments Received	4,161,687	32,500	0	0	0	0	0	0	0	0	0	0	0	\$0									
9 Interest on Investments	223,485	351,950	175,975	213,935	108,730	108,060	97,740	86,990	62,640	33,170	4,430	0	0	\$715,695			Y						
10 External Loan Received - Joint Financing	0	0	0	27,880,000	0	0	0	0	0	0	0	0	0	\$27,880,000									
11 External Loan Received - CWCB	0	0	0	9,680,000	0	0	0	0	0	0	0	0	0	\$9,680,000									
12 Total Revenues	\$5,944,456	\$2,023,971	\$1,447,853	\$39,247,530	\$1,498,131	\$1,559,281	\$1,646,619	\$1,687,314	\$1,716,465	\$1,736,016	\$1,758,118	\$1,806,422	\$1,861,122	\$54,517,018									
13 Operating Expenses																							
14 Windy Gap Annual Administration Fee	7,044	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	\$71,000									
15 External Loan Payment - Joint Financing	0	0	\$0	0	1,495,054	1,495,054	1,495,054	1,495,054	1,495,054	1,495,054	1,495,054	1,495,054	1,495,054	\$13,455,486									
16 External Loan Payment - CWCB	0	0	\$0	0	0	0	0	500,272	500,272	500,272	500,272	500,272	500,272	\$3,001,632									
17 TOTAL OPERATING EXPENSES (excl depn)	\$7,044	\$7,100	\$7,100	\$7,100	\$1,502,154	\$1,502,154	\$1,502,154	\$2,002,426	\$2,002,426	\$2,002,426	\$2,002,426	\$2,002,426	\$2,002,426	\$16,528,118									
18 NET OPERATING REVENUE/(LOSS) (excl depn)	\$5,937,412	\$2,016,871	\$1,440,753	\$39,240,430	(\$4,023)	\$57,127	\$144,465	(\$315,112)	(\$285,961)	(\$266,410)	(\$244,308)	(\$196,004)	(\$141,304)	\$37,988,900									
19 FOOTNOTE: Depreciation Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0									
20 Capital Expenditures																							
21 Low Flow Reservoir Release	\$0	0	(60,000)	0	0	0	0	0	0	0	0	0	0	\$0									
22 Windy Gap Firming (W038AA)	(1,260,713)	(1,500,000)	(1,500,000)	(55,560,000)	0	0	0	0	0	0	0	0	0	(\$55,560,000)				Y					
23 Future Water Court Transfer Actions	0	(100,000)	(204,900)	(100,000)	(105,200)	0	0	0	0	0	0	0	0	(\$205,200)				Y					
24 Purchase CBT Water	0	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(\$5,000,000)				Y					
25 Downstream Storage	(19,575)	(3,300,000)	(3,300,000)	0	0	0	0	0	0	0	0	0	0	\$0				Y					
26 Downstream Storage - Armoring	0	0	0	(125,000)	(137,810)	(151,620)	(166,490)	0	0	0	0	0	0	(\$580,920)									
27 Downstream Storage - Phase 2 Design/SDC	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0				Y					
28 Downstream Storage - Phase 3 Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0									
29 Total Capital Expenditures	(\$1,280,288)	(\$5,400,000)	(\$5,564,900)	(\$56,285,000)	(\$743,010)	(\$651,620)	(\$666,490)	(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)	(\$61,346,120)									
30 Ending Balance Raw Water	\$25,517,761	\$22,134,632	\$21,393,614	\$4,349,044	\$3,602,011	\$3,007,518	\$2,485,493	\$1,670,381	\$884,420	\$118,010	(\$626,298)	(\$1,322,302)	(\$1,963,606)										

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With Adjusted CBT Assumptions

			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	A	% of Water Sales Transferred to Raw Water Fund
			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	B	Future Raw Water Prj's % growth/year
			2.00%	2.50%	3.00%	3.25%	3.50%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	C	Interest on Investments
			0.00%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	5.20%	D	Inflation Rate on Water & Wastewater Specific Projects
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			-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	G	Usage Increase / (Decrease) Per Customer
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			0.00%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	I	General Inflation Rate

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1 BEGINNING BALANCE	\$20,860,637	\$25,517,761	\$25,517,761	\$21,893,614	\$5,354,044	\$4,632,131	\$4,068,538	\$3,581,003	\$3,304,241	\$3,079,550	\$2,895,450	\$2,755,292	\$2,662,608												
2 Hi-Use Surcharge	\$138,206	\$74,667	\$74,667	\$73,118	\$73,120	\$74,290	\$75,850	\$77,440	\$79,070	\$80,410	\$81,780	\$83,170	\$84,580	\$782,828					Y						
3 Raw Water Devlpmt Fees/Cap Rec Srchg	362,217	513,926	462,533	484,188	363,141	368,951	400,699	409,114	417,705	424,806	432,028	439,372	446,842	\$4,186,846					Y						
4 Cash-in-Lieu	120,972	527,084	210,834	227,167	227,170	230,800	235,650	240,600	245,650	249,830	254,080	258,400	262,790	\$2,432,137					Y						
5 Native Raw Water Storage Fees Received	489,608	31,598	31,598	196,876	196,880	200,030	204,230	208,520	212,900	216,520	220,200	223,940	227,750	\$2,107,846					Y						
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8 Water Loan Payments Received	4,161,687	32,500	0	0	0	0	0	0	0	0	0	0	0	\$0											
9 Interest on Investments	223,485	351,950	175,975	218,935	133,850	138,960	132,230	125,340	123,910	115,480	108,580	103,320	99,850	\$1,300,455			Y								
10 External Loan Received - Joint Financing	0	0	0	27,880,000	0	0	0	0	0	0	0	0	0	\$27,880,000											
11 External Loan Received - CWCB	0	0	0	9,680,000	0	0	0	0	0	0	0	0	0	\$9,680,000											
12 Total Revenues	\$5,944,456	\$2,023,971	\$1,447,853	\$39,252,530	\$1,523,251	\$1,590,181	\$1,681,109	\$1,725,664	\$1,777,735	\$1,818,326	\$1,862,268	\$1,909,742	\$1,960,972	\$55,101,778											
13 Operating Expenses																									
14 Windy Gap Annual Administration Fee	7,044	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	\$71,000											
15 External Loan Payment - Joint Financing	0	0	\$0	0	1,495,054	1,495,054	1,495,054	1,495,054	1,495,054	1,495,054	1,495,054	1,495,054	1,495,054	\$13,455,486											
16 External Loan Payment - CWCB	0	0	\$0	0	0	0	0	500,272	500,272	500,272	500,272	500,272	500,272	\$3,001,632											
17 TOTAL OPERATING EXPENSES (excl depn)	\$7,044	\$7,100	\$7,100	\$7,100	\$1,502,154	\$1,502,154	\$1,502,154	\$2,002,426	\$2,002,426	\$2,002,426	\$2,002,426	\$2,002,426	\$2,002,426	\$16,528,118											
18 NET OPERATING REVENUE/(LOSS) (excl depn)	\$5,937,412	\$2,016,871	\$1,440,753	\$39,245,430	\$21,097	\$88,027	\$178,955	(\$276,762)	(\$224,691)	(\$184,100)	(\$140,158)	(\$92,684)	(\$41,454)	\$38,573,660											
19 FOOTNOTE: Depreciation Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
20 Capital Expenditures																									
21 Low Flow Reservoir Release	\$0	0	(60,000)	0	0	0	0	0	0	0	0	0	0	\$0											
22 Windy Gap Firming (W038AA)	(1,260,713)	(1,500,000)	(1,500,000)	(55,560,000)	0	0	0	0	0	0	0	0	0	(\$55,560,000)					Y						
23 Future Water Court Transfer Actions	0	(100,000)	(204,900)	(100,000)	(105,200)	0	0	0	0	0	0	0	0	(\$205,200)					Y						
24 Purchase CBT Water	0	(500,000)	0	0	(500,000)	(500,000)	(500,000)	0	0	0	0	0	0	(\$1,500,000)					Y						
25 Downstream Storage	(19,575)	(3,300,000)	(3,300,000)	0	0	0	0	0	0	0	0	0	0	\$0					Y						
26 Downstream Storage - Armoring	0	0	0	(125,000)	(137,810)	(151,620)	(166,490)	0	0	0	0	0	0	(\$580,920)											
27 Downstream Storage - Phase 2 Design/SDC	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0					Y						
28 Downstream Storage - Phase 3 Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0											
29 Total Capital Expenditures	(\$1,280,288)	(\$5,400,000)	(\$5,064,900)	(\$55,785,000)	(\$743,010)	(\$651,620)	(\$666,490)	\$0	\$0	\$0	\$0	\$0	\$0	(\$57,846,120)											
30 Ending Balance Raw Water	\$25,517,761	\$22,134,632	\$21,893,614	\$5,354,044	\$4,632,131	\$4,068,538	\$3,581,003	\$3,304,241	\$3,079,550	\$2,895,450	\$2,755,292	\$2,662,608	\$2,621,154												