

SUMMARY

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|--|---------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|
| Total Operating Revenues | 5,746,231 | 5,885,476 | 5,909,155 | 5,977,144 | 6,199,444 | 6,482,800 | 6,770,212 | 7,051,580 | 7,357,204 | 7,420,072 | 7,721,660 |
| Total Operating Expenditures | 3,767,182 | 3,692,129 | 4,155,109 | 4,555,853 | 4,890,813 | 5,233,170 | 5,599,491 | 5,991,456 | 6,410,858 | 6,659,618 | 7,359,791 |
| Net Cash from Operations | 1,979,049 | 2,173,347 | 1,754,047 | 1,421,291 | 1,308,631 | 1,249,630 | 1,170,721 | 1,070,224 | 946,346 | 560,454 | 381,869 |
| Capital Replacement Res. B.O.Y. (1) | 12,780,872 | 13,471,308 | 14,276,804 | 14,470,725 | 13,352,016 | 10,515,647 | 6,345,278 | 6,465,998 | 5,686,222 | 5,657,569 | 4,986,023 |
| Replacement Capital Expenditure | (1,288,613) | (1,367,851) | (1,560,126) | (2,540,000) | (4,145,000) | (5,420,000) | (1,050,000) | (1,550,000) | (1,075,000) | (1,150,000) | (850,000) |
| Capital Replacement Res. E.O.Y. (2) | 13,471,308 | 14,276,804 | 14,470,725 | 13,352,016 | 10,515,647 | 6,345,278 | 6,465,998 | 5,686,222 | 5,557,569 | 4,968,023 | 4,499,912 |
| Plant Investment Fees (3) | 4,538,727 | 4,853,695 | 3,394,112 | 1,800,000 | 1,946,834 | 2,005,239 | 2,168,641 | 2,233,700 | 2,415,647 | 2,488,117 | 2,690,812 |
| Sale of Bonds or Loans Debt Service | (93,340) | (95,216) | (97,130) | (95,216) | (95,216) | (95,216) | (95,216) | (95,216) | (95,216) | (95,216) | (95,216) |
| Debt Service Interest Bond Payoff | (221,040) | (27,933) | (26,813) | (28,726) | (28,726) | (28,726) | (28,726) | (28,726) | (28,726) | (28,726) | (28,726) |
| Interest on Loan Payments | (5,831,937) | 16,776 | 8,661 | 15,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Interest Income | 19,314 | 37,185 | 306,462 | 350,000 | 300,000 | 300,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| Inclusion Fees | 422,226 | 139,879 | 122,024 | 100,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| Total Capital Income | (1,149,274) | 4,922,103 | 3,707,316 | 2,141,058 | 2,247,982 | 2,305,297 | 2,359,699 | 2,434,758 | 2,616,705 | 2,689,175 | 2,891,870 |
| Capital Outlay Res. B.O.Y. (1) | 12,605,907 | 10,954,137 | 13,038,097 | 15,120,211 | 15,121,269 | 13,669,161 | 10,425,459 | 11,845,157 | 13,179,915 | 14,396,620 | 14,285,795 |
| Capital Outlay | (502,466) | (2,638,143) | (1,625,202) | (2,140,000) | (3,700,000) | (5,550,000) | (950,000) | (1,100,000) | (1,400,000) | (2,800,000) | (550,000) |
| Capital Outlay Res. E.O.Y. (2) | 10,954,137 | 13,038,097 | 15,120,211 | 15,121,269 | 13,669,161 | 10,425,459 | 11,845,157 | 13,179,915 | 14,396,620 | 14,285,795 | 16,627,665 |
| Total Cash and Investments | 24,425,445 | 27,314,901 | 29,590,936 | 28,473,285 | 24,164,809 | 16,770,736 | 18,311,155 | 18,866,137 | 19,954,189 | 18,253,818 | 21,127,577 |
| NUTRIENT RESERVE ALLOCATION | -2,000,000.00 | -2,000,000.00 | -2,000,000.00 | | | | | | | | |
| TOTAL NUTRIENT RESERVE (4) | 10,000,000.00 | 12,000,000.00 | 14,000,000.00 | | | | | | | | |
| TOTAL AVAILABLE AFTER RESERVE | 14,425,445.32 | 15,314,901.32 | 15,590,936 | | | | | | | | |

(1) Beginning of Year
(2) End of Year
(3) Plant Investment Fees
(4) Paper Report 2014 Alt #3
(5) Interest on loan payments and rental income

| | | | | | | | | | | | |
|----------------------|------------|------------|-----------|-----------|------------|------------|-----------|-----------|------------|------------|------------|
| unaudited | | | | | | | | | | | |
| TOTAL REVENUE | 10,743,274 | 10,910,728 | 9,740,415 | 8,242,144 | 8,571,278 | 8,913,039 | 9,263,853 | 9,620,380 | 10,097,851 | 10,233,188 | 10,737,482 |
| TOTAL EXPENSE | 5,882,671 | 8,021,272 | 7,464,380 | 9,359,795 | 12,859,755 | 16,327,112 | 7,723,433 | 9,065,398 | 9,009,800 | 10,933,560 | 8,863,733 |

Upper Blue Sanitation District
 10 Year Financial Forecast
 Jan. 1, 20167 - Dec. 31, 2026

SEWER OPERATIONS

EXHIBIT I

| | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Operating Revenue | | | | | | | | | | | |
| Sewer User Fees (Exhibit II) | 5,466,864 | 5,610,384 | 5,719,896 | 5,838,144 | 6,117,444 | 6,400,800 | 6,688,212 | 6,979,680 | 7,275,204 | 7,338,072 | 7,639,680 |
| Other Operating Revenues (Exhibit II) | 279,367 | 255,092 | 189,260 | 139,000 | 82,000 | 82,000 | 82,000 | 82,000 | 82,000 | 82,000 | 82,000 |
| Total Operating Revenue | 5,746,231 | 5,865,476 | 5,909,156 | 5,977,144 | 6,199,444 | 6,482,800 | 6,770,212 | 7,061,680 | 7,357,204 | 7,420,072 | 7,721,680 |
| Operating Expenditures | | | | | | | | | | | |
| Operating Expenditures | 3,767,182 | 3,692,129 | 4,155,109 | 4,570,853 | 4,890,813 | 5,233,170 | 5,599,491 | 5,991,456 | 6,410,858 | 6,859,618 | 7,339,791 |
| Total Operating Expenditures | 3,767,182 | 3,692,129 | 4,155,109 | 4,570,853 | 4,890,813 | 5,233,170 | 5,599,491 | 5,991,456 | 6,410,858 | 6,859,618 | 7,339,791 |
| Net Cash from Operations | 1,979,049 | 2,173,347 | 1,754,047 | 1,406,291 | 1,308,631 | 1,249,630 | 1,170,721 | 1,070,224 | 946,346 | 560,454 | 381,889 |

Note: Operating expenditures assumes approx. 6%- 7% annual increase. New facility costs added seperately

Upper Blue Sanitation District
10 Year Financial Forecast
Jan. 1, 2016 - Dec. 31, 2026

EXHIBIT II

| REF. | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| User Fee Income Calculation | | | | | | | | | | | |
| Single Family Equivalents | 17,181 | 17,522 | 17,982 | 18,333 | 18,712 | 18,881 | 19,050 | 19,219 | 19,388 | 19,557 | 19,726 |
| SFEs placed in service | 341 | 460 | 351 | 379 | 169 | 169 | 169 | 169 | 169 | 169 | 169 |
| SFEs end of year | 17,522 | 17,982 | 18,333 | 18,712 | 18,881 | 19,050 | 19,219 | 19,388 | 19,557 | 19,726 | 19,895 |
| Monthly Rate per SFE | 26 | 26 | 26 | 26 | 27 | 28 | 29 | 30 | 31 | 31 | 32 |
| Sewer User Fees | 5,466,864 | 5,610,384 | 5,719,896 | 5,838,144 | 6,117,444 | 6,400,800 | 6,688,212 | 6,879,690 | 7,275,204 | 7,338,072 | 7,639,680 |
| Interest Income Calculation | | | | | | | | | | | |
| Prior Year Ending Cash | 25,458,292 | 24,425,445 | 27,314,901 | 29,590,996 | 28,473,285 | 24,184,809 | 16,770,736 | 18,311,155 | 18,666,137 | 19,954,189 | 19,253,818 |
| Estimated Interest Income | 19,314 | 51,677 | 306,462 | 350,000 | 350,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Other Operating Revenue | | | | | | | | | | | |
| Inspection Fees (@ \$100 per hook-up) | 11,300 | 16,105 | 9,000 | 10,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| Other (Est) | 268,067 | 238,987 | 180,260 | 129,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| Other Operating Revenue | 279,367 | 255,092 | 189,260 | 139,000 | 82,000 | 82,000 | 82,000 | 82,000 | 82,000 | 82,000 | 82,000 |
| Plant Investment Fee Calculation | | | | | | | | | | | |
| Cost per SFE | 11,584 | 11,584 | 11,584 | 11,584 | 12,163 | 12,163 | 12,771 | 12,771 | 13,409 | 13,409 | 14,079 |
| SFEs Sold | 391.81 | 419.00 | 293.00 | 155 | 160 | 165 | 170 | 175 | 180 | 186 | 191 |
| Plant Investment Fee Revenue | 4,538,727 | 4,853,696 | 3,394,112 | 1,800,154 | 1,946,834 | 2,005,239 | 2,168,641 | 2,233,700 | 2,415,647 | 2,488,117 | 2,690,812 |
| Long Term Debt | | | | | | | | | | | |
| Sale of Bonds | - | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - | - |

Note 3: Cost of PIF accelerates@4%

Note 5: Estimated connections are not all occurring at beginning of year

Note 6: Construction Retainage Escrow is not included in Prior Year Ending Cash

Upper Blue Sanitation District
 10 Year Financial Forecast
 Jan. 1, 2016 - Dec. 31, 2026

EXHIBIT III

| | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | Total |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Replacement Capital | | | | | | | | | | | | |
| Farmers Korner | 339,137 | 921,471 | 330,000 | 575,000 | 200,000 | 400,000 | 200,000 | 700,000 | 300,000 | 200,000 | 200,000 | 4,530,284 |
| Iowa Hill | 157,288 | 177,491 | 60,000 | 600,000 | 3,100,000 | 4,300,000 | 200,000 | 500,000 | 200,000 | 100,000 | 100,000 | 9,655,939 |
| South Blue | - | 36,439 | 10,000 | 50,000 | 50,000 | 75,000 | 50,000 | 50,000 | 75,000 | 50,000 | 50,000 | 496,439 |
| Collection | 775,606 | 184,668 | 1,095,000 | 1,225,000 | 695,000 | 545,000 | 500,000 | 500,000 | 400,000 | 700,000 | 400,000 | 7,219,020 |
| Automotive | 22,716 | 36,649 | 42,126 | 55,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 585,403 |
| Administration | 3,866 | 11,133 | 23,000 | 35,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 456,463 |
| Equipment | | | | | | | | | | | | |
| Other | | | | | | | | | | | | |
| Total | 1,298,613 | 1,367,851 | 1,560,126 | 2,540,000 | 4,145,000 | 5,420,000 | 1,050,000 | 1,850,000 | 1,075,000 | 1,150,000 | 850,000 | 22,943,548 |
| Capital Expenditures | | | | | | | | | | | | |
| Farmers Korner | 110,946 | 10,600 | 75,000 | 310,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 1,000,000 | 200,000 | 2,714,883 |
| Iowa Hill | 94,568 | - | 50,000 | 300,000 | 3,300,000 | 4,300,000 | 200,000 | 150,000 | 150,000 | 1,000,000 | 150,000 | 9,699,943 |
| South Blue | 140,587 | 1,647,285 | 10,330 | 600,000 | 150,000 | 1,000,000 | 500,000 | 700,000 | 1,000,000 | 750,000 | 150,000 | 1,878,697 |
| Collection | 156,395 | 1,180,258 | 1,484,872 | 600,000 | 150,000 | 1,000,000 | 500,000 | 700,000 | 1,000,000 | 750,000 | 150,000 | 8,203,565 |
| Automotive | - | - | 5,000 | 930,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 1,285,000 |
| Administration | | | | | | | | | | | | |
| Other | | | | | | | | | | | | |
| Total | 502,496 | 2,838,143 | 1,625,202 | 2,140,000 | 3,700,000 | 5,550,000 | 950,000 | 1,100,000 | 1,400,000 | 2,800,000 | 550,000 | 23,782,088 |
| Total Capital Expenditures | 1,801,109 | 4,205,994 | 3,185,328 | 4,680,000 | 7,845,000 | 10,970,000 | 2,000,000 | 2,950,000 | 2,475,000 | 3,950,000 | 1,400,000 | 46,725,636 |

CAPITAL 2020

| | <u>REPLACEMENT</u> | <u>NEW</u> |
|--|------------------------------|------------------------------|
| Farmers Korner | | |
| Miscellaneous equipment repair/replace | \$200,000.00 | \$200,000.00 |
| Total | <u>\$200,000.00</u> | <u>\$200,000.00</u> |
| Iowa Hill | | |
| Miscellaneous equipment repair/replace | \$100,000.00 | \$300,000.00 |
| Nutrient Removal | \$3,000,000.00 | \$3,000,000.00 |
| Total | <u>\$3,100,000.00</u> | <u>\$3,300,000.00</u> |
| Collection | | |
| Manholes/Liftstations/Line Repair | \$250,000.00 | |
| Miscellaneous line extension | \$150,000.00 | \$150,000.00 |
| Vehicle Replacement | \$45,000.00 | |
| Vac Truck Replacement | \$300,000.00 | |
| Total | <u>\$745,000.00</u> | <u>\$150,000.00</u> |
| South Blue | | |
| Miscellaneous equipment repair/replace | \$50,000.00 | |
| Total | <u>\$50,000.00</u> | |
| Administration | | |
| Miscellaneous equipment | \$50,000.00 | \$50,000.00 |
| Total | <u>\$50,000.00</u> | <u>\$50,000.00</u> |
| GRAND TOTALS | <u>\$4,145,000.00</u> | <u>\$3,700,000.00</u> |

CAPITAL 2021

| | <u>REPLACEMENT</u> | <u>NEW</u> |
|--|------------------------------|------------------------------|
| Farmers Korner | | |
| Miscellaneous equipment repair/replace | \$400,000.00 | \$200,000.00 |
| Total | <u>\$400,000.00</u> | <u>\$200,000.00</u> |
| Iowa Hill | | |
| Miscellaneous equipment repair/replace | \$300,000.00 | \$300,000.00 |
| Nutrient Removal | \$4,000,000.00 | \$4,000,000.00 |
| Total | <u>\$4,300,000.00</u> | <u>\$4,300,000.00</u> |
| South Blue | | |
| Misc | \$75,000.00 | |
| Total | <u>\$75,000.00</u> | |
| Collection | | |
| Town of Breck Repairs | \$150,000.00 | |
| Manholes/Liftstations/Line Repairs | \$250,000.00 | |
| Miscellaneous line extension | \$150,000.00 | \$1,000,000.00 |
| Vehicle Replacement | \$45,000.00 | |
| Total | <u>\$595,000.00</u> | <u>\$1,000,000.00</u> |
| Administration | | |
| Miscellaneous equipment | \$50,000.00 | \$50,000.00 |
| Total | <u>\$50,000.00</u> | <u>\$50,000.00</u> |
| GRAND TOTALS | <u>\$5,420,000.00</u> | <u>\$5,550,000.00</u> |

CAPITAL 2022

| | <u>REPLACEMENT</u> | <u>NEW</u> |
|--|------------------------------|----------------------------|
| Farmers Korner | | |
| Miscellaneous equipment repair/replace | \$200,000.00 | \$200,000.00 |
| Total | <u>\$200,000.00</u> | <u>\$200,000.00</u> |
| Iowa Hill | | |
| Miscellaneous equipment repair/replace | \$200,000.00 | \$200,000.00 |
| Total | <u>\$200,000.00</u> | <u>\$200,000.00</u> |
| South Blue | | |
| Misc. | \$50,000.00 | |
| Total | <u>\$50,000.00</u> | |
| Collection | | |
| Town of Breck Repairs | \$150,000.00 | |
| Manholes/Lifestations/Line Repairs | \$200,000.00 | |
| Miscellaneous line extension | \$150,000.00 | \$500,000.00 |
| Vehicle Replacement | \$50,000.00 | |
| Total | <u>\$550,000.00</u> | <u>\$500,000.00</u> |
| Administration | | |
| Miscellaneous equipment | \$50,000.00 | \$50,000.00 |
| Total | <u>\$50,000.00</u> | <u>\$50,000.00</u> |
| GRAND TOTALS | <u>\$1,050,000.00</u> | <u>\$950,000.00</u> |

CAPITAL 2023

| | <u>REPLACEMENT</u> | <u>NEW</u> |
|--|------------------------------|------------------------------|
| Farmers Korner | | |
| Miscellaneous equipment repair/replace | \$700,000.00 | \$200,000.00 |
| Total | <u>\$700,000.00</u> | <u>\$200,000.00</u> |
| Iowa Hill | | |
| Miscellaneous equipment repair/replace | \$500,000.00 | \$150,000.00 |
| Total | <u>\$500,000.00</u> | <u>\$150,000.00</u> |
| South Blue | | |
| Misc. | \$50,000.00 | |
| Total | <u>\$50,000.00</u> | |
| Collection | | |
| Town of Breck Repairs | \$150,000.00 | |
| Manholes/Liftstations/LineRepairs | \$200,000.00 | |
| Miscellaneous line extension | \$150,000.00 | \$700,000.00 |
| Vehicle Replacement | \$50,000.00 | |
| Total | <u>\$550,000.00</u> | <u>\$700,000.00</u> |
| Administration | | |
| Miscellaneous equipment | \$50,000.00 | \$50,000.00 |
| Total | <u>\$50,000.00</u> | <u>\$50,000.00</u> |
| GRAND TOTALS | <u>\$1,850,000.00</u> | <u>\$1,100,000.00</u> |

CAPITAL 2024

| | <u>REPLACEMENT</u> | <u>NEW</u> |
|--|-----------------------|-----------------------|
| Farmers Korner | | |
| Miscellaneous equipment repair/replace | \$300,000.00 | \$200,000.00 |
| Total | <u>\$300,000.00</u> | <u>\$200,000.00</u> |
| Iowa Hill | | |
| Miscellaneous equipment repair/replace | \$200,000.00 | \$150,000.00 |
| Total | <u>\$200,000.00</u> | <u>\$150,000.00</u> |
| South Blue | | |
| Misc. | \$75,000.00 | |
| Total | <u>\$75,000.00</u> | |
| Collection | | |
| Town of Breck Repairs | \$150,000.00 | |
| Manholes | \$100,000.00 | |
| Miscellaneous line extension | \$150,000.00 | \$1,000,000.00 |
| Vehicle Replacement | \$50,000.00 | |
| Total | <u>\$450,000.00</u> | <u>\$1,000,000.00</u> |
| Administration | | |
| Miscellaneous equipment | \$50,000.00 | \$50,000.00 |
| Total | <u>\$50,000.00</u> | <u>\$50,000.00</u> |
| GRAND TOTALS | <u>\$1,075,000.00</u> | <u>\$1,400,000.00</u> |

CAPITAL 2025

| | REPLACEMENT | NEW |
|--|-----------------------|-----------------------|
| Farmers Korner | | |
| Miscellaneous equipment repair/replace | \$200,000.00 | \$1,000,000.00 |
| Total | <u>\$200,000.00</u> | <u>\$1,000,000.00</u> |
| Iowa Hill | | |
| Miscellaneous equipment repair/replace | \$100,000.00 | \$1,000,000.00 |
| Total | <u>\$100,000.00</u> | <u>\$1,000,000.00</u> |
| South Blue | | |
| Misc. | \$50,000.00 | |
| Total | <u>\$50,000.00</u> | |
| Collection | | |
| Town of Breck Repairs | \$150,000.00 | |
| Manholes/Liftstations/Line Repairs | \$100,000.00 | |
| Miscellaneous line extension | \$150,000.00 | \$750,000.00 |
| Vehicle Replacement | \$50,000.00 | |
| Large Vehicle Replacement | \$300,000.00 | |
| Total | <u>\$750,000.00</u> | <u>\$750,000.00</u> |
| Administration | | |
| Miscellaneous equipment | \$50,000.00 | \$50,000.00 |
| Total | <u>\$50,000.00</u> | <u>\$50,000.00</u> |
| GRAND TOTALS | <u>\$1,150,000.00</u> | <u>\$2,800,000.00</u> |

CAPITAL 2026

| | <u>REPLACEMENT</u> | <u>NEW</u> |
|--|----------------------------|----------------------------|
| Farmers Korner | | |
| Miscellaneous equipment repair/replace | \$200,000.00 | \$200,000.00 |
| Total | <u>\$200,000.00</u> | <u>\$200,000.00</u> |
| Iowa Hill | | |
| Miscellaneous equipment repair/replace | \$100,000.00 | \$150,000.00 |
| Total | <u>\$100,000.00</u> | <u>\$150,000.00</u> |
| South Blue | | |
| Misc. | \$50,000.00 | |
| Total | <u>\$50,000.00</u> | |
| Collection | | |
| Town of Breck Repairs | \$150,000.00 | |
| Manholes/Liftstations/Line Repairs | \$100,000.00 | |
| Miscellaneous line extension | \$150,000.00 | \$150,000.00 |
| Vehicle Replacement | \$50,000.00 | |
| Total | <u>\$450,000.00</u> | <u>\$150,000.00</u> |
| Administration | | |
| Miscellaneous equipment | \$50,000.00 | \$50,000.00 |
| Total | <u>\$50,000.00</u> | <u>\$50,000.00</u> |
| GRAND TOTALS | <u>\$850,000.00</u> | <u>\$550,000.00</u> |

10 YEAR FUND BALANCE SUMMARY (6%-7% EXPENSE GROWTH)

