

**TOWN OF SILT
RESOLUTION NO. 26
SERIES OF 2023**

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF SILT, COLORADO, ACTING BY AND THROUGH ITS WATER AND WASTEWATER ACTIVITY ENTERPRISE ADOPTING THE WATER RATE STUDY AND PROVIDING FOR ADJUSTMENTS TO THE MONTHLY WATER RATES.

WHEREAS, The Town of Silt (the "Town"), acting by and through its Water and Wastewater Activity Enterprise (the "Enterprise"), structures utility rates for water services to collect the necessary revenues to meet annual operating and maintenance costs of the water infrastructure; to cover debt service for water financing activities; to fund capital improvements to the Town's utility system infrastructure, and to maintain adequate operating fund and capital reserves; and

WHEREAS, the Board of Trustees of the Town (the "Board") is the governing body of the Town and is acting herein on behalf of the Town's Water and Wastewater Activity Enterprise (the "Enterprise"); and

WHEREAS, Article 13.05.060 of the Town's Municipal Code provides that water and wastewater rates be established by Resolution; and

WHEREAS, the Town has identified critical utility infrastructure capital needs, which must be funded through the rate and financial plan to ensure the sustainability of the utility systems; and

WHEREAS, the Town recently conducted a rate study in 2023 to determine the rate adjustments needed to fund the critical capital needs and address certain operating deficiencies; and

WHEREAS, the Town determined that the average customer utilizes 3,795 gallons per month, and

WHEREAS, rate adjustments are needed to provide access to capital markets and take advantage of a Bond issuance provided by the Colorado Water Resources and Power Development Authority (the "CWRPDA") for financing these critical capital needs; and

WHEREAS, securing debt financing requires the Town to demonstrate to lenders, bondholders, and credit rating agencies that the Town has adopted a multi-year schedule of rates to support the debt; and

WHEREAS, the Board of Trustees by this Resolution will set water rates until otherwise amended by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF SILT, COLORADO, ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE, THAT:

Section 1: The water rate study, set forth on **Exhibit A**, attached hereto and incorporated herein, is adopted.

Section 2: The Town authorizes an increase to the existing water rates to a maximum average customer impact of \$61.17/month, that will be implemented in two or more increases commencing on October 1, 2023 (impacting November water bills) increasing in the amount of \$19.65/month and January 1, 2024 (impacting the February bills) increasing in the amount of \$31.55/month and January 1, 2028 (impacting the February bills) increasing in the amount of \$9.97 /month and shall ensure that future water rates are such that the Town meets its annual operating and maintenance costs of the water infrastructure; to cover debt service; to fund capital improvements to the Town's utility system infrastructure, and to maintain adequate operating fund and capital reserves.

INTRODUCED, READ AND APPROVED at a regular meeting of the Board of Trustees of the Town of Silt, Colorado held on the 11th day of September, 2023.

ATTEST:

TOWN OF SILT, COLORADO, ACTING
BY AND THROUGH THE
ENTERPRISE


Town Clerk Sheila M. McIntyre, CMC



Mayor Keith B. Richel



Exhibit A

| EQR Factor | 1 | Average User | | 3,795 | | Proposed | | | | |
|-----------------------------|--------|--------------|---------|-------|-----------------------|-----------------------|--------|-------|----------------|--------|
| | | | Current | | Step 1 - Oct. 1, 2023 | Step 2 - Jan. 1, 2024 | | | Max Authorized | |
| Base | 0 | 2,000 | 52.62 | 52.62 | 63.30 | 63.30 | 94.85 | 94.85 | 104.82 | 104.82 |
| Tier 1 | 2,001 | 6,000 | 1.00 | 1.80 | 6.00 | 10.77 | 6.00 | 10.77 | 6.00 | 10.77 |
| Tier 2 | 6,001 | 10,000 | 2.00 | | 6.75 | | 6.75 | | 6.75 | |
| Tier 3 | 10,001 | 14,000 | 3.34 | | 7.50 | | 7.50 | | 7.50 | |
| Tier 4 | 14,001 | 18,000 | 4.66 | | 8.25 | | 8.25 | | 8.25 | |
| Tier 5 | 18,001 | | 6.66 | | 9.00 | | 9.00 | | 9.00 | |
| Average User Monthly Impact | | | | 54.42 | 74.07 | | 105.62 | | | 115.59 |
| | | | | | | 19.65 | | 31.55 | | 61.17 |
| | | | | | | Percentage | 36% | 43% | | 112% |

2023 CIP - Water Utility Operations Cash Flow Analysis

Town of Silt, CO

| | Estimated | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|--|-----------|--------------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
| 1 Rates % Increase | | | 1.00% | 0.00% | 4.00% | 0.00% | 4.00% | 0.00% | 4.00% | 0.00% |
| 2 Revenue growth assumption | | | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| 3 Investment income yield | | | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% |
| 4 Expense growth - Treatment | | | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| 5 Expense growth - Collection Expense | | | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| 6 Expense growth - General and Administrative/Cust | | | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| 7 | | | | | | | | | | |
| 8 | | | | | | | | | | |
| 9 | | | | | | | | | | |
| 10 Beginning net assets | 6,983,899 | 7,273,967 | 6,892,152 | 7,092,111 | 7,001,047 | 6,849,394 | 6,819,905 | 6,949,133 | 7,184,136 | 7,496,658 |
| 11 | | | | | | | | | | |
| 12 Operating Revenues | | | | | | | | | | |
| 13 Water Charges - Base Fees | 871,136 | 941,555 | 1,693,966 | 1,761,803 | 1,902,825 | 1,973,375 | 2,125,682 | 2,199,055 | 2,365,244 | 2,443,472 |
| 14 Water Charges - Volumetric | | 84,258 | 420,215 | 427,345 | 441,510 | 456,241 | 470,973 | 486,293 | 501,614 | 517,948 |
| 15 Bulk Water Sales | 74,483 | 70,000 | 131,774 | 133,091 | 134,422 | 135,766 | 137,124 | 138,495 | 139,880 | 141,279 |
| 16 Water Charges - Meter Installs | 20,043 | 10,000 | 10,100 | 10,201 | 10,303 | 10,406 | 10,510 | 10,615 | 10,721 | 10,829 |
| 17 Water Tap Fees (indexed annually based on borrowing rate) | 442,800 | 300,000 | 841,327 | 871,614 | 902,992 | 935,500 | 969,178 | 1,029,339 | 1,066,395 | 1,104,785 |
| 18 Other | 37,277 | 37,500 | 37,875 | 38,254 | 38,636 | 39,023 | 39,413 | 39,807 | 40,205 | 40,607 |
| 19 Total Operating Revenues | 1,445,739 | 1,443,313 | 3,135,256 | 3,242,308 | 3,430,689 | 3,550,312 | 3,752,880 | 3,903,604 | 4,124,060 | 4,258,920 |
| 20 | | | | | | | | | | |
| 21 Operating Expenses | | | | | | | | | | |
| 22 Operating and Maintenance (prior year line 22 added in) | 790,985 | 646,100 | 665,483 | 701,869 | 739,838 | 779,451 | 820,773 | 863,871 | 909,294 | 956,662 |
| 23 Added Production Cost from Growth | | | 15,943 | 16,420 | 16,911 | 17,416 | 17,937 | 18,938 | 19,504 | 20,088 |
| 24 New Plant O&M | | | | 25,000 | 100,000 | 103,000 | 106,090 | 109,273 | 112,551 | 115,927 |
| 25 Administration (50%) | 349,930 | 501,152 | 516,186 | 531,672 | 547,822 | 564,050 | 580,972 | 598,401 | 616,353 | 634,844 |
| 26 Depreciation - Water | | 464,852 | 1,398,021 | 1,437,395 | 1,505,959 | 1,517,097 | 1,528,570 | 1,540,387 | 1,589,410 | 1,675,652 |
| 27 Total Operating Expenses | 1,140,915 | 1,612,104 | 2,595,634 | 2,712,356 | 2,910,329 | 2,981,015 | 3,054,342 | 3,130,870 | 3,247,113 | 3,403,173 |
| 28 | | | | | | | | | | |
| 29 Net Operations | 304,824 | (168,790) | 539,622 | 529,952 | 520,359 | 569,297 | 698,538 | 772,734 | 876,947 | 855,747 |
| 30 Non operating revenues (expenses) | | | | | | | | | | |
| 31 Interest Income | 500 | 30,618 | (16,467) | 7,011 | 6,128 | 7,895 | 9,745 | 14,260 | 19,579 | 11,380 |
| 32 Interest Expense - Existing Debt | (15,256) | (12,612) | (9,911) | (7,152) | (4,334) | (1,455) | 0 | 0 | 0 | 0 |
| 33 Interest Expense - New Debt 2023-2032 | | | (313,285) | (560,875) | (673,806) | (605,226) | (579,054) | (551,991) | (524,004) | (613,224) |
| 35 Costs of Issuance | | (231,030) | | (60,000) | | | | | (60,000) | |
| 36 Total non operating revenue (expenses) | (14,756) | (213,025) | (339,663) | (621,016) | (672,012) | (598,786) | (569,310) | (537,731) | (564,425) | (601,844) |
| 37 | | | | | | | | | | |
| 38 Net increase (decrease) in resources | 290,068 | (361,815) | 199,959 | (91,064) | (151,653) | (29,489) | 129,229 | 235,003 | 312,522 | 253,903 |
| 39 | | | | | | | | | | |
| 40 Operating Transfer In (Out) | | | | | | | | | | |
| 41 Capital Contributions | | | | | | | | | | |
| 42 Cumulative Effect of Change in Acct Principle | | | | | | | | | | |
| 43 PILOT Payment | | | | | | | | | | |
| 44 Ending Net Assets | 7,273,967 | 6,892,152 | 7,092,111 | 7,001,047 | 6,849,394 | 6,819,905 | 6,949,133 | 7,184,136 | 7,496,658 | 7,750,561 |
| 45 CIP Funding | | | | | | | | | | |
| 46 Purchase of Capital Assets - Water | | (29,655,636) | (300,000) | (2,809,000) | (318,270) | (327,818) | (337,653) | (347,782) | (3,548,920) | (368,962) |
| 47 Capital Contributions | | 9,395,000 | 0 | | | | | | | |
| 48 Principal Payments on Existing bonds | (118,902) | (121,458) | (124,073) | (126,745) | (129,476) | (132,265) | | | | |
| 49 Bonds Issued | | 17,944,825 | | 2,560,000 | | | | | 1,750,704 | |
| 50 Advance from (to) other funds | | | | | | | | | | |
| 51 Principal Payments on Advance from other funds | | | | | | | | | | |
| 52 Future Debt Principal | | | 0 | (708,361) | (729,830) | (842,549) | (868,666) | (895,672) | (923,598) | (952,480) |
| 53 | | | | | | | | | | |
| 54 Beginning Cash | 1,359,716 | 1,530,882 | (823,350) | 350,558 | 612,783 | 789,514 | 974,490 | 1,425,969 | 1,957,904 | 1,138,022 |
| 55 Add net operations (line 23) | 304,824 | (168,790) | 539,622 | 529,952 | 520,359 | 569,297 | 698,538 | 772,734 | 876,947 | 855,747 |
| 56 Add back depreciation (line 27) | 0 | 464,852 | 1,398,021 | 1,437,395 | 1,505,959 | 1,517,097 | 1,528,570 | 1,540,387 | 1,589,410 | 1,675,652 |
| 57 Add net non operating (line 34) | (14,756) | (213,025) | (339,663) | (621,016) | (672,012) | (598,786) | (569,310) | (537,731) | (564,425) | (601,844) |
| 58 Add capital and bond (lines 40-49) | (118,902) | (2,437,269) | (424,073) | (1,084,106) | (1,177,576) | (1,302,632) | (1,206,319) | (1,243,454) | (2,721,815) | (1,321,442) |
| 59 Add transfer in (out) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 60 Net change in balance sheet items | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 61 Ending Cash | 1,530,882 | (823,350) | 350,558 | 612,783 | 789,514 | 974,490 | 1,425,969 | 1,957,904 | 1,138,022 | 1,746,134 |
| 62 Restricted Cash | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 |
| 63 Unrestricted Cash | 1,510,969 | (825,070) | 348,838 | 611,063 | 787,794 | 972,770 | 1,424,249 | 1,956,184 | 1,136,302 | 1,744,414 |
| 64 | | | | | | | | | | |
| 65 Ending Net Assets | 7,273,967 | 6,892,152 | 7,092,111 | 7,001,047 | 6,849,394 | 6,819,905 | 6,949,133 | 7,184,136 | 7,496,658 | 7,750,561 |
| 66 | | | | | | | | | | |
| 67 Target Unrestricted Cash (6 mo Operating + Following Year Debt Service) | | 1,253,321 | 2,700,950 | 2,893,624 | 3,036,660 | 2,938,228 | 2,974,834 | 3,013,039 | 3,189,261 | 3,300,895 |
| 68 Unrestricted Cash Percent | | -66% | 13% | 21% | 26% | 33% | 48% | 65% | 36% | 53% |

| Coverage Calculation | | | | | | | | | | |
|-------------------------|-----|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--|
| Revenues | | 3,135,256 | 3,242,308 | 3,430,689 | 3,550,312 | 3,752,880 | 3,903,604 | 4,124,060 | 4,258,920 | |
| Operations | | 2,595,634 | 2,712,356 | 2,910,329 | 2,981,015 | 3,054,342 | 3,130,870 | 3,247,113 | 3,403,173 | |
| Net | | 539,622 | 529,952 | 520,359 | 569,297 | 698,538 | 772,734 | 876,947 | 855,747 | |
| Add Depreciation | | 1,398,021 | 1,437,395 | 1,505,959 | 1,517,097 | 1,528,570 | 1,540,387 | 1,589,410 | 1,675,652 | |
| Add Other Non-Operating | | (16,467) | 7,011 | 6,128 | 7,895 | 9,745 | 14,260 | 19,579 | 11,380 | |
| Total Funds Available | | 1,921,177 | 1,974,359 | 2,032,446 | 2,094,289 | 2,236,853 | 2,327,380 | 2,485,937 | 2,542,779 | |
| Annual Debt Service | | 447,269 | 1,403,133 | 1,537,446 | 1,581,495 | 1,447,721 | 1,447,663 | 1,447,604 | 1,565,704 | |
| Coverage | | 4.30 | 1.41 | 1.32 | 1.32 | 1.55 | 1.61 | 1.72 | 1.62 | |
| Coverage w/o Tap Fees | 50% | | | | | | | | | |
| Total Funds Available | | 1,500,513 | 1,538,551 | 1,580,950 | 1,626,539 | 1,752,264 | 1,812,711 | 1,952,739 | 1,990,387 | |
| Annual Debt Service | | 447,269 | 1,403,133 | 1,537,446 | 1,581,495 | 1,447,721 | 1,447,663 | 1,447,604 | 1,565,704 | |
| Coverage | | 3.35 | 1.10 | 1.03 | 1.03 | 1.21 | 1.25 | 1.35 | 1.27 | |

2023 CIP - Water Utility Operations C
Town of Silt, CO

| | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------|
| | 2022 | 2023 | Projected | | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
| 1 Rates % Increase | 4.00% | 0.00% | 4.00% | 0.00% | 4.00% | 0.00% | 4.00% | 0.00% | 4.00% | 0.00% | |
| 2 Revenue growth assumption | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | |
| 3 Investment income yield | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | |
| 4 Expense growth - Treatment | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | |
| 5 Expense growth - Collection Expense | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | |
| 6 Expense growth - General and Administrative/Cust | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | |
| 7 | | | | | | | | | | | |
| 8 | | | | | | | | | | | |
| 9 | | | | | | | | | | | |
| 10 Beginning net assets | 7,750,561 | 8,232,867 | 8,809,005 | 9,861,865 | 11,054,830 | 12,513,263 | 14,119,333 | 16,011,849 | 18,714,484 | 21,480,944 | |
| 11 | | | | | | | | | | | |
| 12 Operating Revenues | | | | | | | | | | | |
| 13 Water Charges - Base Fees | 2,622,567 | 2,703,924 | 2,913,587 | 3,015,092 | 3,241,261 | 3,346,827 | 3,590,488 | 4,008,264 | 4,008,264 | 4,145,342 | |
| 14 Water Charges - Volumetric | 534,283 | 551,271 | 588,258 | 589,454 | 610,849 | 632,691 | 654,734 | 677,659 | 705,181 | 733,804 | |
| 15 Bulk Water Sales | 142,692 | 144,119 | 145,560 | 147,016 | 148,486 | 149,971 | 151,470 | 152,985 | 154,515 | 156,060 | |
| 16 Water Charges - Meter Installs | 10,937 | 11,046 | 11,157 | 11,268 | 11,381 | 11,495 | 11,610 | 11,726 | 11,843 | 11,961 | |
| 17 Water Tap Fees (indexed annually based on borrowing rate) | 1,144,557 | 1,185,762 | 1,473,737 | 1,526,791 | 1,581,756 | 1,638,899 | 1,697,892 | 2,111,530 | 2,187,546 | 2,286,297 | |
| 18 Other | 41,013 | 41,423 | 41,838 | 42,256 | 42,678 | 43,105 | 43,536 | 43,972 | 44,411 | 44,856 | |
| 19 Total Operating Revenues | 4,496,050 | 4,637,545 | 5,154,136 | 5,331,876 | 5,636,211 | 5,822,788 | 6,149,531 | 7,006,136 | 7,111,760 | 7,358,320 | |
| 20 | | | | | | | | | | | |
| 21 Operating Expenses | | | | | | | | | | | |
| 22 Operating and Maintenance (prior year line 22 added in) | 1,006,052 | 1,057,543 | 1,111,216 | 1,171,669 | 1,234,747 | 1,300,552 | 1,369,193 | 1,440,779 | 1,521,727 | 1,606,233 | |
| 23 Added Production Cost from Growth | 20,689 | 21,307 | 26,327 | 27,114 | 27,925 | 28,761 | 29,622 | 36,626 | 37,722 | 38,851 | |
| 24 New Plant O&M | 119,405 | 122,987 | 126,677 | 130,477 | 134,392 | 138,423 | 142,576 | 146,853 | 151,259 | 155,797 | |
| 25 Administration (50%) | 653,889 | 673,506 | 693,711 | 714,522 | 735,958 | 758,037 | 780,778 | 804,201 | 828,327 | 853,177 | |
| 26 Depreciation - Water | 1,688,564 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | |
| 27 Total Operating Expenses | 3,488,600 | 3,577,208 | 3,659,795 | 3,745,647 | 3,834,886 | 3,927,637 | 4,024,032 | 4,130,324 | 4,240,900 | 4,355,922 | |
| 28 | | | | | | | | | | | |
| 29 Net Operations | 1,007,450 | 1,060,337 | 1,494,341 | 1,586,230 | 1,801,325 | 1,895,150 | 2,125,499 | 2,875,812 | 2,870,860 | 3,002,398 | |
| 30 Non operating revenues (expenses) | | | | | | | | | | | |
| 31 Interest Income | 17,461 | 24,803 | 32,766 | 45,034 | 58,223 | 73,571 | 89,884 | 108,533 | 134,737 | 161,014 | |
| 32 Interest Expense - Existing Debt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 33 Interest Expense - New Debt 2023-2032 | (642,605) | (509,002) | (474,247) | (438,298) | (401,114) | (362,652) | (322,867) | (281,711) | (239,136) | (195,093) | |
| 34 Costs of Issuance | | | | | | | | | | | |
| 35 Total non operating revenue (expenses) | (525,144) | (484,199) | (441,480) | (393,264) | (342,892) | (289,081) | (232,982) | (173,178) | (104,399) | (34,079) | |
| 36 | | | | | | | | | | | |
| 37 Net Increase (decrease) in resources | 482,306 | 576,137 | 1,052,861 | 1,192,965 | 1,458,433 | 1,606,069 | 1,892,516 | 2,702,635 | 2,766,461 | 2,968,319 | |
| 38 | | | | | | | | | | | |
| 39 | | | | | | | | | | | |
| 40 Operating Transfer In (Out) | | | | | | | | | | | |
| 41 Capital Contributions | | | | | | | | | | | |
| 42 Cumulative Effect of Change in Acct Principle | | | | | | | | | | | |
| 43 PILOT Payment | | | | | | | | | | | |
| 44 Ending Net Assets | 8,232,867 | 8,809,005 | 9,861,865 | 11,054,830 | 12,513,263 | 14,119,333 | 16,011,849 | 18,714,484 | 21,480,944 | 24,449,263 | |
| 45 CIP Funding | | | | | | | | | | | |
| 46 Purchase of Capital Assets - Water | (380,031) | (391,432) | (403,175) | (415,270) | (427,728) | (440,560) | (453,777) | (467,390) | (481,412) | (495,854) | |
| 47 Capital Contributions | | | | | | | | | | | |
| 48 Principal Payments on Existing bonds | | | | | | | | | | | |
| 49 Bonds Issued | | | | | | | | | | | |
| 50 Advance from (to) other funds | | | | | | | | | | | |
| 51 Principal Payments on Advance from other funds | | | | | | | | | | | |
| 52 Future Debt Principal | (1,056,704) | (1,090,195) | (1,124,834) | (1,160,863) | (1,197,723) | (1,238,058) | (1,275,712) | (1,316,730) | (1,359,163) | (1,403,059) | |
| 53 | | | | | | | | | | | |
| 54 Beginning Cash | 1,746,134 | 2,480,270 | 3,276,645 | 4,503,361 | 5,822,257 | 7,357,102 | 8,988,417 | 10,853,309 | 13,473,688 | 16,101,438 | |
| 55 Add net operations (line 23) | 1,007,450 | 1,060,337 | 1,494,341 | 1,586,230 | 1,801,325 | 1,895,150 | 2,125,499 | 2,875,812 | 2,870,860 | 3,002,398 | |
| 56 Add back depreciation (line 27) | 1,688,564 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | |
| 57 Add net non operating (line 34) | (525,144) | (484,199) | (441,480) | (393,264) | (342,892) | (289,081) | (232,982) | (173,178) | (104,399) | (34,079) | |
| 58 Add capital and bond (lines 40-49) | (1,436,735) | (1,481,627) | (1,528,009) | (1,575,933) | (1,625,452) | (1,676,618) | (1,729,489) | (1,784,120) | (1,840,575) | (1,898,913) | |
| 59 Add transfer in (out) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 60 Net change in balance sheet items | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 61 Ending Cash | 2,480,270 | 3,276,645 | 4,503,361 | 5,822,257 | 7,357,102 | 8,988,417 | 10,853,309 | 13,473,688 | 16,101,438 | 18,672,708 | |
| 62 Restricted Cash | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | |
| 63 Unrestricted Cash | 2,478,550 | 3,274,925 | 4,501,641 | 5,820,537 | 7,355,382 | 8,986,697 | 10,851,589 | 13,471,968 | 16,099,718 | 18,670,988 | |
| 64 | | | | | | | | | | | |
| 65 Ending Net Assets | 8,232,867 | 8,809,005 | 9,861,865 | 11,054,830 | 12,513,263 | 14,119,333 | 16,011,849 | 18,714,484 | 21,480,944 | 24,449,263 | |
| 66 | | | | | | | | | | | |
| 67 Target Unrestricted Cash (6 mo Operating + Following Year Debt Serv | 3,343,496 | 3,387,685 | 3,428,858 | 3,471,661 | 3,516,153 | 3,562,397 | 3,610,457 | 3,663,461 | 3,718,602 | 2,177,961 | |
| 68 Unrestricted Cash Percent | 74% | 97% | 131% | 168% | 209% | 252% | 301% | 368% | 433% | 866% | |

| | | | | | | | | | | |
|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Coverage Calculation | | | | | | | | | | |
| Revenues | 4,496,050 | 4,637,545 | 5,154,136 | 5,331,876 | 5,636,211 | 5,822,788 | 6,149,531 | 7,006,136 | 7,111,760 | 7,358,320 |
| Operations | 3,488,600 | 3,577,208 | 3,659,795 | 3,745,647 | 3,834,886 | 3,927,637 | 4,024,032 | 4,130,324 | 4,240,900 | 4,355,922 |
| Net | 1,007,450 | 1,060,337 | 1,494,341 | 1,586,230 | 1,801,325 | 1,895,150 | 2,125,499 | 2,875,812 | 2,870,860 | 3,002,398 |
| Add Depreciation | 1,688,564 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 |
| Add Other Non-Operating | 17,461 | 24,803 | 32,766 | 45,034 | 58,223 | 73,571 | 89,884 | 108,533 | 134,737 | 161,014 |
| Total Funds Available | 2,713,476 | 2,787,004 | 3,228,972 | 3,333,127 | 3,561,412 | 3,670,586 | 3,917,247 | 4,686,210 | 4,707,461 | 4,865,276 |
| Annual Debt Service Coverage | 1.599,308 | 1.599,197 | 1.599,081 | 1.598,961 | 1.598,838 | 1.598,711 | 1.598,578 | 1.598,440 | 1.598,299 | 1.598,152 |
| Coverage | 1.70 | 1.74 | 2.02 | 2.08 | 2.23 | 2.30 | 2.45 | 2.93 | 2.95 | 3.04 |
| Coverage w/o Tap Fees | | | | | | | | | | |
| Total Funds Available | 2,141,197 | 2,194,123 | 2,492,103 | 2,569,732 | 2,770,534 | 2,851,236 | 3,068,401 | 3,630,444 | 3,613,688 | 3,732,128 |
| Annual Debt Service Coverage | 1.599,308 | 1,599,197 | 1,599,081 | 1,598,961 | 1,598,838 | 1,598,711 | 1,598,578 | 1,598,440 | 1,598,299 | 1,598,152 |
| Coverage | 1.34 | 1.37 | 1.55 | 1.61 | 1.73 | 1.78 | 1.92 | 2.27 | 2.26 | 2.34 |

2023 CIP - Water Utility Operations C

Town of Silt, CO

| | 19 | 20 | 21 | 22 |
|--|-------------|-------------|-------------|-------------|
| | 2042 | 2043 | 2044 | 2045 |
| 1 Rates % Increase | 4.00% | 0.00% | 4.00% | 0.00% |
| 2 Revenue growth assumption | 1.00% | 1.00% | 0.00% | 0.00% |
| 3 Investment income yield | 1.00% | 1.00% | 1.00% | 1.00% |
| 4 Expense growth - Treatment | 3.00% | 3.00% | 3.00% | 3.00% |
| 5 Expense growth - Collection Expense | 2.00% | 2.00% | 2.00% | 2.00% |
| 6 Expense growth - General and Administrative/Cust | 2.00% | 2.00% | 2.00% | 2.00% |
| 7 | | | | |
| 8 | | | | |
| 9 | | | | |
| 10 Beginning net assets | 24,449,263 | 27,791,935 | 31,347,177 | 32,889,806 |
| 11 | | | | |
| 12 Operating Revenues | | | | |
| 13 Water Charges - Base Fees | 4,453,717 | 4,596,278 | 4,796,977 | 4,813,825 |
| 14 Water Charges - Volumetric | 762,427 | 792,195 | 821,962 | 821,962 |
| 15 Bulk Water Sales | 157,821 | 159,197 | 159,197 | 159,197 |
| 16 Water Charges - Meter Installs | 12,081 | 12,202 | 12,202 | 12,202 |
| 17 Water Tap Fees (indexed annually based on borrowing rate) | 2,347,884 | 2,432,408 | 286,361 | 296,670 |
| 18 Other | 45,304 | 45,757 | 45,757 | 45,757 |
| 19 Total Operating Revenues | 7,779,033 | 8,038,036 | 6,122,456 | 6,149,613 |
| 20 | | | | |
| 21 Operating Expenses | | | | |
| 22 Operating and Maintenance (prior year line 22 added in) | 1,694,437 | 1,786,485 | 1,882,528 | 1,982,723 |
| 23 Added Production Cost from Growth | 40,014 | 41,212 | 42,446 | 43,717 |
| 24 New Plant O&M | 160,471 | 165,285 | 170,243 | 175,351 |
| 25 Administration (50%) | 878,772 | 905,135 | 932,289 | 960,258 |
| 26 Depreciation - Water | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 |
| 27 Total Operating Expenses | 4,475,558 | 4,599,981 | 4,729,371 | 4,863,913 |
| 28 | | | | |
| 29 Net Operations | 3,303,475 | 3,438,055 | 1,393,085 | 1,285,701 |
| 30 Non operating revenues (expenses) | | | | |
| 31 Interest Income | 188,727 | 219,580 | 251,936 | 264,009 |
| 32 Interest Expense - Existing Debt | 0 | 0 | 0 | 0 |
| 33 Interest Expense - New Debt 2023-2032 | (149,530) | (102,393) | (102,393) | (102,393) |
| 35 Costs of Issuance | | | | |
| 36 Total non operating revenue (expenses) | 39,197 | 117,187 | 149,543 | 161,615 |
| 37 | | | | |
| 38 Net increase (decrease) in resources | 3,342,672 | 3,555,242 | 1,542,629 | 1,447,316 |
| 39 | | | | |
| 40 Operating Transfer In (Out) | | | | |
| 41 Capital Contributions | | | | |
| 42 Cumulative Effect of Change in Acct Principle | | | | |
| 43 PILOT Payment | | | | |
| 44 Ending Net Assets | 27,791,935 | 31,347,177 | 32,889,806 | 34,337,121 |
| 45 CIP Funding | | | | |
| 46 Purchase of Capital Assets - Water | (510,730) | (526,052) | (541,833) | (558,088) |
| 47 Capital Contributions | | | | |
| 48 Principal Payments on Existing bonds | | | | |
| 49 Bonds Issued | | | | |
| 50 Advance from (to) other funds | | | | |
| 51 Principal Payments on Advance from other funds | | | | |
| 52 Future Debt Principal | (1,448,471) | (1,495,451) | (1,495,451) | (1,495,451) |
| 53 | | | | |
| 54 Beginning Cash | 18,872,708 | 21,958,043 | 25,193,647 | 26,400,855 |
| 55 Add net operations (line 23) | 3,303,475 | 3,438,055 | 1,393,085 | 1,285,701 |
| 56 Add back depreciation (line 27) | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 |
| 57 Add net non operating (line 34) | 39,197 | 117,187 | 149,543 | 161,615 |
| 58 Add capital and bond (lines 40-49) | (1,859,201) | (2,021,502) | (2,037,284) | (2,053,539) |
| 59 Add transfer in (out) | 0 | 0 | 0 | 0 |
| 60 Net change in balance sheet items | 0 | 0 | 0 | 0 |
| 61 Ending Cash | 21,958,043 | 25,193,647 | 26,400,855 | 27,496,497 |
| 62 Restricted Cash | 1,720 | 1,720 | 1,720 | 1,720 |
| 63 Unrestricted Cash | 21,956,323 | 25,191,927 | 26,399,135 | 27,494,777 |
| 64 | | | | |
| 65 Ending Net Assets | 27,791,935 | 31,347,177 | 32,889,806 | 34,337,121 |
| 66 | | | | |
| 67 Target Unrestricted Cash (6 mo Operating + Following Year Debt Serv | 2,237,779 | 2,299,991 | 2,364,885 | 2,431,958 |
| 68 Unrestricted Cash Percent | 981% | 1095% | 1116% | 1131% |

Coverage Calculation

| | | | | |
|-------------------------|-----------|-----------|-----------|-----------|
| Revenues | 7,779,033 | 8,038,036 | 6,122,456 | 6,149,613 |
| Operations | 4,475,558 | 4,599,981 | 4,729,371 | 4,863,913 |
| Net | 3,303,475 | 3,438,055 | 1,393,085 | 1,285,701 |
| Add Depreciation | 1,701,864 | 1,701,864 | 1,701,864 | 1,701,864 |
| Add Other Non-Operating | 188,727 | 219,580 | 251,936 | 264,009 |
| Total Funds Available | 5,194,066 | 5,359,499 | 3,346,886 | 3,251,573 |
| Annual Debt Service | 1,598,001 | 1,597,844 | 1,597,844 | 1,597,844 |
| Coverage | 3.25 | 3.35 | 2.09 | 2.01 |

Coverage w/o Tap Fees

| | | | | |
|-----------------------|-----------|-----------|-----------|-----------|
| Total Funds Available | 4,020,124 | 4,143,295 | 3,203,706 | 3,103,238 |
| Annual Debt Service | 1,598,001 | 1,597,844 | 1,597,844 | 1,597,844 |
| Coverage | 2.52 | 2.59 | 2.01 | 1.94 |