



Council Report

Date: May 2, 2016
To: City Council
Through: Michael Kennington, Chief Financial Officer
Kari Kent, Assistant City Manager
John Pombier, Assistant City Manager
From: Candace Cannistraro, Office of Management and Budget Director
Scott Bouchie, Environmental Management and Sustainability Director
Frank McRae, Energy Resources Director
Dan Cleavenger, Water Resources Director
Subject: Fiscal Year 2016/2017 Utility Rate Recommendations

Strategic Initiatives



PURPOSE AND RECOMMENDATION

The purpose of this report is to provide staff recommendations for utility rate adjustments. The rate adjustments are recommended to be effective July 1, 2016 and are consistent with the revenue requirements of the Proposed Budget Plan for Fiscal Year 2016/17.

The forecasted expenses for each utility are compared to the forecasted revenues based on the current rates. The increases in revenues needed to accommodate the increased costs for each utility are:

<u>Utility</u>	<u>Revenue</u>
Electric	\$211,000
Natural Gas	\$605,000
Water	\$5,548,000
Wastewater	\$3,107,000
Solid Waste	\$2,447,000

The method of implementation of rate adjustments can vary from year to year based on the needs and goals of the individual utilities. The impact on individual customers can vary based on the method of implementation and the customer consumption.

For FY 2016/17, the following rate adjustments are being recommended:

Solid Waste:

- All residential rates, bulk item pick-up and appliance collection: 4% increase
- Mesa Green and Clean rate: \$0.10 increase per month
- Front-load rates: no adjustment
- Roll-Off rates: 4.9% increase
- Added Non-City of Mesa Bulk & Appliance rate
- Homeowner Landfill Fee Increase: \$2 increase per visit

Electric:

- Residential customers: system service charge increase of \$1.50 per month
- Residential customers: no adjustment to the energy usage charge
- Non-residential customers: no adjustment to any components

Gas:

- All customers: system service charge increase of \$1.00 per month
- All customers: no adjustment to the usage charge

Water:

- 5% across most customer classes and rate components
- Interdepartmental and Large Turf: no adjustment
- Restructure of Residential Demand Tiers: Implement year two of five-year plan
- Lower threshold of Commercial/Industrial Incentive rate to 6,000 kgal per month

Wastewater:

- 5% increase across most customer classes and rate components
- Interdepartmental: No adjustment

BACKGROUND AND DISCUSSION

Each utility is operated as a separate business center. As such, rate schedules are adjusted annually in a manner consistent with costs of capital, as well as the fixed and variable costs of operation and maintenance within each utility. Reserve balances are combined in the Enterprise Fund and are managed to maintain a minimum targeted ending reserve balance of 8-10% of the following years estimated expenditures. The reserve balance allows for the smoothing of rate adjustments. This smoothing avoids large rate increases and minimizes the impact to customers in any single year.

The Forecast Analysis Model (Attachment 3) includes projections of growth in the number of accounts for each utility based on their unique service area. The Water, Wastewater, and Solid Waste utilities have a citywide service area and are expected to grow by an average of 1,200 accounts per year during the forecast. With the inclusion of the Magma service area, the Natural Gas utility is expected to grow by 779 accounts next fiscal year. The Electric utility, with a smaller and largely built out service area when compared to the other utilities, is expected to grow by 65 accounts next fiscal year.

The Forecast Analysis Model also includes expenditures that are increased by inflationary factors in future years. Some inflationary factors are unique to the individual utilities, such as those used for chemicals or purchased water. Other citywide expenditure pressures that are included in the forecast are listed below.

Capital Investment

The City continues to place a high priority on infrastructure investment to attract and service future development. The proposed capital improvement program (CIP) includes the planning for an expansion of a water reclamation plant and the design and construction of a new water treatment plant and associated distribution infrastructure. The bond funding authorization for these projects was approved by Mesa voters in November 2014. The debt service on utility revenue bonds is funded through the utility rates paid by customers. The City issues bonds on an as-needed basis in order to minimize the interest cost.

In the current fiscal year (FY 2015/16), the city refunded some of the existing bond issuances taking advantage of lower interest rates and allowing for the restructure of debt service payments. The decreased debt service expense in FY 2015/16 and other years result in an increased projected ending reserve balance and lower forecasted rate increases beginning in FY 2017/18. The Forecast Analysis Model has been updated to reflect these savings. (Attachment 3)

Review of the transfer to the General Fund

Based on direction from the City Council, the transfer to the General Fund is reviewed annually. The amount of the transfer throughout the forecast period is adjusted based on anticipated inflation. The adjustment for FY 2016/17 is an increase of \$4.2 million, moving from \$99.7 million to \$103.9 million.

ELECTRIC UTILITY

Rates for electric service are comprised of three major components: System Service Charge with a flat monthly rate, Energy Usage Charge based on units of consumption, and the Electric Energy Cost Adjustment Factor (EECAF) which passes the cost of the purchase of the electric commodity to the customer.

The electric program is experiencing normal inflationary pressures. For residential customers, staff is recommending a nominal rate increase of \$1.50 to the system service charge and no increase to the energy usage charge for FY 2016/17. A rate increase is not being recommended for non-residential accounts.

Residential System Service Charge: increase of \$1.50, from \$8.00 to \$9.50, 18.8%

Average residential bill with customer charge, energy usage charge, and EECAF: from \$92.92 to \$94.42, 1.6%

As the recommended increase is a flat amount, the dollar impact would be equal on each bill but the percentage impact would vary based on consumption. The higher the consumption, the lower the percentage impact would be.

Adjustments to the system service charge component of the electric rate allows for a more stable revenue source for the program and insulates customers from higher energy costs during peak demand periods such as the summer. Currently only 17% of the revenues (excluding EECAF) from residential electric customers are fixed revenues. The program is heavily reliant on consumption to cover fixed expenses. Rate adjustments applied to the system service charge allows for a movement toward a more balanced rate structure.

Salt River Project (SRP) comparison:

Service Charge: annual: \$20.00 per month (\$10.50 more than Mesa's proposed)

Mesa's average residential customer:

Monthly bills during calendar year 2015 (at FY 2016/17 Mesa rates) were approximately \$8.47 less per month (\$101.64 less per year) than SRP.

The proposed increase results in an annual cost approximately 8.2% percent less than if served by SRP. Lower use customers' bills (i.e. first quartile with an average consumption of 449.8 kWh per month) would be more than 14% less than if they were served by SRP.

The EECAF is adjusted monthly to "pass-through" the cost of electric energy supplies to meet customers' needs. This rate component has varied between \$0.04300 and \$0.06381 per kWh in the most recent twelve months and is \$0.04300 for February 2016.

The projected increase in annual revenue is approximately \$211,000.

NATURAL GAS UTILITY

Rates for natural gas service are comprised of three components: System Service Charge with a flat monthly rate, Usage Charge based on units of consumption, and the Purchased Natural Gas Cost Adjustment Factor (PNGCAF) which passes the cost of the purchase of the natural gas commodity to the customer. Those customers that reside in the Magma service area also have a Magma adjustment factor rate component. The adjustment factor benchmarks the City's rates to the rates of Southwest Gas to ensure market equity.

The natural gas program is experiencing normal inflationary pressures. For all customers, staff recommends a rate increase of \$1.00 to the system service charge and no increase to the natural gas usage charge for FY 2016/17.

System Service Charge – summer: increase \$1.00, from \$12.11 to \$13.11, 8.3%

System Service Charge – winter: increase \$1.00, from \$15.04 to \$16.04, 6.6%

Average monthly Mesa resident bill with customer charge, usage charge, and PNGCAF: from \$33.83 to \$34.83, 3%

As the recommended increase is a flat amount, the dollar impact would be equal on each bill but the percentage impact would vary based on consumption. The higher the consumption, the lower the percentage impact would be.

Adjustments to the system service charge component of the natural gas rate allows for a more stable revenue source for the program and insulates customers from higher natural gas costs during peak demand periods such as the winter. Currently only 39% of the revenues (excluding PNGCAF) from natural gas customers are fixed revenues. The program is heavily reliant on consumption to cover fixed expenses. Applying the rate adjustments to the system service charge allows for a movement toward a more balanced rate structure.

The Purchased Natural Gas Supply Adjustment component has been adjusted monthly to “pass-through” increases and decreases in the costs of natural gas supplies acquired to meet our customers’ needs. This rate component has varied between \$0.21000 and \$0.41411 per therm in the past twelve months and is \$0.23948 for February 2016.

Southwest Gas (SWG) comparison:

Service Charge: annual: \$10.70 per month (\$2.41 less than Mesa’s proposed summer system service charge and \$5.34 less than Mesa’s proposed winter system service charge)

Mesa’s average residential customer:

Monthly bills during calendar year 2015 (at FY 2016/17 Mesa rates) were approximately \$0.72 less per month (\$8.64 less per year) than if served by SWG.

The projected increase in annual revenue is approximately \$605,000

SOLID WASTE UTILITY

Solid waste services are charged using flat monthly rates for the various services provided.

Residential Rates

Staff recommends a 4% increase on all residential rates. The standard black barrel refuse service includes a blue barrel recycling service.

90-gallon Black Barrel: increase of \$1.07 per month, \$26.72 to \$27.79

60-gallon Black Barrel: increase of \$0.95 per month, \$23.86 to \$24.81

Currently there are over 7,000 customers who requested additional black barrels. The proposed increase is to help fund landfill disposal fee increases.

Additional Black Barrel: increase of \$0.50 per month, \$12.62 to \$13.12

As an incentive for customers to recycle, a green waste barrel may be obtained for half the cost of an additional black barrel and additional blue barrels are provided at no additional cost.

Green Barrel Service: increase of \$0.25 per month, \$6.31 to \$6.56

There are currently over 44,000 customers participating in the green waste recycling program. The recommended increase will fund new barrel purchases, expansion and increases to processing costs.

The projected residential increase in annual revenue is approximately \$2,276,000.

Mesa Green and Clean

Staff recommends an increase of \$0.10 per month, from \$0.74 to \$0.84.

The Mesa Green and Clean fee funds both the Household Hazardous Waste (HHW) program and the Clean Sweep/Green Sweep (CS/GS) program, which are administered by the Environmental Management and Sustainability Department.

The HHW portion of the fee funds 4 HHW collections events each year, at which residents can safely dispose of hazardous materials. The Environmental Management and Sustainability Department uses contractors with expertise in hazardous material collections and handling to participate in the events and ensure that materials are properly disposed of. Contractor costs have risen and the recommended \$0.06 increase is needed to cover the increased costs. The HHW share of the fee would increase from \$0.35 per month to \$0.41 per month. The Clean Sweep/Green Sweep program has seen an increase in demand for service.

In order to increase services to citizens and provide support for code enforcement, an increase of \$0.04 per month is needed. The Clean Sweep/Green Sweep share of the fee would increase from \$0.39 to \$0.43 per home per month.

The projected increase in annual revenue is approximately \$88,000 for the HHW portion and \$58,000 for the Clean Sweep/Green Sweep portion.

Bulk Item and Appliance Collections

Increasing bulk item and appliance pick-up rates by 5%.

Bulk Item Service: increase of \$0.84 per load, from \$20.99 to \$21.83.

Appliance Pick-Up: increase of \$0.69 per appliance, from \$17.31 to \$18.00.

"Not Out" Fee for both Bulk Item and Appliance: increase of \$0.43, from \$10.74 per occurrence to \$11.17 per occurrence.

A new rate for bulk item and appliance collection for Non-City of Mesa refuse customers is being recommended as follows:

Bulk Item Service: \$35.60 per load.

Appliance Pick-Up: \$26.92 per appliance.

"Not Out" Fee for both Bulk Item and Appliance: \$11.17 per occurrence

The projected increase in annual revenues is \$7,000 for both bulk item and appliance pick-up services for City of Mesa customers. The projected increase in revenue to non-City of Mesa customers has not been determined.

Homeowner Landfill Fees

Staff recommends increasing the homeowner landfill fee by \$2.00 per transaction, from \$11.00 to \$13.00. This program allows residents to use landfill and transfer station sites to dispose of one load of garbage per month. The fee is then charged to the customer's utility bill. This is needed to cover the increased cost for disposal at the landfills.

The projected increase in annual revenues is \$20,000 for homeowner landfill fee increase.

Commercial Front-load

There are various rate factors related to Front-load service. Staff recommends not adjusting the rates. The Front-load program serves customers in competition with private waste collection companies.

An adjustment to the monthly and installation charges for customers that have casters on their front-load bins is being recommended. Caster installation charges are being adjusted to fully capture installation cost. This involves increasing the caster installation charge by \$13.99 per initial installation of casters, which would increase the install charge from \$20.15 to \$34.14. In order to remain competitive, the monthly caster charges would be decreased from \$7.99 to \$4.99 for smaller than 6-yard bins and from \$20.15 to \$5.99 for 6-yard and 8-yard bins.

This projected annual reduction in revenues is approximately \$7,000.

Commercial Roll-Off

A recommendation for an increase to Commercial Roll-Off services averaging 4.9% overall for FY 2016/17 is also being made. The Roll-Off program serves residents and business customers in competition with private waste collection companies.

The projected roll-off increase in annual revenue is approximately \$93,000.

WATER UTILITY

Rates for water service are comprised of two components: 1) a Service Charge, with a flat monthly rate based on the water meter size and 2) a Usage Charge, based on units of water consumption.

The water utility forecast includes debt service associated with the new Signal Butte Water Treatment Facility, start-up costs, and annual operations starting in FY17/18. Significant costs within the utility are the cost of purchasing water, chemicals, and electricity, and the agreement with the City of Phoenix for the operation of the Val Vista Water Treatment Facility. Staff reviews and forecasts all costs each year to insure rates are sufficient to keep up with expenses.

Over the last few years the City has concentrated on aligning its fixed revenues with fixed costs. The goal is to achieve revenues from the service (fixed) charge at 35% to 40% of overall revenues. In the past, when rate adjustments were implemented, the service charge was increased at a greater percentage than the usage (variable) charge (to increase the percent revenues realized from the service charge). This changed last year, when estimated revenues from the service charge component were forecast at 36.3% of the estimated costs in FY 2015/16 (and the service charge was adjusted in the same manner as the usage charge). For FY 2016/17, revenues from the service charge component are forecast at 36.1% of estimated costs and Staff recommends to once again adjust the service charge in the same manner as the usage charge.

The variable rate component is based on water consumption rounded to 1,000 gallon increments. There are currently four tiers (or levels of usage). Each tier has a different rate. The tier structure allows for a demand based rate as customers with higher usage patterns create a greater demand for infrastructure and service capacity.

FY 2015/16 was the first year of a five-year phased in approach for aligning customer consumption levels with the new tier rate structure as well as balancing the associated rates with the relevant cost. The five-year phased approach was implemented to give customers time to assess their water usage and apply water conservation techniques if possible, allowing customers to ease into the financial impact of the new tier structure.

For FY 2016/17, it is proposed to implement year two of the five-year phased approach. Below are the current and recommended changes to the residential rate structure:

Current Tier Structure

The first 3,000 gallons are included in the service charge
Tier 1: 4,000 – 11,000 gallons; \$2.88 per 1,000 gallons
Tier 2: 12,000 – 22,000 gallons; \$4.32 per 1,000 gallons
Tier 3: 23,000 – 24,000 gallons; \$4.90 per 1,000 gallons
Tier 4: 25,000 gallons and greater; \$5.05 per 1,000 gallons

Recommended FY 2016/17 Tier Structure

The first 3,000 gallons are included in the service charge
Tier 1: 4,000 – 10,000 gallons; \$3.02 per 1,000 gallons
Tier 2: 11,000 – 20,000 gallons; \$4.54 per 1,000 gallons
Tier 3: 21,000 – 24,000 gallons; \$5.23 per 1,000 gallons
Tier 4: 25,000 gallons and greater; \$5.54 per 1,000 gallons

Attachment 1 illustrates the impact of Staff's FY16/17 recommendations and the impact at the conclusion of the City's proposed five-year phased approach. It is important to note that all customers pay the same amount for the same volume. In other words, a higher demand consumer only pays the higher tier rate(s) on the incremental volume.

Across most customer classes, the City's water customers would see a 5% increase to their water service and usage charges with the exception of usage charges in tiers three and four.

Residential Water Typical Consumer Impact:

Service Charge: \$1.27 per month, from \$25.35 to \$26.62
Usage Charges: (monthly use about 9,000 gallons): \$0.96 per month
Total average monthly bill impact: \$2.23 per month, from \$45.03 to \$47.26

Commercial Water Customers

The City's Commercial water customers would also see a 5% increase to the water service and usage charges.

A 0% increase (for both the service and usage charges) to the Interdepartmental and Large Turf Facility water rates is being proposed.

The projected increase in annual revenue is approximately \$5,548,000.

In addition, it is recommended to lower the threshold of eligibility for the Commercial and Industrial Large Water Service rate (W31.1) from 8,500 kgal per month to 6,000 kgal per month. While these changes would have no immediate effect, it would allow for the City to develop a sustainability rate that is marketable and attainable by large water users.

WASTEWATER UTILITY

Rates for residential wastewater service are comprised of two components: 1) a Service Charge, with a flat monthly rate, and 2) a Usage Charge, based on wastewater demand volume. Wastewater volume is calculated for each customer based on 90% of the average monthly water use for the three lowest water usage months from December through March (also known as the "winter water monthly average"). This approximates indoor household usage and the resulting demand on the wastewater system. A City-wide winter water monthly average is used for new customers until an individual customer average can be determined.

The wastewater utility forecast includes debt service associated with the expansion of the Greenfield Water Reclamation Facility and start-up costs and annual operations starting in FY 2019/20. Significant costs within the utility are the cost of chemicals, electricity, and the agreement with the City of Phoenix for operation of the 91st Avenue Wastewater Treatment Facility. Staff reviews and forecasts costs each year to insure rates are sufficient to keep up with expenses.

Across most customer classes, staff recommends a 5% increase to the service charge and the usage charge for residential and non-residential customers.

Residential Wastewater Typical Consumer Impact:

Service Charge: \$0.86 per month, from \$17.22 to \$18.08

Consumption Charges (based on monthly water consumption): \$0.38 per month

Total monthly bill impact: Approximately \$1.24 per month, from \$24.77 to \$26.01

Commercial Wastewater Customers

The City's Commercial wastewater customers would also see a 5% increase to the wastewater service and usage charges.

Interdepartmental wastewater rates are proposed to be held constant for FY 2016/17.

The projected increase in annual revenue is approximately \$3,107,000.

UTILITY SERVICE FEES

An increase of \$1.00 from \$2.00 to \$3.00 to the credit check fee is being recommended. The fee is used to verify a customer's credit when a utility deposit waiver is requested by a customer.

UTILITY RATE SCHEDULE REFORMATTING PROJECT

Some format changes have been made to the utility rate schedules to merge interdepartmental and public authority rate information with the main utility rate schedule sections. Certain other duplicate features have been combined/streamlined as well. The goal of this effort was to make the rate schedules more concise and easier to use. More information can be shared when they are introduced on May 2, 2016.

ALTERNATIVES

Modify the FY 2016/17 utility rate adjustment proposal. Examples include but are not limited to: increase, reduce or eliminate a recommended percentage. The budgetary impact would need to be calculated by staff based on the modification requested.

FISCAL IMPACT

The projected increases in FY 2016/17 revenues in each utility from the recommended rate adjustments are as follows:

<u>Utility</u>	<u>Amount</u>
Electric	\$211,000
Natural Gas	\$605,000
Water	\$5,548,000
Wastewater	\$3,107,000
Solid Waste*	\$2,447,000

* Household Hazardous Waste Revenue not included

The City's financial policies call for a minimum ending reserve balance target of 8-10%. A 10% balance is targeted for planning purposes to allow for deviations in experience. The current forecast (updated for the impact of the recent bond refundings) projects the anticipated future rate increases and the subsequent reserve balances for the Enterprise Fund as:

	FY 15/16 Estimate	FY 16/17 Forecast	FY 17/18 Forecast	FY 18/19 Forecast	FY 19/20 Forecast	FY 20/21 Forecast
Ending Reserve Balance Percent*	16.5%	14.3%	11.1%	9.5%	9.8%	10.6%
*As a % of Next Fiscal Year's Expenditures						
ELC Residential (Customer Charge/Fixed Rate only)		\$1.50	\$1.50	\$2.00	\$2.50	\$2.75
ELC Non-Residential		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GAS Residential (Customer Charge/Fixed Rate only)		\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
GAS Non-Residential (Customer Charge/Fixed Rate only)		\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
WTR All Rate Revenue		5.0%	4.5%	4.5%	4.5%	4.0%
WW All Rate Revenue		5.0%	5.0%	5.0%	5.0%	4.5%
SW Residential		4.0%	4.0%	4.0%	4.0%	3.5%
SW Commercial		0.0%	2.0%	2.0%	2.0%	2.0%
SW Rolloff		4.9%	4.9%	2.0%	2.0%	2.0%

The projected increase on the typical residential customer for FY 2016/17 by utility is:

Utility	Monthly	Annual
Solid Waste	\$1.07	\$12.84
Water	\$2.23	\$26.76
Wastewater	\$1.24	\$14.88
Total	\$4.54	\$54.48
Electric	\$1.50	\$18.00
Natural Gas	\$1.00	\$12.00

The average financial impact of the rate adjustments on residential customers is included in an overall comparison with other cities in the valley (Attachment 2). The impact of property taxes, city sales tax, and utility rates (excluding electric and natural gas) on the municipality's typical resident was calculated. Comparison results revealed Mesa's overall cost for the average resident is currently the fourth lowest city. Mesa would move to fifth lowest if the rate recommendations are approved as presented and the other municipalities do not make any adjustments to their rates.

Attachments:

1. Residential water consumer: Demand Rate Implementation
2. Average Homeowner's Charges Comparison
3. Forecast Analysis Model

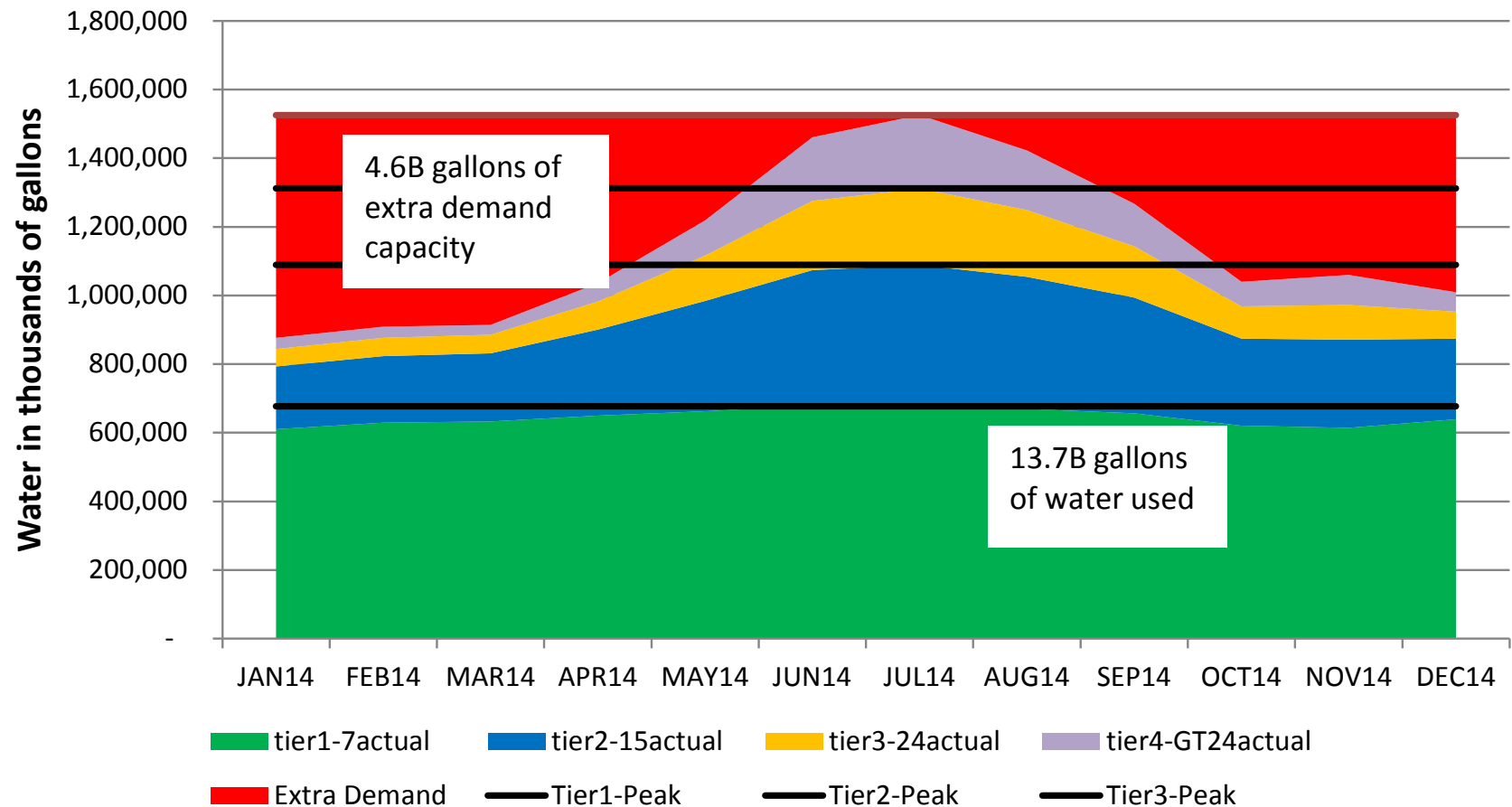
Original 5 Year Implementation Plan for Residential Water Tier Restructure

	MONTHLY BILL AMOUNTS							VAR\$ - MONTHLY BILL						VAR% - MONTHLY BILL					
	YR0	YR1	YR2	YR3	YR4	YR5	YR6	YR1	YR2	YR3	YR4	YR5	YR6	YR1	YR2	YR3	YR4	YR5	YR6
30 kgal	\$125.72	\$136.01	\$147.31	\$159.74	\$173.35	\$187.24	\$196.62	\$10.29	\$11.31	\$12.42	\$13.62	\$13.89	\$9.38	8.2%	8.3%	8.4%	8.5%	8.0%	5.0%
29 kgal	\$121.12	\$130.96	\$141.77	\$153.67	\$166.71	\$179.98	\$189.00	\$9.84	\$10.82	\$11.89	\$13.05	\$13.27	\$9.02	8.1%	8.3%	8.4%	8.5%	8.0%	5.0%
28 kgal	\$116.52	\$125.91	\$136.23	\$147.60	\$160.07	\$172.72	\$181.38	\$9.39	\$10.33	\$11.36	\$12.48	\$12.65	\$8.66	8.1%	8.2%	8.3%	8.5%	7.9%	5.0%
27 kgal	\$111.92	\$120.86	\$130.69	\$141.53	\$153.43	\$165.46	\$173.76	\$8.94	\$9.84	\$10.83	\$11.91	\$12.03	\$8.30	8.0%	8.1%	8.3%	8.4%	7.8%	5.0%
26 kgal	\$107.32	\$115.81	\$125.15	\$135.46	\$146.79	\$158.20	\$166.14	\$8.49	\$9.35	\$10.30	\$11.34	\$11.41	\$7.94	7.9%	8.1%	8.2%	8.4%	7.8%	5.0%
25 kgal	\$102.72	\$110.76	\$119.61	\$129.39	\$140.15	\$150.94	\$158.52	\$8.04	\$8.86	\$9.77	\$10.77	\$10.79	\$7.58	7.8%	8.0%	8.2%	8.3%	7.7%	5.0%
24 kgal	\$98.12	\$105.71	\$114.07	\$123.32	\$133.51	\$143.68	\$150.90	\$7.59	\$8.37	\$9.24	\$10.20	\$10.17	\$7.22	7.7%	7.9%	8.1%	8.3%	7.6%	5.0%
23 kgal	\$94.01	\$100.81	\$108.84	\$117.75	\$127.58	\$137.37	\$144.27	\$6.80	\$8.04	\$8.90	\$9.84	\$9.79	\$6.90	7.2%	8.0%	8.2%	8.4%	7.7%	5.0%
22 kgal	\$89.90	\$95.91	\$103.61	\$112.18	\$121.65	\$131.06	\$137.64	\$6.01	\$7.71	\$8.56	\$9.48	\$9.41	\$6.58	6.7%	8.0%	8.3%	8.4%	7.7%	5.0%
21 kgal	\$85.79	\$91.59	\$98.38	\$106.61	\$115.72	\$124.75	\$131.01	\$5.80	\$6.80	\$8.22	\$9.12	\$9.03	\$6.26	6.8%	7.4%	8.4%	8.6%	7.8%	5.0%
20 kgal	\$81.68	\$87.27	\$93.15	\$101.04	\$109.79	\$118.44	\$124.38	\$5.59	\$5.89	\$7.88	\$8.76	\$8.65	\$5.94	6.8%	6.7%	8.5%	8.7%	7.9%	5.0%
19 kgal	\$77.57	\$82.95	\$88.61	\$95.47	\$103.86	\$112.13	\$117.75	\$5.38	\$5.67	\$6.85	\$8.40	\$8.27	\$5.62	6.9%	6.8%	7.7%	8.8%	8.0%	5.0%
18 kgal	\$73.46	\$78.63	\$84.07	\$89.90	\$97.93	\$105.82	\$111.12	\$5.17	\$5.45	\$5.82	\$8.04	\$7.89	\$5.30	7.0%	6.9%	6.9%	8.9%	8.1%	5.0%
17 kgal	\$69.35	\$74.31	\$79.53	\$85.13	\$92.00	\$99.51	\$104.49	\$4.96	\$5.23	\$5.59	\$6.88	\$7.51	\$4.98	7.1%	7.0%	7.0%	8.1%	8.2%	5.0%
16 kgal	\$65.24	\$69.99	\$74.99	\$80.36	\$86.07	\$93.20	\$97.86	\$4.75	\$5.01	\$5.36	\$5.72	\$7.13	\$4.66	7.3%	7.2%	7.1%	7.1%	8.3%	5.0%
15 kgal	\$61.13	\$65.67	\$70.45	\$75.59	\$81.06	\$86.89	\$91.23	\$4.54	\$4.79	\$5.13	\$5.48	\$5.83	\$4.34	7.4%	7.3%	7.3%	7.2%	7.2%	5.0%
14 kgal	\$57.02	\$61.35	\$65.91	\$70.82	\$76.05	\$81.63	\$85.71	\$4.33	\$4.57	\$4.90	\$5.24	\$5.58	\$4.08	7.6%	7.4%	7.4%	7.4%	7.3%	5.0%
13 kgal	\$52.91	\$57.03	\$61.37	\$66.05	\$71.04	\$76.37	\$80.19	\$4.12	\$4.35	\$4.67	\$5.00	\$5.33	\$3.82	7.8%	7.6%	7.6%	7.6%	7.5%	5.0%
12 kgal	\$48.80	\$52.71	\$56.83	\$61.28	\$66.03	\$71.11	\$74.67	\$3.91	\$4.13	\$4.44	\$4.76	\$5.08	\$3.56	8.0%	7.8%	7.8%	7.8%	7.7%	5.0%
11 kgal	\$46.06	\$48.39	\$52.29	\$56.51	\$61.02	\$65.85	\$69.15	\$2.33	\$3.91	\$4.21	\$4.52	\$4.83	\$3.30	5.1%	8.1%	8.1%	8.0%	7.9%	5.0%
10 kgal	\$43.32	\$45.51	\$47.75	\$51.74	\$56.01	\$60.59	\$63.63	\$2.19	\$2.25	\$3.98	\$4.28	\$4.58	\$3.04	5.0%	4.9%	8.3%	8.3%	8.2%	5.0%
9 kgal	\$40.58	\$42.63	\$44.73	\$46.97	\$51.00	\$55.33	\$58.11	\$2.05	\$2.11	\$2.23	\$4.04	\$4.33	\$2.78	5.0%	4.9%	5.0%	8.6%	8.5%	5.0%
8 kgal	\$37.84	\$39.75	\$41.71	\$43.80	\$45.99	\$50.07	\$52.59	\$1.91	\$1.97	\$2.08	\$2.20	\$4.08	\$2.52	5.0%	4.9%	5.0%	5.0%	8.9%	5.0%
7 kgal	\$35.10	\$36.87	\$38.69	\$40.63	\$42.66	\$44.81	\$47.07	\$1.77	\$1.83	\$1.93	\$2.04	\$2.15	\$2.26	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
6 kgal	\$32.36	\$33.99	\$35.67	\$37.46	\$39.33	\$41.31	\$43.39	\$1.63	\$1.69	\$1.78	\$1.88	\$1.98	\$2.08	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
5 kgal	\$29.62	\$31.11	\$32.65	\$34.29	\$36.00	\$37.81	\$39.71	\$1.49	\$1.55	\$1.63	\$1.72	\$1.81	\$1.90	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
4 kgal	\$26.88	\$28.23	\$29.63	\$31.12	\$32.67	\$34.31	\$36.03	\$1.35	\$1.41	\$1.48	\$1.56	\$1.64	\$1.72	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
3 kgal	\$24.14	\$25.35	\$26.61	\$27.95	\$29.34	\$30.81	\$32.35	\$1.21	\$1.27	\$1.33	\$1.40	\$1.47	\$1.54	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
2 kgal	\$24.14	\$25.35	\$26.61	\$27.95	\$29.34	\$30.81	\$32.35	\$1.21	\$1.27	\$1.33	\$1.40	\$1.47	\$1.54	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
1 kgal	\$24.14	\$25.35	\$26.61	\$27.95	\$29.34	\$30.81	\$32.35	\$1.21	\$1.27	\$1.33	\$1.40	\$1.47	\$1.54	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
0 kgal	\$24.14	\$25.35	\$26.61	\$27.95	\$29.34	\$30.81	\$32.35	\$1.21	\$1.27	\$1.33	\$1.40	\$1.47	\$1.54	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

as presented in April 2015

Residential Demand vs. Actual Usage

City of Mesa CY2014 Residential Water Full Demand Capacity vs. Actual Usage



Average Homeowner's Cost Comparison

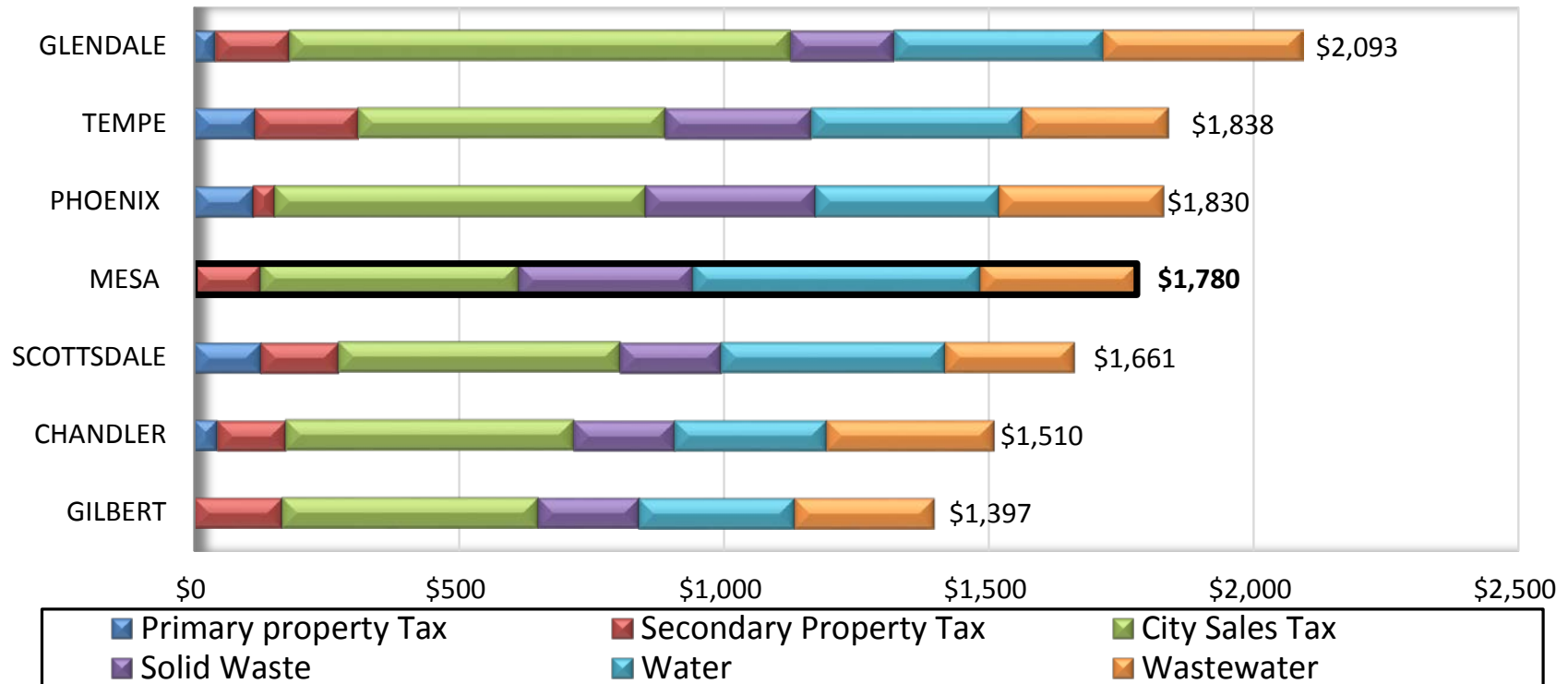
One key analytical tool used by the City Council and City staff is a comparison of the average costs incurred by homeowners in several cities throughout the Valley. The average charges for the current fiscal year for various cities are compared with the average costs for the current fiscal year in the City of Mesa. While some neighboring municipalities have a different resource mix than Mesa, bringing them all together allows for comparison to ensure that Mesa remains an affordable place to live, work and play.

The Average Homeowner's Annual Cost Comparison Notes:

- The City of Mesa and the Town of Gilbert are the only municipalities that do not have a primary property tax. All other revenue sources exist in all municipalities.
- Estimated city sales taxes paid is based on average household expenditures from the Bureau of Labor and Statistics Consumer Expenditure Survey applied to each city's sales tax rate. Some cities have different rates for different taxable items. Mesa does not collect sales tax on the sale of food for consumption at home.
- Comparisons are determined using a standard service level for all cities.
- Standard solid waste charges are for biweekly garbage (and recyclables where applicable) collection using 90 gallon barrels. Solid Waste residential charges include a Green and Clean fee for Mesa.
- Other city's environmental fees are included as applicable.
- Water charges are based on an average consumption per month.
- Wastewater charges are based on the average consumption of water during the winter months.

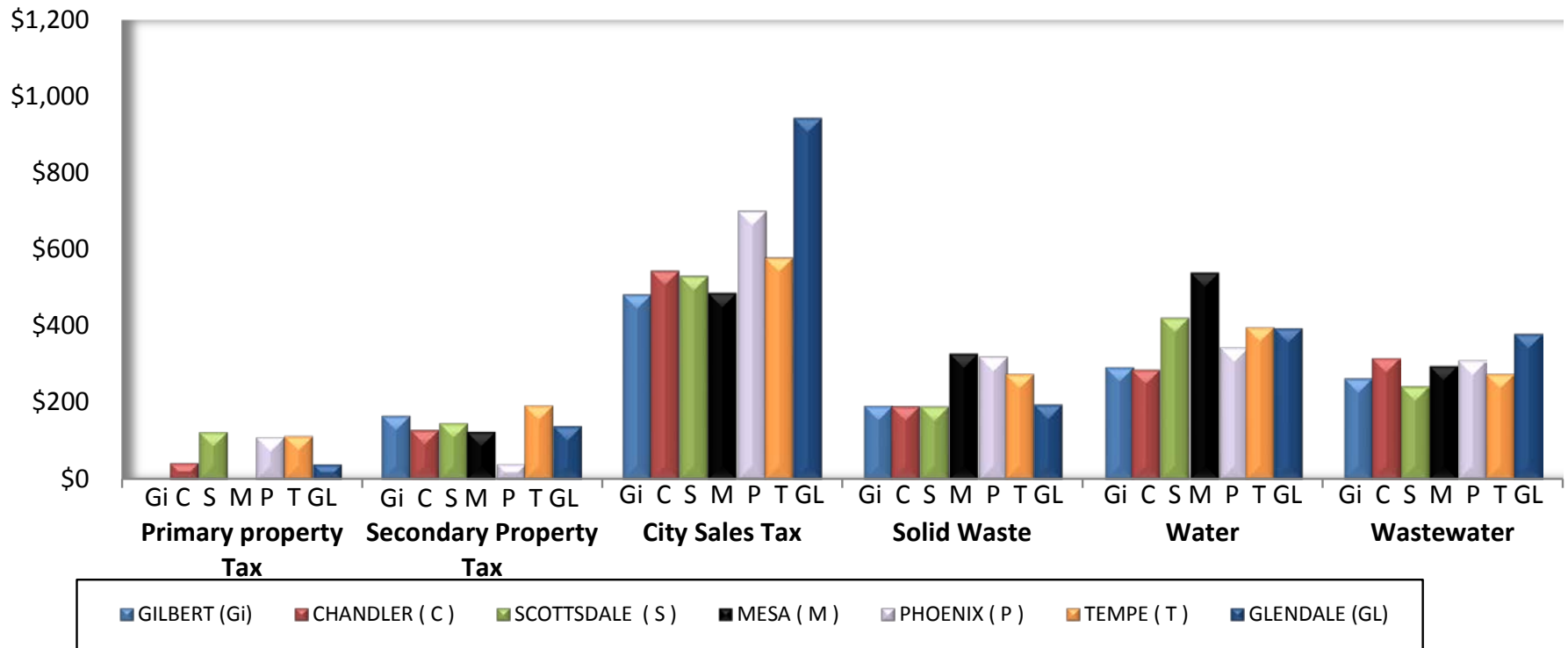
FY 2015/16 Average Homeowner's Annual Cost Comparison

Prepared 03/03/16



FY 2015/16 Average Homeowner's Annual Cost Comparison

Prepared 03/03/16



FY 2015/16 AVERAGE HOMEOWNER'S COST COMPARISON							Prepared 03/03/16	
	CITY PROPERTY TAXES (1)		CITY SALES TAXES (4, 5, 9)	SOLID WASTE CHARGES (6)	WATER CHARGES (7)	WASTEWATER CHARGES (8)	ANNUAL TOTAL	PCT OF MESA
	PRIMARY (2, 3)	SECONDARY (2, 3)						
MESA								
Median Value	\$103,950	\$103,950						
Rate	\$0.0000	\$1.2125	1.75%	\$27.46	\$45.03	\$24.77		
Annual Cost	\$0	\$126	\$487	\$330	\$540	\$297	\$1,780	100%
CHANDLER								
Median Value	\$147,032	\$147,032						
Rate	\$0.2992	\$0.8800	1.50%	\$15.97	\$23.84	\$26.35		
Annual Cost	\$44	\$129	\$543	\$192	\$286	\$316	\$1,510	85%
GILBERT								
Median Value	\$157,889	\$157,889						
Rate	\$0.0000	\$1.0567	1.50%	\$16.00	\$24.38	\$21.98		
Annual Cost	\$0	\$167	\$482	\$192	\$293	\$264	\$1,397	79%
GLENDALE								
Median Value	\$82,121	\$82,121						
Rate	\$0.4898	\$1.7067	2.90%	\$16.30	\$32.91	\$31.63		
Annual Cost	\$40	\$140	\$943	\$196	\$395	\$380	\$2,093	118%
PHOENIX								
Median Value	\$83,265	\$83,265						
Rate	\$1.3425	\$0.4786	2.30%	\$26.80	\$28.79	\$25.96		
Annual Cost	\$112	\$40	\$700	\$322	\$346	\$311	\$1,830	103%
SCOTTSDALE								
Median Value	\$236,355	\$236,355						
Rate	\$0.5293	\$0.6244	1.65%	\$15.96	\$35.16	\$20.36		
Annual Cost	\$125	\$148	\$531	\$192	\$422	\$244	\$1,661	93%
TEMPE								
Median Value	\$122,622	\$122,622						
Rate	\$0.9334	\$1.5861	1.80%	\$23.00	\$33.16	\$23.02		
Annual Cost	\$114	\$194	\$579	\$276	\$398	\$276	\$1,838	103%

Notes:

1. In FY 2015/16, both the Primary and Secondary Property Tax are based on Limited Property Value
2. Single family residential property: Annual Cost = (Median Value) x 10% x (Tax Rate/100) (Source: Maricopa County Assessor's Office)
3. Primary and Secondary Property Tax rates reflect the tax rates as listed on the Maricopa County, Department of Finance page
4. City Sales Tax annual cost is based on average household expenditures from the Consumer Expenditure Survey from the Bureau of Labor Statistics
5. The city sales tax listed is for retail sales. If two cities show the same retail sales tax rate, the estimated sales tax dollar amount may be different because some cities have different tax rates for non-retail items. Mesa does not collect sales tax on the sale of food for consumption at home.
6. Charge for biweekly garbage (and recyclables where applicable) collection using 90 gallon barrels. The Solid Waste residential charge includes a Green and Clean Fee for Mesa. Other city's environmental fees are also included as applicable.
7. Charges are based on the average usage of water gallons per month.
8. Winter Water Average formulas are applied in cities where known.

AVERAGE MESA HOMEOWNER'S COST COMPARISON OF FY 2015/16 TO FY 2016/17							Prepared 03/03/16
	CITY PROPERTY TAXES (1, 2)		CITY SALES TAXES (5, 6)	SOLID WASTE CHARGES (7)	WATER CHARGES (8)	WASTEWATER CHARGES (9)	ANNUAL TOTAL
	PRIMARY (3, 4)	SECONDARY (3, 4)					
MESA (FY 2015/16)							
Median Value (2015)	\$103,950	\$103,950					
Rate / Monthly	\$0.0000	\$1.2125	1.75%	\$27.46	\$45.03	\$24.77	
Annual Cost	\$0	\$126	\$487	\$330	\$540	\$297	\$1,780
MESA (FY 2016/17)							
Median Value (2016)	\$109,148	\$109,148					
Rate / Monthly	\$0.0000	\$1.1578	1.75%	\$28.63	\$47.26	\$26.00	
Annual Cost	\$0	\$126	\$487	\$344	\$567	\$312	\$1,836
CHANGE							
Median Value	\$5,198	\$5,198					
Rate / Monthly	\$0.0000	-\$0.0547	\$0.00	\$1.17	\$2.23	\$1.24	\$4.7
Annually	\$0	\$0	\$0	\$14.040	\$26.776	\$14.868	\$56
PCT CHANGE		0.3%	0.0%	4.3%	5.0%	5.0%	3.1%

Notes:

1. In FY 2015/16, both the Primary and Secondary Property Tax are based on Limited Property Value
2. In FY 2016/17, both the Primary and Secondary Property Tax are based on Limited Property Value with an assumption of a 5.0% increase
3. Single family residential property: Annual Cost = (Median Value) x 10% x (Tax Rate/100) (Source: Maricopa County Assessor's Office)
4. Primary and Secondary Property Tax rates reflect the tax rates as listed on the County Treasurer website.
5. City Sales Tax annual cost is based on average household expenditures from the Consumer Expenditure Survey from the Bureau of Labor Statistics
6. The city sales tax listed is for retail sales. If two cities show the same retail sales tax rate, the estimated sales tax dollar amount may be different because some cities have different tax rates for non-retail items. Mesa does not collect sales tax on the sale of food for consumption at home.
7. Charge for biweekly garbage (and recyclables where applicable) collection using 90 gallon barrels. The Solid Waste residential charge includes a Green and Clean Fee for Mesa. Other city's environmental fees are also included as applicable.
8. Charges are based on the average usage of water gallons per month.
9. Winter Water Average formulas are applied in cities where known.

Attachment 3: Forecast Analysis Model

City of Mesa
Enterprise Fund Sources and Uses
April 21,2016

NET SOURCES AND USES	FY 14/15 Actuals	FY 15/16 Estimate	FY 16/17 Forecast	FY 17/18 Forecast	FY 18/19 Forecast	FY 19/20 Forecast	FY 20/21 Forecast
ELECTRIC	\$5,441,445	\$3,854,300	\$421,752	\$577,022	\$538,368	\$481,930	\$234,489
GAS	\$2,663,287	\$3,395,070	\$1,824,629	\$1,379,398	\$1,525,552	\$2,050,091	\$1,847,060
WATER	\$2,018,348	\$3,384,795	(\$337,948)	(\$3,206,381)	\$503,552	\$3,462,118	\$4,999,263
WASTEWATER	\$6,219,085	\$9,923,455	\$3,282,279	(\$1,106,130)	(\$2,309,571)	\$2,485,575	\$3,315,435
SOLID WASTE	(\$3,400,472)	(\$4,607,884)	(\$3,940,479)	(\$2,346,716)	\$6,622	(\$238,360)	(\$499,268)
Subtotal: Utilities	\$12,941,693	\$15,949,737	\$1,250,234	(\$4,702,808)	\$264,523	\$8,241,355	\$9,896,980
DISTRICT COOLING	\$544,924	\$601,671	\$441,768	\$414,553	\$392,849	\$276,062	\$350,435
GOLF	\$113,414	(\$669,467)	(\$970,976)	(\$741,156)	(\$870,644)	(\$870,771)	(\$740,729)
HOHOKAM-FITCH	(\$1,300,844)	(\$1,246,875)	(\$1,706,111)	(\$1,475,242)	(\$1,288,450)	(\$1,301,050)	(\$1,393,220)
CUBS SPRING TRAINING -OPERATION&	(\$573,380)	(\$1,400,421)	(\$1,417,799)	(\$1,541,408)	(\$1,577,417)	(\$1,586,774)	(\$1,625,572)
CONVENTION CENTER	(\$1,114,518)	(\$2,059,001)	(\$2,104,230)	(\$2,343,812)	(\$2,100,915)	(\$1,806,646)	(\$1,749,548)
Subtotal: Other Enterprises	(\$2,330,404)	(\$4,774,093)	(\$5,757,348)	(\$5,687,064)	(\$5,444,578)	(\$5,289,179)	(\$5,158,635)
TOTAL NET SOURCES AND USES	\$10,611,288	\$11,175,643	(\$4,507,114)	(\$10,389,872)	(\$5,180,055)	\$2,952,176	\$4,738,345
Beginning Reserve Balance	\$45,251,990	\$46,631,854	\$57,807,497	\$53,300,383	\$42,910,511	\$37,730,455	\$40,682,631
Ending Reserve Balance	\$55,863,278	\$57,807,497	\$53,300,383	\$42,910,511	\$37,730,455	\$40,682,631	\$45,420,976

Ending Reserve Balance Percent*	16.3%	16.5%	14.3%	11.1%	9.5%	9.8%	10.6%
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*As a % of Next Fiscal Year's Expenditures

ELC Residential (Customer Charge/Fixed Rate only)			\$1.50	\$1.50	\$2.00	\$2.50	\$2.75
ELC Non-Residential			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GAS Residential (Customer Charge/Fixed Rate only)			\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
GAS Non-Residential (Customer Charge/Fixed Rate only)			\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
WTR All Rate Revenue			5.0%	4.5%	4.5%	4.5%	4.0%
WW All Rate Revenue			5.0%	5.0%	5.0%	5.0%	4.5%
SW Residential			4.0%	4.0%	4.0%	4.0%	3.5%
SW Commercial			0.0%	2.0%	2.0%	2.0%	2.0%
SW Rolloff			4.9%	4.9%	2.0%	2.0%	2.0%

SOURCES AND USES	FY 14/15 Actuals	FY 15/16 Estimate	FY 16/17 Forecast	FY 17/18 Forecast	FY 18/19 Forecast	FY 19/20 Forecast	FY 20/21 Forecast
SOURCES							
ELECTRIC	\$36,010,004	\$33,627,637	\$33,105,385	\$34,609,011	\$35,706,536	\$36,667,316	\$37,538,854
GAS	\$39,756,144	\$39,933,647	\$40,006,841	\$42,204,475	\$43,933,901	\$45,628,718	\$47,266,492
WATER	\$118,141,793	\$127,296,015	\$132,459,626	\$140,877,989	\$149,639,130	\$159,575,117	\$167,678,621
WASTEWATER	\$72,104,650	\$74,535,766	\$76,579,692	\$80,357,659	\$84,733,839	\$89,069,504	\$93,553,312
SOLID WASTE	\$52,500,707	\$54,511,925	\$56,577,582	\$58,751,370	\$61,538,811	\$64,455,903	\$66,638,801
Subtotal: Utilities	\$318,513,299	\$329,904,990	\$338,729,127	\$356,800,504	\$375,552,216	\$395,396,557	\$412,676,080
DISTRICT COOLING	\$1,286,850	\$1,356,131	\$1,325,000	\$1,325,000	\$1,325,000	\$1,325,000	\$1,325,000
GOLF	\$1,738,323	\$1,623,050	\$1,622,850	\$1,646,544	\$1,678,322	\$1,711,721	\$1,744,072
HOHOKAM-FITCH	\$109,050	\$87,418	\$87,418	\$88,352	\$89,605	\$90,922	\$92,197
CUBS SPRING TRAINING -OPERATION	\$1,218,249	\$997,952	\$1,045,532	\$832,373	\$859,797	\$890,032	\$922,399
CONVENTION CENTER	\$2,666,059	\$2,256,608	\$2,297,008	\$2,327,832	\$2,369,174	\$2,412,624	\$2,454,713
Subtotal: Other Enterprises	\$7,018,531	\$6,321,159	\$6,377,808	\$6,220,100	\$6,321,898	\$6,430,299	\$6,538,381
TOTAL SOURCES	\$325,531,829	\$336,226,149	\$345,106,935	\$363,020,604	\$381,874,114	\$401,826,856	\$419,214,461
USES							
ELECTRIC	\$30,568,559	\$29,773,337	\$32,683,633	\$34,031,989	\$35,168,168	\$36,185,385	\$37,304,365
GAS	\$37,092,857	\$36,538,577	\$38,182,212	\$40,825,077	\$42,408,349	\$43,578,627	\$45,419,432
WATER	\$116,123,446	\$123,911,220	\$132,797,574	\$144,084,370	\$149,135,578	\$156,112,999	\$162,679,358
WASTEWATER	\$65,885,565	\$64,612,311	\$73,297,414	\$81,463,789	\$87,043,410	\$86,583,929	\$90,237,877
SOLID WASTE	\$55,901,179	\$59,119,809	\$60,518,061	\$61,098,086	\$61,532,189	\$64,694,263	\$67,138,068
Subtotal: Utilities	\$305,571,606	\$313,955,253	\$337,478,893	\$361,503,312	\$375,287,694	\$387,155,202	\$402,779,100
DISTRICT COOLING	\$741,926	\$754,460	\$883,232	\$910,447	\$932,151	\$1,048,938	\$974,565
GOLF	\$1,624,909	\$2,292,517	\$2,593,826	\$2,387,700	\$2,548,966	\$2,582,492	\$2,484,801
HOHOKAM-FITCH	\$1,409,894	\$1,334,293	\$1,793,529	\$1,563,594	\$1,378,055	\$1,391,971	\$1,485,417
CUBS SPRING TRAINING -OPERATION	\$1,791,629	\$2,398,373	\$2,463,331	\$2,373,780	\$2,437,214	\$2,476,806	\$2,547,971
CONVENTION CENTER	\$3,780,577	\$4,315,609	\$4,401,238	\$4,671,644	\$4,470,089	\$4,219,271	\$4,204,261
Subtotal: Other Enterprises	\$9,348,935	\$11,095,252	\$12,135,156	\$11,907,164	\$11,766,476	\$11,719,478	\$11,697,015
TOTAL USES	\$314,920,541	\$325,050,506	\$349,614,049	\$373,410,476	\$387,054,169	\$398,874,680	\$414,476,115

ELECTRIC

	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Sources of Funding	Actuals	Estimate	Forecast	Forecast	Forecast	Forecast	Forecast
Revenues	\$19,995,347	\$18,953,455	\$17,239,517	\$17,743,831	\$18,386,671	\$18,980,668	\$19,554,486
EECAF Revenues	\$16,014,657	\$14,674,182	\$15,865,868	\$16,865,180	\$17,319,865	\$17,686,648	\$17,984,367
Total Sources	\$36,010,004	\$33,627,637	\$33,105,385	\$34,609,011	\$35,706,536	\$36,667,316	\$37,538,854
Uses of Funding							
Operating Expenditures	\$6,697,621	\$6,945,569	\$8,208,603	\$8,008,064	\$8,297,539	\$8,396,765	\$8,668,347
EECAF Expenditures	\$15,976,271	\$14,685,252	\$15,865,868	\$16,865,180	\$17,319,865	\$17,686,648	\$17,984,367
Capital Transfer	\$0	\$20,377	\$218,382	\$355,203	\$285,647	\$247,223	\$252,439
Debt Service Transfer	\$1,094,667	\$1,022,148	\$1,235,964	\$1,423,873	\$1,662,873	\$2,026,646	\$2,340,835
Expenditure Subtotal	\$23,768,559	\$22,673,346	\$25,528,817	\$26,652,320	\$27,565,923	\$28,357,282	\$29,245,988
General Fund Transfer	\$6,120,000	\$6,303,600	\$6,492,708	\$6,687,489	\$6,888,114	\$7,094,757	\$7,307,600
Lifecycle/ Infrastructure Transfers	\$680,000	\$672,553	\$662,108	\$692,180	\$714,131	\$733,346	\$750,777
BABS Transfer		\$123,838					
Total Uses	\$30,568,559	\$29,773,337	\$32,683,633	\$34,031,989	\$35,168,168	\$36,185,385	\$37,304,365
Net Sources and Uses	\$5,441,445	\$3,854,300	\$421,752	\$577,022	\$538,368	\$481,930	\$234,489

GAS

	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Sources of Funding	Actuals	Estimate	Forecast	Forecast	Forecast	Forecast	Forecast
Revenues	\$26,674,205	\$28,409,659	\$29,342,317	\$30,470,843	\$31,596,492	\$32,778,763	\$34,005,069
PNGCAF Revenues	\$13,081,939	\$11,523,988	\$10,664,524	\$11,733,632	\$12,337,409	\$12,849,955	\$13,261,423
Total Sources	\$39,756,144	\$39,933,647	\$40,006,841	\$42,204,475	\$43,933,901	\$45,628,718	\$47,266,492
Uses of Funding							
Operating Expenditures	\$12,125,421	\$12,213,613	\$13,842,870	\$14,130,118	\$14,500,546	\$14,840,653	\$15,346,561
PNGCAF Expenditures	\$12,453,408	\$11,633,726	\$10,664,524	\$11,733,632	\$12,337,409	\$12,849,955	\$13,261,423
Capital Transfer	\$0	\$24,631	\$260,588	\$391,813	\$280,069	\$216,994	\$221,573
Debt Service Transfer	\$4,404,272	\$4,168,576	\$4,854,930	\$5,733,487	\$6,179,951	\$6,279,804	\$6,911,539
Expenditure Subtotal	\$28,983,102	\$28,040,546	\$29,622,912	\$31,989,050	\$33,297,975	\$34,187,406	\$35,741,096
General Fund Transfer	\$7,313,755	\$7,533,168	\$7,759,163	\$7,991,938	\$8,231,696	\$8,478,647	\$8,733,006
Lifecycle/ Infrastructure Transfers	\$796,000	\$798,673	\$800,137	\$844,090	\$878,678	\$912,574	\$945,330
BABS Transfer		\$166,190					
Total Uses	\$37,092,857	\$36,538,576.73	\$38,182,212	\$40,825,077	\$42,408,349	\$43,578,627	\$45,419,432
Net Sources and Uses	\$2,663,287	\$3,395,070	\$1,824,629	\$1,379,398	\$1,525,552	\$2,050,091	\$1,847,060

WATER

	FY 14/15 Actuals	FY 15/16 Estimate	FY 16/17 Forecast	FY 17/18 Forecast	FY 18/19 Forecast	FY 19/20 Forecast	FY 20/21 Forecast
Sources of Funding							
Revenues	\$118,141,793	\$127,296,015	\$132,459,626	\$140,877,989	\$149,639,130	\$159,575,117	\$167,678,621
Total Sources	\$118,141,793	\$127,296,015	\$132,459,626	\$140,877,989	\$149,639,130	\$159,575,117	\$167,678,621
Uses of Funding							
Operating Expenditures	\$37,950,308	\$41,913,561	\$43,943,854	\$45,611,180	\$48,766,480	\$51,273,190	\$54,428,212
Capital Transfer	\$0	\$62,127	\$398,455	\$3,644,167	\$213,370	\$75,480	\$75,480
Debt Service Transfer	\$24,152,858	\$23,864,609	\$29,923,228	\$34,455,028	\$37,882,283	\$40,539,143	\$41,969,979
Expenditure Subtotal	\$62,103,167	\$65,840,297	\$74,265,537	\$83,710,375	\$86,862,133	\$91,887,813	\$96,473,671
General Fund Transfer	\$50,141,279	\$51,843,518	\$53,614,824	\$55,223,269	\$56,879,967	\$58,586,366	\$60,343,957
Lifecycle/ Infrastructure Transfers	\$2,344,000	\$2,545,920	\$2,560,632	\$2,728,999	\$2,904,222	\$3,102,942	\$3,265,012
Economic Investment Fund Transfer	\$1,535,000	\$2,890,167	\$2,356,581	\$2,421,727	\$2,489,255	\$2,535,878	\$2,596,718
BABS Transfer		\$791,318					
Total Uses	\$116,123,446	\$123,911,220	\$132,797,574	\$144,084,370	\$149,135,578	\$156,112,999	\$162,679,358
Net Sources and Uses	\$2,018,348	\$3,384,795	(\$337,948)	(\$3,206,381)	\$503,552	\$3,462,118	\$4,999,263

WASTEWATER

	FY 14/15 Actuals	FY 15/16 Estimate	FY 16/17 Forecast	FY 17/18 Forecast	FY 18/19 Forecast	FY 19/20 Forecast	FY 20/21 Forecast
Sources of Funding							
Revenues	\$72,104,650	\$74,535,766	\$76,579,692	\$80,357,659	\$84,733,839	\$89,069,504	\$93,553,312
Total Sources	\$72,104,650	\$74,535,766	\$76,579,692	\$80,357,659	\$84,733,839	\$89,069,504	\$93,553,312
Uses of Funding							
Operating Expenditures	\$20,993,553	\$23,874,972	\$26,071,941	\$26,681,405	\$27,881,860	\$29,270,351	\$30,601,712
Capital Transfer	\$0	\$36,769	\$232,725	\$387,600	\$199,120	\$90,000	\$90,000
Debt Service Transfer	\$31,545,082	\$25,724,206	\$30,953,457	\$37,843,039	\$41,873,159	\$39,584,093	\$41,339,597
Expenditure Subtotal	\$52,538,635	\$49,635,947	\$57,258,123	\$64,912,044	\$69,954,139	\$68,944,444	\$72,031,309
General Fund Transfer	\$11,923,930	\$13,183,648	\$14,563,157	\$15,000,052	\$15,450,054	\$15,913,555	\$16,390,962
Lifecycle/ Infrastructure Transfers	\$1,423,000	\$1,490,715	\$1,476,134	\$1,551,693	\$1,639,217	\$1,725,930	\$1,815,606
BABS Transfer		\$302,001					
Total Uses	\$65,885,565	\$64,612,311	\$73,297,414	\$81,463,789	\$87,043,410	\$86,583,929	\$90,237,877
Net Sources and Uses	\$6,219,085	\$9,923,455	\$3,282,279	(\$1,106,130)	(\$2,309,571)	\$2,485,575	\$3,315,435
Combined Water & Wastewater	\$8,237,432	\$13,308,250	\$2,944,331	(\$4,312,511)	(\$1,806,019)	\$5,947,694	\$8,314,699

SOLID WASTE

	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Sources of Funding	Actuals	Estimate	Forecast	Forecast	Forecast	Forecast	Forecast
Revenues	\$52,500,707	\$54,511,925	\$56,577,582	\$58,751,370	\$61,538,811	\$64,455,903	\$66,638,801
Total Sources	\$52,500,707	\$54,511,925	\$56,577,582	\$58,751,370	\$61,538,811	\$64,455,903	\$66,638,801
Uses of Funding							
Operating Expenditures	\$31,987,899	\$34,029,122	\$34,224,322	\$34,713,503	\$35,589,422	\$36,561,499	\$37,875,856
Capital Transfer	\$2,550,000	\$2,841,818	\$3,362,224	\$2,800,760	\$1,650,855	\$2,943,069	\$3,329,689
Debt Service Transfer	\$118,244	\$351,565	\$368,685	\$334,579	\$324,693	\$482,041	\$478,655
Expenditure Subtotal	\$34,656,143	\$37,222,505	\$37,955,231	\$37,848,842	\$37,564,970	\$39,986,609	\$41,684,200
General Fund Transfer	\$20,201,036	\$20,807,066	\$21,431,278	\$22,074,216	\$22,736,443	\$23,418,536	\$24,121,092
Lifecycle/ Infrastructure Transfers	\$1,044,000	\$1,090,239	\$1,131,552	\$1,175,027	\$1,230,776	\$1,289,118	\$1,332,776
Total Uses	\$55,901,179	\$59,119,809	\$60,518,061	\$61,098,086	\$61,532,189	\$64,694,263	\$67,138,068
Net Sources and Uses	(\$3,400,472)	(\$4,607,884)	(\$3,940,479)	(\$2,346,716)	\$6,622	(\$238,360)	(\$499,268)

DISTRICT COOLING

	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Sources of Funding	Actuals	Estimate	Forecast	Forecast	Forecast	Forecast	Forecast
Revenues	\$1,286,850	\$1,356,131	\$1,325,000	\$1,325,000	\$1,325,000	\$1,325,000	\$1,325,000
Total Sources	\$1,286,850	\$1,356,131	\$1,325,000	\$1,325,000	\$1,325,000	\$1,325,000	\$1,325,000
Uses of Funding							
Operating Expenditures	\$741,926	\$753,220	\$880,591	\$904,360	\$928,596	\$1,045,432	\$972,401
Capital Transfer	\$0	\$1,240	\$2,641	\$6,087	\$3,555	\$3,506	\$2,164
Debt Service Transfer	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditure Subtotal	\$741,926	\$754,460	\$883,232	\$910,447	\$932,151	\$1,048,938	\$974,565
General Fund Transfer							
Lifecycle/ Infrastructure Transfers							
Total Uses	\$741,926	\$754,460	\$883,232	\$910,447	\$932,151	\$1,048,938	\$974,565
Net Sources and Uses	\$544,924	\$601,671	\$441,768	\$414,553	\$392,849	\$276,062	\$350,435

GOLF COURSE

	FY 14/15 Actuals	FY 15/16 Estimate	FY 16/17 Forecast	FY 17/18 Forecast	FY 18/19 Forecast	FY 19/20 Forecast	FY 20/21 Forecast
Sources of Funding							
Revenues	\$1,738,323	\$1,623,050	\$1,622,850	\$1,646,544	\$1,678,322	\$1,711,721	\$1,744,072
Total Sources	\$1,738,323	\$1,623,050	\$1,622,850	\$1,646,544	\$1,678,322	\$1,711,721	\$1,744,072
Uses of Funding							
Operating Expenditures	\$1,624,909	\$2,017,290	\$2,012,731	\$2,067,545	\$2,228,908	\$2,260,083	\$2,155,589
Capital Transfer	\$0	\$275,227	\$581,095	\$320,155	\$320,058	\$322,409	\$329,212
Debt Service Transfer	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditure Subtotal	\$1,624,909	\$2,292,517	\$2,593,826	\$2,387,700	\$2,548,966	\$2,582,492	\$2,484,801

General Fund Transfer
Lifecycle/ Infrastructure Transfers

Total Uses	\$1,624,909	\$2,292,517	\$2,593,826	\$2,387,700	\$2,548,966	\$2,582,492	\$2,484,801
Net Sources and Uses	\$113,414	(\$669,467)	(\$970,976)	(\$741,156)	(\$870,644)	(\$870,771)	(\$740,729)

HOHOKAM (OAKLAND A'S)

	FY 14/15 Actuals	FY 15/16 Estimate	FY 16/17 Forecast	FY 17/18 Forecast	FY 18/19 Forecast	FY 19/20 Forecast	FY 20/21 Forecast
Sources of Funding							
Revenues	\$109,050	\$87,418	\$87,418	\$88,352	\$89,605	\$90,922	\$92,197
Total Sources	\$109,050	\$87,418	\$87,418	\$88,352	\$89,605	\$90,922	\$92,197
Uses of Funding							
Operating Expenditures	\$1,075,894	\$1,206,090	\$1,525,603	\$1,413,094	\$1,243,705	\$1,266,971	\$1,360,417
Capital Transfer	\$334,000	\$128,203	\$267,926	\$150,500	\$134,350	\$125,000	\$125,000
Debt Service Transfer	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditure Subtotal	\$1,409,894	\$1,334,293	\$1,793,529	\$1,563,594	\$1,378,055	\$1,391,971	\$1,485,417

General Fund Transfer
Lifecycle/ Infrastructure Transfers

Total Uses	\$1,409,894	\$1,334,293	\$1,793,529	\$1,563,594	\$1,378,055	\$1,391,971	\$1,485,417
Net Sources and Uses	(\$1,300,844)	(\$1,246,875)	(\$1,706,111)	(\$1,475,242)	(\$1,288,450)	(\$1,301,050)	(\$1,393,220)

CUBS SPRING TRAINING

	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Sources of Funding	Actuals	Estimate	Forecast	Forecast	Forecast	Forecast	Forecast
Revenues	\$1,218,249	\$997,952	\$1,045,532	\$832,373	\$859,797	\$890,032	\$922,399
Total Sources	\$1,218,249	\$997,952	\$1,045,532	\$832,373	\$859,797	\$890,032	\$922,399
Uses of Funding							
Operating Expenditures	\$1,671,629	\$2,268,571	\$2,270,766	\$2,248,780	\$2,312,214	\$2,351,806	\$2,422,971
Capital Transfer	\$120,000	\$129,802	\$192,565	\$125,000	\$125,000	\$125,000	\$125,000
Debt Service Transfer	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditure Subtotal	\$1,791,629	\$2,398,373	\$2,463,331	\$2,373,780	\$2,437,214	\$2,476,806	\$2,547,971

General Fund Transfer
Lifecycle/ Infrastructure Transfers

Total Uses	\$1,791,629	\$2,398,373	\$2,463,331	\$2,373,780	\$2,437,214	\$2,476,806	\$2,547,971
Net Sources and Uses	(\$573,380)	(\$1,400,421)	(\$1,417,799)	(\$1,541,408)	(\$1,577,417)	(\$1,586,774)	(\$1,625,572)

CONVENTION CENTER

	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Sources of Funding	Actuals	Estimate	Forecast	Forecast	Forecast	Forecast	Forecast
Revenues	\$2,666,059	\$2,256,608	\$2,297,008	\$2,327,832	\$2,369,174	\$2,412,624	\$2,454,713
Total Sources	\$2,666,059	\$2,256,608	\$2,297,008	\$2,327,832	\$2,369,174	\$2,412,624	\$2,454,713
Uses of Funding							
Operating Expenditures	\$3,454,577	\$3,386,981	\$3,722,350	\$4,052,444	\$4,063,049	\$3,919,271	\$3,954,261
Capital Transfer	\$326,000	\$928,628	\$678,888	\$619,200	\$407,040	\$300,000	\$250,000
Debt Service Transfer	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditure Subtotal	\$3,780,577	\$4,315,609	\$4,401,238	\$4,671,644	\$4,470,089	\$4,219,271	\$4,204,261

General Fund Transfer
Lifecycle/ Infrastructure Transfers

Total Uses	\$3,780,577	\$4,315,609	\$4,401,238	\$4,671,644	\$4,470,089	\$4,219,271	\$4,204,261
Net Sources and Uses	(\$1,114,518)	(\$2,059,001)	(\$2,104,230)	(\$2,343,812)	(\$2,100,915)	(\$1,806,646)	(\$1,749,548)

TOTAL ENTERPRISE FUND

	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Sources of Funding	Actuals	Estimate	Forecast	Forecast	Forecast	Forecast	Forecast
Revenues	\$325,531,829	\$336,226,149	\$345,106,935	\$363,020,604	\$381,874,114	\$401,826,856	\$419,214,461
Total Sources	\$325,531,829	\$336,226,149	\$345,106,935	\$363,020,604	\$381,874,114	\$401,826,856	\$419,214,461
Uses of Funding							
Operating Expenditures	\$118,323,738	\$128,608,988	\$136,703,631	\$139,830,493	\$145,812,319	\$151,186,020	\$157,786,327
Capital Transfer	\$3,330,000	\$4,448,822	\$6,195,489	\$8,800,485	\$3,619,064	\$4,448,681	\$4,800,557
Debt Service Transfer	\$61,315,124	\$55,131,104	\$67,336,264	\$79,790,006	\$87,922,959	\$88,911,727	\$93,040,605
Expenditure Subtotal	\$211,398,541	\$214,507,892	\$236,765,776	\$257,019,796	\$267,011,617	\$275,083,031	\$286,873,279
General Fund Transfer	\$95,700,000	\$99,671,000	\$103,861,130	\$106,976,964	\$110,186,274	\$113,491,861	\$116,896,617
Lifecycle/ Infrastructure Transfers	\$6,287,000	\$6,598,100	\$6,630,562	\$6,991,990	\$7,367,024	\$7,763,911	\$8,109,501
Economic Investment Fund Transfer	\$1,535,000	\$2,890,167	\$2,356,581	\$2,421,727	\$2,489,255	\$2,535,878	\$2,596,718
BABS Transfer		\$1,383,347					
Total Uses	\$314,920,541	\$325,050,506	\$349,614,049	\$373,410,476	\$387,054,169	\$398,874,680	\$414,476,115
Net Sources and Uses	\$10,611,288	\$11,175,643	(\$4,507,114)	(\$10,389,872)	(\$5,180,055)	\$2,952,176	\$4,738,345
Beginning Reserve Balance	\$45,251,990	\$46,631,854	\$57,807,497	\$53,300,383	\$42,910,511	\$37,730,455	\$40,682,631
Ending Reserve Balance	\$55,863,278	\$57,807,497	\$53,300,383	\$42,910,511	\$37,730,455	\$40,682,631	\$45,420,976
Ending Reserve Balance Percentage*	17.2%	16.5%	14.3%	11.1%	9.5%	9.8%	10.6%

*As a % of Next Fiscal Year's Expenditures