

Attachment 2 - City of Mesa Utility Fund Cash Flow Projections

As of 08/22/2023	FY 22/23 Estimate	FY 23/24 Projected	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast	FY 28/29 Forecast
WATER	(\$3,390,539)	(\$1,213,825)	\$824,968	(\$3,833,608)	(\$4,807,613)	(\$3,780,714)	(\$3,245,833)
WASTEWATER	(\$8,080,027)	(\$13,986,661)	(\$9,991,982)	(\$7,046,469)	(\$3,175,824)	\$2,203,698	\$877,990
SOLID WASTE	(\$4,455,062)	(\$7,390,204)	\$678,671	\$1,192,198	\$1,479,784	(\$239,847)	\$3,023,019
ELECTRIC	\$664,095	(\$1,990,443)	(\$718,719)	(\$842,119)	(\$558,839)	(\$714,081)	(\$1,361,963)
NATURAL GAS	\$2,153,284	(\$9,107,075)	(\$3,995,031)	(\$3,367,616)	(\$2,638,632)	(\$2,496,126)	\$863,070
DISTRICT COOLING	(\$45,576)	(\$298,342)	(\$461,410)	(\$132,520)	(\$104,958)	(\$114,287)	(\$111,479)
TOTAL NET SOURCES AND USES	(\$13,153,827)	(\$33,986,550)	(\$13,663,502)	(\$14,030,134)	(\$9,806,082)	(\$5,141,357)	\$44,803
Beginning Reserve Balance	\$144,571,686	\$131,417,859	\$97,431,309	\$83,767,807	\$69,737,673	\$59,931,590	\$54,790,233
Ending Reserve Balance	\$131,417,859	\$97,431,309	\$83,767,807	\$69,737,673	\$59,931,590	\$54,790,233	\$54,835,037
Ending Reserve Balance Percent*	26.1%	18.9%	15.6%	12.0%	10.3%	9.2%	9.0%

*As a % of Next Fiscal Year's Expenditures

WATER Residential (Tier 1 usage)	2.75%	3.00%	3.50%	4.00%	4.00%	4.00%	4.00%
WATER Commercial (usage)	5.50%	5.00%	5.50%	5.75%	5.75%	5.75%	5.75%
WASTEWATER Residential	4.25%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%
WASTEWATER Non-Residential	4.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
SOLID WASTE Residential	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
SOLID WASTE Commercial	4.50%	7.50%	3.00%	3.00%	3.00%	3.00%	3.00%
SOLID WASTE Rolloff	7.75%	6.50%	3.00%	3.00%	3.00%	3.00%	3.00%
ELECTRIC Residential - svc charge	\$0.00	\$2.25	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
ELECTRIC Non-Residential - svc charge	\$0.00	\$5.00	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
GAS Residential - svc charge	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75
GAS Non-Residential - svc charge	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00

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TOTAL							
As of 08/22/2023	FY 22/23 Estimate	FY 23/24 Projected	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast	FY 28/29 Forecast
Sources of Funding							
Revenues	\$398,420,940	\$425,949,632	\$450,750,756	\$474,318,122	\$499,399,029	\$526,237,571	\$544,765,026
EECAF/PNGCAF Revenues	\$52,730,098	\$44,280,547	\$52,445,805	\$50,097,617	\$48,940,577	\$48,624,139	\$47,844,582
Total Sources	\$451,151,038	\$470,230,179	\$503,196,561	\$524,415,740	\$548,339,605	\$574,861,710	\$592,609,607
Uses of Funding							
Operating Expenditures	\$171,225,830	\$199,677,078	\$202,484,238	\$209,895,603	\$214,959,276	\$222,873,435	\$228,842,707
EECAF/PNGCAF Expenditures	\$47,936,567	\$46,525,993	\$52,445,805	\$50,097,617	\$48,940,577	\$48,624,139	\$47,844,582
Expenditure Subtotal	\$219,162,397	\$246,203,071	\$254,930,043	\$259,993,220	\$263,899,852	\$271,497,574	\$276,687,288
Project Costs	\$728,104	\$527,763	\$0	\$7,286	\$0	\$0	\$0
General Fund Transfer	\$119,301,118	\$127,209,268	\$134,561,724	\$141,401,945	\$148,946,448	\$156,996,401	\$162,573,316
Debt Service Transfer	\$104,169,180	\$114,055,844	\$116,221,790	\$126,172,504	\$132,888,805	\$137,151,064	\$140,205,095
Lifecycle/ Infrastructure Transfers	\$8,994,224	\$9,373,029	\$10,038,365	\$10,462,238	\$10,940,141	\$11,469,997	\$11,824,363
Capital Transfer	\$11,949,842	\$6,847,754	\$1,108,141	\$408,680	\$1,470,442	\$2,888,030	\$1,274,742
Total Uses	\$464,304,865	\$504,216,729	\$516,860,063	\$538,445,874	\$558,145,688	\$580,003,067	\$592,564,804
Net Sources and Uses	(\$13,153,827)	(\$33,986,550)	(\$13,663,502)	(\$14,030,134)	(\$9,806,082)	(\$5,141,357)	\$44,803
Beginning Reserve Balance	\$144,571,686	\$131,417,859	\$97,431,309	\$83,767,807	\$69,737,673	\$59,931,590	\$54,790,233
Ending Reserve Balance	\$131,417,859	\$97,431,309	\$83,767,807	\$69,737,673	\$59,931,590	\$54,790,233	\$54,835,037
Ending Reserve Balance Percent*	26.1%	18.9%	15.6%	12.0%	10.3%	9.2%	9.0%

*As a % of Next Fiscal Year's Expenditures

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WATER	FY 22/23 Estimate	FY 23/24 Projected	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast	FY 28/29 Forecast
Sources of Funding							
Residential Rate Revenues	\$92,848,750	\$102,278,473	\$108,275,755	\$112,602,637	\$118,285,735	\$124,306,893	\$129,242,956
Non-Residential Rate Revenues	\$67,140,841	\$82,325,159	\$88,329,315	\$95,559,246	\$102,101,859	\$109,074,235	\$113,309,329
Other Revenues	\$8,757,557	\$4,743,975	\$4,810,477	\$4,854,496	\$4,903,935	\$4,954,313	\$5,005,318
Total Sources	\$168,747,148	\$189,347,606	\$201,415,547	\$213,016,379	\$225,291,528	\$238,335,441	\$247,557,603
Uses of Funding							
Operating Expenditures	\$66,482,037	\$76,269,534	\$80,108,362	\$84,380,962	\$87,101,554	\$90,452,797	\$93,735,262
Project Costs	\$273,101	\$87,997	\$0	\$311	\$0	\$0	\$0
General Fund Transfer	\$50,398,981	\$56,228,661	\$59,761,162	\$63,011,422	\$66,714,198	\$70,625,762	\$73,411,089
Debt Service Transfer	\$49,358,660	\$52,254,627	\$56,090,523	\$64,993,165	\$71,412,996	\$76,178,507	\$78,380,668
Lifecycle/ Infrastructure Transfers	\$3,374,943	\$3,786,952	\$4,028,311	\$4,260,328	\$4,505,831	\$4,766,709	\$4,951,152
Capital Transfer	\$2,249,966	\$1,933,661	\$602,221	\$203,799	\$364,564	\$92,380	\$325,264
Total Uses	\$172,137,687	\$190,561,431	\$200,590,579	\$216,849,987	\$230,099,142	\$242,116,155	\$250,803,436
Net Sources and Uses	(\$3,390,539)	(\$1,213,825)	\$824,968	(\$3,833,608)	(\$4,807,613)	(\$3,780,714)	(\$3,245,833)
WASTEWATER							
	FY 22/23 Estimate	FY 23/24 Projected	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast	FY 28/29 Forecast
Sources of Funding							
Residential Rate Revenues	\$51,702,845	\$54,710,753	\$57,952,185	\$61,049,881	\$64,720,930	\$68,672,826	\$72,225,659
Non-Residential Rate Revenues	\$41,048,495	\$45,457,657	\$48,174,866	\$51,161,014	\$54,265,669	\$57,595,494	\$57,986,858
Other Revenues	\$2,901,836	\$2,577,587	\$2,589,387	\$2,589,387	\$2,589,387	\$2,589,387	\$2,589,387
Total Sources	\$95,653,176	\$102,745,998	\$108,716,439	\$114,800,283	\$121,575,986	\$128,857,707	\$132,801,905
Uses of Funding							
Operating Expenditures	\$32,852,154	\$40,582,859	\$42,046,089	\$43,280,943	\$44,343,376	\$45,804,522	\$47,444,185
Project Costs	\$108,525	\$167,756	\$0	\$6,975	\$0	\$0	\$0
General Fund Transfer	\$28,695,953	\$30,823,799	\$32,614,932	\$34,440,085	\$36,472,796	\$38,657,312	\$39,840,571
Debt Service Transfer	\$37,481,199	\$41,661,785	\$41,436,965	\$41,725,754	\$41,215,436	\$39,547,357	\$41,774,657
Lifecycle/ Infrastructure Transfers	\$1,913,064	\$2,054,920	\$2,174,329	\$2,296,006	\$2,431,520	\$2,577,154	\$2,656,038
Capital Transfer	\$2,682,309	\$1,441,539	\$436,106	\$96,989	\$288,683	\$67,663	\$208,463
Total Uses	\$103,733,203	\$116,732,658	\$118,708,420	\$121,846,752	\$124,751,810	\$126,654,009	\$131,923,915
Net Sources and Uses	(\$8,080,027)	(\$13,986,661)	(\$9,991,982)	(\$7,046,469)	(\$3,175,824)	\$2,203,698	\$877,990

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SOLID WASTE	FY 22/23 Estimate	FY 23/24 Projected	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast	FY 28/29 Forecast
Sources of Funding							
Revenues	\$69,632,300	\$71,060,655	\$74,654,831	\$77,436,947	\$80,328,769	\$83,330,873	\$86,310,956
Uses of Funding							
Operating Expenditures	\$44,396,346	\$51,612,148	\$49,360,208	\$50,701,095	\$51,683,951	\$53,541,885	\$54,316,401
Project Costs	\$174,067	\$71,274	\$0	\$0	\$0	\$0	\$0
General Fund Transfer	\$20,889,690	\$21,318,197	\$22,396,449	\$23,231,084	\$24,098,631	\$24,999,262	\$25,893,287
Debt Service Transfer	\$670,305	\$633,480	\$656,771	\$656,657	\$644,742	\$634,431	\$613,293
Lifecycle/ Infrastructure Transfers	\$1,392,646	\$1,421,213	\$1,493,097	\$1,548,739	\$1,606,575	\$1,666,617	\$1,726,219
Capital Transfer	\$6,564,309	\$3,394,548	\$69,635	\$107,173	\$815,087	\$2,728,525	\$738,737
Total Uses	\$74,087,362	\$78,450,859	\$73,976,159	\$76,244,749	\$78,848,985	\$83,570,721	\$83,287,937
Net Sources and Uses	(\$4,455,062)	(\$7,390,204)	\$678,671	\$1,192,198	\$1,479,784	(\$239,847)	\$3,023,019

ELECTRIC	FY 22/23 Estimate	FY 23/24 Projected	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast	FY 28/29 Forecast
Sources of Funding							
Revenues	\$19,624,386	\$19,710,747	\$20,854,461	\$21,850,184	\$22,793,917	\$23,833,912	\$24,261,669
EECAF Revenues	\$25,827,058	\$27,534,432	\$32,341,629	\$30,295,104	\$28,645,666	\$27,824,521	\$26,527,637
Total Sources	\$45,451,444	\$47,245,179	\$53,196,090	\$52,145,288	\$51,439,583	\$51,658,433	\$50,789,306
Uses of Funding							
Operating Expenditures	\$8,576,792	\$10,339,265	\$10,310,719	\$10,643,616	\$10,658,938	\$11,029,772	\$11,131,607
EECAF Expenditures	\$24,976,321	\$27,170,796	\$32,341,629	\$30,295,104	\$28,645,666	\$27,824,521	\$26,527,637
Expenditure Subtotal	\$33,553,113	\$37,510,061	\$42,652,348	\$40,938,720	\$39,304,604	\$38,854,293	\$37,659,244
Project Costs	\$58,739	\$33,101	\$0	\$0	\$0	\$0	\$0
General Fund Transfer	\$5,887,316	\$5,913,224	\$6,256,338	\$6,555,055	\$6,838,175	\$7,150,174	\$7,278,501
Debt Service Transfer	\$4,062,102	\$4,757,494	\$3,942,201	\$4,450,726	\$4,826,851	\$5,334,879	\$6,197,737
Lifecycle/ Infrastructure Transfers	\$909,029	\$944,904	\$1,063,922	\$1,042,906	\$1,028,792	\$1,033,169	\$1,015,786
Capital Transfer	\$317,051	\$76,839	\$0	\$0	\$0	\$0	\$0
Total Uses	\$44,787,349	\$49,235,622	\$53,914,809	\$52,987,407	\$51,998,422	\$52,372,514	\$52,151,269
Net Sources and Uses	\$664,095	(\$1,990,443)	(\$718,719)	(\$842,119)	(\$558,839)	(\$714,081)	(\$1,361,963)

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NATURAL GAS	FY 22/23 Estimate	FY 23/24 Projected	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast	FY 28/29 Forecast
Sources of Funding							
Revenues	\$43,324,086	\$41,505,883	\$43,831,180	\$45,910,466	\$48,076,248	\$50,517,796	\$52,441,426
PNGCAF Revenues	\$26,903,040	\$16,746,115	\$20,104,176	\$19,802,513	\$20,294,911	\$20,799,618	\$21,316,945
Total Sources	\$70,227,126	\$58,251,998	\$63,935,356	\$65,712,979	\$68,371,159	\$71,317,415	\$73,758,371
Uses of Funding							
Operating Expenditures	\$17,865,064	\$19,470,978	\$19,302,821	\$19,844,481	\$20,135,803	\$20,976,345	\$21,132,022
PNGCAF Expenditures	\$22,960,246	\$19,355,197	\$20,104,176	\$19,802,513	\$20,294,911	\$20,799,618	\$21,316,945
Expenditure Subtotal	\$40,825,310	\$38,826,175	\$39,406,997	\$39,646,994	\$40,430,713	\$41,775,964	\$42,448,967
Project Costs	\$113,672	\$167,635	\$0	\$0	\$0	\$0	\$0
General Fund Transfer	\$12,997,226	\$12,451,765	\$13,149,354	\$13,773,140	\$14,422,875	\$15,155,339	\$15,732,428
Debt Service Transfer	\$12,596,914	\$14,748,458	\$14,095,329	\$14,346,202	\$14,788,780	\$15,455,890	\$13,238,739
Lifecycle/ Infrastructure Transfers	\$1,404,543	\$1,165,040	\$1,278,707	\$1,314,260	\$1,367,423	\$1,426,348	\$1,475,167
Capital Transfer	\$136,178	\$0	\$0	\$0	\$0	\$0	\$0
Total Uses	\$68,073,842	\$67,359,073	\$67,930,388	\$69,080,596	\$71,009,791	\$73,813,541	\$72,895,301
Net Sources and Uses	\$2,153,284	(\$9,107,075)	(\$3,995,031)	(\$3,367,616)	(\$2,638,632)	(\$2,496,126)	\$863,070
DISTRICT COOLING	FY 22/23 Estimate	FY 23/24 Projected	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast	FY 28/29 Forecast
Sources of Funding							
Revenues	\$1,439,844	\$1,578,743	\$1,278,298	\$1,303,864	\$1,332,580	\$1,361,841	\$1,391,467
Uses of Funding							
Operating Expenditures	\$1,053,438	\$1,402,295	\$1,356,040	\$1,044,505	\$1,035,655	\$1,068,114	\$1,083,229
General Fund Transfer	\$431,953	\$473,623	\$383,489	\$391,159	\$399,774	\$408,552	\$417,440
Project Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Transfer	\$29	\$1,167	\$178	\$719	\$2,109	-\$538	\$2,277
Total Uses	\$1,485,420	\$1,877,085	\$1,739,708	\$1,436,384	\$1,437,538	\$1,476,128	\$1,502,946
Net Sources and Uses	(\$45,576)	(\$298,342)	(\$461,410)	(\$132,520)	(\$104,958)	(\$114,287)	(\$111,479)