

Attachment 2 - City of Mesa Utility Fund Cash Flow Projections - Notice of Intention

As of 09/15/2022	FY 21/22 Actuals	FY 22/23 Projected	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast
WATER	\$4,184,539	(\$3,897,749)	(\$19,550)	(\$3,410,239)	(\$4,938,329)	(\$6,867,840)	(\$8,252,130)
WASTEWATER	(\$8,572,222)	(\$11,954,358)	(\$10,332,043)	(\$6,527,964)	(\$4,063,099)	(\$886,621)	\$3,955,150
SOLID WASTE	(\$4,693,206)	(\$2,842,362)	(\$2,608,646)	\$1,492,666	\$891,244	\$341,342	\$841,238
ELECTRIC	\$3,093,468	(\$2,530,032)	(\$2,106,261)	(\$1,277,723)	(\$1,602,042)	(\$1,484,154)	(\$1,742,617)
NATURAL GAS	(\$1,509,847)	(\$4,290,323)	(\$3,292,115)	(\$1,573,176)	(\$825,089)	(\$212,103)	(\$123,063)
DISTRICT COOLING	(\$687,915)	(\$341,371)	(\$1,514,786)	(\$292,314)	(\$168,419)	(\$138,238)	(\$142,945)
TOTAL NET SOURCES AND USES	(\$8,185,182)	(\$25,856,195)	(\$19,873,401)	(\$11,588,751)	(\$10,705,734)	(\$9,247,613)	(\$5,464,368)
Beginning Reserve Balance	\$151,261,238	\$143,076,056	\$117,219,861	\$97,346,460	\$85,757,709	\$75,051,974	\$65,804,362
Ending Reserve Balance	\$143,076,056	\$117,219,861	\$97,346,460	\$85,757,709	\$75,051,974	\$65,804,362	\$60,339,994
Ending Reserve Balance Percent*	30.1%	24.4%	20.0%	16.8%	13.6%	11.9%	10.6%
*As a % of Next Fiscal Year's Expenditures							
WATER Residential	2.50%	2.75%	3.50%	3.50%	3.50%	3.50%	3.50%
WATER Non-Residential (general usage)	5.00%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
WASTEWATER Residential	3.00%	4.25%	4.75%	4.75%	4.75%	4.75%	4.75%
WASTEWATER Non-Residential	4.00%	4.50%	5.00%	5.00%	5.00%	5.00%	5.00%
SOLID WASTE Residential	2.00%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%
SOLID WASTE Commercial	3.75%	4.50%	3.00%	3.00%	3.00%	3.00%	3.00%
SOLID WASTE Rolloff	3.50%	7.75%	3.00%	3.00%	3.00%	3.00%	3.00%
ELECTRIC Residential - svc charge	\$1.50	\$0.00	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
ELECTRIC Non-Residential - svc charge	\$2.50	\$0.00	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
GAS Residential - svc charge	\$0.50	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75
GAS Non-Residential - svc charge	\$0.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00

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TOTAL							
As of 09/15/2022	FY 21/22 Actuals	FY 22/23 Projected	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast
Sources of Funding							
Revenues	\$385,536,449	\$402,276,750	\$423,733,840	\$445,015,761	\$469,458,001	\$491,785,430	\$516,490,246
EECAF/PNGCAF Revenues	\$52,339,696	\$46,449,796	\$36,007,005	\$29,910,707	\$30,752,637	\$31,007,707	\$31,775,769
Total Sources	\$437,876,145	\$448,726,546	\$459,740,845	\$474,926,468	\$500,210,638	\$522,793,137	\$548,266,015
Uses of Funding							
Operating Expenditures	\$159,711,048	\$187,158,753	\$190,649,561	\$195,849,373	\$204,059,179	\$209,515,483	\$216,529,663
EECAF/PNGCAF Expenditures	\$49,714,662	\$47,023,972	\$36,007,005	\$29,910,707	\$30,752,637	\$31,007,707	\$31,775,769
Expenditure Subtotal	\$209,425,710	\$234,182,725	\$226,656,566	\$225,760,080	\$234,811,816	\$240,523,190	\$248,305,432
Project Costs	\$1,377,828	\$942,867	\$0	\$0	\$4,997	\$0	\$0
General Fund Transfer	\$115,660,935	\$120,683,025	\$127,120,152	\$133,504,728	\$140,837,400	\$147,535,629	\$154,947,074
Debt Service Transfer	\$100,410,969	\$104,316,835	\$111,223,344	\$117,186,790	\$123,448,004	\$130,410,805	\$136,683,564
Lifecycle/ Infrastructure Transfers	\$8,427,563	\$8,851,007	\$9,170,793	\$9,473,988	\$9,979,104	\$10,430,176	\$10,939,020
Capital Transfer	\$10,758,322	\$5,606,283	\$5,443,392	\$589,633	\$1,835,052	\$3,140,949	\$2,855,293
Total Uses	\$446,061,327	\$474,582,742	\$479,614,247	\$486,515,219	\$510,916,372	\$532,040,749	\$553,730,383
Net Sources and Uses	(\$8,185,182)	(\$25,856,195)	(\$19,873,401)	(\$11,588,751)	(\$10,705,734)	(\$9,247,613)	(\$5,464,368)
Beginning Reserve Balance	\$151,261,238	\$143,076,056	\$117,219,861	\$97,346,460	\$85,757,709	\$75,051,974	\$65,804,362
Ending Reserve Balance	\$143,076,056	\$117,219,861	\$97,346,460	\$85,757,709	\$75,051,974	\$65,804,362	\$60,339,994
Ending Reserve Balance Percent*	30.1%	24.4%	20.0%	16.8%	13.6%	11.9%	10.6%

*As a % of Next Fiscal Year's Expenditures

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WATER	FY 21/22 Actuals	FY 22/23 Projected	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast
Sources of Funding							
Residential Rate Revenues	\$92,674,627	\$97,267,172	\$101,519,310	\$105,074,112	\$110,279,179	\$114,095,492	\$119,188,785
Non-Residential Rate Revenues	\$64,164,168	\$74,126,107	\$80,581,449	\$86,521,313	\$93,392,806	\$99,502,847	\$105,875,305
Other Revenues	\$9,417,155	\$5,664,274	\$5,459,519	\$5,462,374	\$5,465,283	\$5,468,252	\$5,471,253
Total Sources	\$166,255,950	\$177,057,552	\$187,560,279	\$197,057,799	\$209,137,268	\$219,066,591	\$230,535,344
Uses of Funding							
Operating Expenditures	\$60,146,873	\$72,832,284	\$74,747,328	\$78,815,996	\$83,302,737	\$86,164,120	\$89,112,070
Project Costs	\$373,022	\$341,098	\$0	\$0	\$214	\$0	\$0
General Fund Transfer	\$49,876,785	\$53,117,266	\$56,268,084	\$59,117,340	\$62,741,180	\$65,719,977	\$69,160,603
Debt Service Transfer	\$47,916,919	\$49,427,296	\$51,283,189	\$58,366,063	\$63,552,683	\$69,454,269	\$75,695,797
Lifecycle/ Infrastructure Transfers	\$3,325,119	\$3,541,151	\$3,751,206	\$3,941,156	\$4,182,745	\$4,381,332	\$4,610,707
Capital Transfer	\$432,693	\$1,696,207	\$1,530,022	\$227,483	\$296,037	\$214,733	\$208,297
Total Uses	\$162,071,411	\$180,955,302	\$187,579,829	\$200,468,038	\$214,075,597	\$225,934,431	\$238,787,474
Net Sources and Uses	\$4,184,539	(\$3,897,749)	(\$19,550)	(\$3,410,239)	(\$4,938,329)	(\$6,867,840)	(\$8,252,130)
WASTEWATER	FY 21/22 Actuals	FY 22/23 Projected	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast
Sources of Funding							
Residential Rate Revenues	\$51,399,590	\$51,536,709	\$54,580,294	\$57,176,619	\$60,615,569	\$63,650,290	\$67,328,529
Non-Residential Rate Revenues	\$40,397,198	\$42,887,125	\$45,454,241	\$48,170,334	\$51,156,107	\$54,260,742	\$57,589,835
Other Revenues	\$2,498,502	\$3,123,500	\$3,124,475	\$3,125,456	\$3,126,444	\$3,127,438	\$3,128,439
Total Sources	\$94,295,290	\$97,547,334	\$103,159,010	\$108,472,409	\$114,898,121	\$121,038,470	\$128,046,804
Uses of Funding							
Operating Expenditures	\$32,648,024	\$38,313,594	\$39,145,866	\$39,940,593	\$41,459,701	\$42,504,595	\$43,865,214
Project Costs	\$262,558	\$176,281	\$0	\$0	\$4,783	\$0	\$0
General Fund Transfer	\$28,288,587	\$29,264,200	\$30,947,703	\$32,541,723	\$34,469,436	\$36,311,541	\$38,414,041
Debt Service Transfer	\$39,564,053	\$37,543,773	\$40,297,785	\$40,204,525	\$40,582,726	\$40,519,550	\$39,135,249
Lifecycle/ Infrastructure Transfers	\$1,885,906	\$1,950,947	\$2,063,180	\$2,169,448	\$2,297,962	\$2,420,769	\$2,560,936
Capital Transfer	\$218,384	\$2,252,897	\$1,036,519	\$144,085	\$146,611	\$168,636	\$116,213
Total Uses	\$102,867,512	\$109,501,691	\$113,491,054	\$115,000,374	\$118,961,219	\$121,925,091	\$124,091,654
Net Sources and Uses	(\$8,572,222)	(\$11,954,358)	(\$10,332,043)	(\$6,527,964)	(\$4,063,099)	(\$886,621)	\$3,955,150

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SOLID WASTE	FY 21/22 Actuals	FY 22/23 Projected	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast
Sources of Funding							
Revenues	\$66,510,900	\$68,140,307	\$70,614,542	\$74,055,784	\$76,841,585	\$79,733,256	\$82,737,214
Uses of Funding							
Operating Expenditures	\$41,035,073	\$47,087,666	\$46,758,079	\$47,632,176	\$48,953,944	\$50,115,783	\$51,896,224
Project Costs	\$372,493	\$240,341	\$0	\$0	\$0	\$0	\$0
General Fund Transfer	\$19,953,270	\$20,442,092	\$21,184,363	\$22,216,735	\$23,052,475	\$23,919,977	\$24,821,164
Debt Service Transfer	\$794,951	\$671,424	\$993,480	\$1,016,771	\$1,016,657	\$1,004,742	\$994,431
Lifecycle/ Infrastructure Transfers	\$1,330,218	\$1,362,806	\$1,412,291	\$1,481,116	\$1,536,832	\$1,594,665	\$1,654,744
Capital Transfer	\$7,718,101	\$1,178,340	\$2,874,975	\$216,321	\$1,390,432	\$2,756,747	\$2,529,413
Total Uses	\$71,204,106	\$70,982,668	\$73,223,187	\$72,563,118	\$75,950,341	\$79,391,914	\$81,895,976
Net Sources and Uses	(\$4,693,206)	(\$2,842,362)	(\$2,608,646)	\$1,492,666	\$891,244	\$341,342	\$841,238
ELECTRIC	FY 21/22 Actuals	FY 22/23 Projected	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast
Sources of Funding							
Revenues	\$19,266,443	\$19,064,106	\$19,506,840	\$20,397,578	\$21,345,578	\$22,258,902	\$23,155,906
EECAF Revenues	\$32,948,649	\$25,364,105	\$23,561,407	\$17,153,969	\$17,676,981	\$17,605,159	\$18,038,157
Total Sources	\$52,215,092	\$44,428,211	\$43,068,247	\$37,551,547	\$39,022,559	\$39,864,061	\$41,194,063
Uses of Funding							
Operating Expenditures	\$7,932,408	\$9,886,699	\$9,984,066	\$10,262,009	\$10,722,374	\$10,765,651	\$11,033,292
EECAF Expenditures	\$31,296,153	\$25,938,281	\$23,561,407	\$17,153,969	\$17,676,981	\$17,605,159	\$18,038,157
Expenditure Subtotal	\$39,228,561	\$35,824,980	\$33,545,473	\$27,415,978	\$28,399,355	\$28,370,810	\$29,071,449
Project Costs	\$139,732	\$83,840	\$0	\$0	\$0	\$0	\$0
General Fund Transfer	\$5,779,933	\$5,719,232	\$5,852,052	\$6,119,273	\$6,403,673	\$6,677,670	\$6,946,772
Debt Service Transfer	\$3,229,096	\$4,065,455	\$4,915,619	\$4,542,988	\$5,041,121	\$5,502,453	\$6,094,578
Lifecycle/ Infrastructure Transfers	\$744,302	\$788,564	\$861,365	\$751,031	\$780,451	\$797,281	\$823,881
Capital Transfer	\$0	\$476,172	\$0	\$0	\$0	\$0	\$0
Total Uses	\$49,121,624	\$46,958,243	\$45,174,509	\$38,829,270	\$40,624,601	\$41,348,214	\$42,936,680
Net Sources and Uses	\$3,093,468	(\$2,530,032)	(\$2,106,261)	(\$1,277,723)	(\$1,602,042)	(\$1,484,154)	(\$1,742,617)

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NATURAL GAS	FY 21/22 Actuals	FY 22/23 Projected	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast
Sources of Funding							
Revenues	\$37,709,866	\$39,291,236	\$41,691,967	\$43,805,138	\$45,979,990	\$48,403,886	\$50,699,964
PNGCAF Revenues	\$19,391,047	\$21,085,691	\$12,445,598	\$12,756,738	\$13,075,656	\$13,402,548	\$13,737,612
Total Sources	\$57,100,913	\$60,376,927	\$54,137,565	\$56,561,876	\$59,055,646	\$61,806,434	\$64,437,576
Uses of Funding							
Operating Expenditures	\$16,384,513	\$17,876,456	\$17,660,470	\$18,049,091	\$18,575,153	\$18,928,903	\$19,560,777
PNGCAF Expenditures	\$18,418,509	\$21,085,691	\$12,445,598	\$12,756,738	\$13,075,656	\$13,402,548	\$13,737,612
Expenditure Subtotal	\$34,803,022	\$38,962,147	\$30,106,068	\$30,805,829	\$31,650,809	\$32,331,451	\$33,298,389
Project Costs	\$230,016	\$101,307	\$0	\$0	\$0	\$0	\$0
General Fund Transfer	\$11,312,960	\$11,787,371	\$12,507,590	\$13,141,541	\$13,793,997	\$14,521,166	\$15,209,989
Debt Service Transfer	\$8,905,951	\$12,608,887	\$13,733,270	\$13,056,444	\$13,254,816	\$13,929,792	\$14,763,509
Lifecycle/ Infrastructure Transfers	\$1,142,018	\$1,207,539	\$1,082,751	\$1,131,238	\$1,181,113	\$1,236,129	\$1,288,752
Capital Transfer	\$2,216,793	\$0	\$0	\$0	\$0	\$0	\$0
Total Uses	\$58,610,760	\$64,667,251	\$57,429,680	\$58,135,052	\$59,880,735	\$62,018,537	\$64,560,639
Net Sources and Uses	(\$1,509,847)	(\$4,290,323)	(\$3,292,115)	(\$1,573,176)	(\$825,089)	(\$212,103)	(\$123,063)
DISTRICT COOLING	FY 21/22 Actuals	FY 22/23 Projected	FY 23/24 Forecast	FY 24/25 Forecast	FY 25/26 Forecast	FY 26/27 Forecast	FY 27/28 Forecast
Sources of Funding							
Revenues	\$1,498,000	\$1,176,215	\$1,201,201	\$1,227,053	\$1,255,459	\$1,284,325	\$1,315,015
Uses of Funding							
Operating Expenditures	\$1,564,157	\$1,162,055	\$2,353,752	\$1,149,508	\$1,045,270	\$1,036,432	\$1,062,086
General Fund Transfer	\$449,400	\$352,865	\$360,360	\$368,116	\$376,638	\$385,297	\$394,504
Project Costs	\$7	\$0	\$0	\$0	\$0	\$0	\$0
Capital Transfer	\$172,351	\$2,667	\$1,876	\$1,744	\$1,971	\$833	\$1,370
Total Uses	\$2,185,915	\$1,517,586	\$2,715,988	\$1,519,367	\$1,423,879	\$1,422,562	\$1,457,960
Net Sources and Uses	(\$687,915)	(\$341,371)	(\$1,514,786)	(\$292,314)	(\$168,419)	(\$138,238)	(\$142,945)