

Napa Sanitation District  
FY 2016/17 Budget  
**10-Year Financial/Cash Flow Forecast**

|                                      | Estimated<br>2015/16 | Proposed<br>2016/17 | Projected<br>2017/18 | Projected<br>2018/19 | Projected<br>2019/20 | Projected<br>2020/21 | Projected<br>2021/22 | Projected<br>2022/23 | Projected<br>2023/24 | Projected<br>2024/25 | Projected<br>2025/26 |
|--------------------------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Beginning Fund Equity</b>         | <b>\$18,820,600</b>  | <b>\$14,510,300</b> | <b>\$14,615,100</b>  | <b>\$15,050,200</b>  | <b>\$16,495,100</b>  | <b>\$20,280,600</b>  | <b>\$22,853,400</b>  | <b>\$39,146,500</b>  | <b>\$24,715,300</b>  | <b>\$27,805,300</b>  | <b>\$26,603,800</b>  |
| <b>Operating revenue</b>             |                      |                     |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Sewer service charges                | 19,734,000           | 22,514,000          | 26,271,000           | 27,982,000           | 29,612,000           | 31,185,000           | 32,147,000           | 33,061,000           | 33,999,000           | 34,963,000           | 35,954,000           |
| Capacity Charges-base                | 1,074,000            | 1,853,000           | 1,917,000            | 2,233,000            | 2,311,000            | 2,392,000            | 2,475,000            | 2,562,000            | 2,652,000            | 2,744,000            | 2,840,000            |
| Capacity Charges-hotels              | 1,924,000            | 3,659,000           | 0                    | 992,000              | 3,081,000            | 1,063,000            | 0                    | 0                    | 0                    | 0                    | 0                    |
| Recycled Water Sales                 | 507,000              | 958,000             | 1,126,000            | 1,218,000            | 1,337,000            | 1,391,000            | 1,454,000            | 1,516,000            | 1,578,000            | 1,648,000            | 1,718,000            |
| Hauler Fees                          | 172,000              | 172,000             | 177,000              | 182,000              | 187,000              | 193,000              | 199,000              | 205,000              | 211,000              | 217,000              | 224,000              |
| Development Fees                     | 180,000              | 184,500             | 189,100              | 193,800              | 198,600              | 203,600              | 208,700              | 213,900              | 219,200              | 224,700              | 230,300              |
| Miscellaneous Revenue                | 67,000               | 69,000              | 71,000               | 73,000               | 75,000               | 77,000               | 79,000               | 81,000               | 83,000               | 85,000               | 87,000               |
| <b>Total Operating Revenue</b>       | <b>23,658,000</b>    | <b>29,409,500</b>   | <b>29,751,100</b>    | <b>32,873,800</b>    | <b>36,801,600</b>    | <b>36,504,600</b>    | <b>36,562,700</b>    | <b>37,638,900</b>    | <b>38,742,200</b>    | <b>39,881,700</b>    | <b>41,053,300</b>    |
| <b>Non-Operating Revenue</b>         |                      |                     |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Interest                             | 60,000               | 109,000             | 146,000              | 188,000              | 247,000              | 355,000              | 457,000              | 783,000              | 494,000              | 556,000              | 532,000              |
| Rents and leases                     | 716,000              | 719,000             | 722,000              | 725,000              | 728,000              | 731,000              | 734,000              | 738,000              | 741,000              | 745,000              | 748,000              |
| Fed & State Grants                   | 8,921,100            | 1,350,000           | 175,000              | 0                    | 0                    | 0                    | 0                    | 134,400              | 672,000              | 5,913,600            | 0                    |
| From Napa Co.-MST Pipeline           | 1,000,000            | 900,000             | 525,000              | 0                    | 0                    | 0                    | 0                    | 276,000              | 1,380,000            | 12,144,000           | 0                    |
| From LCWD-RW Pipeline                | 12,050,000           | 0                   | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    |
| Loan/Bond Proceeds                   | 0                    | 4,550,000           | 10,537,000           | 2,049,000            | 0                    | 0                    | 18,500,000           | 0                    | 0                    | 7,425,000            | 0                    |
| <b>Total - Non-Operating Revenue</b> | <b>22,747,100</b>    | <b>7,628,000</b>    | <b>12,105,000</b>    | <b>2,962,000</b>     | <b>975,000</b>       | <b>1,086,000</b>     | <b>19,691,000</b>    | <b>1,931,400</b>     | <b>3,287,000</b>     | <b>26,783,600</b>    | <b>1,280,000</b>     |
| <b>Total Revenue</b>                 | <b>46,405,100</b>    | <b>37,037,500</b>   | <b>41,856,100</b>    | <b>35,835,800</b>    | <b>37,776,600</b>    | <b>37,590,600</b>    | <b>56,253,700</b>    | <b>39,570,300</b>    | <b>42,029,200</b>    | <b>66,665,300</b>    | <b>42,333,300</b>    |
| <b>Operating Expense</b>             |                      |                     |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Salaries and benefits                | 7,867,360            | 9,382,370           | 9,680,200            | 10,015,900           | 9,865,500            | 10,200,600           | 10,549,800           | 10,913,900           | 11,293,700           | 11,690,000           | 12,103,700           |
| Services and supplies                | 5,418,880            | 5,568,310           | 5,691,000            | 5,932,900            | 6,426,100            | 6,106,000            | 6,246,000            | 6,390,000            | 6,537,000            | 6,687,000            | 6,841,000            |
| Taxes and Other                      | 25,010               | 28,250              | 28,900               | 29,600               | 30,300               | 31,000               | 31,700               | 32,400               | 33,100               | 33,900               | 34,700               |
| Debt Service - Existing              | 4,779,200            | 4,773,050           | 4,776,000            | 4,772,000            | 4,771,000            | 4,771,000            | 4,768,000            | 4,752,300            | 4,697,100            | 4,699,900            | 4,699,900            |
| Debt Service - BVR                   | 0                    | 0                   | 0                    | 900,000              | 1,100,000            | 1,100,000            | 1,100,000            | 1,100,000            | 1,100,000            | 1,100,000            | 1,100,000            |
| Debt Service-Digester/ABs            | 0                    | 0                   | 0                    | 0                    | 0                    | 0                    | 2,150,000            | 2,150,000            | 2,150,000            | 2,150,000            | 2,150,000            |
| Debt Service - NBWRA Projects        | 0                    | 0                   | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 0                    | 1,050,000            | 1,050,000            |
| <b>Total Operating Expense</b>       | <b>18,090,450</b>    | <b>19,751,980</b>   | <b>20,176,100</b>    | <b>21,650,400</b>    | <b>22,192,900</b>    | <b>22,208,600</b>    | <b>24,845,500</b>    | <b>25,338,600</b>    | <b>25,810,900</b>    | <b>27,410,800</b>    | <b>27,979,300</b>    |
| <b>Capital Projects</b>              | <b>32,625,000</b>    | <b>17,180,700</b>   | <b>21,244,900</b>    | <b>12,740,500</b>    | <b>11,798,200</b>    | <b>12,809,200</b>    | <b>15,115,100</b>    | <b>28,662,900</b>    | <b>13,128,300</b>    | <b>40,456,000</b>    | <b>8,669,100</b>     |
| <b>Total - All Expenses</b>          | <b>50,715,450</b>    | <b>36,932,680</b>   | <b>41,421,000</b>    | <b>34,390,900</b>    | <b>33,991,100</b>    | <b>35,017,800</b>    | <b>39,960,600</b>    | <b>54,001,500</b>    | <b>38,939,200</b>    | <b>67,866,800</b>    | <b>36,648,400</b>    |
| <b>Net revenue (deficit)</b>         | <b>(4,310,350)</b>   | <b>104,820</b>      | <b>435,100</b>       | <b>1,444,900</b>     | <b>3,785,500</b>     | <b>2,572,800</b>     | <b>16,293,100</b>    | <b>(14,431,200)</b>  | <b>3,090,000</b>     | <b>(1,201,500)</b>   | <b>5,684,900</b>     |
| <b>Ending combined fund equity</b>   | <b>\$14,510,250</b>  | <b>\$14,615,120</b> | <b>\$15,050,200</b>  | <b>\$16,495,100</b>  | <b>\$20,280,600</b>  | <b>\$22,853,400</b>  | <b>\$39,146,500</b>  | <b>\$24,715,300</b>  | <b>\$27,805,300</b>  | <b>\$26,603,800</b>  | <b>\$32,288,700</b>  |
| RW Repair & Replacement Reserve      | 0                    | 0                   | 0                    | 0                    | 134,000              | 273,000              | 418,000              | 570,000              | 728,000              | 893,000              | 1,065,000            |
| Bond Reserve                         | 1,990,000            | 1,990,000           | 1,990,000            | 3,090,000            | 3,090,000            | 3,090,000            | 5,240,000            | 5,240,000            | 5,240,000            | 6,290,000            | 6,290,000            |
| Operating Reserve                    | 2,227,000            | 2,243,000           | 2,310,000            | 2,400,000            | 5,000,000            | 6,000,000            | 6,000,000            | 6,000,000            | 6,000,000            | 6,000,000            | 6,000,000            |
| Cash Flow Reserve                    | 10,987,000           | 10,375,000          | 10,750,000           | 11,000,000           | 11,000,000           | 11,250,000           | 11,600,000           | 12,900,000           | 13,100,000           | 13,400,000           | 13,700,000           |
| <b>Fund Equity Available for Use</b> | <b>(\$693,750)</b>   | <b>\$7,120</b>      | <b>\$200</b>         | <b>\$5,100</b>       | <b>\$1,056,600</b>   | <b>\$2,240,400</b>   | <b>\$15,888,500</b>  | <b>\$5,300</b>       | <b>\$2,737,300</b>   | <b>\$20,799</b>      | <b>\$5,233,699</b>   |