

**TABLE C-1: PROJECTED REVENUE AND REVENUE REQUIREMENTS**  
**Base and TAP-R Surcharge Rates**  
(in thousands of dollars)

Line No.	Description	Fiscal Year Ending June 30, 2024
<b>OPERATING REVENUE</b>		
1	Water Service - Existing Rates	
2	Wastewater Service - Existing Rates	
3	Total Service Revenue - Existing Rates	
	Additional Service Revenue Required	
	Percent Months	
	<u>Year</u> <u>Increase</u> <u>Effective</u>	
4	FY 2024 10	
5	FY 2025 10	
6	Total Additional Service Revenue Required	
7	Total Water & Wastewater Service Revenue	801,353
	Other Income (a)	
8	Other Operating Revenue	28,249
9	Debt Reserve Account Interest Income	
10	Operating Fund Interest Income	8,084
11	Rate Stabilization Interest Income	
12	Total Revenues	837,686
<b>OPERATING EXPENSES</b>		
13	Total Operating Expenses	(591,064)
<b>NET REVENUES</b>		
14	Transfer From/(To) Rate Stabilization Fund	8,200
15	NET REVENUES AFTER OPERATIONS	254,822
<b>DEBT SERVICE</b>		
	Senior Debt Service	
	Revenue Bonds	
16	Outstanding Bonds	(185,103)
17	PENNVEST Loans	(13,359)
18	Projected Future Bonds	(10,073)
19	Commercial Paper	(1,134)
20	WIFIA	(24)
21	Total Senior Debt Service	(209,694)
22	TOTAL SENIOR DEBT SERVICE COVERAGE (L15/L21)	1.22 x
23	Subordinate Debt Service	
24	Transfer to Escrow	
25	Total Debt Service on Bonds	(209,694)
26	CAPITAL ACCOUNT DEPOSIT	(31,709)
27	TOTAL COVERAGE (L15/(L21+L23+L26))	1.06 x
28	End of Year Revenue Fund Balance	13,419

**TABLE C-1: PROJECTED REVENUE AND REVENUE REQUIREMENTS**  
**Base and TAP-R Surcharge Rates**  
(in thousands of dollars)

Line No.	Description	Fiscal Year Ending June 30, 2024
<b>RESIDUAL FUND</b>		
29	Beginning of Year Balance	16,524
30	Interest Income	910
	Plus:	
31	End of Year Revenue Fund Balance	13,419
32	Deposit for Transfer to City General Fund (b)	1,687
	Less:	
33	Transfer to Construction Fund	-
34	Transfer to City General Fund	(1,687)
35	Transfer to Debt Reserve Account	-
36	End of Year Balance	30,853
<b>RATE STABILIZATION FUND</b>		
37	Beginning of Year Balance (c)	133,985
38	Deposit From/(To) Revenue Fund	(8,200)
	Interest	6,653
39	End of Year Balance	132,438

(a) Includes other operating and nonoperating income, including interest income on funds and accounts transferable to the Revenue Fund

(b) Transfer of interest earnings from the Debt Reserve Account to the Residual Fund as shown in Line 32 to satisfy the requirements for the transfer to the City General Fund shown on Line 34.

(c) FY 2024 beginning balance is estimated based on FY 2023 results.

**TABLE C-2**  
**Base and TAP-R Surcharge Rates**  
**COMBINED SYSTEM: PROJECTED RATE STABILIZATION FUND**  
**AND COVENANTS METRICS PERFORMANCE**

Line #	Description	2024
<b>Rate Stabilization Fund</b>		
1	Beginning Balance: Rate Stabilization Fund (a)	133,985
2	Transfers From (To) Revenue Fund (b)	(8,200)
	Interest	6,653
3	Year-End Rate Stabilization Fund Balance (Line 1 + Line 2)	132,438
<b>General Bond Ordinance Covenants</b>		
4	Senior Debt Coverage (c)	1.22
5	Total Debt Coverage (d)	1.06
<b>Insurance Covenants</b>		
6	90% Test - Senior Debt Coverage from Current Revenues (e)	1.18
<b>O&amp;M Actual to Budget Ratio</b>		
7	Projected O&M Budget (f)	693,225
8	O&M Actual to Budget Ratio	90.5%
<b>Rate Ordinance Requirements</b>		
9	Projected Total Revenues	837,686
10	Projected Total Appropriations (g)	948,047
11	Rate Ordinance Requirement Compliance (h)	Yes
<b>Cash Funding</b>		
12	Cash Funded Capital (i)	31,709
13	Capital Improvement Program Annual Expenses	372,639
14	Cash Funded Capital Ratio (j)	8.5%

(a) FY 2024 beginning balance is estimated based on FY 2023 financial results.

(b) See Line 14 in Table C-1.

(c) Senior Debt Coverage = (Total Revenues - Operating Expenses + Transfer From (to) Rate Stabilization) divided by Senior Debt. The General Bond Ordinance requires the minimum Senior Debt Service Coverage of 1.20.

(d) Total Debt Coverage = (Total Revenues - Operating Expenses + Rate Stabilization Transfer) divided by (Senior Debt + Subordinate Debt + Capital Account Deposit). The 1989 General Ordinance requires the minimum Total Debt Service Coverage of 1.00.

(e) Senior Debt Coverage from Current Revenues = (Total Revenues - Operating Expenses - Transfer to Rate Stabilization Fund) divided by Senior Debt. Transfers from Rate Stabilization are excluded from the Total Revenues. The General Bond Ordinance requires a minimum Senior Debt Service Coverage of 0.90 from Current

(f) FY 2024 budget reflects the PWD adopted budget.

(g) Total Appropriation = Total O&M Budget + Senior Debt + Subordinate Debt + Transfer to Escrow + Capital Account Deposit + Transfer to Rate Stabilization Fund + Transfer to Residual Fund. Costs to service the City included as required by the General Bond Ordinance rate covenants.

(h) Rate Ordinance requires that Total Revenues not exceed Total Appropriations.

(i) Cash Funded Capital = Capital Account Deposit + Residual Transfer to Construction Fund

(j) Cash Funded Capital Ratio = Cash Funded Capital divided by Capital Improvement Program annual expenses.

**TABLE C-3: PROJECTED RECEIPTS UNDER EXISTING RATES**  
(in thousands of dollars)

Line No.	Description	Fiscal Year Ending June 30,	
		2024	
1	Water Sales Receipts		
	Wastewater Sales Receipts		
2	Sanitary Sewer		
3	Stormwater		
4	Subtotal Wastewater Service Receipts		
5	Total Water & Wastewater Receipts	801,353	
<b>Other Income</b>			
6	Penalties	10,981	
7	Miscellaneous City Revenue	1,567	
8	Other	6,913	
9	State & Federal Grants	2,066	
10	Permits Issued by L&I	6,526	
11	Miscellaneous (Procurement)	198	
12	City & UESF Grants		
13	Affordability Program Discount Cost (a)	-	
14	Release from Debt Reserve Account (b)		
15	Other Operating Revenues	28,249	
<b>Interest Income</b>			
16	Interest Income on Debt Reserve Account (c)		
17	Operating Fund		
18	Rate Stabilization Fund		
19	Total Nonoperating Income	8,084	
20	Total Receipts	837,686	

(a) Affordability Program Discounts reflected in revenues presented on Line 5.

(b) Projected Release from Debt Reserve Account based on outstanding and proposed debt service payments.

(c) Excludes deposit into Residual Fund for Transfer to City General Fund.

**TABLE C-6: PROJECTED OPERATION AND MAINTENANCE EXPENSE**  
(in thousands of dollars)

Line No.	Description	Fiscal Year Ending June 30, 2024
<b>Water and Wastewater Operations</b>		
1	Personal Services	179,055
2	Pension and Benefits	143,545
3	Subtotal	322,600
<b>Purchase of Services</b>		
4	Power	16,206
5	Gas	4,850
6	SMIP/GARP	20,000
7	Other	159,693
8	Subtotal	200,748
<b>Materials and Supplies</b>		
9	Chemicals	49,821
10	Other	28,331
11	Subtotal	78,151
12	Equipment	7,608
13	Indemnities and Transfers	18,416
14	Subtotal Expenses	627,522
15	Liquidated Encumbrances	(36,459)
16	<b>Total Expenses</b>	<b>591,064</b>

**TABLE C-7: PROJECTED CAPITAL IMPROVEMENT PROGRAM**  
(in thousands of dollars)

Line No.	Description	Fiscal Year Ending June 30,	
		2024	
1	Engineering and Administration (a)	12,806	
2	Plant Improvements	393,000	
3	Distribution System Rehabilitation	157,100	
4	Large Meter Replacement	5,000	
5	Billing System	-	
6	Storm Flood Relief	15,000	
7	Reconstruction of Sewers	80,000	
8	Green Infrastructure	90,000	
9	Vehicles	12,000	
10	Total Improvements	764,906	
11	Inflation Adjustment (b)	-	
12	Inflated Total	764,906	
13	Rollforward Adjustments	(516,936)	
14	Total Inflated Adjusted CIP Budget	247,970	
15	Contingency Adjustment	NA	
16	Annual Encumbrances	NA	
17	Project Expenses (c)	372,639	

(a) NA

(b) NA

(c) Reflects annual drawdown of capital budget appropriations.

**TABLE C-8: PROJECTED FLOW OF FUNDS - CONSTRUCTION FUND & DEBT RESERVE ACCOUNT**  
(in thousands of dollars)

Line No.	Description	Fiscal Year Ending June 30, 2024
<b>Disposition of Revenue Bond Proceeds</b>		
1	Proceeds From Sale of Bonds	500,073
	Transfers:	
2	Debt Reserve Account (a)	30,269
3	Cost of Bond Issuance (b)	3,268
4	Construction Fund (c)	466,532
5	Total Issue	500,069
<b>Construction Fund</b>		
6	Beginning Balance	736,254
7	Transfer From Revenue Bond Proceeds	466,532
8	WIFIA Proceeds	13,787
9	WIFIA Match Funding Proceeds	
10	PENNVEST Loan Proceeds	64,972
11	Capital Account Deposit	31,709
12	Transfer from Residual Fund	-
13	Interest Income on Construction Fund	48,658
14	Total Available	1,361,912
15	Net Cash Financing Required	372,639
	PMA Capital Expenses and Other Adjustments	21,887
16	Ending Balance	967,386
<b>Debt Reserve Account</b>		
17	Beginning Balance	203,201
18	Transfer From Bond Proceeds	30,269
19	Transfer From Residual Fund (e)	
20	Debt Reserve Account Release	
	Interest and Other Adjustments	11,965
21	Ending Balance	245,435
22	Interest Income on Debt Reserve Account	1,687

(a) Amount of Debt Reserve Account estimated based on outstanding and proposed debt service payments.

(b) Cost of bonds issuance reflects actual cost based on new money portion of Series 2023B Bonds.

(c) Deposits equal proceeds from sale of bonds less transfers to Debt Reserve Account and Costs of Issuance.

(d) Cost of Commercial Paper issuance included in PWD Finance O&M expenses.

**TABLE C-9: SUMMARY OF EXISTING AND PROPOSED DEBT SERVICE**  
(in thousands of dollars)

Line No.	Description	Fiscal Year Ending June 30, 2024
Revenue Bonds		
1	Existing (a)	185,103
	Proposed	
2	Fiscal Year 2023 (b)	
3	Fiscal Year 2024 (c)	10,073
4	Fiscal Year 2025 (c)	
5	Total Proposed	10,073
6	Total Revenue Bonds	195,176
PENNVEST Loans		
7	PENNVEST Loans (d)	13,359
Commercial Paper		
8	Commercial Paper	1,134
WIFIA		
9	WIFIA	24
10	Total Senior Debt Service	209,694

(a) Projected debt service amounts include debt service for all Water and Wastewater Revenue Bonds and Revenue Refunding Bonds issued prior to July 1, 2023 and the refunding portion of the Water and Wastewater Revenue Bond Series 2023B (issued in Sept 2023).

(b) NA

(c) Reflects debt service associated with new money portion of the Water and Wastewater Revenue Bond Series 2023B

(d) Includes PENNVEST Loans issued during FY 2023.