

<b>CIP-SHORT LIVED ASSETS</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>
<b><u>Facility Components</u></b>						
Backup Generator Office and Shop	\$ 100,000					
<b><u>WELLS</u></b>						
Paddock Well - Convert to Monitoring						
ID1-8, 125 Hp - Well out of service life	\$ 60,000					
ID-1 Well 12 pump and casing/cleaning			\$ 181,913			
ID-1 16 - Inspection		\$ 173,250			\$ 199,238	
ID4-11, 200 Hp				\$ 120,000		
ID4-18 - Inspect to make a monitoring well	\$ 10,000					
Other Well Rehabilitation						\$ 132,000
<b><u>TANKS</u></b>						
Reservoir cleaning/video inspection	\$ 37,000			\$ 42,550		
<b><u>BOOSTER/PRESSURE REDUCING STATIONS</u></b>						
<b><u>WASTEWATER TREATMENT FACILITY</u></b>						
Clarifier Rehab - Every 10 years	\$ 50,000					
RAS pumps						
Trash Pump						
Lift Station Pump		\$ 11,000			\$ 12,650	
<b><u>EQUIPMENT</u></b>						
10-15kw Backup Diesel Generator						
Pickup - Every 1.5 to 2 years 3/4 ton		\$ 65,000	\$ 68,250	\$ 70,000		\$ 73,500
<b>TOTAL SHORT LIVED ASSETS REPLACEMENT PROGRAM</b>	<b>\$ 257,000</b>	<b>\$ 249,250</b>	<b>\$ 250,163</b>	<b>\$ 232,550</b>	<b>\$ 211,888</b>	<b>\$ 205,500</b>

**Borrego Water District - Financial Model**

<b>Projected Operating Results</b>	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
<b>Fiscal Year Ended June 30</b>	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Operating Revenue</b>												
Water Revenue - commodity	2,724,341	2,860,558	3,003,586	3,123,729	3,248,678	3,378,626	3,479,984	3,584,384	3,691,915	3,802,673	3,916,753	4,034,256
Water Revenue - base	1,613,713	1,678,261	1,745,392	1,815,207	1,887,816	1,963,328	2,022,228	2,082,895	2,145,382	2,209,743	2,276,036	2,344,317
Sewer service charges	645,722	671,551	698,413	719,366	740,947	763,175	786,070	809,653	833,942	858,960	884,729	911,271
Availability charges	238,000	238,000	238,000	238,000	238,000	238,000	238,000	238,000	238,000	238,000	238,000	238,000
Property taxes and other	86,453	88,182	89,946	91,745	91,745	91,745	91,745	91,745	91,745	91,745	91,745	91,745
Interest Income	35,000	35,875	36,772	22,618	21,950	21,763	20,509	43,930	47,373	54,490	61,449	70,923
<b>Total Operating Revenues</b>	<b>\$5,343,229</b>	<b>\$5,572,428</b>	<b>\$5,812,109</b>	<b>\$6,010,665</b>	<b>\$6,229,135</b>	<b>\$6,456,637</b>	<b>\$6,638,537</b>	<b>\$6,850,606</b>	<b>\$7,048,357</b>	<b>\$7,255,611</b>	<b>\$7,468,711</b>	<b>\$7,690,511</b>
<b>O&amp;M Expenses</b>												
Water operations	2,077,988	2,140,328	2,204,537	2,270,673	2,338,794	2,408,957	2,481,226	2,555,663	2,632,333	2,711,303	2,792,642	2,876,421
Sewer operations	507,366	522,587	538,264	554,412	571,045	588,176	605,821	623,996	642,716	661,997	681,857	702,313
Pumping / Treatment	500,000	515,000	530,450	546,364	562,754	579,637	597,026	614,937	633,385	652,387	671,958	692,117
Subbasin Pumping Fees	100,000	105,000	110,250	115,763	121,551	127,628	134,010	140,710	147,746	155,133	162,889	171,034
Subbasin Management Cost	339,837	350,032	360,533	371,349	382,490	393,964	405,783	417,957	430,495	443,410	456,713	470,414
General and administrative	594,738	612,580	630,957	649,886	669,382	689,464	710,148	731,452	753,396	775,998	799,278	823,256
<b>Total O&amp;M Expenses</b>	<b>\$4,119,928</b>	<b>\$4,245,526</b>	<b>\$4,374,992</b>	<b>\$4,508,447</b>	<b>\$4,646,015</b>	<b>\$4,787,827</b>	<b>\$4,934,014</b>	<b>\$5,084,715</b>	<b>\$5,240,071</b>	<b>\$5,400,228</b>	<b>\$5,565,337</b>	<b>\$5,735,555</b>
<b>Total CIP Costs (not included in formula; see line 38)</b>	<b>\$7,219,571</b>	<b>\$4,245,361</b>	<b>\$932,124</b>	<b>\$805,773</b>	<b>\$791,639</b>	<b>\$1,086,392</b>	<b>\$825,622</b>	<b>\$834,442</b>	<b>\$509,431</b>	<b>\$572,708</b>	<b>\$368,902</b>	<b>\$8,169,867</b>
<b>Net Revenues</b>	<b>\$1,223,301</b>	<b>\$1,326,902</b>	<b>\$1,437,117</b>	<b>\$1,502,218</b>	<b>\$1,583,120</b>	<b>\$1,668,810</b>	<b>\$1,704,523</b>	<b>\$1,765,891</b>	<b>\$1,808,287</b>	<b>\$1,855,384</b>	<b>\$1,903,374</b>	<b>\$1,954,956</b>
<b>Debt Service Obligations</b>												
2008 IPA / Compass Loan 2018A	250,255	246,204	246,968	242,547	241,960	246,054	-	-	-	-	-	-
2015 note / Compass Loan 2018B	140,755	140,755	-	-	-	-	-	-	-	-	-	-
2018 Bonds / 2021 Refunding	\$587,719	\$587,706	\$587,755	\$587,488	\$586,916	\$587,030	\$587,762	\$587,152	\$587,165	\$586,802	\$587,026	\$586,848
FY27 Bond	-	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FY32 Bond	-	-	-	-	-	-	-	-	\$0	\$0	\$0	\$0
FY34 Bond	-	-	-	-	-	-	-	-	-	-	-	\$0
<b>Total Debt Service</b>	<b>\$978,729</b>	<b>\$974,664</b>	<b>\$834,723</b>	<b>\$830,035</b>	<b>\$828,875</b>	<b>\$833,084</b>	<b>\$587,762</b>	<b>\$587,152</b>	<b>\$587,165</b>	<b>\$586,802</b>	<b>\$587,026</b>	<b>\$586,848</b>
<b>Debt Service Coverage Ratio</b>	<b>1.25</b>	<b>1.36</b>	<b>1.72</b>	<b>1.81</b>	<b>1.91</b>	<b>2.00</b>	<b>2.90</b>	<b>3.01</b>	<b>3.08</b>	<b>3.16</b>	<b>3.24</b>	<b>3.33</b>
<b>Net Revenue Available for Reserves or CIP</b>	<b>\$244,571</b>	<b>\$352,237</b>	<b>\$602,394</b>	<b>\$672,183</b>	<b>\$754,244</b>	<b>\$835,726</b>	<b>\$1,116,761</b>	<b>\$1,178,739</b>	<b>\$1,221,122</b>	<b>\$1,268,581</b>	<b>\$1,316,349</b>	<b>\$1,368,108</b>
<b>Total CIP Annual Requirements</b>	<b>\$7,219,571</b>	<b>\$4,245,361</b>	<b>\$932,124</b>	<b>\$805,773</b>	<b>\$791,639</b>	<b>\$1,086,392</b>	<b>\$825,622</b>	<b>\$834,442</b>	<b>\$509,431</b>	<b>\$572,708</b>	<b>\$368,902</b>	<b>\$8,169,867</b>
<b>Bond Proceeds</b>	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
Fixed-Rate Bond Issue #1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,215,000
Fixed-Rate Bond Issue #2	-	-	-	-	-	-	-	-	-	-	-	-
Fixed-Rate Bond Issue #3	-	-	-	-	-	-	-	-	-	-	-	-
Fixed-Rate Bond Issue #4	-	-	-	-	-	-	-	-	-	-	-	-
SRF Financing	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Bond Proceeds Available for CIP</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,215,000</b>
<b>Remaining Bond Proceeds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Funding Sources</b>												
New Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	5,215,000
Outside Funding Sources (Grants + Proceeds)	4,948,501	3,266,000	-	-	-	-	-	-	-	-	-	2,500,000
Pay-as-you-go Funding	2,271,070	979,361	932,124	805,773	791,639	1,086,392	825,622	834,442	509,431	572,708	368,902	454,867
<b>Total Funding Sources</b>	<b>\$7,219,571</b>	<b>\$4,245,361</b>	<b>\$932,124</b>	<b>\$805,773</b>	<b>\$791,639</b>	<b>\$1,086,392</b>	<b>\$825,622</b>	<b>\$834,442</b>	<b>\$509,431</b>	<b>\$572,708</b>	<b>\$368,902</b>	<b>\$8,169,867</b>
<b>Beginning Reserve Balances (after CIP)</b>	<b>\$7,506,876</b>	<b>\$5,480,377</b>	<b>\$4,853,253</b>	<b>\$4,523,523</b>	<b>\$4,389,933</b>	<b>\$4,352,539</b>	<b>\$4,101,872</b>	<b>\$4,393,012</b>	<b>\$4,737,309</b>	<b>\$5,448,999</b>	<b>\$6,144,873</b>	<b>\$7,092,319</b>
<b>Ending Reserve Balances (after CIP)</b>	<b>\$5,480,377</b>	<b>\$4,853,253</b>	<b>\$4,523,523</b>	<b>\$4,389,933</b>	<b>\$4,352,539</b>	<b>\$4,101,872</b>	<b>\$4,393,012</b>	<b>\$4,737,309</b>	<b>\$5,448,999</b>	<b>\$6,144,873</b>	<b>\$7,092,319</b>	<b>\$8,005,561</b>
<b>Days Cash Ratio</b>	<b>486</b>	<b>417</b>	<b>377</b>	<b>355</b>	<b>342</b>	<b>313</b>	<b>325</b>	<b>340</b>	<b>380</b>	<b>415</b>	<b>465</b>	<b>509</b>

CAPITAL IMPROVEMENT PROJECTS	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY2032-33	FY2033-34	FY2034-35
<b>CASH RESERVE FUNDED WATER PROJECTS</b>													
<b>WATER PROJECTS</b>													
1 Facilities Maint - Office	\$ 50,000	\$ 50,000											
2 ID-5W&VFD													
17b Borrego Springs Road Pipeline Replacement (Cash Portion)		\$ 228,102											
18b Sun Gold Pipeline Replacement (Cash Portion)		\$ 622,065											
3 Replace and upgrade Booster Pump Station 5			\$ 125,000										
4 Pipeline Replacements							\$ 250,000		\$ 438,500	\$ 190,000			
5 Country Club Tank Recoating, 1999 1.0 MG													
6 FY23+ Water Supply Acquisition w/Following & Well Abandonment \$4.5M	\$ 756,818	\$ 851,125	\$ 486,694	\$ 557,624	\$ 442,669	\$ 442,669	\$ 486,956	\$ 486,956					
27b FY23 Water Supply Acquisition \$1,320,000 Total	\$ 271,982												
7 Emergency System repairs	\$ 60,000	\$ 63,000	\$ 66,150	\$ 69,458	\$ 72,930	\$ 76,577	\$ 80,406	\$ 84,426	\$ 88,647	\$ 93,080	\$ 97,734	\$ 102,620	\$ 107,751
<b>SUBTOTAL WATER CASH RESERVE PROJECTS</b>	<b>\$ 1,137,900</b>	<b>\$ 1,814,292</b>	<b>\$ 677,844</b>	<b>\$ 627,082</b>	<b>\$ 515,599</b>	<b>\$ 519,246</b>	<b>\$ 817,362</b>	<b>\$ 571,382</b>	<b>\$ 527,147</b>	<b>\$ 283,080</b>	<b>\$ 97,734</b>	<b>\$ 102,620</b>	<b>\$ 107,751</b>
<b>SEWER PROJECTS</b>													
8 Palm Canyon Sewer Line Inspection		\$ 150,000		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9 Manhole Replacements/Reurbishment (2/year)	\$ 47,408	\$ 49,778	\$ 52,267	\$ 54,880	\$ 57,624	\$ 60,505	\$ 63,531	\$ 66,707	\$ 70,042	\$ 73,545	\$ 77,222	\$ 81,083	\$ 85,137
<b>SUBTOTAL SEWER CASH RESERVE PROJECTS</b>	<b>\$ 47,408</b>	<b>\$ 199,778</b>	<b>\$ 52,267</b>	<b>\$ 54,880</b>	<b>\$ 57,624</b>	<b>\$ 60,505</b>	<b>\$ 63,531</b>	<b>\$ 66,707</b>	<b>\$ 70,042</b>	<b>\$ 73,545</b>	<b>\$ 77,222</b>	<b>\$ 81,083</b>	<b>\$ 85,137</b>
<b>TOTAL CASH WATER/SEWER CIP PROJECTS 2023 THROUGH 2035</b>	<b>\$ 1,185,308</b>	<b>\$ 2,014,069</b>	<b>\$ 730,111</b>	<b>\$ 681,962</b>	<b>\$ 573,223</b>	<b>\$ 579,751</b>	<b>\$ 880,892</b>	<b>\$ 638,089</b>	<b>\$ 597,190</b>	<b>\$ 356,624</b>	<b>\$ 174,955</b>	<b>\$ 183,703</b>	<b>\$ 192,888</b>
<b>FACILITIES MAINTENANCE DETAIL</b>													
Stucco Building and Replace Falling Solar Cells	\$ 20,000	\$ 20,000											
Carpet/Paint Office and Install Energy Efficient Lighting	\$ 30,000	\$ 30,000											
<b>TOTAL CASH RESERVES CAPITAL IMPROVEMENTS PROGRAM</b>	<b>\$ 1,185,308</b>	<b>\$ 2,014,069</b>	<b>\$ 730,111</b>	<b>\$ 681,962</b>	<b>\$ 573,223</b>	<b>\$ 579,751</b>	<b>\$ 880,892</b>	<b>\$ 638,089</b>	<b>\$ 597,190</b>	<b>\$ 356,624</b>	<b>\$ 174,955</b>	<b>\$ 183,703</b>	<b>\$ 192,888</b>
<b>TOTAL CASH RESERVES SHORT LIVED ASSETS</b>	<b>\$ 82,779</b>	<b>\$ 257,000</b>	<b>\$ 249,250</b>	<b>\$ 250,163</b>	<b>\$ 232,550</b>	<b>\$ 211,888</b>	<b>\$ 205,500</b>	<b>\$ 187,533</b>	<b>\$ 237,253</b>	<b>\$ 152,807</b>	<b>\$ 397,753</b>	<b>\$ 185,199</b>	<b>\$ 261,978</b>
<b>TOTAL CASH RESERVES CIP AND SHORT LIVED ASSETS ANNUAL BL</b>	<b>\$ 1,268,087</b>	<b>\$ 2,271,069</b>	<b>\$ 979,361</b>	<b>\$ 932,124</b>	<b>\$ 805,773</b>	<b>\$ 791,639</b>	<b>\$ 1,086,392</b>	<b>\$ 825,622</b>	<b>\$ 834,442</b>	<b>\$ 509,431</b>	<b>\$ 572,708</b>	<b>\$ 368,902</b>	<b>\$ 454,867</b>
<b>GRANT FUNDED CIP PROJECTS</b>													
<b>WATER GRANT PROJECTS</b>													
DWR Grant Net \$2,855,333													
10 Replace Twin Tanks	\$ 891,165	\$ 32,835											
11 Replace Wilcox Diesel Motor	\$ 83,333												
12 Replace Indianhead Reservoir	\$ 474,000	\$ 450,000											
13 Rams Hill #2, 1980 galv. 0.44 MG recoating	\$ 474,000	\$ 450,000											
<b>GROUNDWATER MANAGEMENT PROP 68 GRANT</b>													
DWR Grant Net \$1,731,000													
14 AMI	\$ 455,000	\$ 455,000	\$ 455,000										
15 Monitoring Wells	\$ 81,000	\$ 60,000											
16 Administration	\$ 75,000	\$ 100,000	\$ 75,000										
<b>2022 APPROPRIATIONS BILL</b>													
17a Borrego Spring Road Pipeline Replacement		\$ 912,406											
18a Sun Gold Pipeline Replacement		\$ 2,488,280											
<b>POTENTIAL GRANT FUNDED CIP PROJECTS</b>													
19 WWTP Oxidation Ditch		\$ 650,000											
20 WWTP Equalization Basin		\$ 650,000											
21 Deep Well Pipeline Replacement		\$ 2,225,000											
22 West and East Star Road Pipeline Replacement			\$ 450,000										
23 Club Circle Water and Sewer Pipeline Replacement Project			\$ 2,286,000										
24 New Production Well													\$ 2,500,000
<b>TOTAL WATER/SEWER GRANT CIP PROJECTS</b>	<b>\$ 2,533,498</b>	<b>\$ 4,948,501</b>	<b>\$ 3,266,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,500,000</b>
<b>2021 BOND FUNDED CIP PROJECTS</b>													
25 Well ID5-15 Completion	\$ 300,000												
26 Well ID4-10 Inspection and Repairs	\$ 225,621												
27a FY23 Water Supply Acquisition \$1,320,000 Total	\$ 1,048,918												
<b>TOTAL 2021 BOND FUNDED CIP PROJECTS</b>	<b>\$ 1,574,539</b>												
<b>POTENTIAL BOND FUNDED CIP PROJECTS</b>													
28 Projected Water Supply Costs													\$ 2,000,000
29 Well 5 Transmission Main Project													\$ 1,215,000
30 Water Treatment Facility													\$ 2,000,000
<b>TOTAL FUTURE BOND CIP PROJECTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,215,000</b>
<b>Total Annual CIP Spend:</b>	<b>\$ 5,376,124</b>	<b>\$ 7,219,571</b>	<b>\$ 4,245,361</b>	<b>\$ 932,124</b>	<b>\$ 805,773</b>	<b>\$ 791,639</b>	<b>\$ 1,086,392</b>	<b>\$ 825,622</b>	<b>\$ 834,442</b>	<b>\$ 509,431</b>	<b>\$ 572,708</b>	<b>\$ 368,902</b>	<b>\$ 8,169,867</b>