



2022 Water & Sewer Projects

10-4-2022 Village Board Meeting

Why are we here?

- 
- Village completing Well and Wellhouse #2 (Water: 1.93M) and Lift station (Sewer: 1.24M) Projects
 - Village looking to finance through state EIF Loan Program
 - Village is looking to use TIF increment revenue to pay for projects and debt service

Roadblocks & Solutions

TID #1 Expenditure Period ends
09/28/2021

- Issue Debt (appropriate funds) before 9/28/2021 thru Interim Financing



TID #1 Maximum Life
09/28/2032

- Ask DOA for prepayment at or before maximum life

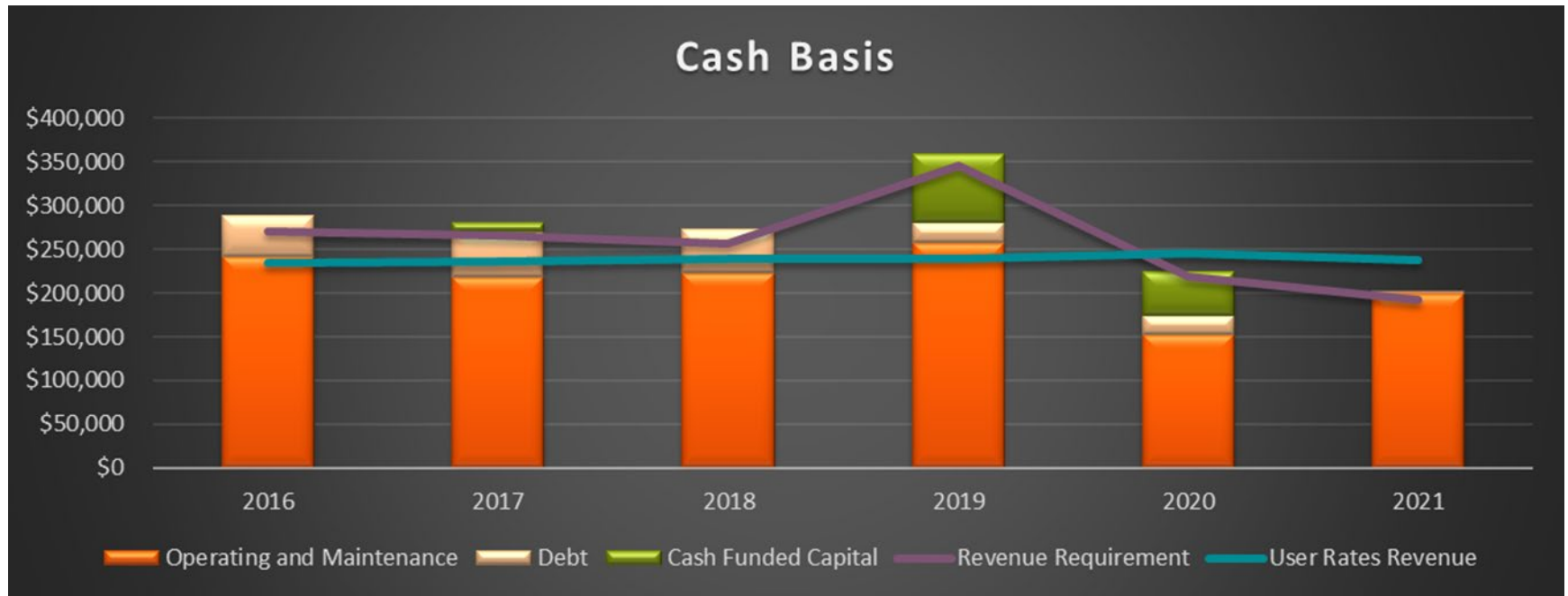
GO Debt Capacity (2.8M)

- Issue on Revenue Basis

Revenue Debt Coverage

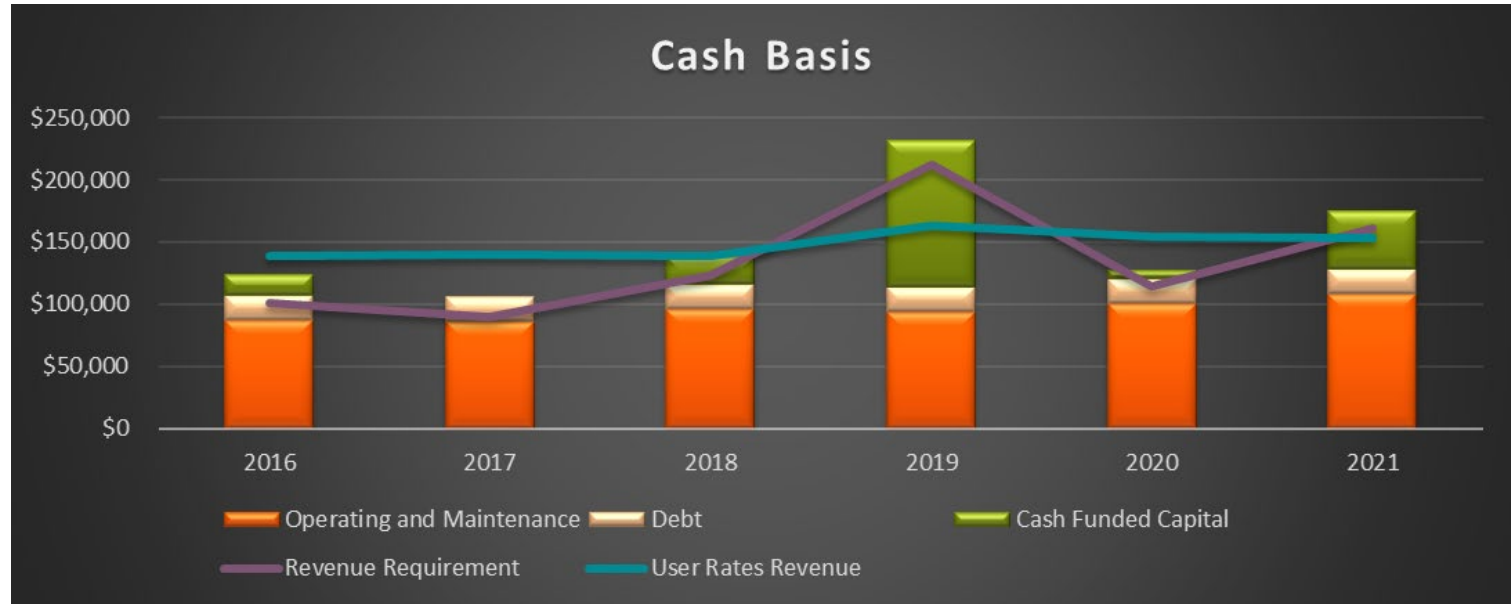
- Include Annual TIF Transfer as Net Revenue Coverage Calc

Where are we now (sewer)?



Project adds 44K Debt Service; Rates can absorb 26k

Where are we now (water)?



Project adds 72K Debt Service; Rates can absorb 0

Where are we now (TID #1)?

Cash Flow Projection

Year	Projected Revenues						Expenditures						Balances		Year	
	Tax Increments	Interest Earnings	Personal Property Aid	Misc.	Debt Proceeds	Total Revenues	Existing Debt	Arena Cheese	ACES Incentive	Capital Outlay	Other	Total Expenditures	Annual	Cumulative		
2019															232,612	2019
2020	168,596	1,794	556			170,946	29,793	7,704			39,327	2,533	79,357	91,589	324,201	2020
2021	229,771	291	979	13,968	100,002	345,011	21,452	7,404					161,321	183,690	507,891	2021
2022	223,956		978			224,934	18,291	7,322					25,613	199,321	707,212	2022
2023	223,956		978			224,934	18,291	7,322	14,767				40,381	184,554	891,765	2023
2024	223,956		978			224,934		0	14,767				14,767	210,167	1,101,932	2024
2025	223,956		978			224,934			14,767				14,767	210,167	1,312,099	2025
2026	223,956		978			224,934			14,767				14,767	210,167	1,522,266	2026
2027	223,956		978			224,934			14,767				14,767	210,167	1,732,433	2027
2028	223,956		978			224,934			14,767				14,767	210,167	1,942,600	2028
2029	223,956		978			224,934			14,767				14,767	210,167	2,152,767	2029
2030	223,956		978			224,934			14,767				14,767	210,167	2,362,934	2030
2031	223,956		978			224,934			14,767				14,767	210,167	2,573,101	2031
2032	223,956		978			224,934			14,767				14,767	210,167	2,783,268	2032
2033	223,956		978			224,934			14,767				14,767	210,167	2,993,435	2033
Total	3,085,841	2,085	13,271	13,968	100,002	3,215,167	87,827	29,753	162,438	39,327	134,998	454,343				Total

Steps Forward

- Issue Water & Sewer Revenue Bond Anticipation Notes before 9/28/21
- Commit to use of TIF Cumulative Balance to paydown project costs & annual appropriation to debt service
- Takeout W&S RBANs upon EIF closing window open



Where are we going (sewer)?

	Budget		Projected							
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenues										
Total Revenues from User Rates ¹	\$256,791	\$269,631	\$269,631	\$269,631	\$283,112	\$283,112	\$283,112	\$297,268	\$297,268	\$297,268
Percent Increase to User Rates	0.00%	5.00%	0.00%	0.00%	5.00%	0.00%	0.00%	5.00%	0.00%	0.00%
Cumulative Percent Rate Increase	0.00%	5.00%	5.00%	5.00%	10.25%	10.25%	10.25%	15.76%	15.76%	15.76%
Dollar Amount Increase to Revenues	\$0	\$12,840	\$0	\$0	\$13,482	\$0	\$0	\$14,156	\$0	\$0
Other Revenues										
Interest Income	\$266	\$267	\$268	\$268	\$269	\$270	\$270	\$271	\$272	\$272
Other Income	\$2,294	\$2,317	\$2,340	\$2,364	\$2,387	\$2,411	\$2,435	\$2,460	\$2,484	\$2,509
Total Other Revenues	\$2,561	\$2,584	\$2,608	\$2,632	\$2,656	\$2,681	\$2,706	\$2,731	\$2,756	\$2,782
Total Revenues	\$259,352	\$272,215	\$272,239	\$272,263	\$285,768	\$285,793	\$285,818	\$299,998	\$300,024	\$300,049
Expenses										
Operating and Maintenance ²	\$201,792	\$207,827	\$214,044	\$220,447	\$227,041	\$233,833	\$240,828	\$248,033	\$255,453	\$263,096
Net Before Debt Service and Capital Expenditures	\$57,560	\$64,387	\$58,195	\$51,816	\$58,727	\$51,960	\$44,990	\$51,966	\$44,571	\$36,953
Debt Service										
Existing Debt P&I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New (2021-2030) Debt Service P&I	\$8,748	\$98,042	\$99,011	\$100,007	\$101,030	\$102,080	\$103,158	\$104,265	\$105,402	\$106,570
Total Debt Service	\$8,748	\$98,042	\$99,011	\$100,007	\$101,030	\$102,080	\$103,158	\$104,265	\$105,402	\$106,570
Transfer In (Out)	\$8,748	\$98,042	\$99,011	\$100,007	\$101,030	\$102,080	\$103,158	\$104,265	\$105,402	\$106,570
Less: Capital Improvements & COI	\$1,243,000	\$5,000	\$0	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0
Bonds Issued/Grants/Aid	\$1,002,927	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Annual Cash Flow	(\$182,513)	\$59,387	\$58,195	(\$248,184)	\$58,727	\$51,960	\$44,990	\$51,966	\$44,571	\$36,953
Restricted and Unrestricted Cash Balance:										
Balance at first of year	\$801,757	\$619,244	\$678,631	\$736,826	\$488,642	\$547,369	\$599,329	\$644,319	\$696,285	\$740,855
Net Annual Cash Flow Addition/(subtraction)	(\$182,513)	\$59,387	\$58,195	(\$248,184)	\$58,727	\$51,960	\$44,990	\$51,966	\$44,571	\$36,953
Balance at end of year	\$619,244	\$678,631	\$736,826	\$488,642	\$547,369	\$599,329	\$644,319	\$696,285	\$740,855	\$777,809

Notes:
 1) Assumes no changes in customer count or usage beyond Test Year.
 2) Assumes 3.00% annual inflation beyond budget year.

Legend:
 Increase depicted to maintain with assumed O&M inflation
 Increase needed above inflationary adjustment

Where are we going (water)?

	Budget		Projected							
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenues										
Total Revenues from User Rates ¹	\$154,861	\$159,507	\$159,507	\$159,507	\$159,507	\$159,507	\$159,507	\$159,507	\$159,507	\$159,507
Percent Increase to User Rates	0.00%	3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cumulative Percent Rate Increase	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Dollar Amount Increase to Revenues	\$0	\$4,646	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenues										
Interest Income	\$2,739	\$2,380	\$2,617	\$2,839	\$3,047	\$3,284	\$7,011	\$6,674	\$6,300	\$5,886
Other Income	\$13,278	\$13,410	\$13,545	\$13,680	\$13,817	\$13,955	\$14,234	\$14,519	\$14,809	\$15,105
Total Other Revenues	\$16,016	\$15,791	\$16,162	\$16,519	\$16,863	\$17,239	\$21,245	\$21,193	\$21,109	\$20,991
Total Revenues	\$170,877	\$175,298	\$175,668	\$176,026	\$176,370	\$176,746	\$180,751	\$180,700	\$180,616	\$180,498
Less: Expenses										
Operating and Maintenance ²	\$87,776	\$90,397	\$93,097	\$95,877	\$98,740	\$101,689	\$104,726	\$107,854	\$111,076	\$114,394
PILOT Payment	\$27,878	\$28,435	\$29,004	\$29,584	\$30,176	\$30,779	\$31,395	\$32,023	\$32,663	\$33,316
Net Before Debt Service and Capital Expenditures	\$55,224	\$56,465	\$53,568	\$50,565	\$47,455	\$44,277	\$44,630	\$40,823	\$36,877	\$32,788
Debt Service										
Existing Debt P&I	\$9,118	\$9,116	\$9,113	\$9,110	\$0	\$0	\$0	\$0	\$0	\$0
New (2021-2030) Debt Service P&I	\$78,389	\$78,372	\$78,355	\$78,337	\$78,319	\$78,300	\$78,281	\$78,261	\$78,241	\$78,220
Total Debt Service	\$87,507	\$87,488	\$87,468	\$87,447	\$78,319	\$78,300	\$78,281	\$78,261	\$78,241	\$78,220
Transfer In (Out)	\$78,389	\$78,372	\$78,355	\$78,337	\$78,319	\$78,300	\$78,281	\$78,261	\$78,241	\$78,220
Less: Capital Improvements & COI	\$2,170,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus: Bond Proceeds	\$2,052,217	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Annual Cash Flow	(\$71,678)	\$47,350	\$44,455	\$41,455	\$47,455	\$44,277	\$44,630	\$40,823	\$36,877	\$32,788
Restricted and Unrestricted Cash Balance:										
Balance at first of year	\$547,740	\$476,062	\$523,412	\$567,866	\$609,322	\$656,776	\$701,054	\$745,684	\$786,507	\$823,383
Net Annual Cash Flow Addition/(subtraction)	(\$71,678)	\$47,350	\$44,455	\$41,455	\$47,455	\$44,277	\$44,630	\$40,823	\$36,877	\$32,788
Balance at end of year	\$476,062	\$523,412	\$567,866	\$609,322	\$656,776	\$701,054	\$745,684	\$786,507	\$823,383	\$856,171
"All-in" Debt Coverage (incl. TIF Transfer)	1.53	1.54	1.51	1.47	1.61	1.57	1.57	1.52	1.47	1.42
PSC Days Cash on Hand	3,030	3,106	3,150	3,165	3,209	3,233	2,897	2,576	2,268	1,973
Over/(Under) Ehlers Rec. Cash (6 mos. O&M + Debt)	295,093	316,680	359,312	408,001	453,525	495,818	460,127	420,591	377,069	329,419

Where are we going (TID #1)?

Cash Flow Projection

Year	Projected Revenues						Expenditures									Balances		Year			
	Tax Increments	Interest Earnings	Personal Property Aid	Misc.	Debt Proceeds	Total Revenues	ACES Incentive	Other	2022 SDWFL 1,209,379			2022 CWF Loan 889,561			Total Expenditures	Annual	Cumulative				
									Principal	Est. Rate	Interest	Principal	Est. Rate	Interest							
2019																					
2020	168,596	1,794	556			170,946		2,533							79,357	91,589				232,612	2019
2021	229,771	291	979	13,968	100,002	345,011		132,465							161,321	183,690				507,891	2020
2022	223,956		978			224,934		550,000	0	2.04%	0	0	2.70%	0	575,613	(350,679)				157,212	2021
2023	380,907		978			381,885	14,767		46,422	2.04%	31,967	0	2.70%	8,748	127,517	254,368				411,580	2022
2024	380,907		978			381,885	14,767		47,673	2.04%	30,699	36,465	2.70%	61,577	191,181	190,704				602,284	2023
2025	380,907		978			381,885	14,767		48,957	2.04%	29,397	37,448	2.70%	61,563	192,133	189,752				792,036	2024
2026	380,907		978			381,885	14,767		50,277	2.04%	28,060	38,457	2.70%	61,550	193,111	188,774				980,809	2025
2027	380,907		978			381,885	14,767		51,632	2.04%	26,687	39,494	2.70%	61,536	194,115	187,770				1,168,579	2026
2028	380,907		978			381,885	14,767		53,023	2.04%	25,277	40,558	2.70%	61,521	195,147	186,738				1,355,318	2027
2029	380,907		978			381,885	14,767		54,452	2.04%	23,828	41,651	2.70%	61,507	196,206	185,679				1,540,997	2028
2030	380,907		978			381,885	14,767		55,920	2.04%	22,341	42,774	2.70%	61,492	197,293	184,592				1,725,589	2029
2031	380,907		978			381,885	14,767		57,427	2.04%	20,814	43,926	2.70%	61,476	198,410	183,475				1,909,063	2030
2032	380,907		978			381,885	14,767		58,974	2.04%	19,245	45,110	2.70%	61,460	199,557	182,328				2,091,391	2031
2033	380,907		978			381,885	14,767		684,622	2.04%	17,634	523,676	2.70%	61,444	1,302,144	(920,259)				1,171,132	2032
Total	4,812,300	2,085	13,271	13,968	100,002	4,941,626	162,438	684,998	1,209,379		275,950	889,561		623,872	4,003,106						Total

Questions?

Presenter:

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