

**Kentucky Infrastructure Authority
Projects for
August 2020 Capital Projects Meeting**

- **Fund A Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Amount Requested</u>	<u>Loan Total</u>	<u>County</u>
A20-023	City of Bedford	\$ 909,500	\$ 909,500	Trimble

- **Fund F Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Amount Requested</u>	<u>Loan Total</u>	<u>County</u>
F20-034	Lyon County Water District	\$ 2,094,675	\$ 2,094,675	Lyon

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND A, FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND		Reviewer	Sarah Parsley	
		Date	July 9, 2020	
		KIA Loan Number	A20-023	
		WRIS Number	SX21223013	
BORROWER		CITY OF BEDFORD TRIMBLE COUNTY		
BRIEF DESCRIPTION				
This project will replace the three wastewater pump stations that are original to the wastewater system since the 1980s, using the fourth station already in place in the system as the standard. Bedford has repaired, rehabilitated, and replaced the components in the three stations until the suppliers and other utilities could no longer provide parts due to being obsolete. Pump station #1 serves the Trimble County High School and Elementary School. If it fails, the schools would be forced to close until it became operational again. This pump station will also be relocated to avoid stream erosion. Pump station #2 will be relocated away from its current steep incline for easier access and service. Pump station #3 serves nearly the entire wastewater collection system of Bedford. It receives flow from the other stations and pumps to the treatment plant. All three pumps/motors have surpassed their life expectancy. One has failed completely, one leaks significantly and the failure of the third pump would leave the system without the ability to convey the wastewater to the treatment plant and cause significant sanitary sewer overflows.				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$909,500	RD Fee %	Actual %	
CDBG	909,500	Administrative Expenses		\$50,000
		Eng - Design / Const	8.2%	8.1%
		Eng - Insp	6.7%	4.9%
	-	Eng - Other		25,000
	-	Construction		1,310,000
	-	Contingency		234,000
TOTAL	\$1,819,000	TOTAL		\$1,819,000
REPAYMENT	Rate	0.50%	Est. Annual Payment	\$17,252
	Term	30 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Strand Associates, Inc		
	Bond Counsel	Rubin & Hays		
PROJECT SCHEDULE	Bid Opening	Apr-21		
	Construction Start	Jun-21		
	Construction Stop	Mar-22		
DEBT PER CUSTOMER	Existing	\$194		
	Proposed	\$1,421		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	320	\$44.85 (for 4,000 gallons)	
	Additional	0	\$44.85 (for 4,000 gallons)	
REGIONAL COORDINATION This project is consistent with regional planning recommendations.				
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2017	39,543	30,350	9,193	1.3
Audited 2018	23,201	31,750	(8,549)	0.7
Audited 2019	30,684	31,450	(766)	1.0
Projected 2020	26,645	30,400	(3,755)	0.9
Projected 2021	53,688	34,850	18,838	1.5
Projected 2022	49,486	4,548	44,938	10.9
Projected 2023	43,700	17,252	26,448	2.5
Projected 2024	39,329	17,252	22,077	2.3

Reviewer: Sarah Parsley
Date: July 9, 2020
Loan Number: A20-023

**KENTUCKY INFRASTRUCTURE AUTHORITY
WASTEWATER REVOLVING LOAN FUND (FUND A)
CITY OF BEDFORD, TRIMBLE COUNTY
PROJECT REVIEW
SX21223013**

I. PROJECT DESCRIPTION

The City of Bedford is requesting a Fund A loan in the amount of \$909,500 for the Bedford Wastewater System Improvements Project. The purpose of this project is to replace the three wastewater pump stations that are original to the wastewater system constructed in the early 1980s. All three have reached the end of their design life and useful life.

Bedford has repaired, rehabilitated, and replaced the components within the stations to extend the operating life as long as possible. The parts are now simply no longer available from any source. In some cases, back-up pumps are no longer functional and should the primary pumps fail, overflows will occur. Pump Station #1 (PS#1) serves the Trimble County High School and the Elementary School. If this station fails, the schools would be forced to close until the pump station is returned to operating capacity. Pump Station #2 (PS#2) is similar in size and condition to PS#1. It's also positioned on the edge of a steep incline. Preliminary assessments indicate the station could be moved uphill & placed in a better position for access and service. This move may require property acquisition and a new piping configuration. Pump Station #3 (PS#3) serves nearly the entire wastewater collection system of Bedford. Besides a few connections that flow to the treatment plant by gravity, this station receives flow from the other stations in the system and pumps the flow to the treatment plant. This project is also using a match of CDBG funding in order to complete this and a 30 year loan term.

The City serves 320 customers in Trimble County.

II. PROJECT BUDGET

Administrative Expenses	\$ 50,000
Engineering Fees - Design	85,000
Engineering Fees - Construction	40,000
Engineering Fees - Inspection	75,000
Engineering Fees - Other	25,000
Construction	1,310,000
Contingency	234,000

Total	\$1,819,000
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III. PROJECT FUNDING

	Amount	%
Fund A Loan	\$ 909,500	50%
CDBG	909,500	50%
Total	\$1,819,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 909,500
Less: Principal Forgiveness	454,750
Amortized Loan Amount	\$ 454,750
Interest Rate	0.50%
Loan Term (Years)	30
Estimated Annual Debt Service	\$ 16,343
Administrative Fee (0.20%)	910
Total Estimated Annual Debt Service	\$ 17,253

V. PROJECT SCHEDULE

Bid Opening	April 15, 2021
Construction Start	June 15, 2021
Construction Stop	March 15, 2022

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

	Current	Proposed	Total
Residential	274	0	274
Commercial	13	0	13
Industrial	33	0	33
Total	320	0	320

B) Rates

	Current	Prior
Date of Last Rate Increase	05/17/16	05/19/15
Cost for 4,000 gallons	\$44.85	\$42.70
Increase %	5.00%	
Affordability Index (Rate/MHI)	1.7%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2013-2017, the Utility's service area population was 957 with a Median Household Income (MHI) of \$31,399. The median household income for the Commonwealth is \$46,535. The project will qualify for a 0.5% interest rate.

Year	City	Population			Unemployment	
		% Change	County	% Change	Date	Rate
1980	835		6,253		June 2005	6.3%
1990	761	-8.9%	6,090	-2.6%	June 2010	12.8%
2000	677	-11.0%	8,125	33.4%	June 2015	6.0%
2010	599	-11.5%	8,809	8.4%	June 2019	4.8%
Current	581	-3.0%	8,471	-3.8%		
Cumulative %		-30.4%		35.5%		

VIII. 2019 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - This project does not qualify for Green Project Reserve (GPR) funding.
- 2) Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness of 50% of the assistance amount, not to exceed \$454,750

will be credited to the loan balance upon release of liens on all contracts and disbursement of the final draw request by KIA to the borrower.

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 2017 through June 30, 2019. The non-cash impact of GASB 68, Accounting and Financial Reporting for Pensions, has been removed from fiscal 2016-2018 operating expenses and GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, has been removed from 2019 operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Revenues decreased 0.8% from 2017 to 2019. This is due to sewer customers not being properly billed in a new software system and administrative oversight. The administration has reviewed the previous two years of audits to correct issues including the billing software system in order to collect proper sewer revenues. Since the 2019 audit, revenues have been increasing monthly.

Total operating expenses increased 4.3% between 2017 to 2019.

The 2019 balance sheet reflects a current ratio of 1.6, a debt to equity ratio of 0.5, 33.8 days sales in accounts receivable, and 2.6 months operating expenses in unrestricted cash. The debt coverage ratio from 2017 to 2019 was 1.3, 0.7, and 0.9 respectively.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues are projected flat after the increase in billings has been factored.
- 2) Expenses will increase at a 2% inflationary expectation.
- 3) Debt service coverage is 2.5 in 2023 when principal and interest repayments begin.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund A loan.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$45,000 total) of the final amount borrowed (prior to principal forgiveness, if any) to be funded annually (\$1,500 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

Revenue Bonds issued 1981

Total

Outstanding	Maturity
<u>\$ 62,000</u>	2020
\$ 62,000	

XI. CONTACTS

Legal Applicant

Entity Name	City of Bedford
Authorized Official	Joe Robinson (Mayor)
County	Trimble
Email	mayor.robinson1968@gmail.com
Phone	502-255-3684
Address	147 Victory Ave PO Box 1 Bedford, KY 40006

Applicant Contact

Name	Joe Robinson
Organization	City of Bedford
Email	mayor.robinson1968@gmail.com
Phone	502-255-3684
Address	147 Victory Ave Bedford, KY 40006

Project Administrator

Name	Danielle Story
Organization	KIPDA
Email	danielle.story@kipda.org
Phone	502-266-6084
Address	11520 Commonwealth Dr Louisville, KY 40299

Consulting Engineer

PE Name	Daniel Clay Kelly
Firm Name	Strand Associates, Inc
Email	clay.kelly@strand.com
Phone	502-583-7020
Address	325 W Main St, Ste. 710 Louisville, KY 40202

XII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions.

CITY OF BEDFORD
FINANCIAL SUMMARY (JUNE YEAR END)

	Audited 2017	Audited 2018	Audited 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024
Balance Sheet								
Assets								
Current Assets	74,470	49,325	65,822	62,069	83,807	128,745	155,193	177,270
Other Assets	984,675	905,349	818,048	4,484,702	4,415,671	6,120,165	6,005,659	5,891,153
Total	1,059,145	954,674	883,870	4,546,771	4,499,478	6,248,910	6,160,852	6,068,423
Liabilities & Equity								
Current Liabilities	62,496	41,260	41,569	41,701	47,801	29,059	29,159	29,259
Long Term Liabilities	238,922	238,680	233,147	205,147	199,147	638,739	623,580	608,422
Total Liabilities	301,418	279,940	274,716	246,848	246,948	667,798	652,740	637,681
Net Assets	757,727	674,734	609,154	4,299,923	4,252,530	5,581,112	5,508,112	5,430,742
Cash Flow								
Revenues	235,836	233,116	231,008	231,008	262,170	262,170	262,170	262,170
Operating Expenses	196,728	209,946	201,927	205,966	210,085	214,287	220,073	224,444
Other Income	435	31	1,603	1,603	1,603	1,603	1,603	1,603
Cash Flow Before Debt Service	39,543	23,201	30,684	26,645	53,688	49,486	43,700	39,329
Debt Service								
Existing Debt Service	30,350	31,750	31,450	30,400	34,850	0	0	0
Proposed KIA Loan	0	0	0	0	0	4,548	17,252	17,252
Total Debt Service	30,350	31,750	31,450	30,400	34,850	4,548	17,252	17,252
Cash Flow After Debt Service	9,193	(8,549)	(766)	(3,755)	18,838	44,938	26,448	22,077
Ratios								
Current Ratio	1.2	1.2	1.6	1.5	1.8	4.4	5.3	6.1
Debt to Equity	0.4	0.4	0.5	0.1	0.1	0.1	0.1	0.1
Days Sales in Accounts Receivable	58.6	28.3	33.8	33.8	33.8	33.8	33.8	33.8
Months Operating Expenses in Unrestricted Cash	1.7	1.8	2.6	2.4	3.4	5.8	7.2	8.2
Debt Coverage Ratio	1.3	0.7	1.0	0.9	1.5	10.9	2.5	2.3

EXECUTIVE SUMMARY			Reviewer	Ashley Adams
KENTUCKY INFRASTRUCTURE AUTHORITY			Date	February 6, 2020
FUND F, FEDERALLY ASSISTED DRINKING WATER			KIA Loan Number	F20-034
REVOLVING LOAN FUND			WRIS Number	WX21143017
BORROWER		LYON COUNTY WATER DISTRICT LYON COUNTY		
BRIEF DESCRIPTION				
This project will help to improve water quality and resolve pressure issues throughout the system by rehabilitating 2 water tanks, building an interconnect to loop lines for better water circulation, upsizing a line in the Tinsley Creek Subdivision, and replacing a creek crossing near KY 274 that is in danger of failure.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$2,094,675	Administrative Expenses	RD Fee %	Actual %
		Legal Expenses		
		Eng - Design / Const	7.8%	4.4%
		Eng - Insp	4.8%	5.8%
		Construction		
		Contingency		
TOTAL	\$2,094,675	TOTAL		
REPAYMENT	Rate	2.50%	Est. Annual Payment	\$138,967
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	HDR		
	Bond Counsel	Rubin & Hays		
PROJECT SCHEDULE	Bid Opening	Mar-20		
	Construction Start	Apr-20		
	Construction Stop	Aug-21		
DEBT PER CUSTOMER	Existing	\$1,891		
	Proposed	\$2,473		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES				
	<u>Users</u>	<u>Avg. Bill</u>		
Current	2,649	\$46.24	(for 4,000 gallons)	
Additional	0	\$46.24	(for 4,000 gallons)	
REGIONAL COORDINATION				
This project is consistent with regional planning recommendations.				
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2016	278,617	120,909	157,708	2.3
Audited 2017	401,254	126,621	274,633	3.2
Audited 2018	281,165	224,090	57,075	1.3
Projected 2019	281,165	261,542	19,623	1.1
Projected 2020	281,165	253,720	27,445	1.1
Projected 2021	281,165	254,044	27,121	1.1
Projected 2022	476,894	398,446	78,448	1.2
Projected 2023	457,441	398,781	58,660	1.1

Reviewer: Ashley Adams
Date: February 6, 2020
Loan Number: F20-034

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND F)
LYON COUNTY WATER DISTRICT, LYON COUNTY
PROJECT REVIEW
WX21143017**

I. PROJECT DESCRIPTION

The Lyon County Water District is requesting a Fund F loan in the amount of \$2,094,675 for the Water System and Storage Tank Improvements project. This project will address several areas throughout the distribution system to help improve water age, water quality, pressure issues, and maintenance in the system.

Two water tanks will be rehabilitated including the Lamasco glass lined standpipe tank and the Jack Thompson tank. The Lamasco tank needs coating on the interior to mitigate a rust problem as well as installation of a mixing system and work on the exterior valve vault to install a bypass valve for better control at the tank site. The Jack Thompson elevated storage tank needs coating on the interior and exterior per the latest inspection.

The project will also loop several lines in the KY 295 area in order to increase circulation of water and improve water quality. This includes an interconnect between KY 295 and KY 373 and another between US 62 and KY 295. The KY 373 to KY 295 Loop project is a project that loops a line that dead ends at the City of Eddyville's master meter valve. The line is also the first phase in allowing the Crittenden Livingston County Water District to serve the City of Kuttawa as a backup source or possibly a primary source. In addition, the loop will allow additional water to be transmitted by the City of Eddyville to the City of Kuttawa as a backup water source.

The US 62 & KY 295 project provides another connection between the Lyon County Water District and the City of Kuttawa. Along with the KY 373 to KY 295 project described above, the project provides a means of allowing Kuttawa to receive water from the Crittenden Livingston County Water District and a higher volume feed from the City of Eddyville. The new feed will currently serve as a backup water supply for Kuttawa and could serve as Kuttawa's primary water supply in the event Kuttawa ceases operation of its water treatment plant.

In addition, an undersized 2" line in the Tinsley Creek Subdivision will be replaced with an adequately sized line to resolve water quality and pressure issues in the area and a creek crossing near KY 274 will also be replaced as the line is very shallow and in danger of immediate failure.

The Lyon County Water District is a PSC regulated distribution system that does not produce water. The District purchases approximately 111 MG of water annually

primarily from the Kuttawa Water Department (41 MG) and Princeton Water (41 MG) in addition to the Crittenden-Livingston County Water District (12 MG), and the Eddyville Water Department (6 MG).

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 50,000
Legal Expenses	15,000
Engineering Fees - Design	50,000
Engineering Fees - Construction	31,150
Engineering Fees - Inspection	106,025
Construction	1,675,000
Contingency	167,500
Total	\$ 2,094,675

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 2,094,675	100%
Total	\$ 2,094,675	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 2,094,675
Less: Principal Forgiveness	0
Amortized Loan Amount	\$ 2,094,675
Interest Rate	2.50%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 133,730
Administrative Fee (0.25%)	5,237
Total Estimated Annual Debt Service	\$ 138,967

V. PROJECT SCHEDULE

Bid Opening	March 2020
Construction Start	April 2020
Construction Stop	August 2021

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

	<u>Current</u>
Residential	2,607
Commercial	42
Total	2,649

B) Rates

	Current	Prior
Date of Last Rate Increase	01/07/16	04/23/15
Minimum (2,000 gallons)	\$25.00	\$20.02
Next 3,000 Gallons	10.62	8.50
Cost for 4,000 gallons	\$46.24	\$37.02
Increase %	24.9%	
Affordability Index (Rate/MHI)	1.1%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2013-2017, the Utility's service area population was 4,039 with a Median Household Income (MHI) of \$51,086. The median household income for the Commonwealth is \$46,535. The project will qualify for a 2.5% interest rate based on MHI.

Population			County Unemployment	
Year	County	% Change	Date	Rate
1980	6,490		June 2005	7.0%
1990	6,624	2.1%	June 2010	10.1%
2000	8,080	22.0%	June 2015	5.2%
2010	8,314	2.9%	June 2019	5.1%
Current	8,268	-0.6%		
Cumulative %		27.4%		

VIII. 2019 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization – This project does not qualify for additional subsidization.

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 2016 through June 30, 2018. The non-cash impact of GASB 68, Accounting and Financial Reporting for Pensions, has been removed from fiscal 2016-2018 operating expenses and GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, has been removed from 2018 operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Revenues have averaged approximately \$1.2 million from 2016 to 2018 while operating expenses have increased 3.4% from \$922,389 in 2016 to \$953,566 in 2018. The District's last rate increase occurred in 2016 when rates jumped 25%. The District is currently undergoing a rate study by their engineering firm in order to apply for another rate increase at the PSC which will include projected revenue needs for this project as well as several other necessary capital projects for the system. Debt coverage was 2.3 in 2016, 3.2 in 2017, and 1.3 in 2018. Debt service was adjusted in 2017 to remove an interim financing payoff to Kentucky Rural Water Association which was replaced with KIA loan F12-02 for another water quality system improvement project to normalize the debt coverage ratio.

The balance sheet reflects a current ratio of 2.0, a debt to equity ratio of 1.6, 52.5 days sales in accounts receivable, and 5.4 months operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase at least \$220,000 or 18% annually upon approval of the PSC in order to support inflation and debt service for this loan.
- 2) Expenses will increase 2% for inflation starting in the year debt service begins on this pending loan. Inflation expense has been removed from projections in 2019-2021 as this is the only thing driving rate increase needs during that time period.
- 3) Debt service coverage is 1.2 in 2022 when principal and interest repayments begin.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund F loan.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$104,000 total) of the final amount borrowed (prior to principal forgiveness, if any) to be funded annually (\$5,200 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
Regions - Series 2013 C	\$ 1,115,000	2040
USDA - Series 2016	1,900,000	2046
KIA Loan (F12-02)	1,959,089	2038
Capital Lease	34,774	2020
Total	\$ 5,008,863	

XI. CONTACTS

Legal Applicant

Entity Name	Lyon County Water District
Authorized Official	Don Robertson (Chairman)
County	Lyon
Email	lyoncountyw24787@bellsouth.net
Phone	270-388-0271
Address	PO Box 489 Kuttawa, KY 42055

Applicant Contact

Name	Dixie Cayce
Organization	Lyon County Water District
Email	dixie.cayce@att.net
Phone	270-388-0271
Address	PO Box 489 Kuttawa, KY 42055

Project Administrator

Name	Kyle Cunningham
Organization	PEADD
Email	kyle.cunningham@ky.gov
Phone	270-886-9484
Address	300 Hammond Dr Hopkinsville, KY 42240

Consulting Engineer

PE Name	Mike Hansen
Firm Name	HDR
Email	mike.hansen@hdrinc.com
Phone	270-443-7600
Address	2550 Irvin Cobb Rd Paducah, KY 42003

XII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions:

- 1) By March 1, 2020, the District will need to apply to the Public Service Commission (PSC) for debt authorization for the \$2,094,675 million loan. This debt authorization application should include a forecast for meeting debt service projected through no less than 2025.
- 2) By March 1, 2020, the District will need a resolution from the Lyon County Water District Board, demonstrating their intentions to increase revenues as necessary and authorized by the PSC to meet the loan requirements over the life of the loan. KIA Staff review indicates that revenues would need to increase by \$220,000 annually which equates to an approximate 18% rate increase by January 1, 2022 to meet expenses and debt service in the first full year of repayment.
- 3) Prior to the assistance agreement being executed, the District must receive a Certificate of Public Convenience and Necessity from the PSC for any portion of the project that may be necessary or provide an opinion from the staff of the PSC that a CPCN is not required for any portion of the assets to be constructed as part of the loan agreement.


LYON COUNTY WATER DISTRICT
FINANCIAL SUMMARY (DECEMBER YEAR END)

	Audited 2016	Audited 2017	Audited 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023
Balance Sheet								
Assets								
Current Assets	469,955	712,802	652,731	656,625	662,114	667,538	714,927	726,659
Other Assets	11,167,361	9,253,211	8,836,080	8,393,442	9,134,704	9,875,706	9,558,066	9,224,595
Total	11,637,316	9,966,013	9,488,811	9,050,067	9,796,818	10,543,244	10,272,993	9,951,254
Liabilities & Equity								
Current Liabilities	4,415,176	2,346,033	333,446	311,515	316,118	325,755	469,395	474,095
Long Term Liabilities	3,431,550	3,656,711	5,443,627	4,642,067	5,510,979	6,371,653	6,042,750	5,710,647
Total Liabilities	7,846,726	6,002,744	5,777,073	4,953,582	5,827,097	6,697,408	6,512,145	6,184,742
Net Assets	3,790,590	3,963,269	3,711,738	4,096,485	3,969,721	3,845,836	3,760,848	3,766,512
Cash Flow								
Revenues	1,200,355	1,244,269	1,231,775	1,231,775	1,231,775	1,231,775	1,451,775	1,451,775
Operating Expenses	922,389	844,700	953,566	953,566	953,566	953,566	977,837	997,290
Other Income	651	1,685	2,956	2,956	2,956	2,956	2,956	2,956
Cash Flow Before Debt Service	278,617	401,254	281,165	281,165	281,165	281,165	476,894	457,441
Debt Service								
Existing Debt Service	120,909	126,621	224,090	261,542	253,720	254,044	259,479	259,814
Proposed KIA Loan	0	0	0	0	0	0	138,967	138,967
Total Debt Service	120,909	126,621	224,090	261,542	253,720	254,044	398,446	398,781
Cash Flow After Debt Service	157,708	274,633	57,075	19,623	27,445	27,121	78,448	58,660
Ratios								
Current Ratio	0.1	0.3	2.0	2.1	2.1	2.0	1.5	1.5
Debt to Equity	2.1	1.5	1.6	1.2	1.5	1.7	1.7	1.6
Days Sales in Accounts Receivable	47.1	54.9	52.5	52.5	52.5	52.5	52.5	52.5
Months Operating Expenses in Unrestricted Cash	3.6	6.9	5.4	5.4	5.5	5.6	5.7	5.7
Debt Coverage Ratio	2.3	3.2	1.3	1.1	1.1	1.1	1.2	1.1

**LYON COUNTY WATER DISTRICT
BOARD RESOLUTION**

NOW THEREFORE, BE IT RESOLVED that the LYON COUNTY WATER DISTRICT hereby resolves to increase revenues as necessary and authorized by the PSC to meet the loan requirements of KIA Loan Number F20-034.

Approved: June 9th, 2020

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Don Robertson

Chair, Lyon County Water District