



HVSSD Rates Discussion

11 March 2025

	2024	2029
ERUs	12,355	14,323
Flow	2,350,000	2,724,294

Project ID	Cost	Year
1	\$400,000	2025
2	\$2,500,000	2026
3	\$6,200,000	2027
4	\$2,300,000	2028
5	\$1,500,000	2029
6	\$10,000,000	2025
7	\$20,409,000	2026
TOTAL	\$43,309,000	

3% construction inflator added per year in model; not shown here

- Operating expense projected growth:
 - Plant – 5% per year
 - Farm – 5% per year
 - Administrative – 3% per year
- Impact fee revenue - \$1.5M per year
- 2025 Bond - \$9.645M

- Debt Service Coverage Ratio
 - Must stay above 1.25
- Days Cash on Hand
 - Ideally at 180 days
 - Should stay above a minimum of 150 days

Phase-In Option 1

	2024	2025	2026	2027	2028	2029
Net Revenues before Debt Service	\$2,556,509	\$3,806,694	\$4,422,729	\$4,937,163	\$5,000,221	\$5,063,159
Capital Expenses	\$0	(\$10,712,000)	(\$24,304,158)	(\$6,774,907)	(\$2,588,670)	(\$1,738,911)
Debt Service Coverage Ratio	-	5.28	6.12	3.65	3.70	3.75
Days Cash on Hand	624	858	778	164	339	647
RATE SCHEDULE		0.0%	15.0%	10.0%	0.0%	0.0%
per ERU	\$14.65	\$14.65	\$16.85	\$18.53	\$18.53	\$18.53
		0.0%	15.0%	10.0%	0.0%	0.0%
Volume per 1000 Gallons	\$0.65	\$0.65	\$0.75	\$0.82	\$0.82	\$0.82

2026 Bond - \$12,909,000; 2.5% CIB

Phase-In Option 2

	2024	2025	2026	2027	2028	2029
Net Revenues before Debt Service	\$2,556,509	\$3,901,957	\$4,442,353	\$4,959,397	\$5,023,122	\$5,086,747
Capital Expenses	\$0	(\$10,712,000)	(\$24,304,158)	(\$6,774,907)	(\$2,588,670)	(\$1,738,911)
Debt Service Coverage Ratio	-	5.41	6.14	3.67	3.72	3.77
Days Cash on Hand	624	877	800	188	366	677
RATE SCHEDULE		5.0%	10.0%	10.0%	0.0%	0.0%
per ERU	\$14.65	\$15.38	\$16.92	\$18.61	\$18.61	\$18.61
		5.0%	10.0%	10.0%	0.0%	0.0%
Volume per 1000 Gallons	\$0.65	\$0.68	\$0.75	\$0.83	\$0.83	\$0.83

2026 Bond - \$12,909,000; 2.5% CIB

No Rate Increases, More Bonding - Option 3

	2024	2025	2026	2027	2028	2029
Net Revenues before Debt Service	\$2,556,509	\$3,806,694	\$3,834,008	\$3,865,886	\$3,896,806	\$3,926,642
Capital Expenses	\$0	(\$10,712,000)	(\$24,304,158)	(\$6,774,907)	(\$2,588,670)	(\$1,738,911)
Debt Service Coverage Ratio	-	5.28	5.30	2.86	2.58	2.60
Days Cash on Hand	624	858	666	225	179	282
RATE SCHEDULE		0.0%	0.0%	0.0%	0.0%	0.0%
per ERU	\$14.65	\$14.65	\$14.65	\$14.65	\$14.65	\$14.65
		0.0%	0.0%	0.0%	0.0%	0.0%
Volume per 1000 Gallons	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65

2026 Bond - \$12,909,000; 2.5% CIB

2027 Bond - \$2,000,000; 5.0%

	2024	2025	2026	2027	2028	2029
Net Revenues before Debt Service	\$2,556,509	\$3,806,694	\$3,834,008	\$5,482,907	\$5,562,338	\$5,642,140
Capital Expenses	\$0	(\$10,712,000)	(\$24,304,158)	(\$6,774,907)	(\$2,588,670)	(\$1,738,911)
Debt Service Coverage Ratio	-	5.28	5.30	4.06	4.12	4.18
Days Cash on Hand	624	858	666	156	428	827
RATE SCHEDULE		0.0%	0.0%	40.0%	0.0%	0.0%
per ERU	\$14.65	\$14.65	\$14.65	\$20.51	\$20.51	\$20.51
		0.0%	0.0%	40.0%	0.0%	0.0%
Volume per 1000 Gallons	\$0.65	\$0.65	\$0.65	\$0.91	\$0.91	\$0.91

2026 Bond - \$12,909,000; 2.5% CIB