



HVSSD Rates Discussion

7 May 2025

ZIONS PUBLIC FINANCE, INC.

	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 - \$10.05M

- 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

Do-Nothing Option

	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	-	-	4.86	4.90	4.94	4.97
Days Cash on Hand	624	1,110	(1,561)	(2,156)	(1,965)	(1,642)
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

	2024	2025	2026	2027	2028	2029
Net Revenues before Debt Service	\$2,556,509	\$3,806,694	\$4,030,248	\$4,280,248	\$4,323,598	\$4,366,238
Capital Expenses	\$0	(\$10,712,000)	(\$24,304,158)	(\$6,774,907)	(\$2,588,670)	(\$1,738,911)
Debt Service Coverage Ratio	-	-	5.11	3.02	3.05	3.08
Days Cash on Hand	624	1,110	929	177	223	411
RATE SCHEDULE		0.0%	5.0%	5.0%	0.0%	0.0%
per ERU	\$14.65	\$14.65	\$15.38	\$16.15	\$16.15	\$16.15
		0.0%	5.0%	5.0%	0.0%	0.0%
Volume per 1000 Gallons	\$0.65	\$0.65	\$0.68	\$0.72	\$0.72	\$0.72

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

No Rate Increases, More Bonding – Option 2

	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	-	-	4.86	2.73	2.60	2.62
Days Cash on Hand	624	1,110	892	247	203	306

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 - \$1,000,000; 5.0%