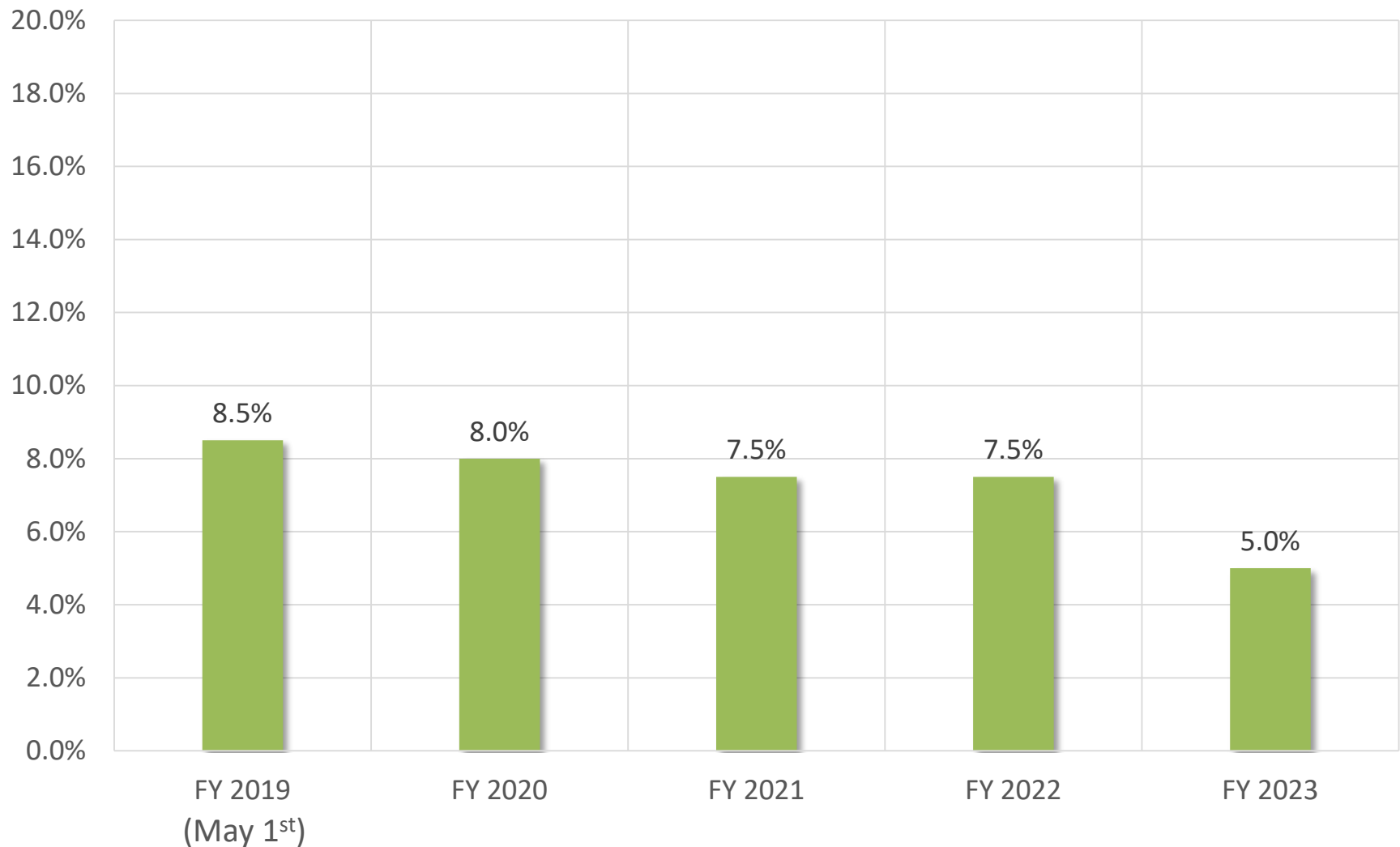


Town of Greenburgh Consolidated Water District **2019 Financial Plan Update**

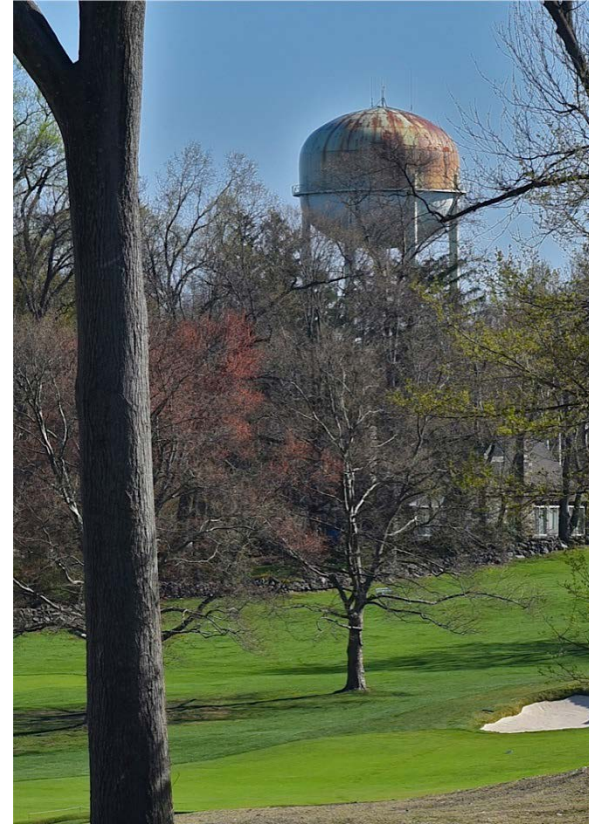
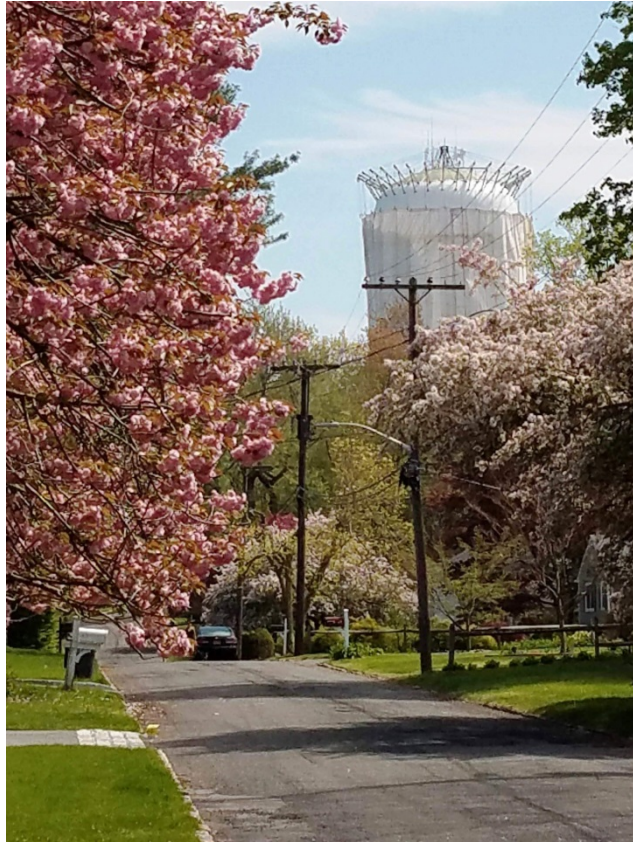
Date:
May 8, 2019

Projected Rate Adjustments



Infrastructure Improvements

Water Tank Rehabilitation



Infrastructure Improvements

Water Main Replacement



Infrastructure Improvements

Water Main Cleaning and Lining



Anticipated Infrastructure Improvements

Water Transmission Main

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Financial Challenges Facing the Water District

Limited historical account growth and industry wide declines in consumption per account.

Projected annual increases in O&M costs of 4.6 to 4.7 percent per year.

Approximately \$54.1 million in capital investments over the next 5 years.

Continuing to maintain affordable water service for customers.

Key Financial Plan Assumptions

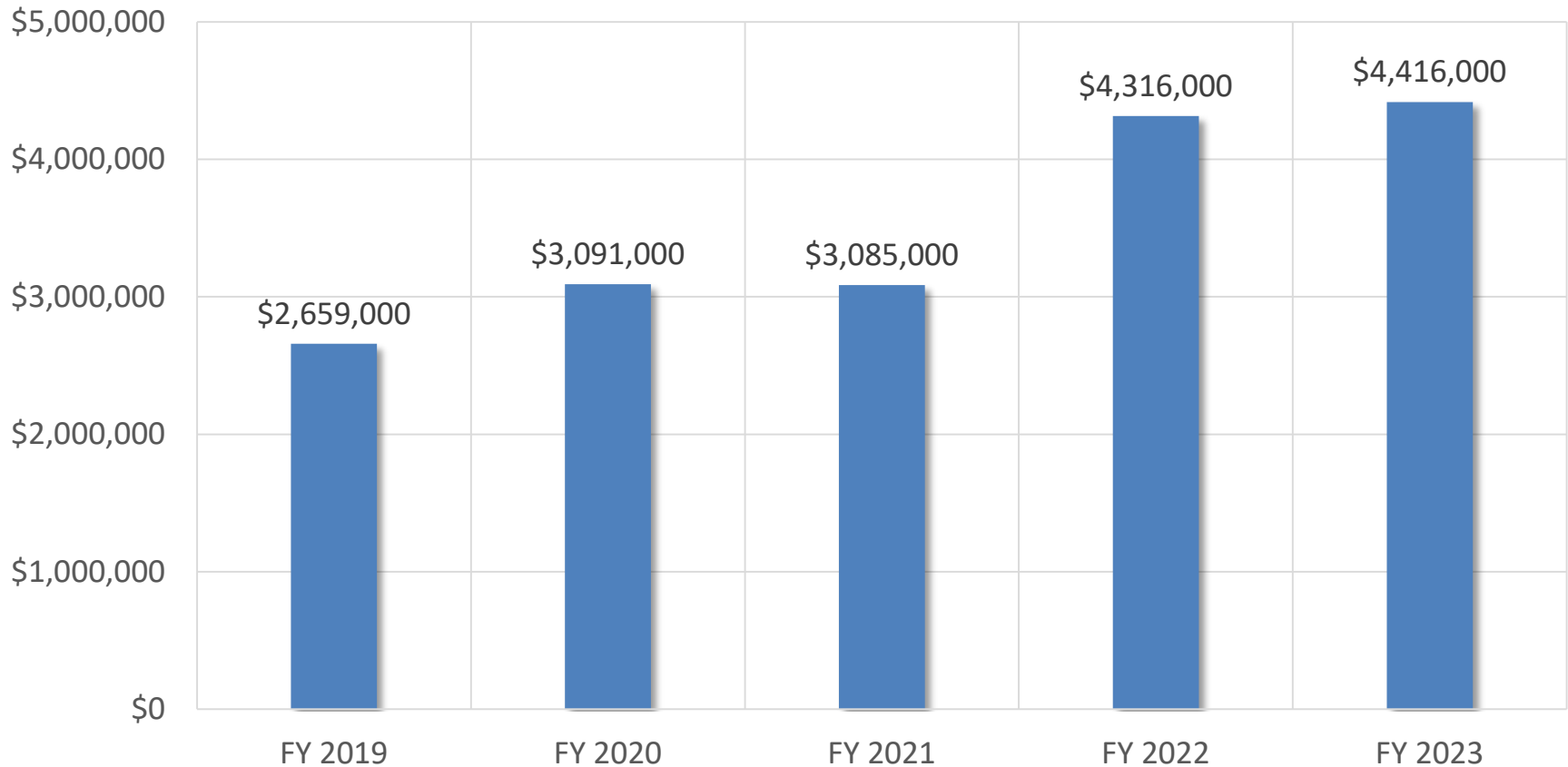
- » Proposed rate adjustment of 8.5% in FY 2019, in effect for two-thirds of fiscal year. All other proposed rate adjustments assumed to be in effect for the full fiscal year.
- » Minimum operating reserve target of at least 90 days of annual operating expenses.
- » Minimum debt service coverage target of at least 1.05 times total annual debt service.
- » Decline in billed consumption of between 0.3 to 0.5% per year.

Capital Project Costs

Description	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Water Tank Rehabilitation	\$3,500,000	\$2,819,000	\$0	\$0	\$0
Water Main Clean and Line	3,000,000	3,587,000	0	4,038,000	0
Water Main Replacement	0	1,025,000	1,576,000	0	2,208,000
Knollwood Pump Station Improvements	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,307,000</u>	<u>0</u>
Total	\$6,500,000	\$7,431,000	\$1,576,000	\$36,345,000	\$2,208,000

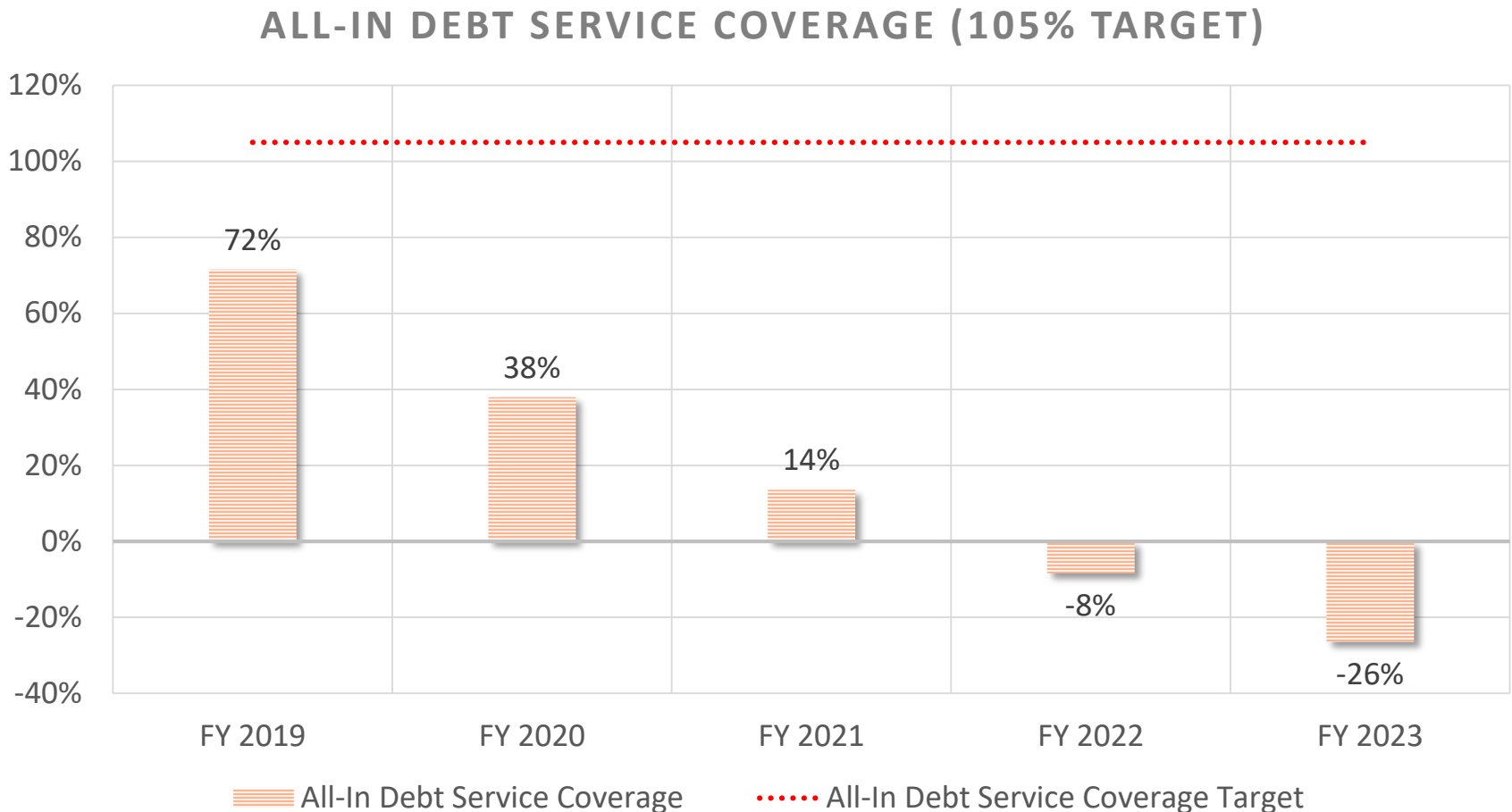
*Amounts rounded to nearest \$1,000.

Projected Debt Service



	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Cumulative % Increase	53%	78%	78%	149%	155%

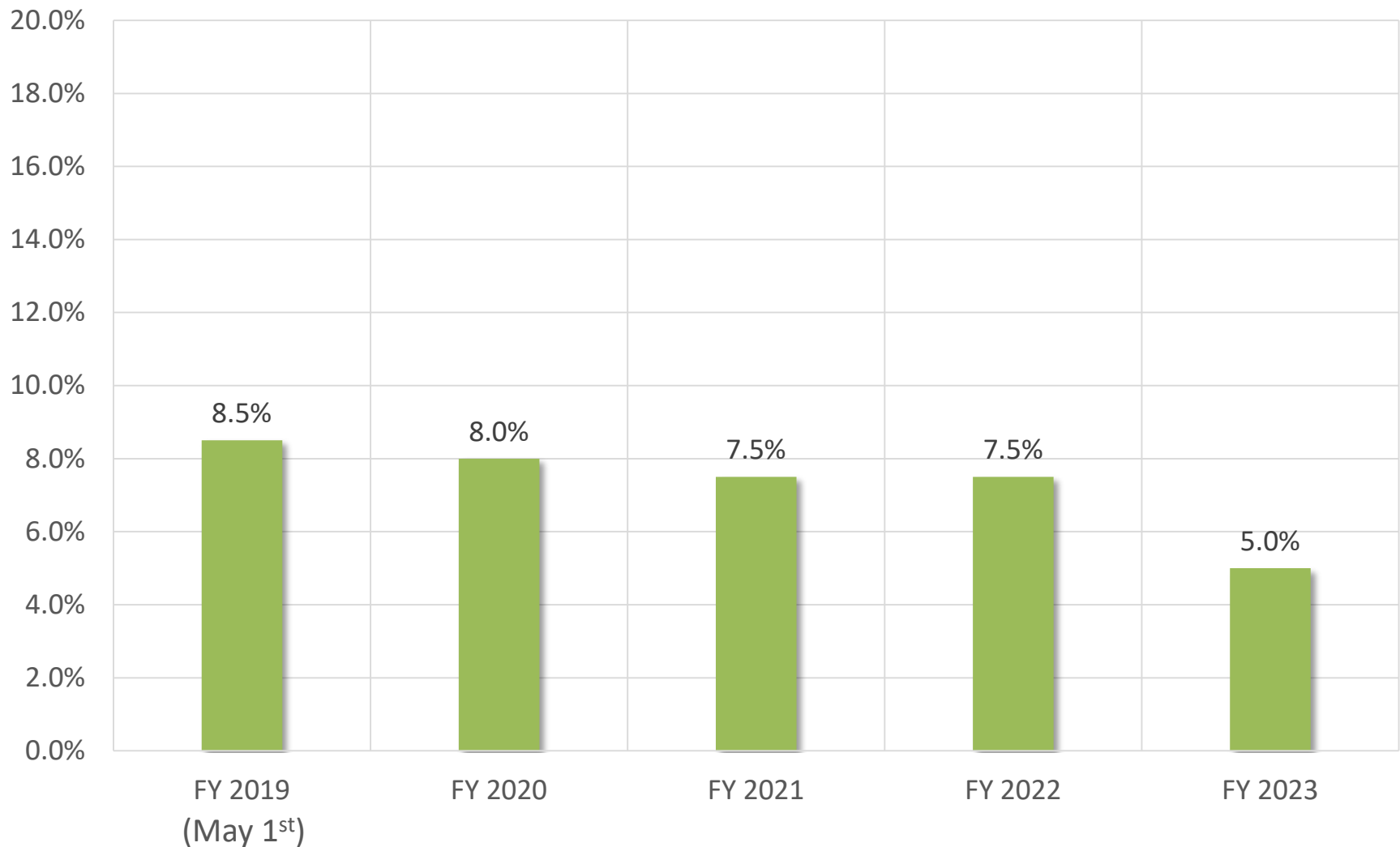
Eroding DS Coverage Without Proposed Rate Increases



Future Financial Health of the Water District

Description	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Moderate Proposed Rate Increase	8.5%	8.0%	7.5%	7.5%	5.0%
Annual Residential Cost of Water as a % of MHI	0.3%	0.4%	0.4%	0.4%	0.4%
Days Cash On-Hand Well Above Minimum Target (90 Days)	340 Days	335 Days	344 Days	90 Days	97 Days
Debt Service Coverage Above Minimum Target (1.05x)	1.06	1.11	1.30	1.08	1.11
Use of Cash Reserves to Offset Future Rate Increase Needs	\$0	\$0	\$0	\$11.3M	\$0

Projected Rate Adjustments

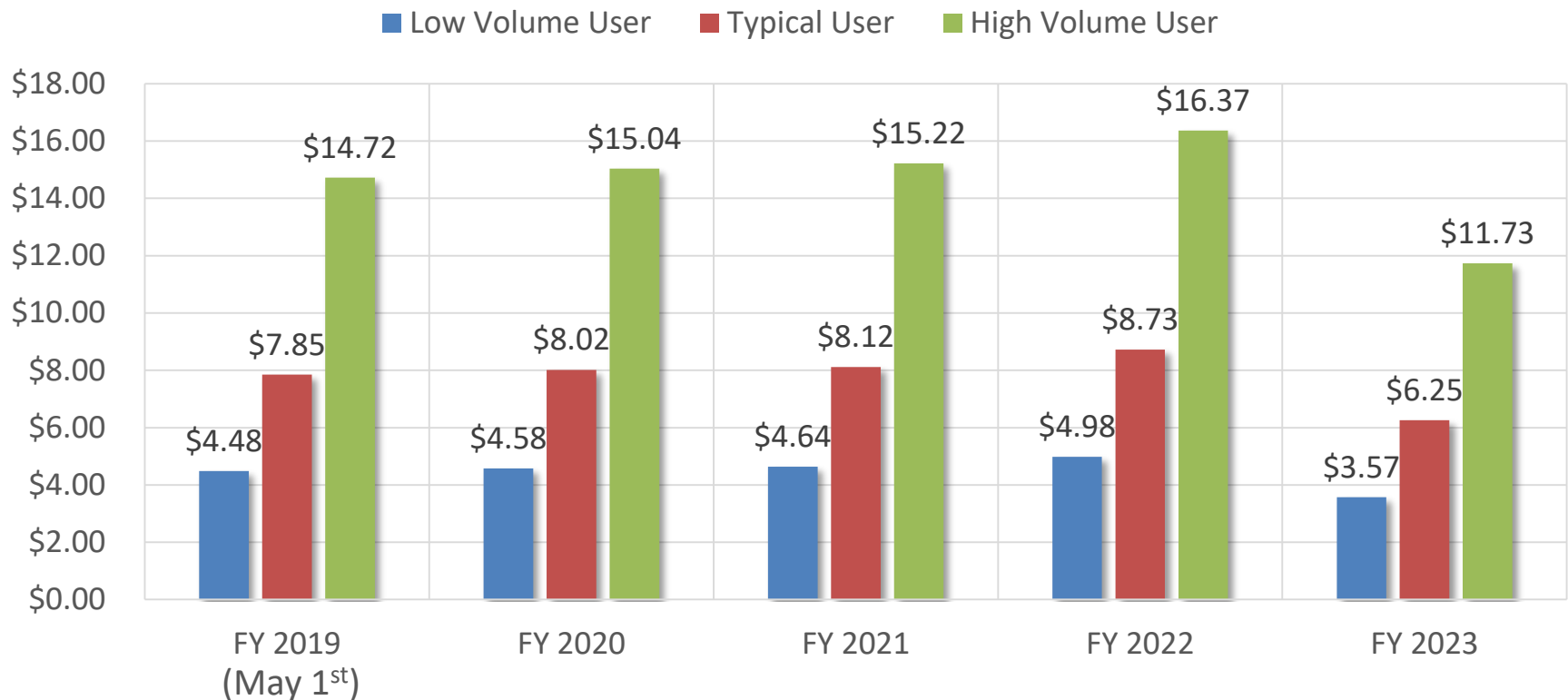


Projected Quarterly Residential Bills by Usage Amount

Description	Existing	May 2019	FY 2020	FY 2021	FY 2022	FY 2023
Low Volume User	\$53	\$57	\$62	\$66	\$71	\$75
Typical User	\$92	\$100	\$108	\$116	\$125	\$131
High Volume User	\$173	\$188	\$203	\$218	\$235	\$246

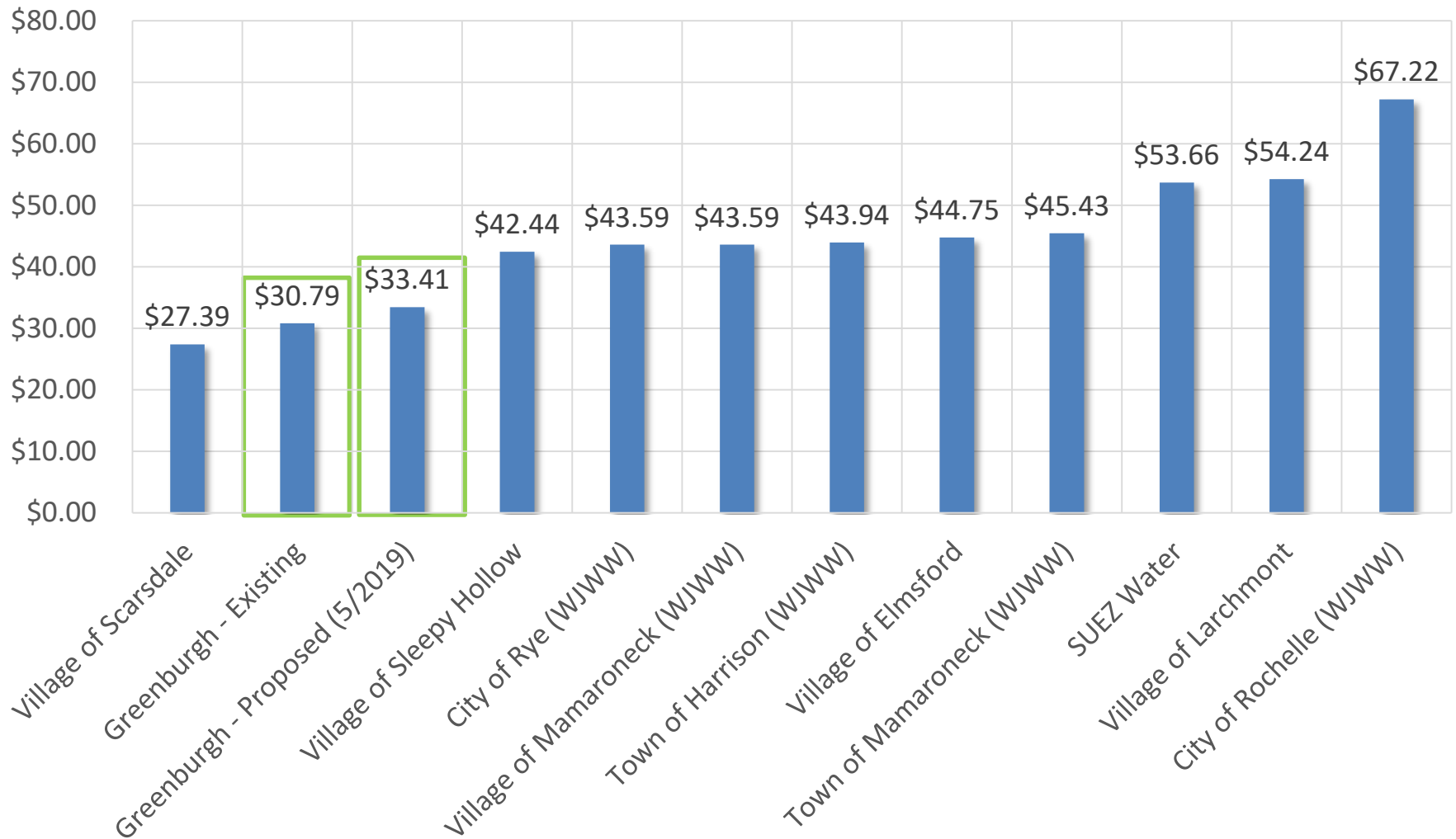
Low Volume User (25th Percentile) = 9,000 gal.
Typical User (50th Percentile) = 15,000 gal.
High Volume User (75th Percentile) = 26,000 gal.

Residential Quarterly Bill Impacts



Low Volume User (25th Percentile) = 9,000 gal.
Typical User (50th Percentile) = 15,000 gal.
High Volume User (75th Percentile) = 26,000 gal.

Monthly Bill/Cost Comparison



One dollar of Rate Revenue Pays For...

Purchased Water from NYC

36%

Debt Service

15%

Other O&M

11%

Salaries and Benefits

26%

Interfund

12%

PayGo

0%



Q&A