

FUND STATEMENT

Fund 69000, Sewer Revenue

	FY 2017 Estimate	FY 2017 Actual	Increase (Decrease) (Col. 2-1)	FY 2018 Adopted Budget Plan	FY 2018 Revised Budget Plan	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$77,112,069	\$77,112,069	\$0	\$75,761,614	\$82,459,870	\$6,698,256
Revenue:						
Lateral Spur Fees	\$16,800	\$4,200	(\$12,600)	\$16,800	\$16,800	\$0
Water Reuse Charges	0	93,818	93,818	164,606	164,606	0
Sales of Service	10,363,067	8,016,598	(2,346,469)	7,851,209	7,851,209	0
Availability Charges	18,457,701	25,206,124	6,748,423	12,595,035	12,595,035	0
Connection Charges	34,200	482,520	448,320	34,200	34,200	0
Sewer Service Charges	185,198,777	186,702,496	1,503,719	193,605,508	191,607,464	(1,998,044)
Miscellaneous Revenue	250,000	453,552	203,552	250,000	250,000	0
Sale Surplus Property	100,000	96,572	(3,428)	100,000	100,000	0
Interest on Investments	779,000	841,921	62,921	779,000	779,000	0
Total Revenue	\$215,199,545	\$221,897,801	\$6,698,256	\$215,396,358	\$213,398,314	(\$1,998,044)
Total Available	\$292,311,614	\$299,009,870	\$6,698,256	\$291,157,972	\$295,858,184	\$4,700,212
Transfers Out:						
Sewer Operation and Maintenance (69010)	\$93,000,000	\$93,000,000	\$0	\$101,440,000	\$101,440,000	\$0
Sewer Bond Parity Debt Service (69020)	22,900,000	22,900,000	0	22,930,000	22,930,000	0
Sewer Bond Debt Reserve (69030)	0	0	0	0	5,556	5,556
Sewer Bond Subordinate Debt Service (69040)	26,000,000	26,000,000	0	25,725,000	25,725,000	0
Sewer Construction Improvements (69300)	74,650,000	74,650,000	0	69,339,663	69,339,663	0
Total Transfers Out	\$216,550,000	\$216,550,000	\$0	\$219,434,663	\$219,440,219	\$5,556
Total Disbursements	\$216,550,000	\$216,550,000	\$0	\$219,434,663	\$219,440,219	\$5,556
Ending Balance¹	\$75,761,614	\$82,459,870	\$6,698,256	\$71,723,309	\$76,417,965	\$4,694,656
Management Reserves:						
Operating and Maintenance Reserve ²	\$26,918,136	\$33,616,392	\$6,698,256	\$26,919,045	\$27,574,487	\$655,442
New Customer Reserve ³	30,000,000	30,000,000	0	30,000,000	30,000,000	0
Virginia Resource Authority Reserve ⁴	5,974,892	5,974,892	0	5,974,892	5,974,892	0
Capital Reinvestment Reserve ⁵	12,868,586	12,868,586	0	8,829,372	12,868,586	4,039,214
Total Reserves	\$75,761,614	\$82,459,870	\$6,698,256	\$71,723,309	\$76,417,965	\$4,694,656
Unreserved Balance	\$0	\$0	\$0	\$0	\$0	\$0

¹ The Wastewater Management Program maintains fund balances at adequate levels relative to projected debt service requirements, operation and maintenance expenses and capital improvements.

² The Operating and Maintenance Reserve provides for unforeseen expenses associated with sewer system emergencies. This reserve is targeted to be maintained at a level between \$25 and \$45 million. This level of reserve is based on industry practice to maintain existing customer reserves at a level which can support 30 and 180 days of working capital and approximately 50 percent of one year's requirements for rehabilitation and replacement of the current system's assets.

³ The New Customer Reserve provides for debt service and administrative expenses associated with new customer debt, until such time as adjustments to availability charges can be accommodated. This reserve is based on payment expenses associated with one year of debt service and administrative expenses associated with new customer debt.

⁴ The Virginia Resource Authority Reserve was established in anticipation of debt service reserve requirements for Virginia Resource Authority loans related to future treatment plant issues.

⁵ The Capital Reinvestment Reserve is intended to address both anticipated and unanticipated increases within the Capital Improvement Program. This reserve will provide for significant rehabilitation and replacement of emergency infrastructure repairs. A reserve of 3.0 percent of the five year capital plan is consistent with other utilities and is recommended by rating agencies. Based on the total five year capital plan, an amount of \$30 million would be required to reach 3.0 percent.