



Queen Creek, Arizona  
2025 Water Financial Analysis

February 19, 2025



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The Town of Queen Creek, Arizona (Town) contracted with Stantec Consulting Services Inc (Stantec) to conduct a comprehensive utility rate study for its water, wastewater, and solid waste systems that is currently in progress. However, given current circumstances, the Town has requested an interim analysis of the water system’s cash flow projections in support of a rate adjustment. The analysis described in this technical memorandum focuses on a multi-year financial model detailing the need for a water rate adjustment, and is provided to help the Town comply with the Arizona Revised Statutes Title 9, § 9-511.01, requiring a municipality engaging in domestic water or wastewater business to prepare a written report or supply data supporting any rate adjustment.

## CASH FLOW PROJECTIONS

As part of the referenced rate study, Stantec is developing a multi-year financial forecasting model that includes FY 2025 and FY 2026 cash flow projections based on current data and assumptions provided by and discussed with the Town. The following tables summarize the revenue, operating expenses, cash funded capital projects, debt service, and transfers for FY 2025 and FY 2026 based on data provided by the Town. Importantly, all of the summarized information provided herein excludes any capacity fee revenues and expenses, debt service payments funded by capacity fees, and cash funded capital paid for by capacity fees. This cash flow analysis focuses solely on rate revenue requirements, and all capacity fee related revenues and expenditures were removed from the model in collaboration with the Town. The dollar amounts in each table are rounded to one tenth of a million.

Due to modest increases in operating expenditures, annual debt service obligations and the level of additional capital project funding needed, the multi-year financial model identified substantial cash flow deficits in FY 2025 and FY 2026 based on the Town’s current water rates. Town staff acknowledges that the Water Fund has continued to operate with a cash deficit, and that FY 2025 began with a substantial cash deficit due to operational performance, infrastructure expenses, debt service obligations, and certain timing-related expenditures. Table 1 below summarizes the Town’s cash flows in FY 2025 and FY 2026 if rates are not changed and the capital project needs provided by the Town are fully funded. Increases in operating revenues from FY 2025 to FY 2026 are attributable to assumed customer base growth per development projections provided by the Town.

**Table 1: Summary of Water Operating Fund With Fully Funded Capital Plan (Millions of Dollars)**

<b>Water</b>	<b>Fiscal Year 2025</b>	<b>Fiscal Year 2026</b>
<b>Operating Revenues</b>	\$33.8	\$34.8
<b>Operating Expenses</b>	(\$33.6)	(\$34.9)
<b>Cash Funded Capital</b>	(\$2.1)	(\$2.9)
<b>Annual Debt Service</b>	(\$9.1)	(\$10.8)
<b>Net Transfers</b>	\$2.5	(\$0.3)
<b>Cash Flow</b>	(\$8.5)	(\$14.1)

For FY 2025, the cash flow deficit may result in interfund transfers, some form of interim borrowing, and/or capital deferrals to the extent operating revenues and expenses occur as projected. If rates are held constant for FY 2026, the cash flow deficit increases to \$14.1 million based on the full capital plan. To the extent that the City defers the outlays for capital spending, it would serve to reduce the cash flow

deficits, all else being equal. As an example, Table 2 shows that the cash flow deficits can be reduced to an extent, but not eliminated, if the capital plan is partially funded in FY 2025 and FY 2026.

**Table 2: Summary of Water Operating Fund With Partially Funded Capital Plan (Millions of Dollars)**

Water	Fiscal Year 2025	Fiscal Year 2026
Operating Revenues	\$33.8	\$34.8
Operating Expenses	(\$33.6)	(\$34.9)
Cash Funded Capital	(\$1.0)	(\$1.5)
Annual Debt Service	(\$9.1)	(\$10.8)
Transfers In	2.5	(\$0.3)
Cash Flow	(\$7.5)	(\$12.7)

## RESULTS

Recognizing the existence of cash flow shortfalls, the Town is proposing to increase water rates 15% in FY 2026 as an interim measure pending completion of the rate study. While a larger rate increase would be needed to fully fund the capital plan and avoid a cash flow deficit, the Town recognizes affordability concerns related to increased water rates and plans to build up to rates that would adequately fund the capital program, debt service obligations, and increasing operating expenses over time.

Ultimately, additional rate increases should be anticipated for the Town to eliminate annual cash flow deficits and fully fund the capital needs for its water system.

The current FY 2025 and proposed FY 2026 rates are presented in Table 3 and Table 4. The rates in Table 3 only apply to customers in the Queen Creek service area. Monthly service charges include the cost of the first 1,000 gallons of monthly water usage for these customers. Table 4 presents the Diversified Water Utility service area rates for reference, which are not proposed to increase in FY 2026.

**Table 3: Current and Recommended Water Rates for Non-Diversified Utility Service Area Customers**

Monthly Service Charges	Current Rate as of July 2024	Recommended Rate July 2025
3/4"	\$18.33	\$21.08
1"	\$31.00	\$35.65
1.5"	\$46.00	\$52.90
2"	\$77.00	\$88.55
3"	\$184.00	\$211.60
4"	\$305.00	\$350.75
6"	\$1,345.00	\$1,546.75
Volume Charges Per 1,000 Gallons	Current Rate as of July 2024	Recommended Rate July 2025
0 to 1,000 gallons	\$0.00	\$0.00
1,001 to 10,000 gallons	\$1.77	\$2.04
10,001 to 20,000 gallons	\$2.37	\$2.73
20,001+ gallons	\$2.96	\$3.40

For reference, the Diversified Water Utility service area rates are presented in Table 4. These rates will be unaffected by the FY 2026 rate increase discussed herein.

**Table 4: Current and Recommended Water Rates for Diversified Utility Service Area Customers**

<b>Monthly Service Charges</b>	<b>Current Rate as of July 2024</b>	<b>Recommended Rate July 2025</b>
<b>3/4"</b>	\$27.50	\$27.50
<b>1"</b>	\$32.00	\$32.00
<b>1.5"</b>	\$36.40	\$36.40
<b>2"</b>	\$54.40	\$54.40
<b>3"</b>	\$86.50	\$86.50
<b>4"</b>	\$137.50	\$137.50
<b>6"</b>	\$262.50	\$262.50
<b>Volume Charges Per 1,000 Gallons</b>	<b>Current Rate as of July 2024</b>	<b>Recommended Rate July 2025</b>
<b>All Usage</b>	\$3.65	\$3.65

Appendix A of this memorandum includes cash flow projections that indicate all anticipated revenues from customers and the overall expenses for providing water services discussed above, reflecting the fully funded cash funded capital scenario with no rate increase implemented such that Appendix A reflects Table 1.

## **Disclaimer**

This document was produced by Stantec Consulting Services, Inc. (“Stantec”) for the Queen Creek, Arizona (“Town”) and is based on a specific scope agreed upon by both parties. Stantec’s scope of work and services do not include serving as a “municipal advisor” for purposes of the registration requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission. Stantec is not advising the Town, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, terms, or other similar matters concerning such products or issuances.

In preparing this report, Stantec utilized information and data obtained from the Town or public and/or industry sources. Stantec has relied on the information and data without independent verification, except only to the extent such verification is expressly described in this document. Any projections of future conditions presented in the document are not intended as predictions, as there may be differences between forecasted and actual results, and those differences may be material.

Additionally, the purpose of this document is to summarize Stantec’s analysis and findings related to this project, and it is not intended to address all aspects that may surround the subject area. Therefore, this document may have limitations, assumptions, or reliance on data that are not readily apparent on the face of it. Moreover, the reader should understand that Stantec was called on to provide judgments on a variety of critical factors which are incapable of precise measurement. As such, the use of this document and its findings by the Town should only occur after consultation with Stantec, and any use of this document and findings by any other person is done so entirely at their own risk.

## Town of Queen Creek, AZ - Water

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FY 2025 Water Rate Memo

Assumptions & Results Workbook Reflecting Scenario With Zero Rate Increases



**Assumptions****Schedule 1**

	<b>FY 2025</b>	<b>FY 2026</b>
<b><u>Rate Increase Adoption Date</u></b>	7/1/2024	7/1/2025
<b><u>Annual Growth</u></b>		
<b>Water</b>		
Ending # of EDUs	58,922	61,228
EDU Growth	2,939	2,306
% Change in EDUs	5.25%	3.91%
Usage per EDU	126.38	125.12
% Change in Usage per EDU	-1.00%	-1.00%
Usage (Kgal)	7,446,785	7,660,843
% Change in Usage	4.20%	2.87%
<b><u>Capital Spending</u></b>		
Annual Capital Budget (Future Year Dollars)	\$ 76,948,334	\$123,269,430
Annual Percent Executed	100%	100%
<b><u>Average Annual Interest Earnings Rate</u></b>		
On Fund Balances	2.00%	2.00%
<b><u>Operating Budget Reserve</u></b>		
Target (Number of Months of Reserve)	2.0	4.0
<b><u>Operating Budget Execution Percentage</u></b>		
Personal Services	95%	95%
Variable Operations and Maintenance	65%	65%
Fixed Operations and Maintenance	100%	100%
Capital Outlay	60%	60%

## Pro Forma

## Schedule 2

	FY 2025	FY 2026
1 <b>Operating Revenue</b>		
2 Water, Rate Revenue	\$ 29,244,447	\$ 29,244,447
3 Change in Revenue From Growth	-	975,308
4 Subtotal	\$ 29,244,447	\$ 30,219,755
5 <i>Weighted Average Rate Increase</i>	0.00%	0.00%
6 Additional Rate Revenue From Rate Increase	-	-
7 Total Rate Revenue	\$ 29,244,447	\$ 30,219,755
8 Plus: Other Operating Revenue	4,516,000	4,559,980
9 <b>Equals: Total Operating Revenue</b>	<b>\$ 33,760,447</b>	<b>\$ 34,779,735</b>
10 <b>Less: Operating Expenses</b>		
11 Personal Services	\$ (9,667,973)	\$ (10,050,122)
12 Variable Operations & Maintenance Costs	(7,427,237)	(7,718,615)
13 Operations & Maintenance Costs	(6,408,591)	(6,595,907)
14 <b>Equals: Net Operating Income</b>	<b>\$ 10,256,646</b>	<b>\$ 10,415,090</b>
15 <b>Plus: Non-Operating Income/(Expense)</b>		
16 Interest Income	\$ -	\$ -
18 Transfers In	3,454,916	627,785
19 <b>Equals: Net Income</b>	<b>\$ 13,711,562</b>	<b>\$ 11,042,875</b>
20 <b>Less: Revenues Excluded From Coverage Test</b>		
21 Transfers In	\$ (3,454,916)	\$ (627,785)
22 <b>Equals: Net Income Available For Debt Service</b>	<b>\$ 10,256,646</b>	<b>\$ 10,415,090</b>

**Pro Forma****Schedule 2**

	FY 2025	FY 2026
23 <b>Senior Lien Debt Service Coverage Test</b>		
24 Net Income Available for Senior-Lien Debt Service	\$ 10,256,646	\$ 10,415,090
25 Existing Senior-Lien Debt	7,300,984	9,014,228
26 Cumulative New Senior Lien Debt Service (calculated)	-	-
27 <b>Total Annual Senior-Lien Debt Service</b>	<b>\$ 7,300,984</b>	<b>\$ 9,014,228</b>
28 <b>Subordinate Debt Service Coverage Test</b>		
29 Net Income Available for Subordinate Debt Service	<b>\$ 2,955,662</b>	<b>\$ 1,400,862</b>
30 <b>Total All-In Debt Service Coverage Test</b>		
31 Net Income Available for Subordinate Debt Service	\$ 10,256,646	\$ 10,415,090
32 Total Senior-Lien Debt Service	7,300,984	9,014,228
33 <b>Total Annual Debt Service</b>	<b>\$ 9,099,931</b>	<b>\$ 10,811,767</b>
34 <b>Cash Flow Test</b>		
35 Net Income Available For Debt Service	\$ 10,256,646	\$ 10,415,090
36 <b>Less: Non-Operating Expenditures</b>		
37 Net Interfund Transfers (In - Out)	2,506,916	(320,215)
38 Net Debt Service Payment	(9,099,931)	(10,811,767)
39 Capital Outlay	(10,110,965)	(10,490,127)
40 <b>Net Cash Flow</b>	<b>\$ (6,447,334)</b>	<b>\$ (11,207,019)</b>

**Pro Forma****Schedule 2**

	<b>FY 2025</b>	<b>FY 2026</b>
41 <b>Unrestricted Reserve Fund Test</b>		
42 Balance At Beginning Of Fiscal Year	\$ 1,122,008	\$ (7,412,502)
43 Cash Flow Surplus/(Deficit)	(6,447,334)	(11,207,019)
44 Projects Designated To Be Paid With Cash	(2,087,176)	(2,912,000)
45 <b>Balance At End Of Fiscal Year</b>	<b>\$ (7,412,502)</b>	<b>\$(21,531,521)</b>
46 Minimum Working Capital Reserve Target	3,917,300	8,121,548
47 <b>Excess/(Deficiency) Of Working Capital To Target</b>	<b>\$ (11,329,802)</b>	<b>\$(29,653,070)</b>

**Projection of Cash Inflows****Schedule 3**

	FY 2025	FY 2026
<b>1 Rate Revenue Growth Assumptions</b>		
<b>2 Water</b>		
3 % Change in EDU	5.25%	3.91%
4 % Change in Usage Revenue	4.20%	2.87%
<b>5 Assumed Rate Revenue Increases</b>		
6 Assumed Water Rate Increase	0.00%	0.00%
<b>7 Water Rate Revenue</b>		
8 Base Rate Revenue	\$ 12,960,538	\$ 13,467,766
9 Usage Rate Revenue	16,283,908	16,751,989
<b>10 Total Water Rate Revenue</b>	<b>\$ 29,244,447</b>	<b>\$ 30,219,755</b>
<b>11 Other Operating Revenue</b>		
12 DIVERSIFIED- WATER SALES	\$ 2,600,000	\$ 2,600,000
13 QC WATER PLAN REVIEW FEES	57,000	58,710
14 NEW METER REVENUE	1,230,000	1,266,900
15 ESTABLISHMENT & SERVICE FEE	170,000	175,100
16 DIVERSIFIED- ESTABLISHMENT & SERVICE FEE	9,000	9,270
17 IRRIGATION SALES	450,000	450,000
<b>18 Total Other Operating Revenue</b>	<b>\$ 4,516,000</b>	<b>\$ 4,559,980</b>

Multi-Year Financial Model

19	<b>Non-Operating Revenue</b>		
20	<b>Transfers In</b>		
21	SEWER BILLING FEE	\$ 505,500	\$ 520,665
22	SOLID WASTE BILLING FEE	104,000	107,120
23	CAPITAL OUTLAY TRANSFER IN	2,845,416	-
24	<b>Total Transfers In</b>	<b>\$ 3,454,916</b>	<b>\$ 627,785</b>
25	<b>Interest Income</b>		
26	Unrestricted	\$ -	\$ -
27	<b>Total Interest Income</b>	<b>\$ -</b>	<b>\$ -</b>
28	<b>Total Cash Inflows</b>	<b>\$ 37,215,363</b>	<b>\$ 35,407,520</b>

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## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
<b><u>Water - Administration</u></b>				
1 BAD DEBT EXPENSE	OMF	220-460-2100-00000-400015-	\$ 50,000	\$ 51,500
2 DEPT SUPPORT COSTS-IT	OMF	220-460-2100-00000-400120-	587,042	604,653
3 DEPT SUPPORT COSTS-HR	OMF	220-460-2100-00000-400121-	93,810	96,624
4 DEPT SUPPORT COSTS-FINANCE	OMF	220-460-2100-00000-400122-	63,053	64,945
5 DEPT SUPPORT COSTS-BUDGET	OMF	220-460-2100-00000-400126-	23,250	23,948
6 DEPT SUPPORT COSTS-FACILITIES	OMF	220-460-2100-00000-400131-	158,507	163,262
7 UTILITY FRANCHISE FEE	CO	220-460-2100-00000-400200-	914,180	1,116,074
8 IN LIEU PROPERTY TAX	CO	220-460-2100-00000-400300-	424,788	389,452
9 PERMANENT SALARIES	PS	220-460-2100-00000-401000-	962,835	996,534
10 VACATION PAY OUT	PS	220-460-2100-00000-401400-	9,357	9,684
11 CELL PHONE STIPEND	PS	220-460-2100-00000-401500-	1,248	1,292
12 MEDICAL PREMIUMS	PS	220-460-2100-00000-402111-	110,677	117,871
13 HSA CONTRIBUTIONS	PS	220-460-2100-00000-402112-	6,702	6,937
14 DENTAL PREMIUMS	PS	220-460-2100-00000-402120-	6,048	6,441
15 VISION PREMIUMS	PS	220-460-2100-00000-402130-	1,348	1,436
16 DISABILITY & LIFE PREMIUMS	PS	220-460-2100-00000-402150-	1,563	1,665
17 COMMUTER INSURANCE	PS	220-460-2100-00000-402153-	56	60
18 FICA ER CONTRIBUTIONS	PS	220-460-2100-00000-402200-	56,517	60,191
19 MEDICARE ER CONTRIBUTIONS	PS	220-460-2100-00000-402210-	13,616	14,501
20 AZ ST RETIREMENT ER CONTRIB	PS	220-460-2100-00000-402300-	116,238	120,306
21 ER DEFERRED COMPENSATION	PS	220-460-2100-00000-402350-	1,441	1,491
22 STATE UNEMPLOYMENT TAX	PS	220-460-2100-00000-402500-	1,329	1,376
23 WORKMAN'S COMPENSATION	PS	220-460-2100-00000-402600-	3,301	3,417
24 MAINLINE AGREEMENTS	OMF	220-460-2100-00000-403000-	10,603	11,071
25 PROFESSIONAL AND TECHNICAL SER	OMF	220-460-2100-00000-403005-	478,426	492,778
26 PROFESSIONAL AND TECHNICAL SER	OMF	220-460-2100-00000-403005-RU001	173,103	178,296
27 LEGAL SERVICES	OMF	220-460-2100-00000-403010-	239,862	247,057
28 GENERAL SERVICES	OMF	220-460-2100-00000-403031-	206,900	213,107
29 TRAVEL/CONFERENCE/SEMINARS/TRA	OMF	220-460-2100-00000-403100-	155,225	159,882
30 DUES/MEMBERSHIP FEES	OMF	220-460-2100-00000-403200-	3,750	3,863
31 LICENSE/FEES	OMF	220-460-2100-00000-403220-	8,900	9,167
32 EMPLOYEE UNIFORMS	OMF	220-460-2100-00000-403370-	60,800	62,624

## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
33 WATER	OMF	220-460-2100-00000-404110-	1,500	1,545
34 CELLULAR TELEPHONE	OMF	220-460-2100-00000-404155-	61,920	63,778
35 PEST CONTROL SERVICES	OMF	220-460-2100-00000-404250-	5,000	5,150
36 MAINTENANCE/REPAIRS	OMF	220-460-2100-00000-404300-	10,000	10,210
37 VEHICLE MAINT/REPAIR	OMF	220-460-2100-00000-404310-	83,480	85,233
38 RENTAL OF LAND/BUILDINGS	OMF	220-460-2100-00000-404410-	7,740	7,972
39 LIABILITY INSURANCE	OMF	220-460-2100-00000-405200-	150,000	154,500
40 MILEAGE	OMF	220-460-2100-00000-405900-	2,000	2,060
41 SHOP SUPPLIES	OMF	220-460-2100-00000-406015-	1,000	1,030
42 OFFICE SUPPLIES	OMF	220-460-2100-00000-406020-	30,900	31,827
43 SAFETY SUPPLIES	OMF	220-460-2100-00000-406075-	20,000	20,600
44 POSTAGE	OMF	220-460-2100-00000-406150-	9,000	9,270
45 GASOLINE (VEHICLE USAGE)	OMF	220-460-2100-00000-406260-	230,000	232,093
46 MAJOR EQUIPMENT >10000	CO	220-460-2100-00000-407400-	50,000	51,500
47 VEHICLE EQUIPMENT	OMF	220-460-2100-00000-407425-	10,000	10,300
48 FURNITURE & FIXTURES	CO	220-460-2100-00000-407430-WA220	100,000	103,000
49 EQUIPMENT <5000	OMF	220-460-2100-00000-407500-	50,000	51,500
50 SOFTWARE SUPPORT	OMF	220-460-2100-00000-407555-	57,000	58,710
51 MISCELLANEOUS EXPENSE	OMF	220-460-2100-00000-408000-	33,000	33,990
52 WASTE (TRASH)	OMF	220-460-2100-00275-404160-	4,000	4,120
53 ELECTRICITY	OMF	220-460-2100-00366-404120-	48,000	50,461
54 WASTE (TRASH)	OMF	220-460-2100-00366-404160-	12,000	12,360
55 PROFESSIONAL AND TECHNICAL SER	OMF	220-460-2100-00000-403005-WA220	100,000	103,000
56 <b>Administration Subtotal</b>			<b>\$ 6,021,015</b>	<b>\$ 6,335,713</b>

## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
<b><u>Water - Customer Service</u></b>				
57 PERMANENT SALARIES	PS	220-460-2110-00000-401000-	\$ 1,353,006	\$ 1,400,361
58 PART-TIME STAFFING	PS	220-460-2110-00000-401100-	20,939	21,672
59 TEMP/SEASONAL STAFFING	PS	220-460-2110-00000-401150-	172,948	179,001
60 OVER TIME PAY	PS	220-460-2110-00000-401300-	8,700	9,005
61 VACATION PAY OUT	PS	220-460-2110-00000-401400-	17,727	18,347
62 CELL PHONE STIPEND	PS	220-460-2110-00000-401500-	4,680	4,844
63 BILINGUAL STIPEND	PS	220-460-2110-00000-401510-	3,900	4,037
64 MEDICAL OPT OUT STIPEND	PS	220-460-2110-00000-402101-	1,200	1,242
65 MEDICAL PREMIUMS	PS	220-460-2110-00000-402111-	191,299	203,733
66 HSA CONTRIBUTIONS	PS	220-460-2110-00000-402112-	32,270	33,399
67 DENTAL PREMIUMS	PS	220-460-2110-00000-402120-	12,170	12,961
68 VISION PREMIUMS	PS	220-460-2110-00000-402130-	2,250	2,396
69 DISABILITY & LIFE PREMIUMS	PS	220-460-2110-00000-402150-	2,755	2,934
70 COMMUTER INSURANCE	PS	220-460-2110-00000-402153-	124	132
71 FICA ER CONTRIBUTIONS	PS	220-460-2110-00000-402200-	93,808	99,906
72 MEDICARE ER CONTRIBUTIONS	PS	220-460-2110-00000-402210-	21,946	23,372
73 AZ ST RETIREMENT ER CONTRIB	PS	220-460-2110-00000-402300-	191,361	198,059
74 ER DEFERRED COMPENSATION	PS	220-460-2110-00000-402350-	3,840	3,974
75 STATE UNEMPLOYMENT TAX	PS	220-460-2110-00000-402500-	2,856	2,956
76 WORKMAN'S COMPENSATION	PS	220-460-2110-00000-402600-	3,106	3,215
77 GENERAL SERVICES	OMF	220-460-2110-00000-403031-	37,800	38,934
78 TRAVEL/CONFERENCE/SEMINARS/TRA	OMF	220-460-2110-00000-403100-	66,753	68,756
79 DUES/MEMBERSHIP FEES	OMF	220-460-2110-00000-403200-	7,213	7,429
80 LICENSE/FEES	OMF	220-460-2110-00000-403220-	5,150	5,305
81 BANK FEES	OMF	220-460-2110-00000-403240-	70,000	72,100
82 CREDIT CARD FEES	OMF	220-460-2110-00000-403241-	400,000	412,000
83 PRINTING (EXTERIOR & INTERIOR)	OMF	220-460-2110-00000-405500-	238,000	245,140
84 OFFICE SUPPLIES	OMF	220-460-2110-00000-406020-	4,000	4,120
85 EQUIPMENT <5000	OMF	220-460-2110-00000-407500-	3,000	3,090
86 SOFTWARE SUPPORT	OMF	220-460-2110-00000-407555-	236,000	243,080
87 MISCELLANEOUS EXPENSE	OMF	220-460-2110-00000-408000-	1,000	1,030
88 <b>Customer Service Subtotal</b>			<b>\$ 3,209,801</b>	<b>\$ 3,326,530</b>

## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
<b><u>Water - Engineering</u></b>				
89 PERMANENT SALARIES	PS	220-460-2120-00000-401000-	\$ 453,454	\$ 469,325
90 OVER TIME PAY	PS	220-460-2120-00000-401300-	3,000	3,105
91 VACATION PAY OUT	PS	220-460-2120-00000-401400-	3,719	3,849
92 CELL PHONE STIPEND	PS	220-460-2120-00000-401500-	1,260	1,304
93 MEDICAL PREMIUMS	PS	220-460-2120-00000-402111-	70,582	75,170
94 HSA CONTRIBUTIONS	PS	220-460-2120-00000-402112-	3,750	3,881
95 DENTAL PREMIUMS	PS	220-460-2120-00000-402120-	3,959	4,216
96 VISION PREMIUMS	PS	220-460-2120-00000-402130-	848	903
97 DISABILITY & LIFE PREMIUMS	PS	220-460-2120-00000-402150-	822	875
98 COMMUTER INSURANCE	PS	220-460-2120-00000-402153-	58	62
99 FICA ER CONTRIBUTIONS	PS	220-460-2120-00000-402200-	27,109	28,871
100 MEDICARE ER CONTRIBUTIONS	PS	220-460-2120-00000-402210-	6,342	6,754
101 AZ ST RETIREMENT ER CONTRIB	PS	220-460-2120-00000-402300-	56,442	58,417
102 ER DEFERRED COMPENSATION	PS	220-460-2120-00000-402350-	480	497
103 STATE UNEMPLOYMENT TAX	PS	220-460-2120-00000-402500-	639	661
104 WORKMAN'S COMPENSATION	PS	220-460-2120-00000-402600-	12,132	12,557
105 PROFESSIONAL AND TECHNICAL SER	OMF	220-460-2120-00000-403005-	250,000	257,500
106 SHOP SUPPLIES	OMF	220-460-2120-00000-406015-	2,000	2,060
107 VEHICLES	OMF	220-460-2120-00000-407420-	72,900	75,087
108 CAPITAL MAINTENANCE	CO	220-460-2120-00000-407435-WA260	150,000	154,500
109 CAPITAL MAINTENANCE	CO	220-460-2120-00000-407435-WA307	150,000	154,500
110 CAPITAL MAINTENANCE	CO	220-460-2120-00000-407435-WA900	200,000	206,000
111 EQUIPMENT <5000	CO	220-460-2120-00000-407500-	3,000	3,090
<b>Engineering Subtotal</b>			<b>\$ 1,472,496</b>	<b>\$ 1,523,186</b>

## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
<b><u>Water - Field Ops Meters</u></b>				
112 PERMANENT SALARIES	PS	220-460-2130-00000-401000-	\$ 1,046,058	\$ 1,082,670
113 TEMP/SEASONAL STAFFING	PS	220-460-2130-00000-401150-	97,940	101,368
114 CALL OUT	PS	220-460-2130-00000-401250-	21,744	22,505
115 STAND BY	PS	220-460-2130-00000-401251-	6,203	6,420
116 OVER TIME PAY	PS	220-460-2130-00000-401300-	5,000	5,175
117 VACATION PAY OUT	PS	220-460-2130-00000-401400-	16,254	16,823
118 CELL PHONE STIPEND	PS	220-460-2130-00000-401500-	5,520	5,713
119 BILINGUAL STIPEND	PS	220-460-2130-00000-401510-	1,300	1,346
120 MEDICAL OPT OUT STIPEND	PS	220-460-2130-00000-402101-	1,200	1,242
121 MEDICAL PREMIUMS	PS	220-460-2130-00000-402111-	145,382	154,832
122 HSA CONTRIBUTIONS	PS	220-460-2130-00000-402112-	18,607	19,258
123 DENTAL PREMIUMS	PS	220-460-2130-00000-402120-	8,993	9,578
124 VISION PREMIUMS	PS	220-460-2130-00000-402130-	1,913	2,037
125 DISABILITY & LIFE PREMIUMS	PS	220-460-2130-00000-402150-	2,090	2,226
126 COMMUTER INSURANCE	PS	220-460-2130-00000-402153-	135	144
127 FICA ER CONTRIBUTIONS	PS	220-460-2130-00000-402200-	70,982	75,596
128 MEDICARE ER CONTRIBUTIONS	PS	220-460-2130-00000-402210-	16,607	17,686
129 AZ ST RETIREMENT ER CONTRIB	PS	220-460-2130-00000-402300-	147,193	152,345
130 ER DEFERRED COMPENSATION	PS	220-460-2130-00000-402350-	1,875	1,941
131 STATE UNEMPLOYMENT TAX	PS	220-460-2130-00000-402500-	2,012	2,082
132 WORKMAN'S COMPENSATION	PS	220-460-2130-00000-402600-	26,598	27,529
133 SHOP SUPPLIES	OMF	220-460-2130-00000-406015-	7,500	7,725
134 METER/FITTINGS	CO	220-460-2130-00000-406017-	2,050,000	2,111,500
135 WELDING SUPPLIES	OMF	220-460-2130-00000-406085-	5,000	5,150
136 CAPITAL MAINTENANCE	CO	220-460-2130-00000-407435-WA139	205,000	211,150
137 EQUIPMENT <5000	CO	220-460-2130-00000-407500-	15,000	15,450
138 SOFTWARE SUPPORT	OMF	220-460-2130-00000-407555-	115,000	118,450
<b>Field Ops Meters Subtotal</b>			<b>\$ 4,041,106</b>	<b>\$ 4,177,940</b>

## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
<b><u>Water - GIS</u></b>				
139 PERMANENT SALARIES	PS	220-460-2140-00000-401000-	\$ 459,403	\$ 475,482
140 CALL OUT	PS	220-460-2140-00000-401250-	2,384	2,467
141 STAND BY	PS	220-460-2140-00000-401251-	8,222	8,510
142 OVER TIME PAY	PS	220-460-2140-00000-401300-	12,000	12,420
143 VACATION PAY OUT	PS	220-460-2140-00000-401400-	2,475	2,562
144 CELL PHONE STIPEND	PS	220-460-2140-00000-401500-	1,740	1,801
145 MEDICAL OPT OUT STIPEND	PS	220-460-2140-00000-402101-	1,200	1,242
146 MEDICAL PREMIUMS	PS	220-460-2140-00000-402111-	68,717	73,184
147 HSA CONTRIBUTIONS	PS	220-460-2140-00000-402112-	1,660	1,718
148 DENTAL PREMIUMS	PS	220-460-2140-00000-402120-	3,258	3,470
149 VISION PREMIUMS	PS	220-460-2140-00000-402130-	810	863
150 DISABILITY & LIFE PREMIUMS	PS	220-460-2140-00000-402150-	843	898
151 COMMUTER INSURANCE	PS	220-460-2140-00000-402153-	45	48
152 FICA ER CONTRIBUTIONS	PS	220-460-2140-00000-402200-	29,057	30,946
153 MEDICARE ER CONTRIBUTIONS	PS	220-460-2140-00000-402210-	6,796	7,238
154 AZ ST RETIREMENT ER CONTRIB	PS	220-460-2140-00000-402300-	59,608	61,694
155 ER DEFERRED COMPENSATION	PS	220-460-2140-00000-402350-	288	298
156 STATE UNEMPLOYMENT TAX	PS	220-460-2140-00000-402500-	894	925
157 WORKMAN'S COMPENSATION	PS	220-460-2140-00000-402600-	9,582	9,917
158 PROFESSIONAL AND TECHNICAL SER	OMF	220-460-2140-00000-403005-	25,000	25,750
159 LICENSE/FEES	OMF	220-460-2140-00000-403220-	20,000	20,600
160 SHOP SUPPLIES	OMF	220-460-2140-00000-406015-	15,000	15,450
161 EQUIPMENT <5000	CO	220-460-2140-00000-407500-	55,000	56,650
162 SOFTWARE SUPPORT	OMF	220-460-2140-00000-407555-	1,500	1,545
<b>GIS Subtotal</b>			<b>\$ 785,482</b>	<b>\$ 815,677</b>

## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
<b><u>Water - Irrigation</u></b>				
163 UTILITY ROI EXPENSE	OMF	220-460-2150-00000-400100-	\$ 17,000	\$ 17,510
164 PERMANENT SALARIES	PS	220-460-2150-00000-401000-	240,653	249,076
165 CALL OUT	PS	220-460-2150-00000-401250-	818	847
166 STAND BY	PS	220-460-2150-00000-401251-	11,662	12,070
167 OVER TIME PAY	PS	220-460-2150-00000-401300-	9,000	9,315
168 VACATION PAY OUT	PS	220-460-2150-00000-401400-	3,077	3,185
169 CELL PHONE STIPEND	PS	220-460-2150-00000-401500-	2,520	2,608
170 MEDICAL PREMIUMS	PS	220-460-2150-00000-402111-	27,253	29,024
171 HSA CONTRIBUTIONS	PS	220-460-2150-00000-402112-	3,320	3,436
172 DENTAL PREMIUMS	PS	220-460-2150-00000-402120-	1,804	1,921
173 VISION PREMIUMS	PS	220-460-2150-00000-402130-	425	453
174 DISABILITY & LIFE PREMIUMS	PS	220-460-2150-00000-402150-	462	492
175 COMMUTER INSURANCE	PS	220-460-2150-00000-402153-	30	32
176 FICA ER CONTRIBUTIONS	PS	220-460-2150-00000-402200-	16,225	17,280
177 MEDICARE ER CONTRIBUTIONS	PS	220-460-2150-00000-402210-	3,796	4,043
178 AZ ST RETIREMENT ER CONTRIB	PS	220-460-2150-00000-402300-	32,739	33,885
179 STATE UNEMPLOYMENT TAX	PS	220-460-2150-00000-402500-	525	543
180 WORKMAN'S COMPENSATION	PS	220-460-2150-00000-402600-	8,631	8,933
181 IRRIGATION REPAIRS	OMV	220-460-2150-00000-404315-	25,000	25,750
182 SHOP SUPPLIES	OMF	220-460-2150-00000-406015-	3,000	3,090
183 VEHICLES	OMF	220-460-2150-00000-407420-XX036	51,577	52,660
184 EQUIPMENT <5000	PS	220-460-2150-00000-407500-	5,000	5,175
<b>Irrigation Subtotal</b>			<b>\$ 464,517</b>	<b>\$ 481,327</b>

## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
<b><u>Water - Conservation</u></b>				
185 PERMANENT SALARIES	PS	220-460-2170-00000-401000-	\$ 179,564	\$ 185,849
186 PART-TIME STAFFING	PS	220-460-2170-00000-401100-	51,146	52,936
187 OVER TIME PAY	PS	220-460-2170-00000-401300-	250	259
188 CELL PHONE STIPEND	PS	220-460-2170-00000-401500-	585	605
189 MEDICAL PREMIUMS	PS	220-460-2170-00000-402111-	49,019	52,205
190 DENTAL PREMIUMS	PS	220-460-2170-00000-402120-	2,215	2,359
191 VISION PREMIUMS	PS	220-460-2170-00000-402130-	467	497
192 DISABILITY & LIFE PREMIUMS	PS	220-460-2170-00000-402150-	389	414
193 COMMUTER INSURANCE	PS	220-460-2170-00000-402153-	12	13
194 FICA ER CONTRIBUTIONS	PS	220-460-2170-00000-402200-	13,794	14,691
195 MEDICARE ER CONTRIBUTIONS	PS	220-460-2170-00000-402210-	3,228	3,438
196 AZ ST RETIREMENT ER CONTRIB	PS	220-460-2170-00000-402300-	27,317	28,273
197 ER DEFERRED COMPENSATION	PS	220-460-2170-00000-402350-	121	125
198 STATE UNEMPLOYMENT TAX	PS	220-460-2170-00000-402500-	1,587	1,643
199 WORKMAN'S COMPENSATION	OMF	220-460-2170-00000-402600-	1,232	1,269
200 TRAVEL/CONFERENCE/SEMINARS/TRA	OMF	220-460-2170-00000-403100-	7,700	7,931
201 DUES/MEMBERSHIP FEES	OMF	220-460-2170-00000-403200-	25,050	25,802
202 PRINTING (EXTERIOR & INTERIOR)	OMF	220-460-2170-00000-405500-	5,000	5,150
203 MARKETING	OMF	220-460-2170-00000-405600-	20,500	21,115
204 SIGNAGE	OMF	220-460-2170-00000-405800-	6,000	6,180
205 POSTAGE	OMF	220-460-2170-00000-406150-	1,500	1,545
206 MISCELLANEOUS EXPENSE	OMF	220-460-2170-00000-408000-	3,790	3,904
207 WATER CONSERVATION PROGRAM	OMF	220-460-2170-WC010-404115-	28,000	28,840
208 WATER CONSERVATION PROGRAM	OMF	220-460-2170-WC020-404115-	56,320	58,010
209 WATER CONSERVATION PROGRAM	OMF	220-460-2170-WC030-404115-	39,000	40,170
<b>Conservation Subtotal</b>			<b>\$ 523,786</b>	<b>\$ 543,222</b>

## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
<b><u>Water - Distribution</u></b>				
210 PERMANENT SALARIES	PS	220-460-2180-00000-401000-	\$ 1,721,024	\$ 1,781,260
211 CALL OUT	PS	220-460-2180-00000-401250-	128,635	133,137
212 STAND BY	PS	220-460-2180-00000-401251-	57,543	59,557
213 OVER TIME PAY	PS	220-460-2180-00000-401300-	15,000	15,525
214 VACATION PAY OUT	PS	220-460-2180-00000-401400-	7,589	7,855
215 CELL PHONE STIPEND	PS	220-460-2180-00000-401500-	6,180	6,396
216 BILINGUAL STIPEND	PS	220-460-2180-00000-401510-	2,600	2,691
217 MEDICAL OPT OUT STIPEND	PS	220-460-2180-00000-402101-	2,400	2,484
218 MEDICAL PREMIUMS	PS	220-460-2180-00000-402111-	222,646	237,118
219 HSA CONTRIBUTIONS	PS	220-460-2180-00000-402112-	21,805	22,568
220 DENTAL PREMIUMS	PS	220-460-2180-00000-402120-	12,415	13,222
221 VISION PREMIUMS	PS	220-460-2180-00000-402130-	2,854	3,040
222 DISABILITY & LIFE PREMIUMS	PS	220-460-2180-00000-402150-	3,064	3,263
223 COMMUTER INSURANCE	PS	220-460-2180-00000-402153-	146	155
224 FICA ER CONTRIBUTIONS	PS	220-460-2180-00000-402200-	116,901	124,500
225 MEDICARE ER CONTRIBUTIONS	PS	220-460-2180-00000-402210-	27,348	29,126
226 AZ ST RETIREMENT ER CONTRIB	PS	220-460-2180-00000-402300-	237,561	245,876
227 ER DEFERRED COMPENSATION	PS	220-460-2180-00000-402350-	2,925	3,027
228 STATE UNEMPLOYMENT TAX	PS	220-460-2180-00000-402500-	5,331	5,518
229 WORKMAN'S COMPENSATION	PS	220-460-2180-00000-402600-	46,719	48,354
230 PROFESSIONAL AND TECHNICAL SER	OMF	220-460-2180-00000-403005-	75,000	77,250
231 LICENSE/FEES	OMF	220-460-2180-00000-403220-	10,130	10,434

## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
232 ELECTRICITY	OMV	220-460-2180-00000-404120-	5,248,000	5,517,095
233 WATER DISTRIBUTION SYSTEM REPA	OMV	220-460-2180-00000-404314-	250,000	255,250
234 WELL SITE REPAIRS	OMV	220-460-2180-00000-404330-	725,000	740,225
235 WELL SITE OPS/MAINTENANCE	OMV	220-460-2180-00000-404331-	1,627,500	1,661,678
236 BACKFLOW - VALVE TESTING	OMF	220-460-2180-00000-404350-	3,000	3,090
237 RENTAL OF EQUIPMENT/VEHICLES	OMF	220-460-2180-00000-404420-	50,000	51,500
238 SHOP SUPPLIES	OMF	220-460-2180-00000-406015-	20,000	20,600
239 WATER DISTRIBUTION PARTS	OMF	220-460-2180-00000-406016-	500,000	515,000
240 WELDING SUPPLIES	OMF	220-460-2180-00000-406085-	10,000	10,300
241 CHEMICALS	OMV	220-460-2180-00000-406210-	600,000	635,247
242 VEHICLES	CO	220-460-2180-00000-407420-XX036	368,500	379,555
243 VEHICLES	CO	220-460-2180-00000-407420-XX048	71,656	73,806
244 CAPITAL MAINTENANCE	CO	220-460-2180-00000-407435-WA005	1,200,000	1,236,000
245 CAPITAL MAINTENANCE	CO	220-460-2180-00000-407435-WA017	1,042,361	1,073,631
246 CAPITAL MAINTENANCE	CO	220-460-2180-00000-407435-WA206	2,000,000	2,060,000
247 CAPITAL MAINTENANCE	CO	220-460-2180-00000-407435-WA252	187,500	193,125
248 CAPITAL MAINTENANCE	CO	220-460-2180-00000-407435-WA304	300,000	309,000
249 CAPITAL MAINTENANCE	CO	220-460-2180-00000-407435-WA305	7,161,824	7,376,678
250 EQUIPMENT <5000	CO	220-460-2180-00000-407500-	100,500	103,515
251 MISCELLANEOUS EXPENSE	OMF	220-460-2180-00000-408000-	11,130	11,464
252 MAJOR EQUIPMENT >10000	CO	220-460-2180-00000-407400-	102,300	105,369
<b>Distribution Subtotal</b>			<b>\$ 24,305,086</b>	<b>\$ 25,164,483</b>

## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
<b><u>Water Resources</u></b>				
253 PERMANENT SALARIES	PS	220-460-2190-00000-401000-	\$ 341,288	\$ 353,233
254 VACATION PAY OUT	PS	220-460-2190-00000-401400-	2,132	2,207
255 CELL PHONE STIPEND	PS	220-460-2190-00000-401500-	1,560	1,615
256 MEDICAL OPT OUT STIPEND	PS	220-460-2190-00000-402101-	1,200	1,242
257 MEDICAL PREMIUMS	PS	220-460-2190-00000-402111-	25,119	26,752
258 DENTAL PREMIUMS	PS	220-460-2190-00000-402120-	1,118	1,191
259 VISION PREMIUMS	PS	220-460-2190-00000-402130-	138	147
260 DISABILITY & LIFE PREMIUMS	PS	220-460-2190-00000-402150-	241	257
261 COMMUTER INSURANCE	PS	220-460-2190-00000-402153-	12	13
262 FICA ER CONTRIBUTIONS	PS	220-460-2190-00000-402200-	20,368	21,692
263 MEDICARE ER CONTRIBUTIONS	PS	220-460-2190-00000-402210-	4,765	5,075
264 AZ ST RETIREMENT ER CONTRIB	PS	220-460-2190-00000-402300-	42,331	43,813
265 STATE UNEMPLOYMENT TAX	PS	220-460-2190-00000-402500-	408	422
266 WORKMAN'S COMPENSATION	PS	220-460-2190-00000-402600-	7,469	7,730
267 LICENSE/FEES	OMF	220-460-2190-00000-403220-	487,275	501,893
268 WATER RESOURCES	OMV	220-460-2190-00000-404105-	1,214,342	1,250,772
269 TELEPHONE SERVICE	OMF	220-460-2190-00000-404150-	1,000	1,030
270 TESTING/SAMPLING	OMF	220-460-2190-00000-404270-	129,800	133,694
271 CAP IRRIGATION	OMV	220-460-2190-00000-404313-	1,736,676	1,788,776
272 PRINTING (EXTERIOR & INTERIOR)	OMF	220-460-2190-00000-405500-	3,000	3,090
273 SOFTWARE	OMF	220-460-2190-00000-407550-	20,000	20,600
274 <b>Water Resources Subtotal</b>			<b>\$ 4,040,242</b>	<b>\$ 4,165,243</b>
275 <b>Total Other Operating Expenses</b>			<b>\$ 44,863,531</b>	<b>\$ 46,533,321</b>
<b><u>Total Expenses by Category</u></b>				
276 Personal Services			\$ 10,176,814	\$ 10,579,076
277 Variable Operations & Maintenance			11,426,518	11,874,793
278 Operations & Maintenance			6,408,591	6,595,907
279 Capital Outlay			16,851,608	17,483,545
280 <b>Total Expenses</b>			<b>\$ 44,863,531</b>	<b>\$ 46,533,321</b>

## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
<b><u>Expense Execution Factors</u></b>				
281	Personal Services		95%	95%
282	Variable Operations & Maintenance		65%	65%
283	Operations & Maintenance		100%	100%
284	Capital Outlay		60%	60%
<b><u>Total Expenses at Execution</u></b>				
285	Personal Services		\$ 9,667,973	\$ 10,050,122
286	Variable Operations & Maintenance		7,427,237	7,718,615
287	Operations & Maintenance		6,408,591	6,595,907
288	Capital Outlay		10,110,965	10,490,127
289	<b>Total Expenses at Execution</b>		<b>\$ 33,614,766</b>	<b>\$ 34,854,772</b>
<b><u>Transfers Out</u></b>				
290	Interfund loan interest		\$ 948,000	\$ 948,000
291	<b>Total Transfers Out</b>		<b>\$ 948,000</b>	<b>\$ 948,000</b>
<b><u>Debt Service Paid with Operating Fund</u></b>				
292	2014 WIFA Loan Principal Expense		\$ 399,966	\$ 412,580
293	2014 WIFA Loan Interest Expense		173,955	167,131
294	2014 WIFA Loan Admin Fee Exp		157,758	151,569
295	2020 WIFA GWEC Principal Expense		1,518,795	1,548,928
296	2020 WIFA GWEC Interest Expense		251,886	244,389
297	2020 WIFA GWEC Admin Fee Exp		780,639	757,405
298	2020 WIFA Encanterra Principal Expense		225,423	229,895
299	2020 WIFA Encanterra Interest Expense		37,386	36,273
300	2020 WIFA Encanterra Admin Fee Exp		115,864	112,416
301	2020 WIFA Diversified Principal Expense		358,638	365,358
302	2020 WIFA Diversified Interest Expense		45,236	43,870
303	2020 WIFA Diversified Admin Fee Exp		181,427	175,948
304	2021 WIFA NIA Water Principal Expense		232,768	236,685

## Projection of Cash Outflows

## Schedule 4

Expense Line Item	Code	Account Number	FY 2025	FY 2026
305		2021 WIFA NIA Water Interest Expense	14,649	14,216
306		2021 WIFA NIA Water Admin Fee Exp	120,076	116,526
307		2022 BofA Refi Principal Expense	1,049,000	1,079,000
308		2022 BofA Refi Interest Expense	521,864	491,112
309		2022 WIFA CIP - Water Principal Expense	-	221,344
310		2022 WIFA CIP - Water Interest Expense	129,820	126,746
311		2022 WIFA CIP - Water Admin Fee Exp	140,195	136,874
312		2022 WIFA Cibola Water Principal Expense	-	616,597
313		2022 WIFA Cibola Water Interest Expense	440,640	430,577
314		2022 WIFA Cibola Water Admin Fee Exp	405,000	395,751
315		2014T Sub-Lien H2O Principal Expense	390,417	421,651
316		2014T Sub-Lien H2O Interest Expense	818,301	786,723
317		2014T Sub-Lien H2O Premium Int Exp	590,229	589,165
318		2021W UTILITY INTERIM LOAN 85,000,000	-	903,037
319		<b>Total Debt Service</b>	<b>\$ 9,099,931</b>	<b>\$ 10,811,767</b>
<b><u>Cash-Funded Capital</u></b>				
320		Projects Designated To Be Funded with Cash	\$ 2,087,176	\$ 2,912,000
321		<b>Total Cash-Funded Capital</b>	<b>\$ 2,087,176</b>	<b>\$ 2,912,000</b>
322		<b>Total Cash Outflows</b>	<b>\$ 45,749,873</b>	<b>\$ 49,526,539</b>

**Capital Improvement Program (CIP)****Schedule 5**

<b>Projects</b>		<b>FY 2025</b>	<b>FY 2026</b>
1	<b>Water Projects</b>		
2	Sossaman Site, Tank, & Booster C101	\$ -	\$ 17,250,000
3	Diversified Well #1 Tank & Pump Station (C105)	150,000	7,195,000
4	Diversified Well 4 (Well 0) DW4	1,500,000	3,883,750
5	Ware Farms 2 Well	1,036,153	-
6	Harvest WA202 Phase4	-	3,259,580
7	Silver Creek to Via Del Jardine & West to Sossaman Tank Ph2 (C100)	-	3,246,429
8	Ware Farms 1 Well	-	1,000,000
9	Harvest WA202 Phase3	823,444	-
10	Sossaman Rd: Via Del Jardine to Empire Chandler Hts Transmission (WA065)	27,868	7,444,632
11	Sossaman Rd; Chandler Hts to Empire	-	7,435,710
12	Stagecoach Pass Ave: Schnepf Rd to Kenworthy Rd (Transmission/Transfer) (B38)	-	1,592,500
13	Rolling Ridge: Quail Run to Sierra Vista (Transfer)	1,204,370	-
14	Bell Road Pump Station	146,352	-
15	East Park Water Infrastructure	451,656	-
16	Schnepf: Rolling Ridge to Skyline	14,706	-
17	Homeplace Lake Fill	476,700	-
18	Diversified: Upfit Well #1 (WIFA Diversified)	863,478	-

**Capital Improvement Program (CIP)****Schedule 5**

<b>Projects</b>	<b>FY 2025</b>	<b>FY 2026</b>
19 Pima Rd: Meridian to Ironwood	732,292	-
20 Home Place East Well (Wales Ranch)	901,313	503,074
21 Home Place South Well (Wales Ranch)	870,359	511,423
22 Home Place: Kenworthy to Schnepf (Transmission)	1,952,398	35,333
23 Wales Ranch Ridge/Kenworthy 1MG Tank, Boosters, & Site	3,936,755	-
24 Main Plant 1MG Tank & Booster	4,000,000	-
25 Germann Rd: Ironwood to Kenworthy	4,246,613	-
26 Kenworthy Rd: Redfern to Chandler Hts	2,813,877	-
27 Schnepf Rd Water line Germann to Main Plant	5,400,000	-
28 Schnepf Rd Water Line: Main Plant to QC Wash	5,400,000	-
<b>29 Water Subtotal</b>	<b>\$ 36,948,334</b>	<b>\$ 53,357,430</b>
<b>30 Water Resources And Reclaimed Projects</b>	-	-
31 Water Supply Acquisition	40,000,000	42,000,000
32 Water Supply Infrastructure	-	25,000,000
33 Frisbee Park Transmission Line (Queen Creek Road from Higley to Recker) ST14	-	1,239,000
34 Frisbee Park Recharge Facility	-	1,673,000
<b>35 Water Resources and Reclaimed Subtotal</b>	<b>\$ 40,000,000</b>	<b>\$ 69,912,000</b>
<b>36 Total CIP Budget (in current dollars)</b>	<b>\$ 76,948,334</b>	<b>\$ 123,269,430</b>
37 Cumulative Projected Cost Escalation <sup>1</sup>	0.0%	0.0%
<b>38 Resulting CIP Funding Level</b>	<b>\$ 76,948,334</b>	<b>\$ 123,269,430</b>
39 Annual CIP Execution Percentage	100%	100%
<b>40 Final CIP Funding Level</b>	<b>\$ 76,948,334</b>	<b>\$ 123,269,430</b>

<sup>1</sup> CIP Escalation factors are consistent with the Engineering News Record Construction Cost Index.