

DRINKING WATER BOARD
PACKET FOR CONSTRUCTION LOAN

APPLICANT'S REQUEST

Wales Town is requesting \$253,000 in financial assistance to drill, equip, and connect a new well to the existing distribution system. Total project costs are estimated to be \$266,327 and Wales is contributing \$13,327 to the project. Due to the current source capacity issues and restricted water use in Wales Town, the Town requests the Board give this application emergency status.

STAFF COMMENTS:

Wales Town has lost use of all but one well for drinking water purposes. Outdoor watering has been limited since June 2016. The Town has considered several solutions including rehabilitating an existing well and drilling a new well. Based on project economics and engineering review, the town has determined that drilling a new well will provide the best long-term solution to its source capacity issue.

The Town has a population of 302, with 116 residential connections. Based on information from the Utah State Tax commission, the 2014 MAGI for Wales is \$37,642, which is 90% of the State MAGI of \$41,923. The current average monthly water bill is calculated as \$43.04, or 1.37% of local MAGI.

Funding options for the Wales Town project are outlined in the table below. The base evaluation, a full loan at 2.04% for 20 years, resulted in an estimated average after project water bill of \$61.74, 1.97% of the local MAGI. Therefore Wales Town qualifies to be considered for additional subsidization.

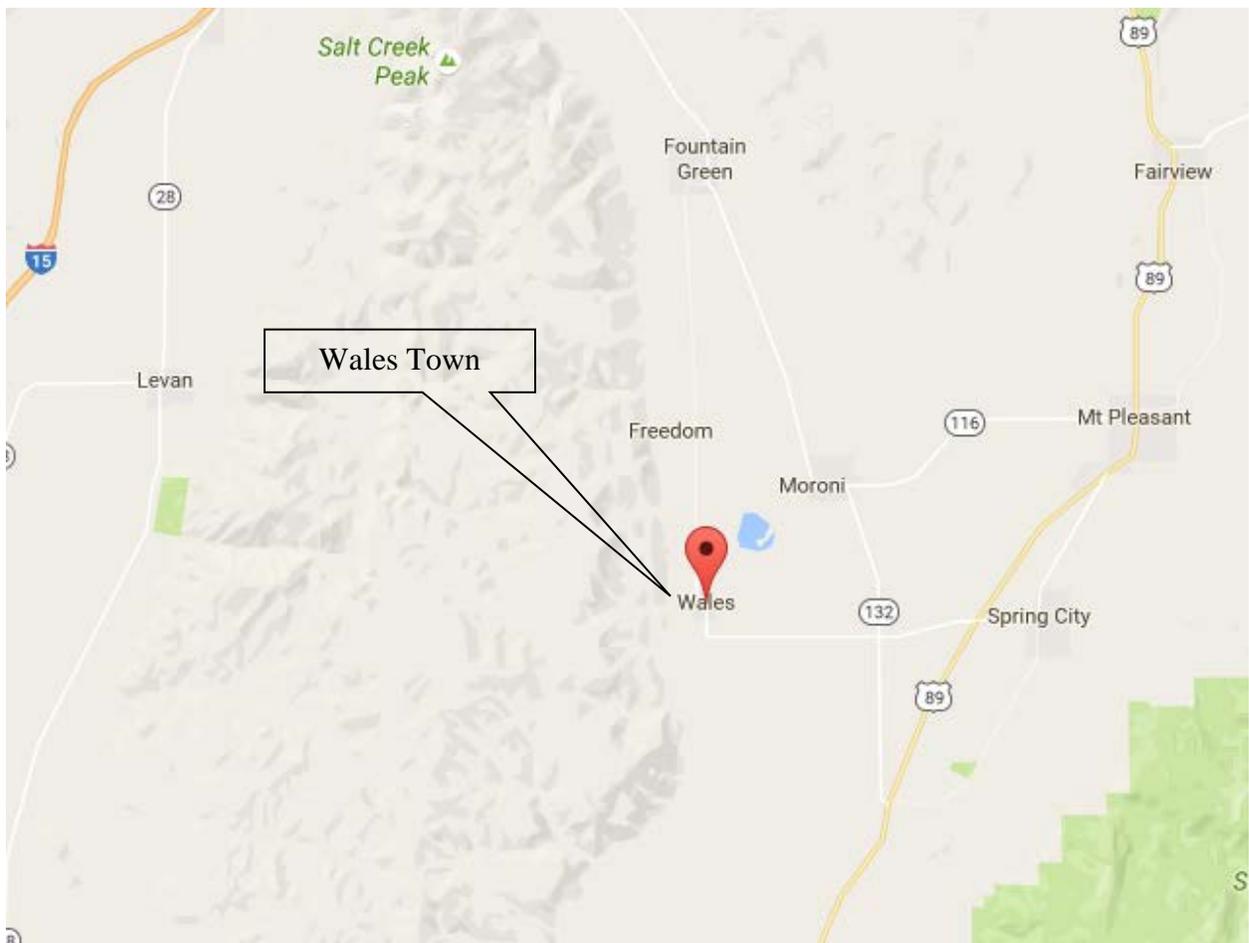
	Description	Loan Amount	Interest Rate	Term	PF Amount	Monthly Water Rate	% of Local MAGI
1	Base Evaluation	\$253,000	2.04%	20 yrs	\$0	\$61.74	1.97%
2	Reduced Interest	\$253,000	1.04%	20 yrs	\$0	\$60.54	1.93%
3	20% PF, Base Interest	\$203,000	2.04%	20 yrs	\$50,000	\$59.21	1.89%
4	50% PF, 0% Interest	\$127,000	0.00%	30 yrs	\$126,000	\$52.41	1.67%

STAFF RECOMMENDATION:

Due to the emergency nature of the request, the Financial Assistance Committee did not consider this application. Therefore staff recommends the Drinking Water Board authorize option number four; a \$253,000 construction loan at 0% interest for 30 years with \$126,000 in principal forgiveness to Wales Town to drill, equip, and connect a new well to the existing drinking water distribution system. The repayable loan amount will be \$127,000.

APPLICANT'S LOCATION:

Wales Town is located in Sanpete County, approximately 4 miles southwest of Moroni.



PROJECT DESCRIPTION:

Drilling, equipping, and connecting a new well to the existing municipal drinking water distribution system.

POPULATION GROWTH:

Population growth projections are shown in the table below.

	Year	Population	Connections
Current	2016	302	116
Projected	2035	397	140

IMPLEMENTATION SCHEDULE:

Apply to DWB for Funding:	August 2016
DWB Funding Authorization:	August 2016
Plans Submitted:	September 2016
Plan Approval:	September 2016
Advertise for Bids:	October 2016
Bid Opening:	October 2016
Loan Closing:	November 2016
Begin Construction:	November 2016
Complete Construction:	March 2017

COST ESTIMATE:

Legal and Bonding	\$10,000
Administration	\$10,000
Land Acquisition	\$20,000
Engineering – Design	\$36,227
Engineering – Construction Management	\$14,100
Construction	\$153,105
Contingency	\$22,895
Total	<u>\$266,327</u>

COST ALLOCATION:

DWB Loan (0%, 30 yrs)	\$127,000	47.7%
DWB Principal Forgiveness	\$126,000	47.3%
Applicant Contribution	\$13,327	5.0%

CONTACT INFORMATION:

APPLICANT:	Wales Town 150 North State Street HC 13 Box 4274 Wales, UT 84667 435-436-9345 wales@cut.net
PRESIDING OFFICIAL & CONTACT PERSON:	Keith Jensen, Mayor 150 North State Street HC 13 Box 4274 Wales, UT 84667 435-436-9345 wales@cut.net
TREASURER/RECORDER	Velva Lee Sherman 150 North State Street HC 13 Box 4274 Wales, UT 84667 435-436-9345 wales@cut.net
CONSULTING ENGINEER:	Robert Worley Sunrise Engineering 25 E 500 N Fillmore, UT 84631 435-743-6151 rworley@sunrise-eng.com
BOND ATTORNEY:	



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17 August 2016

Mr. Michael Grange
Division of Drinking Water
mgrange@utah.gov

RE: Drinking Water Board Funding Application for Wales Emergency Water Project

Dear Mr. Grange:

This letter is being written as background for the Wales Emergency Water Project.

The Town of Wales is in a precarious situation. They are down to only one water source and have been limited on watering outside for the past two months.

They have been considering all of the alternatives for repairing their well versus drilling a new well. After much deliberation, they have decided to abandon the plan to repair it and have chosen to drill a new well. They believe that this is the best choice for a lasting solution to their water difficulties.

The Town has requested a water master plan. They know that they have deficiencies in their water system that will require a major project which will involve the distribution system and redeveloping their well and tank.

Wales is requesting a grant/loan mix or a low interest loan for this well portion of the project. They will also have significant debt with the additional project in the near future, and they only have approximately 100 connections to work toward meeting those financial obligations.

We appreciate your consideration of this important emergency project.

Sincerely,


Doug Nielsen
Funding Specialist

DN/lmt

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Wales Town
 COUNTY: Sanpete
 PROJECT DESCRIPTION: new well

FUNDING SOURCE: Federal SRF

Staff Recommendation

50 % Loan & 50 % P.F.

ESTIMATED POPULATION:	302	NO. OF CONNECTIONS:	116 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$43.04 *			PROJECT TOTAL:	\$266,327
CURRENT % OF AGI:	1.37%	FINANCIAL PTS:	43	LOAN AMOUNT:	\$127,000
ESTIMATED MEDIAN AGI:	\$37,642			PRINC. FORGIVE.:	\$126,000
STATE AGI:	\$41,923			TOTAL REQUEST:	\$253,000
SYSTEM % OF STATE AGI:	90%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 3.06%		AFTER REPAYMENT PENALTY & POINTS 0.00%
<u>SYSTEM</u>				
ASSUMED LENGTH OF DEBT, YRS:	30	30		30
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	3.06%		0.00%
REQUIRED DEBT SERVICE:	\$4,233.33	\$6,529.80		\$4,233.33
*PARTIAL COVERAGE (15%):	\$0.00	\$0.00		\$0.00
*ADD. COVERAGE AND RESERVE (10%):	\$423.33	\$652.98		\$423.33
ANNUAL NEW DEBT PER CONNECTION:	\$40.14	\$61.92		\$40.14
O & M + FUNDED DEPRECIATION:	\$54,936.00	\$54,936.00		\$54,936.00
OTHER DEBT + COVERAGE:	\$10,000.00	\$10,000.00		\$10,000.00
REPLACEMENT RESERVE ACCOUNT:	\$3,358.47	\$3,473.29		\$3,358.47
ANNUAL EXPENSES PER CONNECTION:	\$588.75	\$589.74		\$588.75
TOTAL SYSTEM EXPENSES	\$72,951.13	\$75,592.07		\$72,951.13
TAX REVENUE:	\$0.00	\$0.00		\$0.00
<u>RESIDENCE</u>				
MONTHLY NEEDED WATER BILL:	\$52.41	\$54.30		\$52.41
% OF ADJUSTED GROSS INCOME:	1.67%	1.73%		1.67%

* Equivalent Residential Connections

R309-700-5

Wales Town
 Sanpete
 August 18, 2016

TABLE 2 FINANCIAL CONSIDERATIONS

	POINTS	
1. COST EFFECTIVENESS RATIO (SELECT ONE)		
A. Project cost \$0 to \$500 per benefitting connection	16	
B. \$501 to \$1,500	14	
C. \$1,501 to \$2,000	11	
D. \$2,001 to \$3,000	8	X
E. \$3,001 to \$5,000	4	
F. \$5,001 to \$10,000	1	
G. Over \$10,000	0	
	\$2,296	
2. CURRENT LOCAL MEDIAN ADJUSTED GROSS INCOME (AGI) (SELECT ONE)		
A. Less than 70% of State Median AGI	19	
B. 71 to 80% of State Median AGI	16	
C. 81 to 95% of State Median AGI	13	X
D. 96 to 110% of State Median AGI	9	
E. 111 to 130% of State Median AGI	6	
E. 131 to 150% of State Median AGI	3	
F. Greater than 150% of State Median AGI	0	
	90%	
3. PROJECT FUNDING CONTRIBUTED BY APPLICANT (SELECT ONE)		
a. Greater than 25% of project funds	17	
b. 15 to 25% of project funds	14	
c. 10 to 15% of project funds	11	
c. 5 to 10% of project funds	8	X
d. 2 to 5% of project funds	4	
e. Less than 2% of project funds	0	
	5.0%	
4. WATER BILL (INCLUDING TAXES) AFTER PROJECT IS BUILT RELATIVE TO LOCAL MEDIAN ADJUSTED GROSS INCOME (SELECT ONE)		
a. Greater than 2.50% of local median AGI	16	
b. 2.01 to 2.50% of local median AGI	12	
c. 1.51 to 2.00% of local median AGI	8	X
d. 1.01 to 1.50% of local median AGI	3	
e. 0 to 1.00% of local median AGI	0	
	1.67%	
5. SPECIAL INCENTIVE POINTS Applicant: (Mark all that apply)		
A. has a replacement fund receiving annual deposits of 5% of the system's drinking water budget been established, and has already accumulated a minimum of 10% of said annual DW budget in this reserve fund.	5	
B. Has a replacement fund equal to at least 15% or 20% of annual DW budget.	5	
C. Is creating or enhancing a regionalization plan	16	
D. Has a rate structure encouraging conservation	6	X
TOTAL POINTS FOR FINANCIAL NEED	43	
TOTAL POSSIBLE POINTS FOR FINANCIAL NEED	100	

Wales Town

PROPOSED BOND REPAYMENT SCHEDULE

50 % Loan & 50 % P.F.

PRINCIPAL	\$127,000.00	ANTICIPATED CLOSING DATE	15-Oct-16
INTEREST	0.00%	FIRST P&I PAYMENT DUE	15-Oct-17
TERM	30	REVENUE BOND	
NOMIN. PAYMENT	\$4,233.33	PRINC. FORGIVE.:	\$126,000.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2016	\$127,000.00		\$0.00 *	\$0.00	\$0.00	\$127,000.00	0
2017	\$127,000.00		\$4,000.00	\$4,000.00	\$0.00	\$123,000.00	1
2018	\$123,000.00		\$4,000.00	\$4,000.00	\$0.00	\$119,000.00	2
2019	\$119,000.00		\$4,000.00	\$4,000.00	\$0.00	\$115,000.00	3
2020	\$115,000.00		\$4,000.00	\$4,000.00	\$0.00	\$111,000.00	4
2021	\$111,000.00		\$4,000.00	\$4,000.00	\$0.00	\$107,000.00	5
2022	\$107,000.00		\$4,000.00	\$4,000.00	\$0.00	\$103,000.00	6
2023	\$103,000.00		\$4,000.00	\$4,000.00	\$0.00	\$99,000.00	7
2024	\$99,000.00		\$4,000.00	\$4,000.00	\$0.00	\$95,000.00	8
2025	\$95,000.00		\$4,000.00	\$4,000.00	\$0.00	\$91,000.00	9
2026	\$91,000.00		\$4,000.00	\$4,000.00	\$0.00	\$87,000.00	10
2027	\$87,000.00		\$4,000.00	\$4,000.00	\$0.00	\$83,000.00	11
2028	\$83,000.00		\$4,000.00	\$4,000.00	\$0.00	\$79,000.00	12
2029	\$79,000.00		\$4,000.00	\$4,000.00	\$0.00	\$75,000.00	13
2030	\$75,000.00		\$4,000.00	\$4,000.00	\$0.00	\$71,000.00	14
2031	\$71,000.00		\$4,000.00	\$4,000.00	\$0.00	\$67,000.00	15
2032	\$67,000.00		\$4,000.00	\$4,000.00	\$0.00	\$63,000.00	16
2033	\$63,000.00		\$5,000.00	\$5,000.00	\$0.00	\$58,000.00	17
2034	\$58,000.00		\$4,000.00	\$4,000.00	\$0.00	\$54,000.00	18
2035	\$54,000.00		\$5,000.00	\$5,000.00	\$0.00	\$49,000.00	19
2036	\$49,000.00		\$4,000.00	\$4,000.00	\$0.00	\$45,000.00	20
2037	\$45,000.00		\$5,000.00	\$5,000.00	\$0.00	\$40,000.00	21
2038	\$40,000.00		\$4,000.00	\$4,000.00	\$0.00	\$36,000.00	22
2039	\$36,000.00		\$5,000.00	\$5,000.00	\$0.00	\$31,000.00	23
2040	\$31,000.00		\$4,000.00	\$4,000.00	\$0.00	\$27,000.00	24
2041	\$27,000.00		\$5,000.00	\$5,000.00	\$0.00	\$22,000.00	25
2042	\$22,000.00		\$4,000.00	\$4,000.00	\$0.00	\$18,000.00	26
2043	\$18,000.00		\$5,000.00	\$5,000.00	\$0.00	\$13,000.00	27
2044	\$13,000.00		\$4,000.00	\$4,000.00	\$0.00	\$9,000.00	28
2045	\$9,000.00		\$5,000.00	\$5,000.00	\$0.00	\$4,000.00	29
2046	\$4,000.00		\$4,000.00	\$4,000.00	\$0.00	\$0.00	30
			\$127,000.00	\$127,000.00	\$0.00		

*Interest Only Payment

Wales Town

DWB Loan Terms

Local Share (total):	\$	13,327
Other Agency Funding:	\$	-
DWB Grant Amount:	\$	126,000
DWB Loan Amount:	\$	127,000
DWB Loan Term:		30
DWB Loan Interest:		0.00%
DWB Loan Payment:	\$	4,233

DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$	267,597
Existing Facility O&M Expense:	\$	54,936
Proposed Facility O&M Expense:	\$	54,936
O&M Inflation Factor:		1.0%
Existing Debt Service:	\$	8,000

DW Revenue Sources (Projected)

Beginning Cash:	\$	-
Existing Customers (ERC):		116
Projected Growth Rate:		1.0%
Impact Fee/Connection Fee:	\$	7,329
Current Monthly User Charge:	\$	43.04
Needed Average Monthly User Charge:	\$	52.41

DW Revenue Projections

Yr	Growth Rate (%)	Annual Growth (ERC)	Total Users (ERC)	User Charge Revenue	Impact Fee Revenue	Property Tax Revenue	Total Revenue	DWB Loan Repayment	DWB Loan Reserves	Remaining Principal	Principal Payment	Interest Payment	Existing DW Debt Service	O&M Expenses	Total Expenses	Debt Service Ratio
0	1.0%	1	116	59,912	7,329	-	67,241	-	-	127,000	-	-	8,000	54,936	62,936	-
1	1.0%	1	117	73,580	7,329	-	80,909	4,000	423	123,000	4,000	-	8,000	54,936	67,359	2.16
2	1.0%	1	118	74,209	7,329	-	81,538	4,000	423	119,000	4,000	-	8,000	55,485	67,909	2.17
3	1.0%	2	120	75,467	14,658	-	90,125	4,000	423	115,000	4,000	-	8,000	56,040	68,464	2.84
4	1.0%	1	121	76,096	7,329	-	83,425	4,000	423	111,000	4,000	-	8,000	56,601	69,024	2.24
5	1.0%	1	122	76,724	7,329	-	84,053	4,000	423	107,000	4,000	-	8,000	57,167	69,590	2.24
6	1.0%	1	123	77,353	7,329	-	84,682	4,000	423	103,000	4,000	-	8,000	57,738	70,162	2.25
7	1.0%	1	124	77,982	7,329	-	85,311	4,000	423	99,000	4,000	-	8,000	58,316	70,739	2.25
8	1.0%	2	126	79,240	14,658	-	93,898	4,000	423	95,000	4,000	-	8,000	58,899	71,322	2.92
9	1.0%	1	127	79,869	7,329	-	87,198	4,000	423	91,000	4,000	-	8,000	59,488	71,911	2.31
10	1.0%	1	128	80,498	7,329	-	87,827	4,000	423	87,000	4,000	-	8,000	60,083	72,506	2.31
11	1.0%	1	129	81,127	7,329	-	88,456	4,000		83,000	4,000	-	8,000	60,684	72,684	2.31
12	1.0%	2	131	82,384	14,658	-	97,042	4,000		79,000	4,000	-	8,000	61,290	73,290	2.98
13	1.0%	1	132	83,013	7,329	-	90,342	4,000		75,000	4,000	-	8,000	61,903	73,903	2.37
14	1.0%	1	133	83,642	7,329	-	90,971	4,000		71,000	4,000	-	8,000	62,522	74,522	2.37
15	1.0%	2	135	84,900	14,658	-	99,558	4,000		67,000	4,000	-	8,000	63,148	75,148	3.03
16	1.0%	1	136	85,529	7,329	-	92,858	4,000		63,000	4,000	-	8,000	63,779	75,779	2.42
17	1.0%	1	137	86,158	7,329	-	93,487	5,000		58,000	5,000	-	8,000	64,417	77,417	2.24
18	1.0%	2	139	87,416	14,658	-	102,074	4,000		54,000	4,000	-	8,000	65,061	77,061	3.08
19	1.0%	1	140	88,044	7,329	-	95,373	5,000		49,000	5,000	-	8,000	65,712	78,712	2.28
20	1.0%	2	142	89,302	14,658	-	103,960	4,000		45,000	4,000	-	8,000	66,369	78,369	3.13
21	1.0%	1	143	89,931	7,329	-	97,260	5,000		40,000	5,000	-	8,000	67,032	80,032	2.33
22	1.0%	1	144	90,560	7,329	-	97,889	4,000		36,000	4,000	-	8,000	67,703	79,703	2.52
23	1.0%	2	146	91,818	14,658	-	106,476	5,000		31,000	5,000	-	8,000	68,380	81,380	2.93
24	1.0%	1	147	92,447	7,329	-	99,776	4,000		27,000	4,000	-	8,000	69,064	81,064	2.56
25	1.0%	2	149	93,704	14,658	-	108,362	5,000		22,000	5,000	-	8,000	69,754	82,754	2.97
26	1.0%	1	150	94,333	7,329	-	101,662	4,000		18,000	4,000	-	8,000	70,452	82,452	2.60
27	1.0%	2	152	95,591	14,658	-	110,249	5,000		13,000	5,000	-	8,000	71,156	84,156	3.01
28	1.0%	1	153	96,220	7,329	-	103,549	4,000		9,000	4,000	-	8,000	71,868	83,868	2.64
29	1.0%	2	155	97,478	14,658	-	112,136	5,000		4,000	5,000	-	8,000	72,586	85,586	3.04
30	1.0%	1	156	98,107	7,329	-	105,436	4,000		-	4,000	-	8,000	73,312	85,312	2.68

Total Paid in Debt Service = 127,000

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Wales Town
 COUNTY: Sanpete
 PROJECT DESCRIPTION: new well

FUNDING SOURCE: Federal SRF

100 % Loan & 0 % P.F.

ESTIMATED POPULATION:	302	NO. OF CONNECTIONS:	116 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$43.04 *	FINANCIAL PTS:	43	PROJECT TOTAL:	\$266,327
CURRENT % OF AGI:	1.37%			LOAN AMOUNT:	\$253,000
ESTIMATED MEDIAN AGI:	\$37,642			PRINC. FORGIVE.:	\$0
STATE AGI:	\$41,923			TOTAL REQUEST:	\$253,000
SYSTEM % OF STATE AGI:	90%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 3.06%		AFTER REPAYMENT PENALTY & POINTS 2.04%
<u>SYSTEM</u>				
ASSUMED LENGTH OF DEBT, YRS:	20	20		20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	3.06%		2.04%
REQUIRED DEBT SERVICE:	\$12,650.00	\$17,100.05		\$15,532.44
*PARTIAL COVERAGE (15%):	\$0.00	\$0.00		\$0.00
*ADD. COVERAGE AND RESERVE (10%):	\$1,265.00	\$1,710.00		\$1,553.24
ANNUAL NEW DEBT PER CONNECTION:	\$119.96	\$162.16		\$147.29
O & M + FUNDED DEPRECIATION:	\$54,936.00	\$54,936.00		\$54,936.00
OTHER DEBT + COVERAGE:	\$10,000.00	\$10,000.00		\$10,000.00
REPLACEMENT RESERVE ACCOUNT:	\$3,779.30	\$4,001.80		\$3,923.42
ANNUAL EXPENSES PER CONNECTION:	\$592.37	\$594.29		\$593.62
TOTAL SYSTEM EXPENSES	\$82,630.30	\$87,747.86		\$85,945.11
TAX REVENUE:	\$0.00	\$0.00		\$0.00
<u>RESIDENCE</u>				
MONTHLY NEEDED WATER BILL:	\$59.36	\$63.04		\$61.74
% OF ADJUSTED GROSS INCOME:	1.89%	2.01%		1.97%

* Equivalent Residential Connections

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Wales Town
 COUNTY: Sanpete
 PROJECT DESCRIPTION: new well

FUNDING SOURCE: Federal SRF

100 % Loan & 0 % P.F.

ESTIMATED POPULATION:	302	NO. OF CONNECTIONS:	116 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$43.04 *			PROJECT TOTAL:	\$266,327
CURRENT % OF AGI:	1.37%	FINANCIAL PTS:	43	LOAN AMOUNT:	\$253,000
ESTIMATED MEDIAN AGI:	\$37,642			PRINC. FORGIVE.:	\$0
STATE AGI:	\$41,923			TOTAL REQUEST:	\$253,000
SYSTEM % OF STATE AGI:	90%				

	@ ZERO % RATE	@ RBBI MKT RATE		AFTER REPAYMENT PENALTY & POINTS
SYSTEM	0%	3.06%		1.04%
ASSUMED LENGTH OF DEBT, YRS:	20	20		20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	3.06%		1.04%
REQUIRED DEBT SERVICE:	\$12,650.00	\$17,100.05		\$14,076.61
*PARTIAL COVERAGE (15%):	\$0.00	\$0.00		\$0.00
*ADD. COVERAGE AND RESERVE (10%):	\$1,265.00	\$1,710.00		\$1,407.66
ANNUAL NEW DEBT PER CONNECTION:	\$119.96	\$162.16		\$133.49
O & M + FUNDED DEPRECIATION:	\$54,936.00	\$54,936.00		\$54,936.00
OTHER DEBT + COVERAGE:	\$10,000.00	\$10,000.00		\$10,000.00
REPLACEMENT RESERVE ACCOUNT:	\$3,779.30	\$4,001.80		\$3,850.63
ANNUAL EXPENSES PER CONNECTION:	\$592.37	\$594.29		\$592.99
TOTAL SYSTEM EXPENSES	\$82,630.30	\$87,747.86		\$84,270.90
TAX REVENUE:	\$0.00	\$0.00		\$0.00
RESIDENCE				
MONTHLY NEEDED WATER BILL:	\$59.36	\$63.04		\$60.54
% OF ADJUSTED GROSS INCOME:	1.89%	2.01%		1.93%

* Equivalent Residential Connections

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Wales Town
 COUNTY: Sanpete
 PROJECT DESCRIPTION: new well

FUNDING SOURCE: Federal SRF

80 % Loan & 20 % P.F.

ESTIMATED POPULATION:	302	NO. OF CONNECTIONS:	116 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$43.04 *			PROJECT TOTAL:	\$266,327
CURRENT % OF AGI:	1.37%	FINANCIAL PTS:	43	LOAN AMOUNT:	\$203,000
ESTIMATED MEDIAN AGI:	\$37,642			PRINC. FORGIVE.:	\$50,000
STATE AGI:	\$41,923			TOTAL REQUEST:	\$253,000
SYSTEM % OF STATE AGI:	90%				

	@ ZERO % RATE	@ RBBI MKT RATE		AFTER REPAYMENT PENALTY & POINTS
<u>SYSTEM</u>	0%	3.06%		2.04%
ASSUMED LENGTH OF DEBT, YRS:	20	20		20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	3.06%		2.04%
REQUIRED DEBT SERVICE:	\$10,150.00	\$13,720.59		\$12,462.79
*PARTIAL COVERAGE (15%):	\$0.00	\$0.00		\$0.00
*ADD. COVERAGE AND RESERVE (10%):	\$1,015.00	\$1,372.06		\$1,246.28
ANNUAL NEW DEBT PER CONNECTION:	\$96.25	\$130.11		\$118.18
O & M + FUNDED DEPRECIATION:	\$54,936.00	\$54,936.00		\$54,936.00
OTHER DEBT + COVERAGE:	\$10,000.00	\$10,000.00		\$10,000.00
REPLACEMENT RESERVE ACCOUNT:	\$3,654.30	\$3,832.83		\$3,769.94
ANNUAL EXPENSES PER CONNECTION:	\$591.30	\$592.83		\$592.29
TOTAL SYSTEM EXPENSES	\$79,755.30	\$83,861.48		\$82,415.01
TAX REVENUE:	\$0.00	\$0.00		\$0.00
<u>RESIDENCE</u>				
MONTHLY NEEDED WATER BILL:	\$57.30	\$60.25		\$59.21
% OF ADJUSTED GROSS INCOME:	1.83%	1.92%		1.89%

* Equivalent Residential Connections