

6 Funding Plan

Funding Plan for the Operating Budget

Rates

Currently, MPW has adopted a 5% volumetric rate increase for FY 2008 as part of a three year rate increase. FY 2008 is the last year of the three year rate increase.

This rate increase was predicated on debt funding major projects such as Center Street Wastewater Treatment Plan improvements.

The projections in the funding plan presented herein include a 5% increase in Basic Facility Charges and Volumetric rates for the next four years. The rate increase would take effect July 1, 2007.

Debt Funding

The debt funding for Center Street WTP is scheduled at \$12,500,000 in FY 2011.

Funding Plan for the Capital Budget

Impact Fees

Impact fees are currently \$1,868 for water and \$2,863 for wastewater for a total of \$4,731 per REU.

Under the scenario presented here in, impact fees would be \$2,000 for water and \$4,500 for wastewater for a total of \$6,500 per REU. Impact fee increases would take effect January 1, 2008.

Debt Funding

The debt funding for the major water projects would include a total of \$20,000,000 through 2014 as follows:

Year	\$
2008	\$6,000,000
2010	\$7,000,000
2014	\$6,000,000

The debt funding for the major wastewater projects would include a total of \$35,000,000 through 2011 as follows:

Year	\$
2010	\$18,000,000
2011	\$17,000,000

Current Debt	\$ 76,428,000
Recommended Debt	\$ 66,500,000
Total Debt	\$142,928,000

Debt per customer	\$2,400 in 2008
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