

**Taylor's Fire Sewer District
5 Year Projection**

	District				
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Ordinary Income/Expense					
Income					
4001 · TAXES	\$ 5,431,000	\$ 5,593,930	\$ 5,761,750	\$ 5,934,610	\$ 6,112,650
4002 · FEES	419,500	419,500	479,500	479,500	539,500
4003 · INTEREST	28,000	28,000	28,000	28,000	28,000
4004 · OTHER- INCOME	15,000	15,000	15,000	15,000	15,000
Total Income	5,893,500	6,056,430	6,284,250	6,457,110	6,695,150
Direct Costs					
5100 · PERSONNEL	4,231,895	4,443,490	4,665,670	4,898,960	5,143,900
5200 · TRAINING/CERTIFICATION	66,120	68,100	70,140	72,240	74,400
5300 · SAFETY	58,280	60,040	61,850	63,710	65,620
5400 · MAINTENANCE	965,590	994,560	1,024,400	1,055,120	1,086,770
5500 · District Expenses- Shared	-	-	-	-	-
Total Direct Costs	5,321,885	5,566,190	5,822,060	6,090,030	6,370,690
Gross Profit	571,615	490,240	462,190	367,080	324,460
Indirect Costs					
6100 · EMPLOYEE RELATIONS	1,860	1,920	1,980	2,040	2,100
6200 · COMMUNITY RELATIONS	10,600	10,920	11,250	11,590	11,940
6300 · GENERAL INSURANCE	44,700	46,040	47,420	48,850	50,320
6400 · ADMINISTRATIVE EXPENSE	76,240	78,530	80,890	83,320	85,820
6500 · OCCUPANCY	133,105	138,430	143,970	149,730	155,720
6600 · COMMISSIONERS	10,530	10,530	10,530	10,530	10,530
6800 · Lease Payments	299,580	192,498	158,905	162,313	165,598
6900 · OTHER	10,000	10,000	10,000	10,000	10,000
Total Indirect Costs	586,615	488,868	464,945	478,373	492,028
Net Ordinary Income	(15,000)	1,372	(2,755)	(111,293)	(167,568)
Other Income/Expense					
Other Income					
Appropriated Fund Balance	636,880	302,028	304,127	410,637	469,884
Bond Proceeds	-	-	-	-	-
Grants Received	450,000	-	-	-	-
Insurance Proceeds	-	-	-	-	-
Interfund Transfers	-	-	-	-	-
Total Other Income	1,086,880	302,028	304,127	410,637	469,884
Other Expense					
Excess to Fund Balance	-	-	-	-	-
Grants Expended	505,000	-	-	-	-
7100 · Capital Expenditures	476,450	215,000	215,000	215,000	215,000
8000 · Debt Service Fund	65,000	65,000	65,000	65,000	70,000
9025 · Bond Interest Payment	25,430	23,400	21,372	19,344	17,316
Total Other Expense	1,071,880	303,400	301,372	299,344	302,316
Net Other Income	15,000	(1,372)	2,755	111,293	167,568
Net Income	\$ -	\$ -	\$ -	\$ -	\$ -

**Taylor's Fire Sewer District
5 Year Projection**

	Sewer				
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Ordinary Income/Expense					
Income					
4001 · TAXES	\$ 1,465,000	\$ 1,508,950	\$ 1,554,220	\$ 1,600,850	\$ 1,648,880
4002 · FEES	417,000	417,000	477,000	477,000	537,000
4003 · INTEREST	15,000	15,000	15,000	15,000	15,000
4004 · OTHER- INCOME	-	-	-	-	-
Total Income	1,897,000	1,940,950	2,046,220	2,092,850	2,200,880
Direct Costs					
5100 · PERSONNEL	773,720	812,410	853,030	895,680	940,460
5200 · TRAINING/CERTIFICATION	22,900	23,590	24,300	25,030	25,780
5300 · SAFETY	12,500	12,880	13,270	13,670	14,080
5400 · MAINTENANCE	761,130	783,960	807,480	831,700	856,650
5500 · District Expenses- Shared	384,215	264,170	275,880	288,050	300,730
Total Direct Costs	1,954,465	1,897,010	1,973,960	2,054,130	2,137,700
Gross Profit	(57,465)	43,940	72,260	38,720	63,180
Indirect Costs					
6100 · EMPLOYEE RELATIONS	960	990	1,020	1,050	1,080
6200 · COMMUNITY RELATIONS	-	-	-	-	-
6300 · GENERAL INSURANCE	24,100	24,820	25,560	26,330	27,120
6400 · ADMINISTRATIVE EXPENSE	21,260	21,900	22,560	23,240	23,940
6500 · OCCUPANCY	39,545	41,130	42,780	44,490	46,270
6600 · COMMISSIONERS	-	-	-	-	-
6800 · Lease Payments	104,700	-	-	-	-
6900 · OTHER	-	-	-	-	-
Total Indirect Costs	190,565	88,840	91,920	95,110	98,410
Net Ordinary Income	(248,030)	(44,900)	(19,660)	(56,390)	(35,230)
Other Income/Expense					
Other Income					
Appropriated Fund Balance	461,460	283,300	256,032	290,734	272,546
Bond Proceeds	-	-	-	-	-
Grants Received	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-
Interfund Transfers	(90,430)	(88,400)	(86,372)	(84,344)	(87,316)
Total Other Income	371,030	194,900	169,660	206,390	185,230
Other Expense					
Excess to Fund Balance	-	-	-	-	-
Grants Expended	-	-	-	-	-
7100 · Capital Expenditures	123,000	150,000	150,000	150,000	150,000
8000 · Debt Service Fund	-	-	-	-	-
9025 · Bond Interest Payment	-	-	-	-	-
Total Other Expense	123,000	150,000	150,000	150,000	150,000
Net Other Income	248,030	44,900	19,660	56,390	35,230
Net Income	\$ -	\$ -	\$ -	\$ -	\$ -

Taylor's Fire and Sewer District
Assumptions for a 5-Year Financial Projection

The 5-year financial projection for Taylor's Fire and Sewer District is built on the following assumptions by management of the District:

- It is assumed that no major operational changes (new fire stations, changes in sewer intergovernmental agreements, regulations or governing statutes, etc.) occur in the next five years. Also note that the projection does not include any capital expenditures or debt service for the Mill Hill project.
- The recently approved General Fund budget for Fiscal Year 2015 (FY 2015) as assumed for Year 1 of the projection, and is the baseline for the next 4 years.
- Property taxes have increased over the last three years by 4-5%. This increase could be attributed to the economy as a whole stabilizing (increases in receipts from automobile taxes and delinquent tax payments). To be conservative, we are assuming a 3% increase in property taxes during the 5 year projection, and which is generally consistent with the annual millage rate increase limitations imposed by state law.
- Fee income has remained relatively stable over the last three years. During the FY 2015 budget process, the Commission approved an increase in the sewer user fee to help offset the debt service costs of the Mill Hill rehabilitation project. During the 5 year projection, we are projecting a small increase in these fees every two years.
- Personnel costs include salaries and wages, payroll taxes, benefits and contract labor. To be conservative, we are assuming an annual 5% increase due to rising healthcare costs.
- Occupancy expense is primarily composed of utilities. When reviewing the consumer price index, these items have been increasing 4-5%. The 5 year projection is assuming that these expenses will increase 4% annually.
- Lease payments are based off of the amortization schedules for existing debt. We are assuming that no additional debt will be issued during this time.
- Due to the nature of capital expenditures, they can fluctuate significantly from year to year. The 5 year projection includes those items specifically budgeted for FY 2015 and then an expenditure amount equal to a historical 3-year average for each of the next 4 years.
- All other operating and overhead expense items are expected to remain stable, increased by a simple consideration for inflation, at an annual rate of 3%.