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SEWER COLLECTION RATE UPDATE

INTRODUCTION

Ivins City (City) has retained Bowen Collins & Associates (BC&A) to conduct and document a rate study for the City's sewer collection system in connection with the recently completed sewer master plan and impact fee study. The rate updates are part of Ivin's ongoing efforts to manage the cost of its system and keep user rates up to date, manageable, and equitable.

The City's primary objectives for its sewer rate policies should focus on:

- Maintaining reliable sewer service at affordable prices for customers;
- Maintaining stable revenue generation adequate to fund system needs; and
- Minimizing the City's long-term costs by limiting debt where possible.

The purpose of this report is to document the sewer rate study and provide recommendations regarding updates to the City's user rates. The updates are intended to become effective July 2026.

REVENUE REQUIREMENTS

The Ivins City sewer fund is a self-funding enterprise. This means that funding requirements are defined by the amount of revenue needed to fund expected expenses. The City's responsibility is to balance maintaining reasonable rates for their customers, while also budgeting responsibly to build, operate, and maintain the sewer system. This includes day-to-day operations and administration, replacing or rehabilitating the existing system when necessary (or budgeting for when those projects will be needed in the future), and planning for growth to ensure any new sewer infrastructure meets the City's standards and benefits customers.

Working with City staff, BC&A identified both recent historical and projected sewer system revenue and expenditures (Figure 1). After discussing with City staff, BC&A treated the St. George treatment fee and subsequent revenue from customers as pass-through (i.e. assumed that expenses for treatment matched revenue exactly and therefore removed it from both the total expense and total revenue). Therefore, the discussion and figures within this report are specific to the City's portion of expenses and revenues. The following conclusions can be made based on this figure:

- **Projected Expenditures** – Recent historical revenues have been higher than observed expenditures in the sewer system through fiscal year 2025. In an effort to reduce debt and also maintain manageable rates for customers, the City strategically increased their reserve fund balance over the last several years to pay for planned capital expenses. However, expenses are expected to exceed revenues in the next several years for several reasons, including the following:
    - **Capital Expenditures** – There are multiple capital construction projects planned for the next five years. A complete list of these projects with their associated cost and expected years of construction is included in Appendix A of this report and Chapter 7 of the 2025 Sewer Master Plan. These projects were included in this rate study to ensure the City is budgeting and planning appropriately for these upcoming expenditures. Note that all capital construction projects included in the master plan are expected to be eligible to be paid for (at least in part) using restricted funds (e.g. impact fees).

- **Rehabilitation and Replacement** – It is important that all municipalities budget for system rehabilitation and replacement (R&R) costs. Included in Figure 1 is an estimate of the recommended level of investment the City should make in its system annually. This is calculated based on the estimated cost to rehabilitate or replace existing infrastructure and its expected design life*. In addition to planned capital projects, projected expenses for rehabilitation and replacement were included in the rate study. Note that these R&R funds may be spent in the year they are collected, or they may be placed in the City's cash reserve fund to be spent on future projects. City personnel decided to begin funding their R&R investment beginning in fiscal year 2031 to ensure adequate cash flow in the near term. The expected annual R&R fund transitions from $508,000 to $883,000 annually between FY2031 and FY2036.
- **Inflation** – Over the last several years, the City has seen significant increases in cost as a result of inflation. This affects nearly all budget categories of the City including operation & maintenance costs and capital costs. Projected system costs have been increased at a 3% annual rate to reflect the impact of inflation on expenses.

- **Projected Revenues** – If existing rates remain unchanged and expenses continue as expected, the City's sewer Reserve & Replacement Fund would completely run out of money by fiscal year 2028 (Figure 2). Immediate revenue increases are needed to fund planned capital projects for sewer system growth and maintenance. The City should also plan to acquire funds through bonding to fund short-term planned expenditures.

* The minimum level of funding shown in Figure 1 assumes a design life of 80-years for pipes and 40-years for lift stations. This also assumes that 50% of infrastructure can be rehabilitated, and 50% will need to be replaced at the end of its design life. See the 2025 Sewer Master Plan (Chapter 7) for full calculations.

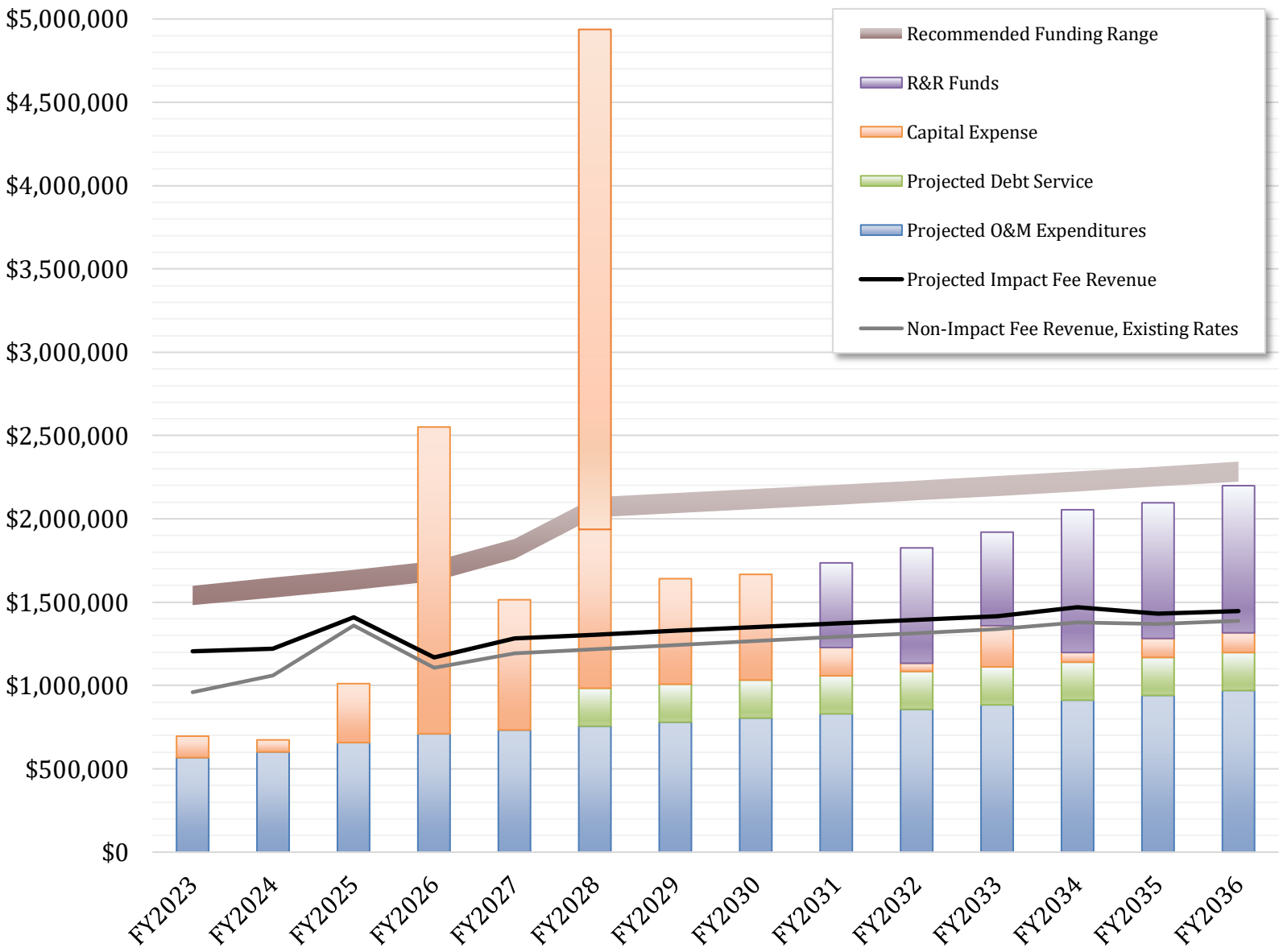
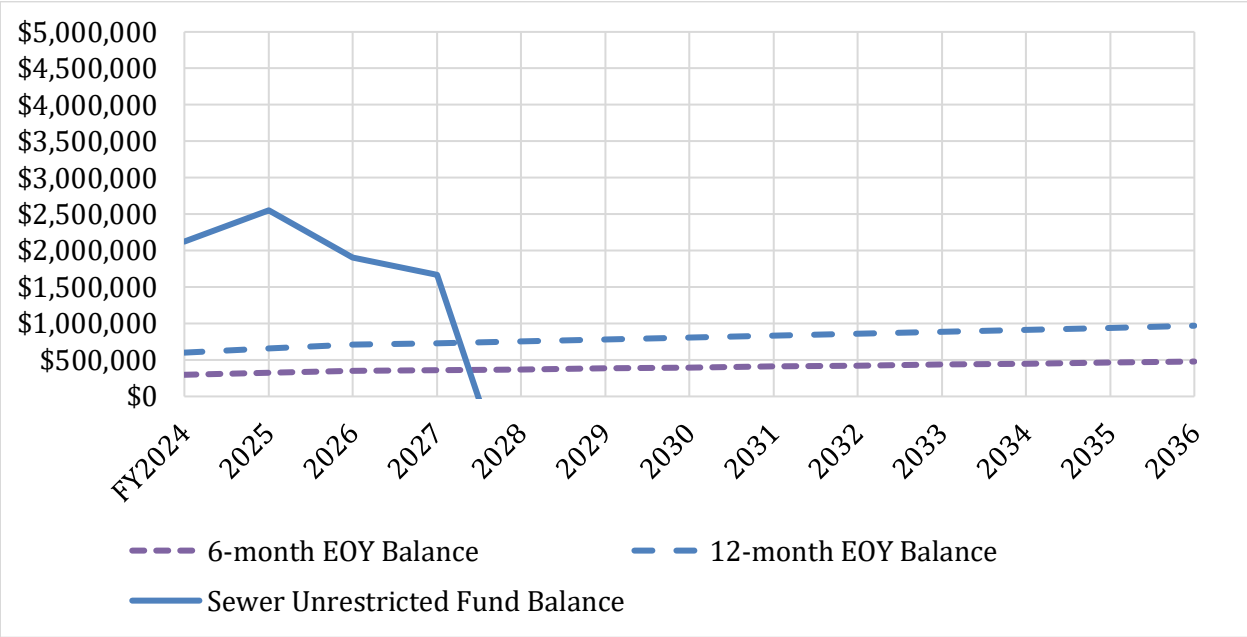


Figure 1 – Revenue Projections with No Rate Adjustments



[1]Dashed lines on chart represent a reserve fund balance that can cover 6-months of O&M and 12-months of O&M, respectively.

Figure 2 – Reserve Fund Balance with No Rate Adjustment

Revenue Alternatives and Recommendations

BC&A considered multiple revenue increase alternatives, each of which provided the City with an adequate revenue stream to cover planned expenditures in the next 10 years. After discussing these alternatives with City staff, BC&A recommends implementing revenue increases summarized in Table 1. These recommended increases will ensure the City keeps their portion of sewer rates at a level to sustainably maintain their infrastructure. This strategy avoids large annual changes to the City's conveyance portion of customer bills and minimizes the amount of bonding needed for short-term expenditures.

Figure 3 shows projected revenues if these recommendations are implemented by July 2025, and Figure 4 shows the projected reserve fund balance with the proposed revenues. Note that rate increases associated with the St George treatment rates may occur before or concurrently with updates to the recommended collection rates.

Table 1
Recommended Rate Revenue Increases

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Recommended % Rate Revenue Increases	5.0%	5.0%	5.0%	5.0%	5.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Recommended Bonding	$0	$0	$3 million	$0	$0	$0	$0	$0	$0	$0

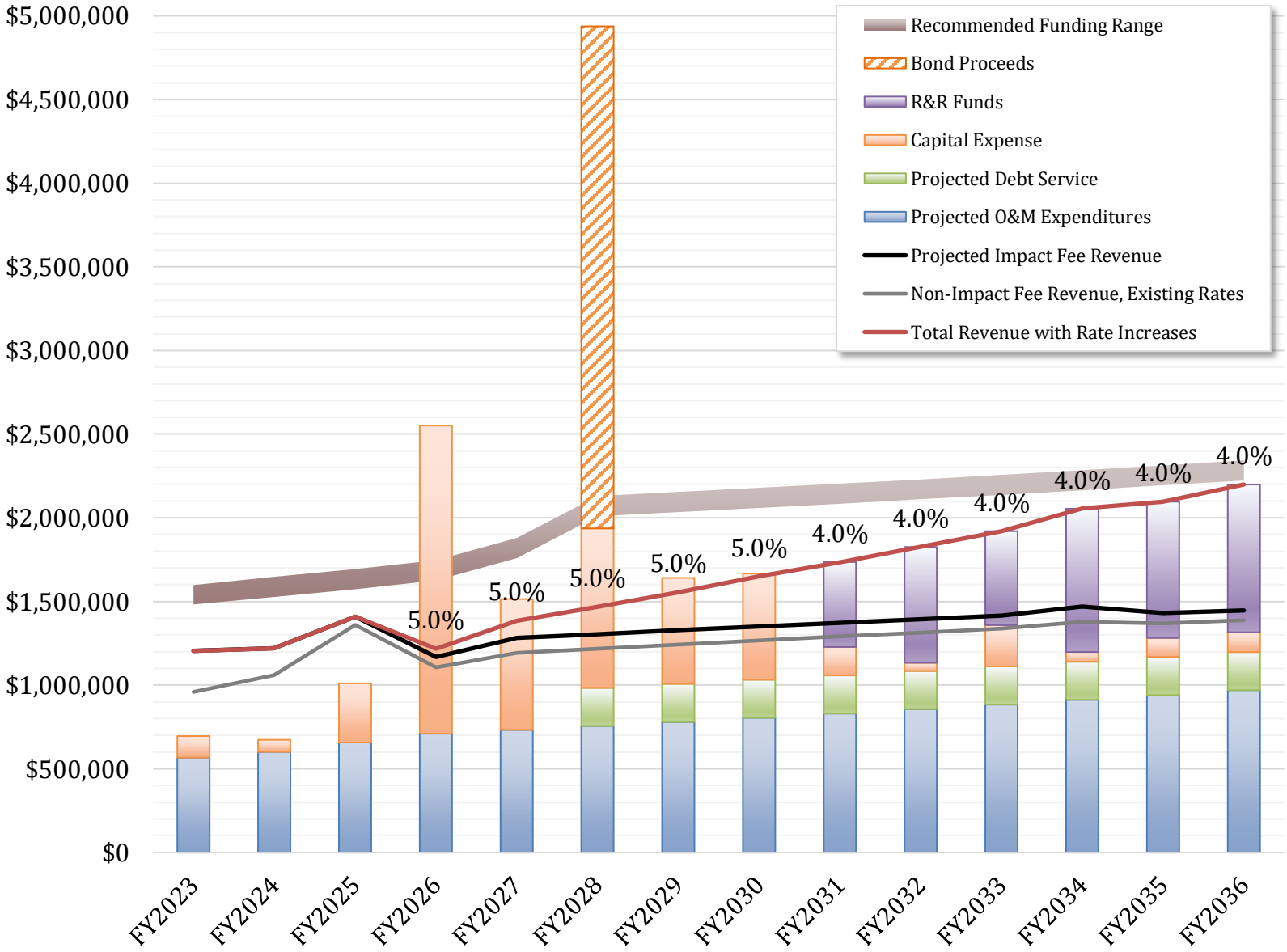


Figure 3 – Revenues with Recommended Sewer Rate Adjustments

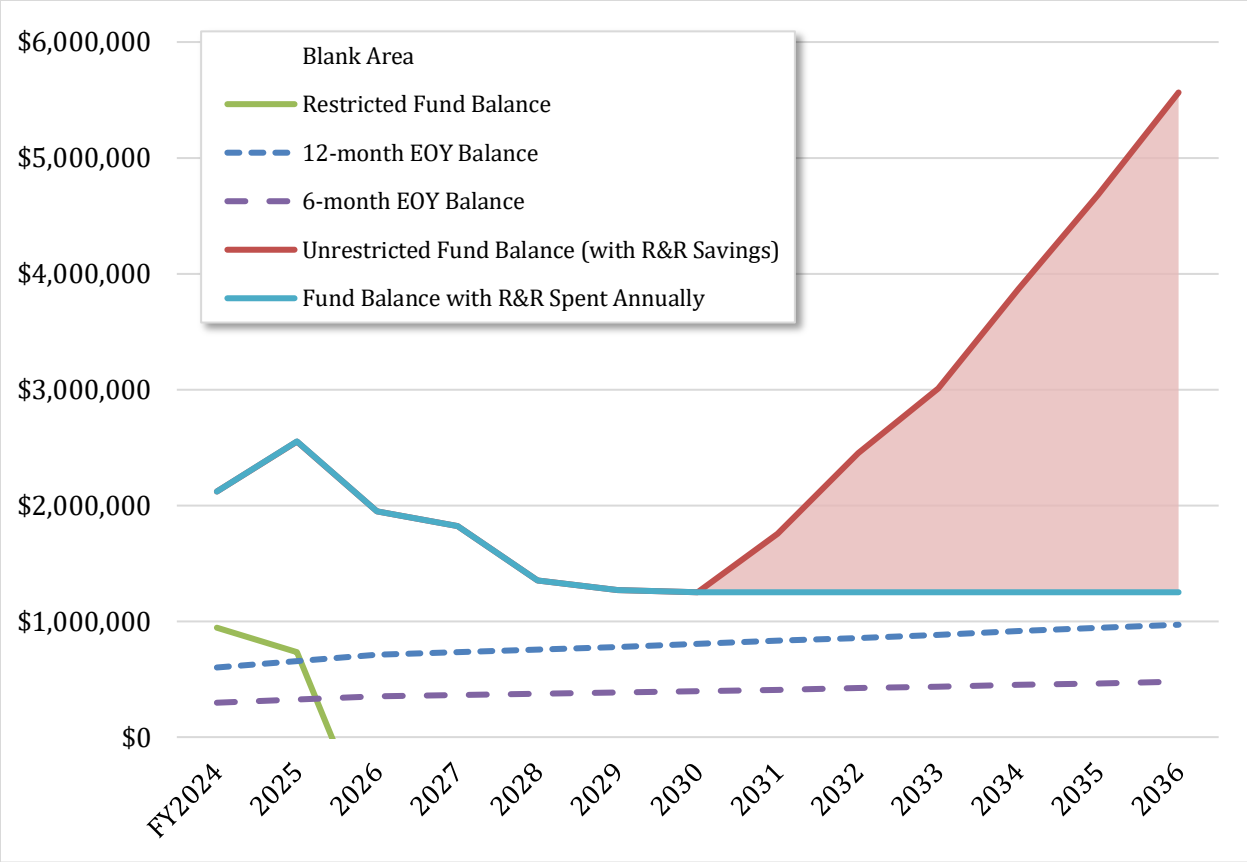


Figure 4 – Reserve Fund Balance with Recommended Rate Adjustment

RECOMMENDED SEWER RATE CHANGES

Existing Rate

The last full analysis of the Ivins City's sewer rates was completed in 2018. Current rates have been updated since but the structure has remained the same since that time. The rate structure includes the following components:

- **Treatment**: this portion of the rates is charged per ERU to all customers and is dictated by the amount St. George charges Ivins City for sewage treatment.
- **Collection**: this portion of sewer rates is charged per ERU to all customers. It is set to cover the cost of operations, maintenance, rehabilitation, and replacement within the sewer collection system, which is owned and operated by Ivins City.
- **Non-Residential Volume Charge**: the volume rate is applicable to all non-residential customers and is charged per thousand gallons of flow on volumes above 7,000 gallons per month. This charge is meant to equitably distribute the cost of use (and therefore maintenance and operation) of the conveyance system.

Currently, both the treatment and collection portions of rates are combined into the single monthly base rate, charged on a per-ERU basis. One ERU is currently considered to be 7,000 gallons of average monthly indoor water usage, measured in the months of December, January, and February, with a minimum of 1 ERU per connection.

Observations and Recommendations Regarding Existing Rate Structure

During the course of this rate study, and through conversations with City staff, BC&A has made the following observations pertaining to the existing rate structure.

- It is recommended that the City continue charging both the treatment and collection fees in its monthly base rates, but that they are shown separately on official rate documentation. This will provide more transparency for customers to understand what their bills pay for and will allow the City to more easily increase only one component in response to specific revenue needs.
- The City's current practice of charging a volume rate to non-residential users for usage over 7,000 gallons per month is a reasonable approach.

Proposed New Rate

Based on the observations in the previous section, BC&A recommends the City adopt the revenue increases listed in Table 1. The recommended rates for the next ten years are listed in Table 2. Note that the recommended rate adjustments extend over a 10-year period. The City will need to revisit and update rates in less than 10 years, but this provides a basis for future rate increases based on the current financial goals for the City.

Table 2
Proposed Sewer Rates

	Existing	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Recommended Sewer Base Rates ($/month/ERU) *											
Recommended Percent Rate Increase	---	3.8%	3.8%	3.8%	3.8%	3.8%	2.7%	2.7%	2.7%	2.7%	2.7%
Collection	$17.26	$17.91	$18.58	$19.28	$20.00	$20.75	$21.31	$21.89	$22.48	$23.08	$23.71
Treatment	$14.15	$16.15	As Dictated by St. George Treatment Fee								
Non-Residential Volume Surcharge ($/kgal above 7 kgal)	$3.34	$3.47	$3.60	$3.73	$3.87	$4.02	$4.12	$4.24	$4.35	$4.47	$4.59
Estimated Bonding Required	$0	$0	$0	$3 million	$0	$0	$0	$0	$0	$0	$0

**1 ERU = 7,000 gallons of potable water usage. For connections other than a typical single-family residential unit, the monthly sewer rate is calculated on an ERU basis using the average potable water demand from December, January, and February.*

KEY ASSUMPTIONS

BC&A made the following key assumptions when calculating the recommended rates:

- Only 50% of the master planned growth rates were used to project rate and impact fee revenues. This provides a more conservative revenue projection for the City in case anticipated growth occurs more slowly than expected.
- The City will adopt a new sewer impact fee of $700.59 per ERU.
- The reserve fund balance should not drop below the 12-month operating target.
- Target system investment for rehabilitation and replacement by the end of the planning window is approximately $900,000 per year (as calculated in the 2025 Sewer Master Plan).
- The bond recommended for fiscal year 2028 was assumed to be a 20-year bond with a 4% annual interest rate and 3% financing fees. Annual debt service was calculated according to these assumptions.
- The City will update the treatment portion of customer rates as soon as is reasonable in response to an increase in St George treatment rates.

CONCLUSION

Based on the analysis contained in this report, BC&A recommends the following actions:

1. **Adopt and Implement New Rates and Begin Securing Bond Funding**. It is recommended that Ivins City adopt the first 4-5 years of rates summarized in Table 2. The City should also proceed with acquiring the bond summarized in the same table. These changes are needed to: continue to meet operations and maintenance needs; fund capital expenditures necessary to meet the City's longer-term system investment goals; and keep rates current with inflation.
2. **Continue Monitoring System Costs and Revenues.** After the implementation of any rate changes, we would suggest Ivins City monitor actual costs and revenues, as well as customer responses.
3. **Update this Rate Study Periodically**. All rates are calculated based on existing conditions and assumptions about the future which may need to be revised from time to time. Therefore, in addition to short-term monitoring of system costs and revenues as stated above, it is recommended that this rate study be fully revisited and updated every 3 to 5 years. Doing so will ensure rates are as up to date as possible and will help prevent having to implement large increases to catch up with revenue needs.

APPENDIX A

Planned Capital Expenses

Table A-1
Capital Project Summary

Project Name	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Total (Inflated Cost)
CIP												
Lower Tuacahn Wash Sewer Line Replacement Project (Reach A	$0	$0	$2,453,000	$0	$0	$0	$0	$0	$0	$0	$0	**$2,453,000**
Lower Tuacahn Wash Sewer Line Replacement Project (Reach I	$0	$0	$590,000	$0	$0	$0	$0	$0	$0	$0	$0	**$590,000**
Old Highway 91 Sewer Line Extension (Reach A)	$646,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$646,000**
Old Highway 91 Sewer Line Extension (Reach B, Lift station)	$1,100,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$1,100,000**
Old Highway 91 Sewer Line Extension (Reach C, Pressure Pipe	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Old Highway 91 Sewer Line Extension (Reach D)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Updated Master Plan and Associated Analyses	$0	$100,000	$0	$0	$0	$110,000	$0	$0	$0	$0	$0	**$210,000**
New Public Works Yard	$0	$600,000	$600,000	$600,000	$600,000	$0	$0	$0	$0	$0	$0	**$2,400,000**
CIP TOTAL	**$1,746,000**	**$700,000**	**$3,643,000**	**$600,000**	**$600,000**	**$110,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$7,399,000**
Capital - 10-yr Plan												
Replacement Truck F-150	$11,100	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$11,100**
Replacement Truck F-150	$11,100	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$11,100**
New Escape or Ranger for New Employee	$10,500	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$10,500**
New Truck F-150, New Employee	$0	$0	$15,600	$0	$0	$0	$0	$0	$0	$0	$0	**$15,600**
Replacement Truck F-150	$0	$0	$0	$0	$0	$11,100	$0	$0	$0	$0	$0	**$11,100**
Replacement Truck F-250	$0	$0	$0	$0	$0	$0	$12,900	$0	$0	$0	$0	**$12,900**
Replacement Truck F-150	$0	$0	$0	$0	$0	$0	$0	$0	$9,900	$0	$0	**$9,900**
Replacement Truck F-150	$0	$0	$0	$0	$0	$0	$0	$0	$9,900	$0	$0	**$9,900**
Small Diameter Reel for Vac Truck	$3,900	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$3,900**
Backhoe Replacement	$13,500	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$13,500**
Backhoe Replacement	$0	$0	$0	$0	$0	$13,500	$0	$0	$0	$0	$0	**$13,500**
Sweeper Replacement	$0	$0	$0	$0	$0	$0	$0	$90,000	$0	$0	$0	**$90,000**
Vac Truck Replacement	$0	$0	$0	$0	$0	$0	$0	$120,000	$0	$0	$0	**$120,000**
Towable Lift	$12,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$12,000**
Used Excavator	$0	$45,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$45,000**
Sewer Camera Truck	$0	$0	$262,500	$0	$0	$0	$0	$0	$0	$1	$0	**$262,501**
Diesel Truck and Equipment Scanner	$0	$5,400	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$5,400**
New Employee Computer and Furniture	$4,350	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$4,350**
Capital - 10-yr Plan Total	**$66,450**	**$50,400**	**$278,100**	**$0**	**$0**	**$24,600**	**$12,900**	**$210,000**	**$19,800**	**$2**	**$0**	**$662,252**

APPENDIX B

Rate Model Tables

Table B-1
Ivins City
Historic and Projected Revenue Requirement

Assumed Annual Rate of Inflation: 3.0%

	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036
	Actual	Estimated	Budgeted	Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Item	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Operating Expenses	*$567,610*	*$601,437*	*$657,522*	*$710,316*	*$733,005*	*$756,375*	*$780,450*	*$805,252*	*$830,806*	*$857,134*	*$884,263*	*$912,509*	*$941,024*	*$970,410*
Salaries & Wages	$239,330	$261,298	$284,567	$312,580	$321,957	$331,616	$341,565	$351,812	$362,366	$373,237	$384,434	$395,967	$407,846	$420,081
Overtime	$4,582	$5,773	$4,500	$4,500	$4,635	$4,774	$4,917	$5,065	$5,217	$5,373	$5,534	$5,700	$5,871	$6,048
Employee Benefits	$110,073	$117,798	$127,732	$138,963	$143,131	$147,425	$151,848	$156,404	$161,096	$165,929	$170,906	$176,034	$181,315	$186,754
Employers Taxes	$19,924	$20,865	$25,040	$27,224	$28,041	$28,882	$29,749	$30,641	$31,560	$32,507	$33,482	$34,487	$35,521	$36,587
Uniform & Safety Equipment	$1,229	$1,295	$1,650	$1,925	$1,983	$2,042	$2,103	$2,167	$2,232	$2,299	$2,368	$2,439	$2,512	$2,587
Uniform & Safety Equipment - Overhead	$80	$3	$60	$60	$62	$64	$66	$68	$70	$72	$74	$76	$78	$81
Outside Counsel - Legal	$600	$318	$500	$3,000	$3,090	$3,183	$3,278	$3,377	$3,478	$3,582	$3,690	$3,800	$3,914	$4,032
Books, Subscript, Memberships	$968	$623	$855	$855	$881	$907	$934	$962	$991	$1,021	$1,052	$1,083	$1,116	$1,149
Books, Subscript, Memberships - Overhead	$3,068	$2,377	$1,100	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Software	$7,701	$7,709	$9,550	$9,755	$10,048	$10,349	$10,660	$10,979	$11,309	$11,648	$11,997	$12,357	$12,728	$13,110
Software - Overhead	$7,199	$4,455	$6,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Public Notices - Overhead	$454	$173	$120	$120	$127	$134	$142	$150	$158	$166	$175	$184	$193	$201
Travel & Lodging	$210	$995	$750	$1,250	$1,288	$1,326	$1,366	$1,407	$1,449	$1,493	$1,537	$1,583	$1,631	$1,680
Travel & Lodging - Overhead	$974	$1,163	$800	$1,000	$1,030	$1,061	$1,093	$1,126	$1,159	$1,194	$1,230	$1,267	$1,305	$1,344
Office Supplies	$2,535	$2,010	$2,190	$2,190	$2,256	$2,323	$2,393	$2,465	$2,539	$2,615	$2,693	$2,774	$2,857	$2,943
Office Supplies - Overhead	$3,353	$4,204	$4,200	$5,131	$5,285	$5,443	$5,607	$5,775	$5,948	$6,127	$6,310	$6,500	$6,695	$6,896
Equipment - Supplies & Maint	$8,778	$18,505	$14,000	$14,000	$14,826	$15,678	$16,556	$17,462	$18,397	$19,363	$20,361	$21,478	$22,458	$23,473
Equipment Rental	$0	$9	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Equipment - Supplies & Maint - Overhead	$10	$4	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Vehicle Maint - Overhead	$203	$674	$300	$800	$824	$849	$874	$900	$927	$955	$984	$1,013	$1,044	$1,075
Vehicle Maintenance	$2,686	$1,224	$1,760	$2,000	$2,060	$2,122	$2,185	$2,251	$2,319	$2,388	$2,460	$2,534	$2,610	$2,688
Gas/Oil/Diesel	$15,507	$11,295	$9,940	$13,250	$14,032	$14,838	$15,669	$16,527	$17,412	$18,326	$19,270	$20,328	$21,255	$22,215
Gas/Oil/Diesel - Overhead	$256	$288	$420	$360	$381	$403	$426	$449	$473	$498	$524	$552	$578	$604
Bldgs & Grounds - Supplies/Mnt	$1,138	$1,075	$1,475	$1,575	$1,622	$1,671	$1,721	$1,773	$1,826	$1,881	$1,937	$1,995	$2,055	$2,117
Bldgs & Grounds-Supplies/Maint - Overhead	$4,058	$5,365	$5,400	$6,121	$6,305	$6,494	$6,689	$6,889	$7,096	$7,309	$7,528	$7,754	$7,987	$8,226
Utilities	$1,782	$2,419	$3,475	$3,475	$3,680	$3,892	$4,109	$4,334	$4,566	$4,806	$5,054	$5,331	$5,574	$5,826
Utilities - Overhead	$3,310	$4,060	$4,100	$4,800	$5,083	$5,375	$5,676	$5,987	$6,308	$6,639	$6,981	$7,364	$7,700	$8,048
Telephone	$3,069	$2,762	$2,850	$2,850	$2,936	$3,024	$3,114	$3,208	$3,304	$3,403	$3,505	$3,610	$3,719	$3,830
Telephone - Overhead	$6,397	$6,531	$6,600	$7,000	$7,210	$7,426	$7,649	$7,879	$8,115	$8,358	$8,609	$8,867	$9,133	$9,407
Professional & Technical	$3,268	$3,710	$6,400	$6,600	$6,798	$7,002	$7,212	$7,428	$7,651	$7,881	$8,117	$8,361	$8,612	$8,870
Accounting Services	$4,400	$4,540	$4,680	$4,960	$5,109	$5,262	$5,420	$5,583	$5,750	$5,922	$6,100	$6,283	$6,472	$6,666
Contract Services	$53,683	$54,544	$58,061	$64,000	$65,920	$67,898	$69,935	$72,033	$74,194	$76,419	$78,712	$81,073	$83,505	$86,011
Professional & Technical - Overhead	$11,685	$10,837	$13,000	$17,565	$18,092	$18,635	$19,194	$19,770	$20,363	$20,974	$21,603	$22,251	$22,918	$23,606
Education & Training	$1,413	$1,157	$1,050	$2,100	$2,163	$2,228	$2,295	$2,364	$2,434	$2,508	$2,583	$2,660	$2,740	$2,822
Education & Training - Overhead	$549	$771	$1,800	$1,500	$1,545	$1,591	$1,639	$1,688	$1,739	$1,791	$1,845	$1,900	$1,957	$2,016
Write-off Bad Debt	$10,143	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Materials & Supplies	$5,051	$13,146	$20,000	$11,500	$12,179	$12,878	$13,600	$14,344	$15,112	$15,905	$16,725	$17,643	$18,448	$19,281
Insurance - Property & Liability	$9,408	$11,310	$13,398	$15,407	$15,869	$16,345	$16,836	$17,341	$17,861	$18,397	$18,949	$19,517	$20,103	$20,706
Miscellaneous	$1,250	$0	$1,200	$750	$773	$796	$820	$844	$869	$896	$922	$950	$979	$1,008
Miscellaneous - Overhead	$4,730	$2,286	$3,000	$5,150	$5,305	$5,464	$5,628	$5,796	$5,970	$6,149	$6,334	$6,524	$6,720	$6,921
Bankcard Fees	$12,557	$13,865	$15,000	$16,000	$16,480	$16,974	$17,484	$18,008	$18,548	$19,105	$19,678	$20,268	$20,876	$21,503
Debt Service	*$0*	*$0*	*$0*	*$0*	*$0*	*$227,572*	*$227,572*	*$227,572*	*$227,572*	*$227,572*	*$227,572*	*$227,572*	*$227,572*	*$227,572*
2028 Bond Payments	$0	$0	$0	$0	$0	$227,572	$227,572	$227,572	$227,572	$227,572	$227,572	$227,572	$227,572	$227,572
Capital Expenditures	*$128,529*	*$72,327*	*$353,687*	*$1,840,850*	*$781,673*	*$3,953,311*	*$633,178*	*$634,173*	*$677,501*	*$741,191*	*$808,628*	*$914,697*	*$927,907*	*$1,001,285*
GASB 68 Pension Expense	$1,631	-$7,432	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
GASB 68 Pension Benefit	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Capital Outlay - Equipment	$58,163	$52,245	$7,100	$22,800	$5,000	$5,150	$5,305	$5,464	$5,628	$5,796	$5,970	$6,149	$6,334	$6,524
Capital Outlay - Tools	$855	$5,480	$3,000	$3,000	$5,000	$5,150	$5,305	$5,464	$5,628	$5,796	$5,970	$6,149	$6,334	$6,524
Capital Outlay - Vehicles	$804	$929	$21,463	$41,700	$5,000	$5,150	$5,305	$5,464	$5,628	$5,796	$5,970	$6,149	$6,334	$6,524
Capital Outlay - Other	$44,705	$5,537	$7,500	$7,350	$16,273	$16,761	$17,264	$17,782	$18,315	$18,865	$19,431	$20,014	$20,614	$21,233
Capital Outlay - PW Yard	$5,322	$2,124	$10,000	$20,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Planned Capital Outlay (See "Capital - 10 Year Plan" for Deta	$0	$0	$0	$0	$50,400	$278,100	$0	$0	$24,600	$12,900	$210,000	$19,800	$74,475	$77,484
Sewer Construction Projects	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
City Offices	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sewer Master Plan	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sewer Capital Facilities	$17,048	$13,445	$25,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Eligible Sewer Impact Fee Expenditures	$0	$0	$279,624	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sewer Regional Upsize/Realignment - Santa Clara	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Planned Capital Projects (See CIP tab for details)	$0	$0	$0	$1,746,000	$700,000	$3,643,000	$600,000	$600,000	$110,000	$0	$0	$0	$0	$0
Ongoing Rehab and Replacement	$0	$0	$0	$0	$0	$0	$0	$0	$507,703	$692,037	$561,286	$856,435	$813,816	$882,997
Total	**$696,139**	**$673,764**	**$1,011,209**	**$2,551,166**	**$1,514,678**	**$4,937,259**	**$1,641,200**	**$1,666,998**	**$1,735,879**	**$1,825,898**	**$1,920,464**	**$2,054,778**	**$2,096,503**	**$2,199,268**

Table B-2
Ivins City
Historic and Projected Revenue (Projections Assume No Change to Existing Rate Structure)

Assumed Annual Rate of Inflation: 3.0%

Item	Actual 2023	Estimated 2024	Budgeted 2025	Budgeted 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032	Projected 2033	Projected 2034	Projected 2035	Projected 2036
Operating Revenue	*$936,698*	*$1,055,737*	*$1,138,028*	*$1,100,153*	*$1,168,629*	*$1,194,234*	*$1,219,272*	*$1,243,777*	*$1,267,781*	*$1,291,313*	*$1,314,399*	*$1,353,924*	*$1,347,442*	*$1,365,028*
Sewer Services	$802,703	$881,714	$945,028	$974,153	$1,002,432	$1,029,936	$1,056,724	$1,082,850	$1,108,360	$1,133,297	$1,157,697	$1,186,484	$1,205,040	$1,223,314
Interest Earnings - Operating	$96,995	$124,022	$125,000	$87,500	$96,995	$96,995	$96,995	$96,995	$96,995	$96,995	$96,995	$96,995	$96,995	$96,995
Connection Fees	$37,000	$50,000	$38,000	$28,500	$69,201	$67,303	$65,552	$63,932	$62,425	$61,021	$59,707	$70,445	$45,407	$44,718
Subdiv&Site Devel Const Permit	$0	$0	$30,000	$10,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Non-Operating Revenue	*$267,710*	*$166,675*	*$271,000*	*$68,435*	*$114,202*	*$111,706*	*$109,406*	*$107,275*	*$105,296*	*$103,449*	*$101,723*	*$115,836*	*$82,926*	*$82,021*
Ivins Impact Fees-Sewer	$244,469	$162,440	$49,000	$63,435	$90,961	$88,465	$86,164	$84,034	$82,054	$80,208	$78,482	$92,595	$59,685	$58,780
Interest Earnings	$23,241	$44,545	$47,000	$5,000	$23,241	$23,241	$23,241	$23,241	$23,241	$23,241	$23,241	$23,241	$23,241	$23,241
Subdividers Contribution	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Gain (loss) on retired assets	$0	-$40,310	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Miscellaneous	$0	$0	$175,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total	**$1,204,408**	**$1,222,411**	**$1,409,028**	**$1,168,588**	**$1,282,831**	**$1,305,940**	**$1,328,677**	**$1,351,052**	**$1,373,077**	**$1,394,763**	**$1,416,122**	**$1,469,760**	**$1,430,368**	**$1,447,048**

Table B-3
Ivins City
Existing and Projected Customers by Class

Customer Base		Estimated 2024	Budgeted 2025	Budgeted 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032	Projected 2033	Projected 2034	Projected 2035	Projected 2036
Residential		4,183	4,422	4,558	4,690	4,819	4,944	5,066	5,186	5,302	5,417	5,551	5,638	5,724
Non-Residential		193	204	210	216	222	228	233	239	244	249	255	259	263
Total Units (ERUs)		**4,375**	**4,625**	**4,768**	**4,906**	**5,041**	**5,172**	**5,300**	**5,424**	**5,546**	**5,666**	**5,807**	**5,898**	**5,987**

Table B-4
Ivins City
Historic and Projected Expenses and Revenues

Item	Actual 2023	Estimated 2024	Budgeted 2025	Budgeted 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032	Projected 2033	Projected 2034	Projected 2035	Projected 2036
Total Expenses	$696,139	$673,764	$1,011,209	$2,551,166	$1,514,678	$4,709,686	$1,413,627	$1,439,425	$1,508,307	$1,598,326	$1,692,891	$1,827,206	$1,868,931	$1,971,696
Total Non-Rate Revenue	$401,705	$340,697	$464,000	$194,435	$280,399	$276,004	$271,953	$268,202	$264,716	$261,466	$258,425	$283,276	$225,328	$223,734
Scenario 0: Do Nothing and Keep Existing Rates														
Total Rate Revenues	$802,703	$881,714	$945,028	$974,153	$1,002,432	$1,029,936	$1,056,724	$1,082,850	$1,108,360	$1,133,297	$1,157,697	$1,186,484	$1,205,040	$1,223,314
Total Revenues	$1,204,408	$1,222,411	$1,409,028	$1,168,588	$1,282,831	$1,305,940	$1,328,677	$1,351,052	$1,373,077	$1,394,763	$1,416,122	$1,469,760	$1,430,368	$1,447,048
Revenue Surplus (Shortfall)	**$508,269**	**$548,648**	**$397,819**	**-$1,382,578**	**-$231,846**	**-$3,403,746**	**-$84,950**	**-$88,373**	**-$135,230**	**-$203,563**	**-$276,770**	**-$357,446**	**-$438,563**	**-$524,647**
Scenario 1														
Total Rate Revenues	$802,703	$881,714	$945,028	$1,022,861	$1,105,182	$1,192,279	$1,284,455	$1,382,021	$1,471,163	$1,564,432	$1,662,039	$1,771,502	$1,871,175	$1,975,534
Total Revenues	$1,204,408	$1,222,411	$1,409,028	$1,217,296	$1,385,580	$1,468,284	$1,556,408	$1,650,223	$1,735,879	$1,825,898	$1,920,464	$2,054,778	$2,096,503	$2,199,268
Revenue Surplus (Shortfall)	**$508,269**	**$548,648**	**$397,819**	**-$1,333,870**	**-$129,097**	**-$3,241,402**	**$142,780**	**$210,798**	**$227,572**	**$227,572**	**$227,572**	**$227,572**	**$227,572**	**$227,572**
Revenue Increase	$0	$0	0.0%	5.0%	5.0%	5.0%	5.0%	5.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Bond Amount						$3,000,000	$0	$0	$0	$0	$0	$0	$0	$0
Bond Payment						$227,572	$227,572	$227,572	$227,572	$227,572	$227,572	$227,572	$227,572	$227,572
Total Debt						$227,572	$227,572	$227,572	$227,572	$227,572	$227,572	$227,572	$227,572	$227,572
Debt Coverage						$623,444	$689,793	$760,937	$823,019	$888,555	$957,719	$1,049,674	$1,095,795	$1,170,078
Debt Coverage Ratio						2.74	3.03	3.34	3.62	3.90	4.21	4.61	4.82	5.14