

# NEWPORT MUNICIPAL UTILITY DISTRICT

## Budgeting Tools for CIP and Maintenance Items



### Assumptions:

Number of Connections: 4,321  
 2024 Preliminary Assessed Value: \$1,089,535,394  
 Average Value of Homestead (2023): \$247,273

### Bond Assumptions:

Interest Rate: 4.00%  
 Years of Level Debt Service: 25  
 Non-Construction Costs: 15.00%

Dollars Needed for CIP or Maintenance Items (Annually)	Financing Using Water and Sewer Rates		Financing Using Bonds (Debt Service Tax Rate)				
	Water & Sewer Charge Increase (Annually)	Water & Sewer Charge Increase (Monthly)	Approximate Bond Issue Size	Annual Debt Service	Equivalent Debt Service Tax Rate **	Average Tax Bill Increase (Annually)	Average Tax Bill Increase (Monthly)
	\$2,500,000	\$578.57	\$48.21	\$2,941,176	\$188,270	\$0.017	\$42.73
\$5,000,000	\$1,157.14	\$96.43	\$5,882,353	\$376,541	\$0.035	\$85.46	\$7.12
\$7,500,000	\$1,735.71	\$144.64	\$8,823,529	\$564,811	\$0.052	\$128.19	\$10.68
\$10,000,000	\$2,314.28	\$192.86	\$11,764,706	\$753,082	\$0.069	\$170.91	\$14.24
\$12,500,000	\$2,892.85	\$241.07	\$14,705,882	\$941,352	\$0.086	\$213.64	\$17.80
\$15,000,000	\$3,471.42	\$289.28	\$17,647,059	\$1,129,623	\$0.104	\$256.37	\$21.36
\$17,500,000	\$4,049.99	\$337.50	\$20,588,235	\$1,317,893	\$0.121	\$299.10	\$24.92
\$20,000,000	\$4,628.56	\$385.71	\$23,529,412	\$1,506,164	\$0.138	\$341.83	\$28.49
\$22,500,000	\$5,207.13	\$433.93	\$26,470,588	\$1,694,434	\$0.156	\$384.56	\$32.05
\$25,000,000	\$5,785.70	\$482.14	\$29,411,765	\$1,882,705	\$0.173	\$427.28	\$35.61
\$27,500,000	\$6,364.27	\$530.36	\$32,352,941	\$2,070,975	\$0.190	\$470.01	\$39.17
\$30,000,000	\$6,942.84	\$578.57	\$35,294,118	\$2,259,246	\$0.207	\$512.74	\$42.73
\$32,500,000	\$7,521.41	\$626.78	\$38,235,294	\$2,447,516	\$0.225	\$555.47	\$46.29
\$35,000,000	\$8,099.98	\$675.00	\$41,176,471	\$2,635,787	\$0.242	\$598.20	\$49.85
\$37,500,000	\$8,678.55	\$723.21	\$44,117,647	\$2,824,057	\$0.259	\$640.93	\$53.41
\$40,000,000	\$9,257.12	\$771.43	\$47,058,824	\$3,012,328	\$0.276	\$683.66	\$56.97

Limited Bond Authorization Remaining: Election Needed for More

\*\* This is Debt service tax rate calculation and does not take into account any reallocation of Maintenance tax rate to Debt service tax rate.

# NEWPORT MUNICIPAL UTILITY DISTRICT

## Capital Improvement Plan Changes from 2020 to 2024

<u>DISTRICT IMPROVEMENTS &amp; REHABILITATION</u>		2020 CIP (Y2020-Y2030)	2024 CIP (Y2020-Y2030)	Difference	
1	Surface Water Plant	\$ 12,434,400	\$ 24,668,160	\$ 12,233,760	The cost of the surface water treatment plant expansion and new well project costs doubled
2	Ground Water Plants	\$ 396,000	\$ 5,009,400	\$ 4,613,400	More well rehabilitation costs than initially scoped, including additional ground storage tank
3	Water Distribution System	\$ 10,441,200	\$ 13,289,760	\$ 2,848,560	The South Diamondhead utility relocation project was unplanned. Also there have been increased construction costs.
4	Sanitary Sewer System	\$ 9,218,460	\$ 16,047,240	\$ 6,828,780	The South Diamondhead utility relocation project was unplanned. The sanitary sewer inspections yield more infrastructure that needs immediate rehabilitation than initially scoped. The average sanitary sewer depth is deeper than originally assumed. Also there have been increased construction costs.
5	Lift Station & Force Mains	\$ 1,494,240	\$ 2,405,040	\$ 910,800	Reprioritized scope of work and timeline, in addition to increased construction costs.
6	Wastewater Treatment Plant	\$ 12,949,200	\$ 76,776,480	\$ 63,827,280	Berm and mitigation requirements are more work than initially scoped. There are also increased construction costs.
				<b>\$ 91,262,580</b>	<b>Difference (2020 - 2024)</b>

# NEWPORT MUNICIPAL UTILITY DISTRICT

# Capital Improvement Plan

LAN JOB NO. 120-12151-000-100  
AS OF 7/31/24, CIP IN 2023\$

Item	Projected Year when Funds will be needed						Total Needs 2025 to 2030	Unfunded Balance in 2026	Total Needs 2027 to 2030	Total Needs 2026 to 2030	Rounded	
	2025	2026	2027	2028	2029	2030						
<b>DISTRICT IMPROVEMENTS &amp; REHABILITATION</b>												
1	Surface Water Plant	\$5,088,988	\$0	\$4,837,412	\$0	\$0	\$739,200	\$10,665,600		\$5,576,612		
2	Ground Water Plants	\$3,859,059	\$0	\$1,341,741	\$0	\$0	\$319,906	\$5,520,706		\$1,661,647		
3	Water Distribution System	\$425,506	\$2,233,129	\$2,099,576	\$2,444,329	\$3,737,929	\$2,334,071	\$13,274,541		\$10,615,906		
4	Sanitary Sewer System	\$1,611,953	\$1,807,624	\$2,007,953	\$2,031,247	\$1,995,529	\$2,094,918	\$11,549,224		\$8,129,647		
5	Lift Station & Force Mains	\$905,365	\$208,094	\$551,294	\$0	\$246,918	\$234,494	\$2,146,165		\$1,032,706		
6	Wastewater Treatment Plant	\$0	\$10,218,353	\$30,465,600	\$41,781,882	\$0	\$7,082,965	\$89,548,800		\$79,330,447		
7	Detention Ponds	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
8	Administration Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
9	Water Line Ext. Phase 1 to serve Compass Tr Defined Area	\$326,118	\$0	\$0	\$0	\$0	\$0	\$326,118				
10	Water Line Ext. Phase 2 to serve Compass Tr Defined Area	\$462,776	\$0	\$0	\$0	\$0	\$0	\$462,776				
11	Force Main Phase 1 to serve Compass Tr Defined Area	\$805,976	\$0	\$0	\$0	\$0	\$0	\$805,976				
12	Force Main Phase 2 to serve Compass Tr Defined Area	\$1,644,565	\$0	\$0	\$0	\$0	\$0	\$1,644,565				
13	Lift Station to serve Compass Tr. Defined Area	\$1,473,741	\$0	\$0	\$0	\$0	\$0	\$1,473,741				
	<b>DISTRICT IMPROVEMENTS &amp; REHABILITATION TOTAL</b>	<b>\$16,604,047</b>	<b>\$14,467,200</b>	<b>\$41,303,576</b>	<b>\$46,257,459</b>	<b>\$5,980,376</b>	<b>\$12,805,553</b>	<b>\$137,418,212</b>		<b>\$106,346,965</b>		
<b>INFRASTRUCTURE EXPANSION</b>												
1	Newport Section 4, PR 4 (DH Builders)	\$285,882						\$285,882				
	<b>INFRASTRUCTURE EXPANSION ITEMS TOTALS</b>	<b>\$285,882</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$285,882</b>				
	<b>TOTAL BOND ISSUE AMOUNT</b>	<b>\$16,889,929</b>	<b>\$14,467,200</b>	<b>\$41,303,576</b>	<b>\$46,257,459</b>	<b>\$5,980,376</b>	<b>\$12,805,553</b>	<b>\$137,704,094</b>	<b>\$3,577,130</b>	<b>\$106,346,965</b>	<b>\$109,924,094</b>	<b>\$110,000,000</b>
<b>WSD Bond Capacity</b>												
	Previous WSD Bond Capacity	\$27,780,000	\$10,890,070	\$106,422,870	\$65,119,294	\$18,861,835	\$12,881,459					
	Proposed Bond Issues during the year	\$16,889,929	\$14,467,200	\$41,303,576	\$46,257,459	\$5,980,376	\$12,805,553					
	<b>Remaining WSD Bond Capacity Balance</b>	<b>\$10,890,070</b>	<b>-\$3,577,130</b>	<b>\$65,119,294</b>	<b>\$18,861,835</b>	<b>\$12,881,459</b>	<b>\$75,906</b>					
	2024 Bond Authorization Amount	\$0	\$110,000,000	\$0	\$0	\$0	\$0					