



Updated Ten-Year Forecast

Finance & Insurance Committee

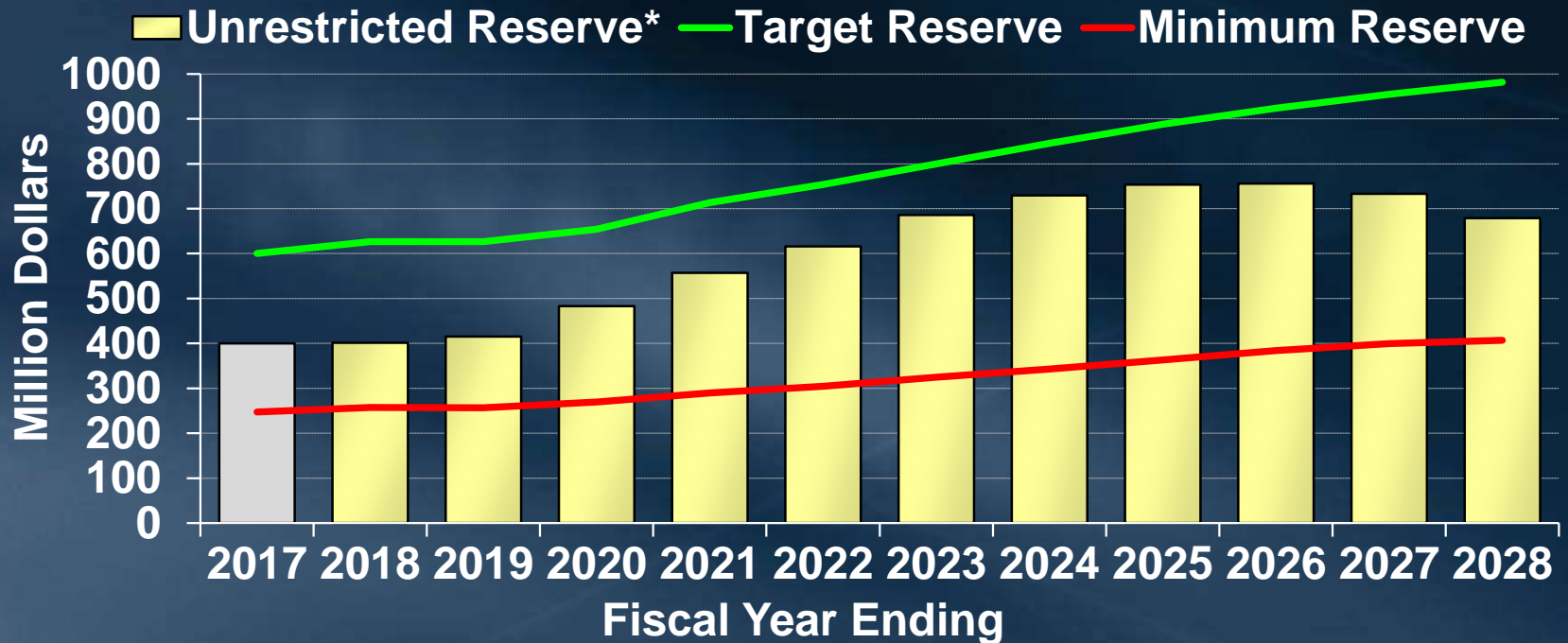
Item 6b

May 7, 2018

Overview

- Updated Ten-Year Forecast reflects April 2018 Board action to fund up to 64.6% share of the full-scale, two-tunnel CA WaterFix
- Funding the 64.6% share of the full-scale project without any offsetting revenues would increase long-term overall rates an additional 1.1%, from 3% to 4.1% beginning 2021
- The updated Ten-Year Forecast will be incorporated in the final budget document.
- No changes to the approved 2018/19 and 2019/20 Budget or 2019 and 2020 rates and charges

Updated 10-Year Financial Forecast⁽¹⁾



Overall Rate Inc.	4.0%	4.0%	3.0%	3.0%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
Water Transactions (MAF)**	1.54	1.55	1.65	1.75	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Rev. Bond Cvg	1.6	1.5	1.6	1.9	2.1	2.1	2.2	2.3	2.5	2.5	2.6	2.7
Fixed Chg Cvg	1.4	1.4	1.5	1.7	1.8	1.7	1.6	1.5	1.4	1.3	1.3	1.2
CA WaterFix, \$M			4	13	51	82	128	186	245	303	368	438

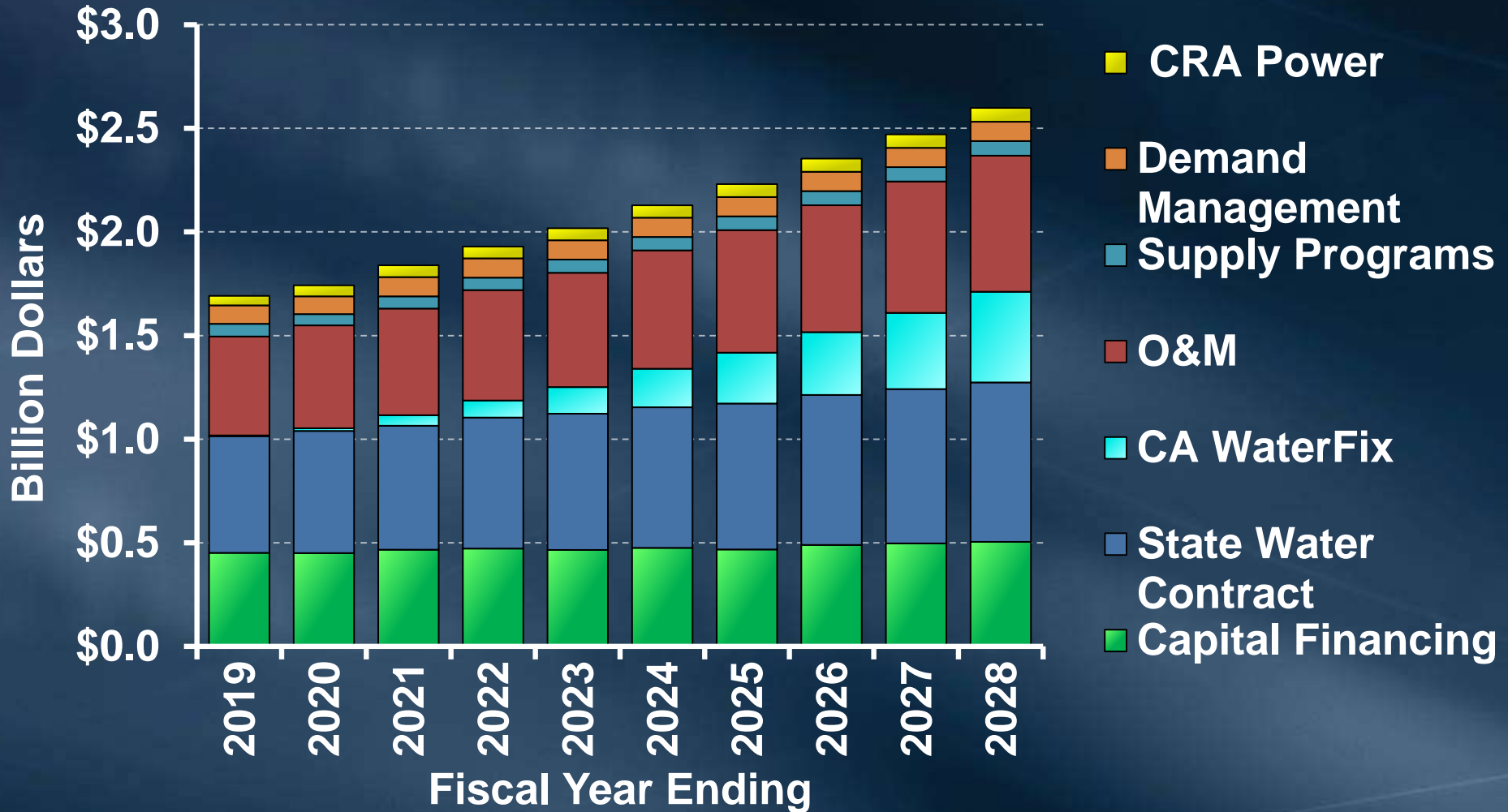
(1) Adopted FY2018/19 and 2019/20 Budget plus updated forecast w/adopted CA WaterFix at 4% interest rate

* Revenue Remainder and Water Rate Stabilization Fund

** Includes water sales, exchange and wheeling

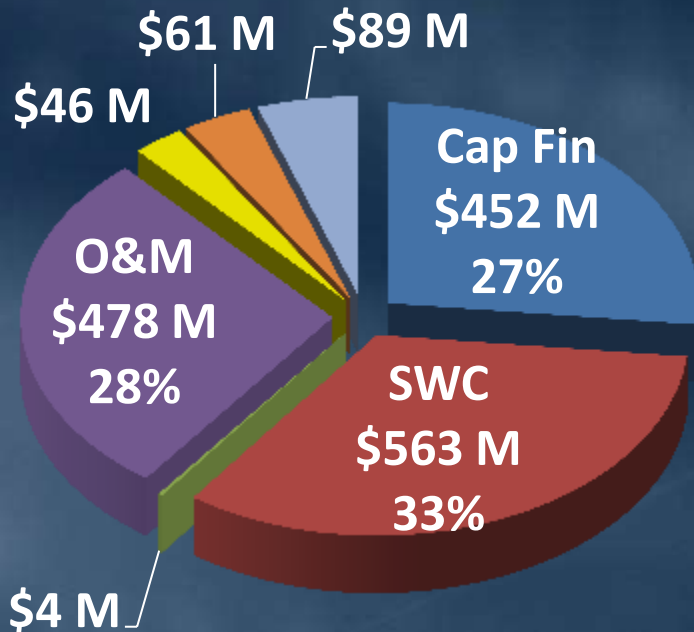
Expenditure Forecast

Updated Ten-Year Forecast

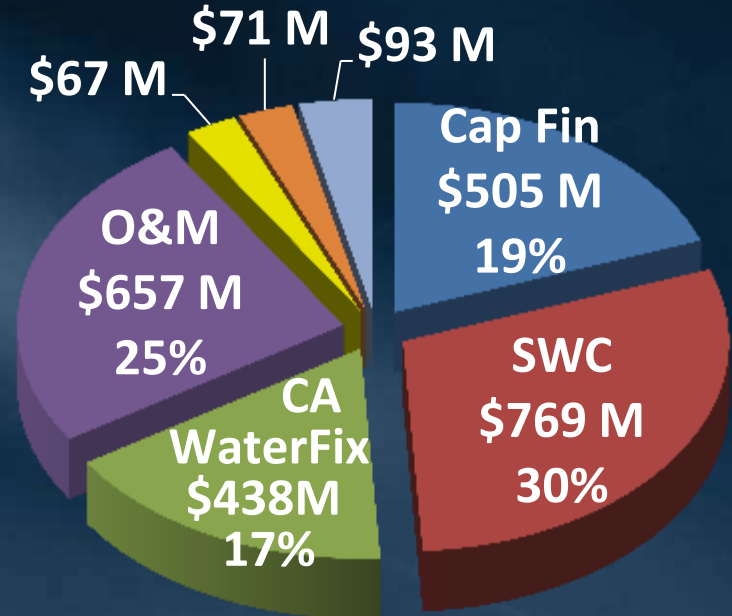


Expenditures Trend

FY 2018/19 - \$1.69 B



FY 2027/28 - \$2.60 B



■ Capital Financing

■ O&M

■ Demand Management

■ State Water Contract

■ Colorado River Power

■ CA WaterFix

■ Supply Programs

Projected Volumetric Rates

- Treatment Surcharge
- Full Service Untreated Tier 1

