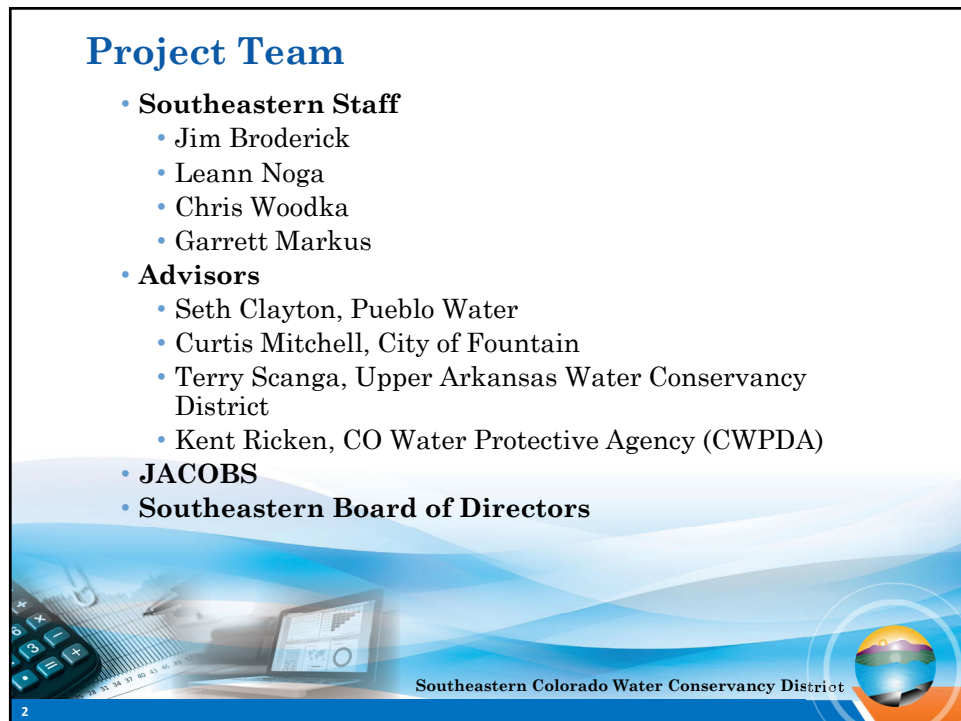


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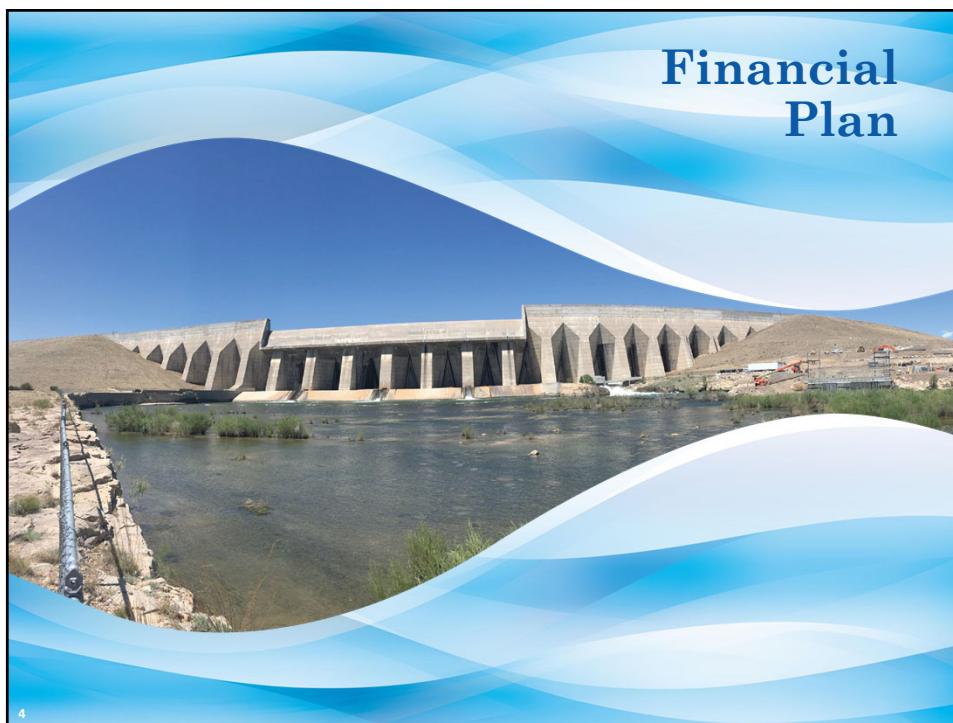
## Financial Strategy and Sustainability Study

- Financial Plan
- Policies Analysis
- Capital Improvement and Projects Plan
- Revenue Requirement Analysis
- Cost of Service Analysis
- Rate Design Analysis
- Communication



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## Financial Plan



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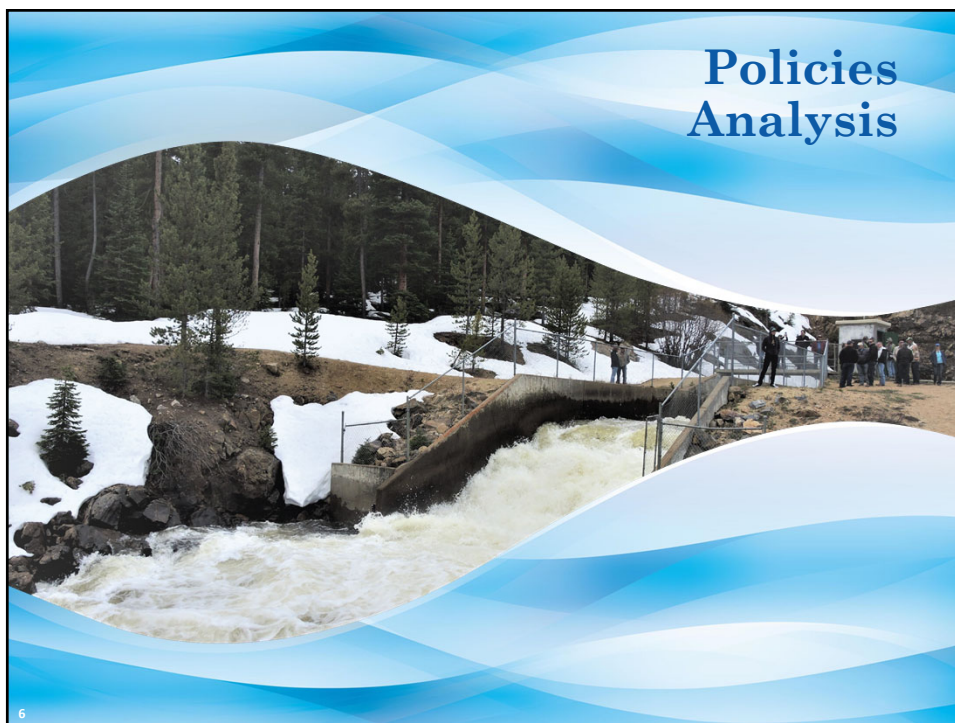
## Financial Plan

- Three Financial Planning Scenarios
- Examples could include:
  - Realistic worst-case
  - Realistic best-case
  - Expected value



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## Policies Analysis



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## Policies Analysis

- Review of current policies
- Suggested policy changes
- Suggested policy additions



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## Capital Improvement and Capital Projects Plan



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## Capital Improvement and Capital Projects Plan

- District operations
- Enterprise operations
- Fry-Ark Project OM&R
- Expenditure cost estimates over 20 years with incremental breakdowns



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## Revenue Requirement Analysis



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## Revenue Requirement Analysis

- Matching revenues with expenditures
- Foundation for a portion of the Rate Design Model
- General and administrative expenditures
- OM&R expenditures
- Renewal and replacement expenditures based on age and condition
- Capital outlay expenditures
- Enterprise hydroelectric expenditures



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## Cost of Service Analysis



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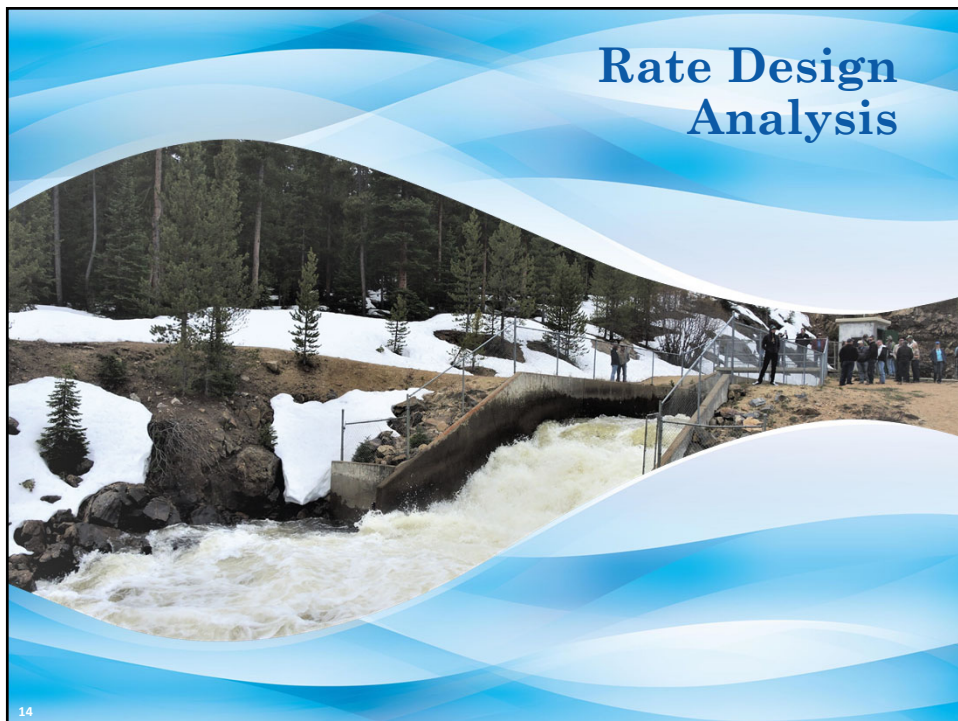
## Cost of Service Analysis

- Matching revenues with expenditures to determine gaps
- Best Practices: AWWA and USBR cost-of-service methodology or others as appropriate
- Gaps will be addressed in the Rate Design



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## Rate Design Analysis



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## Rate Design Analysis

- Model forecasting revenues 10 - 20 years
- Develop rate options to meet Southeastern's goals and address gaps
- Consider impacts on customers
- Suggested rate adjustments by 2020
- Estimations on stakeholder budget impacts are expected in mid-summer 2019



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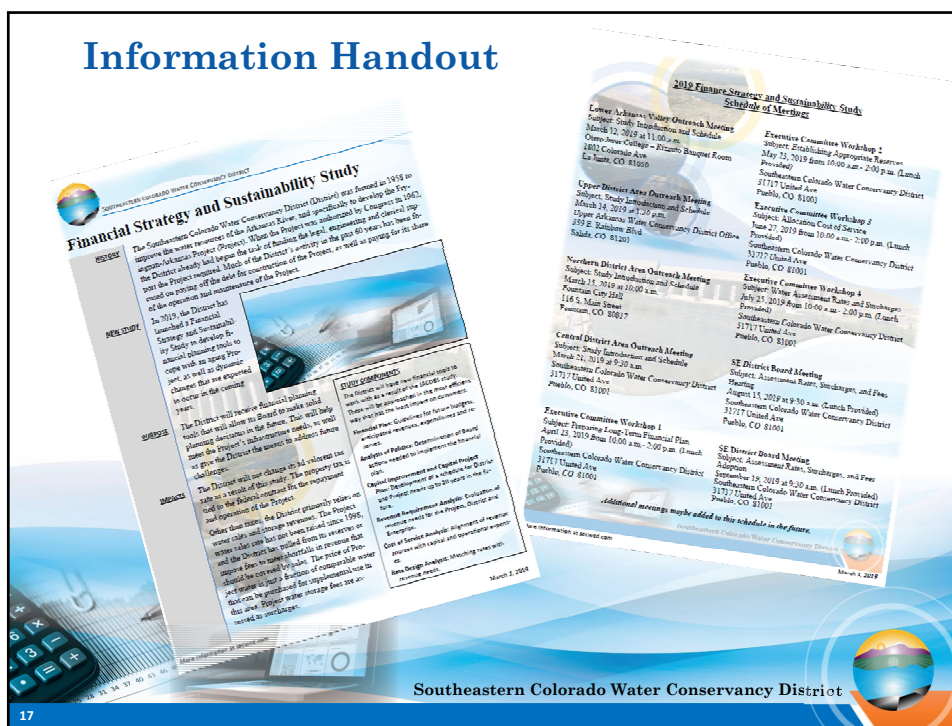
## Communication



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## Information Handout



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## Schedule of Meetings

- Outreach Meetings: March
  - Fountain Valley Authority
  - Lower Arkansas Valley Area
  - Upper District Area
  - Northern District Area
  - Central District Area

\*See handout for details

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## Schedule of Meetings

- Executive Committee Workshops
  - Workshop 1 April
  - Workshop 2 May
  - Workshop 3 June
  - Workshop 4 July
- Board Meeting: Assessment Rates and Surcharges, and Fees Hearing August
- Board Meeting: Assessment Rates, Surcharges, and Fees Adoption September

**\*See handout for details**



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## Study Schedule

[illegible]

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**Information Updates – SECWCD.org**

**Southeastern Colorado Water Conservancy District**

Admin   Fry-Ark Project   Projects   Water Management   Conservation & Education   Login

**Finance Strategy and Sustainability Study**

**Projects**

- Arkansas Valley Conduit
- Enlargement
- Hydroelectric Power
- Long-Term Excess Capacity Master Contract
- Finance Strategy and Sustainability Study

**About the Study**

**Schedule of Meetings**

**Progress Updates**

**Ask a Question**

**2019 Study Timeline**

**Customer Communications**

Southeastern Colorado Water Conservancy District

**Southeastern Colorado Water Conservancy District**