



VILLAGE BUDGET WORKSHOP MEETING

**MEETING TO BE HELD IN PERSON
ROOM 102, 9 FIREHOUSE RD.
TAOS SKI VALLEY, NEW MEXICO
Saturday, April 26, 2025 10:00 am – 3 pm**

WORKSHOP AGENDA

- I. CALL TO ORDER AND NOTICE OF MEETING**
- II. ROLL CALL**
- III. APPROVAL OF THE AGENDA**
- IV. PRESENTATION:**
Stifel, Nicolaus and Co.
Village of Taos Ski Valley Financial Advisors and Bond Counsel
2024 Financial Analysis and Debt Capacity
- V. Question, comments, discussion**
- LUNCH BREAK**
- VI. PRESENTATION:**
Carroll Griesedieck, Village of Taos Ski Valley Chief Financial Officer
FY 2025-26 Village of Taos Ski Valley Budget
- VII. Questions, comments, discussion**
- VIII. PRESENTATION:**
Rick Bellis, Village of Taos Ski Valley Administrator
FY 2025-26 Village of Taos Ski Valley Financial Direction
- IX. Questions, comments, discussion**
- X. NEXT STEPS**
- XI. Closing comments**
- XII. ADJOURNMENT**



Village of Taos Ski Valley, New Mexico

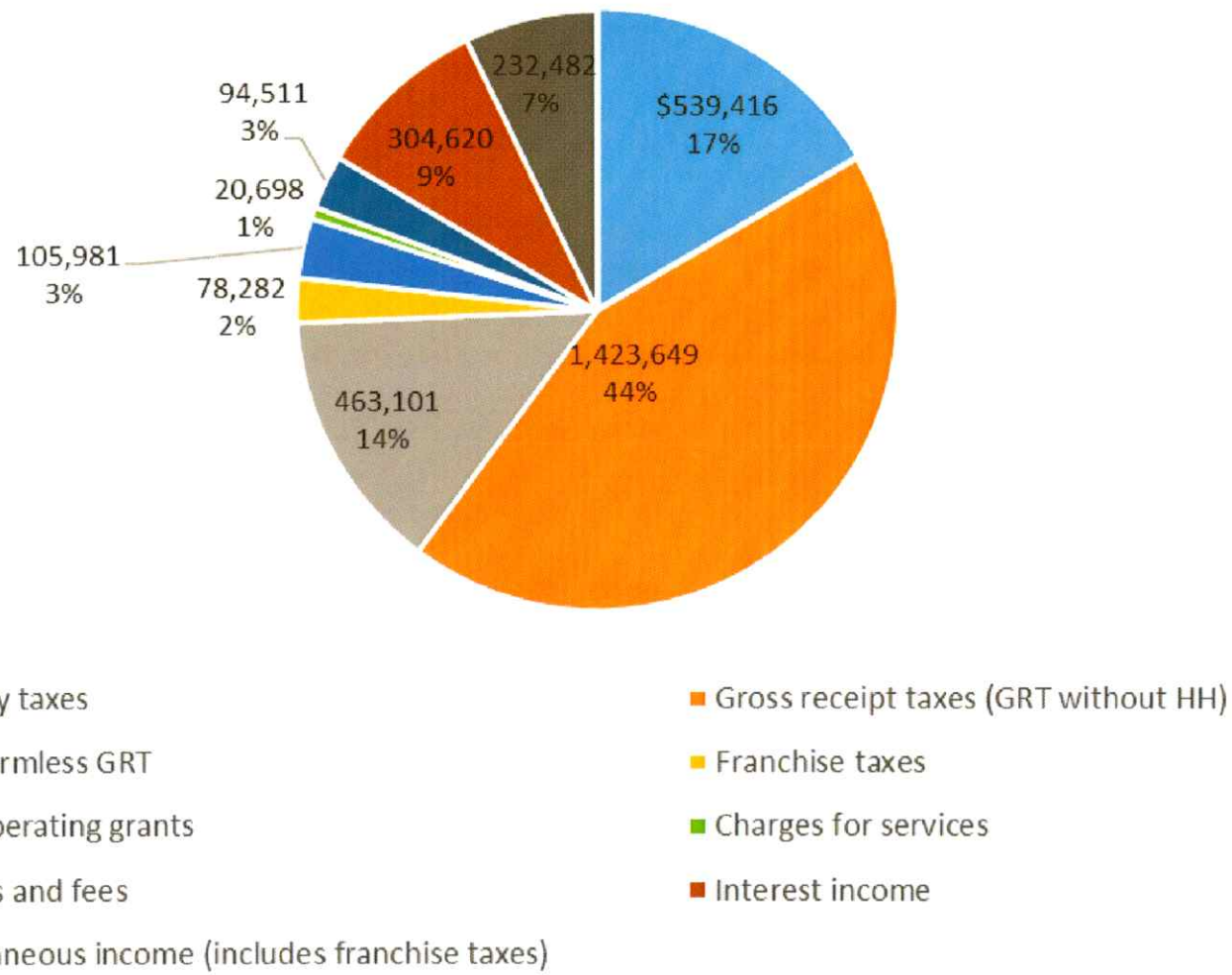
10 Year Budget Projections and Project Capacity

April 26, 2025

SECTION I.

General Fund
Historical Financial Data and Budget Projections

2024 Revenues



General Fund - Historical and Budgeted Revenues

STIFEL

	Audited Financials							*per FYE 2025 budget
	FY18	FY19	FY20	FY2021	FY2022	FY2023	FY2024	Budgeted FY2025
REVENUES								
Property taxes	\$ 454,707	\$ 474,357	\$ 509,612	\$ 520,363	\$ 427,363	\$ 519,019	\$ 539,416	\$ 520,000
Gross receipt taxes (GRT without HH)	1,450,610	1,805,346	1,362,416	1,571,238	1,772,949	1,762,090	1,423,649	1,922,900
Hold Harmless GRT	156,529	270,511	280,222	208,455	275,480	326,717	463,101	476,256
Franchise taxes	-	-	64,819	-	-	8,413	78,282	19,100
State operating grants	90,000	90,000	105,176	91,749	105,164	96,305	105,981	90,000
Charges for services	-	-	-	-	-	-	20,698	10,000
Licenses and fees	61,308	76,239	58,603	84,077	133,794	158,493	94,511	57,600
Interest income	21,009	98,996	73,019	15,152	10,613	193,979	304,620	200,100
Federal Operating Grant (Cares Act)	-	-	-	97,699	6,305	-	-	-
Miscellaneous income (includes KC franchise taxes)	122,846	123,200	21,770	92,283	140,711	422,080	232,482	223,000
TOTAL REVENUES	\$ 2,357,009	\$ 2,938,649	\$ 2,475,637	\$ 2,681,016	\$ 2,872,379	\$ 3,487,096	\$ 3,262,740	\$ 3,518,956

Take Aways and Notes:

- Village revenues have diversified over the years with less reliance on property tax and through growth in hold harmless GRT revenue
- Construction GRT's accounted for 54% of total GRT revenues in FY24, has averaged 58% of total fiscal year GRT revenue since 2017
- **FY24 Property tax revenues of \$539k** provided **17% of total revenues**, and 17% on average over the past 7 years
 - Property tax revenues **average growth rate since 2017 is 2.2% per year**
 - FY22 and FY23 had large swings in property valuation, first falling 17.9% then growing 21.4% in the following year
- **GRT revenues of \$1.88M** were the primary source of income for the Village in FY24 at **58% of total revenues**
 - **Construction = 54% of total GRT revenues in FY24**, and has averaged 58% of total fiscal year GRT revenue since 2017
 - **GRT revenues** grew substantially over the past decade partly because of large TSVI construction projects (a non-recurring source of income in the future)
 - In FY24, a \$400,000 portion of GRT revenue was accounted for in the joint utility fund. A practice that is not planned to continue.
- **HHGRT** revenue collections began in 2018 and have averaged \$283k per year, growing to \$463k in FY2024
 - The HHGRT revenues are pledged to repayment of the USDA WWTP Loan and are transferred to the Joint Utility Fund
 - The HHGRT revenues are also used to fund a USDA required Repair and Replacement Reserve Fund
- **Interest Income** has benefitted in recent years due to an increase in current interest rates. Returns are anticipated to continue, however at a more modest level than in FY2024

General Fund - Historical and Budgeted Operational Expenditures

STIFEL

	Audited Financials							*per FYE 2025 budget
	FY18	FY19	FY20	FY2021	FY2022	FY2023	FY2024	Budgeted FY2025
OPERATING EXPENDITURES								
Current:	3.0%	5.7%	5.5%	0.2%	-21.2%	28.8%	36.3%	-35.5%
General government	\$ 1,059,391	\$ 1,120,078	\$ 1,182,180	\$ 1,184,159	\$ 932,889	\$ 1,201,390	\$ 1,637,200	\$ 1,056,187
Public safety	190,918	268,549	275,952	250,886	311,438	418,807	358,227	621,406
Capital outlay and Outside Contractors	350,064	640,743	331,402	895,514	164,948	172,271	134,376	1,105,000
Public Works	-	-	-	-	-	-	79,056	-
Debt Service:								
2016 TML NFMA - GRT (05/1/2046)	-	-	-	-	-	-	-	-
Other - DS GRT Payback TRD	-	-	-	-	-	-	-	-
Principal	28,508	28,821	55,198	60,882	61,429	62,058	62,790	63,587
Interest	40,653	40,340	39,930	39,439	38,893	38,263	37,531	37,000
TOTAL EXPENDITURES	\$ 1,669,534	\$ 2,098,531	\$ 1,884,662	\$ 2,430,880	\$ 1,509,597	\$ 1,892,789	\$ 2,309,180	\$ 2,883,180
Excess of revenues over (under) expenditures	\$ 687,475	\$ 840,118	\$ 590,975	\$ 250,136	\$ 1,362,782	\$ 1,594,307	\$ 953,560	\$ 635,776

Take Aways and Notes:

FY 2025 Budgeted – Items included from Village Budget:

- General Gov't includes Salaries, Health Insurance, FICA, PERA, Legal Services, Auditor, and Utilities
- Public Safety includes Law Enforcement
- Capital Outlay includes one-time improvements and repairs
- Debt Service attributable to the General Fund includes two loans

General Govt expenditures remained consistent from FY2018-2023 with a 36% increase in FY24

- General Govt expenditures have been budgeted in FY2025 to decrease 36% from FY24 audited financial statements

Capital Outlay is significantly higher than prior years

Public Safety expenditures averaged \$390K over the last 3 fiscal years

- Public Safety expenditures are budgeted to increase by 73% in FY2025, to \$620k

General Fund - Excess Revenue is an important metric demonstrating operating performance prior to any transfers in or out

General Fund - Historical and Budgeted Non Operational Expenditures

STIFEL

	Audited Financials							*per FYE 2025 budget
	FY18	FY19	FY20	FY2021	FY2022	FY2023	FY2024	Budgeted FY2025
Other financing sources (uses):								
Proceeds from sale of capital assets	\$ -	\$ 16,100	\$ -	872,000	\$ -	\$ -	\$ -	\$ -
Transfers in	501,523	555,106	122,224	63,068	53,000	142,000	704,545	475,000
Transfers out	(875,252)	(613,324)	(961,184)	(1,513,692)	(747,425)	(1,609,658)	(1,367,997)	(2,157,000)
Transfers out - Streets/Roads	-	-	-	-	-	-	-	-
Loan Proceeds - Restricted	-	-	186,958	-	-	-	-	-
Total Other financing sources (uses)	\$ (373,729)	\$ (42,118)	\$ (652,002)	\$ (578,624)	\$ (694,425)	\$ (1,467,658)	\$ (663,452)	\$ (1,682,000)
Net Change in Fund Balance	\$ 313,746	\$ 798,000	\$ (61,027)	\$ (328,488)	\$ 668,357	\$ 126,649	\$ 290,108	\$ (1,046,224)
Fund balance at beginning of year	\$ 3,235,644	\$ 3,303,627	\$ 3,478,380	\$ 3,308,513	\$ 2,980,025	\$ 3,648,382	\$ 3,775,031	\$ 4,065,139
Fund balance at end of year	\$ 3,549,390	\$ 4,101,627	\$ 3,308,513	\$ 2,980,025	\$ 3,648,382	\$ 3,775,031	\$ 4,065,139	\$ 3,018,915
Unassigned fund balance	\$ 3,303,627	\$ 3,478,380	\$ 3,065,098	\$ 2,690,188	\$ 1,786,417	\$ 3,526,705	\$ 3,778,687	\$ 2,732,463
Unassigned fund balance as a % of Revenues	140%	118%	124%	100%	62%	101%	116%	78%

Take Aways and Notes:

- **General Fund Transfers Out** increased significantly starting in FY2018 and have averaged \$1.2M over the past 5 years, compared to an average of \$331k the prior 4 years
 - Transfers Out are **budgeted at \$2.1M for FY2025**
 - Transfers Out have been primarily used to subsidize the Joint Utility Fund operations and for capital expenditures
- **Fund Balance** includes the Village's General Fund, General Reserve, General KCEC, and Law Enforcement.
 - FY2025 Budget Unassigned Fund Balance is a projected estimate until audited financial statements are available
 - FY2025 projected year ending fund balance is lower due to conservative budgeting for expenditures which are likely higher than will be realized
- **Unassigned General Fund Balance is the heaviest weighed financial metric** evaluated by creditors, rating agencies and lenders. It denotes funds that have not been encumbered or restricted by the Village & how much funds the Village has available in stressful times.
 - **Portions of the current unassigned balanced are Village Restricted**
 - Recommend targeting a 100% Unassigned GF Balance in stabilized operating times and a minimum 50% General Fund Balance
 - These levels are recommended due to limited recurring revenue for financing payments and large capital improvement needs

General Fund – Historical and Budgeted Financial Ratios and Metrics

STIFEL

	Ratios Calculated from AUDITED Financials							Budgeted
	FY18	FY19	FY20	FY2021	FY2022	FY2023	FY2024	FY2025
Debt Ratios and Metrics								
Total Revenues	\$ 2,357,009	\$ 2,938,649	\$ 2,475,637	\$ 2,681,016	\$ 2,872,379	\$ 3,487,096	\$ 3,262,740	\$ 3,518,956
Less: Current Expenditures	1,600,373	2,029,370	1,789,534	2,330,559	1,409,275	1,792,468	2,129,803	2,782,593
Less: HHGRT and Street Fund Transfers Out	379,752	458,368	395,222	616,928	528,172	936,717	463,101	476,256
Revenue Available for Debt Service	\$ 376,884	\$ 450,911	\$ 290,881	\$ (266,471)	\$ 934,932	\$ 757,911	\$ 669,835	\$ 260,107
Income Available @ 1.2x Coverage	\$ 314,070	\$ 375,759	\$ 242,401	\$ (222,059)	\$ 779,110	\$ 631,593	\$ 558,196	\$ 216,756
Maximum Annual Debt Service Outstanding	\$ 69,161	\$ 69,161	\$ 95,128	\$ 100,321	\$ 100,322	\$ 100,321	\$ 100,321	\$ 100,587
Annual Debt Service Coverage (MADS)	5.45x	6.52x	3.06x	-2.66x	9.32x	7.55x	6.68x	2.59x
Additional Funds Available Debt Service	\$ 244,909	\$ 306,598	\$ 147,273	\$ (322,380)	\$ 678,788	\$ 531,272	\$ 457,875	\$ 116,169
Future Issuance of Bonds	\$ -	\$ -	\$ -	\$ -				
Annual Debt Service Coverage (MADS)	5.45x	6.52x	3.06x	-2.66x	9.32x	7.55x	6.68x	2.59x
Unassigned Fund Balance Available for DS and Ca	\$ 3,303,627	\$ 3,478,380	\$ 3,065,098	\$ 2,690,188	\$ 1,786,417	\$ 3,526,705	\$ 3,778,687	\$ 2,732,463
Operating Expenditures	1,669,534	2,098,531	1,884,662	2,430,880	1,509,597	1,892,789	2,309,180	2,782,593
Expenses per Day (365)	4,574.07	5,749.40	5,163.46	6,659.95	4,135.88	5,185.72	6,326.52	7,623.54
Days Cash on Hand	722	605	594	404	432	680	597	358
Target Fund Balance - 100%	\$ 1,669,534	\$ 2,098,531	\$ 1,884,662	\$ 2,430,880	\$ 1,509,597	\$ 1,892,789	\$ 2,309,180	\$ 2,883,180

Take Aways and Notes:

- Financial Ratios and Metrics are tested against annual operational cash flow
- General Fund revenues and expenditures show improved financial situation and some capacity for financing projects, but this assumes that a large portion of Transfers Out are removed.
 - Revenues available for debt service include all revenues, net operating expenditures and recurring transfers out
- Annual Debt Service Coverage should be equal to 1.2x for GRT financings due to debt service coverage requirements, figures below 1.0x represent insufficient operating dollars to pay debt service
- The Village currently has a strong Fund Balance and Days Cash on Hand metric

General Fund – Projected Revenues

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REVENUES	Growth	Projected ²									
		FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Property taxes	2.50%	\$ 552,901	\$ 566,724	\$ 580,892	\$ 595,414	\$ 610,300	\$ 625,557	\$ 641,196	\$ 657,226	\$ 673,657	\$ 690,498
Gross receipt taxes (GRT without HH)	From GRT	1,634,169	1,652,971	1,517,471	1,520,530	1,562,022	1,538,440	1,564,081	1,665,713	1,697,923	1,708,891
Hold Harmless GRT	From GRT	377,832	386,411	324,586	325,982	344,913	334,153	345,853	392,224	406,921	411,925
Franchise taxes	5.00%	30,303	31,818	33,409	35,079	36,833	38,675	40,609	42,639	44,771	47,010
State operating grants	0.00%	105,981	105,981	105,981	105,981	105,981	105,981	105,981	105,981	105,981	105,981
Charges for services	3.00%	-	-	-	-	-	-	-	-	-	-
Licenses and fees	3.00%	89,354	92,034	94,795	97,639	100,568	103,585	106,693	109,894	113,190	116,586
Interest income	0.00%	78,352	78,352	78,352	78,352	78,352	78,352	78,352	78,352	78,352	78,352
Federal Operating Grant (Cares Act/Disc't'd)	0.00%	-	-	-	-	-	-	-	-	-	-
Miscellaneous income (includes franchise taxes)	3.00%	181,865	187,321	192,941	198,729	204,691	210,832	217,157	223,671	230,381	237,293
TOTAL REVENUES		\$ 2,672,925	\$ 2,715,201	\$ 2,603,841	\$ 2,631,725	\$ 2,698,746	\$ 2,701,422	\$ 2,754,068	\$ 2,883,476	\$ 2,944,255	\$ 2,984,610

Take Aways and Notes:

The Projected budget analysis considers historical trends and future revenues that are “recurring” with a discount to GRT’s collected from construction activity

- **Historical property tax** revenue has **averaged 2.5% growth** over the past 7 years and the analysis assumes the same growth rate
 - Developer estimates a one time, 20% increase in property tax rates from reassessment in 2026 (not reflected)
- **GRT Revenue Projections** assume the following:
 - Current local GRT tax rate is maintained at a total of 3.6625%
 - Increased development and construction that began in 2016 begins to slow in 2028 through 2035
 - Projected construction GRT Receipts in 2025 are roughly equivalent to 2021-2024 average receipts for construction
 - Baseline GRT receipts and activity other than construction use an 8-year average and grow at an 5% annual rate through 2032
 - *Developer estimates an additional \$25M annually in non-construction GRT activity, equivalent to \$300k in additional revenue to Village*
- **HHGRT** is calculated based off the same gross receipts figures and assumptions for GRT revenues above
- Interest income projection is based on the average interest income received FY2019 to FY2023

General Fund – Projected Operational Expenditures and Operational Surplus/ Deficiencies

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OPERATING EXPENDITURES

Current:

General government

Public safety

Capital outlay and Outside Contractors

Debt Service:

2016 TML NFMA - GRT (05/1/2046)

Other - DS GRT Payback TRD

Principal

Interest

TOTAL EXPENDITURES

Excess of revenues over (under) expenditures

		Projected ²									
	Growth	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
General government	5.50%	\$ 1,295,080	\$ 1,366,309	\$ 1,441,456	\$ 1,520,736	\$ 1,604,377	\$ 1,692,617	\$ 1,785,711	\$ 1,883,925	\$ 1,987,541	\$ 2,096,856
Public safety	5.00%	391,425	410,997	431,546	453,124	475,780	499,569	524,547	550,775	578,313	607,229
Capital outlay and Outside Contractors	2.00%	501,877	511,915	522,153	532,596	543,248	554,113	565,195	576,499	588,029	599,789
2016 TML NFMA - GRT (05/1/2046)	0.00%	69,161	69,161	69,161	69,161	69,161	69,161	69,161	69,161	69,161	69,161
Other - DS GRT Payback TRD	0.00%	-	-	-	-	-	-	-	-	-	-
Principal	3.00%										
Interest	3.00%										
TOTAL EXPENDITURES		\$ 2,257,543	\$ 2,358,381	\$ 2,464,316	\$ 2,575,617	\$ 2,692,565	\$ 2,815,460	\$ 2,944,615	\$ 3,080,360	\$ 3,223,045	\$ 3,373,036
Excess of revenues over (under) expenditures		\$ 415,382	\$ 356,820	\$ 139,524	\$ 56,108	\$ 6,181	\$ (114,038)	\$ (190,546)	\$ (196,884)	\$ (278,789)	\$ (388,425)

Take Aways and Notes:

Growth rates determined with Village staff based on past year trends and expectations given various factors such as insurance premium increases and inflation.

- General Government includes wages, insurance and total benefits
- Public Safety growth rate includes wages, insurance and total benefits
- Debt Service figures are actual
- Based on GRT figures with reduced construction activity, the General Fund projects to run an operational deficit in the future based on the analysis assumptions
 - Expenditure growth outpaces Revenue growth or reductions

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General Fund – Projected Financial Ratios and Metrics

STIFEL

	Ratios Calculated from PROJECTED Financials									
	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Debt Ratios and Metrics										
Total Revenues	\$ 2,672,925	\$ 2,715,201	\$ 2,603,841	\$ 2,631,725	\$ 2,698,746	\$ 2,701,422	\$ 2,754,068	\$ 2,883,476	\$ 2,944,255	\$ 2,984,610
Less: Current Expenditures	2,188,382	2,289,220	2,395,155	2,506,456	2,623,404	2,746,299	2,875,454	3,011,199	3,153,884	3,303,875
Plus: Total Other Financing Sources (Uses)	(877,832)	(901,411)	(855,036)	(872,345)	(907,667)	(913,790)	(942,879)	(1,007,161)	(1,040,306)	(1,064,312)
Revenue Available for Debt Service	\$ (393,289)	\$ (475,430)	\$ (646,350)	\$ (747,076)	\$ (832,325)	\$ (958,667)	\$ (1,064,264)	\$ (1,134,885)	\$ (1,249,934)	\$ (1,383,576)
Income Available @ 1.2x Coverage	\$ (327,741)	\$ (396,191)	\$ (538,625)	\$ (622,563)	\$ (693,604)	\$ (798,889)	\$ (886,887)	\$ (945,737)	\$ (1,041,612)	\$ (1,152,980)
Maximum Annual Debt Service Outstanding	\$ 69,161	\$ 69,161	\$ 69,161	\$ 69,161	\$ 69,161	\$ 69,161	\$ 69,161	\$ 69,161	\$ 69,161	\$ 69,161
Annual Debt Service Coverage (MADS)	-5.69x	-6.87x	-9.35x	-10.80x	-12.03x	-13.86x	-15.39x	-16.41x	-18.07x	-20.01x
Additional Funds Available Debt Service	\$ (396,902)	\$ (465,352)	\$ (607,786)	\$ (691,724)	\$ (762,765)	\$ (868,050)	\$ (956,048)	\$ (1,014,898)	\$ (1,110,773)	\$ (1,222,141)
Future Issuance of Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Debt Service Coverage (MADS)	-5.69x	-6.87x	-9.35x	-10.80x	-12.03x	-13.86x	-15.39x	-16.41x	-18.07x	-20.01x
Fund Balance Available for DS and Cap Exp	\$ 2,556,464	\$ 2,011,874	\$ 1,296,363	\$ 480,126	\$ (421,360)	\$ (1,449,189)	\$ (2,582,614)	\$ (3,786,659)	\$ (5,105,755)	\$ (6,558,492)
Operating Expenditures	2,188,382	2,289,220	2,395,155	2,506,456	2,623,404	2,746,299	2,875,454	3,011,199	3,153,884	3,303,875
Expenses per Day (365)	5,995.57	6,271.84	6,562.07	6,867.00	7,187.41	7,524.11	7,877.95	8,249.86	8,640.78	9,051.71
Days Cash on Hand	426	321	198	70	-59	-193	-328	-459	-591	-725
Target Fund Balance Minimum - 100%	\$ 2,257,543	\$ 2,358,381	\$ 2,464,316	\$ 2,575,617	\$ 2,692,565	\$ 2,815,460	\$ 2,944,615	\$ 3,080,360	\$ 3,223,045	\$ 3,373,036

Take Aways and Notes:

- Projected Revenues available for additional debt service result in \$0 available over the next 10 years for additional projects and financing
- Fund Balance is projected to turn negative by FY2030 at current spending rates

The 2025 budget numbers in this report included modifications from the FY2025 budget adopted by the Village Council

Historical Financial Performance and Observations:

Revenues

- Primary revenue sources are from GRT (55%) and Property Tax (15%)
- GRT Revenues averaged \$1.12M in 2014 and 2015; and increase from 2016 to 2024 to an average of \$1.6M

Expenditures

- General Government has been the highest expense on an annual basis averaging \$1.1M over the past 7 years, averaging 55% of the budget in 2017-2020, and 52% of the budget in 2021-2024
- Transfers Out to Streets, EMS, Fire and others average \$1.2M over the past 5 years

Fund Balance

- Strong historical metric for the Village with excess revenues compared to expenditures averaging 950k a year over a 7-year period
- Unassigned fund balance as a percentage of revenue has remained strong and averaged \$3M over the past 7-year period

Projected Financial Performance and Observations:

Revenues

- Total GRT revenues projected to average \$1.55M through 2032 (including HH collection)
- Assumes recent construction activity begins to decline in 2026, and even more so in 2028 through 2032
 - Non-recurring revenues from increased construction should be considered for one-time expenditures (i.e. capital maintenance and improvements), and not for ongoing items like wages and salaries

Expenditures

- General Fund expenditures are projected grow at approximately 5% per year and outpace revenue growth resulting in a net deficit in 2025 through 2035.
- *Historical and budgeted transfers out have averaged \$1.2M annually from FY2020 to FY2024, Projections assume only HHGRT and Streets are transferred out averaging \$900k/annually*

Fund Balance

- *The GF and Unassigned Fund Balance projects to turn negative in 2030*

Capital Expenditure and Project Financing Capacity:

- *No additional revenues for debt service projected to be available over the next 10 years to provide for additional project financing*

SECTION II.

Joint Utility Funds Historical Financial Data and Budget Projections

Joint Utility Fund – Historical and Budgeted Operational Revenues & Expenditures

STIFEL

	Joint Utility Fund - Audited Financials							Budgeted
	FYE18 ³	FYE19	FYE20	FYE21	FY2022	FY2023	FY2024	FY2025
OPERATING REVENUES*								
Charges for Services	\$ 851,967	\$ 950,775	\$ 976,518	\$ 858,206	\$ 909,990	\$ 912,140	\$ 1,224,399	\$ 1,150,120
Other Fees								1,000
Connection Fees								2,000
TOTAL OPERATING REVENUES	\$ 851,967	\$ 950,775	\$ 976,518	\$ 858,206	\$ 909,990	\$ 912,140	\$ 1,224,399	\$ 1,153,120
OPERATING EXPENDITURES AND DEBT								
Personnel Services	\$ 512,961	\$ 452,351	\$ 532,000	\$ 433,505	\$ 365,015	\$ 468,127	\$ 468,031	\$ 685,187
Contractual Services	56,166	31,079	15,358	21,948	18,846	196,195	345,897	708,600
Supplies	97,589	78,988	54,141	48,346	14,092	126,127	53,459	184,000
Operating	68,338	74,747	-	-	-	-	-	-
Maintenance and Materials	-	-	65,394	10,374	2,875	17,192	49,304	221,000
Utilities	-	-	53,010	88,551	120,806	81,267	73,903	132,100
Miscellaneous (inc. Self Insurance for 21 and 22)	-	-	20,655	46,122	46,004	66,740	84,329	17,600
Travel	796	423	-	-	-	-	-	-
Total Operating Costs	735,850	637,588	740,558	648,846	567,638	955,648	1,074,923	1,948,487
Debt Service:								
2010 WTB NMFA - Net Rev (06/01/2030)								26,247
2016 WTB NMFA - Net Rev (06/01/2035)								8,731
2018 CWSRF - Net Rev 2006 Bonds (11/30/2026)								101,288
2020 USDA WWTP - Net Rev (06/12/2061)								128,903
2024 WTB NMFA - Net Rev								
Depreciation and amortization	150,307	136,963	201,012	437,356	453,377	454,336	462,135	
TOTAL OPERATING EXPENDITURES	\$ 886,157	\$ 774,551	\$ 941,570	\$ 1,086,202	\$ 1,021,015	\$ 1,409,984	\$ 1,537,058	\$ 2,213,656
Net Operating Surplus/(Deficiency)	\$ (34,190)	\$ 176,224	\$ 34,948	\$ (227,996)	\$ (111,025)	\$ (497,844)	\$ (312,659)	\$ (1,060,536)

Take Aways and Notes:

- 2025 Revenues are budgeted to remain flat compared to FY2024 while total operating expenditures have been budgeted to increase nearly \$700k (~45% increase in expenses)
- To meet Debt Service Coverage requirements - FY2024 needed an additional \$116k in revenue, and Budget FY2025 needs approximately \$1.06M.
- Total Operating Costs have averaged \$1.15M over the past 5 years

Joint Utility Fund – Historical and Budgeted Non-Operating Revenues/Expenditures & Fund Balance

STIFEL

	Joint Utility Fund - Audited Financials							Budgeted
	FYE18 ³	FYE19	FYE20	FYE21	FYE22	FY2023	FY2024	FY2025
NON-OPERATING REVENUES*								
Transfer In - Hold Harmless GRT	\$ -	\$ -	\$ 102,784	\$ 208,188	\$ 275,480	\$ 326,717	\$ 463,101	\$ 476,256
Transfer In - General Fund and Reserve	426,224	1,251,499	858,884	949,726	102,253	606,941	476,365	558,744
Transfer In - O&M Fund 32	-	-	-	-	-	-	-	-
Transfer In - WW Impact Fees 294 DIF	-	-	-	-	-	-	-	300,000
Transfer In - Water Impact Fees 293 DIF	-	-	-	-	-	-	-	300,000
Interest Income	4,875	8,073	13,386	1,023	2,708	7,318	10,301	12,580
Interest Expense	(87,642)	(132,126)	(100,111)	(183,226)	(180,196)	(183,738)	(170,686)	(170,000)
Debt Issuance Expense	-	-	(102,957)	-	-	-	-	-
Other Income	859	25	9,004	9,222	10,904	5,136	2,789	-
Direct GRT - Municipal	-	-	-	-	-	-	400,000	-
State and Federal Capital Grants	-	-	2,099,460	-	-	230,625	836,618	2,511,020
TOTAL NON-OPERATING REVENUES	\$ 344,316	\$ 1,127,471	\$ 2,880,450	\$ 984,933	\$ 211,149	\$ 992,999	\$ 2,018,488	\$ 3,988,600
NON-OPERATING EXPENSES								
2020 USDA HHGRT - Rev (06/12/2061)	-	-	-	-	-	-	-	157,308
Capital Expenditures and Improvements	-	-	-	-	-	-	-	3,667,977
Cash transfers/Misc. Expenses	2,172,490	5,085,954	-	-	6,329	-	703,308	-
Purchases for resale	-	-	-	-	-	-	-	-
RR&RF (Depreciation)	-	-	-	-	-	-	-	-
Loss of sale of asset	-	-	-	-	-	-	-	-
TOTAL NON-OPERATING FUND EXPENDITURES	\$ 2,172,490	\$ 5,085,954	\$ -	\$ -	\$ 6,329	\$ -	\$ 703,308	\$ 3,667,977
Net Non-Operating Surplus/(Deficiency)	\$ (1,828,174)	\$ (3,958,483)	\$ 2,880,450	\$ 984,933	\$ 204,820	\$ 992,999	\$ 1,315,180	\$ 320,623
TOTAL JOINT UTILITY FUND REVENUES	\$ 1,196,283	\$ 2,078,246	\$ 3,856,968	\$ 1,843,139	\$ 1,121,139	\$ 1,905,139	\$ 3,242,887	\$ 5,141,720
TOTAL JOINT UTILITY FUND EXPENDITURES	\$ 3,058,647	\$ 5,860,505	\$ 941,570	\$ 1,086,202	\$ 1,027,344	\$ 1,409,984	\$ 2,240,366	\$ 5,881,633
Excess Revenues over Expenditures	\$ (1,862,364)	\$ (3,782,259)	\$ 2,915,398	\$ 756,937	\$ 93,795	\$ 495,155	\$ 1,002,521	\$ (739,913)
Net Position at beginning of year	\$ 2,350,803	\$ 488,439	\$ (3,117,781)	\$ 8,162,057	\$ 8,918,994	\$ 9,012,789	\$ 9,507,944	\$ 10,510,465
Net Position at end of year	\$ 488,439	\$ (3,293,820)	\$ (202,383)	\$ 8,918,994	\$ 9,012,789	\$ 9,507,944	\$ 10,510,465	\$ 9,770,552
Restatement	\$ -	\$ 176,039	\$ 8,364,440	\$ -	\$ -	\$ -	\$ -	\$ -
Restated positions at beginning of year	-	664,478	5,246,659	-	-	-	-	-
Restated position at end of year	\$ 488,439	\$ (3,117,781)	\$ 8,162,057	\$ 8,918,994	\$ 9,012,789	\$ 9,507,944	\$ 10,510,465	\$ 9,770,552
Unrestricted			\$ 822,463	\$ 1,189,288	\$ 2,107,120	\$ 1,696,251	\$ 1,785,996	\$ 1,046,083
Restricted (includes capital assets)			\$ 7,339,594	\$ 7,729,706				

Joint Utility Fund – Historical and Budgeted Financial Ratios and Metrics

STIFEL

	Ratios Calculated from Audited Financials							Budgeted
	2018	2019	2020	2021	2022	2023	2024	2025
Ratios and Metrics								
Net Operating Surplus	\$ (34,190)	\$ 176,224	\$ 34,948	\$ (227,996)	\$ (111,025)	\$ (497,844)	\$ (312,659)	\$ (1,060,536)
Add Back Depreciation	\$ -	\$ -	\$ 201,012	\$ 437,356	\$ 453,377	\$ 454,336	\$ 462,135	\$ 265,169
Net System Revenue Available for Debt Service	\$ (34,190)	\$ 176,224	\$ 235,960	\$ 209,360	\$ 342,352	\$ (43,508)	\$ 149,476	\$ (795,367)
Maximum Annual Debt Service Outstanding	\$ 150,307	\$ 136,963	\$ 265,253	\$ 265,253	\$ 265,253	\$ 265,253	\$ 265,253	\$ 265,169
Annual Debt Service Coverage (MADS)	-0.23x	1.29x	0.89x	0.79x	1.29x	-0.16x	0.56x	-3.00x
Additional Funds Available Debt Service <i>Additional Bond Capacity</i>	(184,497)	39,261	(29,293)	(55,893)	77,099	(308,761)	(115,777)	(1,060,536)
Future Issuance of Bonds (Scenario)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Debt Service Coverage (MADS)								
Unrestricted Available for DS and Cap Exp	\$ 488,439	\$ (3,117,781)	\$ 822,463	\$ 1,189,288	\$ 2,107,120	\$ 1,696,251	\$ 1,785,996	\$ 1,046,083
Operating Expenditures	886,157	774,551	941,570	1,086,202	1,021,015	1,409,984	1,537,058	2,213,656
Expenses per Day (365)	2,427.83	2,122.06	2,579.64	2,975.90	2,797.30	3,862.97	4,211.12	6,064.81
Days Cash on Hand	201	-1469	319	400	753	439	424	172
Target Unrestricted Fund Balance - 100%	\$ 886,157	\$ 774,551	\$ 941,570	\$ 1,086,202	\$ 1,021,015	\$ 1,409,984	\$ 1,537,058	\$ 2,213,656

Take Aways and Notes:

- Debt Service Coverage requirement from Net System Revenues has not been met in past two years
 - HHGRT portion of the USDA loans is removed from the calculation
 - **Approximately \$116k of additional revenue was needed in FY24 to meet debt covenant**
- The Village has a strong Unrestricted Net Position and Liquidity metric (Days Cash on Hand)
 - Recommend maintaining balance equal to 100% of operating expenditures due to large system and lack of revenues available for financing
 - Excess balances can be used for capital expenditures in lieu of, or in conjunction with, financing

Joint Utility Fund – Projected Operational Revenues & Expenditures

STIFEL

		Projected ²									
	Growth	FYE26	FYE27	FYE28	FYE29	FYE30	FYE31	FYE32	FYE33	FYE34	FYE35
OPERATING REVENUES*											
Charges for Services	5.00%	\$ 1,531,622	\$ 1,608,204	\$ 1,688,614	\$ 1,773,044	\$ 1,861,697	\$ 1,954,782	\$ 2,052,521	\$ 2,155,147	\$ 2,262,904	\$ 2,376,049
Other Fees	0.00%	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Connection Fees	0.00%	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING REVENUES		\$ 1,532,622	\$ 1,609,204	\$ 1,689,614	\$ 1,774,044	\$ 1,862,697	\$ 1,955,782	\$ 2,053,521	\$ 2,156,147	\$ 2,263,904	\$ 2,377,049
OPERATING EXPENDITURES AND DEBT											
Personnel Services	6.00%	\$ 536,476	\$ 568,665	\$ 602,785	\$ 638,952	\$ 677,289	\$ 717,926	\$ 761,002	\$ 806,662	\$ 855,062	\$ 906,365
Recurring Contractual Services	5.00%	382,000	401,100	421,155	442,213	464,323	487,540	511,917	537,512	564,388	592,607
Supplies	5.00%	95,496	100,270	105,284	110,548	116,076	121,879	127,973	134,372	141,091	148,145
Operating		-	-	-	-	-	-	-	-	-	-
Maintenance and Materials	5.00%	29,028	30,479	32,003	33,603	35,283	37,048	38,900	40,845	42,887	45,032
Utilities	5.00%	96,592	101,421	106,492	111,817	117,408	123,278	129,442	135,914	142,710	149,845
iscellaneous (inc. Self Insurance for 21 and 22)	5.00%	115,000	120,750	126,788	133,127	139,783	146,772	154,111	161,817	169,907	178,403
Travel	5.00%	1,071	1,125	1,181	1,240	1,302	1,367	1,436	1,507	1,583	1,662
<i>Total Operating Costs</i>		1,255,663	1,323,810	1,395,688	1,471,500	1,551,464	1,635,810	1,724,780	1,818,629	1,917,627	2,022,059
Debt Service:											
2010 WTB NMFA - Net Rev (06/01/2030)	0.00%	26,247	26,247	26,247	26,247	-	-	-	-	-	-
2016 WTB NMFA - Net Rev (06/01/2035)	0.00%	8,731	8,731	8,731	8,731	8,731	8,731	8,731	8,731	8,731	8,731
2018 CWSRF - Net Rev 2006 Bonds (11/30/2026)	0.00%	101,288	101,288	-	-	-	-	-	-	-	-
2020 USDA WWTP - Net Rev (06/12/2061)	0.00%	128,903	128,903	128,903	128,903	128,903	128,903	128,903	128,903	128,903	128,903
2024 WTB NMFA - Net Rev	0.00%	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083
Depreciation and amortization		-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENDITURES		\$ 1,528,915	\$ 1,597,062	\$ 1,567,652	\$ 1,643,464	\$ 1,697,181	\$ 1,781,527	\$ 1,870,497	\$ 1,964,346	\$ 2,063,344	\$ 2,167,776
Net Operating Surplus/(Deficiency)		\$ 3,708	\$ 12,141	\$ 121,962	\$ 130,581	\$ 165,515	\$ 174,254	\$ 183,023	\$ 191,800	\$ 200,560	\$ 209,273

Take Aways and Notes:

- A one-time revenue increase of \$285k was used to balance the projected operating budget in FY2026.
- A 5% annual revenue growth rate is needed for the JUF to break even each year.
- Operating expenditure growth factors have been determined in consultation with Village staff based on prior year trends and expected future increases.
- Annual operating expenditures include debt service.

Joint Utility Fund – Projected Non-Operating Revenues & Fund Balance

STIFEL

		Projected ²									
	Growth	FYE26	FYE27	FYE28	FYE29	FYE30	FYE31	FYE32	FYE33	FYE34	FYE35
NON-OPERATING REVENUES*											
Transfer In - Hold Harmless GRT	from GF	\$ 377,832	\$ 386,411	\$ 324,586	\$ 325,982	\$ 344,913	\$ 334,153	\$ 345,853	\$ 392,224	\$ 406,921	\$ 411,925
Transfer In - General Fund and Reserve	0.00%	-	-	-	-	-	-	-	-	-	-
Transfer In - O&M Fund 32											
Transfer In - WW Impact Fees 294 DIF	3.00%	77,888	80,224	82,631	85,110	87,663	90,293	93,002	95,792	98,666	-
Transfer In - Water Impact Fees 293 DIF	3.00%	42,256	43,523	44,829	46,174	47,559	48,986	50,456	51,969	53,528	-
Interest income	0.00%	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963
Interest expense											
Other income	0.00%	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578
State and federal capital grants	0.00%	-	-	-	-	-	-	-	-	-	-
TOTAL NON-OPERATING REVENUES		\$ 506,516	\$ 518,700	\$ 460,587	\$ 465,806	\$ 488,676	\$ 481,973	\$ 497,851	\$ 548,527	\$ 567,656	\$ 420,467
NON-OPERATING EXPENSES											
2020 USDA HHGRT - Rev (06/12/2061)	0.00%	157,308	157,308	157,308	157,308	157,308	157,308	157,308	157,308	157,308	157,308
Capital Expenditures and Improvements	5.00%	250,000	262,500	275,625	289,406	303,877	319,070	335,024	351,775	369,364	387,832
Cash transfers	0.00%	-	-	-	-	-	-	-	-	-	-
Purchases for resale	5.00%	291	306	321	337	354	372	390	410	430	452
I&RF (Depreciation)	0.00%	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Loss of sale of asset	5.00%	-	-	-	-	-	-	-	-	-	-
TOTAL NON-OPERATING FUND EXPENDITURES		\$ 550,291	\$ 562,806	\$ 575,946	\$ 589,743	\$ 604,230	\$ 619,442	\$ 635,414	\$ 652,185	\$ 669,794	\$ 688,284
Net Non-Operating Surplus/(Deficiency)		\$ (43,775)	\$ (44,106)	\$ (115,359)	\$ (123,937)	\$ (115,554)	\$ (137,469)	\$ (137,563)	\$ (103,658)	\$ (102,138)	\$ (267,817)
TOTAL JOINT UTILITY FUND REVENUES		\$ 2,039,139	\$ 2,127,903	\$ 2,150,200	\$ 2,239,851	\$ 2,351,373	\$ 2,437,755	\$ 2,551,372	\$ 2,704,673	\$ 2,831,560	\$ 2,797,516
TOTAL JOINT UTILITY FUND EXPENDITURES		\$ 2,079,206	\$ 2,159,868	\$ 2,143,598	\$ 2,233,207	\$ 2,301,412	\$ 2,400,969	\$ 2,505,911	\$ 2,616,531	\$ 2,733,138	\$ 2,856,060
Excess Revenues over Expenditures		\$ (40,067)	\$ (31,965)	\$ 6,603	\$ 6,644	\$ 49,961	\$ 36,786	\$ 45,460	\$ 88,142	\$ 98,422	\$ (58,544)
Net Position at beginning of year		\$ 9,770,552	\$ 9,730,485	\$ 9,698,520	\$ 9,705,123	\$ 9,711,767	\$ 9,761,728	\$ 9,798,513	\$ 9,843,974	\$ 9,932,116	\$ 10,030,538
Net Position at end of year		\$ 9,730,485	\$ 9,698,520	\$ 9,705,123	\$ 9,711,767	\$ 9,761,728	\$ 9,798,513	\$ 9,843,974	\$ 9,932,116	\$ 10,030,538	\$ 9,971,993
Restatement											
Restated positions at beginning of year											
Restated position at end of year		\$ 9,730,485	\$ 9,698,520	\$ 9,705,123	\$ 9,711,767	\$ 9,761,728	\$ 9,798,513	\$ 9,843,974	\$ 9,932,116	\$ 10,030,538	\$ 9,971,993
Unrestricted		\$ 1,006,016	\$ 974,051	\$ 980,654	\$ 987,298	\$ 1,037,259	\$ 1,074,044	\$ 1,119,505	\$ 1,207,647	\$ 1,306,069	\$ 1,247,524
Restricted (includes capital assets)											

Take Aways and Notes:

- HHGRT is transferred in from the GF and is pledged to repayment of a WWTP loan from USDA ~
- Additional ongoing transfers from the GF have not been included. However historical average for transfers in equates to \$675k from the general fund
- Audited Unrestricted Net Position may include Village restricted dollars for Debt Service and O&M reserve

Joint Utility Fund – Projected Financial Ratios and Metrics

STIFEL

	Projected									
	FYE26	FYE27	FYE28	FYE29	FYE30	FYE31	FYE32	FYE33	FYE34	FYE35
Ratios and Metrics										
Net Operating Surplus	\$ 3,708	\$ 12,141	\$ 121,962	\$ 130,581	\$ 165,515	\$ 174,254	\$ 183,023	\$ 191,800	\$ 200,560	\$ 209,273
Add Back Debt Service Payments and Depreciation	\$ 273,252	\$ 273,252	\$ 171,964	\$ 171,964	\$ 145,717	\$ 145,717	\$ 145,717	\$ 145,717	\$ 145,717	\$ 145,717
Net System Revenue Available for Debt Service	\$ 276,960	\$ 285,393	\$ 293,926	\$ 302,545	\$ 311,232	\$ 319,971	\$ 328,740	\$ 337,517	\$ 346,277	\$ 354,990
Maximum Annual Debt Service Outstanding	\$ 273,252	\$ 265,169	\$ 163,881	\$ 163,881	\$ 137,634	\$ 137,634	\$ 137,634	\$ 137,634	\$ 137,634	\$ 137,634
Annual Debt Service Coverage (MADS)	1.01x	1.08x	1.79x	1.85x	2.26x	2.32x	2.39x	2.45x	2.52x	2.58x
Additional Funds Available Debt Service	3,708	20,224	130,045	138,664	173,598	182,337	191,106	199,883	208,643	217,356
Additional Bond Capacity	None	None	None	None	None	None	None	None	None	None
Future Issuance of Bonds (Scenario)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Debt Service Coverage (MADS)	1.01x	1.08x	1.79x	1.85x	2.26x	2.32x	2.39x	2.45x	2.52x	2.58x
Unrestricted Available for DS and Cap Exp	\$ 1,006,016	\$ 974,051	\$ 980,654	\$ 987,298	\$ 1,037,259	\$ 1,074,044	\$ 1,119,505	\$ 1,207,647	\$ 1,306,069	\$ 1,247,524
Operating Expenditures	1,528,915	1,597,062	1,567,652	1,643,464	1,697,181	1,781,527	1,870,497	1,964,346	2,063,344	2,167,776
Expenses per Day (365)	4,188.81	4,375.51	4,294.94	4,502.64	4,649.81	4,880.90	5,124.65	5,381.77	5,653.00	5,939.11
Days Cash on Hand	240	223	228	219	223	220	218	224	231	210
Target Unrestricted Fund Balance Minimum - 100%	\$ 2,079,206	\$ 2,159,868	\$ 2,143,598	\$ 2,233,207	\$ 2,301,412	\$ 2,400,969	\$ 2,505,911	\$ 2,616,531	\$ 2,733,138	\$ 2,856,060

Take Aways and Notes:

- Annual debt service coverage ratios are met each year with these budget projections and assumptions
- Based on projected Utility revenues and debt service amortization, the JUF could potentially finance projects in FY2028
- With an increase in operating revenue, the JUF can become self sustaining and provide additional funds for capital projects

Historical Financial Performance and Observations:

Operational Revenues, Expenditures and Net Operating Surplus

- 2025 Budgeted Revenues are flat compared to FY2024, which was up 34% compared to FY2023
- Total Operating Costs averaged \$1.1M over the past 7 years; this year's FY2025 budgeted costs is \$2.2M
- Budgeted FY25, Net Operating Surplus should total \$0 in order to meet Debt Service Coverage Ratio of 1 times
- Debt Service has increased by approximately \$400k in recent years with the WWTP coming online
- Operating expenditures have exceeded revenues in 5 of the last 8 years resulting in operational budget deficiencies

Fund Balance

- Auditor includes some Village restricted funds in Unrestricted line item and plans to modify that practice next Audit.
- Expected expenses for WWTP project were not included at the end of fiscal year, according to staff

Projected Financial Performance and Observations:

Revenues, Expenditures and Net Operating Surplus

- Projected Charges for Services are assumed to grow at 5% over the next 10 years
 - *Need to evaluate annually and balance with rate increases to provide necessary enterprise revenues*
- Personnel Services is assumed to grow at 6% capturing wage increases and insurance costs and benefits (averaged 9%)
- Revenue increase are needed to avoid a Net Operating Deficit based on the analysis

Non-Operating Revenues

- The JUF fund has received an average of \$700k in transfers in from the GF over the past 6 years
 - *A smaller amount of \$375k is projected to be received for HHGRT moving forward*

Capital Expenditure and Project Financing Capacity:

With annual setting of utility rates that provide a balanced operating budget, and the amortization of existing debt obligations, the Village could explore financing of projects in 2027,

SECTION III.

**Fire Department
Historical Financial Data and Budget Projections**

Fire Department – Historical and Budgeted Operational Revenues & Expenditures

STIFEL

	Annualized*							
	Fire Fund Audited ¹ plus GF Items for Wages/Benefits							Budget
	FYE2018	FYE2019	FYE2020	FYE2021	FYE2022	FYE2023	FYE2024	FYE2025
FIRE FUND REVENUES*	4.8%	8.7%	5.0%	4.3%				
State Operating Grants	\$ 107,072	\$ 116,402	\$ 122,171	\$ 127,434	\$ 212,807	\$ 242,288	\$ 251,826	\$ 250,000
Additional State Revenues/Grants (Admin)	-	-	-	-	-	-	-	50,000
Interest income	3,737	2,969	-	-	715	3,379	12,499	2,500
Miscellaneous income	-	-	5,000	-	-	-	-	-
FIRE FUND TOTAL REVENUES	\$ 110,809	\$ 119,371	\$ 127,171	\$ 127,434	\$ 213,522	\$ 245,667	\$ 264,325	\$ 302,500
GF REVENUES FOR FIRE WAGES/BENEFITS*	\$ -	\$ 20,000	\$ 20,000	\$ 20,000				\$ 50,000
TOTAL FIRE DEPARTMENT REVENUES	\$ 110,809	\$ 139,371	\$ 147,171	\$ 147,434	\$ 213,522	\$ 245,667	\$ 264,325	\$ 352,500
FIRE FUND EXPENDITURES								
Public safety*	\$ 55,533	\$ 74,716	\$ 55,548	\$ 70,026	\$ 87,951	\$ 185,876	\$ 138,050	\$ 222,100
Capital outlay*	-	130,000	21,615	-	294,948	16,038	532,823	505,000
Bldg Lease Payment (Should flow through to GF as Rev) - verify th	-	-	-	-	-	-	-	-
Debt Service*(limited to 2.0xDSCR on \$ 45k) :	-	-	-	-	-	-	-	-
Series 2021 NMFA Loan	-	-	-	-	1,942	58,418	58,416	58,421
TBD - Future Capital Financing	-	-	-	-	-	-	-	-
FIRE FUND TOTAL EXPENDITURES	\$ 55,533	\$ 204,716	\$ 77,163	\$ 70,026	\$ 384,841	\$ 260,332	\$ 729,289	\$ 785,521
GF EXPENDITURES FOR WAGES/BENEFITS*	\$ -	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -
TOTAL FIRE DEPARTMENT EXPENDITURES	\$ 55,533	\$ 224,716	\$ 97,163	\$ 90,026	\$ 384,841	\$ 260,332	\$ 729,289	\$ 785,521
Excess of revenues over								
(under) expenditures	\$ 55,276	\$ (85,345)	\$ 50,008	\$ 57,408	\$ (171,319)	\$ (14,665)	\$ (464,964)	\$ (433,021)
Other financing sources (uses):								
Additional Transfers in	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	(20,000)	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	298,234	-
Loan Proceeds	-	-	-	-	454,116	-	-	-
Total Other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ 454,116	\$ -	\$ 298,234	\$ -
Fund balance at beginning of year	\$ 336,535	\$ 391,811	\$ 306,466	\$ 356,474	\$ 413,882	\$ 696,679	\$ 682,014	\$ 547,373
Fund balance at end of year	\$ 391,811	\$ 306,466	\$ 356,474	\$ 413,882	\$ 696,679	\$ 682,014	\$ 515,284	\$ 114,352

Fire Department – Historical and Budgeted Financial Ratios and Metrics

STIFEL

	Audited							Budgeted
	FYE2018	FYE2019	FYE2020	FYE2021	FYE2022	FYE2023	FYE2024	FYE2025
Financing Scenarios, Ratios and Metrics								
Grant Revenues Available for Debt Service*	\$ 107,072	\$ 116,402	\$ 122,171	\$ 127,434	\$ 212,807	\$ 242,288	\$ 251,826	\$ 250,000
Revenue Available @ 2.0x Coverage	\$ 53,536	\$ 58,201	\$ 61,086	\$ 63,717	\$ 106,404	\$ 121,144	\$ 125,913	\$ 125,000
Current Total Annual Debt Service Outstanding	\$ 58,417	\$ 58,417	\$ 58,417	\$ 58,417	\$ 58,417	\$ 58,417	\$ 58,417	\$ 58,421
Annual Debt Service Coverage (MADS)	1.83x	1.99x	2.09x	2.18x	3.64x	4.15x	4.31x	4.28x
Additional Grant Revenues Available for Debt Service	\$ 71,583	\$ 71,583	\$ 71,583	\$ 71,583	\$ 71,583	\$ 71,583	\$ 71,583	\$ -
Fund Balance Available for DS and Cap Exp	\$ 391,811	\$ 306,466	\$ 356,474	\$ 413,882	\$ 696,679	\$ 682,014	\$ 515,284	\$ 114,352
Operating Expenditures	55,533	204,716	77,163	\$ 70,026	\$ 384,841	\$ 260,332	\$ 729,289	\$ 727,100
Expenses per Day (365)	152	561	211	192	1,054	713	1,998	1,992
Days Cash on Hand	704	208	578	664	202	340	126	57
Suggested Fund Balance Minimum - 50%	\$ 27,767	\$ 112,358	\$ 48,582	\$ 45,013	\$ 192,421	\$ 130,166	\$ 364,645	\$ 392,761

Take Aways and Notes:

- State Operating Grant revenues are restricted funds and can only be used for specific expenditures
- Fire Department wages are paid by the General Fund
- State Fire Marshall's Office limits annual debt service to 2.0x DSCR calculated off of State Fire Grant Baseline (as of 05/04/2021 the baseline grant amount totals \$145,946).
- *Report includes fire protection funds: 209, 210, 516

Fire Department – Projected Operational Revenues & Expenditures

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FIRE FUND REVENUES*

State Operating Grants

Additional State Revenues/Grants (Admin office)

Interest income

Miscellaneous income

FIRE FUND TOTAL REVENUES

GF REVENUES FOR FIRE WAGES/BENEFITS*

TOTAL FIRE DEPARTMENT REVENUES

FIRE FUND EXPENDITURES

Public safety*

Capital outlay*

Bldg Lease Payment (Should flow through to GF as Rev)

Debt Service*(limited to 2.0x DSCR on \$45k) :

Series 2021 NMFA Loan

TBD - Future Capital Financing

FIRE FUND TOTAL EXPENDITURES

GF EXPENDITURES FOR WAGES/BENEFITS*

TOTAL FIRE DEPARTMENT EXPENDITURES

Excess of revenues over

(under) expenditures

Other financing sources (uses):

Additional Transfers in

Transfers out

Proceeds from sale of capital assets

Loan Proceeds

Total Other financing sources (uses)

Fund balance at beginning of year

Fund balance at end of year

Projected ²										
Growth	FYE2026	FYE2027	FYE2028	FYE2029	FYE2030	FYE2031	FYE2032	FYE2033	FYE2034	
3.00%	\$ 250,000	\$ 257,500	\$ 265,225	\$ 273,182	\$ 289,819	\$ 307,468	\$ 326,193	\$ 346,058	\$ 367,133	
3.00%	-	-	-	-	-	-	-	-	-	
0.00%	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	
0.00%	-	-	-	-	-	-	-	-	-	
	\$ 252,500	\$ 260,000	\$ 267,725	\$ 275,682	\$ 292,319	\$ 309,968	\$ 328,693	\$ 348,558	\$ 369,633	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 252,500	\$ 260,000	\$ 267,725	\$ 275,682	\$ 292,319	\$ 309,968	\$ 328,693	\$ 348,558	\$ 369,633	
3.00%	\$ 124,287	\$ 128,016	\$ 131,856	\$ 135,812	\$ 144,083	\$ 152,858	\$ 162,167	\$ 172,043	\$ 182,520	
3.00%	15,000	15,450	15,914	16,391	17,389	18,448	19,572	20,764	22,028	
5.00%	24,000	25,200	26,460	27,783	30,631	33,770	37,232	41,048	45,256	
	-	-	-	-	-	-	-	-	-	
	58,417	58,417	58,417	58,417	58,417	58,417	-	-	-	
	-	-	-	-	-	-	-	-	-	
	\$ 221,704	\$ 227,082	\$ 232,646	\$ 238,403	\$ 250,519	\$ 263,493	\$ 218,970	\$ 233,854	\$ 249,804	
0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 221,704	\$ 227,082	\$ 232,646	\$ 238,403	\$ 250,519	\$ 263,493	\$ 218,970	\$ 233,854	\$ 249,804	
	\$ 30,796	\$ 32,918	\$ 35,079	\$ 37,279	\$ 41,799	\$ 46,476	\$ 109,723	\$ 114,704	\$ 119,830	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ 114,352	\$ 145,148	\$ 178,065	\$ 213,144	\$ 250,423	\$ 292,222	\$ 338,698	\$ 448,421	\$ 563,125	
	\$ 145,148	\$ 178,065	\$ 213,144	\$ 250,423	\$ 292,222	\$ 338,698	\$ 448,421	\$ 563,125	\$ 682,955	

Fire Department – Projected Financial Ratios and Metrics

STIFEL

Financing Scenarios, Ratios and Metrics

Grant Revenues Available for Debt Service*

Revenue Available @ 2.0x Coverage

Current Total Annual Debt Service Outstanding

Annual Debt Service Coverage (MADS)

Additional Grant Revenues Available for Debt Service

Fund Balance Available for DS and Cap Exp

Operating Expenditures

Expenses per Day (365)

Days Cash on Hand

Suggested Fund Balance Minimum - 50%

Projected									
FYE2026	FYE2027	FYE2028	FYE2029	FYE2030	FYE2031	FYE2032	FYE2033	FYE2034	
\$ 252,500	\$ 260,000	\$ 267,725	\$ 275,682	\$ 292,319	\$ 309,968	\$ 328,693	\$ 348,558	\$ 369,633	
\$ 126,250	\$ 130,000	\$ 133,863	\$ 137,841	\$ 146,159	\$ 154,984	\$ 164,347	\$ 174,279	\$ 184,817	
\$ 58,417	\$ 58,417	\$ 58,417	\$ 58,417	\$ 58,417	\$ 58,417	\$ -	\$ -	\$ -	
4.32x	4.45x	4.58x	4.72x	5.00x	5.31x				
\$ 67,833	\$ 71,583	\$ 75,446	\$ 79,424	\$ 87,743	\$ 96,568	\$ 164,347	\$ 174,279	\$ 184,817	
Addtl Cap	Addtl Cap	Addtl Cap	Addtl Cap	Addtl Cap	Addtl Cap	Addtl Cap	Addtl Cap	Addtl Cap	
\$ 163,287	\$ 168,666	\$ 174,230	\$ 179,986	\$ 192,103	\$ 205,076	\$ 218,970	\$ 233,854	\$ 249,804	
447	462	477	493	526	562	600	641	684	
324	385	447	508	555	603	747	879	998	
\$ 110,852	\$ 113,541	\$ 116,323	\$ 119,201	\$ 125,260	\$ 131,746	\$ 109,485	\$ 116,927	\$ 124,902	

Take Aways and Notes:

Current debt will be paid off in FY2031

*State Fire Marshall's Office limits annual debt service to 2.0x DSCR calculated off of State Fire Grant Baseline

SECTION IV.

Impact Fees Capital Projects Historical Financial Data and Budget Projections

Impact Fees– Historical and Projected Operational Revenues & Expenditures

RESTRICTED FUNDS STIFEL

	Audited Financials					Budgeted FY2025	Projected ²										
	FY2020	FY2021	FY2022	FY2023	FY2024		Growth	FYE2026	FYE2027	FYE2028	FYE2029	FYE2030	FYE2031	FYE2032	FYE2033	FYE2034	FYE2035
Revenues																	
Licenses and Fees	\$ 72,448	\$ 40,961	\$ 5,563	\$ 1,318,644	\$ 98,464	\$ 57,600	1.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety Impact Fees	-	-	-	-	134,247	\$ 33,600	0.00%	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Transportation Impact Fees	-	-	-	-	66,236	32,400	0.00%	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
Parks and Public Spaces Impact Fees	-	-	-	-	38,085	31,200	0.00%	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
Wastewater Facilities Impact Fees	-	-	-	-	103,850	33,600	0.00%	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Water Facilities Impact Fees	-	-	-	-	56,341	32,000	0.00%	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
TOTAL REVENUES	\$ 72,448	\$ 40,961	\$ 5,563	\$ 1,318,644	\$ 497,222	\$ 162,800		\$ 167,000	\$ 167,000	\$ 167,000	\$ 167,000	\$ 167,000	\$ 167,000	\$ 167,000	\$ 167,000	\$ 167,000	\$ 167,000
<i>Annual Aggregated Total</i>								\$ 334,000	\$ 501,000	\$ 668,000	\$ 835,000	\$ 1,002,000	\$ 1,169,000	\$ 1,336,000	\$ 1,503,000	\$ 1,670,000	\$ 1,670,000
EXPENDITURES ARE RESTRICTED																	
General Government	\$ -	\$ 69	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	12,900	15,638	-	-	-	-	0.00%	-	-	-	-	-	-	-	-	-	-
Public Safety	11,986	-	-	290,000	-	578,000	0.00%	-	-	-	-	-	-	-	-	-	-
Parks and Rec	-	-	-	-	23,819	220,400	0.00%	-	-	-	-	-	-	-	-	-	-
Roads and Equipment	-	-	-	-	69,688	350,000	0.00%	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 24,886	\$ 15,707	\$ -	\$ 290,000	\$ 93,506	\$ 1,148,400		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Excess of revenues over (under) expenditures</i>	<i>\$ 47,562</i>	<i>\$ 25,254</i>	<i>\$ 5,563</i>	<i>\$ 1,028,644</i>	<i>\$ 403,716</i>	<i>\$ (985,600)</i>		<i>\$ 167,000</i>	<i>\$ 167,000</i>	<i>\$ 167,000</i>	<i>\$ 167,000</i>	<i>\$ 167,000</i>	<i>\$ 167,000</i>	<i>\$ 167,000</i>	<i>\$ 167,000</i>	<i>\$ 167,000</i>	<i>\$ 167,000</i>
Other financing sources (uses):																	
Transfers out	\$ (56,290)	\$ (93,465)				\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-						-	-	-	-	-	-	-	-	-	-
Total Other financing sources (uses)	\$ (56,290)	\$ (93,465)				\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance at beginning of year	\$ 771,367	\$ 762,639	\$ 694,428	\$ 678,516	\$ 1,697,362	\$ 1,792,473		\$ 806,873	\$ 973,873	\$ 1,140,873	\$ 1,307,873	\$ 1,474,873	\$ 1,641,873	\$ 1,808,873	\$ 1,975,873	\$ 2,142,873	\$ 2,309,873
Fund balance at end of year	\$ 762,639	\$ 694,428	\$ 678,516	\$ 1,697,362	\$ 1,792,473	\$ 806,873		\$ 973,873	\$ 1,140,873	\$ 1,307,873	\$ 1,474,873	\$ 1,641,873	\$ 1,808,873	\$ 1,975,873	\$ 2,142,873	\$ 2,309,873	\$ 2,476,873

Take Aways and Notes:

- State Operating Grant revenues are restricted funds and can only be used for specific expenditures
- FY23-24 Impact Fees were above average due to construction projects in the Village
- Future projections are based off FY25 Village budget

SECTION V.

Village Infrastructure Capital Improvement Plan

Village – Infrastructure Capital Improvement Plan (“ICIP”)

STIFEL

Year & Priority	Project Name	Total Cost	Funded	Unfunded Amount	Potential Funding Sources	2025	2026	
22.1	Relocate and Upgrade Water Booster Station (Kachina)	\$ 300,000	\$ 125,000	\$ 175,000	WTB			\$ 300,000
22.2	Gunsite Springs Engineering, Design, Construction and Distribution Lines	\$ 1,500,000	\$ 315,000	\$ 1,185,000	Capital Outlay; Private			\$ 1,500,000
22.3	Twining Rd. Improvements - Planning, Engineering, Design, & Construction	\$ 5,000,000	\$ 275,000	\$ 4,725,000	NM DOT; TIDD, Private			\$ 5,000,000
22.4	Water Line Upgrades and Expansion Village Wide	\$ 8,000,000		\$ 8,000,000		\$ 1,000,000	\$ 1,000,000	\$ 8,000,000
22.5	Purchase Replacement Fire Engine	\$ 850,000		\$ 850,000				\$ 850,000
22.6	Purchase Backhoe	\$ 150,000		\$ 150,000				\$ 150,000
22.7	Fire Sub-station #2 Expand and Renovate	\$ 800,000		\$ 800,000	NM Fire Fund			\$ 800,000
22.8	Road Improvements Village Wide	\$ 3,000,000		\$ 3,000,000	NMDOT	\$ 1,000,000		\$ 3,000,000
22.9	Undergrounding of Electric Lines Village Wide	\$ 2,000,000	\$ 400,000	\$ 1,600,000	Village; Private; TIDD	\$ 400,000	\$ 400,000	\$ 2,000,000
22.10	WasteWater Line Upgrades and Expansion Village Wide	\$ 6,000,000		\$ 6,000,000		\$ 1,000,000	\$ 1,000,000	\$ 6,000,000
22.11	Kachina Water Tank & Distribution Lines (Engineering, Construction, &	\$ 500,000		\$ 500,000	WTB			\$ 500,000
22.12	Public Safety Building	\$ 400,000		\$ 400,000				\$ 400,000
22.13	Public Safety Repeater Building	\$ 150,000		\$ 150,000				\$ 150,000
22.14	Purchase Public Safety Vehicles and Equipment	\$ 150,000		\$ 150,000				\$ 150,000
23.1	Renovate and Expand New Village Hall Complex	\$ 2,250,000	\$ 100,000	\$ 2,150,000	Village; State			\$ 2,250,000
23.2	Fire Rescue Truck	\$ 400,000		\$ 400,000	NM Fire Fund			\$ 400,000
23.3	Helipad Site Development	\$ 750,000		\$ 750,000	Private			\$ 750,000
23.3	Phoenix Spring Redevelopment & Repair (Planning, Engineering, Design, &	\$ 500,000		\$ 500,000	WTB; Federal Grant			\$ 500,000
23.4	Renovate and Expand Primary Fire Station #1	\$ 2,500,000		\$ 2,500,000	NM Fire Fund			\$ 2,500,000
23.5	Multi-Purpose Trails (Amizette to Kachina) Planning, Acquisition, and	\$ 500,000		\$ 500,000				\$ 500,000
23.6	Purchase Village Vehicles	\$ 150,000		\$ 150,000				\$ 150,000
23.7	Hiker Parking Lot Expansion or Additional Location	\$ 250,000		\$ 250,000				\$ 250,000
23.8	Fire Hydrants Additional	\$ 500,000		\$ 500,000	NM Fire Fund	\$ 125,000		\$ 500,000
23.9	Public Transit (NCRTD) Stops/Pull-outs/Shelters (match)	\$ 150,000		\$ 150,000		\$ 50,000	\$ 125,000	\$ 150,000
24.1	Solar Energy Collection and Panel Installation	\$ 175,000		\$ 175,000		\$ 1,000,000		\$ 175,000
24.2	Parking Lot Bypass Road	\$ 2,000,000		\$ 2,000,000	TIDD; Private; NMDOT			\$ 2,000,000
24.3	Hiker Parking Lot Bathrooms	\$ 300,000		\$ 300,000	Village			\$ 300,000
24.4	Kachina Wetland Park Improvements	\$ 100,000		\$ 100,000	Private			\$ 100,000
24.5	Pumper Vactor Truck - Purchase and Equip	\$ 175,000		\$ 175,000				\$ 175,000
24.6	Electric Vehicle Charging Station	\$ 75,000		\$ 75,000	State			\$ 75,000
24.7	Public Safety Building Land Acquisition	\$ 230,000		\$ 230,000	Public Safety Grants			\$ 230,000
24.8	Pumper Tender (Fire Dept.)	\$ 800,000		\$ 800,000	NM Fire Fund			\$ 800,000
24.9	Snow Dragon (snow melt)	\$ 150,000		\$ 150,000				\$ 150,000
25.1	Public Works Material & Vehicle Storage Building	\$ 750,000		\$ 750,000	Private; Foundation	\$ 500,000	\$ 250,000	\$ 750,000
25.2	Surface Water Treatment Plant (Plan, Engineer, Design, & Construction)	\$ 1,500,000		\$ 1,500,000		\$ 1,500,000		\$ 1,500,000
25.3	Land Acquisition for Conservation Easement (SWPP Phoenix)	\$ 350,000		\$ 350,000		\$ 350,000		\$ 350,000
25.4	Recycling Facility - Planning, Design, & Construction	\$ 300,000		\$ 300,000		\$ 50,000	\$ 250,000	\$ 300,000
25.5	Beaver Pond Sedimentation and Riparian Restoration - Planning, Design, &	\$ 250,000		\$ 250,000		\$ 250,000		\$ 250,000
25.6	Public Works Dumptruck	\$ 125,000		\$ 125,000		\$ 75,000	\$ 50,000	\$ 125,000
25.7	Wastewater Treatment Plant Ancillary Bldg. - Construct and Equip	\$ 1,000,000		\$ 1,000,000		\$ 500,000	\$ 500,000	\$ 1,000,000
26.1	Purchase Water Truck	\$ 100,000		\$ 100,000			\$ 100,000	\$ 100,000
26.2	Construct/Remodel Public Safety Building / Multipurpose Building	\$ 1,450,000		\$ 1,450,000			\$ 1,450,000	\$ 1,450,000
26.3	MultiHog Attachment - Trilety sweeper	\$ 70,000		\$ 70,000			\$ 70,000	\$ 70,000
26.4	Ladder Truck (Fire Dept.)	\$ 1,500,000		\$ 1,500,000		\$ 750,000	\$ 750,000	\$ 1,500,000
26.5	Fish Habitat and Riparian Restoration	\$ 190,000		\$ 190,000			\$ 190,000	\$ 190,000
26.6	Road Grader	\$ 250,000		\$ 250,000			\$ 250,000	\$ 250,000
26.7	Acquire Snow Storage Area/Land	\$ 1,500,000		\$ 1,500,000			\$ 1,500,000	\$ 1,500,000
	SubTotal (excluding funded projects)	\$ 48,875,000				\$ 8,562,025	\$ 7,885,000	\$ 50,090,000
	Funded Projects:	\$ 1,215,000	\$ 1,215,000					
	Total all Projects from 2022 to 2026	\$ 50,090,000	\$ 1,215,000	\$ 48,875,000				

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