

Pine Creek Canyon Domestic Water Improvement District

LONG RANGE PLANS

During the annual budgeting process, the District's Board of Directors and Manager review the following factors related to the future:

- Expected revenues, expenses, capital needs, staffing needs, and the beginning and ending projected cash balances and cash flows are estimated for the next five years.**
- Age, expected life of major assets, and current performance and reliability of district facilities in terms of needs for possible replacement, upgrade, or maintenance are reviewed for the next five year period.**
- Projected changes that might occur in terms of (a) changes in regulatory requirements for testing or required equipment upgrades, or (b) changes in activities by operator/vendors or property owners.**
- Projected needs for increases in services (improved website, telephone/emergency communications/alerts, etc.)**
- Projected number of new lots and construction of homes or other facilities being considered by property owners are determined and are incorporated in the five year financial plan.**
- Required changes to the current and next four years budgets are incorporated to reflect the changes likely to occur.**
- Resulting annual budgets include estimates of operating cash requirements, and cash reserves for contingencies and planned capital expenses. Also, considered are needs for new loans or to pay down debt.**

Over the last few years, \$437,000 of capital has been expended to recoat the interior and exterior of the tank, to replace all pressure control valves, to replace the pumps and down hole equipment in both wells, and to upgrade the office computer system. For the 2020 - 2025 years, only minimal capital expenses or major maintenance are expected to occur, mainly up to \$10,000 every other year for upgrades to the wastewater treatment plant pond and possibly \$40,000 to upgrade the 25 year old pump station electrical controls.

There are no long-terms plans to expand the size of the District or to join with other similar entities, although that could become a possibility as others may someday run short of water resources. There are no specific plans to sell excess water to others; however, the Board may continue to explore that opportunity since we continue to use less than 10% of the water we could safely produce.