POLICY OBJECTIVE:
The district’s financial planning attempts to anticipate and address regulatory requirements, provide for effective asset repair and replacement, accommodate growth and provide resilience to address unforeseen circumstances. The district’s strategic financial planning policy is intended to ensure that the district has developed an overall strategy for continued financial viability and integrity.

POLICY STATEMENT:
I. Strategic Financial Plan Submittal and Commission Consideration
   A. The chief engineer and director shall present a strategic financial plan no less frequently than bi-annually for consideration by the commission that:

      1. Projects system cash-flows for no less than a 10-year forecast horizon.

      2. Delineates systemwide revenue generation requirements based on:

         a. Stated assumptions related to interest earnings rates on fund balances and expense escalation factors.

         b. Projected operations and maintenance expenses.

         c. Planned capital improvement project expenditures.

         d. Planned compliance with the district’s established financial policies.

      3. Projects rates to meet systemwide revenue generation requirements calculated based on projected future plant flow and loadings.

The strategic financial plan incorporates the district’s six-year capital improvements plan and debt service plan, identifying the revenue requirements of these plans in conjunction with projected changes in future operating budget requirements.

   a. The chief engineer and director may, at his discretion, present alternative strategic financial plan scenarios to illustrate the financial implications of alternative district initiatives.
b. No commission action is required following presentation of the strategic financial plan scenarios.

None of the specific provisions of this statement shall be interpreted to require actions that will frustrate accomplishment of the stated policy objective.

Adopted by commission action June 13, 2013