Thurston PUD
Proposed 2027 Debt Service Budget

	Principal	Interest	Proposed 2027 Budget
Debt Service Estimated Beginning Fund Balance			**$ 1,905,666**
Long Term Debt Description			
Bonds	960,102	629,154	$ 1,589,256
Public Works Trust Fund (PWTF) Loans	215,936	60,852	$ 276,788
Drinking Water State Revolving Fund (DWSRF) Loans	505,422	127,399	$ 632,820
20% Contingency on 2027 Loan Draws Estimates	1,097	444	$ 1,542
Total Debt Service Payments	**1,682,557**	**817,850**	**$ 2,500,406**
Funding Sources			
Transfer from Water Revenue Reserves Fund	1,760,000	-	$ 1,760,000
Transfer from Capital Surcharge Collections	249,746	-	$ 249,746
Transfer from Loan Capital Surcharges (Webster Hill, CCE, Glen Alder and Dana Passage)	183,172	-	$ 183,172
Transfer from Asset Management Plan (AMP) Capital Surcharges [1]	131,446	-	$ 131,446
Total Funding Sources	**2,324,364**	**-**	**$ 2,324,364**
Debt Service Estimated Ending Fund Balance			**$ 1,729,624**
Bond Covenant Reserve Requirement			**$ 1,241,969**
Debt Service Estimated Ending Fund Balance after Bond Requirement			**$ 487,655**

[1] *This transfer is for projects completed from 2016 to 2021 that were funded with Water Revenue Bond Proceeds. For additional information, see page 4.*

Proposed 2027 Debt Service Budget - Project Code Explanations

Long Term Debt: Includes bonds and loans awarded to the District to finance capital improvement projects. The tables below depict the long-term debt service repayments.

Repayment of Bonds: The District has four (4) Water Revenue Bonds.

Year(s)	Principal		Interest		Total	
2027	$	960,102	$	629,154	$	1,589,256
2028	$	987,905	$	600,351	$	1,588,256
2029	$	1,025,942	$	566,864	$	1,592,806
2030	$	1,054,221	$	532,086	$	1,586,307
2031-2035	$	6,564,236	$	2,091,021	$	8,655,257
2036-2040	$	5,984,815	$	1,020,410	$	7,005,225
2041-2042	$	1,620,000	$	97,800	$	1,717,800
Totals	**$**	**18,197,221**	**$**	**5,537,686**	**$**	**23,734,907**

Repayment of Public Works Trust Fund (PWTF) Loans: The District has two (2) closed PWTF loans and one (1) open loan.

The open loan is for a multi-year mainline replacement project, the loan may be closed in 2027 or 2028. Below are details for the open loan which will be added to the table below after the loan is closed and in repayment status.

Loan Amount: $10,000,000
Loan Term: 20 years
Interest Rate: 1.72%

The table below only reflects repayments on actual draws on closed loans; it does not include repayment of future draws on the open loan.

Year(s)	Principal		Interest		Total	
2025	$	22,242	$	5,169	$	27,411
2026	$	22,242	$	4,800	$	27,042
2027	$	22,242	$	4,431	$	26,672
2028	$	22,242	$	4,061	$	26,303
2029	$	22,242	$	3,692	$	25,934
2030	$	22,242	$	3,323	$	25,565
2031-2035	$	111,209	$	11,076	$	122,285
2036-2038	$	66,725	$	2,215	$	68,941
Totals	**$**	**266,901**	**$**	**28,799**	**$**	**295,700**

Proposed 2027 Debt Service Budget - Project Code Explanations, Continued

Repayment of Drinking Water State Revolving Fund (DWSRF) Loans: The District has 16 DWSRF loans; four (4) loans are open for the District to request draws.

The District anticipates closing two (2) of the open loans by December 2026 and the remaining loan being closed in 2027 or 2028. Below are details for the open loans which will be added to the table below after the loans are closed and in repayment status.

Project: Pattison Water System Consolidation and Replacement *(2026)*
Loan Amount: $3,141,500 with 50% loan forgiveness
Loan Term: 20 years
Interest Rate: 1.25%

Project: Pattison Water System Consolidation and Replacement *(2026)*
Loan Amount: $505,000
Loan Term: 20 years
Interest Rate: 2.25%

Project: Prairie Ridge Water System Consolidation *(2027 or 2028)*
Loan Amount: $1,463,813
Loan Term: 20 years
Interest Rate: 2.25%

Project: Dana Passage Water System Consolidation *(2027 or 2028)*
Loan Amount: $2,310,683
Loan Term: 25 years
Interest Rate: 2.25%

The table below only reflects repayments on actual draws on closed loans; it does not include repayment of future draws on the open loans.

Year(s)	Principal	Interest	Total
2027	$ 239,138	$ 15,195	$ 254,333
2028	$ 239,138	$ 13,602	$ 252,739
2029	$ 239,138	$ 12,004	$ 251,142
2030	$ 76,867	$ 10,415	$ 87,282
2031-2035	$ 330,967	$ 40,347	$ 371,314
2036-2040	$ 241,828	$ 21,850	$ 263,677
2041-2045	$ 196,051	$ 7,283	$ 203,335
Totals	**$ 1,563,126**	**$ 120,696**	**$ 1,683,821**

Contingency: This line item is reserved for additional loan draws that will increase the debt service payments.

Proposed 2027 Debt Service Budget - Funding Sources

The District maintains the required bond debt service covenant of $1,241,969. The District's guiding principle is to fund long term debt service repayments with the Debt Service Reserves Fund with transfers from the Water Revenue Reserves Fund. Additionally, the District may access monthly capital surcharges for water system specific improvements for the duration of the loan.

Transfer from Water Revenue Reserves Fund: This is an annual contribution from the Water Revenue Reserves Fund.

Transfer from Loan Capital Surcharges: There are four (4) loan capital surcharges for water system improvement projects. On an annual basis, loan capital surcharges are transferred to the Debt Service Reserves Fund based on the debt service repayment amounts.

Transfer from Asset Management Plan (AMP) Capital Surcharges: Water System capital improvement projects from 2016 to 2021 were funded with bond proceeds. On an annual basis, the AMP Capital Surcharges for the completed projects will be transferred to the Debt Service Reserves Fund.