

January 9, 87

To Cedar Ridge Water User:

At our last water meeting we discussed sending out a newsletter to keep everyone informed concerning the use of water and the funds necessary to provide water to every household.

The income from various sources for 1986 totaled \$46,349.24 (see attached Income Summary). Expenses paid in 1986 totaled \$46,239.59 (see attached Income Summary). The water company has some outstanding bills which total \$10,093.03 which were incurred when the new well was developed. The outstanding bill is a result of: the power company giving us the wrong estimate of the power cost, an under-estimated bill for the installation of the pump, and also a higher cost for the pipe than was estimated. The new well is working fine and has provided water through the late summer and fall.

We have estimated the income necessary to continue to provide water through 1987, this estimated budget also must provide for some debt service when the new well was completed.

Extended costs are as follows:

Governmental required testing	144.00
Debt service & interest	5,390.00
Power winter 7 months	910.00
Power summer 5 months	<u>1,900.00</u>
Total	\$8,344.00

Income Proposed as follows:

Present balance & collections due	259.00
12 month dues @ \$35.00 per household	<u>7,980.00</u>
Total income	\$ 8,239.68
Total shortage	\$104.32

As you can see the 1987 budget includes a raise of \$10.00 to \$35.00 per month to meet the increased power rates and to cover the balance due and unpaid portion of the new system.

The 1987 proposed budget also illustrates the importance of paying your monthly bill on time. Late payments force late power payments and can increase costs to the water users. This certainly seems unfair to those who do pay on time. Therefore we propose a \$.25 a day fee to those not paid by the 10th of the month.

It is our hope that this raise will only be temporary but we must realize the importance of an adequate water supply into our homes.

Please feel free to contact any member of the water committee if there are questions.

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Mary Merrill	Larry Warburton
Barbara Anderson	