

DIC Culinary Water Rate Analysis D.5

January 2016

5% Increase to Base and Overage Rates Starting January 2018

	2014	2015	2016	2017	2018	2019	2020	2021	2022
1 Expenses									
2									
3 Direct Costs	\$ 865,106	\$ 1,260,010	\$ 1,260,010	\$ 1,297,810	\$ 1,336,745	\$ 1,376,847	\$ 1,418,152	\$ 1,460,697	\$ 1,504,518
4 Direct Professional Expenses	\$ 237,164	\$ 256,841	\$ 267,114	\$ 277,799	\$ 288,911	\$ 300,467	\$ 312,486	\$ 324,985	\$ 337,985
5 Contract Operating Expenses	\$ 2,223,372	\$ 1,978,010	\$ 2,057,131	\$ 2,139,416	\$ 2,224,993	\$ 2,313,992	\$ 2,406,552	\$ 2,502,814	\$ 2,602,927
6 Property Taxes	\$ 74,880	\$ 73,264	\$ 83,230	\$ 86,559	\$ 90,022	\$ 93,623	\$ 97,368	\$ 101,262	\$ 105,313
7 System Rental (Depreciation)	\$ 1,029,087	\$ 1,439,220	\$ 1,482,396	\$ 1,526,868	\$ 1,572,674	\$ 1,619,854	\$ 1,668,450	\$ 1,718,504	\$ 1,770,059
8 Uncommitted (Depreciation)	\$ (108,337)	\$ (589,095)	\$ (1,364,146)	\$ (1,085,118)	\$ (1,221,674)	\$ (1,351,104)	\$ (1,118,450)	\$ (1,356,404)	\$ (785,009)
9 System Replacement (Depreciation)	\$ (920,750)	\$ (850,125)	\$ (118,250)	\$ (441,750)	\$ (351,000)	\$ (268,750)	\$ (550,000)	\$ (362,100)	\$ (985,050)
10 System Rental (H2O Purchase DIC)	\$ 645,000	\$ 645,000	\$ 645,000	\$ 645,000	\$ 645,000	\$ 645,000	\$ 645,000	\$ 645,000	\$ 645,000
11 Notes Payable (Water Treatment Loan)	\$ 458,086	\$ 458,036	\$ 458,042	\$ 460,099	\$ 458,024	\$ -	\$ -	\$ -	\$ -
12 Reuse Loan Payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 396,426	\$ 396,722	\$ 396,448	\$ 396,542
12 Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13 System Improvements	\$ 129,600	\$ 569,000	\$ 846,600	\$ 582,842	\$ 577,083	\$ 662,325	\$ 566,566	\$ 608,808	\$ 565,050
14 System Replacement	\$ 920,750	\$ 850,125	\$ 118,250	\$ 441,750	\$ 351,000	\$ 268,750	\$ 550,000	\$ 362,100	\$ 985,050
15 Total Expenses	\$ 5,553,957	\$ 6,090,287	\$ 5,735,377	\$ 5,931,275	\$ 5,971,777	\$ 6,057,430	\$ 6,392,846	\$ 6,402,114	\$ 7,142,383
16									
17 Income									
18									
19 Metered Sales	\$ 5,336,926	\$ 5,424,680	\$ 5,526,840	\$ 5,609,743	\$ 5,978,583	\$ 6,068,262	\$ 6,159,286	\$ 6,564,259	\$ 6,652,876
21 Connections	9925	10076	10278	10432	10588	10747	10908	11072	11221
22 Base Sales	\$ 2,229,552	\$ 2,263,473	\$ 2,308,742	\$ 2,343,373	\$ 2,497,450	\$ 2,534,912	\$ 2,572,935	\$ 2,742,106	\$ 2,779,124
23 Overage Sales	\$ 3,107,374	\$ 3,161,207	\$ 3,218,098	\$ 3,266,369	\$ 3,481,133	\$ 3,533,350	\$ 3,586,350	\$ 3,822,153	\$ 3,873,752
24 TOTAL	\$ 5,336,926	\$ 5,424,680	\$ 5,526,840	\$ 5,609,743	\$ 5,978,583	\$ 6,068,262	\$ 6,159,286	\$ 6,564,259	\$ 6,652,876
25 Raw Water Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26 Wholesale Culinary	\$ 11,000	\$ 10,700	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
27 Connection Fees	\$ 76,596	\$ 86,827	\$ 115,874	\$ 88,644	\$ 89,973	\$ 91,323	\$ 92,693	\$ 94,083	\$ 85,945
28 Other Income									
29 Interest Income	\$ 89,082	\$ 61,864	\$ -	\$ -	\$ -	\$ 4,763	\$ 5,068	\$ -	\$ 9,547
30 Gain on Sale of Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
31 Other Income & Expenses	\$ 559,187	\$ 285,493	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,001	\$ 55,002
32 Reservoir Reserve (Impact Fees)	\$ 495,433	\$ 528,178	\$ 412,108	\$ 281,655	\$ 285,880	\$ 290,168	\$ 294,521	\$ 298,939	\$ 273,081
33 System Buy-in Fees	\$ 90,271	\$ 96,233	\$ 147,110	\$ 112,539	\$ 114,227	\$ 115,940	\$ 117,679	\$ 119,445	\$ 109,113
34 Total Income	\$ 6,072,791	\$ 5,869,563	\$ 5,704,714	\$ 5,760,386	\$ 6,130,556	\$ 6,226,348	\$ 6,319,046	\$ 6,720,343	\$ 6,810,370
35									
36 Difference	\$ 518,834	\$ (220,723)	\$ (30,663)	\$ (170,889)	\$ 158,780	\$ 168,919	\$ (73,800)	\$ 318,228	\$ (332,013)
37									
Running Total		\$ (220,723)	\$ (251,387)	\$ (422,276)	\$ (263,496)	\$ (94,577)	\$ (168,378)	\$ 149,851	\$ (182,162)
		58%							

39 *Direct Costs & Rental are increased at 3% per year

40 *Expenses are increased at 4% per year

41													
42	Interest Rate												
43	Direct Costs Increases												
44	Expenses Increase												
45	Base Income Increase	0%	0%	0%	0%	0%	5%	0%	0%	0%	5%	0%	
46	Increase Overage Tier 1	0%	0%	0%	0%	0%	5%	0%	0%	0%	5%	0%	
47	Increase Overage Tier 2	0%	0%	0%	0%	0%	5%	0%	0%	0%	5%	0%	
48	Increase Overage Tier 3	0%	0%	0%	0%	0%	5%	0%	0%	0%	5%	0%	
49	Increase Overage Tier 4	0%	0%	0%	0%	0%	5%	0%	0%	0%	5%	0%	
50	Base Income	\$ 18.72	\$ 18.72	\$ 18.72	\$ 18.72	\$ 18.72	\$ 19.66	\$ 19.66	\$ 19.66	\$ 19.66	\$ 20.64	\$ 20.64	
51	Overage Tier 1	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.34	\$ 1.34	\$ 1.34	\$ 1.34	\$ 1.41	\$ 1.41	
52	Overage Tier 2	\$ 1.97	\$ 1.97	\$ 1.97	\$ 1.97	\$ 1.97	\$ 2.06	\$ 2.06	\$ 2.06	\$ 2.06	\$ 2.17	\$ 2.17	
53	Overage Tier 3	\$ 2.69	\$ 2.69	\$ 2.69	\$ 2.69	\$ 2.69	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.83	\$ 2.97	\$ 2.97	
54	Overage Tier 4	\$ 3.80	\$ 3.80	\$ 3.80	\$ 3.80	\$ 3.80	\$ 3.99	\$ 3.99	\$ 3.99	\$ 3.99	\$ 4.19	\$ 4.19	
55													