

APPENDIX H

Pro Forma Income Statement (Culinary System Rate Model)

	Historic			Projected		
	Year			Year		
	2022	2023	2024	2025	2026	2027
Total Accounts	8,326	8,294	8,359	8,361	8,377	8,396
% Growth from Previous Year	1.11%	-0.38%	0.78%	0.02%	0.19%	0.23%

Expenditures						
O&M	\$4,905,420	\$4,757,175	\$5,466,686	\$5,740,668	\$6,033,148	\$6,341,922
Debt Service	\$347,514	\$334,131	\$320,906	\$395,580	\$631,900	\$866,749
Total Capital Expenditures	\$1,888,378	\$1,674,505	\$3,463,671	\$8,532,144	\$12,390,615	\$2,920,789
<i>Total Expenditures</i>	\$7,141,312	\$6,765,811	\$9,251,264	\$14,668,393	\$19,055,663	\$10,129,460

Expenditures from Grant/Loan Proceeds	\$75,000	\$30,000	\$2,812,792	\$6,934,693	\$8,396,854	\$0
Capital Expenditures Net of Loans/Grants	\$1,813,378	\$1,644,505	\$650,879	\$1,597,451	\$3,993,761	\$2,920,789

Income						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Impact Fees	\$325,763	\$222,709	\$157,091	\$157,128	\$157,426	\$157,798
Other Non-Rate	\$160,277	\$126,602	\$131,716	\$138,333	\$145,512	\$153,131
Sales - Existing Rates	\$6,435,612	\$6,821,348	\$7,721,557	\$7,658,816	\$7,673,349	\$7,691,451
<i>Projected Income - Existing Rates</i>	\$6,921,652	\$7,170,659	\$8,010,364	\$7,954,278	\$7,976,288	\$8,002,380

Rate Increase						
Recommended Rate Increases	-	-	0.0%	0.0%	9.5%	8.0%
Sales Revenue With Increase	\$6,435,612	\$6,821,348	\$7,721,557	\$7,658,816	\$8,402,317	\$9,095,910
Projected Income - Recommended Rates	\$6,921,652	\$7,170,659	\$8,010,364	\$7,954,278	\$8,705,256	\$9,406,839

Cash Flow - Projected Income Ex. Rates	(\$144,660)	\$434,848	\$1,571,893	\$220,579	(\$2,682,521)	(\$2,127,080)
Cash Flow - Projected Income Rec. Rates	(\$144,660)	\$434,848	\$1,571,893	\$220,579	(\$1,953,553)	(\$722,621)

Table 17
WaterPro - Master Plan - Culinary
Impact Fee Revenue

	Historic	Historic	Historic	Projected	Projected	Projected
Size of Meter	2022	2023	2024	2025	2026	2027
Non-Utility Income	\$325,763	\$222,709	\$157,091	\$157,128	\$157,426	\$157,798
Total Impact Fee Revenue	\$325,763	\$222,709	\$157,091	\$157,128	\$157,426	\$157,798

Table 16
WaterPro - Master Plan - Culinary
Non-Rate Revenue (Including Connection Fees)

Assumed Inflation Rate = 5.0%

	Historic	Historic	Historic	Projected	Projected	Projected
Item	2022	2023	2024	2025	2026	2027
<i>Operations</i>						
Fire Protection Customers	\$16,345	\$16,767	\$16,866	\$17,713	\$18,633	\$19,608
Miscellaneous Service Revenue	\$6,100	\$5,500	\$3,700	\$3,886	\$4,088	\$4,302
Total Operations Non-Rate Revenue	\$22,445	\$22,267	\$20,566	\$21,599	\$22,720	\$23,910
<i>Expansion and Replacement</i>						
Impact Fees	\$325,763	\$222,709	\$157,091	\$157,128	\$157,426	\$157,798
Other Miscellaneous Water Revenues	\$137,832	\$104,335	\$111,150	\$116,734	\$122,792	\$129,221
Total Expansion Non-Rate Revenue	\$463,595	\$327,044	\$268,241	\$273,862	\$280,218	\$287,019
Total Non-Rate Revenue	\$486,040	\$349,311	\$288,807	\$295,461	\$302,939	\$310,929

Table 18
WaterPro - Master Plan - Culinary
Revenue Requirements
Cash Basis

	Historic	Historic	Historic	Projected	Projected	Projected
Item	2022	2023	2024	2025	2026	2027
<i>O&M</i>						
Salaries & Wages - Office Employees	\$1,870,868	\$1,962,769	\$2,018,480	\$2,119,643	\$2,227,636	\$2,341,646
Salaries & Wages - Officers, Directors & Stockholders	\$10,671	\$12,755	\$13,529	\$14,207	\$14,931	\$15,695
Employee Pensions & Benefits	\$417,823	\$477,318	\$470,105	\$493,666	\$518,818	\$545,370
Purchased Water	\$1,257,146	\$977,169	\$1,271,635	\$1,335,367	\$1,403,403	\$1,475,228
Chemicals	\$81,503	\$107,214	\$140,910	\$147,972	\$155,511	\$163,470
Materials and Supplies	\$209,566	\$60,062	\$105,978	\$111,289	\$116,960	\$122,945
Contractual Services - Engineering	\$114,001	\$57,683	\$72,485	\$76,118	\$79,996	\$84,090
Contractual Services - Accounting	\$33,620	\$38,836	\$39,196	\$41,160	\$43,258	\$45,471
Contractual Services - Legal	\$24,114	\$15,929	\$30,435	\$31,960	\$33,589	\$35,308
Contractual Services - Management Fees (System Depreciation)	\$0	\$0	\$0	\$0	\$0	\$0
System Replacement (Due to System Depreciation)	\$0	\$0	\$0	\$0	\$0	\$0
Contractual Services - Testing & Lab Fees	\$27,131	\$36,150	\$28,615	\$30,049	\$31,580	\$33,196
Contractual Services - Water System Maintenance	\$316,307	\$476,827	\$646,747	\$679,161	\$713,763	\$750,294
Contractual Services - Other	\$31,455	\$30,812	\$38,551	\$40,483	\$42,546	\$44,723
Rental of Equipment	\$7,507	\$0	\$0	\$0	\$0	\$0
Transportation Expense	\$121,489	\$107,830	\$144,837	\$152,096	\$159,845	\$168,026
Insurance - General Liability	\$218,074	\$248,467	\$285,786	\$300,109	\$315,399	\$331,541
Advertising Expenses	\$5,087	\$960	\$183	\$192	\$202	\$212
Regulatory Commission Expense - Other	\$15,808	\$14,866	\$14,562	\$15,292	\$16,071	\$16,893
Water Resource Conservation Expense	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous Expense	\$143,250	\$131,528	\$144,652	\$151,902	\$159,641	\$167,811
Bad Debt Expense	\$0	\$0	\$0	\$0	\$0	\$0
Total O&M	\$4,905,420	\$4,757,175	\$5,466,686	\$5,740,668	\$6,033,148	\$6,341,922

Debt Service

Culinary Well and Waterline Loan (Banner Loan)	\$347,514	\$334,131	\$320,906	\$307,364	\$293,981	\$280,598
DNR-BWR Loan For Reuse Project - Phase 1	\$0	\$0	\$0	\$87,497	\$263,213	\$318,192
DNR-BWR Loan For Reuse Project - Phases 2 & 3	\$0	\$0	\$0	\$719	\$11,307	\$204,560
DNR-BWR Loan for 13800 S. Project	\$0	\$0	\$0	\$0	\$30,467	\$30,467
Total Debt Service	\$347,514	\$334,131	\$320,906	\$395,580	\$631,900	\$866,749

Capital Improvements

	2022	2023	2024	2025	2026	2027
Well Repair/Maintenance - Hidden Valley	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$175,000
Meter Replacement & Installations	\$342,000	\$342,000	\$666,331	\$694,757	\$729,494	\$250,000
Purchase Water Rights - 500 AF Deep Well	\$100,000	\$100,000	\$0	\$0	\$0	\$0
Purchase Water Rights - Little Willow	\$0	\$0	\$0	\$0	\$100,000	\$100,000
South Mountain Pump Station Pump #4 Replacement	\$0	\$0	\$0	\$57,500	\$0	\$0
South Mountain Pump Station Fuel Tank Replacement	\$0	\$0	\$0	\$15,000	\$0	\$0
SCADA System Switchover	\$0	\$0	\$0	\$174,000	\$5,000	\$5,000
Chemical Building Outfitting	\$0	\$0	\$0	\$35,000	\$20,000	\$0
System Master Meter Replacement	\$0	\$0	\$24,922	\$0	\$0	\$0
Water Treatment Plant Membrane Upgrades	\$0	\$0	\$0	\$410,000	\$410,000	\$410,000
13191 S. Running Bear Lane PRV Relocation and Line Abandonment	\$0	\$0	\$0	\$0	\$0	\$327,407
South Willow/Rideout Hall Lane (private road) Relace 8" Ductile Pipe	\$0	\$0	\$0	\$102,070	\$0	\$0
Disconnect, Cap and Abandon 6" Line at 1162 E and Ranchero Dr	\$23,622	\$0	\$0	\$0	\$0	\$0
Portable Generator for Pumps	\$110,000	\$110,000	\$0	\$0	\$0	\$0
New 2" Line and Booster Pump in Existing Vault (Near So. Mtn. Pump Station in Case	\$59,055	\$0	\$0	\$0	\$0	\$0
Pioneer Rd - Upsize 8" to 10" Line from Tracks to 1300 E	\$0	\$0	\$0	\$0	\$0	\$376,493
Pioneer Rd - Replace 10 " Line from 1745 E to 1840 E	\$0	\$351,030	\$0	\$0	\$0	\$0
1300 E - Replace 10" Line from 13400 S to 13800 S	\$533,816	\$0	\$0	\$0	\$0	\$0
12100 S - Upsize 6" to 8" Line from 700 E to 500 E	\$0	\$0	\$0	\$0	\$0	\$683,788
12000 S - Replace 6" Cast Iron from 535 E to 581 E	\$0	\$0	\$0	\$119,900	\$0	\$0
1840 E - Replace 10" Line from Pioneer Rd to 12200 S. Downsize Deadend 10" to 8" L	\$0	\$507,038	\$0	\$0	\$0	\$0
12500 S - Upsize 6" to 8" Line from 700 E to 900 E	\$0	\$0	\$0	\$0	\$0	\$533,613
13400 S - Upsize 4" and 6" to 8" Line from 1100 E to End of Cutler Cove	\$649,885	\$0	\$0	\$0	\$0	\$0
Culinary Vacuum Truck	\$0	\$0	\$0	\$0	\$600,000	\$0
1370 S. Willow Road - Upsize 6" to 8" Line	\$0	\$144,147	\$0	\$0	\$0	\$0
13800 S. - Replace Old 10" Line from Fort St. to 1072 E. (PRV Included)	\$0	\$0	\$0	\$896,100	\$0	\$0
Treatment Plant Valve/Actuator Replacement	\$0	\$50,290	\$23,000	\$5,000	\$5,200	\$5,408
1300 E. Well Maintenance	\$0	\$0	\$0	\$108,500	\$0	\$0
Jordan Valley Connection Vault Reconstruction (Cost Sharing)	\$0	\$0	\$0	\$50,000	\$52,000	\$54,080
Reuse Pipeline Construction, Environmental, Legal/Admin	\$0	\$0	\$2,361,646	\$4,776,312	\$0	\$0
Reuse Shallow Wells Construction, Environmental, Legal/Admin	\$0	\$0	\$0	\$440,000	\$1,622,574	\$0
Reuse Pump Station Construction, Environmental, Legal/Admin	\$0	\$0	\$0	\$0	\$6,262,727	\$0
Reuse Fort St. Pump Station Construction, Environmental, Legal/Admin	\$0	\$0	\$0	\$0	\$2,310,610	\$0
Reuse Pipeline Engineering Design & CM	\$0	\$0	\$256,380	\$45,200	\$0	\$0
Reuse Shallow Wells Engineering & CM	\$0	\$0	\$28,899	\$54,174	\$40,630	\$0
Reuse Pump Station Engineering Design & CM	\$0	\$0	\$32,493	\$313,415	\$52,236	\$0
Reuse Fort St. Pump Station Engineering Design & CM	\$0	\$0	\$0	\$165,216	\$110,144	\$0

Loan/Grant Revenue

DNR-BWR Loan for Reuse Project Phase 1	\$0	\$0	(\$1,926,961)	(\$3,869,819)	(\$1,210,813)	\$0
DNR-BWR Loan for Reuse Project Phase 2 & 3	\$0	\$0	(\$15,831)	(\$233,189)	(\$4,256,041)	\$0
Culinary Metering WaterSMART Grant	(\$75,000)	(\$30,000)	(\$70,000)	(\$70,000)	(\$130,000)	\$0
DNR-BWR Loan for 13800 S. Project	\$0	\$0	\$0	(\$761,685)	\$0	\$0
USBR Reuse Pipeline & Well Grant	\$0	\$0	(\$800,000)	(\$800,000)	\$0	\$0
USBR Reuse Pump Stations Grant	\$0	\$0	\$0	(\$1,200,000)	(\$2,800,000)	\$0
Total Capital Outlays	\$ 1,813,378	\$ 1,644,505	\$ 650,879	\$ 1,597,451	\$ 3,993,761	\$ 2,920,789

	2022	2023	2024	2025	2026	2027
Total All Revenue Requirements	\$ 7,066,312	\$ 6,735,811	\$ 6,438,471	\$ 7,733,699	\$ 10,658,809	\$ 10,129,460
LESS:						
Operations Non-Rate Revenue	\$22,445	\$22,267	\$20,566	\$21,599	\$22,720	\$23,910
Expansion Non-Rate Revenue	\$463,595	\$327,044	\$268,241	\$273,862	\$280,218	\$287,019
Net Revenue Requirements	\$ 6,580,272	\$ 6,386,500	\$ 6,149,664	\$ 7,438,238	\$ 10,355,871	\$ 9,818,531

Figure 1
3-Year Revenue and Expenditures
for Culinary System

