

Forecast
2018

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

	Date Acquired	Year Acquired	Total Lifespan Years	Remaining Lifespan Years	Total Asset			Percent Wastewater	Wastewater uncfionalization	WASTEWATER Utility		
					Original Cost	Accum Depr 2017	Annual Depr Expense			Original Cost	Accum Depr	Annual Depr Expense
Wastewater Utility – Existing Assets Depreciation and Rate Base												
WASTEWATER Existing Rate Base												
Asset A/C#: 109 - LAND												
12.2 ACRES GROUND STORAGE	09/03/03	2003	-	-	154,115	-	-	0%		-	-	-
20' Sewer Easement - Light Farms	08/04/08	2008	-	-	150,000	-	-	100%	C	150,000	-	-
Easements - SE Sector Water & Sewer Line	09/30/17	2017	-	-	1,023,928	-	-	50%	C	511,964	-	-
0	01/00/00	0	-	-	-	-	-	100%		-	-	-
* SubTotal Asset A/C#: 109 - LAND					1,328,043	-	-			661,964	-	-
T Treatment			T	Treatment						-	-	-
C Collection			C	Collection						661,964	-	-
A Administration			A	Administration						-	-	-
CU Customer			CU	Customer						-	-	-

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	Date Acquired	Year Acquired	Total Lifespan Years	Remaining Lifespan Years	Total Asset			Percent Wastewater	Wastewater functionalization	WASTEWATER Utility		
					Original Cost	Accum Depr 2017	Annual Depr Expense			Original Cost	Accum Depr	Annual Depr Expense
Wastewater Utility -- Existing Assets Depreciation and Rate Base												
WASTEWATER Existing Rate Base												
Asset A/C#: 110 - Existing Funded CIP												
LOMR and POWC Water/sewer Line Project	09/30/14	2014	40	36	54,325	-	1,358	50%	C	27,162	-	679
2 MGD Elevated Storage Tank	09/30/16	2016	40	38	79,114	-	1,978	0%		-	-	-
Downtown WWTP Prof Services	09/30/17	2017	40	39	448,510	-	11,213	100%	T	448,510	-	11,213
Celina RD/DT Pump Station	09/30/17	2017	40	39	395,011	-	9,875	0%		-	-	-
DC Ranch	09/30/17	2017	40	39	46,735	-	1,168	0%	C	-	-	-
Celina GST Rehab	09/30/17	2017	40	39	4,697	-	117	0%		-	-	-
2 MGD Elevated Storage Tank	09/30/17	2017	40	39	1,146,602	-	28,665	0%		-	-	-
Merritt Erosion Project	09/30/17	2017	40	39	-	-	-	0%		-	-	-
Downtown WWTP - Prof SVC	09/30/18	2018	40	40	629,444	-	15,738	100%	T	629,444	-	15,738
2 MGD Elevated Storage tanks	09/30/18	2018	40	40	1,519,590	-	37,990	0%		-	-	-
DC Ranch	09/30/18	2018	40	40	831,447	-	20,786	0%	C	-	-	-
Celina GST Rehab	09/30/18	2018	40	40	7,458	-	186	0%		-	-	-
Merritt Erosion	09/30/18	2018	40	40	-	-	-	50%	C	-	-	-
Downtown Rehab - Sewer	09/30/18	2018	40	40	44,037	-	1,101	100%	C	44,037	-	1,101
Downtown WWTP upgrade to .95 MGP	09/30/18	2018	40	40	40,978	-	1,024	100%	T	40,978	-	1,024
Southeast Sector 5B	09/30/18	2018	40	40	5,430	-	136	100%	C	5,430	-	136
CRPS Improvements	09/30/18	2018	40	40	50,507	-	1,263	0%	C	-	-	-
Oklahoma Water Line	09/30/18	2018	40	40	29,670	-	742	0%		-	-	-
Discharge Line CRPS	09/30/18	2018	40	40	257,187	-	6,430	0%	C	-	-	-
3488 Preston Hills Circle	09/30/18	2018	40	40	8,950	-	224	50%	C	4,475	-	112
Caruth Morgan Lakes	09/30/18	2018	40	40	6,850	-	171	50%	C	3,425	-	86
Celina Road/Downtown Pump Station	09/30/18	2018	40	40	5,862,690	-	146,567	0%		-	-	-
Asset A/C#: 110 - Existing Funded CIP					11,469,232	-	286,731			1,203,461	-	30,087
Treatment				Treatment	-	-	-			1,118,932	-	27,973
Collection				Distribution	-	-	-			84,529	-	2,113
Administration				Administration	-	-	-			-	-	-
Customer				Customer	-	-	-			-	-	-
Asset -- Unfunded Future CWIP, Working Capital, Prepaids												
Unfunded Construction Work In Progress -- Based on St	09/30/17	2018	40	40	19,284,479	-	-	50%	C	9,642,240	-	-
Working Capital (45 Day Convention)	09/30/17	0	-	-	-	-	-	100%		-	-	-
Inventory & Supplies Balance (Per Staff)	09/30/17	0	-	-	-	-	-	100%		-	-	-
Prepaid Balance (Estimate)	09/30/17	0	-	-	-	-	-	100%		-	-	-
0	01/00/00	0	-	-	-	-	-	100%		-	-	-
* SubTotal					19,284,479	-	-			9,642,240	-	-
T Treatment				T Treatment						4,118,886	-	-
C Collection				C Collection						5,523,354	-	-
A Administration				A Administration						-	-	-
CU Customer				CU Customer						-	-	-
Total Wastewater					78,660,742	8,139,975	1,660,177			36,429,320	3,660,961	698,329
Wastewater Functionalization												
Treatment										10,980,973	1,831,537	198,911
Collection										25,448,347	1,819,424	499,419
Administration										-	-	-
Customer										-	-	-
Total										36,429,320	3,660,961	698,329

Forecast 2018	CITY OF CELINA WATER/WASTEWATER COST OF SERVICE MODEL									
	1	2	3	4	5	6	7	8	9	10
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027

Wastewater Utility -- Existing Assets Dep.

WASTEWATER Existing Rate Base **Annual Depreciation Expense**

Rate of Return **8.7%**

Asset Number	Description	1	2	3	4	5	6	7	8	9	10
Asset A/C#: 101 - CAPITAL OUTLAY - W/S											
13	WATER & SEWER ADDITIONS	311	311	311	311	311	311	311	311	-	-
14	WATER & SEWER ADDITIONS	319	319	319	319	319	319	319	319	319	-
15	WATER WELL STAND PIPE	-	-	-	-	-	-	-	-	-	-
16	PUMP STATION & PRESSURE T	-	-	-	-	-	-	-	-	-	-
34	WATER TOWER	-	-	-	-	-	-	-	-	-	-
	MORGAN LAKE STANDPIPE - WATER TOWER	-	-	-	-	-	-	-	-	-	-
	Preston Road Utility Relocation	1,013	1,013	1,013	1,013	1,013	1,013	1,013	1,013	1,013	1,013
	Drainage Master Plan	-	-	-	-	-	-	-	-	-	-
	Preston Hills Retaining Wall	-	-	-	-	-	-	-	-	-	-
	Twelve Oaks Phase 2	66	66	66	66	66	66	66	66	66	66
0		-	-	-	-	-	-	-	-	-	-
* SubTotal	Asset A/C#: 101 - CAPITAL OUTLAY - W/S	1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,398	1,078
T	Treatment	-	-	-	-	-	-	-	-	-	-
C	Collection	1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,708	1,398	1,078
A	Administration	-	-	-	-	-	-	-	-	-	-
CU	Customer	-	-	-	-	-	-	-	-	-	-
Asset A/C#: 102 - EQUIPMENT											
	RADIO READ WATER METER	-	-	-	-	-	-	-	-	-	-
	Sewer Inspection Camera	-	-	-	-	-	-	-	-	-	-
	Top Hat 18 ft 10k Trailer	200	-	-	-	-	-	-	-	-	-
	Bearcat 9" wood chipper	-	-	-	-	-	-	-	-	-	-
	AMI Meter Replacement Project	-	-	-	-	-	-	-	-	-	-
	Vacuum Jetter and Trailer	4,059	4,059	4,059	4,059	-	-	-	-	-	-
	GIS Database Support & Hosting	13,971	-	-	-	-	-	-	-	-	-
	Single Turner Valve Maintenance Trailer	5,942	5,942	5,942	5,942	-	-	-	-	-	-
	Crawler Main Line Sewer Camera	4,785	4,785	4,785	4,785	4,785	4,785	-	-	-	-
	Caterpillar Backhoe Loader	8,480	8,480	8,480	8,480	8,480	8,480	-	-	-	-
	Wireless Headset	943	943	-	-	-	-	-	-	-	-
	GIS Database Support and hosting	210	210	210	210	210	210	210	-	-	-
0		-	-	-	-	-	-	-	-	-	-
* SubTotal	Asset A/C#: 102 - EQUIPMENT	38,589	24,419	23,476	23,476	13,475	13,475	210	-	-	-
T	Treatment	-	-	-	-	-	-	-	-	-	-
C	Collection	38,589	24,419	23,476	23,476	13,475	13,475	210	-	-	-
A	Administration	-	-	-	-	-	-	-	-	-	-
CU	Customer	-	-	-	-	-	-	-	-	-	-

Forecast 2018	CITY OF CELINA WATER/WASTEWATER COST OF SERVICE MODEL									
	1	2	3	4	5	6	7	8	9	10
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027

Wastewater Utility -- Existing Assets Dep.

WASTEWATER Existing Rate Base		Annual Depreciation Expense										
Asset A/C#: 103 - SERVICE AREA (GRWSC)												
	32 SERVICE AREA (GRWSC) WAT	-	-	-	-	-	-	-	-	-	-	-
	GUNTER CCN AZQUI IPPILITO PROPERTY	-	-	-	-	-	-	-	-	-	-	-
	CCN SERVICE AREA AGREEMENT MARILEE SPECI	-	-	-	-	-	-	-	-	-	-	-
	CCN SERVICE AREA AGREEMENT MARILEE SPECI	-	-	-	-	-	-	-	-	-	-	-
	CCN SERVICE AREA AGREEMENT	-	-	-	-	-	-	-	-	-	-	-
	CCN SERVICE AREA AGREEMENT	-	-	-	-	-	-	-	-	-	-	-
	0	-	-	-	-	-	-	-	-	-	-	-
* SubTotal	Asset A/C#: 103 - SERVICE AREA (GRWSC)	-	-	-	-	-	-	-	-	-	-	-
T	Treatment	-	-	-	-	-	-	-	-	-	-	-
C	Collection	-	-	-	-	-	-	-	-	-	-	-
A	Administration	-	-	-	-	-	-	-	-	-	-	-
CU	Customer	-	-	-	-	-	-	-	-	-	-	-
Asset A/C#: 104 - SEWER LINES												
	25 SEWER LINE EXTENSION	3,205	3,205	3,205	3,205	3,205	3,205	3,205	3,205	3,205	3,205	3,205
	26 SEWER LINES (SOUTHSIDE - 19	16,106	16,106	16,106	16,106	16,106	16,106	16,106	16,106	16,106	16,106	16,106
	27 SEWER LINES (WESTSIDE)	5,592	5,592	5,592	5,592	5,592	5,592	5,592	5,592	5,592	5,592	5,592
	28 SEWER LINES (NORTHSIDE - 19	12,427	12,427	12,427	12,427	12,427	12,427	12,427	12,427	12,427	12,427	12,427
	29 SEWER LINES (NORTHSIDE)	70	70	70	70	70	70	70	70	70	70	70
	30 SEWER LINES (MID-TOWN 199	9,446	9,446	9,446	9,446	9,446	9,446	9,446	9,446	9,446	9,446	9,446
	31 SEWER LINES (MID-TOWN-199)	41	41	41	41	41	41	41	41	41	41	41
	35 SEWER LINES-HIGHPOINT EST	2,197	2,197	2,197	2,197	2,197	2,197	2,197	2,197	2,197	2,197	2,197
	CARTER RANCH 12 OAKS	8,259	8,259	8,259	8,259	8,259	8,259	8,259	8,259	8,259	8,259	8,259
	CARTER RANCH NE/SE HIG	6,496	6,496	6,496	6,496	6,496	6,496	6,496	6,496	6,496	6,496	6,496
	CISD SEWER LINE	29,209	29,209	29,209	29,209	29,209	29,209	29,209	29,209	29,209	29,209	29,209
	Southeast Sector Sewer Line	278,762	278,762	278,762	278,762	278,762	278,762	278,762	278,762	278,762	278,762	278,762
	Creeks of Legacy Phase 2b - Sewer	4,705	4,705	4,705	4,705	4,705	4,705	4,705	4,705	4,705	4,705	4,705
	Creeks of Legacy Phase 2c - Sewer	2,555	2,555	2,555	2,555	2,555	2,555	2,555	2,555	2,555	2,555	2,555
	Owensby Farms - Sewer	8,739	8,739	8,739	8,739	8,739	8,739	8,739	8,739	8,739	8,739	8,739
	Liyana 2A-1 - Sewer	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458
	Creeks of Legacy West Phase 1 - Sewer	1,188	1,188	1,188	1,188	1,188	1,188	1,188	1,188	1,188	1,188	1,188
	SE Sector Sewer Line to PAWC	3,783	3,783	3,783	3,783	3,783	3,783	3,783	3,783	3,783	3,783	3,783
	0	-	-	-	-	-	-	-	-	-	-	-
* SubTotal	Asset A/C#: 104 - SEWER LINES	395,239	395,239	395,239	395,239	395,239	395,239	395,239	395,239	395,239	395,239	395,239
T	Treatment	-	-	-	-	-	-	-	-	-	-	-
C	Collection	395,239	395,239	395,239	395,239	395,239	395,239	395,239	395,239	395,239	395,239	395,239
A	Administration	-	-	-	-	-	-	-	-	-	-	-
CU	Customer	-	-	-	-	-	-	-	-	-	-	-

Forecast
2018

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

1 2 3 4 5 6 7 8 9 10
2018 2019 2020 2021 2022 2023 2024 2025 2026 2027

Wastewater Utility -- Existing Assets Dep.

WASTEWATER Existing Rate Base		Annual Depreciation Expense									
Asset A/C#: 105 - SEWER PLANT											
23 SEWER PLANT (EPA PROJECT)	31,377	31,377	31,377	31,377	31,377	31,377	31,377	31,377	31,377	31,377	31,377
24 LIFT STATION	663	663	663	663	663	663	663	663	663	663	663
43 SEWER PLANT EXPANSION - T	30,816	30,816	30,816	30,816	30,816	30,816	30,816	30,816	30,816	30,816	30,816
WWTP SEWER PLANT EXP 04	-	-	-	-	-	-	-	-	-	-	-
WATER CAUSTIC TREATMENT	49	49	49	49	49	49	49	49	49	49	49
2005 TCDP SEWER REHAB	7,712	7,712	7,712	7,712	7,712	7,712	7,712	7,712	7,712	7,712	7,712
2005 TCDP LIFT STATION REBUILD	539	539	539	539	539	539	539	539	539	539	539
UTRWD	5,799	5,799	5,799	5,799	5,799	5,799	5,799	5,799	5,799	5,799	5,799
UTRWD	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173
Sewer Plant Improvement TWDB PROJECT	88,868	88,868	88,868	88,868	88,868	88,868	88,868	88,868	88,868	88,868	88,868
Doe Branch Regional Sewer Plant Main Trunk	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395
0	-	-	-	-	-	-	-	-	-	-	-
* SubTotal Asset A/C#: 105 - SEWER PLANT	170,391	170,391	170,391	170,391	170,391	170,391	170,391	170,391	170,391	170,391	170,391
T Treatment	170,391	170,391	170,391	170,391	170,391	170,391	170,391	170,391	170,391	170,391	170,391
C Collection	-	-	-	-	-	-	-	-	-	-	-
A Administration	-	-	-	-	-	-	-	-	-	-	-
CU Customer	-	-	-	-	-	-	-	-	-	-	-
Asset A/C#: 106 - VEHICLES											
2006 Ford F-750 DUMP TRUCK	-	-	-	-	-	-	-	-	-	-	-
2008 Ford F250 Utility Truck	-	-	-	-	-	-	-	-	-	-	-
2013 Chevy 2500 Crew Cab	-	-	-	-	-	-	-	-	-	-	-
2014 Ford F-250	1,897	-	-	-	-	-	-	-	-	-	-
2015 Chevy 1500 pickup G53216 Sewer	6,372	6,372	-	-	-	-	-	-	-	-	-
2015 Chevrolet 1500 pickup G192609 Water	-	-	-	-	-	-	-	-	-	-	-
2015 Chevrolet 1500 Pickup Water	-	-	-	-	-	-	-	-	-	-	-
2016 Chevrolet Silverado G108101	2,930	2,930	2,930	-	-	-	-	-	-	-	-
2016 Chevrolet Silverado G108089	2,930	2,930	2,930	-	-	-	-	-	-	-	-
Ford Transit Van VIN 1287088	2,363	2,363	2,363	2,363	-	-	-	-	-	-	-
Ford Transit Van VIN 1287452	2,363	2,363	2,363	2,363	-	-	-	-	-	-	-
Ford Transit Van VIN 1252848	2,382	2,382	2,382	2,382	-	-	-	-	-	-	-
2016 Chevy Silverado 3500 VIN GZ160642	4,059	4,059	4,059	-	-	-	-	-	-	-	-
2016 Chevy 3500 Silverado VIN GZ101612	4,016	4,016	4,016	4,016	-	-	-	-	-	-	-
2017 Chevy Silverado VIN 292616	2,745	2,745	2,745	2,745	-	-	-	-	-	-	-
2018 Peterbilt JM458011 Vacuum Camera Truck	26,700	26,700	26,700	26,700	26,700	26,700	-	-	-	-	-
2017 Silverado 1500 VIN: 4JZ101232	2,695	2,695	2,695	2,695	2,695	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-	-
* SubTotal Asset A/C#: 106 - VEHICLES	61,451	59,553	53,181	47,321	29,394	26,700	-	-	-	-	-
T Treatment	-	-	-	-	-	-	-	-	-	-	-
C Collection	61,451	59,553	53,181	47,321	29,394	26,700	-	-	-	-	-
A Administration	-	-	-	-	-	-	-	-	-	-	-
CU Customer	-	-	-	-	-	-	-	-	-	-	-

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	1	2	3	4	5	6	7	8	9	10
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027

Wastewater Utility -- Existing Assets Dep.

WASTEWATER Existing Rate Base	Annual Depreciation Expense									
Asset A/C#: 107 - W & S BUILDING										
17 W & S BUILDING (1/2 W, 1/2 S)	547	547	547	547	547	547	547	547	547	547
0	-	-	-	-	-	-	-	-	-	-
* SubTotal Asset A/C#: 107 - W & S BUILDING	547	547	547	547	547	547	547	547	547	547
T Treatment	547	547	547	547	547	547	547	547	547	547
C Collection	-	-	-	-	-	-	-	-	-	-
A Administration	-	-	-	-	-	-	-	-	-	-
CU Customer	-	-	-	-	-	-	-	-	-	-
Asset A/C#: 108 - WATER LINES										
33 WATER LINES (1998 TDCA GRA	-	-	-	-	-	-	-	-	-	-
41 WATER LINES - PRESTON 455	-	-	-	-	-	-	-	-	-	-
42 DANVILLE WATER LINES	-	-	-	-	-	-	-	-	-	-
44 WATER LINES - TXI	-	-	-	-	-	-	-	-	-	-
45 WATER LINES - TDCA	-	-	-	-	-	-	-	-	-	-
RELOCATE WILSON CREEK LINE	-	-	-	-	-	-	-	-	-	-
CARTER RANCH WATERLINE	-	-	-	-	-	-	-	-	-	-
18" WATER LINE DOWNTOWN PUMP STATION	-	-	-	-	-	-	-	-	-	-
OLD PUMPSTATION TO SH 289	-	-	-	-	-	-	-	-	-	-
N PRESTON LAKES WATERLINE	-	-	-	-	-	-	-	-	-	-
WATER/SEWER LINE	-	-	-	-	-	-	-	-	-	-
WATER CCN ACQUISITION	-	-	-	-	-	-	-	-	-	-
GROUND STORAGE 1MGD CELINA RD	-	-	-	-	-	-	-	-	-	-
DOWNTOWN PUMP STATION	-	-	-	-	-	-	-	-	-	-
PUMP STATION 12 OAKS	-	-	-	-	-	-	-	-	-	-
UTRWD PUMP STATION	-	-	-	-	-	-	-	-	-	-
DANVILLE TAKEOVER	-	-	-	-	-	-	-	-	-	-
KENTUCY WATER LINE UPGRADE	-	-	-	-	-	-	-	-	-	-
WATER/SEWER LINE - DICKERSON	-	-	-	-	-	-	-	-	-	-
ORCA GRANT WATERLINE REHAB	-	-	-	-	-	-	-	-	-	-
Marilee SUD Hwy 289 and FM 455 section	-	-	-	-	-	-	-	-	-	-
Light Farms Water Tower Project	-	-	-	-	-	-	-	-	-	-
Southeast Sector Water Line	-	-	-	-	-	-	-	-	-	-
Creeks of Legacy Phase 2b - Water	-	-	-	-	-	-	-	-	-	-
Creeks of Legacy Phase 2C - Water	-	-	-	-	-	-	-	-	-	-
Owensby Farms - Water	-	-	-	-	-	-	-	-	-	-
Lilyana 2A-1 - Water	-	-	-	-	-	-	-	-	-	-
Creeks of Legacy West Phase 1 - Water	-	-	-	-	-	-	-	-	-	-
Downtown Rehab Water Project	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
* SubTotal Asset A/C#: 108 - WATER LINES	-	-	-	-	-	-	-	-	-	-
T Treatment	-	-	-	-	-	-	-	-	-	-
C Collection	-	-	-	-	-	-	-	-	-	-
A Administration	-	-	-	-	-	-	-	-	-	-
CU Customer	-	-	-	-	-	-	-	-	-	-

Forecast 2018	CITY OF CELINA WATER/WASTEWATER COST OF SERVICE MODEL									
	1	2	3	4	5	6	7	8	9	10
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027

Wastewater Utility – Existing Assets Dep.

WASTEWATER Existing Rate Base	Annual Depreciation Expense									
Asset A/C#: 109 - LAND										
12.2 ACRES GROUND STORAGE	-	-	-	-	-	-	-	-	-	-
20' Sewer Easement - Light Farms	-	-	-	-	-	-	-	-	-	-
Easements - SE Sector Water & Sewer Line	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
* SubTotal Asset A/C#: 109 - LAND	-	-	-	-	-	-	-	-	-	-
T Treatment	-	-	-	-	-	-	-	-	-	-
C Collection	-	-	-	-	-	-	-	-	-	-
A Administration	-	-	-	-	-	-	-	-	-	-
CU Customer	-	-	-	-	-	-	-	-	-	-

Forecast
2018

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

1 2 3 4 5 6 7 8 9 10
2018 2019 2020 2021 2022 2023 2024 2025 2026 2027

Wastewater Utility -- Existing Assets Dep.

WASTEWATER Existing Rate Base	Annual Depreciation Expense									
Asset A/C#: 110 - Existing Funded CIP	-	679	679	679	679	679	679	679	679	679
LOMR and POWC Water/sewer Line Project	-	-	-	-	-	-	-	-	-	-
2 MGD Elevated Storage Tank	-	-	-	-	-	-	-	-	-	-
Downtown WWTP Prof Services	-	11,213	11,213	11,213	11,213	11,213	11,213	11,213	11,213	11,213
Celina RD/DT Pump Station	-	-	-	-	-	-	-	-	-	-
DC Ranch	-	-	-	-	-	-	-	-	-	-
Celina GST Rehab	-	-	-	-	-	-	-	-	-	-
2 MGD Elevated Storage Tank	-	-	-	-	-	-	-	-	-	-
Merritt Erosion Project	-	-	-	-	-	-	-	-	-	-
Downtown WWTP - Prof SVC	-	15,736	15,736	15,736	15,736	15,736	15,736	15,736	15,736	15,736
2 MGD Elevated Storage tanks	-	-	-	-	-	-	-	-	-	-
DC Ranch	-	-	-	-	-	-	-	-	-	-
Celina GST Rehab	-	-	-	-	-	-	-	-	-	-
Merritt Erosion	-	-	-	-	-	-	-	-	-	-
Downtown Rehab - Sewer	-	1,101	1,101	1,101	1,101	1,101	1,101	1,101	1,101	1,101
Downtown WWTP upgrade to .95 MGP	-	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024
Southeast Sector 5B	-	136	136	136	136	136	136	136	136	136
CRPS Improvements	-	-	-	-	-	-	-	-	-	-
Oklahoma Water Line	-	-	-	-	-	-	-	-	-	-
Discharge Line CRPS	-	-	-	-	-	-	-	-	-	-
3488 Preston Hills Circle	-	112	112	112	112	112	112	112	112	112
Caruth Morgan Lakes	-	86	86	86	86	86	86	86	86	86
Celina Road/Downtown Pump Station	-	-	-	-	-	-	-	-	-	-
Asset A/C#: 110 - Existing Funded CIP	-	30,087	30,087	30,087	30,087	30,087	30,087	30,087	30,087	30,087
Treatment	-	27,973	27,973	27,973	27,973	27,973	27,973	27,973	27,973	27,973
Collection	-	2,113	2,113	2,113	2,113	2,113	2,113	2,113	2,113	2,113
Administration	-	-	-	-	-	-	-	-	-	-
Customer	-	-	-	-	-	-	-	-	-	-
Asset -- Unfunded Future CWIP, Working Capital, Pre	-	-	-	-	-	-	-	-	-	-
Unfunded Construction Work In Progress -- Based on Sr	-	-	-	-	-	-	-	-	-	-
Working Capital (45 Day Convention)	-	-	-	-	-	-	-	-	-	-
Inventory & Supplies Balance (Per Staff)	-	-	-	-	-	-	-	-	-	-
Prepaid Balance (Estimate)	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
* SubTotal Asset -- Unfunded Future CWIP, Working Capital, Pr	-	-	-	-	-	-	-	-	-	-
T Treatment	-	-	-	-	-	-	-	-	-	-
C Collection	-	-	-	-	-	-	-	-	-	-
A Administration	-	-	-	-	-	-	-	-	-	-
CU Customer	-	-	-	-	-	-	-	-	-	-
Total Wastewater	667,925	681,944	674,628	668,768	640,840	638,146	598,181	597,972	597,661	597,342
Wastewater Functionalization										
Treatment	170,938	198,911	198,911	198,911	198,911	198,911	198,911	198,911	198,911	198,911
Collection	496,988	483,033	475,717	469,857	441,929	439,235	399,270	399,061	398,750	398,431
Administration	-	-	-	-	-	-	-	-	-	-
Customer	-	-	-	-	-	-	-	-	-	-
Total	667,925	681,944	674,628	668,768	640,840	638,146	598,181	597,972	597,661	597,342

Forecast 2018	CITY OF CELINA WATER/WASTEWATER COST OF SERVICE MODEL									
	1	2	3	4	5	6	7	8	9	10
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027

Wastewater Utility -- Existing Assets Dep.

WASTEWATER Existing Rate Base **Net Rate Base**

Rate of Return **8.7%**

Asset Number	Description									
Asset A/C#: 101 - CAPITAL OUTLAY - W/S										
13	WATER & SEWER ADDITIONS	1,863	1,553	1,242	932	621	310	-	-	-
14	WATER & SEWER ADDITIONS	2,234	1,914	1,595	1,276	957	638	319	-	-
15	WATER WELL STAND PIPE	-	-	-	-	-	-	-	-	-
16	PUMP STATION & PRESSURE T	-	-	-	-	-	-	-	-	-
34	WATER TOWER	-	-	-	-	-	-	-	-	-
	MORGAN LAKE STANDPIPE - WATER TOWER	-	-	-	-	-	-	-	-	-
	Preston Road Utility Relocation	36,370	35,358	34,345	33,332	32,320	31,307	30,295	29,282	28,269
	Drainage Master Plan	-	-	-	-	-	-	-	-	-
	Preston Hills Retaining Wall	-	-	-	-	-	-	-	-	-
	Twelve Oaks Phase 2	31,517	31,451	31,386	31,320	31,254	31,188	31,122	31,057	30,991
	0	-	-	-	-	-	-	-	-	-
* SubTotal	Asset A/C#: 101 - CAPITAL OUTLAY - W/S	71,984	70,276	68,568	66,860	65,152	63,444	61,736	60,339	59,260
T	Treatment	-	-	-	-	-	-	-	-	-
C	Collection	71,984	70,276	68,568	66,860	65,152	63,444	61,736	60,339	59,260
A	Administration	-	-	-	-	-	-	-	-	-
CU	Customer	-	-	-	-	-	-	-	-	-
Asset A/C#: 102 - EQUIPMENT										
	RADIO READ WATER METER	-	-	-	-	-	-	-	-	-
	Sewer inspection Camera	-	-	-	-	-	-	-	-	-
	Top Hat 18 ft 10k Trailer	233	233	233	233	233	233	233	233	233
	Bearcat 9" wood chipper	318	318	318	318	318	318	318	318	318
	AMI Meter Replacement Project	-	-	-	-	-	-	-	-	-
	Vacuum Jetter and Trailer	14,885	10,825	6,766	2,706	2,706	2,706	2,706	2,706	2,706
	GIS Database Support & Hosting	13,971	13,971	13,971	13,971	13,971	13,971	13,971	13,971	13,971
	Single Turner Valve Maintenance Trailer	18,321	12,379	6,437	495	495	495	495	495	495
	Crawler Main Line Sewer Camera	25,121	20,336	15,551	10,766	5,981	1,196	1,196	1,196	1,196
	Caterpillar Backhoe Loader	44,521	36,041	27,561	19,080	10,600	2,120	2,120	2,120	2,120
	Wireless Headset	1,415	472	472	472	472	472	472	472	472
	GIS Database Support and hosting	17,389	17,179	16,970	16,760	16,551	16,341	16,132	16,132	16,132
	0	-	-	-	-	-	-	-	-	-
* SubTotal	Asset A/C#: 102 - EQUIPMENT	136,172	111,763	88,277	64,801	51,327	37,852	37,643	37,643	37,643
T	Treatment	-	-	-	-	-	-	-	-	-
C	Collection	136,172	111,753	88,277	64,801	51,327	37,852	37,643	37,643	37,643
A	Administration	-	-	-	-	-	-	-	-	-
CU	Customer	-	-	-	-	-	-	-	-	-

Forecast 2018	CITY OF CELINA WATER/WASTEWATER COST OF SERVICE MODEL									
	1	2	3	4	5	6	7	8	9	10
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027

Wastewater Utility – Existing Assets Dep.

WASTEWATER Existing Rate Base		Net Rate Base											
Asset A/C#: 103 - SERVICE AREA (GRWSC)													
	32 SERVICE AREA (GRWSC) WAT	-	-	-	-	-	-	-	-	-	-	-	-
	GUNTER CCN AZQUI IPPILITO PROPERTY	-	-	-	-	-	-	-	-	-	-	-	-
	CCN SERVICE AREA AGREEMENT MARILEE SPECI	-	-	-	-	-	-	-	-	-	-	-	-
	CCN SERVICE AREA AGREEMENT MARILEE SPECI	-	-	-	-	-	-	-	-	-	-	-	-
	CCN SERVICE AREA AGREEMENT	-	-	-	-	-	-	-	-	-	-	-	-
	CCN SERVICE AREA AGREEMENT	-	-	-	-	-	-	-	-	-	-	-	-
	0	-	-	-	-	-	-	-	-	-	-	-	-
* SubTotal	Asset A/C#: 103 - SERVICE AREA (GRWSC)	-	-	-	-	-	-	-	-	-	-	-	-
T	Treatment	-	-	-	-	-	-	-	-	-	-	-	-
C	Collection	-	-	-	-	-	-	-	-	-	-	-	-
A	Administration	-	-	-	-	-	-	-	-	-	-	-	-
CU	Customer	-	-	-	-	-	-	-	-	-	-	-	-
Asset A/C#: 104 - SEWER LINES													
	25 SEWER LINE EXTENSION	40,065	36,860	33,655	30,450	27,244	24,039	20,834	17,629	14,424	11,218	8,012	4,806
	26 SEWER LINES (SOUTHSIDE - 19	233,533	217,427	201,321	185,216	169,110	153,004	136,899	120,793	104,687	88,581	72,475	56,369
	27 SEWER LINES (WESTSIDE)	86,683	81,091	75,499	69,906	64,314	58,721	53,129	47,536	41,944	36,351	30,758	25,165
	28 SEWER LINES (NORTHSIDE - 19	208,156	195,729	183,301	170,874	158,447	146,020	133,593	121,165	108,738	96,311	83,884	71,457
	29 SEWER LINES (NORTHSIDE)	1,190	1,120	1,050	980	910	840	770	700	630	560	490	420
	30 SEWER LINES (MID-TOWN-199	187,342	177,897	168,451	159,005	149,559	140,113	130,667	121,222	111,776	102,330	92,884	83,438
	31 SEWER LINES (MID-TOWN-199)	814	773	733	692	651	611	570	529	488	448	407	366
	35 SEWER LINES-HIGHPOINT EST	47,976	45,779	43,582	41,384	39,187	36,989	34,792	32,595	30,397	28,200	26,002	23,805
	CARTER RANCH 12 OAKS	214,057	205,798	197,539	189,279	181,020	172,760	164,501	156,241	147,982	139,722	131,463	123,203
	CARTER RANCH NE/SE HIG	168,360	161,864	155,367	148,871	142,375	135,879	129,383	122,886	116,390	109,894	103,398	96,902
	CISD SEWER LINE	862,824	833,615	804,406	775,197	745,989	716,780	687,571	658,363	629,154	599,945	570,736	541,527
	Southeast Sector Sewer Line	10,802,357	10,523,594	10,244,832	9,966,070	9,687,307	9,408,545	9,129,783	8,851,020	8,572,258	8,293,495	8,014,732	7,735,970
	Creeks of Legacy Phase 2b - Sewer	183,500	178,795	174,090	169,385	164,680	159,975	155,269	150,564	145,859	141,154	136,448	131,743
	Creeks of Legacy Phase 2c - Sewer	99,652	97,097	94,542	91,987	89,431	86,876	84,321	81,766	79,211	76,656	74,101	71,546
	Owensby Farms - Sewer	690,373	681,634	672,895	664,156	655,418	646,679	637,940	629,201	620,462	611,723	602,984	594,245
	Liyana 2A-1 - Sewer	194,145	191,687	189,230	186,772	184,315	181,857	179,400	176,942	174,485	172,027	169,570	167,112
	Creeks of Legacy West Phase 1 - Sewer	569,217	568,028	566,840	565,652	564,463	563,275	562,087	560,898	559,710	558,522	557,334	556,145
	SE Sector Sewer Line to PAWC	1,812,018	1,808,235	1,804,452	1,800,669	1,796,886	1,793,103	1,789,320	1,785,537	1,781,754	1,777,971	1,774,188	1,770,405
	0	-	-	-	-	-	-	-	-	-	-	-	-
* SubTotal	Asset A/C#: 104 - SEWER LINES	16,402,263	16,007,023	15,611,784	15,216,545	14,821,305	14,426,066	14,030,827	13,635,588	13,240,348	12,845,109	12,449,869	12,054,630
T	Treatment	-	-	-	-	-	-	-	-	-	-	-	-
C	Collection	16,402,263	16,007,023	15,611,784	15,216,545	14,821,305	14,426,066	14,030,827	13,635,588	13,240,348	12,845,109	12,449,869	12,054,630
A	Administration	-	-	-	-	-	-	-	-	-	-	-	-
CU	Customer	-	-	-	-	-	-	-	-	-	-	-	-

Forecast
2018

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

1 2 3 4 5 6 7 8 9 10
2018 2019 2020 2021 2022 2023 2024 2025 2026 2027

Wastewater Utility -- Existing Assets Dep.

WASTEWATER Existing Rate Base		Net Rate Base									
Asset A/C#: 105 - SEWER PLANT											
23 SEWER PLANT (EPA PROJECT)	313,772	282,395	251,018	219,640	188,263	156,886	125,509	94,132	62,754	31,377	
24 LIFT STATION	11,428	10,766	10,103	9,441	8,778	8,116	7,453	6,791	6,128	5,466	
43 SEWER PLANT EXPANSION - T	739,586	708,770	677,954	647,138	616,322	585,506	554,690	523,874	493,057	462,241	
WWTP SEWER PLANT EXP 04	238,677	238,677	238,677	238,677	238,677	238,677	238,677	238,677	238,677	238,677	
WATER CAUSTIC TREATMENT	1,354	1,305	1,257	1,208	1,160	1,111	1,063	1,014	966	917	
2005 TCDP SEWER REHAB	215,299	207,587	199,875	192,162	184,450	176,738	169,026	161,314	153,601	145,889	
2005 TCDP LIFT STATION REBUILD	15,581	15,042	14,504	13,965	13,426	12,887	12,348	11,809	11,271	10,732	
UTRWD	179,762	173,963	168,164	162,366	156,567	150,768	144,969	139,171	133,372	127,573	
UTRWD	71,516	69,343	67,170	64,998	62,825	60,653	58,480	56,307	54,135	51,962	
Sewer Plant Improvement TWDB PROJECT	1,857,144	1,768,276	1,679,407	1,590,539	1,501,671	1,412,802	1,323,934	1,235,065	1,146,197	1,057,328	
Doe Branch Regional Sewer Plant Main Trunk 0	88,627	86,232	83,836	81,441	79,046	76,650	74,255	71,860	69,464	67,069	
0	-	-	-	-	-	-	-	-	-	-	
* SubTotal Asset A/C#: 105 - SEWER PLANT	3,732,746	3,562,356	3,391,965	3,221,575	3,051,184	2,880,794	2,710,403	2,540,013	2,369,622	2,199,232	
T Treatment	3,732,746	3,562,356	3,391,965	3,221,575	3,051,184	2,880,794	2,710,403	2,540,013	2,369,622	2,199,232	
C Collection	-	-	-	-	-	-	-	-	-	-	
A Administration	-	-	-	-	-	-	-	-	-	-	
CU Customer	-	-	-	-	-	-	-	-	-	-	
Asset A/C#: 106 - VEHICLES											
2006 Ford F-750 DUMP TRUCK	-	-	-	-	-	-	-	-	-	-	
2008 Ford F250 Utility Truck	-	-	-	-	-	-	-	-	-	-	
2013 Chevy 2500 Crew Cab	-	-	-	-	-	-	-	-	-	-	
2014 Ford F-250	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423	
2015 Chevy 1500 pickup G53216 Sewer	11,683	5,310	5,310	5,310	5,310	5,310	5,310	5,310	5,310	5,310	
2015 Chevrolet 1500 pickup G192609 Water	-	-	-	-	-	-	-	-	-	-	
2015 Chevrolet 1500 Pickup Water	-	-	-	-	-	-	-	-	-	-	
2016 Chevrolet Silverado G108101	6,348	3,418	488	488	488	488	488	488	488	488	
2016 Chevrolet Silverado G108089	6,348	3,418	488	488	488	488	488	488	488	488	
Ford Transit Van VIN 1287088	7,285	4,922	2,559	197	197	197	197	197	197	197	
Ford Transit Van VIN 1287452	7,285	4,922	2,559	197	197	197	197	197	197	197	
Ford Transit Van VIN 1252848	7,344	4,962	2,580	198	198	198	198	198	198	198	
2016 Chevy Silverado 3500 VIN GZ160642	12,514	8,455	4,397	338	338	338	338	338	338	338	
2016 Chevy 3500 Silverado VIN GZ101612	12,383	8,367	4,351	335	335	335	335	335	335	335	
2017 Chevy Silverado VIN 292616	9,836	7,091	4,346	1,601	1,601	1,601	1,601	1,601	1,601	1,601	
2016 Peterbilt JM458011 Vacuum Camera Truck	155,746	129,048	102,348	75,649	48,949	22,250	22,250	22,250	22,250	22,250	
2017 Silverado 1500 VIN: 4JZ101232	13,473	10,778	8,084	5,389	2,695	2,695	2,695	2,695	2,695	2,695	
0	-	-	-	-	-	-	-	-	-	-	
* SubTotal Asset A/C#: 106 - VEHICLES	251,670	192,116	138,935	91,615	62,220	35,521	35,521	35,521	35,521	35,521	
T Treatment	-	-	-	-	-	-	-	-	-	-	
C Collection	251,670	192,116	138,935	91,615	62,220	35,521	35,521	35,521	35,521	35,521	
A Administration	-	-	-	-	-	-	-	-	-	-	
CU Customer	-	-	-	-	-	-	-	-	-	-	

Forecast 2018	CITY OF CELINA WATER/WASTEWATER COST OF SERVICE MODEL									
	1	2	3	4	5	6	7	8	9	10
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027

Wastewater Utility – Existing Assets Dep.

WASTEWATER Existing Rate Base		Net Rate Base										
Asset A/C#: 107 - W & S BUILDING												
17 W & S BUILDING (1/2 W, 1/2 S)		7,933	7,386	6,839	6,292	5,745	5,198	4,651	4,104	3,557	3,009	
0		-	-	-	-	-	-	-	-	-		
* SubTotal Asset A/C#: 107 - W & S BUILDING		7,933	7,386	6,839	6,292	5,745	5,198	4,651	4,104	3,557	3,009	
T	Treatment	7,933	7,386	6,839	6,292	5,745	5,198	4,651	4,104	3,557	3,009	
C	Collection	-	-	-	-	-	-	-	-	-		
A	Administration	-	-	-	-	-	-	-	-	-		
CU	Customer	-	-	-	-	-	-	-	-	-		
Asset A/C#: 108 - WATER LINES												
33 WATER LINES (1998 TDCA GRA		-	-	-	-	-	-	-	-	-		
41 WATER LINES - PRESTON 455		-	-	-	-	-	-	-	-	-		
42 DANVILLE WATER LINES		-	-	-	-	-	-	-	-	-		
44 WATER LINES - TXI		-	-	-	-	-	-	-	-	-		
45 WATER LINES - TDCA		-	-	-	-	-	-	-	-	-		
RELOCATE WILSON CREEK LINE		-	-	-	-	-	-	-	-	-		
CARTER RANCH WATERLINE		-	-	-	-	-	-	-	-	-		
18' WATER LINE DOWNTOWN PUMP STATION		-	-	-	-	-	-	-	-	-		
OLD PUMPSTATION TO SH 289		-	-	-	-	-	-	-	-	-		
N PRESTON LAKES WATERLINE		-	-	-	-	-	-	-	-	-		
WATER/SEWER LINE		-	-	-	-	-	-	-	-	-		
WATER CGN ACQUISITION		-	-	-	-	-	-	-	-	-		
GROUND STORAGE 1MGD CELINA RD		-	-	-	-	-	-	-	-	-		
DOWNTOWN PUMP STATION		-	-	-	-	-	-	-	-	-		
PUMP STATION 12 OAKS		-	-	-	-	-	-	-	-	-		
UTRWD PUMP STATION		-	-	-	-	-	-	-	-	-		
DANVILLE TAKEOVER		-	-	-	-	-	-	-	-	-		
KENTUCY WATER LINE UPGRADE		-	-	-	-	-	-	-	-	-		
WATER/SEWER LINE - DICKERSON		-	-	-	-	-	-	-	-	-		
ORCA GRANT WATERLINE REHAB		-	-	-	-	-	-	-	-	-		
Marilee SUD Hwy 289 and FM 455 section		-	-	-	-	-	-	-	-	-		
Light Farms Water Tower Project		-	-	-	-	-	-	-	-	-		
Southeast Sector Water Line		-	-	-	-	-	-	-	-	-		
Creeks of Legacy Phase 2b - Water		-	-	-	-	-	-	-	-	-		
Creeks of Legacy Phase 2C - Water		-	-	-	-	-	-	-	-	-		
Ownsby Farms - Water		-	-	-	-	-	-	-	-	-		
Lilyana 2A-1 - Water		-	-	-	-	-	-	-	-	-		
Creeks of Legacy West Phase 1 - Water		-	-	-	-	-	-	-	-	-		
Downtown Rehab Water Project		-	-	-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-	-	-		
* SubTotal Asset A/C#: 108 - WATER LINES		-	-	-	-	-	-	-	-	-		
T	Treatment	-	-	-	-	-	-	-	-	-		
C	Collection	-	-	-	-	-	-	-	-	-		
A	Administration	-	-	-	-	-	-	-	-	-		
CU	Customer	-	-	-	-	-	-	-	-	-		

<u>Forecast</u> 2018	CITY OF CELINA WATER/WASTEWATER COST OF SERVICE MODEL									
	1	2	3	4	5	6	7	8	9	10
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027

Wastewater Utility – Existing Assets Dep.

WASTEWATER Existing Rate Base	Net Rate Base									
Asset A/C#: 109 - LAND										
12.2 ACRES GROUND STORAGE	-	-	-	-	-	-	-	-	-	-
20' Sewer Easement - Light Farms	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Easements - SE Sector Water & Sewer Line	511,964	511,964	511,964	511,964	511,964	511,964	511,964	511,964	511,964	511,964
0	-	-	-	-	-	-	-	-	-	-
* SubTotal Asset A/C#: 109 - LAND	661,964	661,964	661,964	661,964	661,964	661,964	661,964	661,964	661,964	661,964
T Treatment	-	-	-	-	-	-	-	-	-	-
C Collection	661,964	661,964	661,964	661,964	661,964	661,964	661,964	661,964	661,964	661,964
A Administration	-	-	-	-	-	-	-	-	-	-
CU Customer	-	-	-	-	-	-	-	-	-	-

Forecast 2018	CITY OF CELINA WATER/WASTEWATER COST OF SERVICE MODEL									
	1	2	3	4	5	6	7	8	9	10
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027

Wastewater Utility – Existing Assets Dep.

WASTEWATER Existing Rate Base	Net Rate Base									
Asset A/C#: 110 - Existing Funded CIP										
LOMR and POWC Water/sewer Line Project	27,162	26,483	25,804	25,125	24,446	23,767	23,088	22,409	21,730	21,051
2 MGD Elevated Storage Tank	-	-	-	-	-	-	-	-	-	-
Downtown WWTP Prof Services	448,510	437,297	426,065	414,872	403,659	392,446	381,234	370,021	358,808	347,595
Celina R/D/DT Pump Station	-	-	-	-	-	-	-	-	-	-
DC Ranch	-	-	-	-	-	-	-	-	-	-
Celina GST Rehab	-	-	-	-	-	-	-	-	-	-
2 MGD Elevated Storage Tank	-	-	-	-	-	-	-	-	-	-
Merritt Erosion Project	-	-	-	-	-	-	-	-	-	-
Downtown WWTP - Prof SVC	629,444	613,708	597,972	582,236	566,500	550,764	535,027	519,291	503,555	487,819
2 MGD Elevated Storage tanks	-	-	-	-	-	-	-	-	-	-
DC Ranch	-	-	-	-	-	-	-	-	-	-
Celina GST Rehab	-	-	-	-	-	-	-	-	-	-
Merritt Erosion	-	-	-	-	-	-	-	-	-	-
Downtown Rehab - Sewer	44,037	42,936	41,835	40,734	39,633	38,532	37,431	36,331	35,230	34,129
Downtown WWTP upgrade to .95 MGP	40,978	39,954	38,929	37,905	36,880	35,856	34,831	33,807	32,782	31,758
Southeast Sector 5B	5,430	5,294	5,159	5,023	4,887	4,751	4,616	4,480	4,344	4,208
CRPS Improvements	-	-	-	-	-	-	-	-	-	-
Oklahoma Water Line	-	-	-	-	-	-	-	-	-	-
Discharge Line CRPS	-	-	-	-	-	-	-	-	-	-
3488 Preston Hills Circle	4,475	4,363	4,251	4,139	4,028	3,916	3,804	3,692	3,580	3,468
Caruth Morgan Lakes	3,425	3,339	3,254	3,168	3,083	2,997	2,911	2,826	2,740	2,654
Celina Road/Downtown Pump Station	-	-	-	-	-	-	-	-	-	-
Asset A/C#: 110 - Existing Funded CIP	1,203,461	1,173,376	1,143,288	1,113,202	1,083,116	1,053,029	1,022,942	992,866	962,769	932,683
Treatment	1,118,932	1,090,950	1,062,965	1,035,012	1,007,039	979,066	951,092	923,119	895,146	867,172
Collection	84,529	82,416	80,303	78,190	76,076	73,963	71,850	69,737	67,624	65,510
Administration	-	-	-	-	-	-	-	-	-	-
Customer	-	-	-	-	-	-	-	-	-	-
Asset – Unfunded Future CWIP, Working Capital, Pre										
Unfunded Construction Work In Progress – Based on St	9,642,240	9,642,240	9,642,240	9,642,240	9,642,240	9,642,240	9,642,240	9,642,240	9,642,240	9,642,240
Working Capital (45 Day Convention)	340,219	406,350	453,187	489,783	567,403	603,596	640,652	724,174	764,646	807,627
Inventory & Supplies Balance (Per Staff)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Prepaid Balance (Estimate)	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-
* SubTotal Asset – Unfunded Future CWIP, Working Capital, Pr	10,032,459	10,098,689	10,146,427	10,182,023	10,259,642	10,295,835	10,332,892	10,416,414	10,456,886	10,499,867
T Treatment	4,265,576	4,313,825	4,333,833	4,349,466	4,382,623	4,398,083	4,413,913	4,449,591	4,466,879	4,485,239
C Collection	5,746,882	5,784,764	5,811,594	5,832,557	5,877,020	5,897,752	5,918,979	5,966,823	5,990,007	6,014,627
A Administration	-	-	-	-	-	-	-	-	-	-
CU Customer	-	-	-	-	-	-	-	-	-	-
Total Wastewater	32,500,653	31,884,840	31,257,049	30,624,876	30,061,655	29,469,703	28,898,576	28,384,440	27,827,570	27,273,209
Wastewater Functionalization										
Treatment	9,145,188	8,974,526	8,795,623	8,612,345	8,446,591	8,263,141	8,080,059	7,916,826	7,735,204	7,554,653
Collection	23,355,465	22,910,313	22,461,426	22,012,531	21,615,065	21,196,562	20,816,519	20,467,813	20,092,366	19,718,556
Administration	-	-	-	-	-	-	-	-	-	-
Customer	-	-	-	-	-	-	-	-	-	-
Total	32,500,653	31,884,840	31,257,049	30,624,876	30,061,655	29,469,703	28,898,576	28,384,440	27,827,570	27,273,209

Test Year
2018

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Depreciable Lifespan	Year In Service	Total CIP/ Project	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
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Garver CIP
Project Number

Additional Notes

WATER Utility -- UNFUNDED Capital Improvement Plan

Annual Capital Expenditures

WATER Future Unfunded CIP -- Current Dollars

Water Distribution

Garver CIP Project Number	Description	Additional Notes	Lifespan	Year In Service	Total CIP/ Project	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
2/3/10/12/17	CRPS Improvements	Should be Phase 1?	40	2003	\$ 5,500,000	\$ 2,700,000	\$ 2,800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2/3/10/12/17	CRPS & Downtown Pump Station - Phase 1	Should be Phase 2?	40	2003	4,500,000	2,500,000	2,000,000	-	-	-	-	-	-	-	-
	Downtown Water Improvements		40	2018-2027	5,250,000	450,000	-	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
	Cot Rd 2 MGD Water Tower Construction		40	2019	3,880,410	3,880,410	-	-	-	-	-	-	-	-	-
	Preston Road Water Line		40	2020	1,000,000	-	-	1,000,000	-	-	-	-	-	-	-
	Frontier Pkwy water line		40	-	-	-	-	-	-	-	-	-	-	-	-
4	Pressure Plane Modification		40	2019	175,000	-	175,000	-	-	-	-	-	-	-	-
5	Discharge Line from CRPS to RR	Design	40	2019	1,360,000	-	1,360,000	-	-	-	-	-	-	-	-
6	30" and 36" Discharge Line from RR to DTPS	Design	40	2019	960,000	-	-	-	-	-	-	-	-	-	-
7	30" and 24" Parallel Line from DTPS to Sunset	Design	40	2019	600,000	-	-	-	-	-	-	-	-	-	-
	30" and 24" Parallel Line from CRPS to Sunset		40	2019	-	-	-	-	-	-	-	-	-	-	-
5	30" and 36" Discharge Line from RR to DTPS	assume construction only	40	2019	7,019,000	-	-	7,019,000	-	-	-	-	-	-	-
7	30" and 24" Parallel Line from DTPS to Sunset	assume construction only	40	2019	3,086,000	-	-	3,086,000	-	-	-	-	-	-	-
6	30" and 24" Discharge Line from RR to DTPS	assume construction only	40	2019	4,940,000	-	-	4,940,000	-	-	-	-	-	-	-
	Business 289 12" line		40	2021	3,000,000	-	-	3,000,000	-	-	-	-	-	-	-
11	New 6 MG GST at CRPS	Design	40	2021	1,350,000	-	-	-	1,350,000	-	-	-	-	-	-
11	New 6 MG GST at CRPS	assume construction only	40	2021	7,000,000	-	-	-	7,000,000	-	-	-	-	-	-
	18" line on Glendenning (CR 55) form RR to Preston		40	2022	1,000,000	-	-	-	-	1,000,000	-	-	-	-	-
	18" and 24" lines along Legacy Drive		40	2022	3,353,000	-	-	-	-	-	3,353,000	-	-	-	-
22	24" Line to increase capacity in the Low pressure plane		40	2024	5,340,000	-	-	-	-	-	-	5,340,000	-	-	-
8	18" and 24" to Morgan Lakes		40	2021	4,800,000	-	-	-	-	4,800,000	-	-	-	-	-
14	SCADA Improvements		10	2020	350,000	-	-	350,000	-	-	-	-	-	-	-
16	12" line along Settlers Ridge		40	2021	3,306,000	-	-	-	-	3,306,000	-	-	-	-	-
	Future Project -- TBD		40	2,025	3,574,590	-	-	-	-	-	-	-	1,191,530	1,191,530	1,191,530
	Future Project		40	-	-	-	-	-	-	-	-	-	-	-	-
	Future Project		40	-	-	-	-	-	-	-	-	-	-	-	-
	Total Water Distribution				71,346,000	\$ 9,530,410	\$ 7,895,000	\$ 19,995,000	\$ 8,950,000	\$ 4,908,000	\$ 8,753,000	\$ 5,940,000	\$ 1,791,530	\$ 1,791,530	\$ 1,791,530
	Total Unfunded Water CIP					\$ 9,530,410	\$ 7,895,000	\$ 19,995,000	\$ 8,950,000	\$ 4,908,000	\$ 8,753,000	\$ 5,940,000	\$ 1,791,530	\$ 1,791,530	\$ 1,791,530
	Functionalization Dollars														
	Treatment				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Distribution				71,346,000	9,530,410	7,895,000	19,995,000	8,950,000	4,908,000	8,753,000	5,940,000	1,791,530	1,791,530	1,791,530
	Administration				-	-	-	-	-	-	-	-	-	-	-
	Customer				-	-	-	-	-	-	-	-	-	-	-
	Total				71,346,000	9,530,410	7,895,000	19,995,000	8,950,000	4,908,000	8,753,000	5,940,000	1,791,530	1,791,530	1,791,530

Test Year
2018

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

2018 2019 2020 2021 2022 2023 2024 2025 2026 2027

Garver CIP Project Number Additional Notes

WATER Utility – UNFUNDED Capital Improvement Plan

Total Original Cost

WATER Future Unfunded CIP – Current Dollars

Water Distribution

Year	Description	Phase	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
2/3/10/12/17	CRPS Improvements	Should be Phase 1?	\$ 2,700,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000
2/3/10/12/17	CRPS & Downtown Pump Station - Phase 1	Should be Phase 2?	2,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
	Downtown Water Improvements		450,000	450,000	1,050,000	1,650,000	2,250,000	2,850,000	3,450,000	4,050,000	4,650,000	5,250,000
	Coil Rd 2 MGD Water Tower Construction		3,880,410	3,880,410	3,880,410	3,880,410	3,880,410	3,880,410	3,880,410	3,880,410	3,880,410	3,880,410
	Preston Road Water Line		-	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
	Frontier Pkwy water line		-	-	-	-	-	-	-	-	-	-
4	Pressure Plane Modification		-	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000
5	Discharge Line from CRPS to RR	Design	-	1,360,000	1,360,000	1,360,000	1,360,000	1,360,000	1,360,000	1,360,000	1,360,000	1,360,000
6	30" and 36" Discharge Line from RR to DTPS	Design	-	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000
7	30" and 24" Parallel Line from DTPS to Sunset	Design	-	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
	30" and 24" Parallel Line from CRPS to Sunset		-	-	-	-	-	-	-	-	-	-
5	30" and 36" Discharge Line from RR to DTPS	assume construction only	-	-	7,019,000	7,019,000	7,019,000	7,019,000	7,019,000	7,019,000	7,019,000	7,019,000
7	30" and 24" Parallel Line from DTPS to Sunset	assume construction only	-	-	3,086,000	3,086,000	3,086,000	3,086,000	3,086,000	3,086,000	3,086,000	3,086,000
6	30" and 24" Discharge Line from RR to DTPS	assume construction only	-	-	4,940,000	4,940,000	4,940,000	4,940,000	4,940,000	4,940,000	4,940,000	4,940,000
	Business 289 12" line		-	-	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
11	New 6 MG GST at CRPS	Design	-	-	-	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000
11	New 6 MG GST at CRPS	assume construction only	-	-	-	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
22	18" line on Glendenning (CR 55) from RR to Preston		-	-	-	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
	18" and 24" lines along Legacy Drive		-	-	-	-	-	3,353,000	3,353,000	3,353,000	3,353,000	3,353,000
20	24" Line to increase capacity in the Low pressure plane		-	-	-	-	-	-	5,340,000	5,340,000	5,340,000	5,340,000
8	18" and 24" to Morgan Lakes		-	-	-	-	-	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000
14	SCADA Improvements		-	-	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
16	12" line along Settlers Ridge		-	-	-	-	3,308,000	3,308,000	3,308,000	3,308,000	3,308,000	3,308,000
	Future Project – TBD		-	-	-	-	-	-	-	1,191,530	2,383,060	3,574,590
	Future Project		-	-	-	-	-	-	-	-	-	-
	Future Project		-	-	-	-	-	-	-	-	-	-
	Total Water Distribution		\$ 9,530,410	\$ 17,425,410	\$ 37,420,410	\$ 46,370,410	\$ 51,278,410	\$ 60,031,410	\$ 65,971,410	\$ 67,762,940	\$ 69,554,470	\$ 71,346,000
	Total Unfunded Water CIP		\$ 9,530,410	\$ 17,425,410	\$ 37,420,410	\$ 46,370,410	\$ 51,278,410	\$ 60,031,410	\$ 65,971,410	\$ 67,762,940	\$ 69,554,470	\$ 71,346,000
	Functionalization											
	Dollars											
	Treatment		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Distribution		9,530,410	17,425,410	37,420,410	46,370,410	51,278,410	60,031,410	65,971,410	67,762,940	69,554,470	71,346,000
	Administration		-	-	-	-	-	-	-	-	-	-
	Customer		-	-	-	-	-	-	-	-	-	-
	Total		9,530,410	17,425,410	37,420,410	46,370,410	51,278,410	60,031,410	65,971,410	67,762,940	69,554,470	71,346,000

Test Year
2018

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

1 2 3 4 5 6 7 8 9 10
2018 2019 2020 2021 2022 2023 2024 2025 2026 2027

Garver CIP Additional Notes
Project Number

WATER Utility -- UNFUNDED Capital Improvement Plan

Annual Depreciation Expense

WATER Future Unfunded CIP -- Current Dollars

Water Distribution

Project Number	Description	Phase	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
2/3/10/12/17	CRPS Improvements	Should be Phase 1?	\$ 67,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500
2/3/10/12/17	CRPS & Downtown Pump Station - Phase 1	Should be Phase 2?	62,500	112,500	112,500	112,500	112,500	112,500	112,500	112,500	112,500	112,500
	Downtown Water Improvements		11,250	11,250	26,250	41,250	56,250	71,250	86,250	101,250	116,250	131,250
	Cot Rd 2 MGD Water Tower Construction		97,010	97,010	97,010	97,010	97,010	97,010	97,010	97,010	97,010	97,010
	Preston Road Water Line		-	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
	Frontier Pkwy water line		-	-	-	-	-	-	-	-	-	-
4	Pressure Plane Modification		-	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375
5	Discharge Line from CRPS to RR	Design	-	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000
6	30" and 36" Discharge Line from RR to DTPS	Design	-	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
7	30" and 24" Parallel Line from DTPS to Sunset	Design	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
	30" and 24" Parallel Line from CRPS to Sunset		-	-	-	-	-	-	-	-	-	-
5	30" and 36" Discharge Line from RR to DTPS	assume construction only	-	-	175,475	175,475	175,475	175,475	175,475	175,475	175,475	175,475
7	30" and 24" Parallel Line from DTPS to Sunset	assume construction only	-	-	77,150	77,150	77,150	77,150	77,150	77,150	77,150	77,150
6	30" and 24" Discharge Line from RR to DTPS	assume construction only	-	-	123,500	123,500	123,500	123,500	123,500	123,500	123,500	123,500
	Business 289 12" line		-	-	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
11	New 6 MG GST at CRPS	Design	-	-	-	33,750	33,750	33,750	33,750	33,750	33,750	33,750
11	New 6 MG GST at CRPS	assume construction only	-	-	-	175,000	175,000	175,000	175,000	175,000	175,000	175,000
	18" line on Glendenning (CR 55) from RR to Preston		-	-	-	-	25,000	25,000	25,000	25,000	25,000	25,000
22	18" and 24" lines along Legacy Drive		-	-	-	-	83,825	83,825	83,825	83,825	83,825	83,825
20	24" line to increase capacity in the Low pressure plane		-	-	-	-	-	133,500	133,500	133,500	133,500	133,500
8	18" and 24" to Morgan Lakes		-	-	-	-	-	120,000	120,000	120,000	120,000	120,000
14	SCADA Improvements		-	-	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
16	12" line along Settlers Ridge		-	-	-	-	82,700	82,700	82,700	82,700	82,700	82,700
	Future Project -- TBD		-	-	-	-	-	-	29,788	59,577	89,365	-
	Future Project		-	-	-	-	-	-	-	-	-	-
	Future Project		-	-	-	-	-	-	-	-	-	-
	Total Water Distribution		71,348,000									
	Total Unfunded Water CIP		\$ 238,260	\$ 435,635	\$ 961,760	\$ 1,185,510	\$ 1,308,210	\$ 1,527,035	\$ 1,675,535	\$ 1,720,324	\$ 1,765,112	\$ 1,809,900
	Functionalization											
	Dollars											
	Treatment		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Distribution		238,260	435,635	961,760	1,185,510	1,308,210	1,527,035	1,675,535	1,720,324	1,765,112	1,809,900
	Administration		-	-	-	-	-	-	-	-	-	-
	Customer		-	-	-	-	-	-	-	-	-	-
	Total		238,260	435,635	961,760	1,185,510	1,308,210	1,527,035	1,675,535	1,720,324	1,765,112	1,809,900

Test Year 2018	CITY OF CELINA WATER/WASTEWATER COST OF SERVICE MODEL									
	1 2018	2 2019	3 2020	4 2021	5 2022	6 2023	7 2024	8 2025	9 2026	10 2027

Garver CIP Project Number Additional Notes

WATER Utility -- UNFUNDED Capital Improvement Plan

Total Accumulated Depreciation

WATER Future Unfunded CIP -- Current Dollars			Total Accumulated Depreciation									
Year	Description	Phase	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Water Distribution												
2/3/10/12/17	CRPS Improvements	Should be Phase 1?	\$ 67,500	\$ 205,000	\$ 342,500	\$ 480,000	\$ 617,500	\$ 755,000	\$ 892,500	\$ 1,030,000	\$ 1,167,500	\$ 1,305,000
2/3/10/12/17	CRPS & Downtown Pump Station - Phase 1	Should be Phase 2?	62,500	175,000	287,500	400,000	512,500	625,000	737,500	850,000	962,500	1,075,000
	Downtown Water Improvements		11,250	22,500	48,750	90,000	146,250	217,500	303,750	405,000	521,250	652,500
	Cot Rd 2 MGD Water Tower Construction		97,010	194,021	291,031	388,041	485,051	582,062	679,072	776,082	873,092	970,103
	Preston Road Water Line		-	-	25,000	50,000	75,000	100,000	125,000	150,000	175,000	200,000
	Frontier Pkwy water line		-	-	-	-	-	-	-	-	-	-
4	Pressure Plane Modification		-	4,375	8,750	13,125	17,500	21,875	26,250	30,625	35,000	39,375
5	Discharge Line from CRPS to RR	Design	-	34,000	68,000	102,000	136,000	170,000	204,000	238,000	272,000	306,000
6	30" and 36" Discharge Line from RR to DTPS	Design	-	24,000	48,000	72,000	96,000	120,000	144,000	168,000	192,000	216,000
7	30" and 24" Parallel Line from DTPS to Sunset	Design	-	15,000	30,000	45,000	60,000	75,000	90,000	105,000	120,000	135,000
	30" and 24" Parallel Line from CRPS to Sunset		-	-	-	-	-	-	-	-	-	-
5	30" and 36" Discharge Line from RR to DTPS	assume construction only	-	-	175,475	350,950	526,425	701,900	877,375	1,052,850	1,228,325	1,403,800
7	30" and 24" Parallel Line from DTPS to Sunset	assume construction only	-	-	77,150	154,300	231,450	308,600	385,750	462,900	540,050	617,200
6	30" and 24" Discharge Line from RR to DTPS	assume construction only	-	-	123,500	247,000	370,500	494,000	617,500	741,000	864,500	988,000
	Business 289 12" line		-	-	75,000	150,000	225,000	300,000	375,000	450,000	525,000	600,000
11	New 6 MG GST at CRPS	Design	-	-	-	33,750	67,500	101,250	135,000	168,750	202,500	236,250
11	New 6 MG GST at CRPS	assume construction only	-	-	-	175,000	350,000	525,000	700,000	875,000	1,050,000	1,225,000
	18" line on Glendenning (CR 55) form RR to Preston		-	-	-	-	25,000	50,000	75,000	100,000	125,000	150,000
22	18" and 24" lines along Legacy Drive		-	-	-	-	-	83,825	167,650	251,475	335,300	419,125
20	24" Line to increase capacity in the Low pressure plane		-	-	-	-	-	-	133,500	267,000	400,500	534,000
8	18" and 24" to Morgan Lakes		-	-	-	-	-	120,000	240,000	360,000	480,000	600,000
14	SCADA Improvements		-	-	35,000	70,000	105,000	140,000	175,000	210,000	245,000	280,000
16	12" line along Settlers Ridge		-	-	-	-	82,700	165,400	248,100	330,800	413,500	496,200
	Future Project -- TBD		-	-	-	-	-	-	-	29,788	89,365	178,730
	Future Project		-	-	-	-	-	-	-	-	-	-
	Future Project		-	-	-	-	-	-	-	-	-	-
	Total Water Distribution		71,346,000									
	Total Unfunded Water CIP		\$ 238,260	\$ 673,896	\$ 1,635,656	\$ 2,821,166	\$ 4,129,376	\$ 5,666,412	\$ 7,331,947	\$ 9,052,270	\$ 10,817,382	\$ 12,627,282
Functionalization												
	Dollars		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Treatment		-	-	-	-	-	-	-	-	-	-
	Distribution		238,260	673,896	1,635,656	2,821,166	4,129,376	5,666,412	7,331,947	9,052,270	10,817,382	12,627,282
	Administration		-	-	-	-	-	-	-	-	-	-
	Customer		-	-	-	-	-	-	-	-	-	-
	Total		238,260	673,896	1,635,656	2,821,166	4,129,376	5,666,412	7,331,947	9,052,270	10,817,382	12,627,282

Test Year
2018

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

1 2 3 4 5 6 7 8 9 10
2018 2019 2020 2021 2022 2023 2024 2025 2026 2027

Garver CIP Project Number Additional Notes

WATER Utility -- UNFUNDED Capital Improvement Plan

Net Rate Base

WATER Future Unfunded CIP -- Current Dollars

Water Distribution

Garver CIP Project Number	Additional Notes	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
2/3/10/12/17 2/3/10/12/17	CRPS Improvements Should be Phase 1?	\$ 2,632,500	\$ 5,295,000	\$ 5,157,500	\$ 5,020,000	\$ 4,682,500	\$ 4,745,000	\$ 4,607,500	\$ 4,470,000	\$ 4,332,500	\$ 4,195,000
	CRPS & Downtown Pump Station - Phase 1 Should be Phase 2?	2,437,500	4,325,000	4,212,500	4,100,000	3,987,500	3,875,000	3,762,500	3,650,000	3,537,500	3,425,000
	Downtown Water Improvements	438,750	427,500	1,001,250	1,560,000	2,103,750	2,632,500	3,146,250	3,645,000	4,128,750	4,597,500
	Cot Rd 2 MGD Water Tower Construction	3,783,400	3,688,390	3,589,379	3,492,369	3,395,359	3,298,349	3,201,338	3,104,328	3,007,318	2,910,308
	Preston Road Water Line	-	-	975,000	950,000	925,000	900,000	875,000	850,000	825,000	800,000
	Frontier Pkwy water line	-	-	-	-	-	-	-	-	-	-
4	Pressure Plane Modification	-	170,825	168,250	161,875	157,500	153,125	148,750	144,375	140,000	135,625
5	Discharge Line from CRPS to RR Design	-	1,328,000	1,292,000	1,258,000	1,224,000	1,190,000	1,156,000	1,122,000	1,088,000	1,054,000
6	30" and 36" Discharge Line from RR to DTPS Design	-	936,000	912,000	888,000	864,000	840,000	816,000	792,000	768,000	744,000
7	30" and 24" Parallel Line from DTPS to Sunset Design	-	585,000	570,000	555,000	540,000	525,000	510,000	495,000	480,000	465,000
	30" and 24" Parallel Line from CRPS to Sunset	-	-	-	-	-	-	-	-	-	-
5	30" and 30" Discharge Line from RR to DTPS assume construction only	-	-	6,843,525	6,668,050	6,492,575	6,317,100	6,141,625	5,966,150	5,790,675	5,615,200
7	30" and 24" Parallel Line from DTPS to Sunset assume construction only	-	-	3,008,850	2,931,700	2,854,550	2,777,400	2,700,250	2,623,100	2,545,950	2,468,800
6	30" and 24" Discharge Line from RR to DTPS assume construction only	-	-	4,816,500	4,693,000	4,569,500	4,446,000	4,322,500	4,199,000	4,075,500	3,952,000
	Business 289 12" line	-	-	2,925,000	2,850,000	2,775,000	2,700,000	2,625,000	2,550,000	2,475,000	2,400,000
11	New 6 MG GST at CRPS Design	-	-	-	1,316,250	1,282,500	1,248,750	1,215,000	1,181,250	1,147,500	1,113,750
11	New 6 MG GST at CRPS assume construction only	-	-	-	6,825,000	6,650,000	6,475,000	6,300,000	6,125,000	5,950,000	5,775,000
	18" line on Glendenning (CR 55) form RR to Preston	-	-	-	-	975,000	950,000	925,000	900,000	875,000	850,000
22	18" and 24" lines along Legacy Drive	-	-	-	-	-	3,269,175	3,185,350	3,101,525	3,017,700	2,933,875
20	24" Line to increase capacity in the Low pressure plane	-	-	-	-	-	-	5,206,500	5,073,000	4,939,500	4,806,000
8	18" and 24" to Morgan Lakes	-	-	-	-	4,680,000	4,560,000	4,440,000	4,320,000	4,200,000	
14	SCADA Improvements	-	-	315,000	280,000	245,000	210,000	175,000	140,000	105,000	70,000
16	12" line along Settlers Ridge	-	-	-	-	3,225,300	3,142,600	3,059,900	2,977,200	2,894,500	2,811,800
	Future Project -- TBD	-	-	-	-	-	-	-	1,161,742	2,293,695	3,395,861
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Total Water Distribution	\$ 9,292,150	\$ 16,751,515	\$ 35,784,754	\$ 43,549,244	\$ 47,149,034	\$ 54,374,999	\$ 58,639,463	\$ 58,710,670	\$ 58,737,088	\$ 58,716,718
	Total Unfunded Water CIP	\$ 9,292,150	\$ 16,751,515	\$ 35,784,754	\$ 43,549,244	\$ 47,149,034	\$ 54,374,999	\$ 58,639,463	\$ 58,710,670	\$ 58,737,088	\$ 58,716,718
	Functionalization Dollars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Treatment	-	-	-	-	-	-	-	-	-	-
	Distribution	9,292,150	16,751,515	35,784,754	43,549,244	47,149,034	54,374,999	58,639,463	58,710,670	58,737,088	58,716,718
	Administration	-	-	-	-	-	-	-	-	-	-
	Customer	-	-	-	-	-	-	-	-	-	-
	Total	9,292,150	16,751,515	35,784,754	43,549,244	47,149,034	54,374,999	58,639,463	58,710,670	58,737,088	58,716,718

Test Year 2018	CITY OF CELINA WATERWASTEWATER COST OF SERVICE MODEL									
	1 2018	2 2019	3 2020	4 2021	5 2022	6 2023	7 2024	8 2025	9 2026	10 2027

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WASTEWATER Utility – UNFUNDED Capital Improv

Annual Depreciation Expense

WASTEWATER CIP – Current Dollars

Wastewater Treatment

11	Downtown WWTP Upgrade to 95 MGD	\$ 217,500	\$ 317,500	\$ 342,500	\$ 342,500	\$ 342,500	\$ 342,500	\$ 342,500	\$ 342,500	\$ 342,500	\$ 342,500
	WWTP 2 MGD	-	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
	WWTP 2 MGD	-	-	-	50,000	275,000	275,000	275,000	275,000	275,000	275,000
	WWTP 3 MGD	-	-	-	-	25,000	25,000	25,000	25,000	25,000	25,000
	WWTP 3 MGD	-	-	-	-	-	150,000	300,000	300,000	300,000	300,000
	Mustang WWTP Shared Cost	-	-	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Total WW Treatment	\$ 217,500	\$ 317,500	\$ 367,500	\$ 442,500	\$ 692,500	\$ 642,500	\$ 992,500	\$ 992,500	\$ 992,500	\$ 992,500

Wastewater Collection

	Downsby Parkway Sewer	\$ -	\$ -	\$ -	\$ 72,500	\$ 72,500	\$ 72,500	\$ 72,500	\$ 72,500	\$ 72,500	\$ 72,500
	Downtown WW Improvements	11,250	11,250	26,250	41,250	56,250	71,250	86,250	101,250	116,250	131,250
	Downtown Rehab Sewer	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
	Bus 289 Sewer line	-	-	-	75,000	75,000	75,000	75,000	75,000	75,000	75,000
4	8" and 10" line to replace Shawnee Trail No. 1 LS	-	-	29,300	29,300	29,300	29,300	29,300	29,300	29,300	29,300
6	10" and 12" line adding capacity for Chalk	-	-	22,875	22,875	22,875	22,875	22,875	22,875	22,875	22,875
13	18" line adding capacity for Downtown	-	-	-	-	76,650	76,650	76,650	76,650	76,650	76,650
14	15" line along FM 455	-	-	-	18,350	18,350	18,350	18,350	18,350	18,350	18,350
2	12" line to replace Carter Ranch LS	-	-	-	-	37,500	37,500	37,500	37,500	37,500	37,500
12	30", 36", 42", 60" Interceptor from Downtown to WWTP	-	-	-	-	-	-	125,000	250,000	375,000	500,000
	21" line from Dallas Pkwy to Preston	-	-	-	-	-	62,500	125,000	125,000	125,000	125,000
	Construct 15"- 30" Interceptor Doe Branch to CR 51	-	-	-	-	-	-	-	150,000	150,000	150,000
	Construct 10" - 21" Interceptor Doe Branch to CR 83	-	-	-	-	-	-	-	-	80,000	80,000
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Future Project	-	-	-	-	-	-	-	-	-	-
	Total WW Collection	\$ 23,750	\$ 23,750	\$ 90,925	\$ 271,775	\$ 400,925	\$ 478,425	\$ 680,925	\$ 970,925	\$ 1,190,925	\$ 1,330,925

Total Unfunded Wastewater CIP

Summary

Dollars

Treatment	\$ 217,500	\$ 317,500	\$ 367,500	\$ 442,500	\$ 692,500	\$ 642,500	\$ 992,500	\$ 992,500	\$ 992,500	\$ 992,500	\$ 992,500
Collection	23,750	23,750	90,925	271,775	400,925	478,425	680,925	970,925	1,190,925	1,330,925	1,330,925
Administration	-	-	-	-	-	-	-	-	-	-	-
Customer	-	-	-	-	-	-	-	-	-	-	-
Reclaimed Water	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 241,250	\$ 341,250	\$ 458,425	\$ 714,275	\$ 1,093,425	\$ 1,320,925	\$ 1,673,425	\$ 1,963,425	\$ 2,183,425	\$ 2,323,425	\$ 2,323,425

DVJ Testimony Schedules

CITY OF CELINA					
TEST YEAR Operating Expenses, Transfers and Capital Outlays					
SCENARIO: 2020 06 08 DVJ Rebuttal Testimony Scen I					
	Net Budget	Treatment	Distribution	Admin	Customer Billing
1 Operating & Maintenance					
Personnel Svcs	\$ 860,891	\$ -	\$ 742,609	\$ -	\$ 118,282
Contractual	26,149	-	20,000	-	6,149
Materials & Supplies	658,400	-	658,400	-	-
Operations	164,509	16,000	139,000	-	9,509
Utilities	237,864	-	227,499	-	10,365
Administration	80,318	-	-	39,350	40,968
Upper Trinity Regional Water District- Water	<u>2,111,200</u>	<u>2,111,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating & Maintenance	4,139,331	2,127,200	1,787,508	39,350	185,273
2 Transfers	359,415	-	-	359,415	-
3 Capital Outlays	181,823	-	181,823	-	-
CASH Basis					
Operating & Maintenance	4,139,331	2,127,200	1,787,508	39,350	185,273
Transfers	359,415	-	-	359,415	-
Capital Outlays	181,823	-	181,823	-	-
UTILITY Basis					
Operating & Maintenance	4,139,331	2,127,200	1,787,508	39,350	185,273
Transfers	359,415	-	-	359,415	-
Capital Outlays	-	-	-	-	-
SOURCE: Celina Water and WW Rate Model, Test Year W1					

CITY OF CELINA				
Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I				
Forecast Operating Expenses, Transfers and Capital Outlays				
	2018	2019	2020	2021
CASH Basis				
1 Operating Expenses	\$ 4,139,331	\$ 4,943,924	\$ 5,513,776	\$ 5,959,027
2 Transfers	359,415	370,198	381,304	392,743
3 Capital Outlays	181,823	181,823	181,823	181,823
Total	4,680,570	5,495,944	6,076,903	6,533,593
UTILITY Basis				
1 Operating Expenses	4,139,331	4,943,924	5,513,776	5,959,027
2 Transfers	359,415	370,198	381,304	392,743
3 Capital Outlays	-	-	-	-
Total	4,498,747	5,314,121	5,895,080	6,351,770
SOURCE: Celina Water and WW Rate Model, Forecast W5				

CITY OF CELINA				
Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I				
4 -- Current Debt Service				
	2018	2019	2020	2021
WATER Utility				
CASH BASIS -- Principal and Interest				
Series 2004	\$ 19,110	\$ 19,227	\$ 19,110	\$ 19,153
Series 2007	153,917	156,069	37,878	-
Series 2007	166,058	148,080	152,219	97,979
Series 2012	49,600	49,000	48,100	52,200
Series 2012	318,781	333,366	331,335	332,434
Series 2014	41,456	41,322	119,238	152,376
Series 2014A	14,421	14,240	14,060	71,209
Series 2015	153,277	153,946	154,383	111,133
Series 2016	140,575	144,208	143,860	139,647
Series 2017	221,439	225,930	228,496	227,490
Total	1,278,633	1,285,388	1,248,679	1,203,620
UTILITY BASIS -- Interest				
Series 2004	-	-	-	-
Series 2007	-	-	-	-
Series 2007	-	-	-	-
Series 2012	-	-	-	-
Series 2012	-	-	-	-
Series 2014	-	-	-	-
Series 2014A	-	-	-	-
Series 2015	-	-	-	-
Series 2016	-	-	-	-
Series 2017	-	-	-	-
Total	-	-	-	-
SOURCE: Celina Water and WW Rate Model, Current Debt Input				

CITY OF CELINA WATER UTILITY CAPITAL IMPROVEMENT PLAN											
	Total	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
WATER CIP -- Current Dollars											
CRPS Improvements	\$ 5,500,000	\$ 2,700,000	\$ 2,800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CRPS & Downtown Pump Station - Phase 1	4,500,000	2,500,000	2,000,000	-	-	-	-	-	-	-	-
Downtown Water Improvements	5,250,000	450,000	-	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Coit Rd 2 MGD Water Tower Construction	3,880,410	3,880,410	-	-	-	-	-	-	-	-	-
Preston Road Water Line	1,000,000	-	-	1,000,000	-	-	-	-	-	-	-
Frontier Pkwy water line	-	-	-	-	-	-	-	-	-	-	-
Pressure Plane Modification	175,000	-	175,000	-	-	-	-	-	-	-	-
Discharge Line from CRPS to RR	1,360,000	-	1,360,000	-	-	-	-	-	-	-	-
30" and 36" Discharge Line from RR to DTPS	960,000	-	960,000	-	-	-	-	-	-	-	-
30" and 24" Parallel Line from DTPS to Sunset	600,000	-	600,000	-	-	-	-	-	-	-	-
30" and 24" Parallel Line from CRPS to Sunset	-	-	-	-	-	-	-	-	-	-	-
30" and 36" Discharge Line from RR to DTPS	7,019,000	-	-	7,019,000	-	-	-	-	-	-	-
30" and 24" Parallel Line from DTPS to Sunset	3,066,000	-	-	3,066,000	-	-	-	-	-	-	-
30" and 24" Discharge Line from RR to DTPS	4,940,000	-	-	4,940,000	-	-	-	-	-	-	-
Business 289 12" line	3,000,000	-	-	3,000,000	-	-	-	-	-	-	-
New 6 MG GST at CRPS	1,350,000	-	-	-	1,350,000	-	-	-	-	-	-
New 6 MG GST at CRPS	7,000,000	-	-	-	7,000,000	-	-	-	-	-	-
18" line on Glendenning (CR 55) form RR to Preston	1,000,000	-	-	-	-	1,000,000	-	-	-	-	-
18" and 24" lines along Legacy Drive	3,353,000	-	-	-	-	-	3,353,000	-	-	-	-
24" Line to increase capacity in the Low pressure plane	5,340,000	-	-	-	-	-	-	5,340,000	-	-	-
18" and 24" to Morgan Lakes	4,800,000	-	-	-	-	-	4,800,000	-	-	-	-
SCADA Improvements	350,000	-	-	350,000	-	-	-	-	-	-	-
12" line along Settlers Ridge	3,308,000	-	-	-	-	3,308,000	-	-	-	-	-
Total	71,346,000	9,530,410	7,895,000	19,995,000	8,950,000	4,908,000	8,753,000	5,940,000	1,791,530	1,791,530	1,791,530
Forecast Water Bond Issues	69,000,000	18,000,000	-	30,000,000	-	13,000,000	-	6,000,000	-	2,000,000	-

SOURCE: Celina Water and WW Rate Model, CIP Input, Future Debt Input

46,370,410

CITY OF CELINA				
Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I				
5 -- Future Debt Service				
	2018	2019	2020	2021
WATER Utility				
CASH BASIS -- Principal and Interest				
2018	\$ -	\$ 1,187,714	\$ 1,187,714	\$ 1,187,714
2019	-	-	-	-
2020	-	-	-	1,979,524
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
Total	-	1,187,714	1,187,714	3,167,239
UTILITY BASIS -- Interest				
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
Total	-	-	-	-
SOURCE: Celina Water and WW Rate Model, Future Debt Input				

CITY OF CELINA					
Scenario:		2020 06 08 DVJ Rebuttal Testimony Scen I			
		6 -- Depreciation		7 -- Return	
		2018	2019	2020	2021
6 Depreciation Expense					
Existing Assets	\$	594,267	\$ 834,843	\$ 821,883	\$ 801,023
CIP		238,260	435,635	961,760	1,185,510
Total		832,527	1,270,478	1,783,643	1,986,533
7 Return					
Rate Base – Existing	\$	37,241,381	\$ 36,472,669	\$ 35,697,623	\$ 34,933,196
Rate Base – CIP		9,292,150	16,751,515	35,784,754	43,549,244
Rate Base – Total		46,533,531	53,224,183	71,482,377	78,482,440
Rate of Return		8.7%	8.7%	8.7%	8.7%
Total Return	\$	4,065,503	4,650,047	6,245,214	6,856,789
CASH BASIS					
6 Depreciation Expense		-	-	-	-
7 Return		-	-	-	-
UTILITY BASIS					
6 Depreciation Expense		832,527	1,270,478	1,783,643	1,986,533
7 Return		4,065,503	4,650,047	6,245,214	6,856,789
SOURCE: Celina Water and WW Rate Model, Forecast W4, Water Rate Base Summary Input					

CITY OF CELINA

Scenario:

2020 06 08 DVJ Rebuttal Testimony Scen I

Weighted Cost of Debt 2018

Source: 2017 CAFR

Bond Issue	FY 2017 Ending	Due in One Year	FY 2018 Ending	Interest Rate	Weighted Interest
CO Series 2004	\$ 261,425	\$ 17,110	\$ 244,315	4.81%	0.04%
GO Series 2007	769,570	216,780	552,790	4.13%	0.07%
CO Series 2007	495,000	215,000	280,000	3.10%	0.03%
GO Series 2012	2,590,000	405,000	2,185,000	2.50%	0.17%
CO Series 2012	575,000	30,000	545,000	3.00%	0.05%
CO Series 2014	2,300,000	15,000	2,285,000	3.00%	0.21%
CO Series 2014A	1,625,000	95,000	1,530,000	2.65%	0.12%
CO Series 2015	12,880,000	275,000	12,605,000	3.50%	1.35%
CO Series 2016	7,485,000	70,000	7,415,000	3.00%	0.68%
CO Series 2017	5,110,000	180,000	4,930,000	2.75%	0.42%
Total Outstanding Debt	34,090,995	1,518,890	32,572,105		3.14%

Weighted Cost of Capital

Capital Structure Component	\$	Cost of Capital	Weighted %
Outstanding Debt	32,572,105	3.14%	1.16%
Equity (Rate Base less Debt)	<u>55,870,828</u>	12.00%	<u>7.58%</u>
Total	88,442,933		8.74%

CITY OF CELINA		2020 06 08 DVJ Rebuttal Testimony Scen I				
Scenario:		2020 06 08 DVJ Rebuttal Testimony Scen I				
Total Cost of Service and Net Revenue Requirement to be Raised from Rates						
		3-Year Period Total	2018	2019	2020	2021
WATER Utility						
CASH BASIS						
1	Operating Expenses	\$ 20,556,058	\$ 4,139,331	\$ 4,943,924	\$ 5,513,776	\$ 5,959,027
2	Transfers	1,503,659	359,415	370,198	381,304	392,743
3	Capital Outlays	727,292	181,823	181,823	181,823	181,823
4	Current Debt Service	5,016,320	1,278,633	1,285,388	1,248,679	1,203,620
5	Future Debt Service	5,542,668	-	1,187,714	1,187,714	3,167,239
6	Depreciation Expense	-	-	-	-	-
7	Return	-	-	-	-	-
	Cost of Service	33,345,997	5,959,203	7,969,047	8,513,296	10,904,451
	Less Non-Rate Revenues	(6,509,298)	(1,675,083)	(1,675,083)	(1,793,131)	(1,366,001)
	Net Revenue Requirement	26,836,699	4,284,120	6,293,965	6,720,165	9,538,450
UTILITY BASIS						
1	Operating Expenses	\$ 20,556,058	\$ 4,139,331	\$ 4,943,924	\$ 5,513,776	\$ 5,959,027
2	Transfers	1,503,659	359,415	370,198	381,304	392,743
3	Capital Outlays	-	-	-	-	-
4	Current Debt Service	-	-	-	-	-
5	Future Debt Service	-	-	-	-	-
6	Depreciation Expense	5,873,181	832,527	1,270,478	1,783,643	1,986,533
7	Return	21,817,553	4,065,503	4,650,047	6,245,214	6,856,789
	Cost of Service	49,750,452	9,396,777	11,234,647	13,923,937	15,195,092
	Percent Greater than Cash Basis	49.2%	57.7%	41.0%	63.6%	39.3%
	Less Non-Rate Revenues	(6,509,298)	(1,675,083)	(1,675,083)	(1,793,131)	(1,366,001)
	Net Revenue Requirement	43,241,154	7,721,694	9,559,564	12,130,805	13,829,091
	Percent Greater than Cash Basis	61.1%	80.2%	51.9%	80.5%	45.0%

SOURCE: Celina Water and WW Rate Model, Forecast W4, W4S

CITY OF CELINA		2020 06 08 DVJ Rebuttal Testimony Scen I			
Scenario:		2020 06 08 DVJ Rebuttal Testimony Scen I			
Net Revenue Requirement -- Outside City Customers					
		2018	2019	2020	2021
UTILITY Basis					
Total Water System Revenue Requirement					
1	Operating Expenses	\$ 4,139,331	\$ 4,943,924	\$ 5,513,776	\$ 5,959,027
2	Transfers	359,415	370,198	381,304	392,743
3	Capital Outlays	-	-	-	-
4	Current Debt Service	-	-	-	-
5	Future Debt Service	-	-	-	-
6	Depreciation Expense	832,527	1,270,478	1,783,643	1,986,533
7	Return	4,065,503	4,650,047	6,245,214	6,856,789
	Cost of Service	9,396,777	11,234,647	13,923,937	15,195,092
	Less Non-Rate Revenues	(1,675,083)	(1,675,083)	(1,793,131)	(1,366,001)
	Net Revenue Requirement	7,721,694	9,559,564	12,130,805	13,829,091
Cost Classification -- Total					
<u>Total</u>					
	Base	65.29%	65.30%	65.47%	65.48%
	Max Day/Extra Capacity	32.65%	32.65%	32.73%	32.74%
	Customer Billing	2.06%	2.04%	1.80%	1.78%
	Sub-Total	100.00%	100.00%	100.00%	100.00%
	Base	\$ 5,041,800	\$ 6,242,822	\$ 7,942,000	\$ 9,054,911
	Max Day/Extra Capacity	2,520,900	3,121,411	3,971,000	4,527,456
	Customer Billing	158,993	195,330	217,806	246,724
	Total	7,721,694	9,559,564	12,130,805	13,829,091
Cost Allocation -- Customer Class					
WO1 Residential Outside					
<u>Allocation Factor</u>					
	Base	18.72%	18.72%	18.72%	18.72%
	Max Day/Extra Capacity	16.94%	16.94%	16.94%	16.94%
	Customer Billing	23.78%	23.78%	23.78%	23.78%
<u>Revenue Requirement</u>					
	Base	\$ 943,652	\$ 1,168,442	\$ 1,486,470	\$ 1,694,769
	Max Day/Extra Capacity	427,140	528,890	672,844	767,130
	Customer Billing	37,812	46,453	51,798	58,676
	Total	1,408,604	1,743,786	2,211,113	2,520,574
WO2 Commercial Outside					
<u>Allocation Factor</u>					
	Base	4.18%	4.18%	4.18%	4.18%
	Max Day/Extra Capacity	14.08%	14.08%	14.08%	14.08%
	Customer Billing	0.54%	0.54%	0.54%	0.54%
<u>Revenue Requirement</u>					
	Base	\$ 39,448	\$ 48,845	\$ 62,139	\$ 70,847
	Max Day/Extra Capacity	60,132	74,456	94,722	107,995
	Customer Billing	204	251	280	317
	Total	99,784	123,552	157,141	179,159
Total Outside City Customers					
<u>Revenue Requirement</u>					
	Base	\$ 983,100	\$ 1,217,287	\$ 1,548,609	\$ 1,765,616
	Max Day/Extra Capacity	487,272	603,346	767,566	875,125
	Customer Billing	38,016	46,704	52,078	58,993
	Total	1,508,388	1,867,338	2,368,253	2,699,733

SOURCE: Celina Water and WW Rate Model, Forecast W8

CITY OF CELINA		2020 06 08 DVJ Rebuttal Testimony Scen I			
Net Revenue Requirement -- Inside City Customers					
	2018	2019	2020	2021	
CASH Basis					
Total Water System Revenue Requirement					
<u>Total Revenue Requirement -- Cash Basis</u>					
Base	\$ 2,760,915	\$ 4,077,511	\$ 4,346,581	\$ 6,203,852	
Max Day/Extra Capacity	1,380,458	2,038,756	2,173,290	3,101,926	
Customer	142,747	177,698	200,294	232,671	
Total	4,284,120	6,293,965	6,720,165	9,538,450	
<u>Less Outside Customers -- Utility Basis</u>					
Base	\$ 983,100	\$ 1,217,287	\$ 1,548,609	\$ 1,765,616	
Max Day/Extra Capacity	487,272	603,346	767,566	875,125	
Customer	38,016	46,704	52,078	58,993	
Total	1,508,388	1,867,338	2,368,253	2,699,733	
<u>Net Inside City Revenue Requirement</u>					
Base	\$ 1,777,816	\$ 2,860,224	\$ 2,797,971	\$ 4,438,237	
Max Day/Extra Capacity	893,186	1,435,409	1,405,725	2,226,802	
Customer	104,731	130,993	148,215	173,679	
Total	2,775,732	4,426,627	4,351,912	6,838,717	
Cost Allocation -- Customer Class					
W1 Residential Inside					
<u>Allocation Factor</u>					
Base	74.79%	74.79%	74.79%	74.79%	
Max Day/Extra Capacity	74.27%	74.27%	74.27%	74.27%	
Customer	93.74%	93.74%	93.74%	93.74%	
<u>Revenue Requirement</u>					
Base	\$ 1,329,584	\$ 2,139,090	\$ 2,092,533	\$ 3,319,247	
Max Day/Extra Capacity	663,366	1,066,074	1,044,027	1,653,839	
Customer	98,178	122,798	138,942	162,812	
Total Revenue Requirement	2,091,129	3,327,962	3,275,503	5,135,898	
W12 Commercial Inside					
<u>Allocation Factor</u>					
Base	25.21%	25.21%	25.21%	25.21%	
Max Day/Extra Capacity	25.73%	25.73%	25.73%	25.73%	
Customer	6.26%	6.26%	6.26%	6.26%	
<u>Revenue Requirement</u>					
Base	\$ 448,232	\$ 721,134	\$ 705,438	\$ 1,118,990	
Max Day/Extra Capacity	229,819	369,335	361,697	572,963	
Customer	6,552	8,196	9,273	10,866	
Total Revenue Requirement	684,604	1,098,665	1,076,409	1,702,819	
Total Inside City Customers					
Base	\$ 1,777,816	\$ 2,860,224	\$ 2,797,971	\$ 4,438,237	
Max Day/Extra Capacity	893,186	1,435,409	1,405,725	2,226,802	
Customer	104,731	130,993	148,215	173,679	
Total Revenue Requirement	2,775,732	4,426,627	4,351,912	6,838,717	

SOURCE: Celina Water and WW Rate Model, Forecast W9

CITY OF CELINA		RATE PLAN PERIOD -- NET REVENUE REQUIREMENT BY CUSTOMER CLASS				
Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I		RATE PLAN PERIOD		RATE PLAN PERIOD		
	Rate Plan Period	Prior	Year 1	Year 2	Year 3	
	Total	2018	2019	2020	2021	
WATER Utility						
Residential Customers						
W11	Residential Inside					
	Net Revenue Requirement before Coverage	\$ 13,830,492	\$ 2,091,129	\$ 3,327,962	\$ 3,275,503	\$ 5,135,898
	Average Accounts	4,810	3,611	4,418	5,308	5,901
	Revenue Requirement/Account Per Month	\$ 59.91	\$ 48.26	\$ 62.77	\$ 51.43	\$ 72.53
W01	Residential Outside					
	Net Revenue Requirement before Coverage	\$ 7,884,077	\$ 1,408,604	\$ 1,743,786	\$ 2,211,113	\$ 2,520,574
	Average Accounts	1,612	1,211	1,481	1,779	1,978
	Revenue Requirement/Account Per Month	\$ 101.88	\$ 96.97	\$ 98.11	\$ 103.56	\$ 106.18
	Percent Greater than Residential Inside	70.0%	100.9%	56.3%	101.4%	46.4%

CITY OF CELINA		RATE PLAN PERIOD -- REVENUES AND REVENUE REQUIREMENT BY CUSTOMER CLASS				
Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I		RATE PLAN PERIOD				
	Rate Plan Period Total	Prior 2018	Year 1 2019	Year 2 2020	Year 3 2021	
2 WATER UTILITY -- REVENUES AND REVENUE REQUIREMENT BY CUSTOMER CLASS						
Residential Customers						
WI1 Residential Inside						
Revenues under Proposed Rates	\$ 14,986,873	\$ 2,679,839	\$ 3,355,947	\$ 4,172,699	\$ 4,778,388	
Net Revenue Requirement before Coverage	13,830,492	2,091,129	3,327,962	3,275,503	5,135,898	
Net Revenues Required to Fund Coverage	1,156,382	588,710	27,985	897,196	(357,509)	
WO1 Residential Outside						
Revenues under Proposed Rates	\$ 7,560,614	\$ 1,355,180	\$ 1,692,142	\$ 2,103,959	\$ 2,409,334	
Net Revenue Requirement before Coverage	7,884,077	1,408,604	1,743,786	2,211,113	2,520,574	
Net Revenues Required to Fund Coverage	(323,463)	(53,424)	(51,644)	(107,154)	(111,241)	
Total Customers						
Total Inside City						
Revenues under Proposed Rates	\$ 22,866,613	\$ 4,084,152	\$ 5,121,701	\$ 6,368,192	\$ 7,292,569	
Net Revenue Requirement before Coverage	18,392,988	2,775,732	4,426,627	4,351,912	6,838,717	
Net Revenues Required to Fund Coverage	4,473,625	1,308,420	695,073	2,016,280	453,852	
Percent Contributed to Coverage	19.6%	32.0%	13.6%	31.7%	6.2%	
Total Outside City						
Revenues under Proposed Rates	\$ 9,994,696	\$ 1,788,654	\$ 2,237,680	\$ 2,782,265	\$ 3,186,097	
Net Revenue Requirement before Coverage	8,443,711	1,508,388	1,867,338	2,368,253	2,699,733	
Net Revenues Required to Fund Coverage	1,550,984	280,266	370,342	414,012	486,364	
Percent Contributed to Coverage	15.5%	15.7%	16.6%	14.9%	15.3%	
Total Water Utility						
Revenues under Proposed Rates	\$ 32,861,309	\$ 5,872,806	\$ 7,359,380	\$ 9,150,457	\$ 10,478,665	
Net Revenue Requirement before Coverage	26,836,699	4,284,120	6,293,965	6,720,165	9,538,450	
Net Revenues Required to Fund Coverage	6,024,609	1,588,686	1,065,416	2,430,292	940,216	
Percent Contributed to Coverage	18.3%	27.1%	14.5%	26.6%	9.0%	
Debt Coverage -- WATER Only	1.57	2.24	1.43	2.00	1.22	

CITY OF CELINA

Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I

RATE PLAN PERIOD -- WATER UTILITY SUMMARY

	Rate Plan Period Total	Prior 2018	Year 1 2019	Year 2 2020	Year 3 2021
TOTAL COST OF SERVICE AND REVENUE REQUIREMENT					
CASH Basis -- Inside City					
Total Cost of Service	\$ 33,345,997	\$ 5,959,203	\$ 7,969,047	\$ 8,513,296	\$ 10,904,451
Less Non-Rate Revenues	6,509,298	1,675,083	1,675,083	1,793,131	1,366,001
Net Revenue Requirement	26,836,699	4,284,120	6,293,965	6,720,165	9,538,450
UTILITY Basis -- Outside City					
Total Cost of Service	49,750,452	9,396,777	11,234,647	13,923,937	15,195,092
Percent Greater than Cash Basis	49.2%	57.7%	41.0%	63.6%	39.3%
Less Non-Rate Revenues	6,509,298	1,675,083	1,675,083	1,793,131	1,366,001
Net Revenue Requirement	43,241,154	7,721,694	9,559,564	12,130,805	13,829,091
Percent Greater than Cash Basis	61.1%	80.2%	51.9%	80.5%	45.0%
NET REVENUE REQUIREMENT BY CUSTOMER CLASS					
Residential Customers					
W11 Residential Inside					
Net Revenue Requirement before Coverage	\$ 13,830,492	\$ 2,091,129	\$ 3,327,962	\$ 3,275,503	\$ 5,135,898
Average Accounts	4,810	3,611	4,418	5,308	5,901
Revenue Requirement/Account Per Month	\$ 59.91	\$ 48.26	\$ 62.77	\$ 51.43	\$ 72.53
WO1 Residential Outside					
Net Revenue Requirement before Coverage	\$ 7,884,077	\$ 1,408,604	\$ 1,743,786	\$ 2,211,113	\$ 2,520,574
Average Accounts	1,612	1,211	1,481	1,779	1,978
Revenue Requirement/Account Per Month	\$ 101.88	\$ 96.97	\$ 98.11	\$ 103.56	\$ 106.18
Percent Greater than Residential Inside	70.0%	100.9%	56.3%	101.4%	46.4%
REVENUES AND REVENUE REQUIREMENT BY CUSTOMER CLASS					
WO1 Residential Outside					
Revenues under Proposed Rates	\$ 7,560,614	\$ 1,355,180	\$ 1,692,142	\$ 2,103,959	\$ 2,409,334
Net Revenue Requirement before Coverage	7,884,077	1,408,604	1,743,786	2,211,113	2,520,574
Net Revenues Required to Fund Coverage	(323,463)	(53,424)	(51,644)	(107,154)	(111,241)
Total Water Utility					
Revenues under Proposed Rates	\$ 32,861,309	\$ 5,872,806	\$ 7,359,380	\$ 9,150,457	\$ 10,478,665
Net Revenue Requirement before Coverage	26,836,699	4,284,120	6,293,965	6,720,165	9,538,450
Net Revenues Required to Fund Coverage	6,024,609	1,588,686	1,065,416	2,430,292	940,216
Debt Coverage	1.57	2.24	1.43	2.00	1.22

CITY OF CELINA

TEST YEAR Operating Expenses, Transfers and Capital Outlays

SCENARIO: 2020 06 08 DVJ Rebuttal Testimony Scen I

	Net Budget	Treatment	Collection	Admin	Customer Billing
1 Operating & Maintenance					
Personnel Svcs	\$ 477,885	\$ -	\$ 422,734	\$ -	\$ 55,151
Contractual	199,367	-	196,500	-	2,867
Materials & Supplies	71,000	-	71,000	-	-
Operations	214,934	-	210,500	-	4,434
Utilities	80,833	-	76,000	-	4,833
Administration	45,402	-	-	26,300	19,102
Upper Trinity Regional Water District- Sewer	<u>2,054,363</u>	<u>2,009,037</u>	<u>45,326</u>	<u>-</u>	<u>-</u>
Total Operating & Maintenance	3,143,785	2,009,037	1,022,060	26,300	86,388
2 Transfers	167,585	-	-	167,585	-
3 Capital Outlays	117,911	-	117,911	-	-
CASH Basis					
Operating & Maintenance	3,143,785	2,009,037	1,022,060	26,300	86,388
Transfers	167,585	-	-	167,585	-
Capital Outlays	117,911	-	117,911	-	-
UTILITY Basis					
Operating & Maintenance	3,143,785	2,009,037	1,022,060	26,300	86,388
Transfers	167,585	-	-	167,585	-
Capital Outlays	-	-	-	-	-
SOURCE: Celina Water and WW Rate Model, Test Year WW1					

CITY OF CELINA

Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I

Forecast Operating Expenses, Transfers and Capital Outlays					
		2018	2019	2020	2021
CASH Basis					
1	Operating Expenses	\$ 3,143,785	\$ 3,421,674	\$ 3,746,020	\$ 4,048,245
2	Transfers	167,585	172,612	177,791	183,124
3	Capital Outlays	117,911	117,911	117,911	117,911
	Total	3,429,280	3,712,198	4,041,722	4,349,280
UTILITY Basis					
1	Operating Expenses	3,143,785	3,421,674	3,746,020	4,048,245
2	Transfers	167,585	172,612	177,791	183,124
3	Capital Outlays	-	-	-	-
	Total	3,311,369	3,594,287	3,923,811	4,231,369

SOURCE: Celina Water and WW Rate Model, Forecast WW3

CITY OF CELINA

Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I

4 -- Current Debt Service

2018 2019 2020 2021

WASTEWATER Utility

CASH BASIS -- Principal and Interest

Series 2004	\$	9,541	\$	9,599	\$	9,541	\$	9,562
Series 2007		76,843		77,918		18,910		-
Series 2007		82,904		73,929		75,996		48,916
Series 2012		-		-		-		-
Series 2012		159,869		167,184		166,165		166,716
Series 2014		51,494		51,328		148,112		189,274
Series 2014A		38,404		37,922		37,441		189,628
Series 2015		373,448		375,079		376,142		270,767
Series 2016		41,281		42,348		42,246		41,009
Series 2017		108,574		110,776		112,035		111,541
Total		942,359		946,083		986,587		1,027,414

UTILITY BASIS -- Interest

Series 2004	-	-	-	-
Series 2007	-	-	-	-
Series 2007	-	-	-	-
Series 2012	-	-	-	-
Series 2012	-	-	-	-
Series 2014	-	-	-	-
Series 2014A	-	-	-	-
Series 2015	-	-	-	-
Series 2016	-	-	-	-
Series 2017	-	-	-	-
Total	-	-	-	-

SOURCE: Celina Water and WW Rate Model, Current Debt Input

**CITY OF CELINA
WASTEWATER UTILITY CAPITAL IMPROVEMENT PLAN**

	Total	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Wastewater Treatment											
Downtown WWTP Upgrade to .95 MGD	\$ 13,700,000	\$ 8,700,000	\$ 4,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WWTP 2 MGD	1,000,000	-	-	1,000,000	-	-	-	-	-	-	-
WWTP 2 MGD	11,000,000	-	-	-	2,000,000	9,000,000	-	-	-	-	-
WWTP 3 MGD	1,000,000	-	-	-	-	1,000,000	-	-	-	-	-
WWTP 3 MGD	12,000,000	-	-	-	-	-	6,000,000	6,000,000	-	-	-
Mustang WWTP Shared Cost	1,000,000	-	-	-	1,000,000	-	-	-	-	-	-
Total WW Treatment	\$9,700,000	8,700,000	4,000,000	2,000,000	3,000,000	10,000,000	6,000,000	6,000,000	-	-	-
Wastewater Collection											
Owensby Parkway Sewer	2,900,000	-	-	-	2,900,000	-	-	-	-	-	-
Downtown WW Improvements	5,250,000	450,000	-	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Downtown Rehab Sewer	500,000	500,000	-	-	-	-	-	-	-	-	-
Bus 289 Sewer line	3,000,000	-	-	-	3,000,000	-	-	-	-	-	-
8" and 10" line to replace Shawnee Trail No. 1 LS	1,172,000	-	-	1,172,000	-	-	-	-	-	-	-
10" and 12" line adding capacity for Chalk	915,000	-	-	915,000	-	-	-	-	-	-	-
18" line adding capacity for Downtown	3,066,000	-	-	-	-	3,066,000	-	-	-	-	-
15" line along FM 455	734,000	-	-	-	734,000	-	-	-	-	-	-
12" line to replace Carter Ranch LS	1,500,000	-	-	-	-	1,500,000	-	-	-	-	-
30", 36", 42", 60" Interceptor from Downtown to WWTP	20,000,000	-	-	-	-	-	-	5,000,000	5,000,000	5,000,000	5,000,000
21" line from Dallas Pkwy to Preston	5,000,000	-	-	-	-	-	2,500,000	2,500,000	-	-	-
Construct 15" - 30" Interceptor Doe Branch to CR 51	6,000,000	-	-	-	-	-	-	-	6,000,000	-	-
Construct 10" - 21" Interceptor Doe Branch to CR 83	3,200,000	-	-	-	-	-	-	-	-	3,200,000	-
Total WW Collection	63,237,000	950,000	-	2,687,000	7,234,000	5,166,000	3,100,000	8,100,000	11,600,000	8,800,000	5,600,000
Total	\$2,937,000	9,650,000	4,000,000	4,687,000	10,234,000	15,166,000	9,100,000	14,100,000	11,600,000	8,800,000	5,600,000
Forecast Water Bond Issues	\$2,000,000	14,000,000	-	16,000,000	-	22,000,000	-	26,000,000	-	16,000,000	-

SOURCE: Celina Water and WW Rate Model, CIP Input, Future Debt Input

CITY OF CELINA

Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I

5 -- Future Debt Service

2018 2019 2020 2021

WASTEWATER Utility

CASH BASIS -- Principal and Interest

	2018	2019	2020	2021
2018	\$ -	\$ 923,778	\$ 923,778	\$ 923,778
2019	-	-	-	-
2020	-	-	-	989,762
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
Total	-	923,778	923,778	1,913,540

UTILITY BASIS -- Interest

2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
Total	-	-	-	-

SOURCE: Celina Water and WW Rate Model, Future Debt Input

CITY OF CELINA

Scenario:

2020 06 08 DVJ Rebuttal Testimony Scen I

		6 - Depreciation		7 - Return	
		2018	2019	2020	2021
6 Depreciation Expense					
Existing Assets	\$	667,925	\$ 681,944	\$ 674,628	\$ 668,768
CIP		241,250	341,250	458,425	714,275
Total		909,175	1,023,194	1,133,053	1,383,043
7 Return					
Rate Base -- Existing	\$	32,500,653	\$ 31,884,840	\$ 31,257,049	\$ 30,624,876
Rate Base -- CIP		9,408,750	13,067,500	17,296,075	26,815,800
Rate Base -- Total		41,909,403	44,952,340	48,553,124	57,440,676
Rate of Return		8.7%	8.7%	8.7%	8.7%
Total Return	\$	3,661,506	\$ 3,927,359	\$ 4,241,949	\$ 5,018,430
CASH BASIS					
6 Depreciation Expense		-	-	-	-
7 Return		-	-	-	-
UTILITY BASIS					
6 Depreciation Expense		909,175	1,023,194	1,133,053	1,383,043
7 Return		3,661,506	3,927,359	4,241,949	5,018,430
SOURCE: Celina Water and WW Rate Model, Forecast W4, Water Rate Base Summary Input					

CITY OF CELINA

Scenario:

2020 06 08 DVJ Rebuttal Testimony Scen I

Total Cost of Service and Net Revenue Requirement to be Raised from Rates

	3-Year Period Total	2018	2019	2020	2021
WASTEWATER Utility					
CASH BASIS					
1 Operating Expenses	\$ 14,359,724	\$ 3,143,785	\$ 3,421,674	\$ 3,746,020	\$ 4,048,245
2 Transfers	701,112	167,585	172,612	177,791	183,124
3 Capital Outlays	471,644	117,911	117,911	117,911	117,911
4 Current Debt Service	3,902,443	942,359	946,083	986,587	1,027,414
5 Future Debt Service	3,761,096	-	923,778	923,778	1,913,540
6 Depreciation Expense	-	-	-	-	-
7 Return	-	-	-	-	-
Cost of Service	23,196,019	4,371,639	5,582,058	5,952,087	7,290,234
Less Non-Rate Revenues	(4,671,617)	(1,204,217)	(1,204,217)	(1,294,743)	(968,440)
Net Revenue Requirement	18,524,402	3,167,422	4,377,841	4,657,344	6,321,794
UTILITY BASIS					
1 Operating Expenses	\$ 14,359,724	\$ 3,143,785	\$ 3,421,674	\$ 3,746,020	\$ 4,048,245
2 Transfers	701,112	167,585	172,612	177,791	183,124
3 Capital Outlays	-	-	-	-	-
4 Current Debt Service	-	-	-	-	-
5 Future Debt Service	-	-	-	-	-
6 Depreciation Expense	4,448,466	909,175	1,023,194	1,133,053	1,383,043
7 Return	16,849,245	3,661,506	3,927,359	4,241,949	5,018,430
Cost of Service	36,358,547	7,882,051	8,544,840	9,298,814	10,632,843
Percent Greater than Cash Basis	56.7%	80.3%	53.1%	56.2%	45.9%
Less Non-Rate Revenues	(4,671,617)	(1,204,217)	(1,204,217)	(1,294,743)	(968,440)
Net Revenue Requirement	31,686,929	6,677,834	7,340,623	8,004,071	9,664,402
Percent Greater than Cash Basis	71.1%	110.8%	67.7%	71.9%	52.9%

SOURCE: Celina Water and WW Rate Model, Forecast WW3

CITY OF CELINA

Scenario:

2020 06 08 DVJ Rebuttal Testimony Scen I

Net Revenue Requirement - Outside City Customers

2018 2019 2020 2021

UTILITY BASIS

Treatment	\$ 3,714,697	\$ 4,152,286	\$ 4,524,703	\$ 5,385,494
Collection	2,851,942	3,066,333	3,346,259	4,122,809
Customer	111,194	122,004	133,110	156,100
Reclaimed Water	-	-	-	-
Net Revenue Requirement	6,677,834	7,340,623	8,004,071	9,664,402

WWO1 Residential Outside

<u>Collection/Treatment</u>				
Percent of Total Volume	30.42%	30.42%	30.42%	30.42%
Total	1,997,716	2,196,062	2,394,519	2,892,634
<u>Customer Billing</u>				
Percent of Total Customers	26.36%	26.36%	26.36%	26.36%
Total	29,308	32,157	35,084	41,144
Total	2,027,024	2,228,219	2,429,603	2,933,778

Total Outside City Customers

<u>Revenue Requirement</u>				
Collection/Treatment	\$ 1,997,716	\$ 2,196,062	\$ 2,394,519	\$ 2,892,634
Customer Billing	29,308	32,157	35,084	41,144
Total	2,027,024	2,228,219	2,429,603	2,933,778

SOURCE: Celina Water and WW Rate Model, Forecast WW8

CITY OF CELINA

Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I

Net Revenue Requirement - Outside City Customers

	2018	2019	2020	2021
CASH Basis:				
Net Revenue Requirement				
Treatment + Collection	\$ 3,101,926	\$ 4,301,343	\$ 4,573,866	\$ 6,222,371
Customer	65,496	76,498	83,478	99,423
Total	3,167,422	4,377,841	4,657,344	6,321,794
Less Outside Customers				
Treatment + Collection	1,997,716	2,196,062	2,394,519	2,892,634
Customer	29,308	32,157	35,084	41,144
Total	2,027,024	2,228,219	2,429,603	2,933,778
Net Revenue Requirement - Cash Basis				
Treatment + Collection	1,104,211	2,105,281	2,179,347	3,329,737
Collection	36,188	44,341	48,394	58,279
Customer	1,140,399	2,149,622	2,227,741	3,388,016
Percent of Total Volume				
WWI1 Residential Inside	89.11%	89.11%	89.11%	89.11%
WWI2 Commercial Inside	10.89%	10.89%	10.89%	10.89%
Total System	100.00%	100.00%	100.00%	100.00%
Total Collection/Treatment (Non-Customer) Costs				
WWI1 Residential Inside	\$ 983,980	\$ 1,876,050	\$ 1,942,052	\$ 2,967,183
WWI2 Commercial Inside	120,231	229,231	237,296	362,554
Total System	1,104,211	2,105,281	2,179,347	3,329,737
Percent of Total Customer Bills				
WWI1 Residential Inside	95.42%	95.42%	95.42%	95.42%
WWI2 Commercial Inside	4.58%	4.58%	4.58%	4.58%
Total System	100.00%	100.00%	100.00%	100.00%
Total Customer Costs				
WWI1 Residential Inside	\$ 34,529	\$ 42,309	\$ 46,178	\$ 55,608
WWI2 Commercial Inside	1,658	2,032	2,218	2,671
Total System	36,188	44,341	48,394	58,279
Total Net Revenue Requirement				
WWI1 Residential Inside	\$ 1,018,510	\$ 1,918,359	\$ 1,988,228	\$ 3,022,791
WWI2 Commercial Inside	121,889	231,263	239,513	365,225
Total System	1,140,399	2,149,622	2,227,741	3,388,016

CITY OF CELINA

Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I

RATE PLAN PERIOD - NET REVENUE REQUIREMENT BY CUSTOMER CLASS

		RATE PLAN PERIOD				
		Rate Plan Period Total	Prior 2018	Year 1 2019	Year 2 2020	Year 3 2021
	Residential Customers					
W11	Residential Inside					
	Net Revenue Requirement before Coverage	\$ 7,947,887	\$ 1,018,510	\$ 1,918,359	\$ 1,988,228	\$ 3,022,791
	Average Accounts	4,078	3,061	3,746	4,501	5,005
	Revenue Requirement/Account Per Month	\$ 40.60	\$ 27.73	\$ 42.68	\$ 36.81	\$ 50.33
WO1	Residential Outside					
	Net Revenue Requirement before Coverage	\$ 9,618,624	\$ 2,027,024	\$ 2,228,219	\$ 2,429,603	\$ 2,933,778
	Average Accounts	1,530	1,148	1,405	1,688	1,878
	Revenue Requirement/Account Per Month	\$ 130.99	\$ 147.14	\$ 132.15	\$ 119.91	\$ 130.21
	Percent Greater than Residential Inside	222.6%	430.6%	209.7%	225.8%	158.7%

CITY OF CELINA

Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I

RATE PLAN PERIOD -- REVENUES AND REVENUE REQUIREMENT BY CUSTOMER CLASS

		RATE PLAN PERIOD				
		Rate Plan Period	Prior	Year 1	Year 2	Year 3
		Total	2018	2019	2020	2021
2	WASTEWATER UTILITY -- REVENUES AND REVENUE REQUIREMENT BY CUSTOMER CLASS					
	Residential Customers					
	WWI1 Residential Inside					
	Revenues under Proposed Rates	\$ 11,534,500	\$ 1,888,596	\$ 2,440,062	\$ 3,257,496	\$ 3,948,346
	Net Revenue Requirement before Coverage	7,947,887	1,018,510	1,918,359	1,988,228	3,022,791
	Net Revenues Required to Fund Coverage	3,586,613	870,086	521,703	1,269,269	925,555
	WWO1 Residential Outside					
	Revenues under Proposed Rates	\$ 4,287,817	\$ 696,604	\$ 906,795	\$ 1,213,526	\$ 1,470,891
	Net Revenue Requirement before Coverage	9,618,624	2,027,024	2,228,219	2,429,603	2,933,778
	Net Revenues Required to Fund Coverage	(5,330,807)	(1,330,419)	(1,321,424)	(1,216,077)	(1,462,887)
	Total Customers					
	Total Wastewater Utility					
	Revenues under Proposed Rates	\$ 17,226,532	\$ 2,817,126	\$ 3,644,480	\$ 4,866,427	\$ 5,898,499
	Net Revenue Requirement before Coverage	18,524,402	3,167,422	4,377,841	4,657,344	6,321,794
	Net Revenues Required to Fund Coverage	(1,297,869)	(350,296)	(733,361)	209,083	(423,295)
	Percent Contributed to Coverage	-7.5%	-12.4%	-20.1%	4.3%	-7.2%
	Debt Coverage -- Wastewater Only	0.83	0.63	0.61	1.11	0.86

CITY OF CELINA

Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I

RATE PLAN PERIOD -- WASTEWATER UTILITY SUMMARY

		Rate Plan Period	RATE PLAN PERIOD			
		Total	Prior	Year 1	Year 2	Year 3
			2018	2019	2020	2021
2	TOTAL COST OF SERVICE AND REVENUE REQUIREMENT					
	CASH Basis -- Inside City					
	Total Cost of Service	\$ 23,196,019	\$ 4,371,639	\$ 5,582,058	\$ 5,952,087	\$ 7,290,234
	Less Non-Rate Revenues	4,671,617	1,204,217	1,204,217	1,294,743	968,440
	Net Revenue Requirement	18,524,402	3,167,422	4,377,841	4,657,344	6,321,794
	UTILITY Basis -- Outside City					
	Total Cost of Service	36,358,547	7,882,051	8,544,840	9,298,814	10,632,843
	Percent Greater than Cash Basis	56.7%	80.3%	53.1%	56.2%	45.9%
	Less Non-Rate Revenues	4,671,617	1,204,217	1,204,217	1,294,743	968,440
	Net Revenue Requirement	31,686,929	6,677,834	7,340,623	8,004,071	9,664,402
	Percent Greater than Cash Basis	71.1%	110.8%	67.7%	71.9%	52.9%
3	NET REVENUE REQUIREMENT BY CUSTOMER CLASS					
	Residential Customers					
WW1	Residential Inside					
	Net Revenue Requirement before Coverage	\$ 7,947,887	\$ 1,018,510	\$ 1,918,359	\$ 1,988,228	\$ 3,022,791
	Average Accounts	4,078	3,061	3,746	4,501	5,005
	Revenue Requirement/Account Per Month	\$ 40.60	\$ 27.73	\$ 42.68	\$ 36.81	\$ 50.33
WW01	Residential Outside					
	Net Revenue Requirement before Coverage	\$ 9,618,624	\$ 2,027,024	\$ 2,228,219	\$ 2,429,603	\$ 2,933,778
	Average Accounts	1,530	1,148	1,405	1,688	1,878
	Revenue Requirement/Account Per Month	\$ 130.99	\$ 147.14	\$ 132.15	\$ 119.91	\$ 130.21
	Percent Greater than Residential Inside	222.6%	430.6%	209.7%	225.8%	158.7%
4	REVENUES AND REVENUE REQUIREMENT BY CUSTOMER CLASS					
WW01	Residential Outside					
	Revenues under Proposed Rates	\$ 4,287,817	\$ 696,604	\$ 906,795	\$ 1,213,526	\$ 1,470,891
	Net Revenue Requirement before Coverage	9,618,624	2,027,024	2,228,219	2,429,603	2,933,778
	Net Revenues Required to Fund Coverage	(5,330,807)	(1,330,419)	(1,321,424)	(1,216,077)	(1,462,887)
	Total Wastewater Utility					
	Revenues under Proposed Rates	\$ 17,226,532	\$ 2,817,126	\$ 3,644,480	\$ 4,866,427	\$ 5,898,499
	Net Revenue Requirement before Coverage	18,524,402	3,167,422	4,377,841	4,657,344	6,321,794
	Net Revenues Required to Fund Coverage	(1,297,869)	(350,296)	(733,361)	209,083	(423,295)
	Debt Coverage	0.83	0.63	0.61	1.11	0.86

CITY OF CELINA

Scenario: 2020 06 08 DVJ Rebuttal Testimony Scen I

RATE PLAN PERIOD -- TOTAL UTILITY SUMMARY

		Rate Plan Period	Prior	Year 1	Year 2	Year 3
		Total	2018	2019	2020	2021
1 TOTAL WATER AND WASTEWATER COST OF SERVICE AND REVENUE REQUIREMENT						
CASH Basis -- Inside City						
Total Cost of Service	\$	56,542,016	\$ 10,330,842	\$ 13,551,106	\$ 14,465,383	\$ 18,194,685
Less Non-Rate Revenues		<u>11,180,915</u>	<u>2,879,300</u>	<u>2,879,300</u>	<u>3,087,874</u>	<u>2,334,441</u>
Net Revenue Requirement		45,361,101	7,451,542	10,671,806	11,377,509	15,860,244
UTILITY Basis -- Outside City						
Total Cost of Service	\$	86,108,999	\$ 17,278,828	\$ 19,779,486	\$ 23,222,750	\$ 25,827,935
Percent Greater than Cash Basis		52.3%	67.3%	46.0%	60.5%	42.0%
Less Non-Rate Revenues		<u>11,180,915</u>	<u>2,879,300</u>	<u>2,879,300</u>	<u>3,087,874</u>	<u>2,334,441</u>
Net Revenue Requirement		74,928,084	14,399,528	16,900,186	20,134,876	23,493,493
Percent Greater than Cash Basis		65.2%	93.2%	58.4%	77.0%	48.1%
4 REVENUES AND REVENUE REQUIREMENT BY CUSTOMER CLASS						
WI1 Residential Inside						
Revenues under Proposed Rates	\$	26,521,374	\$ 4,568,435	\$ 5,796,009	\$ 7,430,195	\$ 8,726,735
Net Revenue Requirement before Coverage		<u>21,778,379</u>	<u>3,109,638</u>	<u>5,246,321</u>	<u>5,263,730</u>	<u>8,158,689</u>
Net Revenues Required to Fund Coverage		4,742,995	1,458,797	549,688	2,166,465	568,046
WO1 Residential Outside						
Revenues under Proposed Rates	\$	11,848,431	\$ 2,051,784	\$ 2,598,937	\$ 3,317,485	\$ 3,880,225
Net Revenue Requirement before Coverage		<u>17,502,701</u>	<u>3,435,627</u>	<u>3,972,005</u>	<u>4,640,716</u>	<u>5,454,352</u>
Net Revenues Required to Fund Coverage		(5,654,270)	(1,383,843)	(1,373,068)	(1,323,231)	(1,574,128)
Percent Contributed to Coverage		-47.7%	-67.4%	-52.8%	-39.9%	-40.6%
Debt Coverage		1.26	1.56	1.08	1.61	1.07

APPENDIX B

CITY OF CELINA
COMPARISON OF BUDGET TO ACTUAL

	Original FY 2018	Amended FY 2018	Actual FY 2018	Original FY 2019	Amended FY 2019	Actual FY 2019	Adopted FY 2020	Total Actual 2018 Actual 2019 Budget 2020
City Budget/Actual – Revenues								
Water Sales			6,437,153		6,094,939	6,150,000	6,765,000	19,352,153
Wastewater Sales			3,077,772		2,783,260	3,600,000	3,960,000	10,637,772
Sub-Total	8,388,419		9,514,925	9,521,997	8,878,219	9,750,000	10,725,000	29,989,925
Other Revenues			2,743,067		2,852,797	2,589,150	2,899,469	8,231,686
Transfers			-		-	-	2,880,000	2,880,000
Total Water/Wastewater			12,257,992	9,521,997	11,731,016	12,339,150	16,504,469	41,101,611
Garbage Billing			687,200		643,778	840,000	870,000	2,397,200
Total Utility			12,945,192	9,521,997	12,374,794	13,179,150	17,374,469	43,498,811
City Budget/Actual – Expenses								
Non-Departmental	\$ 527,000	\$ 527,000	\$ 527,000	\$ 893,430	\$ 603,000	\$ 603,000	\$ 613,000	1,743,000
Water Distribution								
UTRWD Delivery			2,226,264		2,939,935	2,896,573	3,472,106	8,594,943
Other			2,069,772		2,241,868	2,488,811	2,537,642	7,096,225
Total	4,135,883	4,160,937	4,296,036	5,181,803	5,181,803	5,385,384	6,009,748	15,691,168
WW Collection								
UTRWD Collection			573,829		1,070,000	1,070,000	1,022,711	2,666,540
Other			1,032,065		1,014,614	1,056,234	1,188,967	3,277,266
Total	1,992,944	1,986,173	1,605,894	2,084,614	2,084,614	2,126,234	2,211,678	5,943,806
UTRWD Debt Payments	1,182,363	1,182,363	1,182,363	1,182,363	1,182,373	1,182,363	1,074,720	3,439,446
Utility Billing	292,259	292,259	208,312	310,337	305,127	294,298	323,466	826,076
Total Operating Expenses	8,130,449	8,148,732	7,819,605	9,452,547	9,356,917	9,591,279	10,232,612	27,643,496
Water WW Debt Service								
Existing	2,220,995	2,220,995	2,231,473	2,231,473	2,231,473	2,231,473	2,231,473	6,694,419
New	-	-	-	-	-	1,275,228	3,194,926	4,470,154
Total	2,220,995	2,220,995	2,231,473	2,231,473	2,231,473	3,506,701	5,426,399	11,164,573
Total Water Wastewater	10,351,444	10,369,727	10,051,078	11,684,020	11,588,390	13,097,980	15,659,011	38,808,069
Trash and Recycling	537,807	583,234	617,144	690,775	690,775	751,849	827,034	2,196,027
Total Budget	10,889,251	10,952,961	10,668,222	12,374,795	12,279,165	13,849,829	16,486,045	41,004,096
Net Water Wastewater	(10,351,444)	(10,369,727)	2,206,914	(2,162,023)	142,626	(758,830)	845,458	2,293,542
I. Comparison of Operating Expenses								
Budget								
Water	4,135,883	4,160,937	4,296,036	5,181,803	5,181,803	5,385,384	6,009,748	15,691,168
Wastewater	1,992,944	1,986,173	1,605,894	2,084,614	2,084,614	2,126,234	2,211,678	5,943,806
Utility Billing	292,259	292,259	208,312	310,337	305,127	294,298	323,466	826,076
Sub-Total	6,421,086	6,439,369	6,110,242	7,576,754	7,571,544	7,805,916	8,544,892	22,461,050
UTRWD Debt Payments	1,182,363	1,182,363	1,182,363	1,182,363	1,182,373	1,182,363	1,074,720	3,439,446
Non Dep/Transfers	527,000	527,000	527,000	693,430	603,000	603,000	613,000	1,743,000
Total	8,130,449	8,148,732	7,819,605	9,452,547	9,356,917	9,591,279	10,232,612	27,643,496
Rate Model – Cash Basis								
Water/Wastewater	6,146,079	6,146,079	6,146,079	7,228,561	7,228,561	7,228,561	8,122,759	21,497,399
Capital Outlays	299,734	299,734	299,734	299,734	299,734	299,734	299,734	899,202
Sub-Total	6,445,813	6,445,813	6,445,813	7,528,295	7,528,295	7,528,295	8,422,493	22,396,601
UTRWD Debt Payments	1,137,037	1,137,037	1,137,037	1,137,037	1,137,037	1,137,037	1,137,037	3,411,111
Transfers	527,000	527,000	527,000	542,810	542,810	542,810	559,094	1,628,904
Total	8,109,850	8,109,850	8,109,850	9,208,142	9,208,142	9,208,142	10,118,624	27,436,616
Difference								
Dollars	(20,599)	(38,882)	290,245	(244,405)	(148,775)	(383,137)	(113,988)	(206,880)
Percent	-0.3%	-0.5%	3.7%	-2.6%	-1.6%	-4.0%	-1.1%	-0.7%

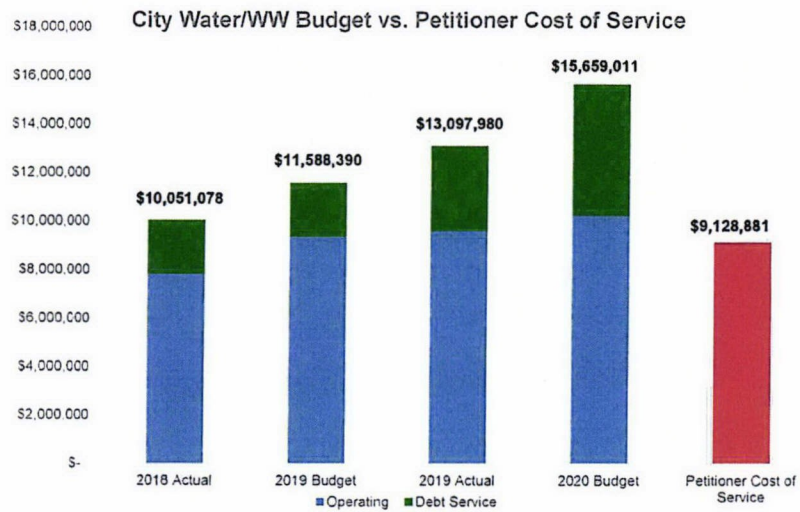
CITY OF CELINA
COMPARISON OF BUDGET TO ACTUAL

	Original FY 2018	Amended FY 2018	Actual FY 2018	Original FY 2019	Amended FY 2019	Actual FY 2019	Adopted FY 2020	Total Actual 2018 Actual 2019 Budget 2020
II. Comparison of UTRWD Costs								
City Budget								
Water Delivery		2,111,200	2,226,264		2,939,935	2,896,573	3,472,106	8,594,943
Wastewater Collection		872,000	573,829		1,070,000	1,070,000	1,022,711	2,666,540
Debt Payments		1,137,037	1,182,363		1,182,373	1,182,363	1,074,720	3,439,446
Total		4,120,237	3,982,456		5,192,308	5,148,936	5,569,537	14,700,929
Rate Model								
Water Delivery		2,058,696	2,058,696		2,841,778	2,841,778	3,246,517	8,146,991
Wastewater Collection		872,000	872,000		1,093,488	1,093,488	1,346,740	3,312,228
Debt Payments		1,137,037	1,137,037		1,137,037	1,137,037	1,137,037	3,411,111
Total		4,067,733	4,067,733		5,072,303	5,072,303	5,730,294	14,870,330
Difference								
Dollars		(52,504)	85,277		(120,005)	(76,633)	160,757	169,401
Percent		-1.3%	2.1%		-2.3%	-1.5%	2.9%	1.2%

III. Comparison of Cost of Service

Budget								
<u>Operating</u>								
Water	\$ 4,135,883	\$ 4,160,937	\$ 4,296,036	\$ 5,181,803	\$ 5,181,803	\$ 5,385,384	\$ 6,009,748	\$ 15,691,168
Wastewater	1,992,944	1,986,173	1,605,894	2,084,614	2,084,614	2,126,234	2,211,678	5,943,806
Sub-Total	6,128,827	6,147,110	5,901,930	7,266,417	7,266,417	7,511,618	8,221,426	21,634,974
Utility Billing	292,259	292,259	208,312	310,337	305,127	294,298	323,466	826,076
UTRWD Debt Payments	1,182,363	1,182,363	1,182,363	1,182,363	1,182,373	1,182,363	1,074,720	3,439,446
Non Dept/Transfers	527,000	527,000	527,000	693,430	603,000	603,000	613,000	1,743,000
Total	8,130,449	8,148,732	7,819,605	9,452,547	9,356,917	9,591,279	10,232,612	27,643,496
<u>Debt Service</u>								
Existing	2,220,995	2,220,995	2,231,473	2,231,473	2,231,473	2,231,473	2,231,473	6,694,419
New	-	-	-	-	-	1,275,228	3,194,926	4,470,154
Total	2,220,995	2,220,995	2,231,473	2,231,473	2,231,473	3,506,701	5,426,399	11,164,573
Total Budget	10,351,444	10,369,727	10,051,078	11,684,020	11,588,390	13,097,980	15,659,011	38,808,069
Rate Model -- Cash Basis								
<u>Operating</u>								
Water/Wastewater	6,146,079	6,146,079	6,146,079	7,228,561	7,228,561	7,228,561	8,122,759	21,497,399
Capital Outlays	299,734	299,734	299,734	299,734	299,734	299,734	299,734	899,202
UTRWD Debt Payments	1,137,037	1,137,037	1,137,037	1,137,037	1,137,037	1,137,037	1,137,037	3,411,111
Transfers	527,000	527,000	527,000	542,810	542,810	542,810	559,094	1,628,904
Total	8,109,850	8,109,850	8,109,850	9,208,142	9,208,142	9,208,142	10,118,624	27,436,616
<u>Debt Service</u>								
Existing	2,220,995	2,220,995	2,220,992	2,231,471	2,231,471	2,231,471	2,235,266	6,687,729
New	-	-	-	2,111,492	2,111,492	2,111,492	2,111,492	4,222,984
Total	2,220,995	2,220,995	2,220,992	4,342,963	4,342,963	4,342,963	4,346,758	10,910,713
Total Rate Model	10,330,845	10,330,845	10,330,842	13,551,105	13,551,105	13,551,105	14,465,382	38,347,329
								-1.2%
Difference								
<u>Operating</u>								
Dollars	(20,599)	(38,882)	290,245	(244,405)	(148,775)	(383,137)	(113,988)	(206,880)
Percent	-0.3%	-0.5%	3.7%	-2.6%	-1.6%	-4.0%	-1.1%	-0.7%
<u>Debt Service</u>								
Dollars	-	-	(10,481)	2,111,490	2,111,490	836,262	(1,079,641)	(253,860)
Percent	0.0%	0.0%	-0.5%	94.6%	94.6%	23.8%	-19.9%	-2.3%
Total								
Dollars	(20,599)	(38,882)	279,764	1,867,085	1,962,715	453,125	(1,193,629)	(460,740)
Percent	-0.2%	-0.4%	2.8%	16.0%	16.9%	3.5%	-7.6%	-1.2%

	2018 2018 Budget	2018 2018 Actual	2019 2019 Budget	2019 2019 Actual	2020 2020 Budget	Petitioner Cost of Service
Non-Dept/Utility Billing	\$ 819,259	\$ 735,312	\$ 908,127	\$ 897,298	\$ 936,466	
Water	\$ 4,160,937	\$ 4,296,036	\$ 5,181,803	\$ 5,385,384	\$ 6,009,748	
Wastewater	\$ 3,168,536	\$ 2,788,257	\$ 3,266,987	\$ 3,308,597	\$ 3,286,398	
Operating	\$ 8,148,732	\$ 7,819,605	\$ 9,356,917	\$ 9,591,279	\$ 10,232,612	\$ 9,128,881
Debt Service	\$ 2,220,995	\$ 2,231,473	\$ 2,231,473	\$ 3,506,701	\$ 5,426,399	
Cost of Service	\$ 10,369,727	\$ 10,051,078	\$ 11,588,390	\$ 13,097,980	\$ 15,659,011	
					155.8%	
		-12.0%				



**CITY OF CELINA
COMPARISON OF OPERATING COSTS**

I. Comparison of City Budget vs. City Actual

<u>Operating Costs</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2018-2019</u>
Budget	\$ 8,148,732	\$ 9,356,917	\$ 10,232,612	\$ 17,505,649
Actual	7,819,605	9,591,279	NA	17,410,884
<u>Difference</u>				
Dollars	(329,127)	234,362	NA	(94,765)
Percent	-4.0%	2.5%	NA	-0.5%

II. Comparison of City vs. Willdan Rate Model

<u>Operating Costs</u>	<u>2018 Actual</u>	<u>2019 Actual</u>	<u>2020 Budget</u>	<u>2018-2020</u>
City	\$ 7,819,605	\$ 9,591,279	\$ 10,232,612	\$ 27,643,496
Rate Model	8,109,850	9,208,142	10,118,624	27,436,616
<u>Difference</u>				
Dollars	290,245	(383,137)	(113,988)	(206,880)
Percent	3.7%	-4.0%	-1.1%	-0.7%

APPENDIX C

APPENDIX D

APPENDIX E

**SOAH DOCKET NO. 473-20-1554.WS
SOAH DOCKET NO. 473-20-1554.WS
DOCKET NO. 49225**

PETITION BY OUTSIDE CITY	§	
RATEPAYERS APPEALING THE	§	PUBLIC UTILITY COMMISSION
WATER RATES ESTABLISHED BY	§	
THE CITY OF CELINA	§	OF TEXAS

**CITY OF CELINA'S RESPONSE TO RATEPAYERS'
SECOND REQUEST FOR INFORMATION**

For Ratepayers' Request to City 2-1 through 2-15, please refer to City of Celina's Supplemental Response to Staff 3-2 at Bates pages 259 — 263:

REQUEST FOR INFORMATION RATEPAYERS' 2-9

RATEPAYERS' REQUEST TO CITY 2-9. Please explain why the costs of the assets listed in Asset A/C#: - CIP; Working Capital, Inventory & Prepaid Balance are not included in the asset values on page 49 of the City's 2017 CAFR (Celina Response to Staff 3-5, Bates 408), other than CWIP which is included in both.

Response:

The City notes that many of the assets listed in the City's preliminary FY 2018 asset schedule were acquired in FY 2018, during the time Willdan was undertaking its 2018 Water and Wastewater Rate Study, the results of which formed the basis of the three year rate plan adopted by the City Council. Therefore they would not be included in the City's 2017 CAFR, which lists asset balances as of September 30 2017.

The asset list used in the development of the rate base in the City's prefiled case was a preliminary asset list for FY 2018. These preliminary numbers, which show an increase in rate base that reflects the City's continued remarkable rate of growth, were available to all City decision makers, including senior staff and Council, at the time the rate plan was developed and adopted. All parties understood that these were preliminary FY 2018 results, and had not yet been finalized. All parties also understood that due to the City's rapid growth it was inevitable that these numbers would continue to be adjusted on a periodic basis.

Further, these numbers did not include prepaid balances, inventory and supplies balances, or working capital balances, all of which are specifically allowable in rate base under AWWA guidelines (see answer to 2-13). Therefore under ratemaking guidelines the City is entitled to add these totals to rate base to be recovered from outside city ratepayers.

The City's FY 2018 CAFR was not released until several months after the completion of the rate study and the adoption of the three-year rate plan by the City Council. Therefore numbers

from the FY 2018 CAFR could not be considered in the development of the rate base used to calculate the cost of service for outside city customers, the service territory of which is 54% of the City's CCN and of which Light Farms is only one component.

Because the numbers were preliminary, and because the FY 2018 CAFR had not been completed or released by the City's auditors, for the purposes of the rate analysis Mr. Jackson and the City had to estimate 2018 CWIP. Clearly given the City's \$164,283,000 ten-year CIP, the City was going to incur significant CWIP on an annual basis. The clear and obvious need for including CWIP in rate base is described in more detail in the City's response to RFI 2-13. The only question was how to estimate this CWIP.

The City recognizes 3 potential alternatives for estimating CWIP. These alternatives are summarized in the Table below. The alternatives are as follows:

Alternative #1 – this is the assumption that CWIP used to fund the City's \$164,283,000 CIP for the years FY 2018 – FY 2027 would be equivalent to actual CWIP in FY 2017. The advantage of this alternative is that it is based on the CWIP that was actually incurred by the City in the prior year. Another advantage of this alternative is that it is the most conservative alternative, given that CIP in the years 2018 – 2027 is forecast to be significantly greater than CIP in the prior years, as the City grows from a population of 9,846 to a population approaching 48,000.

Alternative #2 – this alternative assumes that CWIP is equal to the expected totals entered into rate base in the following year. Projects completed in 2019 are expected to be under construction in 2018. These same projects are financed by bonds that were issued in 2018 and which already are the responsibility of the inside city limit ratepayers. However, this can lead to variations in total CWIP, as total construction project expenditures will vary from year to year.

Alternative #3 – this alternative assumes that the CWIP will be equivalent to the average annual CIP to be expended during the three-year period of the rate plan.

		Water/WW CIP	Alternative #1 2017 CAFR	CWIP Estimate Methods	
				Alternative #2 Actual CIP	Alternative #3 3 Year Avg CIP
	2018	\$ 20,700,000	\$ 19,284,479	\$ 11,895,000	\$ 19,272,000
Year 1	2019	11,895,000	19,284,479	26,737,000	19,272,000
Year 2	2020	26,737,000	19,284,479	19,184,000	19,272,000
Year 3	2021	19,184,000	19,284,479	20,074,000	19,272,000
	2022	20,074,000			
NOTES: #1 -- Assumes CWIP from FY 2017 CARF remains at 2017 levels #2 -- Assumes CWIP is equivalent to total CIP that is entered into rate base the following year #3 -- Assumes CWIP is equal to average of 3 year CIP during period of 3 year rate plan					

As the table reveals, each of these alternatives results in an equivalent amount of CWIP over the three-year period of the rate plan. While the City believes that Alternative #1 is the most reasonable alternative, the City would be willing to consider any of these three alternatives. Further, the City believes that the adoption of either Alternative #2 or Alternative #3 will not materially impact the rate plan proposed by the City.

Sponsor: Dan V. Jackson

SOAH DOCKET NO. 473-20-1554.WS
DOCKET NO. 49225

PETITION BY OUTSIDE CITY §
RATEPAYERS APPEALING THE § PUBLIC UTILITY COMMISSION
WATER RATES ESTABLISHED BY §
THE CITY OF CELINA § OF TEXAS

CITY OF CELINA'S RESPONSE TO RATEPAYERS'
SECOND REQUEST FOR INFORMATION

For Ratepayers' Request to City 2-1 through 2-15, please refer to City of Celina's Supplemental Response to Staff 3-2 at Bates pages 259 — 263:

REQUEST FOR INFORMATION RATEPAYERS' 2-10

RATEPAYERS' REQUEST TO CITY 2-10. Please explain how you ensured that none of the asset costs listed in Asset A/C#: - CIP; Working Capital, Inventory & Prepaid Balance are double-counted in the \$19,284,479 CWIP balance.

Response:

The City's answer to 2-9 explained how the City developed its CWIP estimate. The purpose of the \$19,284,479 CWIP estimate is to ensure that CWIP balances are properly included in the City's rate base.

Because the CWIP estimate is based on the City's unfunded Capital Improvement Plan, it will by definition not be "double counted" in the City's existing asset list. The estimate is intended to account for future CWIP balances, not current or past balances, because every year for the three-year rate plan the City is expected to carry significant CWIP balances.

Sponsor: Dan V. Jackson

SOAH DOCKET NO. 473-20-1554.WS
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PETITION BY OUTSIDE CITY §
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CITY OF CELINA'S RESPONSE TO RATEPAYERS'
SECOND REQUEST FOR INFORMATION

For Ratepayers' Request to City 2-1 through 2-15, please refer to City of Celina's Supplemental Response to Staff 3-2 at Bates pages 259 — 263:

REQUEST FOR INFORMATION RATEPAYERS' 2-11

RATEPAYERS' REQUEST TO CITY 2-11. Please describe and state the cost of each project in the \$19,284,479 requested CWIP balance.

Response:

Please see answers to 2-9 and 2-10. The CWIP balance is an estimate of expected CWIP balances in future years, based on the City's \$164,283,000 unfunded Capital Improvement Plan.

The City further notes that a significant portion of the Capital Improvement Plan is required to serve forecast growth in outside city accounts. Therefore the costs the City incurs in funding this growth, and the financial resources the City must devote to achieving this growth that will benefit outside city ratepayers, should be recovered from those outside city ratepayers that benefit from the growth.

Finally, the City notes that despite the fact that Light Farms residents are not the only outside city residents, the Light Farms development itself is forecast to increase by approximately 1,000 new residential outside city ratepayers in the ten-year period. The growth demands of Light Farms, along with the City's other outside city customers, is fueling the need for the City's \$164,283,000 capital improvement plan.

Sponsor: Dan V. Jackson

SOAH DOCKET NO. 473-20-1554.WS
DOCKET NO. 49225

PETITION BY OUTSIDE CITY §
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CITY OF CELINA'S RESPONSE TO RATEPAYERS'
SECOND REQUEST FOR INFORMATION

For Ratepayers' Request to City 2-1 through 2-15, please refer to City of Celina's Supplemental Response to Staff 3-2 at Bates pages 259 — 263:

REQUEST FOR INFORMATION RATEPAYERS' 2-12

RATEPAYERS' REQUEST TO CITY 2-12. Please provide the date that each project in the \$19,284,479 requested CWIP balance was placed in service.

Response:

Please see response to 2-11 above.

Sponsor: Dan V. Jackson

SOAH DOCKET NO. 473-20-1554.WS
DOCKET NO. 49225

PETITION BY OUTSIDE CITY §
RATEPAYERS APPEALING THE § PUBLIC UTILITY COMMISSION
WATER RATES ESTABLISHED BY §
THE CITY OF CELINA § OF TEXAS

CITY OF CELINA'S RESPONSE TO RATEPAYERS'
SECOND REQUEST FOR INFORMATION

For Ratepayers' Request to City 2-1 through 2-15, please refer to City of Celina's Supplemental Response to Staff 3-2 at Bates pages 259 — 263:

REQUEST FOR INFORMATION RATEPAYERS' 2-13

RATEPAYERS' REQUEST TO CITY 2-13. Please explain why the inclusion of CWIP in rate base is necessary to the financial integrity of the City's water and wastewater utility.

Response:

The City and its experts assert that there is no more compelling case for inclusion of CWIP into rate base than that provided by the City of Celina. The City bases its case on three primary factors:

1) Ratemaking guidelines

CWIP is clearly allowable under ratemaking guidelines. AWWA *Manual M-1* specifically allows the inclusion of CWIP in the rate base. *Manual M-1, 7th edition*, states as follows on page 43:

“In general, rate base consists of ...plant in service less accumulated depreciation; plus construction work in progress (CWIP), inventor and working capital.”

Manual M-1 also states on page 44:

“the inclusion of CWIP in rate base recognizes the utility's investment in infrastructure currently being constructed”.

Manual M-1 recognizes that CWIP can be controversial and in certain cases is excluded from rate base. However, *Manual M-1* states on page 45 that the inclusion of CWIP is warranted in “circumstances where the utility can demonstrate financial need.”

In summary, ratemaking guidelines and methodology clearly allow CWIP to be included in rate base under appropriate circumstances.

2) Financial Integrity

The Texas Administrative Code, Title 16, Part 2, Chapter 24, specifically allows the inclusion of CWIP into rate base if the inclusion is “necessary to the financial integrity of the utility”. There is no clearer need for inclusion under this standard than that demonstrated by the City of Celina.

Other publications, such as those prepared for the National Association of Water Companies, address the financial benefit to utilities of including CWIP in rate base, specifically the ability to be reimbursed for financing costs. The paper *Alternative Regulation and Ratemaking Approaches for Water Companies* by The Brattle Group points out that the inclusion of CWIP also allows utilities to more gradually adjust rates by an orderly managed increase in rate base, instead of promoting sudden jumps in rate base and rates by withholding reimbursement for CWIP. The publication states on p.50:

“The CWIP in rate base allows utilities to recover costs incurred from financing construction on a current basis...CWIP provides a more gradual rate increase and less rate shock.”

As outlined extensively in the prefiled testimony of Dan V. Jackson, the City of Celina is undertaking an extraordinary and virtually unprecedented capital improvement plan to service the growth that is forecast to increase the City’s population from 9,836 to 48,000 by 2030. This is expected to result in a total of 12,795 water accounts of which 3,043 are outside the City limits. Light Farms itself is forecast to increase from its current total of just over 1,000 accounts to approximately 2,000 by 2030, thus fueling a significant portion of the growth and need for capital expenditures.

Few, if any, Class B utilities in the state of Texas are likely to experience this level of growth. This means that the risk to the City and its utility that comes from funding this growth is also significantly greater. This also means that while it might be appropriate in certain cases to exclude CWIP from other Class B utilities, it would be financially devastating to Celina to do so. Celina’s unprecedented growth and associated level of risk places it in a category virtually of its own.

The City must construct the infrastructure to service this growth before the accounts are actually connected. But if the connections do not actually occur, the City and its inside city ratepayers will still have to pay for the CIP it has constructed. This is enormously risky for the City, because growth can slow or stop for reasons entirely outside the control of the City. There is no clearer example of the risk of investing in growth than the current coronavirus pandemic, which has brought economic activity in the City of Celina and in Collin County to a virtual halt.

At the time the rate study was finalized, the City was in the final stages of issuing the first component of the debt required to fund its \$164,283,000 CIP. This \$32 million bond is a component of the City’s three-year rate plan, and is part of the City’s cost of service to its

inside city ratepayers. Debt service is not a component of the City's outside city cost of service under the AWWA-approved hybrid approach used by the City.

So because the City's inside city ratepayers are already responsible for funding the debt service used on the construction of the first component of the CIP, fundamental fairness and reasonableness dictates that the outside city customers fund the cost of constructing the infrastructure as well. This is developed by including CWIP in the rate base. As the Brattle Group states, it is a method for recovering the costs of financing construction, and it results in a more gradual set of rate adjustments.

To not include CWIP in the City's rate base essentially means that outside city ratepayers will not be responsible for any of the financing costs of constructing the CIP required to service outside city and inside city growth. It also means that should growth not meet expectations and revenues fall short of operating expenses and debt service, the City may have to utilize its General Fund to make up the difference – a general fund that is funded by inside city ratepayers and in no part by outside city ratepayers.

Mr. Jackson's prefiled testimony outlined in great detail the risk that the City incurs in servicing outside city customers. The City is compensated for this risk through recovering a rate of return and return on investment on its rate base. To exclude CWIP from the rate base means that the amount that the City recovers to compensate it for investing \$164,283,000 to fund CIP for outside as well as inside city customers will be significantly lower. And if the rate to outside city customers is lower, the difference has to be made up by inside city customers.

In summary, to exclude CWIP from rate base means that:

- 1) Outside city customers do not fund the construction financing cost of the assets necessary to serve outside city growth
- 2) Outside city customers pay none of the debt service the City has already issued and is expected to issue to fund the \$164,283,000 CIP
- 3) Outside city customers pay a lower rate, meaning that inside city customers have to pay a higher rate
- 4) The higher rate paid by inside city customers goes along with the risk the inside city customer assume, the general fund the inside city customers must fund to finance any utility system shortfalls, and the debt the inside city customers has guarantee to ensure the debt it has already issued.

3) Efficiently and Prudently Planned projects

This issue is addressed in the City's response to RFI 2-14. It shows that the City is extraordinarily well managed, with a sound and responsible oversight system that adheres to basic principles of city management.

Sponsor: Dan V. Jackson

SOAH DOCKET NO. 473-20-1554.WS
DOCKET NO. 49225

PETITION BY OUTSIDE CITY §
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CITY OF CELINA'S RESPONSE TO RATEPAYERS'
SECOND REQUEST FOR INFORMATION

For Ratepayers' Request to City 2-1 through 2-15, please refer to City of Celina's Supplemental Response to Staff 3-2 at Bates pages 259 — 263:

REQUEST FOR INFORMATION RATEPAYERS' 2-14

RATEPAYERS' REQUEST TO CITY 2-14. Please explain and provide any documents that support your contention that the major projects under construction at 9/30/17 have been efficiently and prudently managed.

Response:

The major projects now under construction shown in the City of Celina Water/Wastewater Cost of Service Model have been efficiently and prudently managed. The City is subject to and consistently follows a myriad of planning, purchasing, and accounting regulations and requirements as provided in Texas state law. Additionally, the City of Celina utilizes common best-practice project management techniques for project delivery, including the services of licensed civil engineers for all of its major construction projects.

The efficient and prudent management of major construction projects begins with a capital improvement planning process used to establish water and wastewater impact fees in accordance with state law. The City commissions licensed professional engineers to establish water and wastewater modeling, capital improvement planning, and system master planning to establish the need for these capital improvements. Based on these master plans, which have been certified and stamped by a professional engineer licensed by the State of Texas, the City prioritizes specific capital improvements annually in order to deliver an efficient, prudent, and high-quality water system. In fact, the Texas Commission on Environmental Quality has recognized the City of Celina Water System as a "Superior" system, meeting or exceeding the requirements for the state's highest rating¹. When identified and planned, the City Council considers and approves the water and wastewater master plans, impact fee ordinances, and overall capital improvement plan at publicly posted meetings, allowing for public comment at every turn. If ratepayers, taxpayers, citizens, or the general public feels that the projects are not prudent, necessary, or efficient, they are provided ample opportunity to raise their objections throughout the planning process.

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https://dww2.tceq.texas.gov/DWW/JSP/DataSheet.jsp?tinwsys_is_number=997&tinwsys_st_code=TX&wsnumber=TX0430003%20%20%20&DWWState=TX&begin_date=&end_date=&counter=

After the projects have been identified and justified as necessary by a professional engineer, the City of Celina considers and approves the prioritization and funding for these projects as part of its annual budget process. The budget process, as required by state law, includes a minimum of two official public hearings and Celina employs a transparent and lengthy public input process for its budget allocation decisions. Further, the City posts its draft budget online well in advance of these public hearings to allow for public inspection and comments on the proposed capital improvement plan and the specific projects recommended to be funded in that year. If ratepayers, taxpayers, citizens, or the general public feels that the projects are not properly prioritized, prudent, necessary, or efficient, they are provided ample opportunity to raise their objections throughout the budgeting process.

When the projects are budgeted within a particular year, the City continues its open and transparent approach to project management. Contracts to design the projects are considered and approved by the City Council in open, pre-posted public meetings where the agenda and backup information is provided to the public in advance of the consideration. The projects are designed and stamped by licensed professional engineers who are ethically and legally bound to plan and design these projects in a manner that exercises reasonable care and diligence and to act as a faithful agent of their clients, and cannot engage in the sale or performance of unnecessary work.² If ratepayers, taxpayers, citizens, or the general public feels that the design contracts are not prudent, necessary, or efficient, they are provided ample opportunity to raise their objections throughout the design contracting process.

Upon completion of the design, the City is required and does in fact publicly bid the projects in accordance with Texas law. The projects are advertised online and in local publications and the responses of the bidding construction companies are scored in a manner that is open and transparent. Bid tabulations are posted online in advance of the construction award, and the City is obligated to accept the lowest responsible bid. The proposed contracts are vetted and qualified by the City staff, and presented to the City Council in an open, public, pre-posted meeting for the City Council's consideration. The City Council allows for public comment on all agenda items, and takes action in a public meeting after receiving a written recommendation by City staff and the design engineers. If ratepayers, taxpayers, citizens, or the general public feels that the construction contracts are not prudent, necessary, or efficient, they are provided ample opportunity to raise their objections throughout the construction contracting process.

For major projects, the City utilizes a combination of City staff and the services of licensed professional engineers to administer the construction contract and manage the project. All material change orders in project cost or timeline that are requested by the construction firm are presented to the City Council for their consideration at open, pre-posted, public meetings where the justification for the change order is presented and the public is allowed to raise objections. Further, the City of Celina posts contact information for project manager onsite for the duration of the project on all major construction projects, encouraging the public to contact the City in the event they have questions or concerns. If ratepayers, taxpayers, citizens, or the general public feels that the construction delivery or administration are not prudent, necessary, or efficient, they are provided ample opportunity to raise their objections throughout the construction delivery and administration process.

² §137.63 Texas Engineering Practice Act

Finally, the City recovers its just and reasonable costs for the planning, design, and construction of these projects through a utility rate that is approved at an open, pre-posted and public meeting of the City Council after its due consideration of the material presented. The justification for the revenue requirements which justify the rate are available for public view in advance of the meeting to adopt the rates. If ratepayers, taxpayers, citizens, or the general public feels that the rates are not prudent, necessary, or efficient, they are provided ample opportunity to raise their objections throughout the ratemaking process.

The payment and accounting of major projects in Celina is likewise governed by a combination of regulations and requirements from the Governmental Accounting Standards Board (GASB), public purchasing laws of the State of Texas, and City of Celina policies. After work is actually completed on an approved project, the construction company requests payment. The request for payment must be reviewed for accuracy and reasonableness by the contract administrator and the project manager, including prudent steps like comparing the quantities claimed by the construction contractor with actual quantities observed in the field by the project construction inspectors, contract administrator or the project manager. The pay requests are compared to the agreed contract, and only after this review is completed is a check request generated to provide payment to the construction contractor. Upon receipt of the check request, the accounts payable staff again verifies that the payment request is within the confines of the construction agreement and that the appropriate parties have all approved the payment request, and only when this multi-level approval process has been fully vetted is a check cut for signature by two authorized signatories of the City. The expense is then recorded and accounted for in the appropriate fund and project and the payment information and all backup material is retained as a public record for public inspection at any time. At the end of every fiscal year, the City submits itself to an independent audit of the financial statements where auditors randomly sample the justification of all types of expenditures for compliance with the City's policies, with GASB pronouncements, and with accounting principles generally accepted in the United States. The City regularly receives "clean" audit opinions and has received a "Certificate of Achievement for Excellence in Financial Reporting" by the Government Finance Officers Association in recognition of the City's use of best practices in this area.

To our knowledge, the ratepayers, taxpayers, citizens, or the general public has not raised an objection to the prudence or efficiency of any of the major projects under construction as part of the City's CIP. Notably, this includes Light Farms and Collin County MUD, who to the City's knowledge has never objected to or questioned any of the City's CIP.

Sponsor: Jason Gray, City Staff