CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Model Summary
Scenario: ***2019 03 05 Scenario 1 -- Status Quo***

	Current	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
5 Total Accounts											
Water Accounts											
Total Accounts		5,090	6,228	7,482	8,318	9,155	9,974	10,754	11,476	12,117	12,795
New Accounts		-	1,138	1,253	836	837	819	781	721	641	677
Avg Annual Growth Rate			22 36%	20.12%	11 18%	10 06%	8 94%	7 83%	6 71%	5 59%	5 59%
Wastewater Accounts											
Total Accounts		4,356	5,329	6,401	7,116	7,832	8,533	9,200	9,817	10,366	10,945
New Accounts		-	973	1,072	715	716	700	668	617	549	579
Avg Annual Growth Rate			22 35%	20 12%	11 18%	10 06%	8 94%	7 82%	6 71%	5 59%	5 59%
6 Annual Volume											
Water Volume											
Residential		308,850,184	377,909,858	453,961,289	504,714,730	555,499,694	605,184,143	652,546,384	696,319,686	735,244,392	776,345,014
Residential Outside		100,247,428	122,663,003	147,347,983	163,821,671	180,305,592	196,432,305	211,805,269	226,013,326	238,647,612	251,988,163
Commercial		104,120,104	127,401,620	153,040,209	170,150,296	187,271,011	204,020,718	219,987,558	234,744,488	247,866,852	261,722,764
Commercial Outside		22,390,069	27,396,544	32,909,886	36,589,253	40,270,905	43,872,775	47,306,296	50,479,638	53,301,482	56,281,068
Other5		-	-	-	-	-	-	-	-	-	-
Other6		-	-	-	-	-	-	-	-	-	-
Other7		-	-	-	-	-	-	-	-	-	-
Other8		-	-	-	-	-	-	-	-	-	-
Other9		-	-	-	-	-	-	-	-	-	-
Other10		-	-	-	-	-	-	-	-	-	-
Total System		535,607,785	655,371,026	787,259,368	875,275,950	963,347,202	1,049,509,940	1,131,645,508	1,207,557,138	1,275,060,338	1,346,337,009
Wastewater Billing Units											
Residential		288,193,448	352,634,224	423,599,130	470,958,042	518,346,371	564,707,790	608,902,316	649,747,940	686,069,257	724,420,958
Residential Outside		76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000
Commercial		24,239,678	29,659,731	35,628,521	39,611,835	43,597,622	47,497,037	51,214,197	54,649,684	57,704,635	60,930,360
Commercial Outside		60,300	60,300	60,300	60,300	60,300	60,300	60,300	60,300	60,300	60,300
Other5		-	-	-	-	-	-	-	-	-	-
Other6		-	-	-	-	-	-	-	-	-	-
Other7		-	-	-	-	-	-	-	-	-	-
Other8		-	-	-	-	-	-	-	-	-	-
Other9		-	-	-	-	-	-	-	-	-	-
Other10		-	-	-	-	-	-	-	-	-	-
Total System		312,569,426	382,430,254	459,363,951	510,706,177	562,080,293	612,341,127	660,252,813	704,533,924	743,910,192	785,487,618

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Revenue and Expense Summary
Scen: **2019 03 05 Scenario 1 -- Status Quo**

	Current	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
1	**TOTAL Revenues and Expenses -- CASH BASIS**										
	Beginning Fund Balance	$ -	$ 1,169,730	$ 1,484,899	$ 3,962,369	$ 4,286,453	$ 5,850,681	$ 6,964,532	$ 9,694,433	$ 11,414,289	$ 14,313,320
	Rate Revenues										
	Water Rate Revenue										
W1	Residential	2,679,839	3,372,479	4,172,699	4,778,388	5,416,971	6,078,515	6,706,728	7,299,753	7,861,970	8,467,488
W2	Residential Outside	1,355,180	1,700,501	2,103,959	2,409,334	2,731,301	3,064,842	3,381,593	3,680,601	3,964,076	4,269,384
W3	Commercial	1,404,313	1,774,452	2,195,493	2,514,180	2,850,175	3,198,250	3,528,788	3,840,812	4,136,626	4,455,224
W4	Commercial Outside	433,474	548,227	678,306	776,763	880,569	988,108	1,090,229	1,186,630	1,278,022	1,376,454
	Total	5,872,806	7,395,658	9,150,457	10,478,665	11,879,016	13,329,715	14,707,339	16,007,796	17,240,695	18,568,550
	Wastewater Rate Revenue										
WW1	Residential	2,535,534	3,308,742	4,332,315	5,250,174	6,298,513	7,479,426	8,458,881	9,297,098	10,111,316	10,996,841
WW2	Residential Outside	834	893	973	1,061	1,157	1,261	1,322	1,362	1,403	1,445
WW3	Commercial	231,918	301,788	395,147	478,864	574,482	682,192	771,528	847,981	922,245	1,003,013
WW4	Commercial Outside	780	828	903	984	1,073	1,169	1,226	1,263	1,301	1,340
	Total	2,769,065	3,612,251	4,729,338	5,731,083	6,875,224	8,164,048	9,232,957	10,147,704	11,036,265	12,002,639
	Non-Rate Revenues	2,879,300	2,879,300	3,087,555	2,334,034	2,334,973	2,302,193	2,233,024	2,126,124	1,981,705	2,046,516
	Total Revenues	**11,521,171**	**13,887,210**	**16,967,351**	**18,543,782**	**21,089,213**	**23,795,955**	**26,173,319**	**28,281,624**	**30,258,664**	**32,617,705**
	Cost of Service										
	Cost Center Code										
24	Utility Billing	292,258	303,528	362,695	376,822	442,318	459,753	478,010	497,135	517,178	538,192
21	Water Operations	1,842,858	1,909,728	2,037,333	2,171,918	2,251,998	2,335,529	2,422,691	2,513,673	2,608,681	2,707,929
22	Sewer Operations	1,048,360	1,101,408	1,154,983	1,261,771	1,378,894	1,558,028	1,624,966	1,698,729	1,770,428	1,845,887
UTRWD-W	Upper Trinity Regional Water District- Water	2,111,200	2,841,778	3,246,517	3,548,227	4,370,998	4,716,766	5,068,882	5,981,962	6,366,659	6,777,020
UTRWD-S	Upper Trinity Regional Water District- Sewer	2,009,037	2,230,089	2,482,766	2,673,545	2,874,202	3,081,651	3,292,141	3,501,329	3,704,396	3,924,906
	Total	7,303,713	8,386,530	9,284,294	10,032,283	11,318,410	12,151,728	12,886,690	14,192,829	14,967,342	15,793,934

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Revenue and Expense Summary
Scen: **2019 03 05 Scenario 1 -- Status Quo**

		Current 2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Budget Code										
1	Personnel Svcs	1,351,926	1,401,088	1,557,729	1,730,782	1,903,405	2,093,855	2,173,138	2,256,116	2,343,007	2,434,041
2	Contractual	226,200	232,986	239,976	247,175	254,590	262,228	270,095	278,197	286,543	295,140
3	Materials & Supplies	729,400	753,282	778,040	803,714	830,345	857,977	886,655	916,428	947,349	979,471
4	Operations	380,500	399,038	415,460	431,584	452,463	470,089	488,381	511,839	531,723	552,531
5	Utilities	319,849	335,059	351,007	367,728	385,260	403,643	422,918	443,130	464,325	486,551
6	Administration	130,275	136,395	142,850	149,660	156,849	164,440	172,459	180,933	189,890	199,363
UTRWD-W	Upper Trinity Regional Water District- Water	2,111,200	2,841,778	3,246,517	3,548,227	4,370,998	4,716,766	5,068,882	5,981,962	6,366,659	6,777,020
UTRWD-S	Upper Trinity Regional Water District- Sewer	2,054,363	2,286,905	2,552,716	2,753,412	2,964,499	3,182,731	3,404,162	3,624,223	3,837,846	4,069,818
	Total	7,303,713	8,386,530	9,284,294	10,032,283	11,318,410	12,151,728	12,886,690	14,192,829	14,967,342	15,793,934
	Total Operating Expenses	**7,303,713**	**8,386,530**	**9,284,294**	**10,032,283**	**11,318,410**	**12,151,728**	**12,886,690**	**14,192,829**	**14,967,342**	**15,793,934**
	Net Revenues for Transfers,Capital Outlays and Debt Service	4,217,458	5,500,679	7,683,057	8,511,499	9,770,803	11,644,228	13,286,630	14,088,795	15,291,322	16,823,771
	Capital Outlays	299,734	299,734	299,734	299,734	299,734	299,734	299,734	299,734	299,734	299,734
	Debt Service										
	Debt Service -- Current	2,220,995	2,231,473	2,235,266	2,231,036	2,232,919	2,229,482	2,237,505	1,919,346	1,923,253	1,914,860
	Debt Service -- Future	-	2,111,492	2,111,492	5,080,779	5,080,779	7,390,223	7,390,223	9,501,716	9,501,716	10,623,446
	Total Debt Service	2,220,995	4,342,966	4,346,759	7,311,814	7,313,698	9,619,706	9,627,729	11,421,062	11,424,969	12,538,306
	Net Revenues for Contingencies & Transfers	1,696,730	857,979	3,036,564	899,951	2,157,371	1,724,788	3,359,167	2,367,999	3,566,619	3,985,731
	Total Contingencies & Transfers	527,000	542,810	559,094	575,867	593,143	610,937	629,266	648,144	667,588	687,615
	Total Cost of Service	**10,351,442**	**13,572,040**	**14,489,881**	**18,219,698**	**19,524,985**	**22,682,105**	**23,443,418**	**26,561,769**	**27,359,633**	**29,319,589**
	Net Revenues	**1,169,730**	**315,169**	**2,477,470**	**324,084**	**1,564,228**	**1,113,851**	**2,729,901**	**1,719,856**	**2,898,032**	**3,298,116**
	Percent of COS	10 2%	2 3%	14 6%	1 7%	7.4%	4.7%	10.4%	6 1%	9 6%	10 1%
	Ending Fund Balance	**1,169,730**	**1,484,899**	**3,962,369**	**4,286,453**	**5,850,681**	**6,964,532**	**9,694,433**	**11,414,289**	**14,313,320**	**17,611,436**
	Revenue Adequacy Tests										
	Total Operating + Debt Service + Transfers	10,051,708	13,272,306	14,190,147	17,919,964	19,225,251	22,382,371	23,143,684	26,262,035	27,059,899	29,019,855
	Expenses Per Day	27,539	36,362	38,877	49,096	52,672	61,322	63,407	71,951	74,137	79,506
	Days of Operating Expenses	**42**	**41**	**102**	**87**	**111**	**114**	**153**	**159**	**193**	**222**
	Debt Coverage	**1.90**	**1.27**	**1.77**	**1.16**	**1.34**	**1.21**	**1.38**	**1.23**	**1.34**	**1.34**
	(excludes Debt, Cap Outlays, G/F Transfers)	**1.66**	**1.14**	**1.64**	**1.09**	**1.25**	**1.15**	**1.31**	**1.18**	**1.28**	**1.29**

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CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Revenue and Expense Summary
Scen: **2019 03 05 Scenario 1 -- Status Quo**

2 [redacted]

		Current	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Water Revenues											
	Water Rate Revenue											
W1	Residential		$ 2,679,839	$ 3,372,479	$ 4,172,699	$ 4,778,388	$ 5,416,971	$ 6,078,515	$ 6,706,728	$ 7,299,753	$ 7,861,970	$ 8,467,488
W2	Residential Outside		1,355,180	1,700,501	2,103,959	2,409,334	2,731,301	3,064,842	3,381,593	3,680,601	3,964,076	4,269,384
W3	Commercial		1,404,313	1,774,452	2,195,493	2,514,180	2,850,175	3,198,250	3,528,788	3,840,812	4,136,626	4,455,224
W4	Commercial Outside		433,474	548,227	678,306	776,763	880,569	988,108	1,090,229	1,186,630	1,278,022	1,376,454
			5,872,806	7,395,658	9,150,457	10,478,665	11,879,016	13,329,715	14,707,339	16,007,796	17,240,695	18,568,550
	Non-Rate Revenues		1,675,083	1,675,083	1,793,131	1,366,001	1,366,534	1,347,952	1,308,744	1,248,149	1,166,286	1,203,024
	Total Revenues		**7,547,889**	**9,070,741**	**10,943,588**	**11,844,667**	**13,245,549**	**14,677,667**	**16,016,083**	**17,255,945**	**18,406,980**	**19,771,573**
	Water Cost of Service											
	Cost Center Code											
24	Utility Billing		185,273	192,418	229,926	238,882	280,402	291,455	303,029	315,153	327,859	341,181
21	Water Operations		1,842,858	1,909,728	2,037,333	2,171,918	2,251,998	2,335,529	2,422,691	2,513,673	2,608,681	2,707,929
22	Sewer Operations		-	-	-	-	-	-	-	-	-	-
UTRWD-W	Upper Trinity Regional Water District- Water		2,111,200	2,841,778	3,246,517	3,548,227	4,370,998	4,716,766	5,068,882	5,981,962	6,366,659	6,777,020
UTRWD-S	Upper Trinity Regional Water District- Sewer		-	-	-	-	-	-	-	-	-	-
	Total		4,139,331	4,943,924	5,513,776	5,959,027	6,903,399	7,343,750	7,794,602	8,810,788	9,303,199	9,826,129

Celina Response to Staff 3-1

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Revenue and Expense Summary
Scen: **2019 03 05 Scenario 1 -- Status Quo**

		Current	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Budget Code											
1	Personnel Svcs		860,891	891,875	1,012,170	1,109,018	1,181,962	1,225,829	1,271,684	1,319,641	1,369,821	1,422,354
2	Contractual		26,149	26,934	27,742	28,574	29,431	30,314	31,224	32,160	33,125	34,119
3	Materials & Supplies		658,400	679,152	700,607	722,791	745,735	769,467	794,020	819,428	845,725	872,947
4	Operations		164,509	170,794	177,376	184,272	191,501	199,083	207,039	215,392	224,167	233,391
5	Utilities		237,864	249,273	261,237	273,785	286,945	300,748	315,223	330,406	346,331	363,034
6	Administration		80,318	84,118	88,128	92,359	96,826	101,545	106,530	111,799	117,371	123,264
UTRWD-W	Upper Trinity Regional Water District- Water		2,111,200	2,841,778	3,246,517	3,548,227	4,370,998	4,716,766	5,068,882	5,981,962	6,366,659	6,777,020
UTRWD-S	Upper Trinity Regional Water District- Sewer		-	-	-	-	-	-	-	-	-	-
	Total		4,139,331	4,943,924	5,513,776	5,959,027	6,903,399	7,343,750	7,794,602	8,810,788	9,303,199	9,826,129
	Total Operating Expenses		**4,139,331**	**4,943,924**	**5,513,776**	**5,959,027**	**6,903,399**	**7,343,750**	**7,794,602**	**8,810,788**	**9,303,199**	**9,826,129**
	Net Revenues for Transfers,Capital Outlays and Debt Service		3,408,557	4,126,817	5,429,812	5,885,640	6,342,151	7,333,917	8,221,481	8,445,157	9,103,782	9,945,444
	Capital Outlays		181,823	181,823	181,823	181,823	181,823	181,823	181,823	181,823	181,823	181,823
	Debt Service											
	Debt Service -- Current		1,313,274	1,319,470	1,321,713	1,319,211	1,320,325	1,318,293	1,323,037	1,134,909	1,137,219	1,132,256
	Debt Service -- Future		-	1,187,714	1,187,714	3,167,239	3,167,239	4,025,032	4,025,032	4,420,937	4,420,937	4,552,906
	Total Debt Service		1,313,274	2,507,185	2,509,427	4,486,450	4,487,564	5,343,325	5,348,069	5,555,847	5,558,157	5,685,162
	Net Revenues for Contingencies & Transfers		1,913,460	1,437,810	2,738,562	1,217,367	1,672,764	1,808,769	2,691,589	2,707,487	3,363,802	4,078,459
	Total Contingencies & Transfers		359,415	370,198	381,304	392,743	404,525	416,661	429,160	442,035	455,296	468,955
	Total Cost of Service		**5,993,844**	**8,003,129**	**8,586,330**	**11,020,043**	**11,977,310**	**13,285,559**	**13,753,654**	**14,990,493**	**15,498,475**	**16,162,070**
	Net Revenues		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Percent of COS		20.6%	11 8%	21 5%	7 0%	9 6%	9 5%	14 1%	13 1%	15 8%	18 3%
	Debt Coverage		**2.60**	**1.65**	**2.16**	**1.31**	**1.41**	**1.37**	**1.54**	**1.52**	**1.64**	**1.75**

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Revenue and Expense Summary
Scen: **2019 03 05 Scenario 1 -- Status Quo**

3 [redacted]

		Current	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Wastewater Revenues											
	Wastewater Rate Revenue											
WW1	Residential		$ 2,535,534	$ 3,308,742	$ 4,332,315	$ 5,250,174	$ 6,298,513	$ 7,479,426	$ 8,458,881	$ 9,297,098	$ 10,111,316	$ 10,996,841
WW2	Residential Outside		834	893	973	1,061	1,157	1,261	1,322	1,362	1,403	1,445
WW3	Commercial		231,918	301,788	395,147	478,864	574,482	682,192	771,528	847,981	922,245	1,003,013
WW4	Commercial Outside		780	828	903	984	1,073	1,169	1,226	1,263	1,301	1,340
			2,769,065	3,612,251	4,729,338	5,731,083	6,875,224	8,164,048	9,232,957	10,147,704	11,036,265	12,002,639
	Non-Rate Revenues		1,204,217	1,204,217	1,294,424	968,032	968,439	954,240	924,279	877,975	815,419	843,493
	Total Revenues		**3,973,283**	**4,816,469**	**6,023,762**	**6,699,115**	**7,843,664**	**9,118,288**	**10,157,236**	**11,025,679**	**11,851,684**	**12,846,132**
	Wastewater Cost of Service											
	Cost Center Code											
24	Utility Billing		106,985	111,110	132,769	137,940	161,916	168,298	174,981	181,982	189,319	197,012
21	Water Operations		-	-	-	-	-	-	-	-	-	-
22	Sewer Operations		1,048,360	1,101,408	1,154,983	1,261,771	1,378,894	1,558,028	1,624,966	1,698,729	1,770,428	1,845,887
UTRWD-W	Upper Trinity Regional Water District- Water		-	-	-	-	-	-	-	-	-	-
UTRWD-S	Upper Trinity Regional Water District- Sewer		2,009,037	2,230,089	2,482,766	2,673,545	2,874,202	3,081,651	3,292,141	3,501,329	3,704,396	3,924,906
	Total		3,164,382	3,442,607	3,770,518	4,073,256	4,415,011	4,807,977	5,092,088	5,382,040	5,664,143	5,967,805

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Revenue and Expense Summary

Scen: ***2019 03 05 Scenario 1 -- Status Quo***

		Current	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Budget Code											
1	Personnel Svcs		491,035	509,213	545,559	621,764	721,443	868,027	901,454	936,476	973,186	1,011,687
2	Contractual		200,051	206,052	212,234	218,601	225,159	231,914	238,871	246,037	253,418	261,021
3	Materials & Supplies		71,000	74,130	77,434	80,923	84,611	88,510	92,634	97,000	101,624	106,524
4	Operations		215,991	228,243	238,083	247,312	260,963	271,006	281,343	296,447	307,556	319,140
5	Utilities		81,985	85,787	89,770	93,942	98,314	102,895	107,695	112,724	117,994	123,517
6	Administration		49,957	52,276	54,722	57,301	60,023	62,896	65,929	69,133	72,519	76,099
UTRWD-W	Upper Trinity Regional Water District- Water		-	-	-	-	-	-	-	-	-	-
UTRWD-S	Upper Trinity Regional Water District- Sewer		2,054,363	2,286,905	2,552,716	2,753,412	2,964,499	3,182,731	3,404,162	3,624,223	3,837,846	4,069,818
	Total		3,164,382	3,442,607	3,770,518	4,073,256	4,415,011	4,807,977	5,092,088	5,382,040	5,664,143	5,967,805
	Total Operating Expenses		**3,164,382**	**3,442,607**	**3,770,518**	**4,073,256**	**4,415,011**	**4,807,977**	**5,092,088**	**5,382,040**	**5,664,143**	**5,967,805**
	Net Revenues for Transfers,Capital Outlays and Debt Service		808,901	1,373,862	2,253,245	2,625,859	3,428,652	4,310,311	5,065,148	5,643,639	6,187,540	6,878,327
	Capital Outlays		117,911	117,911	117,911	117,911	117,911	117,911	117,911	117,911	117,911	117,911
	Debt Service											
	Debt Service -- Current		907,720	912,003	913,553	911,824	912,594	911,189	914,468	784,437	786,033	782,603
	Debt Service -- Future		-	923,778	923,778	1,913,540	1,913,540	3,365,191	3,365,191	5,080,779	5,080,779	6,070,541
	Total Debt Service		907,720	1,835,781	1,837,331	2,825,364	2,826,134	4,276,380	4,279,659	5,865,215	5,866,812	6,853,144
	Net Revenues for Contingencies & Transfers		(216,730)	(579,830)	298,002	(317,416)	484,607	(83,981)	667,578	(339,488)	202,817	(92,728)
	Total Contingencies & Transfers		167,585	172,612	177,791	183,124	188,618	194,277	200,105	206,108	212,291	218,660
	Total Cost of Service		**4,357,598**	**5,568,911**	**5,903,551**	**7,199,656**	**7,547,675**	**9,396,546**	**9,689,764**	**11,571,275**	**11,861,158**	**13,157,520**
	Percent of COS		-9 7%	-15 6%	2 0%	-7 5%	3 8%	-3 1%	4 6%	-4 9%	-0 1%	-2 4%
	Debt Coverage		**0.89**	**0.75**	**1.23**	**0.93**	**1.21**	**1.01**	**1.18**	**0.96**	**1.05**	**1.00**
	(excludes Debt, Cap Outlays, G/F Transfers)											

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Revenue Summary

Scenario: ***2019 03 05 Scenario 1 -- Status Quo***

	[redacted]	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
W1	Residential	$ 2,679,839	$ 3,372,479	$ 4,172,699	$ 4,778,388	$ 5,416,971	$ 6,078,515	$ 6,706,728	$ 7,299,753	$ 7,861,970	$ 8,467,488
W2	Residential Outside	1,355,180	1,700,501	2,103,959	2,409,334	2,731,301	3,064,842	3,381,593	3,680,601	3,964,076	4,269,384
W3	Commercial	1,404,313	1,774,452	2,195,493	2,514,180	2,850,175	3,198,250	3,528,788	3,840,812	4,136,626	4,455,224
W4	Commercial Outside	433,474	548,227	678,306	776,763	880,569	988,108	1,090,229	1,186,630	1,278,022	1,376,454
	Total Rate Revenue	5,872,806	7,395,658	9,150,457	10,478,665	11,879,016	13,329,715	14,707,339	16,007,796	17,240,695	18,568,550
	Non-Rate Revenue	1,675,083	1,675,083	1,793,131	1,366,001	1,366,534	1,347,952	1,308,744	1,248,149	1,166,286	1,203,024
	Total Revenue	**7,547,889**	**9,070,741**	**10,943,588**	**11,844,667**	**13,245,549**	**14,677,667**	**16,016,083**	**17,255,945**	**18,406,980**	**19,771,573**

	[redacted]	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
W1	Residential		692,640	800,220	605,689	638,583	661,543	628,213	593,025	562,217	605,518
W2	Residential Outside		345,321	403,458	305,375	321,967	333,541	316,751	299,008	283,475	305,308
W3	Commercial		370,139	421,041	318,687	335,994	348,075	330,539	312,024	295,814	318,597
W4	Commercial Outside		114,752	130,080	98,457	103,806	107,539	102,121	96,401	91,393	98,432
	Total Rate Revenue		1,522,853	1,754,799	1,328,208	1,400,350	1,450,699	1,377,624	1,300,458	1,232,899	1,327,855
	Non-Rate Revenue		-	118,048	(427,130)	532	(18,581)	(39,208)	(60,595)	(81,863)	36,738
	Total Revenue		**1,522,853**	**1,872,847**	**901,078**	**1,400,883**	**1,432,118**	**1,338,416**	**1,239,862**	**1,151,035**	**1,364,593**

Celina Response to Staff 3-1

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Revenue Summary

Scenario: 2019 03 05 Scenario 1 -- Status Quo

		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	[redacted]										
WW1	Residential	$ 2,535,534	$ 3,308,742	$ 4,332,315	$ 5,250,174	$ 6,298,513	$ 7,479,426	$ 8,458,881	$ 9,297,098	$ 10,111,316	$ 10,996,841
WW2	Residential Outside	834	893	973	1,061	1,157	1,261	1,322	1,362	1,403	1,445
WW3	Commercial	231,918	301,788	395,147	478,864	574,482	682,192	771,528	847,981	922,245	1,003,013
WW4	Commercial Outside	780	828	903	984	1,073	1,169	1,226	1,263	1,301	1,340
	Total Rate Revenue	2,769,065	3,612,251	4,729,338	5,731,083	6,875,224	8,164,048	9,232,957	10,147,704	11,036,265	12,002,639
	Non-Rate Revenue	1,204,217	1,204,217	1,294,424	968,032	968,439	954,240	924,279	877,975	815,419	843,493
	Total Revenue	**3,973,283**	**4,816,469**	**6,023,762**	**6,699,115**	**7,843,664**	**9,118,288**	**10,157,236**	**11,025,679**	**11,851,684**	**12,846,132**
	[redacted]										
WW1	Residential		773,208	1,023,573	917,859	1,048,339	1,180,913	979,455	838,217	814,218	885,525
WW2	Residential Outside		59	80	88	95	104	62	40	41	42
WW3	Commercial		69,870	93,359	83,717	95,618	107,710	89,335	76,453	74,264	80,768
WW4	Commercial Outside		49	75	81	89	97	57	37	38	39
	Total Rate Revenue		843,186	1,117,087	1,001,745	1,144,141	1,288,823	1,068,909	914,747	888,561	966,374
	Non-Rate Revenue		-	90,207	(326,392)	407	(14,199)	(29,961)	(46,304)	(62,556)	28,073
	Total Revenue		**843,186**	**1,207,294**	**675,353**	**1,144,548**	**1,274,625**	**1,038,948**	**868,443**	**826,005**	**994,448**

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Water Summary
Scen: **2019 03 05 Scenario 1 -- Status Quo**

1 [redacted]

[redacted]

Monthly Minimum Charge												
Base Charge	3/4"	$ 22 25	$ 23 15	$ 23 84	$ 24 56	$ 25 30	$ 26 06	$ 26 84	$ 27.37	$ 27 92	$ 28 48	$ 29 05
	1"	38 93	38 93	40 10	41 30	42 54	43 82	45 13	46 03	46.95	47 89	48 85
	1 1/2"	77 87	77 87	80 21	82.61	85.09	87 64	90 27	92 08	93.92	95 80	97 71
	2"	124 59	124 59	128 33	132 18	136.14	140 23	144 43	147 32	150 27	153 27	156.34
Volume Rate/1,000 Gal												
2,001	10,000	$ 4 96	$ 5 06	$ 5 21	$ 5 37	$ 5 53	$ 5 70	$ 5 87	$ 5 98	$ 6 10	$ 6 22	$ 6 35
10,001	20,000	7 44	7 66	7 89	8 13	8 37	8 62	8 88	9.06	9.24	9 42	9 61
20,001	30,000	8 68	9 02	9.29	9 57	9.86	10 15	10.46	10 67	10 88	11 10	11 32
30,001	Above	12 40	13 02	13 41	13 81	14 23	14 65	15 09	15 40	15 70	16 02	16 34

[redacted]

Monthly Minimum Charge												
	3/4"	$ 27 81	$ 27 81	$ 28 64	$ 29 50	$ 30 39	$ 31 30	$ 32 24	$ 32 88	$ 33 54	$ 34 21	$ 34 90
	1"	48 67	48 67	50 13	51 63	53 18	54 78	56 42	57 55	58 70	59 88	61 07
	1 1/2"	97 34	97 34	100 26	103 27	106 37	109 56	112.84	115 10	117 40	119 75	122 15
	2"	155 74	155 74	160.41	165.22	170.18	175 29	180.55	184 16	187 84	191 60	195 43
	3"	233 60	233 60	240 61	247 83	255 26	262.92	270.81	276 22	281 75	287 38	293 13
	4"	389 34	389 34	401 02	413 05	425.44	438.21	451 35	460.38	469.59	478 98	488 56
Volume Rate/1,000 Gal												
2,001	10,000	$ 4 96	$ 5 06	$ 5 21	$ 5 37	$ 5 53	$ 5 70	$ 5 87	$ 5 98	$ 6 10	$ 6 22	$ 6.35
10,001	20,000	7 44	7 66	7 89	8 13	8 37	8 62	8 88	9 06	9 24	9 42	9 61
20,001	30,000	8 68	9 02	9 29	9 57	9 86	10 15	10.46	10 67	10 88	11 10	11 32
30,001	Above	12 40	13 02	13 41	13 81	14 23	14.65	15 09	15 40	15 70	16 02	16 34

2.1 [redacted]

Gallons												
5,000	Total	$ 37 13	$ 38 33	$ 39 48	$ 40 66	$ 41 88	$ 43 14	$ 44 43	$ 45 32	$ 46.23	$ 47 15	$ 48 10
	Dollar Inc		1.20	1 15	1.18	1 22	1 26	1 29	0 89	0 91	0 92	0 94
	Percent Inc		3 2%	3 0%	3 0%	3 0%	3 0%	3 0%	2 0%	2.0%	2 0%	2 0%
10,000	Total	61 93	63.63	65 54	67 51	69 53	71 62	73.76	75.24	76 74	78 28	79.85
	Dollar Inc		1.70	1 91	1 97	2 03	2 09	2.15	1 48	1.50	1 53	1 57
	Percent Inc		2 7%	3 0%	3 0%	3 0%	3 0%	3 0%	2 0%	2 0%	2 0%	2 0%
20,000	Total	136 33	140 23	144 44	148 77	153 23	157 83	162 57	165 82	169.13	172.52	175 97
	Dollar Inc		3 90	4 21	4 33	4 46	4 60	4 73	3 25	3 32	3.38	3 45
	Percent Inc		2 9%	3 0%	3 0%	3 0%	3 0%	3 0%	2 0%	2.0%	2 0%	2 0%
30,000	Total	223 13	230 43	237 34	244 46	251.80	259 35	267 13	272 47	277 92	283 48	289 15
	Dollar Inc		7.30	6 91	7 12	7 33	7 55	7 78	5 34	5 45	5 56	5.67
	Percent Inc		3 3%	3 0%	3 0%	3 0%	3 0%	3 0%	2 0%	2 0%	2 0%	2 0%

Celina Response to Staff 3-1

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Water Summary

Scen: **2019 03 05 Scenario 1 -- Status Quo**

			Current	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
2.2	**Commercial Monthly Charges [illegible]**												
	30,000	Total	298 22	304 62	313 76	323 17	332 87	342 85	353.14	360 20	367.40	374 75	382 25
		Dollar Inc		6 40	9 14	9 41	9 70	9 99	10 29	7 06	7 20	7 35	7 50
		Percent Inc		2.1%	3 0%	3.0%	3 0%	3.0%	3 0%	2 0%	2 0%	2 0%	2 0%
	60,000	Total	670 22	695 22	716 08	737 56	759 69	782 48	805 95	822 07	838 51	855 28	872 39
		Dollar Inc		25 00	20 86	21 48	22 13	22 79	23 47	16 12	16 44	16 77	17 11
		Percent Inc		3 7%	3 0%	3 0%	3.0%	3 0%	3 0%	2 0%	2 0%	2 0%	2 0%
3	**Total Accounts**												
	Total Accounts			**5,090**	**6,228**	**7,482**	**8,318**	**9,155**	**9,974**	**10,754**	**11,476**	**12,117**	**12,795**
	New Accounts				1,138	1,253	836	837	819	781	721	641	677
	Avg Annual Growth Rate				22 4%	20 1%	11.2%	10 1%	8 9%	7 8%	6 7%	5 6%	5 6%
4	**Annual Water Consumption**												
W 1	Residential			308,850,184	377,909,858	453,961,289	504,714,730	555,499,694	605,184,143	652,546,384	696,319,686	735,244,392	776,345,014
W 2	Residential Outside			100,247,428	122,663,003	147,347,983	163,821,671	180,305,592	196,432,305	211,805,269	226,013,326	238,647,612	251,988,163
W 3	Commercial			104,120,104	127,401,620	153,040,209	170,150,296	187,271,011	204,020,718	219,987,558	234,744,488	247,866,852	261,722,764
W 4	Commercial Outside			22,390,069	27,396,544	32,909,886	36,589,253	40,270,905	43,872,775	47,306,296	50,479,638	53,301,482	56,281,068
	Total System			**535,607,785**	**655,371,026**	**787,259,368**	**875,275,950**	**963,347,202**	**1,049,509,940**	**1,131,645,508**	**1,207,557,138**	**1,275,060,338**	**1,346,337,009**
					22 4%	20 1%	11 2%	10.1%	8 9%	7 8%	6 7%	5 6%	5 6%

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Water Summary

Scen: **2019 03 05 Scenario 1 – Status Quo**

5 [illegible]

	Water Revenues										
	Water Rate Revenue										
W 1	Residential	$ 2,679,839	$ 3,372,479	$ 4,172,699	$ 4,778,388	$ 5,416,971	$ 6,078,515	$ 6,706,728	$ 7,299,753	$ 7,861,970	$ 8,467,488
W 2	Residential Outside	1,355,180	1,700,501	2,103,959	2,409,334	2,731,301	3,064,842	3,381,593	3,680,601	3,964,076	4,269,384
W.3	Commercial	1,404,313	1,774,452	2,195,493	2,514,180	2,850,175	3,198,250	3,528,788	3,840,812	4,136,626	4,455,224
W 4	Commercial Outside	433,474	548,227	678,306	776,763	880,569	988,108	1,090,229	1,186,630	1,278,022	1,376,454
		5,872,806	7,395,658	9,150,457	10,478,665	11,879,016	13,329,715	14,707,339	16,007,796	17,240,695	18,568,550
	Non-Rate Revenues	1,675,083	1,675,083	1,793,131	1,366,001	1,366,534	1,347,952	1,308,744	1,248,149	1,166,286	1,203,024
	Total Revenues	**7,547,889**	**9,070,741**	**10,943,588**	**11,844,667**	**13,245,549**	**14,677,667**	**16,016,083**	**17,255,945**	**18,406,980**	**19,771,573**
	Water Cost of Service										
	Cost Center Code										
24	Utility Billing	185,273	192,418	229,926	238,882	280,402	291,455	303,029	315,153	327,859	341,181
21	Water Operations	1,842,858	1,909,728	2,037,333	2,171,918	2,251,998	2,335,529	2,422,691	2,513,673	2,608,681	2,707,929
22	Sewer Operations	-	-	-	-	-	-	-	-	-	-
UTRWD-W	Upper Trinity Regional Water District- Water	2,111,200	2,841,778	3,246,517	3,548,227	4,370,998	4,716,766	5,068,882	5,981,962	6,366,659	6,777,020
UTRWD-S	Upper Trinity Regional Water District- Sewer	-	-	-	-	-	-	-	-	-	-
	Total	4,139,331	4,943,924	5,513,776	5,959,027	6,903,399	7,343,750	7,794,602	8,810,788	9,303,199	9,826,129

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Water Summary
Scen: **2019 03 05 Scenario 1 -- Status Quo**

	Current	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Budget Code										
1	Personnel Svcs	$ 860,891	$ 891,875	$ 1,012,170	$ 1,109,018	$ 1,181,962	$ 1,225,829	$ 1,271,684	$ 1,319,641	$ 1,369,821	$ 1,422,354
2	Contractual	26,149	26,934	27,742	28,574	29,431	30,314	31,224	32,160	33,125	34,119
3	Materials & Supplies	658,400	679,152	700,607	722,791	745,735	769,467	794,020	819,428	845,725	872,947
4	Operations	164,509	170,794	177,376	184,272	191,501	199,083	207,039	215,392	224,167	233,391
5	Utilities	237,864	249,273	261,237	273,785	286,945	300,748	315,223	330,406	346,331	363,034
6	Administration	80,318	84,118	88,128	92,359	96,826	101,545	106,530	111,799	117,371	123,264
UTRWD-W	Upper Trinity Regional Water District- Water	2,111,200	2,841,778	3,246,517	3,548,227	4,370,998	4,716,766	5,068,882	5,981,962	6,366,659	6,777,020
UTRWD-S	Upper Trinity Regional Water District- Sewer	-	-	-	-	-	-	-	-	-	-
	Total	4,139,331	4,943,924	5,513,776	5,959,027	6,903,399	7,343,750	7,794,602	8,810,788	9,303,199	9,826,129
	Total Operating Expenses	**4,139,331**	**4,943,924**	**5,513,776**	**5,959,027**	**6,903,399**	**7,343,750**	**7,794,602**	**8,810,788**	**9,303,199**	**9,826,129**
	Net Revenues for Transfers,Capital Outlays and Debt Se	3,408,557	4,126,817	5,429,812	5,885,640	6,342,151	7,333,917	8,221,481	8,445,157	9,103,782	9,945,444
	Capital Outlays	181,823	181,823	181,823	181,823	181,823	181,823	181,823	181,823	181,823	181,823
	Debt Service										
	Debt Service -- Current	1,313,274	1,319,470	1,321,713	1,319,211	1,320,325	1,318,293	1,323,037	1,134,909	1,137,219	1,132,256
	Debt Service -- Future	-	1,187,714	1,187,714	3,167,239	3,167,239	4,025,032	4,025,032	4,420,937	4,420,937	4,552,906
	Total Debt Service	1,313,274	2,507,185	2,509,427	4,486,450	4,487,564	5,343,325	5,348,069	5,555,847	5,558,157	5,685,162
	Net Revenues for Contingencies & Transfers	1,913,460	1,437,810	2,738,562	1,217,367	1,672,764	1,808,769	2,691,589	2,707,487	3,363,802	4,078,459
	Total Contingencies & Transfers	359,415	370,198	381,304	392,743	404,525	416,661	429,160	442,035	455,296	468,955
	Total Cost of Service	**5,993,844**	**8,003,129**	**8,586,330**	**11,020,043**	**11,977,310**	**13,285,559**	**13,753,654**	**14,990,493**	**15,498,475**	**16,162,070**
	Net Revenue	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Percent of COS	20 6%	11 8%	21.5%	7 0%	9 6%	9.5%	14 1%	13 1%	15 8%	18.3%
	Debt Coverage (excludes Capital Outlays, G/F Transfers)	**2.60**	**1.65**	**2.16**	**1.31**	**1.41**	**1.37**	**1.54**	**1.52**	**1.64**	**1.75**

Celina Response to Staff 3-1

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CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Wastewater Summary
Scen: **2019 03 05 Scenario 1 -- Status Quo**

1 [redacted]

[redacted]

Monthly Charge	3/4"	$ 20 60	$ 21.50	$ 23 44	$ 25 54	$ 27 84	$ 30.35	$ 33 08	$ 34 07	$ 35 10	$ 36 15	$ 37 23
	1"	38 63	38 63	42 11	45 90	50 03	54 53	59 44	61 22	63 06	64 95	66 90
	1 1/2"	72 10	72 10	78 59	85 66	93 37	101 78	110 93	114 26	117 69	121 22	124 86
	2"	123 60	123 60	134 72	146 85	160 07	174 47	190 17	195.88	201 76	207 81	214.04
Volume Rate/1,000 Gal (2,001 to 14,000)		5 73	5 84	6 37	6 94	7 56	8 24	8 99	9 26	9 53	9 82	10 11

[redacted]

Monthly Charge	3/4"	25 75	25 75	28 07	30 59	33 35	36 35	39 62	40 81	42 03	43 29	44 59
	1"	48 29	48.29	52 64	57 37	62 54	68 17	74 30	76 53	78.83	81.19	83 63
	1 1/2"	90 13	90 13	98 24	107.08	116 72	127 23	138 68	142 84	147 12	151.54	156.08
	2"	154 50	154 50	168 41	183 56	200 08	218 09	237 72	244 85	252.19	259 76	267 55
	4"	386 25	386 25	421 01	458 90	500.20	545 22	594 29	612 12	630 49	649 40	668 88
Volume Rate/1,000 Gal		5 73	5 84	6 37	6 94	7 56	8 24	8 99	9 26	9 53	9 82	10 11

2.1 [redacted]

5,000 Gallons	Total	$ 37.79	$ 39 02	$ 42 53	$ 46 36	$ 50 53	$ 55.08	$ 60 04	$ 61 84	$ 63 69	$ 65 60	$ 67 57
	Dollar Inc		1 23	3 51	3 83	4 17	4 55	4 96	1 80	1 86	1 91	1 97
	Percent Inc		3 3%	9 0%	9 0%	9 0%	9 0%	9 0%	3.0%	3 0%	3 0%	3 0%
10,000 Gallons	Total	66 44	68 22	74 36	81 05	88 35	96.30	104 96	108 11	111 36	114 70	118 14
	Dollar Inc		1 78	6 14	6 69	7 29	7 95	8 67	3 15	3 24	3 34	3 44
	Percent Inc		2 7%	9 0%	9 0%	9 0%	9 0%	9 0%	3 0%	3 0%	3 0%	3 0%
20,000 Gallons	Total	89 36	91 58	99 82	108.81	118 60	129 27	140 91	145 13	149 49	153 97	158 59
	Dollar Inc		2 22	8 24	8 98	9 79	10 67	11 63	4 23	4 35	4 48	4 62
	Percent Inc		2 5%	9 0%	9 0%	9 0%	9 0%	9 0%	3 0%	3.0%	3 0%	3 0%
30,000 Gallons	Total	89 36	91 58	99 82	108 81	118 60	129 27	140 91	145 13	149 49	153 97	158 59
	Dollar Inc		2 22	8 24	8 98	9 79	10.67	11 63	4 23	4.35	4 48	4 62
	Percent Inc		2 5%	9.0%	9 0%	9 0%	9.0%	9 0%	3 0%	3.0%	3 0%	3 0%

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Wastewater Summary
Scen: 2019 03 05 Scenario 1 -- Status Quo

2.2 [redacted]

30,000 Gallons	Total	250 57	253 65	276 48	301 36	328 48	358 05	390 27	401 98	414 04	426 46	439 25
	Dollar Inc		3 08	22 83	24 88	27 12	29 56	32 22	11 71	12 06	12 42	12 79
	Percent Inc		1 2%	9 0%	9.0%	9 0%	9 0%	9 0%	3 0%	3 0%	3 0%	3 0%
60,000 Gallons	Total	422 47	428 85	467 45	509 52	555 37	605 36	659 84	679.63	700 02	721 02	742 65
	Dollar Inc		6 38	38 60	42 07	45 86	49 98	54 48	19.80	20.39	21 00	21 63
	Percent Inc		1 5%	9 0%	9 0%	9 0%	9 0%	9 0%	3 0%	3 0%	3 0%	3.0%

3 [redacted]

Total Accounts	**4,356**	**5,329**	**6,401**	**7,116**	**7,832**	**8,533**	**9,200**	**9,817**	**10,366**	**10,945**
New Accounts		973	1,072	715	716	700	668	617	549	579
Avg Annual Growth Rate		22 35%	20 12%	11 18%	10 06%	8 94%	7 82%	6 71%	5 59%	5 59%

4 [redacted]

WW 1	Residential	288,193,448	352,634,224	423,599,130	470,958,042	518,346,371	564,707,790	608,902,316	649,747,940	686,069,257	724,420,958
WW 2	Residential Outside	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000
WW 3	Commercial	24,239,678	29,659,731	35,628,521	39,611,835	43,597,622	47,497,037	51,214,197	54,649,684	57,704,635	60,930,360
WW 4	Commercial Outside	60,300	60,300	60,300	60,300	60,300	60,300	60,300	60,300	60,300	60,300
WW 5	Other5	-	-	-	-	-	-	-	-	-	-
WW 6	Other6	-	-	-	-	-	-	-	-	-	-
WW 7	Other7	-	-	-	-	-	-	-	-	-	-
WW 8	Other8	-	-	-	-	-	-	-	-	-	-
WW 9	Other9	-	-	-	-	-	-	-	-	-	-
WW.10	Other10	-	-	-	-	-	-	-	-	-	-
	Total System	**312,569,426**	**382,430,254**	**459,363,951**	**510,706,177**	**562,080,293**	**612,341,127**	**660,252,813**	**704,533,924**	**743,910,192**	**785,487,618**

5 [redacted]

	Wastewater Revenues										
	Wastewater Rate Revenue										
WW 1	Residential	$ 2,535,534	$ 3,308,742	$ 4,332,315	$ 5,250,174	$ 6,298,513	$ 7,479,426	$ 8,458,881	$ 9,297,098	$ 10,111,316	$ 10,996,841
WW 2	Residential Outside	834	893	973	1,061	1,157	1,261	1,322	1,362	1,403	1,445
WW 5	Commercial	231,918	301,788	395,147	478,864	574,482	682,192	771,528	847,981	922,245	1,003,013
WW 6	Commercial Outside	780	828	903	984	1,073	1,169	1,226	1,263	1,301	1,340
	Sub-Total	2,769,065	3,612,251	4,729,338	5,731,083	6,875,224	8,164,048	9,232,957	10,147,704	11,036,265	12,002,639
	Non-Rate Revenues	1,204,217	1,204,217	1,294,424	968,032	968,439	954,240	924,279	877,975	815,419	843,493
	Total Revenues	**3,973,283**	**4,816,469**	**6,023,762**	**6,699,115**	**7,843,664**	**9,118,288**	**10,157,236**	**11,025,679**	**11,851,684**	**12,846,132**
	Wastewater Cost of Service										
	Cost Center Code										
24	Utility Billing	106,985	111,110	132,769	137,940	161,916	168,298	174,981	181,982	189,319	197,012
21	Water Operations	-	-	-	-	-	-	-	-	-	-
22	Sewer Operations	1,048,360	1,101,408	1,154,983	1,261,771	1,378,894	1,558,028	1,624,966	1,698,729	1,770,428	1,845,887
UTRWD-W	Upper Trinity Regional Water District- Water	-	-	-	-	-	-	-	-	-	-
UTRWD-S	Upper Trinity Regional Water District- Sewer	2,009,037	2,230,089	2,482,766	2,673,545	2,874,202	3,081,651	3,292,141	3,501,329	3,704,396	3,924,906
	Total	3,164,382	3,442,607	3,770,518	4,073,256	4,415,011	4,807,977	5,092,088	5,382,040	5,664,143	5,967,805

Celina Response to Staff 3-1

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

Wastewater Summary

Scen: **2019 03 05 Scenario 1 -- Status Quo**

	Budget Code										
1	Personnel Svcs	491,035	509,213	545,559	621,764	721,443	868,027	901,454	936,476	973,186	1,011,687
2	Contractual	200,051	206,052	212,234	218,601	225,159	231,914	238,871	246,037	253,418	261,021
3	Materials & Supplies	71,000	74,130	77,434	80,923	84,611	88,510	92,634	97,000	101,624	106,524
4	Operations	215,991	228,243	238,083	247,312	260,963	271,006	281,343	296,447	307,556	319,140
5	Utilities	81,985	85,787	89,770	93,942	98,314	102,895	107,695	112,724	117,994	123,517
6	Administration	49,957	52,276	54,722	57,301	60,023	62,896	65,929	69,133	72,519	76,099
UTRWD-W	Upper Trinity Regional Water District- Water	-	-	-	-	-	-	-	-	-	-
UTRWD-S	Upper Trinity Regional Water District- Sewer	2,054,363	2,286,905	2,552,716	2,753,412	2,964,499	3,182,731	3,404,162	3,624,223	3,837,846	4,069,818
	Total	3,164,382	3,442,607	3,770,518	4,073,256	4,415,011	4,807,977	5,092,088	5,382,040	5,664,143	5,967,805
	Total Operating Expenses	**3,164,382**	**3,442,607**	**3,770,518**	**4,073,256**	**4,415,011**	**4,807,977**	**5,092,088**	**5,382,040**	**5,664,143**	**5,967,805**
	Net Revenues for Transfers,Capital Outlays and Debt Servi	808,901	1,373,862	2,253,245	2,625,859	3,428,652	4,310,311	5,065,148	5,643,639	6,187,540	6,878,327
	Capital Outlays	117,911	117,911	117,911	117,911	117,911	117,911	117,911	117,911	117,911	117,911
	Debt Service										
	Debt Service -- Current	907,720	912,003	913,553	911,824	912,594	911,189	914,468	784,437	786,033	782,603
	Debt Service -- Future	-	923,778	923,778	1,913,540	1,913,540	3,365,191	3,365,191	5,080,779	5,080,779	6,070,541
	Total Debt Service	907,720	1,835,781	1,837,331	2,825,364	2,826,134	4,276,380	4,279,659	5,865,215	5,866,812	6,853,144
	Net Revenues for Contingencies & Transfers	(216,730)	(579,830)	298,002	(317,416)	484,607	(83,981)	667,578	(339,488)	202,817	(92,728)
	Total Contingencies & Transfers	167,585	172,612	177,791	183,124	188,618	194,277	200,105	206,108	212,291	218,660
	Total Cost of Service	**4,357,598**	**5,568,911**	**5,903,551**	**7,199,656**	**7,547,675**	**9,396,546**	**9,689,764**	**11,571,275**	**11,861,158**	**13,157,520**
	Percent of COS	-9 7%	-15 6%	2.0%	-7.5%	3 8%	-3 1%	4 6%	-4 9%	-0 1%	-2 4%
	Debt Coverage (excludes Debt, Cap Outlays, G/F Transfers)	**0.89**	**0.75**	**1.23**	**0.93**	**1.21**	**1.01**	**1.18**	**0.96**	**1.05**	**1.00**

Ten Year Rate Analysis and Pro Forma
Fiscal Years 2018 - 2026

WILLDAN

Utility System

Water
Sewer
Combined

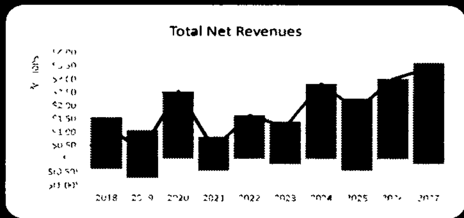
Dashboard

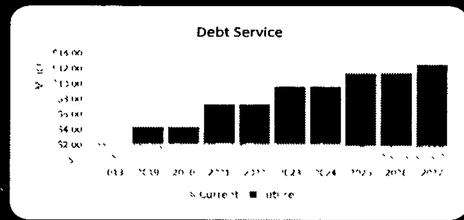
Projections
BR Comparison
Comparable Utilities

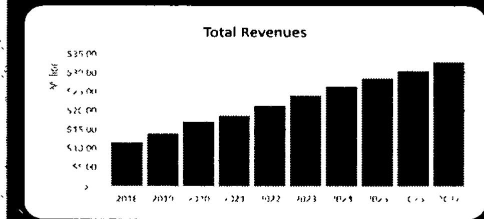
Customer Class

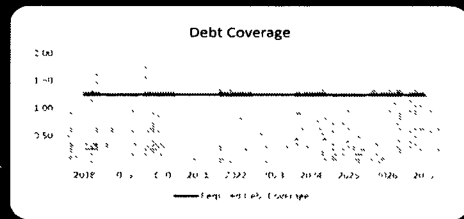
All Classes

Years









Water Sewer Combined Projections

Future Debt Term 25

	Alternative	Proposed
2018		$ 18,000,000
2019		$ -
2020		$ 30,000,000
2021		$ -
2022		$ 13,000,000
2023		$ -
2024		$ 6,000,000
2025		$ -
2026		$ 2,000,000
2027		$ -

	Alternative	Proposed
2018		$ 14,000,000
2019		$ -
2020		$ 15,000,000
2021		$ -
2022		$ 22,000,000
2023		$ -
2024		$ 26,000,000
2025		$ -
2026		$ 15,000,000
2027		$ -

		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Water Rate Adjustments											
Meter Charge		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Volume Charge		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		42	42	104	90	115	118	159	166	201	231
Sewer Rate Adjustments											
Base Charge		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Volume Charge	Residential	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Non-Residential	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CITY OF CELINA WATER/WASTEWATER COST OF SERVICE MODEL	Effective Jan-19	Effective Jan-20	Effective Jan-21

City Rate Plan -- Three Year Summary
Scen: **2019 03 05 Scenario 2 -- WW Inverted Block**

1 **Water Monthly Rates and Charges**

City Water Rate and Charges

W1 Residential

		Jan-19	Jan-20	Jan-21
Monthly Minimum Charge				
	3/4"	$ 23 84	$ 24 56	$ 25 30
	1"	40 10	41 30	42 54
	1 1/2"	80 21	82 61	85 09
	2"	128 33	132 18	136 14
Volume Rate/1,000 Gal				
2,001	10,000	$ 5 21	$ 5 37	$ 5 53
10,001	20,000	7 89	8 13	8 37
20,001	30,000	9 29	9 57	9 86
30,001	Above	13 41	13 81	14 23

W2 Residential Outside

		Jan-19	Jan-20	Jan-21
Monthly Minimum Charge				
	3/4"	$ 35 77	$ 36 84	$ 37 95
	1"	60 15	61 95	63 81
	1 1/2"	120 31	123 92	127 64
	2"	192 50	198 27	204 21
Volume Rate/1,000 Gal				
2,001	10,000	$ 7 82	$ 8 05	$ 8 29
10,001	20,000	11 84	12 19	12 56
20,001	30,000	13 94	14 35	14 78
30,001	Above	20 12	20 72	21 34

W3 Commercial

		Jan-19	Jan-20	Jan-21
Monthly Minimum Charge				
	3/4"	$ 28 64	$ 29 50	$ 30 39
	1"	50 13	51 63	53 18
	1 1/2"	100 26	103 27	106 37
	2"	160 41	165 22	170 18
	3"	240 61	247 83	255 26
	4"	401 02	413 05	425 44
Volume Rate/1,000 Gal				
2,001	10,000	$ 5 21	$ 5 37	$ 5 53
10,001	20,000	7 89	8 13	8 37
20,001	30,000	9 29	9 57	9 86
30,001	Above	13 41	13 81	14 23

W4 Commercial Outside

		Jan-19	Jan-20	Jan-21
Monthly Minimum Charge				
	3/4"	$ 42 97	$ 44 26	$ 45 58
	1"	75 20	77 45	79 77
	1 1/2"	150 39	154 90	159 55
	2"	240 62	247 84	255 27
	3"	360 91	371 74	382 89
	4"	601 53	619 58	638 16
Volume Rate/1,000 Gal				
2,001	10,000	$ 7 82	$ 8 05	$ 8 29
10,001	20,000	11 84	12 19	12 56
20,001	30,000	13 94	14 35	14 78
30,001	Above	20 12	20 72	21 34

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

City Rate Plan -- Three Year Summary
Scen: **2019 03 05 Scenario 2 -- WW Inverted Block**

2 [redacted]

[redacted]

		Effective Jan-19	Effective Jan-20	Effective Jan-21
Monthly Minimum Charge				
	3/4"	$ 23 44	$ 25 54	$ 27 84
	1"	42 11	45 90	50 03
	1 1/2"	78 59	85 66	93 37
	2"	134 72	146 85	160 07
Volume Rate/1,000 Gal				
2,001	5,000	5 84	6 37	6 94
5,001	Maximum	7 23	7 88	8 59
	Maximum Gallons	13,000	12,000	11,000

[redacted]

		Effective Jan-19	Effective Jan-20	Effective Jan-21
Monthly Minimum Charge				
	3/4"	35 15	38 32	41 76
	1"	63 16	68 84	75 04
	1 1/2"	117 88	128 49	140 06
	2"	202 09	220 27	240 10
Volume Rate/1,000 Gal				
2,001	5,000	8 76	9 55	10 41
5,001	Maximum	10 85	11 82	12 89
	Maximum Gallons	13,000	12,000	11,000

[redacted]

		Effective Jan-19	Effective Jan-20	Effective Jan-21
Monthly Minimum Charge				
	3/4"	28 07	30 59	33 35
	1"	52 64	57 37	62 54
	1 1/2"	98 24	107 08	116 72
	2"	168 41	183 56	200 08
	4"	421 01	458 90	500 20
Volume Rate/1,000 Gal				
2,001	Above	6 37	6 94	7 56

[redacted]

		Effective Jan-19	Effective Jan-20	Effective Jan-21
Monthly Minimum Charge				
	3/4"	42 10	45 89	50 02
	1"	78 95	86 06	93 81
	1 1/2"	147 36	160 63	175 08
	2"	252 61	275 34	300 12
	4"	631 52	688 36	750 31
Volume Rate/1,000 Gal				
2,001	Above	9 55	10 41	11 34

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

City Rate Plan -- Three Year Summary
Scen: **2019 03 05 Scenario 2 -- WW Inverted Block**

		Effective Jan-19	Effective Jan-20	Effective Jan-21
3	**Residential Monthly Charges -- WATER**			
	5,000 Gallons -- 3/4" Meter			
	Total	$ 39 48	$ 40 66	$ 41 88
	Dollar Inc	1 15	1 18	1 22
	Percent Inc	3 0%	3 0%	3 0%
	10,000 Gallons -- 3/4" Meter			
	Total	65 54	67 51	69 53
	Dollar Inc	1 91	1 97	2 03
	Percent Inc	3 0%	3 0%	3 0%
	20,000 Gallons -- 3/4" Meter			
	Total	144 44	148 77	153 23
	Dollar Inc	4 21	4 33	4 46
	Percent Inc	3 0%	3 0%	3 0%
	30,000 Gallons -- 3/4" Meter			
	Total	237 34	244 46	251 80
	Dollar Inc	6 91	7 12	7 33
	Percent Inc	3 0%	3 0%	3 0%
3	**Residential Outside Monthly Charges -- WATER**			
	5,000 3/4" Meter			
	Total	$ 59 22	$ 61 00	$ 62 83
	Dollar Inc	1 73	1 78	1 83
	Percent Inc	3 0%	3 0%	3 0%
	10,000 3/4" Meter			
	Total	98 31	101 26	104 30
	Dollar Inc	2 87	2 95	3 04
	Percent Inc	3 0%	3 0%	3 0%
	20,000 3/4" Meter			
	Total	216 71	223 16	229 85
	Dollar Inc	6 37	6 45	6 70
	Percent Inc	3 0%	3 0%	3 0%
4	**Commercial Monthly Charges -- WATER**			
	30,000 Gallons -- 1 1/2" Meter			
	Total	313 76	323 17	332 87
	Dollar Inc	9 14	9 41	9 70
	Percent Inc	3 0%	3 0%	3 0%
	60,000 Gallons -- 1 1/2" Meter			
	Total	716 08	737 56	759 69
	Dollar Inc	20 86	21 48	22 13
	Percent Inc	3 0%	3 0%	3 0%

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

City Rate Plan -- Three Year Summary
Scen: **2019 03 05 Scenario 2 -- WW Inverted Block**

5 [redacted]

			Effective Jan-19		Effective Jan-20		Effective Jan-21
5,000 Gallons -- 3/4" Meter							
Total		$	40 96	$	44 64	$	48 66
Dollar Inc			1 94		3 69		4 02
Percent Inc			5 0%		9 0%		9 0%
10,000 Gallons -- 3/4" Meter							
Total			77 11		84 05		91 61
Dollar Inc			8 89		6 94		7 56
Percent Inc			13 0%		9 0%		9 0%
15,000 Gallons -- 3/4" Meter							
Total			106 03		115 58		125 98
Dollar Inc			14 45		9 54		10 40
Percent Inc			15 8%		9 0%		9 0%
20,000 Gallons -- 3/4" Meter							
Total			106 03		115 58		125 98
Dollar Inc			14 45		9 54		10 40
Percent Inc			15 8%		9 0%		9 0%

6 [redacted]

30,000 Gallons -- 1 1/2" Meter							
Total	1 1/2"	$	276 48	$	301 36	$	328 48
Dollar Inc			22 83		24 88		27 12
Percent Inc			9 0%		9 0%		9 0%
60,000 Gallons -- 1 1/2" Meter							
Total	1 1/2"		562 93		613 59		668 82
Dollar Inc			46 48		50 66		55 22
Percent Inc			9 0%		9 0%		9 0%

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

City Rate Plan -- Three Year Summary
Scen: **2019 03 05 Scenario 2 -- WW Inverted Block**

		Effective Jan-19	Effective Jan-20	Effective Jan-21
5 **Residential Monthly Charges -- WATER AND WASTEWATER**				
5,000 Gallons Water, 5,000 Gallons WW -- 3/4" Meter				
Total	$	80 43	$ 85 31	$ 90 54
Dollar Inc		3 08	4 87	5 24
Percent Inc		4 0%	6 1%	6 1%
10,000 Gallons Water, 10,000 Gallons WW -- 3/4" Meter				
Total		142 65	151 56	161 14
Dollar Inc		10 80	8 91	9 59
Percent Inc		8 2%	6 2%	6 3%
20,000 Gallons Water, 14,000 Gallons WW -- 3/4" Meter				
Total		250 47	264 35	279 21
Dollar Inc		18 66	13 88	14 87
Percent Inc		8 1%	5 5%	5 6%
30,000 Gallons Water, 14,000 Gallons WW -- 3/4" Meter				
Total		343 38	360 04	377 78
Dollar Inc		21 37	16 66	17 74
Percent Inc		6 6%	4 9%	4 9%
6 **Commercial Monthly Charges -- WATER AND WASTEWATER**				
30,000 Gallons Water, 30,000 Gallons WW -- 1 1/2" Meter				
Total	$	590 24	$ 624 53	$ 661 35
Dollar Inc		31 97	34 30	36 82
Percent Inc		5 7%	5 8%	5 9%
60,000 Gallons Water, 60,000 Gallons WW -- 1 1/2" Meter				
Total		1,279 01	1,351 15	1,428 50
Dollar Inc		67 34	72 15	77 35
Percent Inc		5 6%	5 6%	5 7%

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CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

City Rate Plan -- 10 Year Summary
Scen: **2019 03 05 Scenario 2 -- WW Inverted Block**

1 **Water Monthly Rates and Charges**

CITY Water Rate and Charges

W1 Residential

		Current	Effective Jan-18	Effective Jan-19	Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27
Monthly Minimum Charge												
	3/4"	$ 22 25	$ 23 15	$ 23 84	$ 24.56	$ 25 30	$ 26.06	$ 26.84	$ 27.37	$ 27.92	$ 28.48	$ 29 05
	1"	38 93	38.93	40 10	41.30	42 54	43.82	45.13	46.03	46.95	47 89	48 85
	1 1/2"	77 87	77.87	80 21	82 61	85.09	87.64	90.27	92 08	93 92	95.80	97 71
	2"	124 59	124.59	128.33	132 18	136.14	140 23	144.43	147.32	150 27	153.27	156 34
	3"	-	-	-	-	-	-	-	-	-	-	-
	4"	-	-	-	-	-	-	-	-	-	-	-
	6"	-	-	-	-	-	-	-	-	-	-	-
	8"	-	-	-	-	-	-	-	-	-	-	-
Volume Rate/1,000 Gal												
2,001	10,000	4 96	5.06	5.21	5.37	5 53	5.70	5.87	5.98	6.10	6 22	6 35
10,001	20,000	7 44	7 66	7 89	8.13	8 37	8.62	8.88	9 06	9.24	9.42	9 61
20,001	30,000	8 68	9 02	9 29	9 57	9 86	10.15	10.46	10 67	10.88	11 10	11 32
30,001	Above	12.40	13.02	13 41	13 81	14 23	14.65	15.09	15 40	15 70	16.02	16.34
-	-	-	-	-	-	-	-	-	-	-	-	-

W2 Residential Outside

		Current	Effective Jan-18	Effective Jan-19	Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27
Monthly Minimum Charge												
	3/4"	$ 33 38	$ 34.72	$ 35.77	$ 36.84	$ 37 95	$ 39.08	$ 40.26	$ 41 06	$ 41.88	$ 42 72	$ 43 57
	1"	58 40	58 40	60.15	61.95	63 81	65.72	67.70	69 05	70.43	71.84	73.28
	1 1/2"	116 81	116 81	120 31	123.92	127 64	131.47	135.41	138.12	140.88	143 70	146.57
	2"	186.89	186 89	192.50	198.27	204 21	210.34	216.65	220.98	225.40	229 91	234 51
	3"	-	-	-	-	-	-	-	-	-	-	-
	4"	-	-	-	-	-	-	-	-	-	-	-
	6"	-	-	-	-	-	-	-	-	-	-	-
	8"	-	-	-	-	-	-	-	-	-	-	-
Volume Rate/1,000 Gal												
2,001	10,000	7.44	7.59	7 82	8 05	8.29	8 54	8 80	8.97	9 15	9 34	9 52
10,001	20,000	11 16	11 49	11 84	12 19	12.56	12 93	13.32	13.59	13 86	14 14	14.42
20,001	30,000	13 02	13 53	13.94	14.35	14.78	15 23	15.68	16 00	16 32	16 65	16.98
30,001	Above	18.60	19.53	20.12	20.72	21.34	21 98	22 64	23.09	23.56	24 03	24.51
-	-	-	-	-	-	-	-	-	-	-	-	-

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

City Rate Plan -- 10 Year Summary
Scen: **2019 03 05 Scenario 2 -- WW Inverted Block**

W3 Commercial

		Current	Effective Jan-18	Effective Jan-19	Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27
Monthly Minimum Charge												
	3/4"	$ 27 81	$ 27 81	$ 28 64	$ 29 50	$ 30.39	$ 31 30	$ 32.24	$ 32.88	$ 33.54	$ 34.21	$ 34 90
	1"	48 67	48 67	50 13	51.63	53.18	54.78	56.42	57.55	58.70	59 88	61 07
	1 1/2"	97 34	97 34	100 26	103 27	106 37	109.56	112.84	115 10	117.40	119 75	122 15
	2"	155 74	155 74	160 41	165 22	170 18	175.29	180.55	184 16	187 84	191 60	195 43
	3"	233 60	233 60	240 61	247 83	255 26	262.92	270 81	276 22	281.75	287 38	293 13
	4"	389 34	389 34	401 02	413 05	425 44	438.21	451 35	460.38	469 59	478 98	488.56
	6"	-	-	-	-	-	-	-	-	-	-	-
	8"	-	-	-	-	-	-	-	-	-	-	-
Volume Rate/1,000 Gal												
2,001	10,000	4 96	5 06	5 21	5.37	5.53	5 70	5.87	5.98	6.10	6.22	6 35
10,001	20,000	7.44	7.66	7 89	8.13	8.37	8 62	8.88	9.06	9.24	9.42	9 61
20,001	30,000	8 68	9 02	9 29	9.57	9.86	10 15	10.46	10 67	10.88	11 10	11 32
30,001	Above	12 40	13 02	13 41	13.81	14.23	14 65	15.09	15.40	15.70	16 02	16 34
-	-	-	-	-	-	-	-	-	-	-	-	-

W4 Commercial Outside

		Current	Effective Jan-18	Effective Jan-19	Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27
Monthly Minimum Charge												
	3/4"	$ 41.72	$ 41 72	$ 42.97	$ 44 26	$ 45.58	$ 46 95	$ 48 36	$ 49.33	$ 50.31	$ 51 32	$ 52 35
	1"	73.01	73 01	75.20	77 45	79.77	82 17	84 63	86 33	88.05	89.81	91.61
	1 1/2"	146.01	146 01	150 39	154 90	159.55	164 34	169.27	172.65	176 10	179.63	183 22
	2"	233 61	233 61	240 62	247.84	255.27	262 93	270.82	276 23	281.76	287 39	293 14
	3"	350 40	350 40	360 91	371.74	382 89	394 38	406.21	414 33	422 62	431 07	439 69
	4"	584 01	584 01	601.53	619.58	638 16	657.31	677 03	690 57	704 38	718 47	732 84
	6"	-	-	-	-	-	-	-	-	-	-	-
	8"	-	-	-	-	-	-	-	-	-	-	-
Volume Rate/1,000 Gal												
2,001	10,000	7.44	7 59	7.82	8 05	8.29	8 54	8.80	8 97	9.15	9 34	9 52
10,001	20,000	11 16	11 49	11.84	12 19	12.56	12 93	13.32	13 59	13 86	14 14	14 42
20,001	30,000	13.02	13 53	13 94	14 35	14.78	15 23	15.68	16.00	16.32	16 65	16 98
30,001	Above	18 60	19 53	20 12	20 72	21 34	21 98	22 64	23.09	23.56	24 03	24.51

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

City Rate Plan -- 10 Year Summary
***Scen:* 2019 03 05 Scenario 2 -- WW Inverted Block**

2 [redacted]

[redacted]

		Current	Effective Jan-18	Effective Jan-19	Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27
Monthly Minimum Charge												
	3/4"	$ 20 60	$ 21 50	$ 23 44	$ 25 54	$ 27.84	$ 30.35	$ 33.08	$ 34.07	$ 35 10	$ 36 15	$ 37.23
	1"	38 63	38 63	42 11	45 90	50.03	54.53	59.44	61.22	63 06	64.95	66.90
	1 1/2"	72 10	72.10	78.59	85 66	93.37	101 78	110 93	114 26	117.69	121 22	124 86
	2"	123 60	123 60	134 72	146 85	160.07	174 47	190 17	195 88	201.76	207 81	214 04
	3"	-	-	-	-	-	-	-	-	-	-	-
	4"	-	-	-	-	-	-	-	-	-	-	-
	6"	-	-	-	-	-	-	-	-	-	-	-
	8"	-	-	-	-	-	-	-	-	-	-	-
Volume Rate/1,000 Gal												
2,001	5,000	5 73	5.84	5 84	6 37	6 94	7 56	8 24	8.49	8.75	9.01	9 28
5,001	14,000	5.73	5.84	7.23	7.88	8 59	9 36	10 21	10.51	10.83	11.15	11 49

[redacted]

		Current	Effective Jan-18	Effective Jan-19	Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27
Monthly Minimum Charge												
	3/4"	30 90	32.25	35.15	38 32	41.76	45 52	49 62	51.11	52.64	54 22	55 85
	1"	57 95	57 95	63 16	68.84	75 04	81.79	89 16	91 83	94 59	97.42	100 35
	1 1/2"	108 15	108 15	117 88	128.49	140 06	152.66	166.40	171.39	176 54	181 83	187 29
	2"	185.40	185 40	202 09	220 27	240 10	261 71	285.26	293.82	302 63	311 71	321.06
	3"	-	-	-	-	-	-	-	-	-	-	-
	4"	-	-	-	-	-	-	-	-	-	-	-
	6"	-	-	-	-	-	-	-	-	-	-	-
	8"	-	-	-	-	-	-	-	-	-	-	-
Volume Rate/1,000 Gal												
2,001	5,000	8.60	8 76	8 76	9 55	10.41	11 34	12.37	12 74	13.12	13 51	13.92
5,001	14,000	8.60	8 76	10 85	11 82	12.89	14 05	15.31	15.77	16 24	16 73	17.23

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

City Rate Plan -- 10 Year Summary
Scen: **2019 03 05 Scenario 2 -- WW Inverted Block**

[redacted]

		Current	Effective Jan-18	Effective Jan-19	Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27
Monthly Minimum Charge												
	3/4"	25.75	25.75	28.07	30.59	33.35	36.35	39.62	40.81	42.03	43.29	44.59
	1"	48.29	48.29	52.64	57.37	62.54	68.17	74.30	76.53	78.83	81.19	83.63
	1 1/2"	90.13	90.13	98.24	107.08	116.72	127.23	138.68	142.84	147.12	151.54	156.08
	2"	154.50	154.50	168.41	183.56	200.08	218.09	237.72	244.85	252.19	259.76	267.55
	3"	-	-	-	-	-	-	-	-	-	-	-
	4"	386.25	386.25	421.01	458.90	500.20	545.22	594.29	612.12	630.49	649.40	668.88
	6"	-	-	-	-	-	-	-	-	-	-	-
	8"	-	-	-	-	-	-	-	-	-	-	-
Volume Rate/1,000 Gal												
2,001	Above	5.73	5.84	6.37	6.94	7.56	8.24	8.99	9.26	9.53	9.82	10.11
-	-	-	-	-	-	-	-	-	-	-	-	-

[redacted]

		Current	Effective Jan-18	Effective Jan-19	Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27
Monthly Minimum Charge												
	3/4"	38.63	38.63	42.10	45.89	50.02	54.52	59.43	61.21	63.05	64.94	66.89
	1"	72.44	72.44	78.95	86.06	93.81	102.25	111.45	114.79	118.24	121.78	125.44
	1 1/2"	135.20	135.20	147.36	160.63	175.08	190.84	208.01	214.25	220.68	227.30	234.12
	2"	231.75	231.75	252.61	275.34	300.12	327.13	356.58	367.27	378.29	389.64	401.33
	3"	-	-	-	-	-	-	-	-	-	-	-
	4"	579.38	579.38	631.52	688.36	750.31	817.84	891.44	918.18	945.73	974.10	1,003.32
	6"	-	-	-	-	-	-	-	-	-	-	-
	8"	-	-	-	-	-	-	-	-	-	-	-
Volume Rate/1,000 Gal												
2,001	Above	8.60	8.76	9.55	10.41	11.34	12.37	13.48	13.88	14.30	14.73	15.17
-	-	-	-	-	-	-	-	-	-	-	-	-

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

City Rate Plan -- 10 Year Summary

Scen: **2019 03 05 Scenario 2 -- WW Inverted Block**

3 **[illegible] Monthly Charges -- WATER [illegible]**

	Current	Effective Jan-18	Effective Jan-19	Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27
5,000 Gallons -- 3/4" Meter											
Total	$ 37.13	$ 38 33	$ 39.48	$ 40.66	$ 41 88	$ 43.14	$ 44.43	$ 45.32	$ 46.23	$ 47.15	$ 48 10
Dollar Inc		1 20	1.15	1.18	1 22	1.26	1 29	0.89	0.91	0.92	0 94
Percent Inc		3 2%	3.0%	3.0%	3 0%	3 0%	3 0%	2.0%	2.0%	2.0%	2 0%
10,000 Gallons -- 3/4"" Meter											
Total	61 93	63.63	65 54	67 51	69.53	71 62	73.76	75.24	76 74	78 28	79.85
Dollar Inc		1.70	1 91	1.97	2.03	2 09	2.15	1 48	1 50	1.53	1.57
Percent Inc		2.7%	3 0%	3 0%	3.0%	3.0%	3.0%	2 0%	2.0%	2.0%	2.0%
20,000 Gallons -- 3/4" Meter											
Total	136 33	140 23	144.44	148.77	153 23	157.83	162.57	165 82	169.13	172.52	175 97
Dollar Inc		3 90	4.21	4.33	4 46	4 60	4 73	3.25	3.32	3.38	3 45
Percent Inc		2 9%	3.0%	3.0%	3.0%	3 0%	3.0%	2.0%	2.0%	2 0%	2 0%
30,000 Gallons -- 3/4" Meter											
Total	223 13	230.43	237 34	244 46	251.80	259 35	267.13	272 47	277.92	283 48	289 15
Dollar Inc		7.30	6 91	7 12	7.33	7.55	7.78	5 34	5.45	5 56	5.67
Percent Inc		3.3%	3 0%	3 0%	3.0%	3 0%	3 0%	2 0%	2 0%	2 0%	2.0%

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

City Rate Plan -- 10 Year Summary
Scen: **2019 03 05 Scenario 2 -- WW Inverted Block**

3 **Residential Outside Monthly Charges -- WATER**

	Current	Effective Jan-18	Effective Jan-19	Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27
5,000 Gallons -- 3/4" Meter											
Total	$ 55 70	$ 57.49	$ 59.22	$ 61 00	$ 62 83	$ 64.71	$ 66 65	$ 67 99	$ 69 35	$ 70 73	$ 72 15
Dollar Inc		1 79	1.73	1 78	1 83	1 88	1 94	1.33	1 36	1 39	1 41
Percent Inc		3.2%	3 0%	3 0%	3 0%	3 0%	3 0%	2.0%	2 0%	2 0%	2 0%
10,000 Gallons -- 3/4"" Meter											
Total	92 90	95.44	98 31	101.26	104 30	107.42	110 65	112 86	115 12	117.42	119 77
Dollar Inc		2 54	2 87	2.95	3.04	3.12	3 22	2 21	2 26	2 30	2 35
Percent Inc		2 7%	3 0%	3.0%	3 0%	3.0%	3 0%	2.0%	2 0%	2 0%	2.0%
20,000 Gallons -- 3/4" Meter											
Total	204 50	210 34	216 71	223.16	229.85	236.75	243.85	248.72	253.70	258.77	263.95
Dollar Inc		5 84	6 37	6.45	6.70	6 89	7 10	4 88	4.97	5.07	5.18
Percent Inc		2 9%	3 0%	3.0%	3.0%	3 0%	3.0%	2 0%	2 0%	2 0%	2.0%

4 **Commercial Monthly Charges -- WATER**

	Current	Effective Jan-18	Effective Jan-19	Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27
30,000 Gallons -- 1 1/2" Meter											
Total	298 22	304 62	313 76	323 17	332.87	342 85	353 14	360 20	367.40	374 75	382 25
Dollar Inc		6 40	9 14	9 41	9 70	9.99	10 29	7 06	7 20	7.35	7 50
Percent Inc		2.1%	3.0%	3 0%	3 0%	3.0%	3.0%	2.0%	2 0%	2 0%	2.0%
60,000 Gallons -- 1 1/2" Meter											
Total	670 22	695 22	716.08	737.56	759.69	782.48	805 95	822 07	838.51	855.28	872 39
Dollar Inc		25 00	20 86	21.48	22 13	22.79	23 47	16 12	16 44	16.77	17 11
Percent Inc		3 7%	3 0%	3 0%	3.0%	3 0%	3.0%	2 0%	2 0%	2.0%	2.0%

CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL

City Rate Plan -- 10 Year Summary
Scen: **2019 03 05 Scenario 2 -- WW Inverted Block**

		Current	Effective Jan-18	Effective Jan-19	Effective Jan-20	Effective Jan-21	Effective Jan-22	Effective Jan-23	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27
5 [redacted]												
5,000 Gallons -- 3/4" Meter												
Total		$ 37.79	$ 39 02	$ 40 96	$ 44.64	$ 48.66	$ 53 04	$ 57.81	$ 59.55	$ 61 33	$ 63 17	$ 65 07
Dollar Inc			1.23	1.94	3.69	4.02	4.38	4.77	1.73	1.79	1 84	1.90
Percent Inc			3.3%	5 0%	9 0%	9.0%	9.0%	9 0%	3 0%	3.0%	3 0%	3.0%
10,000 Gallons -- 3/4" Meter												
Total		66 44	68.22	77.11	84.05	91 61	99.86	108 85	112.11	115 48	118 94	122.51
Dollar Inc			1.78	8.89	6.94	7 56	8.25	8 99	3 27	3.36	3 46	3.57
Percent Inc			2 7%	13.0%	9.0%	9.0%	9.0%	9.0%	3 0%	3.0%	3.0%	3.0%
20,000 Gallons -- 3/4" Meter												
Total		89 36	91.58	106.03	115.58	125 98	137.32	149 68	154 17	158 79	163.55	168 46
Dollar Inc			2.22	14.45	9.54	10 40	11.34	12 36	4 49	4 62	4.76	4 91
Percent Inc			2.5%	15.8%	9.0%	9.0%	9.0%	9.0%	3 0%	3 0%	3 0%	3.0%
30,000 Gallons -- 3/4" Meter												
Total		89.36	91 58	106 03	115 58	125.98	137 32	149.68	154 17	158 79	163.55	168 46
Dollar Inc			2.22	14 45	9.54	10 40	11.34	12.36	4 49	4.62	4.76	4 91
Percent Inc			2 5%	15.8%	9.0%	9 0%	9.0%	9 0%	3.0%	3 0%	3.0%	3.0%
6 [redacted]												
30,000 Gallons -- 1 1/2" Meter												
Total	1 1/2"	$ 250 57	$ 253.65	$ 276.48	$ 301.36	$ 328 48	$ 358.05	$ 390 27	$ 401 98	$ 414 04	$ 426.46	$ 439.25
Dollar Inc			3 08	22.83	24.88	27.12	29.56	32 22	11 71	12 06	12.42	12.79
Percent Inc			1.2%	9.0%	9.0%	9.0%	9.0%	9.0%	3 0%	3 0%	3 0%	3.0%
60,000 Gallons -- 1 1/2" Meter												
Total	1 1/2"	422.47	428 85	467 45	509 52	555.37	605 36	659.84	679.63	700.02	721.02	742 65
Dollar Inc			6 38	38 60	42 07	45 86	49.98	54.48	19.80	20.39	21.00	21 63
Percent Inc			1.5%	9 0%	9 0%	9.0%	9.0%	9 0%	3.0%	3 0%	3 0%	3.0%

WILLDAN

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www.willdan.com

UPDATE OF

WATER & WASTEWATER RATES

CITY OF CELINA, TEXAS

MAY 23, 2011

McLain
Decision
Support
Systems
McLAIN

Government Utility Rate Group
2201 Rockbrook Dr., # 1315
Lewisville, TX 75067
(214) 488-8808 ~ Fax (972) 692-5397
bob@mclaindss.com

Final

May 23, 2011

Mr. Rod Hogan
Interim City Manager
City of Celina
142 North Ohio
Celina, TX 75009

Re: Update of Water & Wastewater Rates

Dear Mr. Hogan:

Enclosed is the Updated Report on Water & Wastewater Rates, prepared by McLain Decision Support Systems (McLainDSS) for the City of Celina. The report conveys the findings, conclusions, and recommendations of our firm with respect to the development of water rates to cover the projected water and wastewater costs for the period 2011 - 2015

The report is structured to provide the reader with a clear and accurate presentation of the revenue and rate issues facing the City of Celina. However, this study does not constitute an examination of the financial statements of the City of Celina, and, as such, we cannot and do not express any opinion regarding the validity or accuracy of the financial information provided.

The report includes a significant amount of assumptions and detailed tables and worksheets. The detailed tables, exhibits, and worksheets provide an understanding of where the numbers come from and the related impact the rates will have on the City's customers.

We have appreciated the courtesies and professional relationship extended to us during this engagement by the City's management and staff.

Very truly yours,

Robert M McLain

Robert McLain
McLain Decision Support Systems

Final

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SECTION I: EXECUTIVE SUMMARY

1.1. PURPOSE OF REPORT:

The following report describes the findings of the update of the water and wastewater rate study performed for the City of Celina, and makes recommendations with respect to the rates to be charged to the City's customers. The objectives to be achieved within the scope of the engagement are as follows:

- To update the bases to be used to project the water and wastewater units of service and cost of service over a multi-year planning period, FY 2011 - 2015;
- To update the full cost of the water services over the multi-year planning period, based on the adopted FY 2011 budget;
- To update the full cost of the wastewater services over the multi-year planning period, based on the adopted FY 2011 budget;
- To propose water and wastewater rate designs which will provide sufficient annual revenues to meet expenditures for each system's operating and non-operating costs;
- To update the financial projections using the proposed rates, supplemented by a description of the key assumptions underlying the projections;
- To update the executive summary documenting our findings and recommendations.

1.2. FINDINGS/ANALYSIS RELATED TO THE COST OF SERVICE:

- **The water and wastewater enterprise fund is in extremely poor financial condition as of 09/30/2010.** We estimate that that the City of Celina ended FY 2010 with a *negative $438,482* in operating reserves (-44 days of the gross cost of service). Note – we have adjusted the negative operating reserve balance by $400,000. The strategy, suggested by City management, is to not pay the $400,000 back to the General Fund until FY 2016, and to only pay annual interest of about $20,000 per year. Therefore, for the purposes of this report, we are only showing a negative operating reserve balance for 09/30/2010 of *$38,482*.
- **Financial Plan Notice.** Water and wastewater costs have been projected for the period FY 2011 through FY 2015, based on the FY 2011 adopted budget. We believe the underlying assumptions that drive the cost of service through the FY 2015 provide a

reasonable basis for management's forecast. However, some assumptions inevitably will not materialize as presented and anticipated events and circumstances may not occur; therefore, the actual results achieved during the forecast periods will vary from the forecast, and the variances may be material. Monitor expenditures very carefully over the planning period, compared to the expenditure levels shown in this report. Because the forecasts are developed upon expenditure levels outlined in this report, any significant increases of expenditures over the planned expenditure levels will affect the sufficiency of revenues over the study period.

- **A series of rate increases will be required, beginning June 1, 2011.** Table 1.1 summarizes the required changes:

Table 1.1
Key Findings
Required Revenue Increases

Fiscal Year	Average Monthly Bill @ 10,000 Galons					Operating Reserve Balance	Days of Working Capital Balance
				Change		Working Capital	Target
	Water	Waste-Water	Combined	Dollars	Percent	Balance	90 Days
2009	$50.60	$37.75	$ 88.35	N/A	N/A	342,426	36
2010	55.68	64.56	120.24	31.89	36.1%	(38,482)	(4)
2011	$60.13	$64.56	$ 124.69	$ 4.45	3.7%	153,057	15
2012	61.94	66.50	128.44	3.74	3.0%	455,348	44
2013	66.27	69.82	136.10	7.66	6.0%	500,076	43
2014	70.91	74.71	145.62	9.53	7.0%	711,542	59
2015	75.88	79.94	155.82	10.19	7.0%	1,117,731	90
Changes FY 2011 - 2015->				**$35.58**			

Assumes operating and maintenance expenses will be reduced by 3% in FY 2012. Please note that the Operating reserve balance shown for 09/30/2010 does not include the $400,000 loan from the General Fund. We have it scheduled to be paid back during FY 2016.

Water rates will need to increase as follows: FY 2011: 8%, FY 2012: 3%, FY 2013: 6%, FY 2014: 5%, and, FY 2015: 6%, assuming the City will be able to reduced operating and maintenance expenses (not including UTRWD costs) by 3%.

Wastewater rates will not increase in FY 2011, but they will need to increase as follows: FY 2012: 3%, FY 2013: 5%, FY 2014: 5%, and, FY 2015: 6%, assuming the City will be able to reduced operating and maintenance expenses (not including UTRWD costs) by 3%.

All costs have been projected, based on the FY 2011 adopted budget. Please note we used the following planning assumptions:

- Minimal growth: 40 – 50 meters per year, which translates into about 1.7% - 3% per year;
- A reduction in operating and maintenance costs of 3% per year, beginning with FY 2012;
- Average salary increases as follows: FY 2011: 0%, FY 2012: 2%, FY 2013: 2%, FY 2014: 3%, and, FY 2015: 3%.
- Average increase in UTRWD water costs of 3% per year;
- Average increase in wastewater treatment costs of 3% per year.
- All other operating and maintenance costs are projected to increase 3% per year.

Table 1.2
Average Water Monthly Bill Comparisons
FY 2011

	Existing Rates	Proposed Rates		
	Average Bill	Average Bill	Shift $	Shift %
Winter Average Bill @ 4,300 gallons	$ 30.26	$ 32.68	$ 2.42	**8.0%**
Average Bill @ 8,000 gallons	46.76	50.50	3.74	**8.0%**
Summer Average Bill @ 14,500 gallons	85.79	92.65	6.86	**8.0%**

The following eight tables illustrate our analysis of the water and wastewater cost of service through FY 2015:

- For the water cost of service:
  - Table 1.3 shows the major cost components of the water cost of service through FY 2015;
  - Table 1.4 shows the results of dividing the water cost of service shown on Table 1.2 by the projected gallons billed;
  - Table 1.5 takes the Table 1.3 cost components that are fixed, and divides them by the projected annual meter equivalents. Fixed costs are those costs that do not vary with the amount of water sold. Fixed costs are salaries and benefits and debt service. These costs should be recovered in the monthly minimum bills.
  - Table 1.6 takes the Table 1.3 cost components that are variable, and divides them by the projected annual water volume billed.
- For the wastewater cost of service:
  - Table 1.7 shows the major cost components of the wastewater cost of service through FY 2015;
  - Table 1.8 shows the results of dividing the wastewater cost of service shown on Table 1.7 by the projected gallons billed for wastewater;
  - Table 1.9 takes the Table 1.7 cost components that are fixed, and divides them by the projected annual meter equivalents. Fixed costs are those costs that do not vary with the amount of water sold. Fixed costs are salaries and benefits and debt service. These costs should be recovered in the monthly minimum bills.
  - Table 1.10 takes the Table 1.7 cost components that are variable, and divides them by the projected annual water volume billed for wastewater.

- Explanation of the lines on Tables 1.3 – 1.10 (All costs are forecast, using the adopted FY 2011 budget as a base):
    - Line 1: Salaries & Benefits: Average increase of 2-3% per year, beginning with FY 2013;
    - Line 2: Water Meters: Driven by an inflation factor of 3%, and growth of 30 additional meters annually (about 1.3%);
    - Line 3: Electricity: Driven by an inflation factor of 3% and an annual increase in water volume of about 1%
    - Line 4: Postage: Driven by an inflation factor of 3%, and growth of 30 additional meters annually (about 1.3%);
    - Line 5: Transfer to the General Fund: The idea here was to gradually increase over the planning period and to attempt to get back to the FY 2010 level;
    - Line 6: All Other O&M Costs: Average increase of 3% per year, beginning with FY 2013;
    - Line 7: Debt Service: Based on current amortization schedules, with no new debt service planned;
    - Line 9: UTRWD Demand Costs: Average increase of 3% per year. Currently, this is set at $ $342,865 per MGD. The City has a subscription of 2.5 MGD. This also includes what is called an equity charged of about $35,000 per year.
    - Line 10: UTRWD Volume Charge: Currently a rate of $0.86 per 1,000 gallons purchased, and is expected to increase of 3% per year
    - Line 14: Revenue Offsets: This is all of those non-rate revenues such as interest income, etc. Any monies generated from non-rate revenues can be used to reduce the amount of revenues required from rates.
    - Line 16: Increase/(Decrease) in Operating Reserves: This line represents any changes in the operating reserve levels. If operating reserves need to be increased, then this number becomes part of the cost of service. If operating reserves are drawn down, then this number becomes a revenue offset and reduces the amount of revenues required from rates.

Table 1.3
Key Findings
Analysis of The Water Cost of Service - Step 1
Identify Cost Components - Water

		Actual 2010	Revised 2011	Planned 2012	Planned 2013	Planned 2014	Planned 2015
1	Salaries & Benefits	$ 218,229	$ 211,591	$ 205,243	$ 209,348	$ 215,629	$ 222,097
2	Water Meters	52,649	42,800	41,516	42,761	44,044	45,366
3	Electricity	190,774	190,000	198,140	206,597	215,382	224,507
4	Postage	19,022	20,000	19,752	20,685	21,657	22,669
5	Transfer to Gen. Fund	325,000	50,000	50,000	216,667	216,667	233,333
6	All Other O&M	239,435	188,350	184,251	190,141	196,217	202,488
7	Total City O&M Costs	$ 1,045,109	$ 702,741	$ 698,902	$ 886,199	$ 909,596	$ 950,460
8	Debt Service	$ 964,180	$ 670,588	$ 507,624	$ 510,796	$ 508,699	$ 506,685
9	Total City Costs (Line 7 + Line 8)	$ 2,009,289	$ 1,373,329	$ 1,206,526	$ 1,396,996	$ 1,418,296	$ 1,457,145
10	UTRWD Demand Costs	$ 812,425	$ 857,163	$ 882,877	$ 909,364	$ 936,645	$ 964,744
11	UTRWD Volume Costs	250,936	248,664	259,412	270,583	282,191	294,251
12	Total UTRWD Costs	$ 1,063,361	$ 1,105,826	$ 1,142,290	$ 1,179,947	$ 1,218,835	$ 1,258,995
13	Total Gross Cost of Service (Line 9 _ Line 12)	$ 3,072,650	$ 2,479,155	$ 2,348,816	$ 2,576,943	$ 2,637,131	$ 2,716,140
14	Less: Revenue Offsets	$ (186,491)	$ (140,972)	$ (162,827)	$ (160,235)	$ (158,013)	$ (155,654)
15	Equals: Net Cost of Service (Line 13 + Line 14)	$ 2,886,159	$ 2,338,183	$ 2,185,989	$ 2,416,708	$ 2,479,118	$ 2,560,486
16	Increase/(Decrease) in Operating Reserves	$ (455,064)	$ 50,219	$ 359,459	$ 271,794	$ 387,059	$ 495,136
17	Equals: Rev. Req. from Rates (Line 15 + Line 16)	$ 2,431,095	$ 2,388,402	$ 2,545,449	$ 2,688,502	$ 2,866,177	$ 3,055,622
18	Divided by Annual Gallons Billed (000's)	258,555	262,771	266,146	269,521	272,896	276,271
19	Equals: Average Cost per Th. Gallons	**$ 9.40**	**$ 9.09**	**$ 9.56**	**$ 9.98**	**$ 10.50**	**$ 11.06**

Table 1.4
Key Findings
Analysis of The Water Cost of Service - Step 2
Calculate Average Cost per Th. Gallons Billed

		Actual 2010	Revised 2011	Planned 2012	Planned 2013	Planned 2014	Planned 2015
1	Salaries & Benefits	$ 0.84	$ 0.81	$ 0.77	$ 0.78	$ 0.79	$ 0.80
2	Water Meters	0.20	0.16	0.16	0.16	0.16	0.16
3	Electricity	0.74	0.72	0.74	0.77	0.79	0.81
4	Postage	0.07	0.08	0.07	0.08	0.08	0.08
5	Transfer to Gen. Fund	1.26	0.19	0.19	0.80	0.79	0.84
6	All Other O&M	0.93	0.72	0.69	0.71	0.72	0.73
7	Total City O&M Costs	**$ 4.04**	**$ 2.67**	**$ 2.63**	**$ 3.29**	**$ 3.33**	**$ 3.44**
8	Debt Service	$ 3.73	$ 2.55	$ 1.91	$ 1.90	$ 1.86	$ 1.83
9	Total City Costs (Line 7 + Line 8)	**$ 7.77**	**$ 5.23**	**$ 4.53**	**$ 5.18**	**$ 5.20**	**$ 5.27**
10	UTRWD Demand Costs	$ 3.14	$ 3.26	$ 3.32	$ 3.37	$ 3.43	$ 3.49
11	UTRWD Volume Costs	0.97	0.95	0.97	1.00	1.03	1.07
12	Total UTRWD Costs	**$ 4.11**	**$ 4.21**	**$ 4.29**	**$ 4.38**	**$ 4.47**	**$ 4.56**
13	Total Gross Cost of Service (Line 9 Line 12)	**$ 11.88**	**$ 9.43**	**$ 8.83**	**$ 9.56**	**$ 9.66**	**$ 9.83**
14	Less: Revenue Offsets	$ (0.72)	$ (0.54)	$ (0.61)	$ (0.59)	$ (0.58)	$ (0.56)
15	Equals: Net Cost of Service (Line 13 + Line 14)	**$ 11.16**	**$ 8.90**	**$ 8.21**	**$ 8.97**	**$ 9.08**	**$ 9.27**
16	Increase/(Decrease) in Operating Reserves	$ (1.76)	$ 0.19	$ 1.35	$ 1.01	$ 1.42	$ 1.79
17	Equals: Rev. Req. from Rates (Line 15 + Line 16)	**$ 9.40**	**$ 9.09**	**$ 9.56**	**$ 9.98**	**$ 10.50**	**$ 11.06**

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Table 1.5

Key Findings

Analysis of The Water Cost of Service - Step 3

Identify Fixed Cost per Meter Equivalent Billed Annually

		Actual 2010	Revised 2011	Planned 2012	Planned 2013	Planned 2014	Planned 2015
1	Salaries & Benefits	$ 5.39	$ 5.15	$ 4.93	$ 4.98	$ 5.07	$ 5.16
2	Water Meters	1.30	1.04	1.00	1.02	1.04	1.05
3	Electricity	-	-	-	-	-	-
4	Postage	0.47	0.49	0.47	0.49	0.51	0.53
5	Transfer to Gen. Fund	8.02	1.22	1.20	5.15	5.09	5.42
6	All Other O&M	-	-	-	-	-	-
7	Total City O&M Costs	**$ 15.18**	**$ 7.89**	**$ 7.61**	**$ 11.63**	**$ 11.70**	**$ 12.16**
8	Debt Service	$ 23.80	$ 16.31	$ 12.20	$ 12.14	$ 11.95	$ 11.77
9	Total City Costs (Line 7 + Line 8)	**$ 38.98**	**$ 24.20**	**$ 19.81**	**$ 23.77**	**$ 23.66**	**$ 23.94**
10	UTRWD Demand Costs	$ 20.05	$ 20.85	$ 21.23	$ 21.61	$ 22.01	$ 22.42
11	UTRWD Volume Costs	-	-	-	-	-	-
12	Total UTRWD Costs	**$ 20.05**	**$ 20.85**	**$ 21.23**	**$ 21.61**	**$ 22.01**	**$ 22.42**
13	Total Gross Cost of Service (Line 9 Line 12)	**$ 59.03**	**$ 45.05**	**$ 41.04**	**$ 45.39**	**$ 45.67**	**$ 46.36**
14	Less: Revenue Offsets	$ (3.94)	$ (3.14)	$ (3.39)	$ (3.29)	$ (3.18)	$ (3.06)
15	Equals: Net Cost of Service (Line 13 + Line 14)	**$ 55.09**	**$ 41.91**	**$ 37.65**	**$ 42.10**	**$ 42.49**	**$ 43.30**
16	Increase/(Decrease) in Operating Reserves	$ (8.89)	$ 0.94	$ 6.48	$ 4.92	$ 6.90	$ 8.70
17	Equals: Rev. Req. from Rates (Line 15 + Line 16)	**$ 46.20**	**$ 42.84**	**$ 44.13**	**$ 47.02**	**$ 49.39**	**$ 52.00**

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Table 1.6

Key Findings

Analysis of The Water Cost of Service - Step 4

Identify Variable Cost per Th. Gallons

		Actual 2010	Revised 2011	Planned 2012	Planned 2013	Planned 2014	Planned 2015
1	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -
2	Water Meters	-	-	-	-	-	-
3	Electricity	0.74	0 72	0.74	0.77	0.79	0.81
4	Postage	-	-	-	-	-	-
5	Transfer to Gen. Fund	-	-	-	-	-	-
6	All Other O&M	0.93	0.72	0.69	0.71	0.72	0.73
7	Total City O&M Costs	**$ 1.66**	**$ 1.44**	**$ 1.44**	**$ 1.47**	**$ 1.51**	**$ 1.55**
8	Debt Service	$ -	$ -	$ -	$ -	$ -	$ -
9	Total City Costs (Line 7 + Line 8)	**$ 1.66**	**$ 1.44**	**$ 1.44**	**$ 1.47**	**$ 1.51**	**$ 1.55**
10	UTRWD Demand Costs	$ -	$ -	$ -	$ -	$ -	$ -
11	UTRWD Volume Costs	0.97	0.95	0.97	1.00	1.03	1.07
12	Total UTRWD Costs	**$ 0.97**	**$ 0.95**	**$ 0.97**	**$ 1.00**	**$ 1.03**	**$ 1.07**
13	Total Gross Cost of Service (Line 9 _ Line 12)	**$ 2.63**	**$ 2.39**	**$ 2.41**	**$ 2.48**	**$ 2.54**	**$ 2.61**
14	Less: Revenue Offsets	$ (0.10)	$ (0.04)	$ (0.08)	$ (0.08)	$ (0.08)	$ (0.09)
15	Equals: Net Cost of Service (Line 13 + Line 14)	**$ 2.53**	**$ 2.34**	**$ 2.33**	**$ 2.40**	**$ 2.46**	**$ 2.52**
16	Increase/(Decrease) in Operating Reserves	$ (0.37)	$ 0.04	$ 0.34	$ 0.24	$ 0.34	$ 0.44
17	Equals: Rev. Req. from Rates (Line 15 + Line 16)	**$ 2.16**	**$ 2.39**	**$ 2.67**	**$ 2.64**	**$ 2.80**	**$ 2.96**

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Table 1.7
Key Findings
Analysis of The Wastewater Cost of Service - Step 1
Identify Cost Components - Wastewater

		Actual 2010	Revised 2011	Planned 2012	Planned 2013	Planned 2014	Planned 2015
1	Salaries & Benefits	$ 110,438	$ 129,527	$ 125,641	$ 128,154	$ 131,999	$ 135,959
2	Water Meters	-	-	-	-	-	-
3	Electricity	-	53,000	55,879	58,881	62,013	65,279
4	Postage	118	100	100	105	111	117
5	Transfer to Gen. Fund	-	25,000	25,000	108,333	108,333	116,667
6	All Other O&M	164,550	128,486	125,495	129,531	133,695	137,993
7	Total City O&M Costs	$ 275,105	$ 336,113	$ 332,114	$ 425,004	$ 436,151	$ 456,015
8	Debt Service	$ -	$ 335,294	$ 483,030	$ 484,756	$ 483,527	$ 482,105
9	Total City Costs (Line 7 + Line 8)	$ 275,105	$ 671,407	$ 815,144	$ 909,760	$ 919,679	$ 938,120
10	UTRWD Debt Costs	$ -	$ 94,800	$ 94,800	$ 125,000	$ 125,000	$ 125,000
11	UTRWD Treatment Costs	5,654	-	243,333	365,000	365,000	365,000
12	Total UTRWD Costs	$ 5,654	$ 94,800	$ 338,133	$ 490,000	$ 490,000	$ 490,000
13	Total Gross Cost of Service (Line 9 _ Line 12)	$ 280,759	$ 766,207	$ 1,153,277	$ 1,399,760	$ 1,409,679	$ 1,428,120
14	Less: Revenue Offsets	$ (33,890)	$ (20,245)	$ (27,931)	$ (25,927)	$ (24,007)	$ (22,034)
15	Equals: Net Cost of Service (Line 13 + Line 14)	$ 246,869	$ 745,962	$ 1,125,347	$ 1,373,833	$ 1,385,672	$ 1,406,085
16	Increase/(Decrease) in Operating Reserves	$ 527,453	$ 120,566	$ (106,205)	$ (294,392)	$ (229,885)	$ (164,072)
17	Equals: Rev. Req. from Rates (Line 15 + Line 16)	$ 774,322	$ 866,528	$ 1,019,142	$ 1,079,441	$ 1,155,787	$ 1,242,013
18	Divided by: Annual Gallons Billed (000's)	120,983	124,773	127,807	130,840	133,874	136,908
19	Equals: Average Cost per Th. Gallons	**$ 6.40**	**$ 6.94**	**$ 7.97**	**$ 8.25**	**$ 8.63**	**$ 9.07**

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Table 1.8

Key Findings

Analysis of The Wastewater Cost of Service - Step 2

Calculate Average Cost per Th. Gallons Billed

		Actual 2010	Revised 2011	Planned 2012	Planned 2013	Planned 2014	Planned 2015
1	Salaries & Benefits	$ 0.91	$ 1.04	$ 0.98	$ 0.98	$ 0.99	$ 0.99
2	Water Meters	-	-	-	-	-	-
3	Electricity	-	0.42	0.44	0.45	0.46	0.48
4	Postage	0.00	0.00	0.00	0.00	0.00	0.00
5	Transfer to Gen. Fund	-	0.20	0.20	0.83	0.81	0.85
6	All Other O&M	1.36	1.03	0.98	0.99	1.00	1.01
7	Total City O&M Costs	**$ 2.27**	**$ 2.69**	**$ 2.60**	**$ 3.25**	**$ 3.26**	**$ 3.33**
8	Debt Service	$ -	$ 2.69	$ 3.78	$ 3.70	$ 3.61	$ 3.52
9	Total City Costs (Line 7 + Line 8)	**$ 2.27**	**$ 5.38**	**$ 6.38**	**$ 6.95**	**$ 6.87**	**$ 6.85**
10	UTRWD Debt Costs	$ -	$ 0.76	$ 0.74	$ 0.96	$ 0.93	$ 0.91
11	UTRWD Treatment Costs	0.05	-	1.90	2.79	2.73	2.67
12	Total UTRWD Costs	**$ 0.05**	**$ 0.76**	**$ 2.65**	**$ 3.75**	**$ 3.66**	**$ 3.58**
13	Total Gross Cost of Service (Line 9 _ Line 12)	**$ 2.32**	**$ 6.14**	**$ 9.02**	**$ 10.70**	**$ 10.53**	**$ 10.43**
14	Less: Revenue Offsets	$ (0.28)	$ (0.16)	$ (0.22)	$ (0.20)	$ (0.18)	$ (0.16)
15	Equals: Net Cost of Service (Line 13 + Line 14)	**$ 2.04**	**$ 5.98**	**$ 8.81**	**$ 10.50**	**$ 10.35**	**$ 10.27**
16	Increase/(Decrease) in Operating Reserves	$ 4.36	$ 0.97	$ (0.83)	$ (2.25)	$ (1.72)	$ (1.20)
17	Equals: Rev. Req. from Rates (Line 15 + Line 16	**$ 6.40**	**$ 6.94**	**$ 7.97**	**$ 8.25**	**$ 8.63**	**$ 9.07**

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Table 1.9
Key Findings
Analysis of The Wastewater Cost of Service - Step 3
Identify Fixed Cost per Meter Equivalent Billed Annually

		Actual 2010	Revised 2011	Planned 2012	Planned 2013	Planned 2014	Planned 2015
1	Salaries & Benefits	$ 5.43	$ 6.19	$ 5 87	$ 5.86	$ 5.90	$ 5.95
2	Water Meters	-	-	-	-	-	-
3	Electricity	-	-	-	-	-	-
4	Postage	0.01	0.00	0.00	0.00	0.00	0.01
5	Transfer to Gen. Fund	-	1.19	1.17	4.95	4.84	5.11
6	All Other O&M	-	-	-	-	-	-
7	**Total City O&M Costs**	**$ 5.44**	**$ 7.39**	**$ 7.04**	**$ 10.81**	**$ 10.75**	**$ 11.06**
8	Debt Service	$ -	$ 16.02	$ 22.56	$ 22.15	$ 21.62	$ 21.10
9	**Total City Costs (Line 7 + Line 8)**	**$ 5.44**	**$ 23.41**	**$ 29.61**	**$ 32.96**	**$ 32.37**	**$ 32.16**
10	UTRWD Debt Costs	$ -	$ 4.53	$ 4.43	$ 5 71	$ 5.59	$ 5.47
11	UTRWD Treatment Costs	-	-	-	-	-	-
12	**Total UTRWD Costs**	**$ -**	**$ 4.53**	**$ 4.43**	**$ 5.71**	**$ 5.59**	**$ 5.47**
13	Total Gross Cost of Service (Line 9 _ Line 12)	**$ 5.44**	**$ 27.94**	**$ 34.03**	**$ 38.67**	**$ 37.96**	**$ 37.63**
14	Less: Revenue Offsets	$ (0.77)	$ (0.75)	$ (0.79)	$ (0.62)	$ (0.49)	$ (0.37)
15	Equals: Net Cost of Service (Line 13 + Line 14)	**$ 4.66**	**$ 27.19**	**$ 33.25**	**$ 38.04**	**$ 37.46**	**$ 37.27**
16	Increase/(Decrease) in Operating Reserves	$ 14.33	$ 4.56	$ (3.29)	$ (8.54)	$ (6.52)	$ (4.56)
17	Equals: Rev. Req. from Rates (Line 15 + Line 16	**$ 19.00**	**$ 31.75**	**$ 29.95**	**$ 29.50**	**$ 30.94**	**$ 32.70**

Table 1.10
Key Findings
Analysis of The Water Cost of Service - Step 4
Identify Variable Cost per Th. Gallons

		Actual 2010	Revised 2011	Planned 2012	Planned 2013	Planned 2014	Planned 2015
1	Salaries & Benefits	$ -	$ -	$ -	$ -	$ -	$ -
2	Water Meters	-	-	-	-	-	-
3	Electricity	-	0.42	0.44	0.45	0.46	0.48
4	Postage	-	-	-	-	-	-
5	Transfer to Gen. Fund	-	-	-	-	-	-
6	All Other O&M	1.36	1.03	0.98	0.99	1.00	1.01
7	**Total City O&M Costs**	**$ 1.36**	**$ 1.45**	**$ 1.42**	**$ 1.44**	**$ 1.46**	**$ 1.48**
8	Debt Service	$ -	$ -	$ -	$ -	$ -	$ -
9	Total City Costs (Line 7 + Line 8)	**$ 1.36**	**$ 1.45**	**$ 1.42**	**$ 1.44**	**$ 1.46**	**$ 1.48**
10	UTRWD Debt Costs	$ -	$ -	$ -	$ -	$ -	$ -
11	UTRWD Treatment Costs	0.05	-	1.90	2.79	2.73	2.67
12	Total UTRWD Costs	**$ 0.05**	**$ -**	**$ 1.90**	**$ 2.79**	**$ 2.73**	**$ 2.67**
13	Total Gross Cost of Service (Line 9 _ Line 12)	**$ 1.41**	**$ 1.45**	**$ 3.32**	**$ 4.23**	**$ 4.19**	**$ 4.15**
14	Less: Revenue Offsets	$ (0.15)	$ (0 04)	$ (0.09)	$ (0.09)	$ (0.10)	$ (0.10)
15	Equals: Net Cost of Service (Line 13 + Line 14)	**$ 1.26**	**$ 1.42**	**$ 3.24**	**$ 4.14**	**$ 4.09**	**$ 4.05**
16	Increase/(Decrease) in Operating Reserves	$ 1.95	$ 0.20	$ (0.28)	$ (0.82)	$ (0.63)	$ (0.44)
17	Equals: Rev. Req. from Rates (Line 15 + Line 16	**$ 3.21**	**$ 1.62**	**$ 2.96**	**$ 3.31**	**$ 3.46**	**$ 3.61**

1.3. Proposed Water Rates:

Table 1.11
Proposed Rates - Water
Monthly Minimum Bills

		Existing	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
1	Outside to Inside Ratio	1.50	1.50	1.50	1.50	1.50	1.50
2							
3	**Residential:**						
4	Gallons in Minumum Bill	2,000	2,000	2,000	2,000	2,000	2,000
5	5/8 x 3/4 Inch	$ 20.00	$ 21.60	$ 22.25	$ 23.58	$ 24.76	$ 26.25
6	1 Inch	35.00	37.80	38.93	41.27	43.33	45.93
7	2 Inch	112.00	120.96	124.59	132.06	138.67	146.99
8							
9	**Commercial:**						
10	Gallons in Minumum Bill	2,000	2,000	2,000	2,000	2,000	2,000
11	5/8 x 3/4 Inch	$ 25.00	$ 27.00	$ 27.81	$ 29.48	$ 30.95	$ 32.81
12	1 Inch	43.75	47.25	48.67	51.59	54.17	57.42
13	2 Inch	140.00	151.20	155.74	165.08	173.33	183.73
14	3 Inch	210.00	226.80	233.60	247.62	260.00	275.60
15	4 Inch	350.00	378.00	389.34	412.70	433.34	459.34
16							
17	**City Meters (No Charge):**						
18	Gallons in Minumum Bill	-	-	-	-	-	-
19	5/8 x 3/4 Inch	$ -	$ -	$ -	$ -	$ -	$ -
20	1 Inch	-	-	-	-	-	-
21	2 Inch	-	-	-	-	-	-

Table 1.11 (Continued)
Proposed Rates - Water
Volumetric Rates

		Existing	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
22	Outside to Inside Ratio	1.50	1.50	1 50	1.50	1.50	1.50
23							
24	0 - 2,000	$ -	$ -	$ -	$ -	$ -	$ -
25	2,001 - 10,000	4 46	4.82	4.96	5 26	5.52	5 85
26	10,001 - 20,000	6.69	7.23	7.44	7.89	8.28	8.78
27	20,001 - 30,000	7.81	8.43	8.69	9.21	9.67	10.25
28	Over 30,000	11.15	12.04	12.40	13.15	13.80	14.63
29							
30	City - No Charge	$ -	$ -	$ -	$ -	$ -	$ -
31							
32	Hydrants - Over 2,000 Gallons	7.50	8.10	8.34	8.84	9.29	9.84
33							
34	From Monthly Minimum Bill	$ 776,966	$ 796,152	$ 857,357	$ 902,056	$ 964,776	$ 1,028,200
35	From Volume Rates	1,522,483	1,592,250	1,688,092	1,786,446	1,901,401	2,027,423
36	**Total Revenues Generated**	$ 2,299,449	$ 2,388,402	$ 2,545,449	$ 2,688,502	$ 2,866,177	$ 3,055,622
37	Change in Revenues->		3.9%	3.9%	1.4%	2.9%	2.4%
38							
39	Avg. Residential 3/4 Inch Mon Bill @ 1	$ 55.68	$ 60.13	$ 61.94	$ 65 65	$ 68.94	$ 73.07
40	Monthly Difference- $	N/A	$ 4 45	$ 1.80	$ 3.72	$ 3.28	$ 4.14
41	Monthly Difference- %	N/A	8.00%	3.00%	6.00%	5.00%	6.00%
42							
43	Avg. Commercial 3/4 Inch Mon. Bill @	$ 205.68	$ 222.13	$ 228 80	$ 242.53	$ 254 65	$ 269.93
44	Monthly Difference- $	N/A	$ 16.45	$ 6.66	$ 13.73	$ 12.13	$ 15.28
45	Monthly Difference- %	N/A	8.00%	3.00%	6.00%	5.00%	6.00%

1.4. PROPOSED WASTEWATER RATES:

Table 1.12
Proposed Rates - Wastewater
Monthly Minimum Bills

		Existing	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
1	Outside to Inside Ratio	1.50	1.50	1.50	1.50	1.50	1.50
2							
3	**Residential:**						
4	Gallons in Minumum Bill	2,000	2,000	2,000	2,000	2,000	2,000
5	5/8 x 3/4 Inch	$ 20.00	$ 20.00	$ 20.60	$ 21.63	$ 22.71	$ 24.07
6	1 Inch	37.50	37.50	38.63	40.56	42.58	45.14
7							
8	**Commercial:**						
9	Gallons in Minumum Bill	2,000	2,000	2,000	2,000	2,000	2,000
10	5/8 x 3/4 Inch	$ 25.00	$ 25.00	$ 25.75	$ 27.04	$ 28.39	$ 30.09
11	1 Inch	46.88	46.88	48 29	50.70	53.24	56.43
12	2 Inch	150.00	150.00	154.50	162.23	170.34	180.56
13	4 Inch	375.00	375.00	386.25	405.56	425.84	451.39
14							
15	**Apartments:**						
16	Gallons in Minumum Bill	2,000	2,000	2,000	2,000	2,000	2,000
17	5/8 x 3/4 Inch	$ 180.00	$ 180.00	$ 185.40	$ 194.67	$ 204.40	$ 216.67
18	2 Inch	180.00	180.00	185.40	194.67	204.40	216.67

Table 1.11
Proposed Rates - Wastewater
Volumetric Rates

		Existing	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
19							
20	0 - 2,000	$ -	$ -	$ -	$ -	$ -	$ -
21	Over 2,000	5.57	5.57	5.74	6.02	6.33	6.70
22							
23	From Monthly Minimum Bill	$ 533,675	$ 533,675	$ 549,074	$ 579,574	$ 619,101	$ 663,431
24	From Volume Rates	453,004	453,004	470,068	499,867	536,686	578,582
25	**Total Revenues Generated**	$ 986,678	$ 986,678	$ 1,019,142	$ 1,079,441	$ 1,155,787	$ 1,242,013
26	Change in Revenues->		-	-	1.2%	2.0%	2.0%
27							
28	Avg. Residential 3/4 Inch Mon. Bill @ 8,00C	$ 64.56	$ 64.56	$ 66.50	$ 69.82	$ 73.31	$ 77.71
29	Monthly Difference- $	N/A	$ -	$ 1.94	$ 3.32	$ 3.49	$ 4.40
30	Monthly Difference- %	N/A	0.00%	3.00%	5.00%	5.00%	6.00%
31							
32	Avg. Commercial 3/4 Inch Mon. Bill @ 30,0	$ 180.96	$ 180.96	$ 186.39	$ 195.71	$ 205.49	$ 217.82
33	Monthly Difference- $	N/A	$ -	$ 5.43	$ 9.32	$ 9.79	$ 12.33
34	Monthly Difference- %	N/A	0.00%	3.00%	5.00%	5.00%	6.00%

APPENDIX A:

SUPPORTING WORKSHEETS

Worksheet I

Section IV - Actual & Projected Revenue Requirements

Financial Summary - Combined Water & Wastewater

Description	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
Beginning Working Capital Reserve	**$ 342,426**	**$ (38,482)**	**$ 153,057**	**$ 464,076**	**$ 499,325**	**$ 714,432**
Water Sales	$ 1,944,348	$ 2,388,402	$ 2,545,449	$ 2,688,502	$ 2,866,177	$ 3,055,622
Wastewater Sales	774,022	986,678	1,019,142	1,079,441	1,155,787	1,242,013
Garbage Billing	310,997	317,985	323,576	329,166	334,756	340,347
Fines & Fees	130,858	93,866	99,604	100,343	101,081	101,820
Penalties & Interest	58,158	50,000	82,993	87,452	92,994	98,997
Miscellaneous Income	17,913	10,000	10,000	10,000	10,000	10,000
Total Sources of Funds	**$ 3,236,296**	**$ 3,846,932**	**$ 4,080,763**	**$ 4,294,904**	**$ 4,560,795**	**$ 4,848,799**
Salaries & Related	$ 328,667	$ 341,118	$ 330,884	$ 337,502	$ 347,627	$ 358,056
Water Meters	52,649	42,800	41,516	42,761	44,044	45,366
Chemicals	25,485	30,000	31,515	33,093	34,738	36,451
Electricity	190,774	243,000	254,019	265,478	277,395	289,786
Postage	19,140	20,100	19,851	20,791	21,768	22,786
UTRWD Water Purchases	1,063,361	1,105,826	1,142,290	1,179,947	1,218,835	1,258,995
UTRWD Wastewater Treatment	5,654	214,950	338,133	490,000	490,000	490,000
Garbage Contract	297,545	310,635	325,415	340,800	356,812	373,475
All Other O&M Costs	350,542	283,986	200,466	208,730	217,242	226,010
Total Operating Expenditures	**$ 2,333,817**	**$ 2,592,415**	**$ 2,684,091**	**$ 2,919,103**	**$ 3,008,462**	**$ 3,100,923**
Debt Service - Existing	$ 975,697	$ 987,978	$ 990,654	$ 995,552	$ 992,226	$ 988,791
Total Debt Service	**$ 975,697**	**$ 987,978**	**$ 990,654**	**$ 995,552**	**$ 992,226**	**$ 988,791**
Transfer to General Fund	$ 325,000	$ 75,000	$ 75,000	$ 325,000	$ 325,000	$ 350,000
Repayment of Loan from General Fund (Interest Only)	-	-	20,000	20,000	20,000	20,000
Non-Operating Expenditures	**$ 325,000**	**$ 75,000**	**$ 95,000**	**$ 345,000**	**$ 345,000**	**$ 370,000**
Total Uses of Funds	**$ 3,634,514**	**$ 3,655,393**	**$ 3,769,744**	**$ 4,259,655**	**$ 4,345,688**	**$ 4,459,714**
Sources Minus Uses of Funds	**$ (398,218)**	**$ 191,539**	**$ 311,019**	**$ 35,249**	**$ 215,107**	**$ 389,085**
Ending Working Capital Reserve	**$ (38,482)**	**$ 153,057**	**$ 464,076**	**$ 499,325**	**$ 714,432**	**$ 1,103,517**
% of Operating Expenditures	-1%	4%	12%	12%	16%	25%
Targeted Days of Operating Reserves	90	90	90	90	90	90
Days of Working Capital	**(4)**	**15**	**45**	**43**	**60**	**91**
Revenue Increases Suggested:						
Water Minimum Bills	90.00%	8.00%	3.00%	6 00%	5.00%	6.00%
Water Volumetric Rates	90.00%	8.00%	3.00%	6.00%	5.00%	6.00%
Water Overall	30.24%	3.87%	1.41%	2.89%	2.40%	2 89%
Wastewater Minimum Bills	90.00%	0.00%	3.00%	5.00%	5.00%	6.00%
Wastewater Volumetric Rates	90.00%	0.00%	3.00%	5.00%	5.00%	6.00%
Wastewater Overall	52.45%	0.00%	1.23%	2.05%	2.05%	2.45%
Overall Water & Wastewater	35.88%	2.71%	1.36%	2 65%	2.30%	2.76%

Worksheet 2

Section IV - Actual & Projected Revenue Requirements

Actual & Projected Expenditures by Line Item

Water Department

Code	Description	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
5100	Salaries	$ 142,767	$ 145,068	$ 140,716	$ 143,530	$ 147,836	$ 152,271
5105	Overtime	19,708	12,000	11,640	11,873	12,229	12,596
5110	Tax Expense	12,848	12,016	11,656	11,889	12,245	12,613
5111	SUTA	756	1,080	1,048	1,069	1,101	1,134
5115	Group Health Insurance	29,377	27,459	26,635	27,168	27,983	28,822
5116	TMRS	7,869	7,747	7,515	7,665	7,895	8,132
5117	Workers Compensation	4,449	5,573	5,406	5,514	5,679	5,850
5120	Christmas Bonus	456	648	629	641	660	680
	Subtotal- Payroll Expense	**$ 218,229**	**$ 211,591**	**$ 205,243**	**$ 209,348**	**$ 215,629**	**$ 222,097**
5140	Contract Labor	$ 7,919	$ 5,000	$ 4,850	$ 4,996	$ 5,145	$ 5,300
5145	Road Maintenance	-	-	-	-	-	-
5146	Impact Fee Study	-	10,000	9,700	9,991	10,291	10,599
5147	Master Plan	-	5,000	4,850	4,996	5,145	5,300
5149	Engineering	29,880	5,000	4,850	4,996	5,145	5,300
5150	Legal	-	-	-	-	-	-
5395	Garbage	-	-	-	-	-	-
	Subtotal- Legal & Professional	**$ 37,799**	**$ 25,000**	**$ 24,250**	**$ 24,978**	**$ 25,727**	**$ 26,499**
5207	Water Meters	$ 52,649	$ 42,800	$ 41,516	$ 42,761	$ 44,044	$ 45,366
5208	Computer Software/Hardware	3,014	1,500	1,455	1,499	1,544	1,590
5209	Office Supplies	2,183	1,400	1,358	1,399	1,441	1,484
5210	Materials/Supplies	27,697	25,000	24,250	24,978	25,727	26,499
5212	Radio Read Fireflys	-	-	-	-	-	-
5500	Chemicals	17,652	20,000	20,952	21,942	22,973	24,046
5600	Lift Station Upgrades	-	-	-	-	-	-
	Subtotal- Materials & Supplies	**$ 103,195**	**$ 90,700**	**$ 89,531**	**$ 92,579**	**$ 95,729**	**$ 98,984**
5205	Maintenance Agreements	$ 17,453	$ 13,000	$ 12,610	$ 12,988	$ 13,378	$ 13,779
5225	Facility Maintenance	394	1,000	970	999	1,029	1,060

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Worksheet 2

Section IV - Actual & Projected Revenue Requirements

Actual & Projected Expenditures by Line Item

Water Department

Code	Description	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
5230	Equipment Repairs	39,772	35,000	33,950	34,969	36,018	37,098
5231	Equipment O&M	359	2,000	1,940	1,998	2,058	2,120
5279	Gasoline	13,154	14,000	13,580	13,987	14,407	14,839
5280	Vehicle O&M	1,774	1,200	1,164	1,199	1,235	1,272
5281	Vehicle Repairs	4,935	3,000	2,910	2,997	3,087	3,180
5510	Testing W/S Samples	3,326	3,200	3,104	3,197	3,293	3,392
5515	Sewer Sludge Removal	-	-	-	-	-	-
	Subtotal- Maintenance	**$ 81,168**	**$ 72,400**	**$ 70,228**	**$ 72,335**	**$ 74,505**	**$ 76,740**
5400	Land Phone Line	$ 2,156	$ 1,500	$ 1,455	$ 1,499	$ 1,544	$ 1,590
5401	Cell Phone	3,784	3,000	2,910	2,997	3,087	3,180
5402	Pager	-	-	-	-	-	-
5403	Internet DSL	3,752	3,300	3,201	3,297	3,396	3,498
5419	Natural Gas	439	650	631	649	669	689
5420	Electricity	190,774	190,000	198,140	206,597	215,382	224,507
5421	Other Utilities	-	-	-	-	-	-
	Subtotal- Utility Expense	**$ 200,906**	**$ 198,450**	**$ 206,337**	**$ 215,040**	**$ 224,078**	**$ 233,464**
5162	Credit Card Fees	$ 2,286	$ -	$ -	$ -	$ -	$ -
5180	Licenses/Permits/Filing	6,452	3,600	3,492	3,597	3,705	3,816
5220	Postage	19,022	20,000	19,752	20,685	21,657	22,669
5240	General Insurance	9,488	8,500	8,245	8,492	8,747	9,010
5250	Memberships & Dues	233	700	679	699	720	742
5269	School Registration & Tuition	1,858	1,500	1,455	1,499	1,544	1,590
5270	Travel, Meals, & Lodging	556	1,000	970	999	1,029	1,060
5285	Hiring Expenses	-	-	-	-	-	-
5290	Advertising	2,318	2,500	2,425	2,498	2,573	2,650
5340	Rent	310	500	485	500	515	530
5370	Uniforms	2,627	1,500	1,455	1,499	1,544	1,590
5410	Office Cleaning	1,028	1,200	1,164	1,199	1,235	1,272
5415	Equipment Rental	1,455	750	728	749	772	795

Worksheet 2

Section IV - Actual & Projected Revenue Requirements

Actual & Projected Expenditures by Line Item

Water Department

Code	Description	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
5430	Interest Expense	-	-	-	-	-	-
5440	Paying Agent Fees	3,500	2,850	2,765	2,847	2,933	3,021
5451	Bond Issuance Fees	24,157	-	-	-	-	-
5640	CCN Acquisition	-	-	-	-	-	-
5700	Equipment	-	5,000	4,850	4,996	5,145	5,300
5740	UTRWD Water Purchases	1,063,361	1,105,826	1,142,290	1,179,947	1,218,835	1,258,995
5750	Capital Outlay	-	5,000	4,850	4,996	5,145	5,300
5779	Light Farms Sewer Line	-	-	-	-	-	-
5780	High School Sewer Line	-	-	-	-	-	-
5785	Bad Debt Expense	3,523	-	-	-	-	-
5800	Bond Indebtedness	-	-	-	-	-	-
5900	Depreciation Expense	-	-	-	-	-	-
	Subtotal- Miscellaneous Expense	**$ 1,142,174**	**$ 1,160,426**	**$ 1,195,603**	**$ 1,235,201**	**$ 1,276,098**	**$ 1,318,338**
5144	Transfer to General Fund	$ 325,000	$ 50,000	$ 50,000	$ 216,667	$ 216,667	$ 233,333
N/A	Franchise Fee	-	-	-	-	-	-
5805	Transfer to Debt Service Fund	964,180	670,588	507,624	510,796	508,699	506,685
7500	Transfer Out Into General Fund	-	-	-	-	-	-
	Subtotal- Total Transfers	**$ 1,289,180**	**$ 720,588**	**$ 557,624**	**$ 727,463**	**$ 725,366**	**$ 740,019**
		720,109	652,741	90.6%			
	Total Expenditures	**$ 3,072,650**	**$ 2,479,155**	**$ 2,348,816**	**$ 2,576,943**	**$ 2,637,131**	**$ 2,716,140**
Control Totals		$ 3,072,650	$ 2,479,154	$ 2,563,658	$ 2,801,121	$ 2,871,010	$ 2,960,095

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Worksheet 3
Section IV - Actual & Projected Revenue Requirements
Actual & Projected Expenditures by Line Item
Sewer Department

Code	Description	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
5100	Salaries	$ 79,276	$ 92,561	$ 89,784	$ 91,580	$ 94,327	$ 97,157
5105	Overtime	5,758	9,000	8,730	8,905	9,172	9,447
5110	Tax Expense	6,781	6,224	6,037	6,158	6,343	6,533
5111	SUTA	378	540	524	534	550	567
5115	Group Health Insurance	12,369	13,730	13,318	13,584	13,992	14,412
5116	TMRS	4,176	4,024	3,903	3,981	4,101	4,224
5117	Workers Compensation	1,000	2,652	2,572	2,624	2,703	2,784
5120	Christmas Bonus	700	796	772	788	811	836
	Subtotal- Payroll Expense	**$ 110,438**	**$ 129,527**	**$ 125,641**	**$ 128,154**	**$ 131,999**	**$ 135,959**
5140	Contract Labor	$ 8,150	$ -	$ -	$ -	$ -	$ -
5145	Road Maintenance	-	-	-	-	-	-
5146	Impact Fee Study	-	10,000	9,700	9,991	10,291	10,599
5147	Master Plan	-	5,000	4,850	4,996	5,145	5,300
5149	Engineering	1,865	2,000	1,940	1,998	2,058	2,120
5150	Legal	-	-	-	-	-	-
5395	Garbage	-	-	-	-	-	-
	Subtotal- Legal & Professional	**$ 10,015**	**$ 17,000**	**$ 16,490**	**$ 16,985**	**$ 17,494**	**$ 18,019**
5207	Water Meters	$ -	$ -	$ -	$ -	$ -	$ -
5208	Computer Software/Hardware	968	600	582	599	617	636
5209	Office Supplies	306	300	291	300	309	318
5210	Materials/Supplies	13,879	6,000	5,820	5,995	6,174	6,360
5212	Radio Read Fireflys	-	-	-	-	-	-
5500	Chemicals	7,834	10,000	10,563	11,151	11,765	12,405
5600	Lift Station Upgrades	-	3,000	2,910	2,997	3,087	3,180
	Subtotal- Materials & Supplies	**$ 22,986**	**$ 19,900**	**$ 20,166**	**$ 21,042**	**$ 21,953**	**$ 22,898**
5205	Maintenance Agreements	$ 2,715	$ 5,000	$ 4,850	$ 4,996	$ 5,145	$ 5,300
5225	Facility Maintenance	129	1,000	970	999	1,029	1,060

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Worksheet 3
Section IV - Actual & Projected Revenue Requirements
Actual & Projected Expenditures by Line Item
Sewer Department

Code	Description	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
5230	Equipment Repairs	25,212	28,000	27,160	27,975	28,814	29,678
5231	Equipment O&M	975	1,500	1,455	1,499	1,544	1,590
5279	Gasoline	4,495	5,500	5,335	5,495	5,660	5,830
5280	Vehicle O&M	1,221	1,200	1,164	1,199	1,235	1,272
5281	Vehicle Repairs	1,506	1,000	970	999	1,029	1,060
5510	Testing W/S Samples	12,240	13,000	12,610	12,988	13,378	13,779
5515	Sewer Sludge Removal	6,297	8,000	7,760	7,993	8,233	8,480
	Subtotal- Maintenance	**$ 54,790**	**$ 64,200**	**$ 62,274**	**$ 64,142**	**$ 66,066**	**$ 68,048**
5400	Land Phone Line	$ 2,566	$ 2,300	$ 2,231	$ 2,298	$ 2,367	$ 2,438
5401	Cell Phone	1,395	1,200	1,164	1,199	1,235	1,272
5402	Pager	-	-	-	-	-	-
5403	Internet DSL	1,001	900	873	899	926	954
5419	Natural Gas	-	-	-	-	-	-
5420	Electricity	-	53,000	55,879	58,881	62,013	65,279
5421	Other Utilities	50,198	-	-	-	-	-
	Subtotal- Utility Expense	**$ 55,160**	**$ 57,400**	**$ 60,147**	**$ 63,277**	**$ 66,541**	**$ 69,943**
				1.047852899			
5162	Credit Card Fees	$ -	$ -	$ -	$ -	$ -	$ -
5180	Licenses/Permits/Filing	2,195	500	485	500	515	530
5220	Postage	118	100	100	105	111	117
5240	General Insurance	6,100	6,100	5,917	6,095	6,277	6,466
5250	Memberships & Dues	72	250	243	250	257	265
5269	School Registration & Tuition	531	1,000	970	999	1,029	1,060
5270	Travel, Meals, & Lodging	1,353	500	485	500	515	530
5285	Hiring Expenses	-	-	-	-	-	-
5290	Advertising	2,825	1,000	970	999	1,029	1,060
5340	Rent	-	-	-	-	-	-
5370	Uniforms	965	1,200	1,164	1,199	1,235	1,272
5410	Office Cleaning	-	-	-	-	-	-
5415	Equipment Rental	322	500	485	500	515	530

Worksheet 3
Section IV - Actual & Projected Revenue Requirements
Actual & Projected Expenditures by Line Item
Sewer Department

Code	Description	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
5430	Interest Expense	6,936	6,936	6,728	6,930	7,138	7,352
5440	Paying Agent Fees	-	-	-	-	-	-
5451	Bond Issuance Fees	300	-	-	-	-	-
5640	CCN Acquisition	-	-	-	-	-	-
5700	Equipment	-	5,000	4,850	4,996	5,145	5,300
5740	UTRWD Water Purchases	5,654	214,950	338,133	490,000	490,000	490,000
5750	Capital Outlay	-	-	-	-	-	-
5779	Light Farms Sewer Line	-	-	-	-	-	-
5780	High School Sewer Line	-	-	-	-	-	-
5785	Bad Debt Expense	-	-	-	-	-	-
5800	Bond Indebtedness	-	-	-	-	-	-
5900	Depreciation Expense	-	-	-	-	-	-
	Subtotal- Miscellaneous Expense	**$ 27,371**	**$ 238,036**	**$ 360,529**	**$ 513,070**	**$ 513,765**	**$ 514,481**
5144	Transfer to General Fund	$ -	$ 25,000	$ 25,000	$ 108,333	$ 108,333	$ 116,667
N/A	Franchise Fee	-	-	-	-	-	-
5805	Transfer to Debt Service Fund	-	335,294	483,030	484,756	483,527	482,105
7500	Transfer Out Into General Fund	-	-	-	-	-	-
	Subtotal- Total Transfers	**$ -**	**$ 360,294**	**$ 508,030**	**$ 593,089**	**$ 591,860**	**$ 598,772**
	Total Expenditures	**$ 280,759**	**$ 886,357**	**$ 1,153,277**	**$ 1,399,760**	**$ 1,409,679**	**$ 1,428,120**
Control Totals		$ 280,759	$ 886,357				

Worksheet 4

Section IV - Actual & Projected Revenue Requirements
Actual & Projected Revenues by Line Item

Code	Description	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
4027	Credit Card Fees	27	-	-	-	-	-
4072	Water Tower Rental Fees	50,995	51,866	51,866	51,866	51,866	51,866
4230	Reconnect/Disconnect Fees	13,040	-	5,000	5,000	5,000	5,000
4232	Customer Service Fees	905	-	-	-	-	-
4235	Transfer Fees	1,075	-	-	-	-	-
4240	Water Taps	62,416	42,000	42,738	43,477	44,215	44,954
4241	Sewer Taps	2,400	-	-	-	-	-
	Subtotal - Fines & Fees	**$ 130,858**	**$ 93,866**	**$ 99,604**	**$ 100,343**	**$ 101,081**	**$ 101,820**
4220	Penalties	$ 55,372	$ 47,500	$ 79,417	$ 83,684	$ 88,987	$ 94,732
4800	Interest Income	2,786	2,500	$ 3,576	$ 3,768	$ 4,007	$ 4,266
	Subtotal - Penalties & Interest	**$ 58,158**	**$ 50,000**	**$ 82,993**	**$ 87,452**	**$ 92,994**	**$ 98,997**
4236	Radio Read Reserve	$ 6,264	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ 5,000
4850	Miscellaneous Income	11,649	5,000	5,000	5,000	5,000	5,000
	Subtotal - Miscellaneous Income	**$ 17,913**	**$ 10,000**	**$ 10,000**	**$ 10,000**	**$ 10,000**	**$ 10,000**

Worksheet 5
Development of Cost-Based Rates - Water
Calculation of Average Fixed Cost per Meter Equivalent - Water
Step 4

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
1		Annual Meter Equivalents Billed		40,514	41,114	41,594	42,074	42,554	43,034
2									
3	5100	Salaries	Fixed	$ 3.52	$ 3.53	$ 3.38	$ 3.41	$ 3.47	$ 3.54
4	5105	Overtime	Fixed	0.49	0.29	0.28	0.28	0.29	0.29
5	5110	Tax Expense	Fixed	0.32	0.29	0.28	0.28	0.29	0.29
6	5111	SUTA	Fixed	0.02	0.03	0.03	0.03	0.03	0.03
7	5115	Group Health Insurance	Fixed	0.73	0.67	0.64	0.65	0.66	0.67
8	5116	TMRS	Fixed	0.19	0.19	0.18	0.18	0.19	0.19
9	5117	Workers Compensation	Fixed	0.11	0.14	0.13	0.13	0.13	0.14
10	5120	Christmas Bonus	Fixed	0.01	0.02	0.02	0.02	0.02	0.02
11		**Subtotal- Payroll Expense**		**$ 5.39**	**$ 5.15**	**$ 4.93**	**$ 4.98**	**$ 5.07**	**$ 5.16**
12									
13	5140	Contract Labor	-	$ -	$ -	$ -	$ -	$ -	$ -
15	5146	Impact Fee Study	-	-	-	-	-	-	-
16	5147	Master Plan	-	-	-	-	-	-	-
17	5149	Engineering	-	-	-	-	-	-	-
20		**Subtotal- Legal & Professional**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
21									
22	5207	Water Meters	Fixed	$ 1.30	$ 1.04	$ 1.00	$ 1.02	$ 1.04	$ 1.05
23	5208	Computer Software/Hardware	-	-	-	-	-	-	-
24	5209	Office Supplies	-	-	-	-	-	-	-
25	5210	Materials/Supplies	-	-	-	-	-	-	-
27	5500	Chemicals	-	-	-	-	-	-	-
29		**Subtotal- Materials & Supplies**		**$ 1.30**	**$ 1.04**	**$ 1.00**	**$ 1.02**	**$ 1.04**	**$ 1.05**
30									
31	5205	Maintenance Agreements	-	$ -	$ -	$ -	$ -	$ -	$ -
32	5225	Facility Maintenance	-	-	-	-	-	-	-
33	5230	Equipment Repairs	-	-	-	-	-	-	-
34	5231	Equipment O&M	-	-	-	-	-	-	-
35	5279	Gasoline	-	-	-	-	-	-	-
36	5280	Vehicle O&M	-	-	-	-	-	-	-
37	5281	Vehicle Repairs	-	-	-	-	-	-	-
38	5510	Testing W/S Samples	-	-	-	-	-	-	-
40		**Subtotal- Maintenance**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Worksheet 5 (continued)

Development of Cost-Based Rates - Water

Calculation of Average Fixed Cost per Meter Equivalent - Water

Step 4

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
41									
42	5400	Land Phone Line	-	$ -	$ -	$ -	$ -	$ -	$ -
43	5401	Cell Phone	-	-	-	-	-	-	-
45	5403	Internet DSL	-	-	-	-	-	-	-
46	5419	Natural Gas	-	-	-	-	-	-	-
47	5420	Electricity	-	-	-	-	-	-	-
49		**Subtotal- Utility Expense**		$ -	$ -	$ -	$ -	$ -	$ -
50									
51	5162	Credit Card Fees	-	$ -	$ -	$ -	$ -	$ -	$ -
52	5180	Licenses/Permits/Filing	-	-	-	-	-	-	-
53	5220	Postage	Fixed	0.47	0.49	0.47	0.49	0.51	0.53
54	5240	General Insurance	-	-	-	-	-	-	-
55	5250	Memberships & Dues	-	-	-	-	-	-	-
56	5269	School Registration & Tuition	-	-	-	-	-	-	-
57	5270	Travel, Meals, & Lodging	-	-	-	-	-	-	-
58	5285	Hiring Expenses	-	-	-	-	-	-	-
59	5290	Advertising	-	-	-	-	-	-	-
60	5340	Rent	-	-	-	-	-	-	-
61	5370	Uniforms	-	-	-	-	-	-	-
62	5410	Office Cleaning	-	-	-	-	-	-	-
63	5415	Equipment Rental	-	-	-	-	-	-	-
65	5440	Paying Agent Fees	-	-	-	-	-	-	-
66	5451	Bond Issuance Fees	-	-	-	-	-	-	-
68	5700	Equipment	-	-	-	-	-	-	-
69	5740	UTRWD Water Purchases - Demand Charge	Fixed	20.05	20.85	21.23	21.61	22.01	22.42
70	5740	UTRWD Water Purchases - Volume Charge	-	-	-	-	-	-	-
71	5750	Capital Outlay	-	-	-	-	-	-	-
74	5785	Bad Debt Expense	-	-	-	-	-	-	-
77		**Subtotal- Miscellaneous Expense**		**$ 20.52**	**$ 21.33**	**$ 21.70**	**$ 22.11**	**$ 22.52**	**$ 22.94**
78									
79	5144	Transfer to General Fund	Fixed	$ 8.02	$ 1.22	$ 1.20	$ 5.15	$ 5.09	$ 5.42
81	5805	Transfer to Debt Service Fund	Fixed	23.80	16.31	12.20	12.14	11.95	11.77
83		**Subtotal- Total Transfers**		**$ 31.82**	**$ 17.53**	**$ 13.41**	**$ 17.29**	**$ 17.05**	**$ 17.20**
84									
85		**Garbage Contract - Water's Share**	Fixed	$ 4.89	$ 5.01	$ 5.17	$ 5.33	$ 5.50	$ 5.67
86									
87		**GROSS COST OF SERVICE - WATER**		**$ 63.92**	**$ 50.06**	**$ 46.21**	**$ 50.72**	**$ 51.16**	**$ 52.03**

Worksheet 5 (continued)
Development of Cost-Based Rates - Water
Calculation of Average Fixed Cost per Meter Equivalent - Water
Step 4

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
88									
90	4027	Credit Card Fees	-	-	-	-	-	-	-
91	4072	Water Tower Rental Fees	Fixed	(1.26)	(1.26)	(1.25)	(1.23)	(1.22)	(1.21)
94	4230	Reconnect/Disconnect Fees	-	-	-	-	-	-	-
95	4232	Customer Service Fees	-	-	-	-	-	-	-
96	4235	Transfer Fees	-	-	-	-	-	-	-
97	4240	Water Taps	Fixed	(1.54)	(1.02)	(1.03)	(1.03)	(1.04)	(1.04)
99		**Subtotal - Fines & Fees**		**$ (2.80)**	**$ (2.28)**	**$ (2.27)**	**$ (2.27)**	**$ (2.26)**	**$ (2.25)**
100									
101	4220	Penalties	Both	$ (0.77)	$ (0.63)	$ (1.02)	$ (1.08)	$ (1.13)	$ (1.18)
102	4800	Interest Income	Both	(0.04)	(0.03)	(0.05)	(0.05)	(0.05)	(0.05)
103		**Subtotal - Penalties & Interest**		**$ (0.81)**	**$ (0.66)**	**$ (1.07)**	**$ (1.13)**	**$ (1.18)**	**$ (1.24)**
104									
105	4236	Radio Read Reserve	Fixed	$ (0.10)	$ (0.08)	$ (0.08)	$ (0.08)	$ (0.08)	$ (0.08)
110	4850	Miscellaneous Income	-	-	-	-	-	-	-
111		**Subtotal - Miscellaneous Income**		**$ (0.10)**	**$ (0.08)**	**$ (0.08)**	**$ (0.08)**	**$ (0.08)**	**$ (0.08)**
112									
113		**Garbage Billing - Water's Share**	Fixed	**$ (5.11)**	**$ (5.13)**	**$ (5.14)**	**$ (5.15)**	**$ (5.16)**	**$ (5.17)**
114									
115		**TOTAL REVENUE OFFSETS - WATER**		**$ (8.83)**	**$ (8.15)**	**$ (8.56)**	**$ (8.62)**	**$ (8.67)**	**$ (8.73)**
116									
117		**NET COST OF SERVICE - WATER**		**$ 55.09**	**$ 41.91**	**$ 37.65**	**$ 42.10**	**$ 42.49**	**$ 43.30**
118									
119		**Increase/(Decrease) in Operating Reserves**	Both	**$ (8.89)**	**$ 0.94**	**$ 6.48**	**$ 4.92**	**$ 6.90**	**$ 8.70**
120									
121		**Revenues Required from Rates - Water**		**$ 46.20**	**$ 42.84**	**$ 44.13**	**$ 47.02**	**$ 49.39**	**$ 52.00**
		Increase in Average Rate per Th. Gallons->			**-7.3%**	**3.0%**	**6.6%**	**5.0%**	**5.3%**

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Worksheet 6
Development of Cost-Based Rates - Water
Calculation of Average Variable Cost per Th. Gallons - Water
Step 5

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
1		Th. Gallons Billed		258,555	262,771	266,146	269,521	272,896	276,271
2									
3	5100	Salaries	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
4	5105	Overtime	Fixed	-	-	-	-	-	-
5	5110	Tax Expense	Fixed	-	-	-	-	-	-
6	5111	SUTA	Fixed	-	-	-	-	-	-
7	5115	Group Health Insurance	Fixed	-	-	-	-	-	-
8	5116	TMRS	Fixed	-	-	-	-	-	-
9	5117	Workers Compensation	Fixed	-	-	-	-	-	-
10	5120	Christmas Bonus	Fixed	-	-	-	-	-	-
11		**Subtotal- Payroll Expense**		$ -	$ -	$ -	$ -	$ -	$ -
12									
13	5140	Contract Labor	-	$ 7,919	$ 5,000	$ 4,850	$ 4,996	$ 5,145	$ 5,300
15	5146	Impact Fee Study	-	-	10,000	9,700	9,991	10,291	10,599
16	5147	Master Plan	-	-	5,000	4,850	4,996	5,145	5,300
17	5149	Engineering	-	29,880	5,000	4,850	4,996	5,145	5,300
20		**Subtotal- Legal & Professional**		**$ 37,799**	**$ 25,000**	**$ 24,250**	**$ 24,978**	**$ 25,727**	**$ 26,499**
21									
22	5207	Water Meters	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
23	5208	Computer Software/Hardware	-	3,014	1,500	1,455	1,499	1,544	1,590
24	5209	Office Supplies	-	2,183	1,400	1,358	1,399	1,441	1,484
25	5210	Materials/Supplies	-	27,697	25,000	24,250	24,978	25,727	26,499
27	5500	Chemicals	-	17,652	20,000	20,952	21,942	22,973	24,046
29		**Subtotal- Materials & Supplies**		**$ 50,546**	**$ 47,900**	**$ 48,015**	**$ 49,817**	**$ 51,684**	**$ 53,618**
30									
31	5205	Maintenance Agreements	-	$ 17,453	$ 13,000	$ 12,610	$ 12,988	$ 13,378	$ 13,779
32	5225	Facility Maintenance	-	394	1,000	970	999	1,029	1,060
33	5230	Equipment Repairs	-	39,772	35,000	33,950	34,969	36,018	37,098
34	5231	Equipment O&M	-	359	2,000	1,940	1,998	2,058	2,120
35	5279	Gasoline	-	13,154	14,000	13,580	13,987	14,407	14,839
36	5280	Vehicle O&M	-	1,774	1,200	1,164	1,199	1,235	1,272
37	5281	Vehicle Repairs	-	4,935	3,000	2,910	2,997	3,087	3,180
38	5510	Testing W/S Samples	-	3,326	3,200	3,104	3,197	3,293	3,392
40		**Subtotal- Maintenance**		**$ 81,168**	**$ 72,400**	**$ 70,228**	**$ 72,335**	**$ 74,505**	**$ 76,740**

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Worksheet 6 (continued)
Development of Cost-Based Rates - Water
Calculation of Average Variable Cost per Th. Gallons - Water
Step 5

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
41									
42	5400	Land Phone Line	-	$ 2,156	$ 1,500	$ 1,455	$ 1,499	$ 1,544	$ 1,590
43	5401	Cell Phone	-	3,784	3,000	2,910	2,997	3,087	3,180
45	5403	Internet DSL	-	3,752	3,300	3,201	3,297	3,396	3,498
46	5419	Natural Gas	-	439	650	631	649	669	689
47	5420	Electricity	-	190,774	190,000	198,140	206,597	215,382	224,507
49		**Subtotal- Utility Expense**		**$ 200,906**	**$ 198,450**	**$ 206,337**	**$ 215,040**	**$ 224,078**	**$ 233,464**
50									
51	5162	Credit Card Fees	-	$ 2,286	$ -	$ -	$ -	$ -	$ -
52	5180	Licenses/Permits/Filing	-	6,452	3,600	3,492	3,597	3,705	3,816
53	5220	Postage	Fixed	-	-	-	-	-	-
54	5240	General Insurance	-	9,488	8,500	8,245	8,492	8,747	9,010
55	5250	Memberships & Dues	-	233	700	679	699	720	742
56	5269	School Registration & Tuition	-	1,858	1,500	1,455	1,499	1,544	1,590
57	5270	Travel, Meals, & Lodging	-	556	1,000	970	999	1,029	1,060
58	5285	Hiring Expenses	-	-	-	-	-	-	-
59	5290	Advertising	-	2,318	2,500	2,425	2,498	2,573	2,650
60	5340	Rent	-	310	500	485	500	515	530
61	5370	Uniforms	-	2,627	1,500	1,455	1,499	1,544	1,590
62	5410	Office Cleaning	-	1,028	1,200	1,164	1,199	1,235	1,272
63	5415	Equipment Rental	-	1,455	750	728	749	772	795
65	5440	Paying Agent Fees	-	3,500	2,850	2,765	2,847	2,933	3,021
66	5451	Bond Issuance Fees	-	24,157	-	-	-	-	-
68	5700	Equipment	-	-	5,000	4,850	4,996	5,145	5,300
69	5740	UTRWD Water Purchases - Demand Charge	Fixed	-	-	-	-	-	-
70	5740	UTRWD Water Purchases - Volume Charge	-	250,936	248,664	259,412	270,583	282,191	294,251
71	5750	Capital Outlay	-	-	5,000	4,850	4,996	5,145	5,300
74	5785	Bad Debt Expense	-	3,523	-	-	-	-	-
77		**Subtotal- Miscellaneous Expense**		**$ 310,728**	**$ 283,264**	**$ 292,974**	**$ 305,152**	**$ 317,797**	**$ 330,925**
78									
79	5144	Transfer to General Fund	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
81	5805	Transfer to Debt Service Fund	Fixed	-	-	-	-	-	-
83		**Subtotal- Total Transfers**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
84									
85		**Garbage Contract - Water's Share**	Fixed	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
86									
87		**GROSS COST OF SERVICE - WATER**		**$ 681,146**	**$ 627,014**	**$ 641,804**	**$ 667,321**	**$ 693,790**	**$ 721,246**

Worksheet 6 (continued)
Development of Cost-Based Rates - Water
Calculation of Average Variable Cost per Th. Gallons - Water
Step 5

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
88				0	0	0	0	0	0
90	4027	Credit Card Fees	-	(19)	-	-	-	-	-
91	4072	Water Tower Rental Fees	Fixed	-	-	-	-	-	-
94	4230	Reconnect/Disconnect Fees	-	(8,683)	-	(3,301)	(3,289)	(3,277)	(3,266)
95	4232	Customer Service Fees	-	(603)	-	-	-	-	-
96	4235	Transfer Fees	-	(716)	-	-	-	-	-
97	4240	Water Taps	Fixed	-	-	-	-	-	-
99		**Subtotal - Fines & Fees**		**$ (10,021)**	**$ -**	**$ (3,301)**	**$ (3,289)**	**$ (3,277)**	**$ (3,266)**
100									
101	4220	Penalties	Both	$ (8,248)	$ (7,850)	$ (14,197)	$ (14,225)	$ (15,324)	$ (16,411)
102	4800	Interest Income	Both	(415)	(413)	(639)	(641)	(690)	(739)
103		**Subtotal - Penalties & Interest**		**$ (8,663)**	**$ (8,263)**	**$ (14,837)**	**$ (14,866)**	**$ (16,014)**	**$ (17,150)**
104									
105	4236	Radio Read Reserve	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
110	4850	Miscellaneous Income	-	(8,332)	(3,538)	(3,570)	(3,568)	(3,563)	(3,555)
111		**Subtotal - Miscellaneous Income**		**$ (8,332)**	**$ (3,538)**	**$ (3,570)**	**$ (3,568)**	**$ (3,563)**	**$ (3,555)**
112									
113		**Garbage Billing - Water's Share**	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
114									
115		**TOTAL REVENUE OFFSETS - WATER**		**$ (27,016)**	**$ (11,801)**	**$ (21,708)**	**$ (21,722)**	**$ (22,855)**	**$ (23,971)**
116									
117		**NET COST OF SERVICE - WATER**		**$ 654,130**	**$ 615,212**	**$ 620,096**	**$ 645,599**	**$ 670,935**	**$ 697,275**
118									
119		**Increase/(Decrease) in Operating Reserves**	Both	**$ (94,768)**	**$ 11,727**	**$ 89,990**	**$ 64,750**	**$ 93,534**	**$ 120,643**
120									
121		**Revenues Required from Rates - Water**		**$ 559,362**	**$ 626,940**	**$ 710,085**	**$ 710,349**	**$ 764,469**	**$ 817,918**
					1,761,462				

Worksheet 7
Development of Cost-Based Rates - Water
Calculation of Average Variable Cost per Th. Gallons - Water
Step 6

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
1		Th. Gallons Billed		258,555	262,771	266,146	269,521	272,896	276,271
2									
3	5100	Salaries	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
4	5105	Overtime	Fixed	-	-	-	-	-	-
5	5110	Tax Expense	Fixed	-	-	-	-	-	-
6	5111	SUTA	Fixed	-	-	-	-	-	-
7	5115	Group Health Insurance	Fixed	-	-	-	-	-	-
8	5116	TMRS	Fixed	-	-	-	-	-	-
9	5117	Workers Compensation	Fixed	-	-	-	-	-	-
10	5120	Christmas Bonus	Fixed	-	-	-	-	-	-
11		**Subtotal- Payroll Expense**		$ -	$ -	$ -	$ -	$ -	$ -
12									
13	5140	Contract Labor	-	$ 0.03	$ 0.02	$ 0.02	$ 0.02	$ 0.02	$ 0.02
15	5146	Impact Fee Study	-	-	0.04	0.04	0.04	0 04	0.04
16	5147	Master Plan	-	-	0.02	0.02	0.02	0.02	0.02
17	5149	Engineering	-	0.12	0.02	0.02	0.02	0.02	0.02
20		**Subtotal- Legal & Professional**		**$ 0.15**	**$ 0.10**	**$ 0.09**	**$ 0.09**	**$ 0.09**	**$ 0.10**
21									
22	5207	Water Meters	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
23	5208	Computer Software/Hardware	-	0.01	0.01	0.01	0.01	0.01	0.01
24	5209	Office Supplies	-	0.01	0.01	0.01	0.01	0.01	0.01
25	5210	Materials/Supplies	-	0.11	0.10	0.09	0.09	0.09	0.10
27	5500	Chemicals	-	0.07	0.08	0.08	0.08	0.08	0.09
29		**Subtotal- Materials & Supplies**		**$ 0.20**	**$ 0.18**	**$ 0.18**	**$ 0.18**	**$ 0.19**	**$ 0.19**
30									
31	5205	Maintenance Agreements	-	$ 0.07	$ 0.05	$ 0.05	$ 0.05	$ 0 05	$ 0 05
32	5225	Facility Maintenance	-	0.00	0.00	0.00	0.00	0.00	0.00
33	5230	Equipment Repairs	-	0 15	0.13	0.13	0.13	0.13	0.13
34	5231	Equipment O&M	-	0.00	0.01	0.01	0 01	0.01	0.01
35	5279	Gasoline	-	0 05	0.05	0 05	0 05	0.05	0.05
36	5280	Vehicle O&M	-	0.01	0.00	0.00	0.00	0.00	0.00
37	5281	Vehicle Repairs	-	0.02	0.01	0.01	0.01	0.01	0.01
38	5510	Testing W/S Samples	-	0.01	0.01	0.01	0.01	0.01	0.01
40		**Subtotal- Maintenance**		**$ 0.31**	**$ 0.28**	**$ 0.26**	**$ 0.27**	**$ 0.27**	**$ 0.28**

Worksheet 7 (continued)
Development of Cost-Based Rates - Water
Calculation of Average Variable Cost per Th. Gallons - Water
Step 6

		Description	Fixed or Variable?		Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
41										
42	5400	Land Phone Line		-	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01
43	5401	Cell Phone		-	0 01	0.01	0.01	0.01	0.01	0.01
45	5403	Internet DSL		-	0.01	0.01	0.01	0.01	0 01	0.01
46	5419	Natural Gas		-	0.00	0.00	0.00	0.00	0.00	0.00
47	5420	Electricity		-	0.74	0.72	0.74	0.77	0.79	0.81
49		**Subtotal- Utility Expense**			**$ 0.78**	**$ 0.76**	**$ 0.78**	**$ 0.80**	**$ 0.82**	**$ 0.85**
50										
51	5162	Credit Card Fees		-	$ 0.01	$ -	$ -	$ -	$ -	$ -
52	5180	Licenses/Permits/Filing		-	0.02	0.01	0.01	0.01	0.01	0.01
53	5220	Postage	Fixed		-	-	-	-	-	-
54	5240	General Insurance		-	0.04	0.03	0.03	0.03	0.03	0.03
55	5250	Memberships & Dues		-	0.00	0.00	0.00	0.00	0.00	0.00
56	5269	School Registration & Tuition		-	0.01	0.01	0.01	0.01	0.01	0.01
57	5270	Travel, Meals, & Lodging		-	0.00	0.00	0 00	0.00	0.00	0.00
58	5285	Hiring Expenses		-	-	-	-	-	-	-
59	5290	Advertising		-	0 01	0.01	0.01	0.01	0.01	0.01
60	5340	Rent		-	0.00	0 00	0.00	0.00	0.00	0.00
61	5370	Uniforms		-	0.01	0.01	0 01	0.01	0.01	0.01
62	5410	Office Cleaning		-	0.00	0.00	0.00	0.00	0.00	0.00
63	5415	Equipment Rental		-	0.01	0.00	0.00	0.00	0.00	0.00
65	5440	Paying Agent Fees		-	0.01	0.01	0.01	0.01	0.01	0.01
66	5451	Bond Issuance Fees		-	0.09	-	-	-	-	-
68	5700	Equipment		-	-	0.02	0.02	0.02	0.02	0.02
69	5740	UTRWD Water Purchases - Demand Charge	Fixed		-	-	-	-	-	-
70	5740	UTRWD Water Purchases - Volume Charge		-	0.97	0.95	0.97	1.00	1.03	1.07
71	5750	Capital Outlay		-	-	0.02	0.02	0.02	0.02	0.02
74	5785	Bad Debt Expense		-	0.01	-	-	-	-	-
77		**Subtotal- Miscellaneous Expense**			**$ 1.20**	**$ 1.08**	**$ 1.10**	**$ 1.13**	**$ 1.16**	**$ 1.20**
78										
79	5144	Transfer to General Fund	Fixed		$ -	$ -	$ -	$ -	$ -	$ -
81	5805	Transfer to Debt Service Fund	Fixed		-	-	-	-	-	-
83		**Subtotal- Total Transfers**			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
84										
85		**Garbage Contract - Water's Share**	Fixed		$ -	$ -	$ -	$ -	$ -	$ -
86										
87		**GROSS COST OF SERVICE - WATER**			**$ 2.63**	**$ 2.39**	**$ 2.41**	**$ 2.48**	**$ 2.54**	**$ 2.61**

Worksheet 7 (continued)
Development of Cost-Based Rates - Water
Calculation of Average Variable Cost per Th. Gallons - Water
Step 6

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
88									
90	4027	Credit Card Fees	-	(0.00)	-	-	-	-	-
91	4072	Water Tower Rental Fees	Fixed	-	-	-	-	-	-
94	4230	Reconnect/Disconnect Fees	-	(0.03)	-	(0.01)	(0.01)	(0.01)	(0.01)
95	4232	Customer Service Fees	-	(0.00)	-	-	-	-	-
96	4235	Transfer Fees	-	(0.00)	-	-	-	-	-
97	4240	Water Taps	Fixed	-	-	-	-	-	-
99		**Subtotal - Fines & Fees**		**$ (0.04)**	**$ -**	**$ (0.01)**	**$ (0.01)**	**$ (0.01)**	**$ (0.01)**
100									
101	4220	Penalties	Both	$ (0.03)	$ (0.03)	$ (0.05)	$ (0.05)	$ (0.06)	$ (0.06)
102	4800	Interest Income	Both	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
103		**Subtotal - Penalties & Interest**		**$ (0.03)**	**$ (0.03)**	**$ (0.06)**	**$ (0.06)**	**$ (0.06)**	**$ (0.06)**
104									
105	4236	Radio Read Reserve	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
110	4850	Miscellaneous Income	-	(0.03)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
111		**Subtotal - Miscellaneous Income**		**$ (0.03)**	**$ (0.01)**	**$ (0.01)**	**$ (0.01)**	**$ (0.01)**	**$ (0.01)**
112									
113		**Garbage Billing - Water's Share**	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
114									
115		**TOTAL REVENUE OFFSETS - WATER**		**$ (0.10)**	**$ (0.04)**	**$ (0.08)**	**$ (0.08)**	**$ (0.08)**	**$ (0.09)**
116									
117		**NET COST OF SERVICE - WATER**		**$ 2.53**	**$ 2.34**	**$ 2.33**	**$ 2.40**	**$ 2.46**	**$ 2.52**
118									
119		**Increase/(Decrease) in Operating Reserves**	Both	**$ (0.37)**	**$ 0.04**	**$ 0.34**	**$ 0.24**	**$ 0.34**	**$ 0.44**
120									
121		**Revenues Required from Rates - Water**		**$ 2.16**	**$ 2.39**	**$ 2.67**	**$ 2.64**	**$ 2.80**	**$ 2.96**
		Increase in Average Rate per Th. Gallons->			**10.3%**	**11.8%**	**-1.2%**	**6.3%**	**5.7%**
		Total Change over 9 Years							

Celina Response to Staff 3-1

Worksheet 8
Development of Cost-Based Rates - Wastewater
Calculation of Average Cost per Th. Gallons - Wastewater
Step 1

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
1		Th. Gallons Billed		120,983	124,773	127,807	130,840	133,874	136,908
2									
3	5100	Salaries	Fixed	$ 79,276	$ 92,561	$ 89,784	$ 91,580	$ 94,327	$ 97,157
4	5105	Overtime	Fixed	5,758	9,000	8,730	8,905	9,172	9,447
5	5110	Tax Expense	Fixed	6,781	6,224	6,037	6,158	6,343	6,533
6	5111	SUTA	Fixed	378	540	524	534	550	567
7	5115	Group Health Insurance	Fixed	12,369	13,730	13,318	13,584	13,992	14,412
8	5116	TMRS	Fixed	4,176	4,024	3,903	3,981	4,101	4,224
9	5117	Workers Compensation	Fixed	1,000	2,652	2,572	2,624	2,703	2,784
10	5120	Christmas Bonus	Fixed	700	796	772	788	811	836
11		**Subtotal- Payroll Expense**		**$ 110,438**	**$ 129,527**	**$ 125,641**	**$ 128,154**	**$ 131,999**	**$ 135,959**
12									
13	5140	Contract Labor	-	$ 8,150	$ -	$ -	$ -	$ -	$ -
15	5146	Impact Fee Study	-	-	10,000	9,700	9,991	10,291	10,599
16	5147	Master Plan	-	-	5,000	4,850	4,996	5,145	5,300
17	5149	Engineering	-	1,865	2,000	1,940	1,998	2,058	2,120
20		**Subtotal- Legal & Professional**		**$ 10,015**	**$ 17,000**	**$ 16,490**	**$ 16,985**	**$ 17,494**	**$ 18,019**
21									
23	5208	Computer Software/Hardware	-	968	600	582	599	617	636
24	5209	Office Supplies	-	306	300	291	300	309	318
25	5210	Materials/Supplies	-	13,879	6,000	5,820	5,995	6,174	6,360
27	5500	Chemicals	-	7,834	10,000	10,563	11,151	11,765	12,405
28	5600	Lift Station Upgrades	-	-	3,000	2,910	2,997	3,087	3,180
29		**Subtotal- Materials & Supplies**		**$ 22,986**	**$ 19,900**	**$ 20,166**	**$ 21,042**	**$ 21,953**	**$ 22,898**
30									
31	5205	Maintenance Agreements	-	$ 2,715	$ 5,000	$ 4,850	$ 4,996	$ 5,145	$ 5,300
32	5225	Facility Maintenance	-	129	1,000	970	999	1,029	1,060
33	5230	Equipment Repairs	-	25,212	28,000	27,160	27,975	28,814	29,678
34	5231	Equipment O&M	-	975	1,500	1,455	1,499	1,544	1,590
35	5279	Gasoline	-	4,495	5,500	5,335	5,495	5,660	5,830
36	5280	Vehicle O&M	-	1,221	1,200	1,164	1,199	1,235	1,272
37	5281	Vehicle Repairs	-	1,506	1,000	970	999	1,029	1,060
38	5510	Testing W/S Samples	-	12,240	13,000	12,610	12,988	13,378	13,779
39	5515	Sewer Sludge Removal	-	6,297	8,000	7,760	7,993	8,233	8,480
40		**Subtotal- Maintenance**		**$ 54,790**	**$ 64,200**	**$ 62,274**	**$ 64,142**	**$ 66,066**	**$ 68,048**

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Worksheet 8 (continued)

Development of Cost-Based Rates - Wastewater

Calculation of Average Cost per Th. Gallons - Wastewater

Step 1

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
41									
42	5400	Land Phone Line	-	$ 2,566	$ 2,300	$ 2,231	$ 2,298	$ 2,367	$ 2,438
43	5401	Cell Phone	-	1,395	1,200	1,164	1,199	1,235	1,272
45	5403	Internet DSL	-	1,001	900	873	899	926	954
47	5420	Electricity	-	-	53,000	55,879	58,881	62,013	65,279
48	5421	Other Utilities	-	50,198	-	-	-	-	-
49		**Subtotal- Utility Expense**		**$ 55,160**	**$ 57,400**	**$ 60,147**	**$ 63,277**	**$ 66,541**	**$ 69,943**
50									
52	5180	Licenses/Permits/Filing	-	2,195	500	485	500	515	530
53	5220	Postage	Fixed	118	100	100	105	111	117
54	5240	General Insurance	-	6,100	6,100	5,917	6,095	6,277	6,466
55	5250	Memberships & Dues	-	72	250	243	250	257	265
56	5269	School Registration & Tuition	-	531	1,000	970	999	1,029	1,060
57	5270	Travel, Meals, & Lodging	-	1,353	500	485	500	515	530
59	5290	Advertising	-	2,825	1,000	970	999	1,029	1,060
61	5370	Uniforms	-	965	1,200	1,164	1,199	1,235	1,272
63	5415	Equipment Rental	-	322	500	485	500	515	530
64	5430	Interest Expense	-	6,936	6,936	6,728	6,930	7,138	7,352
66	5451	Bond Issuance Fees	-	300	-	-	-	-	-
68	5700	Equipment	-	-	5,000	4,850	4,996	5,145	5,300
69	5740	UTRWD Water Purchases - Demand Charge	Fixed	-	94,800	94,800	125,000	125,000	125,000
70	5740	UTRWD Water Purchases - Volume Charge	-	5,654	-	243,333	365,000	365,000	365,000
77		**Subtotal- Miscellaneous Expense**		**$ 27,371**	**$ 117,886**	**$ 360,529**	**$ 513,070**	**$ 513,765**	**$ 514,481**
78									
79	5144	Transfer to General Fund	Fixed	$ -	$ 25,000	$ 25,000	$ 108,333	$ 108,333	$ 116,667
80	N/A	Franchise Fee	-	-	-	-	-	-	-
81	5805	Transfer to Debt Service Fund	Fixed	-	335,294	483,030	484,756	483,527	482,105
82	7500	Transfer Out Into General Fund	-	-	-	-	-	-	-
83		**Subtotal- Total Transfers**		**$ -**	**$ 360,294**	**$ 508,030**	**$ 593,089**	**$ 591,860**	**$ 598,772**
84									
85		**Garbage Contract - Water's Share**	Fixed	**$ 99,411**	**$ 104,782**	**$ 110,574**	**$ 116,621**	**$ 122,933**	**$ 129,520**
86									
87		**GROSS COST OF SERVICE - WATER**		**$ 380,170**	**$ 870,989**	**$ 1,263,851**	**$ 1,516,381**	**$ 1,532,611**	**$ 1,557,640**

Celina Response to Staff 3-1

Worksheet 8 (continued)

Development of Cost-Based Rates - Wastewater

Calculation of Average Cost per Th. Gallons - Wastewater

Step 1

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
88									
90	4027	Credit Card Fees	-	(8)	-	-	-	-	-
94	4230	Reconnect/Disconnect Fees	-	(4,357)	-	(1,699)	(1,711)	(1,723)	(1,734)
95	4232	Customer Service Fees	-	(302)	-	-	-	-	-
96	4235	Transfer Fees	-	(359)	-	-	-	-	-
98	4241	Sewer Taps	-	(2,400)	-	-	-	-	-
99		**Subtotal - Fines & Fees**		**$ (7,426)**	**$ -**	**$ (1,699)**	**$ (1,711)**	**$ (1,723)**	**$ (1,734)**
100									
101	4220	Penalties	Both	$ (15,766)	$ (13,886)	$ (22,706)	$ (23,974)	$ (25,572)	$ (27,377)
102	4800	Interest Income	Both	(793)	(731)	(1,022)	(1,079)	(1,151)	(1,233)
103		**Subtotal - Penalties & Interest**		**$ (16,560)**	**$ (14,617)**	**$ (23,728)**	**$ (25,053)**	**$ (26,724)**	**$ (28,610)**
104									
105	4236	Radio Read Reserve	Fixed	$ (2,093)	$ (1,687)	$ (1,699)	$ (1,711)	$ (1,723)	$ (1,734)
110	4850	Miscellaneous Income	-	(3,317)	(1,462)	(1,430)	(1,432)	(1,437)	(1,445)
111		**Subtotal - Miscellaneous Income**		**$ (5,410)**	**$ (3,148)**	**$ (3,129)**	**$ (3,143)**	**$ (3,160)**	**$ (3,179)**
112									
113		**Garbage Billing - Water's Share**	Fixed	**$ (103,906)**	**$ (107,261)**	**$ (109,949)**	**$ (112,640)**	**$ (115,334)**	**$ (118,031)**
114									
115		**TOTAL REVENUE OFFSETS - WATER**		**$ (133,301)**	**$ (125,026)**	**$ (138,505)**	**$ (142,548)**	**$ (146,940)**	**$ (151,554)**
116									
117		**NET COST OF SERVICE - WATER**		**$ 246,869**	**$ 745,962**	**$ 1,125,347**	**$ 1,373,833**	**$ 1,385,672**	**$ 1,406,085**
118									
119		**Increase/(Decrease) in Operating Reserves**	Both	**$ 527,453**	**$ 120,566**	**$ (106,205)**	**$ (294,392)**	**$ (229,885)**	**$ (164,072)**
120									
121		**Revenues Required from Rates - Water**		**$ 774,322**	**$ 866,528**	**$ 1,019,142**	**$ 1,079,441**	**$ 1,155,787**	**$ 1,242,013**

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Celina Response to Staff 3-1

Worksheet 9
Development of Cost-Based Rates - Wastewater
Calculation of Average Cost per Th. Gallons - Wastewater
Step 2

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
1		Th. Gallons Billed		120,983	124,773	127,807	130,840	133,874	136,908
2									
3	5100	Salaries	Fixed	$ 0.66	$ 0.74	$ 0.70	$ 0.70	$ 0.70	$ 0.71
4	5105	Overtime	Fixed	0.05	0.07	0.07	0.07	0.07	0.07
5	5110	Tax Expense	Fixed	0.06	0.05	0.05	0.05	0.05	0.05
6	5111	SUTA	Fixed	0.00	0.00	0.00	0.00	0.00	0.00
7	5115	Group Health Insurance	Fixed	0.10	0.11	0.10	0.10	0.10	0.11
8	5116	TMRS	Fixed	0.03	0.03	0.03	0.03	0.03	0.03
9	5117	Workers Compensation	Fixed	0.01	0.02	0.02	0.02	0.02	0.02
10	5120	Christmas Bonus	Fixed	0.01	0.01	0.01	0.01	0.01	0.01
11		**Subtotal- Payroll Expense**		**$ 0.91**	**$ 1.04**	**$ 0.98**	**$ 0.98**	**$ 0.99**	**$ 0.99**
12									
13	5140	Contract Labor	-	$ 0.07	$ -	$ -	$ -	$ -	$ -
15	5146	Impact Fee Study	-	-	0.08	0.08	0.08	0.08	0.08
16	5147	Master Plan	-	-	0.04	0.04	0.04	0.04	0.04
17	5149	Engineering	-	0.02	0.02	0.02	0.02	0.02	0.02
20		**Subtotal- Legal & Professional**		**$ 0.08**	**$ 0.14**	**$ 0.13**	**$ 0.13**	**$ 0.13**	**$ 0.13**
21									
23	5208	Computer Software/Hardware	-	0.01	0.00	0.00	0.00	0.00	0.00
24	5209	Office Supplies	-	0.00	0.00	0.00	0.00	0.00	0.00
25	5210	Materials/Supplies	-	0.11	0.05	0.05	0.05	0.05	0.05
27	5500	Chemicals	-	0.06	0.08	0.08	0.09	0.09	0.09
28	5600	Lift Station Upgrades	-	-	0.02	0.02	0.02	0.02	0.02
29		**Subtotal- Materials & Supplies**		**$ 0.19**	**$ 0.16**	**$ 0.16**	**$ 0.16**	**$ 0.16**	**$ 0.17**
30									
31	5205	Maintenance Agreements	-	$ 0.02	$ 0.04	$ 0.04	$ 0.04	$ 0.04	$ 0.04
32	5225	Facility Maintenance	-	0.00	0.01	0.01	0.01	0.01	0.01
33	5230	Equipment Repairs	-	0.21	0.22	0.21	0.21	0.22	0.22
34	5231	Equipment O&M	-	0.01	0.01	0.01	0.01	0.01	0.01
35	5279	Gasoline	-	0.04	0.04	0.04	0.04	0.04	0.04
36	5280	Vehicle O&M	-	0.01	0.01	0.01	0.01	0.01	0.01
37	5281	Vehicle Repairs	-	0.01	0.01	0.01	0.01	0.01	0.01
38	5510	Testing W/S Samples	-	0.10	0.10	0.10	0.10	0.10	0.10
39	5515	Sewer Sludge Removal	-	0.05	0.06	0.06	0.06	0.06	0.06
40		**Subtotal- Maintenance**		**$ 0.45**	**$ 0.51**	**$ 0.49**	**$ 0.49**	**$ 0.49**	**$ 0.50**

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Worksheet 9 (continued)
Development of Cost-Based Rates - Wastewater
Calculation of Average Cost per Th. Gallons - Wastewater
Step 2

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
41									
42	5400	Land Phone Line	-	$ 0.02	$ 0.02	$ 0.02	$ 0.02	$ 0.02	$ 0.02
43	5401	Cell Phone	-	0.01	0.01	0.01	0.01	0.01	0.01
45	5403	Internet DSL	-	0.01	0.01	0.01	0.01	0.01	0.01
47	5420	Electricity	-	-	0.42	0.44	0.45	0.46	0.48
48	5421	Other Utilities	-	0.41	-	-	-	-	-
49		**Subtotal- Utility Expense**		**$ 0.46**	**$ 0.46**	**$ 0.47**	**$ 0.48**	**$ 0.50**	**$ 0.51**
50									
52	5180	Licenses/Permits/Filing	-	0.02	0.00	0.00	0.00	0.00	0.00
53	5220	Postage	Fixed	0.00	0.00	0.00	0.00	0.00	0.00
54	5240	General Insurance	-	0.05	0.05	0.05	0.05	0.05	0.05
55	5250	Memberships & Dues	-	0.00	0.00	0.00	0.00	0.00	0.00
56	5269	School Registration & Tuition	-	0.00	0.01	0.01	0.01	0.01	0.01
57	5270	Travel, Meals, & Lodging	-	0.01	0.00	0.00	0.00	0.00	0.00
59	5290	Advertising	-	0.02	0.01	0.01	0.01	0.01	0.01
61	5370	Uniforms	-	0.01	0.01	0.01	0.01	0.01	0.01
63	5415	Equipment Rental	-	0 00	0.00	0 00	0.00	0.00	0.00
64	5430	Interest Expense	-	0.06	0.06	0.05	0.05	0.05	0.05
66	5451	Bond Issuance Fees	-	0.00	-	-	-	-	-
68	5700	Equipment	-	-	0.04	0.04	0.04	0.04	0.04
69	5740	UTRWD Water Purchases - Demand Charge	Fixed	-	0.76	0.74	0.96	0.93	0.91
70	5740	UTRWD Water Purchases - Volume Charge	-	0.05	-	1.90	2.79	2.73	2.67
77		**Subtotal- Miscellaneous Expense**		**$ 0.23**	**$ 0.94**	**$ 2.82**	**$ 3.92**	**$ 3.84**	**$ 3.76**
78									
79	5144	Transfer to General Fund	Fixed	$ -	$ 0.20	$ 0.20	$ 0.83	$ 0.81	$ 0.85
80	N/A	Franchise Fee	-	-	-	-	-	-	-
81	5805	Transfer to Debt Service Fund	Fixed	-	2.69	3.78	3 70	3.61	3.52
82	7500	Transfer Out Into General Fund	-	-	-	-	-	-	-
83		**Subtotal- Total Transfers**		**$ -**	**$ 2.89**	**$ 3.97**	**$ 4.53**	**$ 4.42**	**$ 4.37**
84									
85		**Garbage Contract - Water's Share**	Fixed	$ 0.82	$ 0.84	$ 0.87	$ 0.89	$ 0.92	$ 0.95
86									
87		**GROSS COST OF SERVICE - WATER**		**$ 3.14**	**$ 6.98**	**$ 9.89**	**$ 11.59**	**$ 11.45**	**$ 11.38**

Worksheet 9 (continued)
Development of Cost-Based Rates - Wastewater
Calculation of Average Cost per Th. Gallons - Wastewater
Step 2

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
88									
90	4027	Credit Card Fees	-	(0.00)	-	-	-	-	-
94	4230	Reconnect/Disconnect Fees	-	(0.04)	-	(0.01)	(0.01)	(0.01)	(0.01)
95	4232	Customer Service Fees	-	(0.00)	-	-	-	-	-
96	4235	Transfer Fees	-	(0.00)	-	-	-	-	-
98	4241	Sewer Taps	-	(0.02)	-	-	-	-	-
99		**Subtotal - Fines & Fees**		**$ (0.06)**	**$ -**	**$ (0.01)**	**$ (0.01)**	**$ (0.01)**	**$ (0.01)**
100									
101	4220	Penalties	Both	$ (0.13)	$ (0.11)	$ (0.18)	$ (0.18)	$ (0.19)	$ (0.20)
102	4800	Interest Income	Both	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
103		**Subtotal - Penalties & Interest**		**$ (0.14)**	**$ (0.12)**	**$ (0.19)**	**$ (0.19)**	**$ (0.20)**	**$ (0.21)**
104									
105	4236	Radio Read Reserve	Fixed	$ (0.02)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)
110	4850	Miscellaneous Income	-	(0.03)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
111		**Subtotal - Miscellaneous Income**		**$ (0.04)**	**$ (0.03)**	**$ (0.02)**	**$ (0.02)**	**$ (0.02)**	**$ (0.02)**
112									
113		**Garbage Billing - Water's Share**	Fixed	**$ (0.86)**	**$ (0.86)**	**$ (0.86)**	**$ (0.86)**	**$ (0.86)**	**$ (0.86)**
114									
115		**TOTAL REVENUE OFFSETS - WATER**		**$ (1.10)**	**$ (1.00)**	**$ (1.08)**	**$ (1.09)**	**$ (1.10)**	**$ (1.11)**
116									
117		**NET COST OF SERVICE - WATER**		**$ 2.04**	**$ 5.98**	**$ 8.81**	**$ 10.50**	**$ 10.35**	**$ 10.27**
118									
119		**Increase/(Decrease) in Operating Reserves**	Both	**$ 4.36**	**$ 0.97**	**$ (0.83)**	**$ (2.25)**	**$ (1.72)**	**$ (1.20)**
120									
121		**Revenues Required from Rates - Water**		**$ 6.40**	**$ 6.94**	**$ 7.97**	**$ 8.25**	**$ 8.63**	**$ 9.07**
		Increase in Average Rate per Th. Gallons->			**8.5%**	**14.8%**	**3.5%**	**4.6%**	**5.1%**
		Total Change over 9 Years							

Worksheet 10
Development of Cost-Based Rates - Wastewater
Calculation of Average Fixed Cost per Meter Equivalent - Wastewater
Step 3

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
1		Annual Meter Equivalents Billed		20,328	20,928	21,408	21,888	22,368	22,848
2									
3	5100	Salaries	Fixed	$ 79,276	$ 92,561	$ 89,784	$ 91,580	$ 94,327	$ 97,157
4	5105	Overtime	Fixed	5,758	9,000	8,730	8,905	9,172	9,447
5	5110	Tax Expense	Fixed	6,781	6,224	6,037	6,158	6,343	6,533
6	5111	SUTA	Fixed	378	540	524	534	550	567
7	5115	Group Health Insurance	Fixed	12,369	13,730	13,318	13,584	13,992	14,412
8	5116	TMRS	Fixed	4,176	4,024	3,903	3,981	4,101	4,224
9	5117	Workers Compensation	Fixed	1,000	2,652	2,572	2,624	2,703	2,784
10	5120	Christmas Bonus	Fixed	700	796	772	788	811	836
11		**Subtotal- Payroll Expense**		**$ 110,438**	**$ 129,527**	**$ 125,641**	**$ 128,154**	**$ 131,999**	**$ 135,959**
12									
13	5140	Contract Labor	-	$ -	$ -	$ -	$ -	$ -	$ -
15	5146	Impact Fee Study	-	-	-	-	-	-	-
16	5147	Master Plan	-	-	-	-	-	-	-
17	5149	Engineering	-	-	-	-	-	-	-
20		**Subtotal- Legal & Professional**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
21									
23	5208	Computer Software/Hardware	-	-	-	-	-	-	-
24	5209	Office Supplies	-	-	-	-	-	-	-
25	5210	Materials/Supplies	-	-	-	-	-	-	-
27	5500	Chemicals	-	-	-	-	-	-	-
28	5600	Lift Station Upgrades	-	-	-	-	-	-	-
29		**Subtotal- Materials & Supplies**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
30									
31	5205	Maintenance Agreements	-	$ -	$ -	$ -	$ -	$ -	$ -
32	5225	Facility Maintenance	-	-	-	-	-	-	-
33	5230	Equipment Repairs	-	-	-	-	-	-	-
34	5231	Equipment O&M	-	-	-	-	-	-	-
35	5279	Gasoline	-	-	-	-	-	-	-
36	5280	Vehicle O&M	-	-	-	-	-	-	-
37	5281	Vehicle Repairs	-	-	-	-	-	-	-
38	5510	Testing W/S Samples	-	-	-	-	-	-	-
39	5515	Sewer Sludge Removal	-	-	-	-	-	-	-
40		**Subtotal- Maintenance**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Celina Response to Staff 3-1

Worksheet 10 (continued)
Development of Cost-Based Rates - Wastewater
Calculation of Average Fixed Cost per Meter Equivalent - Wastewater
Step 3

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
41									
42	5400	Land Phone Line	-	$ -	$ -	$ -	$ -	$ -	$ -
43	5401	Cell Phone	-	-	-	-	-	-	-
45	5403	Internet DSL	-	-	-	-	-	-	-
47	5420	Electricity	-	-	-	-	-	-	-
48	5421	Other Utilities	-	-	-	-	-	-	-
49		**Subtotal- Utility Expense**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
50									
52	5180	Licenses/Permits/Filing	-	-	-	-	-	-	-
53	5220	Postage	Fixed	118	100	100	105	111	117
54	5240	General Insurance	-	-	-	-	-	-	-
55	5250	Memberships & Dues	-	-	-	-	-	-	-
56	5269	School Registration & Tuition	-	-	-	-	-	-	-
57	5270	Travel, Meals, & Lodging	-	-	-	-	-	-	-
59	5290	Advertising	-	-	-	-	-	-	-
61	5370	Uniforms	-	-	-	-	-	-	-
63	5415	Equipment Rental	-	-	-	-	-	-	-
64	5430	Interest Expense	-	-	-	-	-	-	-
66	5451	Bond Issuance Fees	-	-	-	-	-	-	-
68	5700	Equipment	-	-	-	-	-	-	-
69	5740	UTRWD Water Purchases - Demand Charge	Fixed	-	94,800	94,800	125,000	125,000	125,000
70	5740	UTRWD Water Purchases - Volume Charge	-	-	-	-	-	-	-
77		**Subtotal- Miscellaneous Expense**		**$ 118**	**$ 94,900**	**$ 94,900**	**$ 125,105**	**$ 125,111**	**$ 125,117**
78									
79	5144	Transfer to General Fund	Fixed	$ -	$ 25,000	$ 25,000	$ 108,333	$ 108,333	$ 116,667
80	N/A	Franchise Fee	-	-	-	-	-	-	-
81	5805	Transfer to Debt Service Fund	Fixed	-	335,294	483,030	484,756	483,527	482,105
82	7500	Transfer Out Into General Fund	-	-	-	-	-	-	-
83		**Subtotal- Total Transfers**		**$ -**	**$ 360,294**	**$ 508,030**	**$ 593,089**	**$ 591,860**	**$ 598,772**
84									
85		**Garbage Contract - Water's Share**	Fixed	**$ 99,411**	**$ 104,782**	**$ 110,574**	**$ 116,621**	**$ 122,933**	**$ 129,520**
86									
87		**GROSS COST OF SERVICE - WATER**		**$ 209,967**	**$ 689,503**	**$ 839,144**	**$ 962,969**	**$ 971,903**	**$ 989,367**

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Worksheet 10 (continued)
Development of Cost-Based Rates - Wastewater
Calculation of Average Fixed Cost per Meter Equivalent - Wastewater
Step 3

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
88				1	1	1	1	1	1
90	4027	Credit Card Fees	-	-	-	-	-	-	-
94	4230	Reconnect/Disconnect Fees	-	-	-	-	-	-	-
95	4232	Customer Service Fees	-	-	-	-	-	-	-
96	4235	Transfer Fees	-	-	-	-	-	-	-
98	4241	Sewer Taps	-	-	-	-	-	-	-
99		**Subtotal - Fines & Fees**		$ -	$ -	$ -	$ -	$ -	$ -
100									
101	4220	Penalties	Both	$ (8,708)	$ (10,993)	$ (15,076)	$ (15,224)	$ (16,216)	$ (17,389)
102	4800	Interest Income	Both	(438)	(579)	(679)	(686)	(730)	(783)
103		**Subtotal - Penalties & Interest**		$ (9,146)	$ (11,571)	$ (15,755)	$ (15,910)	$ (16,947)	$ (18,172)
104									
105	4236	Radio Read Reserve	Fixed	$ (2,093)	$ (1,687)	$ (1,699)	$ (1,711)	$ (1,723)	$ (1,734)
110	4850	Miscellaneous Income	-	-	-	-	-	-	-
111		**Subtotal - Miscellaneous Income**		$ (2,093)	$ (1,687)	$ (1,699)	$ (1,711)	$ (1,723)	$ (1,734)
112									
113		**Garbage Billing - Water's Share**	Fixed	$ (103,906)	$ (107,261)	$ (109,949)	$ (112,640)	$ (115,334)	$ (118,031)
114									
115		**TOTAL REVENUE OFFSETS - WATER**		$ (115,145)	$ (120,519)	$ (127,402)	$ (130,261)	$ (134,003)	$ (137,937)
116									
117		**NET COST OF SERVICE - WATER**		$ 94,822	$ 568,984	$ 711,742	$ 832,708	$ 837,899	$ 851,430
118									
119		**Increase/(Decrease) in Operating Reserves**	Both	$ 291,310	$ 95,444	$ (70,516)	$ (186,952)	$ (145,781)	$ (104,214)
120									
121		**Revenues Required from Rates - Water**		$ 386,133	$ 664,428	$ 641,226	$ 645,756	$ 692,118	$ 747,216
					549,327				

Worksheet 11
Development of Cost-Based Rates - Wastewater
Calculation of Average Fixed Cost per Meter Equivalent - Wastewater
Step 4

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
1		Annual Meter Equivalents Billed		20,328	20,928	21,408	21,888	22,368	22,848
2									
3	5100	Salaries	Fixed	$ 3.90	$ 4.42	$ 4.19	$ 4.18	$ 4.22	$ 4.25
4	5105	Overtime	Fixed	0.28	0.43	0.41	0.41	0.41	0.41
5	5110	Tax Expense	Fixed	0.33	0.30	0.28	0.28	0.28	0.29
6	5111	SUTA	Fixed	0.02	0.03	0.02	0.02	0.02	0.02
7	5115	Group Health Insurance	Fixed	0 61	0.66	0.62	0.62	0.63	0.63
8	5116	TMRS	Fixed	0 21	0.19	0.18	0.18	0.18	0.18
9	5117	Workers Compensation	Fixed	0.05	0.13	0.12	0.12	0.12	0.12
10	5120	Christmas Bonus	Fixed	0.03	0.04	0.04	0 04	0.04	0.04
11		**Subtotal- Payroll Expense**		**$ 5.43**	**$ 6.19**	**$ 5.87**	**$ 5.86**	**$ 5.90**	**$ 5.95**
12									
13	5140	Contract Labor	-	$ -	$ -	$ -	$ -	$ -	$ -
15	5146	Impact Fee Study	-	-	-	-	-	-	-
16	5147	Master Plan	-	-	-	-	-	-	-
17	5149	Engineering	-	-	-	-	-	-	-
20		**Subtotal- Legal & Professional**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
21									
23	5208	Computer Software/Hardware	-	-	-	-	-	-	-
24	5209	Office Supplies	-	-	-	-	-	-	-
25	5210	Materials/Supplies	-	-	-	-	-	-	-
27	5500	Chemicals	-	-	-	-	-	-	-
28	5600	Lift Station Upgrades	-	-	-	-	-	-	-
29		**Subtotal- Materials & Supplies**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
30									
31	5205	Maintenance Agreements	-	$ -	$ -	$ -	$ -	$ -	$ -
32	5225	Facility Maintenance	-	-	-	-	-	-	-
33	5230	Equipment Repairs	-	-	-	-	-	-	-
34	5231	Equipment O&M	-	-	-	-	-	-	-
35	5279	Gasoline	-	-	-	-	-	-	-
36	5280	Vehicle O&M	-	-	-	-	-	-	-
37	5281	Vehicle Repairs	-	-	-	-	-	-	-
38	5510	Testing W/S Samples	-	-	-	-	-	-	-
39	5515	Sewer Sludge Removal	-	-	-	-	-	-	-
40		**Subtotal- Maintenance**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Worksheet 11 (continued)
Development of Cost-Based Rates - Wastewater
Calculation of Average Fixed Cost per Meter Equivalent - Wastewater
Step 4

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
41									
42	5400	Land Phone Line	-	$ -	$ -	$ -	$ -	$ -	$ -
43	5401	Cell Phone	-	-	-	-	-	-	-
45	5403	Internet DSL	-	-	-	-	-	-	-
47	5420	Electricity	-	-	-	-	-	-	-
48	5421	Other Utilities	-	-	-	-	-	-	-
49		**Subtotal- Utility Expense**		$ -	$ -	$ -	$ -	$ -	$ -
50									
52	5180	Licenses/Permits/Filing	-	-	-	-	-	-	-
53	5220	Postage	Fixed	0.01	0.00	0.00	0.00	0.00	0.01
54	5240	General Insurance	-	-	-	-	-	-	-
55	5250	Memberships & Dues	-	-	-	-	-	-	-
56	5269	School Registration & Tuition	-	-	-	-	-	-	-
57	5270	Travel, Meals, & Lodging	-	-	-	-	-	-	-
59	5290	Advertising	-	-	-	-	-	-	-
61	5370	Uniforms	-	-	-	-	-	-	-
63	5415	Equipment Rental	-	-	-	-	-	-	-
64	5430	Interest Expense	-	-	-	-	-	-	-
66	5451	Bond Issuance Fees	-	-	-	-	-	-	-
68	5700	Equipment	-	-	-	-	-	-	-
69	5740	UTRWD Water Purchases - Demand Charge	Fixed	-	4.53	4.43	5 71	5.59	5.47
70	5740	UTRWD Water Purchases - Volume Charge	-	-	-	-	-	-	-
77		**Subtotal- Miscellaneous Expense**		$ 0.01	$ 4.53	$ 4.43	$ 5.72	$ 5.59	$ 5.48
78									
79	5144	Transfer to General Fund	Fixed	$ -	$ 1.19	$ 1.17	$ 4.95	$ 4.84	$ 5.11
80	N/A	Franchise Fee	-	-	-	-	-	-	-
81	5805	Transfer to Debt Service Fund	Fixed	-	16.02	22.56	22.15	21.62	21.10
82	7500	Transfer Out Into General Fund	-	-	-	-	-	-	-
83		**Subtotal- Total Transfers**		$ -	$ 17.22	$ 23.73	$ 27.10	$ 26.46	$ 26.21
84									
85		**Garbage Contract - Water's Share**	Fixed	$ 4.89	$ 5.01	$ 5.17	$ 5.33	$ 5.50	$ 5.67
86									
87		**GROSS COST OF SERVICE - WATER**		$ 10.33	$ 32.95	$ 39.20	$ 44.00	$ 43.45	$ 43.30

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Worksheet 11 (continued)
Development of Cost-Based Rates - Wastewater
Calculation of Average Fixed Cost per Meter Equivalent - Wastewater
Step 4

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
88									
90	4027	Credit Card Fees	-	-	-	-	-	-	-
94	4230	Reconnect/Disconnect Fees	-	-	-	-	-	-	-
95	4232	Customer Service Fees	-	-	-	-	-	-	-
96	4235	Transfer Fees	-	-	-	-	-	-	-
98	4241	Sewer Taps	-	-	-	-	-	-	-
99		**Subtotal - Fines & Fees**		$ -	$ -	$ -	$ -	$ -	$ -
100									
101	4220	Penalties	Both	$ (0.43)	$ (0.53)	$ (0.70)	$ (0.70)	$ (0.73)	$ (0.76)
102	4800	Interest Income	Both	(0.02)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
103		**Subtotal - Penalties & Interest**		$ (0.45)	$ (0.55)	$ (0.74)	$ (0.73)	$ (0.76)	$ (0.80)
104									
105	4236	Radio Read Reserve	Fixed	$ (0.10)	$ (0.08)	$ (0.08)	$ (0.08)	$ (0.08)	$ (0.08)
110	4850	Miscellaneous Income	-	-	-	-	-	-	-
111		**Subtotal - Miscellaneous Income**		$ (0.10)	$ (0.08)	$ (0.08)	$ (0.08)	$ (0.08)	$ (0.08)
112									
113		**Garbage Billing - Water's Share**	Fixed	$ (5.11)	$ (5.13)	$ (5.14)	$ (5.15)	$ (5.16)	$ (5.17)
114									
115		**TOTAL REVENUE OFFSETS - WATER**		$ (5.66)	$ (5.76)	$ (5.95)	$ (5.95)	$ (5.99)	$ (6.04)
116									
117		**NET COST OF SERVICE - WATER**		$ 4.66	$ 27.19	$ 33.25	$ 38.04	$ 37.46	$ 37.27
118									
119		**Increase/(Decrease) in Operating Reserves**	Both	$ 14.33	$ 4.56	$ (3.29)	$ (8.54)	$ (6.52)	$ (4.56)
120									
121		**Revenues Required from Rates - Water**		$ 19.00	$ 31.75	$ 29.95	$ 29.50	$ 30.94	$ 32.70
		Increase in Average Rate per Th. Gallons->			67.1%	-5.7%	-1.5%	4.9%	5.7%
		Total Change over 9 Years							

Worksheet 12
Development of Cost-Based Rates - Wastewater
Calculation of Average Variable Cost per Th. Gallons - Wastewater
Step 5

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
1		Th. Gallons Billed		120,983	124,773	127,807	130,840	133,874	136,908
2									
3	5100	Salaries	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
4	5105	Overtime	Fixed	-	-	-	-	-	-
5	5110	Tax Expense	Fixed	-	-	-	-	-	-
6	5111	SUTA	Fixed	-	-	-	-	-	-
7	5115	Group Health Insurance	Fixed	-	-	-	-	-	-
8	5116	TMRS	Fixed	-	-	-	-	-	-
9	5117	Workers Compensation	Fixed	-	-	-	-	-	-
10	5120	Christmas Bonus	Fixed	-	-	-	-	-	-
11		**Subtotal- Payroll Expense**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
12									
13	5140	Contract Labor	-	$ 8,150	$ -	$ -	$ -	$ -	$ -
15	5146	Impact Fee Study	-	-	10,000	9,700	9,991	10,291	10,599
16	5147	Master Plan	-	-	5,000	4,850	4,996	5,145	5,300
17	5149	Engineering	-	1,865	2,000	1,940	1,998	2,058	2,120
20		**Subtotal- Legal & Professional**		**$ 10,015**	**$ 17,000**	**$ 16,490**	**$ 16,985**	**$ 17,494**	**$ 18,019**
21									
23	5208	Computer Software/Hardware	-	968	600	582	599	617	636
24	5209	Office Supplies	-	306	300	291	300	309	318
25	5210	Materials/Supplies	-	13,879	6,000	5,820	5,995	6,174	6,360
27	5500	Chemicals	-	7,834	10,000	10,563	11,151	11,765	12,405
28	5600	Lift Station Upgrades	-	-	3,000	2,910	2,997	3,087	3,180
29		**Subtotal- Materials & Supplies**		**$ 22,986**	**$ 19,900**	**$ 20,166**	**$ 21,042**	**$ 21,953**	**$ 22,898**
30									
31	5205	Maintenance Agreements	-	$ 2,715	$ 5,000	$ 4,850	$ 4,996	$ 5,145	$ 5,300
32	5225	Facility Maintenance	-	129	1,000	970	999	1,029	1,060
33	5230	Equipment Repairs	-	25,212	28,000	27,160	27,975	28,814	29,678
34	5231	Equipment O&M	-	975	1,500	1,455	1,499	1,544	1,590
35	5279	Gasoline	-	4,495	5,500	5,335	5,495	5,660	5,830
36	5280	Vehicle O&M	-	1,221	1,200	1,164	1,199	1,235	1,272
37	5281	Vehicle Repairs	-	1,506	1,000	970	999	1,029	1,060
38	5510	Testing W/S Samples	-	12,240	13,000	12,610	12,988	13,378	13,779
39	5515	Sewer Sludge Removal	-	6,297	8,000	7,760	7,993	8,233	8,480
40		**Subtotal- Maintenance**		**$ 54,790**	**$ 64,200**	**$ 62,274**	**$ 64,142**	**$ 66,066**	**$ 68,048**

Worksheet 12 (continued)
Development of Cost-Based Rates - Wastewater
Calculation of Average Variable Cost per Th. Gallons - Wastewater
Step 5

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
41									
42	5400	Land Phone Line	-	$ 2,566	$ 2,300	$ 2,231	$ 2,298	$ 2,367	$ 2,438
43	5401	Cell Phone	-	1,395	1,200	1,164	1,199	1,235	1,272
45	5403	Internet DSL	-	1,001	900	873	899	926	954
47	5420	Electricity	-	-	53,000	55,879	58,881	62,013	65,279
48	5421	Other Utilities	-	50,198	-	-	-	-	-
49		**Subtotal- Utility Expense**		**$ 55,160**	**$ 57,400**	**$ 60,147**	**$ 63,277**	**$ 66,541**	**$ 69,943**
50									
52	5180	Licenses/Permits/Filing	-	2,195	500	485	500	515	530
53	5220	Postage	Fixed	-	-	-	-	-	-
54	5240	General Insurance	-	6,100	6,100	5,917	6,095	6,277	6,466
55	5250	Memberships & Dues	-	72	250	243	250	257	265
56	5269	School Registration & Tuition	-	531	1,000	970	999	1,029	1,060
57	5270	Travel, Meals, & Lodging	-	1,353	500	485	500	515	530
59	5290	Advertising	-	2,825	1,000	970	999	1,029	1,060
61	5370	Uniforms	-	965	1,200	1,164	1,199	1,235	1,272
63	5415	Equipment Rental	-	322	500	485	500	515	530
64	5430	Interest Expense	-	6,936	6,936	6,728	6,930	7,138	7,352
66	5451	Bond Issuance Fees	-	300	-	-	-	-	-
68	5700	Equipment	-	-	5,000	4,850	4,996	5,145	5,300
69	5740	UTRWD Water Purchases - Demand Charge	Fixed	-	-	-	-	-	-
70	5740	UTRWD Water Purchases - Volume Charge	-	5,654	-	243,333	365,000	365,000	365,000
77		**Subtotal- Miscellaneous Expense**		**$ 27,253**	**$ 22,986**	**$ 265,630**	**$ 387,965**	**$ 388,654**	**$ 389,364**
78									
79	5144	Transfer to General Fund	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
80	N/A	Franchise Fee	-	-	-	-	-	-	-
81	5805	Transfer to Debt Service Fund	Fixed	-	-	-	-	-	-
82	7500	Transfer Out into General Fund	-	-	-	-	-	-	-
83		**Subtotal- Total Transfers**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
84									
85		**Garbage Contract - Water's Share**	Fixed	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
86									
87		**GROSS COST OF SERVICE - WATER**		**$ 170,204**	**$ 181,486**	**$ 424,707**	**$ 553,412**	**$ 560,708**	**$ 568,272**

Worksheet 12 (continued)
Development of Cost-Based Rates - Wastewater
Calculation of Average Variable Cost per Th. Gallons - Wastewater
Step 5

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
88				0	0	0	0	0	0
90	4027	Credit Card Fees	-	(8)	-	-	-	-	-
94	4230	Reconnect/Disconnect Fees	-	(4,357)	-	(1,699)	(1,711)	(1,723)	(1,734)
95	4232	Customer Service Fees	-	(302)	-	-	-	-	-
96	4235	Transfer Fees	-	(359)	-	-	-	-	-
98	4241	Sewer Taps	-	(2,400)	-	-	-	-	-
99		**Subtotal - Fines & Fees**		**$ (7,426)**	**$ -**	**$ (1,699)**	**$ (1,711)**	**$ (1,723)**	**$ (1,734)**
100									
101	4220	Penalties	Both	$ (7,059)	$ (2,893)	$ (7,630)	$ (8,749)	$ (9,356)	$ (9,988)
102	4800	Interest Income	Both	(355)	(152)	(344)	(394)	(421)	(450)
103		**Subtotal - Penalties & Interest**		**$ (7,414)**	**$ (3,046)**	**$ (7,974)**	**$ (9,143)**	**$ (9,777)**	**$ (10,438)**
104									
105	4236	Radio Read Reserve	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
110	4850	Miscellaneous Income	-	(3,317)	(1,462)	(1,430)	(1,432)	(1,437)	(1,445)
111		**Subtotal - Miscellaneous Income**		**$ (3,317)**	**$ (1,462)**	**$ (1,430)**	**$ (1,432)**	**$ (1,437)**	**$ (1,445)**
112									
113		**Garbage Billing - Water's Share**	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
114									
115		**TOTAL REVENUE OFFSETS - WATER**		**$ (18,157)**	**$ (4,507)**	**$ (11,102)**	**$ (12,287)**	**$ (12,936)**	**$ (13,617)**
116									
117		**NET COST OF SERVICE - WATER**		**$ 152,047**	**$ 176,979**	**$ 413,605**	**$ 541,125**	**$ 547,772**	**$ 554,655**
118									
119		**Increase/(Decrease) in Operating Reserves**	Both	**$ 236,142**	**$ 25,122**	**$ (35,689)**	**$ (107,440)**	**$ (84,104)**	**$ (59,858)**
120									
121		**Revenues Required from Rates - Water**		**$ 388,189**	**$ 202,101**	**$ 377,915**	**$ 433,685**	**$ 463,668**	**$ 494,797**
					549,327				

Worksheet 13
Development of Cost-Based Rates - Wastewater
Calculation of Average Variable Cost per Th. Gallons - Wastewater
Step 6

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
1		Th. Gallons Billed		120,983	124,773	127,807	130,840	133,874	136,908
2									
3	5100	Salaries	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
4	5105	Overtime	Fixed	-	-	-	-	-	-
5	5110	Tax Expense	Fixed	-	-	-	-	-	-
6	5111	SUTA	Fixed	-	-	-	-	-	-
7	5115	Group Health Insurance	Fixed	-	-	-	-	-	-
8	5116	TMRS	Fixed	-	-	-	-	-	-
9	5117	Workers Compensation	Fixed	-	-	-	-	-	-
10	5120	Christmas Bonus	Fixed	-	-	-	-	-	-
11		**Subtotal- Payroll Expense**		$ -	$ -	$ -	$ -	$ -	$ -
12									
13	5140	Contract Labor	-	$ 0.07	$ -	$ -	$ -	$ -	$ -
15	5146	Impact Fee Study	-	-	0.08	0.08	0.08	0.08	0.08
16	5147	Master Plan	-	-	0.04	0.04	0.04	0.04	0.04
17	5149	Engineering	-	0 02	0.02	0.02	0.02	0.02	0.02
20		**Subtotal- Legal & Professional**		**$ 0.08**	**$ 0.14**	**$ 0.13**	**$ 0.13**	**$ 0.13**	**$ 0.13**
21									
23	5208	Computer Software/Hardware	-	0.01	0.00	0.00	0.00	0 00	0.00
24	5209	Office Supplies	-	0.00	0.00	0.00	0.00	0.00	0.00
25	5210	Materials/Supplies	-	0 11	0.05	0.05	0.05	0.05	0.05
27	5500	Chemicals	-	0.06	0.08	0.08	0.09	0.09	0.09
28	5600	Lift Station Upgrades	-	-	0 02	0.02	0.02	0.02	0.02
29		**Subtotal- Materials & Supplies**		**$ 0.19**	**$ 0.16**	**$ 0.16**	**$ 0.16**	**$ 0.16**	**$ 0.17**
30									
31	5205	Maintenance Agreements	-	$ 0.02	$ 0.04	$ 0.04	$ 0 04	$ 0.04	$ 0 04
32	5225	Facility Maintenance	-	0.00	0.01	0.01	0.01	0.01	0.01
33	5230	Equipment Repairs	-	0.21	0.22	0.21	0.21	0.22	0.22
34	5231	Equipment O&M	-	0.01	0.01	0.01	0.01	0.01	0.01
35	5279	Gasoline	-	0.04	0.04	0.04	0.04	0.04	0.04
36	5280	Vehicle O&M	-	0.01	0.01	0.01	0.01	0.01	0.01
37	5281	Vehicle Repairs	-	0.01	0.01	0.01	0.01	0.01	0.01
38	5510	Testing W/S Samples	-	0 10	0.10	0.10	0.10	0.10	0.10
39	5515	Sewer Sludge Removal	-	0.05	0.06	0.06	0.06	0.06	0.06
40		**Subtotal- Maintenance**		**$ 0.45**	**$ 0.51**	**$ 0.49**	**$ 0.49**	**$ 0.49**	**$ 0.50**

Worksheet 13 (continued)
Development of Cost-Based Rates - Wastewater
Calculation of Average Variable Cost per Th. Gallons - Wastewater
Step 6

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
41									
42	5400	Land Phone Line	-	$ 0.02	$ 0.02	$ 0.02	$ 0.02	$ 0.02	$ 0.02
43	5401	Cell Phone	-	0.01	0.01	0.01	0.01	0.01	0.01
45	5403	Internet DSL	-	0.01	0.01	0.01	0.01	0.01	0.01
47	5420	Electricity	-	-	0.42	0.44	0.45	0.46	0.48
48	5421	Other Utilities	-	0.41	-	-	-	-	-
49		**Subtotal- Utility Expense**		**$ 0.46**	**$ 0.46**	**$ 0.47**	**$ 0.48**	**$ 0.50**	**$ 0.51**
50									
52	5180	Licenses/Permits/Filing	-	0.02	0.00	0.00	0.00	0.00	0.00
53	5220	Postage	Fixed	-	-	-	-	-	-
54	5240	General Insurance	-	0.05	0.05	0.05	0.05	0.05	0.05
55	5250	Memberships & Dues	-	0.00	0.00	0.00	0.00	0.00	0.00
56	5269	School Registration & Tuition	-	0.00	0.01	0.01	0.01	0.01	0.01
57	5270	Travel, Meals, & Lodging	-	0.01	0.00	0.00	0.00	0.00	0.00
59	5290	Advertising	-	0.02	0.01	0.01	0.01	0.01	0.01
61	5370	Uniforms	-	0.01	0.01	0.01	0.01	0.01	0.01
63	5415	Equipment Rental	-	0.00	0.00	0.00	0.00	0.00	0.00
64	5430	Interest Expense	-	0.06	0.06	0.05	0.05	0.05	0.05
66	5451	Bond Issuance Fees	-	0.00	-	-	-	-	-
68	5700	Equipment	-	-	0.04	0.04	0.04	0.04	0.04
69	5740	UTRWD Water Purchases - Demand Charge	Fixed	-	-	-	-	-	-
70	5740	UTRWD Water Purchases - Volume Charge	-	0.05	-	1.90	2.79	2.73	2.67
77		**Subtotal- Miscellaneous Expense**		**$ 0.23**	**$ 0.18**	**$ 2.08**	**$ 2.97**	**$ 2.90**	**$ 2.84**
78									
79	5144	Transfer to General Fund	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
80	N/A	Franchise Fee	-	-	-	-	-	-	-
81	5805	Transfer to Debt Service Fund	Fixed	-	-	-	-	-	-
82	7500	Transfer Out Into General Fund	-	-	-	-	-	-	-
83		**Subtotal- Total Transfers**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
84									
85		**Garbage Contract - Water's Share**	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
86									
87		**GROSS COST OF SERVICE - WATER**		**$ 1.41**	**$ 1.45**	**$ 3.32**	**$ 4.23**	**$ 4.19**	**$ 4.15**

Worksheet 13 (continued)
Development of Cost-Based Rates - Wastewater
Calculation of Average Variable Cost per Th. Gallons - Wastewater
Step 6

		Description	Fixed or Variable?	Actual 2010 (h)	Revised 2011 (1)	Planned 2012 (2)	Planned 2013 (3)	Planned 2014 (4)	Planned 2015 (5)
88									
90	4027	Credit Card Fees	-	(0.00)	-	-	-	-	-
94	4230	Reconnect/Disconnect Fees	-	(0.04)	-	(0.01)	(0.01)	(0.01)	(0.01)
95	4232	Customer Service Fees	-	(0.00)	-	-	-	-	-
96	4235	Transfer Fees	-	(0.00)	-	-	-	-	-
98	4241	Sewer Taps	-	(0.02)	-	-	-	-	-
99		**Subtotal - Fines & Fees**		$ (0.06)	$ -	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)
100									
101	4220	Penalties	Both	$ (0.06)	$ (0.02)	$ (0.06)	$ (0.07)	$ (0.07)	$ (0.07)
102	4800	Interest Income	Both	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
103		**Subtotal - Penalties & Interest**		$ (0.06)	$ (0.02)	$ (0.06)	$ (0.07)	$ (0.07)	$ (0.08)
104									
105	4236	Radio Read Reserve	Fixed	$ -	$ -	$ -	$ -	$ -	-
110	4850	Miscellaneous Income	-	(0.03)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
111		**Subtotal - Miscellaneous Income**		$ (0.03)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)
112									
113		**Garbage Billing - Water's Share**	Fixed	$ -	$ -	$ -	$ -	$ -	$ -
114									
115		**TOTAL REVENUE OFFSETS - WATER**		$ (0.15)	$ (0.04)	$ (0.09)	$ (0.09)	$ (0.10)	$ (0.10)
116									
117		**NET COST OF SERVICE - WATER**		$ 1.26	$ 1.42	$ 3.24	$ 4.14	$ 4.09	$ 4.05
118									
119		**Increase/(Decrease) in Operating Reserves**	Both	$ 1.95	$ 0.20	$ (0.28)	$ (0.82)	$ (0.63)	$ (0.44)
120									
121		**Revenues Required from Rates - Water**		$ 3.21	$ 1.62	$ 2.96	$ 3.31	$ 3.46	$ 3.61
		Increase in Average Rate per Th. Gallons->			-49.5%	82.6%	12.1%	4.5%	4.3%
		Total Change over 9 Years							

REPORT ON

WATER & WASTEWATER RATES

CITY OF CELINA, TEXAS

MARCH 8, 2010

McLain
Decision
Support
Systems
McLAIN

Government Utility Rate Group
2201 Rockbrook Dr., # 1315
Lewisville, TX 75067
(214) 488-8808 ~ Fax (972) 692-539
bob@mclaindss.com

Final

March 8, 2010

Mr. Jason Gray
City Manager
City of Celina
142 North Ohio
Celina, TX 75009

Re: Final Report on Water & Wastewater Rates

Dear Mr. Gray:

Enclosed is the Final Report on Water & Wastewater Rates, prepared by McLain Decision Support Systems (McLainDSS) for the City of Celina. The report conveys the findings, conclusions, and recommendations of our firm with respect to the development of water and wastewater rates to cover the projected water and wastewater costs for the period 2010 - 2019.

The report is structured to provide the reader with a clear and accurate presentation of the revenue and rate issues facing the City of Celina. However, this study does not constitute an examination of the financial statements of the City of Celina, and, as such, we cannot and do not express any opinion regarding the validity or accuracy of the financial information provided.

The report includes a significant amount of assumptions and detailed tables and worksheets. The detailed tables, exhibits, and worksheets provide an understanding of where the numbers come from and the related impact the rates will have on the City's customers.

We have appreciated the courtesies and professional relationship extended to us during this engagement by the City's management and staff.

Very truly yours,

Robert M McLain

Robert McLain
McLain Decision Support Systems

Final

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EXECUTIVE SUMMARY

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SECTION I: EXECUTIVE SUMMARY

1.1. PURPOSE OF REPORT:

The following report describes the findings of the water and wastewater rate study performed for the City of Celina, and makes recommendations with respect to the rates to be charged to the City's customers. The objectives to be achieved within the scope of the engagement are as follows:

- To develop the bases to be used to project the water and wastewater units of service and cost of service over a multi-year planning period, FY 2010 - 2019;
- To identify the full cost of the water services over the multi-year planning period, based on the adopted FY 2010 budget;
- To identify the full cost of the wastewater services over the multi-year planning period, based on the adopted FY 2010 budget;
- To develop alternative water and wastewater rate designs which will provide sufficient annual revenues to meet expenditures for each system's operating and non-operating costs;
- To prepare financial projections using the alternative, supplemented by a description of the key assumptions underlying the projections;
- To create an executive summary documenting our findings and recommendations.

1.2. QUESTIONS ANSWERED WITH THIS REPORT:

There are several questions answered in this report:

- What is the current financial condition of the water and wastewater fund?
- What will be the financial impact of establishing a financially sound water and wastewater fund?
- What is the impact on revenues required from rates with the funding of the renewal and replacement reserve?
- What will the impact be on the average monthly water and wastewater monthly bills, if the City raises rates to strengthen the financial condition of the water and wastewater fund?

1.3. FINDINGS/ANALYSIS RELATED TO THE COST OF SERVICE:

- **Water and wastewater costs have increased by 250% since rates were last increased in 2003.** These costs have increased from around $1,000,000 in FY 2003 to $3,500,000 in FY 2010.

- **The water and wastewater enterprise fund is in poor financial condition.** The City ended FY 2009 with a *negative* operating reserve of $435,627. This balance equates to a negative 45 days of expenditures. The City should strive to maintain at least 90 days of expenditures in the operating reserve balance at all times.

- **Key Planning Assumptions.** The following major key planning assumptions were used to drive the cost of service over the planning period:
    - *Growth* – We have incorporated growth averaging 30 meters annually, which equates t about 1.5% per year;
    - *Salaries* – 5% per year;
    - *Medical Insurance* - 7.5% per year;
    - *Electricity* – 3% per year;
    - *UTRWD Purchase water* –5% increase per year in the demand charge and the rate per thousand gallons;
    - *UTRWD Wastewater costs* – 5% increase per year in the average cost per thousand gallons;
    - *Transfer to General Fund – Our analysis of the central service costs indicate that the reimbursement to the general fund for general and administrative costs should be lowered to from $325,000 to $185,000, beginning in FY 2011;*
    - *Franchise Fee* – However, we have incorporated into the cost of service a transfer to the general fund of 4% - 6% of water and wastewater revenues, beginning with FY 2011;
    - *All Other Operating and Maintenance Costs* – 3% per year.

- **In summary, revenues are currently not recovering the cost of service.** Currently, revenues are over a million dollars short of covering the existing cost of service.

- **We have reduced the transfer to the General fund by $200,000 in order to mitigate the impact of the increased costs.** This will still require that revenues will need to increase as follows:

Table 1.1
Key Findings
Required Revenue Increases

	Recommended Rate Design				
Fiscal Year	Average Combined W&S Monthly Bill @ 10,000 Gals	Change Dollars	Change Percent	Operating Reserve Balance / Working Capital Balance	Days of Working Capital Balance Target 90 Days
2008	$ 82.35	-	-	$ 1,901,424	223
2009	82.35	-	-	342,426	36
2010	109.13	26.78	32.5%	353,083	36
2011	123.25	14.12	12.9%	479,268	45
2012	131.19	7.94	6.4%	689,530	60
2013	136.21	5.02	3.8%	1,085,683	92
2014	136.10	(0.11)	-0.1%	1,389,551	112
2015	135.75	(0.35)	-0.3%	1,546,991	120
2016	135.49	(0.26)	-0.2%	1,579,468	118
2017	139.39	3.90	2.9%	1,598,297	115
2018	142.11	2.72	2.0%	1,542,046	106
2019	144.81	2.70	1.9%	1,376,818	90
		$ 62.46	75.8%		

- **Financial Plan Notice.** Water and wastewater costs have been projected for the period FY 2010 through FY 2019, based on the FY 2010 adopted budget. We believe the underlying assumptions that drive the cost of service through the FY 2019 provide a reasonable basis for management's forecast. However, some assumptions inevitably will not materialize as presented and anticipated events and circumstances may not occur; +therefore, the actual results achieved during the forecast periods will vary from the forecast, and the variances may be material. Monitor expenditures very carefully over the planning period, compared to the expenditure levels shown in this report. Because the forecasts are developed upon expenditure levels outlined in this report, any significant increases of expenditures over the planned expenditure levels will affect the sufficiency of revenues over the study period.

1.4. FINDINGS/ANALYSIS RELATED TO THE EXISTING RATE DESIGN:

We have developed three different rate design alternatives for the City to consider. Each of the three rate design alternatives achieves the primary objectives of generating enough revenues to fund the overall cost of service, and to build the operating reserves over the next two years in order to improve the financial position. Before we describe these alternatives, following are the findings associated with the existing rate design:

- **Water Monthly Minimum Bills:**
  The existing water rate design consists of a residential monthly minimum bill of $12.60, regardless of the size of meter. Additionally, the non-residential monthly minimum bill is $14.60, regardless of the size of meter. 2,000 gallons is included in the monthly minimum bill. Outside city-limit customers are charged 1.5x the inside rates. City-owned meters are not charged a monthly minimum bill.

- **Water Volumetric Rates:**
  The residential volumetric water rate design consists of three rate-blocks: the first rate-block is from 0 to 2,000 gallons, and is included in the monthly minimum bill; the second rate-block is from 2,001 to 15,000 gallons, and is $4.75 per thousand gallons; and the third and final block is any monthly consumption over 15,000 gallons, and is $6.75 per thousand gallons.

  The non-residential volumetric water rate design consists of three rate-blocks: the first rate-block is from 0 to 2,000 gallons, and is included in the monthly minimum bill; the second rate-block is from 2,001 to 240,000 gallons, and is $4.75 per thousand gallons; and the third and final block is any monthly consumption over 240,000 gallons, and is $6.75 per thousand gallons.

  Outside city-limit customers are charged 1.5x the inside rates. City-owned meters are not charged a volumetric rate per 1,000 gallons.

- **Wastewater Monthly Minimum Bills:**
  The existing wastewater rate design consists of a monthly minimum bill of $13.75, regardless of the size of meter or customer class. 2,000 gallons is included in the monthly minimum bill. Outside city-limit customers are charged 1.58x the inside rates. City-owned meters are not charged a monthly minimum bill.

- **Wastewater Volumetric Rates:**
  The residential volumetric water rate design consists of four rate-blocks: the first rate-block is from 0 to 2,000 gallons, and is included in the monthly minimum bill; the second rate-block is from 2,001 to 20,000 gallons, and is $3.00 per thousand gallons; the third rate-block is from 20,001 to 25,000 gallons, and is $1.35 per thousand gallons and the fourth and final block is any monthly consumption over 25,000 gallons, and is not charged.

  The non-residential volumetric water rate design consists of three rate-blocks: the first rate-block is from 0 to 2,000 gallons, and is included in the monthly minimum bill; the second rate-block is from 2,001 to 50,000 gallons, and is $3.30 per thousand gallons; and the third and final block is any monthly consumption over 50,000 gallons, and is $6.50 per thousand gallons.

  Outside city-limit customers are charged 1.58x the inside rates. City-owned meters are not charged a volumetric rate per 1,000 gallons.

- **Water and wastewater fixed costs are not currently being 100% recovered in the monthly minimum bills.** The existing rate designs fall substantially short of recovering the fixed costs of either utility. A utility must make a substantial investment before one drop of water can be sold and one drop of wastewater effluent can be treated. Fixed costs are those costs which do not vary with the amount of water sold and the amount of wastewater treated. Examples of fixed costs are salaries and benefits, as well as debt service.

1.5. FINDINGS/ANALYSIS RELATED TO THE RATE DESIGN ALTERNATIVES:

As described previously, we have developed three (3) different rate design alternatives for the City to consider. Following are the highlights of each alternative:

- **Rate Design Alternative 1 (Across-the-board increase).** Rate design alternative 1 simply applies a percentage increase across-the-board to the existing rate design, if required (80% for water, 90% for wastewater).

- **Rate Design Alternative 2 (Pure Cost-Based Rates).** The cost-based rate design has been developed to recover 100% of the fixed costs in the monthly minimum bills. This rate design alternative is shown for comparative purposes only, since the adoption of these rates would have more of an impact on the average monthly bill of the lower volume