

Attachment #4 – Rate Analysis

CSA #41 Jenner Zone of benefit

- Fund Balance
- Debt Obligations
- Five Year Projections (2% CPI increase only)
- Five Year Projection (2% CPI increase and New Meters)
- Five Year Projection (2% CPI + 2% CPI increase only)
- Major Repairs for last five years
- Projected Maintenance Schedule

Fund Balance

FUND BALANCE		FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20
		Actuals	Actuals	Actuals	Actuals	Actuals	Actuals
45505	<i>Operations</i>	\$ 23,558	\$ 16,608	\$ 12,283	\$ 13,849	\$ 14,567	\$ 17,354
45515	<i>Debt Services</i>	\$ 33,926	\$ 48,410	\$ 54,492	\$ 63,033	\$ 69,183	\$ 75,845
45520	<i>Reserve</i>	\$ 52,571	\$ 52,571	\$ 52,571	\$ 52,571	\$ 52,571	\$ 52,571
45525	<i>Debt Services #2</i>	\$ 5,657	\$ 7,762	\$ 7,986	\$ 8,512	\$ 8,679	\$ 8,904
45530	<i>Reserve #2</i>	\$ 4,605	\$ 4,640	\$ 5,446	\$ 6,280	\$ 7,171	\$ 8,077

Debt Obligations

Property Tax Roll

Tax Code	Loan Amount	Terms	Pay off date	Connections	Annual Charge per Connection	Collected Annually
73000	\$ 956,800	30 yrs	FY 20-21	115	\$ 430.00*	\$57,796*
73001	\$ 120,000	20 yrs	FY 29-30	115	\$ 57.00	\$7,662

**Final Balance of \$4,858 to be paid this Fiscal Year (\$42.24/connection)*

5 Year Projections (2% CPI)

Jenner	ACTUALS	BUDGET	PROJECTED (2% CPI only)				
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
Revenue							
Rate Revenue	\$ 124,186	\$ 134,736	\$ 137,430.71	\$ 140,179	\$ 142,983	\$ 145,843	\$ 148,759
Revenue Increase (new meters)							
Interest Earnings	\$ 266	\$ 410	\$ 266	\$ 266	\$ 266	\$ 266	\$ 266
Total Revenue	\$ 124,452	\$ 135,146	\$ 137,697	\$ 140,445	\$ 143,249	\$ 146,109	\$ 149,025
Operating Expenses							
Contracted - RRU	\$ 76,096	\$ 77,617	\$ 79,946	\$ 82,344	\$ 84,814	\$ 91,599	\$ 94,347
Non-Routine Maintenance (25%)	\$ 24,555	\$ 16,000	\$ 19,675	\$ 19,675	\$ 19,675	\$ 19,675	\$ 19,675
Other Operating Costs	\$ 13,443	\$ 11,794	\$ 12,148	\$ 12,512	\$ 12,888	\$ 13,274	\$ 13,672
Administration	\$ 9,342	\$ 10,710	\$ 11,031	\$ 11,362	\$ 11,703	\$ 12,054	\$ 12,416
Total Operating Expenses	\$ 123,436	\$ 116,121	\$ 122,800	\$ 125,893	\$ 129,080	\$ 136,603	\$ 140,111
Net Revenue	\$ 1,016	\$ 19,025	\$ 14,897	\$ 14,552	\$ 14,169	\$ 9,506	\$ 8,915
Depretiation Expense	\$ 34,963	\$ 37,000	\$ 34,963	\$ 34,963	\$ 34,963	\$ 34,963	\$ 34,963
Net Cost	\$ 33,947	\$ 17,975	\$ 20,066	\$ 20,411	\$ 20,794	\$ 25,457	\$ 26,048

5 Year Projections (2% CPI) with new meters

Jenner	ACTUALS	BUDGET	PROJECTED (2% CPI) with new meters				
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
Revenue							
Rate Revenue	\$ 124,186	\$ 134,736	\$ 137,430.71	\$ 140,179	\$ 142,983	\$ 145,843	\$ 148,759
New Meter	\$ -	\$ -	\$ 7,160	\$ 7,339	\$ 7,522	\$ 7,711	\$ 7,903
Interest Earnings	\$ 266	\$ 410	\$ 266	\$ 266	\$ 266	\$ 266	\$ 266
Total Revenue	\$ 124,452	\$ 135,146	\$ 144,857	\$ 147,784	\$ 150,771	\$ 153,819	\$ 156,929
Operating Expenses							
Contracted - RRU	\$ 76,096	\$ 77,617	\$ 79,946	\$ 82,344	\$ 84,814	\$ 91,599	\$ 94,347
Non-Routine Maintenance (25%)	\$ 24,555	\$ 16,000	\$ 19,675	\$ 19,675	\$ 19,675	\$ 19,675	\$ 19,675
Other Operating Costs	\$ 13,443	\$ 11,794	\$ 12,148	\$ 12,512	\$ 12,888	\$ 13,274	\$ 13,672
Administration	\$ 9,342	\$ 10,710	\$ 11,031	\$ 11,362	\$ 11,703	\$ 12,054	\$ 12,416
Total Operating Expenses	\$ 123,436	\$ 116,121	\$ 122,800	\$ 125,893	\$ 129,080	\$ 136,603	\$ 140,111
Net Revenue	\$ 1,016	\$ 19,025	\$ 22,057	\$ 21,891	\$ 21,691	\$ 17,216	\$ 16,818
Depretiation Expense	\$ 34,963	\$ 37,000	\$ 34,963	\$ 34,963	\$ 34,963	\$ 34,963	\$ 34,963
Net Cost	\$ 33,947	\$ 17,975	\$ 12,906	\$ 13,072	\$ 13,272	\$ 17,747	\$ 18,145

5 Year Projections (2% CPI + 2%) with new meters

Jenner	ACTUALS	BUDGET	PROJECTED (2% CPI + 2%) with new meters				
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
Revenue							
Rate Revenue	\$ 124,186	\$ 134,736	\$ 140,179.32	\$ 145,843	\$ 151,735	\$ 157,865	\$ 164,242
New Meter	\$ -	\$ -	\$ 7,160	\$ 7,339	\$ 7,522	\$ 7,711	\$ 7,903
Interest Earnings	\$ 266	\$ 410	\$ 266	\$ 266	\$ 266	\$ 266	\$ 266
Total Revenue	\$ 124,452	\$ 135,146	\$ 147,605	\$ 153,448	\$ 159,523	\$ 165,841	\$ 172,412
Operating Expenses							
Contracted - RRU	\$ 76,096	\$ 77,617	\$ 79,946	\$ 82,344	\$ 84,814	\$ 91,599	\$ 94,347
Non-Routine Maintenance (25%)	\$ 24,555	\$ 16,000	\$ 19,675	\$ 19,675	\$ 19,675	\$ 19,675	\$ 19,675
Other Operating Costs	\$ 13,443	\$ 11,794	\$ 12,148	\$ 12,512	\$ 12,888	\$ 13,274	\$ 13,672
Administration	\$ 9,342	\$ 10,710	\$ 11,031	\$ 11,362	\$ 11,703	\$ 12,054	\$ 12,416
Total Operating Expenses	\$ 123,436	\$ 116,121	\$ 122,800	\$ 125,893	\$ 129,080	\$ 136,603	\$ 140,111
Net Revenue	\$ 1,016	\$ 19,025	\$ 24,806	\$ 27,554	\$ 30,443	\$ 29,238	\$ 32,301
Depretiation Expense	\$ 34,963	\$ 37,000	\$ 34,963	\$ 34,963	\$ 34,963	\$ 34,963	\$ 34,963
Net Cost	\$ 33,947	\$ 17,975	\$ 10,157	\$ 7,409	\$ 4,520	\$ 5,725	\$ 2,662

Major Repairs

Non-Routine Expenses (\$1,500+) for the last 5 years.	Amount	Fiscal Year
Jan '17 storm repair. DTPW labor for assessment/inspection of water supply line	\$ 2,117.41	FY 16-17
System/Service Visit Pall Corporation	\$ 2,685.25	FY 16-17
Tank cleaning, inspection, and repair	\$ 2,509.87	FY 16-17
Leak repair	\$ 7,690.44	FY 16-17
Emergency Work from Piazza (Jan/Feb 2017)	\$ 48,238.43	FY 16-17
Tank Repair DTPW labor	\$ 7,966.47	FY 17-18
Emergency Repair (Pace Supply & D.W Enterprises)	\$ 8,110.46	FY 17-18
Lower diversion repair/rebuild	\$ 1,805.79	FY 17-18
Emergency Hydrant repair	\$ 10,320.31	FY 18-19
Replacement of Chlorine analyzer	\$ 4,105.52	FY 18-19
Emergency Hydrant repair at Rock Point Dr.	\$ 6,593.30	FY 19-20
Emergency Repair breakage of system main at Willig and Balboa (Sept 2019)	\$ 7,696.92	FY 19-20
Cryptosporidium testing	\$ 1,842.27	FY 19-20
Cryptosporidium testing	\$ 1,807.23	FY 19-20
TOTAL	\$ 113,489.67	

**FEMA Reimbursement of \$47,147 during FY 16-17*

Projected Maintenance Schedule (5yr/10yr)

5 Year	10 Year	Annual	Cost
Repair Hydrant on Highway 1		\$ 1,400.00	\$7,000.00
Rebuild Road to Lower Diversion		\$ 1,400.00	\$7,000.00
Replace lower diversion PGE Equipment		\$ 4,000.00	\$20,000.00
Upgrade Controls at Lower Diversion		\$ 2,000.00	\$10,000.00
Re-roof/Paint Treatment Plant Building		\$ 1,400.00	\$7,000.00
	Replace Water Storage Tank	\$ 35,000.00	\$350,000.00
Temporary tank Setup for Tank Repair/replacement		\$ 4,000.00	\$20,000.00
Replace PALL Filter Modules		\$ 2,400.00	\$12,000.00
Pall Filter Inspection		\$ 800.00	\$4,000.00
Replace Treatment Plant Components		\$ 5,000.00	\$25,000.00
	Upper Diversion Improvement		TBD
Run power to lower Diversion		\$ 4,000.00	\$20,000.00
install lower diversion generator		\$ 2,000.00	\$10,000.00
Generator Backup at Treatment plant		\$ 8,000.00	\$40,000.00
Access Road maintence/rebuild		\$ 1,200.00	\$6,000.00
Complete/Bury lower emergency water main repair		\$ 1,200.00	\$6,000.00
Repair leaks in system		\$ 2,000.00	\$10,000.00
Clean Finished Water Tank		\$ 700.00	\$3,500.00
Rebuild Lower Diversion Intake		\$ 1,200.00	\$6,000.00
	Investigate Upper Diversion Re-vitalization	\$ 1,000.00	\$10,000.00
		\$ 78,700.00	\$573,500.00

* 25% Capital Replacement Budget/Planning (\$78,700*25% = \$19,675)

Debt Obligations

Property Tax Role Impacts - 2019/20, 2020/21 and proposed Fiscal 2021/22 Forward

Yearly Line Item on Property Taxes	Fiscal Year											
	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Capital Improvement Bonds	\$430.00	\$ 42.24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Meters (proposed)			\$ 63.09	\$ 63.09	\$ 63.09	\$ 63.09	\$ 63.09	\$ 63.09	\$ 63.09	\$ 63.09	\$ 63.09	\$ 63.09
Capital Improvement Loan	\$ 57.00	\$ 57.00	\$ 57.00	\$ 57.00	\$ 57.00	\$ 57.00	\$ 57.00	\$ 57.00	\$ 57.00	\$ 57.00	\$ 57.00	\$ 57.00
Total Direct Charges	\$487.00	\$ 99.24	\$ 120.09	\$ 120.09	\$ 120.09	\$ 120.09	\$ 120.09	\$ 120.09	\$ 120.09	\$ 120.09	\$ 120.09	\$ 120.09

Yearly Increase in Net Revenue to Water System to be applied to Reserves			\$7,160.00	\$7,339.00	\$7,522.48	\$7,710.54	\$7,903.30	\$8,100.88	\$8,303.40	\$8,510.99	\$8,723.76	\$8,941.86
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Total Cost for Meters are projected at \$65,000 to be financed on Property tax roles amortized over 10 years at 4% interest

Meters are anticipated to drop water loss from 30% to between 5% and 10% resulting in increased Net Revenue around \$80,000 over 10 years

Homeowners, based on the drop off of the previous tax role, will see a net reduction in cost from the water system of approximately \$366.91 per year.

Rates - 5yr projection (2% CPI)

Jenner	Current	5 Year Projection (CPI 2%)				
	FY 20-21 eff 7/1/20	FY 21-22 eff 7/1/21	FY 22-23 eff 7/1/22	FY 23-24 eff 7/1/23	FY 24-25 eff 7/1/24	FY 25-26 eff 7/1/25
Residential Meter Charge						
5/8" meter	\$ 60.71	\$ 61.92	\$ 63.16	\$ 64.42	\$ 65.71	\$ 67.02
1" meter	\$ 147.22	\$ 150.17	\$ 153.17	\$ 156.23	\$ 159.36	\$ 162.54
1-1/2" meter	\$ 291.41	\$ 297.23	\$ 303.18	\$ 309.24	\$ 315.43	\$ 321.73
2" meter	\$ 464.44	\$ 473.73	\$ 483.20	\$ 492.86	\$ 502.72	\$ 512.78
Commercial Meter Charge						
5/8" meter	\$ 251.17	\$ 256.19	\$ 261.32	\$ 266.54	\$ 271.87	\$ 277.31
1" meter	\$ 623.05	\$ 635.51	\$ 648.22	\$ 661.18	\$ 674.40	\$ 687.89
1-1/2" meter	\$ 1,243.05	\$ 1,267.91	\$ 1,293.27	\$ 1,319.14	\$ 1,345.52	\$ 1,372.43
2" meter	\$ 1,987.07	\$ 2,026.81	\$ 2,067.35	\$ 2,108.70	\$ 2,150.87	\$ 2,193.89
Water Usage Charges						
per 1,000 gallons of water consumed	\$ 10.30	\$ 10.51	\$ 10.72	\$ 10.93	\$ 11.15	\$ 11.38

Rates – 5yr projection (2% CPI + 2%)

Jenner	Current	5 Year Projection (CPI 2% + 2% Increase)				
	FY 20-21 eff 7/1/20	FY 21-22 eff 7/1/21	FY 22-23 eff 7/1/22	FY 23-24 eff 7/1/23	FY 24-25 eff 7/1/24	FY 25-26 eff 7/1/25
Residential Meter Charge						
5/8" meter	\$ 60.71	\$ 63.16	\$ 65.71	\$ 68.36	\$ 71.13	\$ 74.00
1" meter	\$ 147.22	\$ 153.17	\$ 159.36	\$ 165.80	\$ 172.49	\$ 179.46
1-1/2" meter	\$ 291.41	\$ 303.18	\$ 315.43	\$ 328.17	\$ 341.43	\$ 355.22
2" meter	\$ 464.44	\$ 483.20	\$ 502.72	\$ 523.03	\$ 544.16	\$ 566.15
Commercial Meter Charge						
5/8" meter	\$ 251.17	\$ 261.32	\$ 271.87	\$ 282.86	\$ 294.29	\$ 306.18
1" meter	\$ 623.05	\$ 648.22	\$ 674.40	\$ 701.65	\$ 730.00	\$ 759.49
1-1/2" meter	\$ 1,243.05	\$ 1,293.27	\$ 1,345.52	\$ 1,399.88	\$ 1,456.43	\$ 1,515.27
2" meter	\$ 1,987.07	\$ 2,067.35	\$ 2,150.87	\$ 2,237.77	\$ 2,328.17	\$ 2,422.23
Water Usage Charges						
per 1,000 gallons of water consumed	\$ 10.30	\$ 10.72	\$ 11.47	\$ 12.27	\$ 13.13	\$ 14.05