

City of Lake Elmo
Rate Comparison
12.15.16

Base fee	LE Old	LE New 1/1/16	Proposed 1/1/2017		Cumulative		Cumulative	
			\$ Chg	% Chg	\$ Chg	% Chg	Chg	% Chg
Tier 1	25.00	2.00	(0.14)	-6.54%	2.00	0.00%	(0.14)	-6.54%
Tier 2	2.86	2.60	(0.26)	-9.09%	2.40	(0.20)	(0.46)	-16.08%
Tier 3	3.77	3.38	(0.39)	-10.34%	2.88	(0.50)	(0.89)	-23.61%
Tier 4	5.00	4.39	(0.61)	-12.20%	3.46	(0.93)	(1.54)	-30.80%
Tier 5	6.63	5.71	(0.92)	-13.88%	4.15	(1.56)	(2.48)	-37.41%

Base fee	LE New	Woodbury	Oakdale	Mahtomedi	Oak Park		Andover	Hugo
					Hts	Incl in base		
Tier 1	20.00	4.00	9.00	14.45	38.19	2.12	13.13	17.00
Tier 2	2.00	0.88	1.75	2.23	Incl in base	2.30	2.30	1.50
Tier 3	2.60	0.88	1.75	2.34	3.05	2.30	2.30	1.65
Tier 4	3.38	1.88	1.92	3.93	3.55	2.30	2.30	2.50
Tier 5	4.39	2.88	2.07	3.93	3.55	2.70	2.70	2.50
	5.71	2.88	2.07	3.93	4.42	3.45	3.45	2.50
		4.88	1		5.24	2		

of tiers

5 4 3 3 5 4 3

Billing Frequency

Qtrly Qtrly Qtrly Qtrly Qtrly Qtrly Qtrly

Minimum

16.16

1 over 150,000 gallons 2 over 200,000 gallons

City of Lake Elmo, MN
Water Fund - Estimated Year End Cash Balances
Comparison of Scenarios

Fund	Scenarios	Estimated Year End Cash Balance											
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
As Presented to Finance Committee on 12/13/2016	Water Fund												
	A	Base Scenario As of June 2016	2,966,854	4,486,828	4,622,889	5,240,535	5,463,537	5,771,507	5,281,293	5,169,622	4,802,146	4,061,372	
	B	Base Scenario As of December 2016	492,462	4,405,541	4,346,014	4,939,077	1,952,357	2,303,814	2,051,458	1,346,598	1,156,829	917,270	
	C	Assume 20% Fewer REU from Base Scenario As of December 2016	492,462	3,970,767	3,647,152	3,854,929	611,605	671,096	194,381	(757,824)	(1,102,202)	(1,508,387)	
	D	Assume 20% Greater REU from Base Scenario As of December 2016	492,462	4,840,316	5,044,083	6,021,410	3,289,322	3,929,655	3,895,713	3,430,536	3,378,756	3,287,304	
Based on Proposed Rate Adjustments by Finance Committee	Water Fund												
	A	Base Scenario As of June 2016	2,966,854	4,486,828	4,622,889	5,240,535	5,463,537	5,771,507	5,281,293	5,169,622	4,802,146	4,061,372	
	B	Base Scenario As of December 2016	492,462	4,380,823	4,291,602	4,849,562	1,822,763	2,129,799	1,829,137	1,072,417	827,337	529,221	
	C	Assume 20% Fewer REU from Base Scenario As of December 2016	492,462	3,950,993	3,603,598	3,783,237	507,761	531,585	16,052	(977,864)	(1,366,764)	(1,820,124)	
	D	Assume 20% Greater REU from Base Scenario As of December 2016	492,462	4,810,654	4,978,813	5,914,070	3,133,977	3,721,134	3,629,400	3,102,213	2,984,335	2,822,943	
Difference	Water Fund												
	A	Base Scenario As of June 2016	-	-	-	-	-	-	-	-	-	-	
	B	Base Scenario As of December 2016	-	(24,718)	(54,412)	(89,516)	(129,594)	(174,016)	(222,321)	(274,181)	(329,492)	(388,049)	
	C	Assume 20% Fewer REU from Base Scenario As of December 2016	-	(19,774)	(43,554)	(71,692)	(103,844)	(139,511)	(178,329)	(220,040)	(264,562)	(311,738)	
	D	Assume 20% Greater REU from Base Scenario As of December 2016	-	(29,662)	(65,270)	(107,340)	(155,345)	(208,520)	(266,313)	(328,323)	(394,421)	(464,361)	

Notes:

1. The estimates included above are for financial planning purposes only. The amounts shown are un-audited estimates.
2. The Scenarios "C" and "D" above by Fund, assume adjustments to REUs beginning in year 2017.
3. The Water Fund 2016 year-end cash balance is lower in Scenarios B, C, and D compared to A due to the final timing of collection of a revenue (receivable) from the State of MN for a DEED Grant for Water Infrastructure. Payment is anticipated in year 2017 to cover \$2.5M of capital outlay in 2016. The City will receive total payment from the State of MN in the amount of \$3.5M to reimburse \$2.5M of costs for 2016 and \$1.0M anticipated in 2017.
4. Scenarios C and D include adjustments to revenue and operating costs based on change to assumptions for REUs. There are no other changes to assumptions (i.e., no other changes to capital or debt service as compared to Scenario B).
5. The City transferred cash from the Water Fund and the Sanitary Sewer Fund to governmental debt service fund (322 for the 2013A Bonds) in year 2015 that was not anticipated in the preliminary un-audited 2015 financial statements used to prepare the Utility Study as of June 2016. The City reported cash balance in the debt service funds related to Water and Sanitary Sewer in the amounts of \$215,916 and \$640,368, respectively.
6. For Sewer Fund, Scenarios B, C, and D assume no future bonding for capital. For Water Fund, Scenario B, C, and D assume future bonding in years 2017 and 2024 only. This is a change from the assumption since June 2016.

Table F
City of Lake Elmo, MN
Growth Projections

Amounts Shown Equal Growth in Residential Equivalent Units (REU) (Scenario B - Estimates as of December 2016)

	Actual		Current	Projected										Total 2016-2025
	2014 Actual	2015 Actual	2016 Estimated	2017	2018	2019	2020	2021	2022	2023	2024	2025		
WATER CONNECTIONS - PAID AT TIME OF PERMIT														
Residential	17	130	140	244	287	281	223	197	161	151	142	120	1,946	
Commercial	35	0	59	15	20	30	43	44	44	40	42	0	337	
School	0	0	40	80	0	0	0	0	0	0	0	0	120	
Total	52	130	239	339	307	311	266	241	205	191	184	120	2,403	

WATER CONNECTIONS - PAID AT TIME OF PERMIT

WATER AVAILABILITY CHARGE - PAID AT TIME OF PLATTING													
Residential	179	420	250	372	147	321	90	162	40	72	0	20	1,474
Commercial	35	50	31	35	35	35	43	20	40	40	0	0	279
School	0	0	40	80	0	0	0	0	0	0	0	0	120
Total	214	470	321	487	182	356	133	182	80	112	0	20	1,873

Table J-1
City of Lake Elmo, MN
Water Fund
Pro Forma (Scenario B - Estimates as of December 2016)

	Actual		Current	Projected								
	2014 Actual	2015 Actual	2016 Estimated	2017	2018	2019	2020	2021	2022	2023	2024	2025
Source of Funds												
Charges for service fees	379,262	441,563	475,487	518,005	610,558	710,509	802,345	881,216	953,068	1,017,392	1,081,085	1,135,149
Charges for service fees - meters	16,994	55,435	140,000	68,000	72,760	54,955	58,802	62,918	67,322	72,035	77,078	82,473
Special assessment (interest)	-	-	19,537	16,950	16,423	15,897	15,370	14,844	14,317	12,688	8,151	7,856
Special assessments (CIP)				400,000	950,000	750,000	50,000	50,000	-	-	-	-
Intergovernmental	663,994		2,500,000	1,000,000								
Investment income	16,668	26,985	19,788	2,462	21,904	21,458	24,248	9,114	10,649	9,146	5,362	4,137
Contributions and donations	848,074											
Water availability charge	797,400	1,237,500	963,000	1,461,000	546,000	1,068,000	399,000	546,000	240,000	336,000	-	60,000
Water connection fee	50,500	66,000	239,000	339,000	307,000	311,000	266,000	241,000	205,000	191,000	184,000	120,000
Rents/leases	46,935	49,742	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000
Transfer in from other funds	784,801	84,569										
Total Source of Funds	3,604,628	1,961,794	4,402,812	3,851,417	2,570,645	2,977,819	1,661,766	1,851,091	1,536,357	1,684,260	1,401,675	1,455,615
Use of Funds												
Operating and other expense	325,495	442,214	726,397	489,546	469,046	474,272	495,232	517,413	568,488	593,914	715,833	678,621
Debt service expense	327,152	363,202	209,330	273,321	278,821	274,588	258,333	241,643	224,530	207,066	187,923	205,110
Depreciation	416,864	557,627	681,706	783,361	816,686	841,486	921,486	922,736	929,586	950,836	1,004,536	1,004,536
Transfer out to other funds	7,895	291,413	-									
Total Use of Funds	1,077,406	1,654,456	1,617,433	1,546,227	1,564,552	1,590,345	1,675,050	1,681,791	1,722,604	1,751,816	1,908,291	1,888,267
Change in net assets	2,527,222	307,338	2,785,379	2,305,190	1,006,093	1,387,474	(13,284)	169,300	(186,247)	(67,556)	(506,616)	(432,652)
Prior period adjustment		(81,881)										
Net Position, End of Year	9,360,075	9,585,532	12,370,911	14,676,101	15,682,194	17,069,668	17,056,383	17,225,684	17,039,437	16,971,881	16,465,266	16,032,614
Assets												
Cash and investments	617,655	2,038,821	492,462	4,380,823	4,291,602	4,849,562	1,822,763	2,129,799	1,829,137	1,072,417	827,337	529,221
Cash and investments escrow	3,848,031	-										
Due from other funds												
Special assessments receivable	786,047	487,294	341,695	311,695	281,695	251,695	221,695	191,695	161,695	131,695	101,695	71,695
Other assets	339,822	358,474	2,858,474	358,474	358,474	358,474	358,474	358,474	358,474	358,474	358,474	358,474
Capital assets	19,107,587	19,759,938	25,516,266	28,382,455	29,715,455	30,707,455	33,907,455	33,957,455	34,231,455	35,081,455	37,229,455	37,229,455
Less accumulated depreciation	(3,217,170)	(3,774,797)	(4,456,503)	(5,239,863)	(6,056,549)	(6,898,035)	(7,819,520)	(8,742,256)	(9,671,841)	(10,622,677)	(11,627,212)	(12,631,748)
Total Assets	21,481,972	18,869,730	24,752,394	28,193,584	28,590,677	29,269,151	28,490,866	27,895,167	26,908,920	26,021,364	26,889,749	25,557,097
Liabilities												
Due to other funds	795											
Unearned revenue		164,000	454,000	555,000	656,000	757,000	807,000	857,000	907,000	957,000	1,007,000	1,007,000
Net Unamortized Prem/Discount	83,596	142,715	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Bonds payable	11,715,000	8,615,000	11,425,000	12,460,000	11,750,000	10,940,000	10,125,000	9,310,000	8,460,000	7,590,000	8,915,000	8,015,000
Accounts payable / Other	406,102	362,483	362,483	362,483	362,483	362,483	362,483	362,483	362,483	362,483	362,483	362,483
Total Liabilities	12,205,493	9,284,198	12,381,483	13,517,483	12,908,483	12,199,483	11,434,483	10,669,483	9,869,483	9,049,483	10,424,483	9,524,483
Total Liabilities and Net Assets	21,565,568	18,869,730	24,752,394	28,193,584	28,590,677	29,269,151	28,490,866	27,895,167	26,908,920	26,021,364	26,889,749	25,557,097

Note: 1. Special assessments prepaid (CIP) is shown as revenue (cash) in year CIP project costs are incurred. It is shown this way for simplicity of presentation for the pro forma and estimating year-end cash. 2. City received a \$3.5M DEED grant (intergovernmental revenue) to pay capital project costs. The City incurred \$2.5M of costs (use of cash) in 2016 that will not be reimbursed until 2017. City projects it will receive a \$3.5M payment from DEED in 2017.



Table J-2
City of Lake Elmo, MN
Water Fund

Year-End Cash Balance (Scenario B - Estimates as of December 2016)

	Actual		Current	Projected								
	2014 Actual	2015 Actual	2016 Estimated	2017	2018	2019	2020	2021	2022	2023	2024	2025
Beginning Cash	4,528,855	4,465,686	2,038,821	492,462	4,380,823	4,291,602	4,849,562	1,822,763	2,129,799	1,829,137	1,072,417	827,337
Plus revenues	1,406,438	1,877,225	4,402,812	3,851,417	2,570,645	2,977,819	1,661,766	1,851,091	1,536,357	1,684,260	1,401,675	1,455,615
Plus bond proceeds	2,545,000	915,000	3,225,000	1,520,000	0	0	0	0	0	0	2,195,000	0
Less acquisition of capital assets	(3,775,676)	(652,351)	(5,756,328)	(2,866,189)	(1,333,000)	(992,000)	(3,200,000)	(50,000)	(274,000)	(850,000)	(2,148,000)	0
Less principal on debt	(230,000)	(4,015,000)	(415,000)	(485,000)	(710,000)	(810,000)	(815,000)	(815,000)	(850,000)	(870,000)	(870,000)	(900,000)
Less interest on debt	(292,324)	(356,613)	(209,330)	(273,321)	(278,821)	(274,588)	(258,333)	(241,643)	(224,530)	(207,066)	(187,923)	(205,110)
Less operating and other costs	(350,836)	(448,803)	(726,397)	(489,546)	(469,046)	(474,272)	(495,232)	(517,413)	(568,488)	(593,914)	(715,833)	(678,621)
Plus transfers in	784,801	84,569	-	-	-	-	-	-	-	-	-	-
Less transfers out	(7,895)	(291,413)	-	-	-	-	-	-	-	-	-	-
Incr/decr in other assets and liabilities	(142,677)	460,521	(2,067,116)	2,631,000	131,000	131,000	80,000	80,000	80,000	80,000	80,000	30,000
Change in cash	(63,169)	(2,426,865)	(1,546,359)	3,888,361	(89,221)	557,959	(3,026,799)	307,036	(300,662)	(756,720)	(245,080)	(298,116)
Total Ending Cash	4,465,686	2,038,821	492,462	4,380,823	4,291,602	4,849,562	1,822,763	2,129,799	1,829,137	1,072,417	827,337	529,221
Estimated Cash Balance Purposes												
For 6-months operating expense	162,748	221,107	363,199	244,773	234,523	237,136	247,616	258,707	284,244	296,957	357,917	339,311
For following year debt service	4,371,613	624,330	758,321	988,821	1,084,588	1,073,333	1,056,643	1,074,530	1,077,066	1,057,923	1,105,110	1,244,730
For next year planned capital	-	-	-	383,000	242,000	3,150,000	-	274,000	850,000	48,000	-	-
For future debt service/capital/reserves	(3,916,706)	1,193,384	(629,057)	2,764,230	2,730,492	389,093	518,504	522,562	(382,173)	(330,462)	(635,690)	(1,054,820)
For cash held with fiscal agent	3,848,031	-	-	-	-	-	-	-	-	-	-	-
Total Ending Cash	4,465,686	2,038,821	492,462	4,380,823	4,291,602	4,849,562	1,822,763	2,129,799	1,829,137	1,072,417	827,337	529,221
Net Assets	9,360,075	9,585,532	12,370,911	14,676,101	15,682,194	17,069,668	17,056,383	17,225,684	17,039,437	16,971,881	16,465,266	16,032,614
Ending Cash as % of Net Assets	47.7%	21.3%	4.0%	29.9%	27.4%	28.4%	10.7%	12.4%	10.7%	6.3%	5.0%	3.3%
Bonds Outstanding as of Year End			11,425,000	12,460,000	11,750,000	10,940,000	10,125,000	9,310,000	8,460,000	7,590,000	8,915,000	8,015,000
Cash for future debt service/capital/reserves as % of Outstanding Bonds	-	-	-5.5%	22.2%	23.2%	3.6%	5.1%	5.6%	-4.5%	-4.4%	-7.1%	-13.2%

Table D-1
City of Lake Elmo, MN
Water Fund CIP

Source/Use of Funds	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Use of Funds										
Hammes Estates Trunk WM 12" Prv with Bypass		120,000								
Village East Trunk WM 12" Prv with Bypass			120,000							
Low Pressures Zone 12" Prv with Bypass - Connection to WT #3							120,000			
Pull and Rebuild Well Pump #2		25,000								
Pull and Rebuild Well Pump #4							35,000			
Paint Water Tower #2 (PWs Bldg)								800,000		
SCADA Upgrade								50,000		
Utility Truck (portion charged to Water and Sewer)			48,000						48,000	
Kelvin Avenue Utilities	58,600									
Inwood Booster Station	1,300,000									
Inwood Water Tower	1,200,000	1,000,000								
Inwood Trunk Watermain	1,900,000									
Lake Elmo Ave/DT Improvements	1,297,728	1,120,189								
		400,000								
Old Village Sewer Extensions Phase 3: Elem School, 31st, and 32nd St.			350,000							
Old Village Sewer Extensions Phase 4: 32nd St. W & Layton/36th St				450,000						
Old Village Sewer Extensions - Phase 5: Up 33rd, Low-33rd, 34/36th St.W.			600,000							
2018 Street and Utility Improvements: Watermain: 38th/39th & Innsdale										
2019 Street and Utility Improvements: Watermain: 37th/38th & Irwin				300,000						
2020 Street and Utility Improvements: Watermain: Heritage Farms					50,000					
2021 Street and Utility Improvements: Watermain: Fields/Tamarack FMS						50,000				
Hidden Meadows Trunk Watermain Connection					350,000					
Property Acquisition for Elevated Storage Tank #3				200,000						
Elevated Storage Tank No. 3 (for low pressure systems)					2,800,000				2,100,000	
Well & Pumphouse No. 5 (@10,000 Water service population)										
Watermain oversizing - Based on Developer Pace and Phasing		201,000	215,000	42,000			119,000			
Total	5,756,328	2,866,189	1,333,000	992,000	3,200,000	50,000	274,000	850,000	2,148,000	-
Source of Funds										
GO Bonds	3,256,328	1,466,189							2,100,000	
Special Assessments Prepaid		400,000	950,000	750,000	50,000	50,000				
MN DEED Funds	2,500,000	1,000,000								
Cash from Water Fund			383,000	242,000	3,150,000		274,000	850,000	48,000	-
Total	5,756,328	2,866,189	1,333,000	992,000	3,200,000	50,000	274,000	850,000	2,148,000	-

Notes:

1. This report was prepared based on estimates developed by the City Engineer.
2. Special assessments are assumed to be prepaid and available cash in this schedule. The City may determine to finance through the issuance of bonds.
3. Kelvin Avenue Utilities is supported 100% by special assessments and will be accounted for in the Governmental Funds.

Sample Rate ComparisonTier 1 userAverage water usage of 10,000 gallons

Enter Gallons Used	10,000	Previous Rates			
0 - 15,000		0.00214	10000	\$46.40	Includes \$25 t
15,001 - 30,000		0.00286	0	\$0.00	
30,001 - 50,000		0.00377	0	\$0.00	
50,001 - 80,000		0.00500	0	\$0.00	
80,000+		0.00663	0	\$0.00	
			10000	\$46.40	

Enter Gallons Used	10,000	Current Rates (eff 1/1/16)			
0 - 15,000		0.00200	10000	\$40.00	Includes \$20 base
15,001 - 30,000		0.00260	0	\$0.00	
30,001 - 50,000		0.00338	0	\$0.00	
50,001 - 80,000		0.00439	0	\$0.00	
80,000+		0.00571	0	\$0.00	
			10000	\$40.00	

Change	- \$6.40	-13.79%
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Enter Gallons Used	10,000	2017 Proposed Rates			
0 - 15,000		0.00200	10000	\$40.00	Includes \$20 base
15,001 - 30,000		0.00240	0	\$0.00	
30,001 - 50,000		0.00288	0	\$0.00	
50,001 - 80,000		0.00346	0	\$0.00	
80,000+		0.00415	0	\$0.00	
			10000	\$40.00	

Change	\$0.00	0.00%
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Cumulative	- \$6.40	-13.79%
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Sample Rate Comparison

Tier 2 user

Average water usage of 20,000 gallons

Enter Gallons Used	20,000	Previous Rates			
0 - 15,000		0.00214	15000	\$57.10	Includes \$25 t
15,001 - 30,000		0.00286	5000	\$14.30	
30,001 - 50,000		0.00377	0	\$0.00	
50,001 - 80,000		0.00500	0	\$0.00	
80,000+		0.00663	0	\$0.00	
			20000	\$71.40	

Enter Gallons Used	20,000	Current Rates (eff 1/1/16)			
0 - 15,000		0.00200	15000	\$50.00	Includes \$20 base
15,001 - 30,000		0.00260	5000	\$13.00	
30,001 - 50,000		0.00338	0	\$0.00	
50,001 - 80,000		0.00439	0	\$0.00	
80,000+		0.00571	0	\$0.00	
			20000	\$63.00	

Change	-\$8.40	-11.76%
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Enter Gallons Used	20,000	2017 Proposed Rates			
0 - 15,000		0.00200	15000	\$50.00	Includes \$20 base
15,001 - 30,000		0.00240	5000	\$12.00	
30,001 - 50,000		0.00288	0	\$0.00	
50,001 - 80,000		0.00346	0	\$0.00	
80,000+		0.00415	0	\$0.00	
			20000	\$62.00	

Change	-\$1.00	-1.59%
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Cumulative	-\$9.40	-13.17%
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Sample Rate ComparisonTier 3 userAverage water usage of 40,000 gallons

Enter Gallons Used	40,000	Previous Rates			
0 - 15,000		0.00214	15000	\$57.10	Includes \$25 t
15,001 - 30,000		0.00286	15000	\$42.90	
30,001 - 50,000		0.00377	10000	\$37.70	
50,001 - 80,000		0.00500	0	\$0.00	
80,000+		0.00663	0	\$0.00	
			40000	\$137.70	

Enter Gallons Used	40,000	Current Rates (eff 1/1/16)			
0 - 15,000		0.00200	15000	\$50.00	Includes \$20 base
15,001 - 30,000		0.00260	15000	\$39.00	
30,001 - 50,000		0.00338	10000	\$33.80	
50,001 - 80,000		0.00439	0	\$0.00	
80,000+		0.00571	0	\$0.00	
			40000	\$122.80	

Change	-\$14.90	-10.82%
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Enter Gallons Used	40,000	2017 Proposed Rates			
0 - 15,000		0.00200	15000	\$50.00	Includes \$20 base
15,001 - 30,000		0.00240	15000	\$36.00	
30,001 - 50,000		0.00288	10000	\$28.80	
50,001 - 80,000		0.00346	0	\$0.00	
80,000+		0.00415	0	\$0.00	
			40000	\$114.80	

Change	-\$8.00	-6.51%
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Cumulative	-\$22.90	-16.63%
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Sample Rate ComparisonTier 4 userAverage water usage of 65,000 gallons

Enter Gallons Used	65,000	Previous Rates			
0 - 15,000		0.00214	15000	\$57.10	Includes \$25 l
15,001 - 30,000		0.00286	15000	\$42.90	
30,001 - 50,000		0.00377	20000	\$75.40	
50,001 - 80,000		0.00500	15000	\$75.00	
80,000+		0.00663	0	\$0.00	
			65000	\$250.40	

Enter Gallons Used	65,000	Current Rates (eff 1/1/16)			
0 - 15,000		0.00200	15000	\$50.00	Includes \$20 base
15,001 - 30,000		0.00260	15000	\$39.00	
30,001 - 50,000		0.00338	20000	\$67.60	
50,001 - 80,000		0.00439	15000	\$65.85	
80,000+		0.00571	0	\$0.00	
			65000	\$222.45	

Change	-\$27.95	-11.16%
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Enter Gallons Used	65,000	2017 Proposed Rates			
0 - 15,000		0.00200	15000	\$50.00	Includes \$20 base
15,001 - 30,000		0.00240	15000	\$36.00	
30,001 - 50,000		0.00288	20000	\$57.60	
50,001 - 80,000		0.00346	15000	\$51.90	
80,000+		0.00415	0	\$0.00	
			65000	\$195.50	

Change	-\$26.95	-12.12%
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Cumulative	-\$54.90	-21.92%
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Sample Rate ComparisonTier 5 userAverage water usage of 100,000 gallons

Enter Gallons Used	100,000	Previous Rates			
0 - 15,000		0.00214	15000	\$57.10	Includes \$25 l
15,001 - 30,000		0.00286	15000	\$42.90	
30,001 - 50,000		0.00377	20000	\$75.40	
50,001 - 80,000		0.00500	30000	\$150.00	
80,000+		0.00663	20000	\$132.60	
			100000	\$458.00	

Enter Gallons Used	100,000	Current Rates (eff 1/1/16)			
0 - 15,000		0.00200	15000	\$50.00	Includes \$20 base
15,001 - 30,000		0.00260	15000	\$39.00	
30,001 - 50,000		0.00338	20000	\$67.60	
50,001 - 80,000		0.00439	30000	\$131.70	
80,000+		0.00571	20000	\$114.20	
			100000	\$402.50	

Change	-\$55.50	-12.12%
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Enter Gallons Used	100,000	2017 Proposed Rates			
0 - 15,000		0.00200	15000	\$50.00	Includes \$20 base
15,001 - 30,000		0.00240	15000	\$36.00	
30,001 - 50,000		0.00288	20000	\$57.60	
50,001 - 80,000		0.00346	30000	\$103.80	
80,000+		0.00415	20000	\$83.00	
			100000	\$330.40	

Change	-\$72.10	-17.91%
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Cumulative	-\$127.60	-27.86%
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Sample Rate ComparisonTier 5 userAverage water usage of 150,000 gallons

Enter Gallons Used	150,000	Previous Rates			
0 - 15,000		0.00214	15000	\$57.10	Includes \$25 t
15,001 - 30,000		0.00286	15000	\$42.90	
30,001 - 50,000		0.00377	20000	\$75.40	
50,001 - 80,000		0.00500	30000	\$150.00	
80,000+		0.00663	70000	\$464.10	
			150000	\$789.50	

Enter Gallons Used	150,000	Current Rates (eff 1/1/16)			
0 - 15,000		0.00200	15000	\$50.00	Includes \$20 base
15,001 - 30,000		0.00260	15000	\$39.00	
30,001 - 50,000		0.00338	20000	\$67.60	
50,001 - 80,000		0.00439	30000	\$131.70	
80,000+		0.00571	70000	\$399.70	
			150000	\$688.00	

Change	-\$101.50	-12.86%
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Enter Gallons Used	150,000	2017 Proposed Rates			
0 - 15,000		0.00200	15000	\$50.00	Includes \$20 base
15,001 - 30,000		0.00240	15000	\$36.00	
30,001 - 50,000		0.00288	20000	\$57.60	
50,001 - 80,000		0.00346	30000	\$103.80	
80,000+		0.00415	70000	\$290.50	
			150000	\$537.90	

Change	-\$150.10	-21.82%
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Cumulative	-\$251.60	-31.87%
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Cathy Bendel

From: Terry Forrest <foterry47@gmail.com>
Sent: Tuesday, December 13, 2016 10:35 PM
To: Cathy Bendel; Kristina Handt
Cc: 'Terry Forrest'
Subject: Document1
Attachments: Doc1.docx

Please see attached a quick look at the impact on the water rate reduction.

Just a quick note to you guys to show the effects of what is being proposed.

If the 20% reduction gets voted in, the following is the effect on a grouping of users:

Top 2 tier users

>9% of users use 30% of water

>9% of users will enjoy 75% of the total dollar reduction

Bottom 2 tier users

>83% of users use 55% of water

>83% of users will enjoy only 9% of dollar reduction

The above is using an average of the 1st and 3rd quarter actual.

This is the effect of the reduction in January 2016 plus Julie's recommendation of reducing each tier by 20%, it give a distorted and unequal distribution of the reduction. As noted the homeowner in the first tier only gets a 7% or \$.14 reduction but the homeowner in tier five gets a 37% or \$2.48 reduction. This is not user neutral.

	2015	2016	Proposed 2017	Yr 16-17 Change %	Yr 15-17 Change %	\$'s/ tier Reduction
Base Fee	25	20	20	0%	20%	5
0-15	2.14	2	2	0%	7%	0.14
15-30	2.86	2.6	2.4	8%	16%	0.46
30-50	3.77	3.38	2.88	15%	24%	0.89
50-80	5	4.39	3.46	21%	31%	1.54
80+	6.63	5.71	4.15	27%	37%	2.48

Not sure if any logic will change the vote but hopefully you guys will inform the other CC members of some of the ramifications.