

Current Assets

Sewer & Water Fund Balance	\$ 3,780,000
Balance available for Capital Projects	<u>\$ 1,880,000</u>
Remaining Sewer & Water Fund Balance	\$ 1,900,000

Annual Funds Raised by the Capital Component of Water Bill:

Expected cu ft to be sold	13,800,000
Capital H2O Rate Component per cu feet	<u>0.00925</u>
Dollars Raised:	\$ 127,650

Estimated Project Costs

Lead Testing	\$ 1,160,000
Water Meters	\$ 860,000
Sewer	\$ 480,000
Water Mains	\$ 1,360,000
Fire Hydrants	\$ 545,000
Gate Valves	\$ 960,000
Retention Tank	\$ 550,000
Lead Abatement, Ditching, Sidewalk & Other	<u>\$ 1,200,000</u>

Total: \$ 7,115,000

Plus Bond Financing Cost (approximate)	\$ 145,000
Less Available Sewer & H2O Funds	<u>\$ 1,880,000</u>

Amount Needed in Capital Improvement Bond **\$ 5,380,000**

Annual Cost for \$4.6M Capital Imp Bond (20 year)	\$ 349,700
Annual Capital Raised by H2O Bill	<u>\$ 127,650</u>
Shortfall	\$ 222,050

Rate increase needed to raise \$222,050 from the capital component of the water bill would be \$.0260622/cu ft applied to the first 400 cu ft (the monthly minimum bill) of all water bills. Applying to first 400 cu feet only makes this equitable across all customers.

$$400 \text{ cu ft} \times \$.0260622/\text{cu ft} \times 12 \text{ months} \times 1775 \text{ hookups} = \$222,050$$

Actual customer increase per month	400 cu ft x \$.0260622/cu ft = \$10.42 per month	\$ 0.0260622
		\$ 10.42