

Rate Study Worksheet

			<i>(Multiply each column by the inflation factor to get subsequent years)</i>			
Cost Calculations:	Base Yr. Budgeted	Inflation Factor	Year 2 Amount	Year 3 Amount	Year 4 Amount	Year 5 Amount
SALARIES & BENEFITS:						
4010 · Health & Ancillary Insurance	\$ 20,000.00	3.0%	\$20,600	\$21,218	\$21,855	\$22,510
4025 · Continuing Education	\$ 1,500.00	3.0%	\$1,545	\$1,591	\$1,639	\$1,688
4150 · Payroll Taxes	\$ 13,939.83	3.0%	\$14,358	\$14,789	\$15,232	\$15,689
4160 · Pension Costs	\$ 11,141.00	3.0%	\$11,475	\$11,819	\$12,174	\$12,539
4180 · Salary Expense	\$ 112,418.00	3.0%	\$115,791	\$119,264	\$122,842	\$126,527
4181B · Overtime- Weather/Emergency/Other	\$ 10,000.00	3.0%	\$10,300	\$10,609	\$10,927	\$11,255
4120 · PC & WC Insurance	\$15,000	3.0%	\$15,450	\$15,914	\$16,391	\$16,883
4215 · Uniform Expense	\$3,600	3.0%	\$3,708	\$3,819	\$3,934	\$4,052
TOTAL SALARIES & BENEFITS	\$187,599	3.0%	\$193,227	\$199,024	\$204,994	\$211,144
			<i>Base Yr. X Inflation</i>	<i>Yr. 2 X Inflation</i>	<i>Yr. 3 X Inflation</i>	<i>Yr. 4 X Inflation</i>
WATER OPERATING BUDGET						
WATER INCOME	\$564,200	3.0%	\$581,126	\$598,560	\$616,517	\$635,012
WATER EXPENSE	\$600,516	3.0%	\$618,531	\$637,087	\$656,200	\$675,886
NET INCOME	(\$36,316)	3.0%	(\$37,405)	(\$38,527)	(\$39,683)	(\$40,874)
Operations:						
4001 · Advertising Expense	\$ 500.00	3.0%	\$515	\$530	\$546	\$563
4020 · Chemicals	\$ 30,000.00	3.0%	\$30,900	\$31,827	\$32,782	\$33,765
4100 · Dues	\$ 1,200.00	3.0%	\$1,236	\$1,273	\$1,311	\$1,351
4110 · Engineering & Consulting Fees	\$ 2,000.00	3.0%	\$2,060	\$2,122	\$2,185	\$2,251
4111 · Equipment - Purchase/Rental	\$ 60,000.00	3.0%	\$61,800	\$63,654	\$65,564	\$67,531
4115 · Testing Fees	\$ 1,000.00	3.0%	\$1,030	\$1,061	\$1,093	\$1,126
4190 - Snow removal	\$ 75.00	3.0%	\$77	\$80	\$82	\$84
4125 · Leases/Maintenance Agreements	\$ 61,000.00	3.0%	\$62,830	\$64,715	\$66,656	\$68,656

Inflation Calculations irrelevant with current inflation

PULL DIRECTLY FROM FY23 WATER DEPT BUDGET

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4130 · Legal & Auditing	\$ 2,750.00	3.0%	\$2,833	\$2,917	\$3,005	\$3,095
4135 · Maintenance-Bldg/Grounds/Tools	\$ 15,000.00	3.0%	\$15,450	\$15,914	\$16,391	\$16,883
4138 - Maintenance - Wells	\$ 7,000.00	3.0%	\$7,210	\$7,426	\$7,649	\$7,879
4147 · Office Supplies	\$ 2,000.00	3.0%	\$2,060	\$2,122	\$2,185	\$2,251
4148 · Postage	\$ 7,000.00	3.0%	\$7,210	\$7,426	\$7,649	\$7,879
4195 · Supplies	\$ 15,500.00	3.0%	\$15,965	\$16,444	\$16,937	\$17,445
4220 · Utilities - Electric	\$ 27,000.00	3.0%	\$27,810	\$28,644	\$29,504	\$30,389
4222 · Utilities - Gas/Oil	\$ 800.00	3.0%	\$824	\$849	\$874	\$900
4225 · Utilities - Telephone/Internet	\$ 2,500.00	3.0%	\$2,575	\$2,652	\$2,732	\$2,814
4226 · Miss Utility Locates	\$ 750.00	3.0%	\$773	\$796	\$820	\$844
4240 · Vehicle Expense	\$ 3,500.00	3.0%	\$3,605	\$3,713	\$3,825	\$3,939
4241 · Vehicle Fuel	\$ 4,500.00	3.0%	\$4,635	\$4,774	\$4,917	\$5,065
TOTAL OPERATIONS:	\$244,075	3.0%	\$251,397	\$258,939	\$266,707	\$274,709
Capital/Reserve Budget:						
370 Kamstrup Meters w/ lids	\$ 150,000.00	3.0%	\$154,500	\$159,135	\$163,909	\$168,826
Public Works Expansion	\$ 85,000.00	3.0%	\$87,550	\$90,177	\$92,882	\$95,668
Hydrant and Well Painting	\$ 19,260.00	3.0%	\$19,838	\$20,433	\$21,046	\$21,677
Replacement 11 Hydrants	\$ 68,200.00	3.0%	\$70,246	\$72,353	\$74,524	\$76,760
Utility Vehicle	\$ 29,000.00	3.0%	\$29,870	\$30,766	\$31,689	\$32,640
Misc. Water Repairs	\$ 100,000.00	3.0%	\$103,000	\$106,090	\$109,273	\$112,551
TOTAL CAPITAL RESERVE BUDGET:	\$451,460	3.0%	\$465,004	\$478,954	\$493,323	\$508,122
	Base Yr.	Inflation	Year 2	Year 3	Year 4	Year 5
Debt Service and Reserves:	Amount	Factor	Amount	Amount	Amount	Amount
Current Debt Service (annual)	\$168,842	3.0%	\$173,907	\$179,124	\$184,498	\$190,033
Any New Debt Service		3.0%	\$0	\$0	\$0	\$0
Required Debt Reserve	\$16,884	3.0%	\$17,391	\$17,912	\$18,450	\$19,003

USDA is 44808, Adds \$2M from SRF for Water Line Replacements

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Repair & Replacement @2.5%	\$10,792	3.0%	\$11,116	\$11,449	\$11,793	\$12,146
Contingency/Emergency @ 12.5%	\$86,942	3.0%	\$89,550	\$92,237	\$95,004	\$97,854
Other Reserve	\$0		\$0	\$0		\$0
TOTAL DEBT SERV.& RESERVE	\$283,460	3.0%	\$291,964	\$300,723	\$309,744	\$319,037
TOTAL COSTS (Rev. Requirement):	\$715,134	3.0%	\$736,588	\$758,685	\$781,446	\$804,889
			Base Yr. X Inflation	Yr. 2 X Inflation	Yr. 3 X Inflation	Yr. 4 X Inflation
Revenue Calculations:	Base Year	Inflation	Year 2	Year 3	Year 4	Year 5
<u>Non-rate Revenue:</u>	Amount	Factor	Amount	Amount	Amount	Amount
Miscellaneous Fees	\$1,500	3.0%	\$1,545	\$1,591	\$1,639	\$1,688
Fire Lines	\$13,600	3.0%	\$14,008	\$14,428	\$14,861	\$15,307
Meter and Pit Purchases	\$24,850	3.0%	\$25,596	\$26,363	\$27,154	\$27,969
Water Fee Penalties	\$2,500	3.0%	\$2,575	\$2,652	\$2,732	\$2,814
Tapping Fees	\$6,500	3.0%	\$6,695	\$6,896	\$7,103	\$7,316
Connection Fees	\$3,250	3.0%	\$3,348	\$3,448	\$3,551	\$3,658
TOTAL NON-RATE REVENUE:	\$52,200	3.0%	\$53,766	\$55,379	\$57,040	\$58,752
			Base Yr. X Inflation	Yr. 2 X Inflation	Yr. 3 X Inflation	Yr. 4 X Inflation
	Base Yr.	Inflation	Year 2	Year 3	Year 4	Year 5
Revenue Requirement Calc.	Amount	Factor	Amount	Amount	Amount	Amount
Total Costs to be re-covered	\$715,134	3.0%	\$736,588	\$758,685	\$781,446	\$804,889
LESS Non-rate revenue	(\$52,200)	3.0%	(\$53,766)	(\$55,379)	(\$57,040)	(\$58,752)
RATE REVENUE REQUIRED	\$662,934	3.0%	\$682,822	\$703,306	\$724,406	\$746,138
			Base Yr. X Inflation	Yr. 2 X Inflation	Yr. 3 X Inflation	Yr. 4 X Inflation