



**Determining Affordability of Utility Rates –**

Infrastructure Assistance Coordinating Council - IACC  
 Wenatchee Convention Center  
 Wednesday - October 1, 2014  
 2:45 pm Session S30

Washington State Department of Health

**RCAC is funded by the Washington State Department of Health, Office of Drinking Water**

**Welcome!**

**Jim Wilson & Dan Bannier**

**Rural Community Assistance Corporation**

**The RCAP Network**



**Western RCAP**  
 Rural Community Assistance Corporation  
 916/447-2854  
 www.rcac.org

**Midwest RCAP**  
 Midwest Assistance Program  
 952/758-4334  
 www.mcap-inc.org

**Southern RCAP**  
 Community Resource Group  
 475/443-2700  
 www.crg.org

**Northeast RCAP**  
 RCAP Solutions  
 800/488-1969  
 www.rcapsolutions.org

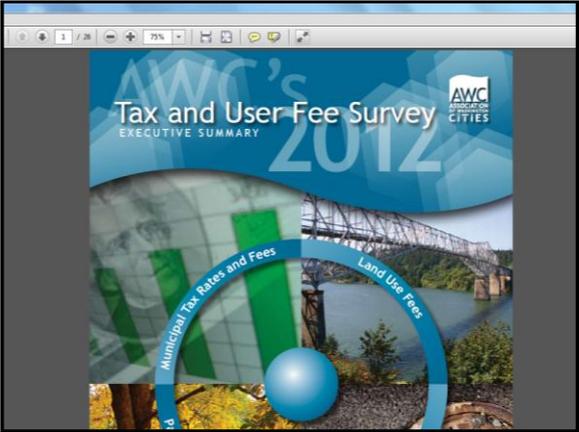
**Great Lakes RCAP**  
 WSOB Community Action Commission  
 800/775-9767  
 www.glacap.org

**Southeast RCAP**  
 Southeast Rural Community Assistance Project  
 866/928-3731  
 www.southeastrcap.org

Rural Community Assistance Partnership  
 800/321-7227 www.rcap.org

**Why should you care?**

- EPA's Definition of Affordable Utility Rates
- MHI & Federal, State and Private Lending
- Funding 4 Key Accounts
  - Operations & Maintenance
  - Replacement Reserves (Asset Management)
  - Emergency Reserves
  - Debt Service



**Tax and User Fee Survey**  
 EXECUTIVE SUMMARY  
 2012  
 AWC ASSOCIATION OF CITIES

Part IV  
**Utility Rates**

**Who responded?**  
Two hundred and twenty four cities (85%) responded to the Tax and User Fee Survey on utility rates. The 224 responding cities represent 87% of Washington's incorporated population. Some of the municipalities responding do not provide water, sewer and/or stormwater services. This summary provides an analysis of city utility rates, unless otherwise noted. It is a representation of survey data, and therefore only reflects the rates of those cities responding to the survey.

**New customer fees**  
New customer fees reflect the charge to connect a new single family residence to water, sewer or stormwater systems. New customer charges can be difficult to interpret in a survey questionnaire because there are many different reasons for the charges and they vary within a single jurisdiction. More data can be found online.

**Water system**  
All rates reported in this summary are monthly charges for a single family residence based on the use of 1,000 cubic feet (cf) of water. Water meters are read on a monthly basis by 88% of respondents and bi-monthly by 12%. Most jurisdictions in colder Eastern Washington do not read meters during the winter. Despite the fact that 84% of respondents either discuss in detail and/or offer low income customers.

**Water rates and consumption**

Average residential monthly rate inside jurisdiction (1,000 cf)	\$33.82
Average residential monthly rate outside jurisdiction (1,000 cf)	\$45.73
Monthly consumption, single-family residential per residence	Average 934 cf Median 850 cf

**Single family monthly water rates**

**Water Rate Structures**  
Cities use three primary types of water rate structures:

- Flat – one charge regardless of the amount of water used.
- Uniform block – a base charge plus a fixed rate per unit of water used above the allowed base, and
- Block – a base charge plus a variable rate per unit of water used above the allowed base.

Block rates can either increase to encourage conservation, or decrease to give price breaks.

Block rates can either increase to encourage conservation, or decrease to give price breaks to customers who use a large amount of water. A small number of providers have seasonal block rates, while others use a combination of both fixed and unseasoned structures for residential customers.

**Water rate structures**

Water rate structure	% of cities reporting
Flat	11.7%
Uniform block	21.1%
Increasing	41.3%
Decreasing	5.2%
Seasonal	4%
No response	16.4%

**A historical look at water and sewer rates**  
Average single family monthly rates inside jurisdiction

**Sewer system**  
All rates are monthly charges for a single family residence. The majority of providers charge a flat monthly fee for residential customers. The rates for providers that use a volume basis for sewer are based on the use of 1,000 cubic feet.

**Sewer system rates**

Average monthly rate inside jurisdiction	\$46.05
Average monthly rate outside jurisdiction	\$60.85

**Stormwater system**  
Ninety-seven cities indicated that they operate a stormwater utility and give stormwater rate information.

In 2007, new regulations went into effect requiring 100 cities to obtain National Pollutant Discharge Elimination System (NPDES) municipal stormwater permits under the federal Clean Water Act, and administered by the Washington State Department of Ecology. The permit is required for urbanized areas and open with a population of 1,000 or more people per square mile. Of those 97 cities providing stormwater rate information for this survey, 77 are subject to the NPDES municipal stormwater permit. Stormwater rates are based upon use (ESU (equivalent residential unit) or ESU (equivalent service unit). The number of square feet of impervious area included in an ERU or ESU varies by jurisdiction.

**Stormwater rates**

Average	\$9.76
Median	\$7.38
High	\$23
Low	\$1.50

**Single family monthly sewer rates**

# Affordability...

... Says who?

- Federal Government (USEPA, SDWA & CWA)
- State Primacy Agencies (SRF's: DOH & ECY)
- Funding Institutions (USDA-RD, CDBG, PWTF)
- Elected Officials ("social" objectives)
- Customers (rates are already too high)
- AARP
- American Water Works Association (AWWA)
- Water Environment Federation (WEF)

**US Environmental Protection Agency (USEPA)**

- The 4% Benchmark for Affordability (\*CBO)  
2% water & 2% wastewater

User rates as a percentage of MHI on a systemwide basis  
Point-of-use treatment devices as "compliance technologies"

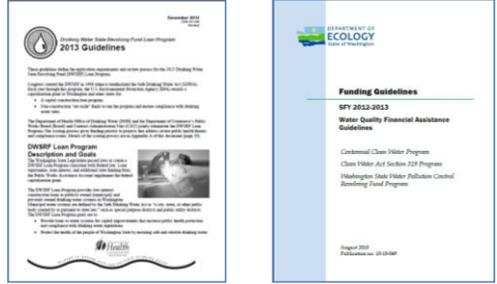
- Increase in 2012!
  - 5% (combined utilities)
  - 2.5% water & 2.5% wastewater
- 2% = medium burden
- 2.5% = affordability concerns

\*Congressional Budget Office

**Determining Affordability must start here...**

- Mission Statement/Vision
- GOALS
- POLICY (to effectively run your business!)
- ALL, at a minimum, must meet or exceed federal & state regulations as related to the operation of the utility!.....TMF

# Primacy Agencies...



# Calculating "Affordability"...

1. Residential user fees
  - Now & After Construction
2. Median Household Income (MHI)
  - American Community Survey (ACS)  
US Census Bureau  
<http://factfinder2.census.gov>

DATE DUE: 02/15/2013 SEE REVERSE FOR MORE INFORMATION PLEASE WRITE ACCOUNT NUMBER ON CHECK & REMIT TO CITY OF PALOUSE 120 E. MAIN ST. • PO BOX 248 • PALOUSE, WA 99161

SERVICE ADDRESS: 120 CANNON W ADDRESS CORRECTION REQUESTED

METER READINGS: PRESENT 43760 PREVIOUS 43760 BILLING PERIOD: Jan. 2013 charges

No Reading	43760	01/31/2013
Water:	23.00	
Sewer:	25.00	
Sewer Coverage:		
Water Sys:	3.00	
Sewer Reserve:	5.00	
Tax:	2.82	
Late Fee:		
Current Charges:	58.82	
Previous Balance:	-4.03	
Payments:		
Adjustments:		
Balance Due:	54.79	

ACCOUNT NUMBER: 893 BALANCE DUE: 54.79

**\$23.00**  
**\$3.00** (Water reserve)  
**\$1.56** (6% Utility Tax)  
**\$27.56** (Base Rate)

The screenshot shows the American FactFinder search interface. The search criteria are set to 'Palouse city, Washington'. The search results show various demographic and economic data points for the selected geography.

The screenshot shows the search results for 'Median household income' in Palouse city, Washington. The results table lists various income brackets and their corresponding counts and percentages.

Topic	Count	Percentage
workers		
Unpaid family workers	0	+/-92
<b>INCOME AND BENEFITS (IN 2011 INFLATION-ADJUSTED DOLLARS)</b>		
Total households	370	+/-58
Less than \$10,000	32	+/-21
\$10,000 to \$14,999	14	+/-14
\$15,000 to \$24,999	30	+/-15
\$25,000 to \$34,999	33	+/-21
\$35,000 to \$49,999	105	+/-39
\$50,000 to \$74,999	75	+/-33
\$75,000 to \$99,999	38	+/-21
\$100,000 to \$149,999	32	+/-15
\$150,000 to \$199,999	11	+/-13
\$200,000 or more	0	+/-02
<b>Median household income (dollars)</b>	<b>46,324</b>	<b>+/-4,426</b>
Mean household income (dollars)	54,264	+/-6,471
<b>With earnings</b>		
Mean earnings (dollars)	298	+/-48
With Social Security	54,529	+/-5,685
Mean Social Security income (dollars)	99	+/-27
With retirement income	18,112	+/-2,421
Mean retirement income (dollars)	83	+/-27
Mean retirement income (dollars)	16,433	+/-4,181

# Median Household Income (MHI)

– Determined by the middle value of the total list of values that were divided into two parts.

Odd		Even	
1	\$ 12,000	1	\$ 12,000
2	\$ 13,000	2	\$ 13,000
3	\$ 17,000	3	\$ 17,000
4	\$ 23,000	4	\$ 23,000
5	\$ 24,000	5	\$ 24,000
6	\$ 28,000	6	\$ 28,000
7	\$ 37,000	7	\$ 37,000
8	\$ 43,000	8	\$ 43,000
9	\$ 45,000	9	\$ 45,000
10	\$ 65,000	10	\$ 65,000
11	\$ 150,000	11	\$ 150,000
12		12	\$ 160,000

\$32,500

DATE DUE: 02/15/2013 SEE REVERSE FOR MORE INFORMATION PLEASE WRITE ACCOUNT NUMBER ON CHECK & REMIT TO CITY OF PALOUSE 120 E. MAIN ST. • PO BOX 248 • PALOUSE, WA 99161 FIRST U.S. PO PAL PER

SERVICE ADDRESS: 120 CANNON W ADDRESS CORRECTION REQUESTED

METER READINGS: PRESENT 43760 CONSUMPTION: 01/31/2013 BILLING PERIOD: Jan. 2013 charges

No Reading: 43760

Water: 23.00  
Sewer: 25.00

ACCOUNT NUMBER: [REDACTED] BALANCE DUE: [REDACTED]

MHI	0.71%	1.0%	1.5%	2.0%	2.5%
\$ 46,324					
Base Rate	\$ 27.56	\$ 38.60	\$ 57.91	\$ 77.21	\$ 96.51
Annual Base	\$ 330.72	\$ 463.24	\$ 694.86	\$ 926.48	\$ 1,158.10
\$ change	0	\$ 11.04	\$ 30.35	\$ 49.65	\$ 68.95

**\$23 + \$3 + \$1.56 (Utility Tax) = \$27.56**  
**\$27.56 x 12 = \$330.72 (annual base rate)**  
**\$330.72 / (MHI) \$46,324 = 0.71% aka "Affordability"**

Account Number: 210133515  
 Billing Date: 01/25/13  
 (800) 227-9187 www.avistautilities.com

ANDY W O'NEILL  
 120 W CANNON ST  
 PALOUSE, WA 99161

Message Center  
 Bill assistance is just a phone call or click away. Call 800-227-9187 or go to avistautilities.com to see how we may be able to help.

Your Usage Profile  
 Log on to our Web site for a complete overview of your usage.

Account Summary  
 Previous Balance: \$133.26  
 Payment(s) Received through 01/25/13 - Thank you: -183.28  
 Subtotal: 0.00  
 New Charges - Due By 02/14/13: \$133.89  
 Total Amount Due: \$133.89

Current Reading Information  
 Read Date: 01/25/13  
 Meter Number: 80253383  
 Rate Schedule: 701  
 Meter Reading: 2421  
 Previous Reading: 2068  
 Read Type: Current  
 Meter Multiplier: 2530  
 Energy Usage: 0.947  
 City Tax: 100  
 Amount(s): 91.09

Current Charges Detail  
 Natural Gas Meter Number: 80253383  
 Energy Usage First 47 Therms: 47.35290  
 Energy Usage 48-70 Therms: 22.32330

**Natural Gas & Electricity = \$133.89**  
**\$133.89 x 12 = \$1,606.68 (annual Avista bill)**  
**\$1,606.68 / (MHI) \$46,324 = 3.47%**

## What is an Income Survey?

- Tool used to evaluate funding assistance opportunities in Washington State.

Department of Commerce  
 Innovation is in our nature.

Public Works Board  
 Local Government & Infrastructure Division  
 Washington State Department of Commerce

Community Development Block Grant (CDBG)

USDA Rural Development  
 Committed to the future of rural communities

DEPARTMENT OF ECOLOGY  
 State of Washington

Washington State Department of Health

Infrastructure Assistance Coordinating Council (IACC) - Windows Internet Explorer

http://www.infrafinancing.wa.gov

Infrastructure Assistance Coordinating Council  
 P.O. Box 2300 | Shelton, WA 98584 | (360) 462-9287 | Fax: (360) 462-9289

HOME  
 INFRASTRUCTURE ASSISTANCE DATABASE  
 IACC CONFERENCE  
 IACC MEMBER ORGANIZATIONS  
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2012 Conference  
 October 2-4, 2012  
 Sunday - Tuesday  
 Winatashoe Convention Center

Go to the Conference Page for the latest conference updates

Infrastructure Assistance Coordinating Council (IACC) - Windows Internet Explorer

http://www.infrafinancing.wa.gov

CONTACT US

Go to the Conference Page for the latest conference updates

New! Environmental Inventory

The IACC member organizations have developed an Environmental Inventory intended to outline the similarities and various state and federal funding programs.

- Environmental Inventory

The IACC Income Survey Guide

The IACC member organizations have developed an Income Survey Guide intended to help Washington's community income survey for their jurisdiction. This guide outlines a step-by-step survey process to be used by applicants for any Survey Guide is available, as well as several Excel worksheets, for your use and convenience.

- Income Survey Guide
- Excel worksheets & attachments

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Column A Number of Households in the Area	Column B Required Sample Size as Percentage Needed to Validate the Survey	Column C Equivalent Sample Size Range to Validate the Survey
1-49	93%	1-45
50-55	90%	45-49
56-63	87%	49-55
64-70	85%	54-59
71-77	84%	60-65
78-99	80%	62-79
100-115	78%	78-90
116-153	72%	83-110
154-180	69%	106-124
181-238	67%	121-159
239-308	57%	136-176
309-398	50%	154-199
399-650	38%	152-247
651-1,200	25%	163-300
1,201-2,700	13%	156-351
2,701 or more	10%	270 or more

## Why or Why NOT

**WHY NOT.....or considerations to address**

- If you don't have "approved" planning documents
- If you haven't identified a primary funder
- If you expect to receive 50% or 100% subsidy
- If you expect limited involvement during the process
- Results could lead to a PR backfire
  - .....Told you so!

## Why or Why NOT

**WHY NOT.....or considerations to address**

- District doesn't have counties support
  - (seeking only CDBG funds)
- You haven't done your homework
  - You haven't estimated user rates
    - Including project costs
  - Cost Benefit Analysis
    - DWSRF, Low rates & Category 5
    - CDBG >51% LMI
    - USDA-RD (Under order from regulatory agency & poverty level)

## System Reserves

- What presents a better "picture bubble"?

Water Reserve Fund : **\$110,000**



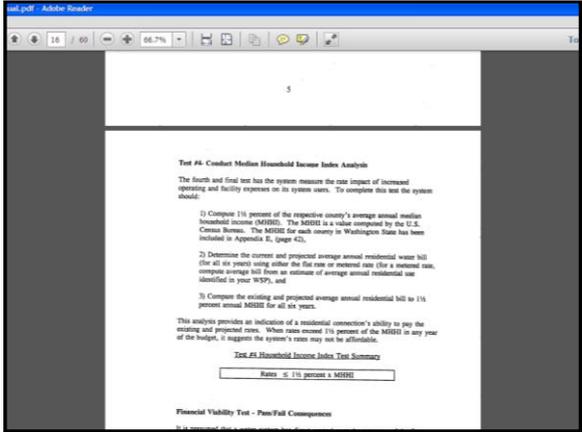
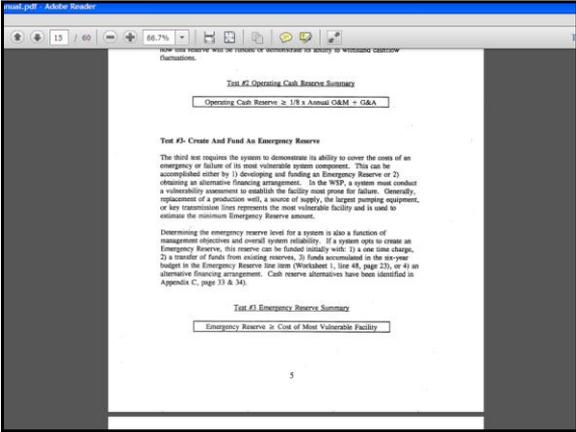
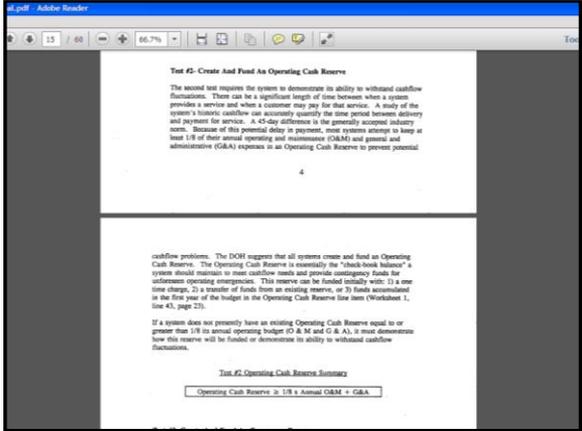
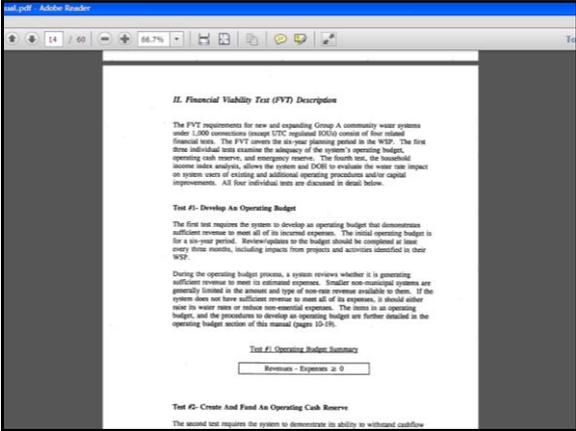
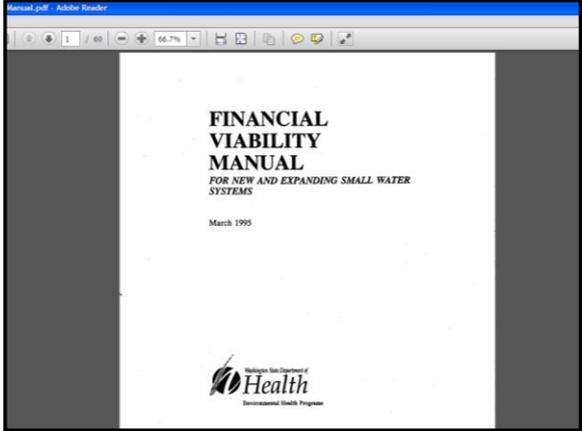
## System Reserves

<b>Water Reserve Fund</b>	
Operating Reserve:	\$12,000
Equipment Replacement:	\$29,000
Emergency Reserve:	\$20,000
Loan Repayment Reserve:	\$16,800
<b>Planning Documents:</b>	<b><u>\$32,200</u></b>
	<b>\$110,000</b>

## Funding 4 Key Accounts

- Operations & Maintenance
  - Cash Operating Reserve
- Replacement Reserves
  - Asset Management
    - Short term vs. long term
- Emergency Reserves
- Debt Service

- ## Funders like to see...
- ...whether borrowing or submitting annual reports
  - TMF Capacity
    - Ability to manage money & operate the facility
  - Audit Reports
  - Operating Ratio
    - Total Operating Income/\*O&M
      - (\*less depr., interest & debt service)
  - Coverage Ratio
    - Annual Gross Revenue less O&M/Annual debt service
    - ❖ *Ratio's should be greater than 1.0*





## Asset Management: A Handbook for Small Water Systems

One of the Simple Tools for Effective Performance (STEP) Guide Series



### Introduction to the System Inventory Worksheet

Estimated Useful Lives

Asset	Expected Useful Life (in years)
Inlet Structures	25-35
Wells and Springs	25-35
Galleries and Tunnels	30-40
Chlorination Equipment	10-15
Other Treatment Equipment	10-15
Storage Tanks	30-40
Pumps	10-15
Buildings	30-40
Electrical Systems	7-10
Transmission Mains	35-40
Distribution Pipes	35-40
Valves	35-40
Shut-off Valves	35-40
Backflow Prevention	35-40
Meters	10-15
Service Lines	30-50
Hydrants	40-50
Lab/Monitoring Equipment	5-7
Tools and Shop Equipment	10-15
Landscaping/Grading	40-80
Office Furniture/Equipment	10
Computers	5
Transportation/Equip	10

The following System Inventory Worksheet will help you:

- Identify all of your system's assets;
- Record the condition of your assets;
- Record the service history of your assets;
- Determine your assets' adjusted useful lives;
- Record your assets' ages; and,
- Estimate the remaining useful life of each of your assets. Usually, there are two steps to estimating useful life:
  - Determine the expected useful life by using the manufacturer's recommendations or the estimates provided in the box to the right. Adjust these numbers based on the specific conditions and experiences of your system.
  - Calculate an adjusted useful life by taking into account the service history and current condition of your asset.

Two copies of the worksheet are provided. The first copy is followed by instructions that will help you understand how to complete it. The second worksheet is an example. Appendix A has blank worksheets that you can photocopy and use.



### Water: Check Up Program for Small Systems (CUPSS)

You are here: Water » Water Infrastructure » Ground Water & Drinking Water » Public Water Systems » Check Up Program for Small Systems (CUPSS)

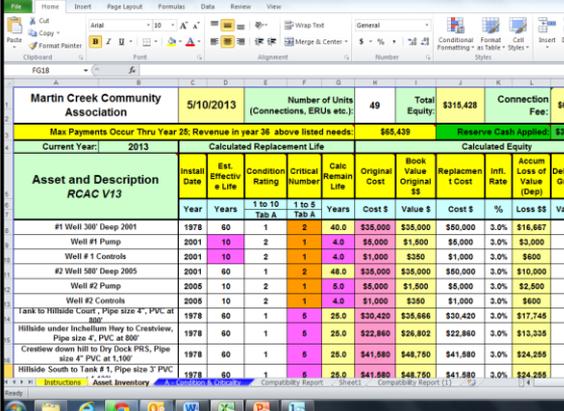
**Check Up Program for Small Systems (CUPSS)**

CUPSS is a free, easy-to-use, asset management tool for small drinking water and wastewater utilities. CUPSS provides a simple, comprehensive approach based on EPA's highly successful Simple Tools for Effective Performance (STEP) Guide Series. Use CUPSS to help you develop:

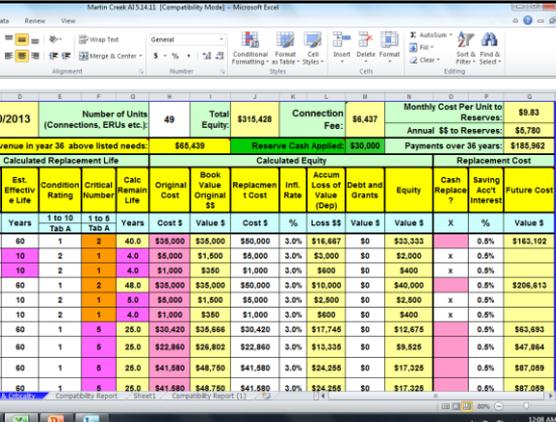
- A record of your assets.
- A schedule of required tasks.
- An understanding of your financial situation.
- A tailored asset management plan.

This website is designed for CUPSS users, trainers and all others involved with small drinking water or wastewater utilities. Information is presented on the following topics:

- Basic information - Get answers to frequent questions about CUPSS and learn how CUPSS is designed, how it works and what it can do for you.
- Case Studies - Read about the experiences of small drinking water and wastewater utilities as they take on the challenge of asset management.
- CUPSS Software - Download a copy of the CUPSS application or request a copy of the installation CD. You can also register as a CUPSS user to receive updates and notification of training.



Asset and Description	Install Date	Est. Effective Life	Condition Rating	Critical Number	Calc. Remain Life	Original Cost	Book Value Original \$	Replacement Cost	Int. Rate	Accum. Loss of Value (Dep)	Debt Grant
<b>#1 Well 30' Deep 2001</b>	1978	60	1	2	40.0	\$35,000	\$35,000	\$50,000	3.0%	\$16,667	\$0
Well #1 Pump	2001	10	2	1	4.0	\$1,000	\$1,000	\$6,000	3.0%	\$3,000	\$0
Well #1 Controls	2001	10	2	1	4.0	\$1,000	\$950	\$1,000	3.0%	\$600	\$0
#2 Well 30' Deep 2005	2001	60	1	2	48.0	\$35,000	\$35,000	\$50,000	3.0%	\$10,000	\$0
Well #2 Pump	2005	10	2	1	5.0	\$5,000	\$1,500	\$5,000	3.0%	\$2,500	\$0
Well #2 Controls	2005	10	2	1	4.0	\$1,000	\$350	\$1,000	3.0%	\$600	\$0
Trunk to Hillside Court - Pipe size 4", PVC at 100'	1978	60	1	5	25.0	\$30,420	\$35,666	\$30,420	3.0%	\$17,745	\$0
Hillside under Incheon Hill to Crestview, Pipe size 4", PVC at 800'	1978	60	1	5	25.0	\$22,860	\$26,802	\$22,860	3.0%	\$13,325	\$0
Crestview down hill to Dry Creek PWS, Pipe size 4" PVC at 100'	1978	60	1	5	25.0	\$41,580	\$48,750	\$41,580	3.0%	\$24,255	\$0
Hillside South to Tank #1, Pipe size 3" PVC	1978	60	1	5	25.0	\$41,580	\$48,750	\$41,580	3.0%	\$24,255	\$0



0/2013	Number of Units (Connections, ERUs etc.)	Total	Connection Fee	Monthly Cost Per Unit to Reserves:
	49	\$315,428	\$6,437	\$9.83
				Annual \$8 to Reserves: \$5,780
				Revenue in year 36 above listed needs: \$65,439
				Reserve Cash Applied: \$30,000
				Payments over 36 years: \$185,982

Est. Effective Life	Condition Rating	Critical Number	Calc. Remain Life	Original Cost	Book Value Original \$	Replacement Cost	Int. Rate	Accum. Loss of Value (Dep)	Debt and Grants	Equity	Debt Replace ?	Saving Acct Interest	Future Cost
60	1	2	40.0	\$35,000	\$35,000	\$50,000	3.0%	\$16,667	\$0	\$33,333	0.0%	\$163,102	
10	2	1	4.0	\$1,000	\$1,000	\$6,000	3.0%	\$2,000	\$0	\$2,000	x	0.0%	
10	2	1	4.0	\$1,000	\$950	\$1,000	3.0%	\$600	\$0	\$600	x	0.0%	
60	1	2	48.0	\$35,000	\$35,000	\$50,000	3.0%	\$10,000	\$0	\$40,000	0.0%	\$206,613	
10	2	1	5.0	\$5,000	\$1,500	\$5,000	3.0%	\$2,500	\$0	\$2,500	x	0.0%	
10	2	1	4.0	\$1,000	\$350	\$1,000	3.0%	\$600	\$0	\$400	x	0.0%	
60	1	5	25.0	\$30,420	\$35,666	\$30,420	3.0%	\$17,745	\$0	\$12,675	0.0%	\$63,693	
60	1	5	25.0	\$22,860	\$26,802	\$22,860	3.0%	\$13,325	\$0	\$9,525	0.0%	\$47,864	
60	1	5	25.0	\$41,580	\$48,750	\$41,580	3.0%	\$24,255	\$0	\$17,325	0.0%	\$87,059	
60	1	5	25.0	\$41,580	\$48,750	\$41,580	3.0%	\$24,255	\$0	\$17,325	0.0%	\$87,059	

### Security Vulnerability Self-Assessment Guide for Water Systems

RCAP Regional Offices: If you need technical assistance to complete your Security Vulnerability Assessment, please contact one of our regional office listed below.



Region	Contact Person	Web Address
Northwest	John H. Smith	www.rcapnw.org
Southwest	John H. Smith	www.rcapsw.org
West	John H. Smith	www.rcapw.org
North	John H. Smith	www.rcapn.org
South	John H. Smith	www.rcaps.org
Midwest	John H. Smith	www.rcapm.org
East	John H. Smith	www.rcape.org

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**Emergency Response Planning Guide for Public Drinking Water Systems**

Produced for the Rural Community Assistance Partnership (RCAP) National Network by Rural Community Assistance Corporation. Please visit [www.rcap.org](http://www.rcap.org) for more information.

**Emergency Response Planning Guide for Public Drinking Water Systems**

RCAP Regional Offices:  
If you need technical assistance to complete your Emergency Response Plan, please contact one of our regional offices listed below:



Regional Office	Contact Number	Web Address
RCAP National Office	800-551-7224	<a href="http://www.rcap.org">www.rcap.org</a>
Midwest RCAP	800-551-7224	<a href="http://www.rcap.org">www.rcap.org</a>
Southern RCAP	800-551-7224	<a href="http://www.rcap.org">www.rcap.org</a>
Northwest RCAP	800-551-7224	<a href="http://www.rcap.org">www.rcap.org</a>
West RCAP	800-551-7224	<a href="http://www.rcap.org">www.rcap.org</a>

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## Sample Community

**Base Rate**  
4,000 cu. Ft. = 29,920 gallons @ \$17.35

**Commodity Rate**  
100 cu. Ft. = 748 gallons  
Residential @ \$0.20/100 cu. Ft.  
Comm. Bus. @ \$0.14/100 cu. Ft.

## Sample Community

**4,000 cu. Ft.**  
Actual ERU 1,957  
(Equivalent Residential User)

Residential 724  
Commercial 122

Residential Use:	Never	Sometimes	Always
Never	30%	71%	
Sometimes	69%	25%	
Always	1%	4%	

Revenue by Class:	Residential	Comm. / Buss.
	78% \$ 158,224	22% \$ 29,565
		<b>\$ 187,789</b>

**2,000 cu. Ft.**  
Actual ERU 1,957  
(Equivalent Residential User)

Residential 724  
Commercial 122

Residential Use:	Never	Sometimes	Always
Never	17%	57%	
Sometimes	83%	5%	
Always	1%	35%	

Revenue by Class:	Residential	Comm. / Buss.
	82% \$ 164,372	18% \$ 30,149
		<b>\$ 194,521</b>

+ \$6,732

## Sample Community

	2010 Actual	2011 Actual	2012 Budget
<b>Base rate \$17.35 4000 cu. Ft.</b>			
<b>Residential \$0.20/100 cu. Ft.</b>			
<b>Comm.-Bus. \$0.14/ 100 cu. Ft.</b>			
Revenue	\$ 159,908	\$ 185,154	\$ 179,537
Expense	\$ 220,375	\$ 215,000	\$ 233,950
Actual Profit/Loss	\$ (60,467)	\$ (29,846)	\$ (54,413)
Base Rate	\$ 14.70	\$ 17.35	\$ 17.35
Residential Usage Rate per 100 cu.ft.	\$ 0.20	\$ 0.20	\$ 0.20
Commercial/Business Usage Rate per 100 cu.ft.	\$ 0.14	\$ 0.14	\$ 0.14
Operating Ratio	<b>0.73</b>	<b>0.86</b>	<b>0.77</b>



# Questions?

