

# MEMORANDUM

**TO:** Doug Bowen, President  
Oak Creek Water District No. 1

**FROM:** Thomas J. Bourassa CPA

**DATE:** December 30, 2021

**RE:** 2021 Rate Study

---

## INTRODUCTION AND PURPOSE

Oak Creek Water District No. 1 ("OCWD") engaged me to perform a Rate Study (the "Study") and make recommendations regarding future revenue increases to help insure OCWD's long-term financial stability and flexibility as well as help to insure OCWD's ability to continue to provide safe and reliable service over the long-term. The Study necessarily involves making projections and estimates about the future. The 10-year projections in the Study are based upon information provided to me by OCWD's Management as well as discussions with Management regarding financial objectives, debt service requirements, as well as the impact on ratepayers. The base year for the Study was the fiscal results and position for year ended June 30, 2021. The Study takes into account OCWD's projected capital improvement plan, funding sources, current customer usage, expected customer growth, and expected increases in operating expenses and depreciation. The financial projections of the Study which reflect the recommended revenue increase and phase-in are included in Attachment A as tables 1 through 7. Recommended rates for the phase in, bill comparisons the average and median usage, and other water statistics are included in Attachment B as tables 8 through 15.

## SUMMARY OF RECOMMENDATION

I recommend an increase in base year (2021) adjusted revenues of \$85,000 which is a 14.76% increase over the adjusted FY 2021 revenues. I recommend a phase-in period of 5 years – 25% of the base revenue increase (or 3.69% over base year adjusted revenues) to occur in each of the next two fiscal years (FY 2022 and FY 2023) and 16.67% of the increase (or 2.46% over base year adjusted revenues) to occur in each year for the next three years (FY 2024, FY 2025, and FY 2026). New rates designed to follow the phase-in are to be implemented in March of year fiscal year.

## LONG-TERM OBJECTIVES

The following objectives were used in the analysis and basis for my recommendations:

- Achieve and maintain an average operating margin between 15% and 20% over at least the next 5-6 years.
- Maintain a debt service coverage ratio (DSCR) of 1.8 or greater.
- Provide cash flows sufficient to maintain minimum cash balance of \$90K while funding projected capital improvements not funded from debt, or third-party contributed capital and funding a plant replacement reserve
- Maintain existing conservation oriented rate design with a somewhat greater pricing message at the highest cost tier
- Provide for revenue stability through sensible revenue recovery from monthly minimums and commodity charges
- Mitigate rate increase impact on rate payers by employing a phase-in approach.

## ASSUMPTIONS

The following information and general assumptions were used in the analysis:

- The base year used for revenue and expenses were the actual results for the 12 months ended June 30, 2021.
- Base year revenues and or expenses were adjusted to be reflective of revenues and expenses on a going forward basis.
- Most expenses were increased annually using a 3% inflation factor including wages and salaries.
- Wages and salaries expense (and employee benefits and associated payroll taxes) are based upon OCWD's staffing plan and include annual expected increases of 3%. Projected annual depreciation and amortization expense reflect OCWD capital improvement plan.
- Projected revenues reflect the recommended base year revenue increase of \$85,000, a phase-in of new rates over 5-years, and projected additional revenues from projected customer growth.
- Base year balances for assets and liability are the balances at June 30, 2021.
- Projected balances for assets and liabilities such as plant-in-service, accumulated depreciation, long-term debt, cash and cash equivalents, advances-in-aid of construction, contributions-in-aid of construction, and net position reflect the projected annual revenues and expenses, OCWD's capital improvement plan, extinguishment of existing WIFA debt and bank loans, expected funding sources such as an expected USDA loan of \$2.325 million and USDA grant of \$5.6 million (as well as future off-site hook-up fees and service line and meter installation charges), and funding of debt payment and plant replacement reserves.

## RESULTS OF PROJECTIONS

The following tables reflect the projected financial results:

Table 1 – Projected Cash Flows

Table 2 – Projected Revenues and Expenses

Table 3 – Details of Projected Revenues

Table 4 – Details of Projected Operating Expenses

Table 5 – Projected Depreciation & Amortization Expense

Table 6 – Projected Salaries and Wages Summary

Table 7 – Projected Balance Sheets

Key comments:

- Table 1 projects cash flows to be sufficient to pay debt service, fund capital improvements, fund debt payment and plant replacement reserves while maintain a minimum cash balance of \$90,000 annually.
- Table 2 projects that the average operating margin for the first 5 years (2022-2026) is 16.97% and the average operating margin for the second 5 years (2027-2031) is 16.43%. No single year is projected to be below the minimum 10%.
- Table 7 – The projected plant replacement reserve is projected to reach about \$600,000 by 2026 and over \$1.12 million by 2031. Note: Per the USDA loan terms, OCWD is required to contribute \$20,700 annually to the reserve. Over 5 years and 10 years the minimum balances are \$103,500 and \$207,000.

## RATES AND RATE DESIGN

The following tables reflect the current and proposed rates for the phase-in, bill impacts and other metrics:

Table 8 - Present and Proposed Rates

Table 9 - Customer Bill Summary at Average Usage

Table 10 - Customer Bill Summary at Median Usage

Table 11 - Revenue Breakdown at Present Rates

Table 12 - Revenue Breakdown at Proposed Rates

Table 13 - Gallons Sold Breakdown at Present Rates

Table 14 - Gallons Sold Breakdown at Proposed Rates

Table 15 - Bill Comparison at Present and Proposed Rates -  $\frac{3}{4}$  Inch Residential

### Key Comments:

- Table 8 – Proposed rates are designed to recover an additional \$85,000 annually at full phase-in. The phase-in plan to phase –in 25% of the full phase-in (5th year rate) rates for each year for two years (FY 2022 and FY 2023) and 16.67% of the full phase in rates for each year for the next 3 years (FY 2024, FY 2025, and FY 2026). New year will go into effect in March of each fiscal year.
- Table 9 and Table 10 – The over-all increase (at full phase-in) at the average usage of 7,171 gallons for a  $\frac{3}{4}$  inch residential customer over the current bill in 2021 is \$4.68 or about 12.86% from \$36.40 to \$41.08. The over-all increase at the median usage of 4,500 gallons for a  $\frac{3}{4}$  inch residential customer over the current bill in 2021 is \$3.77 or about 14.08% from \$26.78 to \$30.55.
- Table 9 and 10 - Current  $\frac{3}{4}$  inch and 1 inch residential customers whose residences are being used as Air BNB's are moved to commercial rates. The  $\frac{3}{4}$  inch commercial ABNB and 1 inch commercial ABNB will see higher bill impacts as a result. The over-all increase (at full phase-in) at the average usage of 13,454 gallons for a  $\frac{3}{4}$  inch commercial ABNB customer over the current bill in 2021 is \$13.08 or about 21.46% from \$69.95 to \$74.03. The over-all increase at the median usage of 4,500 gallons for a  $\frac{3}{4}$  inch residential customer over the current bill in 2021 is \$11.71 or about 28.44% from \$41.18 to \$52.89.
- Table 11 and Table 12 – Revenue recovery at present (Table 11) and proposed rates (full-phase-in rates)(Table 12) are similar.
- Table 13 and Table 14 – Gallons sold at present (Table 13) and proposed rates (Table 14) are similar.
- Table 15 – High usage  $\frac{3}{4}$  inch residential customers (>10,000 gallons) will see higher bill impacts than those at the average and median usage.

# **ATTACHMENT A**



TABLE 2  
Oak Creek Water District  
Projected Revenues and Expenses

Line No.	Projected FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031	
1	Operating Revenues	\$ 583,899	\$ 605,512	\$ 663,615	\$ 716,488	\$ 730,667	\$ 740,305	\$ 740,247	\$ 740,188	\$ 739,524	\$ 738,400
2											
3	Employee Services	\$ 241,938	\$ 256,672	\$ 264,373	\$ 274,804	\$ 282,973	\$ 291,387	\$ 300,054	\$ 308,980	\$ 318,175	\$ 327,645
4	O&M and General	169,598	174,684	179,790	185,048	190,465	196,044	201,790	207,708	213,804	220,083
5	Depreciation & Amortization	77,734	70,967	75,708	76,365	76,439	76,460	76,812	75,658	66,062	64,150
6	Other Taxes & Licenses	24,808	25,809	26,331	26,870	27,424	27,995	28,584	29,190	29,814	30,457
7	Total Operating Expenses	\$ 514,079	\$ 528,132	\$ 546,202	\$ 563,087	\$ 577,301	\$ 591,886	\$ 607,239	\$ 621,536	\$ 627,855	\$ 642,335
8	Operating Surplus (Deficit)	\$ 69,821	\$ 77,380	\$ 117,413	\$ 153,401	\$ 153,366	\$ 148,419	\$ 133,008	\$ 118,652	\$ 111,670	\$ 96,066
9											
10	Interest Income	\$ 289	\$ 358	\$ 591	\$ 795	\$ 1,013	\$ 1,232	\$ 1,421	\$ 1,549	\$ 1,685	\$ 1,799
11	Interest Expense	(4,086)	(31,124)	(30,525)	(29,917)	(29,301)	(28,676)	(28,043)	(27,401)	(26,751)	(26,092)
12	Gain(loss) on Disposal of Fixed Assets	-	-	-	-	-	-	-	-	-	-
13	Other Income										
14	Other Expense										
15	Increase (Decrease) In Net Position	\$ 66,024	\$ 46,613	\$ 87,480	\$ 124,279	\$ 125,079	\$ 120,975	\$ 106,385	\$ 92,800	\$ 86,604	\$ 71,772
16											
17	Operating Margin	11.96%	12.78%	17.69%	21.41%	20.99%	20.05%	17.97%	16.03%	15.10%	13.01%
18											
19											
20					2022-2026 Avg	16.97%			2027-2031 Avg	16.43%	
21											
22	Interest Payments	\$ 31,124	\$ 31,124	\$ 30,525	\$ 29,917	\$ 29,301	\$ 28,676	\$ 28,043	\$ 27,401	\$ 26,751	\$ 26,092
23	Principal Payments	\$ 44,137	\$ 44,137	\$ 44,737	\$ 45,345	\$ 45,961	\$ 46,586	\$ 47,219	\$ 47,860	\$ 48,511	\$ 49,170
24	Debt Service	\$ 75,262	\$ 75,262	\$ 75,262	\$ 75,262	\$ 75,262	\$ 75,262	\$ 75,262	\$ 75,262	\$ 75,262	\$ 75,262
25											
26	EBITDA	\$ 147,843	\$ 148,704	\$ 193,713	\$ 230,561	\$ 230,819	\$ 226,111	\$ 211,240	\$ 195,859	\$ 179,417	\$ 162,015
27	EBIT	70,110	77,738	118,004	154,196	154,379	149,651	134,428	120,201	113,355	97,864
28											
29	Debt Service Coverage Ratio (DSCR)	1.96	1.98	2.57	3.06	3.07	3.00	2.81	2.60	2.38	2.15
30	Times Interest Earned (TIER)	2.25	2.50	3.87	5.15	5.27	5.22	4.79	4.39	4.24	3.75



TABLE 4  
Oak Creek Water District  
Detail of Projected Operating Expenses - O&M

Line No.	Actual FY 2021	Adjusted FY 2021	Projected FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031	Inflation
1	\$ 189,210	\$ 189,210	\$ 214,660	\$ 227,754	\$ 234,387	\$ 241,624	\$ 248,873	\$ 256,029	\$ 264,029	\$ 271,950	\$ 280,109	\$ 288,512	See Salaries and Wa
2													See Salaries and Wa
3	18,250	18,250	27,258	28,918	29,788	30,680	31,600	32,548	33,524	34,530	35,566	36,633	See Salaries and Wa
4	\$ 207,460	\$ 207,460	\$ 241,918	\$ 256,672	\$ 264,373	\$ 274,804	\$ 282,973	\$ 291,387	\$ 300,054	\$ 308,980	\$ 318,175	\$ 327,645	See Salaries and Wa
5													
6	47,193	47,193	48,609	50,067	51,569	53,116	54,709	56,351	58,041	59,782	61,576	63,423	3.00%
7													3.00%
8													3.00%
9													3.00%
10	24,158	24,158	24,883	25,629	26,398	27,190	28,006	28,846	29,711	30,603	31,521	32,465	3.00%
11													3.00%
12	23,378	23,378	24,079	24,801	25,545	26,312	27,101	27,914	28,751	29,614	30,502	31,417	3.00%
13	(2,298)	(2,298)											3.00%
14	3,084	3,084	3,177	3,272	3,370	3,471	3,575	3,682	3,793	3,907	4,024	4,145	See Sal. & Wages T
15	3,863	3,863	3,979	4,099	4,222	4,348	4,479	4,613	4,751	4,894	5,041	5,192	3.00%
16													3.00%
17													3.00%
18	2,738	2,738	2,820	2,905	2,992	3,082	3,174	3,269	3,367	3,468	3,572	3,680	3.00%
19	2,395	2,395	2,467	2,541	2,617	2,695	2,776	2,860	2,946	3,034	3,125	3,219	3.00%
20	8,671	8,671	8,831	9,199	9,474	9,759	10,051	10,353	10,664	10,984	11,313	11,652	3.00%
21	3,233	3,233	4,294	4,555	4,892	4,937	4,977	5,127	5,281	5,439	5,602	5,770	See Sal. & Wages T.
22													3.00%
23	1,826	1,826	1,881	1,938	1,996	2,056	2,117	2,181	2,246	2,314	2,383	2,454	3.00%
24	14,502	(14,502)	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	0.00%
25													3.00%
26													3.00%
27	590	590	593	596	599	602	605	608	611	614	617	620	0.50%
28	38,726	38,726	39,687	41,094	42,316	43,585	44,894	46,240	47,628	49,056	50,528	52,044	3.00%
29													
30	\$ 172,056	\$ 157,538	\$ 169,998	\$ 174,694	\$ 179,790	\$ 185,048	\$ 190,485	\$ 196,044	\$ 201,790	\$ 207,708	\$ 213,804	\$ 220,083	
31	\$ 379,616	\$ 365,016	\$ 411,837	\$ 431,356	\$ 444,162	\$ 459,852	\$ 473,438	\$ 487,431	\$ 501,843	\$ 516,688	\$ 531,979	\$ 547,728	
32													
33													
34													
35													



TABLE 5  
Oak Creek Water District  
Projected Depreciation & Amortization Expense

Line No.		Projected FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031
1	301 Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302 Franchises and Consents	-	-	-	-	-	-	-	-	-	-
3	303 Land and Land Rights	-	-	-	-	-	-	-	-	-	-
4	304 Structures and Improvements	15,334	15,334	15,334	15,334	15,334	15,334	15,334	8,987	-	-
5	305 Collecting and Impounding Reservoirs	-	-	-	-	-	-	-	-	-	-
6	306 Lake, River and Other Intakes	-	-	-	-	-	-	-	-	-	-
7	307 Wells and Springs	8,580	8,580	8,580	8,690	8,799	8,799	8,799	8,799	8,909	8,323
8	308 Infiltration Galleries and Tunnels	-	-	-	-	-	-	-	-	-	-
9	309 Supply Mains	-	-	-	-	-	-	-	-	-	-
10	310 Power Generation Equipment	-	-	-	-	-	-	-	-	-	-
11	311 Pumping Equipment	5,070	4,709	3,125	3,750	4,063	5,000	6,250	9,375	11,875	12,563
12	311.1 Other Pumping Plant	-	-	-	-	-	-	-	-	-	-
13	320 Water Treatment Equipment	-	-	-	-	-	-	-	-	-	-
14	320.1 Chemical Solution Feeders	18,315	36,630	36,630	36,630	36,630	36,630	36,630	36,630	36,630	36,630
15	320.2 Arsenic Media	-	-	-	-	-	-	-	-	-	-
16	330 Distribution Reservoirs and Standpipe	410	-	-	-	-	-	-	-	-	-
17	330.1 Storage Tanks	6,363	9,027	9,027	9,027	9,027	9,027	9,027	9,027	9,027	9,027
18	330.2 Pressure Tanks	385	385	385	385	385	385	385	385	385	385
19	331 Trans. and Distrib. Mains	49,072	98,421	122,115	122,155	122,194	122,233	122,273	122,312	122,352	122,391
20	333 Services	664	87	-	-	-	-	-	-	-	-
21	334 Meters and Meter Installations	12,644	14,648	15,897	16,522	16,522	16,522	16,522	16,522	16,522	9,731
22	335 Hydrants	2,379	2,379	2,379	2,379	2,379	2,379	2,379	2,379	2,379	2,379
23	336 Backflow Prevention Devices	-	-	-	-	-	-	-	-	-	-
24	339 Other Plant and Equipment	337	337	337	337	337	337	337	337	337	337
25	340 Furniture and Equipment	1,492	1,492	1,492	1,492	1,492	1,492	863	-	-	-
26	340.1 Computer Hardware	6,723	3,721	-	-	-	-	-	-	-	-
27	340.2 Computer Software	-	-	-	-	-	-	-	-	-	-
28	341 Transportation Equipment	-	-	-	-	-	-	-	-	-	-
29	342 Stores Equipment	-	-	-	-	-	-	-	-	-	-
30	343 Tools, Shop and Garage Equipment	1,074	1,074	1,074	1,074	1,074	1,074	1,074	1,074	1,074	1,074
31	344 Laboratory Equipment	-	-	-	-	-	-	-	-	-	-
32	345 Power Operated Equipment	-	-	-	-	-	-	-	-	-	-
33	346 Communication Equipment	1,207	1,207	1,207	1,207	705	-	-	-	-	-
34	347 Miscellaneous Equipment	145	145	145	145	145	145	145	145	145	81
35	348 Other Tangible Property	-	-	-	-	-	-	-	-	-	-
36	<b>Subtotal Gross Plant In Service</b>	<b>\$ 130,194</b>	<b>\$ 198,176</b>	<b>\$ 217,727</b>	<b>\$ 219,126</b>	<b>\$ 219,086</b>	<b>\$ 219,357</b>	<b>\$ 220,018</b>	<b>\$ 215,972</b>	<b>\$ 209,634</b>	<b>\$ 202,922</b>
37	<b>Allocated Corporate Plant</b>										
38	304 Land and Land Rights	-	-	-	-	-	-	-	-	-	-
39	305 Structures and Improvements	-	-	-	-	-	-	-	-	-	-
40	341 Office Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-
41	340.6 Computers and Software	-	-	-	-	-	-	-	-	-	-
42	348 Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-
43	<b>Subtotal Allocated Corporate Plant</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
44											
45		<b>\$ 130,194</b>	<b>\$ 198,176</b>	<b>\$ 217,727</b>	<b>\$ 219,126</b>	<b>\$ 219,086</b>	<b>\$ 219,357</b>	<b>\$ 220,018</b>	<b>\$ 215,972</b>	<b>\$ 209,634</b>	<b>\$ 202,922</b>
46	Gross CIAC										
47	CIAC Amortization	\$ (52,461)	\$ (127,209)	\$ (142,019)	\$ (142,760)	\$ (142,646)	\$ (142,898)	\$ (143,206)	\$ (140,314)	\$ (143,572)	\$ (138,771)
48											
49		<b>\$ 77,734</b>	<b>\$ 70,967</b>	<b>\$ 75,708</b>	<b>\$ 76,365</b>	<b>\$ 76,439</b>	<b>\$ 76,460</b>	<b>\$ 76,812</b>	<b>\$ 75,658</b>	<b>\$ 66,062</b>	<b>\$ 64,150</b>

TABLE 6  
Oak Creek Water District  
Projected Salaries and Wages Summary

Line No.	Projected FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031
1										
2										
3	<b>Salaries and Wages</b>									
4	\$ 214,680	\$ 227,754	\$ 234,587	\$ 241,624	\$ 248,873	\$ 256,339	\$ 264,029	\$ 271,950	\$ 280,109	\$ 288,512
5	-	-	-	-	-	-	-	-	-	-
6	<u>\$ 214,680</u>	<u>\$ 227,754</u>	<u>\$ 234,587</u>	<u>\$ 241,624</u>	<u>\$ 248,873</u>	<u>\$ 256,339</u>	<u>\$ 264,029</u>	<u>\$ 271,950</u>	<u>\$ 280,109</u>	<u>\$ 288,512</u>
7										
8	<b>Benefits</b>									
9	\$ 27,258	\$ 28,918	\$ 29,786	\$ 30,680	\$ 31,600	\$ 32,548	\$ 33,524	\$ 34,530	\$ 35,566	\$ 36,633
10	-	-	-	-	-	-	-	-	-	-
11	<u>\$ 27,258</u>	<u>\$ 28,918</u>	<u>\$ 29,786</u>	<u>\$ 30,680</u>	<u>\$ 31,600</u>	<u>\$ 32,548</u>	<u>\$ 33,524</u>	<u>\$ 34,530</u>	<u>\$ 35,566</u>	<u>\$ 36,633</u>
12										
13										
14										
15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	-	-	-	-	-	-	-	-	-	-
17										
18	<u>\$ 241,938</u>	<u>\$ 256,672</u>	<u>\$ 264,373</u>	<u>\$ 272,304</u>	<u>\$ 280,473</u>	<u>\$ 288,887</u>	<u>\$ 297,554</u>	<u>\$ 306,480</u>	<u>\$ 315,675</u>	<u>\$ 325,145</u>
19										
20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	-	-	-	-	-	-	-	-	-	-
22	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
23										
24	\$ 16,423	\$ 17,423	\$ 17,946	\$ 18,484	\$ 19,039	\$ 19,610	\$ 20,198	\$ 20,804	\$ 21,428	\$ 22,071
25	192	192	192	192	192	192	192	192	192	192
26	<u>\$ 16,615</u>	<u>\$ 17,615</u>	<u>\$ 18,138</u>	<u>\$ 18,676</u>	<u>\$ 19,231</u>	<u>\$ 19,802</u>	<u>\$ 20,390</u>	<u>\$ 20,996</u>	<u>\$ 21,620</u>	<u>\$ 22,263</u>
27										
28	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29	192	192	192	192	192	192	192	192	192	192
30	<u>\$ 192</u>	<u>\$ 192</u>	<u>\$ 192</u>	<u>\$ 192</u>	<u>\$ 192</u>	<u>\$ 192</u>	<u>\$ 192</u>	<u>\$ 192</u>	<u>\$ 192</u>	<u>\$ 192</u>
31										
32	\$ 16,423	\$ 17,423	\$ 17,946	\$ 18,484	\$ 19,039	\$ 19,610	\$ 20,198	\$ 20,804	\$ 21,428	\$ 22,071
33	384	384	384	384	384	384	384	384	384	384
34	<u>\$ 16,807</u>	<u>\$ 17,807</u>	<u>\$ 18,330</u>	<u>\$ 18,868</u>	<u>\$ 19,423</u>	<u>\$ 19,994</u>	<u>\$ 20,582</u>	<u>\$ 21,188</u>	<u>\$ 21,812</u>	<u>\$ 22,455</u>
35										
36	\$ 4,294	\$ 4,555	\$ 4,692	\$ 4,832	\$ 4,977	\$ 5,127	\$ 5,281	\$ 5,439	\$ 5,602	\$ 5,770
37	-	-	-	-	-	-	-	-	-	-
38	<u>\$ 4,294</u>	<u>\$ 4,555</u>	<u>\$ 4,692</u>	<u>\$ 4,832</u>	<u>\$ 4,977</u>	<u>\$ 5,127</u>	<u>\$ 5,281</u>	<u>\$ 5,439</u>	<u>\$ 5,602</u>	<u>\$ 5,770</u>

TABLE 7  
Oak Creek Water District  
Projected Balance Sheets

Line No.	Projected FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031
1	<b>ASSETS</b>									
2	<b>PLANT</b>									
3	\$ 6,849,899	\$ 9,231,794	\$ 9,248,240	\$ 9,256,791	\$ 9,261,700	\$ 9,269,549	\$ 9,277,397	\$ 9,302,877	\$ 9,311,427	\$ 9,319,863
4	-	-	-	-	-	-	-	-	-	-
5	46,005	46,005	46,005	46,005	46,005	46,005	46,005	46,005	46,005	46,005
6	3,639	3,639	3,639	3,639	3,639	3,639	3,639	3,639	3,639	3,639
7	(1,132,408)	(684,978)	(891,651)	(1,106,827)	(1,323,323)	(1,538,029)	(1,753,395)	(1,952,347)	(2,158,032)	(2,355,890)
8	\$ 5,767,135	\$ 8,596,459	\$ 8,406,232	\$ 8,199,607	\$ 7,988,021	\$ 7,781,164	\$ 7,573,646	\$ 7,400,173	\$ 7,203,039	\$ 7,013,617
9	<b>CURRENT ASSETS</b>									
11	\$ 93,982	\$ 92,558	\$ 93,513	\$ 96,250	\$ 97,596	\$ 94,184	\$ 96,745	\$ 93,933	\$ 95,188	\$ 93,087
12	75,612	75,612	75,612	75,612	75,612	75,612	75,612	75,612	75,612	75,612
13	117,250	162,950	318,850	454,350	600,050	745,750	871,450	957,150	1,047,850	1,123,550
14	50,482	52,350	57,374	61,945	63,171	64,004	63,999	63,994	63,936	63,839
15	-	-	-	-	-	-	-	-	-	-
16	-	-	-	-	-	-	-	-	-	-
17	-	-	-	-	-	-	-	-	-	-
18	33,395	33,395	33,395	33,395	33,395	33,395	33,395	33,395	33,395	33,395
19	12,692	12,692	12,692	12,692	12,692	12,692	12,692	12,692	12,692	12,692
20	-	-	-	-	-	-	-	-	-	-
21	\$ 383,412	\$ 429,556	\$ 591,235	\$ 734,243	\$ 882,515	\$ 1,025,636	\$ 1,153,892	\$ 1,236,775	\$ 1,328,672	\$ 1,402,174
22	<b>OTHER ASSETS</b>									
24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	-	-	-	-	-	-	-	-	-	-
26	-	-	-	-	-	-	-	-	-	-
27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	<b>TOTAL ASSETS</b>									
29	\$ 6,150,547	\$ 9,026,016	\$ 8,997,467	\$ 8,933,850	\$ 8,870,536	\$ 8,806,799	\$ 8,727,538	\$ 8,636,948	\$ 8,531,711	\$ 8,415,792
30	<b>LIABILITIES AND NET POSITION</b>									
33	\$ 803,103	\$ 803,774	\$ 729,778	\$ 711,258	\$ 688,279	\$ 666,355	\$ 644,712	\$ 654,864	\$ 649,813	\$ 648,332
34	192,862	238,562	394,262	529,962	675,662	821,362	947,062	1,032,762	1,123,462	1,199,162
35	107,537	107,780	113,556	120,655	123,012	120,211	122,540	119,487	120,442	117,995
36	\$ 1,103,502	\$ 1,150,116	\$ 1,237,595	\$ 1,361,875	\$ 1,486,953	\$ 1,607,928	\$ 1,714,314	\$ 1,807,113	\$ 1,893,717	\$ 1,965,489
37	<b>Long-Term Debt</b>									
38	\$ 2,029,020	\$ 2,205,601	\$ 2,160,864	\$ 2,115,518	\$ 2,069,557	\$ 2,022,971	\$ 1,975,753	\$ 1,927,892	\$ 1,879,382	\$ 1,830,212
39	<b>CURRENT LIABILITIES</b>									
41	\$ 6,735	\$ 6,937	\$ 7,139	\$ 7,348	\$ 7,563	\$ 7,785	\$ 8,013	\$ 8,248	\$ 8,490	\$ 8,739
42	295,980	75,262	75,262	75,262	75,262	75,262	75,262	75,262	75,262	75,262
43	-	-	-	-	-	-	-	-	-	-
44	-	-	-	-	-	-	-	-	-	-
45	23,327	23,327	23,327	23,327	23,327	23,327	23,327	23,327	23,327	23,327
46	-	-	-	-	-	-	-	-	-	-
47	-	-	-	-	-	-	-	-	-	-
48	4,946	4,946	4,946	4,946	4,946	4,946	4,946	4,946	4,946	4,946
49	-	-	-	-	-	-	-	-	-	-
50	38,266	38,266	38,266	38,266	38,266	38,266	38,266	38,266	38,266	38,266
51	9,740	9,740	9,740	9,740	9,740	9,740	9,740	9,740	9,740	9,740
52	\$ 378,992	\$ 158,476	\$ 158,679	\$ 158,888	\$ 159,103	\$ 159,324	\$ 159,553	\$ 159,788	\$ 160,030	\$ 160,279
53	<b>DEFERRED CREDITS</b>									
54	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
55	35,242	35,242	56,167	56,167	56,167	57,517	58,867	60,217	60,217	60,217
56	-	-	-	-	-	-	-	-	-	-
57	-	-	-	-	-	-	-	-	-	-
58	2,656,251	5,656,251	5,705,851	5,705,851	5,705,851	5,709,051	5,712,251	5,715,451	5,715,451	5,715,451
59	(52,461)	(179,670)	(321,689)	(484,449)	(607,095)	(749,993)	(893,199)	(1,033,513)	(1,177,085)	(1,315,857)
60	-	-	-	-	-	-	-	-	-	-
61	\$ 2,639,032	\$ 5,511,823	\$ 5,440,329	\$ 5,297,569	\$ 5,154,923	\$ 5,016,575	\$ 4,877,919	\$ 4,742,155	\$ 4,598,563	\$ 4,459,811
62	<b>Total Liabilities &amp; Net Position</b>									
63	\$ 6,150,547	\$ 9,026,016	\$ 8,997,467	\$ 8,933,850	\$ 8,870,536	\$ 8,806,799	\$ 8,727,538	\$ 8,636,948	\$ 8,531,711	\$ 8,415,792

# **ATTACHMENT B**

**Oak Creek Water District**  
**Test Year Ended June 30, 2021**  
**Present and Proposed Rates**  
**TABLE 8**

NOTE: Phase-in will be 25% of revenue increase in years FY 2022 and FY 2023 starting in March and 16.67% of revenue increase for each FY year 2024, 2025, and 2026 starting in March.

Line No.	Present Rates	Phase 1 (March 1, 2022)			Phase 2 (March 1, 2023)			Phase 3 (March 1, 2024)			Phase 4 (March 1, 2025)			Phase 5 (March 1, 2026)				
		Proposed Rates	Change	Percent Change	Proposed Rates	Change	Percent Change	Proposed Rates	Change	Percent Change	Proposed Rates	Change	Percent Change	Proposed Rates	Change	Percent Change		
1	<b>Monthly Fixed Charge (All Classes)</b>																	
2	\$ 17.10	\$ 17.68	\$ 0.58	3.39%	\$ 18.26	\$ 0.58	3.28%	\$ 18.65	\$ 0.39	2.14%	\$ 19.04	\$ 0.39	2.09%	\$ 19.43	\$ 0.39	2.05%		
3	\$ 17.10	\$ 17.68	\$ 0.58	3.39%	\$ 18.26	\$ 0.58	3.28%	\$ 18.65	\$ 0.39	2.14%	\$ 19.04	\$ 0.39	2.09%	\$ 19.43	\$ 0.39	2.05%		
4	\$ 17.10	\$ 17.68	\$ 0.58	3.39%	\$ 18.26	\$ 0.58	3.28%	\$ 18.65	\$ 0.39	2.14%	\$ 19.04	\$ 0.39	2.09%	\$ 19.43	\$ 0.39	2.05%		
5	\$ 28.55	\$ 29.51	\$ 0.96	3.36%	\$ 30.47	\$ 0.96	3.25%	\$ 31.11	\$ 0.64	2.10%	\$ 31.75	\$ 0.64	2.06%	\$ 32.39	\$ 0.64	2.02%		
6	\$ 56.93	\$ 58.85	\$ 1.92	3.37%	\$ 60.77	\$ 1.92	3.26%	\$ 62.05	\$ 1.28	2.11%	\$ 63.33	\$ 1.28	2.06%	\$ 64.61	\$ 1.28	2.02%		
7	\$ 91.12	\$ 94.20	\$ 3.08	3.38%	\$ 97.28	\$ 3.08	3.27%	\$ 99.33	\$ 2.05	2.11%	\$ 101.38	\$ 2.05	2.06%	\$ 103.43	\$ 2.05	2.02%		
8	\$ 170.96	\$ 176.73	\$ 5.77	3.38%	\$ 182.50	\$ 5.77	3.26%	\$ 186.35	\$ 3.85	2.11%	\$ 190.20	\$ 3.85	2.07%	\$ 194.05	\$ 3.85	2.02%		
9	\$ 285.00	\$ 294.62	\$ 9.62	3.38%	\$ 304.24	\$ 9.62	3.27%	\$ 310.65	\$ 6.41	2.11%	\$ 317.06	\$ 6.41	2.06%	\$ 323.47	\$ 6.41	2.02%		
10	\$ 569.82	\$ 589.05	\$ 19.23	3.37%	\$ 608.28	\$ 19.23	3.26%	\$ 621.10	\$ 12.82	2.11%	\$ 633.92	\$ 12.82	2.06%	\$ 646.74	\$ 12.82	2.02%		
11	\$ 911.74	\$ 942.51	\$ 30.77	3.37%	\$ 973.28	\$ 30.77	3.26%	\$ 993.79	\$ 20.51	2.11%	\$ 1,014.30	\$ 20.51	2.06%	\$ 1,034.81	\$ 20.51	2.02%		
12	\$ 1,310.77	\$ 1,355.01	\$ 44.24	3.38%	\$ 1,399.25	\$ 44.24	3.26%	\$ 1,428.74	\$ 29.49	2.11%	\$ 1,458.23	\$ 29.49	2.06%	\$ 1,487.72	\$ 29.49	2.02%		
13																		
14	Note 1: MDU - Multi-Unit Monthly Charge is a 3/4 inch meter times the number of units.																	
15																		
16																		
17	<b>Commodity Rates</b>	<b>Block</b>																
18	>=3/4 Inch Res	0 gallons to 4,000 gallons	\$ 1.970	\$ 2.050	\$ 0.080	4.06%	\$ 2.130	\$ 0.080	3.90%	\$ 2.180	\$ 0.050	2.35%	\$ 2.230	\$ 0.050	2.29%	\$ 2.280	\$ 0.050	2.24%
19		4,001 gallons to 10,000 gallons	\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
20		Over 10,000 gallons	\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%
21																		
22	3/4 Inch MDU	From 0 to number of units times 10,000 gallon	\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
23		Over number of units times 10,000 gallons	\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%
24																		
25	<=3/4 Inch Com, Irr	0 gallons to 12,000 gallons	\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
26		Over 12,000 gallons	\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%
27																		
28	1 Inch Res	0 gallons to 4,000 gallons	\$ 1.970	\$ 2.050	\$ 0.080	4.06%	\$ 2.130	\$ 0.080	3.90%	\$ 2.180	\$ 0.050	2.35%	\$ 2.230	\$ 0.050	2.29%	\$ 2.280	\$ 0.050	2.24%
29		4,001 gallons to 15,000 gallons	\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
30		Over 15,000 gallons	\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%
31																		
32	1 Inch Com, Irr	0 gallons to 15,000 gallons	\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
33		Over 15,000 gallons	\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%
34																		
35	1-1/2 Inch Res	0 gallons to 4,000 gallons	\$ 1.970	\$ 2.050	\$ 0.080	4.06%	\$ 2.130	\$ 0.080	3.90%	\$ 2.180	\$ 0.050	2.35%	\$ 2.230	\$ 0.050	2.29%	\$ 2.280	\$ 0.050	2.24%
36		4,001 gallons to 25,000 gallons	\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
37		Over 25,000 gallons	\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%
38																		
39	1-1/2 Inch Com, Irr	0 gallons to 25,000 gallons	\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
40		Over 25,000 gallons	\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%
41																		
42	2 Inch Res, Com Irr	0 gallons to 40,000 gallons	\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
43		Over 40,000 gallons	\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%
44																		
45	3 Inch Res, Com, Irr	0 gallons to 80,000 gallons	\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
46		Over 80,000 gallons	\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%
47																		
48	4 Inch Res, Com, Irr	0 gallons to 125,000 gallons	\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
49		Over 125,000 gallons	\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%

	<u>Commodity Rates</u>	<u>Block</u>
1	6 Inch Rcs, Com, Irr	0 gallons to 250,000 gallons
2		Over 250,000 gallons
3		
4	8 Inch Rcs, Com Irr	0 gallons to 500,000 gallons
5		Over 500,000 gallons
6		
7	10 Inch Rcs, Com Irr	0 gallons to 750,000 gallons
8		Over 750,000 gallons
9		
10	12 Inch Rcs, Com Irr	0 gallons to 1,250,000 gallons
11		Over 1,250,000 gallons

Present Rate	Phase 1 (March 1, 2022)			Phase 2 (March 1, 2023)			Phase 3 (March 1, 2024)			Phase 4 (March 1, 2025)			Phase 5 (March 1, 2026)		
	Proposed Rates	Change	Percent Change	Proposed Rates	Change	Percent Change	Proposed Rates	Change	Percent Change	Proposed Rates	Change	Percent Change	Proposed Rates	Change	Percent Change
\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%
\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%
\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%
\$ 3.600	\$ 3.690	\$ 0.090	2.50%	\$ 3.780	\$ 0.090	2.44%	\$ 3.840	\$ 0.060	1.59%	\$ 3.900	\$ 0.060	1.56%	\$ 3.960	\$ 0.060	1.54%
\$ 4.160	\$ 4.380	\$ 0.220	5.29%	\$ 4.600	\$ 0.220	5.02%	\$ 4.750	\$ 0.150	3.26%	\$ 4.900	\$ 0.150	3.16%	\$ 5.050	\$ 0.150	3.06%

50 NT = No Tariff







Oak Creek Water District  
Company Present Rates  
Revenue Breakdown Summary  
TABLE 11

Customer Class	Monthly Mins	Commodity First Tier	Commodity Second Tier	Commodity Third Tier	Commodity Fourth Tier	Commodity Fifth Tier	Commodity Sixth Tier	Total
Residential 3/4 Inch	\$ 100,753	\$ 34,686	\$ 43,692	\$ 52,316	\$ -	\$ -	\$ -	\$ 231,448
Residential 1 Inch	5,482	1,118	2,369	1,319	-	-	-	10,287
Residential 1-1/2 Inch	683	90	774	166	-	-	-	1,713
Subtotal	\$ 106,918	\$ 35,894	\$ 46,836	\$ 53,801	\$ -	\$ -	\$ -	\$ 243,449
Residential MDU 2 Units	\$ 13,954	\$ 14,917	\$ 5,949	\$ -	\$ -	\$ -	\$ -	\$ 34,820
Residential MDU 3 Units	3,694	1,930	-	-	-	-	-	5,623
Residential MDU 4 Units	10,670	6,592	31	-	-	-	-	17,293
Residential MDU 5 Units	14,364	11,769	909	-	-	-	-	27,042
Residential MDU 8 Units	3,283	3,856	-	-	-	-	-	7,139
Residential MDU 13 Units	2,668	2,626	-	-	-	-	-	5,294
Residential MDU 16 Units	3,283	1,681	-	-	-	-	-	4,964
Residential MDU 17 Units	3,488	3,084	-	-	-	-	-	6,572
Residential MDU 18 Units	7,387	6,766	194	-	-	-	-	14,347
Residential MDU 24 Units	4,925	2,889	-	-	-	-	-	7,814
Residential MDU 30 Units	12,312	8,328	-	-	-	-	-	20,640
Subtotal	\$ 80,028	\$ 64,438	\$ 7,083	\$ -	\$ -	\$ -	\$ -	\$ 151,549
Commercial 3/4 Inch	\$ 10,670	\$ 7,372	\$ 5,533	\$ -	\$ -	\$ -	\$ -	\$ 23,575
Commercial 3/4 Inch ABNB	13,748	5,848	10,697	20,574	-	-	-	50,868
Commercial 1 Inch	3,426	4,883	12,804	-	-	-	-	21,113
Commercial 1 Inch ABNB	1,370	357	1,039	2,019	-	-	-	4,785
Commercial 1-1/2 Inch	4,782	4,577	2,374	-	-	-	-	11,734
Commercial 2 Inch	3,280	4,356	8,966	-	-	-	-	16,602
Commercial 4 Inch	3,420	1,260	-	-	-	-	-	4,680
Subtotal	\$ 40,698	\$ 28,654	\$ 41,412	\$ 22,593	\$ -	\$ -	\$ -	\$ 133,356
Irrigation 3/4 Inch	\$ 616	\$ 715	\$ 2,004	\$ -	\$ -	\$ -	\$ -	\$ 3,335
Irrigation 1 Inch	1,713	1,633	3,117	-	-	-	-	6,463
Irrigation 1/2 Inch	3,416	3,645	15,789	-	-	-	-	22,850
Subtotal	\$ 5,744	\$ 5,992	\$ 20,911	\$ -	\$ -	\$ -	\$ -	\$ 32,647
Fire 1-1/2 Inch	\$ 360	\$ 63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 423
Fire 2 Inch	600	16	-	-	-	-	-	616
Fire 4 Inch	1,680	2,151	-	-	-	-	-	3,831
Fire 6 Inch	480	-	-	-	-	-	-	480
Subtotal	\$ 3,120	\$ 2,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,350
<b>Totals</b>	<b>\$ 236,508</b>	<b>\$ 137,207</b>	<b>\$ 116,242</b>	<b>\$ 76,394</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 566,351</b>
Percent of Total	41.76%	24.23%	20.52%	13.49%	0.00%	0.00%	0.00%	100.00%
Cumulative %	41.76%	65.99%	86.51%	100.00%	100.00%	100.00%	100.00%	

	Amount	% of Total Rev
Commodity Revenues from Lowest Commodity Rate	\$ 42,098	7.43%
Commodity Revenues from Middle Commodity Rate	\$ 141,945	25.06%
Commodity Revenues from Highest Commodity Rate	\$ 145,800	25.74%

Oak Creek Water District  
Company Proposed Rates  
Revenue Breakdown Summary at Full Phase-in Rates  
TABLE 12

<u>Customer Class</u>	<u>Monthly Mins</u>	<u>Commodity First Tier</u>	<u>Commodity Second Tier</u>	<u>Commodity Third Tier</u>	<u>Commodity Fourth Tier</u>	<u>Commodity Fifth Tier</u>	<u>Commodity Sixth Tier</u>	<u>Total</u>
Residential 34 Inch	\$ 114,364	\$ 40,321	\$ 47,819	\$ 63,383	\$ -	\$ -	\$ -	\$ 265,886
Residential 1 Inch	6,221	1,299	2,593	1,598	-	-	-	11,711
Residential 1-1/2 Inch	775	104	847	202	-	-	-	1,928
<b>Subtotal</b>	<b>\$ 121,360</b>	<b>\$ 41,724</b>	<b>\$ 51,259</b>	<b>\$ 65,182</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 279,525</b>
Residential MDU 2 Units	\$ 15,839	\$ 16,326	\$ 7,207	\$ -	\$ -	\$ -	\$ -	\$ 39,372
Residential MDU 3 Units	4,193	2,112	-	-	-	-	-	6,305
Residential MDU 4 Units	12,112	7,214	38	-	-	-	-	19,364
Residential MDU 5 Units	16,304	12,880	1,102	-	-	-	-	30,286
Residential MDU 8 Units	3,727	4,220	-	-	-	-	-	7,947
Residential MDU 13 Units	3,028	2,874	-	-	-	-	-	5,902
Residential MDU 16 Units	3,727	1,840	-	-	-	-	-	5,567
Residential MDU 17 Units	3,960	3,375	-	-	-	-	-	7,335
Residential MDU 18 Units	8,385	7,405	235	-	-	-	-	16,025
Residential MDU 24 Units	5,590	3,162	-	-	-	-	-	8,752
Residential MDU 30 Units	13,975	9,114	-	-	-	-	-	23,089
<b>Subtotal</b>	<b>\$ 90,839</b>	<b>\$ 70,523</b>	<b>\$ 8,582</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 169,944</b>
Commercial 34 Inch	\$ 12,112	\$ 8,068	\$ 6,703	\$ -	\$ -	\$ -	\$ -	\$ 26,883
Commercial 34 Inch ABNB	15,606	26,138	21,428	-	-	-	-	63,172
Commercial 1 Inch	3,888	5,345	15,512	-	-	-	-	24,745
Commercial 1 Inch ABNB	1,555	1,850	2,446	-	-	-	-	5,851
Commercial 1-1/2 Inch	5,428	5,010	2,876	-	-	-	-	13,314
Commercial 2 Inch	3,723	4,767	10,862	-	-	-	-	19,353
Commercial 4 Inch	3,882	1,379	-	-	-	-	-	5,261
<b>Subtotal</b>	<b>\$ 46,194</b>	<b>\$ 52,557</b>	<b>\$ 59,829</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 158,579</b>
Irrigation 34 Inch	\$ 699	\$ 782	\$ 2,428	\$ -	\$ -	\$ -	\$ -	\$ 3,909
Irrigation 1 Inch	1,944	1,787	3,776	-	-	-	-	7,507
Irrigation 1/2 Inch	3,877	3,989	19,129	-	-	-	-	26,996
<b>Subtotal</b>	<b>\$ 6,520</b>	<b>\$ 6,558</b>	<b>\$ 25,334</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 38,412</b>
Fire 1-1/2 Inch	\$ 360	\$ 69	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 429
Fire 2 Inch	600	18	-	-	-	-	-	618
Fire 4 Inch	1,680	2,354	-	-	-	-	-	4,034
Fire 6 Inch	480	-	-	-	-	-	-	480
<b>Subtotal</b>	<b>\$ 3,120</b>	<b>\$ 2,441</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,561</b>
<b>Totals</b>	<b>\$ 268,032</b>	<b>\$ 173,803</b>	<b>\$ 145,004</b>	<b>\$ 65,182</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 652,021</b>
Percent of Total	41.11%	26.66%	22.24%	10.00%	0.00%	0.00%	0.00%	100.00%
Cummulative %	41.11%	67.76%	90.00%	100.00%	100.00%	100.00%	100.00%	

	<u>Amount</u>	<u>% of Total Rev</u>
Commodity Revenues from Lowest Commodity Rate	\$ 41,724	6.40%
Commodity Revenues from Middle Commodity Rate	\$ 183,338	28.12%
Commodity Revenues from Highest Commodity Rate	\$ 158,927	24.37%

Oak Creek Water District  
Company Present Rates  
Gallons Breakdown Summary (in 1,000's)  
TABLE 13

<u>Customer Class</u>	<u>Commodity First Tier</u>	<u>Commodity Second Tier</u>	<u>Commodity Third Tier</u>	<u>Commodity Fourth Tier</u>	<u>Commodity Fifth Tier</u>	<u>Commodity Sixth Tier</u>	<u>Total</u>
Residential 3/4 Inch	17,607	12,137	12,576	-	-	-	42,320
Residential 1 Inch	567	658	317	-	-	-	1,543
Residential 1-1/2 Inch	46	215	40	-	-	-	301
Subtotal	18,220	13,010	12,933	-	-	-	44,163
% of Totals	41.26%	29.46%	29.28%	0.00%	0.00%	0.00%	100.00%
Residential MDU 2 Units	4,144	1,430	-	-	-	-	5,574
Residential MDU 3 Units	536	-	-	-	-	-	536
Residential MDU 4 Units	1,831	8	-	-	-	-	1,839
Residential MDU 5 Units	3,269	219	-	-	-	-	3,488
Residential MDU 8 Units	1,071	-	-	-	-	-	1,071
Residential MDU 13 Units	730	-	-	-	-	-	730
Residential MDU 16 Units	467	-	-	-	-	-	467
Residential MDU 17 Units	857	-	-	-	-	-	857
Residential MDU 18 Units	1,879	47	-	-	-	-	1,926
Residential MDU 24 Units	803	-	-	-	-	-	803
Residential MDU 30 Units	2,313	-	-	-	-	-	2,313
Subtotal	17,899	1,703	-	-	-	-	19,602
% of Totals	91.31%	8.69%	0.00%	0.00%	0.00%	0.00%	100.00%
Commercial 3/4 Inch	2,048	1,330	-	-	-	-	3,378
Commercial 3/4 Inch ABNB	3,131	2,953	4,801	-	-	-	10,886
Commercial 1 Inch	1,357	3,078	-	-	-	-	4,434
Commercial 1 Inch ABNB	170	291	494	-	-	-	955
Commercial 1-1/2 Inch	1,272	571	-	-	-	-	1,842
Commercial 2 Inch	1,210	2,155	-	-	-	-	3,365
Commercial 4 Inch	350	-	-	-	-	-	350
Subtotal	9,537	10,378	5,295	-	-	-	25,210
% of Totals	37.83%	41.17%	21.00%	0.00%	0.00%	0.00%	100.00%
Irrigation 3/4 Inch	199	482	-	-	-	-	680
Irrigation 1 Inch	454	749	-	-	-	-	1,203
Irrigation 1/2 Inch	1,013	3,796	-	-	-	-	4,808
Subtotal	1,665	5,027	-	-	-	-	6,691
% of Totals	24.88%	75.12%	0.00%	0.00%	0.00%	0.00%	100.00%
Fire 1-1/2 Inch	18	-	-	-	-	-	18
Fire 2 Inch	5	-	-	-	-	-	5
Fire 4 Inch	597	-	-	-	-	-	597
Fire 6 Inch	-	-	-	-	-	-	-
Subtotal	619	-	-	-	-	-	619
% of Totals	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Totals	47,941	30,117	18,228	-	-	-	96,286
% of Totals	49.79%	31.28%	18.93%	0.00%	0.00%	0.00%	100.00%
Cummulative	49.79%	81.07%	100.00%	100.00%	100.00%	100.00%	100.00%

Oak Creek Water District  
Company Proposed Rates  
Gallons Breakdown Summary (in 1,000's)

TABLE 14

Customer Class	Commodity First Tier	Commodity Second Tier	Commodity Third Tier	Commodity Fourth Tier	Commodity Fifth Tier	Commodity Sixth Tier	Total
Residential 3/4 Inch	17,607	12,137	12,576	-	-	-	42,320
Residential 1 Inch	567	658	317	-	-	-	1,543
Residential 1-1/2 Inch	46	215	40	-	-	-	301
<b>Subtotal</b>	<b>18,220</b>	<b>13,010</b>	<b>12,933</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,163</b>
% of Totals	41.26%	29.46%	29.28%	0.00%	0.00%	0.00%	100.00%
Residential MDU 2 Units	4,144	1,430	-	-	-	-	5,574
Residential MDU 3 Units	536	-	-	-	-	-	536
Residential MDU 4 Units	1,831	8	-	-	-	-	1,839
Residential MDU 5 Units	3,269	219	-	-	-	-	3,488
Residential MDU 8 Units	1,071	-	-	-	-	-	1,071
Residential MDU 13 Units	730	-	-	-	-	-	730
Residential MDU 16 Units	467	-	-	-	-	-	467
Residential MDU 17 Units	857	-	-	-	-	-	857
Residential MDU 18 Units	1,879	47	-	-	-	-	1,926
Residential MDU 24 Units	803	-	-	-	-	-	803
Residential MDU 30 Units	2,313	-	-	-	-	-	2,313
<b>Subtotal</b>	<b>17,899</b>	<b>1,703</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,602</b>
% of Totals	91.31%	8.69%	0.00%	0.00%	0.00%	0.00%	100.00%
Commercial 3/4 Inch	2,048	1,330	-	-	-	-	3,378
Commercial 3/4 Inch ABNB	6,634	4,252	-	-	-	-	10,886
Commercial 1 Inch	1,357	3,078	-	-	-	-	4,434
Commercial 1 Inch ABNB	470	485	-	-	-	-	955
Commercial 1-1/2 Inch	1,272	571	-	-	-	-	1,842
Commercial 2 Inch	1,210	2,155	-	-	-	-	3,365
Commercial 4 Inch	350	-	-	-	-	-	350
<b>Subtotal</b>	<b>13,339</b>	<b>11,871</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,210</b>
% of Totals	52.91%	47.09%	0.00%	0.00%	0.00%	0.00%	100.00%
Irrigation 3/4 Inch	199	482	-	-	-	0.00%	680
Irrigation 1 Inch	454	749	-	-	-	0.00%	1,203
Irrigation 1/2 Inch	1,013	3,796	-	-	-	-	4,808
<b>Subtotal</b>	<b>1,665</b>	<b>5,027</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,691</b>
% of Totals	24.88%	75.12%	0.00%	0.00%	0.00%	0.00%	100.00%
Fire 1-1/2 Inch	18	-	-	-	-	0.00%	18
Fire 2 Inch	5	-	-	-	-	0.00%	5
Fire 4 Inch	597	-	-	-	-	0.00%	597
Fire 6 Inch	-	-	-	-	-	0.00%	-
<b>Subtotal</b>	<b>602</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>602</b>
% of Totals	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
<b>Totals</b>	<b>51,725</b>	<b>31,610</b>	<b>12,933</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96,268</b>
% of Totals	53.73%	32.84%	13.43%	0.00%	0.00%	0.00%	100.00%
Cummulative	53.73%	86.57%	100.00%	100.00%	100.00%	100.00%	100.00%

**Oak Creek Water District**  
**Bill Comparison Present and Proposed Rates**  
 Meter Size: Residential 3/4 Inch  
 TABLE 15

<u>Usage</u>	<u>Present Bill</u>	<u>Full-Phase-in Proposed Bill</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	<u>Units</u>
-	\$ 17.10	\$ 19.41	\$ 2.31	13.51%	1.00
1,000	19.07	21.70	2.63	13.79%	
2,000	21.04	23.99	2.95	14.02%	
3,000	23.01	26.28	3.27	14.21%	
4,000	24.98	28.57	3.59	14.37%	
5,000	28.58	32.51	3.93	13.75%	
6,000	32.18	36.45	4.27	13.27%	
7,000	35.78	40.39	4.61	12.88%	
8,000	39.38	44.33	4.95	12.57%	
9,000	42.98	48.27	5.29	12.31%	
10,000	46.58	52.21	5.63	12.09%	
12,000	54.90	62.29	7.39	13.46%	
14,000	63.22	72.37	9.15	14.47%	
16,000	71.54	82.45	10.91	15.25%	
18,000	79.86	92.53	12.67	15.87%	
20,000	88.18	102.61	14.43	16.36%	
25,000	108.98	127.81	18.83	17.28%	
30,000	129.78	153.01	23.23	17.90%	
35,000	150.58	178.21	27.63	18.35%	
40,000	171.38	203.41	32.03	18.69%	
45,000	192.18	228.61	36.43	18.96%	
50,000	212.98	253.81	40.83	19.17%	
60,000	254.58	304.21	49.63	19.49%	
70,000	296.18	354.61	58.43	19.73%	
80,000	337.78	405.01	67.23	19.90%	
90,000	379.38	455.41	76.03	20.04%	
100,000	420.98	505.81	84.83	20.15%	
<b>Average Usage</b>					
7,171	\$ 36.40	\$ 41.06	\$ 4.67	12.83%	
<b>Median Usage</b>					
4,500	\$ 26.78	\$ 30.54	\$ 3.76	14.04%	

**Present Rates:**  
 Monthly Minimum: \$ 17.10  
 Gallons in Minimum -  
 Charge Per 1,000 Gallons  
 Up to 4,000 \$ 1.9700  
 Up to 10,000 \$ 3.6000  
 Over 10,000 \$ 4.1600

**Proposed Rates:**  
 Monthly Minimum: \$ 19.41  
 Gallons in Minimum -  
 Charge Per 1,000 Gallons  
 Up to 4,000 \$ 2.2900  
 Up to 10,000 \$ 3.9400  
 Over 10,000 \$ 5.0400