

**Dallas Creek Water Company, Inc  
Advice Letter No. 8**

**Proposed Rates Tiered Water Fee**

<b>Current Rates</b>	<b>Proposed Rate</b>	<b>Revenue Increase</b>	<b>Percent Increase</b>
\$ 42.90 Base Service Fee	\$ 66.54	\$ 240,587.62	55.1%
\$ 33.70 Meter In Service Fee	\$ 54.02	\$ 116,294.05	60.3%
\$ 9.45 Domestic Water - up to 10K	\$ 11.04	\$ 1.59	16.9%
\$ - Domestic Water - exceeding 10.01K	\$ 13.35	\$ 13.35	#DIV/0!
\$ 1.52 Raw Water Delivery	\$ 1.52	\$ -	0.0%

**Proposed Rates Flat Water Fee**

<b>Current Rates</b>	<b>Proposed Rate</b>	<b>Revenue Increase</b>	<b>Percent Increase</b>
\$ 42.90 Base Service Fee	\$ 66.54	\$ 240,587.62	55.1%
\$ 33.70 Meter In Service Fee	\$ 54.02	\$ 118,244.48	60.3%
\$ 9.45 Domestic Water Sales	\$ 11.04	\$ 1.59	16.9%
\$ 1.52 Raw Water Delivery	\$ 1.52	\$ -	0.0%

*\*\*\*Studies are still in progress to determine the cost of Raw Water Delivery and the analysis of high usage accounts to perhaps institute a tiered water usage billing system to help encourage conservation.*

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Dallas Creek Water Company -Advice No. 8					Dallas Creek Water Company -Advice No. 8					Dallas Creek Water Company -Advice No. 8				
Revenue Requirement				Test Rates + Div Arrears & NO Raw Water, Tiered Domestic	Revenue Requirement				Test Rates + Div Arrears & NO Raw Water, Flat Domestic	Revenue Requirement				2022 Projected (2021 Actual w Adjustments/ Projections)
#	Item	A	B	C	Line #	Item	A	B	C	Line #	Item	A	B	C
Adjusted 2022 Adjusted					Adjusted 2022 Adjusted					Adjusted 2022 Adjusted				
			Re-allocation Percent	Re-apportioned Rev. Req.				Re-allocation Percent	Re-apportioned Rev. Req.				Re-allocation Percent	Re-apportioned Rev. Req.
	Expenses	\$1,117,489			1	Expenses	\$1,117,489			1	Expenses	\$1,005,448		
	Operating Ratio	87%			2	Operating Ratio	87%			2	Operating Ratio	87%		
Ln 1 / Ln 2	Revenue Requirement	\$1,284,471			3 Ln 1 / Ln 2	Revenue Requirement	\$1,284,471			3 Ln 1 / Ln 2	Revenue Requirement	\$1,155,687		
	Other Income	\$59,502			4	Other Income	\$59,502			4	Other Income	\$59,502		
LN 3 - Ln 4	Net	\$1,224,968			5 LN 3 - Ln 4	Net	\$1,224,968			5 LN 3 - Ln 4	Net	\$1,096,185		
	Base Service Charge Per Cust Cost	\$617,726			6	Base Service Charge Per Cust Cost	\$617,726			6	Base Service Charge Per Cust Cost	\$505,684		
	Operating Ratio	87%			7	Operating Ratio	87%			7	Operating Ratio	87%		
LN 6 / Ln 7	Base Serv Rev. Requirement	\$710,030	95.37%	\$677,138	8 LN 6 / Ln 7	Base Serv Rev. Requirement	\$710,030	95.37%	\$677,138	8 LN 6 / Ln 7	Base Serv Rev. Requirement	\$581,246	94.85%	\$551,320
	Meter-In-Service Charge Costs	\$282,064			9	Meter-In-Service Charge Costs	\$282,064			9	Meter-In-Service Charge Costs	\$282,064		
	Operating Ratio	87%			10	Operating Ratio	87%			10	Operating Ratio	87%		
Ln9 / Ln 10	Base Service Rev. Requirement	\$324,212	95.37%	\$309,193	11 Ln9 / Ln 10	Base Service Rev. Requirement	\$324,212	95.37%	\$309,193	11 Ln9 / Ln 10	Base Service Rev. Requirement	\$324,212	94.85%	\$307,519
	Water Usage Costs	\$217,699			12	Water Usage Costs	\$217,699			12	Water Usage Costs	\$217,699		
	Operating Ratio	87%			13	Operating Ratio	87%			13	Operating Ratio	87%		
	Base Service Rev. Requirement	\$250,229	95.37%	\$238,637	14	Base Service Rev. Requirement	\$250,229	95.37%	\$238,637	14	Base Service Rev. Requirement	\$250,229	94.85%	\$237,346
See Rates	Raw Water Revenues @ / 1000 gal	\$0	95.37%	\$0	15 See Rates	Raw Water Revenues @ / 1000 gal	\$0	95.37%	\$0	15 See Rates	Raw Water Revenues @ / 1000 gal	\$0	94.85%	\$0
Ln 8+ 11+14+	Total Revenue Requirement	\$1,284,471			16 Ln 8+ 11+14+	Total Revenue Requirement	\$1,284,471			16 Ln 8+ 11+14+	Total Revenue Requirement	\$1,155,687		
LN 5 / Ln 16	Percent of Net Rev. to Rev. Req.	95.37%			17 LN 5 / Ln 16	Percent of Net Rev. to Rev. Req.	95.37%			17 LN 5 / Ln 16	Percent of Net Rev. to Rev. Req.	94.85%		
	Total Re-allocated Rev. Requirement	NA		\$1,224,968	18	Total Re-allocated Rev. Requirement	NA		\$1,224,968	18	Total Re-allocated Rev. Requirement	NA		\$1,096,185

Test Rates + Div Arrears & NO Raw Water, Tiered Domestic (2021 Actual w Adjustments)		Col. B * Col D		See Rev. Req Page		Col F / Col B/12		Col. G / Col C)-1		Col. G - Col C	
		Demand	Current Rate	Non-sized Rates	Non-sized Revenues	Re-apportioned Revenues	New Rates	Percent Increase	Difference Current & New Rates		
Raw Water Distribution (Per 1000 Gallons)	0	\$1.52		\$0	\$0	0.00	0.00%	\$0.00			
Base Service Charge Per Customer	848	\$42.90	N/A	N/A	\$677,138	\$66.54	55.11%	\$23.64			
Meter In Service Per Connected Customer	477	\$33.70	N/A	N/A	\$309,193	\$54.02	60.29%	\$20.32			
In Meter-Water - up to 10K	17,716	\$9.45	N/A	N/A	\$186,700	\$10.54	11.52%	\$1.09			
In Meter-Water - exceeding 10K	3,890		N/A	N/A	\$51,937	\$13.35					
Total					\$1,224,968						

Proposed new rate structure

Test Rates + Div Arrears & NO Raw Water, Flat Domestic		Col. B * Col D		See Rev. Req Page		Col F / Col B/12		Col. G / Col C)-1		Col. G - Col C	
		Demand	Current Rate	Non-sized Rates	Non-sized Revenues	Re-apportioned Revenues	New Rates	Percent Increase	Difference Current & New Rates		
Raw Water Distribution (Per 1000 Gallons)	0	\$1.52		\$0	\$0	0.00	0.00%	\$0.00			
Base Service Charge Per Customer	848	\$42.90	N/A	N/A	\$677,138	\$66.54	55.11%	\$23.64			
Meter In Service Per Connected Customer	477	\$33.70	N/A	N/A	\$309,193	\$54.02	60.29%	\$20.32			
Water Usage Rate (Per 1000 Gallons)	21,606	\$9.45	N/A	N/A	\$238,637	\$11.04	16.88%	\$1.59			
Total					\$1,224,968						

2022 Projected (2021 Actual w Adjustments/ Projections)		Col. B * Col D		See Rev. Req Page		Col F / Col B/12		Col. G / Col C)-1		Col. G - Col C	
		Demand	Current Rate	Non-sized Rates	Non-sized Revenues	Re-apportioned Revenues	New Rates	Percent Increase	Difference Current & New Rates		
Raw Water Distribution (Per 1000 Gallons)	0	\$1.52		\$0	\$0	0.00	0.00%	\$0.00			
Base Service Charge Per Customer	848	\$42.90	N/A	N/A	\$551,320	\$54.18	26.29%	\$11.28			
Meter In Service Per Connected Customer	477	\$33.70	N/A	N/A	\$307,519	\$53.72	59.42%	\$20.02			
Water Usage Rate (Per 1000 Gallons)	21,606	\$9.45	N/A	N/A	\$237,346	\$10.99	16.25%	\$1.54			
Total					\$1,096,185						

4. Rate Increase Calc

Test Rates + Div Arrears & NO Raw Water, Tiered Domestic									
2021 Actual w Adjustments	% Increase	Old Rate	New Rate	Qty	Category	2022 Projected	Oper Ratio	Realloc %	Re-Appportioned Revenue
	55.11%	42.90	66.54	848	Fixed	617,726	710,030	95.37%	677,138
	60.29%	33.70	54.02	477	Variable	282,064	324,212	95.37%	309,193
	16.88%	9.45	11.04	17,716	In Meter-Water - up to 10K	170,319	195,769	95.37%	186,700
	41.29%	9.45	13.35	3,890	In Meter-Water - exceeding 10K	47,380	54,460	95.37%	51,937
	0.00%	1.52	1.52	0	Raw Water Revenue	-	0	95.37%	0
						1,117,489	1,284,471	95.37%	1,224,968
					<b>Rate Revenue Requirement</b>		1,284,471	95.37%	1,224,968

Test Rates + Div Arrears & NO Raw Water, Flat Domestic									
2021 Actual w Adjustments	% Increase	Old Rate	New Rate	Qty	Category	2022 Projected	Oper Ratio	Realloc %	Re-Appportioned Revenue
	55.11%	42.90	66.54	848	Fixed	617,726	710,030	95.37%	677,138
	60.29%	33.70	54.02	477	Variable	282,064	324,212	95.37%	309,193
	16.88%	9.45	11.04	21,606	In Meter-Water	217,699	250,229	95.37%	238,637
	0.00%	1.52	1.52	0	Raw Water Revenue	-	0	95.37%	0
						1,117,489	1,284,471	95.37%	1,224,968
					<b>Rate Revenue Requirement</b>		1,284,471	95.37%	1,224,968

2022 Projected (2021 Actual w Adjustments/ Projections)									
2021 Actual w Adjustments	% Increase	Old Rate	New Rate	Qty	Category	2022 Projected	Oper Ratio	Realloc %	Re-Appportioned Revenue
	26.29%	42.90	54.18	848	Fixed	505,684	581,246	94.85%	551,320
	59.42%	33.70	53.72	477	Variable	282,064	324,212	94.85%	307,519
	16.25%	9.45	10.99	21,606	In Meter-Water	217,699	250,229	94.85%	237,346
	0.00%	1.52	1.52	0	Raw Water Revenue	-	0	94.85%	0
						1,005,448	1,155,687	94.85%	1,096,185
					<b>Rate Revenue Requirement</b>		1,155,687	94.85%	1,096,185

Indicator	DALLAS CREEK WATER CO.- ADVICE NO.8 F= Fixed Expenses	Test Rates + Div	Test Rates + Div
		Arrears & NO Raw Water, Tiered Domestic	Arrears & NO Raw Water, Flat Domestic
F	Accounting & Tax Prep Fees	\$ 3,230	\$ 3,230
F	Advertising Expense	\$ -	\$ -
F	Amortization of Intangibles	\$ 1,402	\$ 1,402
F	Auditor	\$ -	\$ -
F	Auto Maintenance & Repairs	\$ 3,306	\$ 3,306
F	Auto-License Plates	\$ 389	\$ 389
F	Bad Debt	\$ 1,101	\$ 1,101
F	Bank Charges	\$ 270	\$ 270
F	Complaint, etc.	\$ -	\$ -
F	Compliance Testing & Sampling	\$ 6,207	\$ 6,207
F	Computer Related Expense	\$ 7,506	\$ 7,506
F	Depreciation Expense	\$ 103,511	\$ 103,511
F	Employee Health Ins.	\$ -	\$ -
F	Admin FICA & Medicare Tax Expense	\$ 11,153	\$ 11,153
F	Admin FUTA Tax Expense	\$ 213	\$ 213
F	Admin SUTA Tax Expense	\$ 901	\$ 901
F	Admin Workmens Compensation Insurance	\$ 949	\$ 949
F	Finance Charges Paid	\$ 83	\$ 83
F	Fuel	\$ 1,285	\$ 1,285
F	Engineering Services-PUC Matter	\$ -	\$ -
F	General Legal - Non Operating	\$ 3,161	\$ 3,161
F	Income Taxes	\$ 42,393	\$ 42,393
F	Insurance - Auto	\$ 2,453	\$ 2,453
F	Insurance-Property & Liability	\$ 13,854	\$ 13,854
F	Long Term Debt Interest	\$ 13,171	\$ 13,171
F	License Fees	\$ 150	\$ 150
F	Local Travel	\$ -	\$ -
F	Membership Dues	\$ 991	\$ 991
F	Miscellaneous Expense	\$ 330	\$ 330
F	Mortgage Interest	\$ 21,718	\$ 21,718
F	Office Maintenance	\$ 3,274	\$ 3,274
F	Office Rent	\$ 42,294	\$ 42,294
F	Office Supplies Expense	\$ 7,150	\$ 7,150
F	Postage	\$ 2,587	\$ 2,587
F	Property Tax Expense	\$ 17,760	\$ 17,760
F	PUC-Work	\$ 3,078	\$ 3,078
F	Legal Fees - Rate Case- 4 year term	\$ 70,000	\$ 70,000
F	Legal Fees - Operating Issues	\$ 7,457	\$ 7,457
F	Legal Fees - PUC Matters	\$ 942	\$ 942
F	Raw Water	\$ -	\$ -
F	Salary-Administrator	\$ 58,406	\$ 58,406
F	Salary-Manager	\$ 63,237	\$ 63,237
F	Dividends Expense - Current Year Payable	\$ -	\$ -
F	Dividends in Arrears	\$ 42,042	\$ 42,042
F	Salary-Asst Administrator	\$ 23,277	\$ 23,277
F	Supplemental Insurance (Company Paid)	\$ 1,740	\$ 1,740
V	Service Truck Repairs & Maintenance	\$ 10,826	\$ 10,826
F	Small Tools	\$ 1,928	\$ 1,928
F	Tax Penalty Expense	\$ -	\$ -
F	Uniforms Expense	\$ 157	\$ 157
F	Utilities - Plant Internet Access	\$ 1,019	\$ 1,019
F	Utilities - Portable Toilet	\$ 840	\$ 840
F	Utilities - Waste Removal	\$ 195	\$ 195
F	Utilities Gas & Electric	\$ 2,565	\$ 2,565
F	Utilities Water & Trash	\$ 1,672	\$ 1,672
F	Utilities-Cell Phone	\$ 2,121	\$ 2,121
F	Utilities-Internet Access	\$ 660	\$ 660
F	Utilities-Plant Telephone (incl cell phone)	\$ 2,426	\$ 2,426
F	Utilities-Telephone-Office	\$ 1,216	\$ 1,216
F	Payroll Processing Fees	\$ 629	\$ 629
F	Administration - Contracted (Bills Mailing and Online Payments)	\$ 5,764	\$ 5,764
F	Recording Fees	\$ 2,737	\$ 2,737
F			
F			
		\$ 617,726	\$ 617,726
	Contribution	\$ 92,304	\$ 92,304
	Total Fixed with Contribution	\$ 710,030	\$ 710,030
	BASE SERVICE FEE		

Indicator	V= Variable Expenses	Test Rates + Div	Test Rates + Div
		Arrears & NO Raw Water, Tiered Domestic	Arrears & NO Raw Water, Tiered Domestic
V	Chemicals & Polymers	\$ 52,038	\$ 52,038
V	Line Breaks and Emerg Repairs	\$ -	\$ -
V	Distribution System Repairs	\$ 78,570	\$ 78,570
V	Plant Maintenance & Repairs	\$ 64,412	\$ 64,412
V	Pump Repairs & Maintenance	\$ 3,027	\$ 3,027
V	Plant/Dist Sys Maint Supplies	\$ 14,792	\$ 14,792
V	Mileage Reimbursement Meter Reading	\$ 831	\$ 831
V	Training & Seminars Compliance Issues	\$ 150	\$ 150
V	Water Purchases	\$ 68,244	\$ 68,244
		\$ 282,064	\$ 282,064
	Contribution	\$ 42,148	\$ 42,148
	Total Variable with Contribution	\$ 324,212	\$ 324,212
	METER IN SERVICE FEE		

Indicator	IM = In Meter Expenses	Test Rates + Div	Test Rates + Div
		Arrears & NO Raw Water, Tiered Domestic	Arrears & NO Raw Water, Tiered Domestic
IM	Operator Vacation Coverage	\$ -	\$ -
IM	Plant Operator - Contracted	\$ 99,211	\$ 99,211
IM	Plant Operator - Other Contracted Services	\$ 15,117	\$ 15,117
IM	Plant Operations Payroll	\$ 43,646	\$ 43,646
IM	Plant FICA & Medicare Tax Expense	\$ 3,360	\$ 3,360
IM	Plant FUTA Tax Expense	\$ 64	\$ 64
IM	Plant SUTA Tax Expense	\$ 271	\$ 271
IM	Plant Workmens Compensation Insurance	\$ 286	\$ 286
IM	Utilities-Electric	\$ 55,745	\$ 55,745
		\$ 217,699	\$ 217,699
	Contribution	\$ 32,530	\$ 32,530
	Total In Meter w Contribution	\$ 250,229	\$ 250,229
	DOMESTIC WATER FEE -1,000 G		

Indicator	RWD= Raw Water Delivery Expenses	Test Rates + Div	Test Rates + Div
		Arrears & NO Raw Water, Tiered Domestic	Arrears & NO Raw Water, Tiered Domestic
RWD	Electrical - Golf Course Only		
RWD	Plant Operator- Contracted at 10% daily time allocation		
RWD	Pump Maintenance & Repairs		
		\$ -	\$ -
	Contribution	\$ -	\$ -
	Total Raw Water Delivery withContribution	\$ -	\$ -
	RAW WATER DELIVERY FEE- Golf Course Only		

Percent Fixed	55.28%	55.28%
Percent Variable	25.24%	25.24%
Percent In-Meter	19.48%	19.48%
Percent Raw Water		
	100.00%	100.00%

Total Expenses	\$ 1,117,489	\$ 1,117,489
	\$ 166,981	\$ 166,981
	\$ 1,284,471	\$ 1,284,471

Total Contribution	\$ 166,981	\$ 166,981
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F=Fixed  
V=Variable  
IM=In-Meter Customer

Dallas Creek Water Company, Inc.  
Rate Increase  
2022

2. 21 Financial Statements and Projection Analysis

DALLAS CREEK WATER CO. - Advice No.

Test Rates

Fixed Costs = Base Service Fee  
Variable Costs + Meter In Service Fee  
In Meter (IM) = Water Sales / 1,000

Category

Category	Test Rates + Div Arrears & 0 Raw Water, Tiered Domestic		Test Rates + Div Arrears & 0 Raw Water, Flat Domestic		2022 Projected (2021 Actual w Adjustments/ Projections)		Actual 2021	
		% of Total		% of Total		% of Total		% of Total
<b>Income</b>								
471,000 · Miscellaneous Service Revenue								
After-Hours Turn Off Fees					120	0.01%	120	0.01%
Meter Turn on/Turn Off Fees					100	0.01%	100	0.01%
<b>Total 471,000 · Miscellaneous Service Revenue</b>	0.00	0.00%	0.00	0.00%	<b>220.00</b>	<b>0.03%</b>	<b>220.00</b>	<b>0.03%</b>
<b>WATER SALES DOM &amp; RAW</b>							# Meters 478	
Usage per 1000 Flat		0.0%	238,637	19.1%	206,000	23.63%	204,098	22.74%
Usage per 1000 - to 10000 gals	186,700	14.9%		0.0%	-	0.00%	-	0.00%
Usage Per 1000 - exceeding 20001 gals	51,937	4.2%		0.0%	-	0.00%	-	0.00%
Raw Water Sales	-	0.0%	-	0.0%	-	0.00%	-	0.00%
Raw Water Delivery Charges	-	0.0%	-	0.0%	-	0.00%	23,321	2.60%
<b>Total WATER SALES DOM &amp; RAW</b>	<b>238,637</b>	<b>19.1%</b>	<b>238,637</b>	<b>19.1%</b>	<b>206,000</b>	<b>23.6%</b>	<b>227,897</b>	<b>25.3%</b>
<b>SERVICE INCOME</b>								
Base Rate	677,138	54.2%	677,138	54.2%	446,303	51.18%	446,303	49.74%
Meter In-Service Fee	309,193	24.7%	309,193	24.7%	194,141	22.27%	188,479	21.00%
<b>Total INCOME</b>	<b>986,331</b>	<b>78.9%</b>	<b>986,331</b>	<b>78.9%</b>	<b>640,444</b>	<b>73.5%</b>	<b>634,782</b>	<b>70.7%</b>
<b>OTHER INCOME</b>								
Water Tap Revenue	-	0.0%	-	0.0%	-	0.00%	-	0.00%
Collection & Returned Ck Fees	1,281	0.1%	1,281	0.1%	1,281	0.15%	1,281	0.14%
Service Connection Fees	19,000	1.5%	19,000	1.5%	19,000	2.18%	26,476	2.95%
Water Tap Transfer Fees	5,000	0.4%	5,000	0.4%	5,000	0.57%	6,700	0.75%
<b>Total Other Income</b>	<b>25,281</b>		<b>25,281</b>		<b>25,281</b>	<b>2.9%</b>	<b>34,457</b>	<b>3.8%</b>
<b>Total Income</b>	<b>1,250,249</b>	<b>97.98%</b>	<b>1,250,249</b>	<b>97.98%</b>	<b>871,945</b>	<b>100.00%</b>	<b>897,357</b>	<b>99.95%</b>
<b>Cost of Goods Sold</b>								
<b>COST OF WATER &amp; WATER TREATMENT</b>								
Chemicals & Polymers	Var 52,038	14.6%	52,038	14.6%	52,038	14.6%	46,467	13.9%
Compliance Testing & Sampling	Fix 6,207	1.7%	6,207	1.7%	6,207	1.7%	2,226	0.7%
Plant Operator - Contracted	IM 99,211	27.9%	99,211	27.9%	99,211	27.9%	92,634	27.7%
Plant Operator - Other Contracted Services	15,117	4.2%	15,117	4.2%	15,117	4.2%	15,117	4.5%
Plant Operations Payroll	Var 43,646	12.3%	43,646	12.3%	43,646	12.3%	40,763	12.2%
Plant FICA & Medicare Tax Expense	Fix 3,360	0.9%	3,360	0.9%	3,360	0.9%	3,121	0.9%
Plant FUTA Tax Expense	Fix 64	0.0%	64	0.0%	64	0.0%	64	0.0%
Plant SUTA Tax Expense	271	0.1%	271	0.1%	271	0.1%	270	0.1%
Plant Workmens Compensation Insurance	286	0.1%	286	0.1%	286	0.1%	284	0.1%
Mileage Reimbursement Meter Reading	Fix 831	0.2%	831	0.2%	831	0.2%	831	0.2%
Service Truck Repairs & Maintenance	Fix 10,826	3.0%	10,826	3.0%	10,826	3.0%	8,826	2.6%
Training & Seminars Compliance issues	Fix 150	0.0%	150	0.0%	150	0.0%	150	0.0%
Utilities-Electric	Fix 55,745	15.7%	55,745	15.7%	55,745	15.7%	55,745	16.7%
Water Purchases	Var 68,244	19.2%	68,244	19.2%	68,244	19.2%	68,244	20.4%
<b>Total COGS</b>	<b>355,995</b>	<b>28.5%</b>	<b>355,995</b>	<b>28.5%</b>	<b>355,995</b>	<b>100.0%</b>	<b>334,741</b>	<b>100.0%</b>
<b>Gross Profit</b>	<b>894,254</b>	<b>71.5%</b>	<b>894,254</b>	<b>71.5%</b>	<b>515,949</b>	<b>59.2%</b>	<b>562,616</b>	<b>62.7%</b>
<b>Expense</b>								
<b>OTHER TREATMENT &amp; DISTRIBUTION</b>								
<b>Plant &amp; Dist System Repairs</b>								
Distribution System Repairs	78,570	10.3%	78,570	10.3%	78,570	12.1%	78,570	12.3%
Plant Maintenance & Repairs	64,412	8.5%	64,412	8.5%	64,412	9.9%	64,412	10.1%
Pump Repairs & Maintenance	3,027	0.4%	3,027	0.4%	3,027	0.5%	3,027	0.5%
Plant/Dist Sys Maint Supplies	14,792	1.9%	14,792	1.9%	14,792	2.3%	14,792	2.3%
Meter Calib & Improvement	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Small Tools	1,928	0.3%	1,928	0.3%	1,928	0.3%	1,928	0.3%
Snow Plowing	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Utilities-Plant Telephone (incl cell phone)	2,426	0.3%	2,426	0.3%	2,426	0.4%	2,426	0.4%
Utilities - Plant Internet Access	1,019	0.1%	1,019	0.1%	1,019	0.2%	1,019	0.2%
<b>Total Other Treatment &amp; Distribution</b>	<b>166,174</b>	<b>21.8%</b>	<b>166,174</b>	<b>21.8%</b>	<b>166,174</b>	<b>25.6%</b>	<b>166,174</b>	<b>25.9%</b>
<b>INFRASTRUCTURE COSTS</b>								
Mortgage Interest	21,718	2.9%	21,718	2.9%	21,718	3.3%	21,718	3.4%
Property Tax Expense	17,760	2.3%	17,760	2.3%	17,760	2.7%	17,760	2.8%
Depreciation Expense	103,511	13.6%	103,511	13.6%	103,511	15.9%	103,511	16.2%
Long Term Debt Interest	13,171	1.7%	13,171	1.7%	13,171	2.0%	13,171	2.1%
<b>Total INFRASTRUCTURE COSTS</b>	<b>156,160</b>	<b>20.5%</b>	<b>156,160</b>	<b>20.5%</b>	<b>156,160</b>	<b>24.0%</b>	<b>156,160</b>	<b>24.4%</b>
<b>ADMINISTRATION &amp; OVERHEAD</b>								
Employee Health Ins.	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Salary-Administrator	58,406	7.7%	58,406	7.7%	58,406	9.0%	54,534	8.5%
Salary-Manager	63,237	8.3%	63,237	8.3%	63,237	9.7%	59,045	9.2%
Dividends Expense - Current Year Payable	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Dividends in Arrears	42,042	5.5%	42,042	5.5%	-	0.0%	-	0.0%
Salary-Asst Administrator	23,277	3.1%	23,277	3.1%	23,277	3.6%	21,734	3.4%
6560 - Payroll Expenses	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Supplemental Insurance (Company Paid)	1,740	0.2%	1,740	0.2%	1,740	0.3%	-	0.0%
Admin FICA & Medicare Tax Expense	11,153	1.5%	11,153	1.5%	11,153	1.7%	10,360	1.6%
Admin FUTA Tax Expense	213	0.0%	213	0.0%	213	0.0%	212	0.0%
Admin SUTA Tax Expense	901	0.1%	901	0.1%	901	0.1%	895	0.1%
Admin Workmens Compensation Insurance	949	0.1%	949	0.1%	949	0.1%	942	0.1%
Advertising Expense	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Amortization of Intangibles	1,402	0.2%	1,402	0.2%	1,402	0.2%	1,402	0.2%
Auto Maintenance & Repairs	3,306	0.4%	3,306	0.4%	3,306	0.5%	3,306	0.5%
Auto-License Plates	389	0.1%	389	0.1%	389	0.1%	389	0.1%
Bad Debt	1,101	0.1%	1,101	0.1%	1,101	0.2%	1,101	0.2%

Fixed = Base Service Fee  
Variable= Meter In Service Fee  
IM = Water Sales per 1000



**Dallas Creek Water Company, Inc.  
Rate Increase  
2022**

DALLAS CREEK WATER CO. - Advice No.

**Test Rates**

Fixed Costs = Base Service Fee  
Variable Costs + Meter In Service Fee  
In Meter (IM) = Water Sales / 1,000

Category	Test Rates + Div Arrears & 0 Raw Water, Tiered Domestic		Test Rates + Div Arrears & 0 Raw Water, Flat Domestic		2022 Projected (2021 Actual w Adjustments/ Projections)		Actual 2021	
		% of Total		% of Total		% of Total		% of Total
Bank Charges	270	0.0%	270	0.0%	270	0.0%	270	0.0%
Charitable Contributions	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Computer Related Expense	7,506	1.0%	7,506	1.0%	7,506	1.2%	7,506	1.2%
Finance Charges Paid	83	0.0%	83	0.0%	83	0.0%	83	0.0%
Fuel	1,285	0.2%	1,285	0.2%	1,285	0.2%	1,285	0.2%
Income Taxes	42,393	5.6%	42,393	5.6%	42,393	6.5%	42,393	6.6%
Insurance - Auto	2,453	0.3%	2,453	0.3%	2,453	0.4%	2,453	0.4%
Insurance-Property & Liability	13,854	1.8%	13,854	1.8%	13,854	2.1%	13,854	2.2%
Interest Expense	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Legal Notices	-	0.0%	-	0.0%	-	0.0%	-	0.0%
License Fees	150	0.0%	150	0.0%	150	0.0%	150	0.0%
Membership Dues	991	0.1%	991	0.1%	991	0.2%	991	0.2%
Miscellaneous Expense	330	0.0%	330	0.0%	330	0.1%	330	0.1%
Office Maintenance	3,274	0.4%	3,274	0.4%	3,274	0.5%	3,274	0.5%
Office Rent	42,294	5.6%	42,294	5.6%	42,294	6.5%	42,294	6.6%
Office Supplies Expense	7,150	0.9%	7,150	0.9%	7,150	1.1%	7,150	1.1%
Accounting & Tax Prep Fees	3,230	0.4%	3,230	0.4%	3,230	0.5%	3,230	0.5%
Administration - Contracted (Bills Mailing and Online Payments)	5,764	0.8%	5,764	0.8%	5,764	0.9%	5,764	0.9%
Auditor	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Complaint, etc.	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Damages Paid to Other Utilities	-	0.0%	-	0.0%	-	0.0%	3,613	0.6%
Drafting	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Engineering Services-PUC Matter	-	0.0%	-	0.0%	-	0.0%	-	0.0%
General Legal - Non Operating	3,161	0.4%	3,161	0.4%	3,161	0.5%	3,161	0.5%
Legal Fees - Operating Issues	7,457	1.0%	7,457	1.0%	7,457	1.1%	7,457	1.2%
Legal Fees - PUC Matters	942	0.1%	942	0.1%	942	0.1%	942	0.1%
Legal Fees - Rate Case- 4 year term	70,000	9.2%	70,000	9.2%	-	0.0%	-	0.0%
PUC-Work	3,078	0.4%	3,078	0.4%	3,078	0.5%	3,078	0.5%
Raw Water	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Water Rights	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Loan Default	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Postage	2,587	0.3%	2,587	0.3%	2,587	0.4%	2,587	0.4%
Payroll Processing Fees	629	0.1%	629	0.1%	629	0.1%	629	0.1%
Recording Fees	2,737	0.4%	2,737	0.4%	2,737	0.4%	2,737	0.4%
Tax Penalty Expense	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Uniforms Expense	157	0.0%	157	0.0%	157	0.0%	157	0.0%
Utilities Gas & Electric	2,565	0.3%	2,565	0.3%	2,565	0.4%	2,565	0.4%
Utilities Water & Trash	1,672	0.2%	1,672	0.2%	1,672	0.3%	1,672	0.3%
Utilities - Portable Toilet	840	0.1%	840	0.1%	840	0.1%	840	0.1%
Utilities - Waste Removal	195	0.0%	195	0.0%	195	0.0%	195	0.0%
Utilities-Cell Phone	2,121	0.3%	2,121	0.3%	2,121	0.3%	2,121	0.3%
Utilities-Internet Access	660	0.1%	660	0.1%	660	0.1%	660	0.1%
Utilities-Telephone-Office	1,216	0.2%	1,216	0.2%	1,216	0.2%	1,216	0.2%
<b>Total ADMINISTRATION &amp; OVERHEAD</b>	<b>439,160</b>	<b>57.7%</b>	<b>439,160</b>	<b>57.7%</b>	<b>327,119</b>	<b>50.4%</b>	<b>318,578</b>	<b>49.7%</b>
<b>Total Expenses</b>	<b>761,494</b>	<b>100.0%</b>	<b>761,494</b>	<b>100.0%</b>	<b>649,453</b>	<b>100.0%</b>	<b>640,912</b>	<b>100.0%</b>
<b>Profit / Loss</b>	<b>132,760</b>	<b>14.8%</b>	<b>132,760</b>	<b>14.8%</b>	<b>(133,503)</b>	<b>-25.9%</b>	<b>(78,296)</b>	<b>-13.9%</b>
<b>Other Income / Expense</b>								
Other Income - Aggregate	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Pipeline Connection Fee	-	0.0%	-	0.0%	-	0.0%	12,972	1.4%
(Cell Tower Income)	59,502	7.8%	59,502	7.8%	59,502	6.8%	59,502	6.6%
Interest Income	-	0.0%	-	0.0%	-	0.0%	314	0.0%
Finance Charges Earned	-	0.0%	-	0.0%	-	0.0%	11,393	1.3%
Finance Chgs Forfeited COVID19	-	0.0%	-	0.0%	-	0.0%	(429)	0.0%
<b>Total Other Income / Expense</b>	<b>59,502</b>	<b>7.8%</b>	<b>59,502</b>	<b>7.8%</b>	<b>59,502</b>	<b>6.8%</b>	<b>83,752</b>	<b>9.3%</b>
<b>(Water Tap Revenue Recognized)</b>					<b>53,000</b>	<b>6.1%</b>	<b>105,400</b>	<b>11.7%</b>
<b>Adjusted Profit per QuickBooks</b>	<b>192,262</b>	<b>15.4%</b>	<b>192,262</b>	<b>15.4%</b>	<b>(21,001)</b>	<b>-2.4%</b>	<b>110,856</b>	<b>12.4%</b>
<b>SUMMARY</b>								
<b>PUC Formula Operating Ratio</b>	<b>TEST YR</b>		<b>TEST YR</b>		<b>Projected 2022</b>		<b>2021</b>	
<b>Total COGS</b>	355,995		355,995		355,995		334,741	
<b>TOTAL EXPENSES</b>	761,494		761,494		649,453		640,912	
<b>GROSS EXPENSES</b>	1,117,489		1,117,489		1,005,448		975,653	
<b>Revenue Requirement -Oper Ratio .87</b>	1,284,471		1,284,471		1,155,687		1,121,440	
<b>LESS GROSS EXPENSES</b>	1,117,489		1,117,489		1,005,448		975,653	
<b>PUC 13% FORMULATED PROFIT</b>	166,981		166,981		150,239		145,787	
<b>Adjusted Profit per QuickBooks</b>	192,262		192,262		(21,001)		110,856	
<b>Less Other Rate Fee Income</b>	(25,281)		(25,281)		(25,281)		(34,457)	
<b>PUC 13% FORMULATED PROFIT</b>	166,981		166,981		150,239		145,787	
<b>PROFIT SHORTFALL FOR RATE INCREASE</b>	0		0		(196,521)		(69,389)	
<b>GROSS INCOME- ACTUAL</b>	1,250,249		1,250,249		871,945		-	
<b>GROSS INCOME-PUC FORMULA</b>	1,250,249		1,250,249		1,068,466		69,389	
<b>GROSS INCOME SHORTFALL -RATE INCREASE</b>	0		0		(196,521)		(69,389)	

Fixed = Base Service Fee  
Variable= Meter In Service Fee  
IM = Water Sales per 1000

Puc Line Description	Quickbooks Financial Statements	Actual		2022 Projected (2021 Actual w/ Adjustments/ Projections)		Proposed Adjusts		Test Rates + Div Arrears & NO Raw Water, Tiered Domestic		Test Rates + Div Arrears & NO Raw Water, Flat Domestic	
		Jan - Dec 21	Jan - Dec 21	Jan - Dec 21	Jan - Dec 21	Jan - Dec 21	Jan - Dec 21	Jan - Dec 21	Jan - Dec 21	Jan - Dec 21	Jan - Dec 21
	<b>Ordinary Income/Expense</b>										
	<b>Income</b>										
	471.000 · Miscellaneous Service Revenue										
After-Hours Turn Off Fees	471.200 · After Hours Service Calls	120.00		120.00				120.00		120.00	
Meter Turn on/Turn Off Fees	471.100 · Turn Off / Turn On Meter Fee	100.00		100.00				100.00		100.00	
	<b>Total 471.000 · Miscellaneous Service Revenue</b>	<b>220.00</b>	<b>0.00</b>	<b>220.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>220.00</b>	<b>0.00</b>	<b>220.00</b>	
	471.300 · Backhoe Rental	0.00	0.00	0.00				0.00		0.00	
	<b>WATER SALES DOM &amp; RAW</b>										
Raw Water Delivery Charges	465.02 · Raw Water Delivery Charges	23,321.06	-23,321.06	0.00				0.00		0.00	***Excluded due to unknown nature of renewal
	<b>Total WATER SALES DOM &amp; RAW</b>	<b>23,321.06</b>	<b>-23,321.06</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
	<b>INCOME</b>										
Pipeline Connection Fee	461.14 · Pipeline Connection Fee	12,972.00	-12,972.00	0.00				0.00		0.00	***Excluded - this is the last year for the recoup rate
Base Rate	461.11 · BASE RATE - ALL CUSTOMERS	446,302.70		446,302.70				446,302.70		446,302.70	
Meter In-Service Fee	461.12 · METER IN-SERVICE CHARGE	188,479.44	5,661.60	194,141.04				194,141.04		194,141.04	***Increased based on 5 yr ave number meters added
Usage per 1000 Flat	461.13 · WATER SALES - DOMESTIC	204,098.15	1,901.85	206,000.00						206,000.00	***%avg 3 highs last 5 yrs rounded to nearest 1K
Usage per 1000 - to 10000 gals											
Usage Per 1000 - exceeding 20001 gals											
	<b>461.13 · WATER SALES - DOMESTIC</b>										
	<b>Total INCOME</b>	<b>851,852.29</b>	<b>-5,408.55</b>	<b>846,443.74</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>640,443.74</b>	<b>0.00</b>	<b>846,443.74</b>	
	<b>OTHER INCOME</b>										
(Cell Tower Income)	472.10 · Cell Tower Lease Revenue	59,502.34		59,502.34				59,502.34		59,502.34	
(Water Tap Revenue Recognized)	474.10 · Water Tap Revenue	105,400.00	-52,400.00	53,000.00				53,000.00		53,000.00	***5 yr avg rounded to nearest 1K
Service Connection Fees	474.20 · Service Connection Fees	26,476.47	-7,476.47	19,000.00				19,000.00		19,000.00	***5 yr avg rounded to nearest 1K
	Late Payment Fees Charged	0.00		0.00				0.00		0.00	
Collection & Returned CK Fees	474.35 · Collection & Returned Ck Fees	1,280.84		1,280.84				1,280.84		1,280.84	
Water Tap Transfer Fees	474.40 · Water Tap Transfer Fees	6,700.00	-1,700.00	5,000.00				5,000.00		5,000.00	
	<b>Total OTHER INCOME</b>	<b>199,359.65</b>	<b>-61,576.47</b>	<b>137,783.18</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>137,783.18</b>	<b>0.00</b>	<b>137,783.18</b>	
	<b>Total Income</b>	<b>1,074,753.00</b>	<b>-90,306.08</b>	<b>984,446.92</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>778,446.92</b>	<b>0.00</b>	<b>984,446.92</b>	
	<b>Cost of Goods Sold</b>										
	<b>COST OF WATER &amp; WATER TREATMENT</b>										
Chemicals & Polymers	618.10 · Chemicals & Polymers	46,467.06	5,570.94	52,038.00				52,038.00		52,038.00	
Compliance Testing & Sampling	635.10 · Compliance Testing & Sampling	2,226.19	3,980.81	6,207.00				6,207.00		6,207.00	
	635.50 · Service Truck-repairs & maint			0.00				0.00		0.00	
	635.51 · Fuel-Service Truck	6,941.84	1,000.00	7,941.84				7,941.84		7,941.84	
	635.50 · Service Truck-repairs & maint - Other	1,883.97	1,000.00	2,883.97				2,883.97		2,883.97	
Service Truck Repairs & Maintenance	<b>Total 635.50 · Service Truck-repairs &amp; maint</b>	<b>8,825.81</b>	<b>2,000.00</b>	<b>10,825.81</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10,825.81</b>	<b>0.00</b>	<b>10,825.81</b>	
Mileage Reimbursement Meter Reading	631.20 · Meter Reading / Dist Syst Miles	830.70		830.70				830.70		830.70	
	636.10 · Plant Operator - Contracted										
	636.18 · Operator Vacation Coverage	374.00		374.00				374.00		374.00	
	636.15 · Mileage Reimb-Plant Operator	123.10		123.10				123.10		123.10	
	636.16 · Other Contracted Service	14,620.00		14,620.00				14,620.00		14,620.00	
Plant Operator - Contracted	636.10 · Plant Operator - Contracted - Other	92,633.59	6,576.98	99,210.57				99,210.57		99,210.57	
	<b>Total 636.10 · Plant Operator - Contracted</b>	<b>107,750.69</b>	<b>6,576.98</b>	<b>114,327.67</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>114,327.67</b>	<b>0.00</b>	<b>114,327.67</b>	
	636.50 · Plant Operations Payroll										
	Dist System Day/Temp Labor	160.00		160.00				160.00		160.00	
	Wages - Dist System- Repairs	40,602.87	2,882.80	43,485.67				43,485.67		43,485.67	
Plant Operations Payroll	<b>Total 636.50 · Plant Operations Payroll</b>	<b>40,762.87</b>	<b>2,882.80</b>	<b>43,645.67</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>43,645.67</b>	<b>0.00</b>	<b>43,645.67</b>	
	615.01 · Utilities-Electric										
	615.08 · Electricity-Connect Ringtail	8.12		8.12				8.12		8.12	
	615.07 · Electricity - TCW Connect St	9.59		9.59				9.59		9.59	
	615.02 · Electricity-Treatment Plant	10,456.00		10,456.00				10,456.00		10,456.00	
	615.03 · Electricity-Pump Sta. 1	18,381.00		18,381.00				18,381.00		18,381.00	
	615.04 · Electricity- Pump Sta. 2	18,769.00		18,769.00				18,769.00		18,769.00	
	615.05 · Electricity- Pump Sta. 3	7,883.00		7,883.00				7,883.00		7,883.00	
	615.06 · Electricity - Water Tank	238.00		238.00				238.00		238.00	
Utilities-Electric	<b>Total 615.01 · Utilities-Electric</b>	<b>55,744.71</b>	<b>0.00</b>	<b>55,744.71</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>55,744.71</b>	<b>0.00</b>	<b>55,744.71</b>	
Water Purchases	610.01 · Water Purchases	68,244.25		68,244.25				68,244.25		68,244.25	
	<b>Total COST OF WATER &amp; WATER TREATMENT</b>	<b>330,852.28</b>	<b>21,011.54</b>	<b>351,863.82</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>351,863.82</b>	<b>0.00</b>	<b>351,863.82</b>	
	<b>Total COGS</b>	<b>330,852.28</b>	<b>21,011.54</b>	<b>351,863.82</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>351,863.82</b>	<b>0.00</b>	<b>351,863.82</b>	
	<b>Gross Profit</b>	<b>743,900.72</b>	<b>-111,317.62</b>	<b>632,583.10</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>426,583.10</b>	<b>0.00</b>	<b>632,583.10</b>	
	<b>Expense</b>										
	<b>OTHER TREATMENT &amp; DISTRIBUTION</b>										
Utilities - Portable Toilet	675.45 · Utilities-Portable Toilet	840.00		840.00				840.00		840.00	
Utilities - Waste Removal	636.25 · Utilities-Waste Removal	195.31		195.31				195.31		195.31	
	<b>Plant &amp; Dist System Repairs</b>										
	620.60 · Distribution System Repairs										
	620.614 · Valve Repair or Replace	9,302.27		9,302.27				9,302.27		9,302.27	
	620.606 · Meter System Repairs	40.00		40.00				40.00		40.00	
	620.605 · Meter Installs	21,387.07		21,387.07				21,387.07		21,387.07	
	620.61 · Backhoe Lease- MCCI										
	620.64 · Backhoe-Licensing	467.84		467.84				467.84		467.84	
	620.67 · Insurance - Backhoe	635.00		635.00				635.00		635.00	
	620.66 · Repairs - Backhoe	3,244.64		3,244.64				3,244.64		3,244.64	
	620.65 · Fuel-Backhoe	592.09		592.09				592.09		592.09	
	620.61 · Backhoe Lease- MCCI - Other	33,264.00		33,264.00				33,264.00		33,264.00	
	<b>Total 620.61 · Backhoe Lease- MCCI</b>	<b>38,203.57</b>	<b>0.00</b>	<b>38,203.57</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>38,203.57</b>	<b>0.00</b>	<b>38,203.57</b>	
	620.612 · Hydrant - Maint & Repair										
	620.642 · Hydrant and PRV risers	8,223.32		8,223.32				8,223.32		8,223.32	
	<b>Total 620.612 · Hydrant - Maint &amp; Repair</b>	<b>8,223.32</b>	<b>0.00</b>	<b>8,223.32</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8,223.32</b>	<b>0.00</b>	<b>8,223.32</b>	
	620.620 · Line Breaks and Emerg Repairs	1,271.70		1,271.70				1,271.70		1,271.70	
	620.60 · Distribution System Repairs - Other	142.17		142.17				142.17		142.17	
Distribution System Repairs	<b>Total 620.60 · Distribution System Repairs</b>	<b>78,570.10</b>	<b>0.00</b>	<b>78,570.10</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>78,570.10</b>	<b>0.00</b>	<b>78,570.10</b>	
	620.30 · Plant Maintenance & Repairs										
	620.51 · Backflow Testing & Repairs	723.96		723.96				723.96		723.96	
	620.35 · Plant 2nd Filter Replace 2020	62,867.05		62,867.05				62,867.05		62,867.05	
	620.513 · Control Panel repairs	1,452.00		1,452.00				1,452.00		1,452.00	
	620.30 · Plant Maintenance & Repairs - Other	-630.95		-630.95				-630.95		-630.95	
Plant Maintenance & Repairs	<b>Total 620.30 · Plant Maintenance &amp; Repairs</b>	<b>64,412.06</b>	<b>0.00</b>	<b>64,412.06</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>64,412.06</b>	<b>0.00</b>	<b>64,412.06</b>	
	620.10 · Pump Repairs & Maintenance										
	620.102 · Pump Station Repairs	1,685.00		1,685.00				1,685.00		1,685.00	
	620.10 · Pump Repairs & Maintenance - Other	1,341.78		1,341.78				1,341.78		1,341.78	
Pump Repairs & Maintenance	<b>Total 620.10 · Pump Repairs &amp; Maintenance</b>	<b>3,026.78</b>	<b>0.00</b>	<b>3,026.78</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,026.78</b>	<b>0.00</b>	<b>3,026.78</b>	
	620.50 · Plant/Dist Sys Maint Supplies										
	620.507 · Storage Tank Cleaning	1,810.00		1,810.00				1,810.00		1,810.00	
	620.504 · Storage Tank- overflow /PLC Uni	4,400.28		4,400.28				4,400.28		4,400.28	
	620.50 · Plant/Dist Sys Maint Supplies - Other	8,581.90		8,581.90				8,581.90		8,581.90	
Plant/Dist Sys Maint Supplies	<b>Total 620.50 · Plant/Dist Sys Maint Supplies</b>	<b>14,792.18</b>	<b>0.00</b>	<b>14,792.18</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>14,792.18</b>	<b>0.00</b>	<b>14,792.18</b>	
	<b>Total Plant &amp; Dist System Repairs</b>	<b>160,801.12</b>	<b>0.00</b>	<b>160,801.12</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>160,801.12</b>	<b>0.00</b>	<b>160,801.12</b>	
Small Tools											

	633.00 · Legal Fees -Operating Issues - Other	1,502.97		1,502.97		1,502.97	1,502.97	
Legal Fees - Operating Issues	Total 633.00 · Legal Fees -Operating Issues	7,457.30	0.00	7,457.30	0.00	7,457.30	7,457.30	
Legal Fees - PUC Matters	633.70 · Legal Fees - PUC Matters	942.46		942.46		942.46	942.46	
	633.80 · Legal Fees-Non-Operating Issues							
	633.92 · Fairway Pines Est Owner's Assoc	1,068.75		1,068.75		1,068.75	1,068.75	
	633.95 · Pacific Int'l Collections	1,090.84		1,090.84		1,090.84	1,090.84	
General Legal - Non Operating	633.80 · Legal Fees-Non-Operating Issues - Other	1,001.25		1,001.25		1,001.25	1,001.25	
	Total 633.80 · Legal Fees-Non-Operating Issues	3,160.84	0.00	3,160.84	0.00	3,160.84	3,160.84	
	636.81 · Customer Billing Services							
	636.811 · Customer Online Bills and Pmts	2,264.40		2,264.40		2,264.40	2,264.40	
Administration - Contracted (Bills Mailing and Online Payments)	636.81 · Customer Billing Services - Other	3,499.50		3,499.50		3,499.50	3,499.50	
	Total 636.81 · Customer Billing Services	5,763.90	0.00	5,763.90	0.00	5,763.90	5,763.90	
	Total 643.00 · Outside Services	24,796.62	-3,612.64	21,183.98	0.00	21,183.98	21,183.98	
	Payroll Tax Expense - Admin							
	601.80 · FICA & Medicare	13,480.85	1,032.13	14,512.98		14,512.98	14,512.98	
	601.81 · FUTA	276.40	0.43	276.83		276.83	276.83	
	601.82 · SUTA	1,165.01	7.71	1,172.72		1,172.72	1,172.72	
	601.00 · Payroll Expenses	0.00		0.00		0.00	0.00	
	Total Payroll Tax Expense - Admin	14,922.26	1,040.27	15,962.53	0.00	15,962.53	15,962.53	
Postage	620.81 · Postage	2,586.76		2,586.76		2,586.76	2,586.76	
PUC-Work	667.80 · PUC Related Qtrly Fee	3,077.63		3,077.63		3,077.63	3,077.63	
Recording Fees	675.71 · Recording Fees	2,737.00		2,737.00		2,737.00	2,737.00	
	Salary Expense - Admin							
Salary-Asst Administrator	601.90 · Salary - Accountant	21,733.69	1,543.09	23,276.78		23,276.78	23,276.78	
Salary-Manager	603.80 · Salary-Manager	59,045.05	4,192.20	63,237.25		63,237.25	63,237.25	
Salary-Administrator	601.84 · Salary-Administrator	54,534.07	3,871.82	58,405.89		58,405.89	58,405.89	
	Total Salary Expense - Admin	135,312.81	9,607.21	144,920.02	0.00	144,920.02	144,920.02	
Training & Seminars Compliance issues	675.802 · Seminars & Training	150.17		150.17		150.17	150.17	
Supplemental Insurance (Company Paid)	675.805 · Supplemental Insurance Expense	0.00	1,740.00	1,740.00		1,740.00	1,740.00	***Added Jan 2022
Utilities-Cell Phone	620.83 · Utilities - Cellular Phone	2,121.15		2,121.15		2,121.15	2,121.15	
Utilities-Internet Access	620.84 · Utilities-Internet Access	659.94		659.94		659.94	659.94	
Utilities-Telephone-Office	620.86 · Utilities-Telephone-Office	1,215.78		1,215.78		1,215.78	1,215.78	
	658.80 · Worker's Compensation - Admin	1,226.00	8.54	1,234.54		1,234.54	1,234.54	
	Total ADMINISTRATION & OVERHEAD	321,431.24	8,783.38	330,214.62	42,041.64	372,256.26	372,256.26	
	Total Expense	644,800.58	8,783.38	653,583.96	42,041.64	695,625.60	695,625.60	
	Net Ordinary Income	99,100.14	-120,101.00	-21,000.86	-42,041.64	-269,042.50	-63,042.50	
	Other Income/Expense							
	Other Income							
	420.00 · Class Action Settlements	43.00	-43.00	0.00		0.00	0.00	***Excluded as outliers
	Interest Income							
	419.02 · Capital Credits SMPA	256.75	-256.75	0.00		0.00	0.00	***Excluded as outliers
	Interest Income - Other	3.82	-3.82	0.00		0.00	0.00	***Excluded as outliers
	Total Interest Income	260.57	-260.57	0.00	0.00	0.00	0.00	
	Interest Income - Constr Acct	10.33	-10.33	0.00		0.00	0.00	***Excluded as outliers
Finance Charges Earned	419.00 · Finance Charges Earned	11,393.45	-11,393.45	0.00		0.00	0.00	Excluded - no way to predict
	Total Other Income	11,707.35	-11,707.35	0.00	0.00	0.00	0.00	
	Other Expense							
Finance Chgs Forfeited COVID19	419.05 · Finance Chgs Forfeited COVID19	429.48		429.48		429.48	429.48	
	Total Other Expense	429.48	0.00	429.48	0.00	429.48	429.48	
	Net Other Income	11,277.87	-11,707.35	-429.48	0.00	-429.48	-429.48	
	Net Income	110,378.01	-131,808.35	-21,430.34	-42,041.64	-269,471.98	-63,471.98	

Total Payroll	176,075.68	12,490.01	188,565.69		188,565.69	188,565.69
Admin	135,312.81	9,607.21	144,920.02		144,920.02	144,920.02
Field	40,762.87	2,882.80	43,645.67		43,645.67	43,645.67
601.80 · FICA & Medicare	0.08	13,480.85	1,032.13	14,512.98		14,512.98
601.81 · FUTA	0.00	276.40	0.43	276.83		276.83
601.82 · SUTA	0.01	1,165.01	7.71	1,172.72		1,172.72
658.80 · Worker's Compensation - Admin	0.01	1,226.00	8.54	1,234.54		1,234.54
Plant FICA & Medicare Tax Expense	3,120.92	238.95	3,359.87		3,359.87	3,359.87
Plant FUTA Tax Expense	63.99	0.10	64.09		64.09	64.09
Plant SUTA Tax Expense	269.71	1.78	271.49		271.49	271.49
Plant Workmens Compensation Insurance	283.83	1.98	285.80		285.80	285.80
Admin FICA & Medicare Tax Expense	10,359.93	793.19	11,153.12		11,153.12	11,153.12
Admin FUTA Tax Expense	212.41	0.33	212.74		212.74	212.74
Admin SUTA Tax Expense	895.30	5.92	901.23		901.23	901.23
Admin Workmens Compensation Insurance	942.17	6.56	948.73		948.73	948.73
Utilities-Plant Telephone (incl cell phone)	2,425.73	0.00	2,425.73		2,425.73	2,425.73
Interest Income	313.90	(313.90)	0.00		0.00	0.00
Income Taxes	42,393.00	0.00	42,393.00		42,393.00	42,393.00
Office Supplies Expense	7,149.50	0.00	7,149.50		7,149.50	7,149.50
Plant Operator - Other Contracted Services	15,117.10	0.00	15,117.10		15,117.10	15,117.10

Supplemental Insurance (Company Paid)						
Legal Fees - Rate Case- 4 year term						
Other Income - Aggregate						
(Cell Tower Income)						
Interest Income						
Finance Charges Earned						
Finance Chgs Forfeited COVID19						
Dividends in Arrears			70,000.00	70,000.00	70,000.00	
Dividends Expense - Current Year Payable						

DALLAS CREEK WATER CO. - ADVICE LETTER NO. 8

Electrical Costs for Pumping only

Delivery Date	Account 610.01 - Water Purchases		Account 465.02 Raw Wat		Total Volume Pumped / Electrical Costs			Total Electrical Cost Per 1K			Account 465.02 Raw Water Delivery -				
	Dallas Creek Water Co.		Divide Golf LLC		Total Demand						Divide Golf LLC				
	Volume Demand		Volume Demand								Electrical Cost				
	Pump Station 1 & 2		Pump Station 3		Acre Ft.	Cost		Pump 1 & 2	Pump 3	Unit Cost 1K	Acre Ft.	1K Gal.	Cost	Percent	
	Acre Ft.	1K Gal.	Acre Ft.	1K Gal.		Station 1 & 2	Sta. 3 Only								TOTAL
Jan-21	4.57	1,490	-	-	4.57	\$ 2,832	\$ 740	\$ 3,572	\$ 1.90	\$ 0.50	\$ 2.40	-	-	\$ -	
Feb-21	3.81	1,240	-	-	3.81	\$ 2,334	\$ 626	\$ 2,960	\$ 1.88	\$ 0.50	\$ 2.39	-	-	\$ -	
Mar-21	4.13	1,346	-	-	4.13	\$ 2,302	\$ 655	\$ 2,957	\$ 1.71	\$ 0.49	\$ 2.20	-	-	\$ -	
Apr-21	4.30	1,401	-	-	4.30	\$ 2,341	\$ 653	\$ 2,994	\$ 1.67	\$ 0.47	\$ 2.14	-	-	\$ -	
May-21	16.06	5,233	8.45	2,753	24.51	\$ 4,284	\$ 880	\$ 5,164	\$ 0.82	\$ 0.17	\$ 0.99	8.45	2,753	\$ 5,164	
Jun-21	39.24	12,787	28.28	9,215	67.52	\$ 6,693	\$ 974	\$ 7,667	\$ 0.52	\$ 0.08	\$ 0.60	28.28	9,215	\$ 7,667	
Jul-21	24.38	7,944	15.24	4,966	39.62	\$ 4,997	\$ 835	\$ 5,832	\$ 0.63	\$ 0.11	\$ 0.73	15.24	4,966	\$ 5,832	
Aug-21	9.52	3,101	-	-	9.52	\$ 2,888	\$ 761	\$ 3,649	\$ 0.93	\$ 0.25	\$ 1.18	-	-	\$ -	
Sep-21	8.43	2,745	-	-	8.43	\$ 2,726	\$ 750	\$ 3,476	\$ 0.99	\$ 0.27	\$ 1.27	-	-	\$ -	
Oct-21	5.58	1,818	-	-	5.58	\$ 2,330	\$ 756	\$ 3,086	\$ 1.28	\$ 0.42	\$ 1.70	-	-	\$ -	
Nov-21	5.43	1,770	-	-	5.43	\$ 2,306	\$ 579	\$ 2,885	\$ 1.30	\$ 0.33	\$ 1.63	-	-	\$ -	
Dec-21	5.52	1,799	-	-	5.52	\$ 2,306	\$ 579	\$ 2,885	\$ 1.28	\$ 0.32	\$ 1.60	-	-	\$ -	
<b>Total 2021</b>	<b>130.96</b>	<b>42,674</b>	<b>51.97</b>	<b>16,934</b>	<b>182.93</b>	<b>\$ 38,339</b>	<b>\$ 5,814</b>	<b>\$ 47,127</b>	<b>\$ 14.93</b>	<b>\$ 3.89</b>	<b>\$ 18.81</b>	<b>51.97</b>	<b>16,934</b>	<b>\$ 18,663</b>	<b>39.68%</b>

December 2021 Billing estimated from last year

		<u>2017</u>	<u>2021</u>		
Golf Course Pumping Volume		15,908	16,935	Percent by Cost	39.60%
Station 1 Totalizer Volume 1K less Golf Course***		21,566	25,740	<b>Cost per 1K gals</b>	<b>\$ 0.10</b>
		37,474	42,674		
				Percent by time	
Percent by Vol	Golf Course	42.45%	39.68%	Golf Course	<u>48</u> days 13.15%
	Domestic	57.55%	60.32%	Domestic	365 days
		100.00%	100.00%		

\*\*\*Previously used Domestic Sales Volume 1K, changed methodology  
2\* sales volumes do not equal pumped volumes

2006 Pro Forma figures for Rate Setting Estimate- Ron McLaughlin

Cost	Total Estm	Portion Var	Net Var
Projection			
Electrical- GC actual	26,400	80	21,120
Pump Maintenance Repairs	25,640	25	6,410
Line Maintenance	5,000	0	0
Contractor Labor	6,000	25	1,500
	<u>63,040</u>		<u>29,030</u>
McLaughlin Estimated Percentage		16,800	39.8%
		<u>42,226</u>	

Estimated raw water sales to golf course is 16,800K gal/year. This quantity is 39.8% of projected total raw water requirement 42,226K

Unit Cost	Variable costs per 1K	<u>29,030</u>	0.69 1K
Projection		42,226	<u>0.07</u> 10% Contractual Profit
			0.754
			0.76 Rounded Per McLaughlin