

## APPENDIX 10

Borough of Madison  
 Estimated Water Utility Results  
 For the Year's 2015 thru 2017  
 (in \$000's)

Scenario #1  
 Base

	2015	2016	2017
Tariff Collections	\$ 2,480	\$ 2,480	\$ 2,480
Miscellaneous Revenue	\$ 80	\$ 80	\$ 80
Total Revenue	\$ 2,560	\$ 2,560	\$ 2,560
Less:			
Operations	\$ 2,040	\$ 2,101	\$ 2,164
Capital Improvement	\$ 325	\$ 325	\$ 325
AMR	\$ 200		
Total Appropriations	\$ 2,565	\$ 2,426	\$ 2,489
Subtotal Surplus	\$ (5)	\$ 134	\$ 71
Add:			
Cancellation of Prior Year's Appropriation Reserves	\$ 300	\$ 300	\$ 300
Estimated Surplus	\$ 295	\$ 434	\$ 371

Assumptions:

1. No change in rates or consumption.
2. No material changes in Operating Activity
3. The Appropriation for AMR will cease after 2015 since the reserve will reach \$1,000,000.
4. No rate reductions in 2016 or 2017 , per Ordinance 1 - 2011

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Scenario #2

Base, with remaining  
 useful life

	2015	2016	2017
Tariff Collections	\$ 2,480	\$ 2,480	\$ 2,480
Miscellaneous Revenue	\$ 80	\$ 80	\$ 80
Total Revenue	\$ 2,560	\$ 2,560	\$ 2,560
Less:			
Operations	\$ 2,040	\$ 2,101	\$ 2,164
Capital Improvement	\$ 3,201	\$ 3,201	\$ 3,201
AMR	\$ 200		
Total Appropriations	\$ 5,441	\$ 5,302	\$ 5,365
Subtotal Surplus	\$ (2,881)	\$ (2,742)	\$ (2,805)
Add:			
Cancellation of Prior Year's Appropriation Reserves	\$ 300	\$ 300	\$ 300
Estimated Surplus	\$ (2,581)	\$ (2,442)	\$ (2,505)

Assumptions:

1. No change in rates or consumption.
2. No material changes in Operating Activity
3. The Appropriation for AMR will cease after 2015 since the reserve will reach \$1,000,000.
4. No rate reductions in 2016 or 2017 , per Ordinance 1 - 2011

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Scenario #3  
 Average of All  
 Rate Increase of 60.0%

	2015	2016	2017
Tariff Collections	\$ 3,960	\$ 3,960	\$ 3,960
Miscellaneous Revenue	\$ 80	\$ 80	\$ 80
Total Revenue	\$ 4,040	\$ 4,040	\$ 4,040
Less:			
Operations	\$ 2,040	\$ 2,101	\$ 2,164
Capital Improvement	\$ 325	\$ 325	\$ 325
AMR	\$ 200		
Total Appropriations	\$ 2,565	\$ 2,426	\$ 2,489
Subtotal Surplus	\$ 1,475	\$ 1,614	\$ 1,551
Add:			
Cancellation of Prior Year's Appropriation Reserves	\$ 300	\$ 300	\$ 300
Estimated Surplus	\$ 1,775	\$ 1,914	\$ 1,851

Assumptions:

1. No change in rates or consumption.
2. No material changes in Operating Activity
3. The Appropriation for AMR will cease after 2015 since the reserve will reach \$1,000,000.
4. No rate reductions in 2016 or 2017, per Ordinance 1 - 2011

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Scenario # 4  
 Average of All  
 without Madison  
 Rate increase of 66.8%

	2015	2016	2017
Tariff Collections	\$ 4,137	\$ 4,137	\$ 4,137
Miscellaneous Revenue	\$ 80	\$ 80	\$ 80
Total Revenue	\$ 4,217	\$ 4,217	\$ 4,217
Less:			
Operations	\$ 2,040	\$ 2,101	\$ 2,164
Capital Improvement	\$ 325	\$ 325	\$ 325
AMR	\$ 200		
Total Appropriations	\$ 2,565	\$ 2,426	\$ 2,489
Subtotal Surplus	\$ 1,652	\$ 1,791	\$ 1,728
Add:			
Cancellation of Prior Year's Appropriation Reserves	\$ 300	\$ 300	\$ 300
Estimated Surplus	\$ 1,952	\$ 2,091	\$ 2,028

Assumptions:

1. No change in rates or consumption.
2. No material changes in Operating Activity
3. The Appropriation for AMR will cease after 2015 since the reserve will reach \$1,000,000.
4. No rate reductions in 2016 or 2017, per Ordinance 1 - 2011

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Scenario # 5  
 Average of Muni- Owned  
 without Madison  
 Rate increase of 120.4%

	2015	2016	2017
Tariff Collections	\$ 5,466	\$ 5,466	\$ 5,466
Miscellaneous Revenue	\$ 80	\$ 80	\$ 80
Total Revenue	\$ 5,546	\$ 5,546	\$ 5,546
Less:			
Operations	\$ 2,040	\$ 2,101	\$ 2,164
Capital Improvement	\$ 325	\$ 325	\$ 325
AMR	\$ 200		
Total Appropriations	\$ 2,565	\$ 2,426	\$ 2,489
Subtotal Surplus	\$ 2,981	\$ 3,120	\$ 3,057
Add:			
Cancellation of Prior Year's Appropriation Reserves	\$ 300	\$ 300	\$ 300
Estimated Surplus	\$ 3,281	\$ 3,420	\$ 3,357

Assumptions:

1. No change in rates or consumption.
2. No material changes in Operating Activity
3. The Appropriation for AMR will cease after 2015 since the reserve will reach \$1,000,000.
4. No rate reductions in 2016 or 2017, per Ordinance 1 - 2011

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Scenario # 6

Average of

Investor-Owned

Rate increase of 24.0%

	2015	2016	2017
Tariff Collections	\$ 3,074	\$ 3,074	\$ 3,074
Miscellaneous Revenue	\$ 80	\$ 80	\$ 80
Total Revenue	\$ 3,154	\$ 3,154	\$ 3,154
Less:			
Operations	\$ 2,040	\$ 2,101	\$ 2,164
Capital Improvement	\$ 325	\$ 325	\$ 325
AMR	\$ 200		
Total Appropriations	\$ 2,565	\$ 2,426	\$ 2,489
Subtotal Surplus	\$ 589	\$ 728	\$ 665
Add:			
Cancellation of Prior Year's Appropriation Reserves	\$ 300	\$ 300	\$ 300
Estimated Surplus	\$ 889	\$ 1,028	\$ 965

Assumptions:

1. No change in rates or consumption.
2. No material changes in Operating Activity
3. The Appropriation for AMR will cease after 2015 since the reserve will reach \$1,000,000.
4. No rate reductions in 2016 or 2017, per Ordinance 1 - 2011