

Water Retail Rates Forecast

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Inflation/Lower Interest Earnings	3.2%	3.3%	2.1%	2.7%	
Capital Program	17.8%	11.2%	7.6%	4.2%	
Rate Stabilization Account	-8.1%	-0.9%	-2.5%	0.9%	
Lower Retail Demand	1.5%	0.8%			
2013 Bond Refunding	-0.3%	-0.3%			
Wholesale Revenue			1.8%	0.2%	
FY 2013-14 Adopted Rate Forecast	14.1%	14.1%	9.0%	8.0%	7.2%

Forecast Updates

FY 2012-13 CIP Underspending	-1.0%				
FY 2012-13 Operating Savings	-1.5%				
Updated CIP	-1.6%	-2.1%			0.3%
Updated Bond Rate to 5.25%	-0.8%				
Updated Non-Rate Revenue Projections	-0.1%				
	9.1%	12.0%	9.0%	8.0%	7.5%

Budget Request Updates

Interest Earning Rate Update		-0.1%	-0.1%		
Inflation Update (October)	-0.8%	0.9%	0.1%	0.8%	0.1%
Operating Reduction/Adjustments & New Facilities	-0.8%				
	7.5%	12.8%	9.0%	8.8%	7.6%

Retail Rates Forecast Updated as of 11/7/13

Wholesale Updates
 Inflation Update (November)
 GFOH

	0.2%	-1.4%	1.4%	0.7%	
	-0.3%	-0.1%			
	-0.2%				
Retail Rates Forecast Updated as of 12/16/13	7.2%	11.3%	10.4%	9.5%	7.6%

Retail Rates Forecast Updated as of 12/16/13

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
	7.2%	11.3%	10.4%	9.5%	7.6%

Assumptions

OMF Escalation Factors Updated	2.6%	5.1%	3.1%	4.8%	3.2%
Interest Earnings Updated	0.5%	0.6%	0.6%	0.6%	0.6%
Retail Demand (ccf)	26 M	25.75 M	25.75 M	25.75 M	25.75 M
Updated CIP	\$96.7 M	\$67.2 M	\$77.1 M	\$92.2 M	\$59.1 M
Cash Finance Capital	\$26.2 M	\$27.7 M	\$32.1 M	\$33.9 M	\$36.7 M
% of CIP funded with Cash	27%	41%	42%	37%	62%
Bond Issues	\$119.6 M		\$142.1 M		\$106.2 M
Bond Rate	5.25%		6%		6%
Transfers from Rate Stabilization Account	\$7.6 M	\$3.4 M	\$7.0 M	\$2.6 M	\$0.7 M