



City of Palo Alto Water Utility

5 Year Revenue Projections

\$(000's)

		Fiscal Year	A	B **	C **	D **	E **	F **	G **
		05-06	06-07	07-08	08-09	09-10	10-11	11-12	
1	% CHANGE IN RETAIL RATE	0.0%	7.0%	10.0%	10.0%	9.0%	7.0%	7.0%	
2	PROJECTED SYSTEM AVERAGE RATE (\$/CCF)	\$ 3.93	\$ 4.18	\$ 4.59	\$ 5.05	\$ 5.51	\$ 5.89	\$ 6.30	
3	PROJECTED COMMODITY COST (\$/CCF)	\$ 1.02	\$ 1.22	\$ 1.26	\$ 1.23	\$ 1.34	\$ 1.75	\$ 2.18	
4	SALES UNITS (CCFs)	5,209	5,381	5,381	5,381	5,381	5,381	5,381	
5	PROJECTED CHANGE IN RETAIL SALES REVENUE	-	1,470	2,247	2,471	2,446	2,074	2,219	
6									
7	Utilities Retail Sales	20,430	22,306	24,520	26,982	29,430	31,519	33,732	
8	Service connection charges & capacity fees	500	823	833	843	853	864	874	
9	Other revenues plus Transfers In	199	250	313	148	96	96	96	
10	Interest plus gain or loss on investment	289	976	901	1,022	1,121	703	594	
11	CIP Bond Proceeds / Reserve	0	0	0	34,270	16,060	8,030	0	
12	Total Sources of Funds	21,418	24,355	26,568	63,265	47,559	41,213	35,296	
13									
14	Purchases	6,475	7,642	7,698	7,521	8,170	10,589	13,126	
15	Supply Operating Budget	464	561	581	601	622	644	666	
16	Distribution Operating Budget	5,844	6,995	7,240	7,493	7,756	8,027	8,308	
17	Debt Service payments (Prin & Int)	776	774	776	3,203	3,203	3,203	3,203	
18	Rent	1,506	1,781	1,788	1,842	1,897	1,954	2,012	
19	Transfer to General Fund	2,441	2,514	2,589	2,667	2,747	2,829	2,914	
20	Other Transfers Out	1,547	473	200	198	198	198	198	
21	Capital Improvement programs	3,700	4,053	5,162	21,805	20,252	11,797	3,911	
22	Operating Encumbrances & reconciliation	-184	0	0	0	0	0	0	
23	Total Uses of Funds	22,570	24,794	26,034	45,330	44,844	39,241	34,339	
24									
25	Into/ (Out of) Reserves	(1,152)	(438)	534	17,935	2,715	1,972	957	
26									
27	Ending Rate Stabilization Reserve	4,143	3,630	12,423	3,377	5,900	7,702	8,482	
28	Ending Plant Replacement Reserve	1,279	1,354	1,596	1,866	2,058	2,228	2,405	
29	Ending Bond Reserve	778	778	778	27,488	11,428	3,398	3,398	
30									
31	Short Term Risk Assessment Value			3,300	3,594				
32									
33	Long Term Rate Stabilization Guidelines								
34	Miniumum	7,435	7,108	4,942	5,437	5,926	6,341	6,784	
35	Maximum	14,870	14,216	12,356	13,591	14,815	15,852	16,961	
36									
37									

** Reserve ending balances are projected

\$8.5 million returned from CIP to RSR in FY 07-08. Will be used as part of Reservoir funds

Well/Reservoir projects: \$31.65 million financed in FY 08-09; Expenditure (In System Improvement CIP):(\$16.06M 08-09, \$16.06M 09-10, \$8.03M 10-11)