

**Table 1**  
**Water Rate Comparison of Seattle-Area Water Utilities**  
**as of May 2012**

	SPU (for Shoreline residents) 1/1/12	SPU (for Shoreline residents) 1/1/13	SPU (for Shoreline residents) 1/1/14	SPU (for Seattle residents)	Tacoma	Everett	Bellevue	Bothell	Edmonds	Shoreline WD	Lake Forest Park WD	Northshore UD
<b>Residential Charges</b>												
Monthly Charge per meter (3/4")	\$16.05	\$16.35	\$16.70	\$13.25	\$25.15	\$32.04	\$29.61	\$10.51	\$20.60	\$37.95	\$37.00	\$30.00
<b>Peak and Off-Peak variable charges (\$/CCF)</b>												
Off-peak per CCF	\$4.90	\$5.46	\$6.05	\$4.04	\$1.368	\$2.67			\$2.14		\$3.00	
Peak Up to 5 CCF	\$5.26	\$5.74	\$6.22	\$4.34	\$1.368	\$2.67			\$2.14		\$3.00	
Peak Next 13 CCF	\$6.25	\$6.94	\$7.69	\$5.15	\$1.710	\$2.67			\$2.14		\$3.00	
Peak Over 18 CCF	\$14.31	\$14.31	\$14.31	\$11.80	\$1.710	\$2.67			\$2.14		\$3.00	
<b>Year-round variable charges (\$/CCF)</b>												
Up to 20 CCF							\$2.96					
21 to 30 CCF							\$4.08					
31 to 100 CCF							\$5.23					
Over 100 CCF							\$7.79					
Up to 5 CCF								\$2.07				
6 to 10 CCF								\$3.03				
11 to 15 CCF								\$3.91				
16 to 25 CCF								\$4.98				
Over 25 CCF								\$5.68				
Up to 10 CCF									\$2.63			
11 to 24 CCF									\$4.02			
Over 24 CCF									\$5.42			
Up to 12 CCF												\$2.75
13 to 15 CCF												\$3.25
16 to 23 CCF												\$4.00
Over 23 CCF												\$5.00
<b>Commercial Charges</b>												
Monthly Charge Per Meter (1")	\$16.30	\$16.85	\$17.20	\$13.40	\$41.91	\$53.40	\$52.40	\$31.97	\$50.71	\$34.73	\$68.00	\$60.00
<b>Peak and Off-Peak variable charges (\$/CCF)</b>												
Off-peak per CCF	\$4.39	\$5.46	\$6.05	\$3.62	\$1.497		\$3.01	\$2.48	\$2.14	\$3.47	\$3.00	
Peak per CCF	\$5.62	\$6.94	\$7.69	\$4.63	\$1.497		\$4.22	\$4.24	\$2.14	\$3.47	\$3.00	
<b>Year-round variable charges (\$/CCF)</b>												
Up to 20 CCF												\$3.55
21 to 25 CCF												\$3.70
26 to 33 CCF												\$3.85
Over 33 CCF												\$4.05
21 to 60 CCF						\$2.67						
61 to 300 CCF						\$1.86						
Over 300 CCF						\$1.24						

**Table 2**  
**Annual Bill Comparison of Seattle-Area Utilities**

	SPU				Tacoma	Everett	Bellevue	Bothell	Edmonds	Shoreline WD	Lake Forest	
	Shoreline residents 1/1/12	SPU Shoreline residents 1/1/13	SPU Shoreline residents 1/1/14	SPU Seattle residents							Park WD	Northshore UD
<b>Residential</b>												
Basic Charge Bill (12 months)	\$192.60	\$196.20	\$200.40	\$159.00	\$301.80	\$384.48	\$355.32	\$126.12	\$247.20	\$455.40	\$444.00	\$360.00
Off-peak bill (8 months at 5.4 CCF/mo)	\$211.68	\$235.87	\$261.36	\$174.53	\$59.10	\$115.34	\$127.87	\$130.90	\$92.45	\$113.62	\$129.60	\$118.80
On-peak bill (4 months at 8.2 CCF/mo)	\$185.20	\$203.63	\$222.83	\$168.92	\$56.09	\$87.58	\$97.09	\$99.38	\$70.19	\$86.26	\$98.40	\$90.20
TOTAL ANNUAL RESIDENTIAL BILL	\$589.48	\$635.70	\$684.59	\$502.45	\$416.99	\$587.40	\$580.28	\$356.40	\$409.84	\$655.28	\$672.00	\$569.00
<b>Commercial</b>												
Basic Charge Bill (12 months)	\$195.60	\$202.20	\$206.40	\$160.80	\$502.92	\$640.80	\$628.80	\$383.64	\$608.52	\$416.76	\$816.00	\$720.00
Off-peak bill (8 months at 42.4 CCF/mo)	\$1,489.09	\$1,852.03	\$2,052.16	\$1,227.90	\$507.78	\$905.66	\$1,020.99	\$841.22	\$725.89	\$1,177.02	\$1,017.60	\$1,373.76
On-peak bill (4 months at 75.7 CCF/mo)	\$1,701.74	\$2,101.43	\$2,328.53	\$1,401.96	\$453.29	\$563.21	\$1,277.82	\$1,283.87	\$647.99	\$1,050.72	\$908.40	\$1,226.34
TOTAL ANNUAL COMMERCIAL BILL	\$3,386.42	\$4,155.66	\$4,587.09	\$2,790.67	\$1,463.99	\$2,109.67	\$2,927.61	\$2,508.73	\$1,982.40	\$2,644.50	\$2,742.00	\$3,320.10

**Shoreline Muncpal Water Utility - Updated Base Case  
Basic Assumptions**

<b>Capital Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>	<b>Years IDC</b>	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$8,542,269	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$11,930,190	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$47,149,226	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,049,966	\$1,430,518				
Ongoing CIP	1	\$1,958,662	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,759,465	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$945,339	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$703,787	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,567,134	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$4,975,725</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$71,651	\$50,000	2012	2020		

**Tax Rates**

State Tax	5.029%	Included in Existing SPU Rates
City of Shoreline Tax	6.000%	Included in Existing SPU Rates

**Scenario Selection**

		Selected	Base	Low	High
Escalation of Retail Rates	Base	5.0%	5.0%	3.0%	7.0%
Escalation of Wholesale Rates	Base	3.5%	3.5%	2.5%	5.0%
Escalation of Costs	Base	4.6%	4.6%	2.6%	6.6%
Borrowing Cost	Base	5.0%	5.0%	4.0%	7.0%
Borrowing term	Base	30	30	30	30
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%
Separation/Capital Cost Sensitivity	Base	0.0%	0%	-10%	10%
Operating Costs Sensitivity	Base	0.0%	0%	-10%	10%
Water Supply Cost Sensitivity	Base	0.0%	0%	-10%	10%
Load Growth Sensitivity	Base	0.0%	0%	-0.5%	0.5%
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%

**Efficiency Savings**

Upfront Costs	No	\$0	-\$390,000
Labor	No	\$0	-\$267,325
Materials & Supplies	No	\$0	\$0
Employee Benefits	No	\$0	-\$76,415
Administrative	No	\$0	\$0

**Shoreline Municipal Water Utility - Updated Base Case**

**Average annual billed consumption for all retail services in the City of Shoreline**

<b>Rate Code Description</b>	<b>CCF</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Multifamily (apt) Shoreline		189,006	176,719	172,827	184,621	177,149	171,018
Duplex Shoreline		10,395	10,541	10,883	10,404	9,424	9,627
Duplex Shoreline 2 Premises		300	171	163	174	218	244
Commercial Shoreline		289,685	287,277	264,549	307,067	265,114	256,160
Fire Service Shoreline 2"		-	-	-	-	2	-
Fire Service Shoreline 4"		1	-	-	3	4	-
Fire Service Shoreline 6"		41	24	87	188	59	82
Fire Service Shoreline 8"		296	199	212	1,402	466	116
Fire Service Shoreline 10"		-	-	3	8	-	1
SFR Shoreline 1 Prem		850,944	809,430	775,962	826,122	738,985	722,353
SFR Shoreline 2 Prems		5,405	5,264	5,342	5,512	4,721	4,299
SFR Shoreline 3 Prems		360	336	399	431	376	268
SFR Shoreline 4 Prems		464	407	105	214	290	374
SFR Shoreline 5 Prems		945	1,041	1,084	1,026	803	913
SFR Shoreline 6 Prems		473	447	376	342	357	383
SFR Shoreline 8 Prems		693	922	958	1,086	951	983
SFR Shoreline 10 Prems		841	816	782	854	791	776
SFR Shoreline Exempt		2,200	2,007	2,015	1,903	1,595	1,725
MMRD 4 Prems Shoreline		764	570	584	622	483	525
MMRD 151 Prems Shoreline		53,148	46,391	30,719	53,878	40,846	37,683
Utility Credit Shoreline		39,862	38,763	37,007	39,271	35,342	34,735
Utility Credit Shoreline Exempt		-	-	-	-	-	-
Water Debit Adjustment		-	-	-	-	-	-
AMR Equip 2" or smaller		-	-	-	-	-	-
		<b>1,445,823</b>	<b>1,381,325</b>	<b>1,304,057</b>	<b>1,435,128</b>	<b>1,277,976</b>	<b>1,242,265</b>

<b>Rate Code Description</b>	<b>Revenue</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Multifamily (apt) Shoreline	\$	474,247	\$ 643,472	\$ 661,764	\$ 860,382	\$ 911,417	\$ 896,785
Duplex Shoreline	\$	28,344	\$ 45,223	\$ 48,081	\$ 55,674	\$ 58,358	\$ 60,587
Duplex Shoreline 2 Premises	\$	594	\$ 676	\$ 680	\$ 852	\$ 1,139	\$ 1,305
Commercial Shoreline	\$	786,925	\$ 1,131,057	\$ 1,109,628	\$ 1,545,467	\$ 1,459,053	\$ 1,452,391
Fire Service Shoreline 2"	\$	743	\$ 1,525	\$ 1,758	\$ 1,849	\$ 1,874	\$ 3,495
Fire Service Shoreline 4"	\$	6,810	\$ 13,158	\$ 13,910	\$ 14,832	\$ 15,431	\$ 16,428
Fire Service Shoreline 6"	\$	22,347	\$ 38,788	\$ 39,332	\$ 41,182	\$ 38,458	\$ 37,870
Fire Service Shoreline 8"	\$	48,168	\$ 77,153	\$ 78,852	\$ 110,605	\$ 87,917	\$ 79,610
Fire Service Shoreline 10"	\$	706	\$ 2,141	\$ 2,129	\$ 2,129	\$ 2,147	\$ 2,094
SFR Shoreline 1 Prem	\$	2,778,319	\$ 4,113,520	\$ 4,181,105	\$ 5,346,724	\$ 5,338,432	\$ 5,430,150
SFR Shoreline 2 Prems	\$	15,898	\$ 22,795	\$ 23,847	\$ 29,601	\$ 28,428	\$ 27,721
SFR Shoreline 3 Prems	\$	663	\$ 1,239	\$ 1,604	\$ 2,070	\$ 2,056	\$ 1,616
SFR Shoreline 4 Prems	\$	1,197	\$ 1,759	\$ 770	\$ 1,377	\$ 1,864	\$ 2,295
SFR Shoreline 5 Prems	\$	2,141	\$ 4,092	\$ 4,366	\$ 4,904	\$ 4,444	\$ 5,235
SFR Shoreline 6 Prems	\$	1,386	\$ 1,909	\$ 1,713	\$ 1,923	\$ 2,155	\$ 2,279
SFR Shoreline 8 Prems	\$	1,118	\$ 2,326	\$ 3,884	\$ 5,164	\$ 5,016	\$ 5,257
SFR Shoreline 10 Prems	\$	2,056	\$ 3,032	\$ 2,960	\$ 3,836	\$ 3,900	\$ 4,279
SFR Shoreline Exempt	\$	5,256	\$ 7,742	\$ 7,771	\$ 9,404	\$ 9,718	\$ 10,715
MMRD 4 Prems Shoreline	\$	3,129	\$ 2,416	\$ 2,571	\$ 3,182	\$ 2,643	\$ 3,015
MMRD 151 Prems Shoreline	\$	316,255	\$ 291,820	\$ 141,482	\$ 345,457	\$ 244,773	\$ 221,797
Utility Credit Shoreline	\$	50,350	\$ 76,253	\$ 73,051	\$ 102,966	\$ 116,071	\$ 124,764
Utility Credit Shoreline Exempt	\$	280	\$ 323	\$ 462	\$ 339		
Water Debit Adjustment	\$	92	\$ (34,426)	\$ 171,693	\$ 138,061	\$ (30,385)	\$ 69,233
AMR Equip 2" or smaller				\$ 2,604	\$ 2,925		
	\$	4,547,024	\$ 6,447,992	\$ 6,576,016	\$ 8,630,906	\$ 8,304,908	\$ 8,458,920

<b>Rate Code Description</b>	<b>Customers</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Multifamily (apt) Shoreline		150	150	153	151	141	153
Duplex Shoreline		82	82	82	82	83	82
Duplex Shoreline 2 Premises		1	1	1	1	1	1
Commercial Shoreline		399	406	402	402	369	399
Fire Service Shoreline 2"		6	7	8	8	8	8
Fire Service Shoreline 4"		23	25	26	28	28	30
Fire Service Shoreline 6"		42	42	41	42	40	42
Fire Service Shoreline 8"		51	52	54	55	50	55
Fire Service Shoreline 10"		1	1	1	1	1	1
SFR Shoreline 1 Prem		9,649	9,669	9,705	9,702	9,659	9,604
SFR Shoreline 2 Prems		42	43	42	42	43	42
SFR Shoreline 3 Prems		3	2	2	2	2	2
SFR Shoreline 4 Prems		2	2	2	2	2	2
SFR Shoreline 5 Prems		3	3	3	3	3	3
SFR Shoreline 6 Prems		2	2	2	2	2	2
SFR Shoreline 8 Prems		1	2	2	2	2	2
SFR Shoreline 10 Prems		1	1	1	1	1	1
SFR Shoreline Exempt		12	12	12	13	13	13
MMRD 4 Prems Shoreline		1	1	1	1	1	1
MMRD 151 Prems Shoreline		1	1	3	3	3	3
Utility Credit Shoreline		391	382	384	412	456	465
Utility Credit Shoreline Exempt		1	1	1	-		
		<b>10,864</b>	<b>10,887</b>	<b>10,928</b>	<b>10,955</b>	<b>10,908</b>	<b>10,911</b>

**Shoreline Municipal Water Utility - Updated Base Case**

**Consumption**

<b>Rate Code</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Multifamily	199,701	187,431	183,873	195,199	186,791	180,889
Commercial	289,685	287,277	264,549	307,067	265,114	256,160
Fire Service	338	223	302	1,601	531	199
Single Family	862,325	820,670	787,023	837,490	748,869	732,074
Master Meter Residential Development	53,912	46,961	31,303	54,500	41,329	38,208
Utility Credit	39,862	38,763	37,007	39,271	35,342	34,735
<b>Total</b>	<b>1,445,823</b>	<b>1,381,325</b>	<b>1,304,057</b>	<b>1,435,128</b>	<b>1,277,976</b>	<b>1,242,265</b>

**Revenue**

<b>Rate Code</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>3-year avg</b>
Multifamily (Duplex, Apts)	\$ 503,185	\$ 689,370	\$ 710,525	\$ 916,908	\$ 970,914	\$ 958,677	\$ 948,833
Commercial	\$ 786,925	\$ 1,131,057	\$ 1,109,628	\$ 1,545,467	\$ 1,459,053	\$ 1,452,391	\$ 1,485,637
Fire Service	\$ 78,774	\$ 132,765	\$ 135,981	\$ 170,597	\$ 145,827	\$ 139,497	\$ 151,974
Single Family	\$ 2,808,033	\$ 4,158,415	\$ 4,228,020	\$ 5,405,004	\$ 5,396,012	\$ 5,489,547	\$ 5,430,187
Master Meter Residential Development	\$ 319,384	\$ 294,235	\$ 144,053	\$ 348,639	\$ 247,417	\$ 224,812	\$ 273,622
Utility Credit	\$ 50,630	\$ 76,576	\$ 73,513	\$ 103,305	\$ 116,071	\$ 124,764	\$ 114,713
Automatic Meter Reading Equip			\$ 2,604	\$ 2,925			\$ 2,925
Adjustments	\$ 92	\$ (34,426)	\$ 171,693	\$ 138,061	\$ (30,385)	\$ 69,233	\$ 58,970
<b>Total</b>	<b>4,547,024</b>	<b>6,447,992</b>	<b>6,576,016</b>	<b>8,630,906</b>	<b>8,304,908</b>	<b>8,458,920</b>	<b>\$ 8,464,911</b>

**Customers**

<b>Rate Code</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>Growth 2006-2011</b>
Multifamily	233	233	236	234	225	236	0.3%
Commercial	399	406	402	402	369	399	0.0%
Fire Service	123	127	130	134	127	136	2.0%
Single Family	9,715	9,736	9,771	9,769	9,727	9,671	-0.1%
Master Meter Residential Development	2	2	4	4	4	4	14.9%
Utility Credit	392	383	385	412	456	465	3.5%
<b>Total</b>	<b>10,864</b>	<b>10,887</b>	<b>10,928</b>	<b>10,955</b>	<b>10,908</b>	<b>10,911</b>	<b>0.1%</b>

### Average Rate per CCF

Rate Code	2006	2007	2008	2009	2010	2011
Multifamily	2.52	3.68	3.86	4.70	5.20	5.30
Commercial	2.72	3.94	4.19	5.03	5.50	5.67
Fire Service	233.06	595.36	450.27	106.56	274.63	700.99
Single Family	3.26	5.07	5.37	6.45	7.21	7.50
Master Meter Residential Development	5.92	6.27	4.60	6.40	5.99	5.88
Utility Credit	1.27	1.98	1.99	2.63	3.28	3.59
<b>Total</b>	<b>3.14</b>	<b>4.67</b>	<b>5.04</b>	<b>6.01</b>	<b>6.50</b>	<b>6.81</b>

### Average CCF per Customer

Rate Code	2006	2007	2008	2009	2010	2011	3-year Avg
Multifamily	857.09	804.42	779.12	834.18	830.18	766.48	810.28
Commercial	726.03	707.58	658.08	763.85	718.47	642.01	708.11
Fire Service	2.75	1.76	2.32	11.95	4.18	1.46	5.86
Single Family	88.76	84.29	80.55	85.73	76.99	75.70	79.47
Master Meter Residential Development	26,956.00	23,480.50	7,825.75	13,625.00	10,332.25	9,552.00	11,169.75
Utility Credit	101.69	101.21	96.12	95.32	77.50	74.70	82.51
<b>Total</b>	<b>133.08</b>	<b>126.88</b>	<b>119.33</b>	<b>131.00</b>	<b>117.16</b>	<b>113.85</b>	<b>120.67</b>



**Shoreline Municipal Water Utility - Updated Base Case  
Calculated Revenues**

	<b>2011 Actual</b>	<b>Adjusted 2011</b>	<b>Forecast 2012</b>	<b>2013</b>	<b>2014</b>
<b>Customer Charges</b>					
Residential	\$1,891,648	\$1,891,648	\$1,924,743	\$1,963,798	\$2,008,850
Multi-Family	\$71,083	\$71,083	\$73,232	\$75,422	\$77,801
Commercial	\$159,728	\$159,728	\$160,781	\$167,663	\$171,991
<b>CCF Charges</b>					
Residential	\$3,608,277	\$3,788,177	\$4,134,322	\$4,512,719	\$4,904,083
Multi-Family	\$892,583	\$943,592	\$1,055,192	\$1,178,596	\$1,311,393
Commercial	\$1,273,088	\$1,564,244	\$1,582,431	\$1,780,471	\$1,995,814
<b>Total Charges</b>					
Residential	\$5,499,925	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932
Multi-Family	\$963,666	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194
Commercial	\$1,432,816	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805
	\$7,896,407	\$8,418,472	\$8,930,701	\$9,678,668	\$10,469,931
<b>Average Rate</b>					
Residential	7.51	7.39	7.95	8.56	9.21
Multi-Family	5.33	5.31	5.86	6.47	7.11
Commercial	5.59	6.10	6.10	6.74	7.41
<b>Average Rate Increase</b>					
Residential			7.5%	7.7%	7.6%
Multi-Family			10.4%	10.4%	10.0%
Commercial			0.0%	10.5%	10.0%

**Shoreline Municipal Water Utility - Updated Base Case**

**Revenue Forecast**

Revenues	2011 Actual	Adjusted	Forecast							
		2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932	\$7,201,267	\$7,501,628	\$7,814,517	\$8,140,456	\$8,479,990
Multi-Family	\$958,677	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194	\$1,468,895	\$1,553,168	\$1,642,276	\$1,736,497	\$1,836,123
Commercial	\$1,452,391	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805	\$2,302,660	\$2,445,904	\$2,598,059	\$2,759,679	\$2,931,353
MMRD	\$224,812	\$273,622	\$292,744	\$313,827	\$335,951	\$350,985	\$366,692	\$383,101	\$400,245	\$418,156
Fire	\$139,497	\$151,974	\$163,411	\$176,060	\$189,419	\$198,890	\$208,834	\$219,276	\$230,240	\$241,752
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,754</u>	<u>\$201,210</u>	<u>\$216,478</u>	<u>\$227,302</u>	<u>\$238,667</u>	<u>\$250,600</u>	<u>\$263,130</u>	<u>\$276,286</u>
Total	\$8,458,920	\$9,017,751	\$9,573,610	\$10,369,764	\$11,211,779	\$11,749,998	\$12,314,893	\$12,907,829	\$13,530,247	\$14,183,661

**Average Rate**

Residential	\$7.50	\$7.50	\$7.95	\$8.56	\$9.21	\$9.67	\$10.16	\$10.66	\$11.20	\$11.76
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.11	\$7.47	\$7.84	\$8.24	\$8.65	\$9.08
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.41	\$7.78	\$8.17	\$8.58	\$9.01	\$9.46
MMRD	\$5.88	\$6.12	\$6.59	\$7.09	\$7.63	\$8.01	\$8.42	\$8.84	\$9.28	\$9.74
Fire	\$700.99	\$190.56	\$204.90	\$220.76	\$237.51	\$249.39	\$261.86	\$274.95	\$288.70	\$303.13
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.87</u>	<u>\$5.24</u>	<u>\$5.64</u>	<u>\$5.92</u>	<u>\$6.22</u>	<u>\$6.53</u>	<u>\$6.86</u>	<u>\$7.20</u>
Total	\$6.81	\$6.80	\$7.23	\$7.84	\$8.48	\$8.90	\$9.34	\$9.80	\$10.28	\$10.78
			106.3%	108.4%	108.2%					

**CCF**

Residential	732,074	768,573	762,505	756,484	750,511	744,585	738,706	732,874	727,087	721,346
Multi-Family	180,889	191,226	192,569	193,921	195,283	196,654	198,034	199,425	200,825	202,235
Commercial	256,160	282,534	285,819	289,143	292,504	295,905	299,346	302,826	306,347	309,909
MMRD	38,208	44,679	44,456	44,233	44,012	43,792	43,573	43,355	43,138	42,923
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,324,512	1,322,945	1,321,474	1,320,100	1,318,823	1,317,643	1,316,561	1,315,576

**CCF per Customer**

Residential	75.7	79.5	78.7	77.9	77.1	76.3	75.6	74.8	74.1	73.3
Multi-Family	766.5	810.3	806.2	802.2	798.2	794.2	790.2	786.3	782.3	778.4
Commercial	642.0	708.1	711.6	715.2	718.8	722.4	726.0	729.6	733.3	736.9
MMRD	9,552.0	11,169.8	11,113.9	11,058.3	11,003.0	10,948.0	10,893.3	10,838.8	10,784.6	10,730.7
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.1	120.7	120.2	119.8	119.4	119.0	118.7	118.3

**Customers**

Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

**Shoreline Municipal Water Utility - Updated Base Case  
Revenue Forecast**

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$8,833,686	\$9,245,498	\$9,676,508	\$10,127,611	\$10,599,743	\$11,093,886	\$11,611,065	\$12,152,354	\$12,718,877	\$13,311,810
Multi-Family	\$1,941,465	\$2,058,268	\$2,182,097	\$2,313,376	\$2,452,553	\$2,600,103	\$2,756,530	\$2,922,367	\$3,098,182	\$3,284,575
Commercial	\$3,113,707	\$3,299,178	\$3,495,696	\$3,703,920	\$3,924,546	\$4,158,315	\$4,406,008	\$4,668,455	\$4,946,535	\$5,241,180
MMRD	\$436,868	\$457,565	\$479,242	\$501,946	\$525,726	\$550,632	\$576,718	\$604,040	\$632,657	\$662,629
Fire	\$253,839	\$266,531	\$279,858	\$293,851	\$308,543	\$323,971	\$340,169	\$357,178	\$375,037	\$393,788
Other	<u>\$290,101</u>	<u>\$304,606</u>	<u>\$319,836</u>	<u>\$335,828</u>	<u>\$352,619</u>	<u>\$370,250</u>	<u>\$388,763</u>	<u>\$408,201</u>	<u>\$428,611</u>	<u>\$450,042</u>
Total	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
<b>Average Rate</b>										
Residential	\$12.34	\$12.96	\$13.61	\$14.29	\$15.00	\$15.75	\$16.54	\$17.37	\$18.24	\$19.15
Multi-Family	\$9.53	\$10.01	\$10.51	\$11.04	\$11.59	\$12.17	\$12.78	\$13.41	\$14.08	\$14.79
Commercial	\$9.93	\$10.43	\$10.95	\$11.50	\$12.07	\$12.68	\$13.31	\$13.97	\$14.67	\$15.41
MMRD	\$10.23	\$10.74	\$11.28	\$11.84	\$12.43	\$13.06	\$13.71	\$14.39	\$15.11	\$15.87
Fire	\$318.29	\$334.21	\$350.92	\$368.46	\$386.88	\$406.23	\$426.54	\$447.87	\$470.26	\$493.77
Other	<u>\$7.56</u>	<u>\$7.94</u>	<u>\$8.34</u>	<u>\$8.75</u>	<u>\$9.19</u>	<u>\$9.65</u>	<u>\$10.13</u>	<u>\$10.64</u>	<u>\$11.17</u>	<u>\$11.73</u>
Total	\$11.31	\$11.87	\$12.45	\$13.07	\$13.71	\$14.39	\$15.10	\$15.84	\$16.62	\$17.44
<b>CCF</b>										
Residential	715,651	713,346	711,048	708,758	706,476	704,201	701,933	699,672	697,419	695,172
Multi-Family	203,655	205,626	207,616	209,625	211,654	213,702	215,770	217,859	219,967	222,096
Commercial	313,512	316,368	319,250	322,159	325,094	328,055	331,044	334,060	337,103	340,174
MMRD	42,708	42,601	42,495	42,389	42,283	42,177	42,072	41,966	41,861	41,757
Fire	798	798	798	798	798	798	798	798	798	798
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,314,689	1,317,104	1,319,573	1,322,094	1,324,669	1,327,298	1,329,982	1,332,720	1,335,514	1,338,363
<b>CCF per Customer</b>										
Residential	72.6	72.2	71.9	71.5	71.2	70.8	70.4	70.1	69.7	69.4
Multi-Family	774.5	772.6	770.7	768.7	766.8	764.9	763.0	761.1	759.2	757.3
Commercial	740.6	742.5	744.3	746.2	748.1	749.9	751.8	753.7	755.6	757.4
MMRD	10,677.0	10,650.4	10,623.7	10,597.2	10,570.7	10,544.3	10,517.9	10,491.6	10,465.4	10,439.2
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	117.9	117.9	117.9	117.8	117.8	117.8	117.8	117.8	117.8	117.8
<b>Customers</b>										
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Base Case  
Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$13,932,385	\$14,629,004	\$15,360,454	\$16,128,477	\$16,934,901	\$17,781,646	\$18,670,728	\$19,604,264	\$20,584,477	\$21,613,701	\$22,694,386	
Multi-Family	\$3,474,583	\$3,700,137	\$3,940,332	\$4,196,119	\$4,468,511	\$4,758,586	\$5,067,490	\$5,396,447	\$5,746,759	\$6,119,811	\$6,517,080	
Commercial	\$5,553,374	\$5,869,492	\$6,203,603	\$6,556,734	\$6,929,966	\$7,324,444	\$7,741,376	\$8,182,042	\$8,647,792	\$9,140,054	\$9,660,338	
MMRD	\$694,021	\$728,722	\$765,158	\$803,416	\$843,587	\$885,766	\$930,055	\$976,557	\$1,025,385	\$1,076,654	\$1,130,487	
Fire	\$413,478	\$434,152	\$455,859	\$478,652	\$502,585	\$527,714	\$554,100	\$581,805	\$610,895	\$641,440	\$673,512	
Other	<u>\$472,544</u>	<u>\$496,171</u>	<u>\$520,979</u>	<u>\$547,028</u>	<u>\$574,380</u>	<u>\$603,099</u>	<u>\$633,254</u>	<u>\$664,916</u>	<u>\$698,162</u>	<u>\$733,070</u>	<u>\$769,724</u>	
Total	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526	
<b>Average Rate</b>												
Residential	\$20.11	\$21.11	\$22.17	\$23.28	\$24.44	\$25.66	\$26.94	\$28.29	\$29.71	\$31.19	\$32.75	
Multi-Family	\$15.53	\$16.30	\$17.12	\$17.98	\$18.87	\$19.82	\$20.81	\$21.85	\$22.94	\$24.09	\$25.29	
Commercial	\$16.18	\$16.99	\$17.84	\$18.73	\$19.66	\$20.65	\$21.68	\$22.76	\$23.90	\$25.10	\$26.35	
MMRD	\$16.66	\$17.50	\$18.37	\$19.29	\$20.25	\$21.27	\$22.33	\$23.45	\$24.62	\$25.85	\$27.14	
Fire	\$518.46	\$544.39	\$571.60	\$600.18	\$630.19	\$661.70	\$694.79	\$729.53	\$766.00	\$804.30	\$844.52	
Other	<u>\$12.32</u>	<u>\$12.93</u>	<u>\$13.58</u>	<u>\$14.26</u>	<u>\$14.97</u>	<u>\$15.72</u>	<u>\$16.51</u>	<u>\$17.33</u>	<u>\$18.20</u>	<u>\$19.11</u>	<u>\$20.06</u>	
Total	\$18.30	\$19.21	\$20.16	\$21.15	\$22.20	\$23.29	\$24.45	\$25.65	\$26.92	\$28.25	\$29.65	
<b>CCF</b>												
Residential	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	
Multi-Family	223,756	226,934	230,158	233,427	236,743	240,106	243,517	246,976	250,484	254,042	257,651	
Commercial	343,274	345,537	347,815	350,109	352,417	354,741	357,080	359,435	361,805	364,190	366,592	
MMRD	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	
Fire	798	798	798	798	798	798	798	798	798	798	798	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,340,779	1,346,221	1,351,723	1,357,286	1,362,910	1,368,597	1,374,346	1,380,160	1,386,038	1,391,982	1,397,992	0.2%
<b>CCF per Customer</b>												
Residential	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	-13%
Multi-Family	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	-7%
Commercial	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	7%
MMRD	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	-7%
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	0%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	117.7	118.1	118.5	119.0	119.4	119.8	120.2	120.6	121.1	121.5	121.9	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	

**Shoreline Municipal Water Utility - Updated Base Case  
Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
Multi-Family	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Commercial	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.13%	-0.12%	-0.11%	-0.10%	-0.10%	-0.09%	-0.08%	-0.07%
<b>Average Rate Increase</b>								
Residential	6.0%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	10.6%	10.4%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	7.6%	10.5%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Base Case  
Revenue Forecast**

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Customer Growth</b>										
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Commercial	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>										
Residential	0.70%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%
Multi-Family	1.16%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.07%	0.18%	0.19%	0.19%	0.19%	0.20%	0.20%	0.21%	0.21%	0.21%
<b>Average Rate Increase</b>										
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Base Case**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>											
Residential	-0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.75%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.91%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.18%	0.41%	0.41%	0.41%	0.41%	0.42%	0.42%	0.42%	0.43%	0.43%	0.43%
<b>Average Rate Increase</b>											
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Base Case**

**Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,759,465	\$1,840,401	\$1,925,059	\$2,013,612	\$2,106,238	\$2,203,125	\$2,304,469	\$2,410,475	\$2,521,356	\$2,637,339
Materials & Supplies	\$945,339	\$988,824	\$1,034,310	\$1,081,889	\$1,131,655	\$1,183,712	\$1,238,162	\$1,295,118	\$1,354,693	\$1,417,009
Employee Benefits	\$703,787	\$736,161	\$770,024	\$805,445	\$842,496	\$881,251	\$921,788	\$964,191	\$1,008,543	\$1,054,936
Administrative	\$1,567,134	\$1,639,222	\$1,714,626	\$1,793,499	\$1,876,000	\$1,962,296	\$2,052,561	\$2,146,979	\$2,245,740	\$2,349,044
Total	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	B3 \$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687
Upfront Costs	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076
Total Initial Debt	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
Amount Available for Cash CIP	\$1,820,088	\$2,145,660	\$2,491,301	\$2,858,209	\$3,247,649	\$3,660,961	\$4,099,565	\$4,564,964	\$5,058,747	\$5,582,598
Required CIP by Year	\$1,958,662	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Required CIP Funded by Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Mains Replacement - Equal Over 23 Years	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Percent of Mains Funded for the Year	0%	5%	16%	26%	37%	47%	57%	67%	77%	86%
Mains Replacement - Amount Funded	\$0	\$96,900	\$348,298	\$616,628	\$902,955	\$1,208,411	\$1,534,198	\$1,881,590	\$2,251,938	\$2,646,676
Total CIP By Year	\$1,820,088	\$2,145,660	\$2,491,301	\$2,858,209	\$3,247,649	\$3,660,961	\$4,099,565	\$4,564,964	\$5,058,747	\$5,582,598

DSC	1.6	1.7	1.8	1.9	2.1	2.2	2.3	2.5	2.7	2.8
Surplus	\$0	\$96,900	\$348,298	\$616,628	\$902,955	\$1,208,411	\$1,534,198	\$1,881,590	\$2,251,938	\$2,646,676
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$1,820,088	\$2,145,660	\$2,491,301	\$2,858,209	\$3,247,649	\$3,660,961	\$4,099,565	\$4,564,964	\$5,058,747	\$5,582,598
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



**Shoreline Municipal Water Utility - Updated Base Case**

**Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$2,758,656	\$2,885,555	\$3,018,290	\$3,157,131	\$3,302,359	\$3,454,268	\$3,613,164	\$3,779,370	\$3,953,221	\$4,135,069	\$4,325,282
Materials & Supplies	\$1,482,191	\$1,550,372	\$1,621,689	\$1,696,287	\$1,774,316	\$1,855,935	\$1,941,308	\$2,030,608	\$2,124,016	\$2,221,721	\$2,323,920
Employee Benefits	\$1,103,463	\$1,154,223	\$1,207,317	\$1,262,854	\$1,320,945	\$1,381,708	\$1,445,267	\$1,511,749	\$1,581,290	\$1,654,029	\$1,730,114
Administrative	\$2,457,100	\$2,570,127	\$2,688,353	\$2,812,017	\$2,941,370	\$3,076,673	\$3,218,200	\$3,366,237	\$3,521,084	\$3,683,053	\$3,852,474
Total	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687
Upfront Costs	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076
Total Initial Debt	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
Amount Available for Cash CIP	\$6,133,349	\$6,758,141	\$7,422,494	\$8,128,830	\$8,879,716	\$9,677,870	\$10,526,178	\$11,427,696	\$12,385,666	\$13,403,523	\$14,484,909
Required CIP by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Required CIP Funded by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Mains Replacement	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Percent of Mains Funded	95%	105%	116%	125%	135%	145%	154%	164%	173%	183%	192%
Mains Replacement - Amount Fun	\$3,062,374	\$3,545,901	\$4,062,492	\$4,614,268	\$5,203,483	\$5,832,531	\$6,503,953	\$7,220,449	\$7,984,886	\$8,800,307	\$9,669,945
Total CIP By Year	\$6,133,349	\$6,758,141	\$7,422,494	\$8,128,830	\$8,879,716	\$9,677,870	\$10,526,178	\$11,427,696	\$12,385,666	\$13,403,523	\$14,484,909

DSC	3.0	3.2	3.4	3.7	3.9	4.2	4.4	4.7	5.0	5.4	5.7
Surplus	\$3,062,374	\$3,545,901	\$4,062,492	\$4,614,268	\$5,203,483	\$5,832,531	\$6,503,953	\$7,220,449	\$7,984,886	\$8,800,307	\$9,669,945
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$6,133,349	\$6,758,141	\$7,422,494	\$8,128,830	\$8,879,716	\$9,677,870	\$10,526,178	\$11,427,696	\$12,385,666	\$13,403,523	\$14,484,909
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Base Case  
Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	576,122	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	738,567	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,314,689		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	665,421	44%	<- Based on same % split from 2011 loads
Off-peak months	853,045	56%	<- Based on same % split from 2011 loads
Total	1,518,466		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,510,505						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,305,159						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,815,664	\$2,911,182	\$3,010,159	\$3,112,728	\$3,219,027	\$3,329,201	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Base Case  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
Use of Facilities Charges	\$71,651	\$75,234	\$78,995	\$82,945	\$87,092	\$91,447	\$96,019	\$100,820	\$105,861	\$111,155
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$14,941,318</b>	<b>\$15,706,879</b>	<b>\$16,512,232</b>	<b>\$17,359,476</b>	<b>\$18,250,823</b>	<b>\$19,188,604</b>	<b>\$20,175,272</b>	<b>\$21,213,416</b>	<b>\$22,305,760</b>	<b>\$23,455,178</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,443,399	\$3,570,466	\$3,702,358	\$3,839,263	\$3,981,377	\$4,128,903	\$4,282,055	\$4,441,051	\$4,606,123	\$4,777,508
Non-Supply O&M	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$747,796	\$786,115	\$826,427	\$868,837	\$913,454	\$960,396	\$1,009,786	\$1,061,752	\$1,116,433	\$1,173,971
City of Shoreline Tax Expense (franchise fee)	\$892,180	\$937,899	\$985,994	\$1,036,592	\$1,089,824	\$1,145,829	\$1,204,755	\$1,266,756	\$1,331,994	\$1,400,641
<b>Total Operating Expenses</b>	<b>\$10,059,099</b>	<b>\$10,499,088</b>	<b>\$10,958,800</b>	<b>\$11,439,136</b>	<b>\$11,941,044</b>	<b>\$12,465,512</b>	<b>\$13,013,576</b>	<b>\$13,586,321</b>	<b>\$14,184,883</b>	<b>\$14,810,448</b>
<b>Net Operating Funds</b>	<b>\$4,882,219</b>	<b>\$5,207,791</b>	<b>\$5,553,432</b>	<b>\$5,920,340</b>	<b>\$6,309,780</b>	<b>\$6,723,092</b>	<b>\$7,161,696</b>	<b>\$7,627,095</b>	<b>\$8,120,878</b>	<b>\$8,644,729</b>
<b>Debt Service Coverage Ratio</b>	<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>1.9</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>	<b>2.5</b>	<b>2.7</b>	<b>2.8</b>
Debt payments - Initial	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
<b>Net Cash Flow before CIP</b>	<b>\$1,820,088</b>	<b>\$2,145,660</b>	<b>\$2,491,301</b>	<b>\$2,858,209</b>	<b>\$3,247,649</b>	<b>\$3,660,961</b>	<b>\$4,099,565</b>	<b>\$4,564,964</b>	<b>\$5,058,747</b>	<b>\$5,582,598</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$14,941,318</b>	<b>\$15,609,979</b>	<b>\$16,163,934</b>	<b>\$16,742,848</b>	<b>\$17,347,869</b>	<b>\$17,980,192</b>	<b>\$18,641,074</b>	<b>\$19,331,826</b>	<b>\$20,053,823</b>	<b>\$20,808,502</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$0</b>	<b>\$96,900</b>	<b>\$348,298</b>	<b>\$616,628</b>	<b>\$902,955</b>	<b>\$1,208,411</b>	<b>\$1,534,198</b>	<b>\$1,881,590</b>	<b>\$2,251,938</b>	<b>\$2,646,676</b>
Net Revenue as Percent of Total Revenue	0.0%	0.6%	2.1%	3.6%	4.9%	6.3%	7.6%	8.9%	10.1%	11.3%
Target Mains Replacement per Year	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Cumulative Mains Replacement	\$0	\$96,900	\$445,198	\$1,061,826	\$1,964,780	\$3,173,192	\$4,707,390	\$6,588,980	\$8,840,917	\$11,487,593
Percent Total Mains Replacement Funded	0.0%	0.1%	0.6%	1.5%	2.8%	4.5%	6.7%	9.4%	12.6%	16.4%

**Shoreline Municipal Water Utility - Updated Base Case  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526
Use of Facilities Charges	\$116,712	\$122,548	\$128,675	\$135,109	\$141,864	\$148,958	\$156,406	\$164,226	\$172,437	\$181,059	\$190,112
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$24,657,097</b>	<b>\$25,980,225</b>	<b>\$27,375,061</b>	<b>\$28,845,536</b>	<b>\$30,395,794</b>	<b>\$32,030,211</b>	<b>\$33,753,408</b>	<b>\$35,570,258</b>	<b>\$37,485,908</b>	<b>\$39,505,790</b>	<b>\$41,635,638</b>
<b>Expenses</b>											
Wholesale Water Supply	\$4,953,646	\$5,147,834	\$5,349,783	\$5,559,812	\$5,778,251	\$6,005,443	\$6,241,747	\$6,487,536	\$6,743,198	\$7,009,139	\$7,285,781
Non-Supply O&M	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,234,136	\$1,300,383	\$1,370,221	\$1,443,847	\$1,521,470	\$1,603,308	\$1,689,593	\$1,780,569	\$1,876,494	\$1,977,641	\$2,084,296
City of Shoreline Tax Expense (franchise fee)	\$1,472,423	\$1,551,461	\$1,634,783	\$1,722,626	\$1,815,236	\$1,912,875	\$2,015,820	\$2,124,362	\$2,238,808	\$2,359,484	\$2,486,732
<b>Total Operating Expenses</b>	<b>\$15,461,617</b>	<b>\$16,159,953</b>	<b>\$16,890,436</b>	<b>\$17,654,574</b>	<b>\$18,453,947</b>	<b>\$19,290,210</b>	<b>\$20,165,099</b>	<b>\$21,080,431</b>	<b>\$22,038,111</b>	<b>\$23,040,135</b>	<b>\$24,088,598</b>
<b>Net Operating Funds</b>	<b>\$9,195,480</b>	<b>\$9,820,272</b>	<b>\$10,484,625</b>	<b>\$11,190,961</b>	<b>\$11,941,847</b>	<b>\$12,740,001</b>	<b>\$13,588,309</b>	<b>\$14,489,827</b>	<b>\$15,447,797</b>	<b>\$16,465,654</b>	<b>\$17,547,040</b>
<b>Debt Service Coverage Ratio</b>	<b>3.0</b>	<b>3.2</b>	<b>3.4</b>	<b>3.7</b>	<b>3.9</b>	<b>4.2</b>	<b>4.4</b>	<b>4.7</b>	<b>5.0</b>	<b>5.4</b>	<b>5.7</b>
Debt payments - Initial	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
<b>Net Cash Flow before CIP</b>	<b>\$6,133,349</b>	<b>\$6,758,141</b>	<b>\$7,422,494</b>	<b>\$8,128,830</b>	<b>\$8,879,716</b>	<b>\$9,677,870</b>	<b>\$10,526,178</b>	<b>\$11,427,696</b>	<b>\$12,385,666</b>	<b>\$13,403,523</b>	<b>\$14,484,909</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
<b>Total Expenses</b>	<b>\$21,594,723</b>	<b>\$22,434,324</b>	<b>\$23,312,570</b>	<b>\$24,231,268</b>	<b>\$25,192,311</b>	<b>\$26,197,681</b>	<b>\$27,249,455</b>	<b>\$28,349,809</b>	<b>\$29,501,022</b>	<b>\$30,705,483</b>	<b>\$31,965,693</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$3,062,374</b>	<b>\$3,545,901</b>	<b>\$4,062,492</b>	<b>\$4,614,268</b>	<b>\$5,203,483</b>	<b>\$5,832,531</b>	<b>\$6,503,953</b>	<b>\$7,220,449</b>	<b>\$7,984,886</b>	<b>\$8,800,307</b>	<b>\$9,669,945</b>
Net Revenue - Available for Mains Replacement	12.4%	13.6%	14.8%	16.0%	17.1%	18.2%	19.3%	20.3%	21.3%	22.3%	23.2%
Target Mains Replacement per Year	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Cumulative Mains Replacement	\$14,549,968	\$18,095,869	\$22,158,360	\$26,772,628	\$31,976,111	\$37,808,642	\$44,312,594	\$51,533,043	\$59,517,929	\$68,318,236	\$77,988,181
Percent Total Mains Replacement Funded	20.8%	25.8%	31.6%	38.2%	45.7%	54.0%	63.3%	73.6%	85.0%	97.6%	111.4%

## Shoreline Muncpal Water Utility - Updated Efficiency Case

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$8,542,269	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$11,369,174	\$7,903,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$47,149,226	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,049,966	\$1,430,518				
Ongoing CIP	1	\$1,958,662	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,376,382	\$960,474	2012	2020		Eng Report Table 6
Materials & Supplies		\$945,339	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$594,282	\$414,705	2012	2020		Eng Report Table 6
Administrative		\$1,567,134	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$4,483,137</b>	<b>\$3,128,445</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$71,651	\$50,000	2012	2020		

### Tax Rates

State Tax	5.029%	Included in Existing SPU Rates
City of Shoreline Tax	6.000%	Included in Existing SPU Rates

### Scenario Selection

		Selected	Base	Low	High
Escalation of Retail Rates	Base	5.0%	5.0%	3.0%	7.0%
Escalation of Wholesale Rates	Base	3.5%	3.5%	2.5%	5.0%
Escalation of Costs	Base	4.6%	4.6%	2.6%	6.6%
Borrowing Cost	Base	5.0%	5.0%	4.0%	7.0%
Borrowing term	Base	30	30	30	30
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%
Separation/Capital Cost Sensitivity	Base	0.0%	0%	-10%	10%
Operating Costs Sensitivity	Base	0.0%	0%	-10%	10%
Water Supply Cost Sensitivity	Base	0.0%	0%	-10%	10%
Load Growth Sensitivity	Base	0.0%	0%	-0.5%	0.5%
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%

### Efficiency Savings

Upfront Costs	Yes	-\$390,000	-\$390,000
Labor	Yes	-\$267,325	-\$267,325
Materials & Supplies	Yes	\$0	\$0
Employee Benefits	Yes	-\$76,415	-\$76,415
Administrative	Yes	\$0	\$0

**Shoreline Municipal Water Utility - Updated Efficiency Case**

**Revenue Forecast**

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932	\$7,201,267	\$7,501,628	\$7,814,517	\$8,140,456	\$8,479,990
Multi-Family	\$958,677	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194	\$1,468,895	\$1,553,168	\$1,642,276	\$1,736,497	\$1,836,123
Commercial	\$1,452,391	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805	\$2,302,660	\$2,445,904	\$2,598,059	\$2,759,679	\$2,931,353
MMRD	\$224,812	\$273,622	\$292,744	\$313,827	\$335,951	\$350,985	\$366,692	\$383,101	\$400,245	\$418,156
Fire	\$139,497	\$151,974	\$163,411	\$176,060	\$189,419	\$198,890	\$208,834	\$219,276	\$230,240	\$241,752
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,754</u>	<u>\$201,210</u>	<u>\$216,478</u>	<u>\$227,302</u>	<u>\$238,667</u>	<u>\$250,600</u>	<u>\$263,130</u>	<u>\$276,286</u>
Total	\$8,458,920	\$9,017,751	\$9,573,610	\$10,369,764	\$11,211,779	\$11,749,998	\$12,314,893	\$12,907,829	\$13,530,247	\$14,183,661

**Average Rate**

Residential	\$7.50	\$7.50	\$7.95	\$8.56	\$9.21	\$9.67	\$10.16	\$10.66	\$11.20	\$11.76
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.11	\$7.47	\$7.84	\$8.24	\$8.65	\$9.08
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.41	\$7.78	\$8.17	\$8.58	\$9.01	\$9.46
MMRD	\$5.88	\$6.12	\$6.59	\$7.09	\$7.63	\$8.01	\$8.42	\$8.84	\$9.28	\$9.74
Fire	\$700.99	\$190.56	\$204.90	\$220.76	\$237.51	\$249.39	\$261.86	\$274.95	\$288.70	\$303.13
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.87</u>	<u>\$5.24</u>	<u>\$5.64</u>	<u>\$5.92</u>	<u>\$6.22</u>	<u>\$6.53</u>	<u>\$6.86</u>	<u>\$7.20</u>
Total	\$6.81	\$6.80	\$7.23	\$7.84	\$8.48	\$8.90	\$9.34	\$9.80	\$10.28	\$10.78

**CCF**

Residential	732,074	768,573	762,505	756,484	750,511	744,585	738,706	732,874	727,087	721,346
Multi-Family	180,889	191,226	192,569	193,921	195,283	196,654	198,034	199,425	200,825	202,235
Commercial	256,160	282,534	285,819	289,143	292,504	295,905	299,346	302,826	306,347	309,909
MMRD	38,208	44,679	44,456	44,233	44,012	43,792	43,573	43,355	43,138	42,923
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,324,512	1,322,945	1,321,474	1,320,100	1,318,823	1,317,643	1,316,561	1,315,576

**CCF per Customer**

Residential	75.7	79.5	78.7	77.9	77.1	76.3	75.6	74.8	74.1	73.3
Multi-Family	766.5	810.3	806.2	802.2	798.2	794.2	790.2	786.3	782.3	778.4
Commercial	642.0	708.1	711.6	715.2	718.8	722.4	726.0	729.6	733.3	736.9
MMRD	9,552.0	11,169.8	11,113.9	11,058.3	11,003.0	10,948.0	10,893.3	10,838.8	10,784.6	10,730.7
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.1	120.7	120.2	119.8	119.4	119.0	118.7	118.3

**Customers**

Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

**Shoreline Municipal Water Utility - Updated Efficiency Case**

**Revenue Forecast**

<b>Revenues</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	\$8,833,686	\$9,245,498	\$9,676,508	\$10,127,611	\$10,599,743	\$11,093,886	\$11,611,065	\$12,152,354	\$12,718,877	\$13,311,810
Multi-Family	\$1,941,465	\$2,058,268	\$2,182,097	\$2,313,376	\$2,452,553	\$2,600,103	\$2,756,530	\$2,922,367	\$3,098,182	\$3,284,575
Commercial	\$3,113,707	\$3,299,178	\$3,495,696	\$3,703,920	\$3,924,546	\$4,158,315	\$4,406,008	\$4,668,455	\$4,946,535	\$5,241,180
MMRD	\$436,868	\$457,565	\$479,242	\$501,946	\$525,726	\$550,632	\$576,718	\$604,040	\$632,657	\$662,629
Fire	\$253,839	\$266,531	\$279,858	\$293,851	\$308,543	\$323,971	\$340,169	\$357,178	\$375,037	\$393,788
Other	<u>\$290,101</u>	<u>\$304,606</u>	<u>\$319,836</u>	<u>\$335,828</u>	<u>\$352,619</u>	<u>\$370,250</u>	<u>\$388,763</u>	<u>\$408,201</u>	<u>\$428,611</u>	<u>\$450,042</u>
<b>Total</b>	<b>\$14,869,667</b>	<b>\$15,631,645</b>	<b>\$16,433,236</b>	<b>\$17,276,531</b>	<b>\$18,163,731</b>	<b>\$19,097,157</b>	<b>\$20,079,253</b>	<b>\$21,112,595</b>	<b>\$22,199,899</b>	<b>\$23,344,023</b>
<b>Average Rate</b>										
Residential	\$12.34	\$12.96	\$13.61	\$14.29	\$15.00	\$15.75	\$16.54	\$17.37	\$18.24	\$19.15
Multi-Family	\$9.53	\$10.01	\$10.51	\$11.04	\$11.59	\$12.17	\$12.78	\$13.41	\$14.08	\$14.79
Commercial	\$9.93	\$10.43	\$10.95	\$11.50	\$12.07	\$12.68	\$13.31	\$13.97	\$14.67	\$15.41
MMRD	\$10.23	\$10.74	\$11.28	\$11.84	\$12.43	\$13.06	\$13.71	\$14.39	\$15.11	\$15.87
Fire	\$318.29	\$334.21	\$350.92	\$368.46	\$386.88	\$406.23	\$426.54	\$447.87	\$470.26	\$493.77
Other	<u>\$7.56</u>	<u>\$7.94</u>	<u>\$8.34</u>	<u>\$8.75</u>	<u>\$9.19</u>	<u>\$9.65</u>	<u>\$10.13</u>	<u>\$10.64</u>	<u>\$11.17</u>	<u>\$11.73</u>
<b>Total</b>	<b>\$11.31</b>	<b>\$11.87</b>	<b>\$12.45</b>	<b>\$13.07</b>	<b>\$13.71</b>	<b>\$14.39</b>	<b>\$15.10</b>	<b>\$15.84</b>	<b>\$16.62</b>	<b>\$17.44</b>
<b>CCF</b>										
Residential	715,651	713,346	711,048	708,758	706,476	704,201	701,933	699,672	697,419	695,172
Multi-Family	203,655	205,626	207,616	209,625	211,654	213,702	215,770	217,859	219,967	222,096
Commercial	313,512	316,368	319,250	322,159	325,094	328,055	331,044	334,060	337,103	340,174
MMRD	42,708	42,601	42,495	42,389	42,283	42,177	42,072	41,966	41,861	41,757
Fire	798	798	798	798	798	798	798	798	798	798
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
<b>Total</b>	<b>1,314,689</b>	<b>1,317,104</b>	<b>1,319,573</b>	<b>1,322,094</b>	<b>1,324,669</b>	<b>1,327,298</b>	<b>1,329,982</b>	<b>1,332,720</b>	<b>1,335,514</b>	<b>1,338,363</b>
<b>CCF per Customer</b>										
Residential	72.6	72.2	71.9	71.5	71.2	70.8	70.4	70.1	69.7	69.4
Multi-Family	774.5	772.6	770.7	768.7	766.8	764.9	763.0	761.1	759.2	757.3
Commercial	740.6	742.5	744.3	746.2	748.1	749.9	751.8	753.7	755.6	757.4
MMRD	10,677.0	10,650.4	10,623.7	10,597.2	10,570.7	10,544.3	10,517.9	10,491.6	10,465.4	10,439.2
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
<b>Total</b>	<b>117.9</b>	<b>117.9</b>	<b>117.9</b>	<b>117.8</b>	<b>117.8</b>	<b>117.8</b>	<b>117.8</b>	<b>117.8</b>	<b>117.8</b>	<b>117.8</b>
<b>Customers</b>										
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
<b>Total</b>	<b>11,149</b>	<b>11,172</b>	<b>11,196</b>	<b>11,220</b>	<b>11,244</b>	<b>11,268</b>	<b>11,292</b>	<b>11,316</b>	<b>11,340</b>	<b>11,365</b>

**Shoreline Municipal Water Utility - Updated Efficiency Case**

**Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$13,932,385	\$14,629,004	\$15,360,454	\$16,128,477	\$16,934,901	\$17,781,646	\$18,670,728	\$19,604,264	\$20,584,477	\$21,613,701	\$22,694,386	
Multi-Family	\$3,474,583	\$3,700,137	\$3,940,332	\$4,196,119	\$4,468,511	\$4,758,586	\$5,067,490	\$5,396,447	\$5,746,759	\$6,119,811	\$6,517,080	
Commercial	\$5,553,374	\$5,869,492	\$6,203,603	\$6,556,734	\$6,929,966	\$7,324,444	\$7,741,376	\$8,182,042	\$8,647,792	\$9,140,054	\$9,660,338	
MMRD	\$694,021	\$728,722	\$765,158	\$803,416	\$843,587	\$885,766	\$930,055	\$976,557	\$1,025,385	\$1,076,654	\$1,130,487	
Fire	\$413,478	\$434,152	\$455,859	\$478,652	\$502,585	\$527,714	\$554,100	\$581,805	\$610,895	\$641,440	\$673,512	
Other	<u>\$472,544</u>	<u>\$496,171</u>	<u>\$520,979</u>	<u>\$547,028</u>	<u>\$574,380</u>	<u>\$603,099</u>	<u>\$633,254</u>	<u>\$664,916</u>	<u>\$698,162</u>	<u>\$733,070</u>	<u>\$769,724</u>	
Total	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526	
<b>Average Rate</b>												
Residential	\$20.11	\$21.11	\$22.17	\$23.28	\$24.44	\$25.66	\$26.94	\$28.29	\$29.71	\$31.19	\$32.75	
Multi-Family	\$15.53	\$16.30	\$17.12	\$17.98	\$18.87	\$19.82	\$20.81	\$21.85	\$22.94	\$24.09	\$25.29	
Commercial	\$16.18	\$16.99	\$17.84	\$18.73	\$19.66	\$20.65	\$21.68	\$22.76	\$23.90	\$25.10	\$26.35	
MMRD	\$16.66	\$17.50	\$18.37	\$19.29	\$20.25	\$21.27	\$22.33	\$23.45	\$24.62	\$25.85	\$27.14	
Fire	\$518.46	\$544.39	\$571.60	\$600.18	\$630.19	\$661.70	\$694.79	\$729.53	\$766.00	\$804.30	\$844.52	
Other	<u>\$12.32</u>	<u>\$12.93</u>	<u>\$13.58</u>	<u>\$14.26</u>	<u>\$14.97</u>	<u>\$15.72</u>	<u>\$16.51</u>	<u>\$17.33</u>	<u>\$18.20</u>	<u>\$19.11</u>	<u>\$20.06</u>	
Total	\$18.30	\$19.21	\$20.16	\$21.15	\$22.20	\$23.29	\$24.45	\$25.65	\$26.92	\$28.25	\$29.65	
<b>CCF</b>												
Residential	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	
Multi-Family	223,756	226,934	230,158	233,427	236,743	240,106	243,517	246,976	250,484	254,042	257,651	
Commercial	343,274	345,537	347,815	350,109	352,417	354,741	357,080	359,435	361,805	364,190	366,592	
MMRD	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	
Fire	798	798	798	798	798	798	798	798	798	798	798	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,340,779	1,346,221	1,351,723	1,357,286	1,362,910	1,368,597	1,374,346	1,380,160	1,386,038	1,391,982	1,397,992	0.2%
<b>CCF per Customer</b>												
Residential	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	-13%
Multi-Family	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	-7%
Commercial	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	7%
MMRD	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	-7%
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	0%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	117.7	118.1	118.5	119.0	119.4	119.8	120.2	120.6	121.1	121.5	121.9	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	



**Shoreline Municipal Water Utility - Updated Efficiency Case**

**Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
Multi-Family	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Commercial	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.13%	-0.12%	-0.11%	-0.10%	-0.10%	-0.09%	-0.08%	-0.07%
<b>Average Rate Increase</b>								
Residential	6.0%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	10.6%	10.4%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	7.6%	10.5%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Efficiency Case  
Revenue Forecast**

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Customer Growth</b>										
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Commercial	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>										
Residential	0.70%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%
Multi-Family	1.16%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.07%	0.18%	0.19%	0.19%	0.19%	0.20%	0.20%	0.21%	0.21%	0.21%
<b>Average Rate Increase</b>										
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Efficiency Case**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>											
Residential	-0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.75%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.91%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.18%	0.41%	0.41%	0.41%	0.41%	0.42%	0.42%	0.42%	0.43%	0.43%	0.43%
<b>Average Rate Increase</b>											
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Efficiency Case**

**Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,376,382	\$1,439,696	\$1,505,922	\$1,575,194	\$1,647,653	\$1,723,445	\$1,802,724	\$1,885,649	\$1,972,389	\$2,063,119
Materials & Supplies	\$945,339	\$988,824	\$1,034,310	\$1,081,889	\$1,131,655	\$1,183,712	\$1,238,162	\$1,295,118	\$1,354,693	\$1,417,009
Employee Benefits	\$594,282	\$621,619	\$650,214	\$680,124	\$711,409	\$744,134	\$778,364	\$814,169	\$851,621	\$890,795
Administrative	\$1,567,134	\$1,639,222	\$1,714,626	\$1,793,499	\$1,876,000	\$1,962,296	\$2,052,561	\$2,146,979	\$2,245,740	\$2,349,044
Total	\$4,483,137	\$4,689,361	\$4,905,072	\$5,130,705	\$5,366,718	\$5,613,587	\$5,871,812	\$6,141,915	\$6,424,443	\$6,719,967

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	B3 \$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687
Upfront Costs	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581
Total Initial Debt	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636
Amount Available for Cash CIP	\$2,349,171	\$2,697,401	\$3,066,744	\$3,458,443	\$3,873,815	\$4,314,253	\$4,781,229	\$5,276,306	\$5,801,132	\$6,357,454
Required CIP by Year	\$1,958,662	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Required CIP Funded by Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Mains Replacement - Equal Over 23 Years	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Percent of Mains Funded for the Year	26%	30%	41%	52%	62%	73%	83%	92%	102%	111%
Mains Replacement - Amount Funded	\$529,083	\$648,641	\$923,741	\$1,216,862	\$1,529,121	\$1,861,703	\$2,215,862	\$2,592,932	\$2,994,322	\$3,421,532
Total CIP By Year	\$2,349,171	\$2,697,401	\$3,066,744	\$3,458,443	\$3,873,815	\$4,314,253	\$4,781,229	\$5,276,306	\$5,801,132	\$6,357,454

DSC	1.8	1.9	2.0	2.1	2.3	2.4	2.6	2.7	2.9	3.1
Surplus	\$529,083	\$648,641	\$923,741	\$1,216,862	\$1,529,121	\$1,861,703	\$2,215,862	\$2,592,932	\$2,994,322	\$3,421,532
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$2,349,171	\$2,697,401	\$3,066,744	\$3,458,443	\$3,873,815	\$4,314,253	\$4,781,229	\$5,276,306	\$5,801,132	\$6,357,454
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Efficiency Case**

**Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$2,158,022	\$2,257,291	\$2,361,127	\$2,469,739	\$2,583,347	\$2,702,181	\$2,826,481	\$2,956,499	\$3,092,498	\$3,234,753	\$3,383,551
Materials & Supplies	\$1,482,191	\$1,550,372	\$1,621,689	\$1,696,287	\$1,774,316	\$1,855,935	\$1,941,308	\$2,030,608	\$2,124,016	\$2,221,721	\$2,323,920
Employee Benefits	\$931,772	\$974,633	\$1,019,467	\$1,066,362	\$1,115,415	\$1,166,724	\$1,220,393	\$1,276,531	\$1,335,251	\$1,396,673	\$1,460,920
Administrative	\$2,457,100	\$2,570,127	\$2,688,353	\$2,812,017	\$2,941,370	\$3,076,673	\$3,218,200	\$3,366,237	\$3,521,084	\$3,683,053	\$3,852,474
Total	\$7,029,086	\$7,352,424	\$7,690,635	\$8,044,404	\$8,414,447	\$8,801,512	\$9,206,381	\$9,629,875	\$10,072,849	\$10,536,200	\$11,020,865

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687
Upfront Costs	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581	\$739,581
Total Initial Debt	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636
Amount Available for Cash CIP	\$6,942,170	\$7,602,488	\$8,304,003	\$9,049,210	\$9,840,754	\$10,681,437	\$11,574,230	\$12,522,280	\$13,528,922	\$14,597,690	\$15,732,329
Required CIP by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Required CIP Funded by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Mains Replacement	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Percent of Mains Funded	120%	131%	141%	150%	160%	170%	179%	189%	198%	207%	217%
Mains Replacement - Amount Fun	\$3,871,195	\$4,390,248	\$4,944,000	\$5,534,647	\$6,164,521	\$6,836,098	\$7,552,005	\$8,315,033	\$9,128,142	\$9,994,474	\$10,917,365
Total CIP By Year	\$6,942,170	\$7,602,488	\$8,304,003	\$9,049,210	\$9,840,754	\$10,681,437	\$11,574,230	\$12,522,280	\$13,528,922	\$14,597,690	\$15,732,329

DSC	3.3	3.5	3.7	4.0	4.3	4.5	4.8	5.1	5.5	5.8	6.2
Surplus	\$3,871,195	\$4,390,248	\$4,944,000	\$5,534,647	\$6,164,521	\$6,836,098	\$7,552,005	\$8,315,033	\$9,128,142	\$9,994,474	\$10,917,365
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$6,942,170	\$7,602,488	\$8,304,003	\$9,049,210	\$9,840,754	\$10,681,437	\$11,574,230	\$12,522,280	\$13,528,922	\$14,597,690	\$15,732,329
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Efficiency Case**

**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	576,122	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	738,567	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,314,689		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	665,421	44%	<- Based on same % split from 2011 loads
Off-peak months	853,045	56%	<- Based on same % split from 2011 loads
Total	1,518,466		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,510,505						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,305,159						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,815,664	\$2,911,182	\$3,010,159	\$3,112,728	\$3,219,027	\$3,329,201	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Efficiency Case  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
Use of Facilities Charges	\$71,651	\$75,234	\$78,995	\$82,945	\$87,092	\$91,447	\$96,019	\$100,820	\$105,861	\$111,155
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$14,941,318</b>	<b>\$15,706,879</b>	<b>\$16,512,232</b>	<b>\$17,359,476</b>	<b>\$18,250,823</b>	<b>\$19,188,604</b>	<b>\$20,175,272</b>	<b>\$21,213,416</b>	<b>\$22,305,760</b>	<b>\$23,455,178</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,443,399	\$3,570,466	\$3,702,358	\$3,839,263	\$3,981,377	\$4,128,903	\$4,282,055	\$4,441,051	\$4,606,123	\$4,777,508
Non-Supply O&M	\$4,483,137	\$4,689,361	\$4,905,072	\$5,130,705	\$5,366,718	\$5,613,587	\$5,871,812	\$6,141,915	\$6,424,443	\$6,719,967
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$747,796	\$786,115	\$826,427	\$868,837	\$913,454	\$960,396	\$1,009,786	\$1,061,752	\$1,116,433	\$1,173,971
City of Shoreline Tax Expense (franchise fee)	\$892,180	\$937,899	\$985,994	\$1,036,592	\$1,089,824	\$1,145,829	\$1,204,755	\$1,266,756	\$1,331,994	\$1,400,641
<b>Total Operating Expenses</b>	<b>\$9,566,512</b>	<b>\$9,983,842</b>	<b>\$10,419,852</b>	<b>\$10,875,397</b>	<b>\$11,351,372</b>	<b>\$11,848,715</b>	<b>\$12,368,407</b>	<b>\$12,911,474</b>	<b>\$13,478,993</b>	<b>\$14,072,087</b>
<b>Net Operating Funds</b>	<b>\$5,374,807</b>	<b>\$5,723,037</b>	<b>\$6,092,380</b>	<b>\$6,484,080</b>	<b>\$6,899,451</b>	<b>\$7,339,889</b>	<b>\$7,806,865</b>	<b>\$8,301,942</b>	<b>\$8,826,768</b>	<b>\$9,383,090</b>
<b>Debt Service Coverage Ratio</b>	<b>1.8</b>	<b>1.9</b>	<b>2.0</b>	<b>2.1</b>	<b>2.3</b>	<b>2.4</b>	<b>2.6</b>	<b>2.7</b>	<b>2.9</b>	<b>3.1</b>
Debt payments - Initial	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636
<b>Net Cash Flow before CIP</b>	<b>\$2,349,171</b>	<b>\$2,697,401</b>	<b>\$3,066,744</b>	<b>\$3,458,443</b>	<b>\$3,873,815</b>	<b>\$4,314,253</b>	<b>\$4,781,229</b>	<b>\$5,276,306</b>	<b>\$5,801,132</b>	<b>\$6,357,454</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$14,412,236</b>	<b>\$15,058,238</b>	<b>\$15,588,491</b>	<b>\$16,142,614</b>	<b>\$16,721,702</b>	<b>\$17,326,901</b>	<b>\$17,959,410</b>	<b>\$18,620,484</b>	<b>\$19,311,438</b>	<b>\$20,033,646</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$529,083</b>	<b>\$648,641</b>	<b>\$923,741</b>	<b>\$1,216,862</b>	<b>\$1,529,121</b>	<b>\$1,861,703</b>	<b>\$2,215,862</b>	<b>\$2,592,932</b>	<b>\$2,994,322</b>	<b>\$3,421,532</b>
Net Revenue as Percent of Total Revenue	3.5%	4.1%	5.6%	7.0%	8.4%	9.7%	11.0%	12.2%	13.4%	14.6%
Target Mains Replacement per Year	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Cumulative Mains Replacement	\$529,083	\$1,177,724	\$2,101,465	\$3,318,327	\$4,847,449	\$6,709,152	\$8,925,014	\$11,517,946	\$14,512,268	\$17,933,800
Percent Total Mains Replacement Funded	0.8%	1.7%	3.0%	4.7%	6.9%	9.6%	12.7%	16.4%	20.7%	25.6%

**Shoreline Municipal Water Utility - Updated Efficiency Case  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526
Use of Facilities Charges	\$116,712	\$122,548	\$128,675	\$135,109	\$141,864	\$148,958	\$156,406	\$164,226	\$172,437	\$181,059	\$190,112
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$24,657,097</b>	<b>\$25,980,225</b>	<b>\$27,375,061</b>	<b>\$28,845,536</b>	<b>\$30,395,794</b>	<b>\$32,030,211</b>	<b>\$33,753,408</b>	<b>\$35,570,258</b>	<b>\$37,485,908</b>	<b>\$39,505,790</b>	<b>\$41,635,638</b>
<b>Expenses</b>											
Wholesale Water Supply	\$4,953,646	\$5,147,834	\$5,349,783	\$5,559,812	\$5,778,251	\$6,005,443	\$6,241,747	\$6,487,536	\$6,743,198	\$7,009,139	\$7,285,781
Non-Supply O&M	\$7,029,086	\$7,352,424	\$7,690,635	\$8,044,404	\$8,414,447	\$8,801,512	\$9,206,381	\$9,629,875	\$10,072,849	\$10,536,200	\$11,020,865
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,234,136	\$1,300,383	\$1,370,221	\$1,443,847	\$1,521,470	\$1,603,308	\$1,689,593	\$1,780,569	\$1,876,494	\$1,977,641	\$2,084,296
City of Shoreline Tax Expense (franchise fee)	\$1,472,423	\$1,551,461	\$1,634,783	\$1,722,626	\$1,815,236	\$1,912,875	\$2,015,820	\$2,124,362	\$2,238,808	\$2,359,484	\$2,486,732
<b>Total Operating Expenses</b>	<b>\$14,689,291</b>	<b>\$15,352,100</b>	<b>\$16,045,422</b>	<b>\$16,770,690</b>	<b>\$17,529,404</b>	<b>\$18,323,138</b>	<b>\$19,153,542</b>	<b>\$20,022,342</b>	<b>\$20,931,349</b>	<b>\$21,882,463</b>	<b>\$22,877,673</b>
<b>Net Operating Funds</b>	<b>\$9,967,806</b>	<b>\$10,628,124</b>	<b>\$11,329,639</b>	<b>\$12,074,846</b>	<b>\$12,866,390</b>	<b>\$13,707,073</b>	<b>\$14,599,866</b>	<b>\$15,547,916</b>	<b>\$16,554,558</b>	<b>\$17,623,327</b>	<b>\$18,757,965</b>
<b>Debt Service Coverage Ratio</b>	<b>3.3</b>	<b>3.5</b>	<b>3.7</b>	<b>4.0</b>	<b>4.3</b>	<b>4.5</b>	<b>4.8</b>	<b>5.1</b>	<b>5.5</b>	<b>5.8</b>	<b>6.2</b>
Debt payments - Initial	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636	\$3,025,636
<b>Net Cash Flow before CIP</b>	<b>\$6,942,170</b>	<b>\$7,602,488</b>	<b>\$8,304,003</b>	<b>\$9,049,210</b>	<b>\$9,840,754</b>	<b>\$10,681,437</b>	<b>\$11,574,230</b>	<b>\$12,522,280</b>	<b>\$13,528,922</b>	<b>\$14,597,690</b>	<b>\$15,732,329</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
<b>Total Expenses</b>	<b>\$20,785,902</b>	<b>\$21,589,976</b>	<b>\$22,431,061</b>	<b>\$23,310,889</b>	<b>\$24,231,273</b>	<b>\$25,194,114</b>	<b>\$26,201,403</b>	<b>\$27,255,225</b>	<b>\$28,357,766</b>	<b>\$29,511,316</b>	<b>\$30,718,274</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$3,871,195</b>	<b>\$4,390,248</b>	<b>\$4,944,000</b>	<b>\$5,534,647</b>	<b>\$6,164,521</b>	<b>\$6,836,098</b>	<b>\$7,552,005</b>	<b>\$8,315,033</b>	<b>\$9,128,142</b>	<b>\$9,994,474</b>	<b>\$10,917,365</b>
Net Revenue - Available for Mains Replacement	15.7%	16.9%	18.1%	19.2%	20.3%	21.3%	22.4%	23.4%	24.4%	25.3%	26.2%
Target Mains Replacement per Year	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Cumulative Mains Replacement	\$21,804,995	\$26,195,243	\$31,139,244	\$36,673,891	\$42,838,412	\$49,674,509	\$57,226,514	\$65,541,547	\$74,669,689	\$84,664,163	\$95,581,528
Percent Total Mains Replacement Funded	31.1%	37.4%	44.5%	52.4%	61.2%	70.9%	81.7%	93.6%	106.6%	120.9%	136.5%



**Shoreline Muncpal Water Utility - Updated Case A**  
**Basic Assumptions**

<b>Capital Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>	<b>Years IDC</b>	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$7,688,042	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$10,737,171	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$42,434,303	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$1,844,970	\$1,430,518				
Ongoing CIP	1	\$1,762,795	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,583,519	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$850,805	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$633,408	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,410,420	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$4,478,152</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$71,651	\$50,000	2012	2020		

**Tax Rates**

State Tax	5.029%	Included in Existing SPU Rates
City of Shoreline Tax	6.000%	Included in Existing SPU Rates

**Scenario Selection**

		Selected	Base	Low	High
Escalation of Retail Rates	Base	5.0%	5.0%	3.0%	7.0%
Escalation of Wholesale Rates	Base	3.5%	3.5%	2.5%	5.0%
Escalation of Costs	Base	4.6%	4.6%	2.6%	6.6%
Borrowing Cost	Base	5.0%	5.0%	4.0%	7.0%
Borrowing term	Base	30	30	30	30
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%
Separation/Capital Cost Sensitivity	Low	-10.0%	0%	-10%	10%
Operating Costs Sensitivity	Low	-10.0%	0%	-10%	10%
Water Supply Cost Sensitivity	Base	0.0%	0%	-10%	10%
Load Growth Sensitivity	Base	0.0%	0%	-0.5%	0.5%
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%

**Efficiency Savings**

Upfront Costs	No	\$0	-\$390,000
Labor	No	\$0	-\$267,325
Materials & Supplies	No	\$0	\$0
Employee Benefits	No	\$0	-\$76,415
Administrative	No	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case A  
Revenue Forecast**

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932	\$7,201,267	\$7,501,628	\$7,814,517	\$8,140,456	\$8,479,990
Multi-Family	\$958,677	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194	\$1,468,895	\$1,553,168	\$1,642,276	\$1,736,497	\$1,836,123
Commercial	\$1,452,391	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805	\$2,302,660	\$2,445,904	\$2,598,059	\$2,759,679	\$2,931,353
MMRD	\$224,812	\$273,622	\$292,744	\$313,827	\$335,951	\$350,985	\$366,692	\$383,101	\$400,245	\$418,156
Fire	\$139,497	\$151,974	\$163,411	\$176,060	\$189,419	\$198,890	\$208,834	\$219,276	\$230,240	\$241,752
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,754</u>	<u>\$201,210</u>	<u>\$216,478</u>	<u>\$227,302</u>	<u>\$238,667</u>	<u>\$250,600</u>	<u>\$263,130</u>	<u>\$276,286</u>
Total	\$8,458,920	\$9,017,751	\$9,573,610	\$10,369,764	\$11,211,779	\$11,749,998	\$12,314,893	\$12,907,829	\$13,530,247	\$14,183,661
<b>Average Rate</b>										
Residential	\$7.50	\$7.50	\$7.95	\$8.56	\$9.21	\$9.67	\$10.16	\$10.66	\$11.20	\$11.76
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.11	\$7.47	\$7.84	\$8.24	\$8.65	\$9.08
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.41	\$7.78	\$8.17	\$8.58	\$9.01	\$9.46
MMRD	\$5.88	\$6.12	\$6.59	\$7.09	\$7.63	\$8.01	\$8.42	\$8.84	\$9.28	\$9.74
Fire	\$700.99	\$190.56	\$204.90	\$220.76	\$237.51	\$249.39	\$261.86	\$274.95	\$288.70	\$303.13
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.87</u>	<u>\$5.24</u>	<u>\$5.64</u>	<u>\$5.92</u>	<u>\$6.22</u>	<u>\$6.53</u>	<u>\$6.86</u>	<u>\$7.20</u>
Total	\$6.81	\$6.80	\$7.23	\$7.84	\$8.48	\$8.90	\$9.34	\$9.80	\$10.28	\$10.78
<b>CCF</b>										
Residential	732,074	768,573	762,505	756,484	750,511	744,585	738,706	732,874	727,087	721,346
Multi-Family	180,889	191,226	192,569	193,921	195,283	196,654	198,034	199,425	200,825	202,235
Commercial	256,160	282,534	285,819	289,143	292,504	295,905	299,346	302,826	306,347	309,909
MMRD	38,208	44,679	44,456	44,233	44,012	43,792	43,573	43,355	43,138	42,923
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,324,512	1,322,945	1,321,474	1,320,100	1,318,823	1,317,643	1,316,561	1,315,576
<b>CCF per Customer</b>										
Residential	75.7	79.5	78.7	77.9	77.1	76.3	75.6	74.8	74.1	73.3
Multi-Family	766.5	810.3	806.2	802.2	798.2	794.2	790.2	786.3	782.3	778.4
Commercial	642.0	708.1	711.6	715.2	718.8	722.4	726.0	729.6	733.3	736.9
MMRD	9,552.0	11,169.8	11,113.9	11,058.3	11,003.0	10,948.0	10,893.3	10,838.8	10,784.6	10,730.7
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.1	120.7	120.2	119.8	119.4	119.0	118.7	118.3
<b>Customers</b>										
Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

**Shoreline Municipal Water Utility - Updated Case A**  
**Revenue Forecast**

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$8,833,686	\$9,245,498	\$9,676,508	\$10,127,611	\$10,599,743	\$11,093,886	\$11,611,065	\$12,152,354	\$12,718,877	\$13,311,810
Multi-Family	\$1,941,465	\$2,058,268	\$2,182,097	\$2,313,376	\$2,452,553	\$2,600,103	\$2,756,530	\$2,922,367	\$3,098,182	\$3,284,575
Commercial	\$3,113,707	\$3,299,178	\$3,495,696	\$3,703,920	\$3,924,546	\$4,158,315	\$4,406,008	\$4,668,455	\$4,946,535	\$5,241,180
MMRD	\$436,868	\$457,565	\$479,242	\$501,946	\$525,726	\$550,632	\$576,718	\$604,040	\$632,657	\$662,629
Fire	\$253,839	\$266,531	\$279,858	\$293,851	\$308,543	\$323,971	\$340,169	\$357,178	\$375,037	\$393,788
Other	<u>\$290,101</u>	<u>\$304,606</u>	<u>\$319,836</u>	<u>\$335,828</u>	<u>\$352,619</u>	<u>\$370,250</u>	<u>\$388,763</u>	<u>\$408,201</u>	<u>\$428,611</u>	<u>\$450,042</u>
Total	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
<b>Average Rate</b>										
Residential	\$12.34	\$12.96	\$13.61	\$14.29	\$15.00	\$15.75	\$16.54	\$17.37	\$18.24	\$19.15
Multi-Family	\$9.53	\$10.01	\$10.51	\$11.04	\$11.59	\$12.17	\$12.78	\$13.41	\$14.08	\$14.79
Commercial	\$9.93	\$10.43	\$10.95	\$11.50	\$12.07	\$12.68	\$13.31	\$13.97	\$14.67	\$15.41
MMRD	\$10.23	\$10.74	\$11.28	\$11.84	\$12.43	\$13.06	\$13.71	\$14.39	\$15.11	\$15.87
Fire	\$318.29	\$334.21	\$350.92	\$368.46	\$386.88	\$406.23	\$426.54	\$447.87	\$470.26	\$493.77
Other	<u>\$7.56</u>	<u>\$7.94</u>	<u>\$8.34</u>	<u>\$8.75</u>	<u>\$9.19</u>	<u>\$9.65</u>	<u>\$10.13</u>	<u>\$10.64</u>	<u>\$11.17</u>	<u>\$11.73</u>
Total	\$11.31	\$11.87	\$12.45	\$13.07	\$13.71	\$14.39	\$15.10	\$15.84	\$16.62	\$17.44
<b>CCF</b>										
Residential	715,651	713,346	711,048	708,758	706,476	704,201	701,933	699,672	697,419	695,172
Multi-Family	203,655	205,626	207,616	209,625	211,654	213,702	215,770	217,859	219,967	222,096
Commercial	313,512	316,368	319,250	322,159	325,094	328,055	331,044	334,060	337,103	340,174
MMRD	42,708	42,601	42,495	42,389	42,283	42,177	42,072	41,966	41,861	41,757
Fire	798	798	798	798	798	798	798	798	798	798
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,314,689	1,317,104	1,319,573	1,322,094	1,324,669	1,327,298	1,329,982	1,332,720	1,335,514	1,338,363
<b>CCF per Customer</b>										
Residential	72.6	72.2	71.9	71.5	71.2	70.8	70.4	70.1	69.7	69.4
Multi-Family	774.5	772.6	770.7	768.7	766.8	764.9	763.0	761.1	759.2	757.3
Commercial	740.6	742.5	744.3	746.2	748.1	749.9	751.8	753.7	755.6	757.4
MMRD	10,677.0	10,650.4	10,623.7	10,597.2	10,570.7	10,544.3	10,517.9	10,491.6	10,465.4	10,439.2
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	117.9	117.9	117.9	117.8	117.8	117.8	117.8	117.8	117.8	117.8
<b>Customers</b>										
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case A**  
**Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$13,932,385	\$14,629,004	\$15,360,454	\$16,128,477	\$16,934,901	\$17,781,646	\$18,670,728	\$19,604,264	\$20,584,477	\$21,613,701	\$22,694,386	
Multi-Family	\$3,474,583	\$3,700,137	\$3,940,332	\$4,196,119	\$4,468,511	\$4,758,586	\$5,067,490	\$5,396,447	\$5,746,759	\$6,119,811	\$6,517,080	
Commercial	\$5,553,374	\$5,869,492	\$6,203,603	\$6,556,734	\$6,929,966	\$7,324,444	\$7,741,376	\$8,182,042	\$8,647,792	\$9,140,054	\$9,660,338	
MMRD	\$694,021	\$728,722	\$765,158	\$803,416	\$843,587	\$885,766	\$930,055	\$976,557	\$1,025,385	\$1,076,654	\$1,130,487	
Fire	\$413,478	\$434,152	\$455,859	\$478,652	\$502,585	\$527,714	\$554,100	\$581,805	\$610,895	\$641,440	\$673,512	
Other	<u>\$472,544</u>	<u>\$496,171</u>	<u>\$520,979</u>	<u>\$547,028</u>	<u>\$574,380</u>	<u>\$603,099</u>	<u>\$633,254</u>	<u>\$664,916</u>	<u>\$698,162</u>	<u>\$733,070</u>	<u>\$769,724</u>	
Total	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526	
<b>Average Rate</b>												
Residential	\$20.11	\$21.11	\$22.17	\$23.28	\$24.44	\$25.66	\$26.94	\$28.29	\$29.71	\$31.19	\$32.75	
Multi-Family	\$15.53	\$16.30	\$17.12	\$17.98	\$18.87	\$19.82	\$20.81	\$21.85	\$22.94	\$24.09	\$25.29	
Commercial	\$16.18	\$16.99	\$17.84	\$18.73	\$19.66	\$20.65	\$21.68	\$22.76	\$23.90	\$25.10	\$26.35	
MMRD	\$16.66	\$17.50	\$18.37	\$19.29	\$20.25	\$21.27	\$22.33	\$23.45	\$24.62	\$25.85	\$27.14	
Fire	\$518.46	\$544.39	\$571.60	\$600.18	\$630.19	\$661.70	\$694.79	\$729.53	\$766.00	\$804.30	\$844.52	
Other	<u>\$12.32</u>	<u>\$12.93</u>	<u>\$13.58</u>	<u>\$14.26</u>	<u>\$14.97</u>	<u>\$15.72</u>	<u>\$16.51</u>	<u>\$17.33</u>	<u>\$18.20</u>	<u>\$19.11</u>	<u>\$20.06</u>	
Total	\$18.30	\$19.21	\$20.16	\$21.15	\$22.20	\$23.29	\$24.45	\$25.65	\$26.92	\$28.25	\$29.65	
<b>CCF</b>												
Residential	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	
Multi-Family	223,756	226,934	230,158	233,427	236,743	240,106	243,517	246,976	250,484	254,042	257,651	
Commercial	343,274	345,537	347,815	350,109	352,417	354,741	357,080	359,435	361,805	364,190	366,592	
MMRD	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	
Fire	798	798	798	798	798	798	798	798	798	798	798	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,340,779	1,346,221	1,351,723	1,357,286	1,362,910	1,368,597	1,374,346	1,380,160	1,386,038	1,391,982	1,397,992	0.2%
<b>CCF per Customer</b>												
Residential	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	-13%
Multi-Family	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	-7%
Commercial	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	7%
MMRD	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	-7%
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	0%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	117.7	118.1	118.5	119.0	119.4	119.8	120.2	120.6	121.1	121.5	121.9	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	

**Shoreline Municipal Water Utility - Updated Case A  
Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
Multi-Family	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Commercial	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.13%	-0.12%	-0.11%	-0.10%	-0.10%	-0.09%	-0.08%	-0.07%
<b>Average Rate Increase</b>								
Residential	6.0%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	10.6%	10.4%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	7.6%	10.5%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case A  
Revenue Forecast**

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Customer Growth</b>										
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Commercial	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>										
Residential	0.70%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%
Multi-Family	1.16%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.07%	0.18%	0.19%	0.19%	0.19%	0.20%	0.20%	0.21%	0.21%	0.21%
<b>Average Rate Increase</b>										
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case A**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>											
Residential	-0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.75%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.91%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.18%	0.41%	0.41%	0.41%	0.41%	0.42%	0.42%	0.42%	0.43%	0.43%	0.43%
<b>Average Rate Increase</b>											
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

## Shoreline Municipal Water Utility - Updated Case A

### Annual O&M Costs

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,583,519	\$1,656,361	\$1,732,553	\$1,812,251	\$1,895,614	\$1,982,813	\$2,074,022	\$2,169,427	\$2,269,221	\$2,373,605
Materials & Supplies	\$850,805	\$889,942	\$930,879	\$973,700	\$1,018,490	\$1,065,340	\$1,114,346	\$1,165,606	\$1,219,224	\$1,275,308
Employee Benefits	\$633,408	\$662,545	\$693,022	\$724,901	\$758,246	\$793,126	\$829,609	\$867,772	\$907,689	\$949,443
Administrative	\$1,410,420	\$1,475,300	\$1,543,163	\$1,614,149	\$1,688,400	\$1,766,066	\$1,847,305	\$1,932,281	\$2,021,166	\$2,114,140
Total	\$4,478,152	\$4,684,147	\$4,899,618	\$5,125,000	\$5,360,750	\$5,607,345	\$5,865,283	\$6,135,086	\$6,417,300	\$6,712,495

### Capital Financing - Fund at SPU Rates Levels

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	B3 \$500,118	\$500,118	\$500,118	\$500,118	\$500,118	\$500,118	\$500,118	\$500,118	\$500,118	\$500,118
Upfront Costs	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468
Total Initial Debt	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955
Amount Available for Cash CIP	\$2,450,837	\$2,799,297	\$3,168,880	\$3,560,830	\$3,976,464	\$4,417,176	\$4,884,440	\$5,379,816	\$5,904,956	\$6,461,607
Required CIP by Year	\$1,762,795	\$1,843,884	\$1,928,703	\$2,017,423	\$2,110,224	\$2,207,295	\$2,308,830	\$2,415,037	\$2,526,128	\$2,642,330
Required CIP Funded by Year	\$1,820,088	\$1,843,884	\$1,928,703	\$2,017,423	\$2,110,224	\$2,207,295	\$2,308,830	\$2,415,037	\$2,526,128	\$2,642,330
Mains Replacement - Equal Over 23 Years	\$1,844,970	\$1,929,838	\$2,018,611	\$2,111,467	\$2,208,594	\$2,310,190	\$2,416,459	\$2,527,616	\$2,643,886	\$2,765,505
Percent of Mains Funded for the Year	34%	50%	61%	73%	84%	96%	107%	117%	128%	138%
Mains Replacement - Amount Funded	\$630,749	\$955,413	\$1,240,177	\$1,543,407	\$1,866,239	\$2,209,881	\$2,575,609	\$2,964,779	\$3,378,828	\$3,819,277
Total CIP By Year	\$2,450,837	\$2,799,297	\$3,168,880	\$3,560,830	\$3,976,464	\$4,417,176	\$4,884,440	\$5,379,816	\$5,904,956	\$6,461,607

DSC	1.8	2.0	2.1	2.2	2.4	2.5	2.7	2.8	3.0	3.2
Surplus	\$630,749	\$955,413	\$1,240,177	\$1,543,407	\$1,866,239	\$2,209,881	\$2,575,609	\$2,964,779	\$3,378,828	\$3,819,277
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$2,450,837	\$2,799,297	\$3,168,880	\$3,560,830	\$3,976,464	\$4,417,176	\$4,884,440	\$5,379,816	\$5,904,956	\$6,461,607
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



**Shoreline Municipal Water Utility - Updated Case A**

**Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$2,482,791	\$2,596,999	\$2,716,461	\$2,841,418	\$2,972,123	\$3,108,841	\$3,251,848	\$3,401,433	\$3,557,899	\$3,721,562	\$3,892,754
Materials & Supplies	\$1,333,972	\$1,395,335	\$1,459,520	\$1,526,658	\$1,596,885	\$1,670,341	\$1,747,177	\$1,827,547	\$1,911,614	\$1,999,549	\$2,091,528
Employee Benefits	\$993,117	\$1,038,800	\$1,086,585	\$1,136,568	\$1,188,850	\$1,243,537	\$1,300,740	\$1,360,574	\$1,423,161	\$1,488,626	\$1,557,103
Administrative	\$2,211,390	\$2,313,114	\$2,419,517	\$2,530,815	\$2,647,233	\$2,769,005	\$2,896,380	\$3,029,613	\$3,168,975	\$3,314,748	\$3,467,227
Total	\$7,021,270	\$7,344,249	\$7,682,084	\$8,035,460	\$8,405,091	\$8,791,725	\$9,196,145	\$9,619,167	\$10,061,649	\$10,524,485	\$11,008,611

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	\$500,118	\$500,118	\$500,118	\$500,118	\$500,118	\$500,118	\$500,118	\$500,118	\$500,118	\$500,118	\$500,118
Upfront Costs	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468	\$698,468
Total Initial Debt	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955
Amount Available for Cash CIP	\$7,046,667	\$7,707,345	\$8,409,235	\$9,154,836	\$9,946,791	\$10,787,905	\$11,681,148	\$12,629,669	\$13,636,804	\$14,706,087	\$15,841,265
Required CIP by Year	\$2,763,877	\$2,891,016	\$3,024,002	\$3,163,106	\$3,308,609	\$3,460,805	\$3,620,002	\$3,786,523	\$3,960,703	\$4,142,895	\$4,333,468
Required CIP Funded by Year	\$2,763,877	\$2,891,016	\$3,024,002	\$3,163,106	\$3,308,609	\$3,460,805	\$3,620,002	\$3,786,523	\$3,960,703	\$4,142,895	\$4,333,468
Mains Replacement	\$2,892,718	\$3,025,783	\$3,164,969	\$3,310,558	\$3,462,843	\$3,622,134	\$3,788,752	\$3,963,035	\$4,145,334	\$4,336,020	\$4,535,477
Percent of Mains Funded	148%	159%	170%	181%	192%	202%	213%	223%	233%	244%	254%
Mains Replacement - Amount Fun	\$4,282,789	\$4,816,329	\$5,385,233	\$5,991,729	\$6,638,182	\$7,327,099	\$8,061,146	\$8,843,146	\$9,676,101	\$10,563,192	\$11,507,797
Total CIP By Year	\$7,046,667	\$7,707,345	\$8,409,235	\$9,154,836	\$9,946,791	\$10,787,905	\$11,681,148	\$12,629,669	\$13,636,804	\$14,706,087	\$15,841,265

DSC	3.4	3.6	3.9	4.1	4.4	4.7	5.0	5.3	5.7	6.0	6.4
Surplus	\$4,282,789	\$4,816,329	\$5,385,233	\$5,991,729	\$6,638,182	\$7,327,099	\$8,061,146	\$8,843,146	\$9,676,101	\$10,563,192	\$11,507,797
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$7,046,667	\$7,707,345	\$8,409,235	\$9,154,836	\$9,946,791	\$10,787,905	\$11,681,148	\$12,629,669	\$13,636,804	\$14,706,087	\$15,841,265
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case A**  
**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	576,122	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	738,567	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,314,689		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	665,421	44%	<- Based on same % split from 2011 loads
Off-peak months	853,045	56%	<- Based on same % split from 2011 loads
Total	1,518,466		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,510,505						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,305,159						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,815,664	\$2,911,182	\$3,010,159	\$3,112,728	\$3,219,027	\$3,329,201	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Muncpal Water Utility - Updated Case A  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
Use of Facilities Charges	\$71,651	\$75,234	\$78,995	\$82,945	\$87,092	\$91,447	\$96,019	\$100,820	\$105,861	\$111,155
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$14,941,318</b>	<b>\$15,706,879</b>	<b>\$16,512,232</b>	<b>\$17,359,476</b>	<b>\$18,250,823</b>	<b>\$19,188,604</b>	<b>\$20,175,272</b>	<b>\$21,213,416</b>	<b>\$22,305,760</b>	<b>\$23,455,178</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,443,399	\$3,570,466	\$3,702,358	\$3,839,263	\$3,981,377	\$4,128,903	\$4,282,055	\$4,441,051	\$4,606,123	\$4,777,508
Non-Supply O&M	\$4,478,152	\$4,684,147	\$4,899,618	\$5,125,000	\$5,360,750	\$5,607,345	\$5,865,283	\$6,135,086	\$6,417,300	\$6,712,495
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$747,796	\$786,115	\$826,427	\$868,837	\$913,454	\$960,396	\$1,009,786	\$1,061,752	\$1,116,433	\$1,173,971
City of Shoreline Tax Expense (franchise fee)	\$892,180	\$937,899	\$985,994	\$1,036,592	\$1,089,824	\$1,145,829	\$1,204,755	\$1,266,756	\$1,331,994	\$1,400,641
<b>Total Operating Expenses</b>	<b>\$9,561,527</b>	<b>\$9,978,628</b>	<b>\$10,414,398</b>	<b>\$10,869,692</b>	<b>\$11,345,405</b>	<b>\$11,842,473</b>	<b>\$12,361,878</b>	<b>\$12,904,645</b>	<b>\$13,471,849</b>	<b>\$14,064,615</b>
<b>Net Operating Funds</b>	<b>\$5,379,791</b>	<b>\$5,728,251</b>	<b>\$6,097,834</b>	<b>\$6,489,784</b>	<b>\$6,905,419</b>	<b>\$7,346,130</b>	<b>\$7,813,394</b>	<b>\$8,308,771</b>	<b>\$8,833,911</b>	<b>\$9,390,562</b>
<b>Debt Service Coverage Ratio</b>	<b>1.8</b>	<b>2.0</b>	<b>2.1</b>	<b>2.2</b>	<b>2.4</b>	<b>2.5</b>	<b>2.7</b>	<b>2.8</b>	<b>3.0</b>	<b>3.2</b>
Debt payments - Initial	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955
<b>Net Cash Flow before CIP</b>	<b>\$2,450,837</b>	<b>\$2,799,297</b>	<b>\$3,168,880</b>	<b>\$3,560,830</b>	<b>\$3,976,464</b>	<b>\$4,417,176</b>	<b>\$4,884,440</b>	<b>\$5,379,816</b>	<b>\$5,904,956</b>	<b>\$6,461,607</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$1,843,884	\$1,928,703	\$2,017,423	\$2,110,224	\$2,207,295	\$2,308,830	\$2,415,037	\$2,526,128	\$2,642,330
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$14,310,570</b>	<b>\$14,751,466</b>	<b>\$15,272,055</b>	<b>\$15,816,069</b>	<b>\$16,384,584</b>	<b>\$16,978,723</b>	<b>\$17,599,663</b>	<b>\$18,248,636</b>	<b>\$18,926,932</b>	<b>\$19,635,900</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$630,749</b>	<b>\$955,413</b>	<b>\$1,240,177</b>	<b>\$1,543,407</b>	<b>\$1,866,239</b>	<b>\$2,209,881</b>	<b>\$2,575,609</b>	<b>\$2,964,779</b>	<b>\$3,378,828</b>	<b>\$3,819,277</b>
Net Revenue as Percent of Total Revenue	4.2%	6.1%	7.5%	8.9%	10.2%	11.5%	12.8%	14.0%	15.1%	16.3%
Target Mains Replacement per Year	\$1,844,970	\$1,929,838	\$2,018,611	\$2,111,467	\$2,208,594	\$2,310,190	\$2,416,459	\$2,527,616	\$2,643,886	\$2,765,505
Cumulative Mains Replacement	\$630,749	\$1,586,161	\$2,826,338	\$4,369,745	\$6,235,984	\$8,445,865	\$11,021,474	\$13,986,254	\$17,365,082	\$21,184,359
Percent Total Mains Replacement Funded	1.0%	2.5%	4.5%	6.9%	9.9%	13.4%	17.5%	22.2%	27.6%	33.6%

**Shoreline Muncpal Water Utility - Updated Case A  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526
Use of Facilities Charges	\$116,712	\$122,548	\$128,675	\$135,109	\$141,864	\$148,958	\$156,406	\$164,226	\$172,437	\$181,059	\$190,112
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$24,657,097</b>	<b>\$25,980,225</b>	<b>\$27,375,061</b>	<b>\$28,845,536</b>	<b>\$30,395,794</b>	<b>\$32,030,211</b>	<b>\$33,753,408</b>	<b>\$35,570,258</b>	<b>\$37,485,908</b>	<b>\$39,505,790</b>	<b>\$41,635,638</b>
<b>Expenses</b>											
Wholesale Water Supply	\$4,953,646	\$5,147,834	\$5,349,783	\$5,559,812	\$5,778,251	\$6,005,443	\$6,241,747	\$6,487,536	\$6,743,198	\$7,009,139	\$7,285,781
Non-Supply O&M	\$7,021,270	\$7,344,249	\$7,682,084	\$8,035,460	\$8,405,091	\$8,791,725	\$9,196,145	\$9,619,167	\$10,061,649	\$10,524,485	\$11,008,611
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,234,136	\$1,300,383	\$1,370,221	\$1,443,847	\$1,521,470	\$1,603,308	\$1,689,593	\$1,780,569	\$1,876,494	\$1,977,641	\$2,084,296
City of Shoreline Tax Expense (franchise fee)	\$1,472,423	\$1,551,461	\$1,634,783	\$1,722,626	\$1,815,236	\$1,912,875	\$2,015,820	\$2,124,362	\$2,238,808	\$2,359,484	\$2,486,732
<b>Total Operating Expenses</b>	<b>\$14,681,476</b>	<b>\$15,343,925</b>	<b>\$16,036,871</b>	<b>\$16,761,745</b>	<b>\$17,520,048</b>	<b>\$18,313,352</b>	<b>\$19,143,305</b>	<b>\$20,011,634</b>	<b>\$20,920,150</b>	<b>\$21,870,748</b>	<b>\$22,865,419</b>
<b>Net Operating Funds</b>	<b>\$9,975,621</b>	<b>\$10,636,299</b>	<b>\$11,338,190</b>	<b>\$12,083,790</b>	<b>\$12,875,746</b>	<b>\$13,716,859</b>	<b>\$14,610,103</b>	<b>\$15,558,624</b>	<b>\$16,565,758</b>	<b>\$17,635,042</b>	<b>\$18,770,219</b>
<b>Debt Service Coverage Ratio</b>	<b>3.4</b>	<b>3.6</b>	<b>3.9</b>	<b>4.1</b>	<b>4.4</b>	<b>4.7</b>	<b>5.0</b>	<b>5.3</b>	<b>5.7</b>	<b>6.0</b>	<b>6.4</b>
Debt payments - Initial	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955	\$2,928,955
<b>Net Cash Flow before CIP</b>	<b>\$7,046,667</b>	<b>\$7,707,345</b>	<b>\$8,409,235</b>	<b>\$9,154,836</b>	<b>\$9,946,791</b>	<b>\$10,787,905</b>	<b>\$11,681,148</b>	<b>\$12,629,669</b>	<b>\$13,636,804</b>	<b>\$14,706,087</b>	<b>\$15,841,265</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$2,763,877	\$2,891,016	\$3,024,002	\$3,163,106	\$3,308,609	\$3,460,805	\$3,620,002	\$3,786,523	\$3,960,703	\$4,142,895	\$4,333,468
<b>Total Expenses</b>	<b>\$20,374,308</b>	<b>\$21,163,896</b>	<b>\$21,989,828</b>	<b>\$22,853,806</b>	<b>\$23,757,612</b>	<b>\$24,703,112</b>	<b>\$25,692,262</b>	<b>\$26,727,111</b>	<b>\$27,809,807</b>	<b>\$28,942,598</b>	<b>\$30,127,842</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$4,282,789</b>	<b>\$4,816,329</b>	<b>\$5,385,233</b>	<b>\$5,991,729</b>	<b>\$6,638,182</b>	<b>\$7,327,099</b>	<b>\$8,061,146</b>	<b>\$8,843,146</b>	<b>\$9,676,101</b>	<b>\$10,563,192</b>	<b>\$11,507,797</b>
Net Revenue - Available for Mains Replacement	17.4%	18.5%	19.7%	20.8%	21.8%	22.9%	23.9%	24.9%	25.8%	26.7%	27.6%
Target Mains Replacement per Year	\$2,892,718	\$3,025,783	\$3,164,969	\$3,310,558	\$3,462,843	\$3,622,134	\$3,788,752	\$3,963,035	\$4,145,334	\$4,336,020	\$4,535,477
Cumulative Mains Replacement	\$25,467,149	\$30,283,477	\$35,668,710	\$41,660,440	\$48,298,621	\$55,625,720	\$63,686,866	\$72,530,012	\$82,206,113	\$92,769,305	\$104,277,102
Percent Total Mains Replacement Funded	40.4%	48.1%	56.6%	66.1%	76.6%	88.3%	101.1%	115.1%	130.4%	147.2%	165.5%

## Shoreline Muncpal Water Utility - Updated Case C

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$6,652,264	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$9,290,598	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$36,361,558	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$1,580,937	\$1,430,518				
Ongoing CIP	1	\$1,510,523	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,356,903	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$729,047	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$542,761	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,208,576	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$3,837,287</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$61,397	\$50,000	2012	2020		
<b>Tax Rates</b>							
State Tax		5.029%	Included in Existing SPU Rates				
City of Shoreline Tax		6.000%	Included in Existing SPU Rates				
<b>Scenario Selection</b>		<b>Selected</b>	<b>Base</b>	<b>Low</b>	<b>High</b>		
Escalation of Retail Rates	Low	3.0%	5.0%	3.0%	7.0%		
Escalation of Wholesale Rates	Low	2.5%	3.5%	2.5%	5.0%		
Escalation of Costs	Low	2.6%	4.6%	2.6%	6.6%		
Borrowing Cost	Low	4.0%	5.0%	4.0%	7.0%		
Borrowing term	Low	30	30	30	30		
Debt Ratio for Purchase	Low	100.0%	100%	100%	100%		
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%		
Separation/Capital Cost Sensitivity	Low	-10.0%	0%	-10%	10%		
Operating Costs Sensitivity	Low	-10.0%	0%	-10%	10%		
Water Supply Cost Sensitivity	Low	-10.0%	0%	-10%	10%		
Load Growth Sensitivity	Low	-0.5%	0%	-0.5%	0.5%		
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5		
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%		
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%		
<b>Efficiency Savings</b>							
Upfront Costs	No	\$0	-\$390,000				
Labor	No	\$0	-\$267,325				
Materials & Supplies	No	\$0	\$0				
Employee Benefits	No	\$0	-\$76,415				
Administrative	No	\$0	\$0				

## Shoreline Municipal Water Utility - Updated Case C

### Revenue Forecast

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,038,185	\$6,431,049	\$6,839,003	\$6,953,258	\$7,069,422	\$7,187,527	\$7,307,605	\$7,429,689
Multi-Family	\$958,677	\$1,014,676	\$1,123,122	\$1,242,202	\$1,369,523	\$1,413,375	\$1,458,630	\$1,505,334	\$1,553,534	\$1,603,277
Commercial	\$1,452,391	\$1,723,971	\$1,735,339	\$1,930,461	\$2,138,165	\$2,216,831	\$2,298,392	\$2,382,953	\$2,470,626	\$2,561,524
MMRD	\$224,812	\$273,622	\$291,743	\$311,639	\$332,384	\$338,932	\$345,609	\$352,417	\$359,360	\$366,439
Fire	\$139,497	\$151,974	\$163,675	\$176,603	\$190,261	\$195,969	\$201,848	\$207,904	\$214,141	\$220,565
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$187,056</u>	<u>\$201,831</u>	<u>\$217,441</u>	<u>\$223,964</u>	<u>\$230,683</u>	<u>\$237,603</u>	<u>\$244,731</u>	<u>\$252,073</u>
Total	\$8,458,920	\$9,017,751	\$9,539,118	\$10,293,786	\$11,086,776	\$11,342,328	\$11,604,584	\$11,873,739	\$12,149,997	\$12,433,568

### Average Rate

Residential	\$7.50	\$7.50	\$7.96	\$8.59	\$9.25	\$9.53	\$9.82	\$10.11	\$10.41	\$10.73
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.12	\$7.33	\$7.55	\$7.78	\$8.01	\$8.25
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.42	\$7.64	\$7.87	\$8.11	\$8.35	\$8.60
MMRD	\$5.88	\$6.12	\$6.60	\$7.12	\$7.67	\$7.90	\$8.13	\$8.38	\$8.63	\$8.89
Fire	\$700.99	\$190.56	\$205.23	\$221.44	\$238.57	\$245.73	\$253.10	\$260.69	\$268.51	\$276.57
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.88</u>	<u>\$5.26</u>	<u>\$5.67</u>	<u>\$5.84</u>	<u>\$6.01</u>	<u>\$6.19</u>	<u>\$6.38</u>	<u>\$6.57</u>
Total	\$6.81	\$6.80	\$7.24	\$7.86	\$8.51	\$8.76	\$9.02	\$9.28	\$9.55	\$9.83

### CCF

Residential	732,074	768,573	758,654	748,862	739,197	729,657	720,240	710,944	701,768	692,711
Multi-Family	180,889	191,226	191,601	191,977	192,353	192,730	193,108	193,487	193,866	194,246
Commercial	256,160	282,534	284,397	286,273	288,160	290,060	291,973	293,898	295,836	297,787
MMRD	38,208	44,679	44,232	43,790	43,352	42,918	42,489	42,064	41,644	41,227
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,318,048	1,310,065	1,302,226	1,294,530	1,286,974	1,279,557	1,272,278	1,265,135

### CCF per Customer

Residential	75.7	79.5	78.3	77.1	75.9	74.8	73.7	72.6	71.5	70.4
Multi-Family	766.5	810.3	802.2	794.2	786.2	778.4	770.6	762.9	755.2	747.7
Commercial	642.0	708.1	708.1	708.1	708.1	708.1	708.1	708.1	708.1	708.1
MMRD	9,552.0	11,169.8	11,058.1	10,947.5	10,838.0	10,729.6	10,622.3	10,516.1	10,410.9	10,306.8
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	120.5	119.5	118.5	117.5	116.6	115.6	114.7	113.8

### Customers

Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

**Shoreline Municipal Water Utility - Updated Case C**

**Revenue Forecast**

<b>Revenues</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	\$7,553,812	\$7,716,397	\$7,882,482	\$8,052,141	\$8,225,451	\$8,402,493	\$8,583,344	\$8,768,088	\$8,956,809	\$9,149,591
Multi-Family	\$1,654,613	\$1,712,120	\$1,771,625	\$1,833,199	\$1,896,912	\$1,962,840	\$2,031,060	\$2,101,650	\$2,174,694	\$2,250,276
Commercial	\$2,655,767	\$2,746,593	\$2,840,525	\$2,937,670	\$3,038,137	\$3,142,040	\$3,249,497	\$3,360,628	\$3,475,560	\$3,594,423
MMRD	\$373,658	\$381,981	\$390,490	\$399,188	\$408,080	\$417,170	\$426,463	\$435,962	\$445,673	\$455,601
Fire	\$227,182	\$232,828	\$238,613	\$244,543	\$250,620	\$256,848	\$263,230	\$269,772	\$276,475	\$283,346
Other	<u>\$259,635</u>	<u>\$267,424</u>	<u>\$275,447</u>	<u>\$283,711</u>	<u>\$292,222</u>	<u>\$300,989</u>	<u>\$310,018</u>	<u>\$319,319</u>	<u>\$328,898</u>	<u>\$338,765</u>
<b>Total</b>	<b>\$12,724,668</b>	<b>\$13,057,343</b>	<b>\$13,399,183</b>	<b>\$13,750,451</b>	<b>\$14,111,423</b>	<b>\$14,482,379</b>	<b>\$14,863,612</b>	<b>\$15,255,419</b>	<b>\$15,658,110</b>	<b>\$16,072,002</b>
<b>Average Rate</b>										
Residential	\$11.05	\$11.38	\$11.72	\$12.07	\$12.43	\$12.81	\$13.19	\$13.59	\$13.99	\$14.41
Multi-Family	\$8.50	\$8.76	\$9.02	\$9.29	\$9.57	\$9.86	\$10.15	\$10.46	\$10.77	\$11.09
Commercial	\$8.86	\$9.13	\$9.40	\$9.68	\$9.97	\$10.27	\$10.58	\$10.90	\$11.22	\$11.56
MMRD	\$9.15	\$9.43	\$9.71	\$10.00	\$10.30	\$10.61	\$10.93	\$11.26	\$11.60	\$11.95
Fire	\$284.86	\$293.41	\$302.21	\$311.28	\$320.62	\$330.24	\$340.14	\$350.35	\$360.86	\$371.68
Other	<u>\$6.77</u>	<u>\$6.97</u>	<u>\$7.18</u>	<u>\$7.39</u>	<u>\$7.62</u>	<u>\$7.85</u>	<u>\$8.08</u>	<u>\$8.32</u>	<u>\$8.57</u>	<u>\$8.83</u>
<b>Total</b>	<b>\$10.11</b>	<b>\$10.41</b>	<b>\$10.71</b>	<b>\$11.03</b>	<b>\$11.35</b>	<b>\$11.68</b>	<b>\$12.02</b>	<b>\$12.38</b>	<b>\$12.74</b>	<b>\$13.11</b>
<b>CCF</b>										
Residential	683,771	678,143	672,563	667,028	661,538	656,094	650,695	645,340	640,029	634,762
Multi-Family	194,627	195,526	196,428	197,335	198,246	199,162	200,081	201,005	201,933	202,865
Commercial	299,750	300,972	302,200	303,432	304,669	305,911	307,158	308,411	309,668	310,931
MMRD	40,815	40,509	40,205	39,904	39,604	39,307	39,012	38,720	38,429	38,141
Fire	798	794	790	786	782	778	774	770	766	762
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
<b>Total</b>	<b>1,258,126</b>	<b>1,254,310</b>	<b>1,250,551</b>	<b>1,246,850</b>	<b>1,243,206</b>	<b>1,239,618</b>	<b>1,236,087</b>	<b>1,232,611</b>	<b>1,229,192</b>	<b>1,225,828</b>
<b>CCF per Customer</b>										
Residential	69.4	68.7	68.0	67.3	66.6	66.0	65.3	64.7	64.0	63.4
Multi-Family	740.2	734.7	729.1	723.7	718.2	712.9	707.5	702.2	696.9	691.7
Commercial	708.1	706.3	704.6	702.8	701.1	699.3	697.6	695.8	694.1	692.3
MMRD	10,203.8	10,127.2	10,051.3	9,975.9	9,901.1	9,826.8	9,753.1	9,680.0	9,607.4	9,535.3
Fire	5.9	5.8	5.8	5.8	5.7	5.7	5.7	5.7	5.6	5.6
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
<b>Total</b>	<b>112.8</b>	<b>112.3</b>	<b>111.7</b>	<b>111.1</b>	<b>110.6</b>	<b>110.0</b>	<b>109.5</b>	<b>108.9</b>	<b>108.4</b>	<b>107.9</b>
<b>Customers</b>										
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
<b>Total</b>	<b>11,149</b>	<b>11,172</b>	<b>11,196</b>	<b>11,220</b>	<b>11,244</b>	<b>11,268</b>	<b>11,292</b>	<b>11,316</b>	<b>11,340</b>	<b>11,365</b>

**Shoreline Municipal Water Utility - Updated Case C**

**Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$9,346,523	\$9,578,784	\$9,816,817	\$10,060,765	\$10,310,775	\$10,566,998	\$10,829,588	\$11,098,703	\$11,374,506	\$11,657,162	\$11,946,843	
Multi-Family	\$2,329,257	\$2,421,049	\$2,516,457	\$2,615,626	\$2,718,702	\$2,825,841	\$2,937,201	\$3,052,950	\$3,173,261	\$3,298,312	\$3,428,292	
Commercial	\$3,745,301	\$3,863,681	\$3,985,803	\$4,111,785	\$4,241,748	\$4,375,820	\$4,514,129	\$4,656,810	\$4,804,001	\$4,955,844	\$5,112,486	
MMRD	\$466,922	\$479,728	\$492,884	\$506,401	\$520,289	\$534,558	\$549,219	\$564,281	\$579,756	\$595,656	\$611,992	
Fire	\$290,387	\$297,603	\$304,999	\$312,578	\$320,345	\$328,306	\$336,464	\$344,825	\$353,394	\$362,176	\$371,176	
Other	<u>\$348,928</u>	<u>\$359,396</u>	<u>\$370,178</u>	<u>\$381,283</u>	<u>\$392,722</u>	<u>\$404,503</u>	<u>\$416,639</u>	<u>\$429,138</u>	<u>\$442,012</u>	<u>\$455,272</u>	<u>\$468,930</u>	
Total	\$16,527,319	\$17,000,241	\$17,487,138	\$17,988,438	\$18,504,582	\$19,036,026	\$19,583,239	\$20,146,707	\$20,726,930	\$21,324,423	\$21,939,720	
<b>Average Rate</b>												
Residential	\$14.85	\$15.29	\$15.75	\$16.22	\$16.71	\$17.21	\$17.73	\$18.26	\$18.81	\$19.37	\$19.95	
Multi-Family	\$11.43	\$11.77	\$12.12	\$12.48	\$12.86	\$13.24	\$13.64	\$14.05	\$14.47	\$14.91	\$15.35	
Commercial	\$11.91	\$12.26	\$12.63	\$13.01	\$13.40	\$13.80	\$14.22	\$14.64	\$15.08	\$15.54	\$16.00	
MMRD	\$12.30	\$12.67	\$13.05	\$13.44	\$13.85	\$14.26	\$14.69	\$15.13	\$15.59	\$16.05	\$16.53	
Fire	\$382.83	\$394.32	\$406.15	\$418.33	\$430.88	\$443.81	\$457.12	\$470.84	\$484.96	\$499.51	\$514.50	
Other	<u>\$9.09</u>	<u>\$9.37</u>	<u>\$9.65</u>	<u>\$9.94</u>	<u>\$10.24</u>	<u>\$10.54</u>	<u>\$10.86</u>	<u>\$11.19</u>	<u>\$11.52</u>	<u>\$11.87</u>	<u>\$12.22</u>	
Total	\$13.49	\$13.89	\$14.30	\$14.72	\$15.15	\$15.59	\$16.05	\$16.52	\$17.01	\$17.50	\$18.02	
<b>CCF</b>												
Residential	629,538	626,391	623,259	620,142	617,042	613,956	610,887	607,832	604,793	601,769	598,760	
Multi-Family	203,870	205,732	207,611	209,507	211,421	213,352	215,301	217,267	219,252	221,254	223,275	
Commercial	314,546	315,037	315,529	316,021	316,514	317,008	317,503	317,999	318,495	318,992	319,490	
MMRD	37,951	37,856	37,761	37,667	37,572	37,479	37,385	37,291	37,198	37,105	37,012	
Fire	759	755	751	747	743	740	736	732	729	725	721	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,225,029	1,224,135	1,223,276	1,222,450	1,221,658	1,220,901	1,220,177	1,219,487	1,218,832	1,218,211	1,217,625	-0.3%
<b>CCF per Customer</b>												
Residential	62.7	62.4	62.1	61.8	61.5	61.2	60.9	60.6	60.3	60.0	59.7	-21%
Multi-Family	688.3	684.8	681.4	678.0	674.6	671.2	667.9	664.5	661.2	657.9	654.6	-15%
Commercial	695.8	692.3	688.9	685.4	682.0	678.6	675.2	671.8	668.4	665.1	661.8	-2%
MMRD	9,487.6	9,463.9	9,440.3	9,416.7	9,393.1	9,369.6	9,346.2	9,322.8	9,299.5	9,276.3	9,253.1	-15%
Fire	5.6	5.5	5.5	5.5	5.5	5.4	5.4	5.4	5.4	5.3	5.3	-5%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
Total	107.6	107.4	107.3	107.1	107.0	106.9	106.7	106.6	106.5	106.3	106.2	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
Total	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	



**Shoreline Municipal Water Utility - Updated Case C  
Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.50%	-1.50%	-1.50%	-1.50%	-1.50%	-1.50%	-1.50%	-1.50%
Multi-Family	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Commercial	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-1.29%	-1.29%	-1.29%	-1.29%	-1.29%	-1.29%	-1.29%	-1.29%
Multi-Family	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.61%	-0.61%	-0.60%	-0.59%	-0.58%	-0.58%	-0.57%	-0.56%
<b>Average Rate Increase</b>								
Residential	6.1%	7.9%	7.7%	3.0%	3.0%	3.0%	3.0%	3.0%
Multi-Family	10.6%	10.4%	10.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Commercial	7.6%	10.5%	10.0%	3.0%	3.0%	3.0%	3.0%	3.0%
MMRD	7.7%	7.9%	7.7%	3.0%	3.0%	3.0%	3.0%	3.0%
Fire	7.7%	7.9%	7.7%	3.0%	3.0%	3.0%	3.0%	3.0%
Other	7.7%	7.9%	7.7%	3.0%	3.0%	3.0%	3.0%	3.0%

**Shoreline Municipal Water Utility - Updated Case C**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.50%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-1.00%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%
Commercial	0.00%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	-1.00%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%
Fire	0.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
<b>Total CCF Growth</b>										
Residential	0.20%	0.46%	0.46%	0.46%	0.46%	0.46%	0.46%	0.46%	0.46%	0.46%
Multi-Family	0.66%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%
Commercial	-1.00%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%
MMRD	0.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.55%	-0.30%	-0.30%	-0.30%	-0.29%	-0.29%	-0.28%	-0.28%	-0.28%	-0.27%
<b>Average Rate Increase</b>										
Residential	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Multi-Family	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Commercial	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
MMRD	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Fire	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

**Shoreline Municipal Water Utility - Updated Case C  
Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
<b>Total CCF Growth</b>											
Residential	-0.82%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	0.50%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	1.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Total	-0.07%	-0.07%	-0.07%	-0.07%	-0.06%	-0.06%	-0.06%	-0.06%	-0.05%	-0.05%	-0.05%
<b>Average Rate Increase</b>											
Residential	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Multi-Family	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Commercial	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
MMRD	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Fire	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

**Shoreline Municipal Water Utility - Updated Case C  
Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,356,903	\$1,392,182	\$1,428,379	\$1,465,517	\$1,503,620	\$1,542,714	\$1,582,825	\$1,623,978	\$1,666,202	\$1,709,523
Materials & Supplies	\$729,047	\$748,002	\$767,450	\$787,404	\$807,876	\$828,881	\$850,432	\$872,543	\$895,229	\$918,505
Employee Benefits	\$542,761	\$556,873	\$571,352	\$586,207	\$601,449	\$617,086	\$633,130	\$649,592	\$666,481	\$683,810
Administrative	\$1,208,576	\$1,239,999	\$1,272,239	\$1,305,317	\$1,339,255	\$1,374,076	\$1,409,802	\$1,446,457	\$1,484,065	\$1,522,650
Total	\$3,837,287	\$3,937,056	\$4,039,420	\$4,144,445	\$4,252,200	\$4,362,757	\$4,476,189	\$4,592,570	\$4,711,977	\$4,834,488

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281
Separation Cost	B3 \$384,701	\$384,701	\$384,701	\$384,701	\$384,701	\$384,701	\$384,701	\$384,701	\$384,701	\$384,701
Upfront Costs	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276
Total Initial Debt	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258
Amount Available for Cash CIP	\$2,368,017	\$2,506,595	\$2,649,380	\$2,796,508	\$2,948,118	\$3,104,354	\$3,265,364	\$3,431,304	\$3,602,332	\$3,778,612
Required CIP by Year	\$1,510,523	\$1,549,797	\$1,590,091	\$1,631,434	\$1,673,851	\$1,717,371	\$1,762,023	\$1,807,835	\$1,854,839	\$1,903,065
Required CIP Funded by Year	\$1,820,088	\$1,549,797	\$1,590,091	\$1,631,434	\$1,673,851	\$1,717,371	\$1,762,023	\$1,807,835	\$1,854,839	\$1,903,065
Mains Replacement - Equal Over 23 Years	\$1,580,937	\$1,622,042	\$1,664,215	\$1,707,484	\$1,751,879	\$1,797,428	\$1,844,161	\$1,892,109	\$1,941,304	\$1,991,778
Percent of Mains Funded for the Year	35%	59%	64%	68%	73%	77%	82%	86%	90%	94%
Mains Replacement - Amount Funded	\$547,929	\$956,798	\$1,059,289	\$1,165,075	\$1,274,267	\$1,386,983	\$1,503,342	\$1,623,469	\$1,747,493	\$1,875,547
Total CIP By Year	\$2,368,017	\$2,506,595	\$2,649,380	\$2,796,508	\$2,948,118	\$3,104,354	\$3,265,364	\$3,431,304	\$3,602,332	\$3,778,612

DSC	2.0	2.0	2.1	2.1	2.2	2.3	2.3	2.4	2.5	2.5
Surplus	\$547,929	\$956,798	\$1,059,289	\$1,165,075	\$1,274,267	\$1,386,983	\$1,503,342	\$1,623,469	\$1,747,493	\$1,875,547
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$2,368,017	\$2,506,595	\$2,649,380	\$2,796,508	\$2,948,118	\$3,104,354	\$3,265,364	\$3,431,304	\$3,602,332	\$3,778,612
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case C  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$1,753,970	\$1,799,574	\$1,846,363	\$1,894,368	\$1,943,622	\$1,994,156	\$2,046,004	\$2,099,200	\$2,153,779	\$2,209,777	\$2,267,232
Materials & Supplies	\$942,386	\$966,888	\$992,027	\$1,017,820	\$1,044,284	\$1,071,435	\$1,099,292	\$1,127,874	\$1,157,199	\$1,187,286	\$1,218,155
Employee Benefits	\$701,589	\$719,830	\$738,546	\$757,748	\$777,449	\$797,663	\$818,402	\$839,681	\$861,512	\$883,912	\$906,893
Administrative	\$1,562,239	\$1,602,857	\$1,644,532	\$1,687,290	\$1,731,159	\$1,776,169	\$1,822,350	\$1,869,731	\$1,918,344	\$1,968,221	\$2,019,394
Total	\$4,960,185	\$5,089,150	\$5,221,468	\$5,357,226	\$5,496,514	\$5,639,423	\$5,786,048	\$5,936,485	\$6,090,834	\$6,249,195	\$6,411,675

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281
Separation Cost	\$384,701	\$384,701	\$384,701	\$384,701	\$384,701	\$384,701	\$384,701	\$384,701	\$384,701	\$384,701	\$384,701
Upfront Costs	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276	\$537,276
Total Initial Debt	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258
Amount Available for Cash CIP	\$3,979,973	\$4,192,112	\$4,411,319	\$4,637,832	\$4,871,901	\$5,113,781	\$5,363,738	\$5,622,048	\$5,888,995	\$6,164,874	\$6,449,988
Required CIP by Year	\$1,952,544	\$2,003,311	\$2,055,397	\$2,108,837	\$2,163,667	\$2,219,922	\$2,277,640	\$2,336,859	\$2,397,617	\$2,459,955	\$2,523,914
Required CIP Funded by Year	\$1,952,544	\$2,003,311	\$2,055,397	\$2,108,837	\$2,163,667	\$2,219,922	\$2,277,640	\$2,336,859	\$2,397,617	\$2,459,955	\$2,523,914
Mains Replacement	\$2,043,564	\$2,096,697	\$2,151,211	\$2,207,142	\$2,264,528	\$2,323,406	\$2,383,814	\$2,445,793	\$2,509,384	\$2,574,628	\$2,641,568
Percent of Mains Funded	99%	104%	110%	115%	120%	125%	129%	134%	139%	144%	149%
Mains Replacement - Amount Fun	\$2,027,428	\$2,188,802	\$2,355,922	\$2,528,995	\$2,708,234	\$2,893,859	\$3,086,098	\$3,285,190	\$3,491,378	\$3,704,919	\$3,926,075
Total CIP By Year	\$3,979,973	\$4,192,112	\$4,411,319	\$4,637,832	\$4,871,901	\$5,113,781	\$5,363,738	\$5,622,048	\$5,888,995	\$6,164,874	\$6,449,988

DSC	2.6	2.7	2.8	2.9	3.0	3.1	3.2	3.3	3.4	3.5	3.6
Surplus	\$2,027,428	\$2,188,802	\$2,355,922	\$2,528,995	\$2,708,234	\$2,893,859	\$3,086,098	\$3,285,190	\$3,491,378	\$3,704,919	\$3,926,075
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$3,979,973	\$4,192,112	\$4,411,319	\$4,637,832	\$4,871,901	\$5,113,781	\$5,363,738	\$5,622,048	\$5,888,995	\$6,164,874	\$6,449,988
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case C**  
**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	551,335	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	706,791	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,258,126		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	636,792	44%	<- Based on same % split from 2011 loads
Off-peak months	816,344	56%	<- Based on same % split from 2011 loads
Total	1,453,136		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,445,518						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,249,006						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,694,524	\$2,745,563	\$2,797,776	\$2,851,194	\$2,905,849	\$2,961,773	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Case C  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$12,724,668	\$13,057,343	\$13,399,183	\$13,750,451	\$14,111,423	\$14,482,379	\$14,863,612	\$15,255,419	\$15,658,110	\$16,072,002
Use of Facilities Charges	\$61,397	\$63,239	\$65,136	\$67,090	\$69,103	\$71,176	\$73,312	\$75,511	\$77,776	\$80,109
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$12,786,065</b>	<b>\$13,120,582</b>	<b>\$13,464,319</b>	<b>\$13,817,542</b>	<b>\$14,180,526</b>	<b>\$14,553,556</b>	<b>\$14,936,923</b>	<b>\$15,330,930</b>	<b>\$15,735,886</b>	<b>\$16,152,112</b>
<b>Expenses</b>										
Wholesale Water Supply	\$2,717,100	\$2,776,579	\$2,837,465	\$2,899,794	\$2,963,601	\$3,028,925	\$3,095,804	\$3,164,278	\$3,234,387	\$3,306,173
Non-Supply O&M	\$3,837,287	\$3,937,056	\$4,039,420	\$4,144,445	\$4,252,200	\$4,362,757	\$4,476,189	\$4,592,570	\$4,711,977	\$4,834,488
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$639,924	\$656,654	\$673,845	\$691,510	\$709,663	\$728,319	\$747,491	\$767,195	\$787,446	\$808,261
City of Shoreline Tax Expense (franchise fee)	\$763,480	\$783,441	\$803,951	\$825,027	\$846,685	\$868,943	\$891,817	\$915,325	\$939,487	\$964,320
<b>Total Operating Expenses</b>	<b>\$7,957,790</b>	<b>\$8,153,730</b>	<b>\$8,354,681</b>	<b>\$8,560,776</b>	<b>\$8,772,150</b>	<b>\$8,988,944</b>	<b>\$9,211,301</b>	<b>\$9,439,368</b>	<b>\$9,673,296</b>	<b>\$9,913,242</b>
<b>Net Operating Funds</b>	<b>\$4,828,275</b>	<b>\$4,966,853</b>	<b>\$5,109,638</b>	<b>\$5,256,766</b>	<b>\$5,408,376</b>	<b>\$5,564,612</b>	<b>\$5,725,622</b>	<b>\$5,891,562</b>	<b>\$6,062,590</b>	<b>\$6,238,870</b>
<b>Debt Service Coverage Ratio</b>	<b>2.0</b>	<b>2.0</b>	<b>2.1</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>	<b>2.3</b>	<b>2.4</b>	<b>2.5</b>	<b>2.5</b>
Debt payments - Initial	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258
<b>Net Cash Flow before CIP</b>	<b>\$2,368,017</b>	<b>\$2,506,595</b>	<b>\$2,649,380</b>	<b>\$2,796,508</b>	<b>\$2,948,118</b>	<b>\$3,104,354</b>	<b>\$3,265,364</b>	<b>\$3,431,304</b>	<b>\$3,602,332</b>	<b>\$3,778,612</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$1,549,797	\$1,590,091	\$1,631,434	\$1,673,851	\$1,717,371	\$1,762,023	\$1,807,835	\$1,854,839	\$1,903,065
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$12,238,136</b>	<b>\$12,163,784</b>	<b>\$12,405,030</b>	<b>\$12,652,467</b>	<b>\$12,906,259</b>	<b>\$13,166,573</b>	<b>\$13,433,581</b>	<b>\$13,707,461</b>	<b>\$13,988,393</b>	<b>\$14,276,565</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$547,929</b>	<b>\$956,798</b>	<b>\$1,059,289</b>	<b>\$1,165,075</b>	<b>\$1,274,267</b>	<b>\$1,386,983</b>	<b>\$1,503,342</b>	<b>\$1,623,469</b>	<b>\$1,747,493</b>	<b>\$1,875,547</b>
Net Revenue as Percent of Total Revenue	4.3%	7.3%	7.9%	8.4%	9.0%	9.5%	10.1%	10.6%	11.1%	11.6%
Target Mains Replacement per Year	\$1,580,937	\$1,622,042	\$1,664,215	\$1,707,484	\$1,751,879	\$1,797,428	\$1,844,161	\$1,892,109	\$1,941,304	\$1,991,778
Cumulative Mains Replacement	\$547,929	\$1,504,727	\$2,564,016	\$3,729,090	\$5,003,357	\$6,390,340	\$7,893,682	\$9,517,150	\$11,264,643	\$13,140,190
Percent Total Mains Replacement Funded	1.3%	3.5%	5.9%	8.6%	11.5%	14.7%	18.2%	21.9%	25.9%	30.3%

**Shoreline Municipal Water Utility - Updated Case C  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$16,527,319	\$17,000,241	\$17,487,138	\$17,988,438	\$18,504,582	\$19,036,026	\$19,583,239	\$20,146,707	\$20,726,930	\$21,324,423	\$21,939,720
Use of Facilities Charges	\$82,513	\$84,988	\$87,538	\$90,164	\$92,869	\$95,655	\$98,525	\$101,480	\$104,525	\$107,660	\$110,890
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$16,609,832</b>	<b>\$17,085,229</b>	<b>\$17,574,675</b>	<b>\$18,078,601</b>	<b>\$18,597,451</b>	<b>\$19,131,681</b>	<b>\$19,681,764</b>	<b>\$20,248,187</b>	<b>\$20,831,454</b>	<b>\$21,432,083</b>	<b>\$22,050,610</b>
<b>Expenses</b>											
Wholesale Water Supply	\$3,386,618	\$3,468,752	\$3,552,975	\$3,639,341	\$3,727,908	\$3,818,736	\$3,911,884	\$4,007,416	\$4,105,394	\$4,205,885	\$4,308,957
Non-Supply O&M	\$4,960,185	\$5,089,150	\$5,221,468	\$5,357,226	\$5,496,514	\$5,639,423	\$5,786,048	\$5,936,485	\$6,090,834	\$6,249,195	\$6,411,675
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$831,159	\$854,942	\$879,428	\$904,639	\$930,595	\$957,322	\$984,841	\$1,013,178	\$1,042,357	\$1,072,405	\$1,103,348
City of Shoreline Tax Expense (franchise fee)	\$991,639	\$1,020,014	\$1,049,228	\$1,079,306	\$1,110,275	\$1,142,162	\$1,174,994	\$1,208,802	\$1,243,616	\$1,279,465	\$1,316,383
<b>Total Operating Expenses</b>	<b>\$10,169,601</b>	<b>\$10,432,858</b>	<b>\$10,703,098</b>	<b>\$10,980,511</b>	<b>\$11,265,292</b>	<b>\$11,557,642</b>	<b>\$11,857,768</b>	<b>\$12,165,881</b>	<b>\$12,482,201</b>	<b>\$12,806,951</b>	<b>\$13,140,364</b>
<b>Net Operating Funds</b>	<b>\$6,440,231</b>	<b>\$6,652,370</b>	<b>\$6,871,577</b>	<b>\$7,098,090</b>	<b>\$7,332,159</b>	<b>\$7,574,039</b>	<b>\$7,823,996</b>	<b>\$8,082,306</b>	<b>\$8,349,253</b>	<b>\$8,625,132</b>	<b>\$8,910,246</b>
<b>Debt Service Coverage Ratio</b>	<b>2.6</b>	<b>2.7</b>	<b>2.8</b>	<b>2.9</b>	<b>3.0</b>	<b>3.1</b>	<b>3.2</b>	<b>3.3</b>	<b>3.4</b>	<b>3.5</b>	<b>3.6</b>
Debt payments - Initial	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258	\$2,460,258
<b>Net Cash Flow before CIP</b>	<b>\$3,979,973</b>	<b>\$4,192,112</b>	<b>\$4,411,319</b>	<b>\$4,637,832</b>	<b>\$4,871,901</b>	<b>\$5,113,781</b>	<b>\$5,363,738</b>	<b>\$5,622,048</b>	<b>\$5,888,995</b>	<b>\$6,164,874</b>	<b>\$6,449,988</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,952,544	\$2,003,311	\$2,055,397	\$2,108,837	\$2,163,667	\$2,219,922	\$2,277,640	\$2,336,859	\$2,397,617	\$2,459,955	\$2,523,914
<b>Total Expenses</b>	<b>\$14,582,403</b>	<b>\$14,896,427</b>	<b>\$15,218,753</b>	<b>\$15,549,606</b>	<b>\$15,889,217</b>	<b>\$16,237,822</b>	<b>\$16,595,666</b>	<b>\$16,962,998</b>	<b>\$17,340,076</b>	<b>\$17,727,164</b>	<b>\$18,124,535</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$2,027,428</b>	<b>\$2,188,802</b>	<b>\$2,355,922</b>	<b>\$2,528,995</b>	<b>\$2,708,234</b>	<b>\$2,893,859</b>	<b>\$3,086,098</b>	<b>\$3,285,190</b>	<b>\$3,491,378</b>	<b>\$3,704,919</b>	<b>\$3,926,075</b>
Net Revenue - Available for Mains Replacement	12.2%	12.8%	13.4%	14.0%	14.6%	15.1%	15.7%	16.2%	16.8%	17.3%	17.8%
Target Mains Replacement per Year	\$2,043,564	\$2,096,697	\$2,151,211	\$2,207,142	\$2,264,528	\$2,323,406	\$2,383,814	\$2,445,793	\$2,509,384	\$2,574,628	\$2,641,568
Cumulative Mains Replacement	\$15,167,619	\$17,356,420	\$19,712,343	\$22,241,338	\$24,949,572	\$27,843,430	\$30,929,529	\$34,214,718	\$37,706,097	\$41,411,015	\$45,337,090
Percent Total Mains Replacement Funded	34.9%	40.0%	45.4%	51.2%	57.4%	64.1%	71.2%	78.8%	86.8%	95.3%	104.4%



## Shoreline Muncpal Water Utility - Updated Case C

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$8,542,269	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$11,930,190	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$47,149,226	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,049,966	\$1,430,518				
Ongoing CIP	1	\$1,958,662	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,759,465	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$945,339	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$703,787	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,567,134	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$4,975,725</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$71,651	\$50,000	2012	2020		
<b>Tax Rates</b>							
State Tax		5.029%	Included in Existing SPU Rates				
City of Shoreline Tax		6.000%	Included in Existing SPU Rates				
<b>Scenario Selection</b>		<b>Selected</b>	<b>Base</b>	<b>Low</b>	<b>High</b>		
Escalation of Retail Rates	Base	5.0%	5.0%	3.0%	7.0%		
Escalation of Wholesale Rates	Base	3.5%	3.5%	2.5%	5.0%		
Escalation of Costs	Base	4.6%	4.6%	2.6%	6.6%		
Borrowing Cost	Base	5.0%	5.0%	4.0%	7.0%		
Borrowing term	Base	30	30	30	30		
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%		
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%		
Separation/Capital Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Operating Costs Sensitivity	Base	0.0%	0%	-10%	10%		
Water Supply Cost Sensitivity	Low	-10.0%	0%	-10%	10%		
Load Growth Sensitivity	Base	0.0%	0%	-0.5%	0.5%		
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5		
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%		
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%		
<b>Efficiency Savings</b>							
Upfront Costs	No	\$0	-\$390,000				
Labor	No	\$0	-\$267,325				
Materials & Supplies	No	\$0	\$0				
Employee Benefits	No	\$0	-\$76,415				
Administrative	No	\$0	\$0				

## Shoreline Municipal Water Utility - Updated Case C

### Revenue Forecast

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932	\$7,201,267	\$7,501,628	\$7,814,517	\$8,140,456	\$8,479,990
Multi-Family	\$958,677	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194	\$1,468,895	\$1,553,168	\$1,642,276	\$1,736,497	\$1,836,123
Commercial	\$1,452,391	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805	\$2,302,660	\$2,445,904	\$2,598,059	\$2,759,679	\$2,931,353
MMRD	\$224,812	\$273,622	\$292,744	\$313,827	\$335,951	\$350,985	\$366,692	\$383,101	\$400,245	\$418,156
Fire	\$139,497	\$151,974	\$163,411	\$176,060	\$189,419	\$198,890	\$208,834	\$219,276	\$230,240	\$241,752
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,754</u>	<u>\$201,210</u>	<u>\$216,478</u>	<u>\$227,302</u>	<u>\$238,667</u>	<u>\$250,600</u>	<u>\$263,130</u>	<u>\$276,286</u>
Total	\$8,458,920	\$9,017,751	\$9,573,610	\$10,369,764	\$11,211,779	\$11,749,998	\$12,314,893	\$12,907,829	\$13,530,247	\$14,183,661
<b>Average Rate</b>										
Residential	\$7.50	\$7.50	\$7.95	\$8.56	\$9.21	\$9.67	\$10.16	\$10.66	\$11.20	\$11.76
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.11	\$7.47	\$7.84	\$8.24	\$8.65	\$9.08
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.41	\$7.78	\$8.17	\$8.58	\$9.01	\$9.46
MMRD	\$5.88	\$6.12	\$6.59	\$7.09	\$7.63	\$8.01	\$8.42	\$8.84	\$9.28	\$9.74
Fire	\$700.99	\$190.56	\$204.90	\$220.76	\$237.51	\$249.39	\$261.86	\$274.95	\$288.70	\$303.13
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.87</u>	<u>\$5.24</u>	<u>\$5.64</u>	<u>\$5.92</u>	<u>\$6.22</u>	<u>\$6.53</u>	<u>\$6.86</u>	<u>\$7.20</u>
Total	\$6.81	\$6.80	\$7.23	\$7.84	\$8.48	\$8.90	\$9.34	\$9.80	\$10.28	\$10.78
<b>CCF</b>										
Residential	732,074	768,573	762,505	756,484	750,511	744,585	738,706	732,874	727,087	721,346
Multi-Family	180,889	191,226	192,569	193,921	195,283	196,654	198,034	199,425	200,825	202,235
Commercial	256,160	282,534	285,819	289,143	292,504	295,905	299,346	302,826	306,347	309,909
MMRD	38,208	44,679	44,456	44,233	44,012	43,792	43,573	43,355	43,138	42,923
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,324,512	1,322,945	1,321,474	1,320,100	1,318,823	1,317,643	1,316,561	1,315,576
<b>CCF per Customer</b>										
Residential	75.7	79.5	78.7	77.9	77.1	76.3	75.6	74.8	74.1	73.3
Multi-Family	766.5	810.3	806.2	802.2	798.2	794.2	790.2	786.3	782.3	778.4
Commercial	642.0	708.1	711.6	715.2	718.8	722.4	726.0	729.6	733.3	736.9
MMRD	9,552.0	11,169.8	11,113.9	11,058.3	11,003.0	10,948.0	10,893.3	10,838.8	10,784.6	10,730.7
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.1	120.7	120.2	119.8	119.4	119.0	118.7	118.3
<b>Customers</b>										
Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
Total	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

## Shoreline Municipal Water Utility - Updated Case C

### Revenue Forecast

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$8,833,686	\$9,245,498	\$9,676,508	\$10,127,611	\$10,599,743	\$11,093,886	\$11,611,065	\$12,152,354	\$12,718,877	\$13,311,810
Multi-Family	\$1,941,465	\$2,058,268	\$2,182,097	\$2,313,376	\$2,452,553	\$2,600,103	\$2,756,530	\$2,922,367	\$3,098,182	\$3,284,575
Commercial	\$3,113,707	\$3,299,178	\$3,495,696	\$3,703,920	\$3,924,546	\$4,158,315	\$4,406,008	\$4,668,455	\$4,946,535	\$5,241,180
MMRD	\$436,868	\$457,565	\$479,242	\$501,946	\$525,726	\$550,632	\$576,718	\$604,040	\$632,657	\$662,629
Fire	\$253,839	\$266,531	\$279,858	\$293,851	\$308,543	\$323,971	\$340,169	\$357,178	\$375,037	\$393,788
Other	<u>\$290,101</u>	<u>\$304,606</u>	<u>\$319,836</u>	<u>\$335,828</u>	<u>\$352,619</u>	<u>\$370,250</u>	<u>\$388,763</u>	<u>\$408,201</u>	<u>\$428,611</u>	<u>\$450,042</u>
Total	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023

### Average Rate

Residential	\$12.34	\$12.96	\$13.61	\$14.29	\$15.00	\$15.75	\$16.54	\$17.37	\$18.24	\$19.15
Multi-Family	\$9.53	\$10.01	\$10.51	\$11.04	\$11.59	\$12.17	\$12.78	\$13.41	\$14.08	\$14.79
Commercial	\$9.93	\$10.43	\$10.95	\$11.50	\$12.07	\$12.68	\$13.31	\$13.97	\$14.67	\$15.41
MMRD	\$10.23	\$10.74	\$11.28	\$11.84	\$12.43	\$13.06	\$13.71	\$14.39	\$15.11	\$15.87
Fire	\$318.29	\$334.21	\$350.92	\$368.46	\$386.88	\$406.23	\$426.54	\$447.87	\$470.26	\$493.77
Other	<u>\$7.56</u>	<u>\$7.94</u>	<u>\$8.34</u>	<u>\$8.75</u>	<u>\$9.19</u>	<u>\$9.65</u>	<u>\$10.13</u>	<u>\$10.64</u>	<u>\$11.17</u>	<u>\$11.73</u>
Total	\$11.31	\$11.87	\$12.45	\$13.07	\$13.71	\$14.39	\$15.10	\$15.84	\$16.62	\$17.44

### CCF

Residential	715,651	713,346	711,048	708,758	706,476	704,201	701,933	699,672	697,419	695,172
Multi-Family	203,655	205,626	207,616	209,625	211,654	213,702	215,770	217,859	219,967	222,096
Commercial	313,512	316,368	319,250	322,159	325,094	328,055	331,044	334,060	337,103	340,174
MMRD	42,708	42,601	42,495	42,389	42,283	42,177	42,072	41,966	41,861	41,757
Fire	798	798	798	798	798	798	798	798	798	798
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,314,689	1,317,104	1,319,573	1,322,094	1,324,669	1,327,298	1,329,982	1,332,720	1,335,514	1,338,363

### CCF per Customer

Residential	72.6	72.2	71.9	71.5	71.2	70.8	70.4	70.1	69.7	69.4
Multi-Family	774.5	772.6	770.7	768.7	766.8	764.9	763.0	761.1	759.2	757.3
Commercial	740.6	742.5	744.3	746.2	748.1	749.9	751.8	753.7	755.6	757.4
MMRD	10,677.0	10,650.4	10,623.7	10,597.2	10,570.7	10,544.3	10,517.9	10,491.6	10,465.4	10,439.2
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	117.9	117.9	117.9	117.8	117.8	117.8	117.8	117.8	117.8	117.8

### Customers

Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case C  
Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$13,932,385	\$14,629,004	\$15,360,454	\$16,128,477	\$16,934,901	\$17,781,646	\$18,670,728	\$19,604,264	\$20,584,477	\$21,613,701	\$22,694,386	
Multi-Family	\$3,474,583	\$3,700,137	\$3,940,332	\$4,196,119	\$4,468,511	\$4,758,586	\$5,067,490	\$5,396,447	\$5,746,759	\$6,119,811	\$6,517,080	
Commercial	\$5,553,374	\$5,869,492	\$6,203,603	\$6,556,734	\$6,929,966	\$7,324,444	\$7,741,376	\$8,182,042	\$8,647,792	\$9,140,054	\$9,660,338	
MMRD	\$694,021	\$728,722	\$765,158	\$803,416	\$843,587	\$885,766	\$930,055	\$976,557	\$1,025,385	\$1,076,654	\$1,130,487	
Fire	\$413,478	\$434,152	\$455,859	\$478,652	\$502,585	\$527,714	\$554,100	\$581,805	\$610,895	\$641,440	\$673,512	
Other	<u>\$472,544</u>	<u>\$496,171</u>	<u>\$520,979</u>	<u>\$547,028</u>	<u>\$574,380</u>	<u>\$603,099</u>	<u>\$633,254</u>	<u>\$664,916</u>	<u>\$698,162</u>	<u>\$733,070</u>	<u>\$769,724</u>	
Total	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526	
<b>Average Rate</b>												
Residential	\$20.11	\$21.11	\$22.17	\$23.28	\$24.44	\$25.66	\$26.94	\$28.29	\$29.71	\$31.19	\$32.75	
Multi-Family	\$15.53	\$16.30	\$17.12	\$17.98	\$18.87	\$19.82	\$20.81	\$21.85	\$22.94	\$24.09	\$25.29	
Commercial	\$16.18	\$16.99	\$17.84	\$18.73	\$19.66	\$20.65	\$21.68	\$22.76	\$23.90	\$25.10	\$26.35	
MMRD	\$16.66	\$17.50	\$18.37	\$19.29	\$20.25	\$21.27	\$22.33	\$23.45	\$24.62	\$25.85	\$27.14	
Fire	\$518.46	\$544.39	\$571.60	\$600.18	\$630.19	\$661.70	\$694.79	\$729.53	\$766.00	\$804.30	\$844.52	
Other	<u>\$12.32</u>	<u>\$12.93</u>	<u>\$13.58</u>	<u>\$14.26</u>	<u>\$14.97</u>	<u>\$15.72</u>	<u>\$16.51</u>	<u>\$17.33</u>	<u>\$18.20</u>	<u>\$19.11</u>	<u>\$20.06</u>	
Total	\$18.30	\$19.21	\$20.16	\$21.15	\$22.20	\$23.29	\$24.45	\$25.65	\$26.92	\$28.25	\$29.65	
<b>CCF</b>												
Residential	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	
Multi-Family	223,756	226,934	230,158	233,427	236,743	240,106	243,517	246,976	250,484	254,042	257,651	
Commercial	343,274	345,537	347,815	350,109	352,417	354,741	357,080	359,435	361,805	364,190	366,592	
MMRD	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	
Fire	798	798	798	798	798	798	798	798	798	798	798	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,340,779	1,346,221	1,351,723	1,357,286	1,362,910	1,368,597	1,374,346	1,380,160	1,386,038	1,391,982	1,397,992	0.2%
<b>CCF per Customer</b>												
Residential	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	-13%
Multi-Family	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	-7%
Commercial	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	7%
MMRD	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	-7%
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	0%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	117.7	118.1	118.5	119.0	119.4	119.8	120.2	120.6	121.1	121.5	121.9	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	

**Shoreline Municipal Water Utility - Updated Case C  
Revenue Forecast**

<b>Customer Growth</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
Multi-Family	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Commercial	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.13%	-0.12%	-0.11%	-0.10%	-0.10%	-0.09%	-0.08%	-0.07%
<b>Average Rate Increase</b>								
Residential	6.0%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	10.6%	10.4%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	7.6%	10.5%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case C**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Commercial	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>										
Residential	0.70%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%
Multi-Family	1.16%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.07%	0.18%	0.19%	0.19%	0.19%	0.20%	0.20%	0.21%	0.21%	0.21%
<b>Average Rate Increase</b>										
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case C**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>											
Residential	-0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.75%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.91%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.18%	0.41%	0.41%	0.41%	0.41%	0.42%	0.42%	0.42%	0.43%	0.43%	0.43%
<b>Average Rate Increase</b>											
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case C  
Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,759,465	\$1,840,401	\$1,925,059	\$2,013,612	\$2,106,238	\$2,203,125	\$2,304,469	\$2,410,475	\$2,521,356	\$2,637,339
Materials & Supplies	\$945,339	\$988,824	\$1,034,310	\$1,081,889	\$1,131,655	\$1,183,712	\$1,238,162	\$1,295,118	\$1,354,693	\$1,417,009
Employee Benefits	\$703,787	\$736,161	\$770,024	\$805,445	\$842,496	\$881,251	\$921,788	\$964,191	\$1,008,543	\$1,054,936
Administrative	\$1,567,134	\$1,639,222	\$1,714,626	\$1,793,499	\$1,876,000	\$1,962,296	\$2,052,561	\$2,146,979	\$2,245,740	\$2,349,044
Total	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	B3 \$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687
Upfront Costs	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076
Total Initial Debt	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
Amount Available for Cash CIP	\$2,164,428	\$2,502,706	\$2,861,537	\$3,242,135	\$3,645,786	\$4,073,851	\$4,527,771	\$5,009,069	\$5,519,359	\$6,060,349
Required CIP by Year	\$1,958,662	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Required CIP Funded by Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Mains Replacement - Equal Over 23 Years	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Percent of Mains Funded for the Year	17%	21%	32%	43%	53%	63%	73%	83%	92%	102%
Mains Replacement - Amount Funded	\$344,340	\$453,946	\$718,534	\$1,000,554	\$1,301,092	\$1,621,302	\$1,962,404	\$2,325,695	\$2,712,550	\$3,124,427
Total CIP By Year	\$2,164,428	\$2,502,706	\$2,861,537	\$3,242,135	\$3,645,786	\$4,073,851	\$4,527,771	\$5,009,069	\$5,519,359	\$6,060,349

DSC	1.7	1.8	1.9	2.1	2.2	2.3	2.5	2.6	2.8	3.0
Surplus	\$344,340	\$453,946	\$718,534	\$1,000,554	\$1,301,092	\$1,621,302	\$1,962,404	\$2,325,695	\$2,712,550	\$3,124,427
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$2,164,428	\$2,502,706	\$2,861,537	\$3,242,135	\$3,645,786	\$4,073,851	\$4,527,771	\$5,009,069	\$5,519,359	\$6,060,349
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



**Shoreline Municipal Water Utility - Updated Case C  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$2,758,656	\$2,885,555	\$3,018,290	\$3,157,131	\$3,302,359	\$3,454,268	\$3,613,164	\$3,779,370	\$3,953,221	\$4,135,069	\$4,325,282
Materials & Supplies	\$1,482,191	\$1,550,372	\$1,621,689	\$1,696,287	\$1,774,316	\$1,855,935	\$1,941,308	\$2,030,608	\$2,124,016	\$2,221,721	\$2,323,920
Employee Benefits	\$1,103,463	\$1,154,223	\$1,207,317	\$1,262,854	\$1,320,945	\$1,381,708	\$1,445,267	\$1,511,749	\$1,581,290	\$1,654,029	\$1,730,114
Administrative	\$2,457,100	\$2,570,127	\$2,688,353	\$2,812,017	\$2,941,370	\$3,076,673	\$3,218,200	\$3,366,237	\$3,521,084	\$3,683,053	\$3,852,474
Total	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687
Upfront Costs	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076
Total Initial Debt	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
Amount Available for Cash CIP	\$6,628,714	\$7,272,924	\$7,957,473	\$8,684,812	\$9,457,541	\$10,278,414	\$11,150,353	\$12,076,450	\$13,059,986	\$14,104,437	\$15,213,488
Required CIP by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Required CIP Funded by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Mains Replacement	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Percent of Mains Funded	111%	121%	131%	141%	150%	160%	169%	179%	188%	197%	206%
Mains Replacement - Amount Fun	\$3,557,739	\$4,060,684	\$4,597,470	\$5,170,249	\$5,781,308	\$6,433,075	\$7,128,128	\$7,869,203	\$8,659,205	\$9,501,221	\$10,398,523
Total CIP By Year	\$6,628,714	\$7,272,924	\$7,957,473	\$8,684,812	\$9,457,541	\$10,278,414	\$11,150,353	\$12,076,450	\$13,059,986	\$14,104,437	\$15,213,488

DSC	3.2	3.4	3.6	3.8	4.1	4.4	4.6	4.9	5.3	5.6	6.0
Surplus	\$3,557,739	\$4,060,684	\$4,597,470	\$5,170,249	\$5,781,308	\$6,433,075	\$7,128,128	\$7,869,203	\$8,659,205	\$9,501,221	\$10,398,523
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$6,628,714	\$7,272,924	\$7,957,473	\$8,684,812	\$9,457,541	\$10,278,414	\$11,150,353	\$12,076,450	\$13,059,986	\$14,104,437	\$15,213,488
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case C**  
**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	576,122	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	738,567	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,314,689		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	665,421	44%	<- Based on same % split from 2011 loads
Off-peak months	853,045	56%	<- Based on same % split from 2011 loads
Total	1,518,466		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,510,505						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,305,159						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,815,664	\$2,911,182	\$3,010,159	\$3,112,728	\$3,219,027	\$3,329,201	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Muncipal Water Utility - Updated Case C  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
Use of Facilities Charges	\$71,651	\$75,234	\$78,995	\$82,945	\$87,092	\$91,447	\$96,019	\$100,820	\$105,861	\$111,155
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$14,941,318</b>	<b>\$15,706,879</b>	<b>\$16,512,232</b>	<b>\$17,359,476</b>	<b>\$18,250,823</b>	<b>\$19,188,604</b>	<b>\$20,175,272</b>	<b>\$21,213,416</b>	<b>\$22,305,760</b>	<b>\$23,455,178</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,099,059	\$3,213,420	\$3,332,122	\$3,455,337	\$3,583,239	\$3,716,013	\$3,853,849	\$3,996,946	\$4,145,511	\$4,299,757
Non-Supply O&M	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$747,796	\$786,115	\$826,427	\$868,837	\$913,454	\$960,396	\$1,009,786	\$1,061,752	\$1,116,433	\$1,173,971
City of Shoreline Tax Expense (franchise fee)	\$892,180	\$937,899	\$985,994	\$1,036,592	\$1,089,824	\$1,145,829	\$1,204,755	\$1,266,756	\$1,331,994	\$1,400,641
<b>Total Operating Expenses</b>	<b>\$9,714,759</b>	<b>\$10,142,042</b>	<b>\$10,588,564</b>	<b>\$11,055,210</b>	<b>\$11,542,906</b>	<b>\$12,052,621</b>	<b>\$12,585,371</b>	<b>\$13,142,216</b>	<b>\$13,724,270</b>	<b>\$14,332,697</b>
<b>Net Operating Funds</b>	<b>\$5,226,559</b>	<b>\$5,564,837</b>	<b>\$5,923,668</b>	<b>\$6,304,266</b>	<b>\$6,707,917</b>	<b>\$7,135,982</b>	<b>\$7,589,902</b>	<b>\$8,071,200</b>	<b>\$8,581,490</b>	<b>\$9,122,480</b>
<b>Debt Service Coverage Ratio</b>	<b>1.7</b>	<b>1.8</b>	<b>1.9</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>	<b>2.5</b>	<b>2.6</b>	<b>2.8</b>	<b>3.0</b>
Debt payments - Initial	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
<b>Net Cash Flow before CIP</b>	<b>\$2,164,428</b>	<b>\$2,502,706</b>	<b>\$2,861,537</b>	<b>\$3,242,135</b>	<b>\$3,645,786</b>	<b>\$4,073,851</b>	<b>\$4,527,771</b>	<b>\$5,009,069</b>	<b>\$5,519,359</b>	<b>\$6,060,349</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$14,596,978</b>	<b>\$15,252,933</b>	<b>\$15,793,698</b>	<b>\$16,358,922</b>	<b>\$16,949,731</b>	<b>\$17,567,302</b>	<b>\$18,212,869</b>	<b>\$18,887,721</b>	<b>\$19,593,210</b>	<b>\$20,330,751</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$344,340</b>	<b>\$453,946</b>	<b>\$718,534</b>	<b>\$1,000,554</b>	<b>\$1,301,092</b>	<b>\$1,621,302</b>	<b>\$1,962,404</b>	<b>\$2,325,695</b>	<b>\$2,712,550</b>	<b>\$3,124,427</b>
Net Revenue as Percent of Total Revenue	2.3%	2.9%	4.4%	5.8%	7.1%	8.4%	9.7%	11.0%	12.2%	13.3%
Target Mains Replacement per Year	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Cumulative Mains Replacement	\$344,340	\$798,286	\$1,516,820	\$2,517,374	\$3,818,467	\$5,439,768	\$7,402,172	\$9,727,867	\$12,440,417	\$15,564,843
Percent Total Mains Replacement Funded	0.5%	1.1%	2.2%	3.6%	5.5%	7.8%	10.6%	13.9%	17.8%	22.2%

**Shoreline Municipal Water Utility - Updated Case C  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526
Use of Facilities Charges	\$116,712	\$122,548	\$128,675	\$135,109	\$141,864	\$148,958	\$156,406	\$164,226	\$172,437	\$181,059	\$190,112
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$24,657,097</b>	<b>\$25,980,225</b>	<b>\$27,375,061</b>	<b>\$28,845,536</b>	<b>\$30,395,794</b>	<b>\$32,030,211</b>	<b>\$33,753,408</b>	<b>\$35,570,258</b>	<b>\$37,485,908</b>	<b>\$39,505,790</b>	<b>\$41,635,638</b>
<b>Expenses</b>											
Wholesale Water Supply	\$4,458,282	\$4,633,050	\$4,814,805	\$5,003,831	\$5,200,426	\$5,404,899	\$5,617,572	\$5,838,782	\$6,068,878	\$6,308,225	\$6,557,203
Non-Supply O&M	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,234,136	\$1,300,383	\$1,370,221	\$1,443,847	\$1,521,470	\$1,603,308	\$1,689,593	\$1,780,569	\$1,876,494	\$1,977,641	\$2,084,296
City of Shoreline Tax Expense (franchise fee)	\$1,472,423	\$1,551,461	\$1,634,783	\$1,722,626	\$1,815,236	\$1,912,875	\$2,015,820	\$2,124,362	\$2,238,808	\$2,359,484	\$2,486,732
<b>Total Operating Expenses</b>	<b>\$14,966,252</b>	<b>\$15,645,170</b>	<b>\$16,355,458</b>	<b>\$17,098,593</b>	<b>\$17,876,122</b>	<b>\$18,689,666</b>	<b>\$19,540,924</b>	<b>\$20,431,677</b>	<b>\$21,363,791</b>	<b>\$22,339,222</b>	<b>\$23,360,020</b>
<b>Net Operating Funds</b>	<b>\$9,690,845</b>	<b>\$10,335,055</b>	<b>\$11,019,604</b>	<b>\$11,746,943</b>	<b>\$12,519,672</b>	<b>\$13,340,545</b>	<b>\$14,212,484</b>	<b>\$15,138,581</b>	<b>\$16,122,117</b>	<b>\$17,166,568</b>	<b>\$18,275,619</b>
<b>Debt Service Coverage Ratio</b>	<b>3.2</b>	<b>3.4</b>	<b>3.6</b>	<b>3.8</b>	<b>4.1</b>	<b>4.4</b>	<b>4.6</b>	<b>4.9</b>	<b>5.3</b>	<b>5.6</b>	<b>6.0</b>
Debt payments - Initial	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
<b>Net Cash Flow before CIP</b>	<b>\$6,628,714</b>	<b>\$7,272,924</b>	<b>\$7,957,473</b>	<b>\$8,684,812</b>	<b>\$9,457,541</b>	<b>\$10,278,414</b>	<b>\$11,150,353</b>	<b>\$12,076,450</b>	<b>\$13,059,986</b>	<b>\$14,104,437</b>	<b>\$15,213,488</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
<b>Total Expenses</b>	<b>\$21,099,358</b>	<b>\$21,919,540</b>	<b>\$22,777,591</b>	<b>\$23,675,287</b>	<b>\$24,614,486</b>	<b>\$25,597,136</b>	<b>\$26,625,280</b>	<b>\$27,701,055</b>	<b>\$28,826,702</b>	<b>\$30,004,569</b>	<b>\$31,237,115</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$3,557,739</b>	<b>\$4,060,684</b>	<b>\$4,597,470</b>	<b>\$5,170,249</b>	<b>\$5,781,308</b>	<b>\$6,433,075</b>	<b>\$7,128,128</b>	<b>\$7,869,203</b>	<b>\$8,659,205</b>	<b>\$9,501,221</b>	<b>\$10,398,523</b>
Net Revenue - Available for Mains Replacement	14.4%	15.6%	16.8%	17.9%	19.0%	20.1%	21.1%	22.1%	23.1%	24.1%	25.0%
Target Mains Replacement per Year	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Cumulative Mains Replacement	\$19,122,582	\$23,183,267	\$27,780,737	\$32,950,986	\$38,732,294	\$45,165,369	\$52,293,496	\$60,162,699	\$68,821,904	\$78,323,125	\$88,721,648
Percent Total Mains Replacement Funded	27.3%	33.1%	39.7%	47.1%	55.3%	64.5%	74.7%	85.9%	98.3%	111.8%	126.7%

## Shoreline Muncpal Water Utility - Updated Case D

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$8,460,914	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$11,816,569	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$47,149,226	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,049,966	\$1,430,518				
Ongoing CIP	1	\$1,958,662	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,759,465	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$945,339	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$703,787	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,567,134	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$4,975,725</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$71,651	\$50,000	2012	2020		
<b>Tax Rates</b>							
State Tax		5.029%	Included in Existing SPU Rates				
City of Shoreline Tax		6.000%	Included in Existing SPU Rates				
<b>Scenario Selection</b>		<b>Selected</b>	<b>Base</b>	<b>Low</b>	<b>High</b>		
Escalation of Retail Rates	Base	5.0%	5.0%	3.0%	7.0%		
Escalation of Wholesale Rates	Base	3.5%	3.5%	2.5%	5.0%		
Escalation of Costs	Base	4.6%	4.6%	2.6%	6.6%		
Borrowing Cost	Low	4.0%	5.0%	4.0%	7.0%		
Borrowing term	Base	30	30	30	30		
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%		
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%		
Separation/Capital Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Operating Costs Sensitivity	Base	0.0%	0%	-10%	10%		
Water Supply Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Load Growth Sensitivity	Base	0.0%	0%	-0.5%	0.5%		
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5		
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%		
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%		
<b>Efficiency Savings</b>							
Upfront Costs	No	\$0	-\$390,000				
Labor	No	\$0	-\$267,325				
Materials & Supplies	No	\$0	\$0				
Employee Benefits	No	\$0	-\$76,415				
Administrative	No	\$0	\$0				

## Shoreline Municipal Water Utility - Updated Case D

### Revenue Forecast

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932	\$7,201,267	\$7,501,628	\$7,814,517	\$8,140,456	\$8,479,990
Multi-Family	\$958,677	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194	\$1,468,895	\$1,553,168	\$1,642,276	\$1,736,497	\$1,836,123
Commercial	\$1,452,391	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805	\$2,302,660	\$2,445,904	\$2,598,059	\$2,759,679	\$2,931,353
MMRD	\$224,812	\$273,622	\$292,744	\$313,827	\$335,951	\$350,985	\$366,692	\$383,101	\$400,245	\$418,156
Fire	\$139,497	\$151,974	\$163,411	\$176,060	\$189,419	\$198,890	\$208,834	\$219,276	\$230,240	\$241,752
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,754</u>	<u>\$201,210</u>	<u>\$216,478</u>	<u>\$227,302</u>	<u>\$238,667</u>	<u>\$250,600</u>	<u>\$263,130</u>	<u>\$276,286</u>
Total	\$8,458,920	\$9,017,751	\$9,573,610	\$10,369,764	\$11,211,779	\$11,749,998	\$12,314,893	\$12,907,829	\$13,530,247	\$14,183,661

### Average Rate

Residential	\$7.50	\$7.50	\$7.95	\$8.56	\$9.21	\$9.67	\$10.16	\$10.66	\$11.20	\$11.76
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.11	\$7.47	\$7.84	\$8.24	\$8.65	\$9.08
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.41	\$7.78	\$8.17	\$8.58	\$9.01	\$9.46
MMRD	\$5.88	\$6.12	\$6.59	\$7.09	\$7.63	\$8.01	\$8.42	\$8.84	\$9.28	\$9.74
Fire	\$700.99	\$190.56	\$204.90	\$220.76	\$237.51	\$249.39	\$261.86	\$274.95	\$288.70	\$303.13
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.87</u>	<u>\$5.24</u>	<u>\$5.64</u>	<u>\$5.92</u>	<u>\$6.22</u>	<u>\$6.53</u>	<u>\$6.86</u>	<u>\$7.20</u>
Total	\$6.81	\$6.80	\$7.23	\$7.84	\$8.48	\$8.90	\$9.34	\$9.80	\$10.28	\$10.78

### CCF

Residential	732,074	768,573	762,505	756,484	750,511	744,585	738,706	732,874	727,087	721,346
Multi-Family	180,889	191,226	192,569	193,921	195,283	196,654	198,034	199,425	200,825	202,235
Commercial	256,160	282,534	285,819	289,143	292,504	295,905	299,346	302,826	306,347	309,909
MMRD	38,208	44,679	44,456	44,233	44,012	43,792	43,573	43,355	43,138	42,923
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,324,512	1,322,945	1,321,474	1,320,100	1,318,823	1,317,643	1,316,561	1,315,576

### CCF per Customer

Residential	75.7	79.5	78.7	77.9	77.1	76.3	75.6	74.8	74.1	73.3
Multi-Family	766.5	810.3	806.2	802.2	798.2	794.2	790.2	786.3	782.3	778.4
Commercial	642.0	708.1	711.6	715.2	718.8	722.4	726.0	729.6	733.3	736.9
MMRD	9,552.0	11,169.8	11,113.9	11,058.3	11,003.0	10,948.0	10,893.3	10,838.8	10,784.6	10,730.7
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.1	120.7	120.2	119.8	119.4	119.0	118.7	118.3

### Customers

Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
Total	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

## Shoreline Municipal Water Utility - Updated Case D

### Revenue Forecast

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$8,833,686	\$9,245,498	\$9,676,508	\$10,127,611	\$10,599,743	\$11,093,886	\$11,611,065	\$12,152,354	\$12,718,877	\$13,311,810
Multi-Family	\$1,941,465	\$2,058,268	\$2,182,097	\$2,313,376	\$2,452,553	\$2,600,103	\$2,756,530	\$2,922,367	\$3,098,182	\$3,284,575
Commercial	\$3,113,707	\$3,299,178	\$3,495,696	\$3,703,920	\$3,924,546	\$4,158,315	\$4,406,008	\$4,668,455	\$4,946,535	\$5,241,180
MMRD	\$436,868	\$457,565	\$479,242	\$501,946	\$525,726	\$550,632	\$576,718	\$604,040	\$632,657	\$662,629
Fire	\$253,839	\$266,531	\$279,858	\$293,851	\$308,543	\$323,971	\$340,169	\$357,178	\$375,037	\$393,788
Other	<u>\$290,101</u>	<u>\$304,606</u>	<u>\$319,836</u>	<u>\$335,828</u>	<u>\$352,619</u>	<u>\$370,250</u>	<u>\$388,763</u>	<u>\$408,201</u>	<u>\$428,611</u>	<u>\$450,042</u>
Total	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
<b>Average Rate</b>										
Residential	\$12.34	\$12.96	\$13.61	\$14.29	\$15.00	\$15.75	\$16.54	\$17.37	\$18.24	\$19.15
Multi-Family	\$9.53	\$10.01	\$10.51	\$11.04	\$11.59	\$12.17	\$12.78	\$13.41	\$14.08	\$14.79
Commercial	\$9.93	\$10.43	\$10.95	\$11.50	\$12.07	\$12.68	\$13.31	\$13.97	\$14.67	\$15.41
MMRD	\$10.23	\$10.74	\$11.28	\$11.84	\$12.43	\$13.06	\$13.71	\$14.39	\$15.11	\$15.87
Fire	\$318.29	\$334.21	\$350.92	\$368.46	\$386.88	\$406.23	\$426.54	\$447.87	\$470.26	\$493.77
Other	<u>\$7.56</u>	<u>\$7.94</u>	<u>\$8.34</u>	<u>\$8.75</u>	<u>\$9.19</u>	<u>\$9.65</u>	<u>\$10.13</u>	<u>\$10.64</u>	<u>\$11.17</u>	<u>\$11.73</u>
Total	\$11.31	\$11.87	\$12.45	\$13.07	\$13.71	\$14.39	\$15.10	\$15.84	\$16.62	\$17.44
<b>CCF</b>										
Residential	715,651	713,346	711,048	708,758	706,476	704,201	701,933	699,672	697,419	695,172
Multi-Family	203,655	205,626	207,616	209,625	211,654	213,702	215,770	217,859	219,967	222,096
Commercial	313,512	316,368	319,250	322,159	325,094	328,055	331,044	334,060	337,103	340,174
MMRD	42,708	42,601	42,495	42,389	42,283	42,177	42,072	41,966	41,861	41,757
Fire	798	798	798	798	798	798	798	798	798	798
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,314,689	1,317,104	1,319,573	1,322,094	1,324,669	1,327,298	1,329,982	1,332,720	1,335,514	1,338,363
<b>CCF per Customer</b>										
Residential	72.6	72.2	71.9	71.5	71.2	70.8	70.4	70.1	69.7	69.4
Multi-Family	774.5	772.6	770.7	768.7	766.8	764.9	763.0	761.1	759.2	757.3
Commercial	740.6	742.5	744.3	746.2	748.1	749.9	751.8	753.7	755.6	757.4
MMRD	10,677.0	10,650.4	10,623.7	10,597.2	10,570.7	10,544.3	10,517.9	10,491.6	10,465.4	10,439.2
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	117.9	117.9	117.9	117.8	117.8	117.8	117.8	117.8	117.8	117.8
<b>Customers</b>										
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case D**

**Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$13,932,385	\$14,629,004	\$15,360,454	\$16,128,477	\$16,934,901	\$17,781,646	\$18,670,728	\$19,604,264	\$20,584,477	\$21,613,701	\$22,694,386	
Multi-Family	\$3,474,583	\$3,700,137	\$3,940,332	\$4,196,119	\$4,468,511	\$4,758,586	\$5,067,490	\$5,396,447	\$5,746,759	\$6,119,811	\$6,517,080	
Commercial	\$5,553,374	\$5,869,492	\$6,203,603	\$6,556,734	\$6,929,966	\$7,324,444	\$7,741,376	\$8,182,042	\$8,647,792	\$9,140,054	\$9,660,338	
MMRD	\$694,021	\$728,722	\$765,158	\$803,416	\$843,587	\$885,766	\$930,055	\$976,557	\$1,025,385	\$1,076,654	\$1,130,487	
Fire	\$413,478	\$434,152	\$455,859	\$478,652	\$502,585	\$527,714	\$554,100	\$581,805	\$610,895	\$641,440	\$673,512	
Other	<u>\$472,544</u>	<u>\$496,171</u>	<u>\$520,979</u>	<u>\$547,028</u>	<u>\$574,380</u>	<u>\$603,099</u>	<u>\$633,254</u>	<u>\$664,916</u>	<u>\$698,162</u>	<u>\$733,070</u>	<u>\$769,724</u>	
Total	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526	
<b>Average Rate</b>												
Residential	\$20.11	\$21.11	\$22.17	\$23.28	\$24.44	\$25.66	\$26.94	\$28.29	\$29.71	\$31.19	\$32.75	
Multi-Family	\$15.53	\$16.30	\$17.12	\$17.98	\$18.87	\$19.82	\$20.81	\$21.85	\$22.94	\$24.09	\$25.29	
Commercial	\$16.18	\$16.99	\$17.84	\$18.73	\$19.66	\$20.65	\$21.68	\$22.76	\$23.90	\$25.10	\$26.35	
MMRD	\$16.66	\$17.50	\$18.37	\$19.29	\$20.25	\$21.27	\$22.33	\$23.45	\$24.62	\$25.85	\$27.14	
Fire	\$518.46	\$544.39	\$571.60	\$600.18	\$630.19	\$661.70	\$694.79	\$729.53	\$766.00	\$804.30	\$844.52	
Other	<u>\$12.32</u>	<u>\$12.93</u>	<u>\$13.58</u>	<u>\$14.26</u>	<u>\$14.97</u>	<u>\$15.72</u>	<u>\$16.51</u>	<u>\$17.33</u>	<u>\$18.20</u>	<u>\$19.11</u>	<u>\$20.06</u>	
Total	\$18.30	\$19.21	\$20.16	\$21.15	\$22.20	\$23.29	\$24.45	\$25.65	\$26.92	\$28.25	\$29.65	
<b>CCF</b>												
Residential	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	
Multi-Family	223,756	226,934	230,158	233,427	236,743	240,106	243,517	246,976	250,484	254,042	257,651	
Commercial	343,274	345,537	347,815	350,109	352,417	354,741	357,080	359,435	361,805	364,190	366,592	
MMRD	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	
Fire	798	798	798	798	798	798	798	798	798	798	798	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,340,779	1,346,221	1,351,723	1,357,286	1,362,910	1,368,597	1,374,346	1,380,160	1,386,038	1,391,982	1,397,992	0.2%
<b>CCF per Customer</b>												
Residential	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	-13%
Multi-Family	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	-7%
Commercial	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	7%
MMRD	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	-7%
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	0%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	117.7	118.1	118.5	119.0	119.4	119.8	120.2	120.6	121.1	121.5	121.9	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	



**Shoreline Municipal Water Utility - Updated Case D**

**Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
Multi-Family	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Commercial	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.13%	-0.12%	-0.11%	-0.10%	-0.10%	-0.09%	-0.08%	-0.07%
<b>Average Rate Increase</b>								
Residential	6.0%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	10.6%	10.4%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	7.6%	10.5%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case D**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Commercial	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>										
Residential	0.70%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%
Multi-Family	1.16%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.07%	0.18%	0.19%	0.19%	0.19%	0.20%	0.20%	0.21%	0.21%	0.21%
<b>Average Rate Increase</b>										
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case D**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>											
Residential	-0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.75%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.91%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.18%	0.41%	0.41%	0.41%	0.41%	0.42%	0.42%	0.42%	0.43%	0.43%	0.43%
<b>Average Rate Increase</b>											
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case D  
Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,759,465	\$1,840,401	\$1,925,059	\$2,013,612	\$2,106,238	\$2,203,125	\$2,304,469	\$2,410,475	\$2,521,356	\$2,637,339
Materials & Supplies	\$945,339	\$988,824	\$1,034,310	\$1,081,889	\$1,131,655	\$1,183,712	\$1,238,162	\$1,295,118	\$1,354,693	\$1,417,009
Employee Benefits	\$703,787	\$736,161	\$770,024	\$805,445	\$842,496	\$881,251	\$921,788	\$964,191	\$1,008,543	\$1,054,936
Administrative	\$1,567,134	\$1,639,222	\$1,714,626	\$1,793,499	\$1,876,000	\$1,962,296	\$2,052,561	\$2,146,979	\$2,245,740	\$2,349,044
Total	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281
Separation Cost	B3 \$489,295	\$489,295	\$489,295	\$489,295	\$489,295	\$489,295	\$489,295	\$489,295	\$489,295	\$489,295
Upfront Costs	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353
Total Initial Debt	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929
Amount Available for Cash CIP	\$2,171,289	\$2,496,861	\$2,842,503	\$3,209,410	\$3,598,850	\$4,012,163	\$4,450,767	\$4,916,165	\$5,409,948	\$5,933,800
Required CIP by Year	\$1,958,662	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Required CIP Funded by Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Mains Replacement - Equal Over 23 Years	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Percent of Mains Funded for the Year	17%	21%	31%	41%	51%	61%	70%	80%	89%	98%
Mains Replacement - Amount Funded	\$351,201	\$448,101	\$699,500	\$967,829	\$1,254,156	\$1,559,613	\$1,885,400	\$2,232,791	\$2,603,139	\$2,997,878
Total CIP By Year	\$2,171,289	\$2,496,861	\$2,842,503	\$3,209,410	\$3,598,850	\$4,012,163	\$4,450,767	\$4,916,165	\$5,409,948	\$5,933,800

DSC	1.8	1.9	2.0	2.2	2.3	2.5	2.6	2.8	3.0	3.2
Surplus	\$351,201	\$448,101	\$699,500	\$967,829	\$1,254,156	\$1,559,613	\$1,885,400	\$2,232,791	\$2,603,139	\$2,997,878
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$2,171,289	\$2,496,861	\$2,842,503	\$3,209,410	\$3,598,850	\$4,012,163	\$4,450,767	\$4,916,165	\$5,409,948	\$5,933,800
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case D  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$2,758,656	\$2,885,555	\$3,018,290	\$3,157,131	\$3,302,359	\$3,454,268	\$3,613,164	\$3,779,370	\$3,953,221	\$4,135,069	\$4,325,282
Materials & Supplies	\$1,482,191	\$1,550,372	\$1,621,689	\$1,696,287	\$1,774,316	\$1,855,935	\$1,941,308	\$2,030,608	\$2,124,016	\$2,221,721	\$2,323,920
Employee Benefits	\$1,103,463	\$1,154,223	\$1,207,317	\$1,262,854	\$1,320,945	\$1,381,708	\$1,445,267	\$1,511,749	\$1,581,290	\$1,654,029	\$1,730,114
Administrative	\$2,457,100	\$2,570,127	\$2,688,353	\$2,812,017	\$2,941,370	\$3,076,673	\$3,218,200	\$3,366,237	\$3,521,084	\$3,683,053	\$3,852,474
Total	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281	\$1,538,281
Separation Cost	\$489,295	\$489,295	\$489,295	\$489,295	\$489,295	\$489,295	\$489,295	\$489,295	\$489,295	\$489,295	\$489,295
Upfront Costs	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353	\$683,353
Total Initial Debt	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929
Amount Available for Cash CIP	\$6,484,551	\$7,109,342	\$7,773,696	\$8,480,032	\$9,230,917	\$10,029,072	\$10,877,379	\$11,778,898	\$12,736,868	\$13,754,725	\$14,836,111
Required CIP by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Required CIP Funded by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Mains Replacement	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Percent of Mains Funded	106%	116%	126%	135%	144%	154%	163%	172%	181%	190%	199%
Mains Replacement - Amount Fun	\$3,413,576	\$3,897,103	\$4,413,693	\$4,965,469	\$5,554,684	\$6,183,732	\$6,855,154	\$7,571,651	\$8,336,087	\$9,151,508	\$10,021,146
Total CIP By Year	\$6,484,551	\$7,109,342	\$7,773,696	\$8,480,032	\$9,230,917	\$10,029,072	\$10,877,379	\$11,778,898	\$12,736,868	\$13,754,725	\$14,836,111

DSC	3.4	3.6	3.9	4.1	4.4	4.7	5.0	5.3	5.7	6.1	6.5
Surplus	\$3,413,576	\$3,897,103	\$4,413,693	\$4,965,469	\$5,554,684	\$6,183,732	\$6,855,154	\$7,571,651	\$8,336,087	\$9,151,508	\$10,021,146
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$6,484,551	\$7,109,342	\$7,773,696	\$8,480,032	\$9,230,917	\$10,029,072	\$10,877,379	\$11,778,898	\$12,736,868	\$13,754,725	\$14,836,111
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case D**

**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	576,122	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	738,567	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,314,689		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	665,421	44%	<- Based on same % split from 2011 loads
Off-peak months	853,045	56%	<- Based on same % split from 2011 loads
Total	1,518,466		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,510,505						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,305,159						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,815,664	\$2,911,182	\$3,010,159	\$3,112,728	\$3,219,027	\$3,329,201	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Case D  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
Use of Facilities Charges	\$71,651	\$75,234	\$78,995	\$82,945	\$87,092	\$91,447	\$96,019	\$100,820	\$105,861	\$111,155
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$14,941,318</b>	<b>\$15,706,879</b>	<b>\$16,512,232</b>	<b>\$17,359,476</b>	<b>\$18,250,823</b>	<b>\$19,188,604</b>	<b>\$20,175,272</b>	<b>\$21,213,416</b>	<b>\$22,305,760</b>	<b>\$23,455,178</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,443,399	\$3,570,466	\$3,702,358	\$3,839,263	\$3,981,377	\$4,128,903	\$4,282,055	\$4,441,051	\$4,606,123	\$4,777,508
Non-Supply O&M	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$747,796	\$786,115	\$826,427	\$868,837	\$913,454	\$960,396	\$1,009,786	\$1,061,752	\$1,116,433	\$1,173,971
City of Shoreline Tax Expense (franchise fee)	\$892,180	\$937,899	\$985,994	\$1,036,592	\$1,089,824	\$1,145,829	\$1,204,755	\$1,266,756	\$1,331,994	\$1,400,641
<b>Total Operating Expenses</b>	<b>\$10,059,099</b>	<b>\$10,499,088</b>	<b>\$10,958,800</b>	<b>\$11,439,136</b>	<b>\$11,941,044</b>	<b>\$12,465,512</b>	<b>\$13,013,576</b>	<b>\$13,586,321</b>	<b>\$14,184,883</b>	<b>\$14,810,448</b>
<b>Net Operating Funds</b>	<b>\$4,882,219</b>	<b>\$5,207,791</b>	<b>\$5,553,432</b>	<b>\$5,920,340</b>	<b>\$6,309,780</b>	<b>\$6,723,092</b>	<b>\$7,161,696</b>	<b>\$7,627,095</b>	<b>\$8,120,878</b>	<b>\$8,644,729</b>
<b>Debt Service Coverage Ratio</b>	<b>1.8</b>	<b>1.9</b>	<b>2.0</b>	<b>2.2</b>	<b>2.3</b>	<b>2.5</b>	<b>2.6</b>	<b>2.8</b>	<b>3.0</b>	<b>3.2</b>
Debt payments - Initial	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929
<b>Net Cash Flow before CIP</b>	<b>\$2,171,289</b>	<b>\$2,496,861</b>	<b>\$2,842,503</b>	<b>\$3,209,410</b>	<b>\$3,598,850</b>	<b>\$4,012,163</b>	<b>\$4,450,767</b>	<b>\$4,916,165</b>	<b>\$5,409,948</b>	<b>\$5,933,800</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$14,590,117</b>	<b>\$15,258,778</b>	<b>\$15,812,732</b>	<b>\$16,391,647</b>	<b>\$16,996,667</b>	<b>\$17,628,991</b>	<b>\$18,289,873</b>	<b>\$18,980,625</b>	<b>\$19,702,621</b>	<b>\$20,457,300</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$351,201</b>	<b>\$448,101</b>	<b>\$699,500</b>	<b>\$967,829</b>	<b>\$1,254,156</b>	<b>\$1,559,613</b>	<b>\$1,885,400</b>	<b>\$2,232,791</b>	<b>\$2,603,139</b>	<b>\$2,997,878</b>
Net Revenue as Percent of Total Revenue	2.4%	2.9%	4.2%	5.6%	6.9%	8.1%	9.3%	10.5%	11.7%	12.8%
Target Mains Replacement per Year	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Cumulative Mains Replacement	\$351,201	\$799,303	\$1,498,802	\$2,466,632	\$3,720,788	\$5,280,401	\$7,165,800	\$9,398,592	\$12,001,731	\$14,999,608
Percent Total Mains Replacement Funded	0.5%	1.1%	2.1%	3.5%	5.3%	7.5%	10.2%	13.4%	17.1%	21.4%

**Shoreline Municipal Water Utility - Updated Case D  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526
Use of Facilities Charges	\$116,712	\$122,548	\$128,675	\$135,109	\$141,864	\$148,958	\$156,406	\$164,226	\$172,437	\$181,059	\$190,112
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$24,657,097</b>	<b>\$25,980,225</b>	<b>\$27,375,061</b>	<b>\$28,845,536</b>	<b>\$30,395,794</b>	<b>\$32,030,211</b>	<b>\$33,753,408</b>	<b>\$35,570,258</b>	<b>\$37,485,908</b>	<b>\$39,505,790</b>	<b>\$41,635,638</b>
<b>Expenses</b>											
Wholesale Water Supply	\$4,953,646	\$5,147,834	\$5,349,783	\$5,559,812	\$5,778,251	\$6,005,443	\$6,241,747	\$6,487,536	\$6,743,198	\$7,009,139	\$7,285,781
Non-Supply O&M	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,234,136	\$1,300,383	\$1,370,221	\$1,443,847	\$1,521,470	\$1,603,308	\$1,689,593	\$1,780,569	\$1,876,494	\$1,977,641	\$2,084,296
City of Shoreline Tax Expense (franchise fee)	\$1,472,423	\$1,551,461	\$1,634,783	\$1,722,626	\$1,815,236	\$1,912,875	\$2,015,820	\$2,124,362	\$2,238,808	\$2,359,484	\$2,486,732
<b>Total Operating Expenses</b>	<b>\$15,461,617</b>	<b>\$16,159,953</b>	<b>\$16,890,436</b>	<b>\$17,654,574</b>	<b>\$18,453,947</b>	<b>\$19,290,210</b>	<b>\$20,165,099</b>	<b>\$21,080,431</b>	<b>\$22,038,111</b>	<b>\$23,040,135</b>	<b>\$24,088,598</b>
<b>Net Operating Funds</b>	<b>\$9,195,480</b>	<b>\$9,820,272</b>	<b>\$10,484,625</b>	<b>\$11,190,961</b>	<b>\$11,941,847</b>	<b>\$12,740,001</b>	<b>\$13,588,309</b>	<b>\$14,489,827</b>	<b>\$15,447,797</b>	<b>\$16,465,654</b>	<b>\$17,547,040</b>
<b>Debt Service Coverage Ratio</b>	<b>3.4</b>	<b>3.6</b>	<b>3.9</b>	<b>4.1</b>	<b>4.4</b>	<b>4.7</b>	<b>5.0</b>	<b>5.3</b>	<b>5.7</b>	<b>6.1</b>	<b>6.5</b>
Debt payments - Initial	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929	\$2,710,929
<b>Net Cash Flow before CIP</b>	<b>\$6,484,551</b>	<b>\$7,109,342</b>	<b>\$7,773,696</b>	<b>\$8,480,032</b>	<b>\$9,230,917</b>	<b>\$10,029,072</b>	<b>\$10,877,379</b>	<b>\$11,778,898</b>	<b>\$12,736,868</b>	<b>\$13,754,725</b>	<b>\$14,836,111</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
<b>Total Expenses</b>	<b>\$21,243,521</b>	<b>\$22,083,122</b>	<b>\$22,961,368</b>	<b>\$23,880,066</b>	<b>\$24,841,109</b>	<b>\$25,846,479</b>	<b>\$26,898,253</b>	<b>\$27,998,607</b>	<b>\$29,149,821</b>	<b>\$30,354,282</b>	<b>\$31,614,492</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$3,413,576</b>	<b>\$3,897,103</b>	<b>\$4,413,693</b>	<b>\$4,965,469</b>	<b>\$5,554,684</b>	<b>\$6,183,732</b>	<b>\$6,855,154</b>	<b>\$7,571,651</b>	<b>\$8,336,087</b>	<b>\$9,151,508</b>	<b>\$10,021,146</b>
Net Revenue - Available for Mains Replacement	13.8%	15.0%	16.1%	17.2%	18.3%	19.3%	20.3%	21.3%	22.2%	23.2%	24.1%
Target Mains Replacement per Year	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Cumulative Mains Replacement	\$18,413,184	\$22,310,287	\$26,723,980	\$31,689,449	\$37,244,133	\$43,427,866	\$50,283,020	\$57,854,671	\$66,190,758	\$75,342,266	\$85,363,413
Percent Total Mains Replacement Funded	26.3%	31.9%	38.2%	45.3%	53.2%	62.0%	71.8%	82.6%	94.5%	107.6%	121.9%



## Shoreline Muncpal Water Utility - Updated Case E

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$8,542,269	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$11,930,190	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$47,149,226	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,049,966	\$1,430,518				
Ongoing CIP	1	\$1,958,662	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,759,465	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$945,339	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$703,787	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,567,134	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$4,975,725</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$71,651	\$50,000	2012	2020		
<b>Tax Rates</b>							
State Tax		5.029%	Included in Existing SPU Rates				
City of Shoreline Tax		6.000%	Included in Existing SPU Rates				
<b>Scenario Selection</b>		<b>Selected</b>	<b>Base</b>	<b>Low</b>	<b>High</b>		
Escalation of Retail Rates	Base	5.0%	5.0%	3.0%	7.0%		
Escalation of Wholesale Rates	Base	3.5%	3.5%	2.5%	5.0%		
Escalation of Costs	Base	4.6%	4.6%	2.6%	6.6%		
Borrowing Cost	Base	5.0%	5.0%	4.0%	7.0%		
Borrowing term	Base	30	30	30	30		
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%		
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%		
Separation/Capital Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Operating Costs Sensitivity	Base	0.0%	0%	-10%	10%		
Water Supply Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Load Growth Sensitivity	High	0.5%	0%	-0.5%	0.5%		
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5		
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%		
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%		
<b>Efficiency Savings</b>							
Upfront Costs	No	\$0	-\$390,000				
Labor	No	\$0	-\$267,325				
Materials & Supplies	No	\$0	\$0				
Employee Benefits	No	\$0	-\$76,415				
Administrative	No	\$0	\$0				

## Shoreline Municipal Water Utility - Updated Case E

### Revenue Forecast

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,079,945	\$6,522,215	\$6,987,613	\$7,315,825	\$7,659,454	\$8,019,223	\$8,395,891	\$8,790,251
Multi-Family	\$958,677	\$1,014,676	\$1,133,727	\$1,265,893	\$1,409,063	\$1,497,391	\$1,591,255	\$1,691,004	\$1,797,005	\$1,909,651
Commercial	\$1,452,391	\$1,723,971	\$1,751,084	\$1,965,893	\$2,197,742	\$2,346,073	\$2,504,416	\$2,673,446	\$2,853,884	\$3,046,500
MMRD	\$224,812	\$273,622	\$293,745	\$316,025	\$339,555	\$356,533	\$374,359	\$393,077	\$412,731	\$433,368
Fire	\$139,497	\$151,974	\$163,150	\$175,524	\$188,593	\$198,023	\$207,924	\$218,320	\$229,236	\$240,698
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,456</u>	<u>\$200,598</u>	<u>\$215,534</u>	<u>\$226,311</u>	<u>\$237,626</u>	<u>\$249,508</u>	<u>\$261,983</u>	<u>\$275,082</u>
Total	\$8,458,920	\$9,017,751	\$9,608,108	\$10,446,149	\$11,338,100	\$11,940,155	\$12,575,035	\$13,244,578	\$13,950,730	\$14,695,550

### Average Rate

Residential	\$7.50	\$7.50	\$7.93	\$8.54	\$9.17	\$9.63	\$10.11	\$10.62	\$11.15	\$11.70
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.46	\$7.11	\$7.46	\$7.84	\$8.23	\$8.64	\$9.07
Commercial	\$5.67	\$5.67	\$6.10	\$6.73	\$7.40	\$7.77	\$8.16	\$8.57	\$9.00	\$9.45
MMRD	\$5.88	\$6.12	\$6.57	\$7.07	\$7.60	\$7.98	\$8.38	\$8.80	\$9.24	\$9.70
Fire	\$700.99	\$190.56	\$204.57	\$220.09	\$236.48	\$248.30	\$260.72	\$273.75	\$287.44	\$301.81
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.86</u>	<u>\$5.23</u>	<u>\$5.62</u>	<u>\$5.90</u>	<u>\$6.19</u>	<u>\$6.50</u>	<u>\$6.83</u>	<u>\$7.17</u>
Total	\$6.81	\$6.80	\$7.22	\$7.82	\$8.46	\$8.87	\$9.31	\$9.76	\$10.24	\$10.74

### CCF

Residential	732,074	768,573	766,356	764,145	761,940	759,742	757,550	755,364	753,185	751,012
Multi-Family	180,889	191,226	193,537	195,875	198,241	200,636	203,060	205,514	207,996	210,509
Commercial	256,160	282,534	287,241	292,027	296,892	301,838	306,867	311,979	317,176	322,460
MMRD	38,208	44,679	44,679	44,679	44,679	44,679	44,679	44,679	44,679	44,679
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,330,976	1,335,889	1,340,916	1,346,059	1,351,319	1,356,699	1,362,200	1,367,824

### CCF per Customer

Residential	75.7	79.5	79.1	78.7	78.3	77.9	77.5	77.1	76.7	76.3
Multi-Family	766.5	810.3	810.3	810.3	810.3	810.3	810.3	810.3	810.3	810.3
Commercial	642.0	708.1	715.2	722.3	729.6	736.9	744.2	751.7	759.2	766.8
MMRD	9,552.0	11,169.8	11,169.8	11,169.8	11,169.8	11,169.8	11,169.8	11,169.8	11,169.8	11,169.8
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.7	121.9	122.0	122.2	122.4	122.6	122.8	123.0

### Customers

Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

## Shoreline Municipal Water Utility - Updated Case E

### Revenue Forecast

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$9,203,134	\$9,680,572	\$10,182,779	\$10,711,038	\$11,266,703	\$11,851,194	\$12,466,008	\$13,112,716	\$13,792,974	\$14,508,523
Multi-Family	\$2,029,358	\$2,162,233	\$2,303,807	\$2,454,651	\$2,615,371	\$2,786,615	\$2,969,071	\$3,163,474	\$3,370,605	\$3,591,299
Commercial	\$3,252,117	\$3,463,018	\$3,687,596	\$3,926,737	\$4,181,388	\$4,452,553	\$4,741,302	\$5,048,777	\$5,376,193	\$5,724,841
MMRD	\$455,036	\$478,982	\$504,189	\$530,722	\$558,651	\$588,050	\$618,996	\$651,571	\$685,860	\$721,953
Fire	\$252,733	\$266,697	\$281,432	\$296,981	\$313,389	\$330,704	\$348,975	\$368,256	\$388,602	\$410,072
Other	<u>\$288,836</u>	<u>\$303,278</u>	<u>\$318,442</u>	<u>\$334,364</u>	<u>\$351,082</u>	<u>\$368,636</u>	<u>\$387,068</u>	<u>\$406,422</u>	<u>\$426,743</u>	<u>\$448,080</u>
Total	\$15,481,215	\$16,354,779	\$17,278,243	\$18,254,493	\$19,286,584	\$20,377,752	\$21,531,420	\$22,751,216	\$24,040,977	\$25,404,768
<b>Average Rate</b>										
Residential	\$12.29	\$12.90	\$13.55	\$14.23	\$14.94	\$15.69	\$16.47	\$17.29	\$18.16	\$19.07
Multi-Family	\$9.53	\$10.00	\$10.50	\$11.03	\$11.58	\$12.16	\$12.76	\$13.40	\$14.07	\$14.78
Commercial	\$9.92	\$10.42	\$10.94	\$11.48	\$12.06	\$12.66	\$13.29	\$13.96	\$14.66	\$15.39
MMRD	\$10.18	\$10.69	\$11.23	\$11.79	\$12.38	\$13.00	\$13.65	\$14.33	\$15.05	\$15.80
Fire	\$316.90	\$332.75	\$349.39	\$366.86	\$385.20	\$404.46	\$424.68	\$445.91	\$468.21	\$491.62
Other	<u>\$7.53</u>	<u>\$7.90</u>	<u>\$8.30</u>	<u>\$8.72</u>	<u>\$9.15</u>	<u>\$9.61</u>	<u>\$10.09</u>	<u>\$10.59</u>	<u>\$11.12</u>	<u>\$11.68</u>
Total	\$11.27	\$11.83	\$12.41	\$13.02	\$13.67	\$14.34	\$15.05	\$15.79	\$16.57	\$17.39
<b>CCF</b>										
Residential	748,845	750,184	751,526	752,870	754,216	755,565	756,916	758,270	759,626	760,985
Multi-Family	213,053	216,193	219,379	222,613	225,894	229,223	232,602	236,030	239,509	243,039
Commercial	327,832	332,469	337,171	341,940	346,776	351,681	356,654	361,699	366,814	372,002
MMRD	44,679	44,791	44,903	45,015	45,127	45,240	45,353	45,467	45,580	45,694
Fire	798	801	806	810	814	818	822	826	830	834
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,373,573	1,382,804	1,392,150	1,401,613	1,411,193	1,420,893	1,430,713	1,440,657	1,450,725	1,460,920
<b>CCF per Customer</b>										
Residential	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0
Multi-Family	810.3	812.3	814.3	816.4	818.4	820.5	822.5	824.6	826.6	828.7
Commercial	774.4	780.3	786.1	792.0	797.9	803.9	810.0	816.0	822.2	828.3
MMRD	11,169.8	11,197.7	11,225.7	11,253.7	11,281.9	11,310.1	11,338.3	11,366.7	11,395.1	11,423.6
Fire	5.9	5.9	5.9	6.0	6.0	6.0	6.0	6.1	6.1	6.1
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	123.2	123.8	124.3	124.9	125.5	126.1	126.7	127.3	127.9	128.5
<b>Customers</b>										
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case E**

**Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$15,261,193	\$16,104,373	\$16,994,140	\$17,933,066	\$18,923,868	\$19,969,412	\$21,072,722	\$22,236,990	\$23,465,584	\$24,762,057	\$26,130,161	
Multi-Family	\$3,808,572	\$4,076,086	\$4,362,389	\$4,668,802	\$4,996,738	\$5,347,708	\$5,723,330	\$6,125,335	\$6,555,578	\$7,016,040	\$7,508,845	
Commercial	\$6,050,718	\$6,427,122	\$6,826,941	\$7,251,632	\$7,702,742	\$8,181,914	\$8,690,896	\$9,231,539	\$9,805,816	\$10,415,817	\$11,063,764	
MMRD	\$758,051	\$797,943	\$839,935	\$884,136	\$930,664	\$979,640	\$1,031,194	\$1,085,460	\$1,142,583	\$1,202,711	\$1,266,004	
Fire	\$432,729	\$456,637	\$481,866	\$508,489	\$536,583	\$566,229	\$597,514	\$630,526	\$665,363	\$702,124	\$740,916	
Other	<u>\$470,484</u>	<u>\$494,008</u>	<u>\$518,708</u>	<u>\$544,644</u>	<u>\$571,876</u>	<u>\$600,470</u>	<u>\$630,493</u>	<u>\$662,018</u>	<u>\$695,119</u>	<u>\$729,875</u>	<u>\$766,369</u>	
Total	\$26,781,747	\$28,356,169	\$30,023,979	\$31,790,770	\$33,662,471	\$35,645,374	\$37,746,148	\$39,971,869	\$42,330,041	\$44,828,624	\$47,476,059	
<b>Average Rate</b>												
Residential	\$20.02	\$21.02	\$22.07	\$23.17	\$24.33	\$25.55	\$26.83	\$28.17	\$29.58	\$31.06	\$32.61	
Multi-Family	\$15.52	\$16.29	\$17.11	\$17.96	\$18.86	\$19.80	\$20.79	\$21.83	\$22.92	\$24.07	\$25.27	
Commercial	\$16.16	\$16.97	\$17.81	\$18.71	\$19.64	\$20.62	\$21.65	\$22.74	\$23.87	\$25.07	\$26.32	
MMRD	\$16.59	\$17.42	\$18.29	\$19.20	\$20.16	\$21.17	\$22.23	\$23.34	\$24.51	\$25.74	\$27.02	
Fire	\$516.20	\$542.01	\$569.11	\$597.57	\$627.45	\$658.82	\$691.76	\$726.35	\$762.67	\$800.80	\$840.84	
Other	<u>\$12.26</u>	<u>\$12.88</u>	<u>\$13.52</u>	<u>\$14.20</u>	<u>\$14.91</u>	<u>\$15.65</u>	<u>\$16.43</u>	<u>\$17.26</u>	<u>\$18.12</u>	<u>\$19.02</u>	<u>\$19.98</u>	
Total	\$18.25	\$19.16	\$20.10	\$21.10	\$22.14	\$23.24	\$24.39	\$25.59	\$26.86	\$28.19	\$29.58	
<b>CCF</b>												
Residential	762,345	766,157	769,988	773,838	777,707	781,596	785,504	789,431	793,378	797,345	801,332	
Multi-Family	245,469	250,201	255,024	259,940	264,950	270,057	275,263	280,569	285,977	291,490	297,109	
Commercial	374,455	378,809	383,213	387,669	392,176	396,736	401,348	406,015	410,735	415,511	420,342	
MMRD	45,694	45,809	45,923	46,038	46,153	46,268	46,384	46,500	46,616	46,733	46,850	
Fire	838	842	847	851	855	859	864	868	872	877	881	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,467,168	1,480,184	1,493,361	1,506,701	1,520,207	1,533,882	1,547,729	1,561,749	1,575,946	1,590,321	1,604,879	0.7%
<b>CCF per Customer</b>												
Residential	76.0	76.3	76.7	77.1	77.5	77.9	78.3	78.7	79.1	79.5	79.9	-4%
Multi-Family	828.7	832.8	837.0	841.2	845.4	849.6	853.9	858.1	862.4	866.7	871.1	2%
Commercial	828.3	832.5	836.6	840.8	845.0	849.2	853.5	857.7	862.0	866.3	870.7	17%
MMRD	11,423.6	11,452.2	11,480.8	11,509.5	11,538.3	11,567.1	11,596.0	11,625.0	11,654.1	11,683.2	11,712.4	2%
Fire	6.2	6.2	6.2	6.3	6.3	6.3	6.4	6.4	6.4	6.4	6.5	5%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	128.8	129.9	131.0	132.0	133.1	134.3	135.4	136.5	137.7	138.8	140.0	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	

**Shoreline Municipal Water Utility - Updated Case E  
Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.29%	-0.29%	-0.29%	-0.29%	-0.29%	-0.29%	-0.29%	-0.29%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	1.67%	1.67%	1.67%	1.67%	1.67%	1.67%	1.67%	1.67%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.36%	0.37%	0.38%	0.38%	0.39%	0.40%	0.41%	0.41%
<b>Average Rate Increase</b>								
Residential	5.8%	7.6%	7.4%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	10.5%	10.3%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	7.5%	10.4%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	7.4%	7.6%	7.4%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	7.4%	7.6%	7.4%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	7.4%	7.6%	7.4%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case E**  
**Revenue Forecast**

<b>Customer Growth</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Commercial	1.00%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
MMRD	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Fire	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
<b>Total CCF Growth</b>										
Residential	1.21%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%
Multi-Family	1.67%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%
Commercial	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.42%	0.67%	0.68%	0.68%	0.68%	0.69%	0.69%	0.70%	0.70%	0.70%
<b>Average Rate Increase</b>										
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case E**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Multi-Family	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Commercial	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Fire	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
<b>Total CCF Growth</b>											
Residential	0.18%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Multi-Family	1.00%	1.93%	1.93%	1.93%	1.93%	1.93%	1.93%	1.93%	1.93%	1.93%	1.93%
Commercial	0.66%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Fire	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Total	0.43%	0.89%	0.89%	0.89%	0.90%	0.90%	0.90%	0.91%	0.91%	0.91%	0.92%
<b>Average Rate Increase</b>											
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case E  
Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,759,465	\$1,840,401	\$1,925,059	\$2,013,612	\$2,106,238	\$2,203,125	\$2,304,469	\$2,410,475	\$2,521,356	\$2,637,339
Materials & Supplies	\$945,339	\$988,824	\$1,034,310	\$1,081,889	\$1,131,655	\$1,183,712	\$1,238,162	\$1,295,118	\$1,354,693	\$1,417,009
Employee Benefits	\$703,787	\$736,161	\$770,024	\$805,445	\$842,496	\$881,251	\$921,788	\$964,191	\$1,008,543	\$1,054,936
Administrative	\$1,567,134	\$1,639,222	\$1,714,626	\$1,793,499	\$1,876,000	\$1,962,296	\$2,052,561	\$2,146,979	\$2,245,740	\$2,349,044
Total	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	B3 \$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687
Upfront Costs	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076
Total Initial Debt	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
Amount Available for Cash CIP	\$2,103,326	\$2,499,828	\$2,923,703	\$3,376,753	\$3,860,892	\$4,378,157	\$4,930,719	\$5,520,883	\$6,151,106	\$6,824,000
Required CIP by Year	\$1,958,662	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Required CIP Funded by Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Mains Replacement - Equal Over 23 Years	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Percent of Mains Funded for the Year	14%	21%	35%	48%	62%	75%	88%	101%	114%	127%
Mains Replacement - Amount Funded	\$283,238	\$451,068	\$780,701	\$1,135,172	\$1,516,198	\$1,925,608	\$2,365,352	\$2,837,509	\$3,344,297	\$3,888,077
Total CIP By Year	\$2,103,326	\$2,499,828	\$2,923,703	\$3,376,753	\$3,860,892	\$4,378,157	\$4,930,719	\$5,520,883	\$6,151,106	\$6,824,000

DSC	1.7	1.8	2.0	2.1	2.3	2.4	2.6	2.8	3.0	3.2
Surplus	\$283,238	\$451,068	\$780,701	\$1,135,172	\$1,516,198	\$1,925,608	\$2,365,352	\$2,837,509	\$3,344,297	\$3,888,077
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$2,103,326	\$2,499,828	\$2,923,703	\$3,376,753	\$3,860,892	\$4,378,157	\$4,930,719	\$5,520,883	\$6,151,106	\$6,824,000
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



**Shoreline Municipal Water Utility - Updated Case E  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$2,758,656	\$2,885,555	\$3,018,290	\$3,157,131	\$3,302,359	\$3,454,268	\$3,613,164	\$3,779,370	\$3,953,221	\$4,135,069	\$4,325,282
Materials & Supplies	\$1,482,191	\$1,550,372	\$1,621,689	\$1,696,287	\$1,774,316	\$1,855,935	\$1,941,308	\$2,030,608	\$2,124,016	\$2,221,721	\$2,323,920
Employee Benefits	\$1,103,463	\$1,154,223	\$1,207,317	\$1,262,854	\$1,320,945	\$1,381,708	\$1,445,267	\$1,511,749	\$1,581,290	\$1,654,029	\$1,730,114
Administrative	\$2,457,100	\$2,570,127	\$2,688,353	\$2,812,017	\$2,941,370	\$3,076,673	\$3,218,200	\$3,366,237	\$3,521,084	\$3,683,053	\$3,852,474
Total	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687
Upfront Costs	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076
Total Initial Debt	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
Amount Available for Cash CIP	\$7,499,882	\$8,301,042	\$9,157,993	\$10,074,459	\$11,054,407	\$12,102,063	\$13,221,930	\$14,418,801	\$15,697,786	\$17,064,324	\$18,524,208
Required CIP by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Required CIP Funded by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Mains Replacement	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Percent of Mains Funded	138%	151%	165%	178%	192%	205%	219%	232%	245%	259%	272%
Mains Replacement - Amount Fun	\$4,428,907	\$5,088,802	\$5,797,990	\$6,559,896	\$7,378,174	\$8,256,724	\$9,199,705	\$10,211,554	\$11,297,005	\$12,461,107	\$13,709,243
Total CIP By Year	\$7,499,882	\$8,301,042	\$9,157,993	\$10,074,459	\$11,054,407	\$12,102,063	\$13,221,930	\$14,418,801	\$15,697,786	\$17,064,324	\$18,524,208

DSC	3.4	3.7	4.0	4.3	4.6	5.0	5.3	5.7	6.1	6.6	7.0
Surplus	\$4,428,907	\$5,088,802	\$5,797,990	\$6,559,896	\$7,378,174	\$8,256,724	\$9,199,705	\$10,211,554	\$11,297,005	\$12,461,107	\$13,709,243
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$7,499,882	\$8,301,042	\$9,157,993	\$10,074,459	\$11,054,407	\$12,102,063	\$13,221,930	\$14,418,801	\$15,697,786	\$17,064,324	\$18,524,208
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case E**

**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	601,926	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	771,647	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,373,573		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	695,224	44%	<- Based on same % split from 2011 loads
Off-peak months	891,252	56%	<- Based on same % split from 2011 loads
Total	1,586,476		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,578,159						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,363,615						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,941,775	\$3,056,415	\$3,175,752	\$3,299,989	\$3,429,338	\$3,564,018	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Case E  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$15,481,215	\$16,354,779	\$17,278,243	\$18,254,493	\$19,286,584	\$20,377,752	\$21,531,420	\$22,751,216	\$24,040,977	\$25,404,768
Use of Facilities Charges	\$71,651	\$75,234	\$78,995	\$82,945	\$87,092	\$91,447	\$96,019	\$100,820	\$105,861	\$111,155
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$15,552,866</b>	<b>\$16,430,013</b>	<b>\$17,357,239</b>	<b>\$18,337,438</b>	<b>\$19,373,677</b>	<b>\$20,469,199</b>	<b>\$21,627,440</b>	<b>\$22,852,036</b>	<b>\$24,146,838</b>	<b>\$25,515,922</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,704,262	\$3,859,678	\$4,021,767	\$4,190,821	\$4,367,147	\$4,551,065	\$4,742,909	\$4,943,029	\$5,151,789	\$5,369,571
Non-Supply O&M	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$778,550	\$822,482	\$868,923	\$918,018	\$969,922	\$1,024,797	\$1,082,815	\$1,144,159	\$1,209,021	\$1,277,606
City of Shoreline Tax Expense (franchise fee)	\$928,873	\$981,287	\$1,036,695	\$1,095,270	\$1,157,195	\$1,222,665	\$1,291,885	\$1,365,073	\$1,442,459	\$1,524,286
<b>Total Operating Expenses</b>	<b>\$10,387,409</b>	<b>\$10,868,055</b>	<b>\$11,371,404</b>	<b>\$11,898,554</b>	<b>\$12,450,654</b>	<b>\$13,028,911</b>	<b>\$13,634,590</b>	<b>\$14,269,022</b>	<b>\$14,933,601</b>	<b>\$15,629,791</b>
<b>Net Operating Funds</b>	<b>\$5,165,457</b>	<b>\$5,561,959</b>	<b>\$5,985,834</b>	<b>\$6,438,884</b>	<b>\$6,923,023</b>	<b>\$7,440,288</b>	<b>\$7,992,850</b>	<b>\$8,583,014</b>	<b>\$9,213,237</b>	<b>\$9,886,131</b>
<b>Debt Service Coverage Ratio</b>	<b>1.7</b>	<b>1.8</b>	<b>2.0</b>	<b>2.1</b>	<b>2.3</b>	<b>2.4</b>	<b>2.6</b>	<b>2.8</b>	<b>3.0</b>	<b>3.2</b>
Debt payments - Initial	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
<b>Net Cash Flow before CIP</b>	<b>\$2,103,326</b>	<b>\$2,499,828</b>	<b>\$2,923,703</b>	<b>\$3,376,753</b>	<b>\$3,860,892</b>	<b>\$4,378,157</b>	<b>\$4,930,719</b>	<b>\$5,520,883</b>	<b>\$6,151,106</b>	<b>\$6,824,000</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$15,269,628</b>	<b>\$15,978,946</b>	<b>\$16,576,538</b>	<b>\$17,202,266</b>	<b>\$17,857,479</b>	<b>\$18,543,591</b>	<b>\$19,262,088</b>	<b>\$20,014,527</b>	<b>\$20,802,541</b>	<b>\$21,627,845</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$283,238</b>	<b>\$451,068</b>	<b>\$780,701</b>	<b>\$1,135,172</b>	<b>\$1,516,198</b>	<b>\$1,925,608</b>	<b>\$2,365,352</b>	<b>\$2,837,509</b>	<b>\$3,344,297</b>	<b>\$3,888,077</b>
Net Revenue as Percent of Total Revenue	1.8%	2.7%	4.5%	6.2%	7.8%	9.4%	10.9%	12.4%	13.8%	15.2%
Target Mains Replacement per Year	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Cumulative Mains Replacement	\$283,238	\$734,305	\$1,515,006	\$2,650,178	\$4,166,376	\$6,091,983	\$8,457,335	\$11,294,844	\$14,639,141	\$18,527,218
Percent Total Mains Replacement Funded	0.4%	1.0%	2.2%	3.8%	5.9%	8.7%	12.1%	16.1%	20.9%	26.5%

**Shoreline Municipal Water Utility - Updated Case E  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$26,781,747	\$28,356,169	\$30,023,979	\$31,790,770	\$33,662,471	\$35,645,374	\$37,746,148	\$39,971,869	\$42,330,041	\$44,828,624	\$47,476,059
Use of Facilities Charges	\$116,712	\$122,548	\$128,675	\$135,109	\$141,864	\$148,958	\$156,406	\$164,226	\$172,437	\$181,059	\$190,112
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$26,898,459</b>	<b>\$28,478,717</b>	<b>\$30,152,655</b>	<b>\$31,925,879</b>	<b>\$33,804,336</b>	<b>\$35,794,332</b>	<b>\$37,902,554</b>	<b>\$40,136,095</b>	<b>\$42,502,478</b>	<b>\$45,009,683</b>	<b>\$47,666,171</b>
<b>Expenses</b>											
Wholesale Water Supply	\$5,581,276	\$5,827,866	\$6,085,537	\$6,354,796	\$6,636,174	\$6,930,225	\$7,237,532	\$7,558,701	\$7,894,371	\$8,245,207	\$8,611,907
Non-Supply O&M	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,346,854	\$1,426,032	\$1,509,906	\$1,598,758	\$1,692,886	\$1,792,606	\$1,898,254	\$2,010,185	\$2,128,778	\$2,254,431	\$2,387,571
City of Shoreline Tax Expense (franchise fee)	\$1,606,905	\$1,701,370	\$1,801,439	\$1,907,446	\$2,019,748	\$2,138,722	\$2,264,769	\$2,398,312	\$2,539,802	\$2,689,717	\$2,848,564
<b>Total Operating Expenses</b>	<b>\$16,336,446</b>	<b>\$17,115,544</b>	<b>\$17,932,531</b>	<b>\$18,789,289</b>	<b>\$19,687,798</b>	<b>\$20,630,137</b>	<b>\$21,618,493</b>	<b>\$22,655,163</b>	<b>\$23,742,561</b>	<b>\$24,883,228</b>	<b>\$26,079,832</b>
<b>Net Operating Funds</b>	<b>\$10,562,013</b>	<b>\$11,363,173</b>	<b>\$12,220,124</b>	<b>\$13,136,590</b>	<b>\$14,116,538</b>	<b>\$15,164,194</b>	<b>\$16,284,061</b>	<b>\$17,480,932</b>	<b>\$18,759,917</b>	<b>\$20,126,455</b>	<b>\$21,586,339</b>
<b>Debt Service Coverage Ratio</b>	<b>3.4</b>	<b>3.7</b>	<b>4.0</b>	<b>4.3</b>	<b>4.6</b>	<b>5.0</b>	<b>5.3</b>	<b>5.7</b>	<b>6.1</b>	<b>6.6</b>	<b>7.0</b>
Debt payments - Initial	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
<b>Net Cash Flow before CIP</b>	<b>\$7,499,882</b>	<b>\$8,301,042</b>	<b>\$9,157,993</b>	<b>\$10,074,459</b>	<b>\$11,054,407</b>	<b>\$12,102,063</b>	<b>\$13,221,930</b>	<b>\$14,418,801</b>	<b>\$15,697,786</b>	<b>\$17,064,324</b>	<b>\$18,524,208</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
<b>Total Expenses</b>	<b>\$22,469,552</b>	<b>\$23,389,915</b>	<b>\$24,354,664</b>	<b>\$25,365,983</b>	<b>\$26,426,162</b>	<b>\$27,537,608</b>	<b>\$28,702,849</b>	<b>\$29,924,541</b>	<b>\$31,205,473</b>	<b>\$32,548,576</b>	<b>\$33,956,927</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$4,428,907</b>	<b>\$5,088,802</b>	<b>\$5,797,990</b>	<b>\$6,559,896</b>	<b>\$7,378,174</b>	<b>\$8,256,724</b>	<b>\$9,199,705</b>	<b>\$10,211,554</b>	<b>\$11,297,005</b>	<b>\$12,461,107</b>	<b>\$13,709,243</b>
Net Revenue - Available for Mains Replacement	16.5%	17.9%	19.2%	20.5%	21.8%	23.1%	24.3%	25.4%	26.6%	27.7%	28.8%
Target Mains Replacement per Year	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Cumulative Mains Replacement	\$22,956,125	\$28,044,928	\$33,842,918	\$40,402,814	\$47,780,988	\$56,037,712	\$65,237,417	\$75,448,971	\$86,745,976	\$99,207,083	\$112,916,326
Percent Total Mains Replacement Funded	32.8%	40.0%	48.3%	57.7%	68.2%	80.0%	93.2%	107.7%	123.9%	141.7%	161.2%

## Shoreline Muncpal Water Utility - Updated Case F

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$9,753,306	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$13,621,534	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$54,862,896	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,385,343	\$1,430,518				
Ongoing CIP	1	\$2,279,101	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$2,047,316	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$1,099,997	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$818,927	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,823,519	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$5,789,759</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$83,373	\$50,000	2012	2020		
<b>Tax Rates</b>							
State Tax		5.029%	Included in Existing SPU Rates				
City of Shoreline Tax		6.000%	Included in Existing SPU Rates				
<b>Scenario Selection</b>		<b>Selected</b>	<b>Base</b>	<b>Low</b>	<b>High</b>		
Escalation of Retail Rates	High	7.0%	5.0%	3.0%	7.0%		
Escalation of Wholesale Rates	High	5.0%	3.5%	2.5%	5.0%		
Escalation of Costs	High	6.6%	4.6%	2.6%	6.6%		
Borrowing Cost	Base	5.0%	5.0%	4.0%	7.0%		
Borrowing term	Base	30	30	30	30		
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%		
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%		
Separation/Capital Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Operating Costs Sensitivity	Base	0.0%	0%	-10%	10%		
Water Supply Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Load Growth Sensitivity	Base	0.0%	0%	-0.5%	0.5%		
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5		
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%		
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%		
<b>Efficiency Savings</b>							
Upfront Costs	No	\$0	-\$390,000				
Labor	No	\$0	-\$267,325				
Materials & Supplies	No	\$0	\$0				
Employee Benefits	No	\$0	-\$76,415				
Administrative	No	\$0	\$0				

## Shoreline Municipal Water Utility - Updated Case F

### Revenue Forecast

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932	\$7,338,434	\$7,790,126	\$8,269,620	\$8,778,628	\$9,318,966
Multi-Family	\$958,677	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194	\$1,496,874	\$1,612,900	\$1,737,920	\$1,872,630	\$2,017,782
Commercial	\$1,452,391	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805	\$2,346,520	\$2,539,969	\$2,749,365	\$2,976,025	\$3,221,370
MMRD	\$224,812	\$273,622	\$292,744	\$313,827	\$335,951	\$357,671	\$380,794	\$405,412	\$431,622	\$459,527
Fire	\$139,497	\$151,974	\$163,411	\$176,060	\$189,419	\$202,678	\$216,866	\$232,046	\$248,290	\$265,670
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,754</u>	<u>\$201,210</u>	<u>\$216,478</u>	<u>\$231,631</u>	<u>\$247,845</u>	<u>\$265,194</u>	<u>\$283,758</u>	<u>\$303,621</u>
Total	\$8,458,920	\$9,017,751	\$9,573,610	\$10,369,764	\$11,211,779	\$11,973,808	\$12,788,499	\$13,659,558	\$14,590,952	\$15,586,935
<b>Average Rate</b>										
Residential	\$7.50	\$7.50	\$7.95	\$8.56	\$9.21	\$9.86	\$10.55	\$11.28	\$12.07	\$12.92
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.11	\$7.61	\$8.14	\$8.71	\$9.32	\$9.98
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.41	\$7.93	\$8.49	\$9.08	\$9.71	\$10.39
MMRD	\$5.88	\$6.12	\$6.59	\$7.09	\$7.63	\$8.17	\$8.74	\$9.35	\$10.01	\$10.71
Fire	\$700.99	\$190.56	\$204.90	\$220.76	\$237.51	\$254.14	\$271.93	\$290.96	\$311.33	\$333.12
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.87</u>	<u>\$5.24</u>	<u>\$5.64</u>	<u>\$6.04</u>	<u>\$6.46</u>	<u>\$6.91</u>	<u>\$7.40</u>	<u>\$7.91</u>
Total	\$6.81	\$6.80	\$7.23	\$7.84	\$8.48	\$9.07	\$9.70	\$10.37	\$11.08	\$11.85
<b>CCF</b>										
Residential	732,074	768,573	762,505	756,484	750,511	744,585	738,706	732,874	727,087	721,346
Multi-Family	180,889	191,226	192,569	193,921	195,283	196,654	198,034	199,425	200,825	202,235
Commercial	256,160	282,534	285,819	289,143	292,504	295,905	299,346	302,826	306,347	309,909
MMRD	38,208	44,679	44,456	44,233	44,012	43,792	43,573	43,355	43,138	42,923
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,324,512	1,322,945	1,321,474	1,320,100	1,318,823	1,317,643	1,316,561	1,315,576
<b>CCF per Customer</b>										
Residential	75.7	79.5	78.7	77.9	77.1	76.3	75.6	74.8	74.1	73.3
Multi-Family	766.5	810.3	806.2	802.2	798.2	794.2	790.2	786.3	782.3	778.4
Commercial	642.0	708.1	711.6	715.2	718.8	722.4	726.0	729.6	733.3	736.9
MMRD	9,552.0	11,169.8	11,113.9	11,058.3	11,003.0	10,948.0	10,893.3	10,838.8	10,784.6	10,730.7
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.1	120.7	120.2	119.8	119.4	119.0	118.7	118.3
<b>Customers</b>										
Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

**Shoreline Municipal Water Utility - Updated Case F**

**Revenue Forecast**

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$9,892,563	\$10,550,952	\$11,253,159	\$12,002,102	\$12,800,889	\$13,652,839	\$14,561,489	\$15,530,614	\$16,564,238	\$17,666,653
Multi-Family	\$2,174,185	\$2,348,893	\$2,537,639	\$2,741,552	\$2,961,850	\$3,199,851	\$3,456,976	\$3,734,763	\$4,034,871	\$4,359,095
Commercial	\$3,486,942	\$3,765,018	\$4,065,271	\$4,389,468	\$4,739,519	\$5,117,486	\$5,525,595	\$5,966,250	\$6,442,046	\$6,955,786
MMRD	\$489,235	\$522,173	\$557,328	\$594,850	\$634,898	\$677,643	\$723,265	\$771,959	\$823,931	\$879,402
Fire	\$284,267	\$304,165	\$325,457	\$348,239	\$372,616	\$398,699	\$426,608	\$456,470	\$488,423	\$522,613
Other	<u>\$324,875</u>	<u>\$347,616</u>	<u>\$371,949</u>	<u>\$397,985</u>	<u>\$425,844</u>	<u>\$455,653</u>	<u>\$487,549</u>	<u>\$521,678</u>	<u>\$558,195</u>	<u>\$597,269</u>
Total	\$16,652,066	\$17,838,817	\$19,110,803	\$20,474,196	\$21,935,617	\$23,502,171	\$25,181,482	\$26,981,734	\$28,911,704	\$30,980,818

Average Rate	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$13.82	\$14.79	\$15.83	\$16.93	\$18.12	\$19.39	\$20.74	\$22.20	\$23.75	\$25.41
Multi-Family	\$10.68	\$11.42	\$12.22	\$13.08	\$13.99	\$14.97	\$16.02	\$17.14	\$18.34	\$19.63
Commercial	\$11.12	\$11.90	\$12.73	\$13.63	\$14.58	\$15.60	\$16.69	\$17.86	\$19.11	\$20.45
MMRD	\$11.46	\$12.26	\$13.12	\$14.03	\$15.02	\$16.07	\$17.19	\$18.39	\$19.68	\$21.06
Fire	\$356.44	\$381.39	\$408.09	\$436.66	\$467.22	\$499.93	\$534.93	\$572.37	\$612.44	\$655.31
Other	<u>\$8.47</u>	<u>\$9.06</u>	<u>\$9.69</u>	<u>\$10.37</u>	<u>\$11.10</u>	<u>\$11.88</u>	<u>\$12.71</u>	<u>\$13.60</u>	<u>\$14.55</u>	<u>\$15.57</u>
Total	\$12.67	\$13.54	\$14.48	\$15.49	\$16.56	\$17.71	\$18.93	\$20.25	\$21.65	\$23.15

CCF	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	715,651	713,346	711,048	708,758	706,476	704,201	701,933	699,672	697,419	695,172
Multi-Family	203,655	205,626	207,616	209,625	211,654	213,702	215,770	217,859	219,967	222,096
Commercial	313,512	316,368	319,250	322,159	325,094	328,055	331,044	334,060	337,103	340,174
MMRD	42,708	42,601	42,495	42,389	42,283	42,177	42,072	41,966	41,861	41,757
Fire	798	798	798	798	798	798	798	798	798	798
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,314,689	1,317,104	1,319,573	1,322,094	1,324,669	1,327,298	1,329,982	1,332,720	1,335,514	1,338,363

CCF per Customer	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	72.6	72.2	71.9	71.5	71.2	70.8	70.4	70.1	69.7	69.4
Multi-Family	774.5	772.6	770.7	768.7	766.8	764.9	763.0	761.1	759.2	757.3
Commercial	740.6	742.5	744.3	746.2	748.1	749.9	751.8	753.7	755.6	757.4
MMRD	10,677.0	10,650.4	10,623.7	10,597.2	10,570.7	10,544.3	10,517.9	10,491.6	10,465.4	10,439.2
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
Total	117.9	117.9	117.9	117.8	117.8	117.8	117.8	117.8	117.8	117.8

Customers	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
Total	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case F  
Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$18,842,439	\$20,161,409	\$21,572,708	\$23,082,798	\$24,698,594	\$26,427,495	\$28,277,420	\$30,256,839	\$32,374,818	\$34,641,055	\$37,065,929	
Multi-Family	\$4,699,097	\$5,099,457	\$5,533,927	\$6,005,413	\$6,517,071	\$7,072,320	\$7,674,877	\$8,328,772	\$9,038,377	\$9,808,441	\$10,644,113	
Commercial	\$7,510,496	\$8,089,220	\$8,712,537	\$9,383,885	\$10,106,963	\$10,885,758	\$11,724,564	\$12,628,004	\$13,601,059	\$14,649,093	\$15,777,884	
MMRD	\$938,608	\$1,004,311	\$1,074,612	\$1,149,835	\$1,230,324	\$1,316,446	\$1,408,598	\$1,507,200	\$1,612,704	\$1,725,593	\$1,846,384	
Fire	\$559,196	\$598,339	\$640,223	\$685,039	\$732,991	\$784,301	\$839,202	\$897,946	\$960,802	\$1,028,058	\$1,100,023	
Other	<u>\$639,078</u>	<u>\$683,813</u>	<u>\$731,680</u>	<u>\$782,897</u>	<u>\$837,700</u>	<u>\$896,339</u>	<u>\$959,083</u>	<u>\$1,026,219</u>	<u>\$1,098,054</u>	<u>\$1,174,918</u>	<u>\$1,257,162</u>	
Total	\$33,188,913	\$35,636,549	\$38,265,687	\$41,089,867	\$44,123,643	\$47,382,660	\$50,883,744	\$54,644,979	\$58,685,814	\$63,027,158	\$67,691,495	
<b>Average Rate</b>												
Residential	\$27.19	\$29.10	\$31.13	\$33.31	\$35.64	\$38.14	\$40.81	\$43.66	\$46.72	\$49.99	\$53.49	
Multi-Family	\$21.00	\$22.47	\$24.04	\$25.73	\$27.53	\$29.45	\$31.52	\$33.72	\$36.08	\$38.61	\$41.31	
Commercial	\$21.88	\$23.41	\$25.05	\$26.80	\$28.68	\$30.69	\$32.83	\$35.13	\$37.59	\$40.22	\$43.04	
MMRD	\$22.53	\$24.11	\$25.80	\$27.61	\$29.54	\$31.61	\$33.82	\$36.19	\$38.72	\$41.43	\$44.33	
Fire	\$701.18	\$750.26	\$802.78	\$858.97	\$919.10	\$983.44	\$1,052.28	\$1,125.94	\$1,204.75	\$1,289.09	\$1,379.32	
Other	<u>\$16.66</u>	<u>\$17.82</u>	<u>\$19.07</u>	<u>\$20.41</u>	<u>\$21.83</u>	<u>\$23.36</u>	<u>\$25.00</u>	<u>\$26.75</u>	<u>\$28.62</u>	<u>\$30.62</u>	<u>\$32.77</u>	
Total	\$24.75	\$26.47	\$28.31	\$30.27	\$32.37	\$34.62	\$37.02	\$39.59	\$42.34	\$45.28	\$48.42	
<b>CCF</b>												
Residential	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	
Multi-Family	223,756	226,934	230,158	233,427	236,743	240,106	243,517	246,976	250,484	254,042	257,651	
Commercial	343,274	345,537	347,815	350,109	352,417	354,741	357,080	359,435	361,805	364,190	366,592	
MMRD	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	
Fire	798	798	798	798	798	798	798	798	798	798	798	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,340,779	1,346,221	1,351,723	1,357,286	1,362,910	1,368,597	1,374,346	1,380,160	1,386,038	1,391,982	1,397,992	
<b>CCF per Customer</b>												
Residential	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	-13%
Multi-Family	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	-7%
Commercial	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	7%
MMRD	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	-7%
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	0%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	117.7	118.1	118.5	119.0	119.4	119.8	120.2	120.6	121.1	121.5	121.9	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
Total	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	



**Shoreline Municipal Water Utility - Updated Case F  
Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
Multi-Family	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Commercial	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.13%	-0.12%	-0.11%	-0.10%	-0.10%	-0.09%	-0.08%	-0.07%
<b>Average Rate Increase</b>								
Residential	6.0%	7.7%	7.6%	7.0%	7.0%	7.0%	7.0%	7.0%
Multi-Family	10.6%	10.4%	10.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Commercial	7.6%	10.5%	10.0%	7.0%	7.0%	7.0%	7.0%	7.0%
MMRD	7.5%	7.7%	7.6%	7.0%	7.0%	7.0%	7.0%	7.0%
Fire	7.5%	7.7%	7.6%	7.0%	7.0%	7.0%	7.0%	7.0%
Other	7.5%	7.7%	7.6%	7.0%	7.0%	7.0%	7.0%	7.0%

**Shoreline Municipal Water Utility - Updated Case F  
Revenue Forecast**

<b>Customer Growth</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Commercial	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>										
Residential	0.70%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%
Multi-Family	1.16%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.07%	0.18%	0.19%	0.19%	0.19%	0.20%	0.20%	0.21%	0.21%	0.21%
<b>Average Rate Increase</b>										
Residential	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Multi-Family	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Commercial	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
MMRD	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Fire	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Other	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%

**Shoreline Municipal Water Utility - Updated Case F**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>											
Residential	-0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.75%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.91%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.18%	0.41%	0.41%	0.41%	0.41%	0.42%	0.42%	0.42%	0.43%	0.43%	0.43%
<b>Average Rate Increase</b>											
Residential	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Multi-Family	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Commercial	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
MMRD	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Fire	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Other	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%

**Shoreline Municipal Water Utility - Updated Case F  
Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$2,047,316	\$2,182,439	\$2,326,480	\$2,480,028	\$2,643,709	\$2,818,194	\$3,004,195	\$3,202,472	\$3,413,835	\$3,639,148
Materials & Supplies	\$1,099,997	\$1,172,597	\$1,249,989	\$1,332,488	\$1,420,432	\$1,514,180	\$1,614,116	\$1,720,648	\$1,834,211	\$1,955,269
Employee Benefits	\$818,927	\$872,976	\$930,593	\$992,012	\$1,057,485	\$1,127,279	\$1,201,679	\$1,280,990	\$1,365,535	\$1,455,661
Administrative	\$1,823,519	\$1,943,871	\$2,072,166	\$2,208,929	\$2,354,719	\$2,510,130	\$2,675,799	\$2,852,401	\$3,040,660	\$3,241,343
Total	\$5,789,759	\$6,171,883	\$6,579,227	\$7,013,457	\$7,476,345	\$7,969,783	\$8,495,789	\$9,056,511	\$9,654,241	\$10,291,421

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	B3 \$634,467	\$634,467	\$634,467	\$634,467	\$634,467	\$634,467	\$634,467	\$634,467	\$634,467	\$634,467
Upfront Costs	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100
Total Initial Debt	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935
Amount Available for Cash CIP	\$2,104,303	\$2,588,943	\$3,114,330	\$3,683,771	\$4,300,832	\$4,969,366	\$5,693,530	\$6,477,812	\$7,327,056	\$8,246,492
Required CIP by Year	\$2,279,101	\$2,429,522	\$2,589,870	\$2,760,801	\$2,943,014	\$3,137,253	\$3,344,312	\$3,565,037	\$3,800,329	\$4,051,151
Required CIP Funded by Year	\$1,820,088	\$2,429,522	\$2,589,870	\$2,760,801	\$2,943,014	\$3,137,253	\$3,344,312	\$3,565,037	\$3,800,329	\$4,051,151
Mains Replacement - Equal Over 23 Years	\$2,385,343	\$2,542,776	\$2,710,599	\$2,889,499	\$3,080,206	\$3,283,499	\$3,500,210	\$3,731,224	\$3,977,485	\$4,239,999
Percent of Mains Funded for the Year	12%	6%	19%	32%	44%	56%	67%	78%	89%	99%
Mains Replacement - Amount Funded	\$284,215	\$159,421	\$524,460	\$922,970	\$1,357,818	\$1,832,113	\$2,349,218	\$2,912,775	\$3,526,727	\$4,195,341
Total CIP By Year	\$2,104,303	\$2,588,943	\$3,114,330	\$3,683,771	\$4,300,832	\$4,969,366	\$5,693,530	\$6,477,812	\$7,327,056	\$8,246,492

DSC	1.6	1.8	2.0	2.1	2.3	2.5	2.8	3.0	3.3	3.5
Surplus	\$284,215	\$159,421	\$524,460	\$922,970	\$1,357,818	\$1,832,113	\$2,349,218	\$2,912,775	\$3,526,727	\$4,195,341
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$2,104,303	\$2,588,943	\$3,114,330	\$3,683,771	\$4,300,832	\$4,969,366	\$5,693,530	\$6,477,812	\$7,327,056	\$8,246,492
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case F  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$3,879,332	\$4,135,368	\$4,408,302	\$4,699,250	\$5,009,401	\$5,340,021	\$5,692,463	\$6,068,165	\$6,468,664	\$6,895,596	\$7,350,705
Materials & Supplies	\$2,084,316	\$2,221,881	\$2,368,526	\$2,524,848	\$2,691,488	\$2,869,126	\$3,058,489	\$3,260,349	\$3,475,532	\$3,704,917	\$3,949,442
Employee Benefits	\$1,551,734	\$1,654,149	\$1,763,322	\$1,879,702	\$2,003,762	\$2,136,010	\$2,276,987	\$2,427,268	\$2,587,468	\$2,758,241	\$2,940,284
Administrative	\$3,455,272	\$3,683,320	\$3,926,419	\$4,185,563	\$4,461,810	\$4,756,289	\$5,070,204	\$5,404,838	\$5,761,557	\$6,141,820	\$6,547,180
Total	\$10,970,655	\$11,694,718	\$12,466,569	\$13,289,363	\$14,166,461	\$15,101,447	\$16,098,143	\$17,160,620	\$18,293,221	\$19,500,573	\$20,787,611

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	\$634,467	\$634,467	\$634,467	\$634,467	\$634,467	\$634,467	\$634,467	\$634,467	\$634,467	\$634,467	\$634,467
Upfront Costs	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100	\$886,100
Total Initial Debt	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935
Amount Available for Cash CIP	\$9,234,896	\$10,361,622	\$11,584,292	\$12,910,826	\$14,349,783	\$15,910,417	\$17,602,732	\$19,437,540	\$21,426,529	\$23,582,330	\$25,918,594
Required CIP by Year	\$4,318,527	\$4,603,549	\$4,907,384	\$5,231,271	\$5,576,535	\$5,944,586	\$6,336,929	\$6,755,166	\$7,201,007	\$7,676,274	\$8,182,908
Required CIP Funded by Year	\$4,318,527	\$4,603,549	\$4,907,384	\$5,231,271	\$5,576,535	\$5,944,586	\$6,336,929	\$6,755,166	\$7,201,007	\$7,676,274	\$8,182,908
Mains Replacement	\$4,519,839	\$4,818,148	\$5,136,146	\$5,475,131	\$5,836,490	\$6,221,698	\$6,632,331	\$7,070,064	\$7,536,689	\$8,034,110	\$8,564,361
Percent of Mains Funded	109%	120%	130%	140%	150%	160%	170%	179%	189%	198%	207%
Mains Replacement - Amount Fun	\$4,916,369	\$5,758,073	\$6,676,909	\$7,679,555	\$8,773,248	\$9,965,831	\$11,265,803	\$12,682,374	\$14,225,522	\$15,906,056	\$17,735,687
Total CIP By Year	\$9,234,896	\$10,361,622	\$11,584,292	\$12,910,826	\$14,349,783	\$15,910,417	\$17,602,732	\$19,437,540	\$21,426,529	\$23,582,330	\$25,918,594

DSC	3.8	4.2	4.6	5.0	5.4	5.9	6.4	7.0	7.6	8.3	9.0
Surplus	\$4,916,369	\$5,758,073	\$6,676,909	\$7,679,555	\$8,773,248	\$9,965,831	\$11,265,803	\$12,682,374	\$14,225,522	\$15,906,056	\$17,735,687
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$9,234,896	\$10,361,622	\$11,584,292	\$12,910,826	\$14,349,783	\$15,910,417	\$17,602,732	\$19,437,540	\$21,426,529	\$23,582,330	\$25,918,594
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case F**  
**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	576,122	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	738,567	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,314,689		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	665,421	44%	<- Based on same % split from 2011 loads
Off-peak months	853,045	56%	<- Based on same % split from 2011 loads
Total	1,518,466		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,510,505						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,305,159						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,815,664	\$2,953,373	\$3,098,042	\$3,250,035	\$3,409,733	\$3,577,542	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Case F  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$16,652,066	\$17,838,817	\$19,110,803	\$20,474,196	\$21,935,617	\$23,502,171	\$25,181,482	\$26,981,734	\$28,911,704	\$30,980,818
Use of Facilities Charges	\$83,373	\$89,210	\$95,454	\$102,136	\$109,286	\$116,936	\$125,121	\$133,880	\$143,251	\$153,279
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$16,735,439</b>	<b>\$17,928,026</b>	<b>\$19,206,257</b>	<b>\$20,576,332</b>	<b>\$22,044,902</b>	<b>\$23,619,106</b>	<b>\$25,306,603</b>	<b>\$27,115,613</b>	<b>\$29,054,955</b>	<b>\$31,134,097</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,753,886	\$3,948,822	\$4,154,034	\$4,370,070	\$4,597,511	\$4,836,967	\$5,089,084	\$5,354,540	\$5,634,051	\$5,928,375
Non-Supply O&M	\$5,789,759	\$6,171,883	\$6,579,227	\$7,013,457	\$7,476,345	\$7,969,783	\$8,495,789	\$9,056,511	\$9,654,241	\$10,291,421
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$837,432	\$897,114	\$961,082	\$1,029,647	\$1,103,142	\$1,181,924	\$1,266,377	\$1,356,911	\$1,453,970	\$1,558,025
City of Shoreline Tax Expense (franchise fee)	\$999,124	\$1,070,329	\$1,146,648	\$1,228,452	\$1,316,137	\$1,410,130	\$1,510,889	\$1,618,904	\$1,734,702	\$1,858,849
<b>Total Operating Expenses</b>	<b>\$11,380,201</b>	<b>\$12,088,149</b>	<b>\$12,840,992</b>	<b>\$13,641,626</b>	<b>\$14,493,135</b>	<b>\$15,398,805</b>	<b>\$16,362,138</b>	<b>\$17,386,866</b>	<b>\$18,476,964</b>	<b>\$19,636,670</b>
<b>Net Operating Funds</b>	<b>\$5,355,238</b>	<b>\$5,839,878</b>	<b>\$6,365,265</b>	<b>\$6,934,706</b>	<b>\$7,551,768</b>	<b>\$8,220,301</b>	<b>\$8,944,465</b>	<b>\$9,728,747</b>	<b>\$10,577,991</b>	<b>\$11,497,427</b>
<b>Debt Service Coverage Ratio</b>	<b>1.6</b>	<b>1.8</b>	<b>2.0</b>	<b>2.1</b>	<b>2.3</b>	<b>2.5</b>	<b>2.8</b>	<b>3.0</b>	<b>3.3</b>	<b>3.5</b>
Debt payments - Initial	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935
<b>Net Cash Flow before CIP</b>	<b>\$2,104,303</b>	<b>\$2,588,943</b>	<b>\$3,114,330</b>	<b>\$3,683,771</b>	<b>\$4,300,832</b>	<b>\$4,969,366</b>	<b>\$5,693,530</b>	<b>\$6,477,812</b>	<b>\$7,327,056</b>	<b>\$8,246,492</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,429,522	\$2,589,870	\$2,760,801	\$2,943,014	\$3,137,253	\$3,344,312	\$3,565,037	\$3,800,329	\$4,051,151
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$16,451,224</b>	<b>\$17,768,605</b>	<b>\$18,681,797</b>	<b>\$19,653,362</b>	<b>\$20,687,084</b>	<b>\$21,786,993</b>	<b>\$22,957,386</b>	<b>\$24,202,838</b>	<b>\$25,528,228</b>	<b>\$26,938,756</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$284,215</b>	<b>\$159,421</b>	<b>\$524,460</b>	<b>\$922,970</b>	<b>\$1,357,818</b>	<b>\$1,832,113</b>	<b>\$2,349,218</b>	<b>\$2,912,775</b>	<b>\$3,526,727</b>	<b>\$4,195,341</b>
Net Revenue as Percent of Total Revenue	1.7%	0.9%	2.7%	4.5%	6.2%	7.8%	9.3%	10.7%	12.1%	13.5%
Target Mains Replacement per Year	\$2,385,343	\$2,542,776	\$2,710,599	\$2,889,499	\$3,080,206	\$3,283,499	\$3,500,210	\$3,731,224	\$3,977,485	\$4,239,999
Cumulative Mains Replacement	\$284,215	\$443,636	\$968,096	\$1,891,066	\$3,248,884	\$5,080,997	\$7,430,214	\$10,342,990	\$13,869,717	\$18,065,058
Percent Total Mains Replacement Funded	0.3%	0.4%	0.9%	1.9%	3.2%	5.0%	7.3%	10.1%	13.6%	17.7%

**Shoreline Municipal Water Utility - Updated Case F  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$33,188,913	\$35,636,549	\$38,265,687	\$41,089,867	\$44,123,643	\$47,382,660	\$50,883,744	\$54,644,979	\$58,685,814	\$63,027,158	\$67,691,495
Use of Facilities Charges	\$164,008	\$175,489	\$187,773	\$200,917	\$214,981	\$230,030	\$246,132	\$263,361	\$281,797	\$301,522	\$322,629
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$33,352,921</b>	<b>\$35,812,037</b>	<b>\$38,453,460</b>	<b>\$41,290,784</b>	<b>\$44,338,624</b>	<b>\$47,612,690</b>	<b>\$51,129,876</b>	<b>\$54,908,340</b>	<b>\$58,967,611</b>	<b>\$63,328,680</b>	<b>\$68,014,124</b>
<b>Expenses</b>											
Wholesale Water Supply	\$6,236,030	\$6,574,408	\$6,931,341	\$7,307,859	\$7,705,049	\$8,124,058	\$8,566,098	\$9,032,450	\$9,524,467	\$10,043,577	\$10,591,288
Non-Supply O&M	\$10,970,655	\$11,694,718	\$12,466,569	\$13,289,363	\$14,166,461	\$15,101,447	\$16,098,143	\$17,160,620	\$18,293,221	\$19,500,573	\$20,787,611
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,669,070	\$1,792,162	\$1,924,381	\$2,066,409	\$2,218,978	\$2,382,874	\$2,558,943	\$2,748,096	\$2,951,310	\$3,169,636	\$3,404,205
City of Shoreline Tax Expense (franchise fee)	\$1,991,335	\$2,138,193	\$2,295,941	\$2,465,392	\$2,647,419	\$2,842,960	\$3,053,025	\$3,278,699	\$3,521,149	\$3,781,629	\$4,061,490
<b>Total Operating Expenses</b>	<b>\$20,867,090</b>	<b>\$22,199,480</b>	<b>\$23,618,233</b>	<b>\$25,129,023</b>	<b>\$26,737,906</b>	<b>\$28,451,338</b>	<b>\$30,276,209</b>	<b>\$32,219,865</b>	<b>\$34,290,146</b>	<b>\$36,495,415</b>	<b>\$38,844,594</b>
<b>Net Operating Funds</b>	<b>\$12,485,831</b>	<b>\$13,612,557</b>	<b>\$14,835,228</b>	<b>\$16,161,761</b>	<b>\$17,600,718</b>	<b>\$19,161,352</b>	<b>\$20,853,667</b>	<b>\$22,688,475</b>	<b>\$24,677,464</b>	<b>\$26,833,265</b>	<b>\$29,169,529</b>
<b>Debt Service Coverage Ratio</b>	<b>3.8</b>	<b>4.2</b>	<b>4.6</b>	<b>5.0</b>	<b>5.4</b>	<b>5.9</b>	<b>6.4</b>	<b>7.0</b>	<b>7.6</b>	<b>8.3</b>	<b>9.0</b>
Debt payments - Initial	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935	\$3,250,935
<b>Net Cash Flow before CIP</b>	<b>\$9,234,896</b>	<b>\$10,361,622</b>	<b>\$11,584,292</b>	<b>\$12,910,826</b>	<b>\$14,349,783</b>	<b>\$15,910,417</b>	<b>\$17,602,732</b>	<b>\$19,437,540</b>	<b>\$21,426,529</b>	<b>\$23,582,330</b>	<b>\$25,918,594</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$4,318,527	\$4,603,549	\$4,907,384	\$5,231,271	\$5,576,535	\$5,944,586	\$6,336,929	\$6,755,166	\$7,201,007	\$7,676,274	\$8,182,908
<b>Total Expenses</b>	<b>\$28,436,552</b>	<b>\$30,053,965</b>	<b>\$31,776,552</b>	<b>\$33,611,229</b>	<b>\$35,565,376</b>	<b>\$37,646,860</b>	<b>\$39,864,073</b>	<b>\$42,225,966</b>	<b>\$44,742,089</b>	<b>\$47,422,624</b>	<b>\$50,278,437</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$4,916,369</b>	<b>\$5,758,073</b>	<b>\$6,676,909</b>	<b>\$7,679,555</b>	<b>\$8,773,248</b>	<b>\$9,965,831</b>	<b>\$11,265,803</b>	<b>\$12,682,374</b>	<b>\$14,225,522</b>	<b>\$15,906,056</b>	<b>\$17,735,687</b>
Net Revenue - Available for Mains Replacement	14.7%	16.1%	17.4%	18.6%	19.8%	20.9%	22.0%	23.1%	24.1%	25.1%	26.1%
Target Mains Replacement per Year	\$4,519,839	\$4,818,148	\$5,136,146	\$5,475,131	\$5,836,490	\$6,221,698	\$6,632,331	\$7,070,064	\$7,536,689	\$8,034,110	\$8,564,361
Cumulative Mains Replacement	\$22,981,427	\$28,739,500	\$35,416,409	\$43,095,964	\$51,869,211	\$61,835,042	\$73,100,845	\$85,783,219	\$100,008,741	\$115,914,797	\$133,650,484
Percent Total Mains Replacement Funded	22.5%	28.1%	34.7%	42.2%	50.8%	60.5%	71.5%	83.9%	97.9%	113.4%	130.8%



## Shoreline Muncpal Water Utility - Updated Case G

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$8,773,574	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$12,253,232	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$48,611,104	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,113,526	\$1,430,518				
Ongoing CIP	1	\$2,019,391	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,814,018	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$974,649	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$725,608	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,615,723	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$5,129,999</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$73,873	\$50,000	2012	2020		
<b>Tax Rates</b>							
State Tax		5.029%	Included in Existing SPU Rates				
City of Shoreline Tax		6.000%	Included in Existing SPU Rates				
<b>Scenario Selection</b>		<b>Selected</b>	<b>Base</b>	<b>Low</b>	<b>High</b>		
Escalation of Retail Rates	Base	5.0%	5.0%	3.0%	7.0%		
Escalation of Wholesale Rates	Base	3.5%	3.5%	2.5%	5.0%		
Escalation of Costs	Equal	5.0%	4.6%	2.6%	6.6%		
Borrowing Cost	Base	5.0%	5.0%	4.0%	7.0%		
Borrowing term	Base	30	30	30	30		
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%		
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%		
Separation/Capital Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Operating Costs Sensitivity	Base	0.0%	0%	-10%	10%		
Water Supply Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Load Growth Sensitivity	Base	0.0%	0%	-0.5%	0.5%		
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5		
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%		
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%		
<b>Efficiency Savings</b>							
Upfront Costs	No	\$0	-\$390,000				
Labor	No	\$0	-\$267,325				
Materials & Supplies	No	\$0	\$0				
Employee Benefits	No	\$0	-\$76,415				
Administrative	No	\$0	\$0				

**Shoreline Municipal Water Utility - Updated Case G**

**Revenue Forecast**

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932	\$7,201,267	\$7,501,628	\$7,814,517	\$8,140,456	\$8,479,990
Multi-Family	\$958,677	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194	\$1,468,895	\$1,553,168	\$1,642,276	\$1,736,497	\$1,836,123
Commercial	\$1,452,391	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805	\$2,302,660	\$2,445,904	\$2,598,059	\$2,759,679	\$2,931,353
MMRD	\$224,812	\$273,622	\$292,744	\$313,827	\$335,951	\$350,985	\$366,692	\$383,101	\$400,245	\$418,156
Fire	\$139,497	\$151,974	\$163,411	\$176,060	\$189,419	\$198,890	\$208,834	\$219,276	\$230,240	\$241,752
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,754</u>	<u>\$201,210</u>	<u>\$216,478</u>	<u>\$227,302</u>	<u>\$238,667</u>	<u>\$250,600</u>	<u>\$263,130</u>	<u>\$276,286</u>
Total	\$8,458,920	\$9,017,751	\$9,573,610	\$10,369,764	\$11,211,779	\$11,749,998	\$12,314,893	\$12,907,829	\$13,530,247	\$14,183,661

**Average Rate**

Residential	\$7.50	\$7.50	\$7.95	\$8.56	\$9.21	\$9.67	\$10.16	\$10.66	\$11.20	\$11.76
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.11	\$7.47	\$7.84	\$8.24	\$8.65	\$9.08
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.41	\$7.78	\$8.17	\$8.58	\$9.01	\$9.46
MMRD	\$5.88	\$6.12	\$6.59	\$7.09	\$7.63	\$8.01	\$8.42	\$8.84	\$9.28	\$9.74
Fire	\$700.99	\$190.56	\$204.90	\$220.76	\$237.51	\$249.39	\$261.86	\$274.95	\$288.70	\$303.13
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.87</u>	<u>\$5.24</u>	<u>\$5.64</u>	<u>\$5.92</u>	<u>\$6.22</u>	<u>\$6.53</u>	<u>\$6.86</u>	<u>\$7.20</u>
Total	\$6.81	\$6.80	\$7.23	\$7.84	\$8.48	\$8.90	\$9.34	\$9.80	\$10.28	\$10.78

**CCF**

Residential	732,074	768,573	762,505	756,484	750,511	744,585	738,706	732,874	727,087	721,346
Multi-Family	180,889	191,226	192,569	193,921	195,283	196,654	198,034	199,425	200,825	202,235
Commercial	256,160	282,534	285,819	289,143	292,504	295,905	299,346	302,826	306,347	309,909
MMRD	38,208	44,679	44,456	44,233	44,012	43,792	43,573	43,355	43,138	42,923
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,324,512	1,322,945	1,321,474	1,320,100	1,318,823	1,317,643	1,316,561	1,315,576

**CCF per Customer**

Residential	75.7	79.5	78.7	77.9	77.1	76.3	75.6	74.8	74.1	73.3
Multi-Family	766.5	810.3	806.2	802.2	798.2	794.2	790.2	786.3	782.3	778.4
Commercial	642.0	708.1	711.6	715.2	718.8	722.4	726.0	729.6	733.3	736.9
MMRD	9,552.0	11,169.8	11,113.9	11,058.3	11,003.0	10,948.0	10,893.3	10,838.8	10,784.6	10,730.7
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.1	120.7	120.2	119.8	119.4	119.0	118.7	118.3

**Customers**

Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
Total	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

## Shoreline Municipal Water Utility - Updated Case G

### Revenue Forecast

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$8,833,686	\$9,245,498	\$9,676,508	\$10,127,611	\$10,599,743	\$11,093,886	\$11,611,065	\$12,152,354	\$12,718,877	\$13,311,810
Multi-Family	\$1,941,465	\$2,058,268	\$2,182,097	\$2,313,376	\$2,452,553	\$2,600,103	\$2,756,530	\$2,922,367	\$3,098,182	\$3,284,575
Commercial	\$3,113,707	\$3,299,178	\$3,495,696	\$3,703,920	\$3,924,546	\$4,158,315	\$4,406,008	\$4,668,455	\$4,946,535	\$5,241,180
MMRD	\$436,868	\$457,565	\$479,242	\$501,946	\$525,726	\$550,632	\$576,718	\$604,040	\$632,657	\$662,629
Fire	\$253,839	\$266,531	\$279,858	\$293,851	\$308,543	\$323,971	\$340,169	\$357,178	\$375,037	\$393,788
Other	<u>\$290,101</u>	<u>\$304,606</u>	<u>\$319,836</u>	<u>\$335,828</u>	<u>\$352,619</u>	<u>\$370,250</u>	<u>\$388,763</u>	<u>\$408,201</u>	<u>\$428,611</u>	<u>\$450,042</u>
Total	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023

Average Rate	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$12.34	\$12.96	\$13.61	\$14.29	\$15.00	\$15.75	\$16.54	\$17.37	\$18.24	\$19.15
Multi-Family	\$9.53	\$10.01	\$10.51	\$11.04	\$11.59	\$12.17	\$12.78	\$13.41	\$14.08	\$14.79
Commercial	\$9.93	\$10.43	\$10.95	\$11.50	\$12.07	\$12.68	\$13.31	\$13.97	\$14.67	\$15.41
MMRD	\$10.23	\$10.74	\$11.28	\$11.84	\$12.43	\$13.06	\$13.71	\$14.39	\$15.11	\$15.87
Fire	\$318.29	\$334.21	\$350.92	\$368.46	\$386.88	\$406.23	\$426.54	\$447.87	\$470.26	\$493.77
Other	<u>\$7.56</u>	<u>\$7.94</u>	<u>\$8.34</u>	<u>\$8.75</u>	<u>\$9.19</u>	<u>\$9.65</u>	<u>\$10.13</u>	<u>\$10.64</u>	<u>\$11.17</u>	<u>\$11.73</u>
Total	\$11.31	\$11.87	\$12.45	\$13.07	\$13.71	\$14.39	\$15.10	\$15.84	\$16.62	\$17.44

CCF	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	715,651	713,346	711,048	708,758	706,476	704,201	701,933	699,672	697,419	695,172
Multi-Family	203,655	205,626	207,616	209,625	211,654	213,702	215,770	217,859	219,967	222,096
Commercial	313,512	316,368	319,250	322,159	325,094	328,055	331,044	334,060	337,103	340,174
MMRD	42,708	42,601	42,495	42,389	42,283	42,177	42,072	41,966	41,861	41,757
Fire	798	798	798	798	798	798	798	798	798	798
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,314,689	1,317,104	1,319,573	1,322,094	1,324,669	1,327,298	1,329,982	1,332,720	1,335,514	1,338,363

CCF per Customer	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	72.6	72.2	71.9	71.5	71.2	70.8	70.4	70.1	69.7	69.4
Multi-Family	774.5	772.6	770.7	768.7	766.8	764.9	763.0	761.1	759.2	757.3
Commercial	740.6	742.5	744.3	746.2	748.1	749.9	751.8	753.7	755.6	757.4
MMRD	10,677.0	10,650.4	10,623.7	10,597.2	10,570.7	10,544.3	10,517.9	10,491.6	10,465.4	10,439.2
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
Total	117.9	117.9	117.9	117.8	117.8	117.8	117.8	117.8	117.8	117.8

Customers	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
Total	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case G**  
**Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$13,932,385	\$14,629,004	\$15,360,454	\$16,128,477	\$16,934,901	\$17,781,646	\$18,670,728	\$19,604,264	\$20,584,477	\$21,613,701	\$22,694,386	
Multi-Family	\$3,474,583	\$3,700,137	\$3,940,332	\$4,196,119	\$4,468,511	\$4,758,586	\$5,067,490	\$5,396,447	\$5,746,759	\$6,119,811	\$6,517,080	
Commercial	\$5,553,374	\$5,869,492	\$6,203,603	\$6,556,734	\$6,929,966	\$7,324,444	\$7,741,376	\$8,182,042	\$8,647,792	\$9,140,054	\$9,660,338	
MMRD	\$694,021	\$728,722	\$765,158	\$803,416	\$843,587	\$885,766	\$930,055	\$976,557	\$1,025,385	\$1,076,654	\$1,130,487	
Fire	\$413,478	\$434,152	\$455,859	\$478,652	\$502,585	\$527,714	\$554,100	\$581,805	\$610,895	\$641,440	\$673,512	
Other	<u>\$472,544</u>	<u>\$496,171</u>	<u>\$520,979</u>	<u>\$547,028</u>	<u>\$574,380</u>	<u>\$603,099</u>	<u>\$633,254</u>	<u>\$664,916</u>	<u>\$698,162</u>	<u>\$733,070</u>	<u>\$769,724</u>	
Total	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526	
<b>Average Rate</b>												
Residential	\$20.11	\$21.11	\$22.17	\$23.28	\$24.44	\$25.66	\$26.94	\$28.29	\$29.71	\$31.19	\$32.75	
Multi-Family	\$15.53	\$16.30	\$17.12	\$17.98	\$18.87	\$19.82	\$20.81	\$21.85	\$22.94	\$24.09	\$25.29	
Commercial	\$16.18	\$16.99	\$17.84	\$18.73	\$19.66	\$20.65	\$21.68	\$22.76	\$23.90	\$25.10	\$26.35	
MMRD	\$16.66	\$17.50	\$18.37	\$19.29	\$20.25	\$21.27	\$22.33	\$23.45	\$24.62	\$25.85	\$27.14	
Fire	\$518.46	\$544.39	\$571.60	\$600.18	\$630.19	\$661.70	\$694.79	\$729.53	\$766.00	\$804.30	\$844.52	
Other	<u>\$12.32</u>	<u>\$12.93</u>	<u>\$13.58</u>	<u>\$14.26</u>	<u>\$14.97</u>	<u>\$15.72</u>	<u>\$16.51</u>	<u>\$17.33</u>	<u>\$18.20</u>	<u>\$19.11</u>	<u>\$20.06</u>	
Total	\$18.30	\$19.21	\$20.16	\$21.15	\$22.20	\$23.29	\$24.45	\$25.65	\$26.92	\$28.25	\$29.65	
<b>CCF</b>												
Residential	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	
Multi-Family	223,756	226,934	230,158	233,427	236,743	240,106	243,517	246,976	250,484	254,042	257,651	
Commercial	343,274	345,537	347,815	350,109	352,417	354,741	357,080	359,435	361,805	364,190	366,592	
MMRD	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	
Fire	798	798	798	798	798	798	798	798	798	798	798	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,340,779	1,346,221	1,351,723	1,357,286	1,362,910	1,368,597	1,374,346	1,380,160	1,386,038	1,391,982	1,397,992	0.2%
<b>CCF per Customer</b>												
Residential	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	-13%
Multi-Family	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	-7%
Commercial	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	7%
MMRD	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	-7%
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	0%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	117.7	118.1	118.5	119.0	119.4	119.8	120.2	120.6	121.1	121.5	121.9	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	

**Shoreline Municipal Water Utility - Updated Case G  
Revenue Forecast**

<b>Customer Growth</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
Multi-Family	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Commercial	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.13%	-0.12%	-0.11%	-0.10%	-0.10%	-0.09%	-0.08%	-0.07%
<b>Average Rate Increase</b>								
Residential	6.0%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	10.6%	10.4%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	7.6%	10.5%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case G**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Commercial	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>										
Residential	0.70%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%
Multi-Family	1.16%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.07%	0.18%	0.19%	0.19%	0.19%	0.20%	0.20%	0.21%	0.21%	0.21%
<b>Average Rate Increase</b>										
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case G**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>											
Residential	-0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.75%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.91%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.18%	0.41%	0.41%	0.41%	0.41%	0.42%	0.42%	0.42%	0.43%	0.43%	0.43%
<b>Average Rate Increase</b>											
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case G  
Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,814,018	\$1,904,719	\$1,999,955	\$2,099,953	\$2,204,951	\$2,315,198	\$2,430,958	\$2,552,506	\$2,680,131	\$2,814,138
Materials & Supplies	\$974,649	\$1,023,382	\$1,074,551	\$1,128,278	\$1,184,692	\$1,243,927	\$1,306,123	\$1,371,429	\$1,440,001	\$1,512,001
Employee Benefits	\$725,608	\$761,888	\$799,983	\$839,982	\$881,981	\$926,080	\$972,384	\$1,021,003	\$1,072,053	\$1,125,656
Administrative	\$1,615,723	\$1,696,509	\$1,781,335	\$1,870,401	\$1,963,922	\$2,062,118	\$2,165,223	\$2,273,485	\$2,387,159	\$2,506,517
Total	\$5,129,999	\$5,386,499	\$5,655,823	\$5,938,615	\$6,235,545	\$6,547,323	\$6,874,689	\$7,218,423	\$7,579,344	\$7,958,312

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	B3 \$570,734	\$570,734	\$570,734	\$570,734	\$570,734	\$570,734	\$570,734	\$570,734	\$570,734	\$570,734
Upfront Costs	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090
Total Initial Debt	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192
Amount Available for Cash CIP	\$1,631,974	\$1,930,040	\$2,245,886	\$2,580,550	\$2,935,132	\$3,310,796	\$3,708,773	\$4,130,367	\$4,576,956	\$5,050,000
Required CIP by Year	\$2,019,391	\$2,120,360	\$2,226,378	\$2,337,697	\$2,454,582	\$2,577,311	\$2,706,176	\$2,841,485	\$2,983,560	\$3,132,738
Required CIP Funded by Year	\$1,820,088	\$2,120,360	\$2,226,378	\$2,337,697	\$2,454,582	\$2,577,311	\$2,706,176	\$2,841,485	\$2,983,560	\$3,132,738
Mains Replacement - Equal Over 23 Years	\$2,113,526	\$2,219,203	\$2,330,163	\$2,446,671	\$2,569,004	\$2,697,455	\$2,832,327	\$2,973,944	\$3,122,641	\$3,278,773
Percent of Mains Funded for the Year	0%	0%	1%	10%	19%	27%	35%	43%	51%	58%
Mains Replacement - Amount Funded	\$0	\$0	\$19,508	\$242,853	\$480,550	\$733,485	\$1,002,597	\$1,288,882	\$1,593,397	\$1,917,263
Total CIP By Year	\$1,820,088	\$2,120,360	\$2,245,886	\$2,580,550	\$2,935,132	\$3,310,796	\$3,708,773	\$4,130,367	\$4,576,956	\$5,050,000

DSC	1.5	1.6	1.7	1.8	1.9	2.1	2.2	2.3	2.5	2.6
Surplus	\$0	\$0	\$19,508	\$242,853	\$480,550	\$733,485	\$1,002,597	\$1,288,882	\$1,593,397	\$1,917,263
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$1,820,088	\$2,120,360	\$2,245,886	\$2,580,550	\$2,935,132	\$3,310,796	\$3,708,773	\$4,130,367	\$4,576,956	\$5,050,000
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



**Shoreline Municipal Water Utility - Updated Case G  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$2,954,845	\$3,102,587	\$3,257,716	\$3,420,602	\$3,591,632	\$3,771,214	\$3,959,774	\$4,157,763	\$4,365,651	\$4,583,934	\$4,813,131
Materials & Supplies	\$1,587,601	\$1,666,981	\$1,750,330	\$1,837,847	\$1,929,739	\$2,026,226	\$2,127,537	\$2,233,914	\$2,345,610	\$2,462,890	\$2,586,035
Employee Benefits	\$1,181,939	\$1,241,036	\$1,303,088	\$1,368,242	\$1,436,654	\$1,508,487	\$1,583,911	\$1,663,107	\$1,746,262	\$1,833,575	\$1,925,254
Administrative	\$2,631,843	\$2,763,435	\$2,901,607	\$3,046,687	\$3,199,021	\$3,358,972	\$3,526,921	\$3,703,267	\$3,888,430	\$4,082,852	\$4,286,994
Total	\$8,356,227	\$8,774,039	\$9,212,740	\$9,673,378	\$10,157,046	\$10,664,899	\$11,198,144	\$11,758,051	\$12,345,953	\$12,963,251	\$13,611,414

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	\$570,734	\$570,734	\$570,734	\$570,734	\$570,734	\$570,734	\$570,734	\$570,734	\$570,734	\$570,734	\$570,734
Upfront Costs	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090	\$797,090
Total Initial Debt	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192
Amount Available for Cash CIP	\$5,546,091	\$6,112,117	\$6,713,331	\$7,351,870	\$8,029,997	\$8,750,112	\$9,514,761	\$10,326,640	\$11,188,608	\$12,103,697	\$13,075,119
Required CIP by Year	\$3,289,374	\$3,453,843	\$3,626,535	\$3,807,862	\$3,998,255	\$4,198,168	\$4,408,076	\$4,628,480	\$4,859,904	\$5,102,899	\$5,358,044
Required CIP Funded by Year	\$3,289,374	\$3,453,843	\$3,626,535	\$3,807,862	\$3,998,255	\$4,198,168	\$4,408,076	\$4,628,480	\$4,859,904	\$5,102,899	\$5,358,044
Mains Replacement	\$3,442,712	\$3,614,847	\$3,795,589	\$3,985,369	\$4,184,637	\$4,393,869	\$4,613,563	\$4,844,241	\$5,086,453	\$5,340,776	\$5,607,814
Percent of Mains Funded	66%	74%	81%	89%	96%	104%	111%	118%	124%	131%	138%
Mains Replacement - Amount Fun	\$2,256,717	\$2,658,274	\$3,086,796	\$3,544,008	\$4,031,742	\$4,551,945	\$5,106,685	\$5,698,160	\$6,328,704	\$7,000,798	\$7,717,075
Total CIP By Year	\$5,546,091	\$6,112,117	\$6,713,331	\$7,351,870	\$8,029,997	\$8,750,112	\$9,514,761	\$10,326,640	\$11,188,608	\$12,103,697	\$13,075,119

DSC	2.8	3.0	3.2	3.4	3.6	3.8	4.1	4.3	4.6	4.9	5.2
Surplus	\$2,256,717	\$2,658,274	\$3,086,796	\$3,544,008	\$4,031,742	\$4,551,945	\$5,106,685	\$5,698,160	\$6,328,704	\$7,000,798	\$7,717,075
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$5,546,091	\$6,112,117	\$6,713,331	\$7,351,870	\$8,029,997	\$8,750,112	\$9,514,761	\$10,326,640	\$11,188,608	\$12,103,697	\$13,075,119
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case G**  
**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	576,122	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	738,567	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,314,689		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	665,421	44%	<- Based on same % split from 2011 loads
Off-peak months	853,045	56%	<- Based on same % split from 2011 loads
Total	1,518,466		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,510,505						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,305,159						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,815,664	\$2,911,182	\$3,010,159	\$3,112,728	\$3,219,027	\$3,329,201	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Case G  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
Use of Facilities Charges	\$73,873	\$77,566	\$81,445	\$85,517	\$89,793	\$94,282	\$98,997	\$103,946	\$109,144	\$114,601
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$14,943,540</b>	<b>\$15,709,212</b>	<b>\$16,514,681</b>	<b>\$17,362,048</b>	<b>\$18,253,524</b>	<b>\$19,191,439</b>	<b>\$20,178,249</b>	<b>\$21,216,542</b>	<b>\$22,309,043</b>	<b>\$23,458,624</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,443,399	\$3,570,466	\$3,702,358	\$3,839,263	\$3,981,377	\$4,128,903	\$4,282,055	\$4,441,051	\$4,606,123	\$4,777,508
Non-Supply O&M	\$5,129,999	\$5,386,499	\$5,655,823	\$5,938,615	\$6,235,545	\$6,547,323	\$6,874,689	\$7,218,423	\$7,579,344	\$7,958,312
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$747,796	\$786,115	\$826,427	\$868,837	\$913,454	\$960,396	\$1,009,786	\$1,061,752	\$1,116,433	\$1,173,971
City of Shoreline Tax Expense (franchise fee)	\$892,180	\$937,899	\$985,994	\$1,036,592	\$1,089,824	\$1,145,829	\$1,204,755	\$1,266,756	\$1,331,994	\$1,400,641
<b>Total Operating Expenses</b>	<b>\$10,213,373</b>	<b>\$10,680,979</b>	<b>\$11,170,603</b>	<b>\$11,683,306</b>	<b>\$12,220,200</b>	<b>\$12,782,451</b>	<b>\$13,371,284</b>	<b>\$13,987,983</b>	<b>\$14,633,894</b>	<b>\$15,310,432</b>
<b>Net Operating Funds</b>	<b>\$4,730,166</b>	<b>\$5,028,233</b>	<b>\$5,344,078</b>	<b>\$5,678,742</b>	<b>\$6,033,324</b>	<b>\$6,408,988</b>	<b>\$6,806,965</b>	<b>\$7,228,559</b>	<b>\$7,675,148</b>	<b>\$8,148,192</b>
<b>Debt Service Coverage Ratio</b>	<b>1.5</b>	<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>1.9</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>	<b>2.5</b>	<b>2.6</b>
Debt payments - Initial	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192
<b>Net Cash Flow before CIP</b>	<b>\$1,631,974</b>	<b>\$1,930,040</b>	<b>\$2,245,886</b>	<b>\$2,580,550</b>	<b>\$2,935,132</b>	<b>\$3,310,796</b>	<b>\$3,708,773</b>	<b>\$4,130,367</b>	<b>\$4,576,956</b>	<b>\$5,050,000</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,120,360	\$2,226,378	\$2,337,697	\$2,454,582	\$2,577,311	\$2,706,176	\$2,841,485	\$2,983,560	\$3,132,738
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$15,131,654</b>	<b>\$15,899,531</b>	<b>\$16,495,173</b>	<b>\$17,119,195</b>	<b>\$17,772,974</b>	<b>\$18,457,954</b>	<b>\$19,175,653</b>	<b>\$19,927,660</b>	<b>\$20,715,646</b>	<b>\$21,541,361</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$19,508</b>	<b>\$242,853</b>	<b>\$480,550</b>	<b>\$733,485</b>	<b>\$1,002,597</b>	<b>\$1,288,882</b>	<b>\$1,593,397</b>	<b>\$1,917,263</b>
Net Revenue as Percent of Total Revenue	0.0%	0.0%	0.1%	1.4%	2.6%	3.8%	5.0%	6.1%	7.1%	8.2%
Target Mains Replacement per Year	\$2,113,526	\$2,219,203	\$2,330,163	\$2,446,671	\$2,569,004	\$2,697,455	\$2,832,327	\$2,973,944	\$3,122,641	\$3,278,773
Cumulative Mains Replacement	\$0	\$0	\$19,508	\$262,360	\$742,910	\$1,476,395	\$2,478,992	\$3,767,874	\$5,361,271	\$7,278,533
Percent Total Mains Replacement Funded	0.0%	0.0%	0.0%	0.3%	1.0%	2.0%	3.3%	5.0%	7.1%	9.6%

**Shoreline Municipal Water Utility - Updated Case G  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526
Use of Facilities Charges	\$120,331	\$126,348	\$132,665	\$139,298	\$146,263	\$153,576	\$161,255	\$169,318	\$177,784	\$186,673	\$196,006
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$24,660,716</b>	<b>\$25,984,024</b>	<b>\$27,379,051</b>	<b>\$28,849,725</b>	<b>\$30,400,192</b>	<b>\$32,034,830</b>	<b>\$33,758,257</b>	<b>\$35,575,350</b>	<b>\$37,491,254</b>	<b>\$39,511,404</b>	<b>\$41,641,533</b>
<b>Expenses</b>											
Wholesale Water Supply	\$4,953,646	\$5,147,834	\$5,349,783	\$5,559,812	\$5,778,251	\$6,005,443	\$6,241,747	\$6,487,536	\$6,743,198	\$7,009,139	\$7,285,781
Non-Supply O&M	\$8,356,227	\$8,774,039	\$9,212,740	\$9,673,378	\$10,157,046	\$10,664,899	\$11,198,144	\$11,758,051	\$12,345,953	\$12,963,251	\$13,611,414
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,234,136	\$1,300,383	\$1,370,221	\$1,443,847	\$1,521,470	\$1,603,308	\$1,689,593	\$1,780,569	\$1,876,494	\$1,977,641	\$2,084,296
City of Shoreline Tax Expense (franchise fee)	\$1,472,423	\$1,551,461	\$1,634,783	\$1,722,626	\$1,815,236	\$1,912,875	\$2,015,820	\$2,124,362	\$2,238,808	\$2,359,484	\$2,486,732
<b>Total Operating Expenses</b>	<b>\$16,016,433</b>	<b>\$16,773,715</b>	<b>\$17,567,528</b>	<b>\$18,399,663</b>	<b>\$19,272,003</b>	<b>\$20,186,525</b>	<b>\$21,145,304</b>	<b>\$22,150,518</b>	<b>\$23,204,454</b>	<b>\$24,309,514</b>	<b>\$25,468,221</b>
<b>Net Operating Funds</b>	<b>\$8,644,283</b>	<b>\$9,210,309</b>	<b>\$9,811,523</b>	<b>\$10,450,062</b>	<b>\$11,128,189</b>	<b>\$11,848,304</b>	<b>\$12,612,953</b>	<b>\$13,424,832</b>	<b>\$14,286,800</b>	<b>\$15,201,889</b>	<b>\$16,173,312</b>
<b>Debt Service Coverage Ratio</b>	<b>2.8</b>	<b>3.0</b>	<b>3.2</b>	<b>3.4</b>	<b>3.6</b>	<b>3.8</b>	<b>4.1</b>	<b>4.3</b>	<b>4.6</b>	<b>4.9</b>	<b>5.2</b>
Debt payments - Initial	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192	\$3,098,192
<b>Net Cash Flow before CIP</b>	<b>\$5,546,091</b>	<b>\$6,112,117</b>	<b>\$6,713,331</b>	<b>\$7,351,870</b>	<b>\$8,029,997</b>	<b>\$8,750,112</b>	<b>\$9,514,761</b>	<b>\$10,326,640</b>	<b>\$11,188,608</b>	<b>\$12,103,697</b>	<b>\$13,075,119</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$3,289,374	\$3,453,843	\$3,626,535	\$3,807,862	\$3,998,255	\$4,198,168	\$4,408,076	\$4,628,480	\$4,859,904	\$5,102,899	\$5,358,044
<b>Total Expenses</b>	<b>\$22,403,999</b>	<b>\$23,325,750</b>	<b>\$24,292,255</b>	<b>\$25,305,717</b>	<b>\$26,368,451</b>	<b>\$27,482,885</b>	<b>\$28,651,572</b>	<b>\$29,877,190</b>	<b>\$31,162,550</b>	<b>\$32,510,606</b>	<b>\$33,924,458</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$2,256,717</b>	<b>\$2,658,274</b>	<b>\$3,086,796</b>	<b>\$3,544,008</b>	<b>\$4,031,742</b>	<b>\$4,551,945</b>	<b>\$5,106,685</b>	<b>\$5,698,160</b>	<b>\$6,328,704</b>	<b>\$7,000,798</b>	<b>\$7,717,075</b>
Net Revenue - Available for Mains Replacement	9.2%	10.2%	11.3%	12.3%	13.3%	14.2%	15.1%	16.0%	16.9%	17.7%	18.5%
Target Mains Replacement per Year	\$3,442,712	\$3,614,847	\$3,795,589	\$3,985,369	\$4,184,637	\$4,393,869	\$4,613,563	\$4,844,241	\$5,086,453	\$5,340,776	\$5,607,814
Cumulative Mains Replacement	\$9,535,250	\$12,193,524	\$15,280,320	\$18,824,327	\$22,856,069	\$27,408,014	\$32,514,698	\$38,212,858	\$44,541,562	\$51,542,360	\$59,259,436
Percent Total Mains Replacement Funded	12.6%	16.2%	20.2%	24.9%	30.3%	36.3%	43.1%	50.6%	59.0%	68.3%	78.5%

## Shoreline Muncpal Water Utility - Updated Case H

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$8,542,269	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$11,930,190	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$47,149,226	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,049,966	\$1,430,518				
Ongoing CIP	1	\$1,958,662	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,759,465	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$945,339	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$703,787	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,567,134	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$4,975,725</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$71,651	\$50,000	2012	2020		
<b>Tax Rates</b>							
State Tax		5.029%	Included in Existing SPU Rates				
City of Shoreline Tax		6.000%	Included in Existing SPU Rates				
<b>Scenario Selection</b>		<b>Selected</b>	<b>Base</b>	<b>Low</b>	<b>High</b>		
Escalation of Retail Rates	Base	5.0%	5.0%	3.0%	7.0%		
Escalation of Wholesale Rates	Base	3.5%	3.5%	2.5%	5.0%		
Escalation of Costs	Base	4.6%	4.6%	2.6%	6.6%		
Borrowing Cost	Base	5.0%	5.0%	4.0%	7.0%		
Borrowing term	Base	30	30	30	30		
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%		
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%		
Separation/Capital Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Operating Costs Sensitivity	Base	0.0%	0%	-10%	10%		
Water Supply Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Load Growth Sensitivity	Low	-0.5%	0%	-0.5%	0.5%		
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5		
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%		
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%		
<b>Efficiency Savings</b>							
Upfront Costs	No	\$0	-\$390,000				
Labor	No	\$0	-\$267,325				
Materials & Supplies	No	\$0	\$0				
Employee Benefits	No	\$0	-\$76,415				
Administrative	No	\$0	\$0				

**Shoreline Municipal Water Utility - Updated Case H**

**Revenue Forecast**

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,038,185	\$6,431,049	\$6,839,003	\$7,088,273	\$7,346,628	\$7,614,400	\$7,891,932	\$8,179,580
Multi-Family	\$958,677	\$1,014,676	\$1,123,122	\$1,242,202	\$1,369,523	\$1,440,819	\$1,515,826	\$1,594,737	\$1,677,757	\$1,765,099
Commercial	\$1,452,391	\$1,723,971	\$1,735,339	\$1,930,461	\$2,138,165	\$2,259,876	\$2,388,516	\$2,524,479	\$2,668,181	\$2,820,063
MMRD	\$224,812	\$273,622	\$291,743	\$311,639	\$332,384	\$345,513	\$359,161	\$373,348	\$388,095	\$403,425
Fire	\$139,497	\$151,974	\$163,675	\$176,603	\$190,261	\$199,774	\$209,763	\$220,251	\$231,264	\$242,827
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$187,056</u>	<u>\$201,831</u>	<u>\$217,441</u>	<u>\$228,313</u>	<u>\$239,728</u>	<u>\$251,715</u>	<u>\$264,300</u>	<u>\$277,515</u>
Total	\$8,458,920	\$9,017,751	\$9,539,118	\$10,293,786	\$11,086,776	\$11,562,568	\$12,059,622	\$12,578,930	\$13,121,529	\$13,688,509

**Average Rate**

Residential	\$7.50	\$7.50	\$7.96	\$8.59	\$9.25	\$9.71	\$10.20	\$10.71	\$11.25	\$11.81
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.12	\$7.48	\$7.85	\$8.24	\$8.65	\$9.09
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.42	\$7.79	\$8.18	\$8.59	\$9.02	\$9.47
MMRD	\$5.88	\$6.12	\$6.60	\$7.12	\$7.67	\$8.05	\$8.45	\$8.88	\$9.32	\$9.79
Fire	\$700.99	\$190.56	\$205.23	\$221.44	\$238.57	\$250.50	\$263.02	\$276.17	\$289.98	\$304.48
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.88</u>	<u>\$5.26</u>	<u>\$5.67</u>	<u>\$5.95</u>	<u>\$6.25</u>	<u>\$6.56</u>	<u>\$6.89</u>	<u>\$7.23</u>
Total	\$6.81	\$6.80	\$7.24	\$7.86	\$8.51	\$8.93	\$9.37	\$9.83	\$10.31	\$10.82

**CCF**

Residential	732,074	768,573	758,654	748,862	739,197	729,657	720,240	710,944	701,768	692,711
Multi-Family	180,889	191,226	191,601	191,977	192,353	192,730	193,108	193,487	193,866	194,246
Commercial	256,160	282,534	284,397	286,273	288,160	290,060	291,973	293,898	295,836	297,787
MMRD	38,208	44,679	44,232	43,790	43,352	42,918	42,489	42,064	41,644	41,227
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,318,048	1,310,065	1,302,226	1,294,530	1,286,974	1,279,557	1,272,278	1,265,135

**CCF per Customer**

Residential	75.7	79.5	78.3	77.1	75.9	74.8	73.7	72.6	71.5	70.4
Multi-Family	766.5	810.3	802.2	794.2	786.2	778.4	770.6	762.9	755.2	747.7
Commercial	642.0	708.1	708.1	708.1	708.1	708.1	708.1	708.1	708.1	708.1
MMRD	9,552.0	11,169.8	11,058.1	10,947.5	10,838.0	10,729.6	10,622.3	10,516.1	10,410.9	10,306.8
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	120.5	119.5	118.5	117.5	116.6	115.6	114.7	113.8

**Customers**

Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

## Shoreline Municipal Water Utility - Updated Case H

### Revenue Forecast

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$8,477,711	\$8,828,341	\$9,193,472	\$9,573,705	\$9,969,663	\$10,381,998	\$10,811,387	\$11,258,535	\$11,724,176	\$12,209,076
Multi-Family	\$1,856,987	\$1,958,839	\$2,066,277	\$2,179,607	\$2,299,154	\$2,425,257	\$2,558,277	\$2,698,593	\$2,846,604	\$3,002,734
Commercial	\$2,980,591	\$3,142,381	\$3,312,953	\$3,492,784	\$3,682,376	\$3,882,259	\$4,092,993	\$4,315,165	\$4,549,397	\$4,796,344
MMRD	\$419,360	\$437,026	\$455,435	\$474,620	\$494,614	\$515,449	\$537,163	\$559,791	\$583,372	\$607,946
Fire	\$254,969	\$266,378	\$278,299	\$290,753	\$303,764	\$317,357	\$331,559	\$346,396	\$361,897	\$378,092
Other	<u>\$291,391</u>	<u>\$305,961</u>	<u>\$321,259</u>	<u>\$337,322</u>	<u>\$354,188</u>	<u>\$371,897</u>	<u>\$390,492</u>	<u>\$410,017</u>	<u>\$430,517</u>	<u>\$452,043</u>
Total	\$14,281,009	\$14,938,925	\$15,627,694	\$16,348,790	\$17,103,758	\$17,894,219	\$18,721,871	\$19,588,497	\$20,495,965	\$21,446,237
<b>Average Rate</b>										
Residential	\$12.40	\$13.02	\$13.67	\$14.35	\$15.07	\$15.82	\$16.62	\$17.45	\$18.32	\$19.23
Multi-Family	\$9.54	\$10.02	\$10.52	\$11.05	\$11.60	\$12.18	\$12.79	\$13.43	\$14.10	\$14.80
Commercial	\$9.94	\$10.44	\$10.96	\$11.51	\$12.09	\$12.69	\$13.33	\$13.99	\$14.69	\$15.43
MMRD	\$10.27	\$10.79	\$11.33	\$11.89	\$12.49	\$13.11	\$13.77	\$14.46	\$15.18	\$15.94
Fire	\$319.71	\$335.69	\$352.48	\$370.10	\$388.61	\$408.04	\$428.44	\$449.86	\$472.35	\$495.97
Other	<u>\$7.60</u>	<u>\$7.97</u>	<u>\$8.37</u>	<u>\$8.79</u>	<u>\$9.23</u>	<u>\$9.69</u>	<u>\$10.18</u>	<u>\$10.69</u>	<u>\$11.22</u>	<u>\$11.78</u>
Total	\$11.35	\$11.91	\$12.50	\$13.11	\$13.76	\$14.44	\$15.15	\$15.89	\$16.67	\$17.50
<b>CCF</b>										
Residential	683,771	678,143	672,563	667,028	661,538	656,094	650,695	645,340	640,029	634,762
Multi-Family	194,627	195,526	196,428	197,335	198,246	199,162	200,081	201,005	201,933	202,865
Commercial	299,750	300,972	302,200	303,432	304,669	305,911	307,158	308,411	309,668	310,931
MMRD	40,815	40,509	40,205	39,904	39,604	39,307	39,012	38,720	38,429	38,141
Fire	798	794	790	786	782	778	774	770	766	762
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,258,126	1,254,310	1,250,551	1,246,850	1,243,206	1,239,618	1,236,087	1,232,611	1,229,192	1,225,828
<b>CCF per Customer</b>										
Residential	69.4	68.7	68.0	67.3	66.6	66.0	65.3	64.7	64.0	63.4
Multi-Family	740.2	734.7	729.1	723.7	718.2	712.9	707.5	702.2	696.9	691.7
Commercial	708.1	706.3	704.6	702.8	701.1	699.3	697.6	695.8	694.1	692.3
MMRD	10,203.8	10,127.2	10,051.3	9,975.9	9,901.1	9,826.8	9,753.1	9,680.0	9,607.4	9,535.3
Fire	5.9	5.8	5.8	5.8	5.7	5.7	5.7	5.7	5.6	5.6
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	112.8	112.3	111.7	111.1	110.6	110.0	109.5	108.9	108.4	107.9
<b>Customers</b>										
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case H  
Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$12,714,031	\$13,282,984	\$13,877,398	\$14,498,411	\$15,147,215	\$15,825,053	\$16,533,224	\$17,273,086	\$18,046,057	\$18,853,618	\$19,697,317	
Multi-Family	\$3,168,478	\$3,357,289	\$3,557,352	\$3,769,337	\$3,993,954	\$4,231,957	\$4,484,142	\$4,751,355	\$5,034,491	\$5,334,499	\$5,652,385	
Commercial	\$5,094,715	\$5,357,800	\$5,634,471	\$5,925,429	\$6,231,411	\$6,553,194	\$6,891,593	\$7,247,467	\$7,621,717	\$8,015,294	\$8,429,195	
MMRD	\$635,152	\$665,242	\$696,758	\$729,767	\$764,340	\$800,550	\$838,477	\$878,199	\$919,804	\$963,380	\$1,009,020	
Fire	\$395,012	\$412,689	\$431,157	\$450,451	\$470,609	\$491,668	\$513,670	\$536,657	\$560,673	\$585,763	\$611,976	
Other	<u>\$474,645</u>	<u>\$498,378</u>	<u>\$523,297</u>	<u>\$549,461</u>	<u>\$576,934</u>	<u>\$605,781</u>	<u>\$636,070</u>	<u>\$667,874</u>	<u>\$701,267</u>	<u>\$736,331</u>	<u>\$773,147</u>	
Total	\$22,482,034	\$23,574,383	\$24,720,432	\$25,922,856	\$27,184,463	\$28,508,203	\$29,897,176	\$31,354,638	\$32,884,009	\$34,488,884	\$36,173,040	
<b>Average Rate</b>												
Residential	\$20.20	\$21.21	\$22.27	\$23.38	\$24.55	\$25.78	\$27.06	\$28.42	\$29.84	\$31.33	\$32.90	
Multi-Family	\$15.54	\$16.32	\$17.13	\$17.99	\$18.89	\$19.84	\$20.83	\$21.87	\$22.96	\$24.11	\$25.32	
Commercial	\$16.20	\$17.01	\$17.86	\$18.75	\$19.69	\$20.67	\$21.71	\$22.79	\$23.93	\$25.13	\$26.38	
MMRD	\$16.74	\$17.57	\$18.45	\$19.37	\$20.34	\$21.36	\$22.43	\$23.55	\$24.73	\$25.96	\$27.26	
Fire	\$520.77	\$546.81	\$574.15	\$602.85	\$633.00	\$664.65	\$697.88	\$732.77	\$769.41	\$807.88	\$848.28	
Other	<u>\$12.37</u>	<u>\$12.99</u>	<u>\$13.64</u>	<u>\$14.32</u>	<u>\$15.04</u>	<u>\$15.79</u>	<u>\$16.58</u>	<u>\$17.41</u>	<u>\$18.28</u>	<u>\$19.19</u>	<u>\$20.15</u>	
Total	\$18.35	\$19.26	\$20.21	\$21.21	\$22.25	\$23.35	\$24.50	\$25.71	\$26.98	\$28.31	\$29.71	
<b>CCF</b>												
Residential	629,538	626,391	623,259	620,142	617,042	613,956	610,887	607,832	604,793	601,769	598,760	
Multi-Family	203,870	205,732	207,611	209,507	211,421	213,352	215,301	217,267	219,252	221,254	223,275	
Commercial	314,546	315,037	315,529	316,021	316,514	317,008	317,503	317,999	318,495	318,992	319,490	
MMRD	37,951	37,856	37,761	37,667	37,572	37,479	37,385	37,291	37,198	37,105	37,012	
Fire	759	755	751	747	743	740	736	732	729	725	721	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,225,029	1,224,135	1,223,276	1,222,450	1,221,658	1,220,901	1,220,177	1,219,487	1,218,832	1,218,211	1,217,625	-0.3%
<b>CCF per Customer</b>												
Residential	62.7	62.4	62.1	61.8	61.5	61.2	60.9	60.6	60.3	60.0	59.7	-21%
Multi-Family	688.3	684.8	681.4	678.0	674.6	671.2	667.9	664.5	661.2	657.9	654.6	-15%
Commercial	695.8	692.3	688.9	685.4	682.0	678.6	675.2	671.8	668.4	665.1	661.8	-2%
MMRD	9,487.6	9,463.9	9,440.3	9,416.7	9,393.1	9,369.6	9,346.2	9,322.8	9,299.5	9,276.3	9,253.1	-15%
Fire	5.6	5.5	5.5	5.5	5.5	5.4	5.4	5.4	5.4	5.3	5.3	-5%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	107.6	107.4	107.3	107.1	107.0	106.9	106.7	106.6	106.5	106.3	106.2	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	



**Shoreline Municipal Water Utility - Updated Case H  
Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.50%	-1.50%	-1.50%	-1.50%	-1.50%	-1.50%	-1.50%	-1.50%
Multi-Family	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Commercial	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-1.29%	-1.29%	-1.29%	-1.29%	-1.29%	-1.29%	-1.29%	-1.29%
Multi-Family	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.61%	-0.61%	-0.60%	-0.59%	-0.58%	-0.58%	-0.57%	-0.56%
<b>Average Rate Increase</b>								
Residential	6.1%	7.9%	7.7%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	10.6%	10.4%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	7.6%	10.5%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	7.7%	7.9%	7.7%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	7.7%	7.9%	7.7%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	7.7%	7.9%	7.7%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case H**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.50%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-1.00%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%
Commercial	0.00%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	-1.00%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%
Fire	0.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
<b>Total CCF Growth</b>										
Residential	0.20%	0.46%	0.46%	0.46%	0.46%	0.46%	0.46%	0.46%	0.46%	0.46%
Multi-Family	0.66%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%
Commercial	-1.00%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%	-0.75%
MMRD	0.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.55%	-0.30%	-0.30%	-0.30%	-0.29%	-0.29%	-0.28%	-0.28%	-0.28%	-0.27%
<b>Average Rate Increase</b>										
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case H**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
<b>Total CCF Growth</b>											
Residential	-0.82%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	0.50%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	1.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Total	-0.07%	-0.07%	-0.07%	-0.07%	-0.06%	-0.06%	-0.06%	-0.06%	-0.05%	-0.05%	-0.05%
<b>Average Rate Increase</b>											
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case H  
Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,759,465	\$1,840,401	\$1,925,059	\$2,013,612	\$2,106,238	\$2,203,125	\$2,304,469	\$2,410,475	\$2,521,356	\$2,637,339
Materials & Supplies	\$945,339	\$988,824	\$1,034,310	\$1,081,889	\$1,131,655	\$1,183,712	\$1,238,162	\$1,295,118	\$1,354,693	\$1,417,009
Employee Benefits	\$703,787	\$736,161	\$770,024	\$805,445	\$842,496	\$881,251	\$921,788	\$964,191	\$1,008,543	\$1,054,936
Administrative	\$1,567,134	\$1,639,222	\$1,714,626	\$1,793,499	\$1,876,000	\$1,962,296	\$2,052,561	\$2,146,979	\$2,245,740	\$2,349,044
Total	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	B3 \$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687
Upfront Costs	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076
Total Initial Debt	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
Amount Available for Cash CIP	\$1,539,663	\$1,797,761	\$2,069,585	\$2,355,856	\$2,657,332	\$2,974,809	\$3,309,128	\$3,661,171	\$4,031,869	\$4,422,200
Required CIP by Year	\$1,958,662	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Required CIP Funded by Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Mains Replacement - Equal Over 23 Years	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Percent of Mains Funded for the Year	0%	0%	0%	5%	13%	20%	28%	35%	42%	48%
Mains Replacement - Amount Funded	\$0	\$0	\$0	\$114,275	\$312,638	\$522,259	\$743,761	\$977,797	\$1,225,060	\$1,486,278
Total CIP By Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,355,856	\$2,657,332	\$2,974,809	\$3,309,128	\$3,661,171	\$4,031,869	\$4,422,200

DSC	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3	2.4
Surplus	\$0	\$0	\$0	\$114,275	\$312,638	\$522,259	\$743,761	\$977,797	\$1,225,060	\$1,486,278
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$1,820,088	\$2,048,760	\$2,143,003	\$2,355,856	\$2,657,332	\$2,974,809	\$3,309,128	\$3,661,171	\$4,031,869	\$4,422,200
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case H  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$2,758,656	\$2,885,555	\$3,018,290	\$3,157,131	\$3,302,359	\$3,454,268	\$3,613,164	\$3,779,370	\$3,953,221	\$4,135,069	\$4,325,282
Materials & Supplies	\$1,482,191	\$1,550,372	\$1,621,689	\$1,696,287	\$1,774,316	\$1,855,935	\$1,941,308	\$2,030,608	\$2,124,016	\$2,221,721	\$2,323,920
Employee Benefits	\$1,103,463	\$1,154,223	\$1,207,317	\$1,262,854	\$1,320,945	\$1,381,708	\$1,445,267	\$1,511,749	\$1,581,290	\$1,654,029	\$1,730,114
Administrative	\$2,457,100	\$2,570,127	\$2,688,353	\$2,812,017	\$2,941,370	\$3,076,673	\$3,218,200	\$3,366,237	\$3,521,084	\$3,683,053	\$3,852,474
Total	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687
Upfront Costs	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076
Total Initial Debt	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
Amount Available for Cash CIP	\$4,860,371	\$5,328,698	\$5,823,305	\$6,345,635	\$6,897,213	\$7,479,642	\$8,094,618	\$8,743,925	\$9,429,446	\$10,153,169	\$10,917,187
Required CIP by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Required CIP Funded by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Mains Replacement	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Percent of Mains Funded	56%	63%	70%	77%	84%	90%	97%	103%	109%	115%	121%
Mains Replacement - Amount Fun	\$1,789,396	\$2,116,458	\$2,463,302	\$2,831,073	\$3,220,980	\$3,634,303	\$4,072,393	\$4,536,677	\$5,028,666	\$5,549,952	\$6,102,222
Total CIP By Year	\$4,860,371	\$5,328,698	\$5,823,305	\$6,345,635	\$6,897,213	\$7,479,642	\$8,094,618	\$8,743,925	\$9,429,446	\$10,153,169	\$10,917,187

DSC	2.6	2.7	2.9	3.1	3.3	3.4	3.6	3.9	4.1	4.3	4.6
Surplus	\$1,789,396	\$2,116,458	\$2,463,302	\$2,831,073	\$3,220,980	\$3,634,303	\$4,072,393	\$4,536,677	\$5,028,666	\$5,549,952	\$6,102,222
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$4,860,371	\$5,328,698	\$5,823,305	\$6,345,635	\$6,897,213	\$7,479,642	\$8,094,618	\$8,743,925	\$9,429,446	\$10,153,169	\$10,917,187
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case H**  
**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	551,335	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	706,791	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,258,126		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	636,792	44%	<- Based on same % split from 2011 loads
Off-peak months	816,344	56%	<- Based on same % split from 2011 loads
Total	1,453,136		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,445,518						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,249,006						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,694,524	\$2,772,349	\$2,852,634	\$2,935,461	\$3,020,918	\$3,109,096	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Case H  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$14,281,009	\$14,938,925	\$15,627,694	\$16,348,790	\$17,103,758	\$17,894,219	\$18,721,871	\$19,588,497	\$20,495,965	\$21,446,237
Use of Facilities Charges	\$71,651	\$75,234	\$78,995	\$82,945	\$87,092	\$91,447	\$96,019	\$100,820	\$105,861	\$111,155
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$14,352,660</b>	<b>\$15,014,159</b>	<b>\$15,706,689</b>	<b>\$16,431,735</b>	<b>\$17,190,851</b>	<b>\$17,985,666</b>	<b>\$18,817,890</b>	<b>\$19,689,317</b>	<b>\$20,601,827</b>	<b>\$21,557,391</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,200,089	\$3,302,045	\$3,407,375	\$3,516,195	\$3,628,625	\$3,744,789	\$3,864,816	\$3,988,838	\$4,116,994	\$4,249,426
Non-Supply O&M	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$718,192	\$751,279	\$785,917	\$822,181	\$860,148	\$899,900	\$941,523	\$985,105	\$1,030,742	\$1,078,531
City of Shoreline Tax Expense (franchise fee)	\$856,861	\$896,335	\$937,662	\$980,927	\$1,026,225	\$1,073,653	\$1,123,312	\$1,175,310	\$1,229,758	\$1,286,774
<b>Total Operating Expenses</b>	<b>\$9,750,866</b>	<b>\$10,154,267</b>	<b>\$10,574,973</b>	<b>\$11,013,748</b>	<b>\$11,471,388</b>	<b>\$11,948,726</b>	<b>\$12,446,632</b>	<b>\$12,966,015</b>	<b>\$13,507,827</b>	<b>\$14,073,060</b>
<b>Net Operating Funds</b>	<b>\$4,601,794</b>	<b>\$4,859,892</b>	<b>\$5,131,716</b>	<b>\$5,417,987</b>	<b>\$5,719,463</b>	<b>\$6,036,940</b>	<b>\$6,371,259</b>	<b>\$6,723,302</b>	<b>\$7,094,000</b>	<b>\$7,484,332</b>
<b>Debt Service Coverage Ratio</b>	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3	2.4
Debt payments - Initial	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
<b>Net Cash Flow before CIP</b>	<b>\$1,539,663</b>	<b>\$1,797,761</b>	<b>\$2,069,585</b>	<b>\$2,355,856</b>	<b>\$2,657,332</b>	<b>\$2,974,809</b>	<b>\$3,309,128</b>	<b>\$3,661,171</b>	<b>\$4,031,869</b>	<b>\$4,422,200</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$14,633,085</b>	<b>\$15,265,158</b>	<b>\$15,780,107</b>	<b>\$16,317,460</b>	<b>\$16,878,213</b>	<b>\$17,463,406</b>	<b>\$18,074,130</b>	<b>\$18,711,520</b>	<b>\$19,376,767</b>	<b>\$20,071,113</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$114,275</b>	<b>\$312,638</b>	<b>\$522,259</b>	<b>\$743,761</b>	<b>\$977,797</b>	<b>\$1,225,060</b>	<b>\$1,486,278</b>
Net Revenue as Percent of Total Revenue	0.0%	0.0%	0.0%	0.7%	1.8%	2.9%	4.0%	5.0%	5.9%	6.9%
Target Mains Replacement per Year	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Cumulative Mains Replacement	\$0	\$0	\$0	\$114,275	\$426,913	\$949,173	\$1,692,933	\$2,670,730	\$3,895,790	\$5,382,068
Percent Total Mains Replacement Funded	0.0%	0.0%	0.0%	0.2%	0.6%	1.4%	2.4%	3.8%	5.6%	7.7%

**Shoreline Municipal Water Utility - Updated Case H  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$22,482,034	\$23,574,383	\$24,720,432	\$25,922,856	\$27,184,463	\$28,508,203	\$29,897,176	\$31,354,638	\$32,884,009	\$34,488,884	\$36,173,040
Use of Facilities Charges	\$116,712	\$122,548	\$128,675	\$135,109	\$141,864	\$148,958	\$156,406	\$164,226	\$172,437	\$181,059	\$190,112
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$22,598,746</b>	<b>\$23,696,931</b>	<b>\$24,849,108</b>	<b>\$26,057,965</b>	<b>\$27,326,328</b>	<b>\$28,657,161</b>	<b>\$30,053,582</b>	<b>\$31,518,863</b>	<b>\$33,056,446</b>	<b>\$34,669,943</b>	<b>\$36,363,152</b>
<b>Expenses</b>											
Wholesale Water Supply	\$4,395,289	\$4,545,807	\$4,701,607	\$4,862,879	\$5,029,819	\$5,202,634	\$5,381,535	\$5,566,741	\$5,758,481	\$5,956,992	\$6,162,519
Non-Supply O&M	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,130,621	\$1,185,556	\$1,243,191	\$1,303,660	\$1,367,107	\$1,433,678	\$1,503,529	\$1,576,825	\$1,653,737	\$1,734,446	\$1,819,142
City of Shoreline Tax Expense (franchise fee)	\$1,348,922	\$1,414,463	\$1,483,226	\$1,555,371	\$1,631,068	\$1,710,492	\$1,793,831	\$1,881,278	\$1,973,041	\$2,069,333	\$2,170,382
<b>Total Operating Expenses</b>	<b>\$14,676,244</b>	<b>\$15,306,102</b>	<b>\$15,963,672</b>	<b>\$16,650,199</b>	<b>\$17,366,984</b>	<b>\$18,115,388</b>	<b>\$18,896,833</b>	<b>\$19,712,808</b>	<b>\$20,564,869</b>	<b>\$21,454,643</b>	<b>\$22,383,834</b>
<b>Net Operating Funds</b>	<b>\$7,922,502</b>	<b>\$8,390,829</b>	<b>\$8,885,436</b>	<b>\$9,407,766</b>	<b>\$9,959,344</b>	<b>\$10,541,773</b>	<b>\$11,156,749</b>	<b>\$11,806,056</b>	<b>\$12,491,577</b>	<b>\$13,215,300</b>	<b>\$13,979,318</b>
<b>Debt Service Coverage Ratio</b>	<b>2.6</b>	<b>2.7</b>	<b>2.9</b>	<b>3.1</b>	<b>3.3</b>	<b>3.4</b>	<b>3.6</b>	<b>3.9</b>	<b>4.1</b>	<b>4.3</b>	<b>4.6</b>
Debt payments - Initial	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
<b>Net Cash Flow before CIP</b>	<b>\$4,860,371</b>	<b>\$5,328,698</b>	<b>\$5,823,305</b>	<b>\$6,345,635</b>	<b>\$6,897,213</b>	<b>\$7,479,642</b>	<b>\$8,094,618</b>	<b>\$8,743,925</b>	<b>\$9,429,446</b>	<b>\$10,153,169</b>	<b>\$10,917,187</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
<b>Total Expenses</b>	<b>\$20,809,350</b>	<b>\$21,580,473</b>	<b>\$22,385,806</b>	<b>\$23,226,893</b>	<b>\$24,105,348</b>	<b>\$25,022,858</b>	<b>\$25,981,189</b>	<b>\$26,982,186</b>	<b>\$28,027,780</b>	<b>\$29,119,991</b>	<b>\$30,260,929</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$1,789,396</b>	<b>\$2,116,458</b>	<b>\$2,463,302</b>	<b>\$2,831,073</b>	<b>\$3,220,980</b>	<b>\$3,634,303</b>	<b>\$4,072,393</b>	<b>\$4,536,677</b>	<b>\$5,028,666</b>	<b>\$5,549,952</b>	<b>\$6,102,222</b>
Net Revenue - Available for Mains Replacement	7.9%	8.9%	9.9%	10.9%	11.8%	12.7%	13.6%	14.4%	15.2%	16.0%	16.8%
Target Mains Replacement per Year	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Cumulative Mains Replacement	\$7,171,465	\$9,287,923	\$11,751,225	\$14,582,297	\$17,803,277	\$21,437,580	\$25,509,973	\$30,046,650	\$35,075,316	\$40,625,268	\$46,727,491
Percent Total Mains Replacement Funded	10.2%	13.3%	16.8%	20.8%	25.4%	30.6%	36.4%	42.9%	50.1%	58.0%	66.7%



## Shoreline Muncpal Water Utility - Updated Case I

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$7,462,476	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$10,422,145	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$40,401,731	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$1,756,597	\$1,430,518				
Ongoing CIP	1	\$1,678,359	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,507,670	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$810,052	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$603,068	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,342,862	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$4,263,652</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$61,397	\$50,000	2012	2020		
<b>Tax Rates</b>							
State Tax		5.029%	Included in Existing SPU Rates				
City of Shoreline Tax		6.000%	Included in Existing SPU Rates				
<b>Scenario Selection</b>		<b>Selected</b>	<b>Base</b>	<b>Low</b>	<b>High</b>		
Escalation of Retail Rates	Low	3.0%	5.0%	3.0%	7.0%		
Escalation of Wholesale Rates	Low	2.5%	3.5%	2.5%	5.0%		
Escalation of Costs	Low	2.6%	4.6%	2.6%	6.6%		
Borrowing Cost	Base	5.0%	5.0%	4.0%	7.0%		
Borrowing term	Base	30	30	30	30		
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%		
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%		
Separation/Capital Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Operating Costs Sensitivity	Base	0.0%	0%	-10%	10%		
Water Supply Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Load Growth Sensitivity	Base	0.0%	0%	-0.5%	0.5%		
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5		
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%		
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%		
<b>Efficiency Savings</b>							
Upfront Costs	No	\$0	-\$390,000				
Labor	No	\$0	-\$267,325				
Materials & Supplies	No	\$0	\$0				
Employee Benefits	No	\$0	-\$76,415				
Administrative	No	\$0	\$0				

**Shoreline Municipal Water Utility - Updated Case I**

**Revenue Forecast**

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932	\$7,064,100	\$7,218,573	\$7,376,424	\$7,537,727	\$7,702,558
Multi-Family	\$958,677	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194	\$1,440,916	\$1,494,563	\$1,550,208	\$1,607,925	\$1,667,790
Commercial	\$1,452,391	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805	\$2,258,800	\$2,353,614	\$2,452,408	\$2,555,349	\$2,662,612
MMRD	\$224,812	\$273,622	\$292,744	\$313,827	\$335,951	\$344,300	\$352,856	\$361,624	\$370,610	\$379,820
Fire	\$139,497	\$151,974	\$163,411	\$176,060	\$189,419	\$195,101	\$200,955	\$206,983	\$213,193	\$219,588
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,754</u>	<u>\$201,210</u>	<u>\$216,478</u>	<u>\$222,972</u>	<u>\$229,661</u>	<u>\$236,551</u>	<u>\$243,648</u>	<u>\$250,957</u>
Total	\$8,458,920	\$9,017,751	\$9,573,610	\$10,369,764	\$11,211,779	\$11,526,189	\$11,850,222	\$12,184,199	\$12,528,452	\$12,883,325

**Average Rate**

Residential	\$7.50	\$7.50	\$7.95	\$8.56	\$9.21	\$9.49	\$9.77	\$10.07	\$10.37	\$10.68
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.11	\$7.33	\$7.55	\$7.77	\$8.01	\$8.25
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.41	\$7.63	\$7.86	\$8.10	\$8.34	\$8.59
MMRD	\$5.88	\$6.12	\$6.59	\$7.09	\$7.63	\$7.86	\$8.10	\$8.34	\$8.59	\$8.85
Fire	\$700.99	\$190.56	\$204.90	\$220.76	\$237.51	\$244.64	\$251.98	\$259.54	\$267.32	\$275.34
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.87</u>	<u>\$5.24</u>	<u>\$5.64</u>	<u>\$5.81</u>	<u>\$5.99</u>	<u>\$6.17</u>	<u>\$6.35</u>	<u>\$6.54</u>
Total	\$6.81	\$6.80	\$7.23	\$7.84	\$8.48	\$8.73	\$8.99	\$9.25	\$9.52	\$9.79

**CCF**

Residential	732,074	768,573	762,505	756,484	750,511	744,585	738,706	732,874	727,087	721,346
Multi-Family	180,889	191,226	192,569	193,921	195,283	196,654	198,034	199,425	200,825	202,235
Commercial	256,160	282,534	285,819	289,143	292,504	295,905	299,346	302,826	306,347	309,909
MMRD	38,208	44,679	44,456	44,233	44,012	43,792	43,573	43,355	43,138	42,923
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,324,512	1,322,945	1,321,474	1,320,100	1,318,823	1,317,643	1,316,561	1,315,576

**CCF per Customer**

Residential	75.7	79.5	78.7	77.9	77.1	76.3	75.6	74.8	74.1	73.3
Multi-Family	766.5	810.3	806.2	802.2	798.2	794.2	790.2	786.3	782.3	778.4
Commercial	642.0	708.1	711.6	715.2	718.8	722.4	726.0	729.6	733.3	736.9
MMRD	9,552.0	11,169.8	11,113.9	11,058.3	11,003.0	10,948.0	10,893.3	10,838.8	10,784.6	10,730.7
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.1	120.7	120.2	119.8	119.4	119.0	118.7	118.3

**Customers**

Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
Total	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

## Shoreline Municipal Water Utility - Updated Case I

### Revenue Forecast

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$7,870,992	\$8,081,012	\$8,296,636	\$8,518,014	\$8,745,298	\$8,978,647	\$9,218,222	\$9,464,190	\$9,716,721	\$9,975,990
Multi-Family	\$1,729,885	\$1,799,025	\$1,870,929	\$1,945,707	\$2,023,474	\$2,104,349	\$2,188,456	\$2,275,925	\$2,366,889	\$2,461,490
Commercial	\$2,774,376	\$2,883,641	\$2,997,209	\$3,115,250	\$3,237,939	\$3,365,461	\$3,498,005	\$3,635,769	\$3,778,958	\$3,927,787
MMRD	\$389,259	\$399,934	\$410,902	\$422,171	\$433,749	\$445,645	\$457,867	\$470,424	\$483,325	\$496,580
Fire	\$226,176	\$232,961	\$239,950	\$247,149	\$254,563	\$262,200	\$270,066	\$278,168	\$286,513	\$295,109
Other	<u>\$258,486</u>	<u>\$266,240</u>	<u>\$274,227</u>	<u>\$282,454</u>	<u>\$290,928</u>	<u>\$299,656</u>	<u>\$308,645</u>	<u>\$317,905</u>	<u>\$327,442</u>	<u>\$337,265</u>
Total	\$13,249,174	\$13,662,814	\$14,089,854	\$14,530,745	\$14,985,951	\$15,455,957	\$15,941,260	\$16,442,379	\$16,959,848	\$17,494,220

### Average Rate

Residential	\$11.00	\$11.33	\$11.67	\$12.02	\$12.38	\$12.75	\$13.13	\$13.53	\$13.93	\$14.35
Multi-Family	\$8.49	\$8.75	\$9.01	\$9.28	\$9.56	\$9.85	\$10.14	\$10.45	\$10.76	\$11.08
Commercial	\$8.85	\$9.11	\$9.39	\$9.67	\$9.96	\$10.26	\$10.57	\$10.88	\$11.21	\$11.55
MMRD	\$9.11	\$9.39	\$9.67	\$9.96	\$10.26	\$10.57	\$10.88	\$11.21	\$11.55	\$11.89
Fire	\$283.60	\$292.11	\$300.87	\$309.90	\$319.20	\$328.77	\$338.64	\$348.80	\$359.26	\$370.04
Other	<u>\$6.74</u>	<u>\$6.94</u>	<u>\$7.15</u>	<u>\$7.36</u>	<u>\$7.58</u>	<u>\$7.81</u>	<u>\$8.04</u>	<u>\$8.29</u>	<u>\$8.53</u>	<u>\$8.79</u>
Total	\$10.08	\$10.37	\$10.68	\$10.99	\$11.31	\$11.64	\$11.99	\$12.34	\$12.70	\$13.07

### CCF

Residential	715,651	713,346	711,048	708,758	706,476	704,201	701,933	699,672	697,419	695,172
Multi-Family	203,655	205,626	207,616	209,625	211,654	213,702	215,770	217,859	219,967	222,096
Commercial	313,512	316,368	319,250	322,159	325,094	328,055	331,044	334,060	337,103	340,174
MMRD	42,708	42,601	42,495	42,389	42,283	42,177	42,072	41,966	41,861	41,757
Fire	798	798	798	798	798	798	798	798	798	798
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,314,689	1,317,104	1,319,573	1,322,094	1,324,669	1,327,298	1,329,982	1,332,720	1,335,514	1,338,363

### CCF per Customer

Residential	72.6	72.2	71.9	71.5	71.2	70.8	70.4	70.1	69.7	69.4
Multi-Family	774.5	772.6	770.7	768.7	766.8	764.9	763.0	761.1	759.2	757.3
Commercial	740.6	742.5	744.3	746.2	748.1	749.9	751.8	753.7	755.6	757.4
MMRD	10,677.0	10,650.4	10,623.7	10,597.2	10,570.7	10,544.3	10,517.9	10,491.6	10,465.4	10,439.2
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	117.9	117.9	117.9	117.8	117.8	117.8	117.8	117.8	117.8	117.8

### Customers

Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case I  
Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$10,242,177	\$10,549,442	\$10,865,925	\$11,191,903	\$11,527,660	\$11,873,490	\$12,229,695	\$12,596,585	\$12,974,483	\$13,363,718	\$13,764,629	
Multi-Family	\$2,554,286	\$2,668,287	\$2,787,375	\$2,911,779	\$3,041,735	\$3,177,491	\$3,319,306	\$3,467,450	\$3,622,206	\$3,783,869	\$3,952,748	
Commercial	\$4,082,477	\$4,232,678	\$4,388,405	\$4,549,861	\$4,717,258	\$4,890,813	\$5,070,754	\$5,257,315	\$5,450,740	\$5,651,281	\$5,859,201	
MMRD	\$510,199	\$525,505	\$541,270	\$557,508	\$574,233	\$591,460	\$609,204	\$627,480	\$646,305	\$665,694	\$685,665	
Fire	\$303,962	\$313,081	\$322,473	\$332,147	\$342,112	\$352,375	\$362,946	\$373,835	\$385,050	\$396,601	\$408,499	
Other	<u>\$347,383</u>	<u>\$357,805</u>	<u>\$368,539</u>	<u>\$379,595</u>	<u>\$390,983</u>	<u>\$402,712</u>	<u>\$414,794</u>	<u>\$427,237</u>	<u>\$440,055</u>	<u>\$453,256</u>	<u>\$466,854</u>	
Total	\$18,040,484	\$18,646,797	\$19,273,987	\$19,922,793	\$20,593,981	\$21,288,342	\$22,006,698	\$22,749,903	\$23,518,838	\$24,314,419	\$25,137,595	
<b>Average Rate</b>												
Residential	\$14.78	\$15.22	\$15.68	\$16.15	\$16.64	\$17.14	\$17.65	\$18.18	\$18.72	\$19.29	\$19.86	
Multi-Family	\$11.42	\$11.76	\$12.11	\$12.47	\$12.85	\$13.23	\$13.63	\$14.04	\$14.46	\$14.89	\$15.34	
Commercial	\$11.89	\$12.25	\$12.62	\$13.00	\$13.39	\$13.79	\$14.20	\$14.63	\$15.07	\$15.52	\$15.98	
MMRD	\$12.25	\$12.62	\$12.99	\$13.38	\$13.79	\$14.20	\$14.63	\$15.06	\$15.52	\$15.98	\$16.46	
Fire	\$381.14	\$392.57	\$404.35	\$416.48	\$428.98	\$441.84	\$455.10	\$468.75	\$482.82	\$497.30	\$512.22	
Other	<u>\$9.05</u>	<u>\$9.33</u>	<u>\$9.61</u>	<u>\$9.89</u>	<u>\$10.19</u>	<u>\$10.50</u>	<u>\$10.81</u>	<u>\$11.14</u>	<u>\$11.47</u>	<u>\$11.81</u>	<u>\$12.17</u>	
Total	\$13.46	\$13.85	\$14.26	\$14.68	\$15.11	\$15.55	\$16.01	\$16.48	\$16.97	\$17.47	\$17.98	
<b>CCF</b>												
Residential	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	
Multi-Family	223,756	226,934	230,158	233,427	236,743	240,106	243,517	246,976	250,484	254,042	257,651	
Commercial	343,274	345,537	347,815	350,109	352,417	354,741	357,080	359,435	361,805	364,190	366,592	
MMRD	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	
Fire	798	798	798	798	798	798	798	798	798	798	798	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,340,779	1,346,221	1,351,723	1,357,286	1,362,910	1,368,597	1,374,346	1,380,160	1,386,038	1,391,982	1,397,992	0.2%
<b>CCF per Customer</b>												
Residential	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	-13%
Multi-Family	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	-7%
Commercial	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	7%
MMRD	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	-7%
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	0%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	117.7	118.1	118.5	119.0	119.4	119.8	120.2	120.6	121.1	121.5	121.9	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	

**Shoreline Municipal Water Utility - Updated Case I  
Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
Multi-Family	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Commercial	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.13%	-0.12%	-0.11%	-0.10%	-0.10%	-0.09%	-0.08%	-0.07%
<b>Average Rate Increase</b>								
Residential	6.0%	7.7%	7.6%	3.0%	3.0%	3.0%	3.0%	3.0%
Multi-Family	10.6%	10.4%	10.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Commercial	7.6%	10.5%	10.0%	3.0%	3.0%	3.0%	3.0%	3.0%
MMRD	7.5%	7.7%	7.6%	3.0%	3.0%	3.0%	3.0%	3.0%
Fire	7.5%	7.7%	7.6%	3.0%	3.0%	3.0%	3.0%	3.0%
Other	7.5%	7.7%	7.6%	3.0%	3.0%	3.0%	3.0%	3.0%

**Shoreline Municipal Water Utility - Updated Case I  
Revenue Forecast**

<b>Customer Growth</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Commercial	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>										
Residential	0.70%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%
Multi-Family	1.16%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.07%	0.18%	0.19%	0.19%	0.19%	0.20%	0.20%	0.21%	0.21%	0.21%
<b>Average Rate Increase</b>										
Residential	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Multi-Family	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Commercial	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
MMRD	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Fire	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

**Shoreline Municipal Water Utility - Updated Case I  
Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>											
Residential	-0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.75%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.91%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.18%	0.41%	0.41%	0.41%	0.41%	0.42%	0.42%	0.42%	0.43%	0.43%	0.43%
<b>Average Rate Increase</b>											
Residential	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Multi-Family	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Commercial	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
MMRD	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Fire	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

**Shoreline Municipal Water Utility - Updated Case I  
Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,507,670	\$1,546,869	\$1,587,088	\$1,628,352	\$1,670,689	\$1,714,127	\$1,758,694	\$1,804,420	\$1,851,335	\$1,899,470
Materials & Supplies	\$810,052	\$831,113	\$852,722	\$874,893	\$897,640	\$920,979	\$944,924	\$969,492	\$994,699	\$1,020,561
Employee Benefits	\$603,068	\$618,748	\$634,836	\$651,341	\$668,276	\$685,651	\$703,478	\$721,769	\$740,535	\$759,789
Administrative	\$1,342,862	\$1,377,777	\$1,413,599	\$1,450,352	\$1,488,061	\$1,526,751	\$1,566,447	\$1,607,174	\$1,648,961	\$1,691,834
Total	\$4,263,652	\$4,374,507	\$4,488,244	\$4,604,938	\$4,724,667	\$4,847,508	\$4,973,543	\$5,102,855	\$5,235,530	\$5,371,653

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	B3 \$485,445	\$485,445	\$485,445	\$485,445	\$485,445	\$485,445	\$485,445	\$485,445	\$485,445	\$485,445
Upfront Costs	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975
Total Initial Debt	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788
Amount Available for Cash CIP	\$1,443,337	\$1,615,013	\$1,793,310	\$1,978,483	\$2,170,795	\$2,370,520	\$2,577,943	\$2,793,359	\$3,017,076	\$3,249,411
Required CIP by Year	\$1,678,359	\$1,721,996	\$1,766,768	\$1,812,704	\$1,859,834	\$1,908,190	\$1,957,803	\$2,008,706	\$2,060,932	\$2,114,516
Required CIP Funded by Year	\$1,820,088	\$1,721,996	\$1,766,768	\$1,812,704	\$1,859,834	\$1,908,190	\$1,957,803	\$2,008,706	\$2,060,932	\$2,114,516
Mains Replacement - Equal Over 23 Years	\$1,756,597	\$1,802,269	\$1,849,128	\$1,897,205	\$1,946,532	\$1,997,142	\$2,049,068	\$2,102,343	\$2,157,004	\$2,213,086
Percent of Mains Funded for the Year	0%	0%	1%	9%	16%	23%	30%	37%	44%	51%
Mains Replacement - Amount Funded	\$0	\$0	\$26,542	\$165,779	\$310,960	\$462,330	\$620,140	\$784,654	\$956,144	\$1,134,895
Total CIP By Year	\$1,820,088	\$1,721,996	\$1,793,310	\$1,978,483	\$2,170,795	\$2,370,520	\$2,577,943	\$2,793,359	\$3,017,076	\$3,249,411

DSC	1.5	1.6	1.6	1.7	1.8	1.8	1.9	2.0	2.0	2.1
Surplus	\$0	\$0	\$26,542	\$165,779	\$310,960	\$462,330	\$620,140	\$784,654	\$956,144	\$1,134,895
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$1,820,088	\$1,721,996	\$1,793,310	\$1,978,483	\$2,170,795	\$2,370,520	\$2,577,943	\$2,793,359	\$3,017,076	\$3,249,411
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



**Shoreline Municipal Water Utility - Updated Case I  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$1,948,856	\$1,999,526	\$2,051,514	\$2,104,853	\$2,159,580	\$2,215,729	\$2,273,338	\$2,332,444	\$2,393,088	\$2,455,308	\$2,519,146
Materials & Supplies	\$1,047,096	\$1,074,320	\$1,102,253	\$1,130,911	\$1,160,315	\$1,190,483	\$1,221,436	\$1,253,193	\$1,285,776	\$1,319,206	\$1,353,506
Employee Benefits	\$779,543	\$799,811	\$820,606	\$841,942	\$863,833	\$886,292	\$909,336	\$932,979	\$957,236	\$982,124	\$1,007,659
Administrative	\$1,735,821	\$1,780,953	\$1,827,258	\$1,874,766	\$1,923,510	\$1,973,521	\$2,024,833	\$2,077,479	\$2,131,493	\$2,186,912	\$2,243,772
Total	\$5,511,316	\$5,654,611	\$5,801,631	\$5,952,473	\$6,107,237	\$6,266,025	\$6,428,942	\$6,596,095	\$6,767,593	\$6,943,550	\$7,124,083

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	\$485,445	\$485,445	\$485,445	\$485,445	\$485,445	\$485,445	\$485,445	\$485,445	\$485,445	\$485,445	\$485,445
Upfront Costs	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975	\$677,975
Total Initial Debt	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788
Amount Available for Cash CIP	\$3,487,275	\$3,762,232	\$4,048,381	\$4,346,166	\$4,656,050	\$4,978,516	\$5,314,062	\$5,663,211	\$6,026,502	\$6,404,498	\$6,797,784
Required CIP by Year	\$2,169,494	\$2,225,901	\$2,283,774	\$2,343,152	\$2,404,074	\$2,466,580	\$2,530,711	\$2,596,510	\$2,664,019	\$2,733,283	\$2,804,349
Required CIP Funded by Year	\$2,169,494	\$2,225,901	\$2,283,774	\$2,343,152	\$2,404,074	\$2,466,580	\$2,530,711	\$2,596,510	\$2,664,019	\$2,733,283	\$2,804,349
Mains Replacement	\$2,270,627	\$2,329,663	\$2,390,234	\$2,452,380	\$2,516,142	\$2,581,562	\$2,648,683	\$2,717,548	\$2,788,205	\$2,860,698	\$2,935,076
Percent of Mains Funded	58%	66%	74%	82%	90%	97%	105%	113%	121%	128%	136%
Mains Replacement - Amount Fun	\$1,317,781	\$1,536,332	\$1,764,607	\$2,003,014	\$2,251,976	\$2,511,936	\$2,783,351	\$3,066,701	\$3,362,483	\$3,671,215	\$3,993,435
Total CIP By Year	\$3,487,275	\$3,762,232	\$4,048,381	\$4,346,166	\$4,656,050	\$4,978,516	\$5,314,062	\$5,663,211	\$6,026,502	\$6,404,498	\$6,797,784

DSC	2.2	2.3	2.4	2.5	2.6	2.7	2.8	3.0	3.1	3.2	3.3
Surplus	\$1,317,781	\$1,536,332	\$1,764,607	\$2,003,014	\$2,251,976	\$2,511,936	\$2,783,351	\$3,066,701	\$3,362,483	\$3,671,215	\$3,993,435
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$3,487,275	\$3,762,232	\$4,048,381	\$4,346,166	\$4,656,050	\$4,978,516	\$5,314,062	\$5,663,211	\$6,026,502	\$6,404,498	\$6,797,784
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case I**

**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	576,122	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	738,567	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,314,689		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	665,421	44%	<- Based on same % split from 2011 loads
Off-peak months	853,045	56%	<- Based on same % split from 2011 loads
Total	1,518,466		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,510,505						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,305,159						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,815,664	\$2,883,055	\$2,952,273	\$3,023,373	\$3,096,411	\$3,171,448	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Case I  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$13,249,174	\$13,662,814	\$14,089,854	\$14,530,745	\$14,985,951	\$15,455,957	\$15,941,260	\$16,442,379	\$16,959,848	\$17,494,220
Use of Facilities Charges	\$61,397	\$63,239	\$65,136	\$67,090	\$69,103	\$71,176	\$73,312	\$75,511	\$77,776	\$80,109
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$13,310,571</b>	<b>\$13,726,054</b>	<b>\$14,154,991</b>	<b>\$14,597,835</b>	<b>\$15,055,054</b>	<b>\$15,527,133</b>	<b>\$16,014,572</b>	<b>\$16,517,890</b>	<b>\$17,037,624</b>	<b>\$17,574,330</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,248,542	\$3,335,873	\$3,425,678	\$3,518,030	\$3,613,004	\$3,710,679	\$3,811,135	\$3,914,457	\$4,020,728	\$4,130,039
Non-Supply O&M	\$4,263,652	\$4,374,507	\$4,488,244	\$4,604,938	\$4,724,667	\$4,847,508	\$4,973,543	\$5,102,855	\$5,235,530	\$5,371,653
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$666,301	\$687,103	\$708,579	\$730,751	\$753,643	\$777,280	\$801,686	\$826,887	\$852,911	\$879,784
City of Shoreline Tax Expense (franchise fee)	\$794,950	\$819,769	\$845,391	\$871,845	\$899,157	\$927,357	\$956,476	\$986,543	\$1,017,591	\$1,049,653
<b>Total Operating Expenses</b>	<b>\$8,973,445</b>	<b>\$9,217,252</b>	<b>\$9,467,892</b>	<b>\$9,725,564</b>	<b>\$9,990,471</b>	<b>\$10,262,824</b>	<b>\$10,542,840</b>	<b>\$10,830,742</b>	<b>\$11,126,760</b>	<b>\$11,431,130</b>
<b>Net Operating Funds</b>	<b>\$4,337,126</b>	<b>\$4,508,802</b>	<b>\$4,687,099</b>	<b>\$4,872,271</b>	<b>\$5,064,583</b>	<b>\$5,264,308</b>	<b>\$5,471,732</b>	<b>\$5,687,148</b>	<b>\$5,910,864</b>	<b>\$6,143,200</b>
<b>Debt Service Coverage Ratio</b>	<b>1.5</b>	<b>1.6</b>	<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>1.8</b>	<b>1.9</b>	<b>2.0</b>	<b>2.0</b>	<b>2.1</b>
Debt payments - Initial	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788
<b>Net Cash Flow before CIP</b>	<b>\$1,443,337</b>	<b>\$1,615,013</b>	<b>\$1,793,310</b>	<b>\$1,978,483</b>	<b>\$2,170,795</b>	<b>\$2,370,520</b>	<b>\$2,577,943</b>	<b>\$2,793,359</b>	<b>\$3,017,076</b>	<b>\$3,249,411</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$1,721,996	\$1,766,768	\$1,812,704	\$1,859,834	\$1,908,190	\$1,957,803	\$2,008,706	\$2,060,932	\$2,114,516
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$13,687,322</b>	<b>\$13,833,037</b>	<b>\$14,128,449</b>	<b>\$14,432,056</b>	<b>\$14,744,094</b>	<b>\$15,064,803</b>	<b>\$15,394,432</b>	<b>\$15,733,236</b>	<b>\$16,081,480</b>	<b>\$16,439,435</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26,542</b>	<b>\$165,779</b>	<b>\$310,960</b>	<b>\$462,330</b>	<b>\$620,140</b>	<b>\$784,654</b>	<b>\$956,144</b>	<b>\$1,134,895</b>
Net Revenue as Percent of Total Revenue	0.0%	0.0%	0.2%	1.1%	2.1%	3.0%	3.9%	4.8%	5.6%	6.5%
Target Mains Replacement per Year	\$1,756,597	\$1,802,269	\$1,849,128	\$1,897,205	\$1,946,532	\$1,997,142	\$2,049,068	\$2,102,343	\$2,157,004	\$2,213,086
Cumulative Mains Replacement	\$0	\$0	\$26,542	\$192,321	\$503,282	\$965,612	\$1,585,752	\$2,370,405	\$3,326,549	\$4,461,444
Percent Total Mains Replacement Funded	0.0%	0.0%	0.1%	0.4%	1.0%	2.0%	3.3%	4.9%	6.9%	9.2%

**Shoreline Municipal Water Utility - Updated Case I  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$18,040,484	\$18,646,797	\$19,273,987	\$19,922,793	\$20,593,981	\$21,288,342	\$22,006,698	\$22,749,903	\$23,518,838	\$24,314,419	\$25,137,595
Use of Facilities Charges	\$82,513	\$84,988	\$87,538	\$90,164	\$92,869	\$95,655	\$98,525	\$101,480	\$104,525	\$107,660	\$110,890
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$18,122,996</b>	<b>\$18,731,785</b>	<b>\$19,361,525</b>	<b>\$20,012,957</b>	<b>\$20,686,849</b>	<b>\$21,383,996</b>	<b>\$22,105,223</b>	<b>\$22,851,383</b>	<b>\$23,623,363</b>	<b>\$24,422,080</b>	<b>\$25,248,485</b>
<b>Expenses</b>											
Wholesale Water Supply	\$4,240,932	\$4,364,598	\$4,491,997	\$4,623,245	\$4,758,463	\$4,897,776	\$5,041,311	\$5,189,202	\$5,341,587	\$5,498,605	\$5,660,405
Non-Supply O&M	\$5,511,316	\$5,654,611	\$5,801,631	\$5,952,473	\$6,107,237	\$6,266,025	\$6,428,942	\$6,596,095	\$6,767,593	\$6,943,550	\$7,124,083
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$907,256	\$937,747	\$969,289	\$1,001,917	\$1,035,671	\$1,070,591	\$1,106,717	\$1,144,093	\$1,182,762	\$1,222,772	\$1,264,170
City of Shoreline Tax Expense (franchise fee)	\$1,082,429	\$1,118,808	\$1,156,439	\$1,195,368	\$1,235,639	\$1,277,300	\$1,320,402	\$1,364,994	\$1,411,130	\$1,458,865	\$1,508,256
<b>Total Operating Expenses</b>	<b>\$11,741,933</b>	<b>\$12,075,764</b>	<b>\$12,419,356</b>	<b>\$12,773,003</b>	<b>\$13,137,011</b>	<b>\$13,511,692</b>	<b>\$13,897,372</b>	<b>\$14,294,384</b>	<b>\$14,703,072</b>	<b>\$15,123,793</b>	<b>\$15,556,913</b>
<b>Net Operating Funds</b>	<b>\$6,381,064</b>	<b>\$6,656,021</b>	<b>\$6,942,169</b>	<b>\$7,239,954</b>	<b>\$7,549,839</b>	<b>\$7,872,304</b>	<b>\$8,207,851</b>	<b>\$8,556,999</b>	<b>\$8,920,290</b>	<b>\$9,298,287</b>	<b>\$9,691,572</b>
<b>Debt Service Coverage Ratio</b>	<b>2.2</b>	<b>2.3</b>	<b>2.4</b>	<b>2.5</b>	<b>2.6</b>	<b>2.7</b>	<b>2.8</b>	<b>3.0</b>	<b>3.1</b>	<b>3.2</b>	<b>3.3</b>
Debt payments - Initial	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788	\$2,893,788
<b>Net Cash Flow before CIP</b>	<b>\$3,487,275</b>	<b>\$3,762,232</b>	<b>\$4,048,381</b>	<b>\$4,346,166</b>	<b>\$4,656,050</b>	<b>\$4,978,516</b>	<b>\$5,314,062</b>	<b>\$5,663,211</b>	<b>\$6,026,502</b>	<b>\$6,404,498</b>	<b>\$6,797,784</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$2,169,494	\$2,225,901	\$2,283,774	\$2,343,152	\$2,404,074	\$2,466,580	\$2,530,711	\$2,596,510	\$2,664,019	\$2,733,283	\$2,804,349
<b>Total Expenses</b>	<b>\$16,805,215</b>	<b>\$17,195,453</b>	<b>\$17,596,918</b>	<b>\$18,009,944</b>	<b>\$18,434,873</b>	<b>\$18,872,061</b>	<b>\$19,321,872</b>	<b>\$19,784,682</b>	<b>\$20,260,880</b>	<b>\$20,750,865</b>	<b>\$21,255,050</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$1,317,781</b>	<b>\$1,536,332</b>	<b>\$1,764,607</b>	<b>\$2,003,014</b>	<b>\$2,251,976</b>	<b>\$2,511,936</b>	<b>\$2,783,351</b>	<b>\$3,066,701</b>	<b>\$3,362,483</b>	<b>\$3,671,215</b>	<b>\$3,993,435</b>
Net Revenue - Available for Mains Replacement	7.3%	8.2%	9.1%	10.0%	10.9%	11.7%	12.6%	13.4%	14.2%	15.0%	15.8%
Target Mains Replacement per Year	\$2,270,627	\$2,329,663	\$2,390,234	\$2,452,380	\$2,516,142	\$2,581,562	\$2,648,683	\$2,717,548	\$2,788,205	\$2,860,698	\$2,935,076
Cumulative Mains Replacement	\$5,779,226	\$7,315,557	\$9,080,164	\$11,083,178	\$13,335,154	\$15,847,089	\$18,630,441	\$21,697,142	\$25,059,625	\$28,730,840	\$32,724,275
Percent Total Mains Replacement Funded	12.0%	15.2%	18.8%	23.0%	27.6%	32.8%	38.6%	45.0%	51.9%	59.5%	67.8%

## Shoreline Muncpal Water Utility - Updated Case J

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$8,542,269	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$11,930,190	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$47,149,226	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,049,966	\$1,430,518				
Ongoing CIP	1	\$1,958,662	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,759,465	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$945,339	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$703,787	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,567,134	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$4,975,725</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$71,651	\$50,000	2012	2020		
<b>Tax Rates</b>							
State Tax		5.029%	Included in Existing SPU Rates				
City of Shoreline Tax		6.000%	Included in Existing SPU Rates				
<b>Scenario Selection</b>		<b>Selected</b>	<b>Base</b>	<b>Low</b>	<b>High</b>		
Escalation of Retail Rates	Base	5.0%	5.0%	3.0%	7.0%		
Escalation of Wholesale Rates	Base	3.5%	3.5%	2.5%	5.0%		
Escalation of Costs	Base	4.6%	4.6%	2.6%	6.6%		
Borrowing Cost	Base	5.0%	5.0%	4.0%	7.0%		
Borrowing term	Base	30	30	30	30		
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%		
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%		
Separation/Capital Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Operating Costs Sensitivity	Base	0.0%	0%	-10%	10%		
Water Supply Cost Sensitivity	High	10.0%	0%	-10%	10%		
Load Growth Sensitivity	Base	0.0%	0%	-0.5%	0.5%		
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5		
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%		
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%		
<b>Efficiency Savings</b>							
Upfront Costs	No	\$0	-\$390,000				
Labor	No	\$0	-\$267,325				
Materials & Supplies	No	\$0	\$0				
Employee Benefits	No	\$0	-\$76,415				
Administrative	No	\$0	\$0				

## Shoreline Municipal Water Utility - Updated Case J

### Revenue Forecast

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932	\$7,201,267	\$7,501,628	\$7,814,517	\$8,140,456	\$8,479,990
Multi-Family	\$958,677	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194	\$1,468,895	\$1,553,168	\$1,642,276	\$1,736,497	\$1,836,123
Commercial	\$1,452,391	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805	\$2,302,660	\$2,445,904	\$2,598,059	\$2,759,679	\$2,931,353
MMRD	\$224,812	\$273,622	\$292,744	\$313,827	\$335,951	\$350,985	\$366,692	\$383,101	\$400,245	\$418,156
Fire	\$139,497	\$151,974	\$163,411	\$176,060	\$189,419	\$198,890	\$208,834	\$219,276	\$230,240	\$241,752
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,754</u>	<u>\$201,210</u>	<u>\$216,478</u>	<u>\$227,302</u>	<u>\$238,667</u>	<u>\$250,600</u>	<u>\$263,130</u>	<u>\$276,286</u>
Total	\$8,458,920	\$9,017,751	\$9,573,610	\$10,369,764	\$11,211,779	\$11,749,998	\$12,314,893	\$12,907,829	\$13,530,247	\$14,183,661
<b>Average Rate</b>										
Residential	\$7.50	\$7.50	\$7.95	\$8.56	\$9.21	\$9.67	\$10.16	\$10.66	\$11.20	\$11.76
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.11	\$7.47	\$7.84	\$8.24	\$8.65	\$9.08
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.41	\$7.78	\$8.17	\$8.58	\$9.01	\$9.46
MMRD	\$5.88	\$6.12	\$6.59	\$7.09	\$7.63	\$8.01	\$8.42	\$8.84	\$9.28	\$9.74
Fire	\$700.99	\$190.56	\$204.90	\$220.76	\$237.51	\$249.39	\$261.86	\$274.95	\$288.70	\$303.13
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.87</u>	<u>\$5.24</u>	<u>\$5.64</u>	<u>\$5.92</u>	<u>\$6.22</u>	<u>\$6.53</u>	<u>\$6.86</u>	<u>\$7.20</u>
Total	\$6.81	\$6.80	\$7.23	\$7.84	\$8.48	\$8.90	\$9.34	\$9.80	\$10.28	\$10.78
<b>CCF</b>										
Residential	732,074	768,573	762,505	756,484	750,511	744,585	738,706	732,874	727,087	721,346
Multi-Family	180,889	191,226	192,569	193,921	195,283	196,654	198,034	199,425	200,825	202,235
Commercial	256,160	282,534	285,819	289,143	292,504	295,905	299,346	302,826	306,347	309,909
MMRD	38,208	44,679	44,456	44,233	44,012	43,792	43,573	43,355	43,138	42,923
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,324,512	1,322,945	1,321,474	1,320,100	1,318,823	1,317,643	1,316,561	1,315,576
<b>CCF per Customer</b>										
Residential	75.7	79.5	78.7	77.9	77.1	76.3	75.6	74.8	74.1	73.3
Multi-Family	766.5	810.3	806.2	802.2	798.2	794.2	790.2	786.3	782.3	778.4
Commercial	642.0	708.1	711.6	715.2	718.8	722.4	726.0	729.6	733.3	736.9
MMRD	9,552.0	11,169.8	11,113.9	11,058.3	11,003.0	10,948.0	10,893.3	10,838.8	10,784.6	10,730.7
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.1	120.7	120.2	119.8	119.4	119.0	118.7	118.3
<b>Customers</b>										
Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
Total	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

## Shoreline Municipal Water Utility - Updated Case J

### Revenue Forecast

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$8,833,686	\$9,245,498	\$9,676,508	\$10,127,611	\$10,599,743	\$11,093,886	\$11,611,065	\$12,152,354	\$12,718,877	\$13,311,810
Multi-Family	\$1,941,465	\$2,058,268	\$2,182,097	\$2,313,376	\$2,452,553	\$2,600,103	\$2,756,530	\$2,922,367	\$3,098,182	\$3,284,575
Commercial	\$3,113,707	\$3,299,178	\$3,495,696	\$3,703,920	\$3,924,546	\$4,158,315	\$4,406,008	\$4,668,455	\$4,946,535	\$5,241,180
MMRD	\$436,868	\$457,565	\$479,242	\$501,946	\$525,726	\$550,632	\$576,718	\$604,040	\$632,657	\$662,629
Fire	\$253,839	\$266,531	\$279,858	\$293,851	\$308,543	\$323,971	\$340,169	\$357,178	\$375,037	\$393,788
Other	<u>\$290,101</u>	<u>\$304,606</u>	<u>\$319,836</u>	<u>\$335,828</u>	<u>\$352,619</u>	<u>\$370,250</u>	<u>\$388,763</u>	<u>\$408,201</u>	<u>\$428,611</u>	<u>\$450,042</u>
Total	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023

Average Rate	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$12.34	\$12.96	\$13.61	\$14.29	\$15.00	\$15.75	\$16.54	\$17.37	\$18.24	\$19.15
Multi-Family	\$9.53	\$10.01	\$10.51	\$11.04	\$11.59	\$12.17	\$12.78	\$13.41	\$14.08	\$14.79
Commercial	\$9.93	\$10.43	\$10.95	\$11.50	\$12.07	\$12.68	\$13.31	\$13.97	\$14.67	\$15.41
MMRD	\$10.23	\$10.74	\$11.28	\$11.84	\$12.43	\$13.06	\$13.71	\$14.39	\$15.11	\$15.87
Fire	\$318.29	\$334.21	\$350.92	\$368.46	\$386.88	\$406.23	\$426.54	\$447.87	\$470.26	\$493.77
Other	<u>\$7.56</u>	<u>\$7.94</u>	<u>\$8.34</u>	<u>\$8.75</u>	<u>\$9.19</u>	<u>\$9.65</u>	<u>\$10.13</u>	<u>\$10.64</u>	<u>\$11.17</u>	<u>\$11.73</u>
Total	\$11.31	\$11.87	\$12.45	\$13.07	\$13.71	\$14.39	\$15.10	\$15.84	\$16.62	\$17.44

CCF	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	715,651	713,346	711,048	708,758	706,476	704,201	701,933	699,672	697,419	695,172
Multi-Family	203,655	205,626	207,616	209,625	211,654	213,702	215,770	217,859	219,967	222,096
Commercial	313,512	316,368	319,250	322,159	325,094	328,055	331,044	334,060	337,103	340,174
MMRD	42,708	42,601	42,495	42,389	42,283	42,177	42,072	41,966	41,861	41,757
Fire	798	798	798	798	798	798	798	798	798	798
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,314,689	1,317,104	1,319,573	1,322,094	1,324,669	1,327,298	1,329,982	1,332,720	1,335,514	1,338,363

CCF per Customer	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	72.6	72.2	71.9	71.5	71.2	70.8	70.4	70.1	69.7	69.4
Multi-Family	774.5	772.6	770.7	768.7	766.8	764.9	763.0	761.1	759.2	757.3
Commercial	740.6	742.5	744.3	746.2	748.1	749.9	751.8	753.7	755.6	757.4
MMRD	10,677.0	10,650.4	10,623.7	10,597.2	10,570.7	10,544.3	10,517.9	10,491.6	10,465.4	10,439.2
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
Total	117.9	117.9	117.9	117.8	117.8	117.8	117.8	117.8	117.8	117.8

Customers	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
Total	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case J**

**Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$13,932,385	\$14,629,004	\$15,360,454	\$16,128,477	\$16,934,901	\$17,781,646	\$18,670,728	\$19,604,264	\$20,584,477	\$21,613,701	\$22,694,386	
Multi-Family	\$3,474,583	\$3,700,137	\$3,940,332	\$4,196,119	\$4,468,511	\$4,758,586	\$5,067,490	\$5,396,447	\$5,746,759	\$6,119,811	\$6,517,080	
Commercial	\$5,553,374	\$5,869,492	\$6,203,603	\$6,556,734	\$6,929,966	\$7,324,444	\$7,741,376	\$8,182,042	\$8,647,792	\$9,140,054	\$9,660,338	
MMRD	\$694,021	\$728,722	\$765,158	\$803,416	\$843,587	\$885,766	\$930,055	\$976,557	\$1,025,385	\$1,076,654	\$1,130,487	
Fire	\$413,478	\$434,152	\$455,859	\$478,652	\$502,585	\$527,714	\$554,100	\$581,805	\$610,895	\$641,440	\$673,512	
Other	<u>\$472,544</u>	<u>\$496,171</u>	<u>\$520,979</u>	<u>\$547,028</u>	<u>\$574,380</u>	<u>\$603,099</u>	<u>\$633,254</u>	<u>\$664,916</u>	<u>\$698,162</u>	<u>\$733,070</u>	<u>\$769,724</u>	
Total	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526	
<b>Average Rate</b>												
Residential	\$20.11	\$21.11	\$22.17	\$23.28	\$24.44	\$25.66	\$26.94	\$28.29	\$29.71	\$31.19	\$32.75	
Multi-Family	\$15.53	\$16.30	\$17.12	\$17.98	\$18.87	\$19.82	\$20.81	\$21.85	\$22.94	\$24.09	\$25.29	
Commercial	\$16.18	\$16.99	\$17.84	\$18.73	\$19.66	\$20.65	\$21.68	\$22.76	\$23.90	\$25.10	\$26.35	
MMRD	\$16.66	\$17.50	\$18.37	\$19.29	\$20.25	\$21.27	\$22.33	\$23.45	\$24.62	\$25.85	\$27.14	
Fire	\$518.46	\$544.39	\$571.60	\$600.18	\$630.19	\$661.70	\$694.79	\$729.53	\$766.00	\$804.30	\$844.52	
Other	<u>\$12.32</u>	<u>\$12.93</u>	<u>\$13.58</u>	<u>\$14.26</u>	<u>\$14.97</u>	<u>\$15.72</u>	<u>\$16.51</u>	<u>\$17.33</u>	<u>\$18.20</u>	<u>\$19.11</u>	<u>\$20.06</u>	
Total	\$18.30	\$19.21	\$20.16	\$21.15	\$22.20	\$23.29	\$24.45	\$25.65	\$26.92	\$28.25	\$29.65	
<b>CCF</b>												
Residential	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	
Multi-Family	223,756	226,934	230,158	233,427	236,743	240,106	243,517	246,976	250,484	254,042	257,651	
Commercial	343,274	345,537	347,815	350,109	352,417	354,741	357,080	359,435	361,805	364,190	366,592	
MMRD	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	
Fire	798	798	798	798	798	798	798	798	798	798	798	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,340,779	1,346,221	1,351,723	1,357,286	1,362,910	1,368,597	1,374,346	1,380,160	1,386,038	1,391,982	1,397,992	0.2%
<b>CCF per Customer</b>												
Residential	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	-13%
Multi-Family	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	-7%
Commercial	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	7%
MMRD	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	-7%
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	0%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	117.7	118.1	118.5	119.0	119.4	119.8	120.2	120.6	121.1	121.5	121.9	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	



**Shoreline Municipal Water Utility - Updated Case J**

**Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
Multi-Family	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Commercial	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.13%	-0.12%	-0.11%	-0.10%	-0.10%	-0.09%	-0.08%	-0.07%
<b>Average Rate Increase</b>								
Residential	6.0%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	10.6%	10.4%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	7.6%	10.5%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case J**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Commercial	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>										
Residential	0.70%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%
Multi-Family	1.16%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.07%	0.18%	0.19%	0.19%	0.19%	0.20%	0.20%	0.21%	0.21%	0.21%
<b>Average Rate Increase</b>										
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case J**  
**Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>											
Residential	-0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.75%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.91%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.18%	0.41%	0.41%	0.41%	0.41%	0.42%	0.42%	0.42%	0.43%	0.43%	0.43%
<b>Average Rate Increase</b>											
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case J  
Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,759,465	\$1,840,401	\$1,925,059	\$2,013,612	\$2,106,238	\$2,203,125	\$2,304,469	\$2,410,475	\$2,521,356	\$2,637,339
Materials & Supplies	\$945,339	\$988,824	\$1,034,310	\$1,081,889	\$1,131,655	\$1,183,712	\$1,238,162	\$1,295,118	\$1,354,693	\$1,417,009
Employee Benefits	\$703,787	\$736,161	\$770,024	\$805,445	\$842,496	\$881,251	\$921,788	\$964,191	\$1,008,543	\$1,054,936
Administrative	\$1,567,134	\$1,639,222	\$1,714,626	\$1,793,499	\$1,876,000	\$1,962,296	\$2,052,561	\$2,146,979	\$2,245,740	\$2,349,044
Total	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	B3 \$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687
Upfront Costs	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076
Total Initial Debt	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
Amount Available for Cash CIP	\$1,475,748	\$1,788,613	\$2,121,065	\$2,474,283	\$2,849,511	\$3,248,071	\$3,671,360	\$4,120,858	\$4,598,134	\$5,104,848
Required CIP by Year	\$1,958,662	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Required CIP Funded by Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Mains Replacement - Equal Over 23 Years	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Percent of Mains Funded for the Year	0%	0%	0%	10%	21%	31%	41%	51%	61%	71%
Mains Replacement - Amount Funded	\$0	\$0	\$0	\$232,702	\$504,817	\$795,521	\$1,105,993	\$1,437,485	\$1,791,325	\$2,168,925
Total CIP By Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,474,283	\$2,849,511	\$3,248,071	\$3,671,360	\$4,120,858	\$4,598,134	\$5,104,848

DSC	1.5	1.6	1.7	1.8	1.9	2.1	2.2	2.3	2.5	2.7
Surplus	\$0	\$0	\$0	\$232,702	\$504,817	\$795,521	\$1,105,993	\$1,437,485	\$1,791,325	\$2,168,925
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$1,820,088	\$2,048,760	\$2,143,003	\$2,474,283	\$2,849,511	\$3,248,071	\$3,671,360	\$4,120,858	\$4,598,134	\$5,104,848
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case J  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$2,758,656	\$2,885,555	\$3,018,290	\$3,157,131	\$3,302,359	\$3,454,268	\$3,613,164	\$3,779,370	\$3,953,221	\$4,135,069	\$4,325,282
Materials & Supplies	\$1,482,191	\$1,550,372	\$1,621,689	\$1,696,287	\$1,774,316	\$1,855,935	\$1,941,308	\$2,030,608	\$2,124,016	\$2,221,721	\$2,323,920
Employee Benefits	\$1,103,463	\$1,154,223	\$1,207,317	\$1,262,854	\$1,320,945	\$1,381,708	\$1,445,267	\$1,511,749	\$1,581,290	\$1,654,029	\$1,730,114
Administrative	\$2,457,100	\$2,570,127	\$2,688,353	\$2,812,017	\$2,941,370	\$3,076,673	\$3,218,200	\$3,366,237	\$3,521,084	\$3,683,053	\$3,852,474
Total	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687	\$555,687
Upfront Costs	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076
Total Initial Debt	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
Amount Available for Cash CIP	\$5,637,985	\$6,243,357	\$6,887,516	\$7,572,849	\$8,301,890	\$9,077,326	\$9,902,003	\$10,778,943	\$11,711,347	\$12,702,610	\$13,756,331
Required CIP by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Required CIP Funded by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Mains Replacement	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Percent of Mains Funded	80%	90%	100%	110%	120%	130%	140%	149%	159%	168%	177%
Mains Replacement - Amount Fun	\$2,567,010	\$3,031,118	\$3,527,513	\$4,058,286	\$4,625,658	\$5,231,986	\$5,879,778	\$6,571,695	\$7,310,566	\$8,099,393	\$8,941,367
Total CIP By Year	\$5,637,985	\$6,243,357	\$6,887,516	\$7,572,849	\$8,301,890	\$9,077,326	\$9,902,003	\$10,778,943	\$11,711,347	\$12,702,610	\$13,756,331

DSC	2.8	3.0	3.2	3.5	3.7	4.0	4.2	4.5	4.8	5.1	5.5
Surplus	\$2,567,010	\$3,031,118	\$3,527,513	\$4,058,286	\$4,625,658	\$5,231,986	\$5,879,778	\$6,571,695	\$7,310,566	\$8,099,393	\$8,941,367
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$5,637,985	\$6,243,357	\$6,887,516	\$7,572,849	\$8,301,890	\$9,077,326	\$9,902,003	\$10,778,943	\$11,711,347	\$12,702,610	\$13,756,331
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case J**  
**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	576,122	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	738,567	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,314,689		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	665,421	44%	<- Based on same % split from 2011 loads
Off-peak months	853,045	56%	<- Based on same % split from 2011 loads
Total	1,518,466		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,510,505						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,305,159						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,815,664	\$2,911,182	\$3,010,159	\$3,112,728	\$3,219,027	\$3,329,201	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Case J  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
Use of Facilities Charges	\$71,651	\$75,234	\$78,995	\$82,945	\$87,092	\$91,447	\$96,019	\$100,820	\$105,861	\$111,155
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$14,941,318</b>	<b>\$15,706,879</b>	<b>\$16,512,232</b>	<b>\$17,359,476</b>	<b>\$18,250,823</b>	<b>\$19,188,604</b>	<b>\$20,175,272</b>	<b>\$21,213,416</b>	<b>\$22,305,760</b>	<b>\$23,455,178</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,787,739	\$3,927,513	\$4,072,594	\$4,223,189	\$4,379,514	\$4,541,794	\$4,710,260	\$4,885,156	\$5,066,735	\$5,255,258
Non-Supply O&M	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$747,796	\$786,115	\$826,427	\$868,837	\$913,454	\$960,396	\$1,009,786	\$1,061,752	\$1,116,433	\$1,173,971
City of Shoreline Tax Expense (franchise fee)	\$892,180	\$937,899	\$985,994	\$1,036,592	\$1,089,824	\$1,145,829	\$1,204,755	\$1,266,756	\$1,331,994	\$1,400,641
<b>Total Operating Expenses</b>	<b>\$10,403,439</b>	<b>\$10,856,135</b>	<b>\$11,329,035</b>	<b>\$11,823,063</b>	<b>\$12,339,181</b>	<b>\$12,878,402</b>	<b>\$13,441,782</b>	<b>\$14,030,427</b>	<b>\$14,645,495</b>	<b>\$15,288,199</b>
<b>Net Operating Funds</b>	<b>\$4,537,879</b>	<b>\$4,850,744</b>	<b>\$5,183,196</b>	<b>\$5,536,414</b>	<b>\$5,911,642</b>	<b>\$6,310,202</b>	<b>\$6,733,491</b>	<b>\$7,182,989</b>	<b>\$7,660,265</b>	<b>\$8,166,979</b>
<b>Debt Service Coverage Ratio</b>	<b>1.5</b>	<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>1.9</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>	<b>2.5</b>	<b>2.7</b>
Debt payments - Initial	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
<b>Net Cash Flow before CIP</b>	<b>\$1,475,748</b>	<b>\$1,788,613</b>	<b>\$2,121,065</b>	<b>\$2,474,283</b>	<b>\$2,849,511</b>	<b>\$3,248,071</b>	<b>\$3,671,360</b>	<b>\$4,120,858</b>	<b>\$4,598,134</b>	<b>\$5,104,848</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$15,285,658</b>	<b>\$15,967,026</b>	<b>\$16,534,169</b>	<b>\$17,126,775</b>	<b>\$17,746,006</b>	<b>\$18,393,083</b>	<b>\$19,069,280</b>	<b>\$19,775,931</b>	<b>\$20,514,435</b>	<b>\$21,286,252</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$232,702</b>	<b>\$504,817</b>	<b>\$795,521</b>	<b>\$1,105,993</b>	<b>\$1,437,485</b>	<b>\$1,791,325</b>	<b>\$2,168,925</b>
Net Revenue as Percent of Total Revenue	0.0%	0.0%	0.0%	1.3%	2.8%	4.1%	5.5%	6.8%	8.0%	9.2%
Target Mains Replacement per Year	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Cumulative Mains Replacement	\$0	\$0	\$0	\$232,702	\$737,519	\$1,533,040	\$2,639,032	\$4,076,517	\$5,867,842	\$8,036,767
Percent Total Mains Replacement Funded	0.0%	0.0%	0.0%	0.3%	1.1%	2.2%	3.8%	5.8%	8.4%	11.5%

**Shoreline Municipal Water Utility - Updated Case J  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526
Use of Facilities Charges	\$116,712	\$122,548	\$128,675	\$135,109	\$141,864	\$148,958	\$156,406	\$164,226	\$172,437	\$181,059	\$190,112
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$24,657,097</b>	<b>\$25,980,225</b>	<b>\$27,375,061</b>	<b>\$28,845,536</b>	<b>\$30,395,794</b>	<b>\$32,030,211</b>	<b>\$33,753,408</b>	<b>\$35,570,258</b>	<b>\$37,485,908</b>	<b>\$39,505,790</b>	<b>\$41,635,638</b>
<b>Expenses</b>											
Wholesale Water Supply	\$5,449,011	\$5,662,617	\$5,884,762	\$6,115,794	\$6,356,076	\$6,605,988	\$6,865,922	\$7,136,289	\$7,417,518	\$7,710,053	\$8,014,359
Non-Supply O&M	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,234,136	\$1,300,383	\$1,370,221	\$1,443,847	\$1,521,470	\$1,603,308	\$1,689,593	\$1,780,569	\$1,876,494	\$1,977,641	\$2,084,296
City of Shoreline Tax Expense (franchise fee)	\$1,472,423	\$1,551,461	\$1,634,783	\$1,722,626	\$1,815,236	\$1,912,875	\$2,015,820	\$2,124,362	\$2,238,808	\$2,359,484	\$2,486,732
<b>Total Operating Expenses</b>	<b>\$15,956,982</b>	<b>\$16,674,736</b>	<b>\$17,425,414</b>	<b>\$18,210,555</b>	<b>\$19,031,772</b>	<b>\$19,890,755</b>	<b>\$20,789,274</b>	<b>\$21,729,184</b>	<b>\$22,712,430</b>	<b>\$23,741,049</b>	<b>\$24,817,176</b>
<b>Net Operating Funds</b>	<b>\$8,700,116</b>	<b>\$9,305,488</b>	<b>\$9,949,647</b>	<b>\$10,634,980</b>	<b>\$11,364,021</b>	<b>\$12,139,457</b>	<b>\$12,964,134</b>	<b>\$13,841,074</b>	<b>\$14,773,478</b>	<b>\$15,764,741</b>	<b>\$16,818,462</b>
<b>Debt Service Coverage Ratio</b>	<b>2.8</b>	<b>3.0</b>	<b>3.2</b>	<b>3.5</b>	<b>3.7</b>	<b>4.0</b>	<b>4.2</b>	<b>4.5</b>	<b>4.8</b>	<b>5.1</b>	<b>5.5</b>
Debt payments - Initial	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131	\$3,062,131
<b>Net Cash Flow before CIP</b>	<b>\$5,637,985</b>	<b>\$6,243,357</b>	<b>\$6,887,516</b>	<b>\$7,572,849</b>	<b>\$8,301,890</b>	<b>\$9,077,326</b>	<b>\$9,902,003</b>	<b>\$10,778,943</b>	<b>\$11,711,347</b>	<b>\$12,702,610</b>	<b>\$13,756,331</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
<b>Total Expenses</b>	<b>\$22,090,087</b>	<b>\$22,949,107</b>	<b>\$23,847,548</b>	<b>\$24,787,249</b>	<b>\$25,770,136</b>	<b>\$26,798,225</b>	<b>\$27,873,629</b>	<b>\$28,998,562</b>	<b>\$30,175,342</b>	<b>\$31,406,397</b>	<b>\$32,694,272</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$2,567,010</b>	<b>\$3,031,118</b>	<b>\$3,527,513</b>	<b>\$4,058,286</b>	<b>\$4,625,658</b>	<b>\$5,231,986</b>	<b>\$5,879,778</b>	<b>\$6,571,695</b>	<b>\$7,310,566</b>	<b>\$8,099,393</b>	<b>\$8,941,367</b>
Net Revenue - Available for Mains Replacement	10.4%	11.7%	12.9%	14.1%	15.2%	16.3%	17.4%	18.5%	19.5%	20.5%	21.5%
Target Mains Replacement per Year	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Cumulative Mains Replacement	\$10,603,777	\$13,634,895	\$17,162,408	\$21,220,695	\$25,846,352	\$31,078,339	\$36,958,117	\$43,529,812	\$50,840,378	\$58,939,771	\$67,881,138
Percent Total Mains Replacement Funded	15.1%	19.5%	24.5%	30.3%	36.9%	44.4%	52.8%	62.2%	72.6%	84.2%	96.9%



## Shoreline Muncpal Water Utility - Updated Case K

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B5	\$16,814,530	\$11,688,900	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$11,930,190	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$47,149,226	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,049,966	\$1,430,518				
Ongoing CIP	1	\$1,958,662	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,759,465	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$945,339	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$703,787	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,567,134	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$4,975,725</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$71,651	\$50,000	2012	2020		
<b>Tax Rates</b>							
State Tax		5.029%	Included in Existing SPU Rates				
City of Shoreline Tax		6.000%	Included in Existing SPU Rates				
<b>Scenario Selection</b>		<b>Selected</b>	<b>Base</b>	<b>Low</b>	<b>High</b>		
Escalation of Retail Rates	Base	5.0%	5.0%	3.0%	7.0%		
Escalation of Wholesale Rates	Base	3.5%	3.5%	2.5%	5.0%		
Escalation of Costs	Base	4.6%	4.6%	2.6%	6.6%		
Borrowing Cost	Base	5.0%	5.0%	4.0%	7.0%		
Borrowing term	Base	30	30	30	30		
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%		
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%		
Separation/Capital Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Operating Costs Sensitivity	Base	0.0%	0%	-10%	10%		
Water Supply Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Load Growth Sensitivity	Base	0.0%	0%	-0.5%	0.5%		
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5		
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%		
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%		
<b>Efficiency Savings</b>							
Upfront Costs	No	\$0	-\$390,000				
Labor	No	\$0	-\$267,325				
Materials & Supplies	No	\$0	\$0				
Employee Benefits	No	\$0	-\$76,415				
Administrative	No	\$0	\$0				

**Shoreline Municipal Water Utility - Updated Case K**

**Revenue Forecast**

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932	\$7,201,267	\$7,501,628	\$7,814,517	\$8,140,456	\$8,479,990
Multi-Family	\$958,677	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194	\$1,468,895	\$1,553,168	\$1,642,276	\$1,736,497	\$1,836,123
Commercial	\$1,452,391	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805	\$2,302,660	\$2,445,904	\$2,598,059	\$2,759,679	\$2,931,353
MMRD	\$224,812	\$273,622	\$292,744	\$313,827	\$335,951	\$350,985	\$366,692	\$383,101	\$400,245	\$418,156
Fire	\$139,497	\$151,974	\$163,411	\$176,060	\$189,419	\$198,890	\$208,834	\$219,276	\$230,240	\$241,752
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,754</u>	<u>\$201,210</u>	<u>\$216,478</u>	<u>\$227,302</u>	<u>\$238,667</u>	<u>\$250,600</u>	<u>\$263,130</u>	<u>\$276,286</u>
Total	\$8,458,920	\$9,017,751	\$9,573,610	\$10,369,764	\$11,211,779	\$11,749,998	\$12,314,893	\$12,907,829	\$13,530,247	\$14,183,661

**Average Rate**

Residential	\$7.50	\$7.50	\$7.95	\$8.56	\$9.21	\$9.67	\$10.16	\$10.66	\$11.20	\$11.76
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.11	\$7.47	\$7.84	\$8.24	\$8.65	\$9.08
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.41	\$7.78	\$8.17	\$8.58	\$9.01	\$9.46
MMRD	\$5.88	\$6.12	\$6.59	\$7.09	\$7.63	\$8.01	\$8.42	\$8.84	\$9.28	\$9.74
Fire	\$700.99	\$190.56	\$204.90	\$220.76	\$237.51	\$249.39	\$261.86	\$274.95	\$288.70	\$303.13
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.87</u>	<u>\$5.24</u>	<u>\$5.64</u>	<u>\$5.92</u>	<u>\$6.22</u>	<u>\$6.53</u>	<u>\$6.86</u>	<u>\$7.20</u>
Total	\$6.81	\$6.80	\$7.23	\$7.84	\$8.48	\$8.90	\$9.34	\$9.80	\$10.28	\$10.78

**CCF**

Residential	732,074	768,573	762,505	756,484	750,511	744,585	738,706	732,874	727,087	721,346
Multi-Family	180,889	191,226	192,569	193,921	195,283	196,654	198,034	199,425	200,825	202,235
Commercial	256,160	282,534	285,819	289,143	292,504	295,905	299,346	302,826	306,347	309,909
MMRD	38,208	44,679	44,456	44,233	44,012	43,792	43,573	43,355	43,138	42,923
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,324,512	1,322,945	1,321,474	1,320,100	1,318,823	1,317,643	1,316,561	1,315,576

**CCF per Customer**

Residential	75.7	79.5	78.7	77.9	77.1	76.3	75.6	74.8	74.1	73.3
Multi-Family	766.5	810.3	806.2	802.2	798.2	794.2	790.2	786.3	782.3	778.4
Commercial	642.0	708.1	711.6	715.2	718.8	722.4	726.0	729.6	733.3	736.9
MMRD	9,552.0	11,169.8	11,113.9	11,058.3	11,003.0	10,948.0	10,893.3	10,838.8	10,784.6	10,730.7
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.1	120.7	120.2	119.8	119.4	119.0	118.7	118.3

**Customers**

Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
Total	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

## Shoreline Municipal Water Utility - Updated Case K

### Revenue Forecast

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$8,833,686	\$9,245,498	\$9,676,508	\$10,127,611	\$10,599,743	\$11,093,886	\$11,611,065	\$12,152,354	\$12,718,877	\$13,311,810
Multi-Family	\$1,941,465	\$2,058,268	\$2,182,097	\$2,313,376	\$2,452,553	\$2,600,103	\$2,756,530	\$2,922,367	\$3,098,182	\$3,284,575
Commercial	\$3,113,707	\$3,299,178	\$3,495,696	\$3,703,920	\$3,924,546	\$4,158,315	\$4,406,008	\$4,668,455	\$4,946,535	\$5,241,180
MMRD	\$436,868	\$457,565	\$479,242	\$501,946	\$525,726	\$550,632	\$576,718	\$604,040	\$632,657	\$662,629
Fire	\$253,839	\$266,531	\$279,858	\$293,851	\$308,543	\$323,971	\$340,169	\$357,178	\$375,037	\$393,788
Other	<u>\$290,101</u>	<u>\$304,606</u>	<u>\$319,836</u>	<u>\$335,828</u>	<u>\$352,619</u>	<u>\$370,250</u>	<u>\$388,763</u>	<u>\$408,201</u>	<u>\$428,611</u>	<u>\$450,042</u>
Total	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023

### Average Rate

Residential	\$12.34	\$12.96	\$13.61	\$14.29	\$15.00	\$15.75	\$16.54	\$17.37	\$18.24	\$19.15
Multi-Family	\$9.53	\$10.01	\$10.51	\$11.04	\$11.59	\$12.17	\$12.78	\$13.41	\$14.08	\$14.79
Commercial	\$9.93	\$10.43	\$10.95	\$11.50	\$12.07	\$12.68	\$13.31	\$13.97	\$14.67	\$15.41
MMRD	\$10.23	\$10.74	\$11.28	\$11.84	\$12.43	\$13.06	\$13.71	\$14.39	\$15.11	\$15.87
Fire	\$318.29	\$334.21	\$350.92	\$368.46	\$386.88	\$406.23	\$426.54	\$447.87	\$470.26	\$493.77
Other	<u>\$7.56</u>	<u>\$7.94</u>	<u>\$8.34</u>	<u>\$8.75</u>	<u>\$9.19</u>	<u>\$9.65</u>	<u>\$10.13</u>	<u>\$10.64</u>	<u>\$11.17</u>	<u>\$11.73</u>
Total	\$11.31	\$11.87	\$12.45	\$13.07	\$13.71	\$14.39	\$15.10	\$15.84	\$16.62	\$17.44

### CCF

Residential	715,651	713,346	711,048	708,758	706,476	704,201	701,933	699,672	697,419	695,172
Multi-Family	203,655	205,626	207,616	209,625	211,654	213,702	215,770	217,859	219,967	222,096
Commercial	313,512	316,368	319,250	322,159	325,094	328,055	331,044	334,060	337,103	340,174
MMRD	42,708	42,601	42,495	42,389	42,283	42,177	42,072	41,966	41,861	41,757
Fire	798	798	798	798	798	798	798	798	798	798
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,314,689	1,317,104	1,319,573	1,322,094	1,324,669	1,327,298	1,329,982	1,332,720	1,335,514	1,338,363

### CCF per Customer

Residential	72.6	72.2	71.9	71.5	71.2	70.8	70.4	70.1	69.7	69.4
Multi-Family	774.5	772.6	770.7	768.7	766.8	764.9	763.0	761.1	759.2	757.3
Commercial	740.6	742.5	744.3	746.2	748.1	749.9	751.8	753.7	755.6	757.4
MMRD	10,677.0	10,650.4	10,623.7	10,597.2	10,570.7	10,544.3	10,517.9	10,491.6	10,465.4	10,439.2
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	117.9	117.9	117.9	117.8	117.8	117.8	117.8	117.8	117.8	117.8

### Customers

Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case K  
Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$13,932,385	\$14,629,004	\$15,360,454	\$16,128,477	\$16,934,901	\$17,781,646	\$18,670,728	\$19,604,264	\$20,584,477	\$21,613,701	\$22,694,386	
Multi-Family	\$3,474,583	\$3,700,137	\$3,940,332	\$4,196,119	\$4,468,511	\$4,758,586	\$5,067,490	\$5,396,447	\$5,746,759	\$6,119,811	\$6,517,080	
Commercial	\$5,553,374	\$5,869,492	\$6,203,603	\$6,556,734	\$6,929,966	\$7,324,444	\$7,741,376	\$8,182,042	\$8,647,792	\$9,140,054	\$9,660,338	
MMRD	\$694,021	\$728,722	\$765,158	\$803,416	\$843,587	\$885,766	\$930,055	\$976,557	\$1,025,385	\$1,076,654	\$1,130,487	
Fire	\$413,478	\$434,152	\$455,859	\$478,652	\$502,585	\$527,714	\$554,100	\$581,805	\$610,895	\$641,440	\$673,512	
Other	<u>\$472,544</u>	<u>\$496,171</u>	<u>\$520,979</u>	<u>\$547,028</u>	<u>\$574,380</u>	<u>\$603,099</u>	<u>\$633,254</u>	<u>\$664,916</u>	<u>\$698,162</u>	<u>\$733,070</u>	<u>\$769,724</u>	
Total	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526	
<b>Average Rate</b>												
Residential	\$20.11	\$21.11	\$22.17	\$23.28	\$24.44	\$25.66	\$26.94	\$28.29	\$29.71	\$31.19	\$32.75	
Multi-Family	\$15.53	\$16.30	\$17.12	\$17.98	\$18.87	\$19.82	\$20.81	\$21.85	\$22.94	\$24.09	\$25.29	
Commercial	\$16.18	\$16.99	\$17.84	\$18.73	\$19.66	\$20.65	\$21.68	\$22.76	\$23.90	\$25.10	\$26.35	
MMRD	\$16.66	\$17.50	\$18.37	\$19.29	\$20.25	\$21.27	\$22.33	\$23.45	\$24.62	\$25.85	\$27.14	
Fire	\$518.46	\$544.39	\$571.60	\$600.18	\$630.19	\$661.70	\$694.79	\$729.53	\$766.00	\$804.30	\$844.52	
Other	<u>\$12.32</u>	<u>\$12.93</u>	<u>\$13.58</u>	<u>\$14.26</u>	<u>\$14.97</u>	<u>\$15.72</u>	<u>\$16.51</u>	<u>\$17.33</u>	<u>\$18.20</u>	<u>\$19.11</u>	<u>\$20.06</u>	
Total	\$18.30	\$19.21	\$20.16	\$21.15	\$22.20	\$23.29	\$24.45	\$25.65	\$26.92	\$28.25	\$29.65	
<b>CCF</b>												
Residential	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	
Multi-Family	223,756	226,934	230,158	233,427	236,743	240,106	243,517	246,976	250,484	254,042	257,651	
Commercial	343,274	345,537	347,815	350,109	352,417	354,741	357,080	359,435	361,805	364,190	366,592	
MMRD	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	
Fire	798	798	798	798	798	798	798	798	798	798	798	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,340,779	1,346,221	1,351,723	1,357,286	1,362,910	1,368,597	1,374,346	1,380,160	1,386,038	1,391,982	1,397,992	0.2%
<b>CCF per Customer</b>												
Residential	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	-13%
Multi-Family	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	-7%
Commercial	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	7%
MMRD	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	-7%
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	0%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	117.7	118.1	118.5	119.0	119.4	119.8	120.2	120.6	121.1	121.5	121.9	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	

**Shoreline Municipal Water Utility - Updated Case K  
Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
Multi-Family	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Commercial	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.13%	-0.12%	-0.11%	-0.10%	-0.10%	-0.09%	-0.08%	-0.07%
<b>Average Rate Increase</b>								
Residential	6.0%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	10.6%	10.4%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	7.6%	10.5%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case K**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Commercial	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>										
Residential	0.70%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%
Multi-Family	1.16%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.07%	0.18%	0.19%	0.19%	0.19%	0.20%	0.20%	0.21%	0.21%	0.21%
<b>Average Rate Increase</b>										
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case K  
Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>											
Residential	-0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.75%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.91%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.18%	0.41%	0.41%	0.41%	0.41%	0.42%	0.42%	0.42%	0.43%	0.43%	0.43%
<b>Average Rate Increase</b>											
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case K  
Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,759,465	\$1,840,401	\$1,925,059	\$2,013,612	\$2,106,238	\$2,203,125	\$2,304,469	\$2,410,475	\$2,521,356	\$2,637,339
Materials & Supplies	\$945,339	\$988,824	\$1,034,310	\$1,081,889	\$1,131,655	\$1,183,712	\$1,238,162	\$1,295,118	\$1,354,693	\$1,417,009
Employee Benefits	\$703,787	\$736,161	\$770,024	\$805,445	\$842,496	\$881,251	\$921,788	\$964,191	\$1,008,543	\$1,054,936
Administrative	\$1,567,134	\$1,639,222	\$1,714,626	\$1,793,499	\$1,876,000	\$1,962,296	\$2,052,561	\$2,146,979	\$2,245,740	\$2,349,044
Total	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	B5 \$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809
Upfront Costs	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076
Total Initial Debt	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253
Amount Available for Cash CIP	\$1,281,965	\$1,607,537	\$1,953,179	\$2,320,086	\$2,709,526	\$3,122,839	\$3,561,443	\$4,026,841	\$4,520,624	\$5,044,476
Required CIP by Year	\$1,958,662	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Required CIP Funded by Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Mains Replacement - Equal Over 23 Years	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Percent of Mains Funded for the Year	0%	0%	0%	3%	15%	26%	37%	48%	58%	69%
Mains Replacement - Amount Funded	\$0	\$0	\$0	\$78,505	\$364,832	\$670,289	\$996,076	\$1,343,467	\$1,713,815	\$2,108,554
Total CIP By Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,320,086	\$2,709,526	\$3,122,839	\$3,561,443	\$4,026,841	\$4,520,624	\$5,044,476

DSC	1.4	1.4	1.5	1.6	1.8	1.9	2.0	2.1	2.3	2.4
Surplus	\$0	\$0	\$0	\$78,505	\$364,832	\$670,289	\$996,076	\$1,343,467	\$1,713,815	\$2,108,554
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$1,820,088	\$2,048,760	\$2,143,003	\$2,320,086	\$2,709,526	\$3,122,839	\$3,561,443	\$4,026,841	\$4,520,624	\$5,044,476
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



**Shoreline Municipal Water Utility - Updated Case K  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$2,758,656	\$2,885,555	\$3,018,290	\$3,157,131	\$3,302,359	\$3,454,268	\$3,613,164	\$3,779,370	\$3,953,221	\$4,135,069	\$4,325,282
Materials & Supplies	\$1,482,191	\$1,550,372	\$1,621,689	\$1,696,287	\$1,774,316	\$1,855,935	\$1,941,308	\$2,030,608	\$2,124,016	\$2,221,721	\$2,323,920
Employee Benefits	\$1,103,463	\$1,154,223	\$1,207,317	\$1,262,854	\$1,320,945	\$1,381,708	\$1,445,267	\$1,511,749	\$1,581,290	\$1,654,029	\$1,730,114
Administrative	\$2,457,100	\$2,570,127	\$2,688,353	\$2,812,017	\$2,941,370	\$3,076,673	\$3,218,200	\$3,366,237	\$3,521,084	\$3,683,053	\$3,852,474
Total	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809	\$1,093,809
Upfront Costs	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076	\$776,076
Total Initial Debt	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253
Amount Available for Cash CIP	\$5,595,227	\$6,220,018	\$6,884,372	\$7,590,708	\$8,341,593	\$9,139,748	\$9,988,055	\$10,889,574	\$11,847,544	\$12,865,401	\$13,946,787
Required CIP by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Required CIP Funded by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Mains Replacement	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Percent of Mains Funded	79%	89%	100%	111%	121%	132%	142%	152%	162%	171%	181%
Mains Replacement - Amount Fun	\$2,524,252	\$3,007,779	\$3,524,369	\$4,076,145	\$4,665,360	\$5,294,408	\$5,965,830	\$6,682,327	\$7,446,763	\$8,262,184	\$9,131,822
Total CIP By Year	\$5,595,227	\$6,220,018	\$6,884,372	\$7,590,708	\$8,341,593	\$9,139,748	\$9,988,055	\$10,889,574	\$11,847,544	\$12,865,401	\$13,946,787

DSC	2.6	2.7	2.9	3.1	3.3	3.5	3.8	4.0	4.3	4.6	4.9
Surplus	\$2,524,252	\$3,007,779	\$3,524,369	\$4,076,145	\$4,665,360	\$5,294,408	\$5,965,830	\$6,682,327	\$7,446,763	\$8,262,184	\$9,131,822
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$5,595,227	\$6,220,018	\$6,884,372	\$7,590,708	\$8,341,593	\$9,139,748	\$9,988,055	\$10,889,574	\$11,847,544	\$12,865,401	\$13,946,787
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case K**  
**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	576,122	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	738,567	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,314,689		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	665,421	44%	<- Based on same % split from 2011 loads
Off-peak months	853,045	56%	<- Based on same % split from 2011 loads
Total	1,518,466		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,510,505						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,305,159						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,815,664	\$2,911,182	\$3,010,159	\$3,112,728	\$3,219,027	\$3,329,201	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

Rates per ccf	2011		2012		2013		2014		
	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Case K  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
Use of Facilities Charges	\$71,651	\$75,234	\$78,995	\$82,945	\$87,092	\$91,447	\$96,019	\$100,820	\$105,861	\$111,155
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$14,941,318</b>	<b>\$15,706,879</b>	<b>\$16,512,232</b>	<b>\$17,359,476</b>	<b>\$18,250,823</b>	<b>\$19,188,604</b>	<b>\$20,175,272</b>	<b>\$21,213,416</b>	<b>\$22,305,760</b>	<b>\$23,455,178</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,443,399	\$3,570,466	\$3,702,358	\$3,839,263	\$3,981,377	\$4,128,903	\$4,282,055	\$4,441,051	\$4,606,123	\$4,777,508
Non-Supply O&M	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$747,796	\$786,115	\$826,427	\$868,837	\$913,454	\$960,396	\$1,009,786	\$1,061,752	\$1,116,433	\$1,173,971
City of Shoreline Tax Expense (franchise fee)	\$892,180	\$937,899	\$985,994	\$1,036,592	\$1,089,824	\$1,145,829	\$1,204,755	\$1,266,756	\$1,331,994	\$1,400,641
<b>Total Operating Expenses</b>	<b>\$10,059,099</b>	<b>\$10,499,088</b>	<b>\$10,958,800</b>	<b>\$11,439,136</b>	<b>\$11,941,044</b>	<b>\$12,465,512</b>	<b>\$13,013,576</b>	<b>\$13,586,321</b>	<b>\$14,184,883</b>	<b>\$14,810,448</b>
<b>Net Operating Funds</b>	<b>\$4,882,219</b>	<b>\$5,207,791</b>	<b>\$5,553,432</b>	<b>\$5,920,340</b>	<b>\$6,309,780</b>	<b>\$6,723,092</b>	<b>\$7,161,696</b>	<b>\$7,627,095</b>	<b>\$8,120,878</b>	<b>\$8,644,729</b>
<b>Debt Service Coverage Ratio</b>	<b>1.4</b>	<b>1.4</b>	<b>1.5</b>	<b>1.6</b>	<b>1.8</b>	<b>1.9</b>	<b>2.0</b>	<b>2.1</b>	<b>2.3</b>	<b>2.4</b>
Debt payments - Initial	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253
<b>Net Cash Flow before CIP</b>	<b>\$1,281,965</b>	<b>\$1,607,537</b>	<b>\$1,953,179</b>	<b>\$2,320,086</b>	<b>\$2,709,526</b>	<b>\$3,122,839</b>	<b>\$3,561,443</b>	<b>\$4,026,841</b>	<b>\$4,520,624</b>	<b>\$5,044,476</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$15,479,441</b>	<b>\$16,148,102</b>	<b>\$16,702,056</b>	<b>\$17,280,971</b>	<b>\$17,885,991</b>	<b>\$18,518,315</b>	<b>\$19,179,197</b>	<b>\$19,869,949</b>	<b>\$20,591,945</b>	<b>\$21,346,624</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$78,505</b>	<b>\$364,832</b>	<b>\$670,289</b>	<b>\$996,076</b>	<b>\$1,343,467</b>	<b>\$1,713,815</b>	<b>\$2,108,554</b>
Net Revenue as Percent of Total Revenue	0.0%	0.0%	0.0%	0.5%	2.0%	3.5%	4.9%	6.3%	7.7%	9.0%
Target Mains Replacement per Year	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Cumulative Mains Replacement	\$0	\$0	\$0	\$78,505	\$443,338	\$1,113,626	\$2,109,702	\$3,453,169	\$5,166,984	\$7,275,538
Percent Total Mains Replacement Funded	0.0%	0.0%	0.0%	0.1%	0.6%	1.6%	3.0%	4.9%	7.4%	10.4%

**Shoreline Municipal Water Utility - Updated Case K  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526
Use of Facilities Charges	\$116,712	\$122,548	\$128,675	\$135,109	\$141,864	\$148,958	\$156,406	\$164,226	\$172,437	\$181,059	\$190,112
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$24,657,097</b>	<b>\$25,980,225</b>	<b>\$27,375,061</b>	<b>\$28,845,536</b>	<b>\$30,395,794</b>	<b>\$32,030,211</b>	<b>\$33,753,408</b>	<b>\$35,570,258</b>	<b>\$37,485,908</b>	<b>\$39,505,790</b>	<b>\$41,635,638</b>
<b>Expenses</b>											
Wholesale Water Supply	\$4,953,646	\$5,147,834	\$5,349,783	\$5,559,812	\$5,778,251	\$6,005,443	\$6,241,747	\$6,487,536	\$6,743,198	\$7,009,139	\$7,285,781
Non-Supply O&M	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,234,136	\$1,300,383	\$1,370,221	\$1,443,847	\$1,521,470	\$1,603,308	\$1,689,593	\$1,780,569	\$1,876,494	\$1,977,641	\$2,084,296
City of Shoreline Tax Expense (franchise fee)	\$1,472,423	\$1,551,461	\$1,634,783	\$1,722,626	\$1,815,236	\$1,912,875	\$2,015,820	\$2,124,362	\$2,238,808	\$2,359,484	\$2,486,732
<b>Total Operating Expenses</b>	<b>\$15,461,617</b>	<b>\$16,159,953</b>	<b>\$16,890,436</b>	<b>\$17,654,574</b>	<b>\$18,453,947</b>	<b>\$19,290,210</b>	<b>\$20,165,099</b>	<b>\$21,080,431</b>	<b>\$22,038,111</b>	<b>\$23,040,135</b>	<b>\$24,088,598</b>
<b>Net Operating Funds</b>	<b>\$9,195,480</b>	<b>\$9,820,272</b>	<b>\$10,484,625</b>	<b>\$11,190,961</b>	<b>\$11,941,847</b>	<b>\$12,740,001</b>	<b>\$13,588,309</b>	<b>\$14,489,827</b>	<b>\$15,447,797</b>	<b>\$16,465,654</b>	<b>\$17,547,040</b>
<b>Debt Service Coverage Ratio</b>	<b>2.6</b>	<b>2.7</b>	<b>2.9</b>	<b>3.1</b>	<b>3.3</b>	<b>3.5</b>	<b>3.8</b>	<b>4.0</b>	<b>4.3</b>	<b>4.6</b>	<b>4.9</b>
Debt payments - Initial	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253	\$3,600,253
<b>Net Cash Flow before CIP</b>	<b>\$5,595,227</b>	<b>\$6,220,018</b>	<b>\$6,884,372</b>	<b>\$7,590,708</b>	<b>\$8,341,593</b>	<b>\$9,139,748</b>	<b>\$9,988,055</b>	<b>\$10,889,574</b>	<b>\$11,847,544</b>	<b>\$12,865,401</b>	<b>\$13,946,787</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
<b>Total Expenses</b>	<b>\$22,132,845</b>	<b>\$22,972,446</b>	<b>\$23,850,692</b>	<b>\$24,769,390</b>	<b>\$25,730,433</b>	<b>\$26,735,803</b>	<b>\$27,787,577</b>	<b>\$28,887,931</b>	<b>\$30,039,145</b>	<b>\$31,243,606</b>	<b>\$32,503,816</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$2,524,252</b>	<b>\$3,007,779</b>	<b>\$3,524,369</b>	<b>\$4,076,145</b>	<b>\$4,665,360</b>	<b>\$5,294,408</b>	<b>\$5,965,830</b>	<b>\$6,682,327</b>	<b>\$7,446,763</b>	<b>\$8,262,184</b>	<b>\$9,131,822</b>
Net Revenue - Available for Mains Replacement	10.2%	11.6%	12.9%	14.1%	15.3%	16.5%	17.7%	18.8%	19.9%	20.9%	21.9%
Target Mains Replacement per Year	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Cumulative Mains Replacement	\$9,799,790	\$12,807,568	\$16,331,937	\$20,408,083	\$25,073,443	\$30,367,851	\$36,333,682	\$43,016,008	\$50,462,772	\$58,724,956	\$67,856,779
Percent Total Mains Replacement Funded	14.0%	18.3%	23.3%	29.1%	35.8%	43.4%	51.9%	61.4%	72.1%	83.9%	96.9%

## Shoreline Muncpal Water Utility - Updated Case L

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$8,704,979	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$12,157,432	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$47,149,226	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,049,966	\$1,430,518				
Ongoing CIP	1	\$1,958,662	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,759,465	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$945,339	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$703,787	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,567,134	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$4,975,725</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$71,651	\$50,000	2012	2020		
<b>Tax Rates</b>							
State Tax		5.029%	Included in Existing SPU Rates				
City of Shoreline Tax		6.000%	Included in Existing SPU Rates				
<b>Scenario Selection</b>		<b>Selected</b>	<b>Base</b>	<b>Low</b>	<b>High</b>		
Escalation of Retail Rates	Base	5.0%	5.0%	3.0%	7.0%		
Escalation of Wholesale Rates	Base	3.5%	3.5%	2.5%	5.0%		
Escalation of Costs	Base	4.6%	4.6%	2.6%	6.6%		
Borrowing Cost	High	7.0%	5.0%	4.0%	7.0%		
Borrowing term	Base	30	30	30	30		
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%		
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%		
Separation/Capital Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Operating Costs Sensitivity	Base	0.0%	0%	-10%	10%		
Water Supply Cost Sensitivity	Base	0.0%	0%	-10%	10%		
Load Growth Sensitivity	Base	0.0%	0%	-0.5%	0.5%		
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5		
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%		
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%		
<b>Efficiency Savings</b>							
Upfront Costs	No	\$0	-\$390,000				
Labor	No	\$0	-\$267,325				
Materials & Supplies	No	\$0	\$0				
Employee Benefits	No	\$0	-\$76,415				
Administrative	No	\$0	\$0				

**Shoreline Municipal Water Utility - Updated Case L  
Revenue Forecast**

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932	\$7,201,267	\$7,501,628	\$7,814,517	\$8,140,456	\$8,479,990
Multi-Family	\$958,677	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194	\$1,468,895	\$1,553,168	\$1,642,276	\$1,736,497	\$1,836,123
Commercial	\$1,452,391	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805	\$2,302,660	\$2,445,904	\$2,598,059	\$2,759,679	\$2,931,353
MMRD	\$224,812	\$273,622	\$292,744	\$313,827	\$335,951	\$350,985	\$366,692	\$383,101	\$400,245	\$418,156
Fire	\$139,497	\$151,974	\$163,411	\$176,060	\$189,419	\$198,890	\$208,834	\$219,276	\$230,240	\$241,752
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,754</u>	<u>\$201,210</u>	<u>\$216,478</u>	<u>\$227,302</u>	<u>\$238,667</u>	<u>\$250,600</u>	<u>\$263,130</u>	<u>\$276,286</u>
Total	\$8,458,920	\$9,017,751	\$9,573,610	\$10,369,764	\$11,211,779	\$11,749,998	\$12,314,893	\$12,907,829	\$13,530,247	\$14,183,661
<b>Average Rate</b>										
Residential	\$7.50	\$7.50	\$7.95	\$8.56	\$9.21	\$9.67	\$10.16	\$10.66	\$11.20	\$11.76
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.11	\$7.47	\$7.84	\$8.24	\$8.65	\$9.08
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.41	\$7.78	\$8.17	\$8.58	\$9.01	\$9.46
MMRD	\$5.88	\$6.12	\$6.59	\$7.09	\$7.63	\$8.01	\$8.42	\$8.84	\$9.28	\$9.74
Fire	\$700.99	\$190.56	\$204.90	\$220.76	\$237.51	\$249.39	\$261.86	\$274.95	\$288.70	\$303.13
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.87</u>	<u>\$5.24</u>	<u>\$5.64</u>	<u>\$5.92</u>	<u>\$6.22</u>	<u>\$6.53</u>	<u>\$6.86</u>	<u>\$7.20</u>
Total	\$6.81	\$6.80	\$7.23	\$7.84	\$8.48	\$8.90	\$9.34	\$9.80	\$10.28	\$10.78
<b>CCF</b>										
Residential	732,074	768,573	762,505	756,484	750,511	744,585	738,706	732,874	727,087	721,346
Multi-Family	180,889	191,226	192,569	193,921	195,283	196,654	198,034	199,425	200,825	202,235
Commercial	256,160	282,534	285,819	289,143	292,504	295,905	299,346	302,826	306,347	309,909
MMRD	38,208	44,679	44,456	44,233	44,012	43,792	43,573	43,355	43,138	42,923
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,324,512	1,322,945	1,321,474	1,320,100	1,318,823	1,317,643	1,316,561	1,315,576
<b>CCF per Customer</b>										
Residential	75.7	79.5	78.7	77.9	77.1	76.3	75.6	74.8	74.1	73.3
Multi-Family	766.5	810.3	806.2	802.2	798.2	794.2	790.2	786.3	782.3	778.4
Commercial	642.0	708.1	711.6	715.2	718.8	722.4	726.0	729.6	733.3	736.9
MMRD	9,552.0	11,169.8	11,113.9	11,058.3	11,003.0	10,948.0	10,893.3	10,838.8	10,784.6	10,730.7
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.1	120.7	120.2	119.8	119.4	119.0	118.7	118.3
<b>Customers</b>										
Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

**Shoreline Municipal Water Utility - Updated Case L  
Revenue Forecast**

<b>Revenues</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	\$8,833,686	\$9,245,498	\$9,676,508	\$10,127,611	\$10,599,743	\$11,093,886	\$11,611,065	\$12,152,354	\$12,718,877	\$13,311,810
Multi-Family	\$1,941,465	\$2,058,268	\$2,182,097	\$2,313,376	\$2,452,553	\$2,600,103	\$2,756,530	\$2,922,367	\$3,098,182	\$3,284,575
Commercial	\$3,113,707	\$3,299,178	\$3,495,696	\$3,703,920	\$3,924,546	\$4,158,315	\$4,406,008	\$4,668,455	\$4,946,535	\$5,241,180
MMRD	\$436,868	\$457,565	\$479,242	\$501,946	\$525,726	\$550,632	\$576,718	\$604,040	\$632,657	\$662,629
Fire	\$253,839	\$266,531	\$279,858	\$293,851	\$308,543	\$323,971	\$340,169	\$357,178	\$375,037	\$393,788
Other	<u>\$290,101</u>	<u>\$304,606</u>	<u>\$319,836</u>	<u>\$335,828</u>	<u>\$352,619</u>	<u>\$370,250</u>	<u>\$388,763</u>	<u>\$408,201</u>	<u>\$428,611</u>	<u>\$450,042</u>
<b>Total</b>	<b>\$14,869,667</b>	<b>\$15,631,645</b>	<b>\$16,433,236</b>	<b>\$17,276,531</b>	<b>\$18,163,731</b>	<b>\$19,097,157</b>	<b>\$20,079,253</b>	<b>\$21,112,595</b>	<b>\$22,199,899</b>	<b>\$23,344,023</b>
<b>Average Rate</b>										
Residential	\$12.34	\$12.96	\$13.61	\$14.29	\$15.00	\$15.75	\$16.54	\$17.37	\$18.24	\$19.15
Multi-Family	\$9.53	\$10.01	\$10.51	\$11.04	\$11.59	\$12.17	\$12.78	\$13.41	\$14.08	\$14.79
Commercial	\$9.93	\$10.43	\$10.95	\$11.50	\$12.07	\$12.68	\$13.31	\$13.97	\$14.67	\$15.41
MMRD	\$10.23	\$10.74	\$11.28	\$11.84	\$12.43	\$13.06	\$13.71	\$14.39	\$15.11	\$15.87
Fire	\$318.29	\$334.21	\$350.92	\$368.46	\$386.88	\$406.23	\$426.54	\$447.87	\$470.26	\$493.77
Other	<u>\$7.56</u>	<u>\$7.94</u>	<u>\$8.34</u>	<u>\$8.75</u>	<u>\$9.19</u>	<u>\$9.65</u>	<u>\$10.13</u>	<u>\$10.64</u>	<u>\$11.17</u>	<u>\$11.73</u>
<b>Total</b>	<b>\$11.31</b>	<b>\$11.87</b>	<b>\$12.45</b>	<b>\$13.07</b>	<b>\$13.71</b>	<b>\$14.39</b>	<b>\$15.10</b>	<b>\$15.84</b>	<b>\$16.62</b>	<b>\$17.44</b>
<b>CCF</b>										
Residential	715,651	713,346	711,048	708,758	706,476	704,201	701,933	699,672	697,419	695,172
Multi-Family	203,655	205,626	207,616	209,625	211,654	213,702	215,770	217,859	219,967	222,096
Commercial	313,512	316,368	319,250	322,159	325,094	328,055	331,044	334,060	337,103	340,174
MMRD	42,708	42,601	42,495	42,389	42,283	42,177	42,072	41,966	41,861	41,757
Fire	798	798	798	798	798	798	798	798	798	798
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
<b>Total</b>	<b>1,314,689</b>	<b>1,317,104</b>	<b>1,319,573</b>	<b>1,322,094</b>	<b>1,324,669</b>	<b>1,327,298</b>	<b>1,329,982</b>	<b>1,332,720</b>	<b>1,335,514</b>	<b>1,338,363</b>
<b>CCF per Customer</b>										
Residential	72.6	72.2	71.9	71.5	71.2	70.8	70.4	70.1	69.7	69.4
Multi-Family	774.5	772.6	770.7	768.7	766.8	764.9	763.0	761.1	759.2	757.3
Commercial	740.6	742.5	744.3	746.2	748.1	749.9	751.8	753.7	755.6	757.4
MMRD	10,677.0	10,650.4	10,623.7	10,597.2	10,570.7	10,544.3	10,517.9	10,491.6	10,465.4	10,439.2
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	117.9	117.9	117.9	117.8	117.8	117.8	117.8	117.8	117.8	117.8
<b>Customers</b>										
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case L**  
**Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$13,932,385	\$14,629,004	\$15,360,454	\$16,128,477	\$16,934,901	\$17,781,646	\$18,670,728	\$19,604,264	\$20,584,477	\$21,613,701	\$22,694,386	
Multi-Family	\$3,474,583	\$3,700,137	\$3,940,332	\$4,196,119	\$4,468,511	\$4,758,586	\$5,067,490	\$5,396,447	\$5,746,759	\$6,119,811	\$6,517,080	
Commercial	\$5,553,374	\$5,869,492	\$6,203,603	\$6,556,734	\$6,929,966	\$7,324,444	\$7,741,376	\$8,182,042	\$8,647,792	\$9,140,054	\$9,660,338	
MMRD	\$694,021	\$728,722	\$765,158	\$803,416	\$843,587	\$885,766	\$930,055	\$976,557	\$1,025,385	\$1,076,654	\$1,130,487	
Fire	\$413,478	\$434,152	\$455,859	\$478,652	\$502,585	\$527,714	\$554,100	\$581,805	\$610,895	\$641,440	\$673,512	
Other	<u>\$472,544</u>	<u>\$496,171</u>	<u>\$520,979</u>	<u>\$547,028</u>	<u>\$574,380</u>	<u>\$603,099</u>	<u>\$633,254</u>	<u>\$664,916</u>	<u>\$698,162</u>	<u>\$733,070</u>	<u>\$769,724</u>	
Total	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526	
<b>Average Rate</b>												
Residential	\$20.11	\$21.11	\$22.17	\$23.28	\$24.44	\$25.66	\$26.94	\$28.29	\$29.71	\$31.19	\$32.75	
Multi-Family	\$15.53	\$16.30	\$17.12	\$17.98	\$18.87	\$19.82	\$20.81	\$21.85	\$22.94	\$24.09	\$25.29	
Commercial	\$16.18	\$16.99	\$17.84	\$18.73	\$19.66	\$20.65	\$21.68	\$22.76	\$23.90	\$25.10	\$26.35	
MMRD	\$16.66	\$17.50	\$18.37	\$19.29	\$20.25	\$21.27	\$22.33	\$23.45	\$24.62	\$25.85	\$27.14	
Fire	\$518.46	\$544.39	\$571.60	\$600.18	\$630.19	\$661.70	\$694.79	\$729.53	\$766.00	\$804.30	\$844.52	
Other	<u>\$12.32</u>	<u>\$12.93</u>	<u>\$13.58</u>	<u>\$14.26</u>	<u>\$14.97</u>	<u>\$15.72</u>	<u>\$16.51</u>	<u>\$17.33</u>	<u>\$18.20</u>	<u>\$19.11</u>	<u>\$20.06</u>	
Total	\$18.30	\$19.21	\$20.16	\$21.15	\$22.20	\$23.29	\$24.45	\$25.65	\$26.92	\$28.25	\$29.65	
<b>CCF</b>												
Residential	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	
Multi-Family	223,756	226,934	230,158	233,427	236,743	240,106	243,517	246,976	250,484	254,042	257,651	
Commercial	343,274	345,537	347,815	350,109	352,417	354,741	357,080	359,435	361,805	364,190	366,592	
MMRD	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	
Fire	798	798	798	798	798	798	798	798	798	798	798	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,340,779	1,346,221	1,351,723	1,357,286	1,362,910	1,368,597	1,374,346	1,380,160	1,386,038	1,391,982	1,397,992	0.2%
<b>CCF per Customer</b>												
Residential	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	-13%
Multi-Family	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	-7%
Commercial	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	7%
MMRD	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	-7%
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	0%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	117.7	118.1	118.5	119.0	119.4	119.8	120.2	120.6	121.1	121.5	121.9	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	



**Shoreline Municipal Water Utility - Updated Case L  
Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
Multi-Family	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Commercial	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.13%	-0.12%	-0.11%	-0.10%	-0.10%	-0.09%	-0.08%	-0.07%
<b>Average Rate Increase</b>								
Residential	6.0%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	10.6%	10.4%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	7.6%	10.5%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case L  
Revenue Forecast**

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Customer Growth</b>										
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Commercial	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>										
Residential	0.70%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%
Multi-Family	1.16%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.07%	0.18%	0.19%	0.19%	0.19%	0.20%	0.20%	0.21%	0.21%	0.21%
<b>Average Rate Increase</b>										
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case L  
Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>											
Residential	-0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.75%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.91%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.18%	0.41%	0.41%	0.41%	0.41%	0.42%	0.42%	0.42%	0.43%	0.43%	0.43%
<b>Average Rate Increase</b>											
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

## Shoreline Municipal Water Utility - Updated Case L

### Annual O&M Costs

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,759,465	\$1,840,401	\$1,925,059	\$2,013,612	\$2,106,238	\$2,203,125	\$2,304,469	\$2,410,475	\$2,521,356	\$2,637,339
Materials & Supplies	\$945,339	\$988,824	\$1,034,310	\$1,081,889	\$1,131,655	\$1,183,712	\$1,238,162	\$1,295,118	\$1,354,693	\$1,417,009
Employee Benefits	\$703,787	\$736,161	\$770,024	\$805,445	\$842,496	\$881,251	\$921,788	\$964,191	\$1,008,543	\$1,054,936
Administrative	\$1,567,134	\$1,639,222	\$1,714,626	\$1,793,499	\$1,876,000	\$1,962,296	\$2,052,561	\$2,146,979	\$2,245,740	\$2,349,044
Total	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328

### Capital Financing - Fund at SPU Rates Levels

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598
Separation Cost	B3 \$701,503	\$701,503	\$701,503	\$701,503	\$701,503	\$701,503	\$701,503	\$701,503	\$701,503	\$701,503
Upfront Costs	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724
Total Initial Debt	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825
Amount Available for Cash CIP	\$1,057,394	\$1,382,966	\$1,728,607	\$2,095,515	\$2,484,955	\$2,898,267	\$3,336,871	\$3,802,270	\$4,296,053	\$4,819,904
Required CIP by Year	\$1,958,662	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Required CIP Funded by Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
Mains Replacement - Equal Over 23 Years	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Percent of Mains Funded for the Year	0%	0%	0%	0%	6%	17%	29%	40%	51%	61%
Mains Replacement - Amount Funded	\$0	\$0	\$0	\$0	\$140,261	\$445,717	\$771,504	\$1,118,896	\$1,489,244	\$1,883,982
Total CIP By Year	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,484,955	\$2,898,267	\$3,336,871	\$3,802,270	\$4,296,053	\$4,819,904

DSC	1.3	1.4	1.5	1.5	1.6	1.8	1.9	2.0	2.1	2.3
Surplus	\$0	\$0	\$0	\$0	\$140,261	\$445,717	\$771,504	\$1,118,896	\$1,489,244	\$1,883,982
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,484,955	\$2,898,267	\$3,336,871	\$3,802,270	\$4,296,053	\$4,819,904
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case L  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$2,758,656	\$2,885,555	\$3,018,290	\$3,157,131	\$3,302,359	\$3,454,268	\$3,613,164	\$3,779,370	\$3,953,221	\$4,135,069	\$4,325,282
Materials & Supplies	\$1,482,191	\$1,550,372	\$1,621,689	\$1,696,287	\$1,774,316	\$1,855,935	\$1,941,308	\$2,030,608	\$2,124,016	\$2,221,721	\$2,323,920
Employee Benefits	\$1,103,463	\$1,154,223	\$1,207,317	\$1,262,854	\$1,320,945	\$1,381,708	\$1,445,267	\$1,511,749	\$1,581,290	\$1,654,029	\$1,730,114
Administrative	\$2,457,100	\$2,570,127	\$2,688,353	\$2,812,017	\$2,941,370	\$3,076,673	\$3,218,200	\$3,366,237	\$3,521,084	\$3,683,053	\$3,852,474
Total	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598
Separation Cost	\$701,503	\$701,503	\$701,503	\$701,503	\$701,503	\$701,503	\$701,503	\$701,503	\$701,503	\$701,503	\$701,503
Upfront Costs	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724	\$979,724
Total Initial Debt	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825
Amount Available for Cash CIP	\$5,370,655	\$5,995,447	\$6,659,800	\$7,366,136	\$8,117,022	\$8,915,176	\$9,763,484	\$10,665,002	\$11,622,972	\$12,640,829	\$13,722,216
Required CIP by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Required CIP Funded by Year	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
Mains Replacement	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Percent of Mains Funded	72%	83%	94%	105%	115%	126%	136%	147%	157%	167%	177%
Mains Replacement - Amount Fun	\$2,299,680	\$2,783,207	\$3,299,798	\$3,851,574	\$4,440,789	\$5,069,837	\$5,741,259	\$6,457,755	\$7,222,192	\$8,037,613	\$8,907,251
Total CIP By Year	\$5,370,655	\$5,995,447	\$6,659,800	\$7,366,136	\$8,117,022	\$8,915,176	\$9,763,484	\$10,665,002	\$11,622,972	\$12,640,829	\$13,722,216

DSC	2.4	2.6	2.7	2.9	3.1	3.3	3.6	3.8	4.0	4.3	4.6
Surplus	\$2,299,680	\$2,783,207	\$3,299,798	\$3,851,574	\$4,440,789	\$5,069,837	\$5,741,259	\$6,457,755	\$7,222,192	\$8,037,613	\$8,907,251
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$5,370,655	\$5,995,447	\$6,659,800	\$7,366,136	\$8,117,022	\$8,915,176	\$9,763,484	\$10,665,002	\$11,622,972	\$12,640,829	\$13,722,216
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case L**

**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	576,122	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	738,567	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,314,689		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	665,421	44%	<- Based on same % split from 2011 loads
Off-peak months	853,045	56%	<- Based on same % split from 2011 loads
Total	1,518,466		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,510,505						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,305,159						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,815,664	\$2,911,182	\$3,010,159	\$3,112,728	\$3,219,027	\$3,329,201	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Case L  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
Use of Facilities Charges	\$71,651	\$75,234	\$78,995	\$82,945	\$87,092	\$91,447	\$96,019	\$100,820	\$105,861	\$111,155
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$14,941,318</b>	<b>\$15,706,879</b>	<b>\$16,512,232</b>	<b>\$17,359,476</b>	<b>\$18,250,823</b>	<b>\$19,188,604</b>	<b>\$20,175,272</b>	<b>\$21,213,416</b>	<b>\$22,305,760</b>	<b>\$23,455,178</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,443,399	\$3,570,466	\$3,702,358	\$3,839,263	\$3,981,377	\$4,128,903	\$4,282,055	\$4,441,051	\$4,606,123	\$4,777,508
Non-Supply O&M	\$4,975,725	\$5,204,608	\$5,444,020	\$5,694,445	\$5,956,389	\$6,230,383	\$6,516,981	\$6,816,762	\$7,130,333	\$7,458,328
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$747,796	\$786,115	\$826,427	\$868,837	\$913,454	\$960,396	\$1,009,786	\$1,061,752	\$1,116,433	\$1,173,971
City of Shoreline Tax Expense (franchise fee)	\$892,180	\$937,899	\$985,994	\$1,036,592	\$1,089,824	\$1,145,829	\$1,204,755	\$1,266,756	\$1,331,994	\$1,400,641
<b>Total Operating Expenses</b>	<b>\$10,059,099</b>	<b>\$10,499,088</b>	<b>\$10,958,800</b>	<b>\$11,439,136</b>	<b>\$11,941,044</b>	<b>\$12,465,512</b>	<b>\$13,013,576</b>	<b>\$13,586,321</b>	<b>\$14,184,883</b>	<b>\$14,810,448</b>
<b>Net Operating Funds</b>	<b>\$4,882,219</b>	<b>\$5,207,791</b>	<b>\$5,553,432</b>	<b>\$5,920,340</b>	<b>\$6,309,780</b>	<b>\$6,723,092</b>	<b>\$7,161,696</b>	<b>\$7,627,095</b>	<b>\$8,120,878</b>	<b>\$8,644,729</b>
<b>Debt Service Coverage Ratio</b>	<b>1.3</b>	<b>1.4</b>	<b>1.5</b>	<b>1.5</b>	<b>1.6</b>	<b>1.8</b>	<b>1.9</b>	<b>2.0</b>	<b>2.1</b>	<b>2.3</b>
Debt payments - Initial	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825
<b>Net Cash Flow before CIP</b>	<b>\$1,057,394</b>	<b>\$1,382,966</b>	<b>\$1,728,607</b>	<b>\$2,095,515</b>	<b>\$2,484,955</b>	<b>\$2,898,267</b>	<b>\$3,336,871</b>	<b>\$3,802,270</b>	<b>\$4,296,053</b>	<b>\$4,819,904</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,048,760	\$2,143,003	\$2,241,581	\$2,344,694	\$2,452,550	\$2,565,367	\$2,683,374	\$2,806,809	\$2,935,922
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$15,704,012</b>	<b>\$16,372,673</b>	<b>\$16,926,627</b>	<b>\$17,505,542</b>	<b>\$18,110,563</b>	<b>\$18,742,886</b>	<b>\$19,403,768</b>	<b>\$20,094,520</b>	<b>\$20,816,517</b>	<b>\$21,571,195</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$140,261</b>	<b>\$445,717</b>	<b>\$771,504</b>	<b>\$1,118,896</b>	<b>\$1,489,244</b>	<b>\$1,883,982</b>
Net Revenue as Percent of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.8%	2.3%	3.8%	5.3%	6.7%	8.0%
Target Mains Replacement per Year	\$2,049,966	\$2,144,265	\$2,242,901	\$2,346,074	\$2,453,994	\$2,566,878	\$2,684,954	\$2,808,462	\$2,937,651	\$3,072,783
Cumulative Mains Replacement	\$0	\$0	\$0	\$0	\$140,261	\$585,978	\$1,357,482	\$2,476,378	\$3,965,622	\$5,849,604
Percent Total Mains Replacement Funded	0.0%	0.0%	0.0%	0.0%	0.2%	0.8%	1.9%	3.5%	5.7%	8.4%

**Shoreline Muncpal Water Utility - Updated Case L  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526
Use of Facilities Charges	\$116,712	\$122,548	\$128,675	\$135,109	\$141,864	\$148,958	\$156,406	\$164,226	\$172,437	\$181,059	\$190,112
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$24,657,097</b>	<b>\$25,980,225</b>	<b>\$27,375,061</b>	<b>\$28,845,536</b>	<b>\$30,395,794</b>	<b>\$32,030,211</b>	<b>\$33,753,408</b>	<b>\$35,570,258</b>	<b>\$37,485,908</b>	<b>\$39,505,790</b>	<b>\$41,635,638</b>
<b>Expenses</b>											
Wholesale Water Supply	\$4,953,646	\$5,147,834	\$5,349,783	\$5,559,812	\$5,778,251	\$6,005,443	\$6,241,747	\$6,487,536	\$6,743,198	\$7,009,139	\$7,285,781
Non-Supply O&M	\$7,801,411	\$8,160,276	\$8,535,649	\$8,928,289	\$9,338,990	\$9,768,584	\$10,217,939	\$10,687,964	\$11,179,610	\$11,693,872	\$12,231,790
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,234,136	\$1,300,383	\$1,370,221	\$1,443,847	\$1,521,470	\$1,603,308	\$1,689,593	\$1,780,569	\$1,876,494	\$1,977,641	\$2,084,296
City of Shoreline Tax Expense (franchise fee)	\$1,472,423	\$1,551,461	\$1,634,783	\$1,722,626	\$1,815,236	\$1,912,875	\$2,015,820	\$2,124,362	\$2,238,808	\$2,359,484	\$2,486,732
<b>Total Operating Expenses</b>	<b>\$15,461,617</b>	<b>\$16,159,953</b>	<b>\$16,890,436</b>	<b>\$17,654,574</b>	<b>\$18,453,947</b>	<b>\$19,290,210</b>	<b>\$20,165,099</b>	<b>\$21,080,431</b>	<b>\$22,038,111</b>	<b>\$23,040,135</b>	<b>\$24,088,598</b>
<b>Net Operating Funds</b>	<b>\$9,195,480</b>	<b>\$9,820,272</b>	<b>\$10,484,625</b>	<b>\$11,190,961</b>	<b>\$11,941,847</b>	<b>\$12,740,001</b>	<b>\$13,588,309</b>	<b>\$14,489,827</b>	<b>\$15,447,797</b>	<b>\$16,465,654</b>	<b>\$17,547,040</b>
<b>Debt Service Coverage Ratio</b>	<b>2.4</b>	<b>2.6</b>	<b>2.7</b>	<b>2.9</b>	<b>3.1</b>	<b>3.3</b>	<b>3.6</b>	<b>3.8</b>	<b>4.0</b>	<b>4.3</b>	<b>4.6</b>
Debt payments - Initial	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825	\$3,824,825
<b>Net Cash Flow before CIP</b>	<b>\$5,370,655</b>	<b>\$5,995,447</b>	<b>\$6,659,800</b>	<b>\$7,366,136</b>	<b>\$8,117,022</b>	<b>\$8,915,176</b>	<b>\$9,763,484</b>	<b>\$10,665,002</b>	<b>\$11,622,972</b>	<b>\$12,640,829</b>	<b>\$13,722,216</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$3,070,975	\$3,212,240	\$3,360,003	\$3,514,563	\$3,676,233	\$3,845,339	\$4,022,225	\$4,207,247	\$4,400,781	\$4,603,217	\$4,814,965
<b>Total Expenses</b>	<b>\$22,357,417</b>	<b>\$23,197,018</b>	<b>\$24,075,264</b>	<b>\$24,993,962</b>	<b>\$25,955,005</b>	<b>\$26,960,375</b>	<b>\$28,012,149</b>	<b>\$29,112,503</b>	<b>\$30,263,716</b>	<b>\$31,468,177</b>	<b>\$32,728,387</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$2,299,680</b>	<b>\$2,783,207</b>	<b>\$3,299,798</b>	<b>\$3,851,574</b>	<b>\$4,440,789</b>	<b>\$5,069,837</b>	<b>\$5,741,259</b>	<b>\$6,457,755</b>	<b>\$7,222,192</b>	<b>\$8,037,613</b>	<b>\$8,907,251</b>
Net Revenue - Available for Mains Replacement	9.3%	10.7%	12.1%	13.4%	14.6%	15.8%	17.0%	18.2%	19.3%	20.3%	21.4%
Target Mains Replacement per Year	\$3,214,131	\$3,361,981	\$3,516,632	\$3,678,397	\$3,847,604	\$4,024,593	\$4,209,725	\$4,403,372	\$4,605,927	\$4,817,800	\$5,039,418
Cumulative Mains Replacement	\$8,149,284	\$10,932,491	\$14,232,289	\$18,083,863	\$22,524,652	\$27,594,488	\$33,335,747	\$39,793,502	\$47,015,694	\$55,053,307	\$63,960,558
Percent Total Mains Replacement Funded	11.6%	15.6%	20.3%	25.8%	32.2%	39.4%	47.6%	56.8%	67.1%	78.6%	91.3%



**Shoreline Muncpal Water Utility - Updated Case M**  
**Basic Assumptions**

<b>Capital Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>	<b>Years IDC</b>	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$9,396,495	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$13,123,209	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$51,864,148	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,254,963	\$1,430,518				
Ongoing CIP	1	\$2,154,528	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$1,935,412	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$1,039,873	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$774,165	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$1,723,847	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$5,473,297</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$71,651	\$50,000	2012	2020		

**Tax Rates**

State Tax	5.029%	Included in Existing SPU Rates
City of Shoreline Tax	6.000%	Included in Existing SPU Rates

**Scenario Selection**

		Selected	Base	Low	High
Escalation of Retail Rates	Base	5.0%	5.0%	3.0%	7.0%
Escalation of Wholesale Rates	Base	3.5%	3.5%	2.5%	5.0%
Escalation of Costs	Base	4.6%	4.6%	2.6%	6.6%
Borrowing Cost	Base	5.0%	5.0%	4.0%	7.0%
Borrowing term	Base	30	30	30	30
Debt Ratio for Purchase	Base	100.0%	100%	100%	100%
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%
Separation/Capital Cost Sensitivity	High	10.0%	0%	-10%	10%
Operating Costs Sensitivity	High	10.0%	0%	-10%	10%
Water Supply Cost Sensitivity	Base	0.0%	0%	-10%	10%
Load Growth Sensitivity	Base	0.0%	0%	-0.5%	0.5%
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%

**Efficiency Savings**

Upfront Costs	No	\$0	-\$390,000
Labor	No	\$0	-\$267,325
Materials & Supplies	No	\$0	\$0
Employee Benefits	No	\$0	-\$76,415
Administrative	No	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case M  
Revenue Forecast**

Revenues	2011 Actual	Adjusted	Forecast	2013	2014	2015	2016	2017	2018	2019
		2011	2012							
Residential	\$5,489,547	\$5,679,825	\$6,059,065	\$6,476,517	\$6,912,932	\$7,201,267	\$7,501,628	\$7,814,517	\$8,140,456	\$8,479,990
Multi-Family	\$958,677	\$1,014,676	\$1,128,424	\$1,254,018	\$1,389,194	\$1,468,895	\$1,553,168	\$1,642,276	\$1,736,497	\$1,836,123
Commercial	\$1,452,391	\$1,723,971	\$1,743,212	\$1,948,133	\$2,167,805	\$2,302,660	\$2,445,904	\$2,598,059	\$2,759,679	\$2,931,353
MMRD	\$224,812	\$273,622	\$292,744	\$313,827	\$335,951	\$350,985	\$366,692	\$383,101	\$400,245	\$418,156
Fire	\$139,497	\$151,974	\$163,411	\$176,060	\$189,419	\$198,890	\$208,834	\$219,276	\$230,240	\$241,752
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,754</u>	<u>\$201,210</u>	<u>\$216,478</u>	<u>\$227,302</u>	<u>\$238,667</u>	<u>\$250,600</u>	<u>\$263,130</u>	<u>\$276,286</u>
Total	\$8,458,920	\$9,017,751	\$9,573,610	\$10,369,764	\$11,211,779	\$11,749,998	\$12,314,893	\$12,907,829	\$13,530,247	\$14,183,661
<b>Average Rate</b>										
Residential	\$7.50	\$7.50	\$7.95	\$8.56	\$9.21	\$9.67	\$10.16	\$10.66	\$11.20	\$11.76
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.47	\$7.11	\$7.47	\$7.84	\$8.24	\$8.65	\$9.08
Commercial	\$5.67	\$5.67	\$6.10	\$6.74	\$7.41	\$7.78	\$8.17	\$8.58	\$9.01	\$9.46
MMRD	\$5.88	\$6.12	\$6.59	\$7.09	\$7.63	\$8.01	\$8.42	\$8.84	\$9.28	\$9.74
Fire	\$700.99	\$190.56	\$204.90	\$220.76	\$237.51	\$249.39	\$261.86	\$274.95	\$288.70	\$303.13
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.87</u>	<u>\$5.24</u>	<u>\$5.64</u>	<u>\$5.92</u>	<u>\$6.22</u>	<u>\$6.53</u>	<u>\$6.86</u>	<u>\$7.20</u>
Total	\$6.81	\$6.80	\$7.23	\$7.84	\$8.48	\$8.90	\$9.34	\$9.80	\$10.28	\$10.78
<b>CCF</b>										
Residential	732,074	768,573	762,505	756,484	750,511	744,585	738,706	732,874	727,087	721,346
Multi-Family	180,889	191,226	192,569	193,921	195,283	196,654	198,034	199,425	200,825	202,235
Commercial	256,160	282,534	285,819	289,143	292,504	295,905	299,346	302,826	306,347	309,909
MMRD	38,208	44,679	44,456	44,233	44,012	43,792	43,573	43,355	43,138	42,923
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,324,512	1,322,945	1,321,474	1,320,100	1,318,823	1,317,643	1,316,561	1,315,576
<b>CCF per Customer</b>										
Residential	75.7	79.5	78.7	77.9	77.1	76.3	75.6	74.8	74.1	73.3
Multi-Family	766.5	810.3	806.2	802.2	798.2	794.2	790.2	786.3	782.3	778.4
Commercial	642.0	708.1	711.6	715.2	718.8	722.4	726.0	729.6	733.3	736.9
MMRD	9,552.0	11,169.8	11,113.9	11,058.3	11,003.0	10,948.0	10,893.3	10,838.8	10,784.6	10,730.7
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.1	120.7	120.2	119.8	119.4	119.0	118.7	118.3
<b>Customers</b>										
Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

**Shoreline Municipal Water Utility - Updated Case M  
Revenue Forecast**

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$8,833,686	\$9,245,498	\$9,676,508	\$10,127,611	\$10,599,743	\$11,093,886	\$11,611,065	\$12,152,354	\$12,718,877	\$13,311,810
Multi-Family	\$1,941,465	\$2,058,268	\$2,182,097	\$2,313,376	\$2,452,553	\$2,600,103	\$2,756,530	\$2,922,367	\$3,098,182	\$3,284,575
Commercial	\$3,113,707	\$3,299,178	\$3,495,696	\$3,703,920	\$3,924,546	\$4,158,315	\$4,406,008	\$4,668,455	\$4,946,535	\$5,241,180
MMRD	\$436,868	\$457,565	\$479,242	\$501,946	\$525,726	\$550,632	\$576,718	\$604,040	\$632,657	\$662,629
Fire	\$253,839	\$266,531	\$279,858	\$293,851	\$308,543	\$323,971	\$340,169	\$357,178	\$375,037	\$393,788
Other	<u>\$290,101</u>	<u>\$304,606</u>	<u>\$319,836</u>	<u>\$335,828</u>	<u>\$352,619</u>	<u>\$370,250</u>	<u>\$388,763</u>	<u>\$408,201</u>	<u>\$428,611</u>	<u>\$450,042</u>
Total	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
<b>Average Rate</b>										
Residential	\$12.34	\$12.96	\$13.61	\$14.29	\$15.00	\$15.75	\$16.54	\$17.37	\$18.24	\$19.15
Multi-Family	\$9.53	\$10.01	\$10.51	\$11.04	\$11.59	\$12.17	\$12.78	\$13.41	\$14.08	\$14.79
Commercial	\$9.93	\$10.43	\$10.95	\$11.50	\$12.07	\$12.68	\$13.31	\$13.97	\$14.67	\$15.41
MMRD	\$10.23	\$10.74	\$11.28	\$11.84	\$12.43	\$13.06	\$13.71	\$14.39	\$15.11	\$15.87
Fire	\$318.29	\$334.21	\$350.92	\$368.46	\$386.88	\$406.23	\$426.54	\$447.87	\$470.26	\$493.77
Other	<u>\$7.56</u>	<u>\$7.94</u>	<u>\$8.34</u>	<u>\$8.75</u>	<u>\$9.19</u>	<u>\$9.65</u>	<u>\$10.13</u>	<u>\$10.64</u>	<u>\$11.17</u>	<u>\$11.73</u>
Total	\$11.31	\$11.87	\$12.45	\$13.07	\$13.71	\$14.39	\$15.10	\$15.84	\$16.62	\$17.44
<b>CCF</b>										
Residential	715,651	713,346	711,048	708,758	706,476	704,201	701,933	699,672	697,419	695,172
Multi-Family	203,655	205,626	207,616	209,625	211,654	213,702	215,770	217,859	219,967	222,096
Commercial	313,512	316,368	319,250	322,159	325,094	328,055	331,044	334,060	337,103	340,174
MMRD	42,708	42,601	42,495	42,389	42,283	42,177	42,072	41,966	41,861	41,757
Fire	798	798	798	798	798	798	798	798	798	798
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,314,689	1,317,104	1,319,573	1,322,094	1,324,669	1,327,298	1,329,982	1,332,720	1,335,514	1,338,363
<b>CCF per Customer</b>										
Residential	72.6	72.2	71.9	71.5	71.2	70.8	70.4	70.1	69.7	69.4
Multi-Family	774.5	772.6	770.7	768.7	766.8	764.9	763.0	761.1	759.2	757.3
Commercial	740.6	742.5	744.3	746.2	748.1	749.9	751.8	753.7	755.6	757.4
MMRD	10,677.0	10,650.4	10,623.7	10,597.2	10,570.7	10,544.3	10,517.9	10,491.6	10,465.4	10,439.2
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	117.9	117.9	117.9	117.8	117.8	117.8	117.8	117.8	117.8	117.8
<b>Customers</b>										
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case M  
Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$13,932,385	\$14,629,004	\$15,360,454	\$16,128,477	\$16,934,901	\$17,781,646	\$18,670,728	\$19,604,264	\$20,584,477	\$21,613,701	\$22,694,386	
Multi-Family	\$3,474,583	\$3,700,137	\$3,940,332	\$4,196,119	\$4,468,511	\$4,758,586	\$5,067,490	\$5,396,447	\$5,746,759	\$6,119,811	\$6,517,080	
Commercial	\$5,553,374	\$5,869,492	\$6,203,603	\$6,556,734	\$6,929,966	\$7,324,444	\$7,741,376	\$8,182,042	\$8,647,792	\$9,140,054	\$9,660,338	
MMRD	\$694,021	\$728,722	\$765,158	\$803,416	\$843,587	\$885,766	\$930,055	\$976,557	\$1,025,385	\$1,076,654	\$1,130,487	
Fire	\$413,478	\$434,152	\$455,859	\$478,652	\$502,585	\$527,714	\$554,100	\$581,805	\$610,895	\$641,440	\$673,512	
Other	<u>\$472,544</u>	<u>\$496,171</u>	<u>\$520,979</u>	<u>\$547,028</u>	<u>\$574,380</u>	<u>\$603,099</u>	<u>\$633,254</u>	<u>\$664,916</u>	<u>\$698,162</u>	<u>\$733,070</u>	<u>\$769,724</u>	
Total	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526	
<b>Average Rate</b>												
Residential	\$20.11	\$21.11	\$22.17	\$23.28	\$24.44	\$25.66	\$26.94	\$28.29	\$29.71	\$31.19	\$32.75	
Multi-Family	\$15.53	\$16.30	\$17.12	\$17.98	\$18.87	\$19.82	\$20.81	\$21.85	\$22.94	\$24.09	\$25.29	
Commercial	\$16.18	\$16.99	\$17.84	\$18.73	\$19.66	\$20.65	\$21.68	\$22.76	\$23.90	\$25.10	\$26.35	
MMRD	\$16.66	\$17.50	\$18.37	\$19.29	\$20.25	\$21.27	\$22.33	\$23.45	\$24.62	\$25.85	\$27.14	
Fire	\$518.46	\$544.39	\$571.60	\$600.18	\$630.19	\$661.70	\$694.79	\$729.53	\$766.00	\$804.30	\$844.52	
Other	<u>\$12.32</u>	<u>\$12.93</u>	<u>\$13.58</u>	<u>\$14.26</u>	<u>\$14.97</u>	<u>\$15.72</u>	<u>\$16.51</u>	<u>\$17.33</u>	<u>\$18.20</u>	<u>\$19.11</u>	<u>\$20.06</u>	
Total	\$18.30	\$19.21	\$20.16	\$21.15	\$22.20	\$23.29	\$24.45	\$25.65	\$26.92	\$28.25	\$29.65	
<b>CCF</b>												
Residential	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	692,934	
Multi-Family	223,756	226,934	230,158	233,427	236,743	240,106	243,517	246,976	250,484	254,042	257,651	
Commercial	343,274	345,537	347,815	350,109	352,417	354,741	357,080	359,435	361,805	364,190	366,592	
MMRD	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	41,652	
Fire	798	798	798	798	798	798	798	798	798	798	798	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,340,779	1,346,221	1,351,723	1,357,286	1,362,910	1,368,597	1,374,346	1,380,160	1,386,038	1,391,982	1,397,992	0.2%
<b>CCF per Customer</b>												
Residential	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	-13%
Multi-Family	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	755.4	-7%
Commercial	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	759.3	7%
MMRD	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	10,413.1	-7%
Fire	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	0%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	117.7	118.1	118.5	119.0	119.4	119.8	120.2	120.6	121.1	121.5	121.9	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	

**Shoreline Municipal Water Utility - Updated Case M  
Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Multi-Family	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Commercial	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
Multi-Family	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
Commercial	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.13%	-0.12%	-0.11%	-0.10%	-0.10%	-0.09%	-0.08%	-0.07%
<b>Average Rate Increase</b>								
Residential	6.0%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	10.6%	10.4%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	7.6%	10.5%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	7.5%	7.7%	7.6%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case M  
Revenue Forecast**

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Customer Growth</b>										
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-1.00%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Commercial	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>										
Residential	0.70%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%	0.97%
Multi-Family	1.16%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Commercial	-0.50%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%	-0.25%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	-0.07%	0.18%	0.19%	0.19%	0.19%	0.20%	0.20%	0.21%	0.21%	0.21%
<b>Average Rate Increase</b>										
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case M**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>											
Residential	-0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.75%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.91%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	-0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.18%	0.41%	0.41%	0.41%	0.41%	0.42%	0.42%	0.42%	0.43%	0.43%	0.43%
<b>Average Rate Increase</b>											
Residential	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Multi-Family	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
MMRD	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Fire	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Shoreline Municipal Water Utility - Updated Case M  
Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$1,935,412	\$2,024,441	\$2,117,565	\$2,214,973	\$2,316,862	\$2,423,438	\$2,534,916	\$2,651,522	\$2,773,492	\$2,901,073
Materials & Supplies	\$1,039,873	\$1,087,707	\$1,137,741	\$1,190,077	\$1,244,821	\$1,302,083	\$1,361,978	\$1,424,629	\$1,490,162	\$1,558,710
Employee Benefits	\$774,165	\$809,777	\$847,027	\$885,990	\$926,746	\$969,376	\$1,013,967	\$1,060,610	\$1,109,398	\$1,160,430
Administrative	\$1,723,847	\$1,803,144	\$1,886,089	\$1,972,849	\$2,063,600	\$2,158,525	\$2,257,817	\$2,361,677	\$2,470,314	\$2,583,949
Total	\$5,473,297	\$5,725,069	\$5,988,422	\$6,263,889	\$6,552,028	\$6,853,421	\$7,168,679	\$7,498,438	\$7,843,366	\$8,204,161

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	B3 \$611,256	\$611,256	\$611,256	\$611,256	\$611,256	\$611,256	\$611,256	\$611,256	\$611,256	\$611,256
Upfront Costs	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684
Total Initial Debt	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307
Amount Available for Cash CIP	\$1,189,339	\$1,492,023	\$1,813,723	\$2,155,588	\$2,518,833	\$2,904,746	\$3,314,691	\$3,750,111	\$4,212,537	\$4,703,589
Required CIP by Year	\$2,154,528	\$2,253,636	\$2,357,303	\$2,465,739	\$2,579,163	\$2,697,805	\$2,821,904	\$2,951,711	\$3,087,490	\$3,229,515
Required CIP Funded by Year	\$1,820,088	\$2,253,636	\$2,357,303	\$2,465,739	\$2,579,163	\$2,697,805	\$2,821,904	\$2,951,711	\$3,087,490	\$3,229,515
Mains Replacement - Equal Over 23 Years	\$2,254,963	\$2,358,691	\$2,467,191	\$2,580,682	\$2,699,393	\$2,823,565	\$2,953,449	\$3,089,308	\$3,231,416	\$3,380,061
Percent of Mains Funded for the Year	0%	0%	0%	0%	0%	7%	17%	26%	35%	44%
Mains Replacement - Amount Funded	\$0	\$0	\$0	\$0	\$0	\$206,942	\$492,787	\$798,400	\$1,125,047	\$1,474,075
Total CIP By Year	\$1,820,088	\$2,253,636	\$2,357,303	\$2,465,739	\$2,579,163	\$2,904,746	\$3,314,691	\$3,750,111	\$4,212,537	\$4,703,589

DSC	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.2	2.3	2.5
Surplus	\$0	\$0	\$0	\$0	\$0	\$206,942	\$492,787	\$798,400	\$1,125,047	\$1,474,075
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$1,820,088	\$2,253,636	\$2,357,303	\$2,465,739	\$2,579,163	\$2,904,746	\$3,314,691	\$3,750,111	\$4,212,537	\$4,703,589
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



**Shoreline Municipal Water Utility - Updated Case M  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$3,034,522	\$3,174,110	\$3,320,119	\$3,472,844	\$3,632,595	\$3,799,695	\$3,974,481	\$4,157,307	\$4,348,543	\$4,548,576	\$4,757,810
Materials & Supplies	\$1,630,411	\$1,705,409	\$1,783,858	\$1,865,916	\$1,951,748	\$2,041,528	\$2,135,439	\$2,233,669	\$2,336,418	\$2,443,893	\$2,556,312
Employee Benefits	\$1,213,810	\$1,269,645	\$1,328,049	\$1,389,139	\$1,453,039	\$1,519,879	\$1,589,794	\$1,662,924	\$1,739,419	\$1,819,432	\$1,903,126
Administrative	\$2,702,810	\$2,827,139	\$2,957,188	\$3,093,219	\$3,235,507	\$3,384,340	\$3,540,020	\$3,702,860	\$3,873,192	\$4,051,359	\$4,237,721
Total	\$8,581,552	\$8,976,304	\$9,389,214	\$9,821,118	\$10,272,889	\$10,745,442	\$11,239,732	\$11,756,760	\$12,297,571	\$12,863,259	\$13,454,969

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368	\$1,730,368
Separation Cost	\$611,256	\$611,256	\$611,256	\$611,256	\$611,256	\$611,256	\$611,256	\$611,256	\$611,256	\$611,256	\$611,256
Upfront Costs	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684	\$853,684
Total Initial Debt	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307
Amount Available for Cash CIP	\$5,220,032	\$5,808,937	\$6,435,753	\$7,102,825	\$7,812,640	\$8,567,835	\$9,371,208	\$10,225,724	\$11,134,529	\$12,100,960	\$13,128,554
Required CIP by Year	\$3,378,072	\$3,533,464	\$3,696,003	\$3,866,019	\$4,043,856	\$4,229,873	\$4,424,447	\$4,627,972	\$4,840,859	\$5,063,538	\$5,296,461
Required CIP Funded by Year	\$3,378,072	\$3,533,464	\$3,696,003	\$3,866,019	\$4,043,856	\$4,229,873	\$4,424,447	\$4,627,972	\$4,840,859	\$5,063,538	\$5,296,461
Mains Replacement	\$3,535,544	\$3,698,179	\$3,868,295	\$4,046,237	\$4,232,364	\$4,427,053	\$4,630,697	\$4,843,709	\$5,066,520	\$5,299,580	\$5,543,360
Percent of Mains Funded	52%	62%	71%	80%	89%	98%	107%	116%	124%	133%	141%
Mains Replacement - Amount Fun	\$1,841,960	\$2,275,473	\$2,739,750	\$3,236,806	\$3,768,784	\$4,337,962	\$4,946,760	\$5,597,752	\$6,293,670	\$7,037,422	\$7,832,093
Total CIP By Year	\$5,220,032	\$5,808,937	\$6,435,753	\$7,102,825	\$7,812,640	\$8,567,835	\$9,371,208	\$10,225,724	\$11,134,529	\$12,100,960	\$13,128,554

DSC	2.6	2.8	3.0	3.2	3.4	3.7	3.9	4.2	4.5	4.8	5.1
Surplus	\$1,841,960	\$2,275,473	\$2,739,750	\$3,236,806	\$3,768,784	\$4,337,962	\$4,946,760	\$5,597,752	\$6,293,670	\$7,037,422	\$7,832,093
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$5,220,032	\$5,808,937	\$6,435,753	\$7,102,825	\$7,812,640	\$8,567,835	\$9,371,208	\$10,225,724	\$11,134,529	\$12,100,960	\$13,128,554
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case M  
Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	576,122	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	738,567	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,314,689		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	665,421	44%	<- Based on same % split from 2011 loads
Off-peak months	853,045	56%	<- Based on same % split from 2011 loads
Total	1,518,466		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,510,505						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,305,159						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,815,664	\$2,911,182	\$3,010,159	\$3,112,728	\$3,219,027	\$3,329,201	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Municipal Water Utility - Updated Case M  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$14,869,667	\$15,631,645	\$16,433,236	\$17,276,531	\$18,163,731	\$19,097,157	\$20,079,253	\$21,112,595	\$22,199,899	\$23,344,023
Use of Facilities Charges	\$71,651	\$75,234	\$78,995	\$82,945	\$87,092	\$91,447	\$96,019	\$100,820	\$105,861	\$111,155
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$14,941,318</b>	<b>\$15,706,879</b>	<b>\$16,512,232</b>	<b>\$17,359,476</b>	<b>\$18,250,823</b>	<b>\$19,188,604</b>	<b>\$20,175,272</b>	<b>\$21,213,416</b>	<b>\$22,305,760</b>	<b>\$23,455,178</b>
<b>Expenses</b>										
Wholesale Water Supply	\$3,443,399	\$3,570,466	\$3,702,358	\$3,839,263	\$3,981,377	\$4,128,903	\$4,282,055	\$4,441,051	\$4,606,123	\$4,777,508
Non-Supply O&M	\$5,473,297	\$5,725,069	\$5,988,422	\$6,263,889	\$6,552,028	\$6,853,421	\$7,168,679	\$7,498,438	\$7,843,366	\$8,204,161
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$747,796	\$786,115	\$826,427	\$868,837	\$913,454	\$960,396	\$1,009,786	\$1,061,752	\$1,116,433	\$1,173,971
City of Shoreline Tax Expense (franchise fee)	\$892,180	\$937,899	\$985,994	\$1,036,592	\$1,089,824	\$1,145,829	\$1,204,755	\$1,266,756	\$1,331,994	\$1,400,641
<b>Total Operating Expenses</b>	<b>\$10,556,672</b>	<b>\$11,019,549</b>	<b>\$11,503,202</b>	<b>\$12,008,581</b>	<b>\$12,536,683</b>	<b>\$13,088,550</b>	<b>\$13,665,274</b>	<b>\$14,267,998</b>	<b>\$14,897,916</b>	<b>\$15,556,281</b>
<b>Net Operating Funds</b>	<b>\$4,384,646</b>	<b>\$4,687,330</b>	<b>\$5,009,030</b>	<b>\$5,350,895</b>	<b>\$5,714,141</b>	<b>\$6,100,054</b>	<b>\$6,509,998</b>	<b>\$6,945,418</b>	<b>\$7,407,844</b>	<b>\$7,898,897</b>
<b>Debt Service Coverage Ratio</b>	<b>1.4</b>	<b>1.5</b>	<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>1.9</b>	<b>2.0</b>	<b>2.2</b>	<b>2.3</b>	<b>2.5</b>
Debt payments - Initial	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307
<b>Net Cash Flow before CIP</b>	<b>\$1,189,339</b>	<b>\$1,492,023</b>	<b>\$1,813,723</b>	<b>\$2,155,588</b>	<b>\$2,518,833</b>	<b>\$2,904,746</b>	<b>\$3,314,691</b>	<b>\$3,750,111</b>	<b>\$4,212,537</b>	<b>\$4,703,589</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,253,636	\$2,357,303	\$2,465,739	\$2,579,163	\$2,697,805	\$2,821,904	\$2,951,711	\$3,087,490	\$3,229,515
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$15,572,067</b>	<b>\$16,468,492</b>	<b>\$17,055,812</b>	<b>\$17,669,627</b>	<b>\$18,311,153</b>	<b>\$18,981,662</b>	<b>\$19,682,485</b>	<b>\$20,415,016</b>	<b>\$21,180,713</b>	<b>\$21,981,103</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$206,942</b>	<b>\$492,787</b>	<b>\$798,400</b>	<b>\$1,125,047</b>	<b>\$1,474,075</b>
Net Revenue as Percent of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	1.1%	2.4%	3.8%	5.0%	6.3%
Target Mains Replacement per Year	\$2,254,963	\$2,358,691	\$2,467,191	\$2,580,682	\$2,699,393	\$2,823,565	\$2,953,449	\$3,089,308	\$3,231,416	\$3,380,061
Cumulative Mains Replacement	\$0	\$0	\$0	\$0	\$0	\$206,942	\$699,729	\$1,498,129	\$2,623,176	\$4,097,250
Percent Total Mains Replacement Funded	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.9%	1.9%	3.4%	5.3%

**Shoreline Municipal Water Utility - Updated Case M  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$24,540,385	\$25,857,677	\$27,246,386	\$28,710,427	\$30,253,929	\$31,881,254	\$33,597,002	\$35,406,032	\$37,313,471	\$39,324,731	\$41,445,526
Use of Facilities Charges	\$116,712	\$122,548	\$128,675	\$135,109	\$141,864	\$148,958	\$156,406	\$164,226	\$172,437	\$181,059	\$190,112
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$24,657,097</b>	<b>\$25,980,225</b>	<b>\$27,375,061</b>	<b>\$28,845,536</b>	<b>\$30,395,794</b>	<b>\$32,030,211</b>	<b>\$33,753,408</b>	<b>\$35,570,258</b>	<b>\$37,485,908</b>	<b>\$39,505,790</b>	<b>\$41,635,638</b>
<b>Expenses</b>											
Wholesale Water Supply	\$4,953,646	\$5,147,834	\$5,349,783	\$5,559,812	\$5,778,251	\$6,005,443	\$6,241,747	\$6,487,536	\$6,743,198	\$7,009,139	\$7,285,781
Non-Supply O&M	\$8,581,552	\$8,976,304	\$9,389,214	\$9,821,118	\$10,272,889	\$10,745,442	\$11,239,732	\$11,756,760	\$12,297,571	\$12,863,259	\$13,454,969
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,234,136	\$1,300,383	\$1,370,221	\$1,443,847	\$1,521,470	\$1,603,308	\$1,689,593	\$1,780,569	\$1,876,494	\$1,977,641	\$2,084,296
City of Shoreline Tax Expense (franchise fee)	\$1,472,423	\$1,551,461	\$1,634,783	\$1,722,626	\$1,815,236	\$1,912,875	\$2,015,820	\$2,124,362	\$2,238,808	\$2,359,484	\$2,486,732
<b>Total Operating Expenses</b>	<b>\$16,241,758</b>	<b>\$16,975,981</b>	<b>\$17,744,001</b>	<b>\$18,547,403</b>	<b>\$19,387,846</b>	<b>\$20,267,069</b>	<b>\$21,186,893</b>	<b>\$22,149,227</b>	<b>\$23,156,072</b>	<b>\$24,209,523</b>	<b>\$25,311,777</b>
<b>Net Operating Funds</b>	<b>\$8,415,339</b>	<b>\$9,004,244</b>	<b>\$9,631,060</b>	<b>\$10,298,133</b>	<b>\$11,007,948</b>	<b>\$11,763,143</b>	<b>\$12,566,515</b>	<b>\$13,421,031</b>	<b>\$14,329,836</b>	<b>\$15,296,267</b>	<b>\$16,323,861</b>
<b>Debt Service Coverage Ratio</b>	<b>2.6</b>	<b>2.8</b>	<b>3.0</b>	<b>3.2</b>	<b>3.4</b>	<b>3.7</b>	<b>3.9</b>	<b>4.2</b>	<b>4.5</b>	<b>4.8</b>	<b>5.1</b>
Debt payments - Initial	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307	\$3,195,307
<b>Net Cash Flow before CIP</b>	<b>\$5,220,032</b>	<b>\$5,808,937</b>	<b>\$6,435,753</b>	<b>\$7,102,825</b>	<b>\$7,812,640</b>	<b>\$8,567,835</b>	<b>\$9,371,208</b>	<b>\$10,225,724</b>	<b>\$11,134,529</b>	<b>\$12,100,960</b>	<b>\$13,128,554</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$3,378,072	\$3,533,464	\$3,696,003	\$3,866,019	\$4,043,856	\$4,229,873	\$4,424,447	\$4,627,972	\$4,840,859	\$5,063,538	\$5,296,461
<b>Total Expenses</b>	<b>\$22,815,138</b>	<b>\$23,704,751</b>	<b>\$24,635,311</b>	<b>\$25,608,729</b>	<b>\$26,627,009</b>	<b>\$27,692,249</b>	<b>\$28,806,647</b>	<b>\$29,972,506</b>	<b>\$31,192,238</b>	<b>\$32,468,368</b>	<b>\$33,803,545</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$1,841,960</b>	<b>\$2,275,473</b>	<b>\$2,739,750</b>	<b>\$3,236,806</b>	<b>\$3,768,784</b>	<b>\$4,337,962</b>	<b>\$4,946,760</b>	<b>\$5,597,752</b>	<b>\$6,293,670</b>	<b>\$7,037,422</b>	<b>\$7,832,093</b>
Net Revenue - Available for Mains Replacement	7.5%	8.8%	10.0%	11.2%	12.4%	13.5%	14.7%	15.7%	16.8%	17.8%	18.8%
Target Mains Replacement per Year	\$3,535,544	\$3,698,179	\$3,868,295	\$4,046,237	\$4,232,364	\$4,427,053	\$4,630,697	\$4,843,709	\$5,066,520	\$5,299,580	\$5,543,360
Cumulative Mains Replacement	\$5,939,210	\$8,214,683	\$10,954,433	\$14,191,239	\$17,960,024	\$22,297,986	\$27,244,746	\$32,842,498	\$39,136,168	\$46,173,590	\$54,005,683
Percent Total Mains Replacement Funded	7.7%	10.7%	14.2%	18.4%	23.3%	28.9%	35.4%	42.6%	50.8%	59.9%	70.1%

## Shoreline Muncpal Water Utility - Updated Case N

### Basic Assumptions

Capital Costs		2020 Value	Base Case	Year \$	Year spent	Years IDC	
Purchase Price		\$26,600,000	\$26,600,000	2020	2020	0	
Separation Cost							
Option:	B3	\$10,932,992	\$5,938,300	2012	2020	1	Eng Report Table 7
Choices: A, B1, B2, B3, B4, B5							
Upfront Costs		\$15,269,091	\$8,293,470	2012	2020	1	Eng Report Tables 13 without Mains
Annual CIP	Years						
Mains Replacement (Total)		\$60,349,185	\$32,901,908	2012	2020		Eng Report Table 9
Mains Replacement (Annual)	23	\$2,623,878	\$1,430,518				
Ongoing CIP	1	\$2,507,011	\$1,366,803	2012	2020		Eng Report Table 14
<b>Annual Operating Costs</b>		<b>2020 Value</b>	<b>Base Case</b>	<b>Year \$</b>	<b>Year spent</b>		
Labor		\$2,252,048	\$1,227,799	2012	2020		Eng Report Table 6
Materials & Supplies		\$1,209,997	\$659,681	2012	2020		Eng Report Table 6
Employee Benefits		\$900,820	\$491,120	2012	2020		Eng Report Table 6
Administrative		\$2,005,870	\$1,093,585	2012	2020		Eng Report Table 6
<b>Total</b>		<b>\$6,368,735</b>	<b>\$3,472,185</b>	<b>2012</b>	<b>2020</b>		
Use of Facilities/Other Revenues		\$83,373	\$50,000	2012	2020		
<b>Tax Rates</b>							
State Tax		5.029%	Included in Existing SPU Rates				
City of Shoreline Tax		6.000%	Included in Existing SPU Rates				
<b>Scenario Selection</b>		<b>Selected</b>	<b>Base</b>	<b>Low</b>	<b>High</b>		
Escalation of Retail Rates	High	7.0%	5.0%	3.0%	7.0%		
Escalation of Wholesale Rates	High	5.0%	3.5%	2.5%	5.0%		
Escalation of Costs	High	6.6%	4.6%	2.6%	6.6%		
Borrowing Cost	High	7.0%	5.0%	4.0%	7.0%		
Borrowing term	High	30	30	30	30		
Debt Ratio for Purchase	High	100.0%	100%	100%	100%		
Purchase Price Sensitivity	Base	0.0%	0%	-10%	10%		
Separation/Capital Cost Sensitivity	High	10.0%	0%	-10%	10%		
Operating Costs Sensitivity	High	10.0%	0%	-10%	10%		
Water Supply Cost Sensitivity	High	10.0%	0%	-10%	10%		
Load Growth Sensitivity	High	0.5%	0%	-0.5%	0.5%		
Target Debt Service Coverage	Base	1.7	1.7	2.0	1.5		
Wholesale Contract % Adder for Reliability	Base	10.0%	10.0%	0.0%	20.0%		
Wholesale Contract Adjustment for Losses	Base	5.0%	5.0%	4.0%	6.0%		
<b>Efficiency Savings</b>							
Upfront Costs	No	\$0	-\$390,000				
Labor	No	\$0	-\$267,325				
Materials & Supplies	No	\$0	\$0				
Employee Benefits	No	\$0	-\$76,415				
Administrative	No	\$0	\$0				

## Shoreline Municipal Water Utility - Updated Case N

### Revenue Forecast

Revenues	Adjusted		Forecast							
	2011 Actual	2011	2012	2013	2014	2015	2016	2017	2018	2019
Residential	\$5,489,547	\$5,679,825	\$6,079,945	\$6,522,215	\$6,987,613	\$7,455,174	\$7,954,021	\$8,486,248	\$9,054,088	\$9,659,923
Multi-Family	\$958,677	\$1,014,676	\$1,133,727	\$1,265,893	\$1,409,063	\$1,525,913	\$1,652,452	\$1,789,485	\$1,937,882	\$2,098,584
Commercial	\$1,452,391	\$1,723,971	\$1,751,084	\$1,965,893	\$2,197,742	\$2,390,760	\$2,600,731	\$2,829,142	\$3,077,614	\$3,347,909
MMRD	\$224,812	\$273,622	\$293,745	\$316,025	\$339,555	\$363,324	\$388,756	\$415,969	\$445,087	\$476,243
Fire	\$139,497	\$151,974	\$163,150	\$175,524	\$188,593	\$201,795	\$215,920	\$231,035	\$247,207	\$264,512
Other	<u>\$193,997</u>	<u>\$173,683</u>	<u>\$186,456</u>	<u>\$200,598</u>	<u>\$215,534</u>	<u>\$230,621</u>	<u>\$246,765</u>	<u>\$264,039</u>	<u>\$282,521</u>	<u>\$302,298</u>
Total	\$8,458,920	\$9,017,751	\$9,608,108	\$10,446,149	\$11,338,100	\$12,167,587	\$13,058,646	\$14,015,918	\$15,044,399	\$16,149,469

### Average Rate

Residential	\$7.50	\$7.50	\$7.93	\$8.54	\$9.17	\$9.81	\$10.50	\$11.23	\$12.02	\$12.86
Multi-Family	\$5.30	\$5.30	\$5.86	\$6.46	\$7.11	\$7.61	\$8.14	\$8.71	\$9.32	\$9.97
Commercial	\$5.67	\$5.67	\$6.10	\$6.73	\$7.40	\$7.92	\$8.48	\$9.07	\$9.70	\$10.38
MMRD	\$5.88	\$6.12	\$6.57	\$7.07	\$7.60	\$8.13	\$8.70	\$9.31	\$9.96	\$10.66
Fire	\$700.99	\$190.56	\$204.57	\$220.09	\$236.48	\$253.03	\$270.74	\$289.70	\$309.97	\$331.67
Other	<u>\$5.59</u>	<u>\$4.53</u>	<u>\$4.86</u>	<u>\$5.23</u>	<u>\$5.62</u>	<u>\$6.01</u>	<u>\$6.43</u>	<u>\$6.88</u>	<u>\$7.36</u>	<u>\$7.88</u>
Total	\$6.81	\$6.80	\$7.22	\$7.82	\$8.46	\$9.04	\$9.66	\$10.33	\$11.04	\$11.81

### CCF

Residential	732,074	768,573	766,356	764,145	761,940	759,742	757,550	755,364	753,185	751,012
Multi-Family	180,889	191,226	193,537	195,875	198,241	200,636	203,060	205,514	207,996	210,509
Commercial	256,160	282,534	287,241	292,027	296,892	301,838	306,867	311,979	317,176	322,460
MMRD	38,208	44,679	44,679	44,679	44,679	44,679	44,679	44,679	44,679	44,679
Fire	199	798	798	798	798	798	798	798	798	798
Other	<u>34,735</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,242,265	1,326,177	1,330,976	1,335,889	1,340,916	1,346,059	1,351,319	1,356,699	1,362,200	1,367,824

### CCF per Customer

Residential	75.7	79.5	79.1	78.7	78.3	77.9	77.5	77.1	76.7	76.3
Multi-Family	766.5	810.3	810.3	810.3	810.3	810.3	810.3	810.3	810.3	810.3
Commercial	642.0	708.1	715.2	722.3	729.6	736.9	744.2	751.7	759.2	766.8
MMRD	9,552.0	11,169.8	11,169.8	11,169.8	11,169.8	11,169.8	11,169.8	11,169.8	11,169.8	11,169.8
Fire	1.5	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Other	<u>74.7</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
	113.9	121.5	121.7	121.9	122.0	122.2	122.4	122.6	122.8	123.0

### Customers

Residential	9,671	9,671	9,692	9,712	9,733	9,753	9,774	9,795	9,816	9,837
Multi-Family	236	236	239	242	245	248	251	254	257	260
Commercial	399	399	402	404	407	410	412	415	418	421
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
	10,911	10,911	10,937	10,963	10,989	11,016	11,042	11,069	11,095	11,122

**Shoreline Municipal Water Utility - Updated Case N**

**Revenue Forecast**

Revenues	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$10,306,297	\$11,047,459	\$11,841,920	\$12,693,515	\$13,606,350	\$14,584,830	\$15,633,677	\$16,757,950	\$17,963,073	\$19,254,861
Multi-Family	\$2,272,614	\$2,467,537	\$2,679,180	\$2,908,975	\$3,158,480	\$3,429,385	\$3,723,526	\$4,042,895	\$4,389,657	\$4,766,161
Commercial	\$3,641,942	\$3,951,992	\$4,288,438	\$4,653,526	\$5,049,696	\$5,479,593	\$5,946,089	\$6,452,299	\$7,001,604	\$7,597,673
MMRD	\$509,580	\$546,614	\$586,339	\$628,951	\$674,660	\$723,691	\$776,286	\$832,702	\$893,219	\$958,134
Fire	\$283,028	\$304,354	\$327,287	\$351,948	\$378,467	\$406,985	\$437,651	\$470,628	\$506,090	\$544,224
Other	<u>\$323,459</u>	<u>\$346,101</u>	<u>\$370,328</u>	<u>\$396,251</u>	<u>\$423,988</u>	<u>\$453,667</u>	<u>\$485,424</u>	<u>\$519,404</u>	<u>\$555,762</u>	<u>\$594,665</u>
Total	\$17,336,918	\$18,664,057	\$20,093,492	\$21,633,166	\$23,291,642	\$25,078,152	\$27,002,652	\$29,075,877	\$31,309,404	\$33,715,717

Average Rate	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	\$13.76	\$14.73	\$15.76	\$16.86	\$18.04	\$19.30	\$20.65	\$22.10	\$23.65	\$25.30
Multi-Family	\$10.67	\$11.41	\$12.21	\$13.07	\$13.98	\$14.96	\$16.01	\$17.13	\$18.33	\$19.61
Commercial	\$11.11	\$11.89	\$12.72	\$13.61	\$14.56	\$15.58	\$16.67	\$17.84	\$19.09	\$20.42
MMRD	\$11.41	\$12.20	\$13.06	\$13.97	\$14.95	\$16.00	\$17.12	\$18.31	\$19.60	\$20.97
Fire	\$354.89	\$379.73	\$406.31	\$434.76	\$465.19	\$497.75	\$532.59	\$569.88	\$609.77	\$652.45
Other	<u>\$8.43</u>	<u>\$9.02</u>	<u>\$9.65</u>	<u>\$10.33</u>	<u>\$11.05</u>	<u>\$11.82</u>	<u>\$12.65</u>	<u>\$13.54</u>	<u>\$14.49</u>	<u>\$15.50</u>
Total	\$12.62	\$13.50	\$14.43	\$15.43	\$16.50	\$17.65	\$18.87	\$20.18	\$21.58	\$23.08

CCF	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	748,845	750,184	751,526	752,870	754,216	755,565	756,916	758,270	759,626	760,985
Multi-Family	213,053	216,193	219,379	222,613	225,894	229,223	232,602	236,030	239,509	243,039
Commercial	327,832	332,469	337,171	341,940	346,776	351,681	356,654	361,699	366,814	372,002
MMRD	44,679	44,791	44,903	45,015	45,127	45,240	45,353	45,467	45,580	45,694
Fire	798	801	806	810	814	818	822	826	830	834
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>
Total	1,373,573	1,382,804	1,392,150	1,401,613	1,411,193	1,420,893	1,430,713	1,440,657	1,450,725	1,460,920

CCF per Customer	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0	76.0
Multi-Family	810.3	812.3	814.3	816.4	818.4	820.5	822.5	824.6	826.6	828.7
Commercial	774.4	780.3	786.1	792.0	797.9	803.9	810.0	816.0	822.2	828.3
MMRD	11,169.8	11,197.7	11,225.7	11,253.7	11,281.9	11,310.1	11,338.3	11,366.7	11,395.1	11,423.6
Fire	5.9	5.9	5.9	6.0	6.0	6.0	6.0	6.1	6.1	6.1
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>
Total	123.2	123.8	124.3	124.9	125.5	126.1	126.7	127.3	127.9	128.5

Customers	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Residential	9,858	9,875	9,893	9,911	9,928	9,946	9,964	9,982	9,999	10,017
Multi-Family	263	266	269	273	276	279	283	286	290	293
Commercial	423	426	429	432	435	437	440	443	446	449
MMRD	4	4	4	4	4	4	4	4	4	4
Fire	136	136	136	136	136	136	136	136	136	136
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>
Total	11,149	11,172	11,196	11,220	11,244	11,268	11,292	11,316	11,340	11,365

**Shoreline Municipal Water Utility - Updated Case N  
Revenue Forecast**

Revenues	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
Residential	\$20,639,546	\$22,194,735	\$23,867,109	\$25,665,495	\$27,599,390	\$29,679,004	\$31,915,317	\$34,320,137	\$36,906,159	\$39,687,038	\$42,677,456	
Multi-Family	\$5,150,790	\$5,617,582	\$6,126,678	\$6,681,910	\$7,287,460	\$7,947,888	\$8,668,168	\$9,453,723	\$10,310,470	\$11,244,859	\$12,263,928	
Commercial	\$8,183,114	\$8,857,735	\$9,587,972	\$10,378,410	\$11,234,013	\$12,160,151	\$13,162,642	\$14,247,778	\$15,422,373	\$16,693,803	\$18,070,050	
MMRD	\$1,025,203	\$1,099,710	\$1,179,631	\$1,265,361	\$1,357,321	\$1,455,964	\$1,561,776	\$1,675,278	\$1,797,029	\$1,927,628	\$2,067,718	
Fire	\$585,231	\$629,328	\$676,748	\$727,741	\$782,576	\$841,543	\$904,954	\$973,142	\$1,046,468	\$1,125,320	\$1,210,112	
Other	<u>\$636,292</u>	<u>\$680,832</u>	<u>\$728,491</u>	<u>\$779,485</u>	<u>\$834,049</u>	<u>\$892,432</u>	<u>\$954,903</u>	<u>\$1,021,746</u>	<u>\$1,093,268</u>	<u>\$1,169,797</u>	<u>\$1,251,682</u>	
Total	\$36,220,176	\$39,079,923	\$42,166,628	\$45,498,401	\$49,094,808	\$52,976,983	\$57,167,759	\$61,691,803	\$66,575,767	\$71,848,444	\$77,540,948	
<b>Average Rate</b>												
Residential	\$27.07	\$28.97	\$31.00	\$33.17	\$35.49	\$37.97	\$40.63	\$43.47	\$46.52	\$49.77	\$53.26	
Multi-Family	\$20.98	\$22.45	\$24.02	\$25.71	\$27.51	\$29.43	\$31.49	\$33.69	\$36.05	\$38.58	\$41.28	
Commercial	\$21.85	\$23.38	\$25.02	\$26.77	\$28.65	\$30.65	\$32.80	\$35.09	\$37.55	\$40.18	\$42.99	
MMRD	\$22.44	\$24.01	\$25.69	\$27.49	\$29.41	\$31.47	\$33.67	\$36.03	\$38.55	\$41.25	\$44.14	
Fire	\$698.12	\$746.99	\$799.28	\$855.23	\$915.10	\$979.15	\$1,047.69	\$1,121.03	\$1,199.50	\$1,283.47	\$1,373.31	
Other	<u>\$16.58</u>	<u>\$17.75</u>	<u>\$18.99</u>	<u>\$20.32</u>	<u>\$21.74</u>	<u>\$23.26</u>	<u>\$24.89</u>	<u>\$26.63</u>	<u>\$28.50</u>	<u>\$30.49</u>	<u>\$32.62</u>	
Total	\$24.69	\$26.40	\$28.24	\$30.20	\$32.29	\$34.54	\$36.94	\$39.50	\$42.24	\$45.18	\$48.32	
<b>CCF</b>												
Residential	762,345	766,157	769,988	773,838	777,707	781,596	785,504	789,431	793,378	797,345	801,332	
Multi-Family	245,469	250,201	255,024	259,940	264,950	270,057	275,263	280,569	285,977	291,490	297,109	
Commercial	374,455	378,809	383,213	387,669	392,176	396,736	401,348	406,015	410,735	415,511	420,342	
MMRD	45,694	45,809	45,923	46,038	46,153	46,268	46,384	46,500	46,616	46,733	46,850	
Fire	838	842	847	851	855	859	864	868	872	877	881	
Other	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	<u>38,366</u>	
Total	1,467,168	1,480,184	1,493,361	1,506,701	1,520,207	1,533,882	1,547,729	1,561,749	1,575,946	1,590,321	1,604,879	0.7%
<b>CCF per Customer</b>												
Residential	76.0	76.3	76.7	77.1	77.5	77.9	78.3	78.7	79.1	79.5	79.9	-4%
Multi-Family	828.7	832.8	837.0	841.2	845.4	849.6	853.9	858.1	862.4	866.7	871.1	2%
Commercial	828.3	832.5	836.6	840.8	845.0	849.2	853.5	857.7	862.0	866.3	870.7	17%
MMRD	11,423.6	11,452.2	11,480.8	11,509.5	11,538.3	11,567.1	11,596.0	11,625.0	11,654.1	11,683.2	11,712.4	2%
Fire	6.2	6.2	6.2	6.3	6.3	6.3	6.4	6.4	6.4	6.4	6.5	5%
Other	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	<u>82.5</u>	0%
	128.8	129.9	131.0	132.0	133.1	134.3	135.4	136.5	137.7	138.8	140.0	
<b>Customers</b>												
Residential	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	10,035	
Multi-Family	296	300	305	309	313	318	322	327	332	336	341	
Commercial	452	455	458	461	464	467	470	473	476	480	483	
MMRD	4	4	4	4	4	4	4	4	4	4	4	
Fire	136	136	136	136	136	136	136	136	136	136	136	
Other	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	<u>465</u>	
	11,389	11,396	11,403	11,410	11,418	11,425	11,433	11,441	11,448	11,456	11,464	



**Shoreline Municipal Water Utility - Updated Case N  
Revenue Forecast**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Customer Growth</b>								
Residential	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
<b>CCF per Customer Growth</b>								
Residential	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Multi-Family	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Commercial	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total CCF Growth</b>								
Residential	-0.29%	-0.29%	-0.29%	-0.29%	-0.29%	-0.29%	-0.29%	-0.29%
Multi-Family	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%	1.21%
Commercial	1.67%	1.67%	1.67%	1.67%	1.67%	1.67%	1.67%	1.67%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.36%	0.37%	0.38%	0.38%	0.39%	0.40%	0.41%	0.41%
<b>Average Rate Increase</b>								
Residential	5.8%	7.6%	7.4%	7.0%	7.0%	7.0%	7.0%	7.0%
Multi-Family	10.5%	10.3%	10.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Commercial	7.5%	10.4%	10.0%	7.0%	7.0%	7.0%	7.0%	7.0%
MMRD	7.4%	7.6%	7.4%	7.0%	7.0%	7.0%	7.0%	7.0%
Fire	7.4%	7.6%	7.4%	7.0%	7.0%	7.0%	7.0%	7.0%
Other	7.4%	7.6%	7.4%	7.0%	7.0%	7.0%	7.0%	7.0%

**Shoreline Municipal Water Utility - Updated Case N**

**Revenue Forecast**

<b>Customer Growth</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Residential	0.21%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Multi-Family	1.21%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%	1.22%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.24%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
<b>CCF per Customer Growth</b>										
Residential	-0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Commercial	1.00%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
MMRD	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Fire	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
<b>Total CCF Growth</b>										
Residential	1.21%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%
Multi-Family	1.67%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%
Commercial	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
MMRD	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.42%	0.67%	0.68%	0.68%	0.68%	0.69%	0.69%	0.70%	0.70%	0.70%
<b>Average Rate Increase</b>										
Residential	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Multi-Family	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Commercial	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
MMRD	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Fire	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Other	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%

**Shoreline Municipal Water Utility - Updated Case N  
Revenue Forecast**

<b>Customer Growth</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>
Residential	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Multi-Family	1.00%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%
Commercial	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%
MMRD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	0.21%	0.06%	0.06%	0.06%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
<b>CCF per Customer Growth</b>											
Residential	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Multi-Family	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Commercial	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
MMRD	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Fire	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
<b>Total CCF Growth</b>											
Residential	0.18%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Multi-Family	1.00%	1.93%	1.93%	1.93%	1.93%	1.93%	1.93%	1.93%	1.93%	1.93%	1.93%
Commercial	0.66%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%
MMRD	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Fire	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Total	0.43%	0.89%	0.89%	0.89%	0.90%	0.90%	0.90%	0.91%	0.91%	0.91%	0.92%
<b>Average Rate Increase</b>											
Residential	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Multi-Family	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Commercial	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
MMRD	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Fire	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Other	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%

**Shoreline Municipal Water Utility - Updated Case N  
Annual O&M Costs**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Labor	\$2,252,048	\$2,400,683	\$2,559,128	\$2,728,030	\$2,908,080	\$3,100,014	\$3,304,615	\$3,522,719	\$3,755,219	\$4,003,063
Materials & Supplies	\$1,209,997	\$1,289,857	\$1,374,987	\$1,465,737	\$1,562,475	\$1,665,599	\$1,775,528	\$1,892,713	\$2,017,632	\$2,150,796
Employee Benefits	\$900,820	\$960,274	\$1,023,652	\$1,091,213	\$1,163,233	\$1,240,007	\$1,321,847	\$1,409,089	\$1,502,089	\$1,601,227
Administrative	\$2,005,870	\$2,138,258	\$2,279,383	\$2,429,822	\$2,590,190	\$2,761,143	\$2,943,378	\$3,137,641	\$3,344,726	\$3,565,478
Total	\$6,368,735	\$6,789,072	\$7,237,150	\$7,714,802	\$8,223,979	\$8,766,762	\$9,345,368	\$9,962,162	\$10,619,665	\$11,320,563

**Capital Financing - Fund at SPU Rates Levels**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Purchase Price	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598
Separation Cost	B3 \$881,051	\$881,051	\$881,051	\$881,051	\$881,051	\$881,051	\$881,051	\$881,051	\$881,051	\$881,051
Upfront Costs	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481
Total Initial Debt	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130
Amount Available for Cash CIP	\$442,241	\$955,056	\$1,516,904	\$2,132,191	\$2,805,704	\$3,542,648	\$4,348,679	\$5,229,940	\$6,193,106	\$7,245,428
Required CIP by Year	\$2,507,011	\$2,672,474	\$2,848,857	\$3,036,882	\$3,237,316	\$3,450,979	\$3,678,743	\$3,921,540	\$4,180,362	\$4,456,266
Required CIP Funded by Year	\$1,820,088	\$2,672,474	\$2,848,857	\$3,036,882	\$3,237,316	\$3,450,979	\$3,678,743	\$3,921,540	\$4,180,362	\$4,456,266
Mains Replacement - Equal Over 23 Years	\$2,623,878	\$2,797,054	\$2,981,659	\$3,178,449	\$3,388,226	\$3,611,849	\$3,850,231	\$4,104,346	\$4,375,233	\$4,663,999
Percent of Mains Funded for the Year	0%	0%	0%	0%	0%	3%	17%	32%	46%	60%
Mains Replacement - Amount Funded	\$0	\$0	\$0	\$0	\$0	\$91,670	\$669,936	\$1,308,400	\$2,012,744	\$2,789,163
Total CIP By Year	\$1,820,088	\$2,672,474	\$2,848,857	\$3,036,882	\$3,237,316	\$3,542,648	\$4,348,679	\$5,229,940	\$6,193,106	\$7,245,428

DSC	1.1	1.2	1.4	1.5	1.7	1.8	2.0	2.2	2.5	2.7
Surplus	\$0	\$0	\$0	\$0	\$0	\$91,670	\$669,936	\$1,308,400	\$2,012,744	\$2,789,163
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$1,820,088	\$2,672,474	\$2,848,857	\$3,036,882	\$3,237,316	\$3,542,648	\$4,348,679	\$5,229,940	\$6,193,106	\$7,245,428
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case N  
Annual O&M Costs**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Labor	\$4,267,265	\$4,548,905	\$4,849,133	\$5,169,175	\$5,510,341	\$5,874,023	\$6,261,709	\$6,674,982	\$7,115,530	\$7,585,155	\$8,085,776
Materials & Supplies	\$2,292,748	\$2,444,069	\$2,605,378	\$2,777,333	\$2,960,637	\$3,156,039	\$3,364,338	\$3,586,384	\$3,823,085	\$4,075,409	\$4,344,386
Employee Benefits	\$1,706,908	\$1,819,563	\$1,939,655	\$2,067,672	\$2,204,138	\$2,349,611	\$2,504,686	\$2,669,995	\$2,846,215	\$3,034,065	\$3,234,313
Administrative	\$3,800,799	\$4,051,652	\$4,319,061	\$4,604,119	\$4,907,991	\$5,231,918	\$5,577,225	\$5,945,322	\$6,337,713	\$6,756,002	\$7,201,898
Total	\$12,067,720	\$12,864,190	\$13,713,226	\$14,618,299	\$15,583,107	\$16,611,592	\$17,707,957	\$18,876,682	\$20,122,543	\$21,450,631	\$22,866,372

**Capital Financing - Fund at SPU Rates Levels**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Purchase Price	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598	\$2,143,598
Separation Cost	\$881,051	\$881,051	\$881,051	\$881,051	\$881,051	\$881,051	\$881,051	\$881,051	\$881,051	\$881,051	\$881,051
Upfront Costs	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481	\$1,230,481
Total Initial Debt	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130
Amount Available for Cash CIP	\$8,337,859	\$9,638,787	\$11,062,420	\$12,619,800	\$14,322,929	\$16,184,865	\$18,219,801	\$20,443,172	\$22,871,756	\$25,523,793	\$28,419,107
Required CIP by Year	\$4,750,379	\$5,063,904	\$5,398,122	\$5,754,398	\$6,134,188	\$6,539,045	\$6,970,622	\$7,430,683	\$7,921,108	\$8,443,901	\$9,001,199
Required CIP Funded by Year	\$4,750,379	\$5,063,904	\$5,398,122	\$5,754,398	\$6,134,188	\$6,539,045	\$6,970,622	\$7,430,683	\$7,921,108	\$8,443,901	\$9,001,199
Mains Replacement	\$4,971,823	\$5,299,963	\$5,649,760	\$6,022,645	\$6,420,139	\$6,843,868	\$7,295,564	\$7,777,071	\$8,290,358	\$8,837,521	\$9,420,798
Percent of Mains Funded	72%	86%	100%	114%	128%	141%	154%	167%	180%	193%	206%
Mains Replacement - Amount Fun	\$3,587,480	\$4,574,882	\$5,664,298	\$6,865,401	\$8,188,741	\$9,645,820	\$11,249,179	\$13,012,489	\$14,950,648	\$17,079,892	\$19,417,909
Total CIP By Year	\$8,337,859	\$9,638,787	\$11,062,420	\$12,619,800	\$14,322,929	\$16,184,865	\$18,219,801	\$20,443,172	\$22,871,756	\$25,523,793	\$28,419,107

DSC	3.0	3.3	3.6	4.0	4.4	4.8	5.3	5.8	6.4	7.0	7.7
Surplus	\$3,587,480	\$4,574,882	\$5,664,298	\$6,865,401	\$8,188,741	\$9,645,820	\$11,249,179	\$13,012,489	\$14,950,648	\$17,079,892	\$19,417,909
Percent CIP From Cash	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CIP From Cash	\$8,337,859	\$9,638,787	\$11,062,420	\$12,619,800	\$14,322,929	\$16,184,865	\$18,219,801	\$20,443,172	\$22,871,756	\$25,523,793	\$28,419,107
CIP From Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Shoreline Municipal Water Utility - Updated Case N**

**Wholesale Water Costs**

**Shoreline Load - 2011**

Peak Months	544,384	44%	<- Percentage split based on historic usage
Off-peak months	697,881	56%	<- Percentage split based on historic usage
Total	1,242,265		

**Shoreline Load - 2020**

Peak Months	601,926	44%	<- Using historic %'s, and 2020 projection of water use
Off-peak months	771,647	56%	<- Using historic %'s, and 2020 projection of water use
Total	1,373,573		<- Based on 2020 CCF water usage projection

**Contract Amount**

Peak Months	695,224	44%	<- Based on same % split from 2011 loads
Off-peak months	891,252	56%	<- Based on same % split from 2011 loads
Total	1,586,476		<- Assumed from 2020 Load; includes 10% adder and 5% for losses

**Wholesale Water Cost**

	2014	2015	2016	2017	2018	2019	
Peak Months	\$1,578,159						<- Based on Contract Amount and SPU System Baseline Rates
Off-peak months	\$1,363,615						<- Based on Contract Amount and SPU System Baseline Rates
Total	\$2,941,775	\$3,100,710	\$3,268,470	\$3,445,556	\$3,632,503	\$3,829,875	<- Forecast increased by Inflation, SPU escalation, and change in Total Revenues

**Wholesale Rates**

	2011	2011	2012	2012	2013	2013	2014	2014	
Rates per ccf	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	Off-peak	Peak	
System Baseline Rates	\$1.29	\$1.91	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			18%	18%	1%	0%	0%	0%	
Transition discount	(\$0.13)	(\$0.12)							
Adjusted Wholesale Rate	\$1.16	\$1.79	\$1.52	\$2.25	\$1.53	\$2.26	\$1.53	\$2.27	<- SPU Forecast
Change from prior year			31%	26%	1%	0%	0%	0%	
Interim Growth Charge	\$0.60	\$0.60							
Subregional Surcharge Rates									
Southwest	\$0.05	\$0.05	\$0.06	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07	
East Segment 3	\$0.05	\$0.05	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.16	
East Segment 4	\$0.07	\$0.07	\$0.18	\$0.18	\$0.19	\$0.19	\$0.19	\$0.19	
ERU Fee (\$/ERU)	\$783	\$783	\$783	\$783	\$783	\$783	\$TBD	\$TBD	

**Shoreline Muncpal Water Utility - Updated Case N  
Budget Summary**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenues</b>										
Rate Revenues (includes taxes)	\$17,336,918	\$18,664,057	\$20,093,492	\$21,633,166	\$23,291,642	\$25,078,152	\$27,002,652	\$29,075,877	\$31,309,404	\$33,715,717
Use of Facilities Charges	\$83,373	\$89,210	\$95,454	\$102,136	\$109,286	\$116,936	\$125,121	\$133,880	\$143,251	\$153,279
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$17,420,292</b>	<b>\$18,753,266</b>	<b>\$20,188,946</b>	<b>\$21,735,302</b>	<b>\$23,400,927</b>	<b>\$25,195,088</b>	<b>\$27,127,773</b>	<b>\$29,209,757</b>	<b>\$31,452,656</b>	<b>\$33,868,996</b>
<b>Expenses</b>										
Wholesale Water Supply	\$4,442,097	\$4,695,549	\$4,963,650	\$5,247,257	\$5,547,279	\$5,864,678	\$6,200,474	\$6,555,746	\$6,931,640	\$7,329,368
Non-Supply O&M	\$6,368,735	\$6,789,072	\$7,237,150	\$7,714,802	\$8,223,979	\$8,766,762	\$9,345,368	\$9,962,162	\$10,619,665	\$11,320,563
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$871,874	\$938,615	\$1,010,502	\$1,087,932	\$1,171,337	\$1,261,180	\$1,357,963	\$1,462,226	\$1,574,550	\$1,695,563
City of Shoreline Tax Expense (franchise fee)	\$1,040,215	\$1,119,843	\$1,205,610	\$1,297,990	\$1,397,499	\$1,504,689	\$1,620,159	\$1,744,553	\$1,878,564	\$2,022,943
<b>Total Operating Expenses</b>	<b>\$12,722,921</b>	<b>\$13,543,080</b>	<b>\$14,416,912</b>	<b>\$15,347,981</b>	<b>\$16,340,093</b>	<b>\$17,397,309</b>	<b>\$18,523,964</b>	<b>\$19,724,687</b>	<b>\$21,004,420</b>	<b>\$22,368,438</b>
<b>Net Operating Funds</b>	<b>\$4,697,371</b>	<b>\$5,210,186</b>	<b>\$5,772,034</b>	<b>\$6,387,321</b>	<b>\$7,060,834</b>	<b>\$7,797,778</b>	<b>\$8,603,809</b>	<b>\$9,485,070</b>	<b>\$10,448,236</b>	<b>\$11,500,558</b>
<b>Debt Service Coverage Ratio</b>	<b>1.1</b>	<b>1.2</b>	<b>1.4</b>	<b>1.5</b>	<b>1.7</b>	<b>1.8</b>	<b>2.0</b>	<b>2.2</b>	<b>2.5</b>	<b>2.7</b>
Debt payments - Initial	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130
<b>Net Cash Flow before CIP</b>	<b>\$442,241</b>	<b>\$955,056</b>	<b>\$1,516,904</b>	<b>\$2,132,191</b>	<b>\$2,805,704</b>	<b>\$3,542,648</b>	<b>\$4,348,679</b>	<b>\$5,229,940</b>	<b>\$6,193,106</b>	<b>\$7,245,428</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$1,820,088	\$2,672,474	\$2,848,857	\$3,036,882	\$3,237,316	\$3,450,979	\$3,678,743	\$3,921,540	\$4,180,362	\$4,456,266
<b>Total Expenses (with Debt &amp; CIP)</b>	<b>\$18,798,139</b>	<b>\$20,470,683</b>	<b>\$21,520,899</b>	<b>\$22,639,993</b>	<b>\$23,832,539</b>	<b>\$25,103,418</b>	<b>\$26,457,837</b>	<b>\$27,901,357</b>	<b>\$29,439,911</b>	<b>\$31,079,833</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$91,670</b>	<b>\$669,936</b>	<b>\$1,308,400</b>	<b>\$2,012,744</b>	<b>\$2,789,163</b>
Net Revenue as Percent of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	2.5%	4.5%	6.4%	8.2%
Target Mains Replacement per Year	\$2,623,878	\$2,797,054	\$2,981,659	\$3,178,449	\$3,388,226	\$3,611,849	\$3,850,231	\$4,104,346	\$4,375,233	\$4,663,999
Cumulative Mains Replacement	\$0	\$0	\$0	\$0	\$0	\$91,670	\$761,606	\$2,070,005	\$4,082,749	\$6,871,912
Percent Total Mains Replacement Funded	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.7%	1.8%	3.6%	6.1%

**Shoreline Municipal Water Utility - Updated Case N  
Budget Summary**

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<b>Revenues</b>											
Rate Revenues (includes taxes)	\$36,220,176	\$39,079,923	\$42,166,628	\$45,498,401	\$49,094,808	\$52,976,983	\$57,167,759	\$61,691,803	\$66,575,767	\$71,848,444	\$77,540,948
Use of Facilities Charges	\$164,008	\$175,489	\$187,773	\$200,917	\$214,981	\$230,030	\$246,132	\$263,361	\$281,797	\$301,522	\$322,629
Misc. Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City of Shoreline Tax Revenue (franchise fee)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$36,384,184</b>	<b>\$39,255,411</b>	<b>\$42,354,401</b>	<b>\$45,699,318</b>	<b>\$49,309,790</b>	<b>\$53,207,013</b>	<b>\$57,413,891</b>	<b>\$61,955,164</b>	<b>\$66,857,563</b>	<b>\$72,149,967</b>	<b>\$77,863,576</b>
<b>Expenses</b>											
Wholesale Water Supply	\$7,728,752	\$8,187,181	\$8,673,067	\$9,188,071	\$9,733,957	\$10,312,596	\$10,925,971	\$11,576,192	\$12,265,493	\$12,996,248	\$13,770,976
Non-Supply O&M	\$12,067,720	\$12,864,190	\$13,713,226	\$14,618,299	\$15,583,107	\$16,611,592	\$17,707,957	\$18,876,682	\$20,122,543	\$21,450,631	\$22,866,372
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service incl. meter reading	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Tax Expense	\$1,821,513	\$1,965,329	\$2,120,560	\$2,288,115	\$2,468,978	\$2,664,212	\$2,874,967	\$3,102,481	\$3,348,095	\$3,613,258	\$3,899,534
City of Shoreline Tax Expense (franchise fee)	\$2,173,211	\$2,344,795	\$2,529,998	\$2,729,904	\$2,945,689	\$3,178,619	\$3,430,066	\$3,701,508	\$3,994,546	\$4,310,907	\$4,652,457
<b>Total Operating Expenses</b>	<b>\$23,791,195</b>	<b>\$25,361,495</b>	<b>\$27,036,850</b>	<b>\$28,824,389</b>	<b>\$30,731,730</b>	<b>\$32,767,019</b>	<b>\$34,938,960</b>	<b>\$37,256,863</b>	<b>\$39,730,677</b>	<b>\$42,371,043</b>	<b>\$45,189,339</b>
<b>Net Operating Funds</b>	<b>\$12,592,989</b>	<b>\$13,893,916</b>	<b>\$15,317,550</b>	<b>\$16,874,930</b>	<b>\$18,578,059</b>	<b>\$20,439,994</b>	<b>\$22,474,931</b>	<b>\$24,698,302</b>	<b>\$27,126,886</b>	<b>\$29,778,923</b>	<b>\$32,674,237</b>
<b>Debt Service Coverage Ratio</b>	<b>3.0</b>	<b>3.3</b>	<b>3.6</b>	<b>4.0</b>	<b>4.4</b>	<b>4.8</b>	<b>5.3</b>	<b>5.8</b>	<b>6.4</b>	<b>7.0</b>	<b>7.7</b>
Debt payments - Initial	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130	\$4,255,130
<b>Net Cash Flow before CIP</b>	<b>\$8,337,859</b>	<b>\$9,638,787</b>	<b>\$11,062,420</b>	<b>\$12,619,800</b>	<b>\$14,322,929</b>	<b>\$16,184,865</b>	<b>\$18,219,801</b>	<b>\$20,443,172</b>	<b>\$22,871,756</b>	<b>\$25,523,793</b>	<b>\$28,419,107</b>
Debt payments - CIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded CIP - Ongoing	\$4,750,379	\$5,063,904	\$5,398,122	\$5,754,398	\$6,134,188	\$6,539,045	\$6,970,622	\$7,430,683	\$7,921,108	\$8,443,901	\$9,001,199
<b>Total Expenses</b>	<b>\$32,796,704</b>	<b>\$34,680,529</b>	<b>\$36,690,102</b>	<b>\$38,833,917</b>	<b>\$41,121,049</b>	<b>\$43,561,194</b>	<b>\$46,164,712</b>	<b>\$48,942,675</b>	<b>\$51,906,915</b>	<b>\$55,070,074</b>	<b>\$58,445,668</b>
<b>Net Revenue - Available for Mains Replacement</b>	<b>\$3,587,480</b>	<b>\$4,574,882</b>	<b>\$5,664,298</b>	<b>\$6,865,401</b>	<b>\$8,188,741</b>	<b>\$9,645,820</b>	<b>\$11,249,179</b>	<b>\$13,012,489</b>	<b>\$14,950,648</b>	<b>\$17,079,892</b>	<b>\$19,417,909</b>
Net Revenue - Available for Mains Replacement	9.9%	11.7%	13.4%	15.0%	16.6%	18.1%	19.6%	21.0%	22.4%	23.7%	24.9%
Target Mains Replacement per Year	\$4,971,823	\$5,299,963	\$5,649,760	\$6,022,645	\$6,420,139	\$6,843,868	\$7,295,564	\$7,777,071	\$8,290,358	\$8,837,521	\$9,420,798
Cumulative Mains Replacement	\$10,459,392	\$15,034,274	\$20,698,572	\$27,563,974	\$35,752,714	\$45,398,534	\$56,647,713	\$69,660,202	\$84,610,850	\$101,690,743	\$121,108,651
Percent Total Mains Replacement Funded	9.3%	13.4%	18.4%	24.5%	31.8%	40.4%	50.4%	62.0%	75.3%	90.5%	107.7%