

Line No.	Original Cost Rate Base	RCND	Fair Value Rate Base	
	[A]	[B]	[C]	
1	\$ 126,217,928	\$ 174,308,906	\$ 150,263,417	Average ([A] + [B])
2				
3	\$ 12,515,247	\$ 12,515,247	\$ 12,515,247	(b)
4				
5	9.92%	7.18%	8.33%	Line [3] / Line [1]
6				
7	\$ 9,526,701	\$ 9,526,700	\$ 9,526,701	Line [1] * Line [11]
8				
9	7.33%	7.33%	7.33%	(d)
10	0.22%	-1.86%	-0.99%	(d)
11	7.55%	5.47%	6.34%	Sum Line [9-10]
12				
13	\$ (2,988,546)	\$ (2,988,547)	\$ (2,988,546)	Line [7] - Line [3]
14				
15	1.6469	1.6469	1.6469	(c)
16				
17	\$ (4,921,836)	\$ (4,921,838)	\$ (4,921,836)	Line [13] * Line [15]
18				
19				
20	Customer	Annualized	Proposed	Dollar
21	Classification	Rates (e)	Rates (e)	Increase
22		[A]	[B]	[C] = [B] - [A]
23	Residential	\$ 32,113,653	\$ 28,986,628	\$ (3,127,025)
24	Commercial	9,417,318	7,846,476	(1,570,842)
25	Commercial Large	1,441,644	1,207,176	(234,468)
26	OPA	572,193	500,886	(71,307)
27	Private Fire	63,780	70,158	6,378
28	Irrigation	8,272	7,015	(1,257)
29	Effluent	109,949	109,949	-
30	Raw Water	437,780	437,780	-
31				
32	Total Water Revenues	\$ 44,164,588	\$ 39,166,068	\$ (4,998,521)
33				
34	Other Revenues	\$ 540,533	\$ 617,216	\$ 76,684
35				
36	Total Revenues	\$ 44,705,121	\$ 39,783,284	\$ (4,921,837)
37				
38		Sch C-2 [AP]	Sch C-2 [AR]	
39	Check From Sch C-2	\$ 44,705,121	\$ 39,783,284	
40		\$ (0)	\$ 0	Line [39] - Line [36]
41				
42				
43	Supporting Schedules			
44	(a) B-1			
45	(b) C-1			
46	(c) C-3			
47	(d) D-1			
48	(e) H-1			
49				
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Line No.	Description	Prior Years Ended		Test Year		Projected Year		
		<u>12/31/2014</u>	<u>12/31/2015</u>	<u>Actual 12/31/2016</u>	<u>Adjusted 12/31/2016</u>	<u>Present Rates 12/31/2017</u>	<u>Proposed Rates 12/31/2017</u>	
1	Gross Revenues	(b) \$ 38,502,582	\$ 39,633,207 (b)	(b) \$ 42,194,902	\$ 44,705,121 (a)	(e) \$ 44,705,121	\$ 39,783,284 (e)	
2								
3	Revenue Deductions and							
4	Operating Expenses	(b) \$ 24,796,087	\$ 27,004,715 (b)	(b) \$ 28,236,653	\$ 37,298,853 (a)	(e) \$ 37,298,853	\$ 30,256,674 (e)	
5								
6	Operating Income	\$ 13,706,495	\$ 12,628,491	\$ 13,958,249	\$ 7,406,267	\$ 7,406,267	\$ 9,526,611	Line [1] - Line [4]
7								
8	Other Income and							
9	Deductions	(b) \$ (327,481)	\$ (202,676) (b)	(b) \$ (429,504)	\$ (429,504) (a)	(e) \$ (429,504)	\$ (429,504) (e)	
10								
11	Interest Expense	(b) \$ 2,656,979	\$ 2,652,763 (b)	(b) \$ 2,669,511	\$ 2,814,660 (a)	(e) \$ 2,814,660	\$ 2,814,660 (e)	
12								
13	Net Income	\$ 11,376,997	\$ 10,178,405	\$ 11,718,242	\$ 5,021,111	\$ 5,021,111	\$ 7,141,455	Line [6] - [9] - [11]
14								
15	Earned Per Average							
16	Common Share	\$ 75	\$ 67	\$ 77	\$ 33	\$ 33	\$ 47	
17								
18	Dividends Per							
19	Common Share	\$ 6.52	\$ 5.68	\$ 2.59	\$ 2.59	\$ 2.59	\$ 2.59	
20								
21	Payout Ratio	8.73%	8.51%	3.37%	7.86%	7.86%	5.53%	
22								
23	Return on Average							
24	Invested Capital	(d) 9.41%	8.19% (d)	(d) 9.08%	3.69% (d)	(d) 3.69%	5.40% (d)	
25								
26	Return on Year End Capital	(d) 9.11%	8.16% (d)	(d) 8.93%	3.63% (d)	(d) 3.64%	5.32% (d)	
27								
28	Return on Average							
29	Common Equity	(c) 20.62%	17.82% (c)	(c) 19.25%	7.83% (c)	(c) 7.83%	11.44% (c)	
30								
31	Return on Year End							
32	Common Equity	(c) 19.95%	17.63% (c)	(c) 18.59%	7.56% (c)	(c) 7.56%	11.05% (c)	
33								
34	Times Bond Interest Earned							
35	Before Income Taxes	6.39	5.61	6.36	6.73	6.73	5.01	
36								
37	Times Total Interest and							
38	Preferred Dividends Earned							
39	After Income Taxes	3.84	3.65	4.70	2.44	2.44	3.10	
40								
41								
42								
43								
44	Supporting Schedules							
45	(a) C-1 (d) D-1							
46	(b) E-2 (e) F-1							
47	(c) E-4							
48								
49	Workpapers and Supporting Documents							
50	\2016 Agua Fria Water.xlsm							

Line No.	Description	Prior Years Ended		Test Year	Projected Year	
		12/31/2014	12/31/2015	12/31/2016	12/31/2017	
1	Short-Term Debt	\$ 8,560,000	\$ 8,560,000	\$ 8,560,000 (b)	\$ -	
2	Long-Term Debt	(c) \$ 235,850,144	\$ 235,021,858	(c) \$ 234,897,306 (b)	\$ 242,820,000	
3						
4	Total Debt	\$ 244,410,144	\$ 243,581,858	\$ 243,457,306	\$ 242,820,000	Line [1] + Line [2]
5						
6						
7	Preferred Stock	\$ -	\$ -	\$ -	\$ -	
8						
9	Common Equity	(c) \$ 205,334,783	\$ 209,807,571	(c) \$ 225,225,834 (a)	\$ 225,225,834	
10						
11						
12	Total Capital & Debt	<u>\$ 449,744,927</u>	<u>\$ 453,389,429</u>	<u>\$ 468,683,140</u>	<u>\$ 468,045,834</u>	Line [4] + Line [9]
13						
14						
15	Capitalization Ratios:					
16	Short-Term Debt	1.90%	1.89%	1.83%	0.00%	Line [1] / Line [12]
17	Long-Term Debt	<u>52.44%</u>	<u>51.84%</u>	<u>50.12%</u>	<u>51.88%</u>	Line [2] / Line [12]
18						
19	Total Debt	54.34%	53.72%	51.94%	51.88%	Line [16] + Line [17]
20						
21						
22	Preferred Stock	0.00%	0.00%	0.00%	0.00%	Line [7] / Line [12]
23						
24	Common Equity	<u>45.66%</u>	<u>46.28%</u>	<u>48.06%</u>	<u>48.12%</u>	Line [9] / Line [12]
25						
26						
27	Total Capital	100.00%	100.00%	100.00%	100.00%	Line [19] + Line [24]
28						
29	Weighted Cost of					
30	Short-Term Debt	(a) 0.01%	0.01% (a)	0.01% (a)	0.00%	
31						
32	Weighted Cost of					
33	Long-Term Debt	(a) 2.16%	2.16% (a)	2.16% (a)	2.16%	
34						
35	Weighted Cost of					
36	Senior Capital	(a) 2.16%	2.16% (a)	2.16% (a)	2.16%	
37						
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42						
43	Supporting Schedules					
44	(a) D-1					
45	(b) D-2					
46	(c) E-1					
47						
48	Workpapers and Supporting Documents					
49						
50	\2016 Agua Fria Water.xlsm					

Agua Fria Water

Test Year Ended December 31, 2016

Construction Expenditures and Gross Utility Plant in Service

Exhibit

Schedule A-4

Page 1

Witness: Hubbard

Line No.			Construction Expenditures		Net Plant Placed in Service		Gross Utility Plant in Service
			[A]		[B]		[C]
1							
2	Prior Year Ended	12/31/2014	(a) \$ 16,788,518		\$ 14,281,690		(a) \$ 349,679,446
3							
4	Prior Year Ended	12/31/2015	(a) \$ 13,376,283	[C] Line [4] - [C] Line [2]	\$ 13,789,662		(a) \$ 363,469,108
5							
6	Test Year Ended	12/31/2016	(a) \$ 6,380,484	[C] Line [6] - [C] Line[4]	\$ 10,864,707		(a) \$ 374,333,815
7							
8	Projected Year Ended	12/31/2017	(b) \$ 29,525,671	[C] Line [8] - [C] Line[6]	\$ 18,827,638	[C] Line [6] + [B] Line [8]	\$ 393,161,453
9							
10	Projected Year Ended	12/31/2018	(b) \$ 27,833,594	[C] Line [10] - [C] Line [8]	\$ 33,255,473	[C] Line [8] + [B] Line [10]	\$ 426,416,926
11							
12	Projected Year Ended	12/31/2019	(b) \$ 17,069,668	[C] Line [12] - [C] Line [10]	\$ 20,394,775	[C] Line [10] + [B] Line [12]	\$ 446,811,701
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40							
41	Supporting Schedules						
42	(a) E-1						
43	(b) \2016-2025 Capital Budget.xlsx						
44							
45	Workpapers and Supporting Documents						
46	\2016-2025 Capital Budget.xlsx						
47							
48							
49							
50	\2016 Agua Fria Water.xlsm						

Line No.	Prior Year Ended (a)	Prior Year Ended (a)	Test Year Ended (a)	Projected Year		
				Present Rates (b)	Proposed Rates (b)	
	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>12/31/2017</u>	
5	<u>Source of Funds</u>					
6	From Operations					
7	\$ 11,376,997	\$ 10,178,405	\$ 11,718,242	\$ 10,130,091	\$ 7,141,455	
8	8,937,525	8,271,984	7,651,126	12,522,969	12,522,969	
9	-	-	-	-	-	
10	377,571	2,260,044	3,110,028	3,110,028	3,110,028	
11	-	-	-	-	-	
12	<u>\$ 20,692,093</u>	<u>\$ 20,710,434</u>	<u>\$ 22,479,396</u>	<u>\$ 25,763,088</u>	<u>\$ 22,774,452</u>	Sum Lines [7-11]
13	From Financing					
14	\$ (9,708,553.82)	\$ 2,760,756.70	\$ (2,297,477.93)	\$ (2,297,477.93)	\$ (2,297,477.93)	
15	15,750,307	8,289,107	4,493,225	4,493,225	4,493,225	
16	(7,959)	2,135,615	(8,610)	(8,610)	(8,610)	
17	(Decrease) / Increase in Net Amounts					
18	(20,435,230)	(26,326,593)	(21,926,910)	(21,926,910)	(21,926,910)	
19	<u>\$ (14,401,436)</u>	<u>\$ (13,141,115)</u>	<u>\$ (19,739,773)</u>	<u>\$ (19,739,773)</u>	<u>\$ (19,739,773)</u>	Sum Lines [14-18]
20						
21	<u>\$ 6,290,657</u>	<u>\$ 7,569,319</u>	<u>\$ 2,739,623</u>	<u>\$ 6,023,315</u>	<u>\$ 3,034,679</u>	Line [12] + Line [19]
22						
23	<u>Application of Funds</u>					
24	\$ 16,788,518	\$ 13,376,283	\$ 6,380,484	\$ 29,525,671	\$ 29,525,671	
25	-	-	-	276,193	276,193	
26	3,843,966	3,350,335	1,527,177	1,527,177	1,527,177	
27	18,551	(505,374)	24,706	24,706	24,706	
28	<u>\$ 20,651,035</u>	<u>\$ 16,221,245</u>	<u>\$ 7,932,367</u>	<u>\$ 31,353,747</u>	<u>\$ 31,353,747</u>	Sum Lines [24-27]
29						
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41						
42						
43	Supporting Schedules					
44	(a) E-3					
45	(b) F-2					
46						
47	Workpapers and Supporting Documents					
48						
49						
50	\2016 Agua Fria Water.xlsm					