

Line No.		Original Cost Rate Base [A]	RCND [B]	Fair Value Rate Base [C]	
1	Original Cost Rate Base	\$ 4,107,288	\$ 5,002,133	\$ 4,554,711	Average ([A] + [B])
2					
3	Adjusted Operating Income	\$ 57,545	\$ 57,545	\$ 57,545	(b)
4					
5	Current Rate of Return	1.40%	1.15%	1.26%	Line [3] / Line [1]
6					
7	Required Operating Income	\$ 306,077	\$ 306,077	\$ 306,077	Line [1] * Line [11]
8					
9	Weighted Average Cost of Capital	7.33%	7.33%	7.33%	(d)
10	Fair Value Adjustment	0.12%	-1.21%	-0.61%	(d)
11	Required Rate of Return	7.45%	6.12%	6.72%	Sum Line [9-10]
12					
13	Operating Income Deficiency	\$ 248,532	\$ 248,532	\$ 248,532	Line [7] - Line [3]
14					
15	Gross Revenue Conversion Factor	1.65	1.65	1.65	(c)
16					
17	Increase in Gross Revenue Requirement	\$ 410,077	\$ 410,077	\$ 410,077	Line [13] * Line [15]
18					
19					
20	Customer	Annualized	Proposed	Dollar	Percent
21	<u>Classification</u>	<u>Rates (e)</u>	<u>Rates (e)</u>	<u>Increase</u>	<u>Increase</u>
22		[A]	[B]	[C] = [B] - [A]	[D] = [C] / [A]
23	Residential	\$ 839,085	\$ 1,226,877	\$ 387,792	46.22%
24	Commercial	160,089	192,736	32,647	20.39%
25	Commercial Large	55,998	40,560	(15,438)	-27.57%
26	OPA	-	-	-	0.00%
27	Private Fire	-	-	-	0.00%
28	Irrigation	-	-	-	0.00%
29					0.00%
30					
31					
32	Total Water Revenues	\$ 1,055,173	\$ 1,460,173	\$ 405,001	38.38%
33					
34	Other Revenues	\$ 9,546	\$ 14,622	\$ 5,076	53.17%
35					
36	Total Revenues	\$ 1,064,719	\$ 1,474,795	\$ 410,076	38.51%
37					
38		Sch C-2 [AP]	Sch C-2 [AR]		
39	Check From Sch C-2	\$ 1,064,718	\$ 1,474,796		
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		
		12/31/2014	12/31/2015	Actual 12/31/2016	Adjusted 12/31/2016	Present Rates 12/31/2017	Proposed Rates 12/31/2017	
1	Gross Revenues	(b) \$ 1,007,551	\$ 1,004,276 (b)	(b) \$ 1,062,368	\$ 1,064,718 (a) (e)	\$ 1,064,718	\$ 1,474,796 (e)	
2								
3	Revenue Deductions and							
4	Operating Expenses	(b) \$ 1,024,187	\$ 1,044,831 (b)	(b) \$ 1,039,943	\$ 1,171,466 (a) (e)	\$ 1,171,466	\$ 1,168,875 (e)	
5								
6	Operating Income	\$ (16,636)	\$ (40,555)	\$ 22,425	\$ (106,747)	\$ (106,747)	\$ 305,920	Line [1] - Line [4]
7								
8	Other Income and							
9	Deductions	(b) \$ -	\$ 52 (b)	(b) \$ (110)	\$ (110) (a) (e)	\$ (110)	\$ (110) (e)	
10								
11	Interest Expense	(b) \$ 97,002	\$ 96,848 (b)	(b) \$ 97,459	\$ 91,593 (a) (e)	\$ 91,593	\$ 91,593 (e)	
12								
13	Net Income	\$ (113,637)	\$ (137,455)	\$ (74,924)	\$ (198,229)	\$ (198,229)	\$ 214,438	Line [6] - [9] - [11]
14								
15	Earned Per Average							
16	Common Share	\$ (23)	\$ (28)	\$ (15)	\$ (40)	\$ (40)	\$ 43	
17								
18	Dividends Per							
19	Common Share	\$ 200.40	\$ 174.67	\$ 79.62	\$ 79.62	\$ 79.62	\$ 79.62	
20								
21	Payout Ratio	-874.21%	-629.92%	-526.77%	-199.10%	-199.10%	184.05%	
22								
23	Return on Average							
24	Invested Capital	(d) -2.97%	-3.47% (d) (d)	(d) -1.85%	-4.90% (d) (d)	-4.90%	5.30% (d)	
25								
26	Return on Year End Capital	(d) -2.88%	-3.45% (d) (d)	(d) -1.82%	-4.82% (d) (d)	-4.83%	5.22% (d)	
27								
28	Return on Average							
29	Common Equity	(c) -6.52%	-7.54% (c) (c)	(c) -3.93%	-10.39% (c) (c)	-10.39%	11.23% (c)	
30								
31	Return on Year End							
32	Common Equity	(c) -6.31%	-7.46% (c) (c)	(c) -3.80%	-10.04% (c) (c)	-10.04%	10.84% (c)	
33								
34	Times Bond Interest Earned							
35	Before Income Taxes	1.53	0.51	1.52	0.40	0.40	4.79	
36								
37	Times Total Interest and							
38	Preferred Dividends Earned							
39	After Income Taxes	(0.02)	(0.04)	0.05	(0.22)	(0.22)	0.63	
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							
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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%	
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43	Supporting Schedules					
44	(a) D-1					
45	(b) D-2					
46	(c) E-1					
47						
48	Workpapers and Supporting Documents					
49						
50	\2016 North Mohave Water.xlsm					

**North Mohave 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 [A]		Net Plant Placed in Service [B]		Gross Utility Plant in Service [C]
1							
2	Prior Year Ended	12/31/2014	(a) \$ 4,023,256		\$ 4,238,908	(a) \$	11,843,872
3							
4	Prior Year Ended	12/31/2015	(a) \$ 635,141	[C] Line [4] - [C] Line [2]	\$ 392,486	(a) \$	12,236,358
5							
6	Test Year Ended	12/31/2016	(a) \$ 86,506	[C] Line [6] - [C] Line[4]	\$ 199,917	(a) \$	12,436,275
7							
8	Projected Year Ended	12/31/2017	(b) \$ 765,927	[C] Line [8] - [C] Line[6]	\$ 506,935	[C] Line [6] + [B] Line [8] \$	12,943,210
9							
10	Projected Year Ended	12/31/2018	(b) \$ 630,062	[C] Line [10] - [C] Line [8]	\$ 836,424	[C] Line [8] + [B] Line [10] \$	13,779,634
11							
12	Projected Year Ended	12/31/2019	(b) \$ 635,663	[C] Line [12] - [C] Line [10]	\$ 843,859	[C] Line [10] + [B] Line [12] \$	14,623,493
13							
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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 North Mohave Water.xlsm						

Line No.	Prior Year Ended (a) <u>12/31/2014</u>	Prior Year Ended (a) <u>12/31/2015</u>	Test Year Ended (a) <u>12/31/2016</u>	Projected Year	
				Present	Proposed
				Rates (b)	Rates (b)
				<u>12/31/2017</u>	<u>12/31/2017</u>
<u>Source of Funds</u>					
6	From Operations				
7	\$ (113,637)	\$ (137,455)	\$ (74,924)	\$ (33,937)	\$ 214,438
8	282,008	271,472	296,848	452,326	452,326
9	-	-	-	-	-
10	17,399	104,146	143,315	143,315	143,315
11	-	-	-	-	-
12	<u>\$ 185,770</u>	<u>\$ 238,164</u>	<u>\$ 365,239</u>	<u>\$ 561,704</u>	<u>\$ 810,079</u>
					Sum Lines [7-11]
13	From Financing				
14	(100,502)	(8,959)	(4,882)	(4,882)	(4,882)
15	25,891	(83,463)	(83,639)	(83,639)	(83,639)
16	(367)	98,412	(397)	(397)	(397)
17	(Decrease) / Increase in Net Amounts				
18	(203,765)	314,939	(91,978)	(91,978)	(91,978)
19	<u>\$ (278,743)</u>	<u>\$ 320,930</u>	<u>\$ (180,896)</u>	<u>\$ (180,896)</u>	<u>\$ (180,896)</u>
					Sum Lines [14-18]
20					
21	<u>\$ (92,973)</u>	<u>\$ 559,093</u>	<u>\$ 184,343</u>	<u>\$ 380,808</u>	<u>\$ 629,183</u>
					Line [12] + Line [19]
22					
23	<u>Application of Funds</u>				
24	\$ 4,023,256	\$ 635,141	\$ 86,506	\$ 765,927	\$ 765,927
25	-	-	-	10,083	10,083
26	140,336	122,315	55,755	55,755	55,755
27	11,193	(17,085)	4,238	4,238	4,238
28	<u>\$ 4,174,785</u>	<u>\$ 740,370</u>	<u>\$ 146,498</u>	<u>\$ 836,003</u>	<u>\$ 836,003</u>
					Sum Lines [24-27]
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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 North Mohave Water.xlsm				