

Chaparral City Water

Test Year Ended December 31, 2016

Projected Income Statements - Present & Proposed Rates

Exhibit

Schedule F-1

Page 1

Witness: Murrey

Line No.	Test Year Actual Results (b)	At Present Rates Year Ended (a) 12/31/2017	At Proposed Rates Year Ended (a) 12/31/2017	
1	Operating Revenues	\$ 10,943,225	\$ 10,922,544	\$ 11,733,675
2				
3	Operation & Maintenance Expense	\$ 6,481,541	\$ 6,510,880	\$ 4,830,538
4	Depreciation & Amortization	1,643,891	2,569,137	2,569,137
5	Other Taxes	422,241	533,364	541,447
6	Income Taxes	2,735,463	849,265	1,154,738
7	Total Expense	\$ 11,283,136	\$ 10,462,646	\$ 9,095,860
8	Operating Income	\$ (339,911)	\$ 459,898	\$ 2,637,815
9				
10	Other Income Net	\$ (102,483)	\$ (102,483)	\$ (102,483)
11				
12	Long-Term Interest	\$ 1,185,906	\$ 768,491	\$ 768,491
13				
14	Other Income and Deductions	\$ -	\$ -	\$ -
15	Net Income	\$ (1,423,334)	\$ (206,110)	\$ 1,971,807
16				
17				
18	Earnings Per Average Share	\$ (34.22) (c)	\$ (4.96) (c)	\$ 47.41 (c)
19				
20	Return on Common Equity	-9.20% (c)	-1.86% (d)	11.27% (d)
21				
22				
23	Purchased Power Expenses Not Included		746,770	
24	Purchased Water Expenses Not Included		936,639	
25	Total Expense		1,683,408	
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37	* Purchased Power and Water Expenses have been removed from the projected test year and are being proposed as			
38	surcharges to customer bills. To calculate total operating expenses, they have been added back to this calculation.			
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42	Supporting Schedules:	Recap Schedules:		
43	(a) C-1	A-2		
44	(b) E-2			
45	(c) A-2			
46	(d) D-1			
47				
48	Workpapers & Supporting Documents:			
49				
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Sum Lines [3-6]

Line [1] - Line [7]

Line [8] - Sum Lines [10-14]

Chaparral City Water

Test Year Ended December 31, 2016

Projected Statements of Changes in Financial Position

Exhibit

Schedule F-2

Page 1

Witness: Murrey

Line No.	Test Year Actual Results (a)	At Present Rates Year Ended 12/31/2017	At Proposed Rates Year Ended 12/31/2017	
1	Source of Funds			
2	From Operations			
3	Net Income	\$ (1,423,334)	\$ (206,110) (b)	\$ 1,971,807 (b)
4	Depreciation and Amortization	1,643,891	2,569,137 (b)	2,569,137 (b)
5	Def. Investment Tax Credits	-	- (a)	- (a)
6	Deferred income Taxes	2,420,605	2,420,605 (a)	2,420,605 (a)
7	Amort. of Regulatory Expense	-	- (a)	- (a)
8	Total From Operations	<u>\$ 2,641,161</u>	<u>\$ 4,783,631</u>	<u>\$ 6,961,549</u> Sum Lines [3-7]
9	From Financing			
10	Advances in Aid of Construction	\$ 39,238	\$ 39,238 (a)	\$ 39,238 (a)
11	Contributions in Aid of Construction	(502,546)	(502,546) (a)	(502,546) (a)
12	Issuance of Long-Term Debt	(424,780)	(424,780) (a)	(424,780) (a)
13	Increase / (Decrease) in Net Amounts Due to Parent and Affiliates	(132,582)	(132,582) (a)	(132,582) (a)
14	Total From Financing	<u>\$ (1,020,670)</u>	<u>\$ (1,020,670)</u>	<u>\$ (1,020,670)</u> Sum Lines [10-14]
15				
16				
17	Total Funds Provided	<u>\$ 1,620,491</u>	<u>\$ 3,762,961</u>	<u>\$ 5,940,879</u> Line [8] + Line [15]
18	Application of Funds			
19	Construction Expenditures	\$ 3,878,278	\$ 4,586,781 (e)	\$ 4,586,781 (e)
20	Rate Case Expenses	-	102,463 (a)	102,463 (a)
21	Dividends Paid	566,556	566,556 (a)	566,556 (a)
22	Other Deferred Debits and Credits	8,932	8,932 (a)	8,932 (a)
23	Total Funds Applied	<u>\$ 4,453,765</u>	<u>\$ 5,264,732</u>	<u>\$ 5,264,732</u> Sum Lines [19-22]
24				
25	Details of Financing			
26	Changes in Short-Term Debt	\$ - (c)	\$ -	\$ -
27	Changes in Long-Term Debt	\$ (424,780) (c)	\$ (424,780) (d)	\$ (424,780) (d)
28	Changes in Preferred Stock	\$ - (c)	\$ -	\$ -
29	Changes in Common Equity	\$ (2,781,819) (c)	\$ (206,110) (c)	\$ 1,971,807 (c)
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43	Supporting Schedules:	Recap Schedules:		
44	(a) E-3	A-5		
45	(b) F-1			
46	(c) E-1			
47	(d) D-2			
48	(e) F-3			
49	Workpapers & Supporting Documents:			
50	\2016 Chaparral City Water .xslm			

Chaparral City Water
 Test Year Ended December 31, 2016
 Projected Construction Requirements

Exhibit
 Schedule F-3
 Page 1
 Witness: Murrey

Line No.	Business Unit	Actual Test Year 12/31/2016	Projected Thru 12/31/2017	Projected Thru 12/31/2018	Projected Thru 12/31/2019	
1	Property Classification					
2						
3	Projected Capital Expenditures	\$ 3,878,278	\$ 4,586,781	\$ 2,269,210	\$ 2,341,074	(a)
4						
5						
6						
7	Total Plant	<u>\$ 3,878,278</u>	<u>\$ 4,586,781</u>	<u>\$ 2,269,210</u>	<u>\$ 2,341,074</u>	Sum Line [3-6]

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43 Supporting Schedules
 44 (a) A-4
 45
 46
 47 Workpapers and Supporting Documents
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 49
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Recap Schedules:
F-2

Chaparral City Water

Test Year Ended December 31, 2016

Assumptions Used in Rate Filing

Exhibit

Schedule F-4

Page 1

Witness: Murrey

Line

No.

- 1 Customer growth:
- 2
- 3 -Revenues annualized for customer growth during test year. See Schedule C-2.
- 4 -Sales normalized for effects of weather. See Schedules C-2
- 5
- 6 Growth or decline in consumption and customer demand:
- 7
- 8 -Expenses have been adjusted to reflect annualization of customer growth / loss
- 9 per residential customer. See Schedule C-2.
- 10
- 11
- 12 Changes in expenses:
- 13
- 14 -See Schedule C-2 and testimonies of Ms. Sarah M. Clor, Ms. Sandra L. Murrey and Mr. Jon P. Boizelle.
- 15
- 16
- 17 Construction requirements, including production reserves and changes in plant capacity:
- 18
- 19 -Construction requirements reflect the Company's 2017 - 2019 business plan.
- 20
- 21
- 22 Capital structure changes:
- 23
- 24 See Schedule D-1 and the testimony of Ms. Sheryl L. Hubbard.
- 25
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- 27 Financing costs, interest rates:
- 28
- 29 See Schedule D-2, page 2 and the testimony of Ms. Sheryl L. Hubbard.
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- 43 Supporting Schedules
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- 47 Workpapers and Supporting Documents
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- 49
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Recap Schedules: