

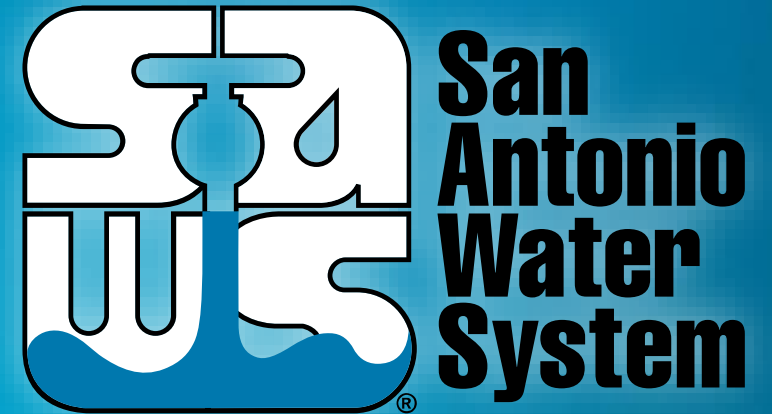
CIAC Follow Up

Rate Effects of Impact Fee Elimination

Eric Cloudt

Director – Continuous Improvement & Business Planning

November 28, 2018



MAKING SAN ANTONIO
WATERFUL



Ask & Approach

What would rates look like without the **\$702.98M** in Impact Fees collected?

- Timeline Used – 1993 thru July of 2018
- Developed Model to Analyze Year Over Year Impacts
- Calculated Requirements with Approximated Interest Rates by Year Based on Actual Debt Issued
- Debt Service Coverage Assumed @ 1.5 Times
- Rate Requirements Based on Programmed Amount of \$586.31M

Impact Fee Reconciliation

Breakdown thru July 2018*

(\$ in millions)

Total Collected		\$ 702.98
Spent	\$ 343.60	
Prior Period Recoup (thru July 2018)	161.30	
Recoup Plan for Remainder of 2018 (Unrestricted)	59.10	
To be Spent (Restricted)	22.31	
Total Programmed		\$ 586.31
Pending Programming		\$ 116.67

*Numbers pulled from "September 2018 Update" memo provided to The Committee at the September 5th CIAC Meeting.

Rate Effect of Impact Fee Elimination

Rate Effect on Average Residential Bill (7,092 Gallons of Water & 5,668 Gallons of Wastewater)

<u>Current - w/Impact Fees</u>		<u>Simulated - w/o Impact Fees</u>	
Water Supply Fee	\$ 11.97	Water Supply Fee	\$ 13.32
Water (Standard Rate)	\$ 21.63	Water (Standard Rate)	\$ 23.73
Wastewater	\$ 29.29	Wastewater	\$ 32.03
Total Monthly Residential Bill	\$ 62.89	Total Monthly Residential Bill	\$ 69.08

Average Bill Increase - \$6.19

Overall Rate Increase - 9.84%

Projected Impact to SAWS Customers

\$586.31M – Additional Capital Funding Required
to Support Growth Projects

\$924.25M – Lifetime Principal & Interest Payments

\$6.19 – Average Residential Bill Increase

9.84% – Overall Rate Increase Required

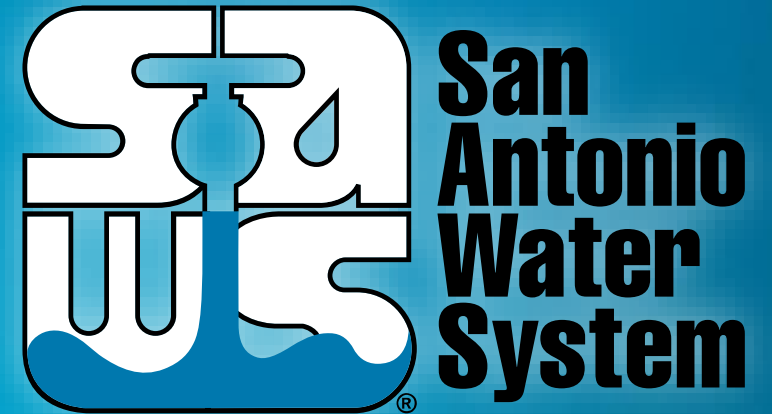
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