

Example using 1 MGD of reserved capacity

| | | | | | |
|--|-----------------------|------------|----------------------|---------------|------------|
| I) O&M Cost from City's Budget | | | | | |
| O&M | FY 2025 Budget | Allocation | | | |
| Personnel | \$ 7,686,045 | 32% | \$ 2,473,670 | | |
| Water Resources | \$ 5,511,679 | 0% | \$ - | | |
| Distribution and Collection | \$ 8,761,859 | 0% | \$ - | | |
| Environmental Services | \$ 661,239 | 32% | \$ 212,813 | | |
| Wastewater Treatment | \$ 6,201,037 | 100% | \$ 6,201,037 | | |
| AMI | \$ 899,209 | 0% | \$ - | | |
| | <u>\$ 29,721,068</u> | | <u>\$ 8,887,519</u> | | A |
| O&M Cost per HCF | | | \$ 2.44 | | A/C |
| <u>Sewer Flows - MGD</u> | | | | | |
| Salisbury Avg MGD from water supply report | | | 6.85 | | |
| Landis Avg MGD from water supply report | | | 0.39 | | |
| Other wholesale MGD from water supply report | | | 0.2 | | |
| | | | <u>7.48</u> | | |
| <u>Sewer Flows - HCF</u> | | | | | |
| Salisbury | | | 3,341,198 | | |
| Landis | | | 190,470 | | B |
| Other wholesale | | | 117,064 | | |
| | | | <u>3,648,731</u> | | C |
| II) Capital Cost | | | | | |
| | FY 2024 ACFR | | | | |
| Original Cost | | | | | |
| Land | \$ 2,278,119 | 50% | \$ 1,139,060 | | |
| Buildings and Improvements | \$ 244,719,213 | 30% | \$ 73,415,764 | | |
| CWIP | \$ 4,564,315 | 0% | \$ - | | |
| | <u>\$ 251,561,647</u> | | <u>\$ 74,554,823</u> | | D |
| Total Depreciation | \$ (135,380,311) | 30% | \$ (40,122,393) | | |
| Estimated Net Book Value | \$ 116,181,336 | | \$ 34,432,431 | | E |
| Data provided by Salisbury - net book value of wastewater treatment system only | | | \$ 43,892,300 | | F |
| Salisbury total treatment capacity - MGD | 12.5 | | | | |
| Landis capacity - contract - MGD | 1.0 | | | | |
| % of capacity for Landis | 8% | | | | G |
| Rate of return factor | 6.00% | | | | H |
| Rate of Return | | | \$ 210,683 | FxGxH | |
| Depreciation @ 2% per year | | | \$ 70,228 | Fx2%xG | |
| | | | <u>\$ 280,911</u> | I | |
| Capital Cost per HCF | | | \$ 1.47 | | I/B |
| III) Total O&M and capital cost per HCF | | | | | |
| | | | \$ 3.91 | | 64% |
| Current sewer rate paid by Landis per HCF | | | \$6.07 | | |

Example using 1.5 MGD of reserved capacity

| | | | | | |
|--|-----------------------|------------|----------------------|---------------|------------|
| I) O&M Cost from City's Budget | | | | | |
| O&M | FY 2025 Budget | Allocation | | | |
| Personnel | \$ 7,686,045 | 32% | \$ 2,473,670 | | |
| Water Resources | \$ 5,511,679 | 0% | \$ - | | |
| Distribution and Collection | \$ 8,761,859 | 0% | \$ - | | |
| Environmental Services | \$ 661,239 | 32% | \$ 212,813 | | |
| Wastewater Treatment | \$ 6,201,037 | 100% | \$ 6,201,037 | | |
| AMI | \$ 899,209 | 0% | \$ - | | |
| | <u>\$ 29,721,068</u> | | <u>\$ 8,887,519</u> | | A |
| O&M Cost per HCF | | | \$ 2.44 | | A/C |
| <u>Sewer Flows - MGD</u> | | | | | |
| Salisbury Avg MGD from water supply report | | | 6.85 | | |
| Landis Avg MGD from water supply report | | | 0.39 | | |
| Other wholesale MGD from water supply report | | | 0.2 | | |
| | | | <u>7.48</u> | | |
| <u>Sewer Flows - HCF</u> | | | | | |
| Salisbury | | | 3,341,198 | | |
| Landis | | | 190,470 | | B |
| Other wholesale | | | 117,064 | | |
| | | | <u>3,648,731</u> | | C |
| II) Capital Cost | | | | | |
| | FY 2024 ACFR | | | | |
| Original Cost | | | | | |
| Land | \$ 2,278,119 | 50% | \$ 1,139,060 | | |
| Buildings and Improvements | \$ 244,719,213 | 30% | \$ 73,415,764 | | |
| CWIP | \$ 4,564,315 | 0% | \$ - | | |
| | <u>\$ 251,561,647</u> | | <u>\$ 74,554,823</u> | | D |
| Total Depreciation | \$ (135,380,311) | 30% | \$ (40,122,393) | | |
| Estimated Net Book Value | \$ 116,181,336 | | \$ 34,432,431 | | E |
| Data provided by Salisbury - net book value of wastewater treatment system only | | | \$ 43,892,300 | | F |
| Salisbury total treatment capacity - MGD | 12.5 | | | | |
| Landis capacity - contract - MGD | 1.5 | | | | |
| % of capacity for Landis | 12% | | | | G |
| Rate of return factor | 6.00% | | | | H |
| Rate of Return | | | \$ 316,025 | FxGxH | |
| Depreciation @ 2% per year | | | \$ 105,342 | Fx2%xG | |
| | | | <u>\$ 421,366</u> | I | |
| Capital Cost per HCF | | | \$ 2.21 | | I/B |
| III) Total O&M and capital cost per HCF | | | | | |
| | | | \$ 4.65 | | 77% |
| Current sewer rate paid by Landis per HCF | | | \$6.07 | | |