Rialto Development Impact Fee Update
Supporting Calculations

Estimate of Available Wastewater Reserves to be Included in DIF Calculation

Reserve-Related Account	Amount	How Considered in DIF Calc.	Amount Included in DIF
RUA Reserves			
Cash in Bank	$14,663,051	Included, net of encumbrances	$14,663,051
Encumbrances	($291,544)	Netted out of reserve calc	($291,544)
DIF Reserves	$3,951,372	Included	
Reserves Held in Trust	$12,482,416		
Cash with Escrow Agent, Miro	$615,871	Not included. Contributed	
Plus Accounts Receivable	$5,618,198	Not included	
Less Accounts Payable	($4,277,588)	Not included	
Plus Amount Due from Water Fund	$3,000,000	Not a reserve; not included	
Subtotal RUA Reserves	$35,761,776		$14,371,507
Reserves Held in Trust			
Wastewater Construction Restricted Acct	$50,961	Past DIF Fees, Entirely Included	$50,961
RWS Debt and Wastewater Reserve	$9,818,000	Partially included; Note 2	$375,558
Subtotal Reserves Held in Trust	$9,818,000		$426,519
Total	$45,579,776		$14,798,025

Notes:

1. Source: City staff, October 2017. Reserve balances as of 6/30/17
2. Reserves were capitalized and the City is repaying through its capital charge. As shown below, through 6/30/17, payments to date have accumulated approximately 3.875% of these reserves.

Estimate of Available Water Reserves, Summary

Reserve-Related Account	**Amount**	**How Considered in DIF Calc.**	**Amount Included in DIF (See Note 2)**
Cash in Bank	$3,815,296	Not included: <$0 net of encumbrances and interfund loans	
Reserved - Encumbrance	($190,875)	Netted out of reserve calc	
Reserved - SB Co Bunker Hill Well	($430,215)	Netted out of reserve calc	
Reserved - Vehicle Replacement	($7,900)	Netted out of reserve calc	
Plus Accounts Receivable	$2,070,232	Netted out of reserve calc	
Less Accounts Payable	($2,708,591)	Netted out of reserve calc	
Owed to General Fund	($1,300,000)	Subtracted from amt to include	
Owed to Wastewater Fund	($3,000,000)	Subtracted from amt to include	
Total	($1,752,052)		$0

Notes:

(1) Source: City staff, October 2017. Reserve balances as of 6/30/17

(2) Since reserve balance after subtracting payables, receivables, and inter-fund loans is <0, no additional reserves are included in the DIF calculation.

Concession Agreement Capital Being Repaid by City via RWS Capital Charges

	Wastewater	Water	How Considered in DIF
Cost of Issuance			
Development and Financing Costs of Issuance	$5,188,000	$1,297,000	Not Included
Underwriters Discount	$2,745,000	$868,000	Not Included
Debt Service Reserves	$4,236,000	$1,340,000	3.875% included as reserves
RUA Reserves	$5,582,000	$3,057,000	3.875% included as reserves
Operational Funding			
Working Capital	$2,899,000	$1,621,000	Not Included
Operating R&R Accounts	$1,000,000	$1,000,000	Not Included
Rate Stabilization	$26,097,000	$10,479,000	Not Included
Debt Defeasance			
Chevron Financing	$13,970,000		Note 1
CSWRCB	$10,141,000		Note 2
ABAG		$3,322,000	Note 3
New Funding			
Technical, Due Diligence, and Commercial Development Costs	$7,240,000	$1,810,000	Not Included
Transition Costs	$1,269,000	$838,000	Not Included
City of Rialto Lease Payment	$25,000,000	$5,000,000	Not Included
Capital Improvement Program	$28,101,000	$12,936,000	Note 4
Total	$133,468,000	$43,568,000	

Notes:
(1) 96.125% subtracted from Cost Basis as outstanding debt. Funded the Chevron Fuel Cell Project. Included City's asset list at $10,298,893 in 2013
(2) 96.125% subtracted from Cost Basis as outstanding debt. Paid for Plant #5. Loan contract indicates not to exceed amount of $22,511,792. Assets included in City's asset list.
(3) 96.125% subtracted from Cost Basis as outstanding debt. Original issue amount $7,220,000; $5M of which was new money balance refinance.
(4) 96.125%of FIP projects included in City's assets subtracted from Cost Basis

Estimate of Remaining Oustanding Debt Principal Embedded in Concession Agreement

<u>Backcalculated Equivalent Interest Rate of Concession Agreement Capital Charge</u>		
Capital Charge Repayment Period, Months	360	(30 years)
Number of Payments Made Thru 6/30/17	55	
Wastewater Capital Financing Total	$133,468,000	
Monthly Capital Charge	$1,056,833	($12,682,000 annual payment)
Backcalculated Equivalent Interest Rate	8.82167%	
Math Check	$1,056,833	

% of Refinanced Debt Principal Repaid thru 6/30/17

Payment Number	% of Principal Repaid: Payment	% of Principal Repaid: Cumulative	% Principal Remaining
1	0.057%	0.057%	99.943%
2	0.057%	0.114%	99.886%
3	0.058%	0.171%	99.829%
4	0.058%	0.229%	99.771%
5	0.058%	0.288%	99.712%
6	0.059%	0.346%	99.654%
7	0.059%	0.406%	99.594%
8	0.060%	0.465%	99.535%
9	0.060%	0.525%	99.475%
10	0.061%	0.586%	99.414%
11	0.061%	0.647%	99.353%
12	0.061%	0.708%	99.292%
13	0.062%	0.770%	99.230%
14	0.062%	0.833%	99.167%
15	0.063%	0.895%	99.105%
16	0.063%	0.959%	99.041%
17	0.064%	1.022%	98.978%
18	0.064%	1.087%	98.913%
19	0.065%	1.151%	98.849%
20	0.065%	1.216%	98.784%
21	0.066%	1.282%	98.718%
22	0.066%	1.348%	98.652%
23	0.067%	1.415%	98.585%
24	0.067%	1.482%	98.518%
25	0.068%	1.549%	98.451%
26	0.068%	1.618%	98.382%
27	0.069%	1.686%	98.314%
28	0.069%	1.755%	98.245%
29	0.070%	1.825%	98.175%
30	0.070%	1.895%	98.105%
31	0.071%	1.966%	98.034%
32	0.071%	2.037%	97.963%
33	0.072%	2.108%	97.892%
34	0.072%	2.181%	97.819%
35	0.073%	2.253%	97.747%
36	0.073%	2.326%	97.674%
37	0.074%	2.400%	97.600%
38	0.074%	2.475%	97.525%
39	0.075%	2.549%	97.451%
40	0.075%	2.625%	97.375%
41	0.076%	2.701%	97.299%

134	42	0.077%	2.777%	97.223%	
135	43	0.077%	2.855%	97.145%	
136	44	0.078%	2.932%	97.068%	
137	45	0.078%	3.010%	96.990%	
138	46	0.079%	3.089%	96.911%	
139	47	0.079%	3.169%	96.831%	
140	48	0.080%	3.249%	96.751%	
141	49	0.081%	3.329%	96.671%	
142	50	0.081%	3.410%	96.590%	
143	51	0.082%	3.492%	96.508%	
144	52	0.082%	3.574%	96.426%	
145	53	0.083%	3.657%	96.343%	
146	54	0.084%	3.741%	96.259%	
147	55	0.084%	3.825%	96.175%	6/30/2017