

EXHIBIT H
Sample Calculation for
Optional Refund of Operating Surplus with
Optional Capital Replacement Fund Assessment

Situation: The Lead Agency determines (a) there is an O & M Budget Surplus, as defined, of \$1,000,000; and (b) there is a need to increase the Capital Replacement Fund. The Lead Agency elects to refund such surplus, and also elects to levy a special Capital Replacement Fund Assessment in the aggregate amount of \$900,000.

Illustration:

Assume values as of January 1, 2010, the date of the refund and the date of assessment, the following:

Previous 5-year History*
Number of Connected EQR as of December 31

Entity	2005	2006	2007	2008	2009	Yearly Average
Buffalo Mtn.	2092.18	2088.03	2131.63	2152.63	2163.43	2125.58
Dillon	1625.05	1646.35	1683.16	1695.46	1724.33	1674.87
Dillon Valley	1001.51	1015.21	1017.2	1018.3	1021.21	1014.69
Mesa Cortina	206	220.9	222.4	225.7	228.5	220.7
Silverthorne	2769.64	2918.2	2968.58	3060.18	3113.66	2969.65
Total	7694.38	7888.69	8022.97	8152.27	8251.13	8005.49

Constructed Capacity – EQR
In Blue River WWTP
As of January 1, 2010

Entity:

Buffalo Mtn.	2,285
Dillon	2,108
Dillon Valley	1183
Mesa Cortina	258
Silverthorne	4166
Total	10,000

*Note: Use 5-year history except: if previous transfer less than 5 years, use only subsequent years.

Step 1. Determine Entity "Share" in O & M Budget Surplus

Entity	Average Connected EQR	%	Share of \$1,000,000
Buffalo Mtn. Share	2125.58	26.55	265,500
Dillon Share	1674.87	20.92	209,200
Dillon Valley Share	1014.69	12.675	126,750
Mesa Cortina Share	220.7	2.76	27,600
Silverthorne Share	<u>2969.65</u>	<u>37.09</u>	<u>370,950</u>
Total	8005.49	100.00	\$1,000,000

Step 2. Determine Entity "Share" in Capital Replacement Fund*

Entity	Constructed EQRs	% of Total Capacity (10,000)	Share of \$900,000
Buffalo Mtn. Share	2285	22.85	205,650
Dillon Share	2108	21.08	189,720
Dillon Valley Share	1183	11.83	106,470
Mesa Cortina Share	258	2.58	23,220
Silverthorne Share	<u>4166</u>	<u>41.66</u>	<u>374,940</u>
Total	10,000	100.0	\$900,000

Step 3. Adjust Transfer Amount

Entity	Share of O & M (\$)	Shared Capital (\$)	Net Amount Due (Amount to Pay \$)
Buffalo Mtn. Share	265,500	205,650	59,850
Dillon Share	209,200	189,720	19,480
Dillon Valley Share	126,750	106,470	20,280
Mesa Cortina Share	27,600	23,220	4,380
Silverthorne Share	<u>370,950</u>	<u>374,940</u>	<u>(3,990)</u>
Total	\$1,000,000	\$900,000	100,000

*Note: Lead agency determined to transfer a lower amount – designed so as to result in minimal amount due from any entity.