

# Chapel Trail Owners Association, Inc.

## Bulk Contract Financial Impact

### CTOA Assumptions (Based on 2016 Proposed Budget)

|  |          |
|--|----------|
| * Non-Bulk Expenses per quarter (Operating & Resrves)        | \$130.00 |
| * Accrual of Door Fee/Rebate over 7 year term                |          |
| * Use of Surplus Funds to subsidize operations for years 1-3 |          |
| * Annual inflation rate (average)                            | 1.50%    |
| * Does not account for Reserve Funds usage                   |          |

### Proposal Terms

|                                 | AT&T      | Comcast 1a | Comcast 1b | Comcast 2a | Comcast 2b | Hotwire 1a               | Hotwire 1b  |
|---------------------------------|-----------|------------|------------|------------|------------|--------------------------|-------------|
| Monthly Charge                  | \$59.95   | \$63.75    | \$66.50    | \$71.25    | \$74.00    | \$79.95                  | \$79.95     |
| Door Fee/Rebate /Discount Value | \$735,200 | \$919,000  | \$919,000  | \$919,000  | \$919,000  | \$1,507,373 <sup>1</sup> | \$1,322,809 |
| Consultant Fee                  | \$183,800 | \$183,800  | \$183,800  | \$183,800  | \$183,800  | \$0                      | \$0         |
| Est. Taxes & Fees               | 14.0%     | 14.0%      | 14.0%      | 14.0%      | 14.0%      | 14.0%                    | 14.0%       |
| Annual Increase                 | 4.0%      | 3.0%       | 3.0%       | 3.0%       | 3.0%       | 3.0%                     | 3.0%        |

### Estimated Financial Impact on CTOA Quarterly Dues

| Provider   | FY 2016  | FY 2017  | FY 2018  | FY 2019  | FY 2020  | FY 2021  | FY 2022  | FY 2023 (Q1&2) |
|------------|----------|----------|----------|----------|----------|----------|----------|----------------|
| AT&T       | \$256.00 | \$306.00 | \$329.00 | \$356.00 | \$367.00 | \$378.00 | \$390.00 | \$398.00       |
| Comcast 1a | \$260.00 | \$317.00 | \$338.00 | \$362.00 | \$371.00 | \$381.00 | \$390.00 | \$397.00       |
| Comcast 1b | \$265.00 | \$326.00 | \$347.00 | \$373.00 | \$382.00 | \$392.00 | \$401.00 | \$408.00       |
| Comcast 2a | \$275.00 | \$343.00 | \$364.00 | \$390.00 | \$400.00 | \$410.00 | \$421.00 | \$428.00       |
| Comcast 2b | \$280.00 | \$352.00 | \$374.00 | \$400.00 | \$410.00 | \$421.00 | \$432.00 | \$439.00       |
| Hotwire 1a | \$200.00 | \$410.00 | \$420.00 | \$431.00 | \$442.00 | \$453.00 | \$465.00 | \$471.00       |
| Hotwire 1b | \$290.00 | \$369.00 | \$392.00 | \$418.00 | \$429.00 | \$446.00 | \$452.00 | \$460.00       |

### Full Value of Contract

| Provider   | Year 1         | Year 2         | Year 3         | Year 4         | Year 5         | Year 6         | Year 7         | Total           |
|------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| AT&T       | \$3,014,746.42 | \$3,135,336.27 | \$3,260,749.72 | \$3,391,179.71 | \$3,526,826.90 | \$3,667,899.98 | \$3,814,615.98 | \$23,811,354.98 |
| Comcast 1a | \$3,205,839.60 | \$3,302,014.79 | \$3,401,075.23 | \$3,503,107.49 | \$3,608,200.71 | \$3,716,446.73 | \$3,827,940.14 | \$24,564,624.69 |
| Comcast 1b | \$3,344,130.72 | \$3,444,454.64 | \$3,547,788.28 | \$3,654,221.93 | \$3,763,848.59 | \$3,876,764.04 | \$3,993,066.97 | \$25,624,275.17 |
| Comcast 2a | \$3,582,997.20 | \$3,690,487.12 | \$3,801,201.73 | \$3,915,237.78 | \$4,032,694.91 | \$4,153,675.76 | \$4,278,286.04 | \$27,454,580.54 |
| Comcast 2b | \$3,721,288.32 | \$3,832,926.97 | \$3,947,914.78 | \$4,066,352.22 | \$4,188,342.79 | \$4,313,993.07 | \$4,443,412.86 | \$28,514,231.02 |
| Hotwire 1a | \$4,020,500.02 | \$4,141,115.02 | \$4,265,348.47 | \$4,393,308.92 | \$4,525,108.19 | \$4,660,861.43 | \$4,800,687.28 | \$30,806,929.32 |
| Hotwire 1b | \$4,020,500.02 | \$4,141,115.02 | \$4,265,348.47 | \$4,393,308.92 | \$4,525,108.19 | \$4,660,861.43 | \$4,800,687.28 | \$30,806,929.32 |

1 - One time discounted services in year 1 only.

Yellow shaded - Indicates most closely matched services

Green shaded - Indicates Plan selected by CTOA Board at Special Meeting on Oct 11th