

Lake Chelan Recreation

2007 BOAT FUEL SURCHARGE CALCULATION SHEET

Line
No.

1	1. Using pro-forma calendar year 2006 data, calculate how much of your total revenue was spent on fuel.		
2			
3	2006 Fuel Expense (minus tax credits, etc.)	\$	279,204
4	Divided by 2005 Annualized Present Revenue	÷ \$	1,186,176
5	Equals 2005 Fuel vs. Revenue Ratio	=	0.2354
6	Multiplied By 100	x	100
7	Equals Fuel Expense as % of Revenue	=	23.5381
8			
9	2. Calculate the fuel price increase.		
10			
11	Current Fuel Price (most recent <u>Invoice</u> price)		4.02
12	Minus 2006 Proforma Average Fuel Price	-	2.558
13	Equals Fuel Price Difference	=	1.4618
14	Divided By 2006 Proforma Average Fuel Price (Line 12)	÷	2.5582
15	Equals Relative Fuel Price Difference	=	0.57141
16	Multiplied By 100	x	100
17	Equals Fuel Percent Price Increase	=	57.141
18			
19	3. Calculate amount of revenue increase needed to recover fuel price increases.		
20			
21	Fuel as % of Revenue (Line 7)		0.2354
22	Multiplied By Fuel Percent Price Increase (Line 17)	x	0.5714
23	Equals Fuel Increase as a % of Revenue	=	0.1345
24	Minus One Percentage Point	-	0.0100
25	Equals Allowable Fuel Increase as a % of Revenue	=	0.1245
26			
27	IF LINE 25 IS LESS THAN 0.0%, STOP. YOU DO NOT QUALIFY FOR A FUEL SURCHARGE.		
28			
29	4. Calculate Average One-Way Fare Increase Needed.		
30			
31	2006 Revenue (Line 4)	\$	1,186,176
32	Multiplied By Allowable Fuel Increase as a % of Revenue (Line 25)	x	0.1245
33	Equals Annual Additional Fuel Revenue Needed	= \$	147,678
34			
35	Divided by One-Way Passenger Count	÷	50,666
36	Equals One-Way Fare Increase Needed	=	2.915
37			
38	5. One-Way Equivalent Surcharge Amount	\$	3.00
39	(Round Line 36 to the nearest \$0.25 - round amounts of \$0.125 or		
40	greater up to \$0.25, and amounts less than \$0.125 down, etc.)		