

President Matthew D. Fourcroy

Vice President Charles L. Cesena

Directors

Troy C. Gatchell Marshall E. Ochylski Christine M. Womack

General Manager Ron Munds

District Accountant Robert Stilts, CPA

Unit Chief

Eddy Moore

Battalion Chief Paul Provence

Mailing Address:

P.O. Box 6064 Los Osos, CA 93412

Offices:

2122 9th Street, Suite 110 Los Osos, CA 93402

Phone: 805/528-9370 FAX: 805/528-9377

www.losososcsd.org

February 28, 2022

- **TO:** Finance Advisory Committee
- FROM: Ron Munds, General Manager
- SUBJECT: Agenda Item 3 02/28/2022 FAC Meeting 2022 Water Rate Study

STAFF RECOMMENDATION

Provide comments for Board consideration

DISCUSSION

Background

In 2016, the Board formed a volunteer Water Rate Study Working Group (Working Group) comprised of Rob Miller, Richard Margetson and Ron Munds. The Working Group was tasked with reviewing the District's capital project program, Fund 500 water reserves policies, the allocation of Zone A property tax revenues and the water rates sufficient to meet the financial obligations to support the water operations and capital needs of the District.

At the April 11, 2017 Special Board meeting, the Board supported the recommended actions recommended by the Working Group and on June 15, 2017, the Board approved a three-year rate increase as shown in the table below. The most significant outcome of the rate structure was the decision to sufficiently fund the District's CIP program in the following amounts based on net revenues of:

- Fiscal Year 2017/18: \$500,000
- Fiscal Year 2018/19: \$700,000
- Fiscal Year 2019/20: \$900,000

The following table summarizes the water rates approved in June 2017.

Summary of Board Approved Water Rates (2016-17 base year)												
		2016-17	2017-18	2018-19	2019-20							
Base Fee		\$59.32	\$65.00	\$70.00	\$76.00							
Tier 1	0 - 5 ccf	\$2.35	\$5.00	\$6.00	\$7.00							
Tier 2	6 -10 ccf	4.40	6.75	7.75	8.75							
Tier 3	11-20 ccf	6.75	8.50	9.50	10.50							
Tier 4	>20 ccf	9.20	10.25	11.25	12.25							

At the June 6, 2019 Board meeting, the Board decided to defer the 2019-2020 rate increase based on the higher than projected revenue from the previous two fiscal years. Higher rates combined with revised operational budgets and consistent water sales resulted in meeting the goal of \$900,000 by the end of Fiscal Year 2018-19.

2022 Water Rate Study

Rob Miller and Richard Margetson agreed to review the information that is being presented to the Committee at this meeting. The following decision points and information is what the Working Group considered when making the recommendation made in this report.

Decision Points Discussed:

• What level(s) of net revenue should be included in the rate model?

For the purpose of this discussion, the term "net revenue" means revenue available after expenses, debt service, administration, and non-capital reserves are fully funded. Net revenue may be used to fund projects in the same year that it is generated or can also be saved in a capital reserve account for future years.

As previously discussed, the net revenue goal from the last rate increase was \$900,000. For the past three years, the average has been approximately \$700,000 due to increases in the operating program budget and cost allocation overhead. After reviewing the Five-Year Capital Improvement Plan (Capital Plan), the consensus of the Working Group was that the goal should be decreased to \$800,000 to better match the capital outlay in the Capital Plan.

The following cash flow analysis was developed to help inform the decision on the appropriate amount of revenue to be generated for capital reserves. As a matter of explanation, there are two scenarios presented below. One includes potential grant funding from the State for the new Program C well and the estimated net revenue generated from the proposed rate increase; the second assumes the net revenue only. It was determined that it be prudent to strive for an ending balance of at least \$1 million dollars in Capital Outlay Reserve at the end of each year. The cash flow analysis predicts there would only be one year (year 4) in the Non-Grant Version where this goal would not be met. The Working Group is strongly recommending that the water rates are reevaluated after three years.

Ne	et revenue	0.8	(\$ million)		
Gra	ant Version				
FY	Starting Balance	Capital Expenditures	Grant	Net revenue	Ending Balance
21-22	2.7	1.5	0.6	0.8	2.6
22-23	2.6	1.1	0.5	0.8	2.8
23-24	2.8	1.2	0.5	0.8	2.9
24-25	2.9	1	0	0.8	2.7
25-26	2.7	1.1	0	0.8	2.4
26-27	2.4	0.2	0	0.8	3
Non-Gra	nt Version				
FY	Starting Balance	Capital Expenditures	Grant	Net Revenue	Ending Balance
21-22	2.7	1.5	0	0.8	2
22-23	2	1.1	0	0.8	1.7
23-24	1.7	1.2	0	0.8	1.3
24-25	1.3	1	0	0.8	1.1
25-26	1.1	1.1	0	0.8	0.8
26-27	0.8	0.2	0	0.8	1.4

Working Group Recommendation: \$800,000 UAC Recommendation: \$800,000 • What level of Zone A property tax revenue should be included in the rate model for Fund 500? Zone A property tax is a district wide tax that historically has been allocated by the Board to the various District funds based on need. In the past, the major recipient of the tax revenue has been Funds 301 and 500 with most going to Fund 500. During the 2017 Water Rate Study deliberations, the Working Group recommended and the Board approved reducing the amount that goes to Fund 500 by 50% over a threeyear period. Part of that discussion was to completely eliminate the Zone A contribution to Fund 500 but no action was taken by the Board on this issue.

Currently, Zone A revenue for 2021-22 is \$262,718.00. The three-year revenue projection in the rate model for the Zone A contribution to Fund 500 is \$50,000 each year. There is no specific rationale for this amount so the amount is open for discussion and recommendation. The Fiscal Year 2021-22 contribution is approximately \$108,800. Again, it is at the Board's discretion how much Zone A revenue is allocated to any of the District's funds.

UAC Recommendation: Increase above the \$50,000 up to 50% of the Zone A revenue

• What base year water sales/consumption should we use?

Water sales have fluctuated since the 2017 water rate evaluation. The following table summarizes the number of billing units (in hundred cubic feet = 748 gallons) since the evaluation.

Fiscal Year	Units (HCF rounded)
2016-17	195,500
2017-18	207,130
2018-19	194,260
2019-20	205,380
<mark>2020-21</mark>	<mark>216,000</mark>

The Working Group attributed the significant increase in water sales in 2020-21 to the COVID pandemic where many residents were working from home and/or children were being home schooled. The projected water use for this fiscal year is estimated to be in the 210,000-unit range. The importance of this number is that it informs the model on how to calculate revenue by tier as follows:

Water Sales	Totals	Percentage	Rates	Est. Revenue
Tier 1	74,344	35.4%	\$ 6.25	\$464,647
Tier 2	52,946	25.2%	\$ 8.10	\$428,867
Tier 3	44,399	21.1%	\$ 9.90	\$439,551
Tier 4	38,311	18.2%	\$ 11.70	\$448,237
Total	210,000			\$1,781,302
Base Fee			\$ 73.00	\$1,202,310
Total				\$2,983,612

Attached are the two alternatives the Working Group analyzed, one using 2020-21 data and the second using the estimated water sales for this fiscal year. Alternative 2 is what the Working Group is recommending. Staff is requesting that the committee weigh in on this number since it will significantly impact the rate analysis moving forward.

Working Group Recommendation: 210,000 units UAC Recommendation: 210,000 units

• What inflation rate should we use for years two and three?

In the last rate analysis, a 3% per year inflation rate per year was used when calculating the rates over the three-year period. The Working Group decided to use 4% in the calculation since inflation for utility related operations tend to rise faster than the Consumer Price Index (CPI). It is difficult to predict, at least in the near term, what the rate of inflation will be for the next three years. Again, staff is requesting that the committee provide comments and a recommendation on the appropriate inflation rate to use. Working Group Recommendation: 4%

UAC Recommendation: Look at the impacts on revenue if using a higher inflation rate

• How should we handle Base Fee increases?

An integral component of the rates is the Base Fee which is assessed on every account. The Working Group tried to keep the Base Fee increase as low as possible since it does noticeably impact the cost for low water using customers. In the rate model, the Base Fee rose from \$70 to \$73 in the first year, then increased by \$1.00 in years two and three.

Working Group Recommendation: As indicated UAC Recommendation: As indicated

Proposed Three-Year Water Rates

Based on the assumptions previously discussed the following table summarizes the resulting water rates using Alternative 2.

	Proposed Three-Year Water Rates												
2021-22 2022-23 2023-24 2024													
Base Fee		\$70.00	\$73.00	\$74.00	\$75.00								
Tier 1	0 - 5 ccf	\$6.00	\$6.25	\$6.45	\$6.65								
Tier 2	6 -10 ccf	7.75	8.10	8.40	8.65								
Tier 3	11-20 ccf	9.50	9.90	10.25	10.55								
Tier 4	>20 ccf	11.25	11.70	11.10	12.45								

Impact on Average Residential Customer

The average water use for the residential customer is about 11 units of water during a two-month (bi-monthly) billing cycle. The following tables summarize the impact of the rate increase on a single-family residential customer. The cumulative impact of the rate increase is \$13.80 bi-monthly (6.90 monthly) at the end of year 3 of the rate increases.

	Average Water Customer – 11 units										
Year	Base Fee	Volume Charge	Total	Increase (bi-monthly)							
Current	\$70	\$78.25	\$148.25								
2022-2023	\$73	\$81.65	\$154.65	\$6.40 - 4.32%							
2023-2024	\$74	\$84.50	\$158.50	\$3.85 - 2.49%							
2024-2025	\$75	\$87.05	\$162.05	\$3.55 - 2.24%							
			Cumulative Total	\$13.80							

Water Rate Increase Schedule

It is staff's goal to have the water rates in place on July 1, 2022. The following is the timeline and milestones that will need to be met to have a new rate in place by July 1st.

Action	Date
UAC Review	February 16, 2022
FAC Review	February 28, 2022
Board Input	March 3, 2022
UAC follow-up	March 16, 2022
FAC follow-up	April 4, 2022
Board Approval of Rates	April 7, 2022
Proposition 218 Notification	April 15, 2022
Public Hearing/Board Adoption of Rates	June 2, 2022
Effective Date	July 1, 2022

Attachments

Alternative 1 & 2 Revenue and Expense Calculators

Alternative 1

CURRENT

CURRENT								
REVENUE	CALCULA	TOR						
	Water Sales	s Tota	ls	Perc	centage	F	Rates	Est. Revenue
	Tier 1		76,428		35.4%	\$	6.00	\$458,568
	Tier 2		54,431		25.2%	\$	7.75	\$421,840
	Tier 3		45,644		21.1%	\$	9.50	\$433,618
	Tier 4		39,385		18.2%	\$	11.25	\$443,08
	Tota	1	215,888					\$1,757,108
	Base Fee					\$	70.00	\$1,134,000
	Tota							\$2,891,10
	Other Reven					# Acc	counts	
		no consumption					425	\$29,750
	Property Tax							\$91,95 ⁻
	Water Service	Charges						\$33,000
	Recycled Wat	er Revenue						\$0.00
	Other							\$27,000
	Use of Reserv							
	Tota					-		\$154,701
	Require Inputs	S				тот	AL	\$3,045,809
	De sue la divis		1-4					
	Recycled wa	ter Revenue Calcu	liator					
			CCF		Revenue			
	Tier 1		-	\$	-			
	Tier 2		-	\$	-		School	Irrigation
	Tier 3		-	\$	-			Commercial ccf
	Tier 4		-	\$	_			Irrigation ccf
	Total		-	\$	_		-	Total/yr.
				Ŷ				
EXPENSES	CALCULA	FOR						
	RESERVES							
		Capital Outlay		see bel	ow			
		Rate Stabilization		\$	-			
		General Continge	-	\$	57,000			
		Designation for B	asin Mgt.	In O&N	1 budget			

6. EXPENSE	3	\$	722,078
Require Inputs	TOTAL	\$	2,323,731
	TOTAL	\$	1,990,731
	Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead	\$ \$ \$	- 1,422,181 568,550
GENERAL			
Restricted	I-Bank Loan TOTAL	\$ \$	276,000 333,000
	Designation for Water Cons.	\$	-
	General Contingency Designation for Basin Mgt.		57,000 0&M budget

REVENUE VS. EXPENSES

YEAR 1	7								
REVENUE	CALCULA	TOR							
	Water Sales	s Totals		D	ercentage		Rates	Est. Revenue	I.
	Tier 1	s i Ulais	76,428	Г	35.4%	¢	6.20	\$473,854	
	Tier 2		70,420 54,431		25.2%		8.00	\$435,448	
	Tier 3		45,644		23.2 %		9.80	\$447,311	
	Tier 4		39,385		18.2%		11.60	\$456,866	
	Tota	al	215,888		10.270	Ψ	11.00	\$1,813,479	r
	Base Fee	41	210,000			\$	72.00	\$1,185,840	2.86%
	Tota	al				Ŧ		\$2,999,319	2.0070
	Other Reve					# Δ	ccounts	+_;;;	n
		no consumption					425	\$30,600	
	Property Tax							\$ <u>50,000</u>	
	Water Service	e Charges						\$33,000	
	Recycled Wat							\$ -	
	Other							\$27,000	
	Use of Reserv	/es						\$0	1
	Tota	al						\$140,600	Rev. Incr.
	Require Input	S				то	TAL	\$3,139,919	3.09%
						_			
	Recycled Wa	ter Revenue Calculato	or						
			CCF		Revenue				
	Tier 1			\$	-				
	Tier 2			\$	-		School	Irrigation	
	Tier 3			\$	-			Commercial ccf	
	Tier 4			\$	-			Irrigation ccf	
	Total		-	\$	-		-	Total/yr.	
EXPENSES	CALCULA	TOR							
	RESERVES								
		Capital Outlay			below				
		Rate Stabilization		\$	-				
		General Contingency		\$	57,000				
		Designation for Basin			&M budget				
		Designation for Wate	r Cons.	\$	-				
	Restricted	I Pank Loon		¢	276,000				
	Restricted	I-Bank Loan	TOTAL	\$ ¢	333,000				
			IUIAL	φ	333,000				
	GENERAL								
	OENEIKAL	Capital (Outlay reserv	/e future						
		debt, pay as you go)	vo, rataro	\$	800,000				
		Operating		\$ \$	1,422,181				
		Admin Overhead		\$	568,550				
			TOTAL		2,790,731				
				Ŧ	_,				
				•	0 400 704				
	Poquiro Innut	a	TOTAL	\$	3,123,731				
	Require Input	5				I			
		S		\$	16,188				
				Ψ	10,100				

YEAR 2									
REVENUE	CALCULATO	R							
	Water Sales	T - 4 - 1 -						Est Deserves	
		Totals		centage			lates	Est. Revenue	
	Tier 1	76,428		35.4%		\$	6.40	\$489,139	
	Tier 2	54,431		25.2%		\$	8.25	\$449,056	
1	Tier 3	45,644		21.1%		\$	10.10	\$461,004	
1	Tier 4	39,385		18.2%		\$	11.95	\$470,651	
	Tota	al 215,888						\$1,869,850	
l	Base Fee					\$	73.00	\$1,202,310	1.39%
1	Tota	al						\$3,072,160	
1	Other Revenu	e				# Accou	unts		
l	Base Fee w/ no						425	\$31,025	
l	Property Tax								
1	Water Service C	harges					•	\$35,000	
l	Recycled Water						9		
l	Other	Revenue						\$30,000	
1	Use of Reserves							\$30,000	
l									
1	Tota	al						\$146,025	Rev. Incr.
1	Require Inputs					TOTAL		\$3,218,185	2.49%
	Recycled Water	Revenue Calculator							
			_	_					
l		CCI		Revenue					
l	Tier 1		\$	-					
l	Tier 2		\$	-				Irrigation	
l	Tier 3		\$	-				commercial ccf	
1	Tier 4		\$	-				rigation ccf	
	Total		\$	-			- T	otal/yr.	
EXPENSES	CALCULATO	R							
					l				
	RESERVES								
l	REGERVED	Capital Outlay	see b						
l		Rate Stabilization	\$ \$	Neiow					
l				-					
l		General Contingency	\$	57,000					
l		Designation for Basin Mgt.		M budget					
1		Designation for Water Cons.	\$	-					
1									
l	Restricted	I-Bank Loan	\$	276,000					
		ΤΟΤΑΙ	_ \$	333,000					
l	GENERAL								
l		Capital (Outlay reserve, future							
l		debt, pay as you go)	\$	800,000					
l		Operating	\$	1,479,068					
1		Admin Overhead	ŝ	591,292					
l		TOTA		2,870,360					
1		IOTA	-Ψ	2,070,000					
	1								
1									
		7074	¢	2 202 200					
	De entire la mat	ΤΟΤΑΙ	\$	3,203,360					
	Require Inputs	ΤΟΤΑΙ	_ \$	3,203,360					
	Require Inputs	ΤΟΤΑΙ	\$	3,203,360 14,825					

YEAR 3						
REVENUE	CALCULAT	OR				
	Water Sales	s Totals	Percentage	Rates	Est. Revenue	
	Tier 1	76,428	35.4%		\$500,603	
	Tier 2	54,431	25.2%		\$459,942	
	Tier 3	45,644	21.1%		\$472,415	
	Tier 4	39,385	18.2%	\$ 12.25	\$482,466	
	Tota	l 215,888			\$1,915,427	
	Base Fee			\$ 74.00	\$1,218,780	<mark>1.37%</mark>
	Tota			-	\$3,134,207	
	Other Rever			# Accounts		
		o consumption		425		
	Property Tax				\$ <u>50,000</u>	
	Water Service				\$37,000	
	Recycled Wate	er Revenue			\$ - \$ \$ -	
	Other Use of Reserv				\$32,000	
	Use of Reserv				\$150.450	Rev. Incr.
	Require Inputs			TOTAL	\$150,450 \$3,284,657	2.07%
	Require inputs	>		TUTAL	\$3,284,657	2.07%
	Recycled Wat	ter Revenue Calculator		7		
	Recycleu wa			4		
		CCF	Revenue			
	Tier 1	661	\$ -			
	Tier 2		\$ -	School Irr	igation	
	Tier 3		\$-		Commercial ccf	
	Tier 4		\$-		Irrigation ccf	
	Total		\$ -	-	Total/yr.	
EXPENSES	CALCULAT	OR				
				-		
	RESERVES	Consisted Outline	aaa halauu			
		Capital Outlay	see below			
		Rate Stabilization General Contingency	¢ 57.000			
		Designation for Basin Mgt.	\$ 57,000 In O&M budget			
		Designation for Water Cons.				
		Designation for Water Cons.	φ -			
	Restricted	I-Bank I oan				
	Restricted	I-Bank Loan TOTAL	\$ 278,000			
	Restricted	I-Bank Loan TOTAL	\$ 278,000			
			\$ 278,000			
	Restricted GENERAL	TOTAL	\$ 278,000			
		TOTAL Capital (Outlay reserve,	\$ 278,000 \$ 335,000			
		TOTAL Capital (Outlay reserve, future debt, pay as you go)	\$ 278,000 \$ 335,000 \$ 800,000			
		TOTAL Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead	\$ 278,000 \$ 335,000 \$ 800,000 \$ 1,538,231 \$ 614,944			
		TOTAL Capital (Outlay reserve, future debt, pay as you go) Operating	\$ 278,000 \$ 335,000 \$ 800,000 \$ 1,538,231 \$ 614,944			
		TOTAL Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead	\$ 278,000 \$ 335,000 \$ 800,000 \$ 1,538,231 \$ 614,944			
		TOTAL Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead TOTAL	\$ 278,000 \$ 335,000 \$ 800,000 \$ 1,538,231 \$ 614,944 \$ 2,953,175			
	GENERAL	TOTAL Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead TOTAL	\$ 278,000 \$ 335,000 \$ 800,000 \$ 1,538,231 \$ 614,944 \$ 2,953,175			
		TOTAL Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead TOTAL	\$ 278,000 \$ 335,000 \$ 800,000 \$ 1,538,231 \$ 614,944 \$ 2,953,175			
REVENUE VS.	GENERAL Require Inputs	TOTAL Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead TOTAL	\$ 278,000 \$ 335,000 \$ 800,000 \$ 1,538,231 \$ 614,944 \$ 2,953,175			

Alternative 2

CURRENT-Revised

		FOR						
	Water Sales	s Totals		Р	ercentage	R	ates	Est. Revenue
	Tier 1		74,344	•	0.354		6.00	\$446,061
	Tier 2		52,946		0.252		7.75	\$410,335
	Tier 3		44,399		0.211		9.50	\$421,792
	Tier 4		38,311		0.182		11.25	\$430,997
	Tota		210,000					\$1,709,185
	Base Fee					\$	70.00	\$1,134,000
	Tota	1						\$2,843,185
	Other Rever					# Acc	ounts	
		no consumption					425	\$29,750
	Property Tax							\$91,951
	Water Service	-						\$33,000
	Recycled Wat	er Revenue						\$0.00
	Other							\$27,000
	Use of Reserv							
	Tota							\$154,701
	Require Inputs	S				ΤΟΤΑ	L	\$2,997,886
	Recycled Wa	ter Revenue Calcula	tor					
			CCF		Revenue			
	Tier 1		-	\$	-			
	Tier 2		-	\$	-		School	Irrigation
	Tier 3		-	\$	-			Commercial ccf
	Tier 4		-	\$	-			Irrigation ccf
	Total		-	\$	-			Total/yr.
EXPENSES								,
	CALCULAT	FOR Capital Outlay		see	below			
				\$	-			
		Capital Outlay Rate Stabilization General Contingend		\$ \$	- 57,000			
		Capital Outlay Rate Stabilization General Contingend Designation for Bas	in Mgt.	\$ \$	-			
		Capital Outlay Rate Stabilization General Contingend	in Mgt.	\$ \$	- 57,000			
		Capital Outlay Rate Stabilization General Contingend Designation for Bas	in Mgt.	\$ In O \$	- 57,000			
	RESERVES Restricted	Capital Outlay Rate Stabilization General Contingence Designation for Bas Designation for Wat	in Mgt. ter Cons.	\$ In O \$	- 57,000 &M budget - 276,000			
	RESERVES	Capital Outlay Rate Stabilization General Contingend Designation for Bas Designation for Wat	in Mgt. ter Cons. TOTAL	\$ In O \$	- 57,000 &M budget - 276,000			
	RESERVES Restricted	Capital Outlay Rate Stabilization General Contingend Designation for Bas Designation for Wat I-Bank Loan Capital (Outlay rese debt, pay as you go	in Mgt. ter Cons. TOTAL erve, future	\$ In O \$ \$ \$	- 57,000 &M budget - 276,000 333,000			
	RESERVES Restricted	Capital Outlay Rate Stabilization General Contingend Designation for Bas Designation for Wat I-Bank Loan Capital (Outlay rese debt, pay as you go Operating	in Mgt. ter Cons. TOTAL erve, future	\$ \$ \$ \$ \$ \$ \$	- 57,000 &M budget - 276,000 333,000			
	RESERVES Restricted	Capital Outlay Rate Stabilization General Contingend Designation for Bas Designation for Wat I-Bank Loan Capital (Outlay rese debt, pay as you go	in Mgt. ter Cons. TOTAL erve, future	\$ In O \$ \$ \$	- 57,000 &M budget - 276,000 333,000			
	RESERVES Restricted	Capital Outlay Rate Stabilization General Contingend Designation for Bas Designation for Wat I-Bank Loan Capital (Outlay rese debt, pay as you go Operating	in Mgt. ter Cons. TOTAL erve, future	\$ In O \$ \$ \$ \$ \$ \$	- 57,000 &M budget - 276,000 333,000			
	RESERVES Restricted GENERAL	Capital Outlay Rate Stabilization General Contingend Designation for Bas Designation for Wat I-Bank Loan Capital (Outlay rese debt, pay as you go Operating Admin Overhead	in Mgt. ter Cons. TOTAL erve, future	\$ \$ In O \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	- 57,000 &M budget - 276,000 333,000 333,000			
	RESERVES Restricted	Capital Outlay Rate Stabilization General Contingend Designation for Bas Designation for Wat I-Bank Loan Capital (Outlay rese debt, pay as you go Operating Admin Overhead	TOTAL TOTAL	\$ \$ In O \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	- 57,000 &M budget - 276,000 333,000 - 1,422,181 568,550 1,990,731			

EVENUE	CALCULA	TOR					
	Water Sale	e 7	Fotals	Percentage	Rates	Est. Revenue	
	Tier 1	5	74,344	35.4%		\$464,647	
	Tier 2		52,946	25.2%		\$428,867	
	Tier 3		44,399	21.1%		\$439,551	
	Tier 4		38,311	18.2%		\$448,237	
	Tota	al	210,000	10.2 /0	ψ Π.ΠΟ	\$1,781,302	
	Base Fee	u	210,000		\$ 73.00	\$1,202,310	4.29%
	Tota	al			¥ 10.00	\$2,983,612	4.20 /
	Other Reve				# Accounts	<i> </i>	
		no consumption			425	\$31,025	
	Property Tax				420	\$ 50,000	
	Water Service					\$33,000	
	Recycled Wat					\$ -	
	Other					\$27,000	
	Use of Reserv	ves				\$0	
	Tota					\$141,025	Rev. Incr.
	Require Input				TOTAL	\$3,124,637	4.23%
	. todano mpat					<i>v</i> , <u>-</u> , <i>v</i>	
	Recycled Wa	ater Revenue C	alculator		1		
			CCF	Revenue			
	Tier 1		001	\$ -			
	Tier 2			\$-	Schoo	I Irrigation	
	Tier 3			\$-		Commercial ccf	
	Tier 4			•			
				5 -		Irrigation ccf	
	Total		-	\$ - \$ -	-	Irrigation ccf Total/yr.	
XPENSES	Total	TOR	-		<u> </u>		
XPENSES	Total		<u> </u>	\$ -]		
XPENSES		Capital Outla		\$ -]		
XPENSES		Capital Outla Rate Stabiliza	ation	\$ - see below \$ -]		
KPENSES		Capital Outla Rate Stabiliza General Cont	ation tingency	\$ - see below \$ - \$ 57,000	<u> </u>		
KPENSES		Capital Outla Rate Stabiliza General Cont Designation f	ation tingency for Basin Mgt.	\$ - see below \$ - \$ 57,000 In O&M budget	<u> </u>		
XPENSES		Capital Outla Rate Stabiliza General Cont Designation f	ation tingency	\$ - see below \$ - \$ 57,000 In O&M budget	_		
(PENSES		Capital Outla Rate Stabiliza General Con Designation f Designation f	ation tingency for Basin Mgt.	\$ - see below \$ - \$ 57,000 In O&M budget \$ -	_		
(PENSES	Total CALCULA RESERVES	Capital Outla Rate Stabiliza General Cont Designation f	ation tingency for Basin Mgt. for Water Cons.	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000	_		
KPENSES	Total CALCULA RESERVES	Capital Outla Rate Stabiliza General Con Designation f Designation f	ation tingency for Basin Mgt.	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000			
XPENSES	Total CALCULA RESERVES	Capital Outla Rate Stabiliza General Con Designation f Designation f	ation tingency for Basin Mgt. for Water Cons.	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000			
XPENSES	Total CALCULA RESERVES Restricted	Capital Outla Rate Stabiliza General Cont Designation f Designation f I-Bank Loan	ation tingency for Basin Mgt. for Water Cons.	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000			
XPENSES	Total CALCULA RESERVES Restricted	Capital Outla Rate Stabiliza General Cont Designation f Designation f I-Bank Loan	ation tingency for Basin Mgt. for Water Cons. TOTAL ay reserve, future	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000 \$ 333,000 \$ 800,000			
XPENSES	Total CALCULA RESERVES Restricted	Capital Outla Rate Stabiliza General Cont Designation f Designation f I-Bank Loan Capital (Outla debt, pay as Operating	ation tingency for Basin Mgt. for Water Cons. TOTAL ay reserve, future you go)	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000 \$ 333,000 \$ 800,000 \$ 1,422,181			
(PENSES	Total CALCULA RESERVES Restricted	Capital Outla Rate Stabiliza General Cont Designation f Designation f I-Bank Loan Capital (Outla debt, pay as	ation tingency for Basin Mgt. for Water Cons. TOTAL ay reserve, future you go)	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000 \$ 333,000 \$ 800,000			
KPENSES	Total CALCULA RESERVES Restricted	Capital Outla Rate Stabiliza General Cont Designation f Designation f I-Bank Loan Capital (Outla debt, pay as Operating	ation tingency for Basin Mgt. for Water Cons. TOTAL ay reserve, future you go)	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000 \$ 333,000 \$ 800,000 \$ 1,422,181 \$ 568,550			
XPENSES	Total CALCULA RESERVES Restricted	Capital Outla Rate Stabiliza General Cont Designation f Designation f I-Bank Loan Capital (Outla debt, pay as Operating	ation tingency for Basin Mgt. for Water Cons. TOTAL ay reserve, future you go) ead	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000 \$ 333,000 \$ 800,000 \$ 1,422,181 \$ 568,550			
XPENSES	Total CALCULA RESERVES Restricted	Capital Outla Rate Stabiliza General Cont Designation f Designation f I-Bank Loan Capital (Outla debt, pay as Operating	ation tingency for Basin Mgt. for Water Cons. TOTAL ay reserve, future you go) ead TOTAL	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000 \$ 333,000 \$ 333,000 \$ 1,422,181 \$ 568,550 \$ 2,790,731			
XPENSES	Total CALCULA RESERVES Restricted GENERAL	Capital Outla Rate Stabiliza General Coni Designation f Designation f I-Bank Loan Capital (Outla debt, pay as Operating Admin Overh	ation tingency for Basin Mgt. for Water Cons. TOTAL ay reserve, future you go) ead	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000 \$ 333,000 \$ 333,000 \$ 1,422,181 \$ 568,550 \$ 2,790,731			
XPENSES	Total CALCULA RESERVES Restricted	Capital Outla Rate Stabiliza General Coni Designation f Designation f I-Bank Loan Capital (Outla debt, pay as Operating Admin Overh	ation tingency for Basin Mgt. for Water Cons. TOTAL ay reserve, future you go) ead TOTAL	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000 \$ 333,000 \$ 333,000 \$ 1,422,181 \$ 568,550 \$ 2,790,731			
	Total CALCULA RESERVES Restricted GENERAL	Capital Outla Rate Stabiliza General Com Designation f Designation f I-Bank Loan Capital (Outla debt, pay as Operating Admin Overh	ation tingency for Basin Mgt. for Water Cons. TOTAL ay reserve, future you go) ead TOTAL	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000 \$ 333,000 \$ 333,000 \$ 1,422,181 \$ 568,550 \$ 2,790,731			

EVENUE	CALCULATO	DR				
	Water Sales	Totals	Percentage	Rates	Est. Revenue	
	Tier 1	74,3				
		74,3 52,9				
	Tier 2 Tier 3			\$8.3 \$10.2		
		44,3				
	Tier 4	38,3		\$ 12.0		
	Tot	al 210,0	100		\$1,836,136	
	Base Fee			\$ 74.0	. , ,	1.37%
	Tot				\$3,054,916	
	Other Revenu	e		# Accounts		
	Base Fee w/ no	consumption		4	25 \$31,450	
	Property Tax				\$ 50,000	
	Water Service C	harges			\$35,000	
	Recycled Water	Revenue			\$ -	
	Other				\$30,000	
	Use of Reserves	6				
	Tot				\$146,450	Rev. Incr.
	Require Inputs	~-		TOTAL	\$3,201,366	2.46%
	r toquiro iniputo				+• , =• 1, •••	2.1070
	Recycled Wate	r Revenue Calculator				
	Necycleu Water	ritevenue calculator				
		0	CF Revenue			
	Tion 4	C				
	Tier 1		\$ -		la a al lumina di an	
	Tier 2		\$-		chool Irrigation	
	Tier 3		\$-		Commercial ccf	
	Tier 4		\$-		Irrigation ccf	
	Total		\$ -		Total/yr.	
DENCES						
PENSES)R				
PENSES	CALCULATO	DR				
PENSES			\$	<u> </u>		
PENSES	CALCULATO	Capital Outlay	\$ -			
PENSES	CALCULATO	Capital Outlay Rate Stabilization	\$ - see below \$ -			
PENSES	CALCULATO	Capital Outlay	\$ -			
PENSES	CALCULATO	Capital Outlay Rate Stabilization	\$ - see below \$ -			
PENSES	CALCULATO	Capital Outlay Rate Stabilization General Contingency	\$ - see below \$ - \$ 57,000			
PENSES	CALCULATO	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt.	\$ - see below \$ - \$ 57,000 In O&M budget			
PENSES	CALCULATO	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt.	\$ - see below \$ - \$ 57,000 In O&M budget			
ENSES	CALCULATO	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan	\$ - see below \$ - \$ 57,000 In O&M budget \$ -			
PENSES	CALCULATO	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan	\$ - \$ 57,000 In O&M budget \$ - \$ 276,000			
PENSES	CALCULATO RESERVES Restricted	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan	\$ - \$ 57,000 In O&M budget \$ - \$ 276,000			
PENSES	CALCULATO	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000 FAL \$ 333,000			
PENSES	CALCULATO RESERVES Restricted	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan TOT Capital (Outlay reserve, future	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000 FAL \$ 2333,000			
PENSES	CALCULATO RESERVES Restricted	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan TOT Capital (Outlay reserve, future debt, pay as you go)	\$ - see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000 FAL \$ 276,000 \$ 333,000 \$ 333,000			
PENSES	CALCULATO RESERVES Restricted	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan TOT Capital (Outlay reserve, future debt, pay as you go) Operating	\$ - see below \$ - \$ 57,000 In O&M budget \$ - FAL \$ 276,000 \$ 333,000 \$ 333,000 \$ 1,479,068			
PENSES	CALCULATO RESERVES Restricted	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan TOT Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead	\$ - see below \$ - \$ 57,000 In O&M budget \$ - FAL \$ 276,000 \$ 333,000 \$ 333,000 \$ 1,479,068 \$ 591,292			
PENSES	CALCULATO RESERVES Restricted	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan TOT Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead	\$ - see below \$ - \$ 57,000 In O&M budget \$ - FAL \$ 276,000 \$ 333,000 \$ 333,000 \$ 1,479,068			
PENSES	CALCULATO RESERVES Restricted	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan TOT Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead	\$ - see below \$ - \$ 57,000 In O&M budget \$ - FAL \$ 276,000 \$ 333,000 \$ 333,000 \$ 1,479,068 \$ 591,292			
PENSES	CALCULATO RESERVES Restricted	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan TOT Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead	\$ - see below \$ 57,000 In O&M budget \$ - FAL \$ 276,000 \$ 276,000 \$ 276,000 \$ 333,000 \$ 333,000 \$ 1,479,068 \$ 551,292 FAL \$ 2,870,360			
PENSES	CALCULATO RESERVES Restricted GENERAL	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan TOT Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead	\$ - see below \$ - \$ 57,000 In O&M budget \$ - FAL \$ 276,000 \$ 333,000 \$ 333,000 \$ 1,479,068 \$ 591,292	<u> </u>		
PENSES	CALCULATO RESERVES Restricted	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan TOT Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead	\$ - see below \$ 57,000 In O&M budget \$ - FAL \$ 276,000 \$ 276,000 \$ 276,000 \$ 333,000 \$ 333,000 \$ 1,479,068 \$ 551,292 FAL \$ 2,870,360			
	CALCULATO RESERVES Restricted GENERAL	Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons. I-Bank Loan TOT Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead	\$ - see below \$ 57,000 In O&M budget \$ - FAL \$ 276,000 \$ 276,000 \$ 276,000 \$ 333,000 \$ 333,000 \$ 1,479,068 \$ 551,292 FAL \$ 2,870,360			

YEAR 3							
REVENUE	CALCULAT	OR					
	Water Sales	Totals		Percentage	Rates	Est. Revenue	
	Tier 1	74,34	4	35.4%	\$ 6.60	\$490,667	
	Tier 2	52,94	6	25.2%		\$452,692	
	Tier 3	44,39		21.1%	\$ 10.45	\$463,971	
	Tier 4	38,31	1	18.2%	\$ 12.35	\$473,139	
	Tota	210,00	0			\$1,880,470	
	Base Fee				\$ 75.00	\$1,235,250	1.35%
	Tota					\$3,115,720	
	Other Reven	ue			# Accounts		
	Base Fee w/ no	o consumption			425	\$31,875	
	Property Tax					\$ 50,000	
	Water Service					\$37,000	
	Recycled Wate	er Revenue				\$ -	
	Other					\$32,000	
	Use of Reserve	es					
	Tota					\$150,875	Rev. Incr.
	Require Inputs				TOTAL	\$3,266,595	2.04%
	Recycled Wat	er Revenue Calculator					
		CC	CF	Revenue			
	Tier 1		\$	-			
	Tier 2		\$	-	School Irr		
	Tier 3		\$	-		Commercial ccf	
	Tier 4		\$	-		Irrigation ccf	
	Total		\$	-	-	Total/yr.	
EXPENSES	CALCULAT	OR					
	RESERVES						
		Capital Outlay	see	e below			
		Rate Stabilization	¢	57 000			
		General Contingency	\$	57,000 O&M budget			
		Designation for Basin Mgt. Designation for Water Cons		Oaivi budget			
		Designation for Water Cons	s. \$	-			
	Restricted	I-Bank Loan	\$	278,000			
	Restricted	TOT		335,000			
		1017	Ψ	000,000			
	GENERAL						
		Capital (Outlay reserve,					
		future debt, pay as you go)	\$	800,000			
		Operating	\$	1,538,231			
		Admin Overhead	\$	614,944			
		TOTA		2,953,175			
		-					
		τοτ	AL\$	3,288,175			
	Require Inputs						
					•		
REVENUE VS.	EXPENSES		\$	(21,580)			
			T	(= :, = : =)			