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March 3, 2022

TO: LOCSD Board of Directors

FROM: Ron Munds, General Manager

SUBJECT: REVISED Agenda Item 2A - 03/03/2022 Board Meeting

Consideration of the Draft 2022 Water Rate Study

### STAFF RECOMMENDATION

Provide direction to staff on any provisions to the Study prior to final review on April 7, 2022.

# **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.

Summai	Summary of Board Approved Water Rates (2016-17 base year)											
2016-17 2017-18 2018-19 2019												
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 Board 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	t 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 three-year 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.

Working Group: \$50,000 but no specific rationale for this amount

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
2020-21	216,000

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 to this report 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 Board 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 Board 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 2024-2											
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	12.10	12.45							

# Impact on the 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 \$4013.80 bi-monthly (6.90 monthly) at the end of year 3 of the rate increases.

	Average Water Customer – 11 units										
Year	Year Base Fee Volume Charge Total										
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 1<sup>st</sup>.

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 **REVENUE CALCULATOR Water Sales** Totals Percentage Rates Est. Revenue Tier 1 35.4% \$ 6.00 \$458,568 76,428 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 \$443,081 Total 215,888 \$1,757,108 Base Fee \$ 70.00 \$1,134,000 Total \$2,891,108 Other Revenue # Accounts Base Fee w/ no consumption 425 \$29,750 \$91,951 Property Tax Water Service Charges \$33,000 Recycled Water Revenue \$0.00 Other \$27,000 Use of Reserves \$154,701 Total Require Inputs TOTAL \$3,045,809 Recycled Water Revenue Calculator CCF Revenue Tier 1 \$ Tier 2 \$ School Irrigation Tier 3 \$ Commercial ccf Tier 4 \$ Irrigation ccf \$ Total/yr. Total **EXPENSES CALCULATOR** RESERVES Capital Outlay see below Rate Stabilization 57,000 **General Contingency** Designation for Basin Mgt. In O&M budget Designation for Water Cons. \$ Restricted I-Bank Loan \$ 276,000 TOTAL \$ 333,000 **GENERAL** Capital (Outlay reserve, future debt, pay as you go) \$ Operating \$ 1,422,181 Admin Overhead \$ 568,550 TOTAL \$ 1,990,731 TOTAL \$ 2,323,731 Require Inputs **REVENUE VS. EXPENSES** \$ 722,078

YEAR 1	1						
REVENUE	CALCULAT	OR					
	Water Sales	Totals		Percentage	Rates	Est. Revenue	
	Tier 1		76,428	35.4%		\$473,854	
	Tier 2		54,431	25.2%		\$435,448	
	Tier 3		45,644	21.1%		\$447,311	
	Tier 4		39,385	18.2%	\$ 11.60	\$456,866	
	Tota Base Fee	l .	215,888		\$ 72.00	\$1,813,479 \$1,185,840	2.86%
	Tota	ı			\$ 12.00	\$2,999,319	2.00%
	Other Reven				# Accounts	φ2,999,319	
		o consumption			# 7 (000 di 113	\$30,600	
	Property Tax	o concumption		ı	.20	\$ 50,000	
	Water Service	Charges				\$33,000	
	Recycled Water	er Revenue				\$ -	
	Other					\$27,000	
	Use of Reserve					\$0	
	Tota					\$140,600	Rev. Incr.
	Require Inputs	6			TOTAL	\$3,139,919	3.09%
	Recycled Wat	ter Revenue Calculato	r				
			CCF	Davanua			
	Tier 1		CCF	Revenue			
	Tier 2			\$ - \$ -	School	Irrigation	
	Tier 3			\$ -	Concor	Commercial ccf	
	Tier 4			\$ -		Irrigation ccf	
	Total		-	\$ -	-	Total/yr.	
EXPENSES	CALCULAT	OR					
	RESERVES						
		Capital Outlay Rate Stabilization General Contingency Designation for Basin Designation for Water		see below \$ - \$ 57,000 In O&M budget \$ -			
		J					

800,000 1,422,181 568,550

2,790,731

3,123,731

16,188

\$ \$

\$

\$

TOTAL \$

TOTAL \$

GENERAL

Require Inputs

REVENUE VS. EXPENSES

Capital (Outlay reserve, future debt, pay as you go)
Operating

Admin Overhead

YEAR 2 REVENUE CALCULATOR Water Sales Totals Est. Revenue Percentage Rates Tier 1 76,428 35.4% 6.40 \$489,139 \$ Tier 2 54,431 25.2% 8.25 \$449,056 Tier 3 45,644 21.1% 10.10 \$461,004 39,385 \$470,651 18.2% 11.95 Tier 4 Total 215,888 \$1,869,850 73.00 \$1,202,310 1.39% \$3,072,160 Total Other Revenue # Accounts 425 \$31,025 Base Fee w/ no consumption 50,000 Property Tax \$35,000 Water Service Charges \$ Recycled Water Revenue \$30,000 Other Use of Reserves \$146,025 Rev. Incr. Total TOTAL \$3,218,185 2.49% Require Inputs Recycled Water Revenue Calculator CCF Revenue Tier 1 \$ Tier 2 \$ School Irrigation Tier 3 \$ Commercial ccf Irrigation ccf Tier 4 \$ Total Total/yr. **EXPENSES CALCULATOR** RESERVES Capital Outlay see below Rate Stabilization General Contingency 57,000 Designation for Basin Mgt. In O&M budget Designation for Water Cons. Restricted I-Bank Loan 276.000 \$ TOTAL \$ 333,000 GENERAL Capital (Outlay reserve, future debt, pay as you go) 800,000 Operating 1,479,068 \$ 591,292 Admin Overhead TOTAL \$ 2,870,360 TOTAL \$ 3,203,360 Require Inputs REVENUE VS. EXPENSES 14,825

1						
UE CALCUL	ATOR					
Water Sal			Percentage	Rates	Est. Revenue	
Tier 1		3,428	35.4%			
Tier 2		1,431	25.2%		, , .	
Tier 3		5,644	21.1%		' '	
Tier 4		9,385	18.2%	\$ 12.25		
	<b>Stal</b> 215	5,888,		<b>*</b> 74.00	\$1,915,427	4.070/
Base Fee	otal			\$ 74.00	\$1,218,780 <b>\$3,134,207</b>	1.37%
Other Rev			1	# A	\$3,134,20 <i>1</i>	
				# Accounts	<b>5</b> 004 450	
	/ no consumption			42		
Property Ta Water Servi					\$ 50,000 \$37,000	
	ater Revenue				\$ -	
Other	ater iveveriue				\$32,000	
Use of Rese	enves				ψ32,000	
	otal				\$150,450	Rev. Incr.
Require Inp				TOTAL	\$3,284,657	2.07%
rtequire imp	uto			TOTAL	ψο,ΣοΨ,σογ	2.01 70
Recycled V	Vater Revenue Calculator					
receyoled t	vator revenue Galcalator					
		CCF	Revenue			
Tier 1			\$ -			
Tier 2				School I	rrigation	
Tier 3			\$ - \$ -		Commercial ccf	
Tier 4			\$ -		Irrigation ccf	
Total			\$ -	-	Total/yr.	
RESERVES			see below \$ 57,000			
	Designation for Water C	1gt.	In O&M budget \$ -			
Restricted	I-Bank Loan <b>T</b> e	OTAL	\$ 278,000 \$ 335,000			
GENERAL						
	Capital (Outlay reserve future debt, pay as you Operating	go)	\$ 800,000 \$ 1,538,231 \$ 614,944			
	Admin Overhead					
		OTAL				
Require Inp	т:		\$ 2,953,175			
Require Inp	T( uts	OTAL	\$ 2,953,175			

# Alternative 2

Tier 1	CURRENT-R	evised							
Tier 1	REVENUE	CALCULAT	OR						
Tier 1		Water Sales	Totals		F	Percentage		Rates	Est. Revenue
Tier 2		Tier 1		74,344		_	\$	6.00	\$446,061
Tier 3		Tier 2				0.252	\$	7.75	\$410,335
Tier 4		Tier 3							\$421,792
Total									\$430,997
Base Fee		Total		210,000					\$1,709,185
Other Revenue Base Fee w/ no consumption Property Tax Water Service Charges Recycled Water Revenue Other Use of Reserves Total Require Inputs  Recycled Water Revenue Calculator  Tier 1		Base Fee					\$	70.00	\$1,134,000
Base Fee w/ no consumption		Total							\$2,843,185
Property Tax							# A	ccounts	
Water Service Charges   \$33,0			o consumption					425	\$29,750
Recycled Water Revenue   \$0   \$27.0		Property Tax							\$91,951
Other		Water Service	Charges						\$33,000
Use of Reserves		Recycled Water	er Revenue						\$0.00
Total   \$154,7     Require Inputs   TOTAL   \$2,997,8     Recycled Water Revenue Calculator									\$27,000
Require Inputs    Recycled Water Revenue Calculator		Use of Reserve	es						
Recycled Water Revenue Calculator  Tier 1									\$154,701
CCF		Require Inputs					TO	TAL	\$2,997,886
Tier 1 Tier 2 Tier 3 Tier 4 Tier 4 Total   Capital Outlay Rate Stabilization General Contingency Designation for Water Cons.  Restricted  I-Bank Loan  Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead  TOTAL  School Irrigation Commercial of Irrigation cof Total/yr.  School Irrigation Commercial of Irrigation cof Total/yr.  School Irrigation School Irrigation Irrigation Commercial of Irrigation cof Total/yr.  School Irrigation Irri		Recycled Wat	er Revenue Calculator	,			ĺ		
Tier 2				CCF		Revenue			
Tier 3				-		-			
Tier 4				-		-			
EXPENSES CALCULATOR  RESERVES    Capital Outlay   See below   See		Tier 3		-	\$	-			Commercial ccf
Capital Outlay see below Rate Stabilization \$ - General Contingency \$ 57,000 Designation for Basin Mgt. Designation for Water Cons. \$ - Restricted I-Bank Loan \$ 276,000 TOTAL \$ 333,000 GENERAL  Capital (Outlay reserve, future debt, pay as you go) Operating \$ 1,422,181 Admin Overhead \$ 568,550		Tier 4		-	\$	-			Irrigation ccf
RESERVES  Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons.  Restricted I-Bank Loan TOTAL  Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead  See below 57,000 In O&M budget \$ 276,000 TOTAL \$ 333,000  CAPITAL  TOTAL  1,422,181 1,422,181 1,990,731		Total		-	\$	-		-	Total/yr.
Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons.  Restricted I-Bank Loan TOTAL Sayangon  General Contingency Designation for Water Cons.  Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead  TOTAL Sayangon TOTAL 1,990,731	EXPENSES	CALCULAT	OR						
Capital Outlay Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons.  Restricted I-Bank Loan TOTAL  Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead  See below \$ - ORM budget In O&M budget \$ - ORM budget \$ -		RESERVES							
Rate Stabilization General Contingency Designation for Basin Mgt. Designation for Water Cons.  Restricted I-Bank Loan TOTAL Sa33,000  GENERAL  Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead  TOTAL \$1,990,731		KLOLKVLO	Canital Outlay		200	helow			
General Contingency Designation for Basin Mgt. Designation for Water Cons.  Restricted I-Bank Loan TOTAL Sa33,000  GENERAL Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead TOTAL S7,000 In O&M budget S276,000 S333,000  TOTAL S1,422,181 S68,550			•			-			
Designation for Basin Mgt. Designation for Water Cons.  Restricted  I-Bank Loan  TOTAL  S 276,000  TOTAL  S 333,000  GENERAL  Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead  TOTAL  S 1,422,181 S 568,550  TOTAL  TOTAL  S 1,990,731					Ψ	57.000			
Restricted I-Bank Loan \$ 276,000 TOTAL \$ 333,000  GENERAL  Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead \$ 1,422,181 Admin Overhead \$ 568,550				Mat					
## Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead  ## TOTAL \$ 333,000    Capital (Outlay reserve, future debt, pay as you go)			•	•		-			
## Capital (Outlay reserve, future debt, pay as you go) Operating Admin Overhead  ## TOTAL \$ 333,000    Capital (Outlay reserve, future debt, pay as you go)		Dootsioto d	I Dank Laan		œ.	276 000			
Capital (Outlay reserve, future debt, pay as you go) \$ - Operating \$ 1,422,181 Admin Overhead \$ 568,550		Restricted	I-Dank Loan	TOTAL	•				
Capital (Outlay reserve, future debt, pay as you go) \$ - Operating \$ 1,422,181 Admin Overhead \$ 568,550  TOTAL \$ 1,990,731				IUIAL	Ф	333,000			
Capital (Outlay reserve, future debt, pay as you go) \$ - Operating \$ 1,422,181 Admin Overhead \$ 568,550  TOTAL \$ 1,990,731		GENERAL							
debt, pay as you go)			Capital (Outlay reserve	e, future					
Operating \$ 1,422,181 Admin Overhead \$ 568,550  TOTAL \$ 1,990,731			debt, pay as you go)			-			
<b>TOTAL</b> \$ 1,990,731			Operating		\$				
			Admin Overhead		\$	568,550			
				TOTAL	\$	1.990.731			
TOTAL \$ 2,323,731					7	.,000,101			
				TOTAL	\$	2,323,731			
Require Inputs		Require Inputs							
REVENUE VS. EXPENSES \$ 674,155	REVENUE VS	S. EXPENSES	3		\$	674,155			

	_							
YEAR 1 REVENUE	CALCULA <sup>-</sup>	TOB						
REVENUE	CALCULA	IOK						
	Water Sales	<u> </u>	Totals	Percentage	Rates	Est. Revenue		
	Tier 1		74,344			\$464,647		
	Tier 2		52,946		•	\$428,867	1	
	Tier 3 Tier 4		44,399 38,311	21.1% 18.2%		\$439,551 \$448,237	1	
	Tota	al	210,000	10.2 /0	<b>Φ</b> 11.70	\$1,781,302	1	
	Base Fee	41	210,000		\$ 73.00	\$1,202,310	4.29%	
	Tota	al			Ţ 10.00	\$2,983,612	1.2070	
	Other Reve	nue			# Accounts	1		
	Base Fee w/ r		on		425	\$31,025	1	
	Property Tax			·		\$ 50,000	1	
	Water Service					\$33,000	I	
	Recycled Wat	er Revenue				\$ -	1	
	Other Use of Reserv	/OS				\$27,000 \$0	ľ	
	Total \$141,025							
	Require Input				TOTAL	\$3,124,637	Rev. Incr. 4.23%	
	' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' '					. , ,		
	Recycled Wa	ter Revenue	Calculator				1	
				_			1	
	T: 4		CCF				1	
	Tier 1 Tier 2			\$ -	Schoo	I Irrigation	1	
				\$ -	30100		İ	
	Tier 3			S - 1		Commercial cct	1	
	Tier 3 Tier 4			\$ - \$ -		Commercial ccf		
	Tier 3 Tier 4 Total			\$ - \$ -	-	Irrigation ccf Total/yr.		
EXPENSES	Tier 4 Total	TOR	<u> </u>	\$ -	-	Irrigation ccf		
EXPENSES	Tier 4 Total		-	\$ -	-	Irrigation ccf		
EXPENSES	Tier 4 Total  CALCULA	Capital Out Rate Stabili General Co Designatior	zation	\$ -	-	Irrigation ccf		
EXPENSES	Tier 4 Total  CALCULA	Capital Out Rate Stabili General Co Designatior	zation ntingency n for Basin Mgt. n for Water Cons.	\$ - \$ - \$ see below \$ - \$ 57,000 In O&M budget \$ - \$ 276,000	-	Irrigation ccf		

800,000 1,422,181 568,550

2,790,731

3,123,731

906

\$ \$

\$

\$

TOTAL \$

TOTAL \$

Capital (Outlay reserve, future debt, pay as you go)
Operating

Admin Overhead

Require Inputs

REVENUE VS. EXPENSES

YEAR 2							
REVENUE	CALCULATO	R					
	Water Coles	Takala	D		D-4	F-4 B	
	Water Sales		Percentage		Rates	Est. Revenue	
	Tier 1	74,344	35.4%		6.45	\$479,516	
	Tier 2 Tier 3	52,946	25.2%		8.40 10.25	\$444,750 \$455,001	
	Tier 4	44,399 38,311	21.1% 18.2%		10.25	\$455,091 \$463,561	
	Tota		10.270	Ą	12.10	\$1,842,919	
	Base Fee	210,000		\$	74.00	\$1,218,780	1.37%
	Tota	<u> </u>		Ą	74.00	\$3,061,699	1.37 %
	Other Revenu			# Acco	to	\$3,001,099	
				# ACCC		¢24.450	
	Base Fee w/ no	consumption			425	\$31,450 50,000	
	Property Tax Water Service C	harace				50,000 \$35,000	
	Recycled Water					\$33,000	
	Other	Revenue			·	\$30,000	
	Use of Reserves					Ψ00,000	
	Tota					\$146,450	Rev. Incr.
	Require Inputs			TOTA	1	\$3,208,149	2.67%
	require inputs			IOIA	-	ψ0,200,143	2.07 70
	Recycled Water	Revenue Calculator		1			
	recycled Water	Revenue Galculator		ł			
		CCF	Revenue				
	Tier 1	001	\$ -				
	Tier 2		\$ -		School	Irrigation	
	Tier 3		\$ -			Commercial ccf	
	Tier 4		\$ -			rigation ccf	
	Total		\$ -			otal/yr.	
				•		·	
EXPENSES	CALCULATO	R					
				1			
	RESERVES						
		Capital Outlay	see below				
		Rate Stabilization	\$ -	l			
		General Contingency	\$ 57,000	l			
		Designation for Basin M		l			
		Designation for Water C		l			
		9	•	1			
	Restricted	I-Bank Loan	\$ 276,000				
		TOTAL	\$ 333,000				
	GENERAL			l			
		Capital (Outlay reserve,		I			
		future debt, pay as you		I			
		go)	\$ 800,000	I			
		Operating	\$ 1,479,068	l			
		Admin Overhead	\$ 591,292				
		TOTAL	\$ 2,870,360				
				I			
				I			
		TOTAL	\$ 3,203,360	I			
	Require Inputs			1			
i							
REVENUE V	0 EVDE::0=-		\$ 4,788				

YEAR 3									
REVENUE	CALCULA	TOR							
	Water Sale	s Totals		Per	centage	Ra	ates	Est. Revenue	
	Tier 1		74,344		35.4%	\$	6.65	\$494,385	
	Tier 2		52,946		25.2%	\$	8.65	\$457,987	
	Tier 3		44,399		21.1%		10.55	\$468,411	
	Tier 4		38,311		18.2%	\$	12.45	\$476,970	
	Tota	al 2	10,000					\$1,897,752	
	Base Fee					\$	75.00	\$1,235,250	1.35%
	Tota					I		\$3,133,002	
	Other Reve					# Account		404.075	
		no consumption			l		425		
	Property Tax Water Service							\$ 50,000 \$37,000	
	Recycled Wa							\$ -	
	Other							\$32,000	
	Use of Reser	ves						<b>402,000</b>	
	Tota							\$150,875	Rev. Incr.
	Require Input	ts				TOTAL		\$3,283,877	2.36%
		-							
	Recycled Wa	ater Revenue Calculato	r						
			CCF		Revenue				
	Tier 1			\$	-				
	Tier 2			\$	-		School Irri		
	Tier 3			\$	-			Commercial ccf	
	Tier 4 Total			\$ \$	-			Irrigation ccf	
	Total			Ψ				Total/yr.	
PENSES	CALCULA	TOR							
	RESERVES								
	Capital Outlay			see below					
		Rate Stabilization		000 00	olow.				
		General Contingency		\$	57,000				
		Designation for Basin Designation for Water	Mgt.	In O&I	M budget -				
	Restricted	I-Bank Loan		\$	278,000				
			TOTAL	\$	335,000				
	•								
	GENERAL								
	GENERAL	Capital (Outlay reserv							
	GENERAL	future debt, pay as yo		\$	800,000				
	GENERAL	future debt, pay as yo Operating		\$	1,538,231				
	GENERAL	future debt, pay as yo Operating Admin Overhead	ou go)	\$ \$	1,538,231 614,944				
	GENERAL	future debt, pay as yo Operating Admin Overhead		\$ \$	1,538,231				
		future debt, pay as yo Operating Admin Overhead	ou go)	<b>\$</b> <b>\$</b> \$	1,538,231 614,944				
	GENERAL  Require Input	future debt, pay as yo Operating Admin Overhead	ou go)	<b>\$</b> <b>\$</b> \$	<b>1,538,231 614,944</b> 2,953,175				
		future debt, pay as yo Operating Admin Overhead	ou go)	<b>\$</b> <b>\$</b> \$	<b>1,538,231 614,944</b> 2,953,175				