Phelan Piñon Hills Community Services District



Water Rate Study

November 30, 2015

Final Report



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November 30, 2015

Don Bartz General Manager Phelan Pinon Hills Community Services District 4176 Warbler Road Phelan, California 92371

RE: Water Rate Study – Final Report

Mr. Bartz:

Willdan Financial Services ("Willdan") was retained by the Phelan Pinon Hills Community Services District ("District") to conduct a Water Rate Study ("Study") for the District's Water Utility. This Final Report of the Water Rate Study presents the data, assumptions and results of the Study.

Willdan prepared the attached analysis, including the gathering and analysis of historic information, budget information, financial records, billing data and other relevant information. Key data and assumptions were derived from discussions with the District to gain a more complete understanding of the financial health of the District's Water Utility. A system of rates and charges were then developed which are projected to provide sufficient revenue for each of the utility evaluated. The results of our analysis is presented in this Report.

We appreciate the opportunity to be of service to the District on this important project. If you have any questions regarding the attached Report please feel free to contact us.

Very truly yours,

Jonathan Varnes Willdan Financial Services



Section 1 - Introduction

1.1. Introduction

Willdan Financial Services ("Willdan") was retained by the Phelan Pinon Hills Community Services District ("District") to conduct a Water Rate Study ("Rate Study"). This Rate Study Report details the results of the Rate Study for the five-year period FY 2016-2020.

The results of the Rate Study presented herein are a financial plan, and associated rates and charges, which were designed to provide revenues sufficient to fund the ongoing operating and capital costs necessary to operate the Water Utility, while meeting the financial requirements and goals set forth by the District for the Water Utility.

1.2. Organization of this Report

This Rate Study Report presents an overview of the rate-making concepts employed in the development of the analysis contained herein, followed by a discussion of the data, assumptions and results associated with the analysis. An appendix with detailed schedules is presented for a further investigation into the data, assumptions and calculations which drive the results presented in this Report. Appendix A presents the detailed schedules for each scenario presented herein for the FY 2016-2020 time period. The report is organized as follows:

- Section 1 Introduction
- Section 2 Overview of Utility Rate-Making Principles, Processes and Issues
- Section 3 Water Rate Study Development and Results
- Section 4 Conclusions and Recommendations
- Appendix A Detailed Rate Study Schedules



Section 2 - Overview of Utility Rate-Making Principles, Processes and Issues

2.1. Introduction

The Rate Study utilized generally accepted rate-making principles which resulted in the development of rates and charges which are projected to: 1) generate sufficient revenue to meet the financial requirements of the utility, 2) address the need to recover costs from users in a manner which is fair and equitable relative to service provided, and 3) meet the rate design goals of the utility. A discussion of some of the key principles of rate-making, and how the processes employed herein are guided by those principles, is presented below.

2.2. Discussion of General Rate-Making Principles

While the individual rates for each utility vary based on a variety of factors, the development of rates should, for the most part, be consistent with general rate-making principles set forth in utility rate-making practice and literature. The principle by which rate practitioners are guided is that rates designed for any utility should strike a reasonable balance between several key principles. In general, rates designed should:

- Generate a stable rate revenue stream which, when combined with other sources of funds, is sufficient to meet the financial requirements and goals of the utility
- Be fair and equitable that is, they should generate revenue from customer classes which is reasonably in proportion to the cost to provide service to that customer class
- Be easy to understand by customers
- Be easy to administer by the utility
- Minimize customer impact
- Encourage conservation of resources

Designing a rate structure which completely addresses all of these principles is challenging given the sometimes competing goals of the principles. For instance, designing a rate structure which generates a stable revenue stream would guide the rate practitioner to the development of a rate structure with



high fixed charges which result in an assumed guaranteed revenue stream each year. However, high fixed charges typically do not minimize customer impact, nor do they typically encourage conservation (through a price signal). Striking the appropriate balance between the principles of rate-making is the result of a detailed process of evaluation of revenue requirements and cost of service and how those translate into the rate design alternatives which most closely meet the specific objectives of the individual utility under the circumstances in which the utility operates.

2.3. The Revenue Sufficiency Process

In order to develop rates and charges which generate sufficient revenue to meet the fiscal requirements of the utility, a determination of the annual rate revenue required must be completed. This rate revenue, combined with other sources of funds, is evaluated to determine whether the total revenue is sufficient to meet those fiscal requirements. This process is typically referred to as a Revenue Sufficiency Analysis.

The process employed in the Revenue Sufficiency Analysis results in the identification of revenue requirements of the system, such as operating expenses, capital expenses (minor and major), debt service expense (including a provision for debt service coverage), transfers out and the maintenance of both restricted and unrestricted reserves at appropriate levels. These revenue requirements are then compared to the total sources of funds during each year of the forecast period to determine the adequacy of projected revenues to meet projected revenue requirements. To the extent that the existing revenue stream is not sufficient to meet the annual revenue requirements of the system, a series of rate revenue increases are calculated which would be required in order to provide revenue sufficient to meet those needs.

2.4. The Cost Allocation Process

In order to provide guidance to the utility as to how to appropriately recover the rate revenue requirements identified in the Revenue Sufficiency Analysis, a Cost of Service Analysis is required.

The process employed in the Cost of Service Analysis results in the identification of the cost to provide water and sewer service to customers. These water and sewer cost allocations are then used as the



basis for the assignment of revenue requirements to customer classes, upon which the development of rates and charges is based.

The industry standard approach to the development of a cost of service analysis is the Base-Extra Capacity methodology, as detailed in the American Water Works Association (AWWA) M1 Manual – Principles of Water Rates, Fees and Charges.

The general approach to the development of cost of service allocations under the Base-Extra Capacity methodology is to: 1) identify the costs by functional cost category, 2) allocate the functionalized costs further to cost categories and then 3) allocate rate revenue requirements to customer classes based on the distribution of costs and customer characteristics.

The resulting allocations provide guidance to the rate practitioner which, combined with the other goals and objectives of the utility, provides the necessary information required to proceed to the development of utility rates and charges.

2.5. The Rate Design Process

With the rate revenue requirement determined in the Revenue Sufficiency Analysis, and the manner in which that rate revenue should be recovered determined in the Cost of Service Analysis, the development of specific rates and charges can commence.

Utilities consider a variety of factors in establishing rates, including cost allocation, customer impact, conservation of resources and ease of administration. The rate design process seeks to find the balance between the need to recover sufficient revenue in a fair and equitable manner and the need to do so within the constraints of other objectives which are unique to each utility. By understanding the types of customers served by the utility, and the general usage characteristics of those customers, a system of rates and charges can be developed that balances those many objectives while also generating sufficient revenue.

First, the rate design goals of the utility are reviewed to identify areas the utility wishes to address over the course of the Rate Study. Next, an assessment of the existing rate design is undertaken to identify what has worked well for the utility with regard to their specific goals and objectives, and the general goals and objectives of utility rate-making. This assessment typically also identifies areas for



improvement which can provide guidance to the rate practitioner with respect to the design of future rates and charges.

After a review of the existing rates and charges, a dialog of how to build on the positive aspects of the existing structure and how to address deficiencies in the existing structure occurs with utility management and staff. For instance, for a utility with a primary goal of encouraging water conservation, the substitution of a uniform rate structure, which charges the same unit price for water regardless of consumption level, with a conservation/inclining block rate structure, which charges a greater unit price as usage levels increase beyond certain thresholds, would better address that primary goal.

With an evaluation of the strengths and weaknesses of the existing rate structure and the goals of the utility going forward, the development of a new rate structure can begin. Development of a new rate structure which recovers the costs to provide water and sewer service in a manner which achieves the goals of the utility in a manner consistent with standard rate-making practice requires an analysis of the projected usage characteristics of the customer base to which the rates will apply. This analysis is typically referred to as a billing frequency analysis.

The billing frequency analysis is provided through the billing system of the utility and then used by the rate-practitioner to accumulate billing statistics for each class of customer. Typical customer classes for water and sewer utilities consist of residential, sometimes broken down into subcategories such as single family and multi-family, and non-residential, sometimes broken down into subcategories such as commercial, government, industrial and others. Billing data allows for the development of rates based on the use of the system by each class. Alternative rate designs which account for customer usage patterns and also address various combinations of utility rate-making goals and rate-making principles can then be developed and reviewed by both the rate-practitioner and the utility regarding the viability of each rate structure designed.

With the identification of the rate revenue required, the manner in which those requirements should be recovered and the billing units to be used to recover the required revenue, specific rates and charges can then be developed. At the heart of successful rate design is the attempt to strike a proper balance between the many, sometimes competing, objectives of rate-making while ensuring generation of revenue sufficient to meet system financial requirements.



2.6. Financial Management Goals of the Utility

The establishment of specific financial management goals of a utility is a key step in developing financial plans which will ensure the financial health of the utility. Financial management goals exist as a way for the utility to track financial performance so the utility can ensure financial strength and proper stewardship of utility assets, both financial and operational.

2.7. General Statement Regarding the Nature of Financial Forecasting

During the course of this study, we reviewed the data and assumptions presented in this report with the District in several meetings. While nothing came to our attention which would lead us to believe the data and assumptions in this report are materially incorrect, the results of the analysis are, necessarily, a reflection of the data and assumptions presented herein.

To the extent that the data and/or assumptions reflected in this report vary from those which ultimately materialize during the forecast period that could have a material impact upon the results - possibly in the form of the need for additional water rate increases greater than those presented herein - this has not been quantified in this report.





Section 3 - Water Rate Study Development and Results

3.1. General Methodology

In order to develop rates and charges which generate sufficient revenue to meet the fiscal requirements of the Utility, a determination of the annual revenue from rates which, combined with other sources of funds, will provide sufficient funds to meet those fiscal requirements must first be completed. This process is typically referred to as a Revenue Sufficiency Analysis.

The process employed in the Revenue Sufficiency Analysis resulted in the identification of revenue requirements of the system, such as operating expenses, capital expenses (minor and major), debt service expense (including a provision for debt service coverage, as applicable), transfers out and the maintenance of both restricted and unrestricted reserves at appropriate levels. These revenue requirements were then compared to the total sources of funds during each year of the forecast period to determine the adequacy of projected revenues to meet requirements. To the extent that the existing revenue stream was not sufficient to meet the annual revenue requirements of the system, a series of rate revenue increases were calculated to provide revenue sufficient to meet those needs.

The Capital Improvement Plan (CIP), including the timing of projects and estimated costs, was provided by the Utility. Willdan relied on this information and the CIP was fully integrated into the Revenue Sufficiency Analysis.

3.2. Financial Management Goals of the Water Utility

The financial management goals of the District's Water Utility are described below.

3.2.1.1. Debt Service Coverage

The Water Utility, like most utilities, has utilized long-term debt to fund capital assets in the past. To secure this debt, a pledge of utility net revenue as the source of repayment for the debt was required and made by the District's Water Utility. In addition, there exists a debt service coverage requirement to be met in each year in which the debt is outstanding. Debt service coverage requirements generally mandate some multiple of annual net revenue, defined as operating revenue less operating expenses, as compared to annual debt service payments due.





In the case of the Water Utility, the covenants associated with this debt require that minimum debt service coverage of between 1.10x and 1.15x, depending on the debt issuance, be maintained, or exceeded, in each year of the forecast period. As a further measure of financial strength, it was determined that a goal of achieving a 1.40x debt service coverage ratio by the end of the forecast period was prudent for this analysis.

3.2.1.2. Minimum Unrestricted Operating Reserve Fund Balance

In order to maintain a certain level of liquidity, utilities typically establish some form of unrestricted operating reserve fund balance target. The analysis presented herein has a goal of building and maintaining an unrestricted working capital / operating fund reserve amount of approximately 6 months of Operating Expenses, plus another 2 months for cash flow per District direction.

3.3. Water Revenue Sufficiency Analysis

3.3.1 Data Items

Key data items reviewed, discussed and incorporated into the Revenue Sufficiency Analysis were:

- Financial management goals of the Water Utility
- Draft Ending Balances related to the FY 2015 Draft Financial Statements
- Sources of Funds from FY 2016 Operating Budget and resulting projections
- Uses of Funds from FY 2016 Operating Budget and resulting projections
- Capital Improvements Plan (CIP)
- General assumptions related to:
 - Customer growth
 - Cost escalation factors
 - New debt terms

During the course of this study, we reviewed the data and assumptions presented in this report with the District in several meetings. While nothing came to our attention which would lead us to believe the data and assumptions in this report are materially incorrect, the results of the analysis are, necessarily, a



reflection of the data and assumptions presented herein. To the extent that the data and/or assumptions reflected in this report vary from those which ultimately materialize during the forecast period that could have a material impact upon the results presented herein and this has not been quantified in this report.

A discussion of the use of each of the above data items is presented below.

3.3.2 Fund Balances Related to the FY 2015 Draft Financial Statements

To better understand what funds the Water Utility had on hand to start the forecast period, a detailed review of the District's FY 2015 Draft Financial Statements was conducted and reviewed with staff. Assumptions were made to estimate the actual funds available at the end of FY 2015, and therefore at the beginning of FY 2016, based on discussions with staff. A summary of the individual funds and fund balances associated with the Water Utility for FY 2016, as adjusted for use in this analysis, is presented in Table W-1 below. A more detailed presentation of the beginning fund balances is presented in Water Schedule A-2 in Appendix A.

Table W-1 Water Beginning Fund Balances - By Source					
	Current		Current		Net Cash
Funding Source	Assets	L	iabilties	Adustments	Available
31110 - Operating Reserve - Water&Adm	\$ 8,888,025	\$	(780,826)	\$(3,082,442)	\$ 5,024,756
31310 - Replacement Reserve - Water&Adm	-		-	-	-
31220 - Water Rate Stabilization Fund	200,000		-	-	200,000
31410 - Disaster Reserve-Water&Adm	2,079,783		-	-	2,079,783
31210 - Debt Service Reserve - CEIDB	671,112		-	-	671,112
Source: FY 2015 Draft Financial Statements					

Note: Additional detail associated with this table can be found in Appendix A in Water Schedule A - 2

3.3.3 Sources of Funds from FY 2016 Operating Budget and Resulting Projections

Staff provided the FY 2016 Revenue Budget, and associated line-item revenue detail, as the basis for the projection of financial performance for FY 2016. In addition, line-item projected revenues for FY 2017-20 were developed using the FY 2016 detail as the basis.





A summary of the FY 2016 Revenue Budget, and subsequent projected budgetary revenues, is presented below in Table W-2. A more detailed presentation of the line-item budgeted and projected revenues is presented in Water Schedule A-3 in Appendix A.

Table W-2 Water										
Sources of Funds										
		2016		2017		2018		2019		2020
31110 - Operating Reserve - Water&Adu	m									
Water Rate Revenue Increases		37.00%		5.00%		5.00%		5.00%		5.00%
% of Year Rate Increase Effective		33%		100%	100%		100%		100%	
Total Water Rate Revenue	\$	4,063,876	\$	5,210,067	\$	5,470,518	\$	5,743,624	\$	6,030,753
Other Operating Revenue		569,437		569,437		569,437		569,437		569,437
Transfers In (Property Taxes)		647,478		572,478		497,478		422,478		347,478
Interest Income - Operating Fund		8,730		5,110		5,545		5,944		6,520
Total Operating Revenue - Operating	ċ	5 289 521	ć	6 357 093	ć	6 542 979	ć	6 741 483	ć	6 954 189
Fund - Water	Ļ	3,203,321	Ļ	0,337,033	Ļ	0,342,979	Ļ	0,741,403	Ļ	0,994,189
31310 - Replacement Reserve - Water&	Adr	n								
Sources of Funds	\$	-	\$	2,500,000	\$	-	\$	-	\$	-
Interest Earnings		-		3,129		6,266		6,281		6,297
Total 31310 - Replacement Reserve -	Ś	-	Ś	2.503.129	Ś	6.266	Ś	6.281	Ś	6.297
Water&Adm	Ŧ		Ŧ	_,,_	Ŧ	0,200	Ŧ	0,202	Ŧ	0,207
31220 - Water Rate Stabilization Fund										
Sources of Funds	\$	-	\$	-	\$	-	\$	-	\$	-
Interest Earnings	-	501		502		503		504		506
Total 31220 - Water Rate Stabilization										
Fund	Ş	501	Ş	502	Ş	503	Ş	504	Ş	506
31410 - Disaster Reserve-Water&Adm										
Sources of Funds	¢	-	¢	533 524	¢	552 860	¢	505 810	¢	305 367
Interest Earnings	Ļ	5 206	Ļ	5 8 8 7	Ļ	7 261	Ļ	8 604	Ļ	9 6 4 1
Total 31/10 - Disaster Peserve-		5,200		5,887		7,201		8,004		9,041
Water&Adm	\$	5,206	\$	539,411	\$	560,121	\$	514,415	\$	315,008
Water GAum										
31210 - Debt Service Reserve - CEIDB										
Sources of Funds	\$	-	\$	-	\$	-	\$	-	\$	-
Interest Earnings	•	1.680		1.684		1.688		1.693		1.697
Total 31210 - Debt Service Reserve -						,		,		
CEIDB	Ş	1,680	Ş	1,684	Ş	1,688	Ş	1,693	Ş	1,697
Total Projected Sources of Funds -	\$	5,296,908	\$	9,401,819	\$	7,111,557	\$	7,264,376	\$	7,277,697
water										

Note: Additional detail associated with this table can be found in Appendix A in Water Schedule A - 3 $\,$



3.3.4 Uses of Funds from FY 2016 Operating Budget and Resulting Projections

Staff provided the FY 2016 Expense Budget, and associated line-item expense detail, as the basis for the projection of financial performance for FY 2016. In addition, line-item projected expenses for FY 2017-20 were developed using cost escalation factors.

Cost escalation factors were reviewed by staff and were used to project line-item costs beyond the 2016 budget. Those factors were applied based on line-item cost classifications.

A summary of the FY 2016 Expense Budget, and subsequent projected budgetary expenses, is presented below in Table W-3. A more detailed presentation of the line-item budgeted and projected expenses is presented in Water Schedule A-4 in Appendix A.





Table W-3 Water							
Projected Uses of Funds							
		2016		2017	2018	2019	2020
31110 - Operating Reserve - Water&Adm							
Operation & Maintenance Expense Transfer Out	\$	3,526,042 3,896,500	\$	3,627,316 823,524	\$ 3,731,602 897,860	\$ 4,038,995 825,810	\$ 4,155,579 735,367
Major Capital Funded with Cash Existing Debt Service New Debt Service		- 932,584 -		- 932,129 804 126	- 931,659 804 126	- 931,175 804 126	- 930,676 812 856
Total Uses of Funds - 31110 - Operating Reserve - Water&Adm	\$	8,355,126	\$	6,187,095	\$ 6,365,247	\$ 6,600,107	\$ 6,634,478
31310 - Replacement Reserve -							
Uses of Funds other than Capital Major Capital Funded with Cash	\$	-	\$	-	\$ -	\$ -	\$ -
Total Uses of Funds - 31310 - Replacement Reserve - Water&Adm		-	\$	-	\$ -	\$ -	\$ -
31220 - Water Rate Stabilization Fund Uses of Funds other than Capital Maior Capital Funded with Cash	\$	-	\$	-	\$ -	\$ -	\$ -
Total Uses of Funds - 31220 - Water Rate Stabilization Fund	\$	-	\$	-	\$ -	\$ -	\$ -
31410 - Disaster Reserve-Water&Adm Uses of Funds other than Capital Maior Capital Funded with Cash	\$	-	\$	-	\$ -	\$ -	\$ -
Total Uses of Funds - 31410 - Disaster Reserve-Water&Adm	\$	-	\$	-	\$ -	\$ -	\$ -
31210 - Debt Service Reserve - CEIDB Uses of Funds other than Capital Major Capital Funded with Cash		-	\$	-	\$ -	\$ -	\$ -
Total Uses of Funds - 31210 - Debt Service Reserve - CEIDB	\$	-	\$	-	\$ -	\$ -	\$ -
Total Projected Uses of Funds - Water	\$	8,355,126	\$	6,187,095	\$ 6,365,247	\$ 6,600,107	\$ 6,634,478

Note: Additional detail associated with this table can be found in Appendix A in Water Schedule A - 4





3.3.5 Capital Improvements Plan (CIP)

The District provided Willdan with a forecast of capital requirements for the FY 2016 – 2020 forecast period. This capital forecast was escalated by Willdan for use in the analysis by a factor of 3% per year.

A summary table of the CIP for the FY 2016 – 2020 forecast period is presented below in Table W-4. A more detailed CIP, including the timing and funding source for each respective project, is presented in Water Schedules A-5 and A-6, respectively, in Appendix A.

Table W-4						
Water						
Capital Improvements Program and Projected Funding						
	2	016	2017	2018	2019	2020
Capital Projects - Water	\$ 1,3	96,500	\$ 9,697,450	\$ 5,670,511	\$ 4,174,217	\$ 483,969
Funding Source:						
31210 - Debt Service Reserve - CEIDB	\$	-	\$-	\$-	\$-	\$ -
31410 - Disaster Reserve-Water&Adm		-	-	-	-	-
31220 - Water Rate Stabilization Fund		-	-	-	-	-
31310 - Replacement Reserve - Water&Adm		-	-	-	-	-
31110 - Operating Reserve - Water&Adm	1,	396,500	290,000	345,000	320,000	430,000
New Debt		-	9,407,450	5,325,511	3,854,217	53,969
Total Capital Project Funded	\$1,3	96,500	\$ 9,697,450	\$ 5,670,511	\$ 4,174,217	\$ 483,969
Variance	\$	-	\$ -	\$ -	\$ -	\$ -

Note: Additional detail associated with this table can be found in Appendix A in Water Schedules A - 5 and A - 6

3.3.6 General Assumptions

In order to develop the financial and rate projections, certain assumptions were made with regard to elements of the revenue sufficiency analysis. A summary of those assumptions is presented below.

3.3.6.1. Growth

Based on discussion with the District, it was decided to assume no annual growth in the utility customer base during the forecast period.

3.3.6.2. Cost Escalation Factors

Based on discussion with the District, it was assumed that annual salary-related operating costs were to be escalated at approximately 3.0% per year with other operating costs escalated at 2.5% per year.





3.3.6.3. New Debt Terms

Based on discussion with the District, new debt during the forecast period is assumed to be state loans and assumed to carry a 40 year repayment term at a rate of 3.0% per year.^{1 2}

3.3.7 Results of the Water Revenue Sufficiency Analysis

After a thorough review of the above-mentioned data elements, the resulting financial plan presented herein is the embodiment of the data, assumptions and review process undertaken with staff in several meetings.

3.3.7.1. Summary Pro Forma and Revenue Increases Required

The revenue requirements and financial goals of the Water Utility during the forecast period necessitate the need for additional revenue in the form of water revenue increases.

Table W-5 below presents a summary Pro Forma, and associated annual water revenue increase requirements, required during the forecast period in order for the Utility to meet its financial goals.

FY 2016	37.0% Water Revenue Increase – Implemented in February 2016
FY 2017	5.0% Water Revenue Increase – Implemented in July 2016
FY 2018	5.0% Water Revenue Increase – Implemented in July 2017
FY 2019	5.0% Water Revenue Increase – Implemented in July 2018
FY 2020	5.0% Water Revenue Increase – Implemented in July 2019

A more detailed presentation of the pro forma, including a fund balance reconciliation and projection of annual debt service coverage, is presented in Water Schedule A-1 in Appendix A.

¹ Willdan is not a financial advisor to the District with respect to debt terms, and urges the District to seek guidance from professionals in the arena of debt terms in order to validate our general assumptions for purposes of this analysis.

² In the event the District chose to not issue new debt for capital projects then the projects would need to be eliminated from the capital plan or funded through another funding source.



ble W-5 ater									Page	1 of 2
mmary Pro Forma - Operating Fund		2016		2017		2010		2010		2020
		2016		2017		2018		2019		2020
31110 - Operating Reserve - Water&Adm										
Beginning Unrestricted Fund Balance	\$	5,024,756	\$	1,959,151	\$	2,129,148	\$	2,306,880	\$	2,448,257
Water Rate Revenue Increases		37.00%		5.00%		5.00%		5.00%		5.00%
% of Year Rate Increase Effective		33%		100%		100%		100%		100%
Total Rate Revenue	ć	4 063 876	ć	5 210 067	ć	5 470 518	ć	5 7/3 62/	ć	6 030 753
Other Operating Revenue	Ļ	569 / 27	Ļ	569 / 27	Ļ	560 / 37	Ļ	560 / 37	Ļ	560 / 37
Transfers In		647 478		572 478		497 478		422 478		347 478
Interest Income - Operating Fund		8,730		5,110		5.545		5.944		6.520
Total Revenue	Ś	5.289.521	Ś	6.357.093	Ś	6.542.979	Ś	6.741.483	Ś	6.954.189
			Ţ		Ţ		Ţ		Ţ	
Operation & Maintenance Expense	Ş	3,526,042	Ş	3,627,316	Ş	3,731,602	Ş	4,038,995	Ş	4,155,579
Non-Operating Expense		-		-		-		-		-
Minor Capital Outlay		-		-		-		-		725 267
Transfer Out		3,896,500		823,524		897,860		825,810		/35,36/
Fristing Debt Service		022 504		-		-		-		020 676
Now Debt Service		952,564		952,129		951,059		951,175		950,070
Total Exponsos	ć	9 255 126	ć	6 197 005	ć	6 265 247	ć	6 600 107	ć	6 6 2 / 179
	Ş	0,355,120	Ş	0,107,095	Ş	0,303,247	Ş	0,000,107	Ş	0,034,470
Ending Unrestricted Fund Balance - 31110 -										
Operating Reserve - Water&Adm	Ś	1.959.151	Ś	2.129.148	Ś	2.306.880	Ś	2.448.257	Ś	2.767.968
	•	_,	*	_,,	*	_,,	*	_,,	*	_, ,
31310 - Replacement Reserve - Water&Adm										
Beginning Unrestricted Fund Balance	\$	-	\$	-	\$	2,503,129	\$	2,509,395	\$	2,515,676
Sources of Funds		-		2,500,000		-		-		
Interest Income		-		3,129		6,266		6,281		6,297
Total Revenue	\$	-	\$	2,503,129	\$	6,266	\$	6,281	\$	6,297
Uses of Funds	\$	-	\$	-	\$	-	\$	-	\$	
Major Capital Funded with Cash		-		-		-		-		
Total Expenses	\$	-	\$	-	\$	-	\$	-	\$	
Ending Unrestricted Fund Balance - 31310 -										
Replacement Reserve - Water&Adm	\$	-	Ş	2,503,129	Ş	2,509,395	Ş	2,515,676	Ş	2,521,973
31220 - Water Rate Stabilization Fund										
Beginning Unrestricted Fund Balance	Ś	200.000	Ś	200.501	Ś	201.003	Ś	201.506	Ś	202.010
Sources of Funds		· -	·	-		-		-		
Interest Income		501		502		503		504		506
Total Revenue	\$	501	\$	502	\$	503	\$	504	\$	506
Uses of Funds	Ş	-	Ş	-	Ş	-	Ş	-	Ş	
iviajor capital Funded with Cash		-	~	-		-		-		
i otai Expenses	Ş	-	Ş	-	Ş	-	Ş	-	Ş	-
Ending Unrestricted Fund Balance - 31220 -										
Water Date Chabilization Fund		200 504								

Note: Additional detail associated with this table can be found in Appendix A in Water Schedule A - 1 $\,$





able W-5									Page	e 2 of 2
uater Summary Pro Forma - Operating Fund										
		2016		2017		2018		2019		2020
21410 Director December Weter & Adm										
S1410 - Disaster Reserve-water & Aum	ć	2 070 792	ć	2 00/ 000	ć	2 6 2 4 4 0 0	ć	2 104 521	ć	2 608 026
Sources of Funds	Ş	2,075,785	Ş	533 574	Ş	552 860	Ş	505 810	Ş	305 367
		5 206		5 8 8 7		7 261		8 604		9 6/1
Total Revenue	Ś	5,200	¢	539 411	¢	560 121	¢	514 415	ć	315 009
Total nevenue	Ŷ	5,200	Ŷ	555,411	Ŷ	500,121	Ŷ	514,415	Ŷ	515,000
Uses of Funds	\$	-	\$	-	\$	-	\$	-	\$	
Major Capital Funded with Cash		-		-		-		-		
Total Expenses	\$	-	\$	-	\$	-	\$	-	\$	
Ending Unrestricted Fund Balance - 31410 -										
Disaster Reserve-Water&Adm	\$	2,084,989	\$	2,624,400	\$	3,184,521	\$	3,698,936	\$	4,013,944
31210 - Debt Service Reserve - CEIDB										
Beginning Unrestricted Fund Balance	\$	671,112	\$	672,792	\$	674,476	\$	676,164	\$	677,857
Sources of Funds		-		-		-		-		
Interest Income		1,680		1,684		1,688		1,693		1,697
Total Revenue	\$	1,680	\$	1,684	\$	1,688	\$	1,693	\$	1,697
Uses of Funds	\$	-	\$	-	\$	-	\$	-	\$	
Major Capital Funded with Cash		-		-		-		-		
Total Expenses	\$	-	\$	-	\$	-	\$	-	\$	
Ending Unrestricted Fund Balance - 31210 - Debt										
Service Reserve - CEIDB	Ş	672,792	Ş	674,476	Ş	676,164	Ş	677,857	Ş	679,554
	Sumr	nary of Key	Met	rics						
Debt Service Coverage - Projected		1.20		1.24		1.33		1.31		1.41
Debt Service Coverage - Minimum		1.15		1.15		1.15		1.15		1.15
Debt Service Coverage - Target		1.40		1.40		1.40		1.40		1.40
Unrestricted Operating Fund Balance (Months of										
O&M)		6.7		7.0		7.4		7.3		8.0
Replacement Reserve Balances										
31310 - Replacement Reserve - Water&Adm -										
Projected		0%		0%		10%		10%		10%
31310 - Replacement Reserve - Water&Adm -										
Target %		25%		25%		25%		25%		25%
Disaster Reserve Balances										
31410 - Disaster Reserve-Water&Adm -										
Projected %		5%		6%		6%		7%		79
31410 - Disaster Reserve-Water&Adm - Target %		10%		10%		10%		10%		10%

Note: Additional detail associated with this table can be found in Appendix A in Water Schedule A - 1 $\,$





3.4. Water Cost of Service Analysis

3.4.1 General Methodology

In order to provide guidance to the Water Utility as to how to adequately recover the rate revenue requirements identified in the Revenue Sufficiency Analysis, in a manner consistent with generally accepted rate-making principles, a Cost of Service Analysis was conducted.

The Cost of Service Analysis resulted in the identification of the cost to provide service to customers based on functional cost categories. This provided the rationale for the allocation of costs to expense categories related to water service. These water cost allocations were then used as the basis for the assignment of revenue requirements to customer classes upon which the development of rates and charges presented herein is based.

For the purposes of this analysis, the cost of service analysis for water was based on the Base-Extra Capacity methodology, as detailed in the American Water Works Association (AWWA) M1 Manual – Principles of Water Rates, Fees and Charges.

The general approach to the development of cost of service allocations under the Base-Extra Capacity Cost Allocation methodology was to: 1) identify the costs by functional cost category, 2) allocate the functionalized costs further to base-extra capacity categories and then to 3) allocate costs and rate revenue requirements to customer classes based on the distribution of costs and customer characteristics. The Cost of Service Analysis and Results is presented below.



3.4.2 Functional Cost Allocation

Line-item costs were categorized by functional cost category (source of supply, pumping, treatment, etc.) and summarized by these functional cost categories. The summary of this functional cost allocation for the average annual budgeted / projected expenses during FY 2016-2020 is presented in Table W-6 below.

able W-6 /ater ummary Allocation of Costs to	Functional Cost Component		
		Ave	rage Annual
General Cost Category	Functional Cost Component	Expen	se - 2016-2020
Administration	General Admin	\$	12,316
Operations	General Admin		2,952,856
Production	Source of Supply		682,647
Water Quality	Treatment		1,510,944
Distribution	Transmission & Distribution		67,982
Customer Accounts	Customer Service & Billing		295,319
Engineering	General Admin		481,625
Vehicles	General Admin		210,359
Total		Ś	6,214,048

Note: Additional detail associated with this table can be found in Appendix A in Water Schedule A - 4 $\,$





3.4.3 Allocation of Functional Costs to Base-Extra Capacity Components

The functionalized costs were then further allocated based on the Base-extra Capacity Method, the preferred industry method, as presented in the AWWA M1 Manual of Practice. The Base-extra Capacity method results in the allocation of functionalized costs in a manner consistent with the functional reality behind each type of cost. For instance, transmission costs are related to not only a base, or average, level of water flow, but are also related to the fact that transmission assets are typically sized to meet maximum day and maximum hour demands. Therefore, some portion of transmission costs should be allocated to the base component, and further to the extra capacity component (max day and max hour). Table W-7 below presents the results of the Base-extra Capacity method.

Table W-7										
Water										
Allocation of Functional Co	sts to Base	/ Extra Capad	ity Cost Co	mponents						
	% Allo	cation to I	Base /		Summa	ary of Expe	nses by Ba	se / Extra Ca	pacity	
	Ex	tra Capaci	y			(Component	ts		
								-		
	Base	Extra Ca	pacity		Base	Extra Ca	apacity			
				Customer				Customer		
Functional Cost	Average		Max	Service &				Service &		
Component	Day	Max Day	Hour	Billing	Average Day	Max Day	Max Hour	Billing	Total	Allocation Methodology
General Admin	100.0%	0.0%	0.0%	0.0%	\$ 12,316	\$ -	\$ -	\$ -	\$ 12,316	Administration costs allocated 100% to base component.
General Admin	100.0%	0.0%	0.0%	0.0%	2,952,856	-		-	2,952,856	Administration costs allocated 100% to base component.
Source of Supply	100.0%	0.0%	0.0%	0.0%	682,647	-	-	-	682,647	Source of Supply assets designed to meet average day
										 Treatment assets designed to meet average day / max day
Treatment	58.7%	41.3%	0.0%	0.0%	886,726	624,218	-	-	1,510,944	demands.
Transmission &	46.1%	32.5%	21.4%	0.0%	31 3/13	22.064	14 576		67 982	Transmission / Distribution assets designed to meet average
Distribution	40.170	52.570	21.470	0.078	51,545	22,004	14,570		07,582	_day / max day / max hour demands.
Customer Service &	0.0%	0.0%	0.0%	100.0%	-	-	-	295,319	295,319	Customer service costs allocated 100% to Customer Service &
Billing	100.0%	0.0%	0.0%	0.0%	491.625				491.635	Billing component.
General Admin	100.0%	0.0%	0.0%	0.0%	461,025	-	-	-	461,025	Administration costs anocated 100% to base component.
General Admin	100.0%	0.0%	0.0%	0.0%	210,359	-	-	-	210,359	Administration costs allocated 100% to base component.
					\$ 5,257,872	\$ 646,281	\$ 14,576	\$295,319	\$ 6,214,048	-
						Average	Annual Expense	e - 2016-2020	\$ 6,214,048	





3.4.4 Allocation of Base-extra Capacity Costs to Customer Classes

The final cost allocation step is to allocate the base-extra capacity costs to specific customer classes. This then will become the basis by which the rates, by customer class, are developed consistent with the cost to provide service to those customer classes. Table W-8 below presents the allocation of base-extra capacity costs to customer classes.

able W-8														
llocation of Base / Extra Capacity	Costs to Customer C	lasses	5											
			Sur	mmary c	of Ex	penses by	Base /	Extr	a Capaci	ity (Compone	nts		
		_	Base			Extra	a Capac	city		_				
										_ ا				
Functional Cost				1							Istomer			
Component		۸.	iorage Dav	1				M,		50			Total	
Total Costs			5.257.872		Ś	646.281		\$	14.576	Ś	295.319	Ś	6,214,048	
iotai costs		Ļ	3,237,072	I.	Ŷ	040,201	I	Ŷ	14,575	Ŷ	233,313	Ŷ	0,217,070	
Allocation of Base / Extra Capac	ity Cost to Customer:	Classe	es:											
										С	ustomer			
			Calculation of	Unit Cost	for B	ase, Max Day	and Ma	x Hou	ır Cost	S	ervice &			
			,		Com	ponents				1	Billing			
				Max Day	M	lax Day Flow	Max	Max	Hour Flow					
	Total Annual Flow -			Peaking	Abov	ve the Average	Peaking	Abo	ve the Max					
Customer Class	After Elasticity	Ave	rage Daily Flow	Factor (1)		Day Flow	Factor (1)	D	ay Flow		Bills	-		
Residential (Inicudes KES, COM2 and MR)	838 912		2 298	102%		2 109	244%		3 3 1 1		82 212			
COM2 and Miny	1,981		2,230	179%		4	244 /0		5,511		312			
SCH	50,252		138	231%		180	294%		267		276			
CONS	4,561		12	452%		44	575%		59		60			
FIRE	208		1	246%		1	313%		1		24			
- Total	895,915		2.455	1		2,338	.		3.646		82,884	-		
Unit Cost	000,020	\$	2,142.09	1	\$	276.45		\$	4.00	\$	3.57			
							•							
				Allocatio	on of	Base / Extra	Capacity	Costs	to Custor	ner (Classes (2)			
			Base	┢────		Ext	ra Capacit	ty		ι.				0/ C1
Customer Class		А	verage Dav			Max Dav		м	ax Hour	s	Service &		Total	% Cost Distribution
Residential (Inlcudes RES,														
COM2 and MR)		\$	4,923,359	1	\$	582,906		\$	13,245	\$	293,497	\$	5,813,006	94%
COM			11,626	1		1,181			28		1,114		13,948	0%
SCH			294,918	1		49,823			1,068		985		346,794	6%
CONS			26,768	1		12,160			238		214		39,380	1%
FIKE			1,221			230			5		86		1,541	0%
Total		\$	5,257,892		\$	646,300		\$	14,583	\$	295,896	\$	6,214,671	100%
	Target	\$	5,257,872		\$	646,281		\$	14,576	\$	295,319	\$	6,214,048	
(1) Developed using District billing d	ata for FY 15.													
(2) Calculated by multiplying unit cos	st by appropriate average	e, max	day or max hour	r flow figure	s abov	/e - by class								





3.5. Water Rate Design Analysis

3.5.1 Analysis and Validation of Water Customer Data

An analysis of water billing data was conducted, using billing data provided by the District for Fiscal Year 2015. That water billing data was compiled and tested using multiple methods to ensure its accuracy for rate design purposes. It should be noted that the billing data provided for FY 15 was in a bi-monthly billing format as the District has only just recently moved to monthly billing. Therefore, assumptions were made to convert the bi-monthly billing data into a monthly format. To the extent that these assumptions are materially different than what actually occurred on a monthly basis a material impact to the analysis presented herein could result.

3.5.2 Summary of Water Fixed Charge Billing Data and Water Fixed Charge Development

The analysis of water billing data provided a count of bills and meters, by both customer class and meter size, which would become the basis by which the fixed monthly charges for the Water Utility would be developed. The Total Water Rate Revenue Requirement was apportioned to two rate components, the fixed charge component and the flow charge component. The calculations associated with the fixed charge calculations are presented in Tables W-9 for each fiscal year, FY 2016-2020, of the forecast period. Note that in FY 2017, and beyond, a Chromium 6 surcharge is calculated to recover the projected annual operating and capital costs of Chromium 6 during the forecast period. The Chromium 6 surcharge is a projection which should be updated to reflect the actual Chromium 6 costs as they ultimately materialize.





Tab Wa	le W-9 ter								FY 2016
De۱	elopment of	Fixed Charges							
			Fiscal Year	2016					
	Total Wa	ter Rate Revenu	e Requirement	\$ 4,961,969	•				
		Less: Chromi	um 6 Surcharge	\$ -					
	Net Wa	ater Rate Revenu	e Requirement	\$ 4,961,969	-				
		%	to Fixed Charge	45%					
	Fixe	d Charge Revenu	e Requirement	\$ 2,233,878					
		Portion t	o Billing Charge	\$ 295,319					
		Portion to	o Meter Charge	\$ 1,938,559					
			r	Summary of	Fixed Charges		1		1
		AWWA Meter			Monthly				
		Equivalency		Monthly	Charge per	Total Monthly		Chromium 6	
	Meter Size	Factor		Charge per Bill	Meter	Fixed Charge		Surcharge	
	0.75	1.00		\$ 3.57	\$ 15.39	\$ 18.96		\$-	
	1	1.67		3.57	25.65	29.22		-	
	1.5	3.33		3.57	51.30	54.87		-	
	2	5.33		3.57	82.08	85.65		-	
	3	10.00		3.57	153.90	157.47		-	
	4	16.67		3.57	256.50	260.07		-	
	6	33.33		3.57	513.00	516.57		-	
	8	53.33		3.57	820.80	824.37		-	
	10	76.67	l	3.57	1,179.90	1,183.47	J		
								ş -	
								Meter Equiv.	Meter
_	Meter Size	Residential	СОМ	SCH	CONS	FIRE	Total Bills	Factor	Equivalents
	0.75	23,136	180	-	-	-	23,316	1.00	23,316
	1	58,428	96	24	-	12	58,560	1.67	97,600
	1.5	360	-	-	-	-	360	3.33	1,200
	2	288	36	228	-	12	564	5.33	3,008
	3	-	-	12	60	-	72	10.00	720
	4	-	-	12	-	-	12	16.67	200
	6	-	-	-	-	-	-	33.33	-
	8	-	-	-	-	-	-	53.33	-
-	10 Total	-	-	-	-	-	-	/0.0/	126.044
	rotai	02,212	512	276	60 Portion t	o Billing Charge	02,884 غ 295 210) Meter Charge	120,044
					Monthly	Charge per Bill	3.57	ivalent Meters	15.39
				Po	ortion to Chromi	um 6 Surcharge	ş -		
						Annual Bills	82,884	-	
					Monthly	Charge per Bill	-		



Tab Wa	le W-9 ter								FY 2017
Dev	velopment of	Fixed Charges							
			Fiscal Year	2017					
	Total Wa	ater Rate Revenu	e Requirement	\$ 5,210,017	•				
		Less: Chromi	um 6 Surcharge	\$ 804,126					
	Net Wa	ater Rate Revenu	e Requirement	\$ 4,405,891	-				
		%	to Fixed Charge	45%					
	Fixe	d Charge Revenu	e Requirement	\$ 1,983,532					
		Portion t	o Billing Charge	\$ 295,319					
		Portion t	o Meter Charge	\$ 1,688,213					
				Summary of	Fixed Charges		1	·	
		AWWA Meter			Monthly				
		Equivalency		Monthly	Charge per	Total Monthly		Chromium 6	
	Meter Size	Factor		Charge per Bill	Meter	Fixed Charge		Surcharge	
	0.75	1.00		\$ 3.57	\$ 13.40	\$ 16.97		\$ 9.71	
	1	1.67		3.57	22.34	25.91		9.71	
	1.5	3.33		3.57	44.67	48.24		9.71	
	2	5.33		3.57	71.47	75.04		9.71	
	3	10.00		3.57	134.00	137.57		9.71	
	4	16.67		3.57	223.34	226.91		9.71	
	6	33.33		3.57	446.67	450.24		9.71	
	8	53.33		3.57	/14.6/	/18.24		9.71	
ᆝ└	10	/0.0/		3.57	1,027.34	1,030.91	l	9.71	
								\$ 804,120	
								Meter Equiv.	Meter
_	Meter Size	Residential	сом	SCH	CONS	FIRE	Total Bills	Factor	Equivalents
	0.75	23,136	180	-	-	-	23,316	1.00	23,316
	1	58,428	96	24	-	12	58,560	1.67	97,600
	1.5	360	-	-	-	-	360	3.33	1,200
	2	288	36	228	-	12	564	5.33	3,008
	3	-	-	12	60	-	72	10.00	720
	4	-	-	12	-	-	12	16.67	200
	6	-	-	-	-	-	-	33.33	-
	8	-	-	-	-	-	-	53.33	-
-	10	-	-	-	-	-	-	/6.6/	-
	Iotai	82,212	312	276	60 Dortion t	24 o Billing Charge	82,884	Motor Charge	126,044
					Monthh	Charge por Bill	<u> </u>	j weter Charge	<u>3 1,000,213</u> 12.40
					wonthy	charge per bill	5.57	invalent Meters	13.40
				Po	ortion to Chromi	um 6 Surcharge	\$ 804,126		
						Annual Bills	82,884	_	
					Monthly	Charge per Bill	9.71		



Tab Wa	le W-9 ter								FY 2018
Dev	elopment of	Fixed Charges							
			Fiscal Year	2018					
	Total Wa	ater Rate Revenu	e Requirement	\$ 5,470,118					
		Less: Chromi	um 6 Surcharge	\$ 804,126					
	Net Wa	ater Rate Revenu	e Requirement	\$ 4,665,992					
		%	to Fixed Charge	45%					
	Fixe	d Charge Revenu	e Requirement	\$ 2,100,630					
		Portion t	o Billing Charge	\$ 295,319					
		Portion to	o Meter Charge	\$ 1,805,311					
_				Summa	ry of Fixed Char	ges	1		
		AWWA Meter			Monthly				
		Equivalency		Wonthly	Charge per			Characteristic Complexity	
_	Neter Size	Factor		Charge per Bill	Meter	Fixed Charge		Chromium 6 Surcharge	
	0.75	1.00		\$ 3.57 2.57	\$ 14.33 22.90	\$ 17.90		Ş 9.71 0.71	
	1 5	1.07		3.57	23.89	27.40 E1.24		9.71	
	1.5	5.55		3.37	47.77	\$1.54 \$0.00		9.71	
	2	5.55		3.37	142.20	146.00		9.71	
	3	16.00		2.57	228.84	240.07		9.71	
	4	33 33		3.57	477.67	42.41		9.71	
	8	53.33		3.57	764.27	767.84		9.71	
	10	76.67		3.57	1 098 64	1 102 21		9.71	
	10	70.07		5.57	1,050.04	1,102.21	ţ	\$ 804 126	
								<i>v</i> 004,120	
									Meter
_	Meter Size	Residential	сом	SCH	CONS	FIRE	Total Bills	Meter Equiv. Factor	Equivalents
	0.75	23,136	180	-	-	-	23,316	1.00	23,316
	1	58,428	96	24	-	12	58,560	1.67	97,600
	1.5	360	-	-	-	-	360	3.33	1,200
	2	288	36	228	-	12	564	5.33	3,008
	3	-	-	12	60	-	72	10.00	720
	4	-	-	12	-	-	12	16.67	200
	6	-	-	-	-	-	-	33.33	-
	8	-	-	-	-	-	-	53.33	-
_	10	-	-	-	-	-	-	/6.6/	-
	Iotal	82,212	312	276	60	24	82,884	Doution to Motor	126,044
					Doution	o Dilling Charge	ć 205 210	Portion to Weter	ć 1 00F 311
					PORTION	o billing charge	\$ 295,519	Monthly Charge per	\$ 1,005,511
					Monthly	/ Charge per Bill	3.57	Equivalent Meters	14.33
				Po	rtion to Chromi	um 6 Surcharge	\$ 804.126		
				10		Annual Bills	82,884		
					Monthly	/ Charge per Bill	9.71	-	



Tak	ole W-9								FY 2019
Wa	iter								
De	velopment of	Fixed Charges							
			Fiscal Year	2019					
	Total Wa	ater Rate Revenu	e Requirement	\$ 5,743,574					
		Less: Chromi	um 6 Surcharge	\$ 1,004,126					
	Net Wa	ater Rate Revenu	e Requirement	\$ 4,739,448					
		%	to Fixed Charge	45%					
	Fixe	d Charge Revenu	e Requirement	\$ 2,133,699					
		Portion t	o Billing Charge	\$ 295,319					
		Portion to	o Meter Charge	\$ 1,838,380					
				Summa	ry of Fixed Char	ges			
Γ							1		
		AWWA Meter			Monthly				
		Equivalency		Monthly	Charge per	Total Monthly			
	Meter Size	Factor		Charge per Bill	Meter	Fixed Charge		Chromium 6 Surcharge	
	0.75	1.00		\$ 3.57	\$ 14.59	\$ 18.16		\$ 12.12	
	1	1.67		3.57	24.32	27.89		12.12	
	1.5	3.33		3.57	48.64	52.21		12.12	
	2	5.33		3.57	77.82	81.39		12.12	
	3	10.00		3.57	145.90	149.47		12.12	
	4	16.67		3.57	243.17	246.74		12.12	
	6	33.33		3.57	486.34	489.91		12.12	
	8	53.33		3.57	778.14	781.71		12.12	
L	10	76.67		3.57	1,118.57	1,122.14	Į	12.12	
								\$ 1,004,126	
									Meter
	Meter Size	Residential	СОМ	SCH	CONS	FIRE	Total Bills	Meter Equiv. Factor	Equivalents
	0.75	23,136	180	-	-	-	23,316	1.00	23,316
	1	58,428	96	24	-	12	58,560	1.67	97,600
	1.5	360	-	-	-	-	360	3.33	1,200
	2	288	36	228	-	12	564	5.33	3,008
	3	-	-	12	60	-	72	10.00	720
	4	-	-	12	-	-	12	16.67	200
	6	-	-	-	-	-	-	33.33	-
	8	-	-	-	-	-	-	53.33	-
_	10	-	-	-	-	-	-	76.67	
	Total	82,212	312	276	60	24	82,884	Portion to Mater	126,044
					Portion t	o Billing Charge	\$ 295,319	Charge	\$ 1,838,380
						88-	+	Monthly Charge per	+ _/=======
					Monthly	Charge per Bill	3.57	Equivalent Meters	14.59
				Po	rtion to Chromi	um 6 Surcharge	\$ 1,004,126		
						Annual Bills	82,884		
					Monthly	Charge per Bill	12.12	-	



Tal Wa	ole W-9 ater								FY 2020
De	velopment of	Fixed Charges							
			Fiscal Year	2020					
	Total Wa	ater Rate Revenu	e Requirement	\$ 6.030.703					
		Less: Chromi	um 6 Surcharge	\$ 1.010.126					
	Net Wa	ater Rate Revenu	e Requirement	\$ 5.020.577					
		%	to Fixed Charge	45%					
	Fixe	d Charge Revenu	e Requirement	\$ 2,260,264					
		Portion t	o Billing Charge	\$ 295,319					
		Portion to	o Meter Charge	\$ 1,964,945					
				Summa	ry of Fiyed Char	205			
Г		ſ		Summa	ry of fixed char	503	1	[]	
		AWWA Meter			Monthly				
		Fauivalency		Monthly	Charge per	Total Monthly			
	Meter Size	Factor		Charge per Bill	Meter	Fixed Charge		Chromium 6 Surcharge	
	0.75	1.00		\$ 3.57	\$ 15.59	\$ 19.16	1	\$ 12.19	
	1	1.67		3.57	25.99	29.56		12.19	
	1.5	3.33		3.57	51.97	55.54		12.19	
	2	5.33		3.57	83.15	86.72		12.19	
	3	10.00		3.57	155.90	159.47		12.19	
	4	16.67		3.57	259.84	263.41		12.19	
	6	33.33		3.57	519.67	523.24		12.19	
	8	53.33		3.57	831.47	835.04		12.19	
	10	76.67		3.57	1.195.24	1.198.81		12.19	
					,	,	1	\$ 1.010.126	
									Meter
	Meter Size	Residential	СОМ	SCH	CONS	FIRE	Total Bills	Meter Equiv. Factor	Equivalents
	0.75	23,136	180	-	-	-	23,316	1.00	23,316
	1	58,428	96	24	-	12	58,560	1.67	97,600
	1.5	360	-	-	-	-	360	3.33	1,200
	2	288	36	228	-	12	564	5.33	3,008
	3	-	-	12	60	-	72	10.00	720
	4	-	-	12	-	-	12	16.67	200
	6	-	-	-	-	-	-	33.33	-
	8	-	-	-	-	-	-	53.33	-
_	10	-	-	-	-	-	-	76.67	_
	Total	82,212	312	276	60	24	82,884		126,044
								Portion to Meter	
					Portion t	o Billing Charge	\$ 295,319	Charge	\$ 1,964,945
								Monthly Charge per	
					Monthly	/ Charge per Bill	3.57	Equivalent Meters	15.59
				Po	rtion to Chromi	um 6 Surcharge	\$ 1,010 126		
				10		Annual Rills	87,884		
					Monthly	Charge ner Bill	12 19	-	
						enarge per bill	12.15		



3.5.3 Analysis and Development of Water Tiers

In order to develop a tiered rate structure for consideration by the District it was necessary to first develop the break points for the 2-tier water rate structure. This was done by assuming the average person uses 75 gallons per day, a figure which is within industry standard assumptions with respect to per capita water use. That per capita water use was then multiplied by an assumed 3.7 persons per households – a figure provided by the District. This was then converted to a monthly usage figure per average residential customer of 12 CCF. This calculated figure was then compared to the average monthly billed water flow for residential customers of 12 CCF as a further measure of reasonableness. Non-residential customers are assumed to be billed the same rate per CCF, regardless of flow, therefore no water tiers were developed for non-residential.

3.5.4 Analysis and Development of Water Flow Charges

Use of Peaking Factors to Demonstrate Cost Differentials for Tiered Water Rates

The development of water flow charges, under a tiered water rate structure such as is proposed herein, requires a clear presentation of the assumptions and data used to develop the rate differentials at each tier in order to establish the nexus between the higher rates at higher tiers and cost to provide service at those tiers. The method by which we have established that nexus is through the use of peaking factors as a surrogate to the near impossible task of determining the true cost at each tier.

A peaking factor, in utility parlance, is the relationship of the peak period water use for a customer, or group of customers, to the average period flow. If customers in a class have a peak daily flow of 600 gallons and an average daily flow is 300 gallons, their "peaking factor" is 600/300, or 2.0.

By way of example, let's assume a group of Residential customers has an average daily water use of 1.0 Million Gallons per Day (MGD). If these customers only ever used their average 1.0 MGD, then the utility could invest in assets sufficient to deliver 1.0 MGD. However, many customers, Residential customers especially, have varying usage rates during any given period. For instance, it is typical for Residential customers to exhibit greater than average water use requirements during the morning hours as they prepare for work/school/etc. Because of this peak-time usage, where nearly all Residential customers require their maximum hourly water delivery at the same time, the utility must size it's assets to deliver



greater than the average use – at a higher cost. It is not atypical for Residential customers to have a peaking factor (peak use / average use) of 1.5 times or greater. Under our scenario here, this would require the utility size their water facilities (water plant, water transmission lines) to deliver <u>not</u> 1.0 MGD, but rather 1.5 MGD. This additional investment would not be required if the Residential customers in our example did not exhibit these peak demand characteristics. However, because their peak demand characteristics necessitate a higher level of utility investment (cost), it stands to reason that that additional cost should be borne by these customers.

If we stopped here in our example, we might be able to undertake a lengthy/costly engineering study to specifically identify the additional plant assets added over the last 30 years (utility assets have long lives) to serve the peaking requirements of our Residential class of customers. However, most utilities have a variety of customer types (Residential, Commercial, Industrial, etc.) which exhibit a wide range of peak and average flow characteristics. This makes it much more problematic to assign marginal costs to certain customer classes based on hard numbers derived from invoices for plant assets.

It is this difficultly in assigning costs to a heterogeneous customer base which leads utility rate practitioners to use a surrogate methodology to assign costs associated with meeting peak demand requirements to certain classes of customer. This method is the Base-Extra Capacity method, outlined in AWWA Manual M1, which assigns certain "Base" costs to all customers based on their share of the total system flow. "Peak" or "Max Day / Max Hour" costs are then assigned to customer classes based on their share of flows, as adjusted by their unique peaking characteristics – represented by their peaking factor. This peaking factor is used to differentiate the usage characteristics of each customer class and, therefore, assign peak-related costs to those classes in a proportion which is meant to be a surrogate for a more detailed, invoice by invoice, analysis of utility infrastructure costs.

From an engineering perspective, utilities hire consulting engineering firms to design utility plant/transmission assets to accommodate not only total flows, but peak flows. These engineering studies employ the use of peaking factors to determine the ultimate size of these assets (size in this case meaning capacity of water flow – typically measured in Million Gallons per Day (MGD)). These "peak-sized" assets are then assigned costs based on engineering cost algorithms which are based on the total capacity of the plant/transmission assets and which do not carve out the portion of the



plant/transmission costs associated with each customer class. The utility assets are viewed as one System, rather than individual pieces which serve certain customer classes and their average/peak demands.

Therefore, based on the above-described understanding of peaking factors, their use in the development of engineering cost estimates during the design of system assets, and their use as a cost of service surrogate in rate-making, a practice well established in the AWWA M1 Rate Manual and other industry literature, we have developed peaking factors specific to the District system for each water customer class. Further, for those classes which are to be subject to a tiered rate structure, we have developed peaking factor analysis provides a direct link to the differential rates presented herein for the two water tiers and the peaking factors for the customers which, on average, fall into those tiers. The peaking factor analysis resulted in a 1.58 times differential in the peaking factor for residential customers in Tier 1 versus Tier 2. Therefore, the rate differential in Tier 1 versus Tier 2 for customers subject to the tiered rate structure, the residential class, is also 1.58. This establishes the nexus between the peaking factor differential, a surrogate for cost differential, and the rate differential by tier.

The resulting calculation of rates for all water customer classes is presented in Table W-10 below.

Drought Rate Component to Water Flow Charge Structure

Table W-10 also notes an assumed reduction in flow due to elasticity of demand / State water restriction mandates. The District has an overall target reduction of 32% from FY 2013 flow levels. In discussions with the District it was decided that a future overall reduction of approximately 19%, combined with reductions the District has already achieved, would achieve an overall reduction of 32%. Therefore, this 19% reduction in future flows was factored into the baseline analysis.

The baseline flow charges for FY 2016-2020 are presented in Table W-10 below. A version of Table W-10 for each fiscal year is presented below.

The State has requested the District establish a system of policies, practices and procedures to address the statewide drought. In that regard, District staff developed a budget which would fund these



requirements. In addition, the lost revenue from the mandatory reduction in flow must be recaptured in the rates to ensure sufficient revenue to meet system financial requirements. Therefore, a drought rate surcharge, computed to recover these costs from all billed flow, was then developed and noted in Table W-10 below.





ater								FY 2016
and a second of Mileton Plans Channels								
velopment of water Flow Charges								
	Fiscal Year	2016						
Total Water	r Rate Revenue Requirement	4,961,969						
Less Fixed	Charge Revenue Requirement	(2,233,878)						
Flow C	harge Revenue Requirement	2,728,091						
.								
Drought Surd	harge Revenue Requirement	1,182,032						
		Flow Charge						
	% Cost	Revenue						
Customer Class	Distribution	Requirement						
RES	93%	2,540,786						
COM	0%	7,086						
SCH	6%	161,242						
CONS	1%	18,206						
FIRE	^{0%}	771						
	lotal ş	2,728,091						
Stop 1 Development of Paceline Flow Billing	Units After Electicity Adjustme	a t						
step 1 - Development of baseline Flow billing	Units After Elasticity Adjustmen	n					1	
	Annual Flow - Bef	ore Reduction fo	r Elasticity of	Annual Flow - Af	ter Reduction fo	r Elasticity of	Reduction in Flow	
		Demand			Demand		for Elasticity	
Customer Class	Tier 1	Tier 2	Total	Tier 1	Tier 2	Total	-	
RES	588,316	442,040	1,030,356	529,484	309,428	838,912	-19%	
COM	1,540	1,194	2,734	1,540	836	2,376	-13%	
SCH	2,374	69,326	71,700	2,374	48,528	50,902	-29%	
CONS	248	5,448	5,696	248	4,358	4,606	-19%	
FIRE	180 Total 502 658	/4	1 110 740	180	362 210	239	-6%	
	10tai 592,038	516,062	1,110,740	555,620	505,210	697,050	-19%	
Sten 2 - Application of Calculated Peaking Fact	tors to Tier 2 Flow							
step 2 supplication of calculated realing rate								
	Annual Flow - Af	ter Reduction for	Elasticity of	Final Flow for D	evelopment of F	ates (Tier 2	Tier 2 Peaking	
		Demand		Flow Adjuste	d by Tier 2 Peakir	ng Factors)	Factors (4)	
Customer Class	Tier 1	Tier 2	Total	Tier 1	Tier 2	Total		
RES	529,484	309,428	838,912	529,484	489,366	1,018,851	1.58	
COM	1,540	836	2,376	1,540	836	2,376	1.00	
SCH	2,374	48,528	50,902	2,374	48,528	50,902	1.00	
CONS	248	4,358	4,606	248	4,358	4,606	1.00	
FIRE	Total 522.826	362 210	239	180	59	1 076 074	1.00	
	10tal 555,826	303,210	897,030	555,820	545,146	1,076,974		
Step 3 - Allocation of Flow Charge Revenue Re	equirements by Tier and Develo	pment of Water	Rates by Tier					
step o should be ready to be ready to be ready	iqui entento by ner ana bereto	pinent of trater	nates by ner					
							Water Rates by Tie	r (Includes
							Drought Rate Comp	onent from
	Final Flow for D	evelopment of R	ates (Tier 2				Brought nate comp	
	Final Flow for D Flow Adjusted	evelopment of R by Tier 2 Peakin	ates (Tier 2 g Factors)	Usage Rang	e by Tier		Step 4 belo	w)
	Final Flow for D Flow Adjusted	evelopment of R. I by Tier 2 Peakin	ates (Tier 2 Ig Factors)	Usage Rang	e by Tier		Step 4 belo	w) Tier 2 per
Customer Class	Final Flow for D Flow Adjusted Tier 1	evelopment of R <u>I by Tier 2 Peakin</u> 	ates (Tier 2 g Factors) Total	Usage Rang	e by Tier Tier 2		Step 4 belo	w) Tier 2 per CCF
Customer Class	Final Flow for D Flow Adjuster Tier 1	evelopment of R <u>I by Tier 2 Peakin</u> Tier 2	ates (Tier 2 g Factors) Total	Usage Range Tier 1 0 - 1200 Cubic	Tier 2 Greater than		Step 4 belo	w) Tier 2 per CCF
Customer Class RES	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$	evelopment of R <u>1 by Tier 2 Peakin</u> Tier 2 1,220,370 \$	ates (Tier 2 <u>ig Factors)</u> Total 2,540,786	Usage Range Tier 1 0 - 1200 Cubic Feet	Tier 2 Greater than 1200 Cubic Feet		Step 4 belo Tier 1 Rate per CCF \$ 2.50	w) Tier 2 per CCF 3.95
Customer Class RES COM	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$	evelopment of R <u>by Tier 2 Peakin</u> <u>Tier 2</u> 1,220,370 \$ 2,493	ates (Tier 2 <u>ig Factors)</u> <u>Total</u> 2,540,786 7 086	Usage Range Tier 1 0 - 1200 Cubic Feet	Tier 2 Greater than 1200 Cubic Feet		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2 99	w) Tier 2 per CCF 3.95 2 99
Customer Class RES COM SCH	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520	evelopment of R d by Tier 2 Peakin Tier 2 1,220,370 \$ 2,493 153,722	ates (Tier 2 <u>g Factors)</u> <u>Total</u> 2,540,786 7,086 161,242	Usage Range Tier 1 0 - 1200 Cubic Feet All FI All FI	Tier 2 Greater than 1200 Cubic Feet ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17	w) Tier 2 per CCF 3.95 2.99 3.17
Customer Class RES COM SCH CONS	Final Flow for D Flow Adjusted Tier 1 \$ 1,320,416 \$ 4,593 7,520 980	evelopment of R d by Tier 2 Peakin Tier 2 1,220,370 \$ 2,493 153,722 17,226	ates (Tier 2 <u>Ig Factors)</u> Total 2,540,786 7,086 161,242 18,206	Usage Range Tier 1 0 - 1200 Cubic Feet All Fi All Fi All Fi	Tier 2 Greater than 1200 Cubic Feet ow ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96	w) Tier 2 per CCF 3.95 2.99 3.17 3.96
Customer Class RES COM SCH CONS FIRE	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 580	evelopment of R d by Tier 2 Peakin Tier 2 5 1,220,370 \$ 2,493 153,722 17,226 191	ates (Tier 2 <u>Ig Factors)</u> Total 2,540,786 161,242 18,206 771	Usage Range Tier 1 0 - 1200 Cubic Feet All Fi All Fi All Fi All Fi	Tier 2 Greater than 1200 Cubic Feet ow ow ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23
Customer Class RES COM SCH CONS FIRE	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 580 Total \$ 1,334,089 \$	Evelopment of R 1 by Tier 2 Peakin Tier 2 5 1,220,370 2,493 153,722 17,226 191 i 1,334,001	Total 2,540,786 7,086 161,242 18,206 771 2,728,091	Usage Range Tier 1 0 - 1200 Cubic Feet All Fi All Fi All Fi All Fi	Tier 2 Greater than 1200 Cubic Feet ow ow ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23
Customer Class RES COM SCH CONS FIRE	Final Flow for D Flow Adjusted Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 980 580 Total \$ 1,334,089 \$	evelopment of R t by Tier 2 Peakin Tier 2 ; 1,220,370 \$ 2,493 153,722 17,226 191 ; 1,394,001 \$	ates (Tier 2 Ig Factors) Total 2,540,786 7,086 161,242 18,206 771 2,728,091	Usage Range Tier 1 0 - 1200 Cubic Feet All FI All FI All FI	tier 2 Greater than 1200 Cubic Feet ow ow ow ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23
Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge C	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 580 Total \$ 1,334,089 \$ component of Water Rates from	evelopment of R d by Tier 2 Peakin Tier 2 2,493 153,722 17,226 191 3,394,001 \$ 1,394,001 \$ 1,394,001 \$	ates (Tier 2 Ig Factors) Total 2,540,786 2,540,786 161,242 18,206 771 2,728,091	Usage Range Tier 1 0 - 1200 Cubic Feet All Fi All Fi All Fi All Fi	Tier 2 Greater than 1200 Cubic Feet ow ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23
Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge C	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 580 Total \$ 1,334,089 \$ 000000000000000000000000000000000000	evelopment of R d by Tier 2 Peakin Tier 2 2,493 153,722 17,226 191 3,394,001 \$ 1,394,001 \$	Total 7048 2,540,786 7,086 161,242 18,206 771 2,728,091	Usage Range Tier 1 0 - 1200 Cubic Feet All FI All FI All FI	Tier 2 Greater than 1200 Cubic Feet ow ow ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23
Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge C	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 580 Total \$ 1,334,089 \$ 'omponent of Water Rates from Allocation o	evelopment of R <u>f by Tier 2 Peakin</u> Tier 2 ; 1,220,370 \$ 2,493 153,722 17,226 191 ; 1,394,001 \$ 1 Step 3 f Drought Rate Ref	ates (Tier 2 Ig Factors) Total 2,540,786 7,086 161,242 18,206 771 2,728,091 Svenue	Usage Range Tier 1 0 - 1200 Cubic Feet All FI All FI All FI	Tier 2 Greater than 1200 Cubic Feet ow ow ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23 Drought Surcharge	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23 Portion of
Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge C	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 980 Total \$ 1,334,089 \$ Component of Water Rates from Allocation o Requiri	evelopment of R d by Tier 2 Peakin Tier 2 ; 1,220,370 \$ 2,493 153,722 17,226 191 ; 1,394,001 \$ 1 Step 3 f Drought Rate Re nent by Class / T	ates (Tier 2 Ig Factors) Total 2,540,786 7,086 161,242 18,206 771 2,728,091 Svenue ier	Usage Range Tier 1 0 - 1200 Cubic Feet All FI All FI All FI All FI	Tier 2 Greater than 1200 Cubic Feet ow ow ow ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23 Drought Surcharge Water Rates b	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23 Portion of y Tier
Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge C	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 580 Total \$ 1,334,089 \$ Component of Water Rates from Allocation o Requir	evelopment of R I by Tier 2 Peakin Tier 2 i 1,220,370 2,493 153,722 17,226 191 i 1,394,001 t Step 3 f Drought Rate Rememb VClass / T	ates (Tier 2 Ig Factors) Total 2,540,786 7,086 161,242 18,206 771 2,728,091 svenue ier	Usage Range Tier 1 0 - 1200 Cubic Feet All Fi All Fi All Fi All Fi	Tier 2 Tier 2 Greater than 1200 Cubic Feet ow ow ow ow ow ow ow ow ow ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23 Drought Surcharge Water Rates b	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23 Portion of y Tier Tier 2 per
Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge C Step 4 - Development of Drought Surcharge C	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 Total \$ 1,334,089 \$ component of Water Rates from Allocation o Require Tier 1	evelopment of R i by Tier 2 Peakin Tier 2 i 1,220,370 i 1,220,370 i 2,493 153,722 17,226 191 i 3,394,001 i Step 3 f Drought Rate R: ment by Class / T Tier 2 17205	Total 7,086 161,242 18,206 771 2,728,091	Usage Range Tier 1 0 - 1200 Cubic Feet All FI All FI All FI All FI Usage by Tier 1	Tier 2 Greater than 1200 Cubic Feet ow ow ow ow Tier Tier 2 200 120		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23 Drought Surcharge Water Rates b Tier 1 Rate per CCF	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23 Portion of y Tier Tier 2 per CCF CCF
Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge C Customer Class RES COM	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 580 Total \$ 1,334,089 \$ component of Water Rates from Allocation o Require Tier 1 \$ 572,112 \$ 2150,24	evelopment of R I by Tier 2 Peakin Tier 2 1,220,370 2,493 153,722 17,226 191 i 1,394,001 h Step 3 f Drought Rate R nent by Class / T Tier 2 i 1166 00	ates (Tier 2 Ig Factors) Total 2,540,786 7,086 161,242 18,206 771 2,728,091 evenue ier Total 1,100,876 3,317,722	Usage Range Tier 1 0 - 1200 Cubic Feet All Fi- All Fi- All Fi- All Fi- All Fi- S29,484 529,484	Tier 2 Greater than 1200 Cubic Feet ow ow ow ow ow ow Tier Tier 2 309,428 926		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23 Drought Surcharge Water Rates b Tier 1 Rate per CCF \$ 1.09 1 400	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23 Portion of yTier Tier 2 per CCF \$ 1.71 1.40
Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge C Customer Class RES COM	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 580 Total \$ 1,334,089 \$ Component of Water Rates from Allocation o Require Tier 1 \$ 572,112 \$ 2,150,24	evelopment of R d by Tier 2 Peakin Tier 2 2,493 153,722 17,226 191 3,1394,001 \$ 1 Step 3 f Drought Rate R nent by Class / T Tier 2 528,764 \$ 1,166,99 67,757,86	Total 2,540,786 7,086 161,242 18,206 771 2,728,091 evenue ier Total 1,100,876 3,317,23 710,25 \$	Usage Range Tier 1 0 - 1200 Cubic Feet All FI: All FI: All FI: Usage by Tier 1 529,484 1,540 2 374	Tier 2 Greater than 1200 Cubic Feet ow ow ow ow ow ow ow ow ow ow ow ow ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23 Drought Surcharge Water Rates b Tier 1 Rate per CCF \$ \$ 1.09 1.40 1.40	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23 Portion of y Tier Tier 2 per <u>CCF</u> \$ 1.71 1.40 1.40
Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge C Customer Class RES COM SCH	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 Total \$ 1,334,089 \$ Component of Water Rates from Require Tier 1 \$ 572,112 \$ 2,150,24 3,314,72 346,27	evelopment of R t by Tier 2 Peakin Tier 2 2,493 153,722 17,226 191 5 1,394,001 \$ 1 Step 3 f Drought Rate Re ment by Class / T Tier 2 5 28,764 \$ 1,166.99 67,757.86 6.085.45	Total 70,086 161,242 182,026 771 2,728,091 evenue ier Total 1,100,876 3,317,23 71,02,58 6,431,72	Usage Range Tier 1 0 - 1200 Cubic Feet All FI: All FI: All FI: All FI: Usage by <u>Tier 1</u> 529,484 1,540 2,374 248	Tier 2 Greater than 1200 Cubic Feet ow ow ow ow ow ow Tier 309,428 836 48,528 4358		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23 Drought Surcharge Water Rates b Tier 1 Rate per CCF \$ \$ 1.09 \$ 1.09 1.40 1.40 1.40 1.40	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23 Portion of yTier Tier 2 per CCF \$ 1.71 1.40 1.40 1.40 1.40 1.40
Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge C Customer Class RES COM SCH CONS FIRE	Final Flow for D Flow Adjuster S 1,320,416 \$ 4,593 7,520 980 580 Total \$ 1,334,089 \$ component of Water Rates from Allocation o Requir Tier 1 \$ 572,112 \$ 2,150,24 3,314.72 346,27 251 33	evelopment of R i by Tier 2 Peakin Tier 2 1,220,370 2,493 153,722 17,226 191 i 1,394,001 i Step 3 f Drought Rate R ment by Class / T Tier 2 i 1,166.99 67,757.86 6,085.45 82.66	ates (Tier 2 Ig Factors) Total 2,540,786 7,086 161,242 18,206 771 2,728,091 evenue ler Total 1,100,876 3,317,23 71,072.58 6,431.72 33.398	Usage Range Tier 1 0 - 1200 Cubic Feet All FI: All FI: All FI: All FI: Usage by Tier 1 529,484 1,540 2,374 248 180	Tier 2 Greater than 1200 Cubic Feet ow ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23 Drought Surcharge Water Rates b Tier 1 Rate per CCF \$ \$ 1.09 1.40 1.40 1.40 1.40	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23 Portion of yTier Zer CCF \$ 1.71 1.40 1.40 1.40 1.40 1.40
Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge C Customer Class RES COM SCH CONS FIRE	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 580 Total \$ 1,334,089 \$ Component of Water Rates from Allocation o Requiri Tier 1 \$ 572,112 \$ 2,150,24 3,314,72 3,46,27 251,33	evelopment of R d by Tier 2 Peakin Tier 2 2,493 153,722 17,226 191 3,1394,001 \$ 1,394,001 \$ 1,394,00	ates (Tier 2 Ig Factors) Total 2,540,786 7,086 161,242 18,206 771 2,728,091 evenue ier Total 1,100,876 3,317.23 71,072.58 6,431.72 333.98	Usage Range Tier 1 0 - 1200 Cubic Feet All FI: All FI: All FI: All FI: Usage by Tier 1 529,484 1,540 2,374 248 180	Tier 2 Greater than 1200 Cubic Feet ow ow ow ow ow ow ow ow ow ow		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23 Drought Surcharge Water Rates b Tier 1 Rate per CCF \$ \$ 1.09 1.40 1.40 1.40 1.40	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23 Portion of y Tier Tier 2 per S 1.71 1.40 1.40 1.40
Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge C Customer Class RES COM SCH CONS FIRE	Final Flow for D Flow Adjuster Tier 1 \$ 1,320,416 \$ 4,593 7,520 980 580 Total \$ 1,334,089 \$ Component of Water Rates from Allocation o Requir Tier 1 \$ 572,112 \$ 2,150,24 3,314,72 346,27 346,27 346,27 251,33	evelopment of R d by Tier 2 Peakin Tier 2 2,493 153,722 17,226 191 3,1394,001 \$ 1,394,001 \$ 1 Step 3 f Drought Rate Rid ment by Class / T Tier 2 528,764 \$ 1,166.99 67,757.86 6,085.45 82.66	Total 7086 161,242 182,206 771 2,728,091 evenue ier Total 1,100,876 3,317,23 71,072,58 6,431,72 333.98	Usage Range Tier 1 0 - 1200 Cubic Feet All FI All FI All FI All FI 1 529,484 1,540 2,374 248 180	Tier 2 Tier 2 Greater than 1200 Cubic Feet ow ow ow ow ow 7 Tier Tier 2 309,428 836 48,528 4,358 59		Step 4 belo Tier 1 Rate per CCF \$ 2.50 2.99 3.17 3.96 3.23 Drought Surcharge Water Rates b Tier 1 Rate per CCF \$ \$ 1.09 1.40 1.40 1.40 1.40	w) Tier 2 per CCF 3.95 2.99 3.17 3.96 3.23 Portion of y Tier Tier 2 per CCF 5 1.71 1.40 1.40 1.40

(2) RES class includes billing codes: RES, COM2 and MR.
 (3) Reduction for elasticity / to meet state required flow reduction of 32% reflects reductions to date of approximately 13% per the District.

(4) Tier 2 peaking factors developed using District billing data. Developed by relating the average peaking factors for customers in Tier 2 to the average peaking factor for customers in Tier 1 in order to establish the relative cost to serve customers in Tier 2 versus Tier 1. No Tier 2 peaking factors used for Non-Residential as they are projected to have a uniform rate.





								FY 201
er								
elopment of Water Flow Charges	Elect Marson	2017						
Total Water F	FISCAL Year	\$ 5,210,017						
Less Fixed Ch	arge Revenue Requirement	(2.787.658)						
Flow Cha	arge Revenue Requirement	\$ 2,422,359						
Drought Surcha	arge Revenue Requirement	\$ 1,098,986						
		Flow Charge						
	% Cost	Revenue						
Customer Class	Distribution	Requirement						
RES	93%	\$ 2,256,045						
COM	0%	6,292						
CONS	0% 1%	143,172						
FIRE	0%	684						
	Total	\$ 2,422,359						
ep 1 - Development of Baseline Flow Billing U	nits After Elasticity Adjustme	ent					1	
	Annual Flow - Be	fore Reduction fo	or Elasticity of	Annual Flow - A	fter Reduction fo	r Elasticity of	Reduction in Flow	
Customer Class	Tier 1	Tier 2	Total	Tier 1	Tier 2	Total	IOI Elasticity	
RES	588,316	442,040	1,030,356	529,484	309,428	838,912	-19%	
СОМ	1,540	1,194	2,734	1,540	836	2,376	-13%	
SCH	2,374	69,326	71,700	2,374	48,528	50,902	-29%	
CONS	248	5,448	5,696	248	4,358	4,606	-19%	
FIRE	180	74	254	180	59	239	-6%	
	lotai 592,658	518,082	1,110,740	533,826	363,210	897,036	-19%	
	Annual Flow - A	fter Reduction fo Demand	or Elasticity of	Final Flow for Flow Adjuste	Development of F ed by Tier 2 Peaki	lates (Tier 2 ng Factors)	Tier 2 Peaking Factors (4)	
Customer Class	Tier 1	Tier 2	Total	Tier 1	Tier 2	Total		
860	500.101		000 010		100.000		4 5 6	
RES	529,484	309,428	838,912	529,484	489,366	1,018,851	1.58	
RES COM SCH	529,484 1,540 2 374	309,428 836 48 528	838,912 2,376 50,902	529,484 1,540 2 374	489,366 836 48 528	1,018,851 2,376 50,902	1.58 1.00 1.00	
RES COM SCH CONS	529,484 1,540 2,374 248	309,428 836 48,528 4,358	838,912 2,376 50,902 4,606	529,484 1,540 2,374 248	489,366 836 48,528 4,358	1,018,851 2,376 50,902 4,606	1.58 1.00 1.00 1.00	
RES COM SCH CONS FIRE	529,484 1,540 2,374 248 180	309,428 836 48,528 4,358 59	838,912 2,376 50,902 4,606 239	529,484 1,540 2,374 248 180	489,366 836 48,528 4,358 59	1,018,851 2,376 50,902 4,606 239	1.58 1.00 1.00 1.00 1.00	
RES COM SCH CONS FIRE	529,484 1,540 2,374 248 180 Total 533,826	309,428 836 48,528 4,358 59 363,210	838,912 2,376 50,902 4,606 239 897,036	529,484 1,540 2,374 248 180 533,826	489,366 836 48,528 4,358 59 543,148	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00	
RES COM SCH CONS FIRE TRE	529,484 1,540 2,374 248 180 Total 533,826	309,428 836 48,528 4,358 59 363,210	838,912 2,376 50,902 4,606 239 897,036	529,484 1,540 2,374 248 180 533,826	489,366 836 48,528 4,358 59 543,148	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00	
RES COM SCH CONS FIRE ep 3 - Allocation of Flow Charge Revenue Req	529,484 1,540 2,374 248 Total 533,826 uirements by Tier and Devel	309,428 836 48,528 4,358 59 363,210 opment of Water	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier	529,484 1,540 2,374 248 180 533,826	489,366 836 48,528 4,358 59 543,148	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00	
RES COM SCH CONS FIRE rep 3 - Allocation of Flow Charge Revenue Req	529,484 1,540 2,374 248 180 Total 533,826 uirements by Tier and Devel	309,428 836 48,528 4,358 59 363,210 opment of Water	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier	529,484 1,540 2,374 248 180 533,826	489,366 836 48,528 4,358 59 543,148	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 Uter Rates by Tie	r (Includes
RES COM SCH CONS FIRE :ep 3 - Allocation of Flow Charge Revenue Req	529,484 1,540 2,374 248 180 Total 533,826 uirements by Tier and Devel Final Flow for Final Flow for	309,428 836 48,528 4,358 59 363,210 opment of Water Development of f d by Tier 2 Peaki	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ne Factors)	529,484 1,540 2,374 248 180 533,826 Usage Rans	489,366 836 48,528 4,358 59 543,148	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 Water Rates by Tie Drought Rate Comp Step 4 belo	r (Includes onent from w)
RES COM SCH CONS FIRE iep 3 - Allocation of Flow Charge Revenue Req	529,484 1,540 2,374 Total 533,826 uirements by Tier and Devel Final Flow for Flow Adjuste	309,428 836 48,528 59 363,210 opment of Water Development of F	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors)	529,484 1,540 2,374 248 180 533,826 Usage Rang	489,366 836 48,528 4,358 59 543,148 ye by Tier	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 500 Water Rates by Tie Drought Rate Comp Step 4 belo	r (Includes onent from w) Tier 2 per
RES COM SCH CONS FIRE :ep 3 - Allocation of Flow Charge Revenue Req Customer Class	529,484 1,540 2,374 Total 248 180 Total 533,8256 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1	309,428 836 48,528 4,358 59 363,210 opment of Water Development of f d by Tier 2 Peakin Tier 2	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total	529,484 1,540 2,374 248 180 533,826 Usage Rang	489,366 836 48,528 4,358 59 543,148 26 by Tier Tier 2	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 Trought Rates by Tie Drought Rate Comp Step 4 belo Tier 1 Rate per CCF	r (Includes onent from w) Tier 2 per CCF
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class	529,484 1,540 2,374 200 Total 533,826 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1	309,428 836 48,528 4,358 59 363,210 Development of Mater Development of f d by Tier 2 Peaking Tier 2	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic	489,366 836 48,528 4,358 59 543,148 <u>reactions</u> <u>reactions</u> <u>reactions</u>	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 Throught Rates by Tie Drought Rate Comp Step 4 belo Tier 1 Rate per CCF	r (Includes onent from w) Tier 2 per CCF
RES COM SCH CONS FIRE ep 3 - Allocation of Flow Charge Revenue Req Customer Class RES	529,484 1,540 2,374 248 180 Total 533,826 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1 \$ 1,172,440	309,428 836 48,528 4,358 59 363,210 opment of Water Development of H d by Tier 2 Peakin Tier 2 \$ 1,083,606	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045	529,484 1,540 2,374 248 180 533,826 Usage Rang <u>Tier 1</u> 0 - 1200 Cubic Feet	489,366 836 48,528 4,358 59 543,148 26 by Tier Tier 2 Greater than 1200 Cubic Eeet	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 Drought Rates by Tile The per Composition of the per CCF S 2.22	r (Includes onent from w) Tier 2 per <u>CCF</u> 3.5
RES COM SCH CONS FIRE ep 3 - Allocation of Flow Charge Revenue Req Customer Class RES	529,484 1,540 2,374 Total 533,826 uirements by Tier and Devel Final Flow Adjuste Tier 1 \$ 1,172,440 4 078	309,428 836 48,528 4,358 59 363,210 opment of Water Development of f d by Tier 2 Peakin Tier 2 \$ 1,083,606 \$ \$ 2,213	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6 292	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet	489,366 836 48,528 4,358 59 543,148 20 543,148 20 544 20 545 20 	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 Drought Rate Sby Tie Drought Rate Comp Step 4 belo Tier 1 Rate per CCF \$ 2.22 2.65	r (Includes onent from w) Tier 2 per CCF 3.5
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH	529,484 1,540 2,374 Total 248 180 Total 533,826 Final Flow for Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677	309,428 836 48,528 4,358 59 363,210 opment of Water Development of I d by Tier 2 Peakin Tier 2 \$ 1,083,606 2,213 136,494	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172	529,484 1,540 2,374 248 180 533,826 Usage Rang <u>Tier 1</u> 0 - 1200 Cubic Feet All F	489,366 836 48,528 4,358 59 543,148 <u>59</u> 543,148 <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7175</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7167</u> <u>7</u>	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 1.00 Torought Rate Comp Step 4 belo Tier 1 Rate per CCF \$ 2.22 2.65 2.82	r (Includes onent from w) Tier 2 per <u>CCF</u> 3.5 2.6 2.6
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS	529,484 1,540 2,374 180 Total 533,826 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677 870	309,428 836 48,528 4,358 59 363,210 opment of Water Development of Vater Development of Vater Tier 2 Evelopment of S 1,083,606 \$ 1,083,606 \$ 1,083,606 \$ 1,083,606 \$ 1,083,606 \$ 2,213 136,494 15,296	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F	489,366 836 48,528 4,358 59 543,148 <u>59</u> 543,148 <u>76</u> Greater than 1200 Cubic Feet low low	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 5 2.22 2.65 2.82 3.51	r (Includes onent from w) Tier 2 per CCF 3.5 2.6 3.5
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE	529,484 1,540 2,374 Total 533,826 uirements by Tier and Devel Final Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677 870 515	309,428 836 48,528 4,358 59 363,210 opment of Water Development of H d by Tier 2 Peakin Tier 2 \$ 1,083,606 \$ 2,213 136,494 15,296 169	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 6,84	529,484 1,540 2,374 248 180 533,826 Usage Rang <u>Tier 1</u> 0 - 1200 Cubic Feet All F All F All F All F	489,366 836 48,528 4,358 59 543,148 543,148 543,148 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 764 765 764 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765 765765 765 765 765 765765 765 765 765 765765 765 765 765 765765 765765 765 765 765 765 765 765765 765 765 765 765765 765 765 765 765 765765 765 765 765 765765 765 765 765765 765 765765 765 765765 765 765765 765 765765 765 765765 765765 765 765765 765765 765765 765765765765765765765765	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00	r (Includes onent from w) Tier 2 per CCF 3.5 2.6 3.5 3.5 2.6
RES COM SCH CONS FIRE iep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE	529,484 1,540 2,374 248 180 Total 533,826 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677 870 515 Total \$ 1,184,580	309,428 836 48,528 4,358 59 363,210 opment of Water Development of Water Development of Water 2,213 136,494 15,296 169 \$ 1,237,778	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 6,84 \$ 2,422,359	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F All F	489,366 836 48,528 4,358 59 543,148 26 by Tier Tier 2 Greater than 1200 Cubic Feet Iow Iow Iow	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00	r (Includes onent fron w) Tier 2 per CCF 3.5 2.6 3.5 2.8
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE	529,484 1,540 2,374 180 Total 533,826 similar flow for Flow Adjuster Titer 1 \$ 1,172,440 4,078 6,677 870 515 Total \$ 1,184,580 magnent of Water Bates for	309,428 836 48,528 4,358 59 363,210 opment of Water Development of f d by Tier 2 Peakin Tier 2 \$ 1,083,606 \$ 1,083,606 169 13,293 136,494 15,296 169 \$ 1,237,778 \$ 1,237,778,778 \$ 1,237,778 \$ 1,237,778 \$ 1,237,7	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 684 \$ 2,422,359	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F All F	489,366 836 48,528 4,358 59 543,148 59 543,148 545,14855,148 545,148 545,148 545,148 545,14855,148 545,148,148 545,148,148,14855,148 545,148,148,148,148,148,148,148,148,148,148	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 1.00 Water Rates by Tie Drought Rate Comp <u>Step 4 belo</u> Tier 1 Rate per CCF \$ 2.22 2.65 2.82 3.51 2.87	r (Includes onent fron w) Tier 2 per CCF 3.5 2.6 3.5 2.8
RES COM SCH CONS FIRE :ep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE :ep 4 - Development of Drought Surcharge Co	529,484 1,540 2,374 Total 2,374 180 Total 533,8256 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677 870 515 Total \$ 1,184,580 mponent of Water Rates from	309,428 836 48,528 4,358 59 363,210 opment of Water Development of Water Development of Water 2,213 136,494 15,296 169 \$ 1,237,778 \$	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 684 \$ 2,422,359	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F All F	489,366 836 48,528 4,358 59 543,148 543,148 71er 2 Greater than 1200 Cubic Feet low low low	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 1.00 Water Rates by Tie Drought Rate Comp <u>Step 4 belo</u> Tier 1 Rate per CCF 2.65 2.82 3.51 2.87	r (Includes onent from w) Tier 2 per CCF 3.5 2.6 2.8 3.5 2.8
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE tep 4 - Development of Drought Surcharge Con	529,484 1,540 2,374 200 Total 233,826 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677 870 515 Total \$ 1,184,580 mponent of Water Rates fro Allocation	309,428 836 48,528 4,358 59 363,210 opment of Water Development of Water Development of Water Comparison of Water Tier 2 \$ 1,083,606 2,213 136,494 15,296 169 \$ 1,237,778 \$ m Step 3 of Drought Rate F	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 684 \$ 2,422,359 Revenue	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F All F	489,366 836 48,528 4,358 59 543,148 1er Tier 2 Greater than 1200 Cubic Feet low low low	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 1.00 Torought Rate Comp Step 4 belo Tier 1 Rate per CCF \$ 2.22 2.65 2.82 3.51 2.87 Drought Surcharge	r (Includes onent from w) Tier 2 per CCF 3.5 2.6 2.8 3.5 2.8 3.5 2.8 Portion of
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE tep 4 - Development of Drought Surcharge Con	529,484 1,540 2,374 248 180 Total 533,826 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677 870 515 Total \$ 1,184,580 mponent of Water Rates fro Allocation Requi	309,428 836 48,528 4,358 59 363,210 opment of Water Development of Vater Development of Vater Development of Vater Comparison of Vater 10,083,606 \$ 1,083,606 \$ 1,083,606 10,09 \$ 1,237,778 \$ 1,237,778,778,778 \$ 1,237,778,778 \$ 1,237,778,778 \$ 1,237,778,778 \$	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 684 \$ 2,422,359 Revenue Tier	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F All F	489,366 836 48,528 4,358 59 543,148 ge by Tier Tier 2 Greater than 1200 Cubic Feet Iow Iow Iow	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 5 2.22 2.65 2.82 3.51 2.87 Drought Surcharge Water Rates b	r (Includes onent from w) Tier 2 per CCF 3.5 2.6 2.8 3.5 2.8 9 Portion of y Tier
RES COM SCH CONS FIRE ep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE ep 4 - Development of Drought Surcharge Con	529,484 1,540 2,374 248 180 Total 533,826 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677 870 515 Total \$ 1,184,580 mponent of Water Rates fro Allocation Requi	309,428 836 48,528 4,358 59 363,210 opment of Water Development of Water Development of Water 2,213 136,494 15,296 169 \$ 1,237,778 \$ 1,083,606 169 \$ 1,237,778 \$ 1	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 684 \$ 2,422,359 Revenue Tier	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F All F All F Usage b	489,366 836 48,528 4,358 59 543,148 26 by Tier Tier 2 Greater than 1200 Cubic Feet Iow Iow Iow Iow	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00	r (Includes onent from w) Tier 2 per 3.5 2.6 2.8 3.5 2.8 Portion of y Tier Tier 2 per
RES COM SCH CONS FIRE :ep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE :ep 4 - Development of Drought Surcharge Con Customer Class RES	529,484 1,540 2,374 248 180 Total 533,826 signal Flow for Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677 870 515 Total \$ 1,184,580 mponent of Water Rates fro Allocation Requit 5 531,917	309,428 836 48,528 4,358 59 363,210 opment of Water Development of Vater Development of Vater 2,213 136,494 15,296 169 \$ 1,237,778 \$ 1,083,606 169 \$ 1,237,778 \$ 1,083,606 169 \$ 1,237,778 \$ 1,083,606 169 169 \$ 1,237,778 \$ 1,083,606 169 169 169 169 169 169 169 169 169 16	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 684 \$ 2,422,359 Revenue Tier Total \$ 1,023,532	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F All F All F I F I F I F I F I F I F I F I	489,366 836 48,528 4,358 59 543,148 29 543,148 20 543,148 20 764 20 20 20 20 20 20 20 20 20 20 20 20 20	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 5 2.22 2.65 2.82 3.51 2.87 Drought Surcharge Water Rates b Tier 1 Rate per CCF 5 1.01	r (Includes onent from w) Tier 2 per CCF 3.5 2.8 9 Portion of y Tier Tier 2 per CCF 5 2 CF 5 2 CF
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE tep 4 - Development of Drought Surcharge Con RES COM	529,484 1,540 2,374 248 180 Total 533,826 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677 870 515 Total \$ 1,184,580 mponent of Water Rates fro Allocation Requi Tier 1 \$ 531,917 1,999,17 1,999,17	309,428 836 48,528 4,358 59 363,210 opment of Water Development of Water Development of Water Tier 2 \$ 1,083,606 2,213 136,494 15,296 169 \$ 1,237,778 \$ 1,237,7778 \$ 1,237,7775 \$ 1,237,7775 \$ 1,237,7775 \$ 1,237,7775 \$ 1,237,7775 \$ 1,23	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 684 \$ 2,422,359 Revenue Tetal \$ 1,023,532 3,084.17	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F All F All F 529,484 1,540	489,366 836 48,528 4,358 59 543,148 <u>ree by Tier</u> <u>Tier 2</u> Greater than 1200 Cubic Feet low low low low <u>y Tier</u> <u>Tier 2</u> 309,428 836	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 Drought Rate Comp Step 4 belo Tier 1 Rate per CCF 2.65 2.82 3.51 2.87 Drought Surcharge Water Rates b Tier 1 Rate per CCF 5 1.01 1.30 1.30	r (Includes onent from w) Tier 2 per CCF 3.5 2.8 3.5 2.8 Portion of y Tier Tier 2 per CCF \$ 1.5 1.3
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE tep 4 - Development of Drought Surcharge Con Customer Class RES COM SCH	529,484 1,540 2,374 248 180 Total 533,826 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677 515 Total \$ 1,172,440 4,078 6,677 515 Total \$ 1,184,580 mponent of Water Rates fro Allocation Requi Tier 1 \$ 531,917 1,999,17 3,081,83 8,081,83 1,081,83 1,091,7 1,999,17 3,081,83 5,081,83 5,081,83 5,081,83 5,081,83 5,081,83 5,081,83 5,091,7 1,999,17 3,081,83 5,081,83 5,081,83 5,081,83 5,081,83 5,081,83 5,081,83 5,081,83 5,081,83 5,081,83 5,091,7 5,091,7 5,091,7 5,099,17 5,091,	309,428 836 48,528 4,358 59 363,210 opment of Water Development of Water Development of Water Tier 2 \$ 1,083,606 \$ 1,083,606 169 \$ 1,237,778 \$ 1,237,7	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 684 \$ 2,422,359 Revenue Tier Total 6,079,24	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F All F All F Usage b Tier 1 529,484 1,540 2,374	489,366 836 48,528 4,358 59 543,148 ge by Tier Tier 2 Greater than 1200 Cubic Feet Iow Iow Iow Iow Iow Iow Iow Iow Iow Iow	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00	r (Includes onent from w) Tier 2 per 2.8 3.5 2.8 9 Portion of y Tier Tier 2 per CCF \$ 1.5 1.3 1.3
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE tep 4 - Development of Drought Surcharge Con Customer Class RES COM SCH COM SCH CONS	529,484 1,540 2,374 248 180 Total 533,826 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677 501 \$ 1,172,440 4,078 6,677 501 \$ 1,172,440 4,078 6,677 501 \$ 1,172,440 4,078 6,677 501 \$ 1,172,440 4,078 6,677 501 \$ 1,172,440 515 Total \$ 1,184,580 mponent of Water Rates fro Requir Tier 1 \$ 531,917 1,999.17 3,081.83 321.94	309,428 836 48,528 4,358 59 363,210 opment of Water Development of Water Development of Water 2,213 136,494 15,296 5 1,237,778 5 1,237,778 5 491,615 2,917,40 5,657,90	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 684 \$ 2,422,359 Revenue Tier Total \$ 1,023,532 3,084,17 66,079,24 5,979,85	529,484 1,540 2,374 248 180 533,826 Usage Ray Tier 1 0 - 1200 Cubic Feet All F All F All F All F 1529,484 1,540 2,374 248	489,366 836 48,528 4,358 59 543,148 26 by Tier Tier 2 Greater than 1200 Cubic Feet Iow Iow Iow Iow Tier 2 309,428 836 48,528 4,358	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00	r (Includes onent from w) Tier 2 per CCF 3.5 2.6 2.8 3.5 2.8 3.5 2.8 Yortion of y Tier Tier 2 per CCF 5 1.5 1.3 1.3 1.3
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE tep 4 - Development of Drought Surcharge Cov RES COM SCH COM SCH COM SCH COM SCH COM SCH COM	529,484 1,540 2,374 Total 2,374 180 Total 533,826 signal Flow for Flow Adjuste Final Flow for Flow Adjuste 1,172,440 4,078 6,677 870 515 Total \$ 1,184,580 mponent of Water Rates fro Allocation Requi Tier 1 \$ 531,917 1,999,17 3,081,83 321,94 233,67	309,428 836 48,528 4,358 59 363,210 opment of Water Development of I d by Tier 2 Peakin Tier 2 \$ 1,083,606 2,213 136,494 15,296 169 \$ 1,223,778 \$ 1,233,778 \$ 1,233,7785,7785,7785,7785,7785,7785,7785,77	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 684 \$ 2,422,359 Revenue Tier 3,084,17 66,079,24 5,979,85 310,52	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F All F 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19 19	489,366 836 48,528 4,358 59 543,148 200 Cubic Feet 1000 1000 1000 1000 1000 1000 1000 1	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 5 2.22 2.65 2.82 3.51 2.87 Drought Surcharge Water Rates b Tier 1 Rate per CCF § 1.01 1.30 1.30 1.30 1.30	r (Includes onent from w) Tier 2 per CCF 3.5 2.8 9 7 7 1 5 1.5 1.3 1.3 1.3 1.3
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE tep 4 - Development of Drought Surcharge Con Customer Class RES COM SCH COM SCH COM SCH COM SCH	529,484 1,540 2,374 Total 2,374 Total 533,826 uirements by Tier and Devel Final Flow for Flow Adjuste 7870 5 1,172,440 4,078 6,677 870 515 Total \$ 1,184,580 mponent of Water Rates fro Allocation Requi Tier 1 \$ 531,917 1,999,17 3,081.83 321,94 233,67	309,428 836 48,528 4,358 59 363,210 opment of Water Development of Water Tier 2 \$ 1,083,606 5 1,083,606 2,213 136,494 15,296 169 \$ 1,237,778 5 1,237,778 5 1,083,606 5 1,237,778 5 1,237,778 5 1,083,600 5 2,97,40 5 6,57,90 76,85	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 684 \$ 2,422,359 Revenue Ter \$ 1,023,532 3,084,17 66,079,24 5,979,85 310,52	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F All F All F 1 529,484 1,540 2,374 248 180	489,366 836 48,528 4,358 59 543,148 ge by Tier Tier 2 Greater than 1200 Cubic Feet low low low low low low low solution Tier 2 830,428 836 48,528 4,358 59	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 1.00 1.00 Water Rates by Tie Drought Rate Comp Step 4 belo Tier 1 Rate per CCF 5 2.22 2.65 2.82 3.51 2.87 Drought Surcharge Water Rates b Tier 1 Rate per CCF 5 1.01 1.30 1.30 1.30	r (Includes onent from w) Tier 2 per CCF 3.5 2.6 2.8: 3.5; 2.8; Portion of y Tier S 1.53 1.33 1.33 1.34
RES COM SCH CONS FIRE tep 3 - Allocation of Flow Charge Revenue Req Customer Class RES COM SCH CONS FIRE :ep 4 - Development of Drought Surcharge Con Customer Class RES COM SCH CONS FIRE :ep 1 - Development of Drought Surcharge Con The Cons RES COM SCH CONS FIRE COM SCH CONS FIRE	529,484 1,540 2,374 248 180 Total 533,826 uirements by Tier and Devel Final Flow for Flow Adjuste Tier 1 \$ 1,172,440 4,078 6,677 515 Total \$ 1,172,440 4,078 6,677 515 Total \$ 1,184,580 mponent of Water Rates fro Allocation Requi Tier 1 \$ 531,917 1,999,17 3,081,83 321,94 233,67 idential set assuming 3.7 Pe	309,428 836 48,528 4,358 59 363,210 363,210 363,210 0pment of Water Development of Water Tier 2 \$ 1,083,606 \$ 1,083,606 \$ 2,213 136,494 15,296 169 \$ 1,237,778 \$ 1,237,778,778 \$ 1,237,778,778 \$ 1,237,778 \$ 1,237	838,912 2,376 50,902 4,606 239 897,036 r Rates by Tier Rates (Tier 2 ng Factors) Total \$ 2,256,045 6,292 143,172 16,166 6,84 \$ 2,422,359 Revenue Tier Total \$ 1,023,532 3,084,17 66,079,24 5,979,85 310.52 hold, using 75 Gal	529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All F All F All F All F 29,484 1,540 2,374 248 180 per Day - converted	489,366 836 48,528 4,358 59 543,148 200 200 200 200 200 200 200 200 200 20	1,018,851 2,376 50,902 4,606 239 1,076,974	1.58 1.00 1.00 1.00 1.00 1.00 1.00 1.00 Drought Rate Comp Step 4 belo Tier 1 Rate per CCF \$ \$ 2.22 2.65 2.82 3.51 2.87 Drought Surcharge Water Rates b Tier 1 Rate per CCF \$ \$ 1.01 1.30 1.30 1.30 1.30 1.30 1.30 1.30 1.30	r (Includes onent from w) Tier 2 per CCF 3.5 2.6 2.8 3.5 2.8 Portion of y Tier Tier 2 per CCF \$ 1.5 1.3 1.3 1.3 1.3

(4) Tier 2 peaking factors developed using District billing data. Developed by relating the average peaking factors for customers in Tier 2 to the average peaking factor for customers in Tier 1 in order to establish the relative cost to serve customers in Tier 2 versus Tier 1. No Tier 2 peaking factors used for Non-Residential as they are projected to have a uniform rate.





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velopment of Water Flow Charges	Ficcal Voar	2019						
Total Water Pate	Povonuo Poquiromont	\$ 5,470,119						
Less Fixed Charg	e Revenue Requirement	(2 904 756)						
Flow Charge	Revenue Requirement	\$ 2,565,362						
		+ _,,						
Drought Surcharge	Revenue Requirement	\$ 1,137,830						
	% Cost	Flow Charge						
Customer Class	Distribution	Requirement						
RES	93%	\$ 2 389 231						
COM	0%	6,663						
SCH	6%	151,624						
CONS	1%	17,120						
FIRE	0%	725						
	Total	\$ 2,565,362						
itep 1 - Development of Baseline Flow Billing Units	After Elasticity Adjustm	ent						
	Annual Flow - B	etore Reduction fo Demand	or elasticity of	Annual Flow - A	πer Reduction fo Demand	r Elasticity of	for Elasticity	
Customer Class	Tier 1	Tier 2	Total	Tier 1	Tier 2	Total		
RES	588.316	442.040	1.030.356	529.484	309.428	838.917	-19%	
COM	1.540	1.194	2.734	1.540	836	2.376	-13%	
SCH	2.374	69,326	71,700	2,374	48,528	50,902	-29%	
CONS	248	5,448	5,696	248	4,358	4,606	-19%	
FIRE	180	74	254	180	59	239	-6%	
	Total 592,658	518,082	1,110,740	533,826	363,210	897,036	-19%	
	Annual Flow - A	After Reduction fo Demand	r Elasticity of	Final Flow for I Flow Adjuste	Development of F d by Tier 2 Peaki	Rates (Tier 2 ng Factors)	Tier 2 Peaking Factors (4)	
Customer Class	Annual Flow - A Tier 1	After Reduction fo Demand Tier 2	r Elasticity of Total	Final Flow for I Flow Adjuste Tier 1	Development of F d by Tier 2 Peakin Tier 2	Rates (Tier 2 ng Factors) Total	Tier 2 Peaking Factors (4)	
Customer Class RES	Annual Flow - 4 Tier 1 529,484	After Reduction fo Demand Tier 2 309,428	r Elasticity of Total 838,912	Final Flow for I Flow Adjuste Tier 1 529,484	Development of F d by Tier 2 Peakin Tier 2 489,366	Rates (Tier 2 ng Factors) Total 1,018,851	Tier 2 Peaking Factors (4)	
Customer Class RES COM	Annual Flow - / Tier 1 529,484 1,540	After Reduction fo Demand Tier 2 309,428 836 40 520	r Elasticity of <u>Total</u> 2,376 5000	Final Flow for I Flow Adjuste Tier 1 529,484 1,540	Development of F d by Tier 2 Peakin Tier 2 489,366 836	Rates (Tier 2 ng Factors) Total 1,018,851 2,376	Tier 2 Peaking Factors (4) 1.58 1.00	
Customer Class RES COM SCH	Annual Flow - 7 Tier 1 529,484 1,540 2,374	After Reduction fo Demand Tier 2 309,428 836 48,528 4,259	r Elasticity of Total 838,912 2,376 50,902 4,606	Final Flow for I Flow Adjuste Tier 1 529,484 1,540 2,374 248	Development of F d by Tier 2 Peakin Tier 2 489,366 836 48,528 4.358	Rates (Tier 2 ng Factors) Total 1,018,851 2,376 50,902 4,606	Tier 2 Peaking Factors (4) 1.58 1.00 1.00	
Customer Class RES COM SCH CONS FIRF	Annual Flow - J Tier 1 529,484 1,540 2,374 248 180	After Reduction fo Demand Tier 2 309,428 836 48,528 4,358 59	r Elasticity of Total 838,912 2,376 50,902 4,606 239	Final Flow for I Flow Adjuste Tier 1 529,484 1,540 2,374 248 180	Development of F d by Tier 2 Peakin Tier 2 489,366 836 48,528 4,358 59	Rates (Tier 2 ng Factors) Total 1,018,851 2,376 50,902 4,606 239	Tier 2 Peaking Factors (4) 1.58 1.00 1.00 1.00 1.00	
Customer Class RES COM SCH CONS FIRE	Annual Flow - J Tier 1 529,484 1,540 2,374 248 180 Total 533,826	After Reduction fo Demand Tier 2 309,428 836 48,528 4,358 59 363,210	r Elasticity of Total 838,912 2,376 50,902 4,606 239 897,036	Final Flow for I Flow Adjuste Tier 1 529,484 1,540 2,374 248 180 533,826	Development of F d by Tier 2 Peakin Tier 2 489,366 836 48,528 4,358 59 543,148	Rates (Tier 2 ng Factors) Total 1,018,851 2,376 50,902 4,606 239 1,076,974	Tier 2 Peaking Factors (4) 1.58 1.00 1.00 1.00 1.00	
Customer Class RES COM SCH CONS FIRE Sitep 3 - Allocation of Flow Charge Revenue Require	Annual Flow - 7 Tier 1 529,484 1,540 2,374 248 180 Total 533,826 ments by Tier and Deve	After Reduction fo Demand Tier 2 309,428 836 48,528 4,358 59 363,210 lopment of Water	r Elasticity of Total 838,912 2,376 50,902 4,606 239 897,036 Rates by Tier	Final Flow for 1 Flow Adjuste Tier 1 529,484 1,540 2,374 248 180 533,826	Development of f d by Tier 2 Peakin Tier 2 489,366 836 48,528 4,358 59 543,148	Rates (Tier 2 ng Factors) Total 1,018,851 2,376 50,902 4,606 239 1,076,974	Tier 2 Peaking Factors (4) 1.58 1.00 1.00 1.00 1.00	
Customer Class RES COM SCH CONS FIRE Step 3 - Allocation of Flow Charge Revenue Require	Annual Flow - 7 Tier 1 529,484 1,540 2,374 248 180 Total 533,826 ments by Tier and Deve	After Reduction fo Demand Tier 2 309,428 836 48,528 4,358 59 363,210 lopment of Water	r Elasticity of Total 838,912 2,376 50,902 4,606 239 897,036 Rates by Tier	Final Flow for 1 Flow Adjuste Tier 1 529,484 1,540 2,374 248 180 533,826	Development of f d by Tier 2 Peakin Tier 2 489,366 8366 48,528 4,358 59 543,148	Rates (Tier 2 ng Factors) Total 1,018,851 2,376 50,902 4,606 239 1,076,974	Tier 2 Peaking Factors (4) 1.58 1.00 1.00 1.00 1.00 1.00	er (Includes
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Customer Class RES COM SCH CONS FIRE Step 3 - Allocation of Flow Charge Revenue Require Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge Compo	Annual Flow - 7 Tier 1 529,884 1,540 2,374 248 180 Total 533,826 ments by Tier and Deve Final Flow for Flow Adjust: Tier 1 \$ 1,241,655 4,319 7,071 922 545 Total \$ 1,254,512 ment of Water Rates fro Allocation	After Reduction fo Demand Tier 2 309,428 836 48,528 4,358 4,358 59 363,210 Iopment of Water Development of F ed by Tier 2 Peakir Tier 2 \$ 1,147,576 2,344 144,552 16,199 \$ 1,310,850 \$ 0 m Step 3 of Drought Rate R	r Elasticity of Total 838,912 2,376 50,902 4,606 239 897,036 Rates by Tier Rates (Tier 2 ng Factors) Total 6,663 151,624 17,120 725 2,565,362	Final Flow for I Flow Adjuste Tier 1 529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All Fl All Fl All Fl	Development of f d by Tier 2 Peakin Tier 2 489,366 836 48,528 4,358 59 543,148 e by Tier Tier 2 Greater than 1200 Cubic Feet ow ow ow	Rates (Tier 2 ng Factors) Total 1,018,871 50,902 4,660 239 1,076,974	Tier 2 Peaking Factors (4) 1.58 1.00 1.00 1.00 1.00 Water Rates by Tie Drought Rate Com Step 4 below Tier 1 Rate per CCF \$ 2.35 2.81 2.98 3.72 3.03 Drought Surcharge	er (Includes sonent from w) Tier 2 per <u>CCF</u> 3.7 2.8 2.9 3.7 3.0 .0 9 9.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0
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Customer Class RES COM CONS FIRE Step 3 - Allocation of Flow Charge Revenue Require Customer Class RES COM RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge Compo	Annual Flow - / Tier 1 529,844 1,540 2,374 248 180 Total 533,826 ments by Tier and Deve Final Flow for Flow Adjust: Tier 1 \$ 1,241,655 4,319 7,071 922 5 Total \$ 1,245,512 S 1,254,512 S 1,265,512 S 1,265,512	After Reduction fo Demand Tier 2 309,428 48,528 4,358 59 363,210 Iopment of Water Development of F ed by Tier 2 Peakir Tier 2 \$ 1,147,576 \$ 1,147,57	r Elasticity of Total 838,912 2,376 50,902 4,606 239 897,036 Rates by Tier Rates (Tier 2 g Factors) Total 5 2,389,231 6,663 151,624 17,120 725 5 2,565,362 Revenue Tier	Final Flow for I Flow Adjuste Tier 1 529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All Fl All Fl All Fl All Fl	Development of f d by Tier 2 Peakin Tier 2 489,366 836 48,528 4,358 59 543,148 e by Tier Tier 2 Greater than 1200 Cubic Feet ow ow ow	Rates (Tier 2 ng Factors) Total 1,018,851 2,376 50,902 4,606 239 1,076,974	Tier 2 Peaking Factors (4) 1.58 1.00 1.00 1.00 1.00 Water Rates by Tie Drought Rate Comp Step 4 bele Tier 1 Rate per CCF \$ 2.35 2.81 2.98 3.72 3.03 Drought Surcharge Water Rates I	er (Includes ponent from pw) Tier 2 per CCF 3.7 2.8 2.9 3.7 3.0 * Portion of py Tier 2 per Tier 2 per
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Customer Class RES COM SCH CONS FIRE Step 3 - Allocation of Flow Charge Revenue Require Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge Compo Customer Class RES	Annual Flow - / Tier 1 529,84 1,540 2,374 248 Total 533,826 ments by Tier and Deve Final Flow for Flow Adjust Tier 1 \$ 1,241,655 4,319 7,071 922 Total \$ 1,254,512 ment of Water Rates for Allocation Requ <u>Tier 1</u> \$ 550,718	After Reduction fo Demand Tier 2 309,428 336,48,528 4,528 4,528 4,528 59 363,210 Iopment of Water Development of F ed by Tier 2 Peakir Tier 2 \$ 1,147,576 \$ 1,247,576 \$ 1,2	r Elasticity of Total 838,912 2,376 50,902 4,606 239 897,036 Rates by Tier Rates (Tier 2 ng Factors) Total 6,663 151,624 17,120 725 2,565,362 Revenue Total Total 1,059,709	Final Flow for I Flow Adjuste Tier 1 529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All Fl All Fl Al	Development of f d by Tier 2 Peakin Tier 2 489,366 836 48,528 4,358 59 543,148 e by Tier Tier 2 Greater than 1200 Cubic Feet ow ow ow ow y Tier Tier 2 309,428	Rates (Tier 2 ng Factors) Total 1,018,851 2,376 50,902 4,666 (239 1,076,974	Tier 2 Peaking Factors (4) 1.58 1.00 1.00 1.00 1.00 Drought Rate Com Step 4 below Tier 1 Rate per CCF \$ 2.35 2.81 2.98 3.72 3.03 Drought Surchargge Water Rates I Tier 1 Rate per CCF \$ 1.05	er (Includes ponent from w) Tier 2 per CCF 3.7 2.8 2.9 3.7 3.0 Portion of by Tier Tier 2 per CCF \$ 1.6
Customer Class RES COM CONS FIRE Step 3 - Allocation of Flow Charge Revenue Require Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge Compo Customer Class RES COM	Annual Flow - / Tier 1 529,84 1,540 2,374 248 180 Total 533,826 ments by Tier and Deve Final Flow for Flow Adjust Tier 1 \$ 1,241,655 4,319 7,071 922 Total \$ 1,254,512 annual Flow Flow Flow Flow Flow Flow Flow Flo	After Reduction fo Demand Tier 2 309,428 48,528 4,358 4,358 59 363,210 lopment of Water Development of F ed by Tier 2 Peakir Tier 2 \$ 1,147,576 \$ 1,310,850 \$ 1,310,850 \$ 1,310,850 \$ 1,310,850 \$ 508,951 \$ 508,951 \$ 508,951 \$ 1,123,35 }	r Elasticity of Total 838,912 2,376 50,902 4,606 239 897,036 Rates by Tier Rates (Tier 2 g Factors) Total 5 2,389,231 6,663 151,624 17,120 725 5 2,565,362 Revenue Total 5 2,565,362	Final Flow for I Flow Adjuste Tier 1 529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All Fl All Fl All Fl All Fl All Fl 529,484 1,540	Development of f d by Tier 2 Peakin Tier 2 489,366 48,528 48,528 59 543,148 e by Tier Tier 2 Greater than 1200 Cubic Feet ow ow ow ow y Tier Tier 2 309,428 836	Rates (Tier 2 ng Factors) Total 1,018,851 2,376 50,902 4,606 239 1,076,974	Tier 2 Peaking Factors (4) 1.58 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 Drought Rate Comp Step 4 below Tier 1 Rate per CCF \$ 2.81 2.98 3.72 3.03 Drought Surcharge Water Rates Tier 1 Rate per CCF \$ 1.05	er (Includes ponent from)w) Tier 2 per <u>CCF</u> 3.7 2.8 2.9 3.7 3.0 er Portion of oy Tier Tier 2 per <u>CCF</u> § 1.6 § 1.1 3.1
Customer Class RES COM SCH CONS FIRE Step 3 - Allocation of Flow Charge Revenue Require Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge Compo Customer Class RES COM SCH COM SCH	Annual Flow - / Tier 1 529,84 1,540 2,374 248 180 Total 533,826 ments by Tier and Deve Final Flow for Flow Adjust: Tier 1 \$ 1,241,655 4,319 7,071 922 545 Total \$ 1,254,512 onent of Water Rates from Required to the second	After Reduction fo Demand Tier 2 309,428 48,528 4,358 59 363,210 lopment of Water Development of F ed by Tier 2 Peakir Tier 2 \$ 1,147,576 \$ 2,344 144,552 16,199 179 \$ 1,310,850 \$ om Step 3 of Drought Rate R irrment by Class / 1 Tier 2 \$ 508,991 \$ 1,123,35 65,224,07	r Elasticity of Total 838,912 2,376 50,902 4,606 239 897,036 Rates by Tier kates (Tier 2 19 Factors) Total 5 2,389,231 6,663 151,624 17,120 725 5 2,565,362 Kevenue Total 5 2,565,362	Final Flow for f Flow Adjuste Tier 1 529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All FI All FI All FI All FI 529,484 1,540 2,374	Development of f d by Tier 2 Peaki Tier 2 489,366 836 48,528 59 543,148 e by Tier Tier 2 Greater than 1200 Cubic Feet ow ow ow ow y Tier Tier 2 309,428 836 48,528	Rates (Tier 2 ng Factors) Total 1,018,50,902 4,606 239 1,076,974	Tier 2 Peaking Factors (4) 1.58 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 Drought Rate Composition S 2.35 2.81 2.98 3.72 3.03 Drought Surcharge Water Rates! Tier 1 Rate per CCF \$ 1.05 1.35 1.35 1.35	r (Includes conent from w) Tier 2 per CCF 3.77 2.8: 2.9; 3.77 3.03 3.77 3.77
Customer Class RES COM SCH CONS FIRE Step 3 - Allocation of Flow Charge Revenue Require Customer Class RES COM SCH CONS FIRE Step 4 - Development of Drought Surcharge Compo Customer Class RES COM SCH CONS FIRE	Annual Flow - / Tier 1 529,844 1,540 2,374 248 180 Total 533,826 ments by Tier and Deve Final Flow for Flow Adjust Tier 1 \$ 1,241,655 4,319 7,071 922 Total \$ 1,244,655 4,319 7,071 922 Total \$ 1,245,512 ment of Water Rates for Allocation Requ Tier 1 \$ 550,718 2,069,83 3,190,76 333,32	After Reduction fo Demand Tier 2 309,428 836 48,528 4,358 59 363,210 Iopment of Water Development of F ed by Tier 2 Peakir Tier 2 \$ 1,147,576 \$ 1,123,35 \$ 508,991 \$ 1,123,35 \$ 505,224,07 \$ 5,857,88 \$ 1,223,57 \$ 2,240,77 \$ 5,857,88 \$ 2,578,89 \$ 5,857,88 \$ 5,957,88 \$ 5,957,88 \$ 5,957,88 \$ 5,957,88 \$ 5,957,88 \$ 5,957,88 \$ 5,957,88 \$ 5,957,88	r Elasticity of Total 838,912 2,376 50,902 4,606 239 897,036 Rates by Tier reates (Tier 2 sg Factors) Total 6,663 151,624 1	Final Flow for I Flow Adjuste Tier 1 529,484 1,540 2,374 248 180 533,826 Usage Rang Tier 1 0 - 1200 Cubic Feet All Fl All Fl All Fl All Fl 529,484 1,540 2,374 248 248 248 248 248 248 248 24	Development of f d by Tier 2 Peakin Tier 2 489,366 836 48,528 559 543,148 e by Tier Tier 2 Greater than 1200 Cubic Feet ow ow ow y Tier Tier 2 309,428 836 48,528 4,358	Rates (Tier 2 ng Factors) Total 1,018,851 2,376 50,902 4,666 239 1,076,974	Tier 2 Peaking Factors (4) 1.58 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 Drought Rates by Tie Tier 1 Rate per CCF \$ 2.81 2.98 3.03 Drought Surchargg Water Rates Tier 1 Rate per CCF \$ 1.05 1.35 1.35 1.35	er (Includes sonent from w) Tier 2 per <u>CCF</u> 3.71 2.81 3.72 3.03 4. Portion of by Tier Tier 2 per <u>CCF</u> \$ 1.65 1.33 1.33

(2) RES class includes billing codes: RES, COM2 and MR. (3) Reduction for elasticity / to meet state required flow reduction of 32% reflects reductions to date of approximately 13% per the District.

(4) Tier 2 peaking factors developed using District billing data. Developed by relating the average peaking factors for customers in Tier 2 to the average peaking factor for customers in Tier 1 in order to establish the relative cost to serve customers in Tier 2 versus Tier 1. No Tier 2 peaking factors used for Non-Residential as they are projected to have a uniform rate.





able W-10								FY 201
ater								
velopment of Water Flow Charges		2010						
	Fiscal Year	2019						
Iotal Water Rat	e Revenue Requirement S	(2,127,825)						
Elow Chara	e Revenue Requirement	2 605 749						
	e nevenue nequirement y	2,000,745						
Drought Surcharg	e Revenue Requirement \$	1,148,800						
	•							
	1	Flow Charge						
	% Cost	Revenue						
Customer Class	Distribution F	Requirement						
RES	93% Ş	2,426,844						
COM	0%	6,768						
SCH	b%	154,011						
FIRE	1%	736						
	Total S	2.605.749						
tep 1 - Development of Baseline Flow Billing Unit	s After Elasticity Adjustmen	nt						
	Annual Flow - Bet	ore Reduction fo	or Elasticity of	Annual Flow - A	After Reduction fo	r Elasticity of	Reduction in Flow	
Customor Close	Tior 1	Tier 2	Total	Tior 1	Tior 2	Total	TOT ElaSticity	
DEC	588 314	442 040	1 030 356	520 / 84	300 /28	10Lai 838.017	_10%	
COM	1 540	1 194	2,030,330	1 540	305,420 836	2 3 7 6	-13%	
SCH	2,374	69,326	71,700	2,374	48,528	50,902	-29%	
CONS	248	5,448	5,696	248	4,358	4,606	-19%	
FIRE	180	74	254	180	59	239	-6%	
	Total 592,658	518,082	1,110,740	533,826	363,210	897,036	-19%	
step 2 - Application of Calculated Peaking Factors	to Her 2 Flow						1	
	Annual Flow - Aft	er Reduction fo	r Flasticity of	Final Flow for	Development of I	Pates (Tier 2	Tier 2 Peaking	
	Annual now - An	Demand	Lasticity of	Flow Adjuste	d by Tier 2 Peaki	ng Factors)	Factors (4)	
Customer Class	Tier 1	Tier 2	Total	Tier 1	Tier 2	Total		
RES	529,484	309,428	838,912	529,484	489,366	1,018,851	1.58	
COM	1,540	836	2,376	1,540	836	2,376	1.00	
SCH	2,374	48,528	50,902	2,374	48,528	50,902	1.00	
CONS	248	4,358	4,606	248	4,358	4,606	1.00	
FIRE	180	59	239	180	59	239	1.00	
	101di 555,620	303,210	897,050	555,820	545,146	1,076,974		
Step 3 - Allocation of Flow Charge Revenue Requi	rements by Tier and Develo	pment of Water	Rates by Tier					
							Water Rates by Tie	er (Includes
	Final Flow for D	evelopment of H	ates (lier 2				Drought Rate Comp	ponent from
	Flow Adjusted	Dy Her 2 Peakir	ig ractors)	Usage Rang	ge by her		Step 4 bert	Tior 2 por
Customer Class	Tier 1	Tier 2	Total	Tier 1	Tier 2		Tier 1 Rate per CCF	CCF
customer class			Total		Greater than		ner i nate per eer	
RES	\$ 1,261,202 \$	1,165,642 \$	2,426,844	0 - 1200 Cubic	1200 Cubic		\$ 2.39	3.7
-				Feet	Feet			
СОМ	4,387	2,381	6,768	All F	low		2.85	2.8
SCH	7,183	146,828	154,011	All F	low		3.03	3.0
CONS	936	16,454	17,390	All F	low		3.78	3.7
FIRE	554	182	736	All F	low		3.08	3.0
	Total \$ 1,274,262 \$	i,331,487 \$	2,605,749					
tep 4 - Development of Drought Surcharge Com	ponent of Water Rates from	i Step 3						
	Allocation of	Decuaht Data D					Drought Curcherge	Doution of
	Require	nent by Class / T	lier	Lisago P	w Tier		Water Rates i	hy Tier
	Requiri	nent by class / 1		- Oblige L	le l		water nates i	Tier 2 ner
Customer Class	Tier 1	Tier 2	Total	Tier 1	Tier 2		Tier 1 Rate per CCF	CCF
RES	\$ 556,028 \$	513,898 \$	1,069,926	529,484	309,428		\$ 1.06	\$ 1.6
сом	2,089.78	1,134.18	3,223.97	1,540	836		1.36	1.3
SCH	3,221.53	65,852.91	69,074.44	2,374	48,528		1.36	1.3
CONS	336.54	5,914.36	6,250.90	248	4,358		1.36	1.3
FIRE	244.26	80.33	324.60	180	59		1.36	1.3
1) Tier 1 usage threshold for Single Family Reside	ential set assuming 3.7 Pers	ons per Househ	old, using 75 Gal	per Day - converted	/ rounded up to	nearest CCF. Ti	er 1 threhsold calcula	ation also
onsistent with avereage residential monthly usa	ge.							

(3) Reduction for elasticity / to meet state required flow reduction of 32% reflects reductions to date of approximately 13% per the District.

(4) Tier 2 peaking factors developed using District billing data. Developed by relating the average peaking factors for customers in Tier 2 to the average peaking factors for customers in Tier 2 to the average peaking factor for customers in Tier 1 in order to establish the relative cost to serve customers in Tier 2 versus Tier 1. No Tier 2 peaking factors used for Non-Residential as they are projected to have a uniform rate.





able W-10								FY 2020
Vater Development of Water Flow Charges								
	Fiscal Year	2020						
Total Water Rate	Revenue Requirement \$	6,030,703						
Less Fixed Charg	ge Revenue Requirement	(3,270,390)						
Flow charge	Revenue Requirement	2,760,313						
Drought Surcharge	Revenue Requirement \$	1,190,785						
		F I						
	% Cost	Flow Charge Revenue						
Customer Class	Distribution F	Requirement						
RES	93% \$	2,570,797						
COM	0%	7,169						
CONS	6% 1%	18 421						
FIRE	0%	780						
	Total \$	2,760,313						
Step 1 - Development of Baseline Flow Billing Units	After Elasticity Adjustmer	nt					1	
	Annual Flow - Bef	ore Reduction fo	or Elasticity of	Annual Flow - A	fter Reduction fo	or Elasticity of	Reduction in Flow	
		Demand			Demand		for Elasticity	
Customer Class	Tier 1	Tier 2	Total	Tier 1	Tier 2	Total	100/	
COM	588,316	442,040	2.734	529,484 1.540	509,428 836	038,912 2.376	-19%	
SCH	2,374	69,326	71,700	2,374	48,528	50,902	-29%	
CONS	248	5,448	5,696	248	4,358	4,606	-19%	
FIRE	180	74	254	180	59	239	-6%	
	lotal 592,658	518,082	1,110,740	533,826	363,210	897,036	-19%	
Step 2 - Application of Calculated Peaking Factors to	o Tier 2 Flow							
	Annual Flow - Af	ter Reduction for	r Elasticity of	Final Flow for	Development of	Rates (Tier 2	Tier 2 Peaking	
Customer Class	Tier 1	Tier 2	Total	Tier 1	Tier 2	Total	Pactors (4)	
RES	529,484	309,428	838,912	529,484	489,366	1,018,851	1.58	
COM	1,540	836	2,376	1,540	836	2,376	1.00	
SCH	2,374	48,528	50,902	2,374	48,528	50,902	1.00	
FIRE	248 180	4,358	239	248	4,358	4,606	1.00	
	Total 533,826	363,210	897,036	533,826	543,148	1,076,974		
Step 3 - Allocation of Flow Charge Revenue Require	ements by Tier and Develo	pment of Water	Rates by Tier					
	Final Flow for D	evelopment of R	ates (Tier 2				Water Rates by Tie	er (Includes
	Flow Adjusted	by Tier 2 Peakin	g Factors)	Usage Rang	ge by Tier		Step 4 bel	ow)
								Tier 2 per
Customer Class	Tier 1	Tier 2	Total	Tier 1	Tier 2		Tier 1 Rate per CCF	CCF
RES	\$ 1,336,012 \$	5 1,234,785 \$	2,570,797	0 - 1200 Cubic Feet	1200 Cubic Feet		\$ 2.53	4.00
COM	4,647	2,522	7,169	All F	low		3.02	3.02
SCH	7,609	155,537	163,146	All F	low		3.21	3.21
CONS	992 587	17,430	18,421	All F	low		4.00	4.00 3.24
TINE	Total \$ 1,349,847 \$	1,410,467 \$	2,760,313		101		5.20	5.20
Step 4 - Development of Drought Surcharge Comp	onent of Water Rates from	n Step 3						
	Allocation o Require	f Drought Rate R ment by Class / T	evenue ïer	Usage b	v Tier		Drought Surcharge Water Rates	Portion of by Tier
								Tier 2 per
Customer Class	Tier 1	Tier 2	Total	Tier 1	Tier 2		Tier 1 Rate per CCF	CCF
RES	\$ 576,349 \$ 2 166 16	532,680 \$	3 341 70	529,484	309,428 836		> 1.09	> 1.73 1 / 1
SCH	3,339.26	68,259.59	71,598.85	2,374	48,528		1.41	1.41
CONS	348.84	6,130.51	6,479.35	248	4,358		1.41	1.41
FIRE	253.19	83.27	336.46	180	59		1.41	1.41
(1) Tier 1 usage threshold for Single Family Resider consistent with avereage residential monthly usag	ntial set assuming 3.7 Pers e.	sons per Househ	old, using 75 Gal	per Day - converted	/ rounded up to	nearest CCF. Ti	er 1 threhsold calcul	ation also
(2) RES class includes billing codes: RES, COM2 an (3) Reduction for elasticity / to meet state required	d MR. flow reduction of 32% ref	lects reductions	to date of approx	ximately 13% per the	e District.			
(4) Tier 2 peaking factors developed using District order to establish the relative cost to serve custom	billing data. Developed by hers in Tier 2 versus Tier 1.	relating the ave No Tier 2 peakir	rage peaking fact ng factors used fo	tors for customers in or Non-Residential a	n Tier 2 to the ave s they are projec	erage peaking f ted to have a u	actor for customers i niform rate.	n Tier 1 in





3.5.5 Revenue Test

Table W-11 below presents the revenue test proof for FY 2016 to demonstrate the rates proposed for FY 2016 are projected to generate sufficient revenue.

Table W-11						FY 2016
Water						
Revenue Test						
Commente ve Povonuo Tost	Terret	2016	t Vor			
Summary of kevenue kequirements vs kevenue rest	c 2 2 2 3 2 8 7 8	¢ 2,235,713	<u>ې var</u> د 1835			
Chromium 6 Revenue Requirement	\$ 2,233,075 -	\$ 2,233,113 -	э <u>1,0</u> 35 -			
Flow Charge Revenue Requirement	2,728,091	2,733,429	5,339			
Total Revenue Requirement	\$ 4,961,969	\$ 4,969,142	\$ 7,173			
	Revenue 1	Fest - Fixed Charg	ges			
		Total Fixed				
Motor Sizo	Total Bills	Monthly	Povonue	Total Bills	Chromium 6	Povonuo
	23 316	<u>د 1896</u>	¢ 442.071	23 316	<u>surcharge</u>	¢
1	58,560	29.22	1.711.123	58,560	ş -	ې - -
1.5	360	54.87	19.753	360	-	-
2	564	85.65	48,307	564	-	-
3	72	157.47	11,338	72	-	-
4	12	260.07	3,121	12	-	-
6	-	516.57	-	-	-	-
8	-	824.37	-	-	-	-
10	-	1,183.47	-	-	-	
F	vrojected Fixed	Charge Revenue	\$ 2,235,713			\$-
		Target	\$ 2,233,878			\$ -
	Revenue	Test - Flow Char	70C			
	Annual Flow	After Reduction	for Clasticity of			
	Annual riow	- After Reduction	for Elasticity of			
Customer Class	Tier 1	Tier 2	Total			
RES	529,484	309,428	838,912			
COM	1,540	836	2,376			
SCH	2,374	48,528	50,902			
CONS	248	4,358	4,606			
FIRE	180	59	239			
Total	533,826	363,210	897,036			
					Portion of V	Nater Rates
					Attributable to	Drought Rate
-	Water Rat	tes by Tier			Surc	narge
			Avg Rate			
Current Class	T '- • 1	T - a b	(Informational		Tout	T = 2
	1ier 1	/ 2.05	Oniy)		lier 1 00	1 TIEF 2
KES	\$ 2.5U 2.00	\$ 3.95 2.00	\$ 3.03		\$ 1.09	\$ 1./1
SCH	2.55	2.55	2.55		1.40	1.40
CONS	3.17	3.17	3.17		1.40	1.40
FIRE	3.23	3.23	3.23		1.40	1.40
	3.23				1	1.40
	Annual Flow	- After Reductior	n for Elasticity of			
		Demand				
Customer Class	Tier 1	Tier 2	Total			
KES	\$ 1,323,711	\$ 1,222,241 2,400	\$ 2,545,952 7 104			
COM SCH	4,003	2,433	161 260			
CONS	982	17 259	18 2/1			
FIRE	581	191	773			
Total	\$ 1.337.405	\$ 1.396.025	\$ 2.733.429			
Flow	Charge Revenu	e Requirement	\$ 2.728.091			
-			¥ -//			



3.5.6 Customer Impact Summary

The existing and proposed monthly water bill for Residential customers with a ¾" meter is presented below for various usage amounts.



Monthly Water Bill - Existing Rates Residential Customer with 3/4" Meter



Monthly Water Bill - Proposed Rates for FY 2016





3.6. Summary Customer Impact Results

The comparison of monthly water bills for residential customers with a ³/₄" meter using 15 CCF per month shows that the District would maintain their same relative position compared to other utilities under the proposed rates for this water bill scenario.







The comparison of monthly water bills for residential customers with a 1" meter using 15 CCF per month is presented below for this water bill scenario.





Section 4 - Conclusions and Recommendations

4.1. Conclusions

- Projected operating revenues and operating expenses for the forecast period were developed by, and/or in consultation with, District staff and are based upon reasonable projections.
- The projected capital project expenses have been developed by District staff to address Utility system capital needs over the forecast period.
- Based on the conclusions above, we are of the opinion that the financial projections presented herein demonstrate the Utility's ability to meet its obligations during the forecast period.

4.2. Recommendations

- Prior to implementing the rates and charges presented herein it is recommended the District conduct a billing test to simulate a year of billing under the proposed rates to test the revenue collected under the billing test to the projected revenue associated with the rates presented in this report as a test of reasonableness.
- It is recommended that the District implement the proposed rates and charges presented herein for FY 2016 by February 1, 2016 and by July 1st in the following fiscal years.
- It is recommended that the District update the revenue sufficiency analysis portion of this study each year to ensure projected revenue is sufficient to fund projected expenses going forward as assumptions made during this analysis may change and have a material impact upon the analysis.



Appendix A

Phelan Pinon Hills CSD Pro Forma with Debt Service Coverage and Fund Balance Reconciliation

Vater and Sewer Rate Revenue Increases									
0 01 Tear Rate Inclease Enecuve		37.00% 33.00%	5.00% 100.00%		5.00% 100.00%		5.00% 100.00%		5.00% 100.00%
31110 - Operating Reserve - Water&Adm									
Beginning Balance		5,024,756	1,959,151		2,129,148		2,306,880		2,448,25
Sources of Funds									
Total WATER CONSUMPTION		1,982,897	2,542,017		2,669,118		2,802,574		2,942,70
Total WATER METER CHARGE		2,080,979	2,668,050		2,801,400		2,941,050		3,088,0
Operating Revenue		569,437	569,437		569,437		569,437		569,4
Transfer In		647,478	572,478		497,478		422,478		347,4
Interest Earnings		8,730	5,110		5,545		5,944		6,5
Federal Debt Service Revenue (Interest Expense Subsidy)		-	-		-		-		-
Total Source of Funds	\$	5,289,521	\$ 6,357,093	\$	6,542,979	\$	6,741,483	\$	6,954,1
Uses of Funds									
Operation & Maintenance Expense		3,526,042	3,627,316		3,731,602		4,038,995		4,155,5
Transfer Out		3,896,500	823,524		897,860		825,810		735,3
Major Capital Funded with Cash		-	-		-		-		-
Existing Debt Service		932,584	932,129		931,659		931,175		930,6
New Debt Service		-	804,126		804,126		804,126		812,8
Total Uses of Funds	\$	8,355,126	\$ 6,187,095	\$	6,365,247	\$	6,600,107	\$	6,634,4
Ending Balance		1 959 151	2 129 148		2 306 880		2 448 257		27679
Target Ending Balance	\$	2.350.695	\$ 2.418.211	5	2.487.735	\$	2.692.663	\$	2.770.3
		,,		•	, , , , ,	•		-	
Debt Service Coverage Calculation	-								
Rate Covenant Test:		1 (10 0 10	5 704 445		6.045.500		6 24 0 005		6 606 7
Total Operating Revenue		4,642,043	5,/84,615		6,045,500		6,319,005		6,606,7
Total Operating Expense		3,526,042	3,627,316		3,731,602		4,038,995		4,155,5
Net Operating Revenue Available for Debt Service Coverage Test		1,116,001	2,157,299		2,313,898		2,280,010		2,451,1
Annual Bond Debt Service		932,584	1,/36,255		1,/35,/85		1,/35,301		1,/43,5
Debt Service Coverage		1.20	1.24		1.55		1.51		1.
Parity Test:									
Net Operating Revenue Available for Debt Service Coverage Test		1,116,001	2,157,299		2,313,898		2,280,010		2,451,1
Maximum Annual Bond Debt Service		932,584	1,736,255		1,735,785		1,735,301		1,743,5
Debt Service Coverage		1.20	1.24		1.33		1.31		1.
31310 - Replacement Reserve - Water&Adm									
Beginning Balance		-	-		2,503,129		2,509,395		2,515,6
Sources of Funds									
Operating Revenue		-	-		-		-		-
Non Operating Revenue		-	-		-		-		-
Transfer In		-	2,500,000		-		-		-
Interest Earnings		-	 3,129		6,266		6,281		6,2
Total Source of Funds	\$	-	\$ 2,503,129	\$	6,266	\$	6,281	\$	6,2
Uses of Funds									
Operation & Maintenance Expense		-	-		-		-		-
Non-Operating Expense		-	-		-		-		-
Minor Capital Outlay		-	-		-		-		-
Transfer Out		-	-		-		-		-
Major Capital Funded with Cash		-	-		-		-		-
Total Uses of Funds	\$	-	\$ -	\$	-	\$	-	\$	-
Ending Balance		-	2,503.129		2,509.395		2,515.676		2,521.9

Phelan Pinon Hills CSD Pro Forma with Debt Service Coverage and Fund Balance Reconciliation

		2016		2017		2018		2019		2020	
31220 - Water Rate Stabilization Fund											
Beginning Balance		200,000		200,501		201,003		201,506		202,010	
Sources of Funds											
Operating Revenue		-		-		-		-		-	
Transfor In		-		-		-		-		-	
Interest Farnings		- 501		- 502		- 503		- 504		-	
Total Source of Funds	\$	501	\$	502	\$	503	\$	504	\$	506	
	Ŧ		•		Ţ		•		Ŧ		
Uses of Funds											
Operation & Maintenance Expense		-		-		-		-		-	
Non-Operating Expense		-		-		-		-		-	
Minor Capital Outlay		-		-		-		-		-	
Transfer Out		-		-		-		-		-	
Major Capital Funded with Cash	•	-	¢	-	¢	-	¢	-	¢	-	
Total Uses of Funds	Þ	-	Þ	-	Þ	-	Þ	-	Þ	-	
Ending Balance		200 501		201.003		201 506		202.010		202 516	
Target Ending Balance	\$	- 200,301	\$	-	\$	- 201,500	\$	-	\$	-	
0 <u>0</u> 0	*		*		•		*		*		
31410 - Disaster Reserve-Water&Adm											
Beginning Balance		2,079,783		2,084,989		2,624,400		3,184,521		3,698,936	
Sources of Funds											
Operating Revenue		-		-		-		-		-	
Non Operating Revenue		-		-		-		-		- 205 267	
I ransier in		- 5 206		5,524 5,887		552,800 7 261		505,810 8.604		9.641	
Total Source of Funds	\$	5,200	\$	539 411	\$	560 121	\$	514 415	\$	315 008	
Total Source of Funds	Ψ	5,200	Ψ	557,411	Ψ	500,121	Ψ	514,415	Ψ	515,000	
Uses of Funds											
Operation & Maintenance Expense		-		-		-		-		-	
Non-Operating Expense		-		-		-		-		-	
Minor Capital Outlay		-		-		-		-		-	
Transfer Out		-		-		-		-		-	
Major Capital Funded with Cash		-	^	-	^	-	^	-	<u>^</u>	-	
Total Uses of Funds	\$	-	\$	-	\$	-	\$	-	\$	-	
Ending Balance		2 084 080		2 6 2 4 4 0 0		2 1 9 4 5 2 1		2 609 026		4.012.044	
Tarpet Ending Balance	\$	2,004,909 3,819,433	\$	4,760,933	\$	5.295.433	\$	5,677,433	\$	5,720,433	
	*	-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		.,	*	-, 0, .00	*	_, _, ., ,	*	-,0, .00	
31210 - Debt Service Reserve - CEIDB											
Beginning Balance		671,112		672,792		674,476		676,164		677,857	
Sources of Funds											
Operating Revenue		-		-		-		-		-	
Non Operating Revenue		-		-		-		-		-	
Transfer In Interest Formings		- 1 200		- 1 204		-		-		-	
Total Source of Funds	¢	1,000	\$	1,084	\$	1,008	\$	1,093	\$	1,097	
Form Source of Funds	φ	1,000	Ψ	1,004	Ψ	1,000	Ψ	1,095	Ψ	1,077	
Uses of Funds											
Operation & Maintenance Expense		-		-		-		-		-	
Non-Operating Expense		-		-		-		-		-	
Minor Capital Outlay		-		-		-		-		-	
Transfer Out		-		-		-		-		-	
Major Capital Funded with Cash		-		-		-		-		-	
Total Uses of Funds	\$	-	\$	-	\$	-	\$	-	\$	-	
		/22 202		/== :				(22.055		/=0 == /	
Ending Balance	<i>*</i>	672,792	*	674,476		676,164	æ	677,857	•	679,554	
I AIGET EDDING DALANCE	5	-	تت	-	3	-	ş	-	3	-	

Phelan Pinon Hills CSD Beginning Fund Balance Reconciliation

	BEGINNING BALANCES					
Line No:		31110 - Operating Reserve - Water&Adm	31310 - Replacement Reserve - Water&Adm	31220 - Water Rate Stabilization Fund	31410 - Disaster Reserve- Water&Adm	31210 - Debt Service Reserve - CEIDB
1	Current Assets					
2	11 - Cash					
3	11000 - Cash in Bank	\$ 624,471	ş -	\$ 200,000	\$ 2,079,783	\$ 671,112
4	11201 - Cash-Operating Reserves	929,340				
5	11202 - Cash-Replacement Reserves	3,127,627	< move to own fund			
6	11203 - Cash-Disaster Reserves	2,079,783	< move to own fund			
7	11204 - Cash-Debt Service	671,112	< move to own fund			
8	11400 - Rate Stabilization Cash Fund	200,000	< move to own fund			
9	11510 - LAIF - Net Incr/Decr Fair Value	106				
10						
11	12 - Accounts Receivable					
12	12010 - Accounts Receivable - Water	844,236				
13	12150 - A/R - Accrual	1,640				
14	12610 - Delinquent Accounts to Tax Roll	38,071				
15	12620 - Delinquent Accounts to Tax Roll - 70 L	4,525				
16	12630 - Water Availability Receivable - WC13	75,679				
17	12640 - Water Availability Receivable - UD60	10,704				
18	12710 - Tax Receivable - CSA 70L	5,047				
19	12740 - Tax Receivable - PPHCSD	(12,420)				
20	12910 - Accrued Interest Receivable-GF	200				
21						
22	13 - Inventory					
23	13010 - Inventory - Water Field Parts	131,547				
24						
25	14 - Other Current Assets					
26	14100 - Prepaid Expense	94,408				
27	14120 - Prepaid - Worker's Comp	30,988				
28	14130 - Pre Paid Benefit	30,960				
29						
30	Total Current Assets	\$ 8,888,025	\$-	\$ 200,000	\$ 2,079,783	\$ 671,112
31	Checkfigure	\$ 8,888,025				
32						
33						
34	Current Liabilities					
35	21 - Accounts Payable					
36	21100 - Accounts Payable - Trade	\$ 268,232				
37	21120 - Retentions Payable	191,247				
38	21150 - Accounts Payable - Unclaimed Property	403				
39						
40						
41	22 - Accrrued Payable					
42	22140 - Accrued Payable	16,264				
43	22150 - Accrued Interest Payable	172,788				
44	22210 - Deferred Revenue	25,217				
45						
46						
47	23 - Deposit					
48	23320 - Customer Deposit - Meter	1,500				
49	23330 - Customer Deposit - Maint. Bond	1,800				
50						
51						
52	24 - Payroll Liability					
53	24410 - Accrued Payroll	17,192				
54	24510 - Payroll Tax Payable	10,825				
55	24520 - Garnishment Payable	59				
56	24530 - Retirement W/H Payable	6,793				
57	24535 - Retirement W/H Payable-Prior	23,564				
58	24550 - Aflac W/H Payable	102				
59	24560 - Retirement 457 W/H Payable	648				
60	24650 - Current P- Compensated absences	44,194				
61	1					
62						
63						
64	25 · 25100 - AP Loan - Misc	-				
15						

Phelan Pinon Hills CSD Beginning Fund Balance Reconciliation

Line No: 66 67 68	Total Current Liabilities	31110 Reserve	- Operating	31310 -	Poplacomont							
66 · · · · · · · · · · · · · · · · · ·	Total Current Liabilities		· water&Adm	Reserve	- Water&Adm	- 31220 Stabiliz	Water Rate ation Fund	31410 - 1 Wa	Disaster Reserve- ater&Adm	31210 - Debt Serv Reserve - CEID		
67 68		\$	780,826	\$	-	Ş	-	\$	-	\$	-	
68	Checkfigure	\$	780,826									
69 A	Adjustments by JV:											
70 F	Removal of Non Cash Items:											
71 .	13010 - Inventory - Water Field Parts	\$	(131,547)									
72												
73 T	Transfer of Fund Balance to Individual Funds in	n Model:										
74 3	31210 - Debt Service Reserve - CEIDB		(671,112)									
75 3	31220 - Water Rate Stabilization Fund		(200,000)									
76 3	31310 - Replacement Reserve - Water&Adm		-									
77 3	31410 - Disaster Reserve-Water&Adm		(2,079,783)									
78												
79 1	Net Adjustments	\$	(3,082,442)	Ş	-	Ş	-	\$	-	\$	-	
80												
81 C	Net Beginning Balances (Curr Assets less Current Liabilities - with Adjustments)	\$	5,024,756	\$	-	\$	200,000	\$	2,079,783	\$	671,11	

Phelan Pinon Hills CSD Revenue

ſ											
	Applicable	Account									
	Fund	Number	Code	Description	2016		2017	2018		2019	2020
			RR1 - BEFORE GROWTH AND	31110 - Operating Reserve - Water&Adm							
			RATE INCR	Total WATER CONSUMPTION	\$ 1,767,130	\$	2,420,969	\$ 2,542,017	\$	2,669,118 \$	2,802,574
			RR1 - Growth	Growth	0.00%		0.00%	0.00%		0.00%	0.00%
			RR1 - After Growth Before Rate Incr.	Total WATER CONSUMPTION - After (\$	\$ 1,767,130	Ş	2,420,969	\$ 2,542,017	Ş	2,669,118 \$	2,802,574
				Revenue Increase	37.00%		5.00%	5.00%		5.00%	5.00%
	1		RR1	Total Total WATER CONSUMPTION - 1	1.982.897	s	2.542.017	\$ 2.669.118	s	2.802.574 \$	2.942.703
							- j j			, , , , , , , , , , , , , , , , , , , ,	· , · · , · · ·
			RR2 - BEFORE GROWTH AND	Total WATED METER CHARCE	1 954 540	e	2 541 000	\$ 2,668,000	e	2 801 000 \$	2 041 000
			RR2 - Growth	Growth	0.00%	ş	0.00%	a 2,000,000	ş	0.00%	0.00%
			RR2 - After Growth Before Rate Incr.	Total WATER METER CHARGE - After	\$ 1,854,540	\$	2,541,000	\$ 2,668,000	Ş	2,801,000 \$	2,941,000
				Revenue Increase	37.00%		5.00%	5.00%		5.00%	5.00%
			D.D.C	Pct of Year Revenue Increase Effective	33.00%	0	100.00%	100.00%	0	100.00%	100.00%
	1		RR2	Total Total WATER METER CHARGE - 3	2,080,979	\$	2,668,050	\$ 2,801,400	\$	2,941,050 \$	3,088,050
				Full Revenue Budget - by Line Item							
				WATER CONSUMPTION							
		40010	See RR1 Detailed Cales Above	Water Sales - Residential - C	\$ 1,643,219						
		40020	See RR1 Detailed Cales Above	Water Sales - Commercial - C	5,218						
		40050	See RR1 Detailed Calcs Above	Water Sales - File Protection-C	2.540						
		40070	See RR1 Detailed Cales Above	Water Sales - School - C	97,458						
		40090	See RR1 Detailed Calcs Above	Water Sales - Construction - C	17,884						
		40110	See RR1 Detailed Calcs Above	Water Sales - Adjustment - Wtr	-	_					
				Total Water Consumption Revenue	5 1,767,130 1 767 120						
				Taiget	1,707,130						
				WATER METER CHARGE							
		41010	See RR2 Detailed Calcs Above	Water Sales - Residential - M	\$ 1,822,302						
		41020	See RR2 Detailed Calcs Above	Water Sales - Commercial - M	8,221						
		41050	See RR2 Detailed Cales Above	Water Sales - Fire Protection-M Water Sales - Multiple Res - M	682 1 830						
		41000	See RR2 Detailed Calcs Above	Water Sales - School - M	16.612						
		41090	See RR2 Detailed Calcs Above	Water Sales - Construction - M	4,885	_					
				Total Water Meter Charge Revenue	\$ 1,854,540						
				Target	1,854,540						
				Total · WATER SALES	3.621.670						
				Target	3,621,670						
	1	74110	OR	Special Assessments	300,000		300,000	300,000		300,000	300,000
	1	47600	OR	Park & Recreation Fee	-		-	-		-	-
	1	48200	OR	Administrative Fees	/8,2/6		/8,2/6	/8,2/6		/8,2/6	/8,2/6
	1	71110	OR	Property Taxes - Curr Sec	-		-	-		-	-
	1	71120	OR	Property Taxes - Curr Unsec	-		-	-		-	-
	1	71130	OR	Property Taxes - Curr Supplimen	-		-	-		-	-
	1	71140	OR	Property Taxes - Curr Unitary Property Taxes - Curr Other	-		-	-		-	-
	1	71150	TRIN	Property Taxes	647,478		572,478	497,478		422,478	347,478
	1	72110	OR	Property Taxes - Prior Sec	-		-	-		-	-
	1	72120	OR	Property Taxes - Prior Unsec	-		-	-		-	-
	1	72130	OR	Property Taxes - Prior Supplimn	-		-	-		-	-
	1	73160	OR	Property Taxes - Prior Other Property Taxes - Homeowner	-		-	-		-	-
	1	73170	OR	Tax Penalties & Others	-			-			-
	1	86120	OR	Penalties & Other Fees	97,743		97,743	97,743		97,743	97,743
		76100	NA	Solid Waste Franchise Fee	-		-	-		-	-
	1	45300	OR	Meter Installation	8,594		8,594	8,594		8,594	8,594
	1	45400	OR	Connection Fee	5,081		5,081	5,081		5,081	5,081
		88110	NA - MODEL CALCS	Interest Income	34,084		34,084	34,084		34,084	34,084
	1	88120	OR	Other Income - Water Other	10,546		10,546	10,546		10,546	10,546
	1	88150	OR	Other Income - County	-		-	-		-	-
				IV CALCULATION OF BESEBUE MAL	NTENANOR P		INC DEBLINIOU	IMENIT.			
				31310 - Replacement Reserve - Wat	er&Adm		ing, KEPLINISH	LIVERSEN I :			
				Accumulated Depreciation	\$ 20.168.425	S	21,426,341	\$ 22.684.257	S	23,942,174 \$	25,200.090
				Additional Annual Accumulated Depreciat	1,257,916		1,257,916	1,257,916		1,257,916	1,257,916
				Total Projected Accumulated Depreciation	\$ 21,426,341	\$	22,684,257	\$ 23,942,174	\$	25,200,090 \$	26,458,006
				Keserve Target %	0%	ç	0%	0%	¢	0%	0%
				Fund Balance at Beg. of Year	-	Ş	-	2,503,129	ş	2,509.395	2.515.676
	•					0			0		

Phelan Pinon Hills CSD

Jian	1 mon 1 mas	ľ
	Revenue	

1												
	Applicable	Account										
1	Fund	Number	Code	Description		2016		2017	2018		2019	2020
				Bond Funded Payback of Loan from								
				Replacement Reserve to Fund Purchased			~	2 500 000				
81	2		IKIN	Water Rights			Ş	2,500,000				
83				Projected End of Vear Metric		0%		0%	10%		10%	10%
84				riojected End of Tear Methe		070		070	1070		1070	1070
85				31410 - Disaster Reserve-Water&	Adm							
86				Total Assets (Excluding Land& Wtr Rts)	S	36 797 830	\$	38 194 330 \$	47 609 330	\$	52 954 330 \$	56 774 330
87				Additional Annual Additional Assets	ç	1.396.500	Ŷ	9.415.000	5.345.000	Ŷ	3.820.000	430.000
88				Total Projected Assets (Excluding Land &	\$	38,194,330	\$	47,609,330 \$	52,954,330	\$	56,774,330 \$	57,204,330
89				Reserve Target %		5%		6%	6%		7%	7%
90				Target	\$	1,909,717	\$	2,618,513 \$	3,177,260	\$	3,690,331 \$	4,004,303
91				Fund Balance at Beg. Of Year		2,079,783		2,084,989	2,624,400		3,184,521	3,698,936
92	4		TRIN	Additional Contribution Required	\$	-	\$	533,524 \$	552,860	\$	505,810 \$	305,367
93												
94				Projected End of Year Metric		5%		6%	6%		7%	7%
95												
96				Interest Income Colculation								
97				31110 - Operating Reserve - Water&Adm	2							
99				Avg Annual Balance	s	3 491 953	s	2 044 150 \$	2 218 014	s	2 377 568 \$	2 608 112
100				Interest Earnings Assumption		0.25%	*	0.25%	0.25%	-	0.25%	0.25%
101	1		INT	Projected Interest Earnings	\$	8,730	\$	5,110 \$	5,545	\$	5,944 \$	6,520
102												
103												
104				31310 - Replacement Reserve - Water&A	dm							
105				Avg. Annual Balance	Ş	-	Ş	1,251,564 \$	2,506,262	Ş	2,512,535 \$	2,518,824
106	2		10 177	Interest Earnings Assumption	-	0.25%	0	0.25%	0.25%	0	0.25%	0.25%
107	2		INI	Projected Interest Earnings	\$	-	\$	3,129 \$	6,266	\$	6,281 \$	6,297
108												
110				31220 - Water Rate Stabilization Fund								
111				Avg. Annual Balance	S	200.250	s	200.752 \$	201.254	S	201.758 \$	202.263
112				Interest Earnings Assumption		0.25%		0.25%	0.25%		0.25%	0.25%
113	3		INT	Projected Interest Earnings	\$	501	Ş	502 \$	503	\$	504 \$	506
114				·								
115												
116				31410 - Disaster Reserve-Water&Adm								
117				Avg. Annual Balance	\$	2,082,386	\$	2,354,694 \$	2,904,460	\$	3,441,728 \$	3,856,440
118	4		IN 17T	Interest Earnings Assumption	0	0.25%	0	0.25%	0.25%	e	0.25%	0.25%
119	4		11N 1	Projected Interest Earnings	\$	5,206	\$	5,88/ \$	7,261	\$	8,004 \$	9,641
120												
121												
123				31210 - Debt Service Reserve - CEIDB								
124				Avg. Annual Balance	Ş	671,952	\$	673,634 \$	675,320	\$	677,011 \$	678,705
125				Interest Earnings Assumption		0.25%		0.25%	0.25%		0.25%	0.25%
126	5		INT	Projected Interest Earnings	\$	1,680	\$	1,684 \$	1,688	\$	1,693 \$	1,697

Phelan Pinon Hills CSD Expenses Other than Major Capital Expen

fund # 1	Account Number 31110 - (Cost Escalation Factor Code Operating Res	E Expense Es Code I serve - Water	expense ecalation Factor r&Adr	EXPENSES	2016	2017	2018	2019	2020
		O HIGHLIG	HIGHLI <mark>G</mark> I							
					Detailed Expenses from FY 16 Budget					
1	51110	Personnel	OM	3.0%	Salaries & Wages	1,078,296	1,110,645	1,143,964	1,178,283	1,213,0
1	51120 51130	Personnel	OM	3.0%	Vacations	69,157 52,300	71,231	73,368	75,569	77,8
1	51140	Personnel	OM	3.0%	Sick Pay	57,162	58,877	60,643	62,462	64,3
1	51150 51170	Personnel Personnel	OM OM	3.0% 3.0%	Misc Earn Overtime	48,130 52,176	49,574 53,741	51,061 55,353	52,593 57,014	54,1 58,7
1	51210	Personnel	OM	3.0%	Payroll Taxes	35,002	36,052	37,134	38,248	39,3
1	51220	Personnel	OM	3.0%	Employee Group Insurance	258,854	266,619	274,618	41,137 282,857	42,3 291,3
1	51240	Personnel	OM	3.0%	Retirement TOTAL - SALARIES & BENEFIT	201,741	207,793	214,027	220,448 2.065.868	227,0
					TARGET VARIANCE	1,890,563	,,	,,	,,	, ,
					BOARD COMPENSATIONS					
1	52110 52210	Personnel Operating	OM OM	3.0% 2.5%	Board Director's Fee Board Exp - Auto Expense	33,440 2.466	34,443 2.528	35,476 2,591	36,540 2,656	37,6
1	52220	Operating	OM	2.5%	Board Exp - Meals & Lodging	19,210	19,690	20,182	20,687	21,2
1	52230	Operating	OM	2.5%	Board Exp - Education/Training Board Exp - Insurance & Other Exp	28,216	28,921	29,644	30,385	6,2 31,1
					TOTAL - BOARD COMPENSATIONS TARGET	88,953 88,953	91,344	93,799	96,322	98,9
					VARIANCE	-				
1	53110	Operating	OM	2.5%	PROFESSIONAL FEE Auditing & Accounting Fees	25,904	26,552	27,216	27,896	28,55
1	53120 53130	Operating Operating	OM	2.5% 2.5%	Legal Services Engineering	31,938 21,896	32,737 22,444	33,555 23,005	34,394 23,580	35,25 24,17
1	53140 53150	Operating	OM	2.5%	Laboratory Analysis Outrido Segrico	28,579	29,293	30,025	30,776	31,54
1	53160	Operating	OM	2.5%	Permits & Fees	8,936	9,159	9,388	9,623	9,86
1	53170	Operating	OM	2.5%	Software Support TOTAL - PROFESSIONAL FEE	58,390 311,580	59,849 319,370	61,345 327,353	62,879 335,537	64,45 343,92
					VARIANCE	-				
					SERVICE AND SUPPLIES					
1	54110	Operating	OM	2.5%	Advertising	1,560	1,599	1,639	1,680	1,72
1	54140	Operating	OM	2.5%	Auto Allowance	7,800	7,995	8,195	8,400	4,02.
1	54200 54230	Operating	OM OM	2.5%	Credit Card Fee & Bank Charges Dues & Subscriptions	37,955 25.042	38,904 25.668	39,877 26,310	40,874 26,968	41,89 27.64
1	54260	Operating	OM	2.5%	Education & Training	35,632	36,523	37,436	38,372	39,33
1	54290	Operating	OM	2.5%	Equipment Rental/ Lease	7,643	7,834	8,030	8,231	2,44 8,43
1	54320 54350	Operating	OM	2.5% 2.5%	General Maintenance Insurance	4,288 74,469	4,395 76,331	4,505 78,239	4,618 80,195	4,73
1	54380	Operating	OM	2.5%	Insurance - Vehicle	14,628	14,994	15,369	15,753	16,14
1	54410 54440	Operating	OM	2.5%	Fuel Costs Meeting, Seminar & Supplies	56,965 9,751	58,389 9,995	59,849 10,245	61,345 10,501	62,87
1	54470 54500	Operating	OM	2.5%	Travel Expense Operating Supplier	18,536	18,999	19,474	19,961	20,46
1	54530	Operating	OM	2.5%	Office Supplies	31,672	32,463	33,275	34,107	34,96
1	54620 54650	Operating	OM OM	2.5% 2.5%	Repair & Maintenance Small Tools	292,598 14,306	299,913 14,663	307,411 15,030	315,096 15,406	322,97
1	54680	Operating	OM	2.5%	Uniforms Vibide Maintenance	8,483	8,695	8,912	9,135	9,36
1	54710	Operating	OM	2.5%	Easement Lease	1,218	1,248	1,279	1,311	40,85
1	54800 54801	Operating Operating	OM OM	2.5% 2.5%	Programs (Wtr Cons, parks,etc) Senior Lunch Program	25,613	26,254	26,910	27,583	28,27
1	54802	Operating	OM	2.5%	Farmers Market	-	-	-	-	-
1	54850 54860	Operating	OM	2.5%	Postage & Mailing	22,140	22,694	23,261	23,843	24,43
1	54890 54920	Operating	OM	2.5%	Printing Public Relation	30,975	31,749 9 904	32,543 10 152	33,357 10.406	34,19
·	01720	openning	0.14	2.070	TOTAL - SERVICE AND SUPPLIES TARGET	838,196 838,196	859,150	880,631	902,650	925,21
					VARIANCE	-				
					UTILITIES - Electric/Phone/Gas					
1	58010 58110	Operating Operating	OM OM	2.5% 4.0%	Telephone Utilities - Operations	17,587 640,571	18,027 666,194	18,478 692,842	18,940 720,556	19,41 749,37
1	58115	Operating	OM	2.5%	Utilities - Solar Credit	(384,174)	(399,882)	(416,177)	(433,082)	(450,62
I	56111	Operating	OM	2.370	TOTAL - UTILITIES - Electric/Phone/Gas	273,985	284,339	295,143	306,414	318,17
					VARIANCE	(69,622)	aturaan Budatad Salar	Condits and Undated 9	colos Cendito por Lori I	Email of 10 12 1
					OTHER- Depreciation/Amort. etc.	vallance is unreferice of	etween Dudgted Solar	Cicuits and Opdated (ional Greenes per 12011	sman of 10.12.1
1	59310 59110	Operating	OM	2.5%	Bad Debt Property Taxes	7,348	7,532	7,720	7,913	8,11
•	57110	openning	0.14	2.070	Depreciation & Amortization Pert of Depr. Funded (remaining 40% stays in Ons Fund)	1,277,058		110	100	10
1	59120	Transfers	TROUT	2.5%	Depreciation & Amortization IN FY 16, we are funding \$1.271 M of capital with cash which more	766,235 TI than meets this requirement - in	HIS GETS REPLACE	ED WITH CASH FUN	NDED CAPITAL BEI	.OW I this money
						•			01, 1	
1	59310	Operating	OM	2.5%	Other Operating Expenses TOTAL - OTHER- Depreciation/Amort, etc. TADCET	50 773,801	51 7,755	52 7,948	53 8,146	5 8,35
					VARIANCE	(510,823) This is the result of func-	ding 60% of the budge	eted depreciation amou	int per policy - this am	iount stays in op
					Other Expense	fund as balance				
		NA - CAPTUREE NA - CAPTUREE	D IN JV DEBT SER D IN JV DEBT SER	VICE BEI VICE BEI	Interest Expense Loan Administrator Fee	414,198 28,685	414,198 28,685	414,198 28,685	414,198 28,685	414,19 28,68
1	93010	Personnel	OM	3.0%	Tax Deduction Net Incr/Decr in Fair Value	113	113	113	- 113	- 11

Phelan Pinon Hills CSD Expenses Other than Major Capital Expenses

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31220 - Water Rate Stabilization Fund

31410 - Disaster Reserve-Water&Adm

OM

OM

2.5% Operating

2.5% Operating

OM 2.5% Operating

Operating

Operating 5 31210 - Debt Service Reserve - CEIDB Operating

	Account	Cost Escalation	Expense	Annual Expense						
FUND #	Number	Factor Code	Code	Factor	EXPENSES	2016	2017	2018	2019	2020
					TOTAL - Other Expense TARGET VARIANCE	442,996 442,996 -	442,996	442,996	442,996	442,996
1	51110	Personnel	OM	3.0%	Chromium 6 O&M				200,000	206,000
					Debt Service per Loan Docs by JV 2015 CalTrans Loan	<u>.</u>				
1	91010	В	OND DS-EXIST		Total P&I&Fee 2002 I-Bank Loan	26,462	26,462	26,462	26,462	26,462
1	91010	В	OND DS-EXIST		Total P&I&Fee 2012 I-Bank Loan	198,470	198,151	197,820	197,477	197,123
1	91010	В	OND DS-EXIST		Total P&I&Fee	350,061	349,925	349,787	349,645	349,500
1	91010	В	OND DS-EXIST		2014 Muni Loan Total P&I&Fee	THIS IS ASSOCIATE 357,591	D WITH THE SOLAR 357,591	357,591	357,591	357,591
					Total Debt Service	932,584	932,129	931,659	931,175	930,676
1	91010	New Bond Debt Servic	OND DS-NE	0.0%	New Debt Service	-	804,126	804,126	804,126	812,856
					CAPITAL PROJECT DIRECTLY FUNDED WITH CASH Less: Amount Set Aside in Ops Budget for Depreciation	1,396,500 (766,235)	290,000	345,000	320,000	430,000
1			TROUT		Additional Funding Required From Ops Fund	630,265	290,000	345,000	320,000	430,000
1			TROUT		Transfer Out to Replacement Fund to Maintain, Replenish Reserves Transfer Out to Disaster Fund to Maintain, Replenish Reserves	-	- 533.524	- 552.860	- 505.810	- 305.367
1		Operating	OM	2.5%	Drought Programs Additional Cost for Drought Programs already in budget	115,200 325,800 441,000	118,080	121,032	124,058	127,159
2	31310 <u>-</u> 1	Replacement I	Reserve - V	Water&	Adm					
1		Operating	TROUT	2.5%	Purchase of Water Rights for Chrom. 6 Project (per Staff Conf Call 10.02)	2,500,000 0	CAME OUT IN 2016, C	GETS PAID BACK IN	N 2017	

Phelan Pinon Hills CSD

CIP

			r	1' 0			Capital Cost Escalation Easter	2 00/				
			Fi	unding Sourc	es		Capital Cost Escalation Factor	3.078				
		31210 - Debt	31410 -	31220 - Water	31310 -	31110 - Operating						
	Fund	Service	Disaster	Rate	Replacement	Reserve -						
T NT	Directly	Reserve -	Reserve-	Stabilization	Reserve -	Water&Ad	Description	2017	2017	2010	2010	2020
Line No:	with Cash?	CEIDB	Water&Adm	Fund	Water&Adm	m	Description	2016	2017	2018	2019	2020
2							Capital Projects					
3							Additional Water Supply (Well 9A Replacement proposed 9C)					
4	Y	0%	0%	0%	100%	0%	Study					
5	Y	0%	0%	0%	100%	0%	Design / Engineering	-				
6	Y	0%	0%	0%	100%	0%	Drilling / Housing / Plumbing / Electrical	-		-	-	-
7												
8							Site 6A - New (0.6 MG)					
9	Y	0%	0%	0%	100%	0%	Land Acquisition	-	-	-	-	50,000
10												
11							3C Booster A 350HP & B 350HP Upsize					
12	Y	0%	0%	0%	100%	0%	Design / Engineering	-	15,000	-	-	-
13	Y	0%	0%	0%	100%	0%	Construction			65,000	-	-
14	Ŷ	0%	0%	0%	100%	0%	Electrical	-	-	5,000	-	-
15							SCADA site upperede					
10	V	0%	0%	0%	100%	0%	SCADA site upgrade					
18	1	070	070	070	10070	070	Construction					
19							Site 2B Boosters Upgrade (New Building, piping, electrical)					
20	Y	0%	0%	0%	100%	0%	Design / Engineering	-		-	-	-
21	Y	0%	0%	0%	100%	0%	Housing	-	-	-	-	-
22	Y	0%	0%	0%	100%	0%	Electrical	-	-	-	-	-
23												
24							Site 4C - New (1.3 MG)					
25	Y	0%	0%	0%	100%	0%	Design / Engineering	-			-	-
26	Y	0%	0%	0%	100%	0%	Construction	-	-	-	-	-
26												
26	V	087	087	08/	4008/	087	Site 5B - New (1.2 MG)					
20	I V	0%	0%	0%	100%	0%	Construction		-		-	-
20	1	070	076	070	10070	070	Construction	-	-	-	-	-
26							Site 6A - New (0.6 MG)					
26	Y	0%	0%	0%	100%	0%	Design / Engineering	-	-		-	-
26	Y	0%	0%	0%	100%	0%	Construction	-		-	-	-
26												
26							Site 7B - New (0.3 MG)					
26	Υ	0%	0%	0%	100%	0%	Design / Engineering	-	-	-	-	-
26	Y	0%	0%	0%	100%	0%	Construction	-	-	-	-	-
26												
26							Site 3C - New (1.7 MG)					
26	Y	0%	0%	0%	100%	0%	Design / Engineering	-	-	-	-	-
26	Ŷ	0%	0%	0%	100%	0%	Construction	-		-		-
26												
20												

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L1 - Additional Booster (Plumbing Req.)

Phelan Pinon Hills CSD

CIP

							CII					
			F	unding Sour	ces		Capital Cost Escalation Factor	or 3.0%				
Line No:	Fund Directly with Cash?	31210 - Debt Service Reserve - CEIDB	31410 - Disaster Reserve- Water&Adm	31220 - Water Rate Stabilization Fund	31310 - Replacement Reserve - Water&Adm	31110 - Operating Reserve - Water&Ad m	Description	2016	2017	2018	2019	2020
26	Y	0%	0%	0%	100%	0%	Design / Engineering	-	-	-		-
26	Υ	0%	0%	0%	100%	0%	Construction		-	-	-	-
26	Υ	0%	0%	0%	100%	0%	Electrical		-	-	-	-
26	Υ	0%	0%	0%	100%	0%	SCADA		-	-	-	-
26												
26							Smithson Springs Canyon Tank and Pipeline					
26	Y	0%	0%	0%	100%	0%	Topo / Survey	-	-	-	-	-
26	Y	0%	0%	0%	100%	0%	Study / Design	20,000	-		-	-
26	Y	0%	0%	0%	100%	0%	Construction		25,000	-	-	-
26												
26							Dairy Wells Pipeline Project (pipeline, reservoir, booster station)	THIS IS THE ONLY PROJE	CT TO BE FUNDED WIT	"H DEBT (Plus chromium 6)		
26	Y	0%	0%	0%	0%	100%	Study / Design	125,000			-	-
26	N	0%	0%	0%	0%	0%	Construction	-	6,625,000	5,000,000	3,500,000	-
26	N	0%	0%	0%	0%	0%	JV ADDED PER STAFF SUGGESTION THAT BOND ISSUE PAY BA	- CF	2,500,000			
26												
26	¥.7						Future Sites					
26	Ŷ	0%	0%	0%	100%	0%	Purchase	25,000	-	-	-	-
26												
26	¥7						Administration Building & Gymnasium (APN 3066-251-01, 9535 Sheep	p Creek Road)				
26	Ŷ	0%	0%	0%	100%	0%	Design / Engineering /County Fees / Construction		-		100,000	100,000
26												
26	V	08/	087	087	40007	087	Adjudication	200.000				
26	1	0%	0%	0%	100%	0%	Cost	500,000	-		-	-
26							0.1					
20	v	097	097	097	100%	087	Solar District's Contribution	75.000				
26	1	070	070	076	10076	070	District's Contribution	75,000	-	-		-
26							Engineering Department					
26	V	0%	0%	0%	100%	0%	GIS Contract Services	51 500				
26	1	070	070	070	10070	070	OIS Contract Services	51,500				-
26							Urban Water Management Plan					
26	Y	0%	0%	0%	100%	0%	Update	10.000				
26							- Printe	- 0,000				
26							Water Master Plan					
26	Y	0%	0%	0%	100%	0%	Update				-	-
26												
26							Tank Rehab-10 Year Contract (includes contract and parts and CSD la	abor)				
26	Y	0%	0%	0%	100%	0%	Maintenance	45,000	45,000	45,000	45,000	45,000
26												
26							Level Control/Pump Control/High Pressure Blow-off Control Valves	s / PRV Station Maintenance. W	ell #14 PRV (164 valv	ves total each year)		
26	Y	0%	0%	0%	100%	0%	Maintenance	20,000	20,000	20,000	20,000	20,000
26												
26							Well 6A, 1B & 2A Rehabilitation . (one well every 4th year after)					
26	Υ	0%	0%	0%	100%	0%	Rehabilitation / Maintenance	100,000	-	150,000	-	150,000
26												

Phelan Pinon Hills CSD

CIP

-							0							
			Fı	unding Sour	ces		Capital Cost Escalation Factor	r	3.0%					
Line No:	Fund Directly with Cash?	31210 - Debt Service Reserve - CEIDB	31410 - Disaster Reserve- Water&Adm	31220 - Water Rate Stabilization Fund	31310 - Replacement Reserve - Water&Adm	31110 - Operating Reserve - Water&Ad m	Description		2016		2017	2018	2019	2020
26							Booster Rehab (5 boosters each year)							
26	Y	0%	0%	0%	100%	0%	Rehabilitation		50,000		50,000	50,000	50,000	50,000
26														
26							Exterior Tank Blast and Paint (23 Total - 5 each year)							
26	Y	0%	0%	0%	100%	0%	Blast and Paint		-		95,000	-	95,000	-
26														
26							SCADA site Upgrade (2 sites each year)							
26	Y	0%	0%	0%	100%	0%	Maintenance		565,000		30,000	-	-	5,000
26														
26							PRV (Emergency By-Pass) Rebuilt (14 total - 14 replacments for the 1st	year, ma	intenance on the 14	4 PRV eac	ch year after)			
26	Y	0%	0%	0%	100%	0%	Rebuilts / Replace		10,000		10,000	10,000	10,000	10,000
26														
26							(4) 1.0 MG Tank Interior Coatings (Reservoirs 1A-3, 2A-2, 2C-2 & 1B; 1s	t tank re	hab in 2021/2022)					
26	Y	0%	0%	0%	100%	0%	Blast and Paint		-		-	-	-	-
26														
26							Total	\$	1,396,500	\$	9,415,000	\$ 5,345,000	\$ 3,820,000	\$ 430,000
26							Less: Projects Directly Funded with Cash	\$	(1,396,500)	\$	(290,000)	\$ (345,000)	\$ (320,000)	\$ (430,000)
26							Net to be Funded	\$	-	\$	9,125,000	\$ 5,000,000	\$ 3,500,000	\$ -
							Pct of CIP		100%		100%	100%	100%	100%
							Total Prioritized CIP (incl. Cost Esc.)	\$	-	\$	9,407,450	\$ 5,325,511	\$ 3,854,217	\$ 53,969

		Phel	lan Pir	non Hills CSD)				
			CIP	Funding					
Line No:		2016		2017		2018	2019	2020	2021
	Capital Project Costs (Excludes Projects								
1	Directly Funded with Cash)	\$ -	\$	9,407,450	\$	5,325,511	\$ 3,854,217	\$ 53,969	\$ 69,874
2									
3									
4	Funding Sources								
20	31210 - Debt Service Reserve - CEIDB	-		-		-	-	-	-
21	31410 - Disaster Reserve-Water&Adm	-		-		-	-	-	-
22	31220 - Water Rate Stabilization Fund	-		-		-	-	-	-
23	31310 - Replacement Reserve - Water&Adm	-		-		-	-	-	-
24	31110 - Operating Reserve - Water&Adm	-		-		-	-	-	-
25	New Debt	-		9,407,450		5,325,511	3,854,217	53,969	69,874
26	New SRF	-		-		-	-	-	-
27									
28	Total Project Funding	\$ -	\$	9,407,450	\$	5,325,511	\$ 3,854,217	\$ 53,969	\$ 69,874
29	Variance	\$ -	\$	-	\$	-	\$ -	\$ -	\$ -