

CITY OF CLOVIS

Water Rate Study

FINAL DRAFT REPORT / JANUARY 13, 2026

January 2026

Mr. Kevin Tuttle
Supervising Civil Engineer
City of Clovis – Public Utilities Department
155 N. Sunnyside Avenue
Clovis, CA 93611

Subject: Water Cost of Service and Rate Study Report

Dear Mr. Tuttle,

Raftelis is pleased to provide this Water Cost of Service and Rate Study Report to the City of Clovis. This report presents the analyses, rationales, and methodologies utilized in the study to determine cost of service-based water rates that meet the requirements of California Constitution Article XIII D, Section 6 (commonly referred to as Proposition 218).

The study's major objectives included:

- » Develop a five-year financial plan to ensure financial sufficiency, meet operating costs, fund the long-term capital improvement plan, satisfy debt service coverage requirements, and maintain target reserves.
- » Complete a cost-of-service analysis to ensure rates are proportionate to the costs of serving each customer class.
- » Review the City's existing water rate structure and recommend changes as necessary to ensure that proposed rates achieve financial sufficiency.
- » Develop a five-year schedule of water rates that are fair, equitable, and compliant with Proposition 218 requirements.

It has been a pleasure working with you, and we thank you and other City staff for the support provided to Raftelis during this study.

Sincerely,



Todd Cristiano
Project Manager

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Executive Summary

INTRODUCTION

The City of Clovis (City) retained Raftelis to conduct a comprehensive financial planning, cost of service, and rate design study for its water utility. The City’s overall objectives for this study included:

- » Develop a multi-year financial plan for FY 2026 through FY 2031 (study period), for the City’s water enterprise and capital funds to ensure that revenues from rates, fees, and charges are sufficient to cover annual operating expenses, the capital improvement program net of bond and loan proceeds and meet the City’s reserve and debt service coverage requirements.
- » Complete a comprehensive cost of service analysis to determine the cost to provide service to each customer class.
- » Review and update the water rate structure to meet this City’s objectives and comply with Proposition 218, AB 755, and SB 1157.

STUDY FINDINGS AND CONCLUSIONS

Financial Plan

Projected water sales revenues at existing rates will be inadequate to meet the water utility’s revenue requirements throughout the Study Period. **Table 1** shows the recommended rate revenue adjustments necessary to meet the forecasted revenue requirements. These adjustments are required to pay for future water utility operating expenses, fund the capital improvement program, provide adequate reserves, and satisfy debt service coverage requirements throughout the Study Period.

Table 1: Proposed Water Rate Adjustments

Line No.	Description	Existing Current	FY27 Proposed	FY28 Proposed	FY29 Proposed	FY30 Proposed	FY31 Proposed
1	Months Increase is Effective in First Year		January 1, 2027	January 1, 2028	January 1, 2029	July 1, 2029	July 1, 2030
2	Annualized Percentage Increase	0.0%	21.0%	21.0%	18.0%	3.0%	3.0%
3	Cumulative Increase	0.0%	21.0%	46.4%	72.8%	77.9%	83.3%

Cost of Service

Raftelis completed a comprehensive cost of service analysis to determine the cost to provide service to customer classes. The cost-of-service analysis is a multi-step process which considers the volume of water by class, class peak rates of demand, number of customers, and other relevant factors. The underlying principle in cost allocation is to convert the test year revenue requirement into costs that best reflect the costs associated with customer water demands placed on the system. Those costs are proportionally allocated to customer classes based on the costs of delivering water service to each class of customers. Customer service characteristics that contribute to costs include average day, peak day and peak hour demands, the number of accounts, and the number of equivalent meters.

Rate Design

The primary objective of the utility cost of service analysis and rate design is to develop rates and charges that will meet, as nearly as practical, the cost of providing service for each customer class while not exceeding the proportional costs of delivering service to each parcel. A rate structure for each individual customer would place a financial and administrative burden on the utility's resources. Instead, grouping customers into classes based on the costs to deliver water service to each class is a more manageable and practical method. The existing rate study consists of a bimonthly service charge which varies by class and by meter size.

Existing Rates

The residential class includes single family, multifamily, and mobile home customers. It also includes customers served outside the City limits in Tarpey Village. Tarpey Village consists of three residential customer classes; metered residential, non-metered residential, and non-metered large lot residential. Metered residential customers are assessed a per-dwelling unit service charge that does not vary by meter size and a tiered volume charge based on use. Tarpey Village non-residential large lot rate customers are assessed a service charge based on square footage. Tarpey Village non-metered customers are charged a fixed service charge. All Tarpey non-metered residential and non-metered large lot customers will have transitioned to metered service by the time of the FY27 rate implementation.

The commercial class includes commercial and industrial customers who are assessed a service charge based on meter size and a tiered volume charge based on use. Recycled water customers are assessed a service charge by meter size and a volume charge based on pressurized or non-pressurized use. Private firelines are assessed a service charge that does not vary by line size. Construction water accounts are temporary, unmetered customers that use water service for homes under construction. Construction water is assessed a service charge equal to the Tarpey unmetered service charge. Hydrant meter rates are assessed a service charge plus a volume rate for all usage.

Proposed Rates

The customer classes for the proposed rates have been reclassified to apply to three classes: potable retail users, recycled water users, and private fire capacity users. Service charges apply to each class based on meter size or fireline size, as applicable. To ensure that all customers are assessed a proportionate share of costs to provide service, volume rates now apply uniformly to each type of water use: potable, recycled, pressurized, and recycled non-pressurized.

The potable retail class combines the existing residential, commercial, and landscape customers into one class that is assessed a service charge that varies by meter size and a uniform volume rate.

The recycled water class is assessed a service charge that varies by meter size and a volume rate based on whether the use is pressurized or non-pressurized. The private fire capacity class is assessed a stand-by charge that varies by fireline size. Raftelis proposes that proposed construction water charges for FY27 through FY31 be based on the 1" meter service charge plus 60,000 gallons of water use at the proposed volume rates. Hydrant meter rates will increase at the same percentage as the annual financial plan increases.

Table 2 on the following page compares the existing and proposed cost of service rates for the study period.

Table 2: Comparison of Existing and Proposed Service Charges

Description	Existing		Proposed			
	FY26	FY27	FY28	FY29	FY30	FY31
BIMONTHLY SERVICE CHARGE, \$ PER BILL						
Residential						
Single Family [1]	\$27.71			Note [1]		
Multifamily [1]	27.71			Note [1]		
Mobile Home [1]	27.71			Note [1]		
Tarpey Metered Residential [1,2]	27.71			Note [1,2]		
Tarpey - Non-Metered Res Large Lot [1,2]	6.67			Note [1,2]		
Tarpey - Non-Metered [1,2]	139.05			Note [1,2]		
Residential [3], Commercial, and Landscape (Retail Potable Water Users)						
<u>Meter Size</u>						
Inches						
5/8	\$22.30	\$33.46	\$40.49	\$47.78	\$49.21	\$50.69
3/4	22.30	33.46	40.49	47.78	49.21	50.69
1	22.30	33.46	40.49	47.78	49.21	50.69
1 1/2	29.66	55.36	66.99	79.05	81.42	83.86
2	40.97	81.64	98.78	116.56	120.06	123.66
3	81.13	151.72	183.58	216.62	223.12	229.81
4	204.08	230.57	278.99	329.21	339.09	349.26
6	814.05	449.58	543.99	641.91	661.17	681.01
8	1,443.03	800.00	968.00	1,142.24	1,176.51	1,211.81
10	2,260.71	1,062.81	1,286.00	1,517.48	1,563.00	1,609.89
Recycled						
<u>Meter Size</u>						
inches						
5/8	\$22.30	\$25.87	\$31.30	\$36.93	\$38.04	\$39.18
3/4	22.30	25.87	31.30	36.93	38.04	39.18
1	22.30	25.87	31.30	36.93	38.04	39.18
1 1/2	29.66	40.18	48.62	57.37	59.09	60.86
2	40.97	57.35	69.39	81.88	84.34	86.87
3	81.13	103.14	124.80	147.26	151.68	156.23
4	204.08	154.66	187.14	220.83	227.45	234.27
6	814.05	297.76	360.29	425.14	437.89	451.03
8	1,443.03	526.71	637.32	752.04	774.60	797.84
10	2,260.71	698.43	845.10	997.22	1,027.14	1,057.95
Private Fireline						
<u>Line Size</u>						
inches						
4 and less	\$204.08	\$20.15	\$24.38	\$28.77	\$29.63	\$30.52
6	204.08	36.52	44.18	52.13	53.69	55.30
8	204.08	64.74	78.34	92.44	95.21	98.07
10	204.08	107.20	129.72	153.07	157.66	162.39
12	204.08	166.05	200.92	237.09	244.20	251.53
Construction Water	\$139.05	\$154.66	\$186.89	\$220.58	\$227.41	\$234.29
Hydrant Meter Water, \$ per bill per month	\$40.57	\$40.82	\$49.39	\$58.28	\$60.03	\$61.83

[1] The proposed service charge by meter size applies to all customer classes.

Under existing rate structure, residential customers were charged a fixed, per dwelling charge.

[2] Tarpey are billed the same as inside City residential.

[3] Service charge applies to all Residential classes in FY27.

[4] Current construction water charges are based on Tarpey Non-Metered charges.

Proposed construction water charges are based on the 1" meter charge plus 60,000 of water usage at the proposed volume rates for each year.

Table 3 compares the existing and proposed volumetric rates for the study period.

Table 3: Comparison of Existing and Proposed Volume Rates

Description	Existing	Proposed				
	FY26	FY27	FY28	FY29	FY30	FY31
VOLUME RATES, \$ PER 1,000 GALLONS						
<u>Residential - Single Family, Multifamily, Mobile Home [1]</u>						
Tier 1: (0 - 23,000 gal)	\$1.13	\$2.02	\$2.44	\$2.88	\$2.97	\$3.06
Tier 2: (23,000 - 40,000 gal)	1.88	2.02	2.44	2.88	2.97	3.06
Tier 3: (Over 40,000 gal)	2.33	2.02	2.44	2.88	2.97	3.06
<u>Commercial and Landscape</u>						
Tier 1: (0 - 23,000 gal)	\$1.13	\$2.02	\$2.44	\$2.88	\$2.97	\$3.06
Tier 2: (Over 23,000 gal)	1.53	2.02	2.44	2.88	2.97	3.06
<u>Recycled</u>						
Pressurized	\$0.71	\$0.87	\$1.05	\$1.24	\$1.28	\$1.32
Non-Pressurized	0.076	0.072	0.090	0.110	0.110	0.110
Hydrant Meter Water \$ per 1,000 gallons [2]	Note [2]	\$2.02	\$2.44	\$2.88	\$2.97	\$3.06

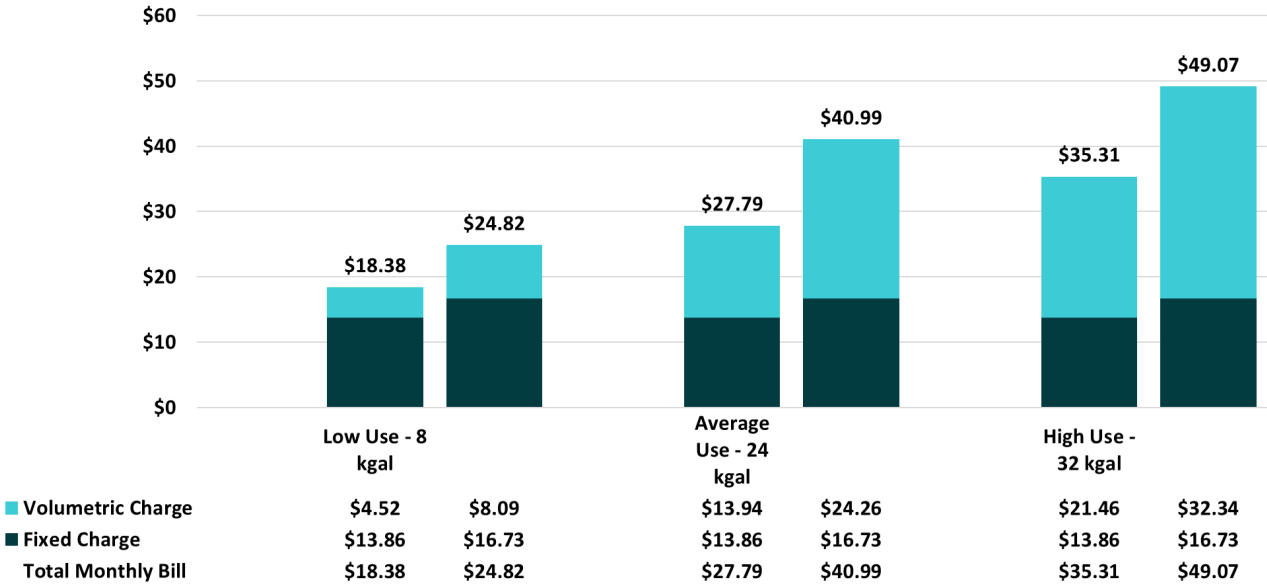
[1] Tarpey are billed the same as inside City residential

[2] Existing hydrant meter volume rate based on Commercial and Landscape volume rates.

Customer Bill Impacts

Figure 1 shows a comparison of a typical monthly bill for a residential customer with a 1-inch meter under the existing and proposed rate structures for various use levels over a two-month period: low (8 kgal), average (24 kgal), and high usages (32 kgal). Raftelis and City staff chose a 1” meter size as this is the minimum required size for new residential development and is the most common meter size for City customers. For each category of usage the column on the left indicates the bill under the existing rate structure. The column on the right indicates the bill under the proposed rate structure given identical usage. The total bill shown for each level of consumption has been stated on a monthly basis.

Figure 1: Single Family Residential Monthly Bill Impacts



Introduction

The City of Clovis provides water service to approximately 40,600 potable and non-potable customers. Potable customers include single family residential customers, multifamily residential customers, mobile home customers, and commercial and industrial customers. Recycled water customers are served by the pressurized system or through unpressurized gravity flows. The City's water system consists of wells, a surface water treatment plant (WTP), storage tanks and an integrated distribution system network. The WTP has a capacity of 22.5 million gallons per day (mgd), the water system's 37 wells have a combined total capacity of 31,740 gallons per minute (gpm). The water system has three storage tanks, and three booster pump stations. The distribution system contains 585 miles of mains. The City's recycled water system currently has 42 miles of distribution mains serving 133 connections at 69 sites. This overview is based on data provided by the City.

REPORT ORGANIZATION

This report contains the following sections:

- » **Executive Summary.** Summarizes the study results for the water financial plan, cost of service analysis and rate design.
- » **Introduction.** Provides an overview and purpose of the study as well as key components of the study process.
- » **Financial Plan.** Details the development of the financial plan, discussion of operating expenses, capital expenditures, debt service, reserve requirements, debt service coverage, and additional bond test requirements.
- » **Cost of Service Analysis.** Details the process for functionalizing, allocating, and distributing the revenue requirement to customer classes.
- » **Rate Design.** Details the process for recovering the revenue requirement between the monthly fixed service charge and the volume rates for each customer class.

The City's financial operations are reported on a fiscal year basis. The fiscal years are the twelve-month periods ending June 30 of each year. In this report the fiscal years are shown as FYXX.

LEGAL REQUIREMENTS

California Constitution - Article XIII D, Section 6 (Proposition 218)

Proposition 218, reflected in the California Constitution as Article XIII D, was enacted in 1996 to ensure that rates and fees are reasonable and proportional to the cost of providing service. The principal requirements, as they relate to public water service, are as follows:

1. The revenues derived from a property-related charge (such as water rates) shall not exceed the costs required to provide the property-related service.
2. Revenues derived by the charge shall not be used for any purpose other than that for which the charge was imposed.
3. The amount of the charge imposed upon any parcel shall not exceed the proportional cost of service attributable to the parcel.
4. No charge may be imposed for a service unless that service is actually used or immediately available to the owner of the property.
5. No fee or charge may be imposed for general government services.
6. A written notice of the proposed charge shall be mailed to the owner of record of each parcel at least 45 days prior to the public hearing, at which the agency shall consider all written protests against the charge.
7. If written protests against the proposed fee or charge are presented by a majority of owners of the affected parcels, the agency shall not impose the proposed fee or charge.

As stated in the American Water Works Association's (AWWA) *Principles of Water Rates, Fees, and Charges: Manual of Water Supply Practices - M1 Seventh Edition* (Manual M1), "water rates and charges should be recovered from classes of customers in proportion to the cost of serving those customers." Raftelis follows industry-standard rate-setting methodologies set forth by the AWWA Manual M1 to ensure this study meets Proposition 218 requirements and establishes rates that do not exceed the proportionate cost of providing water services on a parcel basis.

To preclude costly legal challenges, the state legislature has enacted legislation that can be included with the Proposition 218 Notices that provide a limited time to challenge rates.

1. **Limitation to Rate Challenges** - Pursuant to California Government Code Section 53759, there is a 120-day statute of limitations for judicially challenging rates from the date the legislative body adopts the resolution approving rates.
2. **Exhaustion of Administrative Remedies** - Pursuant to California Government Code Sections 53759.1 and 53759.2, if the local agency meets the all of the requirements specified in section 53759.1 a person or entity will be prohibited from bringing a judicial action or proceeding alleging that the proposed rates do not comply with Proposition 218 unless that person or entity has submitted a written objection to the proposed rates in response to the Proposition 218 Notice. This is known as an Exhaustion of Administrative Remedies requirement and is separate from the Proposition 218 majority Protest process.

California Constitution Article X, Section 2

California Constitution Article X, Section 2 mandates that water resources be put to beneficial use and that the waste or unreasonable use of water be prevented through conservation. Section 106 of the Water Code declares that the highest priority use of water is for domestic purposes, with irrigation secondary. Thus, the management of water resources is part of the property-related service provided by public water suppliers to ensure the resource is available over time.

RATE-SETTING METHODOLOGY

This study was conducted using industry-standard principles outlined by the AWWA Manual. The process and approach Raftelis utilized in the study to determine water rates is informed by the City's policy objectives, the current water system and rates, and the legal requirements in California that include Proposition 218. The resulting financial plan, cost of service analysis, and rate design process followed five key steps, outlined below, to determine the proposed rate structure that fulfills the City's objectives, meets industry standards, and complies with all relevant regulations.

1. **Financial Plan:** The first study step was to develop a multi-year financial plan that projects the City's water related revenues, expenses, capital project financing, annual debt service, and reserve funding. The financial plan was used to determine the revenue adjustment, the difference between the revenues generated by the existing rate structure and the revenue requirement (as described below).
2. **Revenue Requirement:** After completing the financial plan, the revenue requirement was determined for the test year, also known as the rate-setting year. The test year used for this study is FY 2027. The revenue requirement is the amount needed to sufficiently fund the City's water related operating costs, annual debt service (including coverage requirements), capital expenditures, and reserve funding as projected based on the annual budget estimates.
3. **Cost of Service Analysis:** The revenue requirement is distributed to customer classes commensurate with their use of and burden on the water system and the proportional costs of providing service to each customer class. A cost-of-service analysis involves the following steps:
 - » Functionalize costs – the different components of the revenue requirement are categorized into functions such as supply, customer service, etc.
 - » Allocate to cost causation components – the functionalized costs are allocated to cost causation components such as volume, bills, equivalent meters, etc.
 - » Develop unit costs – unit costs for each cost causation component are determined using units of service, such as total use, equivalent meters, number of customers, etc., for each component.
 - » Distribute cost components – the cost components are allocated to each customer class using the unit costs in proportion to their demand and burden on the system.
4. **Rate Design:** After allocating the revenue requirement to each customer class, the project team designs and calculates rates. This process also includes a rate impact analysis and sample customer bill impacts.
5. **Administrative Record (Report) Preparation and Rate Adoption:** The administrative record is developed in conjunction with the rate adoption process. This rate study report serves as the administrative record for this study. The administrative record documents the study results and presents the methodologies, rationale, justifications, and calculations used to determine the proposed rates. A thorough and methodological administrative record serves two important functions: maintaining defensibility in a stringent legal environment and communicating the rationale for revenue adjustments and proposed rates to customers and key stakeholders.

RELIANCE ON CITY PROVIDED DATA

During this project, the City (and/or its representatives) provided Raftelis with a variety of technical information, including cost and revenue data. Raftelis reviewed the data provided for reasonableness but did not independently assess or test for the accuracy of such data – historic or projected. Raftelis has relied on this data in the formulation

of our findings and subsequent recommendations, as well as in the preparation of this report. Raftelis also relied on cost allocation data provided by the City needed to complete the cost-of-service analysis.

There are often differences between actual and projected data. Some of the assumptions used for projections in this report will not be realized, and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between the data or results projected in this report and actual results achieved, and those differences may be material. As a result, Raftelis takes no responsibility for the accuracy of data or projections provided by or prepared on behalf of the City, nor do we have any responsibility for updating this report for events occurring after the date of this report.

In conducting the cost-of-service analysis, Raftelis reviewed the books, records, agreements, capital improvement programs, customer sales, and financial projections for the City's water system. The documents, information and data were provided to the consultant by the City. Raftelis also conferred with City staff, including finance, planning, and engineering staff. Per capita demands from customers are projected to decrease in alignment with "Making Conservation a California Way of Life Regulations" being implemented over the course of the study period.

In the study, Raftelis made rate calculations using the best estimates of the City's expected costs, planned capital improvements, and future customer demands. Making such calculations in advance is normal for public water providers because providers need to recover revenue matched to public budgets adopted in advance of their fiscal periods. For this reason, and others, achieving mathematical exactitude in rate calculations is impossible. Instead, there are methods and techniques available to water providers that yield reasonable proportionality between the costs incurred to provide water service and the demand for that service.

Financial Plan

INTRODUCTION

The City's water utility is a self-supporting enterprise fund. The City has one combined fund which includes four subfunds.

- » **Capital cash flow.** Tracks financial activities associated with non-growth capital funding and spending. The primary sources of revenue are transfers from the operating fund. The primary uses of funds are capital repair and replacement projects (CIP), and payments on existing and proposed debt service.
- » **Operating cash flow.** Tracks financial activities associated with operating and maintaining the water utility on a daily basis. Primary sources of funds are rate revenue, other non-rate revenue, and transfers from the general fund. Uses of funds consist of operations and maintenance expenses (O&M), transfers to the capital fund, and transfers to reserve funds
- » **Development impact fee fund.** Tracks financial activities associated with funding growth-related projects. Primary sources are development impact fees and revenue bonds. Primary uses include growth-related capital projects and debt service associated with those projects.
- » **Reserve funds.** This fund tracks activities associated with funding various operating and capital programs. Reserves have been set aside for the water treatment plant membrane replacement, maintaining a drought contingency, funding for future SGMA projects, and funding for TCP treatment. These reserves are funded primarily through operating revenues, including rate revenue.

This report focuses on the capital and operating funds because these financial activities are associated with the revenue requirements used in the cost-of-service analysis. The operating fund does account for the reserve fund requirements through transfers out to that fund. These transfers are captured as part of the revenue requirement. Detailed O&M, CIP, and cash flow tables are included in Appendix A.

FINANCIAL PLAN

Capital Fund Cash Flow

Beginning Balance

The FY25 beginning balance is assumed to be \$7.1 million.

Sources of Funds

Sources of funds consist primarily of transfers from the operating fund. Transfers are projected to increase from approximately \$3.8 million in FY27 to \$12.7 million in FY31 to fund capital repair and replacement projects. There are no bond or loan issues proposed during the study period.

Uses of Funds

The City has several capital improvement projects anticipated over the study period. Major projects include main replacement, water treatment plant upgrades, storage improvements and other miscellaneous projects. **Table 4** shows the total capital improvements by category with and without inflation. Columns in **Table 4** shows the capital improvement project costs with and without an annual inflation allowance of 4.0%.

Table 4: FY25 through FY31 Capital Improvements by Category

Line No.	Description	FY25 - FY31 Millions (\$)	
		Exc. Inflation	Inc. Inflation
1	Mains	\$1.32	\$1.50
2	WTP	17.09	20.50
3	Storage	4.13	4.71
4	Misc	8.22	9.91
5	Well	2.60	3.01
6	Pump	0.00	0.00
7	Recharge Basin	1.13	1.17
8	Total	\$34.48	\$40.81

Capital Reserves

Capital reserves are an industry best practices considering the significant level of capital infrastructure required to collect, treat, and deliver water to customers. Capital reserves are established to provide a utility with sufficient funds to meet unanticipated capital needs, such as an infrastructure failure or unexpected repair and replacement project costs. Capital reserve targets can be defined in several ways given that capital expenditures generally fluctuate more than operating costs on a year-to-year basis. Utilities tend to choose targets they find reasonably easy to administer, and that differ depending on where the utilities are in their infrastructure lifecycle. For example, one utility may not have experienced major growth for years and has largely depreciated its assets, another may have more recently constructed facilities, and another utility may be rapidly growing and has just built a new treatment plant.

A common capital reserve target is one year of depreciation expense. Based on the projected depreciation expense, the target capital reserve increases from approximately \$3.5 million in FY25 to \$4.5 million in FY31. **Table 5** summarizes the capital fund cash flow required to meet the target capital reserve.

Table 5: Capital Fund Cash Flow

Line No.	Description	Fiscal Period Ending June 30						
		FY25	FY26	FY27	FY28	FY29	FY30	FY31
		\$	\$	\$	\$	\$	\$	\$
Sources of Funds								
1	Transfer From Operating Fund	-	-	3,834,334	2,469,746	8,161,797	10,626,694	12,740,489
2	Revenue Bond Proceeds (Non-Growth)	-	-	-	-	-	-	-
3	State Loans (Non-Growth)	-	-	-	-	-	-	-
4	Investment Income	134,979	103,152	38,694	52,874	-	-	-
5	Total Sources	134,979	103,152	3,873,028	2,522,619	8,161,797	10,626,694	12,740,489
Uses of Funds								
6	Capital Projects (Non-Growth)	756,000	2,696,720	3,955,411	2,372,619	8,001,797	10,456,694	12,570,489
7	Transfer To Operating Fund	-	-	-	-	-	-	-
8	Total Uses	756,000	2,696,720	3,955,411	2,372,619	8,001,797	10,456,694	12,570,489
9	<i>Annual Surplus (Deficiency)</i>	<i>(621,021)</i>	<i>(2,593,568)</i>	<i>(82,383)</i>	<i>150,000</i>	<i>160,000</i>	<i>170,000</i>	<i>170,000</i>
10	Beginning Balance	7,126,972	6,505,951	3,912,383	3,830,000	3,980,000	4,140,000	4,310,000
11	Ending Balance	6,505,951	3,912,383	3,830,000	3,980,000	4,140,000	4,310,000	4,480,000
12	<i>Target Reserve (Annual Depreciation)</i>	<i>3,536,323</i>	<i>3,680,000</i>	<i>3,830,000</i>	<i>3,980,000</i>	<i>4,140,000</i>	<i>4,310,000</i>	<i>4,480,000</i>
13	Unrestricted Capital Reserves	2,969,629	232,383	-	-	-	-	-

Operating Fund Cash Flow

Beginning Balance

The projected FY25 beginning fund balance is assumed to be \$22.7 million.

Revenues

Operating revenue is derived from water rates, investment income, transfers in, and other non-rate revenues. Water sales revenue under current rates is based on the projected number of water accounts and water usage amounts for each customer class. Revenue under existing rates is projected to range from \$21.5 million in FY25 to \$23.6 million in FY31 based on projected annual customer growth of approximately 2.0%. Other sources of non-operating revenues include a periodic annual \$700,000 transfer from the general fund for repayment of an interfund loan that will continue annually through the entire study period. Transfers in from the drought contingency reserve fund are scheduled in FY25 through FY27 which total \$2.6 million. Investment income is projected to average approximately \$732,000 annually. Investment income projections are based on the average fund balance of the operating fund and the various reserve funds.

Revenue Requirements

Revenue requirements include operation and maintenance expense (O&M), transfers to the capital fund, debt transfers to the development impact fee fund, transfers to reserve funds, funding the operating reserve and meeting debt service coverage requirements.

O&M consists of personnel, professional and contractual services, repairs and maintenance, materials and supplies. O&M is projected to increase from \$26.6 million in FY25 to \$31.3 million in FY31. Transfers to the capital fund are projected to occur annually starting in FY27 to provide funding for projects such as the Surface Water Treatment Plant upgrades. Transfers to the development impact fee fund are projected to occur annually during the study period until FY28 when the revenue refunding bonds mature. The revenue refunding bond debt service is projected to be paid 25% from the operating fund and 75% from the developer impact fee fund. These debt service payments made from the operating fund are projected to average \$730,000 annually until maturity.

Operating Reserve

A minimum operating reserve equal to 90 days of operating expenses is recommended, which is typical in the industry and for a utility of this size.

Debt Service Coverage

The City has one outstanding issue of water revenue bonds, the 2023 Water Revenue Refunding Bonds, which were issued to refund the City's 2013 water revenue bonds. The City funds 25% of the debt service payments on the refunding bonds from rate and other operating revenues and the remaining 75% from development impact fees. Bond covenants require a minimum debt service coverage of 1.25x refunding bond debt service. The refunding bonds mature in FY28. Debt service coverage is projected to be adequate through the study period.

Indicated Water Sales Revenue Adjustments

Water rate revenue must be sufficient to meet revenue requirements, maintain adequate reserves, and comply with bond covenants. To achieve these goals, an annual adjustment of 21% is required to meet the FY27 revenue requirements, followed by an annual increase of 21% for the FY28 revenue requirements and 18% for the FY29 revenue requirements. Equal annual adjustments of 3% are projected to be required to meet the FY30 and FY31 revenue requirements. **Table 6** summarizes the operating fund cash flow.

Table 6: Operating Fund Cash Flow

Line No.	Description	Fiscal Period Ending June 30						
		FY25	FY26	FY27	FY28	FY29	FY30	FY31
		\$	\$	\$	\$	\$	\$	\$
Sources of Funds								
1	Revenue from Existing Water Service Rates	21,491,253	21,536,600	21,940,138	22,351,660	22,771,327	23,200,392	23,637,962
2	Additional Water Sales Revenue Required	-	-	2,303,714	7,533,627	13,568,728	18,083,943	19,686,904
3	Total Water Service Rate Revenue	21,491,253	21,536,600	24,243,852	29,885,287	36,340,054	41,284,335	43,324,866
4	Miscellaneous Revenue	1,547,204	1,554,844	1,562,637	1,570,586	1,578,693	1,586,963	1,595,398
5	Debt Proceeds (Transfers In)	770,000	770,000	770,000	770,000	770,000	770,000	770,000
6	Reserve Transfers In (Mem Replace, Drought, SGMA)	500,000	1,000,000	400,000	-	-	-	536,038
7	Interest Income	866,994	803,066	701,472	636,991	640,954	685,520	750,366
8	Total Sources	25,175,452	25,664,511	27,677,962	32,862,864	39,329,701	44,326,819	46,976,668
Uses of Funds								
9	Operation and Maintenance Expense	26,603,928	27,665,934	29,137,928	29,685,545	30,750,785	29,660,598	31,255,080
Transfers to Reserves								
10	Transfer to Membrane Replacement	100,000	100,000	100,000	200,000	200,000	250,000	250,000
11	Transfer to Drought Contingency	-	-	-	-	-	-	-
12	Transfer to SGMA	-	500,000	500,000	-	-	500,000	500,000
13	Transfer to TCP Treatment	620,000	620,000	620,000	620,000	620,000	620,000	620,000
Transfers to Subfunds								
14	Transfer to Capital Fund	-	-	3,834,334	2,469,746	8,161,797	10,626,694	12,740,489
15	Transfer to DIF Subfund 25% of Total Debt Service	732,125	730,750	732,938	728,438	-	-	-
16	Total Uses of Funds	28,056,053	29,616,684	34,925,200	33,703,728	39,732,582	41,657,292	45,365,569
17	<i>Annual Surplus (Deficiency)</i>	<i>(2,880,601)</i>	<i>(3,952,173)</i>	<i>(7,247,238)</i>	<i>(840,863)</i>	<i>(402,881)</i>	<i>2,669,527</i>	<i>1,611,099</i>
18	Beginning Balance	22,730,000	19,849,399	15,897,226	8,649,988	7,809,124	7,406,243	10,075,770
19	Ending Balance	19,849,399	15,897,226	8,649,988	7,809,124	7,406,243	10,075,770	11,686,870
Target Reserves								
20	<i>Target Operating Reserves (90 Days O&M)</i>	<i>6,650,000</i>	<i>6,920,000</i>	<i>7,280,000</i>	<i>7,420,000</i>	<i>7,690,000</i>	<i>7,420,000</i>	<i>7,810,000</i>
21	Unrestricted Operating Reserves	13,199,399	8,977,226	1,369,988	389,124	(283,757)	2,655,770	3,876,870
22	Annual Water Service Revenue Increase	0.0%	0.0%	21.0%	21.0%	18.0%	3.0%	3.0%
23	Debt Service Coverage	3.22	2.96	3.39	5.25	N/A	N/A	N/A
24	Cumulative Revenue Increase	0.0%	0.0%	21.0%	46.4%	72.8%	77.9%	83.3%

Reserve Funds

The City maintains reserve funds for a variety of projects including regular replacement of its Surface Water Treatment Plant (SWTP) membranes; funding for the Sustainable Groundwater Management Act (SGMA), drought contingency fund for periods of reduced revenue due to drought conditions, and additional infrastructure to meet additional water quality standards associated with treating Per- and Polyfluoroalkyl Substances (PFAS) and 1,2,3 Trichloropropane (TCP). **Table 7** shows the projected inflows and outflows needed to maintain the reserve funds.

Table 7: Reserve Fund Inflows and Outflows

Line No.	Description	Estimated	Budget	Projected (Fiscal Year Ending June 30)				
		FY25	FY26	FY27	FY28	FY29	FY30	FY31
		\$	\$	\$	\$	\$	\$	\$
Membrane Replacement								
1	Transfer From Operating Fund (In)	100,000	100,000	100,000	200,000	200,000	250,000	250,000
2	Transfer to Operating Fund (Out) Membrane Repl	-	0	400,000	-	-	-	536,038
3	Annual Surplus (Deficiency)	100,000	100,000	(300,000)	200,000	200,000	250,000	(286,038)
4	Beginning Balance	1,180,000	1,280,000	1,380,000	1,080,000	1,280,000	1,480,000	1,730,000
5	Ending Balance	1,280,000	1,380,000	1,080,000	1,280,000	1,480,000	1,730,000	1,443,962
<hr/>								
Drought Contingency								
6	Transfer From Operating Fund	-	-	-	-	-	-	-
7	Transfer to Operating Fund (Out)	500,000	1,000,000	-	-	-	-	-
8	Annual Surplus (Deficiency)	(500,000)	(1,000,000)	-	-	-	-	-
9	Beginning Balance	7,500,000	7,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
10	Ending Balance	7,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
<hr/>								
SGMA								
11	Transfer From Operating Fund	-	500,000	500,000	-	-	500,000	500,000
12	Transfer to Operating Fund (Out)	-	-	-	-	-	-	-
13	Annual Surplus (Deficiency)	-	500,000	500,000	-	-	500,000	500,000
14	Beginning Balance	5,000,000	5,000,000	5,500,000	6,000,000	6,000,000	6,000,000	6,500,000
15	Ending Balance	5,000,000	5,500,000	6,000,000	6,000,000	6,000,000	6,500,000	7,000,000
<hr/>								
TCP Treatment								
16	Transfer From Operating Fund	620,000	620,000	620,000	620,000	620,000	620,000	620,000
17	Transfer to Operating Fund (Out)	-	-	-	-	-	-	-
18	Annual Surplus (Deficiency)	620,000	620,000	620,000	620,000	620,000	620,000	620,000
19	Beginning Balance	8,270,000	8,890,000	9,510,000	10,130,000	10,750,000	11,370,000	11,990,000
20	Ending Balance	8,890,000	9,510,000	10,130,000	10,750,000	11,370,000	11,990,000	12,610,000
21	Total Reserve Balance	22,170,000	22,390,000	23,210,000	24,030,000	24,850,000	26,220,000	27,053,962

Cost of Service Analysis

INTRODUCTION

Equitable water rates fairly recover the costs required to provide service to each respective customer class. Determination of cost of service requires accounting for the volume of water used by the class, class peak rates of demand, the number of customers within the class, and other relevant factors.

The cost-of-service analysis is conducted for a test year which is considered representative of the period in which resultant rates are expected to be in effect. The year 2027 was selected as the test year for this study.

COST OF SERVICE PROCESS

The cost-of-service process assigns costs based on each customer class’s proportionate share of water demands and number of customers. The cost-of-service analysis consists of the following nine steps:

1. Determine the test year rate revenue at existing rates
2. Determine the test year revenue requirement
3. Functionalize the revenue requirement
4. Allocate functionalized costs to cost components
5. Determine the total system units of service
6. Determine the unit costs of service
7. Determine customer class units of service
8. Distribute costs to customer classes
9. Design rates to recover class cost-of-service and the total revenue requirement

FY27 REVENUE AT CURRENT RATES

Raftelis developed FY27 rate revenue projections at existing rates using detailed billing records provided by the City based on the current number of customers by meter size and class, projected use per account and growth in the number of accounts by class. The FY27 revenue projected to be generated by the existing rates is shown in **Table 8**. This projection of revenue generated by the existing rates serves as the basis for determining the FY27 revenue requirement. Projections are also used in the units of service analysis.

Table 8: FY27 Revenue at Existing Rates

Line No.	Customer Class	Bills	Volume <i>1,000 gal</i>	Revenue
1	Retail	276,873	7,897,634	20,974,374
2	Recycled Water-Pressurized	2,052	235,739	346,430
3	Recycled Water-Non-Pressurized	12	16,286	28,106
4	Private Fire Protection	4,252	-	591,228
5	Total	283,189	8,149,659	\$21,940,138

TEST YEAR REVENUE REQUIREMENT

Table 9 shows the components of the revenue requirement for 2027. As shown in the table below, the revenue requirement is the sum of operating and maintenance expense, debt service, capital R&R projects, DIF debt service transfers and transfers to reserves (Lines 1 through 6). Adjustments to the revenue requirement are made to account for miscellaneous revenues, interfund debt repayment, reserve transfers, interest income, and operating reserve increases (Lines 7 through 12). The individual revenue requirements for Operating and Capital, respectively, are shown on Line 13. The total net revenue requirement is shown on Line 14.

Table 9: Test Year Revenue Requirement

Line No.	Description	Operating Expense	Capital Expense	Total
		\$	\$	\$
Revenue Requirements				
1	Operating & Maintenance Expense	\$29,137,928		\$29,137,928
2	Debt Service		-	-
3	Capital R&R Projects		3,834,334	3,834,334
4	DIF Debt Service Transfer		732,938	732,938
5	Transfer to Reserves		1,220,000	1,220,000
6	Total Revenue Requirements	\$29,137,928	\$5,787,272	\$34,925,200
Revenue Requirement Adjustments				
7	Miscellaneous Revenue	(1,562,637)		(1,562,637)
8	Interfund Debt Repayment		(770,000)	(770,000)
9	Reserve Transfers In		(400,000)	(400,000)
10	Interest Income	(585,235)	(116,237)	(701,472)
11	Operating Reserve Increase (Decrease)	(4,124,358)	(819,165)	(\$4,943,524)
12	Total Adjustments	(\$6,272,230)	(\$2,105,403)	(\$8,377,633)
13	Subtotal	\$22,865,697	\$3,681,869	\$26,547,567
14	Net Revenue Requirement			\$26,547,567

REVENUE REQUIREMENT ALLOCATION

The underlying principle in cost allocation is to convert the test year revenue requirement into costs that best reflect the cost associated with customer water demands placed on the system. Those costs are proportionally allocated to customer classes based on their respective customer class units of service to determine class cost of service.

Customer class units of service include average day, peak day, and peak hour demands, the number of equivalent meters, and the number of bills.

Functional Cost Components

Water systems are comprised of several facilities (unit processes or functions) that are designed and operated to collect, treat, and distribute water to customers. The separation of costs into functional components provides a means for distributing costs to customer classes based on their respective proportional costs to service.

O&M Functional Costs

The City's O&M revenue requirement can be functionalized into cost categories based on the line-item descriptions in the budget. O&M functional cost categories include expenses for day-to-day operations and management during

the applicable year. **Table 10** shows the FY27 O&M revenue requirement allocated to functional categories. The allocation of O&M to functional cost categories is based on an evaluation of each O&M line item assigned to a functional category most aligned with that expense. Raftelis provided guidance on this approach but ultimately relied on the City’s expertise in assigning the O&M costs to the functional cost categories. **Table 10** summarizes the functional O&M costs for the FY27 test year.

Table 10: Test Year O&M Functional Allocation

Line No.	Description	FY27 Test Year Total
Operation and Maintenance Expense		
1	Wells/WTP/Purchased Water	11,665,665
2	Pumping	3,392,204
3	Treated Storage	377,170
4	Trans/Dist	3,635,536
5	Hydrants/Fire Protection	403,144
6	Meters & Services	5,215,017
7	Customer Billing	4,170,898
8	All Other/Infrastructure	0
9	All Other/General	0
10	Recycled Water Pressurized	260,524
11	Recycled Water Non-Pressurized	17,770
12	Total O&M Expense	\$29,137,928

Capital Functional Costs

Table 11 shows the FY27 capital cost revenue requirements allocated to the functional cost categories based on the proportionate value of assets. The value of water system assets provides a reasonable basis for allocating the expenses in the capital cost categories to the cost components. Annual capital improvement program costs vary significantly from year to year as well as project types which may cause fluctuation in future cost of service analysis. Allocating the test year capital costs on a project-by-project basis alone may result in a distribution of cost allocations that can fluctuate significantly from year to year. Therefore, Raftelis allocated the capital cost categories based on the value of existing assets, plus project additions from the City’s capital improvement program.

Table 11: Test Year Capital Cost Functional Allocation

Line No.	Description	RCNLD Assets [1]	Test Year Capital
1	Land	\$3,236,338	\$40,009
2	Source of Supply	15,100,155	186,675
3	Pumping Station	2,129,204	26,322
4	Wells / Treatment	201,367,903	2,489,402
5	Treated Storage	66,298,972	819,618
6	Transmission Reserve	9,203,145	113,773
7	Capacity Reserve	13,021	161
8	Customer Billing	0	0
9	Meters and Services	477,858	5,908
10	Total	\$297,826,597	\$3,681,869

[1] RCNLD: Replacement cost new less accumulated depreciation

Allocation Factors

Water systems are designed and operated to meet the average and peak demands of their customers. Therefore, data on annual consumption and peak demand contributions are needed to allocate costs equitably among customer classes. Since customers do not exert their maximum demand for water at the same time, water facilities are designed to meet the coincidental demands on the system. Using system peak demands to average demand ratios provides a means for distributing costs equitably to customer classes.

For every facility on the system, there is an underlying average demand, or uniform rate of usage, exerted coincidentally by customers for which the average day cost component applies. Certain facilities are operated and designed to meet the demand above the average day demand or maximum day extra-capacity demand. Costs associated with those facilities are allocated to both the average day and maximum day cost components. Similarly, other facilities are designed to meet demands in excess of maximum day requirements or maximum hour extra-capacity. Costs associated with these facilities are allocated to the average day, maximum day, and maximum hour cost components.

The ratio of maximum day and average day demand is used to allocate costs between average day and maximum day cost components. A maximum day to average day ratio of 1.7 is used based on the City most recent Water Master Plan (WMP). This indicates approximately 58.8% of the capacity of facilities designed and operated for maximum day demand is needed for average day demands use. Accordingly, the remaining 41.2% is for maximum day extra-capacity requirements.

A ratio of maximum hour to average day water use of 3.0 was used based on the City's WMP ratio of maximum hour demand to maximum day demand of 1.30. This ratio indicates approximately 33.3% of the capacity of facilities designed and operated for maximum hour demand is needed for average day demands, approximately 23.3% is required to meet maximum day extra-capacity demand, and the remaining approximately 43.3% is for maximum hour extra-capacity demand. These ratios are used to allocate the line item functionalized costs to cost components. Other cost allocations are based on the allocation of all other categories. **Table 12** shows the development of the percent allocation of system maximum day demands and maximum hour demands.

Table 12: Development of System Demand Factors

Line No.	Description	System Demands	Factor	Allocation
		<i>mgd</i>		
	Max Day Extra Capacity			
1	Average Day	17.9	1.00	58.8%
2	Max Day Extra Capacity	15.1	0.70	41.2%
3	Max Day	33.0	1.70	100.0%
	Max Hour Extra Capacity			
4	Average Day	17.9	1.00	33.3%
5	Max Day Extra Capacity	15.1	0.70	23.3%
6	Max Hour Extra Capacity	20.7	1.30	43.3%
7	Max Hour	53.7	3.00	100.0%

Other revenue requirements can be directly assigned to specific cost components. Billing and administrative costs such as meter reading are allocated directly to the billing cost component. Indirect expenditures not specifically assigned are allocated in proportion to all other operations and maintenance cost components.

Allocation of Functionalized Costs

Once costs have been separated by function, they can be further allocated to cost components using the demand factors identified above. Allocating costs to cost components provides a means of assigning functionalized costs based on the design and functional parameters that facility serves in the system. Functionalized costs are grouped under two categories: volume and customer. Volume cost components include average day demand, peak rates of demand. Customer costs include meters and services, billing, reserve capacity, and public fire capacity costs. This allocation approach is referred to as the base-extra capacity method of allocating costs. This is the most common method to allocating revenue requirements in the cost-of-service process. Below is a definition of the customer service characteristics.

Volume Cost Components

Water utility costs are allocated to customer classes based on their demand patterns, which dictate the necessary system infrastructure and operations. This methodology categorizes costs into three components:

- **Average Day:** Covers costs for average daily water usage and the system's fundamental size required to meet it.
- **Maximum (max) day extra capacity:** Accounts for costs to meet daily demands in excess of average day demands.
- **Maximum (max) hour extra capacity:** Covers costs for the highest, short-term hourly peak demands placed on the system.

These max day and max hour components are calculated using system-wide demand factors to allocate costs incurred for supporting peak demands. These terms refer to the system's design and operational capacity needed for different demand levels, not specific usage times. The significant incremental costs of building and operating facilities to handle above-average demands are assigned to the max day and max hour components. This ensures customers who place higher demands on the system contribute proportionally to the cost of the expanded infrastructure needed to serve them.

Functional O&M costs are generally allocated to the cost components that best reflect the design or functional parameter associated with that facility's expense. For example, water supply costs are allocated to the base or average day costs as source of supply facilities are designed to meet average day demands. Pump stations are designed to meet maximum day demands. These costs are allocated to the average day and maximum day cost components. Similarly, wells and treatment, and transmission mains are designed to meet maximum day demand. Treated storage and distribution main facilities are designed to meet maximum hour demands. These costs are allocated to the average day, maximum day, and maximum hour cost components. Meter repair is associated with repair and replacement of customer meters. These costs are allocated directly to the meters and services cost component.

Water system assets provide a reasonable basis for allocating annual capital costs. The wells, treatment, pumping, and transmission facilities are designed to meet the peak demands on the system. These costs are allocated to the average day and maximum day cost component. Treated storage and distribution mains are designed to meet maximum hour demands. These costs are allocated to the average day, maximum day, and maximum hour demands. Other costs not specifically allocated are allocated in proportion to all other assets.

Customer Cost Components

Customer costs are those costs directly related with serving customers irrespective of any water use. Customer costs include the following categories:

- **Meters and Services.** Costs associated with reading meters, servicing meters, and field service calls to customers. Meter and services costs increase by meter size based on the assumption that as meter sizes increase, the more capacity must be available for the customer at any point in time.
- **Billing Costs.** Costs associated with billing customers. This includes billing representatives, IT costs, and some general administrative costs related to billing services.
- **Reserve Capacity.** This represents the portion of customer stand-by capacity costs.
- **Public Fire Capacity.** This recovers the costs of providing public fire water capacity to all customers connected to the system. These costs include the capacity requirement to meet the specific fire flow design requirements of the system and the cost of maintaining fire hydrants.

Table 13 summarizes the allocated revenue requirement for operation and maintenance expenses reflecting the allocation of functionalized cost analysis discussed above. The allocated operation and maintenance revenue requirement can then be distributed to customer classes based on their proportionate share of total customer service characteristics. Additional details on the allocation of revenue to the cost causation components is found in the Appendix.

Table 13: Summary of Allocated Net O&M Expense to Cost Components

Line No.	Description	Allocated O&M	Allocated Non-Rate Revenue	Net Allocated O&M
1	Average Day	\$10,257,164	(\$2,207,957)	\$8,049,207
2	Max Day Extra Capacity	7,180,015	(1,545,570)	5,634,445
3	Max Hour Extra Capacity	1,633,395	(351,605)	1,281,791
4	Meters and Services	5,215,017	(1,122,585)	4,092,433
5	Billing	4,170,898	(897,827)	3,273,070
6	Capacity Reserve	0	0	0
7	Fire Protection	403,144	(86,781)	316,364
8	Recycled Water-Pressurized	260,524	(56,080)	204,443
9	Recycled Water-Non-Pressurized	17,770	(3,825)	13,945
10	Total Allocated O&M Expense	\$29,137,928	(\$6,272,230)	\$22,865,697

Table 14 summarizes the allocated capital revenue requirement to cost components. The allocated capital cost revenue requirement can then be distributed to customer classes based on their proportionate share of total customer service characteristics. Additional details on the allocation of revenue to the cost causation components is found in the Appendix.

Table 14: Allocation of Capital Costs to Cost Components

Line No.	Description	Allocated Capital
1	Average Day	\$2,046,708
2	Max Day Extra Capacity	1,274,016
3	Max Hour Extra Capacity	355,238
4	Meters and Services	5,908
5	Billing	0
6	Capacity Reserve	0
7	Fire Protection	0
8	Recycled Water-Pressurized	0
9	Recycled Water-Non-Pressurized	0
10	Total Allocated Capital Costs	\$3,681,869

Allocated Revenue Requirement Adjustments

With assistance from City staff, Raftelis adjusted the allocated revenue requirement to recover a portion of the maximum hour extra capacity costs in the customer reserve capacity cost component. To avoid recovering a portion of public fire capacity costs in the reserve capacity component, the public fire capacity maximum hour extra capacity costs and hydrant-related costs are combined and shown as a separate line item. These combined costs are recovered in the customer cost component. **Table 15**, column *b* shows the reallocation of public fire capacity. Column *c* shows the net revenue requirement to be used in the reserve capacity reallocation, column *d* shows the reallocation of maximum hour extra capacity costs to the reserve capacity customer cost component. Column *e* shows the net adjusted revenue requirement.

Table 15: Allocated Revenue Requirement Adjustments

Line No.	Description	(a) Allocated Capital	(b) Public/Private Fire Protection Reallocation	(c) Net Reallocation	(d) Capacity Reallocation	(e) Adj. Allocated Revenue Requirement
1	Average Day	\$10,095,915	\$0	\$10,095,915	\$0	\$10,095,915
2	Max Day Extra Capacity	6,908,461	(221,113)	6,687,348	(1,337,470)	5,349,878
3	Max Hour Extra Capacity	1,637,028	(62,294)	1,574,734	(1,055,072)	519,662
4	Meters and Services	4,098,340	0	4,098,340	0	4,098,340
5	Billing	3,273,070	0	3,273,070	0	3,273,070
6	Capacity Reserve	0	0	0	2,392,542	2,392,542
7	Fire Protection	316,364	(316,364)	0	0	0
8	Recycled Water-Pressurized	204,443	0	204,443	0	204,443
9	Recycled Water-Non-Pressurized	13,945	0	13,945	0	13,945
10	Public Fire Protection	0	563,239	563,239	0	563,239
11	Private Fire Protection	0	36,532	36,532	0	36,532
12	Total Allocated Capital Costs	\$26,547,567	\$0	\$26,547,567	\$0	\$26,547,567

Customer Class Units of Service

The units of service form the basis for allocating costs to different customer classes. Each customer class has distinct water usage patterns and demand characteristics. Since cost-of-service is based on proportionality, service characteristics of each class are analyzed to proportionally distribute the allocated system costs according to their respective demand profiles. The units of service for this cost-of-service study are divided into the following classes:

- **Retail Customers:** This category includes all current potable water customers including single-family residential, multi-family residential, mobile homes, commercial, and landscape customers.
- **Recycled Water Customers:** This category consists of customers receiving recycled water, served by either a pressurized system or a gravity-fed system.
- **Public Fire Capacity:** This category includes costs associated with providing system-wide fire service. These costs are redistributed to the retail and recycled customer classes, as they directly benefit from the service.
- **Private Fire Capacity:** This category covers commercial customers who have a separate fire line for fire sprinklers.

Since the retail class combines the water demands of all potable water customers, only one set of demand factors is needed to represent the overall usage characteristics of the class. Recycled water customers are served by the wastewater system, so their peak demands do not affect the peak demands on the potable water system. Public and private fire capacity are considered "standby costs," meaning the costs allocated to these classes represent the capacity required to serve them. Table 16 shows the summarized units of service by customer class.

Table 16: Summarized Units of Service

Line No.	Customer Class	Extra Capacity			Bills	Equivalent Meters		
		Average Day <i>gpd</i>	Max Day <i>gpd</i>	Max Hour <i>gpd</i>		Capacity <i>Eq. 1" Meter</i>	Hydrants	Recycled Water <i>gpd</i>
1	Retail Customers	21,637	19,598	51,131	276,873	315,175	-	-
2	Recycled Water-Pressurized	-	-	-	2,052	10,008	-	646
3	Recycled Water-Non-Pressurized	-	-	-	12	576	-	527
4	Public Fire Protection	-	569	1,708	-	-	5,129	-
5	Private Fire Protection	-	79	315	4,252	-	-	-

Unit Cost of Service

The unit cost of service is the quotient of the allocated revenue requirement by cost component divided by the units of service for each.

Table 17 shows the calculation of the unit cost of service.

Table 17: Unit Cost of Service

Line No.	Description	(a) Allocated Revenue Requirement	(b) Retail	(c) Recycled Water		(e) Fire Protection		(g) Units of Service	(h) Units	(i)=(g)/(h) Unit Cost of Service
				Pressurized	Non-Pressurized	Public	Private			
1	Average Day	\$10,095,915	7,897,634	-	-	-	-	7,897,634	1,000 gal	\$1.28
2	Max Day Extra Capacity	5,349,878	19,598	-	-	-	-	19,598	gpd	\$272.98
3	Max Hour Extra Capacity	519,662	51,131	-	-	-	-	51,131	gpd	\$10.16
4	Meters and Services	4,098,340	315,175	10,008	576	-	-	325,759	Eq Billed Meters [1]	\$12.58
5	Billing	3,273,070	276,873	2,052	12	-	4,252	283,189	Total Bills [1]	\$11.56
6	Capacity Reserve	2,392,542	315,175	-	-	-	-	315,175	Eq. Billed Meter [2]	\$7.59
7	Recycled Water-Pressurized	204,443	-	235,739	-	-	-	235,739	1,000 gal	\$0.87
8	Recycled Water-Non-Pressurized	13,945	-	-	192,497	-	-	192,497	1,000 gal	\$0.07
9	Public Fire Protection	563,239	-	-	-	5,129	-	5,129	Hydrants	\$109.81
10	Private Fire Protection	36,532	-	-	-	-	4,252	4,252	4" Eq. Fireline Bills	\$8.59
11	Total Revenue Requirement	\$26,547,567								

[1] Includes retail and recycled water customers

[2] Includes retail customers only. The water system is not impacted by Recycled water customer demands

Distribution of Costs to Customer Classes

Table 18 shows the distributed cost-of-service to customer classes. The customer class units of service in Table 16 are multiplied by the unit cost of service in Table 17 to determine the customer class cost of service.

Table 18: Distribution of Costs to Customer Classes Summary

Line No.	Description	Retail	Recycled Water		Fire Protection		Total
			Pressurized	Non-Pressurized	Public	Private	
1	Average Day	\$10,095,915	\$0	\$0	\$0	\$0	\$10,095,915
2	Max Day Extra Capacity	5,349,878	0	0	0	0	\$5,349,878
3	Max Hour Extra Capacity	519,662	0	0	0	0	\$519,662
4	Meters and Services	3,965,184	125,910	7,247	0	0	\$4,098,340
5	Billing	3,200,072	23,717	139	0	49,143	\$3,273,070
6	Capacity Reserve	2,392,542	0	0	0	0	\$2,392,542
7	Recycled Water-Pressurized	0	0	0	0	0	\$0
8	Recycled Water-Non-Pressurized	0	204,443	0	0	0	\$204,443
9	Public Fire Protection	0	0	13,945	0	0	\$13,945
10	Private Fire Protection	0	0	0	563,239	36,532	\$599,771
11	Total	\$25,523,253	\$354,070	\$21,330	\$563,239	\$85,675	\$26,547,567

Comparison of Cost of Service to Revenue at Existing Rates

Table 19 compares the calculated cost of service to revenue at existing rates.

Table 19: Comparison of Cost of Service to Revenue at Existing Rates

Line No.	Customer Class	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		Cost of Service	Public Fire Adjustment [1]	Adjusted COS	FY27 Revenue at Current Rates	Change \$	Change - %	Public Fire Reallocation Equivalent Meter	% of Total
1	Residential	\$20,523,805	\$463,658	\$20,987,463	17,323,932	\$3,663,530	21.1%	268,165	82.32%
2	Commercial/Industrial	2,443,077	46,175	2,489,253	1,751,545	737,707	42.1%	26,706	8.20%
3	Recycled Water - Pressurized	354,070	17,304	371,374	374,536	(3,162)	-0.8%	10,008	3.07%
4	Recycled Water - Non-Pressurized	21,330	996	22,326	0	22,326	N/A	576	0.18%
5	Landscape	1,793,551	19,887	1,813,438	1,307,757	505,681	38.7%	11,502	3.53%
6	Tarpey	762,819	15,219	778,038	591,139	186,899	31.6%	8,802	2.70%
7	Public Fire Protection	563,239	(563,239)	0	0	0	N/A	-	0.00%
8	Private Fire Protection	85,675		85,675	591,228	(505,552)	-85.51%	-	0.00%
9	Total	\$26,547,567	\$0	\$26,547,567	\$21,940,138	\$4,607,429	21.0%	325,759	100.0%

[1] Allocated based on the proportion of equivalent meters by class to total equivalent meters in Column h

Rate Design

INTRODUCTION

Customer class rate structures serve as the method to recover the cost to provide service for each customer classification. The City's existing and proposed rate structures include a service charge and a volume rate. The proposed rate structure was designed based on the cost-of-service analysis such that each customer class is paying their proportionate share of costs required to serve them.

EXISTING RATES

The residential class includes single family, multifamily, and mobile home customers. It also includes customers served outside the City limits in Tarpey Village. Tarpey Village consists of three residential customer classes; metered residential, non-metered residential, and non-metered large lot residential. Metered residential customers are assessed a per-dwelling unit service charge that does not vary by meter size and a tiered volume charge based on use. Tarpey Village non-residential large lot rate customers are assessed a service charge based on square footage. Tarpey Village non-metered customers are charged a fixed service charge. All Tarpey non-metered residential and non-metered large lot customers will have transitioned to metered service by the time of the FY27 rate implementation.

The commercial class includes commercial and industrial customers who are assessed a service charge based on meter size and a tiered volume charge based on use. Recycled water customers are assessed a service charge by meter size and a volume charge based on pressurized or non-pressurized use. Private firelines are assessed a service charge that does not vary by line size. Construction water accounts are temporary, unmetered customers that use water service for homes under construction. Construction water is assessed a service charge equal to the Tarpey unmetered service charge. Hydrant meter rates are assessed a service charge plus a volume rate for all usage.

The Inside City residential class includes a 3-tiered volume rate where the rate increases through each threshold. In a similar fashion, the commercial and industrial classes are assessed a 2-tiered volume rate which increases in each tier.

PROPOSED RATES

The customer classes for the proposed rates have been reclassified to apply to three classes, potable retail users, recycled water users, and private fire capacity users. Service charges apply to each class based on meter size or fireline size, as applicable. To ensure that all customers are assessed a proportionate share of costs to provide service, volume rates now apply uniformly to each type of water use, potable, recycled pressurized and recycled non-pressurized.

The potable retail class combines the existing residential, commercial, and landscape customers into one class that is assessed a service charge that varies by meter size and a uniform volume rate.

The recycled water class is assessed a service charge that varies by meter size and a volume rate based on whether the use is pressurized or non-pressurized. The private fire capacity class is assessed a stand-by charge that varies by fireline size. Raftelis proposes that proposed construction water charges for FY27 through FY31 be based on the 1" meter service charge plus 60,000 gallons of water use at the proposed volume rates. Hydrant meter rates are based on the 2-inch water meter service charge and the uniform volumetric use rate.

DEVELOPMENT OF FIXED CHARGES

The potable retail, recycled, and private fireline fixed charges are based on the allocated customer cost of service components and their appropriate units of service. **Table 20** shows the fixed charges, allocated costs, and associated units of service. Table 21 shows the scaling of the fixed charge across meter sizes.

Table 20: Development of Fixed Charges

Line No.	COS Component	Cost of Service	Units of Service	Units	Unit Cost of Service \$ per Eq Meter
1	Meters & Services	\$4,098,340	325,759	Equiv Meter Capacity [1]	\$12.58
2	Billing	3,273,070	283,189	Bills	11.56
3	Public Fire Protection	563,239	325,759	Equiv Meter Capacity [1]	1.73
4	Capacity Reserve	2,392,542	315,175	Equiv Meter Capacity [1,2]	7.59
5	Total	\$10,327,191			\$33.46
6	Private Fireline (Capacity Portion)	\$36,532	4,252	4" Equivalent Fireline Bills [3]	\$8.59

[1] Includes residential, commercial, landscape, and recycled equivalent meters but excludes private firelines

[2] Capacity reserve is related to potable water system only. Recycled water is excluded.

[3] Total charge includes both private fire protection capacity and billing component costs

Table 21: Service Charge Calculation by Meter Size

Line No.	Meter Size	(a) Capacity Equivalency	(b) Monthly Meter Charge	(c) Monthly Billing Charge	(d) Public Fire Protection	(e)=(a)+(b)+(c)+(d) Readiness to Service Capacity	(f) Total Monthly Charge	(g)=(a)+(b)+(c) Rounded	Recycled Water Only
1	5/8 inch	1.00	\$12.58	\$11.56	\$1.73	\$7.59	\$33.46	\$33.46	\$25.87
2	3/4 inch	1.00	12.58	11.56	1.73	7.59	33.46	33.46	25.87
3	1 inch	1.00	12.58	11.56	1.73	7.59	33.46	33.46	25.87
4	1.5 inch	2.00	25.16	11.56	3.46	15.18	55.36	55.36	40.18
5	2 inch	3.20	40.26	11.56	5.53	24.29	81.64	81.64	57.35
6	3 inch	6.40	80.52	11.56	11.07	48.58	151.72	151.72	103.14
7	4 inch	10.00	125.81	11.56	17.29	75.91	230.57	230.57	154.66
8	6 inch	20.00	251.62	11.56	34.58	151.82	449.58	449.58	297.76
9	8 inch	36.00	452.91	11.56	62.24	273.28	800.00	800.00	526.71
10	10 inch	48.00	603.88	11.56	82.99	364.38	1,062.81	1,062.81	698.43

DEVELOPMENT OF VOLUME RATES

Volume rates for the potable retail and recycled water customers are calculated in a similar fashion to the fixed charges. **Table 22** shows the development of the volume rates for both classes.

Table 22: Development of Volume Rates

Line No.	COS Component	Cost of Service	Units of Service	Units 1,000 gal	Unit Cost of Service \$ per 1,000 gal
1	Volume Cost of Service	\$15,965,455	7,897,634	Potable water	\$2.02
2	Pressurized	204,443	235,739	Recycled water	0.87
3	Nonpressurized	13,945	192,497	Recycled water	0.07

PROPOSED FIVE-YEAR RATE SCHEDULE

Table 23 and **Table 24** compares existing FY26 rates to proposed rates for FY27 through FY30. These rates are designed to recover the revenue identified in the operating fund cash flows. Rates for FY27 are based on this cost-of-service analysis and rates for FY28 through FY30 are based on FY27 with the annual rate increases shown in the operating fund cash flow.

Table 23: Comparison of Existing and Proposed Service Charges

Description	Existing	Proposed				
	FY26	FY27	FY28	FY29	FY30	FY31
BIMONTHLY SERVICE CHARGE, \$ PER BILL						
Residential						
Single Family [1]	\$27.71			Note [1]		
Multifamily [1]	27.71			Note [1]		
Mobile Home [1]	27.71			Note [1]		
Tarpey Metered Residential [1,2]	27.71			Note [1,2]		
Tarpey - Non-Metered Res Large Lot [1,2]	6.67			Note [1,2]		
Tarpey - Non-Metered [1,2]	139.05			Note [1,2]		
Residential [3], Commercial, and Landscape (Retail Potable Water Users)						
<u>Meter Size</u>						
Inches						
5/8	\$22.30	\$33.46	\$40.49	\$47.78	\$49.21	\$50.69
3/4	22.30	33.46	40.49	47.78	49.21	50.69
1	22.30	33.46	40.49	47.78	49.21	50.69
1 1/2	29.66	55.36	66.99	79.05	81.42	83.86
2	40.97	81.64	98.78	116.56	120.06	123.66
3	81.13	151.72	183.58	216.62	223.12	229.81
4	204.08	230.57	278.99	329.21	339.09	349.26
6	814.05	449.58	543.99	641.91	661.17	681.01
8	1,443.03	800.00	968.00	1,142.24	1,176.51	1,211.81
10	2,260.71	1,062.81	1,286.00	1,517.48	1,563.00	1,609.89
Recycled						
<u>Meter Size</u>						
inches						
5/8	\$22.30	\$25.87	\$31.30	\$36.93	\$38.04	\$39.18
3/4	22.30	25.87	31.30	36.93	38.04	39.18
1	22.30	25.87	31.30	36.93	38.04	39.18
1 1/2	29.66	40.18	48.62	57.37	59.09	60.86
2	40.97	57.35	69.39	81.88	84.34	86.87
3	81.13	103.14	124.80	147.26	151.68	156.23
4	204.08	154.66	187.14	220.83	227.45	234.27
6	814.05	297.76	360.29	425.14	437.89	451.03
8	1,443.03	526.71	637.32	752.04	774.60	797.84
10	2,260.71	698.43	845.10	997.22	1,027.14	1,057.95
Private Fireline						
<u>Line Size</u>						
inches						
4 and less	\$204.08	\$20.15	\$24.38	\$28.77	\$29.63	\$30.52
6	204.08	36.52	44.18	52.13	53.69	55.30
8	204.08	64.74	78.34	92.44	95.21	98.07
10	204.08	107.20	129.72	153.07	157.66	162.39
12	204.08	166.05	200.92	237.09	244.20	251.53
Construction Water	\$139.05	\$154.66	\$186.89	\$220.58	\$227.41	\$234.29
Hydrant Meter Water, \$ per bill per month	\$40.57	\$40.82	\$49.39	\$58.28	\$60.03	\$61.83

[1] The proposed service charge by meter size applies to all customer classes.

Under existing rate structure, residential customers were charged a fixed, per dwelling charge.

[2] Tarpey are billed the same as inside City residential.

[3] Service charge applies to all Residential classes in FY27.

[4] Current construction water charges are based on Tarpey Non-Metered charges.

Proposed construction water charges are based on the 1" meter charge plus 60,000 of water usage at the proposed volume rates for each year.

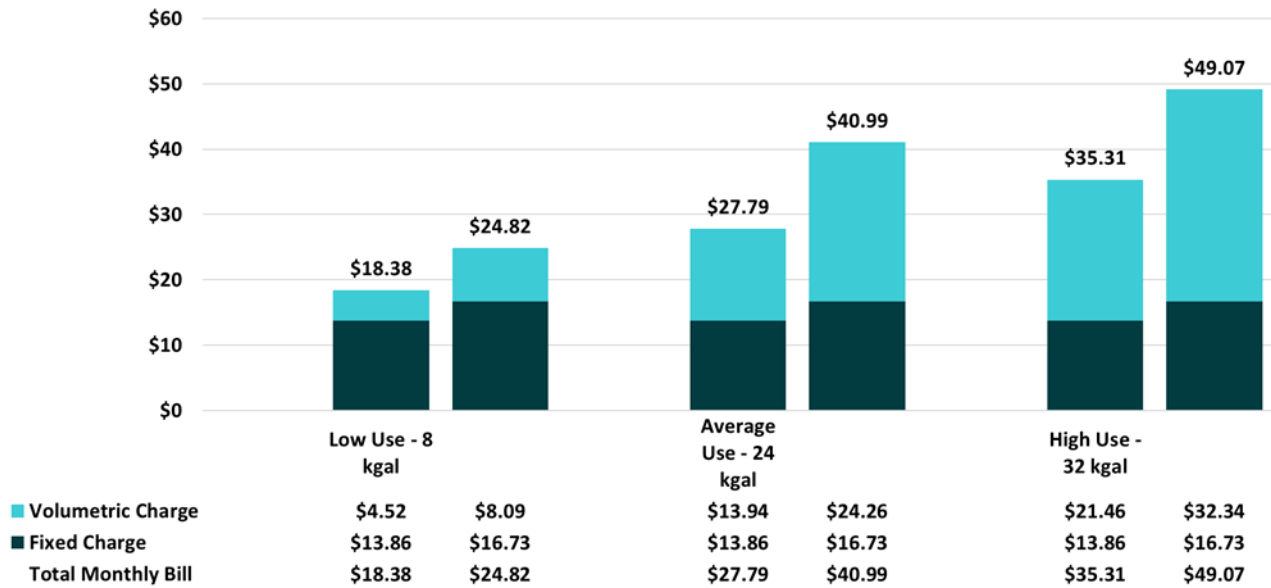
Table 24: Comparison of Existing and Proposed Volume Rates

Description	Existing	Proposed				
	FY26	FY27	FY28	FY29	FY30	FY31
VOLUME RATES, \$ PER 1,000 GALLONS						
<u>Residential - Single Family, Multifamily, Mobile Home [1]</u>						
Tier 1: (0 - 23,000 gal)	\$1.13	\$2.02	\$2.44	\$2.88	\$2.97	\$3.06
Tier 2: (23,000 - 40,000 gal)	1.88	2.02	2.44	2.88	2.97	3.06
Tier 3: (Over 40,000 gal)	2.33	2.02	2.44	2.88	2.97	3.06
<u>Commercial and Landscape</u>						
Tier 1: (0 - 23,000 gal)	\$1.13	\$2.02	\$2.44	\$2.88	\$2.97	\$3.06
Tier 2: (Over 23,000 gal)	1.53	2.02	2.44	2.88	2.97	3.06
<u>Recycled</u>						
Pressurized	\$0.71	\$0.87	\$1.05	\$1.24	\$1.28	\$1.32
Non-Pressurized	0.076	0.072	0.090	0.110	0.110	0.110
Hydrant Meter Water \$ per 1,000 gallons [2]	Note [2]	\$2.02	\$2.44	\$2.88	\$2.97	\$3.06
[1] Tarpey are billed the same as inside City residential						
[2] Existing hydrant meter volume rate based on Commercial and Landscape volume rates.						

CUSTOMER BILL IMPACTS

Figure 2 compares the current and FY27 proposed rates by showing a monthly bill for single family residential customers with a 1-inch meter. The comparison is further broken out by low (8 kgal), average (24 kgal), and high usage (32 kgal). The bill comparisons are shown on a monthly basis.

Figure 2: Single Family Residential Monthly Bill Impacts



DROUGHT RATE VOLUMETRIC SURCHARGES

The City is obligated to meet its annual net revenue requirements regardless of whether consumption levels decline due to State mandated conservation. Even if consumption levels decline, the City will continue to incur costs and must have a revenue-neutral mechanism to ensure fiscal sustainability. To this end, drought rates are intended to maintain the necessary level of revenues for the water utility.

Table 25 shows the baseline FY 2027 consumption as well as the projected consumption at each mandated conservation level.

Table 25: Consumption Assumptions Utilized in Drought Response Charge Analysis

FY 2027 Consumption Assumptions			
Shortage Level ¹	Percent Shortage Range ²	Potable Water Consumption (1,000 gal/yr.)	Difference to Baseline (1,000 gal)
1	Less than 10% Conservation ³	7,897,634	0
2	Up to 20% Conservation	7,107,870	(789,763)
3	Up to 30% Conservation	6,318,107	(1,579,527)
4	Up to 40% Conservation	5,528,343	(2,369,290)
5	Up to 50% Conservation	4,738,580	(3,159,053)
6	Greater than 50% Conservation	3,948,817	(3,948,817)

1. State Water Resources Control Board Water Shortage Contingency Plan Shortage Level.

2. Drought levels based on the State Water Resources Control Board Drought Emergency Water Conservation.

3. This represents the baseline consumption for FY 2027 consumption. Conservation percentage for each drought stage is relative to the baseline consumption.

Table 26 shows the maximum drought rate volumetric surcharge that could be enacted by the City Council in the event of mandated shortage level. The volumetric surcharges shown in the table would be applied to the potable uniform volumetric rate in place at the time of implementation.

Table 26: Drought Response Surcharges by Conservation Goal and Fiscal Year

Conservation Goal	Drought Response Surcharge (\$/1,000 gal)				
	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
< 10%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Up to 20%	\$0.23	\$0.27	\$0.32	\$0.33	\$0.34
Up to 30%	\$0.51	\$0.61	\$0.72	\$0.74	\$0.77
Up to 40%	\$0.87	\$1.05	\$1.23	\$1.27	\$1.31
Up to 50%	\$1.35	\$1.63	\$1.92	\$1.98	\$2.04
> 50%	\$2.02	\$2.44	\$2.88	\$2.97	\$3.06

Appendix A

Financial Plan

Line No.	Description	Fiscal Period Ending June 30						
		FY25	FY26	FY27	FY28	FY29	FY30	FY31
		\$	\$	\$	\$	\$	\$	\$
Sources of Funds								
1	Revenue from Existing Water Service Rates	21,491,253	21,536,600	21,940,138	22,351,660	22,771,327	23,200,392	23,637,962
2	Additional Water Sales Revenue Required	-	-	2,303,714	7,533,627	13,568,728	18,083,943	19,686,904
3	Total Water Service Rate Revenue	21,491,253	21,536,600	24,243,852	29,885,287	36,340,054	41,284,335	43,324,866
4	Miscellaneous Revenue	1,547,204	1,554,844	1,562,637	1,570,586	1,578,693	1,586,963	1,595,398
5	Debt Proceeds (Transfers In)	770,000	770,000	770,000	770,000	770,000	770,000	770,000
6	Reserve Transfers In (Mem Replace, Drought, SGM)	500,000	1,000,000	400,000	-	-	-	536,038
7	Interest Income	866,994	803,066	701,472	636,991	640,954	685,520	750,366
8	Total Sources	25,175,452	25,664,511	27,677,962	32,862,864	39,329,701	44,326,819	46,976,668
Uses of Funds								
9	Operation and Maintenance Expense	26,603,928	27,665,934	29,137,928	29,685,545	30,750,785	29,660,598	31,255,080
Transfers to Reserves								
10	Transfer to Membrane Replacement	100,000	100,000	100,000	200,000	200,000	250,000	250,000
11	Transfer to Drought Contingency	-	-	-	-	-	-	-
12	Transfer to SGMA	-	500,000	500,000	-	-	500,000	500,000
13	Transfer to TCP Treatment	620,000	620,000	620,000	620,000	620,000	620,000	620,000
Transfers to Subfunds								
14	Transfer to Capital Fund	-	-	3,834,334	2,469,746	8,161,797	10,626,694	12,740,489
15	Transfer to DIF Subfund 25% of Total Debt Service	732,125	730,750	732,938	728,438	-	-	-
16	Total Uses of Funds	28,056,053	29,616,684	34,925,200	33,703,728	39,732,582	41,657,292	45,365,569
17	<i>Annual Surplus (Deficiency)</i>	<i>(2,880,601)</i>	<i>(3,952,173)</i>	<i>(7,247,238)</i>	<i>(840,863)</i>	<i>(402,881)</i>	<i>2,669,527</i>	<i>1,611,099</i>
18	Beginning Balance	22,730,000	19,849,399	15,897,226	8,649,988	7,809,124	7,406,243	10,075,770
19	Ending Balance	19,849,399	15,897,226	8,649,988	7,809,124	7,406,243	10,075,770	11,686,870
Target Reserves								
20	<i>Target Operating Reserves (90 Days O&M)</i>	<i>6,650,000</i>	<i>6,920,000</i>	<i>7,280,000</i>	<i>7,420,000</i>	<i>7,690,000</i>	<i>7,420,000</i>	<i>7,810,000</i>
21	Unrestricted Operating Reserves	13,199,399	8,977,226	1,369,988	389,124	(283,757)	2,655,770	3,876,870
22	Annual Water Service Revenue Increase	0.0%	0.0%	21.0%	21.0%	18.0%	3.0%	3.0%
23	Debt Service Coverage	3.22	2.96	3.39	5.25	N/A	N/A	N/A
24	Cumulative Revenue Increase	0.0%	0.0%	21.0%	46.4%	72.8%	77.9%	83.3%

Line No.	Description	Fiscal Period Ending June 30						
		FY25	FY26	FY27	FY28	FY29	FY30	FY31
		\$	\$	\$	\$	\$	\$	\$
Sources of Funds								
1	Transfer From Operating Fund	-	-	3,834,334	2,469,746	8,161,797	10,626,694	12,740,489
2	Revenue Bond Proceeds (Non-Growth)	-	-	-	-	-	-	-
3	State Loans (Non-Growth)	-	-	-	-	-	-	-
4	Investment Income	134,979	103,152	38,694	52,874	-	-	-
5	Total Sources	134,979	103,152	3,873,028	2,522,619	8,161,797	10,626,694	12,740,489
Uses of Funds								
6	Capital Projects (Non-Growth)	756,000	2,696,720	3,955,411	2,372,619	8,001,797	10,456,694	12,570,489
7	Transfer To Operating Fund	-	-	-	-	-	-	-
8	Total Uses	756,000	2,696,720	3,955,411	2,372,619	8,001,797	10,456,694	12,570,489
9	<i>Annual Surplus (Deficiency)</i>	<i>(621,021)</i>	<i>(2,593,568)</i>	<i>(82,383)</i>	<i>150,000</i>	<i>160,000</i>	<i>170,000</i>	<i>170,000</i>
10	Beginning Balance	7,126,972	6,505,951	3,912,383	3,830,000	3,980,000	4,140,000	4,310,000
11	Ending Balance	6,505,951	3,912,383	3,830,000	3,980,000	4,140,000	4,310,000	4,480,000
12	<i>Target Reserve (Annual Depreciation)</i>	<i>3,536,323</i>	<i>3,680,000</i>	<i>3,830,000</i>	<i>3,980,000</i>	<i>4,140,000</i>	<i>4,310,000</i>	<i>4,480,000</i>
13	Unrestricted Capital Reserves	2,969,629	232,383	-	-	-	-	-

Line No.	Description	Estimated	Budget	Projected (Fiscal Year Ending June 30)				
		FY25	FY26	FY27	FY28	FY29	FY30	FY31
		\$	\$	\$	\$	\$	\$	\$
Membrane Replacement								
1	Transfer From Operating Fund (In)	100,000	100,000	100,000	200,000	200,000	250,000	250,000
2	Transfer to Operating Fund (Out) Membrane Rep	-	0	400,000	-	-	-	536,038
3	Annual Surplus (Deficiency)	100,000	100,000	(300,000)	200,000	200,000	250,000	(286,038)
4	Beginning Balance	1,180,000	1,280,000	1,380,000	1,080,000	1,280,000	1,480,000	1,730,000
5	Ending Balance	1,280,000	1,380,000	1,080,000	1,280,000	1,480,000	1,730,000	1,443,962

Drought Contingency								
6	Transfer From Operating Fund	-	-	-	-	-	-	-
7	Transfer to Operating Fund (Out)	500,000	1,000,000	-	-	-	-	-
8	Annual Surplus (Deficiency)	(500,000)	(1,000,000)	-	-	-	-	-
9	Beginning Balance	7,500,000	7,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
10	Ending Balance	7,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000

SGMA								
11	Transfer From Operating Fund	-	500,000	500,000	-	-	500,000	500,000
12	Transfer to Operating Fund (Out)	-	-	-	-	-	-	-
13	Annual Surplus (Deficiency)	-	500,000	500,000	-	-	500,000	500,000
14	Beginning Balance	5,000,000	5,000,000	5,500,000	6,000,000	6,000,000	6,000,000	6,500,000
15	Ending Balance	5,000,000	5,500,000	6,000,000	6,000,000	6,000,000	6,500,000	7,000,000

TCP Treatment								
16	Transfer From Operating Fund	620,000	620,000	620,000	620,000	620,000	620,000	620,000
17	Transfer to Operating Fund (Out)	-	-	-	-	-	-	-
18	Annual Surplus (Deficiency)	620,000	620,000	620,000	620,000	620,000	620,000	620,000
19	Beginning Balance	8,270,000	8,890,000	9,510,000	10,130,000	10,750,000	11,370,000	11,990,000
20	Ending Balance	8,890,000	9,510,000	10,130,000	10,750,000	11,370,000	11,990,000	12,610,000
21	Total Reserve Balance	22,170,000	22,390,000	23,210,000	24,030,000	24,850,000	26,220,000	27,053,962
22	<i>Operating Surplus (Deficiency) (Lines 3, 8, 13, 18, 21, and Table 5, Line 17)</i>	<i>(2,660,601)</i>	<i>(3,732,173)</i>	<i>(6,427,238)</i>	<i>(20,863)</i>	<i>922,263</i>	<i>4,487,195</i>	<i>2,923,395</i>
23	Total Operating Ending Balance (Lines 5, 10, 15, 20, Table 5, Line 16)	42,019,399	38,287,226	31,859,988	31,839,124	32,761,387	37,248,582	40,171,976
24	Target Operating Reserves	6,650,000	6,920,000	7,280,000	7,420,000	7,690,000	7,420,000	7,810,000
25	Annual Water Service Revenue Increase	0.0%	0.0%	21.0%	21.0%	18.0%	3.0%	3.0%
26	Cumulative Revenue Increase	0.0%	0.0%	21.0%	46.4%	72.8%	77.9%	83.3%

Line No.	Account	Title	Budget		Projected				
			FY25	FY26	FY27	FY28	FY29	FY30	FY31
			\$	\$	\$	\$	\$	\$	\$
Personnel Services									
1	61000	SALARIES REGULAR	4,009,200	4,089,384	4,171,172	4,254,595	4,382,233	4,513,700	4,649,111
2	61150	SPEC TEAM PREMIUM	19,600	19,992	20,392	20,800	21,424	22,066	22,728
3	61160	ACTING/OUT OF CLASS PAY	12,000	12,240	12,485	12,734	13,117	13,510	13,915
4	61200	OVERTIME REGULAR	85,000	86,700	88,434	90,203	92,909	95,696	98,567
5	61207	OVERTIME-CALLOUT	1,600	1,632	1,665	1,698	1,749	1,801	1,855
6	61210	OVERTIME-SPECIAL EVENTS	5,000	5,100	5,202	5,306	5,465	5,629	5,798
7	61211	HOLIDAY BUYOUT	11,000	11,220	11,444	11,673	12,023	12,384	12,756
8	61214	OVERTIME COVID19	-	-	-	-	-	-	-
9	61216	CTO BUYBACK	50,000	51,000	52,020	53,060	54,652	56,292	57,981
10	61300	EXTRA HELP	1,000	1,020	1,040	1,061	1,093	1,126	1,160
11	61301	EXTRA HELP-INTERNS/AIDES	5,000	5,100	5,202	5,306	5,465	5,629	5,798
12	Subtotal Personnel Services		4,199,400	4,283,388	4,369,056	4,456,437	4,590,130	4,727,834	4,869,669
Employee Related Expenditures									
13	62001	RETIREMENT-MISC	894,700	939,435	977,012	1,006,323	1,036,512	1,067,608	1,099,636
14	62002	RETIREMENT-SAFETY	20,600	21,630	22,495	23,170	23,865	24,581	25,319
15	62004	DEFERRED COMP CONTRIBUTION	92,400	97,020	100,901	103,928	107,046	110,257	113,565
16	62005	WORKER'S COMPENSATION	144,300	151,515	157,576	162,303	167,172	172,187	177,353
17	62006	HEALTH BENEFIT PLAN	730,000	766,500	797,160	821,075	845,707	871,078	897,211
18	62007	MEDICARE	64,000	67,200	69,888	71,985	74,144	76,369	78,660
19	62010	SICK LEAVE INCENTIVE	53,400	56,070	58,313	60,062	61,864	63,720	65,632
20	62011	SOC SEC/PERS-EXTRA HELP	1,400	1,470	1,529	1,575	1,622	1,671	1,721
21	62012	OTHER BENEFITS	11,500	12,075	12,558	12,935	13,323	13,722	14,134
22	62013	WORKER'S COMP-EH	800	840	874	900	927	955	983
23	62014	HEALTH INS REBATE	40,900	42,945	44,663	46,003	47,383	48,804	50,268
24	62020	UNIFORM ALLOWANCE	11,700	12,285	12,776	13,160	13,554	13,961	14,380
25		VANTAGE CARE CONTRIBUTION	-	-	-	-	-	-	-
26	Subtotal Employee Related Expenditures		2,065,700	2,168,985	2,255,744	2,323,417	2,393,119	2,464,913	2,538,860
Professional Services									
27	63000	FLEET- O/M CHARGE	333,500	350,175	367,684	386,068	405,371	425,640	446,922
28	63001	FLEET REPLACEMENT CHARGE	422,700	431,154	439,777	448,573	462,030	475,891	490,167
29		FLEET LEASE CHARGES	-	-	-	-	-	-	-
30	63003	VEHICLE RENTAL - OUTSIDE VENDO	1,000	1,020	1,040	1,061	1,093	1,126	1,160
31	63004	VEHICLE ALLOWANCE	49,500	50,490	51,500	52,530	54,106	55,729	57,401
32	63009	FLEET ADMIN CHARGES	130,300	132,906	135,564	138,275	142,424	146,696	151,097
33	63100	ENERGY	5,810,000	6,187,650	6,589,847	6,886,390	7,196,278	7,520,110	7,858,515
34	63260	CELLULAR COMMUNICATION	18,000	18,360	18,727	19,102	19,675	20,265	20,873
35		PAGING SERVICES	-	-	-	-	-	-	-
36	63300	PROFESSIONAL & PUBLIC SERVIC	11,200	11,424	11,652	11,886	12,242	12,609	12,988
37	63301	CONSULTING SERVICES	300,000	306,000	312,120	318,362	327,913	337,751	347,883
38	63302	LEGAL SERVICES	100,000	102,000	104,040	106,121	109,304	112,584	115,961
39	63304	MARKETING SERVICES	30,000	30,600	31,212	31,836	32,791	33,775	34,788
40	63310	LAB SERVICES	250,000	255,000	260,100	265,302	273,261	281,459	289,903
41	63315	OTHER SERVICES	245,000	249,900	254,898	259,996	267,796	275,830	284,105
42	63317	LANDSCAPE MAINTENANCE CONTRA	100,000	105,000	110,250	115,763	121,551	127,628	134,010
43	63333	SPECIAL EVENTS	1,400	1,428	1,457	1,486	1,530	1,576	1,623
44	63345	SURFACE WATER PURCHASE	1,850,000	1,887,000	1,924,740	1,963,235	2,022,132	2,082,796	2,145,280
45	63347	DBCP-LEGAL SERVICES	63,500	64,770	66,065	67,387	69,408	71,491	73,635
46	63350	TEMP PERSONNEL SERVICES	21,200	21,624	22,056	22,498	23,173	23,868	24,584
47	63390	CREDIT CARD CHARGES	95,200	97,104	99,046	101,027	104,058	107,180	110,395
48	63441	REPAIR & MAINTENANCE-COMPUTE	-	-	-	-	-	-	-
49	63450	MISC EQUIPMENT REPAIR	3,700	3,885	4,079	4,283	4,497	4,722	4,958
50	63455	REPAIR & MTCE-OUTSIDE VENDOR	617,705	648,590	681,020	715,071	750,824	788,366	827,784
51	63459	REPAIR & MTCE-CORP YARD	50,000	52,500	55,125	57,881	60,775	63,814	67,005
52		REPAIR & MAINT-SEWER LIFT STAT	-	-	-	-	-	-	-
53	63464	REPAIR & MAINT-WATER VALVES	75,000	78,750	82,688	86,822	91,163	95,721	100,507
54	63471	LAUNDRY SERVICES	5,000	5,250	5,513	5,788	6,078	6,381	6,700

Line No.	Account	Title	Budget		Projected				
			FY25	FY26	FY27	FY28	FY29	FY30	FY31
			\$	\$	\$	\$	\$	\$	\$
55		Subtotal Professional Services	10,583,905	11,092,580	11,630,201	12,066,742	12,559,473	13,073,007	13,608,244
		Staff Development							
56	64101	GENERAL OFFICE SUPPLIES-OTHE	2,000	2,100	2,184	2,250	2,317	2,387	2,458
57	64103	FORMS & PRINTING	20,000	21,000	21,840	22,495	23,170	23,865	24,581
58	64105	POSTAGE/SHIPPING	22,000	23,100	24,024	24,745	25,487	26,252	27,039
59	64210	FIRST AID	1,500	1,575	1,638	1,687	1,738	1,790	1,844
60	64221	UNIFORMS-NON-SWORN	13,000	13,650	14,196	14,622	15,061	15,512	15,978
61	64230	MISCELLANEOUS	75,000	78,750	81,900	84,357	86,888	89,494	92,179
62	64231	MISCELLANEOUS SUPPLIES COVID	-	-	-	-	-	-	-
63	64237	SWTP LAB SUPPLIES	22,248	23,360	24,295	25,024	25,774	26,548	27,344
64	64240	PLUMBING & PIPE FITTINGS	200,000	210,000	218,400	224,952	231,701	238,652	245,811
65	64241	SPRINKLER SUPPLIES	-	-	-	-	-	-	-
66	64242	CHEMICALS & FERTILIZERS	15,000	15,750	16,380	16,871	17,378	17,899	18,436
67	64243	PAINT AND SUPPLIES	8,000	8,400	8,736	8,998	9,268	9,546	9,832
68	64244	SIGNS & MATERIALS	1,000	1,050	1,092	1,125	1,159	1,193	1,229
69	64245	PAVING MATERIALS & SUPPLIES	4,000	4,200	4,368	4,499	4,634	4,773	4,916
70	64246	GRANULAR ACT. CARBON-SUPPLIE	150,000	157,500	163,800	168,714	173,775	178,989	184,358
71	64247	ELECTRICAL SUPPLIES	10,000	10,500	10,920	11,248	11,585	11,933	12,291
72	64249	TCP GRANULAR ACTIVATED CARBO TCP fund	150,000	157,500	163,800	168,714	173,775	178,989	184,358
73	64250	CHLORINE GENERATION	250,000	262,500	273,000	281,190	289,626	298,314	307,264
74	64255	SURFACE WATER TREAT-SUPPLIES	750,000	787,500	819,000	843,570	868,877	894,943	921,792
75	64260	RECYCLED WATER SUPPLIES	20,000	21,000	21,840	22,495	23,170	23,865	24,581
76	64402	PERSONAL SAFETY EQUIPMENT	10,000	10,500	10,920	11,248	11,585	11,933	12,291
77	64603	WELDING SUPPLIES	3,000	3,150	3,276	3,374	3,476	3,580	3,687
78	64604	TOOLS	25,000	26,250	27,300	28,119	28,963	29,831	30,726
79		Subtotal Staff Development	1,751,748	1,839,335	1,912,909	1,970,296	2,029,405	2,090,287	2,152,996
		Maintenance and Operations							
80	65001	TRAVEL-CONFERENCES	1,000	1,020	1,040	1,061	1,093	1,126	1,160
81	65002	TRAVEL-MEETINGS	4,000	4,080	4,162	4,245	4,372	4,503	4,638
82	65101	TRAINING-EDUCATIONAL INCENTI	40,000	40,800	41,616	42,448	43,722	45,033	46,384
83	65102	TRAINING-CLASSES & SEMINARS	10,000	10,200	10,404	10,612	10,930	11,258	11,596
84	65103	TRAINING-MATERIALS	1,500	1,530	1,561	1,592	1,640	1,689	1,739
85	65104	TRAINING-SAFETY	6,000	6,120	6,242	6,367	6,558	6,755	6,958
86	65201	MEMBERSHIP/ASSOCIATION DUES	5,000	5,100	5,202	5,306	5,465	5,629	5,798
87	65202	SUBSCRIPTIONS	1,200	1,224	1,248	1,273	1,312	1,351	1,392
88	65203	PUBLICATIONS & BOOKS	500	510	520	531	547	563	580
89		MEMBRANE REPLACEMENT	-	0	400,000	-	-	-	536,038
90		Subtotal Maintenance and Operations	69,200	70,584	471,996	73,436	75,639	77,908	616,283
		Other Expenditures							
91	66001	GENERAL ADMINISTRATION CHARG	1,116,000	1,149,480	1,183,964	1,219,483	1,256,068	1,293,750	1,332,562
92	66002	IMPACT/EASEMENT RENTAL	785,900	809,477	833,761	858,774	884,537	911,073	938,406
93	66003	GENERAL SERVICE CHARGES	1,292,300	1,331,069	1,371,001	1,412,131	1,454,495	1,498,130	1,543,074
94	66005	PROPERTY & LIABILITY INS CHG	830,100	855,003	880,653	907,073	934,285	962,313	991,183
95	66020	PROPERTY TAXES	3,000	3,090	3,183	3,278	3,377	3,478	3,582
96	66803	GEN LIABILITY CLAIM-PROP	-	-	-	-	-	-	-
97		Subtotal Other Expenditures	4,027,300	4,148,119	4,272,563	4,400,739	4,532,762	4,668,744	4,808,807
		Capital Outlay							
98	68103	FURNISHINGS	5,000	5,200	5,408	5,624	5,849	6,083	6,327
99	68104	CABINETS	-	-	-	-	-	-	-
100		GPS-VEHICLE TRACKING SYSTEM	-	-	-	-	-	-	-
101	68502	TRAFFIC CONTROL EQUIP	6,000	6,240	6,490	6,749	7,019	7,300	7,592
102		SIGNS	-	-	-	-	-	-	-
103		SEWER VIDEO EQUIPMENT	-	-	-	-	-	-	-
104	68525	MISC SEWER EQUIPMENT	-	-	-	-	-	-	-
105	68530	WATER METERS & BOXES	3,086,470	3,209,929	3,338,326	3,471,859	3,610,733	1,560,000	1,622,400

Line No.	Account	Title	Budget		Projected					
			FY25	FY26	FY27	FY28	FY29	FY30	FY31	
			\$	\$	\$	\$	\$	\$	\$	
106	68531	HYDRANTS	80,000	83,200	86,528	89,989	93,589	97,332	101,226	
107	68532	TELEMETRY EQUIPMENT	150,000	156,000	162,240	168,730	175,479	182,498	189,798	
108	68533	WATER MONITORING EQUIP	39,543	41,125	42,770	44,481	46,260	48,111	50,035	
109	68541	DIAGNOSTIC EQUIPMENT	1,000	1,040	1,082	1,125	1,170	1,217	1,265	
110	68560	TURF EQUIPMENT	1,500	1,560	1,622	1,687	1,755	1,825	1,898	
111	68562	SPRINKLER EQUIPMENT	-	-	-	-	-	-	-	
112	68603	CELLULAR PHONES	-	-	-	-	-	-	-	
113		STANDARD PICK UP	-	-	-	-	-	-	-	
114		VANS-NON-TRANSIT	-	-	-	-	-	-	-	
115		LIGHT DUTY TRUCK 1-5 TON	-	-	-	-	-	-	-	
116	68750	SPECIALTY EQUIPMENT	437,162	454,648	472,834	491,748	511,417	531,874	553,149	
117		CORPORATION YARD EXPANSION	-	-	-	-	-	-	-	
118		PLANT AND TRUNK CAPITAL	-	-	-	-	-	-	-	
119		PEACH/STUART LIFT STATION	-	-	-	-	-	-	-	
120		RECHARGE FACILITY- BARSTOW PARK	100,000	104,000	108,160	112,486	116,986	121,665	126,532	
121	Subtotal Capital Outlay		3,906,675	4,062,942	4,225,460	4,394,478	4,570,257	2,557,905	2,660,221	
126	Total Operating & Maintenance Expense		26,603,928 29%	27,665,934 4%	29,137,928 5%	29,685,545 2%	30,750,785 4%	29,660,598 -4%	31,255,080 5%	
Description										
1		Administrative Assistant	0.250	0.250	0.250	0.250	0.250	0.250	0.250	
2		Assistant Public Utilities Director	0.250	0.250	0.250	0.250	0.250	0.250	0.250	
3		Assistant Water Systems Technician	4.000	4.000	4.000	4.000	4.000	4.000	4.000	
4		Communications & Marketing Analyst	0.100	0.100	0.100	0.100	0.100	0.100	0.100	
5		Deputy Public Utilities Director	0.450	0.450	0.450	0.450	0.450	0.450	0.450	
6		Electrician	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
7		Engineer I	2.350	2.350	2.350	2.350	2.350	2.350	2.350	
8		Engineer II	2.350	2.350	2.350	2.350	2.350	2.350	2.350	
9		Civil Engineer	2.350	2.350	2.350	2.350	2.350	2.350	2.350	
10		Engineering Inspector	0.500	0.500	0.500	0.500	0.500	0.500	0.500	
11		Senior Engineering Inspector	0.500	0.500	0.500	0.500	0.500	0.500	0.500	
12		Engineering Tech	1.150	1.150	1.150	1.150	1.150	1.150	1.150	
13		Senior Engineering Tech	1.150	1.150	1.150	1.150	1.150	1.150	1.150	
14		Maintenance Leadworker	3.000	3.000	3.000	3.000	3.000	3.000	3.000	
15		Maintenance Worker	13.600	13.600	13.600	13.600	13.600	13.600	13.600	
16		Senior Maintenance Worker	13.600	13.600	13.600	13.600	13.600	13.600	13.600	
17		Management Analyst	0.240	0.240	0.240	0.240	0.240	0.240	0.240	
18		Meter Reader	4.000	4.000	4.000	4.000	4.000	4.000	4.000	
19		Principal Office Assistant	1.400	1.400	1.400	1.400	1.400	1.400	1.400	
20		Principal Utilities Engineer	0.350	0.350	0.350	0.350	0.350	0.350	0.350	
21		Public Utilities Director	0.300	0.300	0.300	0.300	0.300	0.300	0.300	
22		Senior Management Analyst	0.300	0.300	0.300	0.300	0.300	0.300	0.300	
23		Staff Analyst	0.500	0.500	0.500	0.500	0.500	0.500	0.500	
24		Supervising Civil Engineer	0.690	0.690	0.690	0.690	0.690	0.690	0.690	
25		Utilities Manager	0.500	0.500	0.500	0.500	0.500	0.500	0.500	
26		Utility Worker	7.330	7.330	7.330	7.330	7.330	7.330	7.330	
27		Water Production Manager	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
28		Water Systems Supervisor	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
29		Water Systems Technician	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
30		Water Treatment Plant Operator	3.000	3.000	3.000	3.000	3.000	3.000	3.000	
Salary/Benefit Cost per FTE										
1		Administrative Assistant	PS	84,072	85,753	87,469	89,218	91,002	92,822	94,679
2		Assistant Public Utilities Director	PS	191,664	195,497	199,407	203,395	207,463	211,613	215,845
3		Assistant Water Systems Technician	PS	88,944	90,723	92,537	94,388	96,276	98,201	100,165
4		Communications & Marketing Anal	PS	119,304	121,690	124,124	126,606	129,138	131,721	134,356
5		Deputy Public Utilities Director	PS	205,668	209,781	213,977	218,257	222,622	227,074	231,616
6		Electrician	PS	104,496	106,586	108,718	110,892	113,110	115,372	117,679

Line No.	Account	Title	PS	Budget		Projected				
				FY25	FY26	FY27	FY28	FY29	FY30	FY31
				\$	\$	\$	\$	\$	\$	\$
7		Engineer I	PS	110,928	113,147	115,409	117,718	120,072	122,473	124,923
8		Engineer II	PS	122,292	124,738	127,233	129,777	132,373	135,020	137,721
9		Civil Engineer	PS	144,348	147,235	150,180	153,183	156,247	159,372	162,559
10		Engineering Inspector	PS	97,788	99,744	101,739	103,773	105,849	107,966	110,125
11		Senior Engineering Inspector	PS	110,808	113,024	115,285	117,590	119,942	122,341	124,788
12		Engineering Tech	PS	80,052	81,653	83,286	84,952	86,651	88,384	90,152
13		Senior Engineering Tech	PS	90,468	92,277	94,123	96,005	97,925	99,884	101,882
14		Maintenance Leadworker	PS	97,752	99,707	101,701	103,735	105,810	107,926	110,085
15		Maintenance Worker	PS	65,112	66,414	67,743	69,097	70,479	71,889	73,327
16		Senior Maintenance Worker	PS	82,320	83,966	85,646	87,359	89,106	90,888	92,706
17		Management Analyst	PS	115,824	118,140	120,503	122,913	125,372	127,879	130,437
18		Meter Reader	PS	73,608	75,080	76,582	78,113	79,676	81,269	82,895
19		Principal Office Assistant	PS	69,876	71,274	72,699	74,153	75,636	77,149	78,692
20		Principal Utilities Engineer	PS	182,520	186,170	189,894	193,692	197,566	201,517	205,547
21		Public Utilities Director	PS	237,144	241,887	246,725	251,659	256,692	261,826	267,063
22		Senior Management Analyst	PS	127,980	130,540	133,150	135,813	138,530	141,300	144,126
23		Staff Analyst	PS	79,848	81,445	83,074	84,735	86,430	88,159	89,922
24		Supervising Civil Engineer	PS	161,136	164,359	167,646	170,999	174,419	177,907	181,465
25		Utilities Manager	PS	160,524	163,734	167,009	170,349	173,756	177,231	180,776
26		Utility Worker	PS	54,504	55,594	56,706	57,840	58,997	60,177	61,380
27		Water Production Manager	PS	150,264	153,269	156,335	159,461	162,651	165,904	169,222
28		Water Systems Supervisor	PS		-	-	-	-	-	-
29		Water Systems Technician	PS	106,536	108,667	110,840	113,057	115,318	117,624	119,977
30		Water Treatment Plant Operator	PS	106,536	108,667	110,840	113,057	115,318	117,624	119,977
Total FTE Cost										
1		Administrative Assistant		21,018	21,438	21,867	22,304	22,751	23,206	23,670
2		Assistant Public Utilities Director		47,916	48,874	49,852	50,849	51,866	52,903	53,961
3		Assistant Water Systems Technician		355,776	362,892	370,149	377,552	385,103	392,805	400,662
4		Communications & Marketing Analyst		11,930	12,169	12,412	12,661	12,914	13,172	13,436
5		Deputy Public Utilities Director		92,551	94,402	96,290	98,215	100,180	102,183	104,227
6		Electrician		104,496	106,586	108,718	110,892	113,110	115,372	117,679
7		Engineer I		260,681	265,894	271,212	276,637	282,169	287,813	293,569
8		Engineer II		287,386	293,134	298,997	304,977	311,076	317,298	323,644
9		Civil Engineer		339,218	346,002	352,922	359,981	367,180	374,524	382,014
10		Engineering Inspector		48,894	49,872	50,869	51,887	52,924	53,983	55,063
11		Senior Engineering Inspector		55,404	56,512	57,642	58,795	59,971	61,170	62,394
12		Engineering Tech		92,060	93,901	95,779	97,695	99,648	101,641	103,674
13		Senior Engineering Tech		104,038	106,119	108,241	110,406	112,614	114,867	117,164
14		Maintenance Leadworker		293,256	299,121	305,104	311,206	317,430	323,778	330,254
15		Maintenance Worker		885,523	903,234	921,298	939,724	958,519	977,689	997,243
16		Senior Maintenance Worker		1,119,552	1,141,943	1,164,782	1,188,078	1,211,839	1,236,076	1,260,797
17		Management Analyst		27,798	28,354	28,921	29,499	30,089	30,691	31,305
18		Meter Reader		294,432	300,321	306,327	312,454	318,703	325,077	331,578
19		Principal Office Assistant		97,826	99,783	101,779	103,814	105,890	108,008	110,168
20		Principal Utilities Engineer		63,882	65,160	66,463	67,792	69,148	70,531	71,942
21		Public Utilities Director		71,143	72,566	74,017	75,498	77,008	78,548	80,119
22		Senior Management Analyst		38,394	39,162	39,945	40,744	41,559	42,390	43,238
23		Staff Analyst		39,924	40,722	41,537	42,368	43,215	44,079	44,961
24		Supervising Civil Engineer		111,184	113,408	115,676	117,989	120,349	122,756	125,211
25		Utilities Manager		80,262	81,867	83,505	85,175	86,878	88,616	90,388
26		Utility Worker		399,514	407,505	415,655	423,968	432,447	441,096	449,918
27		Water Production Manager		150,264	153,269	156,335	159,461	162,651	165,904	169,222
28		Water Systems Supervisor		0	0	0	0	0	0	0
29		Water Systems Technician		106,536	108,667	110,840	113,057	115,318	117,624	119,977
30		Water Treatment Plant Operator		319,608	326,000	332,520	339,171	345,954	352,873	359,931
31		Subtotal		5,920,467	6,038,876	6,159,653	6,282,846	6,408,503	6,536,673	6,667,407

Source: 'Detail of Positions.xlsm'

Line No.	Account	Title	Annual Inflation Factor	Projected							Total FY25 - FY31	
				Budget								
				FY25	FY26	FY27	FY28	FY29	FY30	FY31		
				\$	\$	\$	\$	\$	\$	\$	\$	
1	76010	Various Water Main Replacement	4%	25,000	25,000	25,000	25,000	25,000				125,000
2	76010	Clovis Avenue - Gettysburg to Donner	4%			115,000						115,000
3	76509	Sierra Avenue - DeWitt to SR168	4%					140,000				140,000
4	76509	Tarpey Service Area - Redundancy	4%			160,000						160,000
5	76509	Rotary Park - Pump, Motor, Electrical, and Piping	4%									-
6	76615	Railroad Park (Peach/Alluvial) - Pump, Motor, Electrical,	4%									-
7	76615	Cottonwood Park & Dry Creek Trail - Pump, Motor, Elect	4%									-
8	77528	SWTP Pretreatment	4%					1,604,720	5,369,640	5,369,640		12,344,000
9	77531	SWTP Process Addition	4%									-
10	75126	Loma Vista Recharge Basin	4%	131,000	1,000,000							1,131,000
11	77532	Water Storage Reservoir #6 - Additional Reservoir at SE-S	4%		250,000		1,941,250	1,941,250				4,132,500
12	77516	Well Panel Upgrades - Wells 8A,23,25	4%						700,000			700,000
13	77761	Well 40 - Fowler/Gettysburg - Treatment	4%						1,000,000			1,000,000
14	77650	Well 6 Replacement Willow/Barstow Avenues - Drill and	4%									-
15	77650	Well 6 Replacement Willow/Barstow Avenues - Pump an	4%									-
16	77650	Well 6 Replacement Willow/Barstow Avenues -Chlorinat	4%									-
17	77600	Well 35 - DeWitt/Santa Ana - Pump and Motor	4%		600,000							600,000
18	77600	Well 35 - DeWitt/Santa Ana - Chlorination	4%		155,000							155,000
19	77600	Well 35 - DeWitt/Santa Ana - Auxiliary Power	4%				143,000					143,000
20	77600	Well T9 Gettysburg/Minnewawa - Drill and Develop	4%									-
21	77600	Well T9 Gettysburg/Minnewawa - Pump and Motor	4%									-
22	77600	Well T9 Gettysburg/Minnewawa - Pump and Motor	4%									-
23	77600	Various Well Replacement	4%					775,000				775,000
24		Raw Water Main	4%									-
25		Water Storage Reservoir #10	4%									-
26		Water Storage Reservoir #7	4%									-
27		Pump Station at Reservoir #10	4%									-
28		Northeast SWTP	4%	600,000								600,000
29		Northeast SWTP Pump Station	4%									-
30		I&C Architecture and Equipment	4%		522,000							522,000
31		Canal Intake	4%		41,000							41,000
32		MF Feed Pumps and Strainers	4%							4,565,000		4,565,000
33		Pall Microfiltration System Upgrades	4%						1,525,000			1,525,000
34		Chemical Storage and Feed Facilities	4%			1,791,000						1,791,000
35		High Service Pump Station VFD	4%					2,354,000				2,354,000
36		Increased Power Supply	4%			1,566,000						1,566,000
37	Total Water Capital Improvement Plan Enterprise Fund (Uninflated)				756,000	2,593,000	3,657,000	2,109,250	6,839,970	8,594,640	9,934,640	34,484,500

Source: 'WaterEntCIP-FY24-25-FINAL.pdf'

Line No.	Account	Title	Annual Inflation Factor	Projected							Total FY25 - FY31
				Budget FY25	FY26	FY27	FY28	FY29	FY30	FY31	
				\$	\$	\$	\$	\$	\$	\$	\$
1	76010	Various Water Main Replacement	4%	25,000	26,000	27,040	28,122	29,246	-	-	135,408
2	76010	Clovis Avenue - Gettysburg to Donner	4%	-	-	124,384	-	-	-	-	124,384
3	76509	Sierra Avenue - DeWitt to SR168	4%	-	-	-	-	163,780	-	-	163,780
4	76509	Tarpey Service Area - Redundancy	4%	-	-	173,056	-	-	-	-	173,056
5	76509	Rotary Park - Pump, Motor, Electrical, and Piping	4%	-	-	-	-	-	-	-	-
6	76615	Railroad Park (Peach/Alluvial) - Pump, Motor, Electrica	4%	-	-	-	-	-	-	-	-
7	76615	Cottonwood Park & Dry Creek Trail - Pump, Motor, Ele	4%	-	-	-	-	-	-	-	-
8	77528	SWTP Pretreatment	4%	-	-	-	-	1,877,295	6,532,988	6,794,308	15,204,591
9	77531	SWTP Process Addition	4%	-	-	-	-	-	-	-	-
10	75126	Loma Vista Recharge Basin	4%	131,000	1,040,000	-	-	-	-	-	1,171,000
11	77532	Water Storage Reservoir #6 - Additional Reservoir at St	4%	-	260,000	-	2,183,642	2,270,988	-	-	4,714,630
12	77516	Well Panel Upgrades - Wells 8A,23,25	4%	-	-	-	-	-	851,657	-	851,657
13	77761	Well 40 - Fowler/Gettysburg - Treatment	4%	-	-	-	-	-	1,216,653	-	1,216,653
14	77650	Well 6 Replacement Willow/Barstow Avenues - Drill an	4%	-	-	-	-	-	-	-	-
15	77650	Well 6 Replacement Willow/Barstow Avenues -Pump a	4%	-	-	-	-	-	-	-	-
16	77650	Well 6 Replacement Willow/Barstow Avenues -Chlorin.	4%	-	-	-	-	-	-	-	-
17	77600	Well 35 - DeWitt/Santa Ana - Pump and Motor	4%	-	624,000	-	-	-	-	-	624,000
18	77600	Well 35 - DeWitt/Santa Ana - Chlorination	4%	-	161,200	-	-	-	-	-	161,200
19	77600	Well 35 - DeWitt/Santa Ana - Auxiliary Power	4%	-	-	-	160,856	-	-	-	160,856
20	77600	Well T9 Gettysburg/Minnewawa - Drill and Develop	4%	-	-	-	-	-	-	-	-
21	77600	Well T9 Gettysburg/Minnewawa - Pump and Motor	4%	-	-	-	-	-	-	-	-
22	77600	Well T9 Gettysburg/Minnewawa - Pump and Motor	4%	-	-	-	-	-	-	-	-
23	77600	Various Well Replacement	4%	-	-	-	-	906,640	-	-	906,640
24		Raw Water Main	4%	-	-	-	-	-	-	-	-
25		Water Storage Reservoir #10	4%	-	-	-	-	-	-	-	-
26		Water Storage Reservoir #7	4%	-	-	-	-	-	-	-	-
27		Pump Station at Reservoir #10	4%	-	-	-	-	-	-	-	-
28		Northeast SWTP	4%	600,000	-	-	-	-	-	-	600,000
29		Northeast SWTP Pump Station	4%	-	-	-	-	-	-	-	-
30		I&C Architecture and Equipment	4%	-	542,880	-	-	-	-	-	542,880
31		Canal Intake	4%	-	42,640	-	-	-	-	-	42,640
32		MF Feed Pumps and Strainers	4%	-	-	-	-	-	-	5,776,181	5,776,181
33		Pall Microfiltration System Upgrades	4%	-	-	-	-	-	1,855,396	-	1,855,396
34		Chemical Storage and Feed Facilities	4%	-	-	1,937,146	-	-	-	-	1,937,146
35		High Service Pump Station VFD	4%	-	-	-	-	2,753,847	-	-	2,753,847
36		Increased Power Supply	4%	-	-	1,693,786	-	-	-	-	1,693,786
38	Total Water Capital Improvement Plan Enterprise Fund (Uninflated)			756,000	2,696,720	3,955,411	2,372,619	8,001,797	10,456,694	12,570,489	40,809,731

TRUE

Line No.	Description	Fund	Inflation	Estimated	Budget	Projected (Fiscal Year Ending June 30)				
				FY25	FY26	FY27	FY28	FY29	FY30	FY31
				\$	\$	\$	\$	\$	\$	\$
1	G.S. Interfund Loan Payback (Principal)			770,000	770,000	770,000	770,000	770,000	770,000	770,000
2	Construction Meters			150,000	150,000	150,000	150,000	150,000	150,000	150,000
3	Hydrant Rentals			91,824	91,824	91,824	91,824	91,824	91,824	91,824
4	Private Well			380	380	380	380	380	380	380
5	Water Service Penalties			621,000	621,000	621,000	621,000	621,000	621,000	621,000
6	Water Service Installation			382,000	389,640	397,433	405,381	413,489	421,759	430,194
7	Water Conservation Penalty			-	-	-	-	-	-	-
8	Land Rental			105,000	105,000	105,000	105,000	105,000	105,000	105,000
9	Entitlement Processing Fees			5,000	5,000	5,000	5,000	5,000	5,000	5,000
10	Miscellaneous Receipts			2,000	2,000	2,000	2,000	2,000	2,000	2,000
11	Miscellaneous Receipts			20,000	20,000	20,000	20,000	20,000	20,000	20,000
12	Legal Settlements			170,000	170,000	170,000	170,000	170,000	170,000	170,000
13	Total Non-Rate Revenue			2,317,204	2,324,844	2,332,637	2,340,586	2,348,693	2,356,963	2,365,398
14	Total Non-Rate Revenue Excluding Interfund Loan			1,547,204	1,554,844	1,562,637	1,570,586	1,578,693	1,586,963	1,595,398

Appendix B

Cost of Service

Cost Component Allocation, mgd

Average Day	17.90	6533.5
Max Day	30.43	
Max Hour	53.70	

AD of MM	25.25	Max Month Demand: 770 mg
Max Day to AD of MM	1.21	

Max Hour to Max Day	1.76
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Source: '2017-0404 WMP Final Draft_Compiled_Optimized.pdf'

Line No.	System Coincidental Demands	Master Plan Values	Recommended Values
1	System Max Day to Average Day	1.70	1.7
2	System Max Hour to Average Day	3.00	3.0

Source: '2017-0404 WMP Final Draft_Compiled_Optimized.pdf', pg 5-14

Line No.	Description	System Demands	Factor	Allocation		
		<i>mgd</i>				
Max Day Extra Capacity						
1	Average Day	17.9	1.00	58.8%		
2	Max Day Extra Capacity	15.1	0.70	41.2%		
3	Max Day	33.0	1.70	100.0%		
Max Hour Extra Capacity						
4	Average Day	17.9	1.00	33.3%	0.33333333	TRUE
5	Max Day Extra Capacity	15.1	0.70	23.3%	0.281191806	FALSE
6	Max Hour Extra Capacity	20.7	1.30	43.3%		
7	Max Hour	53.7	3.00	100.0%		

Source: '2017-0404 WMP Final Draft_Compiled_Optimized.pdf'

		2021	2021	2021	2021	2021	2021	2022	2022	2022	2022	2022	2022	2022	Annual Consumption
Line No	Customer Class	Fiscal Year 2022 Monthly Consumption (kgal)												Total	
	Days in Month	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun		
1	Residential	786,360	622,639	828,399	557,790	552,537	341,193	301,691	252,624	352,250	323,599	499,928	481,007	5,900,017	
2	Commercial/Industrial	48,544	140,784	51,889	141,257	44,804	86,868	27,153	67,698	28,881	77,897	36,547	100,928	853,250	
3	Recycled Water														
4	Landscape	98,831	118,814	110,880	115,696	58,912	45,498	11,974	20,520	19,930	42,688	50,427	84,954	779,124	
5	Tarpey	227	51,641	202	41,005	176	18,165	104	15,546	48	24,309	111	35,279	186,813	
6	Total	933,962	933,878	991,370	855,748	656,429	491,724	340,922	356,388	401,109	468,493	587,013	702,168	7,719,204	
7	All Retail Classes	933,962	933,878	991,370	855,748	656,429	491,724	340,922	356,388	401,109	468,493	587,013	702,168	7,719,204	

		Bi Monthly Bills (FY 2022)												Annual Bills
Line No	Customer Class	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	2022
	Days in Month	31	31	30	31	30	31	31	28	31	30	31	30	
1	Residential	19,597	15,361	19,596	15,383	19,677	15,480	19,656	15,489	19,737	15,552	19,772	15,631	210,931
2	Commercial/Industrial	357	1,094	359	1,091	361	1,095	362	1,097	360	1,100	359	1,100	8,735
3	Recycled Water													
4	Landscape	217	325	217	328	218	327	217	328	219	328	218	329	3,271
5	Tarpey	13	987	8	988	13	986	9	987	11	990	9	992	5,993
6	Total	20,184	17,767	20,180	17,790	20,269	17,888	20,244	17,901	20,327	17,970	20,358	18,052	228,930
7	All Retail Classes	20,184	17,767	20,180	17,790	20,269	17,888	20,244	17,901	20,327	17,970	20,358	18,052	228,930

		Monthly Consumption per Account FY 2022												Total	Max Month
Line No	Customer Class	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun		
	Days in Month	31	31	30	31	30	31	31	28	31	30	31	30		
1	Residential	40.1	40.5	42.3	36.3	28.1	22.0	15.3	16.3	17.8	20.8	25.3	30.8	335.7	42.3
2	Commercial/Industrial	136.0	128.7	144.5	129.5	124.1	79.3	75.0	61.7	80.2	70.8	101.8	91.8	1,223.4	144.5
3	Recycled Water														
4	Landscape	455.4	365.6	511.0	352.7	270.2	139.1	55.2	62.6	91.0	130.1	231.3	258.2	2,922.5	511.0
5	Tarpey	17.5	52.3	25.3	41.5	13.5	18.4	11.6	15.8	4.4	24.6	12.3	35.6	272.6	52.3
6	Residential & Tarpey	40.1	41.2	42.3	36.6	28.1	21.8	15.3	16.3	17.8	21.0	25.3	31.1	336.9	42.3
	All Retail Classes	46.3	52.6	49.1	48.1	32.4	27.5	16.8	19.9	19.7	26.1	28.8	38.9	406.2	52.6

Demand Factors

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		Class Metrics				System Metrics	Peaking Factors		
Line No	Customer Class	Average Month [1]	Max Month	Avg Day in Max Month [2]	Annual Avg. Day [3]	Avg Day in Max Month to Avg. Day [4]	System Max Day to Avg Day of Max Month [5]	Customer Class Max Day	Customer Class Max Hour
1	Residential	28.0	42.27	1.41	0.92	1.53	1.21	1.85	3.26
2	Commercial/Industrial	102.0	144.54	4.82	3.35	1.44	1.21	1.73	3.06
3	Recycled Water - Pressurized								
4	Recycled Water - Non-Pressurized								
5	Landscape	243.5	510.97	17.03	8.01	2.13	1.21	2.56	4.52
6	Tarpey	22.7	52.32	1.69	0.75	2.26	1.21	2.72	4.81
7	Residential & Tarpey	28.1	42.27	1.41	0.92	1.53	1.21	1.84	3.25
8	All Classes	62.5	52.6	1.70	1.11	1.52	1.21	1.84	3.24

<= Should be around 2.5

[1] 12 month retail classes average
 [2] Max month / days in month
 [3] Annual use / 365
 [4] (Max month divided by days in month) / (Average Day)
 [5] System Max Day: 33 mgd / Average Day in Max Month: 25.25 mgd

Line No	Customer Class	2022	2022	2022	2022	2022	2022	2023	2023	2023	2023	2023	2023	Annual Consumption
		Calendar Year FY 2023 Monthly Consumption (kgal)												Total
		Jul Days in Month	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
1	Residential	688,896	587,450	856,848	558,024	580,883	368,207	327,791	245,857	250,194	227,889	398,205	468,801	5,559,045
2	Commercial/Industrial	43,757	130,197	57,166	143,408	43,074	89,017	26,481	66,803	24,065	69,986	32,556	99,910	826,420
3	Recycled Water													
4	Landscape	93,256	111,372	124,886	92,899	63,850	51,015	15,049	18,136	7,992	15,263	32,125	67,811	693,654
5	Tarpey	224	49,433	188	42,413	56	19,420	18	14,812	70	16,133	22	34,537	177,326
6	Total	826,133	878,452	1,039,088	836,744	687,863	527,659	369,339	345,608	282,321	329,271	462,908	671,059	7,256,445
7	All Retail Classes	826,133	878,452	1,039,088	836,744	687,863	527,659	369,339	345,608	282,321	329,271	462,908	671,059	7,256,445

Line No	Customer Class	Monthly Bills (FY 2023)												Annual Bills
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	2023
		Days in Month	31	31	30	31	30	31	31	28	31	30	31	30
1	Residential	19,884	15,657	19,888	15,615	19,852	15,517	19,932	15,730	20,029	15,762	20,044	15,907	213,817
2	Commercial/Industrial	363	1,106	362	1,102	363	1,104	364	1,106	371	1,112	372	1,112	8,837
3	Recycled Water													
4	Landscape	222	335	222	337	223	338	223	341	224	344	224	346	3,379
5	Tarpey	8	997	9	997	12	1,003	6	1,004	3	1,009	5	1,012	6,065
6	Total	20,477	18,095	20,481	18,051	20,450	17,962	20,525	18,181	20,627	18,227	20,645	18,377	232,098
7	All Retail Classes	20,477	18,095	20,481	18,051	20,450	17,962	20,525	18,181	20,627	18,227	20,645	18,377	232,098

Line No	Customer Class	Monthly Consumption per Account FY 2023												Total	Max Month
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun		
		Days in Month	31	31	30	31	30	31	31	28	31	30	31		
1	Residential	34.6	37.5	43.1	35.7	29.3	23.7	16.4	15.6	12.5	14.5	19.9	29.5	312.3	43.1
2	Commercial/Industrial	120.5	117.7	157.9	130.1	118.7	80.6	72.8	60.4	64.9	62.9	87.5	89.8	1,163.9	157.9
3	Recycled Water														
4	Landscape	420.1	332.5	562.5	275.7	286.3	150.9	67.5	53.2	35.7	44.4	143.4	196.0	2,568.1	562.5
5	Tarpey	28.0	49.6	20.9	42.5	4.7	19.4	3.0	14.8	23.3	16.0	4.4	34.1	260.6	49.6
6	Residential & Tarpey	34.6	38.2	43.1	36.1	29.2	23.5	16.4	15.6	12.5	14.6	19.9	29.7	313.5	43.1
7	All Retail Classes	40.3	48.5	50.7	46.4	33.6	29.4	18.0	19.0	13.7	18.1	22.4	36.5	376.7	50.7

Demand Factors

Line No	Customer Class	Class Metrics				System Metrics		Peaking Factors	
		Average Month	Max Month	Avg Day in Max Month	Annual Avg. Day	Avg Day in Max Month to Avg. Day	System Max Day to Avg Day of Max Month	Customer Class Max Day	Customer Class Max Hour
		1	Residential	26.0	43.08	1.44	0.86	1.68	1.21
2	Commercial/Industrial	97.0	157.92	5.26	3.19	1.65	1.21	1.99	3.51
3	Recycled Water - Pressurized								
4	Recycled Water - Non-Pressurized								
5	Landscape	214.0	562.55	18.75	7.04	2.67	1.21	3.21	5.67
6	Tarpey	21.7	49.58	1.60	0.71	2.24	1.21	2.70	4.76
7	Residential & Tarpey	26.1	43.07	1.44	0.86	1.67	1.21	2.01	3.56
8	All Classes	58.0	50.7	1.69	1.03	1.64	1.21	1.98	3.49

Average Max Day	Average Max Hour
1.93	3.41
1.86	3.28
2.89	5.10
2.71	4.79
1.93	3.40
1.91	3.36

[1] 12 month retail classes average
 [2] Max month / days in month
 [3] Annual use / 365
 [4] (Max month divided by days in month) / (Average Day)
 [5] System Max Day: 33 mgd / Average Day in Max Month: 25.25 mgd

City of Clovis
Water Utility
Test Year Revenue Requirement

Table B-4

Line No.	Description	Operating Expense	Capital Expense	Total
		\$	\$	\$
	Revenue Requirements			
1	Operating & Maintenance Expense	\$29,137,928		\$29,137,928
2	Debt Service		-	-
3	Capital R&R Projects		3,834,334	3,834,334
4	DIF Debt Service Transfer		732,938	732,938
5	Transfer to Reserves		1,220,000	1,220,000
6	Total Revenue Requirements	\$29,137,928	\$5,787,272	\$34,925,200
	Revenue Requirement Adjustments			
7	Miscellaneous Revenue	(1,562,637)		(1,562,637)
8	Interfund Debt Repayment		(770,000)	(770,000)
9	Reserve Transfers In		(400,000)	(400,000)
10	Interest Income	(585,235)	(116,237)	(701,472)
11	Operating Reserve Increase (Decrease)	(4,124,358)	(819,165)	(\$4,943,524)
12	Total Adjustments	(\$6,272,230)	(\$2,105,403)	(\$8,377,633)
13	Subtotal	\$22,865,697	\$3,681,869	\$26,547,567
14	Net Revenue Requirement			\$26,547,567

Line No.	Description	System Assets RCNLD [1]	Volume			Customer Related				Recycled Water		Infrastructure Indirect	Total	
			Base	Maximum Day Demand	Maximum Hour Demand	Meters & Services	Billing	Capacity Reserve	Fire Protection	Pressurized	Unpressurized			
Water System Assets														
1	Land	\$1,788,493	100%											100.0%
2	Source of Supply	8,344,779	100%											100.0%
3	Pumping Station	1,176,659	59%	41%										100.0%
4	Wells / Treatment	111,281,673	59%	41%										100.0%
5	Treated Storage	36,638,712	33%	23%	43%									100.0%
6	Transmission Mains	5,085,921	59%	41%										100.0%
7	Distribution Mains	7,196	33%	23%	43%									100.0%
8	Customer Billing	0					100%							100.0%
9	Meters and Services	264,078				100%								100.0%
10	Public Fire	0												0.0%
11	Private Fire	0												0.0%
12	Common to Irrigation	0												0.0%
13	All Other Infrastructure	118,265,562										100%		100.0%
14	All Other General	13,574,913										100%		100.0%
15	Vehicles	1,398,611										100%		100.0%
16	Total	\$297,826,597												

Source: Asset List for COS.xlsx

[1] RCNLD: Replacement Cost Less Accumulated Depreciation

Line No.	Description	System Assets RCNLD [1]	Volume		Customer Related						Indirect	Total	
			Average Day	Extra Capacity		Meters & Services	Billing	Capacity Reserve	Fire Protection	Recycled Water			
				Maximum Day Demand	Maximum Hour Demand					Pressurized			Unpressurized
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
1	Land	\$1,788,493	\$1,788,493	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	1,788,493
2	Source of Supply	8,344,779	8,344,779	-	-	-	-	-	-	-	-	-	8,344,779
3	Pumping Station	1,176,659	692,152	484,507	-	-	-	-	-	-	-	-	1,176,659
4	Wells / Treatment	111,281,673	65,459,807	45,821,865	-	-	-	-	-	-	-	-	111,281,673
5	Treated Storage	36,638,712	12,212,904	8,549,033	15,876,775	-	-	-	-	-	-	-	36,638,712
6	Transmission Reserve	5,085,921	2,991,718	2,094,203	-	-	-	-	-	-	-	-	5,085,921
7	Capacity Reserve	7,196	2,399	1,679	3,118	-	-	-	-	-	-	-	7,196
8	Customer Billing	0	-	-	-	-	-	-	-	-	-	-	-
9	Meters and Services	264,078	-	-	-	264,078	-	-	-	-	-	-	264,078
10	Public Fire	0	-	-	-	-	-	-	-	-	-	-	-
11	Private Fire	0	-	-	-	-	-	-	-	-	-	-	-
12	Common to Irrigation	0	-	-	-	-	-	-	-	-	-	-	-
13	All Other Infrastructure	118,265,562	-	-	-	-	-	-	-	-	118,265,562	-	118,265,562
14	All Other General	13,574,913	-	-	-	-	-	-	-	-	-	13,574,913	13,574,913
15	Vehicles	1,398,611	-	-	-	-	-	-	-	-	-	1,398,611	1,398,611
16	Total Water System Assets	\$297,826,597	\$91,492,253	\$56,951,287	\$15,879,893	\$264,078	\$0	\$0	\$0	\$0	\$0	\$133,239,087	\$297,826,597
	Reallocation of Indirect												TRUE
17	All Other Infrastructure		65,742,429	40,922,764	11,410,614	189,755						(118,265,562)	-
18	All Other General		7,546,134	4,697,251	1,309,748	21,781						(13,574,913)	-
19	Vehicles		777,472	483,954	134,942	2,244	0					(1,398,611)	-
20	Reallocated Assets	\$297,826,597	\$165,558,287	\$103,055,255	\$28,735,197	\$477,858	\$0	\$0	\$0	\$0	\$0	\$0	
17	Percent of Total		55.6%	34.6%	9.6%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
21	Annual Capital Costs	\$3,681,869	\$2,046,708	\$1,274,016	\$355,238	\$5,908	\$0	\$0	\$0	\$0			
	TRUE												

[1] RCNLD: Replacement Cost Less Accumulated Depreciation

Projected O&M Functional Allocation

Line No.	Test Year 2026	Adjusted Allocation to Account for Recycled Water												Total	
		1	2	3	4	5	6	7	8	9	10	11	12		
		Purchased Water SOS	Wells WTP	Trans/Dist Pumping	Treated Storage	Trans/Dist	Hydrants Fire Protection	Meters & Services	Customer Billing	Indirect Costs		Recycled Water			
									All Other Infrastructure	All Other General	Pressurized	Non-Pressurized			
1	SALARIES REGULAR	4,171,172	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
2	SPEC TEAM PREMIUM	20,392	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
3	ACTING/OUT OF CLASS PAY	12,485	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
4	OVERTIME REGULAR	88,434	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
5	OVERTIME-CALLOUT	1,665	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
6	OVERTIME-SPECIAL EVENTS	5,202	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
7	HOLIDAY BUYOUT	11,444	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
8	OVERTIME COVID19	0	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
9	CTO BUYBACK	52,020	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
10	EXTRA HELP	1,040	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
11	EXTRA HELP-INTERNS/AIDES	5,202	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
12	RETIREMENT-MISC	977,012	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
13	RETIREMENT-SAFETY	22,495	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
14	DEFERRED COMP CONTRIBUTION	100,901	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
15	WORKER'S COMPENSATION	157,576	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
16	HEALTH BENEFIT PLAN	797,160	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
17	MEDICARE	69,888	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
18	SICK LEAVE INCENTIVE	58,313	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
19	SOC SEC/PERS-EXTRA HELP	1,529	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
20	OTHER BENEFITS	12,558	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
21	WORKER'S COMP-EH	874	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
22	HEALTH INS REBATE	44,663	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
23	UNIFORM ALLOWANCE	12,776	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
24	VANTAGE CARE CONTRIBUTION	0	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
25	FLEET- O/M CHARGE	367,684	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
26	FLEET REPLACEMENT CHARGE	439,777	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
27	FLEET LEASE CHARGES	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
28	VEHICLE RENTAL - OUTSIDE VENDO	1,040	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
29	VEHICLE ALLOWANCE	51,500	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
30	FLEET ADMIN CHARGES	135,564	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
31	ENERGY	6,589,847	0.0%	70.0%	30.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
32	CELLULAR COMMUNICATION	18,727	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
33	PAGING SERVICES	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
34	PROFESSIONAL & PUBLIC SERVIC	11,652	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
35	CONSULTING SERVICES	312,120	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
36	LEGAL SERVICES	104,040	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%	0.0%	0.0%	0.0%	0.0%	100.0%
37	MARKETING SERVICES	31,212	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%	0.0%	0.0%	0.0%	0.0%	100.0%
38	LAB SERVICES	260,100	0.0%	100%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
39	OTHER SERVICES	254,898	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
40	LANDSCAPE MAINTENANCE CONTRA	110,250	0.0%	48.4%	24.2%	24.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.1%	0.2%	100.0%
41	SPECIAL EVENTS	1,457	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
42	SURFACE WATER PURCHASE	1,924,740	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
43	DBCP-LEGAL SERVICES	66,065	0.0%	96.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.1%	0.2%	100.0%
44	TEMP PERSONNEL SERVICES	22,056	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
45	CREDIT CARD CHARGES	99,046	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%	0.0%	0.0%	0.0%	0.0%	100.0%
46	REPAIR & MAINTENANCE-COMPUTE	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
47	MISC EQUIPMENT REPAIR	4,079	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
48	REPAIR & MTCE-OUTSIDE VENDOR	681,020	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%

Projected O&M Functional Allocation

Line No.	Test Year 2026	Adjusted Allocation to Account for Recycled Water												Total	
		1	2	3	4	5	6	7	8	9	10	11	12		
		Purchased Water SOS	Wells WTP	Trans/Dist Pumping	Treated Storage	Trans/Dist	Hydrants Fire Protection	Meters & Services	Customer Billing	Indirect Costs		Recycled Water			
									All Other Infrastructure	All Other General	Pressurized	Non-Pressurized			
49	REPAIR & MTCE-CORP YARD	55,125	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
50	REPAIR & MAINT-SEWER LIFT STAT	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
51	REPAIR & MAINT-WATER VALVES	82,688	0.0%	0.0%	0.0%	0.0%	96.7%	0.0%	0.0%	0.0%	0.0%	0.0%	3.3%	0.0%	100.0%
52	LAUNDRY SERVICES	5,513	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
53	GENERAL OFFICE SUPPLIES-OTHE	2,184	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
54	FORMS & PRINTING	21,840	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%	0.0%	0.0%	0.0%	0.0%	100.0%
55	POSTAGE/SHIPPING	24,024	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%	0.0%	0.0%	0.0%	0.0%	100.0%
56	FIRST AID	1,638	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
57	UNIFORMS-NON-SWORN	14,196	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
58	MISCELLANEOUS	81,900	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
59	MISCELLANEOUS SUPPLIES COVID	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
60	SWTP LAB SUPPLIES	24,295	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
61	PLUMBING & PIPE FITTINGS	218,400	0.0%	0.0%	20.0%	0.0%	20.0%	0.0%	60.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
62	SPRINKLER SUPPLIES	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
63	CHEMICALS & FERTILIZERS	16,380	0.0%	60.0%	20.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	20.0%	0.0%	0.0%	100.0%
64	PAINT AND SUPPLIES	8,736	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
65	SIGNS & MATERIALS	1,092	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
66	PAVING MATERIALS & SUPPLIES	4,368	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
67	GRANULAR ACT. CARBON-SUPPLIE	163,800	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
68	ELECTRICAL SUPPLIES	10,920	0.0%	60.0%	20.0%	10.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.0%	0.0%	0.0%	100.0%
69	TCP GRANULAR ACTIVATED CARBO	163,800	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
70	CHLORINE GENERATION	273,000	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
71	SURFACE WATER TREAT-SUPPLIES	819,000	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
72	RECYCLED WATER SUPPLIES	21,840	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
73	PERSONAL SAFETY EQUIPMENT	10,920	0.0%	0.0%	25.0%	25.0%	25.0%	25.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
74	WELDING SUPPLIES	3,276	0.0%	25.0%	25.0%	25.0%	25.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
75	TOOLS	27,300	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
76	TRAVEL-CONFERENCES	1,040	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
77	TRAVEL-MEETINGS	4,162	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
78	TRAINING-EDUCATIONAL INCENTI	41,616	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
79	TRAINING-CLASSES & SEMINARS	10,404	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
80	TRAINING-MATERIALS	1,561	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
81	TRAINING-SAFETY	6,242	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
82	MEMBERSHIP/ASSOCIATION DUES	5,202	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
83	SUBSCRIPTIONS	1,248	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
84	PUBLICATIONS & BOOKS	520	0.0%	19.3%	5.0%	3.1%	24.1%	3.0%	12.3%	0.7%	24.4%	4.8%	3.1%	0.2%	100.0%
85	MEMBRANE REPLACEMENT	400,000		100%											100.0%
86	GENERAL ADMINISTRATION CHARG	1,183,964	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%	0.0%	0.0%	0.0%	0.0%	100.0%
87	IMPACT/EASEMENT RENTAL	833,761	0.0%	0.0%	0.0%	0.0%	100%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
88	GENERAL SERVICE CHARGES	1,371,001	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
89	PROPERTY & LIABILITY INS CHG	880,653	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
90	PROPERTY TAXES	3,183	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
91	GEN LIABILITY CLAIM-PROP	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
92	FURNISHINGS	5,408	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
93	CABINETS	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%

Projected O&M Functional Allocation

Line No.	Test Year 2026	Adjusted Allocation to Account for Recycled Water												Total	
		1	2	3	4	5	6	7	8	Indirect Costs		11	12		
		Purchased Water SOS	Wells WTP	Trans/Dist Pumping	Treated Storage	Trans/Dist	Hydrants Fire Protection	Meters & Services	Customer Billing	All Other Infrastructure	All Other General	Recycled Water			
											Pressurized	Non-Pressurized			
94	GPS-VEHICLE TRACKING SYSTEM	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
95	TRAFFIC CONTROL EQUIP	6,490	0.0%	0.0%	0.0%	0.0%	100%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
96	SIGNS	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
97	SEWER VIDEO EQUIPMENT	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
98	MISC SEWER EQUIPMENT	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
99	WATER METERS & BOXES	3,338,326	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
100	HYDRANTS	86,528	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
101	TELEMETRY EQUIPMENT	162,240	0.0%	80.0%	10.0%	10.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
102	WATER MONITORING EQUIP	42,770	0.0%	25.0%	25.0%	25.0%	25.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
103	DIAGNOSTIC EQUIPMENT	1,082	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
104	TURF EQUIPMENT	1,622	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
105	SPRINKLER EQUIPMENT	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
106	CELLULAR PHONES	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
107	STANDARD PICK UP	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
108	VANS-NON-TRANSIT	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
109	LIGHT DUTY TRUCK 1-5 TON	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
110	SPECIALTY EQUIPMENT	472,834	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
111	CORPORATION YARD EXPANSION	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
112	PLANT AND TRUNK CAPITAL	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
113	PEACH/STUART LIFT STATION	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
114	RECHARGE FACILITY- BARSTOW PARK	108,160	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
115		29,137,928	-	8,308,898	2,416,106	268,640	2,589,419	287,141	4,294,052	3,434,322	2,628,707	4,681,496	214,516	14,632	29,137,928
		TRUE	0.0%	28.5%	8.3%	0.9%	8.9%	1.0%	14.7%	11.8%	9.0%	16.1%	0.7%	0.1%	100.0%

Summary Projected O&M Functional Allocation

Line No.	Test Year 2026	Adjusted Allocation to Account for Recycled Water												Total	
		1	2	3	4	5	6	7	8	Indirect Costs		11	12		
		Purchased Water Source of Supply	Wells WTP	Trans/Dist Pumping	Treated Storage	Trans/Dist	Hydrants Fire Protection	Meters & Services	Customer Billing	All Other Infrastructure	All Other General	Recycled Water			
											Pressurized	Non-Pressurized			
1		-	8,308,898	2,416,106	268,640	2,589,419	287,141	4,294,052	3,434,322	2,628,707	4,681,496	214,516	14,632	29,137,928	
2	All Other Infrastructure Reallocation	-%	59.9%	17.4%	1.9%	18.7%	2.1%								
3	Reallocation, %	-	1,574,718	457,905	50,913	490,752	54,419							2,628,707	
4	All Other General Reallocation	-%	38.1%	11.1%	1.2%	11.9%	1.3%	19.7%	15.7%				1.0%	0.1%	1.000E+00
5	Reallocation, %	-	1,782,049	518,194	57,616	555,365	61,584	920,966	736,575			46,008	3,138	4,681,496	
6	Total Reallocated O&M Expenses	-	11,665,665	3,392,204	377,170	3,635,536	403,144	5,215,017	4,170,898			260,524	17,770	29,137,928	
7		-%	40.0%	11.6%	1.3%	12.5%	1.4%	17.9%	14.3%			0.9%	0.1%	100.0%	

Line No.	Customer Class	Water Use		Maximum Day Demand			Maximum Hour Demand			Bills	Equivalent Meters	
		Annual	Average Day	Demand Factor	Total Demand	Extra Capacity	Demand Factor	Total Demand	Extra Capacity		Capacity	Hydrants
		<i>1,000 gal</i>	<i>1,000 gal</i>		<i>1,000 gpd</i>	<i>1,000 gpd</i>		<i>1,000 gpd</i>	<i>1,000 gpd</i>	<i>bills</i>		
1	Residential	6,022,843	16,501	191%	31,447	14,946	336%	55,494	38,993	254,276	268,165	
2	Commercial/Industrial	884,768	2,424	191%	4,620	2,196	336%	8,152	5,728	10,015	26,706	
3	Recycled Water - Pressurized	235,739	646	100%	646	-	100%	646	-	2,052	10,008	
4	Recycled Water - Non-Pressurized	192,497	527	100%	527	-	100%	527	-	12	576	
4	Landscape	750,833	2,057	191%	3,920	1,863	336%	6,918	4,861	3,780	11,502	
5	Tarpey	239,189	655	191%	1,249	594	336%	2,204	1,549	8,802	8,802	
6	Public Fire Protection		-		569	569		2,277	1,708			5,129
7	Private Fire Protection		-		79	79		315	315	4,252		709
8	Total	8,325,870	22,811		43,057	20,246		76,534	53,154	283,189	325,759	5,838
9	Total Excluding Recycled Water	7,897,634	21,637		41,883	20,246		75,360	53,154	281,125	315,175	5,838

Line No.	Description	Total	Volume		Customer Related					Recycled Water	
			Base	Extra Capacity		Meters & Services	Billing	Capacity Reserve	Fire Protection	Recycled Water	
				Maximum Day Demand	Maximum Hour Demand					Pressurized	Non-Pressurized
	Cost of Service										
1	Operation and Maintenance Expense	\$22,865,697	\$8,049,207	\$5,634,445	\$1,281,791	\$4,092,433	\$3,273,070	\$0	\$316,364	\$204,443	\$13,945
2	Capital Cost	3,681,869	2,046,708	1,274,016	355,238	5,908	0	0	0	0	0
3	Total Cost of Service	\$26,547,567	\$10,095,915	\$6,908,461	\$1,637,028	\$4,098,340	\$3,273,070	\$0	\$316,364	\$204,443	\$13,945
4	Percent of Total	100%	38%	26%	6%	15%	12%	0%	1%	1%	

Line No	Description	Cost of Service	Volume			Customer Related						Total
			Average Day	Extra Capacity		Meters & Services	Billing	Reserve Capacity	Fire Protection	Recycled Water		
				Maximum Day Demand	Maximum Hour Demand					Pressurized	Non-Pressurized	
1	Average Day	\$10,095,915	100.0%									100.0%
2	Max Day Extra Capacity	6,908,461		100.0%								100.0%
3	Max Hour Extra Capacity	1,637,028			100.0%							100.0%
4	Meters and Services	4,098,340				100.0%						100.0%
5	Billing	3,273,070					100.0%					100.0%
6	Capacity Reserve	0						100.0%				100.0%
7	Fire Protection	316,364							100.0%			100.0%
8	Recycled Water-Pressurized	204,443								100.0%		100.0%
9	Recycled Water-Non-Pressurized	13,945									100.0%	100.0%
10	Adjusted Cost of Service	\$26,547,567	\$10,095,915	\$6,908,461	\$1,637,028	\$4,098,340	\$3,273,070	\$0	\$316,364	\$204,443	\$13,945	
	<u>Units of Service</u>		<u>1,000 gal</u>	<u>gpd</u>	<u>gpd</u>	<u>Equivalent Meter Capacity</u>	<u># Bills</u>	<u>Equivalent Meter Capacity</u>	<u>Equivalent Firelines</u>	<u>1,000 gal</u>	<u>1,000 gal</u>	
21	Retail Customers		7,897,634	20,246	53,154	315,175	276,873	315,175				
22	Recycled Water - Pressurized					10,008	2,052			235,739		
23	Recycled Water - Non-Pressurized					576	12				192,497	
24	Public Fire Protection								5,129			
25	Private Fire Protection						4,252					
26	Total Units of Service		7,897,634	20,246	53,154	325,759	283,189	315,175	5,129	235,739	192,497	
27	Unit Cost of Service		\$1.28	\$341.22	\$30.80	\$12.58	\$11.56	\$0.00	\$61.68	\$0.87	\$0.07	

Line No.	Description	Total	Volume		Customer Related						Recycled Water		Fire Protection	
			Average Day	Extra Capacity		Meters & Services	Billing	Reserve Capacity	Fire Protection	Pressurized	Non-Pressurized	Public	Private	
				Maximum Day Demand	Maximum Hour Demand									
1	Unit Cost of Service		\$1.28	\$341.22	\$30.80	\$12.58	\$11.56	\$0.00	\$61.68	\$0.87	\$0.07			
2	Public Fire Protection Units of Service			569	1,708				5,129					
3	Cost of Service - \$	(\$563,239)		(\$194,272)	(\$52,603)				(\$316,364)			\$563,239		
4	Private Fire Protection Units of Service			79	315									
5	Cost of Service - \$	(\$36,532)		(\$26,842)	(\$9,691)								\$36,532	
6	Total Fire Protection Adj	(\$599,771)	\$0	(\$221,113)	(\$62,294)	\$0	\$0	\$0	(\$316,364)	\$0	\$0	\$563,239	\$36,532	
7	Adjusted Cost of Service	\$26,547,567	\$10,095,915	\$6,687,348	\$1,574,734	\$4,098,340	\$3,273,070	\$0	\$0	\$204,443	\$13,945	\$563,239	\$36,532	

Line No	Description	Cost of Service	Volume			Customer Related							
			Average Day	Maximum Day Demand	Maximum Hour Demand	Meters & Services	Billing	Reserve Capacity	Fire Protection	Recycled Water		Fire Protection	
										Pressurized	Non-Pressurized	Public	Private
1	Average Day	\$10,095,915	100.0%										
2	Max Day Extra Capacity	6,687,348		80.0%									
3	Max Hour Extra Capacity	1,574,734			33.0%								
4	Meters and Services	4,098,340				100.0%							
5	Billing	3,273,070					100.0%						
6	Capacity Reserve	0						100.0%					
7	Fire Protection	0											
8	Recycled Water-Pressurized	204,443								100.0%			
9	Recycled Water-Non-Pressurized	13,945									100.0%		
10	Public Fire Protection	563,239										100.0%	
11	Private Fire Protection	36,532											100.0%
12	Total Cost of Service	\$26,547,567 TRUE	\$10,095,915	\$5,349,878	\$519,662	\$4,098,340	\$3,273,070	\$2,392,542	\$0	\$204,443	\$13,945	\$563,239	\$36,532
	<u>Units of Service</u>		<u>1,000 gal</u>	<u>gpd</u>	<u>gpd</u>	<u>Equivalent Meter Capacity</u>	<u># Bills</u>	<u>Equivalent Meter Capacity</u>	<u>Equivalent Firelines</u>	<u>1,000 gal</u>	<u>1,000 gal</u>	<u>Equivalent Hydrants</u>	<u>Equivalent Firelines</u>
	Residential		6,022,843	14,946	38,993	268,165	254,276	268,165	-	-	-	-	-
	Commercial/Industrial		884,768	2,196	5,728	26,706	10,015	26,706	-	-	-	-	-
	Recycled Water - Pressurized		-	-	-	10,008	2,052	-	-	235,739	-	-	-
	Recycled Water - Non-Pressurized		-	-	-	576	12	-	-	-	192,497	-	-
	Landscape		750,833	1,863	4,861	11,502	3,780	11,502	-	-	-	-	-
	Tarpey		239,189	594	1,549	8,802	8,802	8,802	-	-	-	-	-
	Public Fire Protection		-	-	-	-	-	-	-	-	-	5,129	-
	Private Fire Protection		-	-	-	-	4,252	-	-	-	-	-	4,252
	Total Units of Service		7,897,634	19,598	51,131	325,759	283,189	315,175	-	235,739	192,497	5,129	4,252
	Unit Costs		\$1.28	\$272.98	\$10.16	\$12.58	\$11.56	\$7.59	\$0.00	\$0.87	\$0.07	\$109.81	\$8.59
	<u>Units of Service</u>												
13	Retail Customers		7,897,634	19,598	51,131	315,175	276,873	315,175	-	-	-	-	-
14	Recycled Water - Pressurized					10,008	2,052			235,739			
15	Recycled Water - Non-Pressurized					576	12				192,497		
16	Public Fire Protection											5,129	
17	Private Fire Protection						4,252						4,252
18	Total Units of Service		7,897,634	19,598	51,131	325,759	283,189	315,175	-	235,739	192,497	5,129	4,252
19	Unit Cost of Service		\$1.28	\$272.98	\$10.16	\$12.58	\$11.56	\$7.59	\$0.00	\$0.87	\$0.07	\$109.81	\$8.59

Line No.	Description	Total	Volume		Customer Related								
			Average Day	Extra Capacity		Meters & Services	Billing	Reserve Capacity	Fire Protection	Recycled Water		Fire Protection	
				Maximum Day Demand	Maximum Hour Demand					Pressurized	Non-Pressurized	Public	Private
1	Unit Cost of Service - \$/Unit		\$1.28	\$272.98	\$10.16	\$12.58	\$11.56	\$7.59	\$0.00	\$0.87	\$0.07	\$109.81	\$8.59
2	Retail Customers												
3	Units		7,897,634	19,598	51,131	315,175	276,873	315,175					
3	Cost of Service - \$	\$25,523,253	\$10,095,915	\$5,349,878	\$519,662	\$3,965,184	\$3,200,072	\$2,392,542	\$0	\$0	\$0	\$0	\$0
4	Recycled Water - Pressurized												
4	Units					10,008	2,052			235,739			
5	Cost of Service - \$	\$354,070	\$0	\$0	\$0	\$125,910	\$23,717	\$0	\$0	\$204,443	\$0	\$0	\$0
6	Recycled Water - Non-Pressurized												
6	Units					576	12				192,497		
7	Cost of Service - \$	\$21,330	\$0	\$0	\$0	\$7,247	\$139	\$0	\$0	\$0	\$13,945	\$0	\$0
8	Public Fire Protection												
8	Units											5,129	
9	Cost of Service - \$	\$563,239	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$563,239	\$0
10	Private Fire Protection												
10	Units						4,252						4,252
11	Cost of Service - \$	\$85,675	\$0	\$0	\$0	\$0	\$49,143	\$0	\$0	\$0	\$0	\$0	\$36,532
12	Total Cost of Service	\$26,547,567	\$10,095,915	\$5,349,878	\$519,662	\$4,098,340	\$3,273,070	\$2,392,542	\$0	\$204,443	\$13,945	\$563,239	\$36,532

Line No.	Customer Class	(a)	(b)	(c)	(d)	(e)	(f)	(g) (h)	
		Cost of Service	Public Fire Adjustment [1]	Adjusted COS	FY27 Revenue at Current Rates	Change \$	Change - %	Public Fire Reallocation Equivalent Meter	% of Total
1	Retail Customers	\$25,523,253	\$544,939	\$26,068,192	20,974,374	\$5,093,818	24.3%	315,175	96.75%
2	Recycled Water - Pressurized	354,070	17,304	371,374	374,536	(3,162)	-0.8%	10,008	3.07%
3	Recycled Water - Non-Pressurized	21,330	996	22,326	0	22,326	N/A	576	0.18%
4	Public Fire Protection	563,239	(563,239)	0	0	0	N/A	-	0.00%
5	Private Fire Protection	85,675	0	85,675	591,228	(505,552)	-85.5%	-	0.00%
6	Total	\$26,547,567	\$0	\$26,547,567	\$21,940,138	\$4,607,429	21.0%	325,759	100.0%

[1] Allocated Average Day on the percentages in Column h.

Line No.	COS Component	Cost of Service	Units of Service	Units	Unit Cost of Service
1	Meters & Services	\$4,098,340	325,759	Equiv Meter Capacity [1]	\$12.58
2	Billing	\$3,273,070	283,189	Bills	11.56
3	Public Fire Protection	\$563,239	325,759	Equiv Meter Capacity [1]	1.73
4	Capacity Reserve	\$2,392,542	315,175	Equiv Meter Capacity [1,2]	7.59
5	Total	<u>\$10,327,191</u>			<u>\$33.46</u>
6	Private Fireline (Capacity Portion)	\$36,532	4,252	4" Equivalent Fireline Bills [3]	\$8.59
7	Volume Cost of Service	\$15,965,455	7,897,634		\$2.02
8	Pressurized	\$204,443	235,739		0.87
9	Nonpressured	\$13,945	192,497		0.07
10	Total COS Check	<u>\$26,547,567</u>	TRUE		

[1] Includes residential, commercial, landscape, and recycled equivalent meters but excludes private firelines

[2] Capacity reserve is related to potable water system only. Recycled water is excluded.

[3] Total charge includes both private fire protection capacity and billing component costs

[4] Billing cost component of private fireline is calculated in line 2 which applies to all customers.

Line 6 is the capacity portion only (maximum day and maximum hour extra capacity costs)

Table B-19

Residential			Commercial/Industrial			Recycled Water - Pressurized			Recycled Water - Non-Pressurized		
Bill Capacity	Bills	Revenue	Bill Capacity	Bills	Revenue	Bill Capacity	Bills	Revenue	Bill Capacity	Bills	Revenue
18.8%	47,827	\$1,600,255	18.2%	1,825	\$61,062	-%	-	\$0	0.0%	0	\$0
0.3%	851	28,467	0.8%	78	2,608	-%	-	0	0.0%	0	0
78.5%	199,597	6,678,304	20.1%	2,013	67,364	1.2%	24	621	0.0%	0	0
1.2%	2,936	162,517	13.5%	1,351	74,784	4.7%	96	3,857	0.0%	0	0
1.1%	2,702	220,580	39.9%	3,994	326,090	67.8%	1,392	79,831	0.0%	0	0
0.1%	182	27,592	2.9%	292	44,343	9.9%	204	21,041	0.0%	0	0
0.0%	78	17,970	4.1%	409	94,339	14.0%	288	44,541	0.0%	0	0
0.0%	19	8,760	0.4%	39	17,519	1.8%	36	10,719	0.0%	0	0
0.0%	84	67,545	0.1%	7	5,386	0.6%	12	6,321	0.0%	0	0
			0.1%	7	7,156	-%	-	0	100.0%	12	8,381
100.0%	254,276	\$8,811,989	100.0%	10,015	\$700,650	100.0%	2,052	\$166,930	100.0%	12	\$8,381
Customer Cost	254,276	\$6,312,651	Customer Cost	10,015	\$451,743	Customer Cost	2,052	\$149,626	Customer Cost	12	\$7,385
Fire Protection		\$463,658	Fire Protection		\$46,175	Fire Protection		\$17,304	Fire Protection		\$996
Capacity Reserve		\$2,035,680	Capacity Reserve		\$202,732	Capacity Reserve		\$0	Capacity Reserve		\$0
Total		\$8,811,989	Total		\$700,650	Total		\$166,930	Total		\$8,381
Check		TRUE	Check		TRUE	Check		TRUE	Check		\$0

Line No	Meter Size	Irrigation			Tarpey			Total	
		Bill Capacity	Bills	Revenue	Bill Capacity	Bills	Revenue	Bills	Revenue
1	5/8 inch	0.9%	32	\$1,087	0.2%	16	\$541	49,669	\$1,662,944
2	3/4 inch	0.0%	0	0	0.0%	0	0	929	31,075
3	1 inch	18.2%	688	23,034	99.8%	8,786	293,965	210,420	7,063,287
4	1.5 inch	18.4%	695	38,471	0.0%	0	0	4,383	279,629
5	2 inch	54.5%	2,059	168,082	0.0%	0	0	8,088	794,582
6	3 inch	4.1%	156	23,649	0.0%	0	0	678	116,624
7	4 inch	3.6%	136	31,446	0.0%	0	0	775	188,297
8	6 inch	0.2%	6	2,920	0.0%	0	0	94	39,918
9	8 inch	0.0%	0	0	0.0%	0	0		79,252
10	10 inch	0.2%	6	6,903	0.0%	0	0		22,439
		100.0%	3,780	\$295,591	100.0%	8,802	\$294,506	275,036	\$10,278,048
		Customer Cost	3,780	\$188,392	Customer Cost	8,802	\$212,470		
		Fire Protection		\$19,887	Fire Protection		\$15,219		
		Capacity Reserve		\$87,313	Capacity Reserve		\$66,817		
		Total		\$295,591	Total		\$294,506		
		Check		\$0	Check		\$0		

Appendix C

Rate Design

**City of Clovis
Water Utility
Comparison of Current and Proposed Service Charges**

Table C-1

Description	Existing		Proposed			
	FY26	FY27	FY28	FY29	FY30	FY31
BIMONTHLY SERVICE CHARGE, \$ PER BILL						
Residential						
Single Family [1]	\$27.71			Note [1]		
Multifamily [1]	27.71			Note [1]		
Mobile Home [1]	27.71			Note [1]		
Tarpey Metered Residential [1,2]	27.71			Note [1,2]		
Tarpey - Non-Metered Res Large Lot [1,2]	6.67			Note [1,2]		
Tarpey - Non-Metered [1,2]	139.05			Note [1,2]		
Residential [3], Commercial, and Landscape (Retail Potable Water Users)						
<u>Meter Size</u>						
Inches						
5/8	\$22.30	\$33.46	\$40.49	\$47.78	\$49.21	\$50.69
3/4	22.30	33.46	40.49	47.78	49.21	50.69
1	22.30	33.46	40.49	47.78	49.21	50.69
1 1/2	29.66	55.36	66.99	79.05	81.42	83.86
2	40.97	81.64	98.78	116.56	120.06	123.66
3	81.13	151.72	183.58	216.62	223.12	229.81
4	204.08	230.57	278.99	329.21	339.09	349.26
6	814.05	449.58	543.99	641.91	661.17	681.01
8	1,443.03	800.00	968.00	1,142.24	1,176.51	1,211.81
10	2,260.71	1,062.81	1,286.00	1,517.48	1,563.00	1,609.89
Recycled						
<u>Meter Size</u>						
inches						
5/8	\$22.30	\$25.87	\$31.30	\$36.93	\$38.04	\$39.18
3/4	22.30	25.87	31.30	36.93	38.04	39.18
1	22.30	25.87	31.30	36.93	38.04	39.18
1 1/2	29.66	40.18	48.62	57.37	59.09	60.86
2	40.97	57.35	69.39	81.88	84.34	86.87
3	81.13	103.14	124.80	147.26	151.68	156.23
4	204.08	154.66	187.14	220.83	227.45	234.27
6	814.05	297.76	360.29	425.14	437.89	451.03
8	1,443.03	526.71	637.32	752.04	774.60	797.84
10	2,260.71	698.43	845.10	997.22	1,027.14	1,057.95
Private Fireline						
<u>Line Size</u>						
inches						
4 and less	\$204.08	\$20.15	\$24.38	\$28.77	\$29.63	\$30.52
6	204.08	36.52	44.18	52.13	53.69	55.30
8	204.08	64.74	78.34	92.44	95.21	98.07
10	204.08	107.20	129.72	153.07	157.66	162.39
12	204.08	166.05	200.92	237.09	244.20	251.53
Construction Water	\$139.05	\$154.66	\$186.89	\$220.58	\$227.41	\$234.29
Hydrant Meter Water, \$ per bill per month	\$40.57	\$40.82	\$49.39	\$58.28	\$60.03	\$61.83

[1] The proposed service charge by meter size applies to all customer classes.

Under existing rate structure, residential customers were charged a fixed, per dwelling charge.

[2] Tarpey are billed the same as inside City residential.

[3] Service charge applies to all Residential classes in FY27.

[4] Current construction water charges are based on Tarpey Non-Metered charges.

Proposed construction water charges are based on the 1" meter charge plus 60,000 of water usage at the proposed volume rates for each year.

Description	Existing	Proposed				
	FY26	FY27	FY28	FY29	FY30	FY31
VOLUME RATES, \$ PER 1,000 GALLONS						
<u>Residential - Single Family, Multifamily, Mobile Home [1]</u>						
Tier 1: (0 - 23,000 gal)	\$1.13	\$2.02	\$2.44	\$2.88	\$2.97	\$3.06
Tier 2: (23,000 - 40,000 gal)	1.88	2.02	2.44	2.88	2.97	3.06
Tier 3: (Over 40,000 gal)	2.33	2.02	2.44	2.88	2.97	3.06
<u>Commercial and Landscape</u>						
Tier 1: (0 - 23,000 gal)	\$1.13	\$2.02	\$2.44	\$2.88	\$2.97	\$3.06
Tier 2: (Over 23,000 gal)	1.53	2.02	2.44	2.88	2.97	3.06
<u>Recycled</u>						
Pressurized	\$0.71	\$0.87	\$1.05	\$1.24	\$1.28	\$1.32
Non-Pressurized	0.076	0.072	0.090	0.110	0.110	0.110
Hydrant Meter Water \$ per 1,000 gallons [2]	Note [2]	\$2.02	\$2.44	\$2.88	\$2.97	\$3.06

[1] Tarpey are billed the same as inside City residential

[2] Existing hydrant meter volume rate based on Commercial and Landscape volume rates.