

Yuima Municipal Water District

FINANCIAL PLAN AND RATE WORKSHOP

FEBRUARY 27, 2017



Agenda

- Key Assumptions
 - Review Key Inputs
 - Reserve Targets
 - CIP
- Financial Plan
 - General
 - IDA
- Cost of Service
- Preliminary Rates
 - Pass Through Provisions

FP Key Assumptions

- Baseline consumption for analysis – FY 2015-16
 - Per discussion with staff 20% increase in sales expected for FYE 2017
 - General – 1,013,425 ccf (2,327 AcFt)
 - IDA – 2,064,079 ccf (4,738 AcFt)
- General Fund Balances as of July 1, 2016
 - Operating - \$287,151
 - Capital - \$116,105
 - Rate Stabilization – (-\$1,494,582)
- IDA Fund Balances as of July 1, 2016
 - Operating – \$1,112,434
 - Capital – (-\$507,214)
 - Rate Stabilization – \$1,121,216
- Reserve Targets
 - O&M Min – 90 days of operating
 - Capital Min – One Year’s Worth of Capital Costs (5 Year Average)
 - Rate Stabilization Target – 10% of Revenues

Account Data

General

Meter Size (Inches)	Meters
5/8	46
1	19
1 1/2	7
2	10
3	16
4	4
5	4
6	1
8	0
10	2
Total	109

IDA

Water Meter Size	No. of Meters
5/8	42
1	55
1 1/2	35
2	39
3	49
4	8
6	1
Total	229

General Current Financials

No Revenue Adjustments

General Current Financial Summary

- Currently covers 53% of District Admin Expenses
 - General only represents 32% of Accounts
 - General only represents 33% of Water Usage
 - Recommend allocating admin costs based on % of accounts or usage
 - Result would be a \$300K reduction (7%)
- Starting Fund Balances are low
- Minimal positive net income through FY 2020
- Negative net income in subsequent years
- Reserves depleted and reflect a growing negative fund balance when accounting for CIP
- CIP
 - Averages \$1.5M annually

General - Current Pro-Forma

Revenues	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Meter Revenue	\$295,594	\$280,913	\$280,913	\$280,913	\$280,913	\$280,913
Usage Revenue	\$3,453,812	\$3,453,812	\$3,453,812	\$3,453,812	\$3,453,812	\$3,453,812
SDCWA Fixed Allocation	\$269,792	\$269,792	\$269,792	\$269,792	\$269,792	\$269,792
SDCWA IAC Revenue	\$21,443	\$21,443	\$21,443	\$21,443	\$21,443	\$21,443
Total Other Revenues	\$425,900	\$431,653	\$437,470	\$442,972	\$448,094	\$452,814
Total Calculated Revenues	\$4,466,541	\$4,457,613	\$4,463,430	\$4,468,932	\$4,474,054	\$4,478,773
Water Supply Expenses						
SDCWA IAC	\$5,004	\$5,004	\$5,004	\$5,004	\$5,004	\$5,004
SDCWA Fixed (All Customers)	\$62,096	\$62,096	\$62,096	\$62,096	\$62,096	\$62,096
SDCWA Fixed (All Except TSAWR)	\$125,259	\$125,259	\$125,259	\$125,259	\$125,259	\$125,259
SDCWA Variable (TSAWR)	\$1,386,934	\$1,445,367	\$1,445,367	\$1,445,367	\$1,445,367	\$1,445,367
SDCWA Variable (Opt-Out)	\$1,214,245	\$1,259,032	\$1,259,032	\$1,259,032	\$1,259,032	\$1,259,032
Total Water Supply Expenses	\$2,793,538	\$2,896,758	\$2,896,758	\$2,896,758	\$2,896,758	\$2,896,758
Other O&M Expenses						
Pumping	\$194,978	\$204,272	\$214,017	\$224,235	\$234,950	\$246,187
Treatment	\$56,250	\$57,048	\$57,864	\$58,701	\$59,559	\$60,437
Distribution & Transmission	\$213,900	\$217,675	\$221,541	\$225,500	\$229,555	\$233,708
Customer Service	\$52,500	\$53,665	\$54,857	\$56,076	\$57,323	\$58,599
General	\$859,471	\$889,643	\$921,037	\$953,706	\$987,708	\$1,023,103
Total Other O&M Expenses	\$1,377,099	\$1,422,303	\$1,469,316	\$1,518,219	\$1,569,095	\$1,622,033
Debt Service						
Existing Debt	\$77,049	\$0	\$0	\$0	\$0	\$0
Total Debt Service	\$77,049	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$4,247,686	\$4,319,061	\$4,366,074	\$4,414,977	\$4,465,853	\$4,518,791
Net Cash Flow	\$218,855	\$138,552	\$97,356	\$53,955	\$8,200	-\$40,018

General - Water Reserves

Operating Reserve Fund	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Beginning Balance	\$287,151	\$456,106	\$594,658	\$692,014	\$745,969	\$754,169
Net Operating Cash Flows	\$168,955	\$138,552	\$97,356	\$53,955	\$8,200	-\$40,018
Transfers to CIP Fund	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance before Transfer from Rate S	\$456,106	\$594,658	\$692,014	\$745,969	\$754,169	\$714,151
Minimum Balance 90 Days	\$1,028,376	\$1,101,169	\$1,101,169	\$1,101,169	\$1,101,169	\$1,114,222

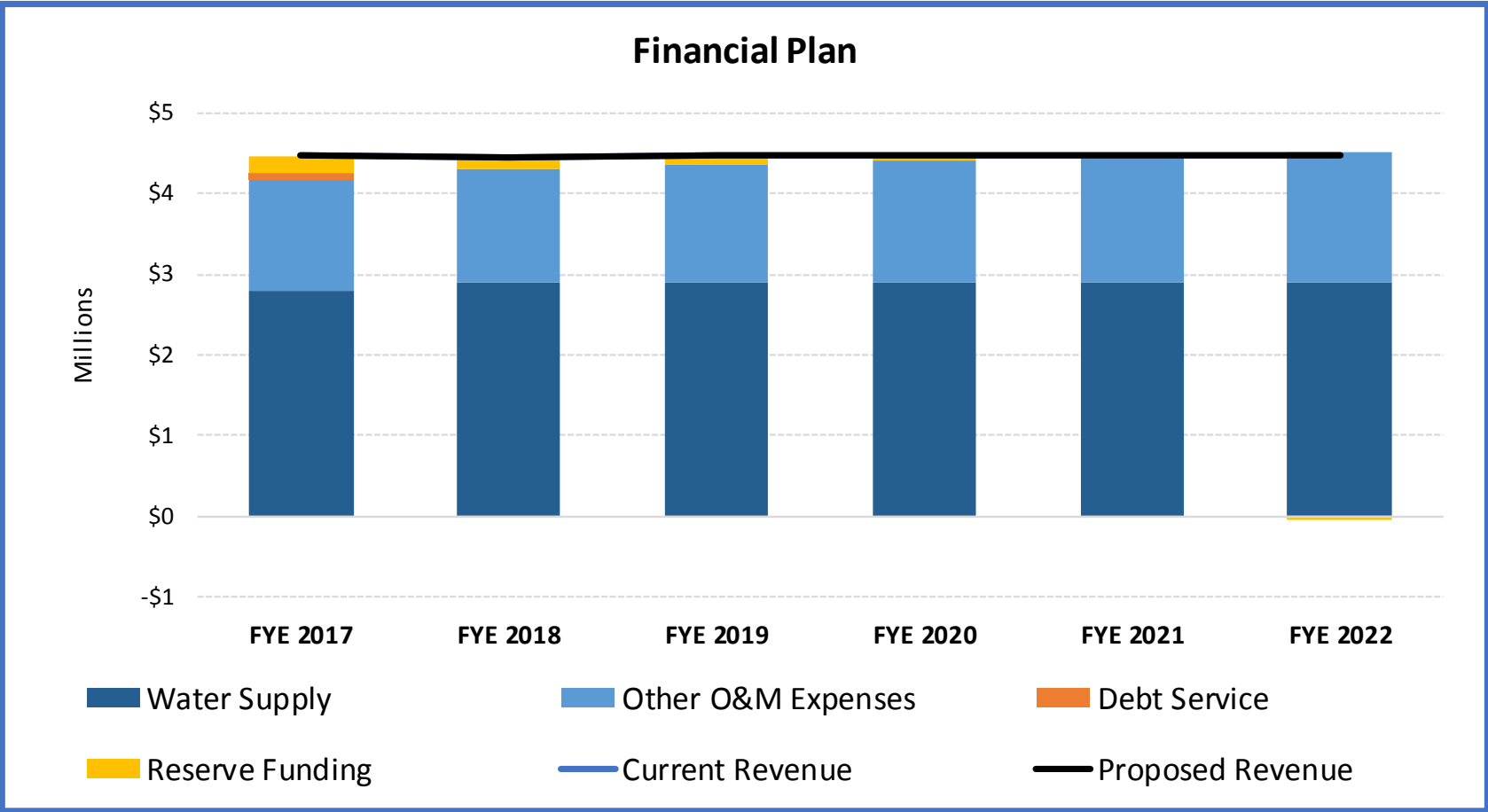
Not meeting Reserve Target

Capital Projects Reserve	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Beginning Balance	\$116,105	-\$1,847,645	-\$6,241,840	-\$6,877,753	-\$6,877,753	-\$7,532,743
Transfers in from Operating	\$0	\$0	\$0	\$0	\$0	\$0
Direct Transfer (Revenue restricted for Ca	\$49,900	\$0	\$0	\$0	\$0	\$0
Debt Proceeds	\$0	\$0	\$0	\$0	\$0	\$0
CIP Expenditures	-\$2,013,650	-\$2,137,714	-\$2,256,481	-\$635,912	-\$654,990	-\$1,584,750
Balance before Transfer to Rate Stabilizatio	-\$1,847,645	-\$3,985,359	-\$6,241,840	-\$6,877,753	-\$7,532,743	-\$9,117,493
Target Balance 5 Year Avg	\$1,539,749	\$1,453,969	\$1,352,885	\$1,237,841	\$1,456,999	\$1,682,731

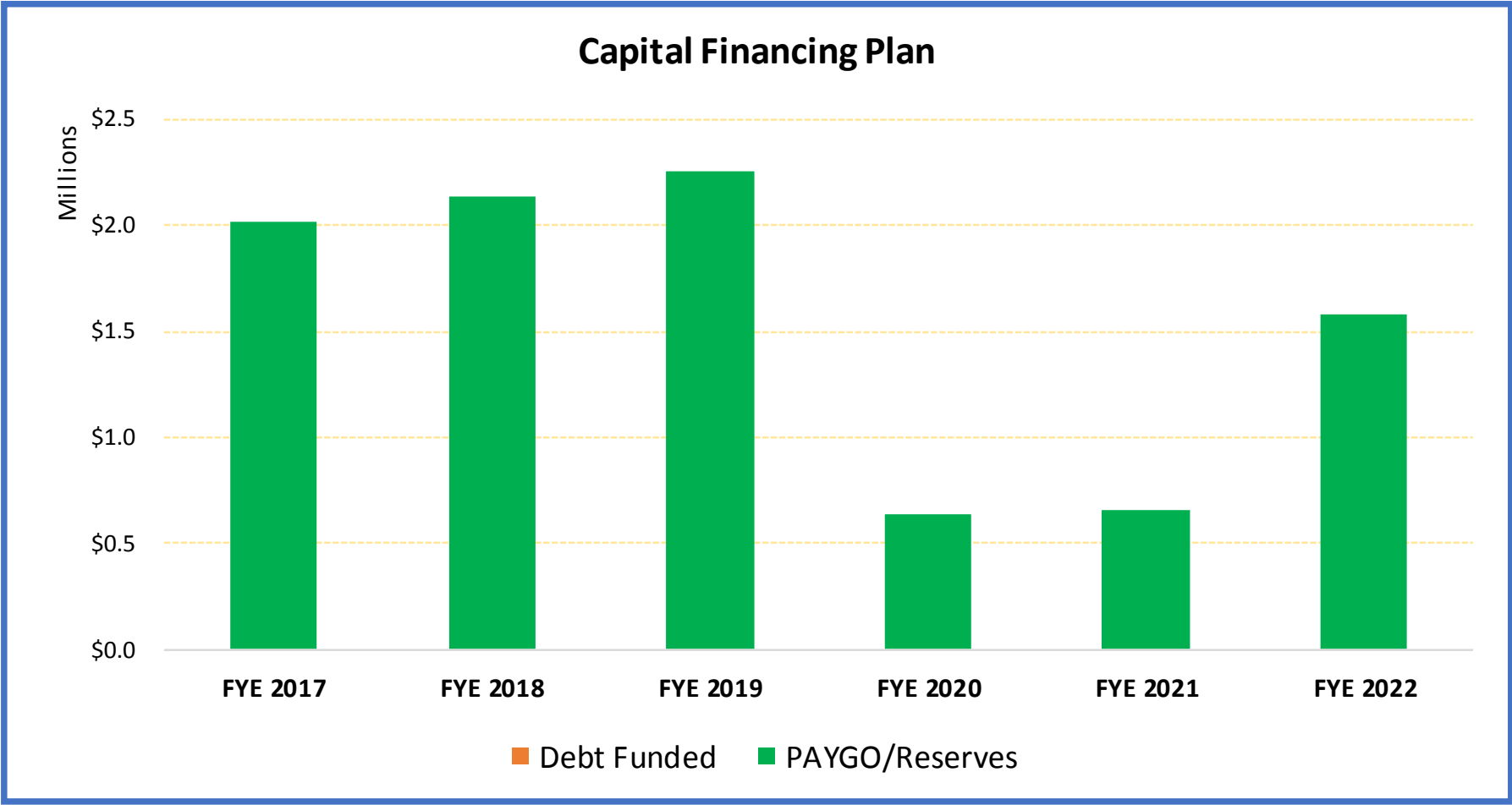
Rate Stabilization	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Beginning Balance	-\$1,494,582	-\$1,494,582	-\$1,494,582	-\$1,494,582	-\$1,494,582	-\$1,494,582
Transfer from CIP Fund	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Operating	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	-\$1,494,582	-\$1,494,582	-\$1,494,582	-\$1,494,582	-\$1,494,582	-\$1,494,582
Target Balance 10%	\$446,654	\$445,761	\$446,343	\$446,893	\$447,405	\$447,877

Total Beginning Funds	-\$1,091,327	-\$2,886,122	-\$4,885,283	-\$7,044,408	-\$7,626,366	-\$8,273,156
Total Ending Funds	-\$2,886,122	-\$4,885,283	-\$7,044,408	-\$7,626,366	-\$8,273,156	-\$9,897,924

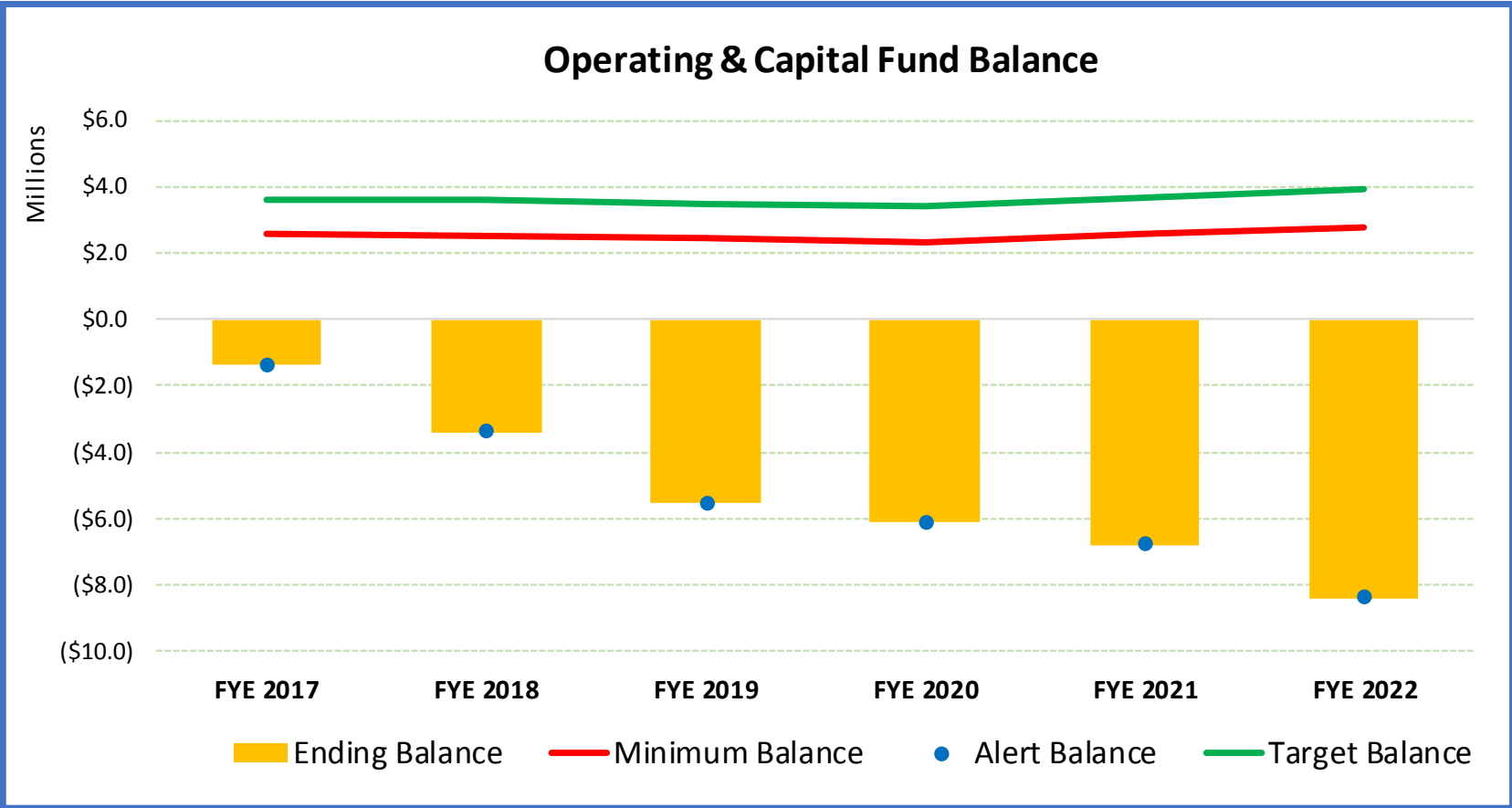
General – Operating Position



General – CIP



General – Reserve Balance



Recommended Financial Plan - General

Eliminate Negative Balance

Fund Capital Needs through Debt and PAYGO

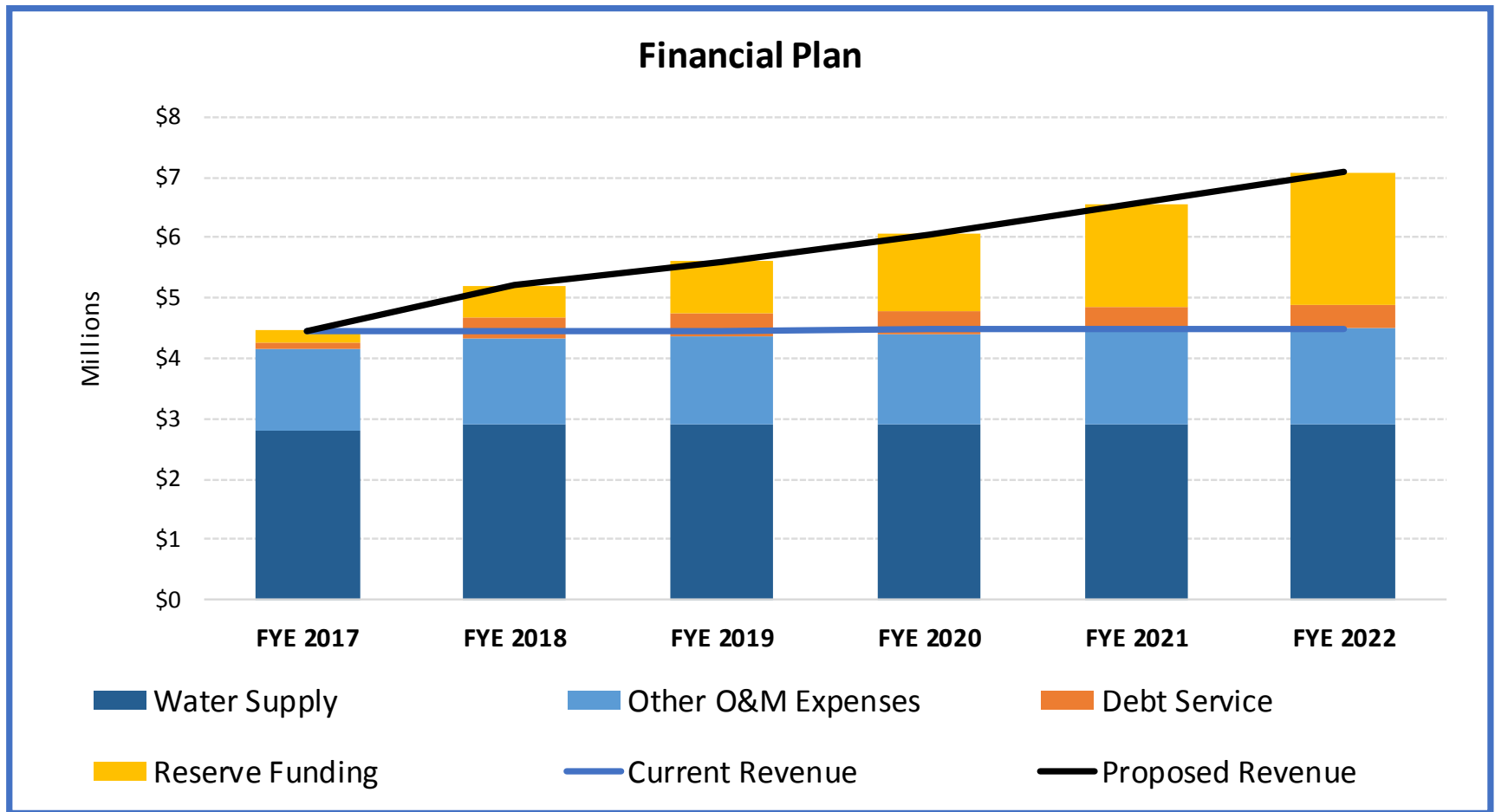
Build-Up Reserves Over Multiple Years

Revenue Adjustments – 20%, 9%, 9%, 9%, 9%

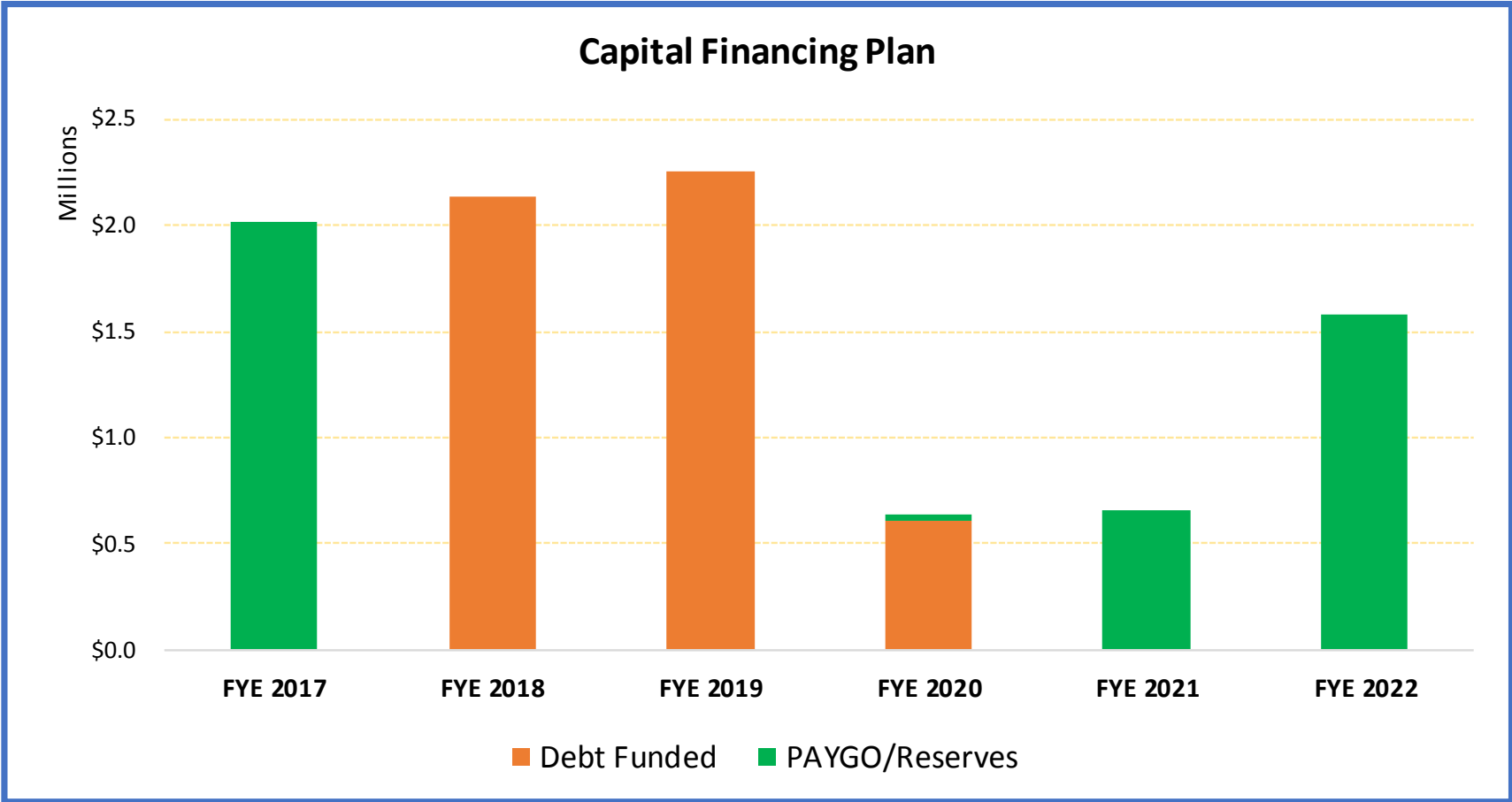
Proposed Water Pro-Forma

Revenues	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Meter Revenue	\$295,594	\$280,913	\$280,913	\$280,913	\$280,913	\$280,913
Usage Revenue	\$3,453,812	\$3,453,812	\$3,453,812	\$3,453,812	\$3,453,812	\$3,453,812
SDCWA Fixed Allocation	\$269,792	\$269,792	\$269,792	\$269,792	\$269,792	\$269,792
SDCWA IAC Revenue	\$21,443	\$21,443	\$21,443	\$21,443	\$21,443	\$21,443
Total Other Revenues	\$425,900	\$431,653	\$435,192	\$450,637	\$461,029	\$463,161
Total Calculated Revenues	\$4,466,541	\$5,204,558	\$5,611,447	\$6,066,544	\$6,556,156	\$7,080,639
Water Supply Expenses						
SDCWA IAC	\$5,004	\$5,004	\$5,004	\$5,004	\$5,004	\$5,004
SDCWA Fixed (All Customers)	\$62,096	\$62,096	\$62,096	\$62,096	\$62,096	\$62,096
SDCWA Fixed (All Except TSAWR)	\$125,259	\$125,259	\$125,259	\$125,259	\$125,259	\$125,259
SDCWA Variable (TSAWR)	\$1,386,934	\$1,445,367	\$1,445,367	\$1,445,367	\$1,445,367	\$1,445,367
SDCWA Variable (Opt-Out)	\$1,214,245	\$1,259,032	\$1,259,032	\$1,259,032	\$1,259,032	\$1,259,032
Total Water Supply Expenses	\$2,793,538	\$2,896,758	\$2,896,758	\$2,896,758	\$2,896,758	\$2,896,758
Other O&M Expenses						
Pumping	\$194,978	\$204,272	\$214,017	\$224,235	\$234,950	\$246,187
Treatment	\$56,250	\$57,048	\$57,864	\$58,701	\$59,559	\$60,437
Distribution & Transmission	\$213,900	\$217,675	\$221,541	\$225,500	\$229,555	\$233,708
Customer Service	\$52,500	\$53,665	\$54,857	\$56,076	\$57,323	\$58,599
General	\$859,471	\$889,643	\$921,037	\$953,706	\$987,708	\$1,023,103
Total Other O&M Expenses	\$1,377,099	\$1,422,303	\$1,469,316	\$1,518,219	\$1,569,095	\$1,622,033
Debt Service						
Existing Debt	\$77,049	\$0	\$0	\$0	\$0	\$0
Total Debt Service	\$77,049	\$369,610	\$369,610	\$369,610	\$369,610	\$369,610
Total Expenses	\$4,247,686	\$4,688,671	\$4,735,684	\$4,784,587	\$4,835,464	\$4,888,402
Net Cash Flow	\$218,855	\$515,887	\$875,763	\$1,281,957	\$1,720,692	\$2,192,237

General – Operating Financial Plan

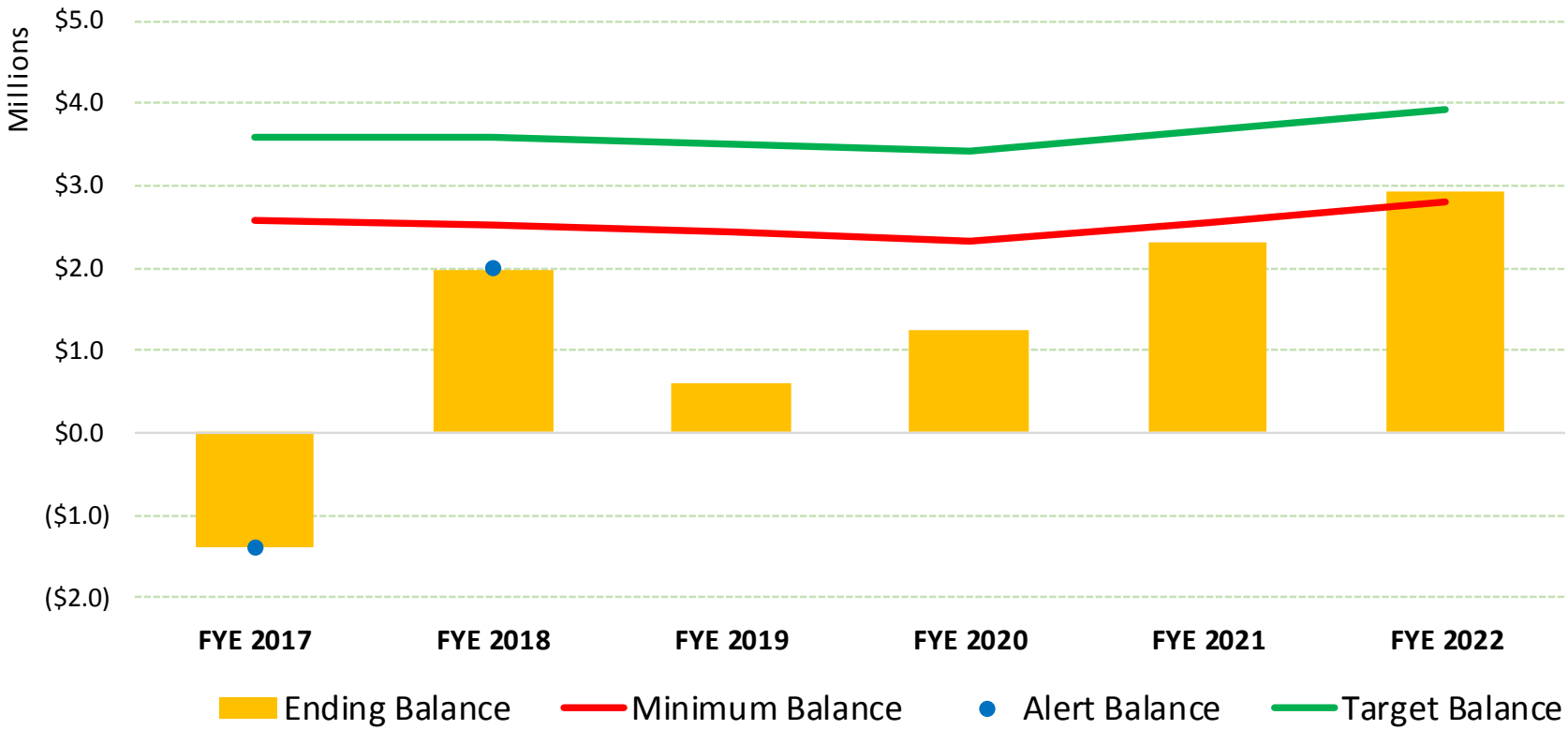


General – CIP (\$5M from Debt Proceeds)



General – Reserve Balance

Operating & Capital Fund Balance



IDA

Current Financials

No Revenue Adjustments

IDA Current Financial Summary

- Currently covers 47% of District Admin Expenses
 - IDA represents 68% of Accounts
 - General only represents 67% of Water Usage
 - Recommend allocating admin costs based on % of accounts or usage
 - Result would be a \$300K increase (6%)
- Starting Fund Balances are low
- Slight positive net income through FY 2021
- Negative net income in future years
- Reserves depleted and reflect a growing negative fund balance when accounting for CIP
- CIP
 - Averages \$650K annually

IDA - Current Pro-Forma

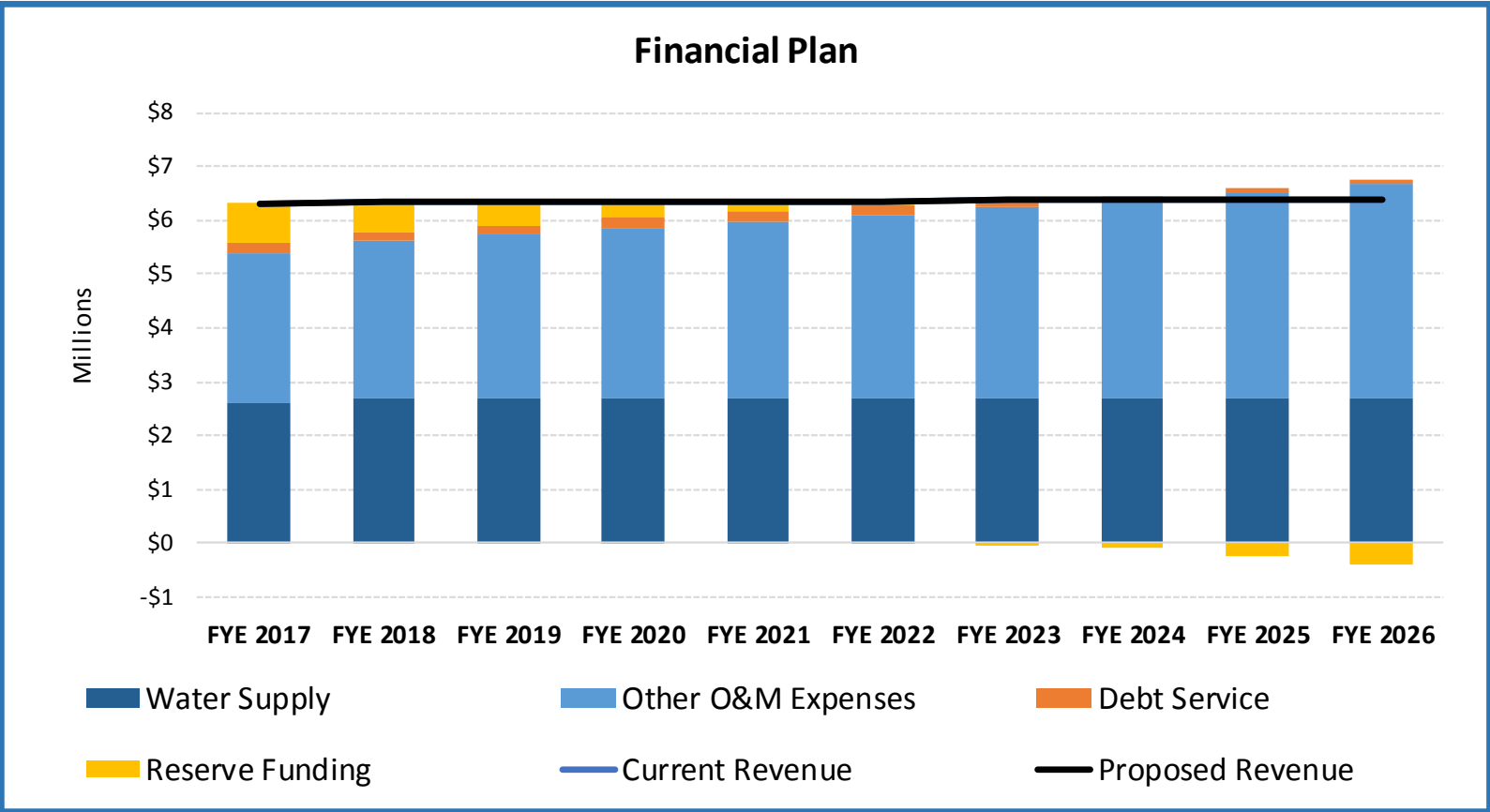
	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Revenue						
Meter Revenue	\$453,684	\$453,684	\$453,684	\$453,684	\$453,684	\$453,684
Usage Revenue	\$5,684,388	\$5,684,388	\$5,684,388	\$5,684,388	\$5,684,388	\$5,684,388
Total Other Revenues	\$179,700	\$198,243	\$206,643	\$213,263	\$218,785	\$223,143
Total Revenue	\$6,317,772	\$6,336,315	\$6,344,715	\$6,351,335	\$6,356,857	\$6,361,215
Water Supply Expenses						
SDCWA IAC	\$11,976	\$11,976	\$11,976	\$11,976	\$11,976	\$11,976
SDCWA Fixed (All Customers)	\$220,182	\$220,182	\$220,182	\$220,182	\$220,182	\$220,182
SDCWA Variable (TSAWR)	\$2,304,823	\$2,401,927	\$2,401,927	\$2,401,927	\$2,401,927	\$2,401,927
SDCWA Variable (Opt-Out)	\$0	\$0	\$0	\$0	\$0	\$0
General Fixed Meter Charge	\$72,239	\$72,239	\$72,239	\$72,239	\$72,239	\$72,239
Total Water Supply Expenses	\$2,609,220	\$2,706,324	\$2,706,324	\$2,706,324	\$2,706,324	\$2,706,324
Other O&M Expenses						
Other O&M Expenses						
Pumping Wells	\$484,470	\$506,694	\$529,968	\$554,345	\$579,877	\$606,619
Pumping Zones	\$985,672	\$1,033,896	\$1,084,499	\$1,137,601	\$1,193,324	\$1,251,800
Treatment	\$73,700	\$74,600	\$75,522	\$76,466	\$77,434	\$78,425
Distribution & Transmission	\$413,700	\$424,836	\$436,281	\$448,042	\$460,131	\$472,555
Fire	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service	\$65,200	\$66,744	\$68,326	\$69,947	\$71,608	\$73,311
Meters	\$0	\$0	\$0	\$0	\$0	\$0
General	\$763,262	\$790,779	\$819,432	\$849,275	\$880,359	\$912,742
Total Other O&M Expenses	\$2,786,004	\$2,897,548	\$3,014,028	\$3,135,676	\$3,262,733	\$3,395,452
Debt Service						
Existing Debt	\$192,443	\$192,443	\$192,443	\$192,443	\$192,443	\$192,443
Total Debt Service	\$192,443	\$192,443	\$192,443	\$192,443	\$192,443	\$192,443
Total Expenses	\$5,587,667	\$5,796,315	\$5,912,795	\$6,034,443	\$6,161,500	\$6,294,219
Net Cash Flow	\$730,105	\$540,001	\$431,919	\$316,892	\$195,357	\$66,996

IDA - Water Reserves

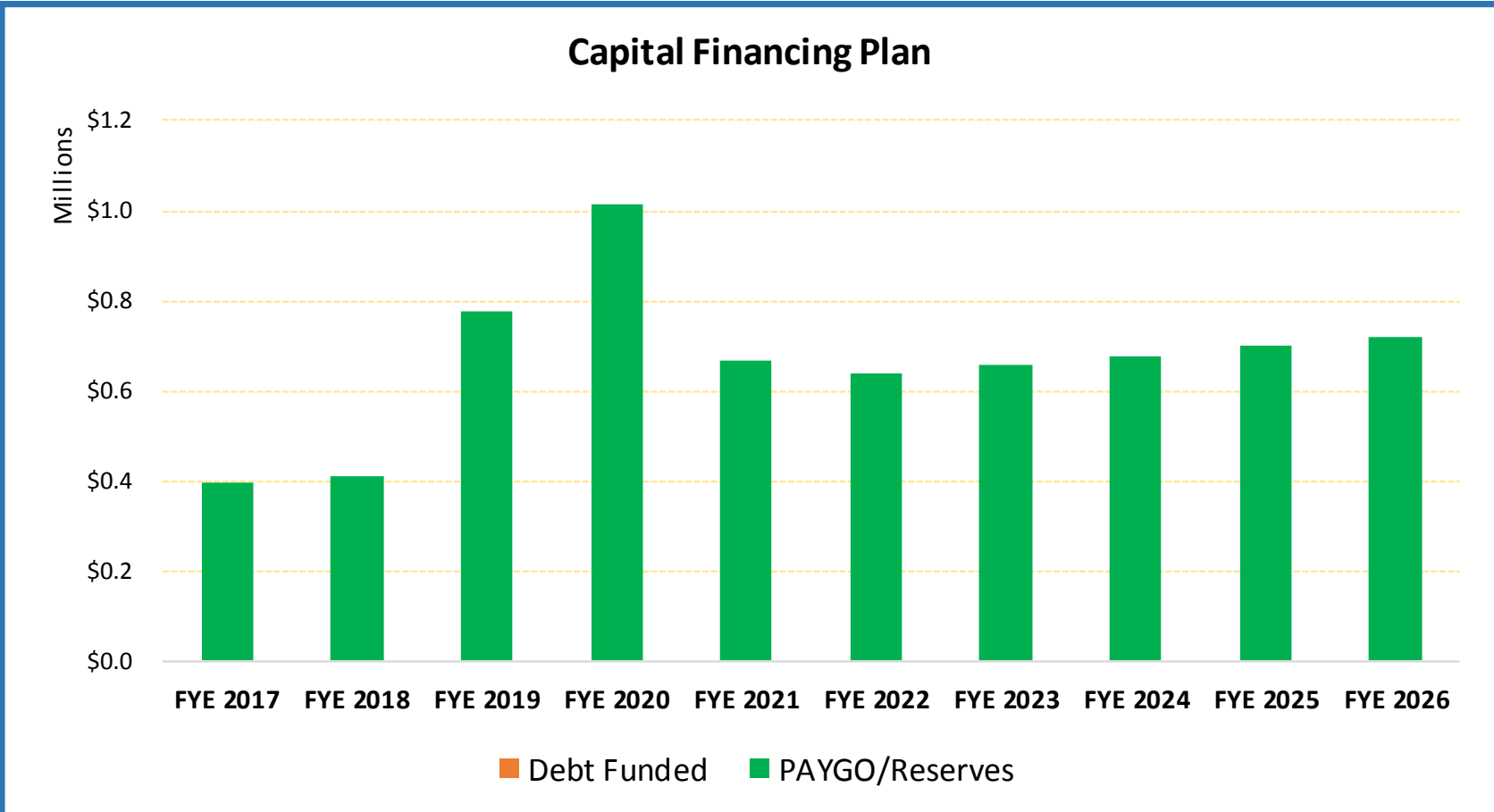
	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Operating Reserve Fund						
Beginning Balance	\$539,143	\$1,330,329	\$1,870,330	\$2,302,249	\$2,619,141	\$2,814,498
Net Operating Cash Flows	\$702,105	\$540,001	\$431,919	\$316,892	\$195,357	\$66,996
Transfers to CIP Fund	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance before Transfer	\$1,241,248	\$1,870,330	\$2,302,249	\$2,619,141	\$2,814,498	\$2,881,494
Minimum Balance	\$1,330,329	\$1,381,777	\$1,410,498	\$1,440,493	\$1,471,822	\$1,504,548
Transfer from Rate Stabilizatio	\$89,081	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$1,330,329	\$1,870,330	\$2,302,249	\$2,619,141	\$2,814,498	\$2,881,494
Capital Projects Reserve						
Beginning Balance	-\$238,406	-\$606,956	-\$1,017,524	-\$1,793,360	-\$2,806,318	-\$3,472,901
Direct Transfer (Revenue restr	\$28,000	\$0	\$0	\$0	\$0	\$0
CIP Expenditures	-\$396,550	-\$410,568	-\$775,836	-\$1,012,958	-\$666,583	-\$639,378
Balance before Transfer to Rate	-\$606,956	-\$1,017,524	-\$1,793,360	-\$2,806,318	-\$3,472,901	-\$4,112,279
Target Balance	\$652,499	\$701,065	\$750,663	\$731,159	\$668,301	\$652,499
Rate Stabilization						
Beginning Balance	\$1,546,082	\$1,457,000	\$1,457,000	\$1,457,000	\$1,457,000	\$1,457,000
Transfer from CIP Fund	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Operating	-\$89,081	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$1,457,000	\$1,457,000	\$1,457,000	\$1,457,000	\$1,457,000	\$1,457,000
Target Balance	\$631,777	\$633,632	\$634,471	\$635,133	\$635,686	\$635,686
Total Beginning Funds	\$1,846,819	\$2,180,374	\$2,309,806	\$1,965,889	\$1,269,823	\$798,598
Total Ending Funds	\$2,180,374	\$2,309,806	\$1,965,889	\$1,269,823	\$798,598	\$226,215

Total Reserves Depleting

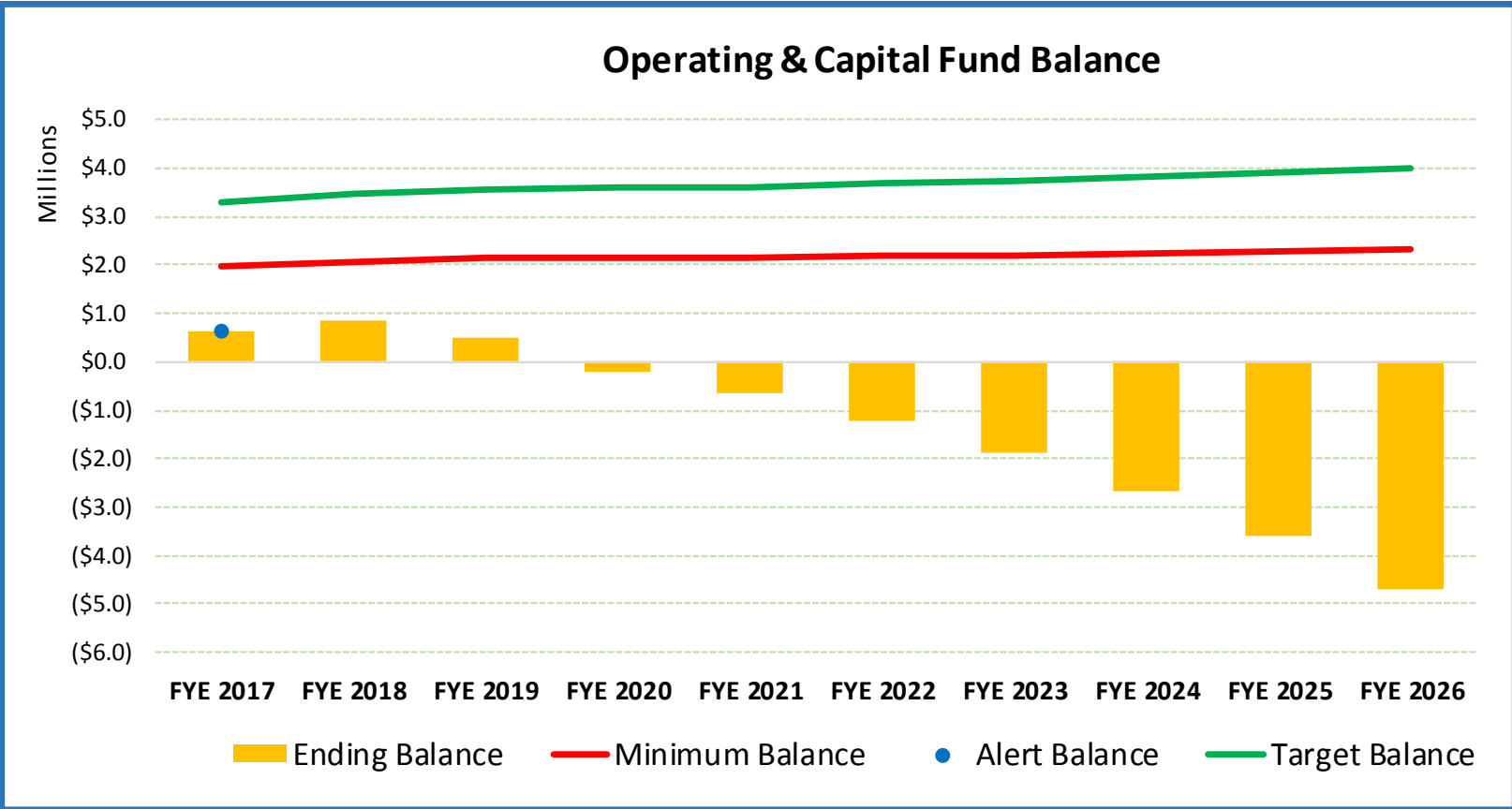
IDA – Operating Position



IDA – CIP



IDA – Reserve Balance



Recommended Financial Plan - IDA

Fund Capital Needs through 100% PAYGO

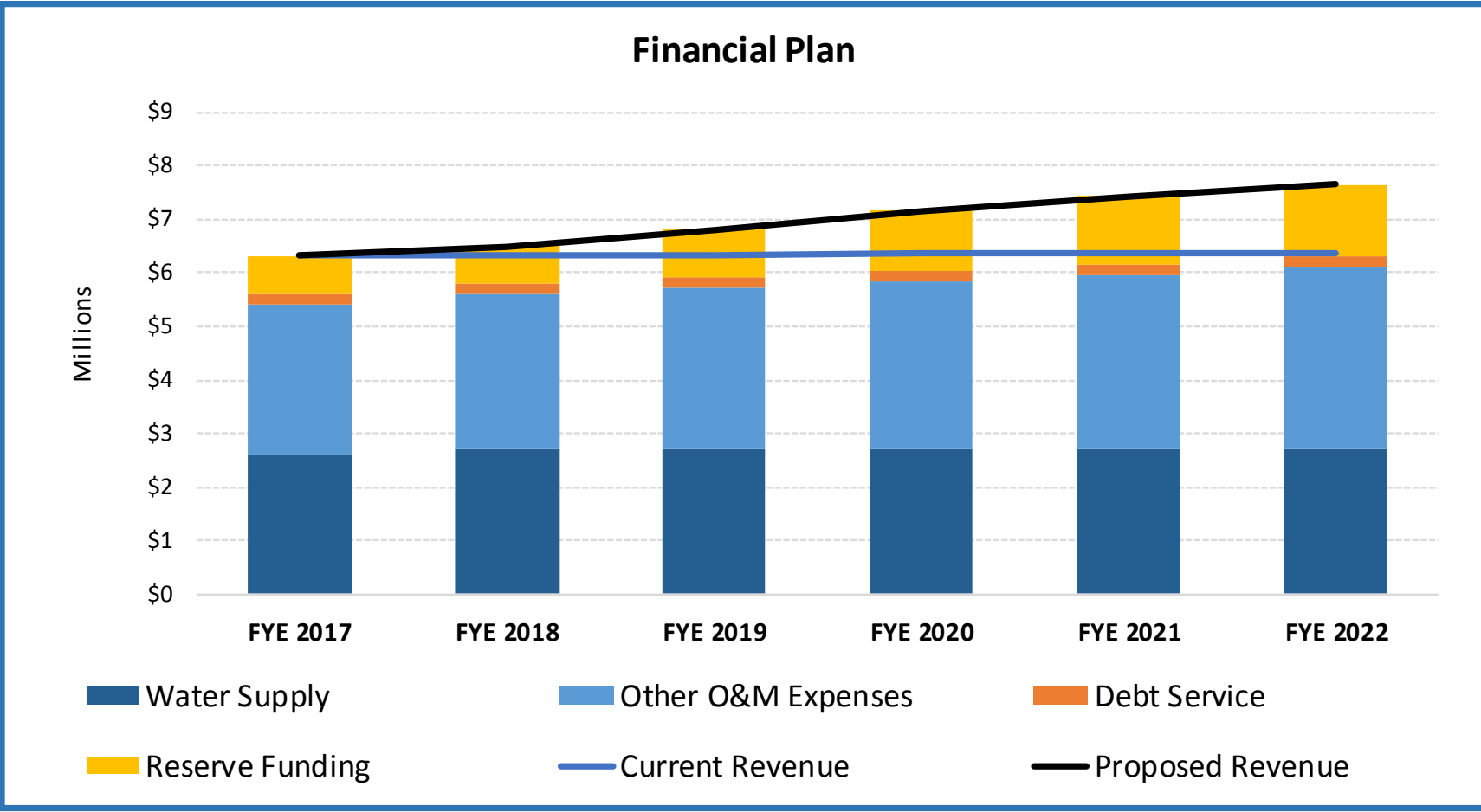
Build-Up Reserves Over Multiple Years

Revenue Adjustments – 5%, 5%, 5%, 3%, 3%

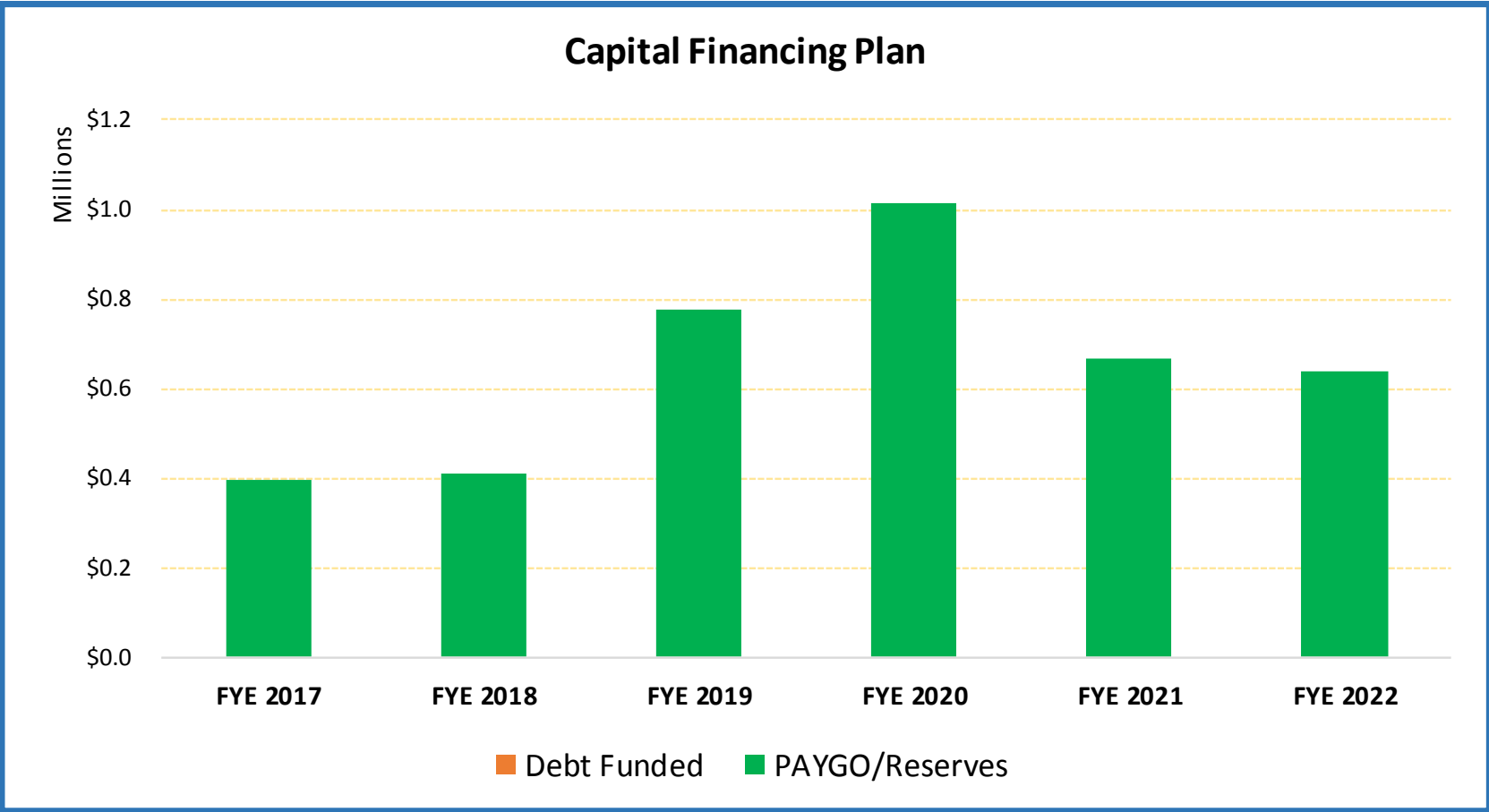
Proposed Water Pro-Forma – IDA

	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Revenue						
Meter Revenue	\$453,684	\$453,684	\$453,684	\$453,684	\$453,684	\$453,684
Usage Revenue	\$5,684,388	\$5,684,388	\$5,684,388	\$5,684,388	\$5,684,388	\$5,684,388
Total Other Revenues	\$179,700	\$198,243	\$207,410	\$216,624	\$222,688	\$225,097
Total Revenue	\$6,317,772	\$6,489,767	\$6,813,510	\$7,153,029	\$7,434,858	\$7,653,632
Water Supply Expenses						
SDCWA IAC	\$11,976	\$11,976	\$11,976	\$11,976	\$11,976	\$11,976
SDCWA Fixed (All Customers)	\$220,182	\$220,182	\$220,182	\$220,182	\$220,182	\$220,182
SDCWA Variable (TSAWR)	\$2,304,823	\$2,401,927	\$2,401,927	\$2,401,927	\$2,401,927	\$2,401,927
SDCWA Variable (Opt-Out)	\$0	\$0	\$0	\$0	\$0	\$0
General Fixed Meter Charge	\$72,239	\$72,239	\$72,239	\$72,239	\$72,239	\$72,239
Total Water Supply Expenses	\$2,609,220	\$2,706,324	\$2,706,324	\$2,706,324	\$2,706,324	\$2,706,324
Other O&M Expenses						
Other O&M Expenses						
Pumping Wells	\$484,470	\$506,694	\$529,968	\$554,345	\$579,877	\$606,619
Pumping Zones	\$985,672	\$1,033,896	\$1,084,499	\$1,137,601	\$1,193,324	\$1,251,800
Treatment	\$73,700	\$74,600	\$75,522	\$76,466	\$77,434	\$78,425
Distribution & Transmission	\$413,700	\$424,836	\$436,281	\$448,042	\$460,131	\$472,555
Fire	\$0	\$0	\$0	\$0	\$0	\$0
Customer Service	\$65,200	\$66,744	\$68,326	\$69,947	\$71,608	\$73,311
Meters	\$0	\$0	\$0	\$0	\$0	\$0
General	\$763,262	\$790,779	\$819,432	\$849,275	\$880,359	\$912,742
Total Other O&M Expenses	\$2,786,004	\$2,897,548	\$3,014,028	\$3,135,676	\$3,262,733	\$3,395,452
Debt Service						
Existing Debt	\$192,443	\$192,443	\$192,443	\$192,443	\$192,443	\$192,443
Total Debt Service	\$192,443	\$192,443	\$192,443	\$192,443	\$192,443	\$192,443
Total Expenses	\$5,587,667	\$5,796,315	\$5,912,795	\$6,034,443	\$6,161,500	\$6,294,219
Net Cash Flow	\$730,105	\$693,453	\$900,715	\$1,118,586	\$1,273,358	\$1,359,413

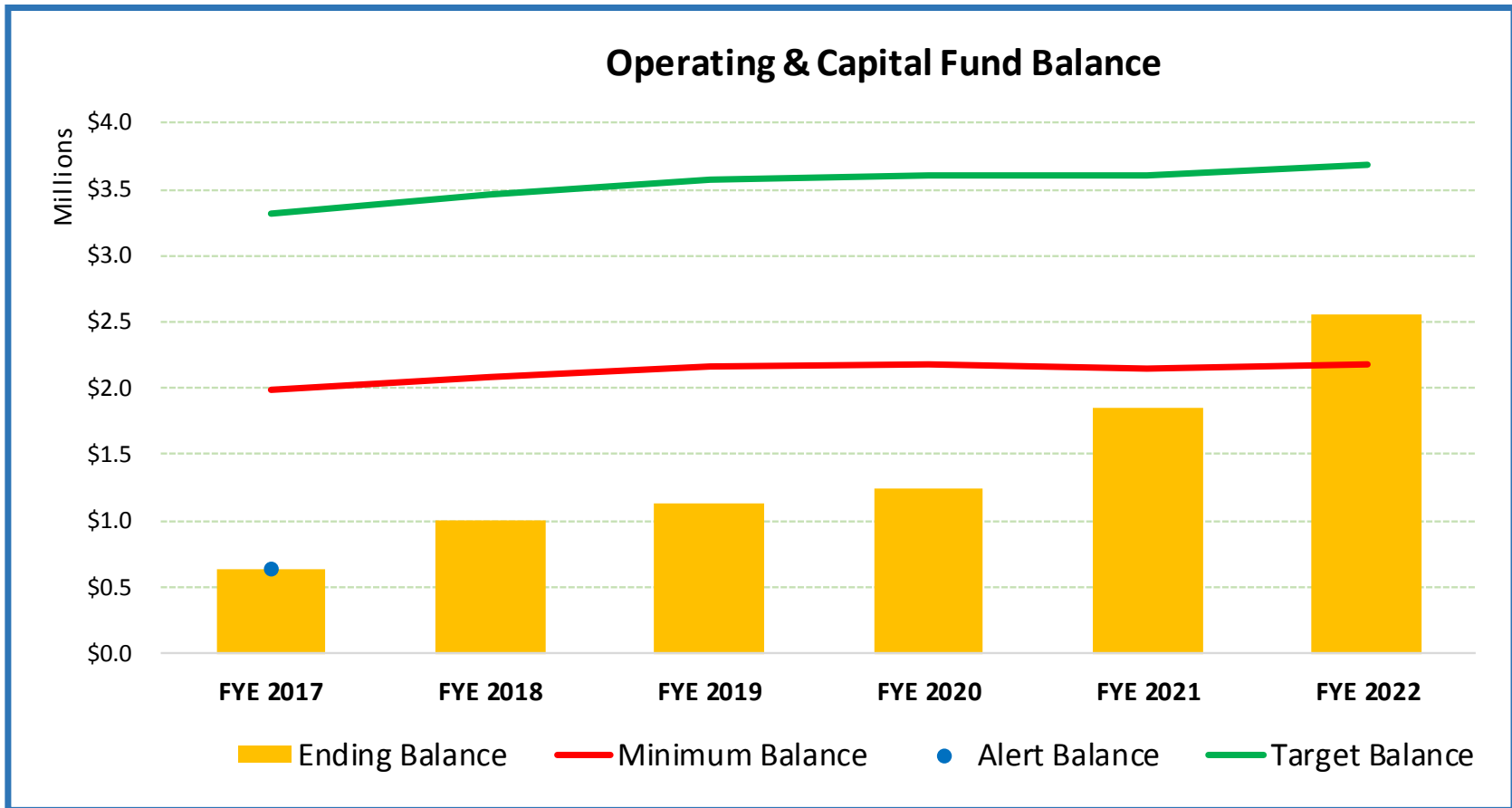
IDA – Operating Financial Plan



IDA – CIP



IDA – Reserve Balance



Next Steps

Rate Design

Key Legislation in CA

- Cost of Service Requirements
 - Proposition 218 (Article XIII C and XIII D of California Constitution)
 - Proposition 26
 - California Government Code 54999
- Pass-through Provision
 - AB 3030 – Section 53756 to the Government Code

Proposition 218 Requirements

1. An agency cannot collect revenue beyond what is necessary to provide service
2. Revenues derived by the charge shall not be used for any other purpose other than that for which the charge was imposed
3. The amount of the fee may not exceed the proportional cost of service for the parcel
4. No charge may be imposed for a service unless that service is actually used or immediately available to the owner of property
5. A written notice of the proposed charge shall be mailed to the record owner of each parcel at least 45 days prior to the public hearing, when the agency considers all written protests against the charge

Cost of Service



SUPPLY
Annual
Demand



**BASE/
DELIVERY
COSTS**
Annual
Demand



PEAKING
Peaking Factors or
Meter Cap Ratios



**METER
SERVICE**
Meter
Replacement
Costs



**CUSTOMER
SERVICE**
of Bills in Each
Class



FIRE
Fire
Connection
Size / Fire
Hydrants



CUSTOMER CLASSES (Cost to Serve Each Class)

(Single Family, Multi-family, Commercial etc.)

General Cost of Service Allocations

- Specific Allocations
 - SDCWA Costs

Specific Allocations					
Functionalized Expenses	Cost Components				
	SDCWA - IAC	SDCWA Fixed (All Customers)	(All Except TSAWR)	Standard Supply	TSAWR Supply
SDCWA IAC	100%				
SDCWA Fixed (All Customers)		100%			
SDCWA Fixed (All Except TSAWR)			100%		
SDCWA Variable (TSAWR)					100%
SDCWA Variable (Opt-Out)				100%	

General O&M Costs

O&M Allocations			
Functionalized Expenses	Cost Components		
	Meter Capacity	Customer Service & Billing	Base/Delivery
Treatment			100%
Distribution & Transmission			100%
Customer Service	25%	25%	50%
Pumping			100%
General	40%		60%

FY 2017-2018 Revenue Requirement

	Specific Allocations	Operating	Capital	Total
Revenue Requirements				
SDCWA IAC	\$5,004			\$5,004
SDCWA Fixed (All Customers)	\$62,096			\$62,096
SDCWA Fixed (All Except TSAWR)	\$125,259			\$125,259
SDCWA Variable (TSAWR)	\$1,445,367			\$1,445,367
SDCWA Variable (Opt-Out)	\$1,259,032			\$1,259,032
O&M Allocations		\$1,422,303		\$1,422,303
Debt Service			\$369,610	\$369,610
Total Revenue Requirements	\$2,896,758	\$1,422,303	\$369,610	\$4,688,671
Less: Revenue Offsets				
Other Water Services		\$39,996		\$39,996
Interest Revenue		\$3,716		\$3,716
Taxes		\$337,542		\$337,542
Assessment		\$50,399		\$50,399
Non-Operating		\$0		\$0
Total Revenue Offsets	\$0	\$431,653	\$0	\$431,653
Less: Adjustments				
Adjustment for Cash Balance		-\$515,887		-\$515,887
Adjustment for Mid-year Increase		\$0		\$0
Total Adjustments	\$0	-\$515,887	\$0	-\$515,887
Revenue to be Recovered from Rat	\$2,896,758	\$1,506,536	\$369,610	\$4,772,905

Units of Service and Rate Components

Fixed Components	SDCWA - IAC	SDCWA Fixed (All Customers)	SDCWA Fixed (All Except TSAWR)	Meter Capacity	Customer Service & Billing
Units of Measure	Annual Equivalents Less IDA	Allocated by District based on each customers' 3-Year Rolling Average	Allocated by District based on each customers' 3-Year Rolling Average	Annual Equivalent Meters	Annual No. of Bills
Units of Service	\$5,438	\$62,096	\$125,259	\$471,347	\$14,337
Unit Cost	10,494			16,494	1,308
	\$0.52			\$28.58	\$10.97

Variable Components	Standard Supply	TSAWR Supply	Base/Delivery	Revenue Offset
Units of Measure	Annual Usage (hcf)	Annual Usage (hcf)	Annual Usage (hcf)	Wholesale Customer Usage(hcf)
Units of Service	\$1,259,032	\$1,445,367	\$1,404,129	-\$13,783
Unit Cost	359,425	485,096	844,521	305,384
	\$3.51	\$2.98	\$1.67	-\$0.05

General Fixed Rates

Meter Size	No. of General Meters	Capacity Ratio	Meter Capacity	Customer Service & Billing	Proposed Base Fixed Charge	Current Service Charge	Difference (\$)
5/8"	46	1.00	\$28.59	\$10.97	\$39.56	\$32.01	\$7.55
1"	19	2.50	\$71.48	\$10.97	\$82.45	\$51.23	\$31.22
1 1/2"	7	5.00	\$142.95	\$10.97	\$153.92	\$96.09	\$57.83
2"	10	8.00	\$228.72	\$10.97	\$239.69	\$166.56	\$73.13
3"	16	17.50	\$500.33	\$10.97	\$511.30	\$307.47	\$203.83
4"	4	31.50	\$900.59	\$10.97	\$911.56	\$525.27	\$386.29
5"	4	65.00	\$1,858.35	\$10.97	\$1,869.32	\$743.05	\$1,126.27
6"	1	80.00	\$2,287.20	\$10.97	\$2,298.17	\$960.87	\$1,337.30

Meter Size	No. of General Meters	Capacity Ratio	SDCWA-IAC Charge	Current SDCWA - IAC Charge	Difference (\$)
5/8"	46	1.00	\$0.52	\$2.87	-\$2.35
1"	19	2.50	\$1.30	\$4.59	-\$3.29
1 1/2"	7	5.00	\$2.60	\$8.60	-\$6.00
2"	10	8.00	\$4.16	\$14.91	-\$10.75
3"	16	17.50	\$9.10	\$27.53	-\$18.43
4"	4	31.50	\$16.38	\$47.02	-\$30.64
5"	4	65.00	\$33.80	\$66.53	-\$32.73
6"	0	80.00	\$41.60	\$86.03	-\$44.43

General – SDCWA Fixed

SDCWA Fixed (All Customers)	\$62,096
SDCWA Fixed (All Customers EXCEPT TSAWR)	\$125,259
	<u>\$187,355</u>

- Apportioned to customers based on 3-year rolling average of usage

General – Variable Rates

Commodity Rate	Usage	Purchased			Base Proposed
		Supply	Base/Delivery	Revenue Offset	Commodity Rate
Agricultural TSAWR	383,554	\$2.98	\$1.67	\$0.00	\$4.65
Domestic/AG Opt Out	155,583	\$3.51	\$1.67	\$0.00	\$5.18
Wholesale Agricultural TSAWR	101,542	\$2.98	\$1.67	-\$0.05	\$4.60
Wholesale Domestic/AG Opt Out	203,842	\$3.51	\$1.67	-\$0.05	\$5.13

IDA Rates

Units of Service and Rate Components

Fixed	SDCWA - IAC	SDCWA Other Fixed	Meter Capacity	Customer Service & Billing
Units of Measure	Annual Equivalent Meters	Allocated by District Based on each customers' 3-Year Rolling Average	Annual Equivalent Meters	Annual No. of Bills
Units of Service	22,272		22,272	2,748
Unit Cost	\$0.52		\$27.74	\$17.12

Variable	Purchased Supply	Treatment	Base/Delivery	Pump Zone
Units of Measure	Annual Usage (hcf)	Annual Usage (hcf)	Annual Usage (hcf)	Annual Usage (hcf)
Units of Service	1,657,961	1,657,961	1,720,066	1,720,066
Unit Cost	\$1.40	\$0.00	\$1.14	\$0.58

IDA - Fixed Rates

Meter Size	No. of IDA			Meter Capacity	Customer Service & Billing	Proposed Base Fixed Charge	Current Service Charge	Difference (\$)
	Meters	Capacity Ratio						
5/8	42	1.00		\$27.74	\$17.12	\$44.86	\$32.01	\$12.85
1	55	2.50		\$69.35	\$17.12	\$86.47	\$51.23	\$35.24
11/2	35	5.00		\$138.70	\$17.12	\$155.82	\$96.09	\$59.73
2	39	8.00		\$221.92	\$17.12	\$239.04	\$166.56	\$72.48
3	49	17.50		\$485.45	\$17.12	\$502.57	\$307.47	\$195.10
4	8	31.50		\$873.81	\$17.12	\$890.93	\$525.27	\$365.66
6	1	80.00		\$2,219.20	\$17.12	\$2,236.32	\$960.87	\$1,275.45

Meter Size	No. of IDA			Proposed SDCWA - IAC Charge
	Meters	Capacity Ratio		
5/8	42	1.00		\$0.52
1	55	2.50		\$1.30
11/2	35	5.00		\$2.60
2	39	8.00		\$4.16
3	49	17.50		\$9.10
4	8	31.50		\$16.38
6	1	80.00		\$41.60

IDA – SDCWA Fixed

SDCWA Fixed (All Customers)	\$220,182
-----------------------------	------------------

- Apportioned to customers based on 3-year rolling average of usage

IDA – Variable Rates

Commodity Rate	Usage	Purchased Supply	Base/Delivery	Proposed Base Commodity Rate	Current Commodity Rate	Difference (\$)
IDA Volumetric Rate	1,657,961	\$1.40	\$1.14	\$2.54	\$2.31	\$0.23
User Code H Customers	<u>62,105</u>		\$1.14	\$1.14	\$1.15	-\$0.01

Pumping Zone Rate	Usage	Proposed Pumping	Current Pump Zone Rate	Difference (\$)
Zone 1	436,495	\$0.19	\$0.16	\$0.03
Zone 2	156,159	\$0.42	\$0.36	\$0.06
Zone 3	702,034	\$0.72	\$0.61	\$0.11
Zone 4,7,10	363,273	\$0.91	\$0.78	\$0.14

Next Steps

- Provide Direction on Financial Plan
 - Capital funding
 - Reserves
- Allocation of Admin Expenses between General and IDA
- Fixed Variable Split
- Rates assume Pass-through Provisions for SDCWA increases
 - AB 3030 – Section 53756 to the Government Code
- Timing on Proposition 218 Notices