

# Budget

## Irrigation Water

Tax Split 74% - 26%

### Option 2

EXPENSES AND SOURCES OF FUNDS	2017	2018	2019	2020	2021
<b>OPERATIONS &amp; MAINTENANCE EXPENSES</b>					
Personnel Related	1,010,085.13	1,057,894.47	1,108,838.79	1,154,040.79	1,177,121.61
Materials and Supplies	28,784.44	30,223.66	31,734.85	33,321.59	33,988.02
Rental/Durable	15,808.95	16,599.40	17,429.37	18,300.84	18,666.86
Staff Development	3,232.67	3,394.31	3,564.02	3,742.22	3,817.07
Travel--Conference	2,708.41	2,843.83	2,986.02	3,135.32	3,198.03
Utilities	14,419.87	15,140.86	15,897.90	16,692.80	17,026.65
Vehicle & Equipment Maintenance	2,372.19	2,490.80	2,615.34	2,746.10	2,801.02
Vehicle Operations	15,015.97	15,766.77	16,555.11	17,382.87	17,730.53
Building Maintenance	2,669.15	2,802.61	2,942.74	3,089.88	3,151.68
Govt. Reg./Lab Fees	28,235.41	29,647.18	31,129.54	32,686.01	33,339.73
Outside Service/Consultants	46,167.03	48,475.39	50,899.15	53,444.11	54,512.99
		0.00	0.00	0.00	0.00
<b>Total Operation and Maintenance Expenses:</b>	<b>1,169,499.23</b>	<b>1,225,279.28</b>	<b>1,284,592.84</b>	<b>1,338,582.54</b>	<b>1,365,354.19</b>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>					
Retiree Health Premium	42,706.00	44,842.00	47,084.00	49,438.00	50,426.76
Debt Reserve	0.00	0.00	0.00	0.00	0.00
Operating Reserve	8,011.25	8,011.25	8,011.25	8,011.25	8,011.25
Emergency Reserve	0.00	0.00	0.00	0.00	0.00
Existing Capital Replacement Program	369,747.83	364,974.01	364,974.01	364,974.01	364,974.01
Funded Project Replacement Program	0.00	0.00	0.00	0.00	0.00
Future Capital Improvement Program	0.00	0.00	0.00	0.00	0.00
Debt Payments (Principle + Interest)	1,043.74	1,043.74	0.00	0.00	0.00
Legal, Audit, Insurance,	58,056.40	60,959.22	64,007.18	67,207.54	68,551.69
Other General & Administrative	55,013.08	57,763.73	60,651.92	63,684.51	64,958.20
<b>Total General and Administrative Expenses:</b>	<b>534,578.30</b>	<b>537,593.95</b>	<b>544,728.36</b>	<b>553,315.31</b>	<b>556,921.91</b>
<b>TOTAL EXPENSES</b>	<b>1,704,077.53</b>	<b>1,762,873.23</b>	<b>1,829,321.19</b>	<b>1,891,897.85</b>	<b>1,922,276.10</b>
<b>SOURCE OF FUNDS / REVENUES RECEIVED</b>					
Water Revenue	1,107,650.39	1,218,415.43	1,340,256.98	1,474,282.67	1,621,710.94
Property Tax	407,940.00	416,098.80	424,420.78	432,909.19	441,567.38
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
<b>TOTAL REVENUE (Lines 29 through 37):</b>	<b>1,515,590.39</b>	<b>1,634,514.23</b>	<b>1,764,677.75</b>	<b>1,907,191.87</b>	<b>2,063,278.32</b>
<b>NET LOSS OR GAIN:</b>	<b>-188,487.14</b>	<b>-128,358.99</b>	<b>-64,643.44</b>	<b>15,294.02</b>	<b>141,002.22</b>
<b>NET CASH FLOW (Contribution to Reserves)</b>	<b>189,271.95</b>	<b>244,626.27</b>	<b>308,341.82</b>	<b>388,279.28</b>	<b>513,987.48</b>

## New Rates: Irrigation TW/IW 74/26 Split (Option 2)

Meter Size (MI)	Meter Size (metric)	Theoretical Seasonal Rate by MI	% of Theoretical Rate	Proposed Base Charge for Year 1	Year 2	Year 3	Year 4	Year 5
Future Increases					10.0%	10.0%	10.0%	10.0%
1/2"	0.500	\$1,370	65%	\$890	\$979	\$1,077	\$1,185	\$1,304
1"	1.000	\$2,740	65%	\$1,781	\$1,959	\$2,155	\$2,370	\$2,607
1.5"	1.500	\$4,110	65%	\$2,671	\$2,938	\$3,232	\$3,555	\$3,911
2"	2.000	\$5,479	65%	\$3,562	\$3,918	\$4,310	\$4,740	\$5,215
2.5"	2.500	\$6,849	65%	\$4,452	\$4,897	\$5,387	\$5,926	\$6,518
3"	3.000	\$8,219	65%	\$5,342	\$5,877	\$6,464	\$7,111	\$7,822
3.5"	3.500	\$9,589	65%	\$6,233	\$6,856	\$7,542	\$8,296	\$9,125
4"	4.000	\$10,959	65%	\$7,123	\$7,835	\$8,619	\$9,481	\$10,429
5"	5.000	\$13,698	65%	\$8,904	\$9,794	\$10,774	\$11,851	\$13,036
6"	6.000	\$16,438	65%	\$10,685	\$11,753	\$12,929	\$14,221	\$15,644
7"	7.000	\$19,178	65%	\$12,466	\$13,712	\$15,083	\$16,592	\$18,251
8"	8.000	\$21,917	65%	\$14,246	\$15,671	\$17,238	\$18,962	\$20,858
9"	9.000	\$24,657	65%	\$16,027	\$17,630	\$19,393	\$21,332	\$23,465
10"	10.000	\$27,397	65%	\$17,808	\$19,589	\$21,548	\$23,702	\$26,073
12"	12.000	\$32,876	65%	\$21,369	\$23,506	\$25,857	\$28,443	\$31,287
15"	15.000	\$41,095	65%	\$26,712	\$29,383	\$32,321	\$35,553	\$39,109
16"	16.000	\$43,835	65%	\$28,493	\$31,342	\$34,476	\$37,924	\$41,716
18"	18.000	\$49,314	65%	\$32,054	\$35,260	\$38,786	\$42,664	\$46,931
20"	20.000	\$54,793	65%	\$35,616	\$39,177	\$43,095	\$47,405	\$52,145
25"	25.000	\$68,492	65%	\$44,520	\$48,972	\$53,869	\$59,256	\$65,181
30"	30.000	\$82,190	65%	\$53,424	\$58,766	\$64,643	\$71,107	\$78,218
40"	40.000	\$109,587	65%	\$71,232	\$78,355	\$86,190	\$94,809	\$104,290
43"	43.000	\$117,806	65%	\$76,574	\$84,231	\$92,654	\$101,920	\$112,112

Expenses from Budget	\$ 1,704,078	\$ 1,762,873	\$ 1,829,321	\$ 1,891,898	\$ 1,922,276
Income Generated by the Selected Rate	\$ 1,107,650	\$ 1,218,415	\$ 1,340,257	\$ 1,474,283	\$ 1,621,711
<b>Net Gain or Loss</b>	-188,487	-128,359	-64,643	15,294	141,002
Balanced Budget?	No	No	No	Yes	Yes
Contributions to Reserve	\$ 189,272	\$ 244,626	\$ 308,342	\$ 388,279	\$ 513,987
Target Contribution to Reserve	\$ 377,759	\$ 372,985	\$ 372,985	\$ 372,985	\$ 372,985

# Budget Treated Water

Tax Split 74% - 26%

Option 2

EXPENSES AND SOURCES OF FUNDS	2017	2018	2019	2020	2021
<b>OPERATIONS &amp; MAINTENANCE EXPENSES</b>					
Personnel Related	1,999,518.21	2,081,721.95	2,168,566.51	2,251,341.22	2,296,368.04
Materials and Supplies	147,315.56	154,681.34	162,415.40	170,536.17	173,946.90
Rental/Durable	9,191.05	9,650.60	10,133.13	10,639.79	10,852.58
Staff Development	8,419.81	8,840.80	9,282.84	9,746.98	9,941.92
Travel--Conference	7,759.10	8,147.05	8,554.41	8,982.13	9,161.77
Utilities	180,729.69	189,766.18	199,254.48	209,217.21	213,401.55
Vehicle & Equipment Maintenance	2,627.81	2,759.20	2,897.16	3,042.02	3,102.86
Vehicle Operations	20,484.03	21,508.23	22,583.64	23,712.82	24,187.08
Building Maintenance	6,675.63	7,009.41	7,359.88	7,727.88	7,882.44
Govt. Reg./Lab Fees	55,904.33	58,699.55	61,634.53	64,716.25	66,010.58
Outside Service/Consultants	57,996.31	60,896.12	63,940.93	67,137.98	68,480.73
		0.00	0.00	0.00	0.00
<b>Total Operation and Maintenance Expenses:</b>	<b>2,496,621.52</b>	<b>2,603,680.43</b>	<b>2,716,622.91</b>	<b>2,826,800.44</b>	<b>2,883,336.45</b>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>					
Retiree Health Premium	90,810.00	95,350.62	100,118.15	105,124.06	107,226.54
Debt Reserve	0.00	0.00	0.00	0.00	0.00
Operating Reserve	0.00	0.00	0.00	0.00	0.00
Emergency Reserve	0.00	0.00	0.00	0.00	0.00
Existing Capital Replacement Program	1,995,633.36	1,991,412.99	1,823,748.89	1,823,748.89	1,823,748.89
Funded Project Replacement Program	0.00	0.00	0.00	0.00	0.00
Future Capital Improvement Program	0.00	0.00	0.00	0.00	0.00
Debt Payments (Principle + Interest)	59,348.26	59,348.26	144,112.12	144,112.12	144,112.12
Legal, Audit, Insurance,	125,567.54	131,845.92	138,438.21	145,360.12	148,267.33
Other General & Administrative	105,037.25	110,289.11	115,803.57	121,593.75	124,025.62
<b>Total General and Administrative Expenses:</b>	<b>2,376,396.41</b>	<b>2,388,246.90</b>	<b>2,322,220.95</b>	<b>2,339,938.95</b>	<b>2,347,380.51</b>
<b>TOTAL EXPENSES</b>	<b>4,873,017.93</b>	<b>4,991,927.33</b>	<b>5,038,843.87</b>	<b>5,166,739.39</b>	<b>5,230,716.96</b>
<b>SOURCE OF FUNDS / REVENUES RECEIVED</b>					
Water Revenue	3,169,350.40	3,352,763.98	3,546,727.89	3,737,800.87	3,924,732.62
Property Tax	1,161,060.00	1,195,891.80	1,231,768.55	1,268,721.61	1,306,783.26
SMUD, Hydro, Leases, Interest, etc	293,300.00	299,166.00	305,149.32	311,252.31	317,477.35
Hydro	-60,000.00	-61,200.00	-62,424.00	-63,672.48	-64,945.93
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
<b>TOTAL REVENUE (Lines 29 through 37):</b>	<b>4,563,710.40</b>	<b>4,786,621.78</b>	<b>5,021,221.76</b>	<b>5,254,102.30</b>	<b>5,484,047.30</b>
<b>NET LOSS OR GAIN:</b>	<b>-309,307.54</b>	<b>-205,305.56</b>	<b>-17,622.11</b>	<b>87,362.91</b>	<b>253,330.35</b>

### Base Rate Calculation for Treated Water (Tax split TW/IW 74/26, Option 2)

Meter Size	Theoretical Bi-Monthly Base Rate by Meter Size	Base Rate as % of Theoretical Rate	Existing Base Rate	Proposed Base Charge for Year 1	Year 2	Year 3	Year 4	Year 5
	Future Increases				5.0%	5.0%	5.0%	5.0%
5/8"	\$82.68	90%	\$47.14	\$ 74.41	\$78.13	\$82.04	\$86.14	\$90.45
3/4"	\$124.02	90%	\$47.14	\$ 111.62	\$117.20	\$123.06	\$129.21	\$135.67
1"	\$206.70	90%	\$47.14	\$ 186.03	\$195.34	\$205.11	\$215.37	\$226.14
1.5"	\$413.41	90%	\$47.14	\$ 372.07	\$390.67	\$410.20	\$430.71	\$452.25
2"	\$661.45	90%	\$47.14	\$ 595.31	\$625.07	\$656.32	\$689.14	\$723.60
3"	\$1,322.90	90%	\$47.14	\$ 1,190.61	\$1,250.15	\$1,312.66	\$1,378.29	\$1,447.20
4"	\$2,067.04	90%	\$50.32	\$ 1,860.34	\$1,953.35	\$2,051.02	\$2,153.57	\$2,261.25

### Usage Rate Calculation

Tier	Bottom of Tier	Top of Tier	Usage Rate for Year 1	Year 2	Year 3	Year 4	Year 5	Current
	Future Increases			5.0%	5.0%	5.0%	5.0%	
1	-	20	\$2.2500	\$2.36	\$2.48	\$2.60	\$2.73	
2	21	999,999	\$2.2500	\$2.36	\$2.48	\$2.60	\$2.73	\$ 1.38
3	1,000,000	999,999	\$2.2500	\$2.36	\$2.48	\$2.60	\$2.73	\$ 1.65
4	1,000,000	999,999	\$2.2500	\$2.36	\$2.48	\$2.60	\$2.73	\$ 1.93
5	1,000,000	999,999	\$2.2500	\$2.36	\$2.48	\$2.60	\$2.73	\$ 2.21

	Year 1	Year 2	Year 3	Year 4	Year 5	
Estimated profit/loss with new rates	-309,308	-205,306	-17,622	87,363	253,330	
Balanced Budget?	No	No	No	Yes	Yes	
Estimate contribution to Reserves	1,686,326	1,786,107	1,806,127	1,911,112	2,077,079	
Affordability Index MHI	46,700.00	3.03%	3.21%	3.39%	3.58%	3.75%
Project funding \$30.16/2 months		0.39%	0.39%	0.39%	0.39%	0.39%
Afforability of total rate		3.42%	3.59%	3.78%	3.96%	4.14%