# CARPINTERIA VALLEY WATER DISTRICT

## Water Cost of Service and Rate Study

Final Report / June 9, 2023

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June 9, 2023

Mr. Robert T. McDonald
General Manager
Carpinteria Valley Water District
1301 Santa Ynez Ave.
Carpinteria, CA 93013

**Subject: Water Cost of Service and Rate Study Report**

Dear Mr. McDonald,

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

The study involved development of a 10-year financial plan, a comprehensive review of the District's current rate structures and cost requirements, a cost of service analysis to fairly and equitably allocate costs, and a rate design process to determine water rates that are cost-justified and in line with the District's policy objectives and California rate setting requirements.

The primary objectives of the study include:

- Developing a long-range financial plan to inform three years of rate adoption
- Adequately recover all cost requirements to maintain the District's financial sufficiency for current and future costs
- Fairly and equitably allocate costs between customer classes
- Minimize rate impacts to customers where possible
- Develop alternative rate structure components that are defensible, improve customer understanding, and provide revenue stability to the District
- Develop drought rates to implement during water shortage stages that will recover any lost revenues or additional expenses incurred during shortage, while encouraging water conservation

We are confident that the proposed rates developing within this study are fair and equitable to the District's water customers. It has been a pleasure working with you and we wish to express gratitude for the support you, other District staff, and the Board of Directors provided to us during the study.

Sincerely,

***Raftelis Financial Consultants, Inc.***

**Kevin Kostiuk**
*Senior Manager*

**Lindsay Roth**
*Consultant*

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# 1. Executive Summary

## Study Background

Carpinteria Valley Water District (District) engaged Raftelis in 2022 to complete a multi-year Water Cost of Service and Rate Study (Study). The study consists of reviewing the District's annual operating and capital budget requirements; developing an Excel-based financial plan model to determine revenue needs based on current and future costs, current revenues from existing rates, financial policies, and cash reserve balances; developing a cost of service analysis to allocate costs to water system functions and the District's unique customer and rate classes; and designing and calculating water rates.

The Study relies upon data across multiple fiscal years and historical consumption data. The rates presented in this Rate Study Report (Report) are proposed for adoption and implementation for fiscal years (FY) 2023-24 through FY 2025-26. The Distrct's fiscal year begins on July 1 and ends on June 30 of the next year. For example, FY 2023 begins July 1, 2022 and ends June 30, 2023. The proposed rates, if adopted, would be implemented for the next three years.

Raftelis collaborated closely with the District's staff and Board of Directors to design and derive rates that meet the District's policy objectives. The primary objectives of the study include:

- Developing a long-range financial plan to inform three years of rate adoption
- Adequately recover all cost requirements to maintain the District's financial sufficiency for current and future costs
- Fairly and equitably allocate costs between customer classes
- Minimize rate impacts to customers where possible
- Develop alternative rate structure components that are defensible, improve customer understanding, and provide revenue stability to the District
- Develop drought rates to implement during water shortage stages that will recover any lost revenues or additional expenses incurred during shortage, while encouraging water conservation

## District Background

The Carpinteria Valley Water District provides water service to a population of approximately 15,600 people. The District's service area encompasses approximately 11,300 acres and is bordered by the Pacific Ocean to the south and by the Santa Ynez Mountains to the north. Residential, commercial, industrial, public authority, and agricultural customers are served by 75 miles of pipeline in the water system. The District's three main water sources are the Cachuma Project (Cachuma Lake), local groundwater from the Carpinteria Groundwater Basin (Basin), and the State Water Project (SWP) via the District's wholesale purveyor Central Coast Water Authority (CCWA). The Cater Treatment Plant (Cater) treats Cachuma and SWP water under a Joint Powers Agreement with the City of Santa Barbara and Montecito Water District.

The Cachuma Project is the District's main water supply source, providing approximately 45% of the District's water supply during normal conditions. On average, the District pumps 1,000 acre-feet (AF) each year of groundwater from the Basin. The remainder of the Basin's annual production of 3,600 AF is pumped by agricultural users. The District has a contract entitlement to 876 AF per year of water from the SWP. An additional 200 AF per year is also available from the SWP to act as a buffer in times of drought. A new future source of of water supply via the Carpinteria Advanced Purification Project (CAPP) will supply an additional 1,000 AF per year beginning in FY 2025-26.

# Current Rates

The District's existing water rate structure consists of the following components:

1. Monthly Basic and SWP Service Charge
    - For non-Master Metered Residential (MMR) connections, the charge is based on meter size.
    - For MMR connections the charge is based on meter size for the basic service component and per dwelling unit equivalency (DEQ) for the SWP component.
2. Monthly Agricultural Operations and Maintenance (O&M) Service Charge[1] – for all Agricultural class customers, based on meter size. Recovers costs that non-Agricultural customers pay through the Capital Improvement Program (CIP) Charge (see #4 for note regarding Agricultural residences).
3. Monthly Fire Service Charge – for all customers with private fire suppression systems, based on fire line size.
4. Monthly CIP Charge– for all non-Agricultural customers, charge is based on a five-year rolling average of water use with a minimum charge of 6 hundred cubic feet (hcf[2]) per month and a maximum of 250 hcf. Agricultural residences (REQ) are charged assuming 9 hcf of water use per month.
5. Water Use Rates – for all customers, per hcf of usage, customer class, and tier.
    - Single Family Residential (SFR) and Master-Metered Residential (MMR) – three tier rate structure
        - Tier 1 – first 6 hcf of water use
        - Tier 2 – next 10 hcf of water use
        - Tier 3 – any water use above 16 hcf
    - Commercial, Industrial, & Public Authority (sometimes abbreviated herein as Com/Ind/Pub for brevity) – two tier Base/Peak rate structure
        - Base = 5-year average Dec. to March water consumption by acct/dwelling unit; 6 hcf minimum.
        - Peak = all consumption in excess of Base.
    - Agricultural/Irrigation (sometimes simply Agriculture or Agricultural) – uniform rate for all consumption
        - Monthly Residential Equivalency Charge (REQ) for all residential dwelling units served on an Agricultural connection.
    - Elevation surcharges – uniform usage rate for water delivered in the District's two elevation zones (Zone 1 and Zone II) above the Base zone.

# Legal Framework[3]

The rate-making process, especially for water agencies in California, begins with a review of the legal requirements and framework currently in place. The major legal requirements include Proposition 218 and Article X, Section 2 of the California Constitution, which are outlined in the following sections.

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

Proposition 218 was enacted by voters in 1996 to ensure, in part, that fees and charges imposed for ongoing delivery of a service to a property ("property-related fees and charges") are proportional to, and do not exceed, the cost of providing service. Water service fees and charges are property-related and subject to the provisions of Proposition 218. The principal requirements, as they relate to public water service fees and charges, are as follows:

1. Revenues derived from a property-related charge imposed by a public agency shall not exceed the costs required to provide the property-related service.

[1] May be shown herein as "Ag O&M Charge" for brevity.
[2] One hcf is equal to a billing unit of water and is approximately 748 gallons of water
[3] Raftelis does not practice law nor does it provide legal advice. The above discussion provides a general overview of Raftelis' understanding as rate practitioners and is labeled "legal framework" for literary convenience only. The District should consult with its legal counsel for clarification and/or specific guidance.

2. Revenues derived by the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed.
3. The amount of the fee or charge imposed upon any parcel shall not exceed the proportional cost of service attributable to the parcel.
4. No fee or 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 fee or charge shall be mailed to the record owner of each parcel not less than 45 days prior to a public hearing, when the agency considers all written protests against the charge.

As stated in the American Water Works Association's Manual of Water Supply Practices M1, *Principles of Water Rates, Fees, and Charges, Seventh Edition* (M1 Manual), "water rates and charges should be recovered from classes of customers in proportion to the cost of serving those customers." Proposition 218 requires that water rates cannot be "arbitrary and capricious," meaning that the rate-setting methodology must establish a clear nexus between costs and the rates charged.

### California Constitution – Article X, Section 2

Article X, Section 2 of the California Constitution was established in 1976 and states the following:

*"It is hereby declared that because of the conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare."*

Article X, Section 2 of the California Constitution institutes the need to preserve the State's water supplies and to discourage the wasteful or unreasonable use of water by encouraging conservation. As such, public agencies are constitutionally mandated to maximize the beneficial use of water, prevent waste, and encourage conservation.

## Process and Approach

The process and approach Raftelis utilized in the study is informed by the District's policy objectives, the water system, current rates, and the legal requirements in California (namely, Proposition 218). The resulting cost of service analysis and rate design process considers all these factors and follows four key steps, outlined below, to derive proposed rates that fulfill the District's policy objectives, meets industry standards, and aligns with Proposition 218.

### Step 1: Financial Plan and Revenue Requirement

A multi-year rate-making process begins by developing a long-range financial plan. The financial plan relies on the District's proposed three-year budget of revenues, operating and capital expenditures, customer account and usage data, long-term capital improvement plan (CIP), and debt repayment schedules to produce a long term cash flow projection. This financial plan is used in determining the revenue requirement for the base year, also known as the rate-setting year. The base year for this study is FY 2024 (July 1, 2023 to June 30, 2024). The revenue requirement should sufficiently fund the utility's operation and maintenance (O&M) costs, annual debt service, capital project expenses, and reserve funding as projected in the District's budgets.

### Step 2: Cost of Service Analysis

The annual cost of providing water service, or the revenue requirement, is then distributed among customer classes commensurate with their use of and burden on the system. A cost of service analysis involves the following steps:

1. Functionalize costs – the O&M expense budget is categorized into functions such as supply, treatment, pumping, transmission and distribution (T&D), etc.

2. Allocate to cost components – the functionalized costs are then allocated to system cost components such as supply, base delivery, peaking, conservation, etc.
3. Develop unit costs – unit costs for each cost component are determined using appropriate units of service for each.
4. 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.

A cost of service analysis considers both the average water demand and peak demand. Peaking costs[4] are incurred during maximum periods of consumption, most often coinciding with summertime irrigation usage. There are additional capacity-related[5] costs associated with designing, constructing, operating, maintaining, and replacing and refurbishing facilities to meet peak demand. These peaking costs must be allocated to the customer classes whose water demand patterns generate additional costs for the utility, proportionate to their burden on the peaking-related facilities.

### Step 3: Rate Design and Calculation

After allocating the revenue requirement to each water system component and corresponding customer classes, the rate design and calculation process can begin. Rates do more than simply recover costs; within the legal framework and industry standards, properly designed rates should support the District's policy objectives, while adhering to cost of service principles. Rates are not only a financial instrument but act as a public information tool in communicating policy objectives to customers. The rate design process also includes a rate impact analysis and sample customer bill impact analysis.

### Step 4: Administrative Record Preparation and Rate Adoption

The final step in a cost of service and rate study is to develop the administrative record in preparation for the rate adoption process. The administrative record, also known as the study report, documents the rate study results and presents the methodologies, rationale, justifications, and calculations utilized to derive the proposed rates. A thorough and methodical administrative record serves two important functions: maintaining defensibility in a litigious environment and communicating the rate adoption process to customers and important stakeholders.

[4] Collectively, maximum day and maximum hour costs are known as peaking costs.
[5] System capacity is the system's ability to supply water to all delivery points at the time when demanded. The time of greatest demand is known as peak demand. Both the operating and capital costs incurred to accommodate peak flows are generally allocated to each customer class based upon the relative demand during the peak day and peak hour event.

# Results and Recommendations

The results and recommendations that Raftelis developed during the Study, in collaboration with District staff and the Board of Directors, include the following:

- Adopt three years of rates that recover 7.5 percent more revenue, each year, relative to current rate revenues in order to sustainably fund the District's current and future finances
- Adopt three years of drought surcharges to be used in future water shortages, if warranted based on supply conditions and any mandatory conservation
- Modify the monthly SWP fixed charge for Hospitality (hotels/motels) customer accounts to be based on a ratio of average water use per unit between Hospitality and SFR customers; this is a similar approach to that currently used for Multi-Family Residential (MFR)
- Decrease the minimum volume for the CIP charge to 4 hundred cubic feet (hcf) for Municipal and Institutional (M&I) customers

# Proposed Rates

The proposed rates for FY 2024, the rate-setting year, is a result of the cost of service analysis developed during the Study and the recommendations summarized immediately above. **Table 1-1** shows the proposed monthly meter-based service charges for FY 2024 compared to current charges. Also included are the individual cost components. The proposed charges include an adjusted SWP charge for Hospitality customers, which is calculated based on the ratio of average water use between Hospitality units and SFR customers. Hospitality accounts will still be charged the basic service charge based on meter size.

**Table 1-1: Proposed Monthly Service Charges**

| | Current FY 2023 | | | Proposed FY 2024 | | | Difference |
|---|---|---|---|---|---|---|---|
| Meter Size | Basic | SWP | Total | Basic | SWP | Total | ($) |
| 3/4" | $9.61 | $32.42 | $42.03 | $9.74 | $33.90 | **$43.64** | $1.61 |
| 1" | $13.35 | $54.02 | $67.37 | $13.13 | $56.50 | **$69.63** | $2.26 |
| 1 1/2" | $22.68 | $108.04 | $130.72 | $21.60 | $112.99 | **$134.59** | $3.87 |
| 2" | $33.87 | $172.87 | $206.74 | $31.70 | $180.78 | **$212.48** | $5.74 |
| 3" | $69.32 | $378.16 | $447.48 | $63.68 | $395.45 | **$459.13** | $11.65 |
| 4" | $121.57 | $680.68 | $802.25 | $110.80 | $711.81 | **$822.61** | $20.36 |
| 6" | $246.59 | $1,404.58 | $1,651.17 | $223.56 | $1,468.81 | **$1,692.37** | $41.20 |
| MFR – Individual | $9.61 | $15.67 | $25.28 | $9.83 | $15.80 | **$25.54** | $0.26 |
| MFR – MMR (per DU) | Depends on meter size | $15.67 | | Depends on meter size | $15.80 | | |
| Hospitality (per Unit) | Depends on meter size | | | Depends on meter size | $8.61 | | |

**Table 1-2** shows the proposed FY 2024 monthly Agricultural O&M Charges. These charge recover Agricultural connections' share of annual, capital-related costs.

**Table 1-2: Proposed Monthly Agricultural O&M Service Charge**

| Meter Size | Current FY 2023 | Proposed FY 2024 | Difference ($) |
|---|---|---|---|
| 3/4" | $40.54 | **$42.32** | $1.78 |
| 1" | $67.56 | **$70.54** | $2.98 |
| 1 1/2" | $135.11 | **$141.07** | $5.96 |

| | | | |
|---|---|---|---|
| 2" | $216.18 | **$225.71** | $9.53 |
| 3" | $472.88 | **$493.74** | $20.86 |
| 4" | $851.18 | **$888.72** | $37.54 |
| 6" | $1,756.41 | **$1,833.87** | $77.46 |

**Table 1-3** shows the proposed FY 2024 monthly private fire service charges.

### Table 1-3: Proposed Monthly Private Fire Service Charges

| Meter Size | Current FY 2023 | Proposed FY 2024 | Difference ($) |
|---|---|---|---|
| 2" | $15.32 | **$12.34** | ($2.98) |
| 3" | $36.85 | **$27.00** | ($9.85) |
| 4" | $73.99 | **$52.27** | ($21.72) |
| 6" | $207.27 | **$142.96** | ($64.31) |
| 8" | $437.16 | **$299.39** | ($137.77) |
| 10" | $782.97 | **$534.69** | ($248.28) |

**Table 1-4** shows the proposed FY 2024 CIP rate for the M&I classes. The proposed rates decrease the minimum charge from 6 hcf per month to 4 hcf per month.

### Table 1-4: Proposed Monthly CIP Charge

| Current FY 2023 | | Proposed FY 2024 | | Difference ($) |
|---|---|---|---|---|
| Rate ($/hcf) | $4.63 | Rate ($/hcf) | **$5.58** | $0.95 |
| Minimum (6 hcf) | $27.78 | Minimum (4 hcf) | **$22.32** | ($5.46) |
| Maximum (250 hcf) | $1,157.50 | Maximum (250 hcf) | **$1,395.00** | $237.50 |

**Table 1-5** shows the District's proposed FY 2024 water use rates, by class, tier, and pressure zone. The rate structures and tier thresholds for all customer classes remain the same.

### Table 1-5: Proposed Water Use Rates

| | Current FY 2023 | | | Proposed FY 2024 | | | |
|---|---|---|---|---|---|---|---|
| | Base | Pressure Zone I | Pressure Zone II | Base | Pressure Zone I | Pressure Zone II | Difference ($) |
| Residential | | | | | | | |
| Tier 1 | $3.26 | $3.50 | $3.75 | $4.52 | $4.85 | $5.18 | $1.26 |
| Tier 2 | $4.93 | $5.17 | $5.42 | $4.70 | $5.03 | $5.36 | ($0.23) |
| Tier 3 | $5.67 | $5.91 | $6.16 | $5.55 | $5.88 | $6.21 | ($0.12) |
| | | | | | | | |
| Com/Ind/Pub | | | | | | | |
| Base | $3.76 | $4.00 | $4.25 | $4.54 | $4.87 | $5.20 | $0.78 |
| Peak | $6.06 | $6.30 | $6.55 | $5.49 | $5.82 | $6.15 | ($0.57) |
| | | | | | | | |
| Agriculture | $2.02 | $2.26 | $2.51 | $2.15 | $2.48 | $2.81 | $0.13 |
| Temporary | $4.09 | $4.33 | $4.58 | $4.77 | $5.10 | $5.43 | $1.01 |
| | | | | | | | |
| Ag REQ Charge ($/month) | $17.24 | | | $22.64 | | | $5.40 |

# Proposed Rate Schedule

**Table 1-6** through **Table 1-13** show the proposed rate schedules for all rates from FY 2024 through FY 2026.

### Table 1-6: Proposed Basic Service Charge Schedule

| Basic Service Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| 3/4" | $9.61 | $9.74 | $10.48 | $11.27 |
| 1" | $13.35 | $13.13 | $14.12 | $15.18 |
| 1 1/2" | $22.68 | $21.60 | $23.22 | $24.97 |
| 2" | $33.87 | $31.70 | $34.08 | $36.64 |
| 3" | $69.32 | $63.68 | $68.46 | $73.60 |
| 4" | $121.57 | $110.80 | $119.11 | $128.05 |
| 6" | $246.59 | $223.56 | $240.33 | $258.36 |

### Table 1-7: Proposed State Water Project Service Charge Schedule

| SWP Service Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| 3/4" | $32.42 | $33.90 | $36.45 | $39.19 |
| 1" | $54.02 | $56.50 | $60.74 | $65.30 |
| 1 1/2" | $108.04 | $112.99 | $121.47 | $130.59 |
| 2" | $172.87 | $180.78 | $194.34 | $208.92 |
| 3" | $378.16 | $395.45 | $425.11 | $457.00 |
| 4" | $680.68 | $711.81 | $765.20 | $822.59 |
| 6" | $1,404.58 | $1,468.81 | $1,578.98 | $1,697.41 |
| MFR - Individual | $15.67 | $15.80 | $16.99 | $18.27 |
| MFR - MMR (per dwelling unit) | $15.67 | $15.80 | $16.99 | $18.27 |
| Hospitality | | $8.61 | $9.26 | $9.96 |

### Table 1-8: Proposed Fire Service Charge Schedule

| Fire Service Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| 2" | $15.32 | $12.34 | $13.27 | $14.27 |
| 3" | $36.85 | $27.00 | $29.03 | $31.21 |
| 4" | $73.99 | $52.27 | $56.20 | $60.42 |
| 6" | $207.27 | $142.96 | $153.69 | $165.22 |
| 8" | $437.16 | $299.39 | $321.85 | $345.99 |
| 10" | $782.97 | $534.69 | $574.80 | $617.91 |

### Table 1-9: Proposed Water Use Rates Schedule

| Consumption Charges | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| Residential | | | | |
| Tier 1 | $3.26 | $4.52 | $4.86 | $5.23 |
| Tier 2 | $4.93 | $4.70 | $5.06 | $5.44 |
| Tier 3 | $5.67 | $5.55 | $5.97 | $6.42 |
| | | | | |
| Com/Ind/Pub | | | | |
| Tier 1 | $3.76 | $4.54 | $4.89 | $5.26 |
| Tier 2 | $6.06 | $5.49 | $5.91 | $6.36 |
| | | | | |
| Temporary | $3.76 | $4.77 | $5.13 | $5.52 |

| | | | | |
|---|---|---|---|---|
| Agriculture | $2.02 | $2.15 | $2.32 | $2.50 |

**Table 1-10: Proposed Agriculture REQ Charge Schedule**

| Agriculture Residential Equivalency Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| Rate per dwelling unit | $17.24 | $22.64 | $24.34 | $26.17 |

**Table 1-11: Proposed M&I CIP Charge Schedule**

| M&I CIP Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| Rate per hcf | $4.63 | $5.58 | $6.00 | $6.45 |

**Table 1-12: Proposed Agriculture O&M Charge Schedule**

| Agriculture O&M Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| 3/4" | $40.54 | $42.32 | $45.50 | $48.92 |
| 1" | $67.56 | $70.54 | $75.84 | $81.53 |
| 1 1/2" | $135.11 | $141.07 | $151.66 | $163.04 |
| 2" | $216.18 | $225.71 | $242.64 | $260.84 |
| 3" | $472.88 | $493.74 | $530.78 | $570.59 |
| 4" | $851.18 | $888.72 | $955.38 | $1,027.04 |
| 6" | $1,756.41 | $1,833.87 | $1,971.42 | $2,119.28 |

**Table 1-13: Proposed Pressure Zone Charge Schedule**

| Pressure Zone Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| Pressure Zone I | $0.24 | $0.33 | $0.36 | $0.39 |
| Pressure Zone II | $0.49 | $0.66 | $0.71 | $0.77 |

# Customer Impacts

**Table 1-14** shows the monthly bill impacts at various levels of usage for a SFR customer with a 3/4" meter. Almost all SFR connections are 3/4". The median and average SFR bill is 7 hcf and 11 hcf per month, respectively. A median use bill will experience a $15.59 increase to their monthly charges and an average use bill will experience an increase of $18.47 compared to their current charges.

**Table 1-14: Monthly Bill Impacts at Various Levels of Usage – Residential, 3/4-inch Meter**

| Residential Customer Impacts | Water Use (hcf/Month) | Current Monthly Bill | Proposed Monthly Bill | Difference ($) |
|---|---|---|---|---|
| Very Low Use (15th percentile) | 3 | $79.59 | $79.52 | ($0.07) |
| Low Use (30th percentile) | 5 | $86.11 | $94.14 | $8.03 |
| Median Use (50th percentile) | 7 | $98.93 | $114.52 | $15.59 |
| Average Use | 11 | $137.17 | $155.64 | $18.47 |
| High Use (80th percentile) | 14 | $165.85 | $186.48 | $20.63 |
| Very High Use (95th percentile) | 29 | $318.87 | $351.73 | $32.86 |

**Table 1-15** shows the monthly bill impacts at various levels of usage for Agricultural customers with 2" meters. Most Agricultural connections are 2". The median and average Agricultural bill is 73 hcf and 219 hcf per month, respectively. A median use bill will experience a $24.76 increase to their charges and an average use bill will experience a $43.74 increase compared to their current charges.

**Table 1-15: Monthly Bill Impacts at Various Levels of Usage – Agricultural, 2-inch Meter**

| Agriculture Customer Impacts | Usage (hcf) | Current Monthly Bill | Proposed Monthly Bill | Difference ($) |
|---|---|---|---|---|
| Very Low Use (15th percentile) | 10 | $443.12 | $459.69 | $16.57 |
| Low Use (30th percentile) | 33 | $489.58 | $509.14 | $19.56 |
| Median Use (50th percentile) | 73 | $570.38 | $595.14 | $24.76 |
| Average Use | 219 | $865.30 | $909.04 | $43.74 |
| High Use (80th percentile) | 336 | $1,101.64 | $1,160.59 | $58.95 |
| Very High Use (95th percentile) | 925 | $2,291.42 | $2,426.94 | $135.52 |

# 2. Financial Plan

This section of the report describes the proposed financial plan. To develop the financial plan, Raftelis projects annual revenues and expenses, models reserve balances, projects capital expenditures, and calculates debt service coverage to estimate the amount of additional rate revenue needed each year. Numbers shown in the tables of this section are rounded. Therefore, hand calculations based on the displayed numbers, such as summing or multiplying, may not equal the exact results shown.

## Inflationary Assumptions

Inflationary factors are used to escalate the revenue and cost categories across the planning period, which for this study is FY 2024 to FY 2028. The District's most recent adopted revenue and expense budgets are for FY 2024 through FY 2026. Raftelis worked with District staff to escalate individual budget line items according to the appropriate escalation factor. The escalation factors used to project revenues and expenses for the study period are shown in **Table 2-1**. These factors are based on industry indices- such as Engineering News-Record (ENR) Construction Cost Index (CCI) for the capital escalation factor and the long-term Consumer Price Index (CPI) for general inflation- as well as input from District staff. Based on the current heightened inflationary environment, pressures on costs are assumed to decrease in future years towards historical trends.

**Table 2-1: Escalation Factors**

| Escalation Factors | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|
| General | 5.0% | 3.0% | 3.0% | 3.0% |
| Salary | 3.0% | 3.0% | 3.0% | 3.0% |
| Benefits | 6.0% | 6.0% | 6.0% | 6.0% |
| Utilities | 4.0% | 4.0% | 4.0% | 4.0% |
| Capital | 6.0% | 4.0% | 4.0% | 4.0% |
| Water Supply | 5.0% | 4.0% | 7.0% | -18.0% |
| | | | | |
| Reserve Interest Rate | 1.5% | 1.5% | 1.5% | 1.5% |

## Current Rates

**Table 2-2** shows the Basic component of the District's current monthly service charges. The Basic component is differentiated by meter size.

**Table 2-2: Current Monthly Service Charges (Basic Component)**

| Meter Size | $/Month |
|---|---|
| 3/4" | $9.61 |
| 1" | $13.35 |
| 1 1/2" | $22.68 |
| 2" | $33.87 |
| 3" | $69.32 |
| 4" | $121.57 |
| 6" | $246.59 |

**Table 2-3** shows the SWP component of the District's current monthly service charges. The SWP component is differentiated by meter size for all classes other than Master-Metered Residential (MMR). MMR connections pay the 3/4" rate for each dwelling unit equivalent (DEQ) on the service connection, regardless of meter size.

### Table 2-3: Current Monthly Service Charges (SWP Component)

| Meter Size | $/Month |
|---|---|
| 3/4" | $32.42 |
| 1" | $54.02 |
| 1 1/2" | $108.04 |
| 2" | $172.87 |
| 3" | $378.16 |
| 4" | $680.68 |
| 6" | $1,404.58 |
| MMR | $15.67 |

**Table 2-4** shows the District's current monthly private fire charges.

### Table 2-4: Current Monthly Private Fire Service Charges

| Fire Line Size | $/Month |
|---|---|
| 2" | $15.32 |
| 3" | $36.85 |
| 4" | $73.99 |
| 6" | $207.27 |
| 8" | $437.16 |
| 10" | $782.97 |

**Table 2-5** shows the District's current monthly Agricultural O&M service charge. The Agricultural O&M charge is applied to all metered connections within the Agricultural class, is differentiated by meter size, and recovers those costs which are recovered from M&I customers through the CIP charge.

### Table 2-5: Current Monthly Agricultural O&M Service Charge

| Meter Size | $/Month |
|---|---|
| 3/4" | $40.54 |
| 1" | $67.56 |
| 1 1/2" | $135.11 |
| 2" | $216.18 |
| 3" | $472.88 |
| 4" | $851.18 |
| 6" | $1,756.41 |

**Table 2-6** shows the District's current monthly CIP charges paid by M&I classes. The CIP charge is a volumetric rate per hcf based on the five year historical use on the connection. While a volumetric rate, the CIP charge is subject to a current minimum of 6 hcf and maximum of 250 hcf monthly. The M&I CIP charge recovers costs which are recovered from Agricultural users through the Agricultural O&M charge.

### Table 2-6: Current Monthly CIP Charge and Drought Surcharges ($/hcf)

| Current Rates | FY 2021 |
|---|---|
| CIP Charge ($/hcf) | $4.63 |

**Table 2-7** shows the District's current variable water usage rates, by class, tier, and pressure zone. All rates shown are per hcf.

### Table 2-7: Current Water Use Rates ($/hcf)

| Customer Class | Base | Pressure Zone I | Pressure Zone II |
|---|---|---|---|
| Residential | | | |
| Tier 1 | $3.26 | $3.50 | $3.75 |
| Tier 2 | $4.93 | $5.17 | $5.42 |
| Tier 3 | $5.67 | $5.91 | $6.16 |
| | | | |
| Com/Ind/Pub | | | |
| Base | $3.76 | $4.00 | $4.25 |
| Peak | $6.06 | $6.30 | $6.55 |
| | | | |
| Agriculture | $2.02 | $2.26 | $2.51 |
| Temporary | $4.09 | $4.33 | $4.58 |

**Table 2-8** shows the District's current REQ charge. Any Agricultural connection, with one or more residential dwelling unit on the parcel served, pays the REQ charge for each residential unit. This charge captures the differential between the Residential water use rates paid by all other customers requiring treated water and the Agricultural variable rate.

### Table 2-8: Current Agricultural REQ Charge ($/Dwelling Unit)

| Residential Equivalency Charge | $/Dwelling Unit |
|---|---|
| Monthly Charge | $17.24 |

## Units of Service

**Table 2-9** shows the counts by meter size for the basic service charge component of the monthly service charge. The most common meter size for SFR and Commercial/Industrial/Public Authority connections are 3/4", for Agricultural connections the most common size is 2", and for MMR connections it is 1".

### Table 2-9: Counts by Size (for Basic Service Charge)

| Meter Size | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| 3/4" | 3,284 | 3,394 | 3,504 | 3,614 | 3,724 | 3,834 |
| 1" | 411 | 411 | 411 | 411 | 411 | 411 |
| 1 1/2" | 246 | 246 | 246 | 246 | 246 | 246 |
| 2" | 361 | 361 | 361 | 361 | 361 | 361 |
| 3" | 43 | 43 | 43 | 43 | 43 | 43 |
| 4" | 5 | 5 | 5 | 5 | 5 | 5 |
| 6" | 6 | 6 | 6 | 6 | 6 | 6 |
| **Total** | **4,356** | **4,466** | **4,576** | **4,686** | **4,796** | **4,906** |

**Table 2-10** shows the DEQ counts for Master Metered Residential and Commercial accounts with a 3/4" and more than one unit. The counts for all classes and meter sizes are the same as in **Table 2-9**. MMR connections and 3/4" Commercial connections are charged the DEQ rate for each unit.

### Table 2-10: DEQ (for SWP Charge)

| DEQs | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| SWP Service Charge - MMR Dwelling Units | 3,158 | 3,258 | 3,358 | 3,458 | 3,558 | 3,658 |

| | | | | | | |
|---|---|---|---|---|---|---|
| SWP Service Charge - Commercial 2+ DU 3/4" Meter | 499 | 499 | 499 | 499 | 499 | 499 |

**Table 2-11** shows the counts by fire line diameter and class for the private fire service charge. Most fire lines are in the Com/Ind/Pub class are at 4" and 6" diameter.

### Table 2-11: Fire Line Counts by Diameter (for Fire Service Charge and SWP Charge)

| Fire Line Diameter | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| 2" | 5 | 5 | 5 | 5 | 5 | 5 |
| 3" | 6 | 6 | 6 | 6 | 6 | 6 |
| 4" | 60 | 60 | 60 | 60 | 60 | 60 |
| 6" | 49 | 49 | 49 | 49 | 49 | 49 |
| 8" | 12 | 12 | 12 | 12 | 12 | 12 |
| 10" | 2 | 2 | 2 | 2 | 2 | 2 |
| **Total** | **134** | **134** | **134** | **134** | **134** | **134** |

**Table 2-12** shows the counts by meter size for the Agricultural O&M charge. Only Agricultural connections are levied the Agricultural O&M charge.

### Table 2-12: Counts by Size (for Agricultural O&M Charge)

| Meter Size | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| 3/4" | 21 | 21 | 21 | 21 | 21 | 21 |
| 1" | 53 | 53 | 53 | 53 | 53 | 53 |
| 1 1/2" | 63 | 63 | 63 | 63 | 63 | 63 |
| 2" | 217 | 217 | 217 | 217 | 217 | 217 |
| 3" | 27 | 27 | 27 | 27 | 27 | 27 |
| 4" | 2 | 2 | 2 | 2 | 2 | 2 |
| 6" | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **383** | **383** | **383** | **383** | **383** | **383** |

**Table 2-13** shows annual water consumption, in hcf, for each customer class, tier, and pressure zone.

### Table 2-13: Water Demand by Class and Pressure Zone

| | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| **Baze Zone** | | | | | | |
| Residential | | | | | | |
| Tier 1 (6 HCF) | 329,564 | 354,160 | 378,501 | 402,591 | 426,430 | 450,020 |
| Tier 2 (7-15 HCF) | 121,869 | 125,220 | 128,535 | 131,813 | 135,056 | 138,263 |
| Tier 3 (>16 HCF) | 112,446 | 119,513 | 126,506 | 133,426 | 140,274 | 147,050 |
| Commercial/ Industrial/Public Authority | | | | | | |
| Base | 152,628 | 151,865 | 151,105 | 150,350 | 149,598 | 148,850 |
| Peak | 55,994 | 55,714 | 55,436 | 55,159 | 54,883 | 54,608 |
| Temporary | 4,419 | 4,397 | 4,375 | 4,353 | 4,332 | 4,310 |
| Agriculture | 775,793 | 771,914 | 768,054 | 764,214 | 760,393 | 756,591 |
| **Pressure Zone I** | | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| Residential | | | | | | |
| Tier 1 (6 HCF) | 1,693 | 1,703 | 1,712 | 1,722 | 1,731 | 1,741 |
| Tier 2 (7-15 HCF) | 2,155 | 2,163 | 2,171 | 2,179 | 2,186 | 2,194 |
| Tier 3 (>16 HCF) | 5,534 | 5,519 | 5,504 | 5,489 | 5,474 | 5,459 |
| Commercial/ Industrial/Public Authority | | | | | | |
| Base | 1,007 | 1,002 | 997 | 992 | 987 | 982 |
| Peak | 308 | 306 | 304 | 303 | 301 | 300 |
| Temporary | 0 | 0 | 0 | 0 | 0 | 0 |
| Agriculture | 134,213 | 133,542 | 132,874 | 132,210 | 131,549 | 130,891 |
| **Pressure Zone II** | | | | | | |
| Residential | | | | | | |
| Tier 1 (6 HCF) | 3,493 | 3,494 | 3,494 | 3,494 | 3,495 | 3,495 |
| Tier 2 (7-15 HCF) | 4,590 | 4,581 | 4,571 | 4,562 | 4,552 | 4,542 |
| Tier 3 (>16 HCF) | 9,072 | 9,027 | 8,983 | 8,939 | 8,895 | 8,851 |
| Commercial/ Industrial/Public Authority | | | | | | |
| Base | 0 | 0 | 0 | 0 | 0 | 0 |
| Peak | 0 | 0 | 0 | 0 | 0 | 0 |
| Temporary | 0 | 0 | 0 | 0 | 0 | 0 |
| Agriculture | | | | | | |

**Table 2-14** shows annual water consumption, in hcf, for each customer class that is subject to the uniform, variable CIP charge. Only M&I customer classes pay the variable CIP charge. The current CIP charge recovers capital costs from M&I and treated water users. The term billed units is used in the table as the variable charge is based on historical water use and billed for a minimum of 6 hcf and a maximum of 250 hcf each month.

**Table 2-14: Water Units subject to the CIP Charge**

| Billed Units for CIP Charge | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| Residential | 657,970 | 654,680 | 651,407 | 648,150 | 644,909 | 641,684 |
| Com/Ind/Pub | 202,592 | 201,579 | 200,571 | 199,568 | 198,570 | 197,578 |
| Temporary | 3,500 | 3,483 | 3,465 | 3,448 | 3,431 | 3,413 |
| **Total** | **864,062** | **859,742** | **855,443** | **851,166** | **846,910** | **842,675** |

**Table 2-15** shows the count of residential dwelling units on connections served by an Agricultural meter. Agricultural customers pay a monthly REQ charge for each dwelling unit on served by an Agricultural connection.

**Table 2-15: Meter Counts by Size (Agricultural REQ Charge)**

| Agricultural REQ DUs | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| Residential Equivalency Charge (DUs) | 499 | 499 | 499 | 499 | 499 | 499 |

# Calculated Revenues Under Current Rates

**Table 2-16** through **Table 2-22** calculates the amount of revenue generated by each of the District's individual rate components by multiplying each respective rate by the units of service (**Table 2-2** through **Table 2-15**). The total calculated rate revenue is summarized and compared to budgeted values in the next section.

### Table 2-16: Monthly Service Charge - Basic Component Revenue

| Meter Size | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| Residential | $483,972 | $496,657 | $509,342 | $522,027 | $534,712 | $547,398 |
| Com/Ind/Pub | $86,788 | $86,788 | $86,788 | $86,788 | $86,788 | $86,788 |
| Temporary | $6,655 | $6,655 | $6,655 | $6,655 | $6,655 | $6,655 |
| Agriculture | $141,633 | $141,633 | $141,633 | $141,633 | $141,633 | $141,633 |
| **Total Revenue** | **$719,047** | **$731,732** | **$744,417** | **$757,103** | **$769,788** | **$782,473** |

### Table 2-17: Monthly Service Charge - SWP Component Revenue

| Meter Size / DEQs | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| SFR | $1,057,890 | $1,057,890 | $1,057,890 | $1,057,890 | $1,057,890 | $1,057,890 |
| MFR/MMR | $729,219 | $766,827 | $804,435 | $842,043 | $879,651 | $917,259 |
| Com/Ind/Pub | $355,770 | $355,770 | $355,770 | $355,770 | $355,770 | $355,770 |
| Com 3/4" 2+ DEQ | $34,806 | $34,806 | $34,806 | $34,806 | $34,806 | $34,806 |
| Temporary | $36,303 | $36,303 | $36,303 | $36,303 | $36,303 | $36,303 |
| Agriculture | $713,218 | $713,218 | $713,218 | $713,218 | $713,218 | $713,218 |
| **Total Revenue** | **$2,992,164** | **$3,033,662** | **$3,075,161** | **$3,116,659** | **$3,158,158** | **$3,199,656** |

### Table 2-18: Private Fire Line Revenue

| Fire Line Revenue | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| Total Revenue | $260,462 | $260,462 | $260,462 | $260,462 | $260,462 | $260,462 |

### Table 2-19: Agricultural O&M Charge Revenue

| Ag O&M Revenue | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| Total Revenue | $891,902 | $891,902 | $891,902 | $891,902 | $891,902 | $891,902 |

### Table 2-20: Variable (Water Use) Rate Revenue

| | SFR | MFR | Com/Ind/Pub | Agricultural | Temporary |
|---|---|---|---|---|---|
| **Base Zone** | | | | | |
| Tier 1/Base | $467,322 | $607,057 | $537,844 | $1,567,102 | $16,617 |
| Tier 2/Peak | $483,615 | $117,199 | $274,837 | $0 | $0 |
| Tier 3 | $604,503 | $33,068 | $0 | $0 | $0 |
| | | | | | |
| **Pressure Zone I** | | | | | |
| Tier 1/Base | $5,459 | $465 | $4,026 | $303,321 | $0 |
| Tier 2/Peak | $10,434 | $707 | $1,937 | $0 | $0 |
| Tier 3 | $32,159 | $544 | $0 | $0 | $0 |
| | | | | | |
| **Pressure Zone II** | | | | | |
| Tier 1/Base | $12,611 | $488 | $0 | $92,053 | $0 |
| Tier 2/Peak | $24,356 | $524 | $0 | $0 | $0 |
| Tier 3 | $55,856 | $29 | $0 | $0 | $0 |
| | | | | | |
| **Total** | **$1,638,010** | **$656,372** | **$733,661** | **$1,705,675** | **$12,768** |

### Table 2-21: CIP Charge Rate Revenue

| CIP Charge | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| Total Revenue | $4,000,607 | $3,980,604 | $3,960,701 | $3,940,897 | $3,921,193 | $3,901,587 |

### Table 2-22: Agricultural REQ Charge Revenue

| Ag REQ | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| Total Revenue | $103,233 | $103,233 | $103,233 | $103,233 | $103,233 | $103,233 |

# Calculated Revenues Comparison

District staff provided budgeted rate revenues for FY 2023, shown in **Table 2-23**. Raftelis recalculated FY 2023 rate revenues using actual and estimated customer data. Actual FY 2022 customer data is used for this analysis.

### Table 2-23: Budgeted versus Calculated Rate Revenues

| Revenue Comparison | Budgeted | Calculated |
|---|---|---|
| Residential | $2,488,130 | $2,456,395 |
| Com/Ind/Pub | $850,786 | $835,261 |
| Agricultural | $1,890,006 | $1,962,476 |
| Ag Residential Equivalency Charge (REQ) | $102,406 | $103,233 |
| Monthly Service Charge-Basic | $727,012 | $719,047 |
| Monthly Service Charge-SWP | $3,185,524 | $2,992,164 |
| Monthly Service Charge-CIP | $4,035,587 | $4,000,607 |
| AG Fixed O&M | $900,495 | $891,902 |
| Fire Protection | $271,382 | $260,462 |
| **Total** | **$14,451,328** | **$14,221,548** |
| | | |
| Fixed Charges | $9,120,000 | $8,864,182 |
| Variable Charges | $5,331,328 | $5,357,366 |
| **Total** | **$14,451,328** | **$14,221,548** |

# Revenues

**Table 2-24** shows projected District revenues using current rates. The table shows rate revenues by customer class and by fixed service charge component. Non-rate revenues include other operating revenues and non-operating revenues.

### Table 2-24: District Revenues Actual and Budgeted (FY 2023-2028)

| Water Sales Revenue | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| Residential | $2,488,130 | $2,592,830 | $2,727,839 | $2,861,433 | $2,993,622 | $3,124,419 |
| Commercial | $474,722 | $515,416 | $512,839 | $510,274 | $507,723 | $505,184 |
| Industrial | $107,774 | $111,889 | $111,330 | $110,773 | $110,219 | $109,668 |
| Public Authority | $268,290 | $203,780 | $202,761 | $201,747 | $200,739 | $199,735 |
| Agricultural | $1,890,006 | $1,952,664 | $1,942,901 | $1,933,186 | $1,923,520 | $1,913,902 |
| Ag Residential Equivalency Charge (REQ) | $102,406 | $103,233 | $103,233 | $103,233 | $103,233 | $103,233 |
| Monthly Service Charge-Basic | $727,012 | $731,732 | $744,417 | $757,103 | $769,788 | $782,473 |
| Monthly Service Charge-SWP | $3,185,524 | $3,033,662 | $3,075,161 | $3,116,659 | $3,158,158 | $3,199,656 |
| Monthly Service Charge-CIP | $4,035,587 | $3,980,604 | $3,960,701 | $3,940,897 | $3,921,193 | $3,901,587 |
| AG Fixed O&M | $900,495 | $891,902 | $891,902 | $891,902 | $891,902 | $891,902 |
| Fire Protection | $271,382 | $260,462 | $260,462 | $260,462 | $260,462 | $260,462 |
| Lifeline Program Credits | -$39,000 | -$39,000 | -$39,000 | -$39,000 | -$39,000 | -$39,000 |
| **Total - Water Sales Revenue** | **$14,497,328** | **$14,424,174** | **$14,579,545** | **$14,733,670** | **$14,886,559** | **$15,038,222** |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Other Revenue** | | | | | | |
| Capital Cost Recovery | $150,000 | $150,000 | $150,000 | $150,000 | $153,000 | $156,060 |
| Misc Service Revenue | $85,000 | $85,000 | $85,000 | $85,000 | $85,000 | $85,000 |
| Other Income | $100,000 | $120,553 | $103,434 | $105,203 | $107,307 | $109,453 |
| Overhead Control | $51,000 | $100,000 | $100,000 | $100,000 | $102,000 | $104,040 |
| Interest | $100,000 | $50,000 | $50,000 | $50,000 | $319,541 | $331,365 |
| GSA Personnel Costs Reimbursement | $99,389 | $120,000 | $120,000 | $120,000 | $0 | $0 |
| **Total - Other Revenue** | **$500,389** | **$540,553** | **$523,434** | **$525,203** | **$681,848** | **$700,919** |
| | | | | | | |
| **Non-Operating Revenue** | | | | | | |
| Interest-COP Funds Restricted | $5,100 | $5,100 | $5,100 | $5,100 | $5,100 | $5,100 |
| **Total - Non-Operating Revenue** | **$5,100** | **$5,100** | **$5,100** | **$5,100** | **$5,100** | **$5,100** |
| | | | | | | |
| **Total - Revenues** | **$15,002,817** | **$14,969,827** | **$15,108,079** | **$15,263,973** | **$15,573,506** | **$15,744,240** |

# Expenses

**Table 2-25** shows budgeted O&M expenses for FY 2023 through FY 2026 and projected O&M expenses for FY 2027 and FY 2028. In FY 2027 and FY 2028, costs associated with the purchase and production of water are calculated within the financial plan model, and captured in the calculated water purchase cost line of the O&M budget, and subsequently removed from the other cost categories. The proposed FY 2024 budgeted values are included in the revenue requirement for the rate setting year, FY 2024.

### Table 2-25: Projected O&M Expenses

| O&M Expenses | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| Personnel | $3,141,064 | $3,560,250 | $3,823,268 | $4,022,463 | $3,923,833 | $4,049,378 |
| General and Administrative | $426,512 | $482,250 | $504,558 | $529,362 | $554,970 | $582,180 |
| Utilities | $453,960 | $382,686 | $400,742 | $423,310 | $287,097 | $299,445 |
| Professional Services | $331,698 | $304,397 | $371,165 | $361,700 | $361,070 | $371,903 |
| Operations Expense | $941,534 | $964,371 | $1,043,992 | $1,094,255 | $820,531 | $871,988 |
| State Water | $553,122 | $94,586 | $184,995 | $237,901 | $0 | $0 |
| Water Treatment & Testing | $1,176,835 | $2,050,174 | $1,965,500 | $1,886,645 | $1,350,025 | $1,427,909 |
| Joint Powers Authority | $754,616 | $637,250 | $782,330 | $835,413 | $103,000 | $106,090 |
| Water Conservation | $46,466 | $51,103 | $52,171 | $61,771 | $63,624 | $65,533 |
| CAPP | $0 | $0 | $0 | $764,100 | $0 | $0 |
| Other Expenses | $742,996 | $863,484 | $899,842 | $934,088 | $961,661 | $990,061 |
| Calculated Water Purchase Costs | $0 | $0 | $0 | $0 | $5,535,199 | $5,395,513 |
| **Total - O&M Expenses** | **$8,568,803** | **$9,390,551** | **$10,028,563** | **$11,151,009** | **$13,961,011** | **$14,160,001** |

# Debt Service

**Table 2-26** shows actual and projected future annual debt service for FY 2023 through FY 2028. FY 2023 is actual debt service incurred. FY 2024 to FY 2028 represent proposed debt service expenses. The proposed FY 2024 budgeted values are included in the revenue requirement for the rate setting year, FY 2024. The District's existing debt includes SWP repayment via the District's wholesale agency, CCWA; State Revolving Fund (SRF) loan repayment for the District's share of Ortega and Cater treatment facilities; and loan repayments for other water quality and meter infrastructure capital costs.

### Table 2-26: Debt Service

| Debt Service | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| Siemens MLPA | $538,677 | $538,677 | $539,439 | $538,677 | $538,677 | $538,677 |
| Rev Bond 2020A | $1,240,875 | $1,240,625 | $1,239,375 | $1,242,000 | $1,243,375 | $1,672,500 |
| Rev Bond 2020B | $234,986 | $232,314 | $234,434 | $231,379 | $233,143 | $234,647 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Rev Bond 2020C | $75,500 | $75,500 | $75,500 | $75,500 | $75,500 | $207,125 |
| Rev Bond 2016A | $722,250 | $718,750 | $714,250 | $713,625 | $716,625 | $620,625 |
| Cater SRF | $235,175 | $0 | $0 | $0 | $0 | $0 |
| DWR Source of Supply | $1,895,193 | $1,952,049 | $2,010,610 | $2,070,929 | $0 | $0 |
| Cater SRF Future Payments | $0 | $0 | $152,000 | $267,000 | $267,000 | $267,000 |
| **Total - Debt Service** | **$4,942,656** | **$4,757,915** | **$4,965,608** | **$5,139,110** | **$3,074,320** | **$3,540,574** |

# Capital Projects

**Table 2-27** shows the annual CIP spending. The District aims to execute approximately $1 M in pay-as-you-go (PAYGO), or cash-funded, capital projects in each fiscal year. All other planned CIP expenditures, particularly in in FY 2025 and FY 2026, is for the CAPP project to be funded by a combination of grant and debt proceeds. Beyond FY 2026 there is projected to be around $500 thousand in annual CAPP repair and replacement (R&R). The proposed FY 2024 budgeted values are included in the revenue requirement for the rate setting year, FY 2024.

### Table 2-27: Capital Projects

| Capital Projects | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|---|
| CAPP Project | $0 | $0 | $24,515,500 | $24,515,500 | $0 | $0 |
| Water Treatment-related | $100,000 | $100,000 | $100,000 | $178,605 | $187,535 | $196,912 |
| Non-WT related | $901,044 | $940,000 | $990,000 | $813,645 | $854,327 | $897,044 |
| Annual CAPP R&R | $0 | $0 | $0 | $533,861 | $555,216 | $577,425 |
| **Total - Capital Projects** | **$1,001,044** | **$1,040,000** | **$25,605,500** | **$26,041,611** | **$1,597,078** | **$1,671,380** |

# Proposed Revenue Adjustments

**Table 2-28** shows the proposed revenue adjustments that allows the District to maintain financial sufficiency, fund operating and capital expenses, and achieve recommended cash reserves. The proposed adjustments apply to the District's rate revenues. The proposed revenue adjustments represent the increase to total rate revenues required to recover the District's full cost of service.

### Table 2-28: Proposed Revenue Adjustments

| Revenue Adjustments | FY 2024 | FY 2025 | FY 2026 |
|---|---|---|---|
| Effective Month | July 1 | July 1 | July 1 |
| Revenue Adjustments | 7.5% | 7.5% | 7.5% |

# Multi-Year Cash Flow

**Table 2-29** shows the District's five-year cash flow utilizing the revenue and expense values in previous tables. FY 2024-FY2026 represents proposed budgeted values and the years of proposed rate adoption. A five-year cash flow is shown to present a longer time horizon for planning purposes. The proposed budgeted values including O&M expenses, debt service, PAYGO capital, and non-rate revenues are included to determine the revenue requirement for the rate setting year, FY 2024. The increases from the revenue adjustments generate additional net revenues which are required to meet minimum debt coverage in future years.

### Table 2-29: Multi-Year Cash Flow

| Cash Flow | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Water Sales | $5,376,579 | $5,497,669 | $5,617,413 | $5,735,823 | $5,852,909 |
| Service Charges | $9,001,596 | $9,035,876 | $9,070,256 | $9,104,735 | $9,139,313 |
| Revenue Adjustments | $988,499 | $2,261,783 | $3,558,776 | $4,978,549 | $5,429,861 |
| Misc Revenue | $536,553 | $519,434 | $521,203 | $408,307 | $415,553 |
| Interest Income | $50,000 | $50,000 | $50,000 | $257,403 | $268,295 |
| Non-Operating Revenue | $5,100 | $5,100 | $5,100 | $5,100 | $5,100 |
| **Total Revenues** | **$15,958,327** | **$17,369,862** | **$18,822,749** | **$20,489,918** | **$21,111,031** |

| | | | | | |
|---|---|---|---|---|---|
| **O&M Expenses** | | | | | |
| Personnel | $3,560,250 | $3,823,268 | $4,022,463 | $3,923,833 | $4,049,378 |
| General and Administrative | $482,250 | $504,558 | $529,362 | $554,970 | $582,180 |
| Utilities | $382,686 | $400,742 | $423,310 | $287,097 | $299,445 |
| Professional Services | $304,397 | $371,165 | $361,700 | $361,070 | $371,903 |
| Operations Expense | $964,371 | $1,043,992 | $1,094,255 | $820,531 | $871,988 |
| State Water | $94,586 | $184,995 | $237,901 | $0 | $0 |
| Water Treatment & Testing | $2,050,174 | $1,965,500 | $1,886,645 | $1,350,025 | $1,427,909 |
| Joint Powers Authorities | $637,250 | $782,330 | $835,413 | $103,000 | $106,090 |
| Water Conservation | $51,103 | $52,171 | $61,771 | $63,624 | $65,533 |
| CAPP | $0 | $0 | $764,100 | $0 | $0 |
| Other Expenses | $863,484 | $899,842 | $934,088 | $961,661 | $990,061 |
| Calculated Water Purchase Costs | $0 | $0 | $0 | $5,535,199 | $5,395,513 |
| **Total O&M Expenses** | **$9,390,551** | **$10,028,563** | **$11,151,009** | **$13,961,011** | **$14,160,001** |
| | | | | | |
| **Net Revenue (excluding Debt)** | **$6,567,775** | **$7,341,299** | **$7,671,741** | **$6,528,907** | **$6,951,030** |
| | | | | | |
| **Debt Service** | | | | | |
| Existing Debt Service | $538,677 | $539,439 | $538,677 | $538,677 | $538,677 |
| Siemens MLPA | $1,240,625 | $1,239,375 | $1,242,000 | $1,243,375 | $1,672,500 |
| Rev. Bond 2020A | $232,314 | $234,434 | $231,379 | $233,143 | $234,647 |
| Rev. Bond 2020B | $75,500 | $75,500 | $75,500 | $75,500 | $207,125 |
| Rev. Bond 2020C | $718,750 | $714,250 | $713,625 | $716,625 | $620,625 |
| Rev. Bond 2016A | $0 | $0 | $0 | $0 | $0 |
| Cater SRF | $1,952,049 | $2,010,610 | $2,070,929 | $0 | $0 |
| DWR Source of Supply (SWP) | $0 | $152,000 | $267,000 | $267,000 | $267,000 |
| Cater Future SRF Payments | $0 | $0 | $0 | $1,066,674 | $1,066,674 |
| Proposed Debt Service | **$4,757,915** | **$4,965,608** | **$5,139,110** | **$4,140,994** | **$4,607,248** |
| **Total Debt Service** | $538,677 | $539,439 | $538,677 | $538,677 | $538,677 |
| | | | | | |
| **Net Revenue (including Debt)** | **$1,809,860** | **$2,375,691** | **$2,532,631** | **$2,387,913** | **$2,343,782** |
| | | | | | |
| **Capital Projects** | | | | | |
| Rate Funded CIP | $920,400 | $1,090,000 | $1,526,111 | $1,597,078 | $1,671,380 |
| **Total Capital Projects** | **$920,400** | **$1,090,000** | **$1,526,111** | **$1,597,078** | **$1,671,380** |
| | | | | | |
| **Net Cash Flow** | **$889,460** | **$1,285,691** | **$1,006,520** | **$790,834** | **$672,402** |
| | | | | | |
| **Debt Coverage** | | | | | |
| Calculated | 1.73 | 1.92 | 1.94 | 1.62 | 1.54 |
| Target | 1.40 | 1.40 | 1.40 | 1.40 | 1.40 |
| Minimum | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| MADS | N/A | N/A | N/A | 1.27 | 1.36 |
| SRF Requirement | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| | | | | | |
| Beginning Balance | $13,192,218 | $14,235,858 | $15,694,354 | $16,893,463 | $17,684,297 |
| **Ending Balance** | **$14,235,858** | **$15,694,354** | **$16,893,463** | **$17,684,297** | **$18,356,699** |
| *Target Balance* | *$14,820,673* | *$15,243,525* | *$15,891,499* | *$16,797,443* | *$17,130,064* |

**Figure 2-1** shows the five-year financial plan for FY 2024 through FY 2028. The stacked bars represent the costs of the District: O&M expenses make up the largest portion (gray bars). Debt service (green bars bars) are the next largest portion of expenses, and rate-funded CIP costs (yellow bars) represent the costs of the rate funded capital program. Net cash flow (red bars) is positive in all years. Current revenues (solid line) equal the projected revenues

at the City's existing water rates and proposed revenues (dotted line) equal the projected revenues with the proposed revenue adjustments in **Table 2-28** applied.

**Figure 2-1: District Financial Plan**

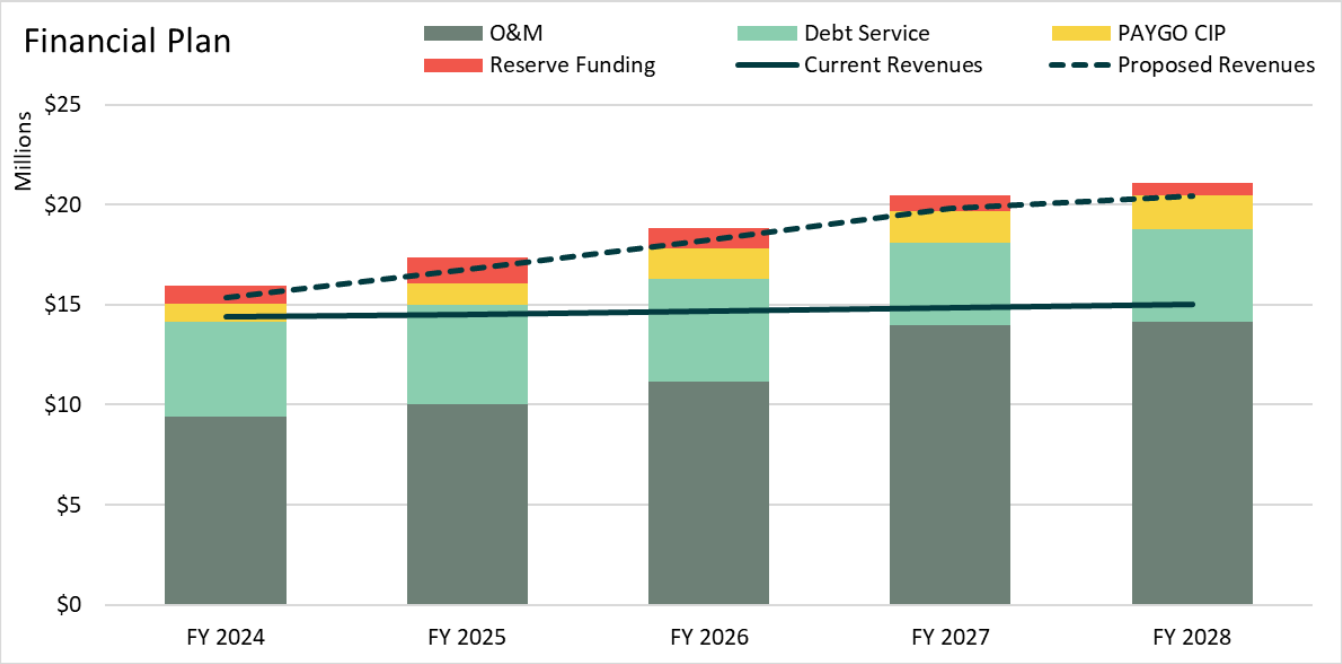
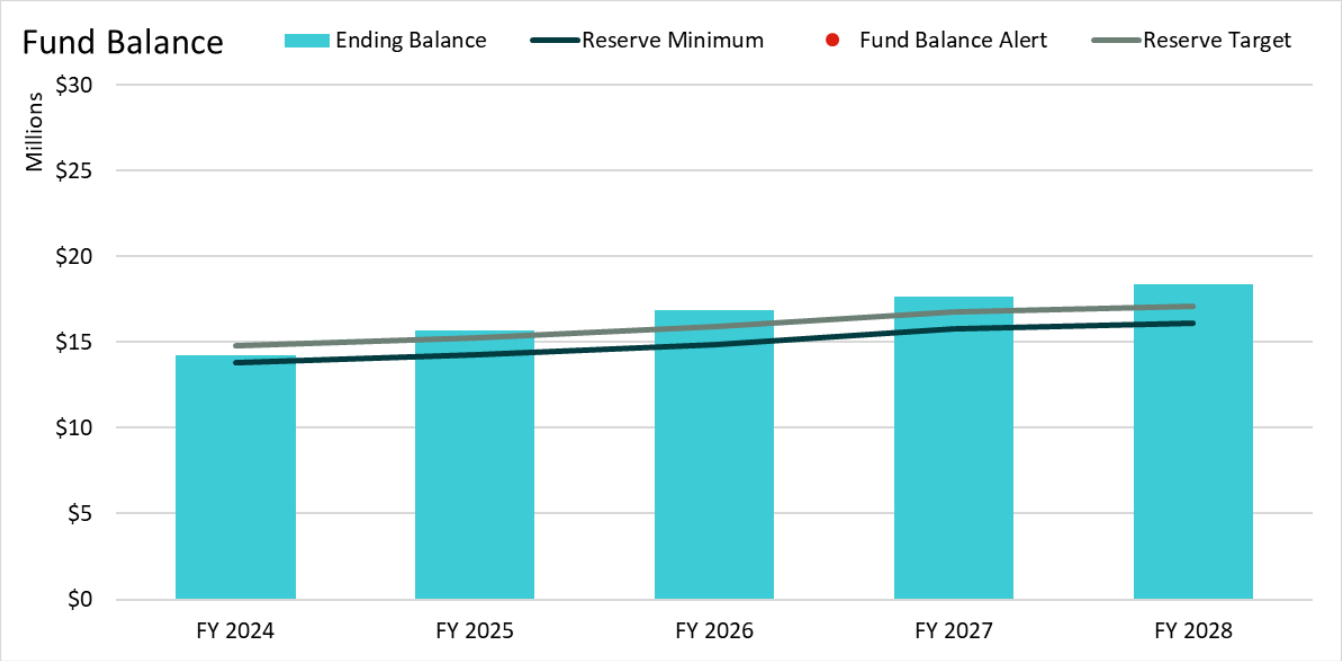



**Figure 2-2** shows the projected ending cash balances (blue bars) from FY 2024 to FY 2028. The unrestricted reserve target (dark blue and gray lines respectively) is determined based on the District's existing reserve policy[6]. The ending balance is projected to achieve the minimum policy in each year.

[6] The District's financial reserves policy consists of the following components: an operating reserve of six months cash (including O&M and debt service); an operating contingency of $1 million; a capital reserve that is two times the annual system depreciation; and an emergency reserve with a $2 million minimum and $3 million target

## Figure 2-2: Water Fund Balances



# 3. Rate Structure Modifications

This section outlines proposed changes to the District's existing rate structures. Proposed changes are discussed prior to the cost of service analysis as they impact units of service and costs allocated in the cost of service analysis in the subsequent section.

## Proposed Changes

The following rate structure changes are proposed:

- Charge the SWP fixed charge to Commercial customers with more than one unit (Hospitality) based on a ratio of average water use per unit between those Commercial customers and SFR customers
- Decrease the minimum CIP charge to 4 hcf per month

### Commercial SWP DEQ Fixed Charge

This proposed change would create a new SWP charge for Commercial customers with more than one unit, primarily Hospitality customers. The cost allocations for this charge would be based on a ratio of average use between Single Family Residential and Hospitality Commercial users. Average monthly use was calculated by dividing the total annual usage by twelve. The average monthly use for each customer class was then divided by the number of units in each class to derive the average water use per dwelling unit. **Table 3-1** shows the values used in the usage ratio calculation.

**Table 3-1: DEQ Ratio**

| | Com 2+ | MFR | SFR |
|---|---|---|---|
| Average Monthly Use | 1,840 | 20,436 | 26,807 |
| Dwelling Units | 674 | 4,078 | 2,493 |
| Usage per DU | 2.73 | 5.01 | 10.75 |
| DEQ Ratio | 0.25 | 0.47 | |

The ratio of the average usage per unit is then used to allocate costs to MFR and Hospitality customers when calculating the fixed monthly SWP charge. The number of DEQs is multiplied by the ratio to obtain the adjusted DEQs. These adjusted DEQs are then used to allocate the fixed SWP cost of service between SFR, MFR, and Hospitality customers. Once the cost of service for each class has been calculated, the costs are spread across the non-adjusted DEQs to determine the unit cost for each customer class. **Table 3-2** shows the calculation for the SWP Fixed unit cost SFR, MFR, and Hospitality customers.

**Table 3-2: MFR DEQ Unit Cost**

| SWP-Fixed | Adjusted DEQs | COS | Non-Adjusted DEQs | Unit Cost |
|---|---|---|---|---|
| Total | 4,791 | $1,948,707 | 6,797 | |
| SFR | 2,719 | $1,106,077 | 2,719 | $33.90 |
| MFR | 1,901 | $773,041 | 4,078 | $15.80 |
| Hospitality | 171 | $69,589 | 674 | $8.60 |

### Decrease Minimum CIP Charge

The District's current CIP Charge for M&I customers is a volumetric rate per hcf based on the five year average historical use on the connection. While a volumetric rate, the CIP charge is subject to a minimum of 6 hcf and maximum of 250 hcf monthly. This study proposed to reduce the minimum charge from 6 hcf per month to 4 hcf per month. The new threshold represents efficient indoor water demands of a two-person household. There are a

significant number of customer bills and households below the current 6 hcf minimum. By reducing the minimum volume, the CIP unit charge is increased as a result of lower units of service.

# 4. Cost of Service Analysis

This section of the report outlines the cost of service analysis, which allocates the District's FY 2024 revenue requirement to each system cost component and customer class. Numbers shown in the tables of this section are rounded. Therefore, hand calculations based on the displayed numbers, such as summing or multiplying, may not equal the exact results shown in this report.

## Process and Approach

The first step in the cost of service analysis process is to determine the revenue requirement, which is based on the estimated costs of the Agency and include O&M expenses, debt servicing, PAYGO capital, net cash to reserves, and accounts for non-rate revenues. The framework and methodology utilized to develop the cost of service analysis and apportion the revenue requirement to each customer class and tier is informed by the processes outlined in the M1 Manual.

Cost of service analyses are tailored specifically to meet the unique needs of each utility. However, there are four distinct steps in every analysis to recover costs from customer classes in an accurate, equitable, and defensible manner:

1. Cost functionalization – O&M expenses and capital expenditures are categorized by their function in the system. Functions may include supply, transmission, distribution, customer service, billing, etc.
2. Cost causation component allocation – the functionalized costs are then allocated to cost causation components based on their burden on the system. The cost causation components include supply, peaking/extra-capacity, delivery, meter, customer, etc. The revenue requirement is allocated accordingly to the cost causation components and results in the total revenue requirement for each cost causation component.
3. Unit cost development – the revenue requirement for each cost causation component is divided by the appropriate units of service - such as total annual water use, peaking units, equivalent meters, number of customer bills, etc. - and dividing the cost causation component costs by the respective service units to determine the unit cost for each cost causation component.
4. Revenue requirement distribution – the unit costs are utilized to distribute the revenue requirement for each cost causation component to customer classes and tiers based on their individual service units. The District's customer classes include Residential (SFR and MMR), Commercial, Institutional, & Public Authority, and Agriculture.

## Cost Components

The cost components used in this study are:

- Meter – costs of servicing, installing, and replacing meters
- Fire – direct costs of the water system's ability to provide fire protection
- Customer – costs of customer service staff, billing, and collections
- SWP – costs of purchasing imported water from the District's wholesaler, CCWA
- Base – costs of delivering water to customers during average daily demand conditions
- Peaking (Max Day and Max Hour) – the extra-capacity costs of delivering water to customers at peak capacity and during peak times of use
- Groundwater – costs associated with producing water from the Carpinteria Groundwater Basin
- Cachuma – costs associated with water supply procured from the Cachuma Lake Project
- Treatment – costs of treating water to potable standards
- Pumping – costs of moving water to higher elevations to serve customers in Pressure Zone 1 and II
- Conservation –costs of the District's water conservation programs
- CIP – costs related to debt servicing and PAYGO capital
- General – represents all other costs that have a general or administrative function (indirect costs)

# Revenue Requirement

**Table 4-1** shows the District's revenue requirement for the rate-setting year, FY 2024. The revenue requirements (Lines 1-6), also known as costs, are equal to the O&M expenses, debt service, and PAYGO capital expenditures. Line 5 shows the net cash difference between the revenue required from rates with and without the CAPP project included in the Cash Flow[7]. Non-rate revenues (Lines 9-10), also known as revenue offsets, are subtracted from the revenue requirement and the net cash flow from reserves (Line 11, equal to the net cash flow in **Table 2-29**) is added back.

The revenue required from rates (Line 14) is equal to revenue requirements (Line 6) less revenue offsets and adjustments (Line 12) and is separated into Operating, Debt, and Capital components, which will be allocated to the cost components based on O&M, debt, and CIP expenditures, respectively.

**Table 4-1: Revenue Requirement Derivation**

| Line | Revenue Requirement - FY 2024 | Operating | Debt | Capital | Total |
|---|---|---|---|---|---|
| 1 | **Revenue Requirements** | | | | |
| 2 | O&M Expenses | $9,390,551 | | | $9,390,551 |
| 3 | Debt Service | | $4,757,915 | | $4,757,915 |
| 4 | PAYGO Capital | | | $920,400 | $920,400 |
| 5 | CAPP | | | $643,628 | $643,628 |
| 6 | **Total - Revenue Requirements** | **$9,390,551** | **$4,757,915** | **$1,564,028** | **$15,712,495** |
| 7 | | | | | |
| 8 | **Offsets and Adjustments** | | | | |
| 9 | Other Revenue | ($586,553) | | | ($586,553) |
| 10 | Non-Operating Revenue | ($5,100) | | | ($5,100) |
| 11 | Net Cash Flow to Reserves[8] | $245,832 | | | $245,832 |
| 12 | **Total - Offsets and Adjustments** | **($345,821)** | **$0** | **$0** | **($345,821)** |
| 13 | | | | | |
| 14 | **Revenue Required from Rates** | **$9,044,730** | **$4,757,915** | **$1,564,028** | **$15,366,674** |

# Peaking Factors

**Table 4-2** shows the system-wide peaking factors used to derive the cost component allocation bases for Base (Delivery), Max Day, and Max Hour costs. Base represents average daily demand during the year, which has been normalized to a factor of 1.00 (Column C, Line 1). District staff provided Max Day and Max Hour peaking factors based on water demand in gallons per hour (gph). The Max Day peaking factor (Line 2 factor) shows that the system-wide Max Day demand is 1.65 times greater than the average daily demand. The Max Hour peaking factor (Line 3 factor) signifies that the system-wide Max Hour demand is 3.38 times greater than average demand.

The allocation bases (Columns titled A through C in the table) are calculated using the equations outlined in this section. Columns are represented in these equations as letters and rows are represented as numbers. For example, Column C, Line 2 is shown as C2.

The Max Day allocations are calculated as follows:

- Base Delivery: A1 / A2 x 100% = B2
- Max Day: (A2 - A1) / A2 x 100% = C2

[7] While there are no direct CAPP costs in the rate-setting year, the District must increase rates, in part, to service future debt service related to the CAPP project. Raftelis determined the difference between the net cash required with CAPP and without CAPP to identify the indirect cost of CAPP in the rate-setting year

[8] District staff provided Raftelis with the FY 2023 financial plan

The Max Hour allocations are calculated as follows:

- Base Delivery: A1 / A3 x 100% = B3
- Max Day: (A2 - A1) / A3 x 100% = C3
- Max Hour: (A3 - A2) / A3 x 100% = D3

**Table 4-2: System-Wide Peaking Factors**

| | | | A | B | C | D | |
|---|---|---|---|---|---|---|---|
| Line | Peaking Factors | Demand (gph) | Factor | Base | Max Day | Max Hour | Total |
| 1 | Base | 165,782 | 1.00 | 100.0% | | | 100.0% |
| 2 | Max Day | 273,650 | 1.65 | 60.6% | 39.4% | 0.0% | 100.0% |
| 3 | Max Hour | 560,984 | 3.38 | 29.6% | 19.2% | 51.2% | 100.0% |
| 4 | Avg. Max Day/Hour | | | 45.1% | 29.3% | 25.6% | 100.0% |

**Table 4-3** shows the customer-specific peaking factors based on the maximum monthly usage divided by average monthly usage for each customer class and tier. The maximum month peaking factor is used as a proxy for the class and tier-specific Max Day peaking factors. The peaking factors for Residential customers are based on the current tiers. Com/Ind/Pub is based on their existing Base/Peak structure.

**Table 4-3: Customer-Specific Peaking Factors**

| Line | Customer Class | Peaking Factor |
|---|---|---|
| 1 | **Residential** | **1.25** |
| 2 | Tier 1 | 1.08 |
| 3 | Tier 2 | 1.34 |
| 4 | Tier 3 | 1.94 |
| 5 | | |
| 6 | **Com/Ind/Pub** | **1.30** |
| 7 | Base | 1.10 |
| 8 | Peak | 1.89 |
| 9 | | |
| 10 | **Agriculture** | **1.42** |
| 11 | **Temporary** | **1.30** |

**Table 4-4** shows the calculation of additional capacity required to meet Max Day and Max Hour demands of each customer class and tier. Annual use is derived from water usage projections for FY 2024. First, annual use (Column C) is converted to average daily use (Column D), assuming 365 days in a year. The capacity factors (Column E) are the customer-specific peaking factors (**Table 4-3**) and are multiplied by the average daily use (Column D) to arrive at the total capacity required to meet each class and tier's Max Day demand (Column F). The extra capacity required to meet Max Day demands (Column G) is calculated by subtracting the average daily use (Column D) from the total capacity for Max Day (Column F).

For Max Hour demands, the customer-specific peaking factors (Column E) are inflated based on the ratio between the system-wide Max Day and Max Hour peaking factors to determine the Max Hour peaking factors for all classes and tiers. This is calculated using the following equation:

*Max Day peaking factor (Column E) x [System-wide Max Hour peaking factor (**Table 4-2**) / System-wide Max Day peaking factor (**Table 4-2**)]*

The total capacity for Max Hour demands (Column I) is calculated by multiplying the average daily use (Column D) by the Max Hour peaking factors (Column H). The extra capacity required for Max Hour demands (Column J) is equal to the Max Hour total capacity (Column I) less the Max Day total capacity (Column F).

## Table 4-4: Water Usage and Extra Capacity

| A | B | C | D | E | F | G | H | I | J | K | L |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Max Day | | | Max Hour | | | | |
| Line | Customer Class | Annual Use (hcf) | Average Daily Use (hcf/day) | Capacity/ Peaking Factor | Total Capacity (hcf/day) | Extra Capacity (hcf/day) | Capacity Factor | Total Capacity (hcf/day) | Extra Capacity (hcf/day) | Pressure Zone I | Pressure Zone II |
| 1 | **Residential** | | | | | | | | | 8,835 | 16,100 |
| 2 | Tier 1 | 359,356 | 985 | 1.08 | 1,063 | 79 | 2.21 | 2,178 | 1,115 | | |
| 3 | Tier 2 | 131,964 | 362 | 1.34 | 484 | 123 | 2.74 | 992 | 508 | | |
| 4 | Tier 3 | 134,059 | 367 | 1.94 | 713 | 345 | 3.97 | 1,460 | 747 | | |
| 5 | | | | | | | | | | | |
| 6 | **Com/Ind/Pub** | | | | | | | | | 1,052 | 989 |
| 7 | Tier 1 | 132,259 | 362 | 1.10 | 399 | 36 | 2.25 | 817 | 418 | | |
| 8 | Tier 2 | 40,138 | 110 | 1.89 | 208 | 98 | 3.87 | 426 | 218 | | |
| 9 | | | | | | | | | | | |
| 10 | **Agriculture** | 924,545 | 2,533 | 1.42 | 3,597 | 1,064 | 2.91 | 7,368 | 3,771 | 1,834 | 1,834 |
| 11 | Agriculture REQ | 53,892 | 148 | 1.08 | 159 | 12 | 2.21 | 327 | 167 | | |
| 12 | | | | | | | | | | | |
| 13 | **Temporary** | 4,397 | 12 | 1.30 | 16 | 4 | 2.66 | 32 | 16 | 93 | 93 |
| 14 | | | | | | | | | | | |
| 15 | **Total** | **1,780,610** | **4,878** | | **6,639** | **1,760** | | **13,599** | **6,961** | **7,994** | **8,649** |

# Equivalent Meters

Equivalent meter units are used to allocate meter-related costs appropriately and equitably. Larger meters have the capacity to impose larger demands on the system and are more expensive to install, maintain, and replace than smaller meters.

Equivalent meter units are based on meter hydraulic capacity and are calculated to represent the potential demand on the water system compared to a base meter size. A ratio of hydraulic capacity is calculated by dividing larger meter capacities by the base meter capacity based on the maximum safe operating flow rates in gallons per minute (gpm) at each size and type. The base meter in this study is the 3/4" meter, which is also the most common meter size.

**Table 4-5** shows the meter capacity, meter type, and the calculated capacity ratio at each meter size used in the study. The capacity in gpm is based on actual capacity ratings from the AWWA M1 Manual with confirmation provided by District staff. The capacity ratios (Column E) are calculated by dividing the capacity in gpm for each meter size (Column B) by the capacity in gpm for the 3/4" meter (Column C, Line 1).

**Table 4-5: Meter Capacity Ratio**

| A | B | C | D | E |
|---|---|---|---|---|
| Line | Meter Size | Capacity (gpm) | Meter Type | Capacity Ratio |
| 1 | 3/4" | 30 | Displacement | 1.00 |
| 2 | 1" | 50 | Displacement | 1.67 |
| 3 | 1 1/2" | 100 | Displacement | 3.33 |
| 4 | 2" | 160 | Displacement | 5.33 |
| 5 | 3" | 350 | Turbine | 11.67 |
| 6 | 4" | 630 | Turbine | 21.00 |
| 7 | 6" | 1,300 | Turbine | 43.33 |

**Table 4-6** shows the estimated equivalent meters for FY 2024. The number of total meters (Column H) is derived from the meter count projections for FY 2024. The meter counts at each size and class (**Table 2-9**) are multiplied by the capacity ratio (Column C) to arrive at the total number of equivalent meters (Column H).

**Table 4-6: Equivalent Meters (Meter Capacity)**

| A | B | C | D | E | F | G | H |
|---|---|---|---|---|---|---|---|
| Line | Meter Size | Capacity Ratio | Residential | Com/Ind/ Pub | Agriculture | Temporary | Total |
| 1 | 3/4" | 1.00 | 3,247 | 126 | 21 | 0 | 3,394 |
| 2 | 1" | 1.67 | 480 | 117 | 88 | 0 | 685 |
| 3 | 1 1/2" | 3.33 | 470 | 140 | 210 | 0 | 820 |
| 4 | 2" | 5.33 | 309 | 459 | 1,157 | 0 | 1,925 |
| 5 | 3" | 11.67 | 12 | 82 | 315 | 93 | 502 |
| 6 | 4" | 21.00 | 21 | 42 | 42 | 0 | 105 |
| 7 | 6" | 43.33 | 173 | 87 | 0 | 0 | 260 |
| 8 | **Total** | | **4,712** | **1,052** | **1,834** | **93** | **7,691** |

**Table 4-7** shows the estimated equivalents for FY 2024 on a DEQ basis. Recall, the District's SWP costs are recovered on the monthly meter-based service charges and MMR and Hospitality customers pay the SWP-fixed component not on a meter capacity equivalent basis, but rather on a dwelling unit equivalent basis. **Table 4-7** shows the calculation of DEQ meter equivalents. Other than Residential, all classes' total equivalents are the same as **Table 4-6**. For the Residential class, the SFR, MMR, and Hospitality counts in **Table 2-10** are summed and

then multiplied by the respective capacity ratio in **Table 4-7** (Column C). The number of total meter equivalents on a DEQ basis are shown in Column H.

### Table 4-7: Equivalent Meters (DEQ)

| A | B | C | D | E | F | G | H |
|---|---|---|---|---|---|---|---|
| Line | Meter Size | Capacity Ratio | Residential | Com/Ind/ Pub | Agriculture | Temporary | Total |
| 1 | 3/4" | 1.00 | 4,372 | 126 | 21 | 0 | 4,519 |
| 2 | 1" | 1.67 | 250 | 115 | 88 | 0 | 453 |
| 3 | 1 1/2" | 3.33 | 100 | 137 | 210 | 0 | 447 |
| 4 | 2" | 5.33 | 69 | 448 | 1,157 | 0 | 1,675 |
| 5 | 3" | 11.67 | 0 | 35 | 315 | 93 | 443 |
| 6 | 4" | 21.00 | 0 | 42 | 42 | 0 | 84 |
| 7 | 6" | 43.33 | 0 | 87 | 0 | 0 | 87 |
| 8 | **Total** | | **4,791** | **989** | **1,834** | **93** | **7,707** |

Like equivalent water meters, private fire lines and public fire hydrants are also converted to equivalent lines based on fire line capacities. **Table 4-9** shows the equivalent lines for private fire lines and public fire hydrants. Private fire lines are derived from the account projections in FY 2024 and public fire hydrant counts are provided by District staff.

### Table 4-8: Public and Private Fire Lines

| A | B | C | D |
|---|---|---|---|
| Line | Fire Line Size | Private Fire | Public Hydrants |
| 1 | 2" | 5 | 0 |
| 2 | 3" | 6 | 0 |
| 3 | 4" | 60 | 200 |
| 4 | 6" | 49 | 0 |
| 5 | 8" | 12 | 0 |
| 6 | 10" | 2 | 0 |
| 7 | **Total** | **134** | **200** |

**Table 4-9** derives the total fire equivalents within the water system. The fire line capacity ratios (Column C) are determined based on the Hazen-Williams equation for flow through pressurized conduits, as explained in the AWWA M1 Manual. The flow potential is dependent on the diameter of the fire line raised to the power of 2.63. The fire line capacity ratio is normalized based on the capacity of a 4" fire line to be consistent with the most common fire conduit. Column F shows the total equivalent fire lines in the system.

### Table 4-9: Equivalent Fire Lines

| A | B | C | D | E | F |
|---|---|---|---|---|---|
| Line | Fire Line Size | Fire Ratio | Private Fire | Public Hydrants | Total |
| 1 | 2" | 0.16 | 1 | 0 | 1 |
| 2 | 3" | 0.47 | 3 | 0 | 3 |
| 3 | 4" | 1.00 | 60 | 200 | 260 |
| 4 | 6" | 2.90 | 142 | 0 | 142 |
| 5 | 8" | 6.19 | 74 | 0 | 74 |
| 6 | 10" | 11.13 | 22 | 0 | 22 |
| 7 | **Total** | | **303** | **200** | **503** |
| 8 | ***Fire Allocation*** | | *60%* | *40%* | ***100%*** |

SWP costs are recovered from both potable water meters and private fire lines. Equivalency ratios are used to normalize potable water meters and private fire lines to allocate costs to both. **Table 4-10** shows the estimated private fire SWP equivalents for FY 2024. Private fire capacity ratios were provided by District staff. Column D shows the total private fire equivalents for allocating SWP costs.

**Table 4-10: Equivalent Meters for Private Fire**

| A | B | C | D |
|---|---|---|---|
| Line | Fire Line Size | Capacity Ratio | Private Fire |
| 1 | 2" | 1.00 | 5 |
| 2 | 3" | 2.25 | 14 |
| 3 | 4" | 4.00 | 240 |
| 4 | 6" | 9.00 | 468 |
| 5 | 8" | 16.00 | 208 |
| 6 | 10" | 25.00 | 50 |
| 7 | **Total** | | **985** |

# Operating Allocation

**Table 4-11** shows the allocation of operating expenses to each cost component, as developed from the District's O&M expense budget for FY 2024. O&M expenses are used in the cost of service analysis to allocate the operating revenue requirement from **Table 4-1** to the relative share of costs in each water system cost component. Raftelis worked with District staff to determine an appropriate allocation to each cost component based on the function of the expense incurred. Most functions have a one-to-one relationship with a system cost component, for example, State Water costs. Cater, Wells, and Storage are allocated on the Max Day basis as determined in **Table 4-2**. Distribution and Pumping is allocated on the Max Hour basis as determined in **Table 4-2**. Transmission & Distribution (T&D) uses the average max day/max hour allocation derived in **Table 4-2**. Certain engineering O&M expenses are allocated using the capital basis derived from the water system asset base. All other functional costs are allocated fully to the respective cost components.

**Appendix B** allocates the functionalized O&M budget to the respective cost components using the percentage basis in **Table 4-11**. The bottom row of **Appendix B** yields the percent of the total O&M budget allocated to each system cost component. These values are used to allocate the Operating portion of the District's total revenue requirement.

## Table 4-11: Functional Allocations

| A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | Q | R |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Line | Functions | Rationale | Meter | Fire | Custo-mer | SWP | Base | Max Day | Max Hour | Ground-water | Cachu ma | Treat ment | Pumpi ng | Conser-vation | CIP | Gen-eral | Total |
| 1 | Groundwater | Groundwater | | | | | | | | 100% | | | | | | | 100% |
| 2 | Lake Cachuma | Cachuma | | | | | | | | | 100% | | | | | | 100% |
| 3 | State Water | SWP | | | | 100% | | | | | | | | | | | 100% |
| 4 | Cater | Treatment MD | | | | | 61% | 39% | | | | | | | | | 100% |
| 5 | Distribution | Max Hour | | | | | 30% | 19% | 51% | | | | | | | | 100% |
| 6 | T&D | Avg. MD/MH | | | | | 45% | 29% | 26% | | | | | | | | 100% |
| 7 | Pumping | Max Hour | | | | | 30% | 19% | 51% | | | | | | | | 100% |
| 8 | Elevation Pumping | Pumping | | | | | | | | | | | 100% | | | | 100% |
| 9 | Wells | Max Day | | | | | 61% | 39% | | | | | | | | | 100% |
| 10 | Treatment | Treatment | | | | | | | | | | 100% | | | | | 100% |
| 11 | Storage | Max Day | | | | | 61% | 39% | | | | | | | | | 100% |
| 12 | Meters | Meter | 100% | | | | | | | | | | | | | | 100% |
| 13 | Billing | Customer | | | 100% | | | | | | | | | | | | 100% |
| 14 | Fire | Fire | | 100% | | | | | | | | | | | | | 100% |
| 15 | Conservation | Conservation | | | | | | | | | | | | 100% | | | 100% |
| 16 | Administration | General | | | | | 25% | | | | | | | | | 75% | 100% |
| 17 | Capital | Capital Costs | 21% | 1% | | | 35% | 21% | 12% | | | 1% | | | | 9% | 100% |
| 18 | General | General | 4% | 0% | 2% | 9% | 14% | 3% | 4% | 5% | 10% | 21% | 1% | 2% | | 27% | 100% |
| 19 | CIP | CIP | | | | | | | | | | | | | 100% | | 100% |

# Capital Allocation

## Capital Allocation – Agriculture and Municipal & Industrial

The District serves two distinct user groups: Agriculture and M&I. These two user groups require different levels of service, most notably treated water with specific water quality standards for M&I uses. An asset benefit analysis was used to ensure an equitable allocation and appropriate cost recovery from each group.

The analysis utilized the District's capitalized assets database. The assets were grouped into summarized categories. Next, different allocation bases were identified with which to distribute a group of assets value to Agriculture, M&I, or both. Once the distribution for all asset categories was completed, the total system value benefiting the two user classes was known and is used to allocate the total costs recovered through the District's two capital rate components: the M&I variable CIP charge and the Agricultural O&M charge. The following tables detail the asset benefit exercise to allocate capital costs, net of SWP debt which is recovered through the monthly meter-based fixed charge.

**Table 4-12** shows the various allocation bases for distributing the different asset categories between Agriculture and M&I. The bases include the number of customers, equivalent meters, average potable demand (by class), and average total demand (by class). Note Column C, Line 4 shows some potable demand for Agriculture which represents the average use of residential dwelling units across all Agricultural connections. Lines 8-11 of the table show the allocation basis in percentage terms.

**Table 4-12: Asset Benefit Allocations**

| A | B | C | D | E |
|---|---|---|---|---|
| Line | CIP Cost Allocation | Agriculture | M&I | Total |
| 1 | **Basis** | | | |
| 2 | Number of Customers | 383 | 4,083 | 4,466 |
| 3 | Equivalent Meters | 1,834 | 5,857 | 7,691 |
| 4 | Average Potable Demand | 53,892 | 802,173 | 856,065 |
| 5 | Average Total Demand | 924,545 | 802,173 | 1,726,718 |
| 6 | | | | |
| 7 | **Allocation** | | | |
| 8 | Number of Customers | 9% | 91% | 100% |
| 9 | Equivalent Meters | 24% | 76% | 100% |
| 10 | Average Potable Demand | 6% | 94% | 100% |
| 11 | Average Total Demand | 54% | 46% | 100% |

Raftelis worked with District staff to identify the most appropriate allocation basis for each asset category. Generally, water quality and water treatment categories are allocated using average potable demand; storage categories are allocated based on average total demand; operational and administrative facilities are allocated based on the number of customers in each user group; and smaller storage facilities, meters, pumping equipment, and distribution assets are allocated based on equivalent meters.

The results attribute 18% of capital costs to Agricultural users and the remaining 82% to M&I users. Agriculture's share is recovered by the Agricultural O&M charge and M&I's share by the variable CIP charge.

### Table 4-13: Capital Cost Allocation – Agriculture and M&I

| A | B | C | D | E | F |
|---|---|---|---|---|---|
| Line | Asset Category | Allocation Methodology | RCLD | Agriculture | M&I |
| 1 | Administration Building | Number of Customers | $286,022 | $24,529 | $261,493 |
| 2 | Carpinteria Reservoir | Avg. Total Demand | $0 | $0 | $0 |
| 3 | Carpinteria Reservoir - Water Quality | Avg. Potable Demand | $7,488,578 | $471,430 | $7,017,148 |
| 4 | Corrosion Control | Equivalent Meters | $18,499 | $4,410 | $14,088 |
| 5 | Office Equipment & Furniture | Number of Customers | $1,136,280 | $97,446 | $1,038,834 |
| 6 | Other Equipment & Tools | Number of Customers | $508,150 | $43,579 | $464,572 |
| 7 | Facility & Grounds Equipment | Number of Customers | $335,072 | $28,735 | $306,337 |
| 8 | Foothill Reservoir | Avg. Total Demand | $0 | $0 | $0 |
| 9 | Foothill Reservoir - Water Quality/System | Avg. Potable Demand | $11,909,907 | $749,767 | $11,160,141 |
| 10 | Headquarters Well | Avg. Total Demand | $2,875,846 | $1,539,829 | $1,336,017 |
| 11 | Headquarters Well - Treatment | Avg. Potable Demand | $824,512 | $51,906 | $772,607 |
| 12 | Hydrants | Number of Customers | $574,597 | $49,277 | $525,320 |
| 13 | Land | Number of Customers | $901,007 | $77,269 | $823,737 |
| 14 | Maintenance Center | Number of Customers | $1,076,989 | $92,362 | $984,627 |
| 15 | Meters & Services | Equivalent Meters | $8,715,623 | $2,077,954 | $6,637,668 |
| 16 | Ortega Reservoir Cover | Avg. Total Demand | $0 | $0 | $0 |
| 17 | Ortega Reservoir Cover - Water Quality | Avg. Potable Demand | $10,711,448 | $674,320 | $10,037,128 |
| 18 | Pumping Equipment | Equivalent Meters | $315,894 | $75,315 | $240,579 |
| 19 | Tanks & Reservoirs | Equivalent Meters | $523,489 | $124,809 | $398,680 |
| 20 | Transmission & Distribution | Equivalent Meters | $17,672,044 | $4,213,319 | $13,458,725 |
| 21 | Vehicles | Number of Customers | $1,412,401 | $121,126 | $1,291,274 |
| 22 | Wells | Avg. Total Demand | $4,971,341 | $2,661,830 | $2,309,511 |
| 23 | Wells - Treatment | Avg. Potable Demand | $274,239 | $17,264 | $256,975 |
| 24 | Wells - Groundwater Management | Avg. Total Demand | $360,908 | $193,243 | $167,665 |
| 25 | Wells - Water Quality | Avg. Potable Demand | $1,947,566 | $122,605 | $1,824,960 |
| 26 | Water Treatment Equipment | Avg. Potable Demand | $600,205 | $37,785 | $562,420 |
| 27 | **Total** | | **$75,440,617** | **$13,550,109** | **$61,890,508** |
| 28 | ***Percent of CIP Costs*** | | ***100%*** | ***18%*** | ***82%*** |

# Debt Allocations

The District's debt includes SWP repayment to Central Coast Water Authority (CCWA); SRF loan repayment for the District's share of Cater treatment facilities; and loan repayments for other water quality and meter infrastructure capital costs. The budgeted values are included in the Debt portion of the revenue requirement for the rate setting year, FY 2024.

**Table 4-14** shows the allocation of the District's debt revenue requirement. CCWA debt repayment is allocated directly to the SWP cost component. All remaining debt is allocated directly to the CIP cost component.

## Table 4-14: Debt Service Allocation

| A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | Q |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Line | Functions | Meter | Fire | Customer | SWP | Base | Max Day | Max Hour | Ground-water | Cach-uma | Treat-ment | Pumping | Conser-vation | CIP | General | Debt Service |
| 1 | Groundwater | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2 | Lake Cachuma | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 3 | State Water | $0 | $0 | $0 | $1,952,049 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $1,952,049 |
| 4 | Cater | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5 | Distribution | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 6 | T&D | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 7 | Pumping | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 8 | Elevation Pumping | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 9 | Wells | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 10 | Treatment | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 11 | Storage | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 12 | Meters | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 13 | Billing | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 14 | Fire | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 15 | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 16 | Administration | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 17 | Capital | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 18 | General | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 19 | CIP | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,805,867 | $0 | $2,805,867 |
| 20 | **Total** | **$0** | **$0** | **$0** | **$1,952,049** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$2,805,867** | **$0** | **$4,757,915** |
| 21 | ***Debt Allocation*** | ***0.0%*** | ***0.0%*** | ***0.0%*** | ***41%*** | ***0%*** | ***0%*** | ***0.0%*** | ***0.0%*** | ***0.0%*** | ***0.0%*** | ***0.0%*** | ***0.0%*** | ***59%*** | ***0.0%*** | ***100.0%*** |

## Revenue Offsets

The District generates a modest amount of non-rate revenue which reduces the total revenue required from rates. These non-rate revenues include categories of other operating and non-operating revenues. The revenue offsets are allocated to the water system cost components based on either the operating allocation (**Appendix B**) or the capital asset allocation (**Appendix A**), whichever is most appropriate. The percentage allocated to each cost component is used to allocate the revenue offsets between the various components.

## Table 4-15: Revenue Offsets

| A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | Q | R |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Line | Revenue Offsets | Allocation | Meter | Fire | Customer | SWP | Base | Max Day | Max Hour | Ground-water | Cachuma | Treatment | Pumping | Conser-vation | CIP | General | Revenue Offsets |
| 1 | Capital Cost Recovery | Capital | $31,184 | $2,056 | $0 | $0 | $52,444 | $31,096 | $17,259 | $0 | $0 | $2,148 | $0 | $0 | $0 | $13,814 | $150,000 |
| 2 | Misc Service Revenue | Operating | $2,983 | $58 | $2,009 | $7,279 | $11,755 | $2,755 | $3,585 | $3,991 | $8,138 | $17,932 | $643 | $1,325 | $0 | $22,548 | $85,000 |
| 3 | Other Income | Operating | $4,230 | $82 | $2,849 | $10,324 | $16,672 | $3,908 | $5,085 | $5,660 | $11,542 | $25,432 | $912 | $1,879 | $0 | $31,979 | $120,553 |
| 4 | Overhead Control | Operating | $3,509 | $68 | $2,363 | $8,564 | $13,830 | $3,242 | $4,218 | $4,695 | $9,574 | $21,096 | $756 | $1,559 | $0 | $26,527 | $100,000 |
| 5 | Interest | Operating | $1,754 | $34 | $1,181 | $4,282 | $6,915 | $1,621 | $2,109 | $2,348 | $4,787 | $10,548 | $378 | $779 | $0 | $13,264 | $50,000 |
| 6 | Asset Disposal | Capital | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 7 | Grant Revenue | Operating | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 8 | Interest-COP Funds Restricted | Capital | $1,060 | $70 | $0 | $0 | $1,783 | $1,057 | $587 | $0 | $0 | $73 | $0 | $0 | $0 | $470 | $5,100 |
| 9 | Contributed Capital | Capital | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 10 | **Total - Revenue Offsets** | | **$44,720** | **$2,367** | **$8,402** | **$30,448** | **$103,399** | **$43,679** | **$32,843** | **$16,694** | **$34,042** | **$77,228** | **$2,689** | **$5,542** | **$0** | **$108,601** | **$510,653** |
| 11 | ***Revenue Offset Allocation*** | | ***8.8%*** | ***0.5%*** | ***1.6%*** | ***5.9%*** | ***20.2%*** | ***8.6%*** | ***6.4%*** | ***3.3%*** | ***6.7%*** | ***15.1%*** | ***0.5%*** | ***1.1%*** | ***0.0%*** | ***21.3%*** | ***100.0%*** |

# Fire Service Allocation

Peak capacity, as represented by Max Day and Max Hour, also includes capacity required to meet demands for firefighting. Max Day and Max Hour costs encompass capacity required to meet peak customer demands, public fire service, and private fire service. **Table 4-16** derives the allocation of Max Day and Max Hour costs to these three components, as outlined in the M1 Manual. The Max Hour fire capacity assumes a three hour fire with 3,000 gpm of capacity required.

The total Max Day capacity demanded for fire (Column C, Line 4) is calculated as follows, with letters representing columns and numbers representing rows:

*C2 kgal/min * 60 min/hour * C1 hours * 1000 gal/kgal * 1 hcf/748 gal*

The Max Hour capacity demanded for fire represents the additional capacity needed above Max Day capacity demanded for fire. Thus, the calculation multiplies the Max Hour capacity by 24 hours to convert it into Max Day increments to subtract the Max Day capacity demanded for fire (Column C, Line 4). The total Max Hour capacity demanded for fire (Column D, Line 4) is calculated as follows:

*[D2 kgal/min * 60 min/hour * 24 hours/day * 1000 gal/kgal * 1 hcf/748 gal] - C4 hcf/day*

Public fire hydrants account for a portion of the total fire capacity (Line 5) based on the proportionate share of the equivalent fire lines (**Table 4-9**, Column E, Line 8). The total capacity demanded for fire (Line 4) is multiplied by the public fire allocation (Line 5) to determine the additional capacity required for public fire service (Line 8). The remaining capacity demanded for fire is allocated to private fire service (Line 9). The customer demand capacity is equal to the Max Day and Max Hour demand for all other customers (**Table 4-4**, Columns G and J, Line 15). The proportion of system capacity for each of these components (Lines 13-17) is later used to allocate Max Day and Max Hour costs across the different cost components.

**Table 4-16: Fire Capacity Estimate**

| A | B | C | D |
|---|---|---|---|
| Line | Fire Capacity Estimate | Max Day | Max Hour |
| 1 | Hours for Fire | 3 | |
| 2 | kgals/min | 3 | 3 |
| 3 | | | |
| 4 | **Capacity Demanded for Fire (hcf/day)** | **722** | **5,053** |
| 5 | Allocation to Public Fire | 39.8% | 39.8% |
| 6 | | | |
| 7 | **System Capacity** | | |
| 8 | Public Fire Capacity | 287 | 2,011 |
| 9 | Private Fire Capacity | 435 | 3,042 |
| 10 | Customer Demand Capacity | 1,760 | 6,961 |
| 11 | **Total** | **2,482** | **12,014** |
| 12 | | | |
| 13 | **Proportion of System Capacity** | | |
| 14 | Public Fire Capacity | 11.6% | 16.7% |
| 15 | Private Fire Capacity | 17.5% | 25.3% |
| 16 | Customer Demand Capacity | 70.9% | 57.9% |
| 17 | **Total** | **100.0%** | **100.0%** |

Note that costs to maintain public fire flows is included in the cost of service recovered from rates. This reflects that providing water in the volume and at the pressure required to operate fire hydrants that protect, and fire sprinklers in, structures is a statutory mandate of public water systems in California and such cost recovery is authorized by California Government Code sections 53069.9 and 53750.5. Moreover, charging water users for the portion of the cost of water service associated with fire flows appropriately assigns those costs to those who benefit from them. Sprinklers are within, and serve, structures served by water meters. Hydrants serve parcels improved with structures, as they are not suitable to address fire service calls involving individuals in need of medical aid or vehicle fires (which are fought with fire extinguishers) and are not typically used to fight wildland fires because hydrants rarely serve such land. The California Fire Code requires hydrants near structures, not elsewhere. Thus, those who pay water fees which recover fire flow costs also own or occupy structures protected by fire sprinklers and fire hydrants and therefore benefit from that service. Finally, fire hydrants are used to flush water mains periodically and serve a water-system function, as well as the fire suppression function noted here.

## Unit Cost and Allocation to Classes

**Table 4-17** shows the units of service. The units of service for the Base, Groundwater, Cachuma, and Conservation cost components are equal to total annual water usage. The units of service for Max Day and Max Hour are equal to the extra capacity demanded across all classes. Meter is based on meter capacity equivalents (EMUs), Fire is based on fire line equivalents, Customer is based on number of customer accounts billed, and SWP is based on DEQ equivalents. Lastly, Pumping is based on the estimated water use requiring elevation pumping.

## Table 4-17: Units of Service by Cost Component

| A | B | C | D | E | F | G | H | I | J | K | L | M | N |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Line | Customer Class | Meter | Fire | Customer | SWP | Base | Max Day | Max Hour | Ground-water | Cachuma | Treatment | Pumping | Conser-vation |
| 16 | **Total** | **92,292** | **3,630** | **55,200** | **92,488** | **1,780,610** | **1,760** | **6,961** | **1,780,610** | **1,780,610** | **856,065** | **197,827** | **1,780,610** |
| 17 | Units of Service | EMU/yr | EFL/yr | Bills/yr | EMU/yr | hcf | hcf/day | hcf/day | hcf | hcf | hcf | hcf | hcf |

**Table 4-19** shows the allocation of the revenue requirement to each cost component. Please note that the revenue requirement (Column Q, Lines 5, 9, and 11) is equal to the revenue required from rates (**Table 4-1**, Line 13). Operating expenses (Line 1) are derived from the operating revenue requirement (**Table 4-1**, Operating Line 15) and are allocated to each cost component based on the operating expense allocation in **Apppendix B**. Debt expenses (Line 2) are derived from the debt revenue requirement in **Table 4-1**, Line 5. Debt expenses are allocated to the system cost components based on the allocations derived in **Table 4-14**. Capital expenses (Line 3) are based on the capital revenue requirement (**Table 4-1**, Line 5) and are allocated directly to the CIP component. Revenue offsets (Line 4) are allocated based on the allocation percentages derived in **Table 4-15**.

Public fire costs (Line 6) are reallocated to Meter from Max Day and Max Hour based on the public fire protection of system capacity (**Table 4-16**, Line 14). Public fire service is a benefit shared by all customers and connections to the water system. Similarly, private fire costs (Line 7) are reallocated to the Private Fire cost component from Max Day and Max Hour based on the private fire proportion of system capacity (**Table 4-16**, Line 15). Lastly, General (indirect) costs (Line 10) are reallocated to all cost components based on their proportional share of total costs (Line 9).

The resulting allocation of costs (Line 11) are then divided by the units of service for each cost component (Line 13) to derive the unit cost per cost component (Line 16). Units of service in Line 13 are from Table 4-17 and are translated into annual terms where necessary (e.g., number of accounts multiplied by 12 to derive the number of bills per year subject to the Customer cost component).

**Table 4-20** shows the allocation of the revenue requirement to each customer class and tier based on the unit costs for each component (**Table 4-18**, Line 16). The unit costs for each cost component are multiplied by the units of service in each class and tier (**Table 4-17**). Please note that the total cost of service (Column P, Line 16) is equal to the total revenue required from rates (**Table 4-1**, Line 13).

## Table 4-18: Adjusted Cost of Services

| A | B | C | D | E | F | G | H | I | J | K | L | M | N | P | O | Q |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Line | Revenue Requirement | Meter | Fire | Customer | SWP | Base | Max Day | Max Hour | Ground-water | Cachuma | Treatment | Pumping | Conser-vation | General | CIP | Total |
| | Operating Expenses | $329,502 | $6,360 | $221,895 | $804,177 | $1,298,676 | $304,414 | $396,090 | $440,898 | $899,085 | $1,981,034 | $71,010 | $146,371 | $2,491,038 | | $9,390,551 |
| 1 | Debt Expenses | $0 | $0 | $0 | $1,952,049 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,805,867 | $4,757,915 |
| 2 | Capital Expenses | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $1,564,028 | $1,564,028 |
| 3 | Revenue Offsets | ($30,285) | ($1,603) | ($5,690) | ($20,620) | ($70,023) | ($29,580) | ($22,242) | ($11,305) | ($23,054) | ($52,300) | ($1,821) | ($3,753) | ($73,546) | $0 | ($345,821) |
| 4 | **Total - Cost of Service** | **$299,217** | **$4,758** | **$216,206** | **$2,735,606** | **$1,228,653** | **$274,835** | **$373,848** | **$429,593** | **$876,032** | **$1,928,734** | **$69,189** | **$142,618** | **$2,417,491** | **$4,369,895** | **$15,366,674** |
| 5 | Allocation of Public Fire Costs | $94,400 | | | | | ($31,813) | ($62,587) | | | | | | | | $0 |
| 6 | Allocation of Private Fire Costs | | $142,783 | | | | ($48,118) | ($94,665) | | | | | | | | $0 |
| 7 | Allocation of Fire Costs | $1,894 | ($1,894) | | | | | | | | | | | | | $0 |
| 8 | **Total - Cost of Service with Fire** | **$395,511** | **$145,647** | **$216,206** | **$2,735,606** | **$1,228,653** | **$194,903** | **$216,596** | **$429,593** | **$876,032** | **$1,928,734** | **$69,189** | **$142,618** | **$2,417,491** | **$4,369,895** | **$15,366,674** |
| 9 | Allocation of General Costs | $73,838 | $27,191 | $40,364 | $510,712 | $229,378 | $36,387 | $40,437 | $80,201 | $163,547 | $360,077 | $12,917 | $26,626 | ($2,417,491) | $815,819 | $0 |
| 10 | **Total - Adjusted Cost of Service** | **$469,349** | **$172,838** | **$256,569** | **$3,246,318** | **$1,458,031** | **$231,290** | **$257,033** | **$509,794** | **$1,039,579** | **$2,288,811** | **$82,106** | **$169,244** | **$0** | **$5,185,713** | **$15,366,674** |

## Table 4-19: Cost Allocations and Unit Rates

| | | Fixed | | | | Variable | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Cost Components | Cost of Service | Meter | Private Fire | Customer | SWP-Fixed | Base | Max Day | Max Hour | Groundwater | Cachuma | SWP-Variable | Treatment | Pumping | Conservation | CIP | Total |
| Base | $1,458,031 | 0% | | | | 100% | | | | | | | | | | 100% |
| Max Day | $231,290 | 0% | | | | | 100% | | | | | | | | | 100% |
| Max Hour | $257,033 | 0% | | | | | | 100% | | | | | | | | 100% |
| Groundwater | $509,794 | | | | | | | | 100% | | | | | | | 100% |
| Cachuma | $1,039,579 | | | | | | | | | 100% | | | | | | 100% |
| SWP | $3,246,318 | | | | 97% | | | | | | 3% | | | | | 100% |
| Treatment | $2,288,811 | | | | | | | | | | | 100% | | | | 100% |
| Pumping | $82,106 | | | | | | | | | | | | 100% | | | 100% |
| Conservation | $169,244 | | | | | | | | | | | | | 100% | | 100% |
| CIP | $5,185,713 | | | | | | | | | | | | | | 100% | 100% |
| Fire | $172,838 | | 100% | | | | | | | | | | | | | 100% |
| Meter | $469,349 | 100% | | | | | | | | | | | | | | 100% |
| Customer | $256,569 | | | 100% | | | | | | | | | | | | 100% |
| **Total** | **$15,366,674** | **$469,349** | **$172,838** | **$256,569** | **$3,134,913** | **$1,458,031** | **$231,290** | **$257,033** | **$509,794** | **$1,039,579** | **$111,405** | **$2,288,811** | **$82,106** | **$169,244** | **$5,185,713** | **$15,366,674** |
| | | $603,248 | $440,465 | $229,962 | $2,823,580 | $1,642,849 | $757,283 | $573,620 | $456,927 | $931,772 | $100,341 | $2,051,028 | $73,591 | $151,693 | $4,620,177 | $15,456,537 |
| **Units of Service** | | **92,292** | **3,630** | **55,200** | **92,488** | **1,780,610** | **1,760** | **6,961** | **1,780,610** | **1,780,610** | **1,780,610** | **856,065** | **197,827** | **1,780,610** | | |
| | | EMU/yr | EL/yr | bills/yr | EMU/yr | hcf | hcf/day | hcf/day | hcf | hcf | hcf | hcf | hcf | hcf | | |
| | | | | | | | | | | | | | | | | |
| **Unit Cost** | | **$5.09** | **$47.61** | **$4.65** | **$33.90** | **$0.82** | **$131.39** | **$36.93** | **$0.29** | **$0.58** | **$0.06** | **$2.67** | **$0.42** | **$0.10** | | |
| | | EMU | EL | bill | EMU | hcf | hcf/day | hcf/day | hcf | hcf | hcf | hcf | hcf | hcf | | |

## Table 4-20: Cost of Service, by Cost Component and Customer Class

| A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | R |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Line | Customer Class | Meter | Fire | Customer | SWP - Fixed | Base | Max Day | Max Hour | Ground-water | Cachuma | SWP - Variable | Treatment | Pumping | Conser-vation | CIP | Total |
| 1 | **Residential** | $287,574 | | $208,602 | $1,948,707 | | | | | | | | $10,993 | $59,441 | $3,405,608 | **$8,847,715** |
| 2 | *Tier 1* | | | | | $294,254 | $10,349 | $41,168 | $102,885 | $209,804 | $22,483 | $960,789 | | | | |
| 3 | *Tier 2* | | | | | $108,057 | $16,151 | $18,757 | $37,782 | $77,045 | $8,256 | $352,825 | | | | |
| 4 | *Tier 3* | | | | | $109,773 | $45,362 | $27,587 | $38,381 | $78,268 | $8,387 | $358,426 | | | | |
| 5 | | | | | | | | | | | | | | | | |
| 6 | **Com/Ind/Pub** | $64,179 | | $18,685 | $402,407 | | | | | | | | $543 | $16,386 | $811,833 | **$2,118,017** |
| 7 | *Tier 1* | | | | | $108,298 | $4,761 | $15,432 | $37,866 | $77,217 | $8,275 | $353,613 | | | | |
| 8 | *Tier 2* | | | | | $32,866 | $12,859 | $8,047 | $11,492 | $23,434 | $2,511 | $107,314 | | | | |
| 9 | | | | | | | | | | | | | | | | |
| 10 | **Agriculture** | $111,901 | | $21,362 | $745,836 | $757,053 | $139,781 | $139,261 | $264,700 | $539,780 | $57,845 | $0 | $70,571 | $87,876 | $931,421 | **$4,118,716** |
| 11 | *Agriculture REQ* | | | | | $44,129 | $1,552 | $6,174 | $15,429 | $31,464 | $3,372 | $144,088 | | $5,122 | | |
| 12 | | | | | | | | | | | | | | | | |
| 13 | **Temporary** | $5,696 | | $446 | $37,963 | $3,601 | $475 | $606 | $1,259 | $2,567 | $275 | $11,757 | $0 | $418 | $36,850 | **$101,913** |
| 14 | **Fire** | | $172,838 | $7,474 | $0 | | | | | | | | | | | **$180,312** |
| 15 | | | | | | | | | | | | | | | | |
| 16 | **Total** | **$469,349** | **$172,838** | **$256,569** | **$3,134,913** | **$1,458,031** | **$231,290** | **$257,033** | **$509,794** | **$1,039,579** | **$111,405** | **$2,288,811** | **$82,106** | **$169,244** | **$5,185,713** | **$15,366,674** |

# 5. Rate Design and Derivation

This section details the calculation of the proposed water rates developed in the Study. Numbers shown in the tables of this section are rounded. Therefore, hand calculations based on the displayed numbers, such as summing or multiplying, may not equal the exact results shown in this report. All rates shown in this section are rounded up to the nearest cent.

## Monthly Meter Charges

**Table 5-1** shows the monthly meter charge calculation, which consists of the Meter, SWP, and Customer cost components. As identified earlier, the Meters cost component is derived based on total equivalent meter capacity units. The Meter unit cost (**Table 4-18**, Column C, Line 16) is multiplied by the capacity ratio for each meter size (Column C) to accurately recover the share of costs by meter size. Similarly, the SWP unit cost (**Table 4-18**, Column F, Line 16) is multiplied by the ratio for each meter size (Column C) to appropriately reflect the share of cost by meter size. All MFR and Hospitality connections' SWP component is at the DEQ unit cost determined in the COS using the DEQ ratio (**Table 3-2**). Customer costs do not vary with meter size and therefore the Customer unit cost (**Table 4-18**, Column E, Line 16) is applied uniformly across all meter sizes. These components are added together to derive at the total proposed monthly meter charge for FY 2024 (Column G). Note that this cost is shown on the District's rate schedule (and later in this section) as two charges: the Basic Service Chage which combines the Meter and Customer components; and the SWP Service Charge.

**Table 5-1: Monthly Meter Charge Calculation (Basic and SWP)**

| A | B | C | D | E | F | G | H | I |
|---|---|---|---|---|---|---|---|---|
| Line | Meter Size | Capacity Ratio | Meter | SWP | Customer | Proposed Charge | Current Charge | Difference ($) |
| 1 | 3/4" | 1.00 | $5.09 | $33.90 | $4.65 | $43.63 | $42.03 | $1.60 |
| 2 | 1" | 1.67 | $8.48 | $56.49 | $4.65 | $69.62 | $67.37 | $2.25 |
| 3 | 1 1/2" | 3.33 | $16.95 | $112.98 | $4.65 | $134.58 | $130.72 | $3.86 |
| 4 | 2" | 5.33 | $27.12 | $180.78 | $4.65 | $212.55 | $206.74 | $5.81 |
| 5 | 3" | 11.67 | $59.33 | $395.45 | $4.65 | $459.43 | $447.48 | $11.95 |
| 6 | 4" | 21.00 | $106.80 | $711.81 | $4.65 | $823.25 | $802.25 | $21.00 |
| 7 | 6" | 43.33 | $220.37 | $1,468.80 | $4.65 | $1,693.82 | $1,651.17 | $42.65 |
| 8 | MFR – Individual | | $5.09 | $15.80 | $4.65 | $25.53 | $25.28 | $0.25 |
| 9 | MFR – MMR | | Depends on Size | $15.80 | $4.65 | | | |
| 10 | Hospitality | | Depends on Size | $8.60 | $4.65 | | | |

## Monthly Private Fire Charges

Table 5-2 shows the calculation of the monthly private fire charge. The Private Fire unit cost (**Table 4-18**, Column D, Line 16) is multiplied by the fire ratio (Column C), at each line size to arrive at the Private Fire cost for each fire line size. Like the monthly meter charge calculation, Customer costs do not vary between customer types or meter sizes; therefore, the Customer unit cost is applied uniformly across all line sizes. These two components are added together to derive the proposed monthly private fire service charge for FY 2024 (Column G).

Table 5-2: Monthly Private Fire Charge Calculation

| A | B | C | D | G | H | I | J |
|---|---|---|---|---|---|---|---|
| Line | Fire Line Size | Fire Ratio | Private Fire | Customer | Proposed Charge | Current Charge | Difference ($) |
| 1 | 2" | 0.16 | $7.69 | $4.65 | $12.34 | $15.32 | ($2.98) |
| 2 | 3" | 0.47 | $22.34 | $4.65 | $26.99 | $36.85 | ($9.86) |
| 3 | 4" | 1.00 | $47.61 | $4.65 | $52.26 | $73.99 | ($21.73) |
| 4 | 6" | 2.90 | $138.31 | $4.65 | $142.95 | $207.27 | ($64.32) |
| 5 | 8" | 6.19 | $294.73 | $4.65 | $299.38 | $437.16 | ($137.78) |
| 6 | 10" | 11.13 | $530.04 | $4.65 | $534.68 | $782.97 | ($248.29) |

# Water Usage Rate Components

The District's water usage rates consist of five different cost components: Base, Peaking (the combination of Max Day and Max Hour cost components), Supply (which includes Groundwater and Cachuma), SWP-Variable costs, Treatment, and Conservation. The following section presents the derivations of the Peaking, Supply, and Conservation components by customer class and tier. The Base, SWP -Variable, and Treatment components are uniform for each unit of water, regardless of class or tier, and are derived directly in **Table 4-18** (Column G, Line 16 for Base and Column L, Line 13 for Treatment) and **Table 4-19** (for SWP – Variable).

**Table 5-3** shows the Peaking unit cost calculation. Max Day and Max Hour costs (**Table 4-20**, Columns H and I) are summed together for each customer class and tier to determine total peaking costs (Column D). Peaking costs are divided by annual use (Column C) to determine the Peaking unit cost (Column E) for each class and tier.

Table 5-3: Peaking Unit Cost Calculation

| A | B | C | D | E |
|---|---|---|---|---|
| Line | Customer Class | Annual Use (hcf) | Peaking Costs | Peaking Unit Cost |
| 1 | **Residential** | | | |
| 2 | Tier 1 | 359,356 | $51,517 | $0.14 |
| 3 | Tier 2 | 131,964 | $34,909 | $0.26 |
| 4 | Tier 3 | 134,059 | $72,949 | $0.54 |
| 5 | | | | |
| 6 | **Com/Ind/Pub** | | | |
| 7 | Base | 132,259 | $20,193 | $0.15 |
| 8 | Peak | 40,138 | $20,906 | $0.52 |
| 9 | | | | |
| 10 | **Agriculture** | 924,545 | $279,041 | $0.30 |
| 11 | Agriculture REQ[9] | 53,892 | $7,726 | $0.14 |
| 12 | | | | |
| 13 | **Temporary** | 4,397 | $1,081 | $0.25 |
| 14 | | | | |
| 15 | **Total** | **1,780,610** | **$488,323** | |

**Table 5-4** shows the supply cost calculation for the water use rates. The District receives water from three sources: the SWP, Lake Cachuma, and groundwater from the Carpinteria Basin. SWP fixed supply costs are recovered on the fixed charges, only SWP variable costs are recovered on the water use rates. Lake Cachuma and groundwater supply costs are recovered from the variable water use rates and differentiated as local supplies.

[9] Agriculture REQ peaking costs are captured in the Agriculture REQ calculation in Table 5-9.

District staff provided estimated delivery/production amounts for FY 2024 (Line 1). The estimated water demand (Column E, Line 4) is allocated to each source of supply based on the proportion of estimated delivery/production (Line 2). The water supply costs (Line 5) are derived from the District's operating budget and include the indirect General cost allocation in **Table 4-18**. The unit cost for each source (Line 6) is calculated by dividing the supply costs (Line 5) by the estimated annual use (Line 4) of each source.

**Table 5-4: Water Supply Costs by Source**

| A | B | C | D | E |
|---|---|---|---|---|
| Line | Water Sources | Cachuma | Groundwater | Total |
| 1 | AFY Estimate | 2,512 | 1,000 | **3,512** |
| 2 | Percent of Total | 72% | 28% | 100% |
| 3 | | | | |
| 4 | Annual Use (hcf) | 1,273,603 | 507,007 | 1,780,610 |
| 5 | Total Cost of Service | $1,039,579 | $509,794 | $1,549,372 |
| 6 | **Unit Rate ($/hcf)** | **$0.82** | **$1.01** | **$0.87** |

**Table 5-5** shows the allocation of water supply to each class and tier. Water supply from each of the two local sources is allocated to each customer class equally based on their proportion of total water use.

**Table 5-5: Water Supply Allocation**

| A | B | C | D | E |
|---|---|---|---|---|
| Line | Customer Class | Annual Use (hcf) | Cachuma | Groundwater |
| 1 | **Residential** | | | |
| 2 | Tier 1 | 359,356 | 257,034 | 102,322 |
| 3 | Tier 2 | 131,964 | 94,389 | 37,575 |
| 4 | Tier 3 | 134,059 | 95,887 | 38,172 |
| 5 | **Total - Residential** | **625,379** | **447,310** | **178,069** |
| 6 | | | | |
| 7 | **Com/Ind/Pub** | | | |
| 8 | Base | 132,259 | 94,600 | 37,659 |
| 9 | Peak | 40,138 | 28,709 | 11,429 |
| 10 | **Total - Com/Ind/Pub** | **172,396** | **123,309** | **49,088** |
| 11 | | | | |
| 12 | **Agriculture** | 924,545 | 661,292 | 263,253 |
| 13 | | | | |
| 14 | **Temporary** | 4,397 | 3,145 | 1,252 |
| 15 | | | | |
| 16 | **Total** | **1,780,610** | **1,273,603** | **507,007** |

**Table 5-6** shows the Supply unit cost for each customer class and tier. The amount of water available from each source is allocated to each customer class equally based on proportion of water usage (**Table 5-5**), however, *within* the Residential customer class, Tier 1 receives the least expensive source of water first to promote affordability of water for essential water uses. Cachuma is the cheapest source. Allocating the cheapest source of water for the lower tiers aligns with Article X, Section 2 of the California Constitution, which mandates that water resources are allocated to beneficial use; indoor use for public health and safety (which is represented by Tier 1) is the most essential use of water.

Demand in both Residential Tier 2 and Com/Ind/Pub Base is greater than the volume of groundwater available and so a portion of groundwater supply is required to meet demand in those tiers, yielding a blended supply rate. Demand in Residential Tier 3 along with the Peak tier demand for the Com/Ind/Pub class is supplied with

groundwater alone. The uniform classes for Agriculture and Temporary service represent a blended rate, derived in **Table 5-4**. The average supply cost for all classes (**Table 5-6**, Lines 5, 10, 12, and 14) are equal as intended.

### Table 5-6: Supply Unit Cost Calculation

| A | B | C | D | E | F |
|---|---|---|---|---|---|
| Line | Customer Class | Annual Use (hcf) | Cachuma | Groundwater | Supply Unit Cost |
| 1 | **Residential** | | | | |
| 2 | Tier 1 | 359,356 | 359,356 | 0 | $0.82 |
| 3 | Tier 2 | 131,964 | 87,954 | 44,010 | $0.88 |
| 4 | Tier 3 | 134,059 | 0 | 134,059 | $1.01 |
| 5 | **Total - Residential** | **625,379** | **447,310** | **178,069** | **$0.87** |
| 6 | | | | | |
| 7 | **Com/Ind/Pub** | | | | |
| 8 | Tier 1/Base | 132,259 | 123,309 | 8,950 | $0.83 |
| 9 | Tier 2/Peak | 40,138 | 0 | 40,138 | $1.01 |
| 10 | **Total - Com/Ind/Pub** | **172,396** | **123,309** | **49,088** | **$0.87** |
| 11 | | | | | |
| 12 | **Agriculture** | 924,545 | 661,292 | 263,253 | $0.87 |
| 13 | | | | | |
| 14 | **Temporary** | 4,397 | 3,145 | 1,252 | $0.87 |
| 15 | | | | | |
| 16 | **Total** | **1,780,610** | **1,273,603** | **507,007** | **$0.87** |

**Table 5-7** shows the Conservation unit cost calculation. Conservation costs (**Table 4-20**, Column N) are summed together for all customers at the class level. For Residential customers, Conservation costs are entirely allocated to Tier 3 since that tier represents use greater than the average summertime outdoor irrigation demands of the class. Com/Ind/Pub class Conservation cost responsibility is recovered entirely in the Peak tier. The unit rate of Conservation costs for each class is equal as intended.

### Table 5-7: Conservation Unit Cost Calculation

| A | B | C | D | E | F |
|---|---|---|---|---|---|
| Line | Customer Class | Annual Use (hcf) | Applied Usage | Conservation Costs | Conservation Unit Cost |
| 1 | **Residential** | | | | |
| 2 | Tier 1 | 359,356 | 0% | $0 | $0.00 |
| 3 | Tier 2 | 131,964 | 0% | $0 | $0.00 |
| 4 | Tier 3 | 134,059 | 100% | $59,441 | $0.44 |
| 5 | **Total - Residential** | **625,379** | | **$59,441** | **$0.10** |
| 6 | | | | | |
| 7 | **Com/Ind/Pub** | | | | |
| 8 | Tier 1 | 132,259 | 0% | $0 | $0.00 |
| 9 | Tier 2 | 40,138 | 100% | $16,386 | $0.41 |
| 10 | **Total - Com/Ind/Pub** | **172,396** | | **$16,386** | **$0.10** |
| 11 | | | | | |
| 12 | **Agriculture** | 924,545 | 100% | $87,876 | $0.10 |
| 14 | | | | | |
| 15 | **Temporary** | 4,397 | 100% | $418 | $0.10 |
| 16 | | | | | |
| 17 | **Total** | **1,780,610** | | **$169,244** | **$0.10** |

## Water Usage Rates

**Table 5-8** shows the water usage rate calculation for all customer classes and tiers based on the following unit costs:

- Base (**Table 4-18**, Column G, Line 16)
- Peaking (**Table 5-3**, Column E)
- Supply (**Table 5-6**, Column F and **Table 4-19**)
- Treatment (**Table 4-18**, Column L, Line 16)
- Conservation (**Table 5-7**, Column F)

The proposed rates in Column H are the sum of the five rate components in Columns C through G. All rates are rounded to the nearest penny.

## Table 5-8: Water Usage Rate Calculation

| A | B | C | D | E | F | G | H | I | J | |
|---|---|---|---|---|---|---|---|---|---|---|
| Line | Customer Class | Base | Peaking | Supply | SWP-Variable | Treatment | Conserv-ation | Proposed Rate ($/hcf) | Current Rate ($/hcf) | Difference ($) |
| 1 | **Residential** | | | | | | | | | |
| 2 | Tier 1 | $0.82 | $0.14 | $0.82 | $0.06 | $2.67 | $0.00 | $4.51 | $3.26 | $1.25 |
| 3 | Tier 2 | $0.82 | $0.26 | $0.88 | $0.06 | $2.67 | $0.00 | $4.70 | $4.93 | ($0.23) |
| 4 | Tier 3 | $0.82 | $0.54 | $1.01 | $0.06 | $2.67 | $0.44 | $5.55 | $5.67 | ($0.12) |
| 5 | | | | | | | | | | |
| 6 | **Com/Ind/Pub** | | | | | | | | | |
| 7 | Base | $0.82 | $0.15 | $0.83 | $0.06 | $2.67 | $0.00 | $4.54 | $3.76 | $0.78 |
| 8 | Peak | $0.82 | $0.52 | $1.01 | $0.06 | $2.67 | $0.41 | $5.49 | $6.06 | ($0.57) |
| 9 | | | | | | | | | | |
| 10 | **Agriculture** | $0.82 | $0.30 | $0.87 | $0.06 | $0.00 | $0.10 | $2.15 | $2.02 | $0.13 |
| 11 | **Temporary** | $0.82 | $0.25 | $0.87 | $0.06 | $2.67 | $0.10 | $4.77 | $3.76 | $1.01 |

# Agriculture REQ Charge

**Table 5-9** shows the calculation for the proposed Agricultural REQ charge based on the cost of service analysis. Estimated annual residential use on Agricultural connections (9 hcf per dwelling unit per month) is multiplied by the uniform Agricultural water use rate to determine the amount of rate revenue generated at the Agricultural water use rate (Line 3). Next, the calculated amount is subtracted from the REQ cost of service (**Table 4-20**, Column P, Line 11) to determine the net amount of revenue required from REQ charges (Line 7). Lastly the REQ requirement (Line 7) is divided by the number of residential dwelling units and the number of billing periods to yield the monthly REQ charge. The monthly charge is rounded up to the nearest cent.

**Table 5-9: Agriculture REQ Charge Calculation**

| A | B | C |
|---|---|---|
| Line | Agriculture REQ Charge | Calculation |
| 1 | Annual Use (hcf) | 53,892 |
| 2 | Agriculture Rate ($/hcf) | $2.15 |
| 3 | **Amount Charged at Ag Rate** | **$115,782** |
| 4 | | |
| 5 | Cost of Service | $251,330 |
| 6 | Less Charged at Ag Rate | ($115,782) |
| 7 | **REQ Requirement** | **$135,548** |
| 8 | | |
| 9 | Dwelling Units | 499 |
| 10 | **Monthly Ag REQ Charge ($/unit)** | **$22.64** |

# Pressure Zone Surcharge

The District incurs electrical power costs associated with serving customers in higher elevation zones. The District is categorized into three zones: Base zone, Pressure Zone I and Pressure Zone II. The District applies a surcharge on all units delivered to Pressure Zone I and Pressure Zone II to recover costs from the customers served. **Table** 5-10 shows the calculation of the pressure zone surcharges for Pressure Zone I and II. The power (Pumping) costs derived in the cost of service (Line 2) are allocated based on the percentage of O&M costs for each zone, which was provided by District staff. Then costs are divided by the units of water delivered in each zone. Units pumped to Zone II must first go through Zone I, therefore the units of water delivered to Zone I (Column C, Line 4) is equal to all units pumped to both pressure zones (**Table 4-17**, Column M). The units of water delivered to Zone II (Column D, Line 4) is equal to the units pumped only through Zone II.

The resulting rate is the incremental cost of pumping. Pressure Zone I customers pay only the incremental cost to deliver water to Pressure Zone I. Pressure Zone II customers pay the sum of the incremental costs (Line 5) for water that are elevated first to Pressure Zone I and then through Pressure Zone II. The District applies the proposed surcharge as an additional uniform rate to a customer's water use rate if they are served in the two upper zones.

**Table 5-10: Pressure Zone Surcharge Calculation**

| A | B | C | D |
|---|---|---|---|
| Line | Pressure Zone Surcharge | Pressure Zone I | Pressure Zone II |
| 1 | Cost of Service | $64,157 | $17,949 |
| 2 | Usage (hcf) | 197,827 | 53,593 |
| 3 | Unit Cost | $0.32 | $0.33 |
| 4 | **Surcharge** | **$0.32** | **$0.66** |

## Capital Charges

Capital charges recover the costs of non-SWP debt service as well as PAYGO capital. The total capital costs to be recovered are derived in **Table 4-18**, Column O, Line 11. This total is apportioned between Agricultural and M&I user classes based on the cost allocation derived in

**Table** 4-13, Line 28. Agricultural customers capital costs are recovered from the Ag O&M charge while M&I customers capital costs are recovered from the variable CIP charges.

**Table 5-11** derives the Agricultural O&M Charge cost per equivalent meter. The total Agricultural capital cost allocation (**Table 4-20**, Column O, Line 10) is divided by the total number of annual EMUs (**Table 4-6**, Column F, Line 8 multiplied by 12 months) **Table 4-10** to yield the unit cost per EMU per month. An EMU is equal to a 3/4" meter.

### Table 5-11: Agricultural O&M Unit Cost

| A | B | C |
|---|---|---|
| Line | Agricultural O&M Charge | Calculation |
| 1 | Agriculture CIP Costs | $931,421 |
| 2 | Annual Agriculture EMUs | 22,004 |
| 3 | **Unit Cost per EMU per month** | **$42.33** |

**Table 5-12** derives the proposed Agricultural O&M charges. The Agricultural O&M unit cost (**Table 5-11**, Column C, Line 3) is multiplied by the capacity ratio at each meter size (Column C) to accurately recover the share of costs by meter size.

### Table 5-12: Agricultural O&M Charge Calculation

| A | B | C | D | E | F |
|---|---|---|---|---|---|
| Line | Agricultural O&M Charge | Meter Capacity Ratio | Proposed Ag O&M Charge | Current Ag O&M Charge | Difference ($) |
| 1 | 3/4" | 1.00 | **$42.33** | $40.54 | $1.79 |
| 2 | 1" | 1.67 | **$70.55** | $67.56 | $2.99 |
| 3 | 1 1/2" | 3.33 | **$141.10** | $135.11 | $5.99 |
| 4 | 2" | 5.33 | **$225.76** | $216.18 | $9.58 |
| 5 | 3" | 11.67 | **$493.85** | $472.88 | $20.97 |
| 6 | 4" | 21.00 | **$888.92** | $851.18 | $37.74 |
| 7 | 6" | 43.33 | **$1,834.28** | $1,756.41 | $77.87 |

**Table 5-13** derives the proposed variable CIP charge for all M&I customers (SFR, MMR, and Com/Ind/Pub, and Temporary). Total capital costs to be recovered from M&I classes (**Table 4-20**, Column O, Lines 1, 6, and 13) are divided by the estimated annual use subject to the charge.

### Table 5-13: M&I CIP Charge Calculation

| A | B | C |
|---|---|---|
| Line | Variable CIP Charge | Calculation |
| 1 | **Non-Agriculture CIP Costs** | **$4,254,292** |
| 2 | 5-Year Average Use[10] (hcf) | 762,985 |
| 3 | **Proposed CIP Charge ($/hcf)** | **$5.58** |
| 4 | Current Charge ($/hcf) | $4.63 |
| 5 | Difference ($) | $0.95 |

[10] Represents billing units subject to the CIP charge with a minimum charge for 4 hcf and maximum charge for 125 hcf.

# Rate Schedule

**Table 5-14** through **Table 5-21** show the proposed rate schedules for all rates for FY 2024 through FY 2026. Proposed FY 2024 rates reflect the cost of service rates, inclusive of the overall 7.5 percent revenue increase. Proposed FY 2025 and FY 2026 rates are increased by 7.5 percent each year, across all rates and charges.

### Table 5-14: Proposed Basic Service Charge Schedule

| Basic Service Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| 3/4" | $9.61 | $9.74 | $10.48 | $11.27 |
| 1" | $13.35 | $13.13 | $14.12 | $15.18 |
| 1 1/2" | $22.68 | $21.60 | $23.22 | $24.97 |
| 2" | $33.87 | $31.70 | $34.08 | $36.64 |
| 3" | $69.32 | $63.68 | $68.46 | $73.60 |
| 4" | $121.57 | $110.80 | $119.11 | $128.05 |
| 6" | $246.59 | $223.56 | $240.33 | $258.36 |

### Table 5-15: Proposed State Water Project Service Charge Schedule

| SWP Service Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| 3/4" | $32.42 | $33.90 | $36.45 | $39.19 |
| 1" | $54.02 | $56.50 | $60.74 | $65.30 |
| 1 1/2" | $108.04 | $112.99 | $121.47 | $130.59 |
| 2" | $172.87 | $180.78 | $194.34 | $208.92 |
| 3" | $378.16 | $395.45 | $425.11 | $457.00 |
| 4" | $680.68 | $711.81 | $765.20 | $822.59 |
| 6" | $1,404.58 | $1,468.81 | $1,578.98 | $1,697.41 |
| MFR - Individual | $15.67 | $15.80 | $16.99 | $18.27 |
| MFR - MMR (per dwelling unit) | $15.67 | $15.80 | $16.99 | $18.27 |
| Hospitality | | $8.61 | $9.26 | $9.96 |

### Table 5-16: Proposed Fire Service Charge Schedule

| Fire Service Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| 2" | $15.32 | $12.34 | $13.27 | $14.27 |
| 3" | $36.85 | $27.00 | $29.03 | $31.21 |
| 4" | $73.99 | $52.27 | $56.20 | $60.42 |
| 6" | $207.27 | $142.96 | $153.69 | $165.22 |
| 8" | $437.16 | $299.39 | $321.85 | $345.99 |
| 10" | $782.97 | $534.69 | $574.80 | $617.91 |

### Table 5-17: Proposed Water Use Rate Schedule

| Consumption Charges | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| Residential | | | | |
| Tier 1 | $3.26 | $4.52 | $4.86 | $5.23 |
| Tier 2 | $4.93 | $4.70 | $5.06 | $5.44 |
| Tier 3 | $5.67 | $5.55 | $5.97 | $6.42 |
| | | | | |
| Com/Ind/Pub | | | | |
| Tier 1 | $3.76 | $4.54 | $4.89 | $5.26 |
| Tier 2 | $6.06 | $5.49 | $5.91 | $6.36 |
| | | | | |

| | | | | |
|---|---|---|---|---|
| Temporary | $3.76 | $4.77 | $5.13 | $5.52 |
| | | | | |
| Agriculture | $2.02 | $2.15 | $2.32 | $2.50 |

### Table 5-18: Proposed Agriculture REQ Charge Schedule

| Agriculture Residential Equivalency Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| Rate per dwelling unit | $17.24 | $22.64 | $24.34 | $26.17 |

### Table 5-19: Proposed M&I CIP Charge Schedule

| M&I CIP Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| Rate per hcf | $4.63 | $5.58 | $6.00 | $6.45 |

### Table 5-20: Proposed Agriculture O&M Charge Schedule

| Agriculture O&M Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| 3/4" | $40.54 | $42.32 | $45.50 | $48.92 |
| 1" | $67.56 | $70.54 | $75.84 | $81.53 |
| 1 1/2" | $135.11 | $141.07 | $151.66 | $163.04 |
| 2" | $216.18 | $225.71 | $242.64 | $260.84 |
| 3" | $472.88 | $493.74 | $530.78 | $570.59 |
| 4" | $851.18 | $888.72 | $955.38 | $1,027.04 |
| 6" | $1,756.41 | $1,833.87 | $1,971.42 | $2,119.28 |

### Table 5-21: Proposed Pressure Zone Charge Schedule

| Pressure Zone Charge | Current FY 2023 | Proposed FY 2024 | Proposed FY 2025 | Proposed FY 2026 |
|---|---|---|---|---|
| Pressure Zone I | $0.24 | $0.33 | $0.36 | $0.39 |
| Pressure Zone II | $0.49 | $0.66 | $0.71 | $0.77 |

## Customer Impacts

**Table 5-22** shows the monthly bill impacts at various levels of usage for a SFR customer with a 3/4" meter. Almost all SFR connections are 3/4". The median and average SFR bill is 7 hcf and 11 hcf per month, respectively. A median use bill will experience a $15.59 increase to their charges and an average use bill will experience a $18.47 increase compared to their current charges.

### Table 5-22: Residential Customer Impacts

| A | B | C | D | E | F |
|---|---|---|---|---|---|
| Line | Residential Customer Impacts | Usage (hcf) | Current Monthly Bill | Proposed Monthly Bill | Difference ($) |
| 1 | Very Low Use (15th percentile) | 3 | $79.59 | $79.52 | ($0.07) |
| 2 | Low Use (30th percentile) | 5 | $86.11 | $94.14 | $8.03 |
| 3 | Median Use (50th percentile) | 7 | $98.93 | $114.52 | $15.59 |
| 4 | Average Use | 11 | $137.17 | $155.64 | $18.47 |

| | | | | | |
|---|---|---|---|---|---|
| 5 | High Use (80th percentile) | 14 | $165.85 | $186.48 | $20.63 |
| 6 | Very High Use (95th percentile) | 29 | $318.87 | $351.73 | $32.86 |

# 6. Drought Rates

## Background

Raftelis developed updated drought rates, also referred to as drought surcharges, as part of this Study. The District adopted its existing Water Shortage Contingency Plan in 2020 as part of the Urban Water Management Plan (UWMP) update. The plan details the voluntary and/or mandated reductions by drought stage. The resulting drought rates align with Proposition 218 requirements and allow the District to reliably recover the necessary revenue to fully fund the water system during times of reduced water demand. While some tables in this section show all stages of drought and the respective use and revenue loss implications, drought rates are only shown for Stages 1 and 2. Within the three-year rate adoption cycle the District does not anticipate declaring any shortage greater than Stage 2.

## Process and Approach

Drought rates are governed by the requirements of Proposition 218 and Article X of the California Constitution. The development of drought rates must show a nexus between the costs of providing water service and the rates charged to customers.

Drought rates are designed to recover lost revenue due to reduction in water use during each state, to incorporate the potential changes to the District's water supply sources and their corresponding costs, to align with specific drought stages outlined in the 2020 Water Shortage Contingency Plan, and to provide financial flexibility for the District when declaring drought stages and implementing the appropriate drought rates. The proposed drought rates are based on the District's proposed water rates for FY 2024, which if adopted will go into effect July 1, 2023.

There are four steps to calculate drought rates, which include:

1. Allocating water reductions between various customer classes based on defined stages
2. Calculating financial impacts (i.e., the net revenue loss) to the District at each stage
3. Determining the most appropriate drought cost recovery mechanism (rate structure)
4. Evaluating financial impacts to customers

## Drought Allocations and Costs

This section details the water usage allocations and financial impacts of each drought stage, which results in the total amount of revenue to be collected from drought rates in each stage. Numbers shown in the tables of this section are rounded. Therefore, hand calculations based on the displayed numbers, such as summing or multiplying, may not equal the exact results shown in this report.

### Water Allocations

The first step in the development of drought rates involves allocating water usage reductions between the District's customer classes based on the drought stages defined in the Water Shortage Contingency Plan. **Table 6-1** shows the water usage reduction percentages by customer class for drought stages 1 through 6.

**Table 6-1: Drought Stages and Demand Reduction**

| A | B | C | D | E | F | G | H | I |
|---|---|---|---|---|---|---|---|---|
| Line | Water Reduction | Baseline | Stage 1 | Stage 2 | Stage 3 | Stage 4 | Stage 5 | Stage 6 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 1 | Residential | 0% | 10% | 20% | 30% | 40% | 50% | 60% |
| 2 | Commercial, Industrial, & Public Authority | 0% | 10% | 20% | 30% | 40% | 50% | 60% |
| 3 | Agricultural Irrigation | 0% | 10% | 20% | 30% | 40% | 50% | 60% |

Once the water reductions are determined, water use by customer class, at each drought stage, is calculated. **Table 6-2** shows the estimated water use in hcf at each stage of shortage. These reductions align with the percent reductions for each class. Note, however, that for purposes of estimating revenue loss it is assumed that higher and more discretionary water use is reduced first (i.e. Tiers 2 and 3 Residential and Peak for Commercial, Industrial, and Public Authority). The baseline water demands total approximately 4,000 AF (Column C), as determined in the Water Shortage Contingency Plan. The total usage reduction in each stage remains consistent with the target reductions in **Table 6-1.**

**Table 6-2: Estimated Water Usage by Stage**

| A | B | C | D | E | F | G | H | I |
|---|---|---|---|---|---|---|---|---|
| Line | Water Sales (hcf) | Baseline | Stage 1 | Stage 2 | Stage 3 | Stage 4 | Stage 5 | Stage 6 |
| 1 | Residential | | | | | | | |
| 2 | Tier 1 (6 hcf) | 359,356 | 359,356 | 359,356 | 359,356 | 359,356 | 304,643 | 244,753 |
| 3 | Tier 2 (next 10 hcf) | 131,964 | 131,964 | 131,698 | 71,809 | 11,920 | 6,744 | 5,398 |
| 4 | Tier 3 (>16 hcf) | 134,059 | 71,521 | 9,249 | 6,600 | 3,952 | 1,303 | 0 |
| 5 | | | | | | | | |
| 6 | Commercial, Industrial, & Public Authority | | | | | | | |
| 7 | Base | 132,259 | 132,259 | 132,259 | 120,677 | 103,438 | 86,198 | 68,959 |
| 8 | Peak | 40,138 | 22,898 | 5,658 | 0 | 0 | 0 | 0 |
| 9 | | | | | | | | |
| 10 | Agricultural Irrigation | 941,947 | 847,752 | 753,558 | 659,363 | 565,168 | 470,974 | 376,779 |
| 11 | | | | | | | | |
| 12 | Temporary | 4,397 | 3,958 | 3,518 | 3,078 | 2,638 | 2,199 | 1,759 |
| 13 | | | | | | | | |
| 14 | **Total Water Sales** | **1,744,120** | **1,569,708** | **1,395,296** | **1,220,884** | **1,046,472** | **872,060** | **697,648** |
| 15 | *% Reduction* | *0%* | *10%* | *20%* | *30%* | *40%* | *50%* | *60%* |

## Financial Impacts

The next step in calculating drought rates is to determine the financial impacts to the District during each stage of drought. The cost implications of droughts consider the following:

- Reduced variable charge revenue due to water usage reductions in each drought stage
- Potential changes to operating costs, which include avoided costs of purchasing and producing less supply

For the District, the most significant financial consequence is the loss of consumption-based revenue, the severity of which depends on the drought stage. The water shortage cost analysis uses proposed FY 2024 water usage rates (**Table 1-5**) to calculate variable charge revenue estimates for Stages 1 through 6. FY 2024 rates are proposed for implementation on July 1, 2023. **Table 6-3** shows the water usage rate revenue projections for Stages 1 through 6 compared to the Baseline scenario. This is calculated for each customer class and tier based on the proposed FY 2024 water use rates.

### Table 6-3: Difference in Water Use Revenue

| A | B | C | D | E | F | G | H |
|---|---|---|---|---|---|---|---|
| Line | Projected Water Use Revenues | Stage 1 | Stage 2 | Stage 3 | Stage 4 | Stage 5 | Stage 6 |
| 1 | Residential | | | | | | |
| 2 | Tier 1 (6 hcf) | $1,624,289 | $1,624,289 | $1,624,289 | $1,624,289 | $1,624,289 | $1,376,985 |
| 3 | Tier 2 (next 10 hcf) | $620,231 | $620,231 | $618,983 | $337,503 | $56,023 | $31,696 |
| 4 | Tier 3 (>16 hcf) | $744,027 | $396,942 | $51,331 | $36,631 | $21,931 | $7,232 |
| 5 | | | | | | | |
| 6 | Commercial, Industrial, & Public Authority | | | | | | |
| 7 | Base | $600,455 | $600,455 | $600,455 | $547,876 | $469,608 | $391,340 |
| 8 | Peak | $220,356 | $125,710 | $31,065 | $0 | $0 | $0 |
| 9 | | | | | | | |
| 10 | Agricultural Irrigation | $2,103,640 | $1,893,276 | $1,682,912 | $1,472,548 | $1,262,184 | $1,051,820 |
| 11 | | | | | | | |
| 12 | Temporary | $20,975 | $18,877 | $16,780 | $14,682 | $12,585 | $10,487 |
| 13 | | | | | | | |
| 14 | **Total Usage Revenue** | **$5,933,973** | **$5,279,781** | **$4,625,814** | **$4,033,530** | **$3,446,621** | **$2,869,560** |
| 15 | *Revenue Loss* | *$0* | *$654,193* | *$1,308,159* | *$1,900,444* | *$2,487,353* | *$3,064,413* |

**Table 6-4** shows the cost savings at Stage 1 and Stage 2[11]. Because the District produces less water at each stage, variable unit costs associated with purchasing and producing water is avoided at each drought stage.

### Table 6-4: Cost Savings

| A | B | C | D | E |
|---|---|---|---|---|
| Line | Cost Savings | Baseline | Stage 1 | Stage 2 |
| 1 | Water Supply Costs | $3,985,403 | $3,985,403 | $3,800,769 |
| 2 | Cost Savings | | $184,634 | $375,363 |

**Table 6-5** shows the total drought costs for Stages 1 and 2, which include the variable revenue loss (**Table 6-3**) and water supply cost savings (**Table 6-4**). The total drought costs are apportioned to fixed and variable drought surcharge components. Two-thirds of the drought cost is recovered from fixed charges and one-third recovered from variable rates.

### Table 6-5: Total Drought Costs

| A | B | C | D |
|---|---|---|---|
| Line | Drought Costs | Stage 1 | Stage 2 |
| 1 | Lost Revenue | $893,399 | $1,833,820 |
| 2 | O&M Savings | ($184,634) | ($375,363) |
| 3 | **Total Drought Cost** | **$708,766** | **$1,458,457** |

[11] The remaining tables only show results for Stages 1 and 2. Within the three-year rate adoption cycle the District does not anticipate declaring any shortage greater than Stage 2

## Drought Rate Structure

Drought rates are designed to recover the financial impacts due to droughts and are intended as a revenue-generating mechanism. Because of this, drought rates are subject to Proposition 218 requirements, which requires a nexus between the costs of drought and the drought rates charged to the District's customers.

After determining the drought costs, by stage, the next step is to determine the drought cost recovery mechanism, or rate structure, that best meets the needs of the District and its customers. Based on direction provided by District staff and the Board of Directors, a hybrid approach was selected. The fixed drought rate is charged by meter size and the variable rate is calculated as a proportion of drought rate cost recovery. The variable rates are proportionate to base water use rates and therefore vary by class and tier. This combination of both fixed and variable drought rates improves revenue stability for the District while still allowing customers some degree of control over their water charges during a declared shortage.

## Drought Rate Calculation

The fixed drought rate is calculated based on the number of equivalent meters. **Table 6-6** shows the calculation of the number of equivalent meters (Column E) by multiplying the number of meters (Column C) with the AWWA capacity ratio (Column D) for each meter size. The total fixed drought cost for each stage, shown in **Table 6-7**, is divided by the total number of equivalent meters (**Table 6-6**, Column E, Line 8) to derive the annual revenue to be recovered by a 3/4" meter. This rate is then divided by the number of annual bills (12) to calculate the charge per bill for a 3/4" meter. The rate for the 3/4" meter is multiplied by the AWWA capacity ratio to calculate the fixed charge per bill by meter size, shown in **Table 6-8**.

**Table 6-6: Fixed Units of Service**

| A | B | C | D | E |
|---|---|---|---|---|
| Line | Fixed Units of Service - Meter Size | Number of Meters | AWWA Capacity Ratio | Number of Equivalent Meters |
| 1 | 3/4" | 3,335 | 1.00 | 3,335 |
| 2 | 1" | 413 | 1.67 | 688 |
| 3 | 1 1/2" | 248 | 3.33 | 827 |
| 4 | 2" | 364 | 5.33 | 1,941 |
| 5 | 3" | 43 | 11.67 | 502 |
| 6 | 4" | 5 | 21.00 | 105 |
| 7 | 6" | 6 | 43.33 | 260 |
| 8 | **Total** | **4,414** | | **7,658** |

**Table 6-7: Fixed Drought Revenue Requirement**

| A | B | C | D |
|---|---|---|---|
| Line | Fixed Drought Revenue Requirement | Stage 1 | Stage 2 |
| 1 | Requirement by Stage | $463,853 | $954,490 |

**Table 6-8: Proposed Fixed Drought Charges**

| A | B | C | D |
|---|---|---|---|
| Line | Proposed Fixed Drought Rates | Stage 1 | Stage 2 |

| | | | |
|---|---|---|---|
| 1 | 3/4" | $5.05 | $10.39 |
| 2 | 1" | $8.41 | $17.31 |
| 3 | 1 1/2" | $16.83 | $34.62 |
| 4 | 2" | $26.92 | $55.40 |
| 5 | 3" | $58.89 | $121.18 |
| 6 | 4" | $106.00 | $218.12 |
| 7 | 6" | $218.73 | $450.09 |

The variable drought rate is calculated as a proportion of the base water use rates. This proportion is calculated by dividing the variable portion of the drought rate revenue requirement with the total expected revenue at each stage. **Table 6-9** shows this calculation with the drought rate proportion shown in Line 3. Once the drought rate proportion has been determined for each drought stage, the variable drought rates are calculated by multiplying the drought rate percentage with the base water use rates (**Table 1-5**). **Table 6-10** shows the proposed variable drought rates for each stage.

**Table 6-9: Variable Rate Proportion Calculation**

| A | B | C | D |
|---|---|---|---|
| Line | Variable Rate Proportions | Stage 1 | Stage 2 |
| 1 | Total Revenue | $5,279,781 | $4,625,814 |
| 2 | Drought Rate Revenue Requirement | $5,524,693 | $5,129,781 |
| 3 | Drought Rate Percentage | 5% | 11% |

**Table 6-10: Proposed Variable Drought Rates**

| A | B | C | D |
|---|---|---|---|
| Line | Proposed Variable Drought Rates | Stage 1 | Stage 2 |
| 1 | Residential | | |
| 2 | Tier 1 (6 hcf) | $0.21 | $0.50 |
| 3 | Tier 2 (next 10 hcf) | $0.22 | $0.52 |
| 4 | Tier 3 (>16 hcf) | $0.26 | $0.61 |
| 5 | Commercial, Industrial, & Public Authority | | |
| 6 | Base | $0.22 | $0.50 |
| 7 | Peak | $0.26 | $0.60 |
| 8 | | | |
| 9 | Agricultural Irrigation | $0.10 | $0.24 |
| 10 | Temporary | $0.23 | $0.52 |

# Drought Rate Schedule

**Table 6-11** and **Table 6-12** show the proposed Drought Rate schedule for FY 2024 through FY 2026.

**Table 6-11: Stage 1 Drought Rates**

| Stage 1 Drought Rates | FY 2024 | FY 2025 | FY 2026 |
|---|---|---|---|
| **Fixed Rates** | | | |
| 3/4" | $5.05 | $5.43 | $5.84 |

| | | | |
|---|---|---|---|
| 1" | $8.42 | $9.06 | $9.74 |
| 1 1/2" | $16.83 | $18.10 | $19.46 |
| 2" | $26.93 | $28.95 | $31.13 |
| 3" | $58.89 | $63.31 | $68.06 |
| 4" | $106.00 | $113.95 | $122.50 |
| 6" | $218.73 | $235.14 | $252.78 |
| | | | |
| **Commodity Rates** | | | |
| **Base Consumption Charge** | | | |
| Residential | | | |
| Tier 1 (6 HCF) | $0.21 | $0.23 | $0.25 |
| Tier 2 (next 10 HCF) | $0.22 | $0.24 | $0.26 |
| Tier 3 (>16 HCF) | $0.26 | $0.28 | $0.31 |
| Commercial, Industrial, & Public Authority | | | |
| Base | $0.22 | $0.24 | $0.26 |
| Peak | $0.26 | $0.28 | $0.31 |
| Agricultural Irrigation | | | |
| Uniform Rate | $0.10 | $0.11 | $0.12 |
| Temporary | $0.23 | $0.25 | $0.27 |

**Table 6-12: Stage 2 Drought Rates**

| Stage 2 Drought Rates | FY 2024 | FY 2025 | FY 2026 |
|---|---|---|---|
| **Fixed Rates** | | | |
| 3/4" | $10.39 | $11.17 | $12.01 |
| 1" | $17.32 | $18.62 | $20.02 |
| 1 1/2" | $34.63 | $37.23 | $40.03 |
| 2" | $55.40 | $59.56 | $64.03 |
| 3" | $121.18 | $130.27 | $140.05 |
| 4" | $218.12 | $234.48 | $252.07 |
| 6" | $450.09 | $483.85 | $520.14 |
| | | | |
| **Commodity Rates** | | | |
| **Base Consumption Charge** | | | |
| Residential | | | |
| Tier 1 (6 HCF) | $0.50 | $0.54 | $0.59 |
| Tier 2 (next 10 HCF) | $0.52 | $0.56 | $0.61 |
| Tier 3 (>16 HCF) | $0.61 | $0.66 | $0.71 |
| Commercial, Industrial, & Public Authority | | | |
| Base | $0.50 | $0.54 | $0.59 |
| Peak | $0.60 | $0.65 | $0.70 |
| Agricultural Irrigation | | | |
| Uniform Rate | $0.24 | $0.26 | $0.28 |
| Temporary | $0.52 | $0.56 | $0.61 |

# Appendices

## Appendix A

Water system asset valuation, functionalization, and allocation to system cost components.

**Capital Asset Allocation**

| Capital Assets | Function | Base | Max Day | Max Hour | Groundwater | Cachuma | SWP | Treatment | Pumping | Conservation | CIP | Fire | Meter | Customer | Offset | General | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Percentage Allocation** | | | | | | | | | | | | | | | | | |
| Administration Building | Administration | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 100% |
| Carpinteria Reservoir | Storage | 61% | 39% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Corrosion Control | Distribution | 30% | 19% | 51% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Office Equipment & Furniture | Administration | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 100% |
| Other Equipment & Tools | T&D | 45% | 29% | 26% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Facility & Grounds Equipment | General | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 100% |
| Foothill Reservoir | Storage | 61% | 39% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Headquarters Well | Wells | 61% | 39% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Hydrants | Fire | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 100% |
| Land | General | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 100% |
| Maintenance Center | General | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 100% |
| Meters & Services | Meters | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 100% |
| Ortega Reservoir Cover | Storage | 61% | 39% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Pumping Equipment | Pumping | 30% | 19% | 51% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Tanks & Reservoirs | Storage | 61% | 39% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Transmission & Distribution | T&D | 45% | 29% | 26% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Vehicles | General | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 100% |
| Wells | Wells | 61% | 39% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Water Treatment Equipment | Treatment | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| | | | | | | | | | | | | | | | | | |
| **Dollar Allocation** | | | | | | | | | | | | | | | | | RCLD |
| Administration Building | Administration | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $287,747 | $287,747 |
| Carpinteria Reservoir | Storage | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Corrosion Control | Distribution | $5,214 | $3,389 | $9,020 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $17,623 |
| Office Equipment & Furniture | Administration | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $1,044,267 | $1,044,267 |
| Other Equipment & Tools | T&D | $214,404 | $139,362 | $121,673 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $475,439 |
| Facility & Grounds Equipment | General | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $313,928 | $313,928 |
| Foothill Reservoir | Storage | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Headquarters Well | Wells | $1,601,619 | $1,041,053 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,642,672 |
| Hydrants | Fire | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $529,126 | $0 | $0 | $0 | $0 | $529,126 |
| Land | General | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $830,255 | $830,255 |
| Maintenance Center | General | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $1,002,467 | $1,002,467 |
| Meters & Services | Meters | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $8,072,215 | $0 | $0 | $0 | $8,072,215 |
| Ortega Reservoir Cover | Storage | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Pumping Equipment | Pumping | $88,940 | $57,811 | $153,867 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $300,618 |
| Tanks & Reservoirs | Storage | $294,511 | $191,432 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $485,944 |
| Transmission & Distribution | T&D | $7,229,769 | $4,699,350 | $4,102,858 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $16,031,977 |
| Vehicles | General | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $1,276,254 | $1,276,254 |
| Wells | Wells | $2,786,397 | $1,811,158 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $4,597,556 |
| Water Treatment Equipment | Treatment | $0 | $0 | $0 | $0 | $0 | $0 | $614,144 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $614,144 |
| **Total - Capital Assets** | | **$12,220,855** | **$7,943,556** | **$4,387,418** | **$0** | **$0** | **$0** | **$614,144** | **$0** | **$0** | **$0** | **$529,126** | **$8,072,215** | **$0** | **$0** | **$4,754,919** | **$38,522,233** |
| | | | | | | | | | | | | | | | | | |
| **Capital Cost Allocation** | | **31.7%** | **20.6%** | **11.4%** | **0.0%** | **0.0%** | **0.0%** | **1.6%** | **0.0%** | **0.0%** | **0.0%** | **1.4%** | **21.0%** | **0.0%** | **0.0%** | **12.3%** | **100.0%** |

# Appendix B

| O&M Expenses | Function | Base | Max Day | Max Hour | Groundwater | Cachuma | SWP | Treatment | Pumping | Conservation | CIP | Fire | Meter | Customer | Offset | General | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Percentage Allocation** | | | | | | | | | | | | | | | | | |
| Maint of Wells-Labor | Groundwater | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Water Tests & Treatment-Labor | Groundwater | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Electrical/Instrumentation-Labor | Pumping | 30% | 19% | 51% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Engineering Labor-Office | Capital | 35% | 21% | 12% | 0% | 0% | 0% | 1% | 0% | 0% | 0% | 1% | 21% | 0% | 0% | 9% | 100% |
| Engineering- Vacation, Sick, & Holidays | Capital | 35% | 21% | 12% | 0% | 0% | 0% | 1% | 0% | 0% | 0% | 1% | 21% | 0% | 0% | 9% | 100% |
| Field Labor-Office | Distribution | 30% | 19% | 51% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Field- Vacation, Sick, & Holidays | Distribution | 30% | 19% | 51% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Standby Labor | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Vehicle/Equipment Maint Labor | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Maint of Mains & Hydrants-Labor | T&D | 45% | 29% | 26% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Maint of Meters & Svcs-Labor | Meters | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 100% |
| Maint Pumping Equipment-Labor | Pumping | 30% | 19% | 51% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Utility Service Alerts-Labor | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Cross Connection Labor | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Engineering Field Labor | Capital | 35% | 21% | 12% | 0% | 0% | 0% | 1% | 0% | 0% | 0% | 1% | 21% | 0% | 0% | 9% | 100% |
| Maint Tanks & Reservoirs-Labor | Storage | 61% | 39% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Office of General Manager | Administration | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Office of GM-Vacation, Sick, & Holidays | Administration | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Salary Office | Administration | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Office-Vacation, Sick, & Holidays | Administration | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Labor-Training & Seminars | Administration | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Maint of Plant-Labor | Treatment | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Public Information-Labor | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Water Conservation Coord-BMP 12 | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Meter Reading/Customer Orders | Billing | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 100% |
| CGSA Labor Allocation | Administration | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Directors Fees | Administration | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Employee Retirement-PERS | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Deferred Compensation-Employees | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Employee Health Insurance | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Employee FICA & Medicare | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Workers Compensation | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Employee Safety Boots | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Employee Physicals | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Compensated Absences | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Employee Educ. & Training Registration | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Temporary Labor | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Unemployment Insurance | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Vehicle Allowance | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| GSA Benefits Allocation | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Office Expense & Supplies | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Computer System Maintenance | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Dues, Memberships & Licenses | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Employee Travel | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Misc. Office Expense | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Public Information Expense | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Advertising | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Meetings & Events | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Board Meetings and Supplies | Administration | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Board Member Training **NEW** | Administration | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Management Meeting Supplies | Administration | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Employee Relations Expense | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Software Maintenance | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Incode Maintenance | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Office Equipment Leases | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Customer Billing Expenses | Billing | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 100% |
| Bank and Finance Fees | Billing | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 100% |
| Cybersecurity Insurance **NEW** | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| *Pwr & Telephone for Pumping-PMP STN | Pumping | 30% | 19% | 51% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| *Pwr & Telephone for Pumping-PMP STN PZ I | Elevation Pumping | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| *Pwr & Telephone for Pumping-PMP STN PZ II | Elevation Pumping | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| *Power & Telephone for Pumping-Wells | Groundwater | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Electric | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Gas | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Telephone | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Waste Disposal | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Other Utilities | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Vehicle Fuel Expense | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Vehicle Allowance | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Security **NEW** | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| AMI Data Service **NEW** | Meters | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 100% |
| Engineering Services | Capital | 35% | 21% | 12% | 0% | 0% | 0% | 1% | 0% | 0% | 0% | 1% | 21% | 0% | 0% | 9% | 100% |
| Groundwater Professional Services | Wells | 61% | 39% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Siemens O&M Services | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Auditors Fees | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Legal-General | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Administrative Professional Services | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Legal-Labor Negotiator | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Cachuma Project Expenses | Lake Cachuma | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Renewal Fund - Cachuma Project | Lake Cachuma | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Maintenance of Pumping Equip | Pumping | 30% | 19% | 51% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Maintenance of Wells | Groundwater | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Maintenance of Vehicles & Equipment | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Maintenance of Mains & Hydrants | T&D | 45% | 29% | 26% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Maintenance of Tanks & Reservoirs | Storage | 61% | 39% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Maintenance of Meters & Services | Meters | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 100% |
| Maintenance of SCADA Equipment | Distribution | 30% | 19% | 51% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Badger Meter Reading Fees **NEW** | Billing | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 100% |
| Maintenance - Office, Plant & Sites | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Fleet Fuel & Maintenance | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Equipment Fuel Expense | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| MAINT-OFFICE,PLANT & SITES | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Fleet Vehicle Lease Expense | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Engineering Supplies & Expense | Capital | 35% | 21% | 12% | 0% | 0% | 0% | 1% | 0% | 0% | 0% | 1% | 21% | 0% | 0% | 9% | 100% |
| Cloudseeding | Lake Cachuma | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Uniforms Expense | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Safety Supplies & Equipment | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Minor Tools Supplies & Equipment | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Utility Service Alerts | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| MATERIAL INV SHORT-LONG | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| *CCWA - Variable | State Water | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| *DWR - Variable | State Water | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| *CCWA - Variable - DROUGHT IMPACT | State Water | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| *DWR - Variable - DROUGHT IMPACT | State Water | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| *Treatment - Cater Plant | Treatment | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Water Quality Analysis-Distribution | Groundwater | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Treatment - Wells | Groundwater | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |

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| Chlorination - Ortega Reservoir | Treatment | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Testing - Production Meters | Groundwater | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| COMB Operating | Lake Cachuma | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| COMB Operating - DROUGHT IMPACT | Lake Cachuma | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| COMB-Safety of Dam (M & I) | Lake Cachuma | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| COMB Fisheries | Lake Cachuma | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Carpinteria GSA Expenses | Groundwater | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Wtr Cons BMP 1 Wtr Srvy Prg | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Wtr Cons BMP 3 Residential | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Wtr Cons BMP 5 Landscape (CII) | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Wtr Cons BMP 2.1 Public Inf | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Wtr Cons BMP 2.2 School Edu | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Wtr Cons BMP 4 CII | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Wtr Cons BMP 1.4 Wtr Loss Contr | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Conservation Program | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Wtr Cons BMP A3A On-Farm Evals | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Wtr Cons BMP B3-On Farm Impr | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Wtr Cons District Members | Conservation | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| CAPP O&M Costs | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| CCWA Operating Expense | State Water | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Regulatory Permitting Fees | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| LAFCO | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Insurance General | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| District Election Expense | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Uncollectable Accounts | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| Cachuma - Calculated | Lake Cachuma | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| ID#1 Exchange - Calculated | State Water | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Groundwater - Calculated | Groundwater | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| CAPP - Calculated | General | 25% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 75% | 100% |
| State Water - Calculated - Fixed | State Water | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| State Water - Calculated - Variable | State Water | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |
| Supplemental - Calculated | State Water | 0% | 0% | 0% | 0% | 0% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 100% |

**Dollar Allocation**

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Maint of Wells-Labor | Groundwater | $0 | $0 | $0 | $88,329 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $88,329 |
| Water Tests & Treatment-Labor | Groundwater | $0 | $0 | $0 | $88,225 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $88,225 |
| Electrical/Instrumentation -Labor | Pumping | $9,660 | $6,279 | $16,712 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $32,652 |

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| Engineering Labor-Office | Capital | $77,485 | $45,943 | $25,500 | $0 | $0 | $0 | $3,173 | $0 | $0 | $0 | $3,038 | $46,074 | $0 | $0 | $20,410 | $221,621 |
| Engineering- Vacation, Sick, & Holidays | Capital | $32,468 | $19,251 | $10,685 | $0 | $0 | $0 | $1,330 | $0 | $0 | $0 | $1,273 | $19,306 | $0 | $0 | $8,552 | $92,866 |
| Field Labor-Office | Distribution | $43,914 | $28,544 | $75,972 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $148,430 |
| Field- Vacation, Sick, & Holidays | Distribution | $40,335 | $26,218 | $69,780 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $136,333 |
| Standby Labor | General | $16,750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $50,250 | $67,000 |
| Vehicle/Equipment Maint Labor | General | $2,692 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $8,075 | $10,766 |
| Maint of Mains & Hydrants-Labor | T&D | $77,888 | $50,627 | $44,201 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $172,717 |
| Maint of Meters & Svcs-Labor | Meters | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $138,178 | $0 | $0 | $0 | $138,178 |
| Maint Pumping Equipment-Labor | Pumping | $5,938 | $3,860 | $10,274 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $20,072 |
| Utility Service Alerts-Labor | General | $4,064 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $12,193 | $16,257 |
| Cross Connection Labor | General | $3,078 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $9,233 | $12,310 |
| Engineering Field Labor | Capital | $26,173 | $15,519 | $8,614 | $0 | $0 | $0 | $1,072 | $0 | $0 | $0 | $1,026 | $15,563 | $0 | $0 | $6,894 | $74,861 |
| Maint Tanks & Reservoirs-Labor | Storage | $7,605 | $4,944 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $12,549 |
| Office of General Manager | Administration | $45,630 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $136,891 | $182,521 |
| Office of GM-Vacation, Sick, & Holidays | Administration | $7,674 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $23,023 | $30,697 |
| Salary Office | Administration | $163,500 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $490,500 | $654,000 |
| Office-Vacation, Sick, & Holidays | Administration | $34,603 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $103,808 | $138,411 |
| Labor-Training & Seminars | Administration | $14,947 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $44,842 | $59,789 |
| Maint of Plant-Labor | Treatment | $0 | $0 | $0 | $0 | $0 | $0 | $22,920 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $22,920 |
| Public Information-Labor | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $11,398 | $0 | $0 | $0 | $0 | $0 | $0 | $11,398 |
| Water Conservation Coord-BMP 12 | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $63,964 | $0 | $0 | $0 | $0 | $0 | $0 | $63,964 |
| Meter Reading/Customer Orders | Billing | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $51,257 | $0 | $0 | $51,257 |
| CGSA Labor Allocation | Administration | ($13,097) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | ($39,290) | ($52,387) |
| Directors Fees | Administration | $4,635 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $13,905 | $18,540 |
| Employee Retirement-PERS | General | $61,793 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $185,378 | $247,171 |
| Deferred Compensation-Employees | General | $11,207 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $33,620 | $44,827 |
| Employee Health Insurance | General | $110,750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $332,250 | $443,000 |
| Employee FICA & Medicare | General | $41,174 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $123,521 | $164,695 |
| Workers Compensation | General | $16,738 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $50,213 | $66,950 |
| Employee Safety Boots | General | $1,250 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $3,750 | $5,000 |
| Employee Physicals | General | $750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,250 | $3,000 |
| Compensated Absences | General | $15,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $45,000 | $60,000 |
| Employee Educ. & Training Registration | General | $7,571 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $22,712 | $30,282 |
| Temporary Labor | General | $3,219 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $9,656 | $12,875 |
| Unemployment Insurance | General | $2,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $6,000 | $8,000 |
| Vehicle Allowance | General | $1,500 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $4,500 | $6,000 |
| GSA Benefits Allocation | General | ($11,456) | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | ($34,369) | ($45,826) |

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| Office Expense & Supplies | General | $3,750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $11,250 | $15,000 |
| Computer System Maintenance | General | $20,510 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $61,530 | $82,040 |
| Dues, Memberships & Licenses | General | $6,829 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $20,487 | $27,316 |
| Employee Travel | General | $5,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $15,000 | $20,000 |
| Misc. Office Expense | General | $250 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $750 | $1,000 |
| Public Information Expense | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $20,000 | $0 | $0 | $0 | $0 | $0 | $20,000 |
| Advertising | General | $1,500 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $4,500 | $6,000 |
| Meetings & Events | General | $773 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,318 | $3,090 |
| Board Meetings and Supplies | Administration | $1,750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $5,250 | $7,000 |
| Board Member Training **NEW** | Administration | $1,313 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $3,940 | $5,253 |
| Management Meeting Supplies | Administration | $901 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,704 | $3,605 |
| Employee Relations Expense | General | $657 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $1,970 | $2,627 |
| Software Maintenance | General | $17,010 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $51,030 | $68,040 |
| Incode Maintenance | General | $14,490 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $43,470 | $57,960 |
| Office Equipment Leases | General | $4,635 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $13,905 | $18,540 |
| Customer Billing Expenses | Billing | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $97,850 | $0 | $0 | $97,850 |
| Bank and Finance Fees | Billing | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $31,930 | $0 | $0 | $31,930 |
| Cybersecurity Insurance **NEW** | General | $3,750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $11,250 | $15,000 |
| *Pwr & Telephone for Pumping-PMP STN | Pumping | $34,907 | $22,690 | $60,389 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $117,986 |
| *Pwr & Telephone for Pumping-PMP STN PZ I | Pumping Elevation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $55,522 | $0 | $0 | $0 | $0 | $0 | $0 | $55,522 |
| *Pwr & Telephone for Pumping-PMP STN PZ II | Pumping Elevation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $15,533 | $0 | $0 | $0 | $0 | $0 | $0 | $15,533 |
| *Power & Telephone for Pumping-Wells | Groundwater | $0 | $0 | $0 | $134,365 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $134,365 |
| Electric | General | $1,906 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $5,717 | $7,622 |
| Gas | General | $875 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,625 | $3,500 |
| Telephone | General | $10,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $30,000 | $40,000 |
| Waste Disposal | General | $919 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,758 | $3,677 |
| Other Utilities | General | $219 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $657 | $876 |
| Vehicle Fuel Expense | General | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Vehicle Allowance | General | $1,500 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $4,500 | $6,000 |
| Security **NEW** | General | $901 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,704 | $3,605 |
| AMI Data Service **NEW** | Meters | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Engineering Services | Capital | $22,726 | $13,475 | $7,479 | $0 | $0 | $0 | $931 | $0 | $0 | $0 | $891 | $13,513 | $0 | $0 | $5,986 | $65,000 |
| Groundwater Professional Services | Wells | $6,367 | $4,139 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $10,506 |
| Siemens O&M Services | General | $9,160 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $27,481 | $36,641 |
| Auditors Fees | General | $8,750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $26,250 | $35,000 |
| Legal-General | General | $19,313 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $57,938 | $77,250 |
| Administrative Professional Services | General | $16,250 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $48,750 | $65,000 |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Legal-Labor Negotiator | General | $3,750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $11,250 | $15,000 |
| Cachuma Project Expenses | Lake Cachuma | $0 | $0 | $0 | $0 | $240,680 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $240,680 |
| Renewal Fund - Cachuma Project | Lake Cachuma | $0 | $0 | $0 | $0 | $8,364 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $8,364 |
| Maintenance of Pumping Equip | Pumping | $6,709 | $4,361 | $11,607 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $22,678 |
| Maintenance of Wells | Groundwater | $0 | $0 | $0 | $32,819 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $32,819 |
| Maintenance of Vehicles & Equipment | General | $7,280 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $21,839 | $29,118 |
| Maintenance of Mains & Hydrants | T&D | $69,820 | $45,383 | $39,622 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $154,825 |
| Maintenance of Tanks & Reservoirs | Storage | $9,091 | $5,909 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $15,000 |
| Maintenance of Meters & Services | Meters | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $95,000 | $0 | $0 | $0 | $95,000 |
| Maintenance of SCADA Equipment | Distribution | $8,299 | $5,394 | $14,357 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $28,050 |
| Badger Meter Reading Fees **NEW** | Billing | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $41,000 | $0 | $0 | $41,000 |
| Maintenance - Office, Plant & Sites | General | $16,179 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $48,538 | $64,717 |
| Fleet Fuel & Maintenance | General | $9,193 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $27,578 | $36,771 |
| Equipment Fuel Expense | General | $1,750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $5,250 | $7,000 |
| MAINT-OFFICE,PLANT & SITES | General | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Fleet Vehicle Lease Expense | General | $27,578 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $82,735 | $110,313 |
| Engineering Supplies & Expense | Capital | $3,496 | $2,073 | $1,151 | $0 | $0 | $0 | $143 | $0 | $0 | $0 | $137 | $2,079 | $0 | $0 | $921 | $10,000 |
| Cloudseeding | Lake Cachuma | $0 | $0 | $0 | $0 | $13,366 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $13,366 |
| Uniforms Expense | General | $3,250 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $9,750 | $13,000 |
| Safety Supplies & Equipment | General | $3,824 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $11,471 | $15,294 |
| Minor Tools Supplies & Equipment | General | $5,894 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $17,683 | $23,577 |
| Utility Service Alerts | General | $700 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,100 | $2,800 |
| MATERIAL INV SHORT-LONG | General | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| *CCWA - Variable | State Water | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| *DWR - Variable | State Water | $0 | $0 | $0 | $0 | $0 | $94,586 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $94,586 |
| *CCWA - Variable - DROUGHT IMPACT | State Water | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| *DWR - Variable - DROUGHT IMPACT | State Water | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| *Treatment - Cater Plant | Treatment | $0 | $0 | $0 | $0 | $0 | $0 | $1,909,035 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $1,909,035 |
| Water Quality Analysis-Distribution | Groundwater | $0 | $0 | $0 | $30,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $30,000 |
| Treatment - Wells | Groundwater | $0 | $0 | $0 | $57,255 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $57,255 |
| Chlorination - Ortega Reservoir | Treatment | $0 | $0 | $0 | $0 | $0 | $0 | $43,697 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $43,697 |
| Testing - Production Meters | Groundwater | $0 | $0 | $0 | $10,187 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $10,187 |
| COMB Operating | Lake Cachuma | $0 | $0 | $0 | $0 | $456,504 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $456,504 |
| COMB Operating - DROUGHT IMPACT | Lake Cachuma | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| COMB-Safety of Dam (M & I) | Lake Cachuma | $0 | $0 | $0 | $0 | $34,407 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $34,407 |
| COMB Fisheries | Lake Cachuma | $0 | $0 | $0 | $0 | $146,339 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $146,339 |
| Carpinteria GSA Expenses | Groundwater | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Wtr Cons BMP 1 Wtr Srvy Prg | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,500 | $0 | $0 | $0 | $0 | $0 | $0 | $2,500 |
| Wtr Cons BMP 3 Residential | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $5,000 | $0 | $0 | $0 | $0 | $0 | $0 | $5,000 |
| Wtr Cons BMP 5 Landscape (CII) | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $5,000 | $0 | $0 | $0 | $0 | $0 | $0 | $5,000 |
| Wtr Cons BMP 2.1 Public Inf | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $21,321 | $0 | $0 | $0 | $0 | $0 | $0 | $21,321 |
| Wtr Cons BMP 2.2 School Edu | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $1,545 | $0 | $0 | $0 | $0 | $0 | $0 | $1,545 |
| Wtr Cons BMP 4 CII | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $3,000 | $0 | $0 | $0 | $0 | $0 | $0 | $3,000 |
| Wtr Cons BMP 1.4 Wtr Loss Contr | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,060 | $0 | $0 | $0 | $0 | $0 | $0 | $2,060 |
| Conservation Program | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,060 | $0 | $0 | $0 | $0 | $0 | $0 | $2,060 |
| Wtr Cons BMP A3A On-Farm Evals | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,575 | $0 | $0 | $0 | $0 | $0 | $0 | $2,575 |
| Wtr Cons BMP B3-On Farm Impr | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,575 | $0 | $0 | $0 | $0 | $0 | $0 | $2,575 |
| Wtr Cons District Members | Conservation | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $3,467 | $0 | $0 | $0 | $0 | $0 | $0 | $3,467 |
| CAPP O&M Costs | General | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| CCWA Operating Expense | State Water | $0 | $0 | $0 | $0 | $0 | $710,105 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $710,105 |
| Regulatory Permitting Fees | General | $10,905 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $32,714 | $43,619 |
| LAFCO | General | $3,090 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $9,270 | $12,360 |
| Insurance General | General | $20,600 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $61,800 | $82,400 |
| District Election Expense | General | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Uncollectable Accounts | General | $3,750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $11,250 | $15,000 |
| Cachuma - Calculated | Lake Cachuma | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| ID#1 Exchange - Calculated | State Water | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Groundwater - Calculated | Groundwater | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| CAPP - Calculated | General | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| State Water - Calculated - Fixed | State Water | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| State Water - Calculated - Variable | State Water | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Supplemental - Calculated | State Water | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **Total - O&M Expenses** | | **$1,299,506** | **$304,609** | **$396,343** | **$441,180** | **$899,660** | **$804,691** | **$1,982,300** | **$71,055** | **$146,465** | **$0** | **$6,364** | **$329,713** | **$222,037** | **$0** | **$2,492,629** | **$9,396,551** |
| **Operating Cost Allocation** | | **13.8%** | **3.2%** | **4.2%** | **4.7%** | **9.6%** | **8.6%** | **21.1%** | **0.8%** | **1.6%** | **0.0%** | **0.1%** | **3.5%** | **2.4%** | **0.0%** | **26.5%** | **100.0%** |