



Pico Water District

Water Rate Study Report

November 11, 2020



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS



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November 11, 2020

Pico Water District
4843 Church Street
Pico Rivera, CA 90660

Attention: Mark J. Grajeda, General Manager

Re: Water Rate Study

Bartle Wells Associates (BWA) is pleased to submit to Pico Water District (District) the attached Water Rate Study Report. The results of the study are a product of a collaborative process that included multiple Board meetings and closely working with District staff. Findings were presented at the Board meetings on October 5, 2020 and October 26, 2020. On October 26th the Board authorized the mailing of 218 notices and scheduled a public hearing for December 16, 2020 at 6:00 p.m.

This study presents BWA's analysis of the operating and non-operating expenses of the District's water fund and provides five-year cash flow projections and rates. The primary purpose of this study was to analyze the District's water operations and make recommendations that would achieve financial sustainability. Another important purpose of this study was to review rates to ensure that they adhere to the State's legal requirements.

The enclosed report recommends updating rates and charges to more accurately recover the costs of providing service to the District's water customers. Recommendations were developed with substantial input from District staff. BWA finds that the rates and charges proposed in our report are based on the cost of service for each customer, follow generally accepted rate design criteria, and adhere to the substantive requirements of Proposition 218. BWA believes that the proposed rates are fair and reasonable to the District's customers.

We have enjoyed working with the District on this rate study. Please contact us with any future questions about this study and the recommended water rates.

Yours truly,

Doug Dove, CIPFA
Principal

Erik Helgeson
Assistant Vice President

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1 EXECUTIVE SUMMARY

1.1 Background

Pico Water District (District) provides water distribution and maintenance service to 5,600 customers in Pico Rivera, CA. The District provides water service to its customers through the use of a 1.25 million gallon reservoir and five wells ranging in water production from 600 gallons per minute to 2,800 gallons per minute. The District pumps all of its water from the underground aquifer known as the Central Basin, which is an adjudicated water basin.

The District has contracted Bartle Wells Associates (BWA) to conduct a water rate study which examines current and projected costs and the existing water rate structure as it pertains to California legislation. Basic objectives of the rate study include:

- Identify rate setting principles.
- Develop long-term financial projections in order to estimate future annual revenue requirements.
- Provide a cost of service basis for the utility rates in compliance with Prop. 218.
- Evaluate rate alternatives and recommend rates designed to equitably recover the costs of providing service.

Based on input from District staff, key guiding principles of the study were to develop rates that:

- Are fair and equitable to all customer classes.
- Recover the costs of providing service and generate adequate funding for capital needs.
- Are easy to understand and implement.
- Comply with the legal requirements of Proposition 218 and other California laws.
- Reduce the impact of rate increases to customers by implementing consistent, predictable increases as small as prudence will allow.

1.2 Proposition 218

Utility rates are subject to the procedural and substantive requirements as set forth in Proposition 218. Proposition 218 was adopted by California voters in 1996 and added Articles 13C and 13D to the California Constitution. Article 13D, Section 6 governs property-related charges, which the California Supreme Court subsequently ruled includes ongoing utility service charges such as water, sewer, and refuse rates. Article 13D, Section 6 establishes a) procedural requirements for imposing or increasing property-related charges, and b) substantive requirements for those charges. Article 13D also requires voter approval for new or increased property-related charges but exempts from this voting requirement rates for water, sewer, and refuse collection services. The substantive requirements of Article 13D, Section 6 require the District's utility rates to meet the following conditions:

- Revenues derived from the fee or charge shall not exceed the funds required to provide the property related service.
- Revenues derived from the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed.
- The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.
- No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question.
- No fee or charge may be imposed for general governmental services, such as police or fire services, where the service is available to the public at large in substantially the same manner as it is to property owners.

The procedural requirements of Proposition 218 for all utility rate increases are as follows:

- **Noticing Requirement:** The District must mail a notice of proposed rate increases to all affected property owners. The notice must specify the basis of the fee, the reason for the fee, and the date/time/location of a public rate hearing at which the proposed rates will be considered/adopted.
- **Public Hearing:** The District must hold a public hearing prior to adopting the proposed rate increases. The public hearing must be held not less than 45 days after the required notices are mailed.
- **Rate Increases Subject to Majority Protest:** At the public hearing, the proposed rate increases are subject to majority protest. If more than 50% of affected property owners submit written protests against the proposed rate increases, the increases cannot be adopted.

1.3 Use of Generally Accepted Rate-Making Principles

The rates developed in this study use a straightforward methodology to establish an equitable system of fixed and variable charges that recover the cost of providing service and fairly apportion costs to each rate component. The rates were developed using generally accepted cost-based principles and methodologies for establishing water rates, charges, and fees contained and discussed in the American Water Works Association (AWWA) M1 Manual.

In developing water rates, it is important to know that there is no “one-size-fits-all” approach for establishing cost-based water rates. “The (M1 Manual) is aimed at outlining the basic elements involved in water rates and suggesting alternative rules of procedure for formulating rates, thus permitting the exercise of judgment and preference to meet local conditions and requirements.”

In reviewing the District's water rates and finances, BWA used the following criteria in developing our recommendations:

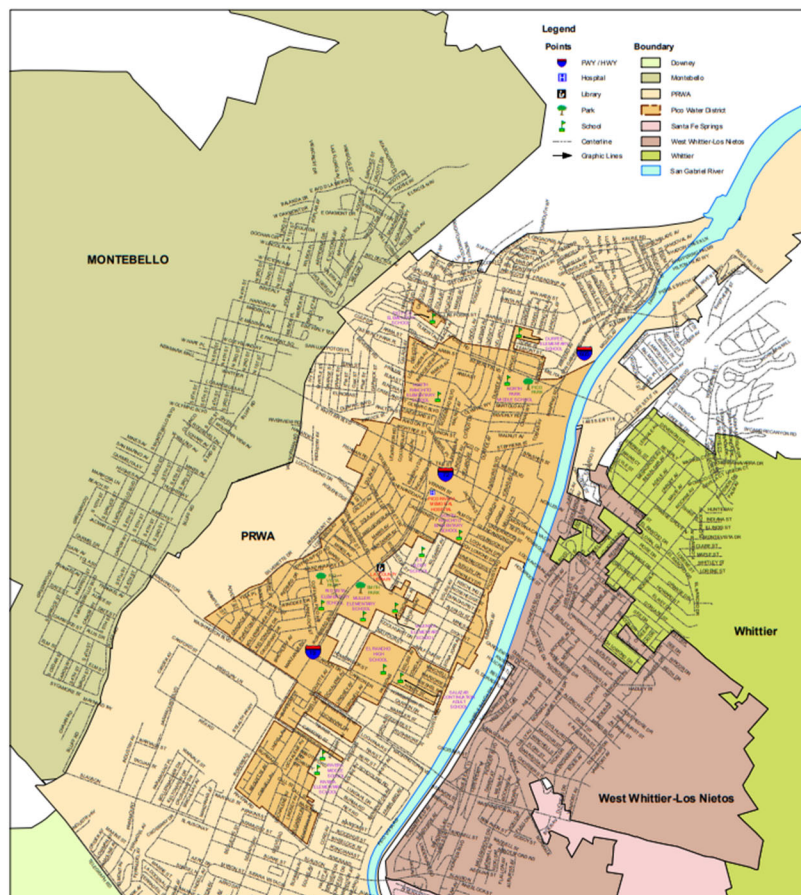
- 1) *Revenue Sufficiency*: Rates should recover the annual cost of service and provide revenue stability.
- 2) *Rate Impact*: While rates are calculated to generate sufficient revenue to cover operating and capital costs, they should be designed to minimize, as much as possible, the impacts on ratepayers.
- 3) *Equitable*: Rates should be fairly allocated among all customer classes based on their estimated demand characteristics. Each user class only pays its proportionate share.
- 4) *Practical*: Rates should be simple in form and, therefore, adaptable to changing conditions, easy to administer and easy to understand.

1.4 Water System Overview

1.4.1 Water Customers

The District owns and operates a water system which pumps, treats and distributes potable water providing service to 5,600 customers in Pico Rivera, CA. Figure 1 shows a map of the District's service area.

Figure 1: Pico Water District Map



1.4.2 Existing and Proposed Water Rates

Existing and proposed monthly water rates are shown below.

Table 1: Existing and Proposed Water Rates

Volumetric Rates	2020	2021	2022	2023	2024	2025
	<i>Existing</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>
Existing Structure	Proposed					
Tier 1 (0-8 CCF)	\$1.30 (All CCF)	\$1.88	\$2.00	\$2.12	\$2.25	\$2.39
Tier 2 (8-12 CCF)	\$1.60					
Tier 3 (12+ CCF)	\$2.15					
Monthly Fixed Rates (All Customers)		2021	2022	2023	2024	2025
<i>Meter Size</i>	<i>Existing</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>
Fixed Water Service Charges						
Single Family Residential		\$16.21	\$17.19	\$18.23	\$19.33	\$20.49
5/8"	\$15.29	\$16.21	\$17.19	\$18.23	\$19.33	\$20.49
1"	\$21.05	\$35.90	\$38.06	\$40.35	\$42.78	\$45.35
1 1/2"	\$38.22	\$68.70	\$72.83	\$77.20	\$81.84	\$86.76
2"	\$61.16	\$108.07	\$114.56	\$121.44	\$128.73	\$136.46
3"	\$152.91	\$199.94	\$211.94	\$224.66	\$238.14	\$252.43
4"	\$382.26	\$331.17	\$351.05	\$372.12	\$394.45	\$418.12
6"	\$764.53	\$659.25	\$698.81	\$740.74	\$785.19	\$832.31
Fixed Private Fire Charges						
1 1/2"	\$16.41	\$13.12	\$13.91	\$14.75	\$15.64	\$16.58
2"	\$16.41	\$21.00	\$22.26	\$23.60	\$25.02	\$26.53
4"	\$45.54	\$39.37	\$41.74	\$44.25	\$46.91	\$49.73
6"	\$68.86	\$65.62	\$69.56	\$73.74	\$78.17	\$82.87
8"	\$84.12	\$131.23	\$139.11	\$147.46	\$156.31	\$165.69
10"	\$106.70	\$301.84	\$319.96	\$339.16	\$359.51	\$381.09

2 WATER FINANCES & RATES

2.1 Water Financial Overview

Bartle Wells Associates conducted an independent evaluation of the District's water enterprise finances. Key observations include:

- The District has nearly \$15.4 million in capital improvement projects (CIP) planned for the next ten years.
- BWA developed rates based on a cost-of-service analysis and generally accepted rate making principals.
- Water expenses were projected using historical averages based on audits and budgets, as well as up to date information provided by the District.
- Annual revenue requirements were determined by taking into account projected expenses as well as prudent reserve fund targets.

2.2 Current Water Accounts

The following table shows current number of water accounts and associated equivalent demand units by meter size. Equivalent demand units are based on the safe maximum flow of a 5/8" meter. The safe maximum meter flows are based on American Water Works Association (AWWA) operating capacity standards.

Table 2: Water Customers and Equivalent Demand Units

All Potable Customers Meter Size	Customers	Capacity Factor**	Equivalent Demand Units
Single Family	4,758.0	1.0	4,758.0
5/8"	329	1.0	329.0
1"	191	2.5	477.5
1 1/2"	97	5.0	485.0
2"	155	8.0	1,240.0
3"	28	15.0	420.0
4"	18	25.0	450.0
6"	2	50.0	100.0
10"	0	115.0	0.0
Total	5,578.0		8,259.5

* Customer data as of June 2019 provided by District staff

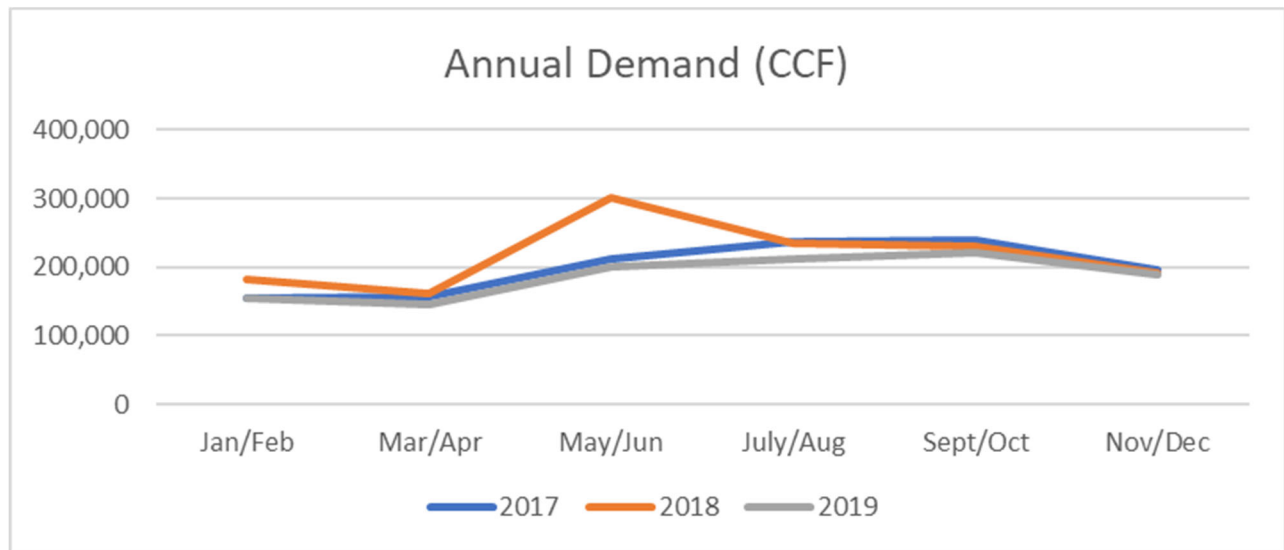
** Capacity factors based on AWWA operating capacity standards by meter size

*** Single Family Meters reflect that a 5/8" meter is sufficient to serve single family usage but new meters are sized to 1" for fire flow

2.3 Water Consumption

Figure 2 shows total annual water consumption. BWA's analysis shows that water consumption is consistent and the summer peak is small.

Figure 2: Total Water Consumption



2.4 Financial Challenges / Key Drivers of Rate Increases

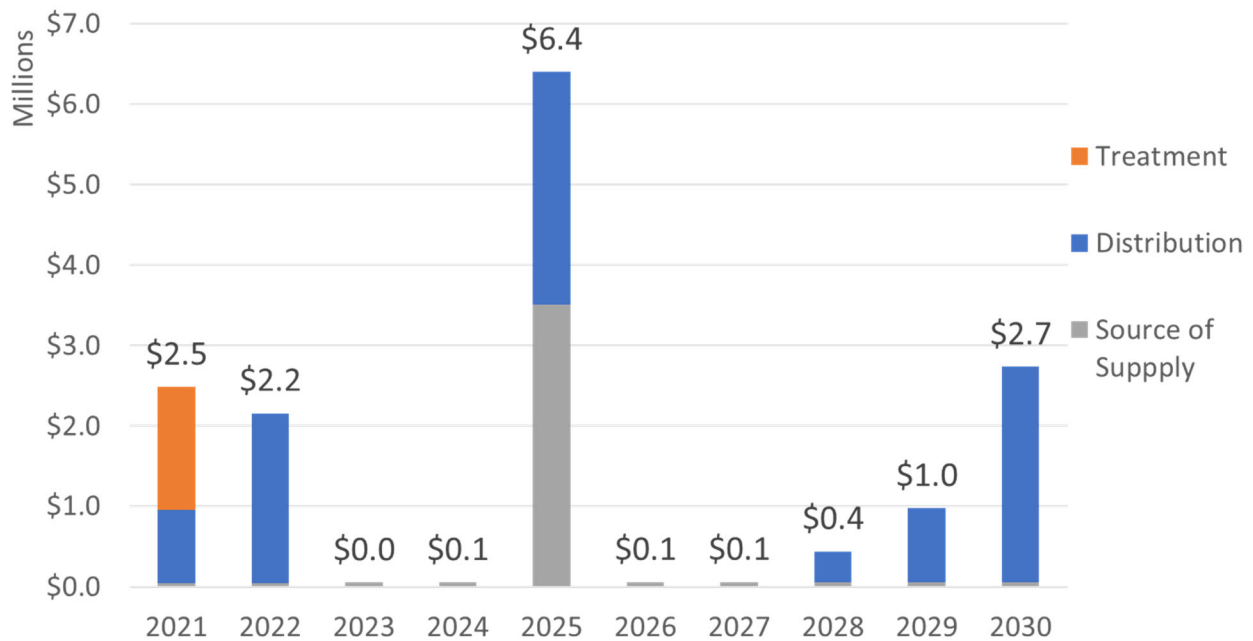
Going forward, the District's water enterprise is facing a number of financial challenges that will require the District to raise its water rates. Key drivers of future rate increases are summarized in the following subsections.

2.4.1 Capital Improvements / Aging Infrastructure

The District faces substantial capital improvement needs over the next ten years. The District's 10-year capital improvement program (CIP) includes \$15.4 million of capital. Projects are listed in detail in Appendix A.

The following figure shows a breakdown of projected 10-year water system CIP.

Figure 3: Summary Capital Improvement Program Projects



2.4.2 Debt Service Coverage

Bartle Wells recommends maintaining a least a 1.25x debt coverage ratio. This will help the District maintain a strong financial position and be better positioned to obtain additional financing. Recommended rate increases anticipate the debt service from the capital projects and ensure the District will maintain a prudent debt coverage ratio.

2.4.3 Ongoing Operating Cost Inflation

The District faces ongoing operating cost inflation due to annual increases in a range of expenses including utilities, chemicals, insurance, supplies, as well as the cost of salaries, benefits, etc. Water operating cost inflation has historically been significantly higher than the Consumer Price Index (CPI) for consumer goods and services. District staff estimated the annual inflation of each line item in the budget. The total annual cost inflation is projected to be 2.5% in 2012 and 3.0% thereafter.

2.4.4 Water Reserve Funds

Maintaining a prudent level of fund reserves provides a financial cushion for dealing with unanticipated expenses, revenue shortfalls, and emergency capital repairs.

2.5 Water Enterprise Revenue Requirements

2.5.1 Water Revenue Requirements: Cash Flow Projection

The water cash flow projections incorporate the latest information available as well as reasonable, prudently conservative assumptions. Key assumptions include:

Growth and Water Demand Assumptions

- BWA is conservatively assuming no growth and constant demand because the District is mature so growth is minimal.

Revenue Assumptions

- Rate increases will become effective annually on February first of each year. The first rate increase is anticipated to take effect on February 14, 2021.
- Investment income is estimated based on District estimates of earnings on all funds. Future projections are estimated based on conservative interest earning rates; actual amounts will vary based on reserves and future interest earning rates.
- Other revenues are projected to stay constant for the study period.

Expense Assumptions

- Operating & Maintenance Expenses are based on the 2020 budget. District staff and BWA reviewed each expense line item and assigned a reasonable escalation assumption.
- Capital Improvement Program expenditures include \$11.1 million in projects through FY 2025.

Revenue Increases

Based on the above assumptions BWA recommends the following rate revenue increases.

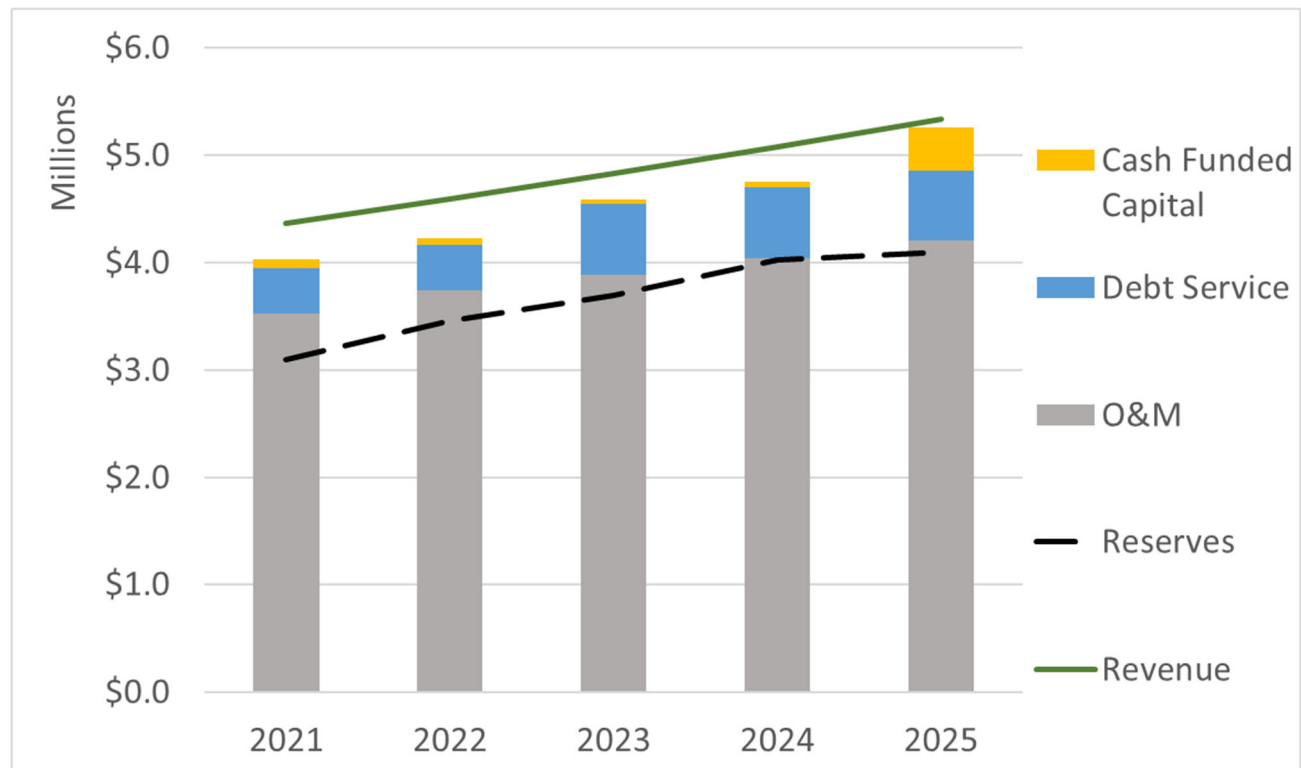
Table 3: Recommended Water Rate Revenue Increases

Revenue Escalation	2021	2022	2023	2024	2025
Rate Revenue Increase %	6.0%	6.0%	6.0%	6.0%	6.0%
Rate Revenue Increase \$	\$205,200	\$217,512	\$230,563	\$244,396	\$259,060

The recommended annual rate increases begin in FY 2021 and are needed to fund annual operating and capital expenses, provide healthy debt service coverage, and maintain prudent reserves.

The following figure depicts the projected revenues, expenses, and reserve levels with implementation of the proposed increases. The cash flow is shown in detail in Appendix A.

Figure 4: Water Utility Projected Revenues & Expenses



The rate revenue requirement line in the following cashflow table is the amount of revenue that needs to be recovered from water rates. This amount is known as the revenue requirement.

Table 4: Water Enterprise Cashflow

Operating Fund	2021	2022	2023	2024	2025
Reserves					
Beginning Unrestricted Balance	\$2,750,000	\$3,091,625	\$3,461,245	\$3,695,054	\$4,019,417
Revenues					
Rate Revenue	\$3,420,000	\$3,625,200	\$3,842,712	\$4,073,275	\$4,317,671
Additional Rate Revenue	205,200	217,512	230,563	244,396	259,060
Water Sales Recycled - Govt	46,000	46,000	46,000	46,000	46,000
Infrastructure Surcharge	410,000	410,000	410,000	410,000	410,000
Other Revenue	<u>\$287,125</u>	<u>\$290,541</u>	<u>\$294,237</u>	<u>\$296,576</u>	<u>\$299,819</u>
<i>Total Revenue</i>	<i>\$4,368,325</i>	<i>\$4,589,253</i>	<i>\$4,823,512</i>	<i>\$5,070,247</i>	<i>\$5,332,551</i>
Expenses					
Total Operating Expenses	\$3,519,173	\$3,739,283	\$3,888,009	\$4,043,325	\$4,205,555
Capital Expenses					
Existing Debt Service	\$421,902	\$421,341	\$420,760	\$420,158	\$419,533
New Debt Service	0	0	232,000	232,000	232,000
Rate Funded Capital	<u>\$85,625</u>	<u>\$59,009</u>	<u>\$48,934</u>	<u>\$50,402</u>	<u>\$396,970</u>
Total Capital Expenditures	<u>\$507,527</u>	<u>\$480,350</u>	<u>\$701,694</u>	<u>\$702,560</u>	<u>\$1,048,503</u>
<i>Total Expenses</i>	<i>\$4,026,700</i>	<i>\$4,219,633</i>	<i>\$4,589,703</i>	<i>\$4,745,885</i>	<i>\$5,254,058</i>
Net Revenues	\$341,625	\$369,620	\$233,809	\$324,362	\$78,493
Ending Unrestricted Balance	\$3,091,625	\$3,461,245	\$3,695,054	\$4,019,417	\$4,097,909

3 COST OF SERVICE

Utilities have used a wide range of approaches or perspectives for allocating and recovering their costs for providing service, and these costs are most commonly recovered from a combination of fixed and variable charges. The percentage of revenues derived from the fixed and variable charges varies for each agency and should be proportional to each system's expenditures and must not exceed the cost of providing service. A higher level of fixed charges provides better revenue stability and less dependence on variable sales. On the other hand, higher dependence on volumetric revenues provides a better conservation incentive.

Depending on the perspective, the same costs can reasonably be allocated 100 percent to fixed revenue recovery, 100 percent to variable rate recovery, or to some combination of the two. For example, debt service used to fund water treatment facilities can legitimately be treated as a) a fixed annual cost that should be recovered from fixed charges, b) a cost related to providing water supply to meet customer demand and therefore a cost that should be recovered from variable rates, or c) a cost that can be recovered from both fixed and variable rates in recognition of the two alternative perspectives.

Many of the District's costs are fixed costs that do not vary by the level of service provided, such as operational and staff costs, as well as costs for building and maintaining infrastructure. However, a portion of these fixed costs can reasonably be apportioned to variable, usage-based rate recovery in recognition that a portion of these fixed costs are related to the level of service provided. For example, a share of the fixed cost of salaries related to water production can reasonably be recovered from usage-based charges as these costs are incurred to provide water supply to meet customer demand. Likewise, debt service payments may be fixed annual costs, but it is reasonable to recover some of these costs from usage-based rates as the costs are incurred to fund infrastructure that will improve the water delivery system.

While there is no single correct approach, BWA believes that costs should be allocated within a reasonable range that reflects both a) underlying cost causation, to the extent such causation can reasonably be determined or estimated, and b) the policy preferences of the agency in cases where a range of reasonable approaches can be justified.

In this study fixed costs are recovered based on meter capacity. Meter capacity ratios provide a basis for charging customers in a manner proportional to the capacity that is reserved for them in the water system. Larger meters have the ability to place a greater demand on the water system and are therefore charged based on that potential demand. Meter ratios are widely used in California rate setting and are consistent with meter ratios adopted by the California Public Utility Commission for

private water companies. The fixed charges for larger meters are determined by multiplying the base charge by the corresponding 1" EDU. This establishes a fixed cost per account.

3.1 Functional Cost Allocation

The revenue requirement from the cash flow needs to be linked to the District's costs and corresponding functions they support.

The following table shows a breakdown of the water utility's expenses and how they are allocated by function. The proportional allocation is then applied to the rate revenue requirement so that the rates are proportional to the cost of service provided. To recover the allocated costs proportionally to the service provided, a unit cost must be derived. Critical to this step is using the unit which relates to the function.

Table 5: Functional Cost Allocation

Functional Allocation	Allocation Amount	Customer	Capacity	All Volume	Total
Conservation	\$25,625			100%	100%
Maintenance	\$86,510		40%	60%	100%
Source of Supply	\$118,357			100%	100%
Pumping	\$463,539			100%	100%
Water Treatment	\$108,753			100%	100%
Transmission & Distribution	\$175,480			100%	100%
Customer Accounts	\$218,704	100%			100%
General & Administrative	\$1,306,036		85%	15.0%	100%
Groundwater	\$1,016,170			100.0%	100%
New Debt	\$232,000		100.0%		100%
Capital	\$85,625			100%	100%
Functional Allocation \$		\$218,704	\$1,376,734	\$2,241,359	\$3,836,798
Functional Allocation %		5.70%	35.88%	58.41%	100%
Revenue Requirement		\$206,636	\$1,300,722	\$2,117,479	\$3,625,200

The definition of the functional allocation categories and the units of demand associated with each category are as follows:

Functional Allocation Categories

- **Customer-** Fixed costs are recovered per customer. Fixed costs or costs related to serving customers were allocated to this category.
- **Capacity-** Fixed costs are recovered per unit of capacity (EDU). Fixed costs or costs related to system capacity were allocated to this category.

- **All Volume-** Costs reasonably recovered volumetrically but are the same at all demand levels were allocated to the All Volume category. All Volume costs are recovered per unit of volume (CCF) based on all projected use.

The following table shows the allocation units and total revenue requirement by function. The revenue requirement divided by the demand allocation units in a given category provides each category's unit rate.

Table 6: Allocation Units by Functional Allocation Category

Allocation Units	Customer	Capacity	All Volume
	<i>#</i>	<i>EDU</i>	<i>CCF</i>
Total Allocation Units	5,578	8,260	1,125,000
Revenue Requirement	<u>\$206,636</u>	<u>\$1,300,722</u>	<u>\$2,117,479</u>
Unit Cost	\$37.04	\$157.48	\$1.88

4 WATER RATE DERIVATION

BWA evaluated the District's water rate structure for equity and compliance with the substantive provisions of Proposition 218.

4.1 Fixed Water Service Charges

The fixed meter charge is designed to recover costs from each meter proportional to the customer costs and meter capacity associated demand placed on the water system by each meter size.

4.1.1 Rate Structure Recommendations

The District currently imposes "Monthly Additional Facilities Charges." BWA recommends discontinuing these charges because the fixed charge by meter size is a better reflection of a customer's cost of capacity.

4.1.2 Fixed Service Charge Derivation

Fixed Service Charges are calculated by multiplying unit cost in the Fixed category by the Capacity Factor and adding Customer Charge reflecting customer service costs associated with each connection. Capacity Factors are based on American Water Works Association (AWWA) maximum safe flow ratios by meter size. The determination of EDU's used to derive the unit cost is shown in Appendix A. The following table shows the rate derivation for the fixed charges.

Table 7: Proposed Fixed Monthly Meter Rates

Fixed Charge Calculation	Annual Customer Charge	Capacity Factor	Annual Capacity Charge	Annual Meter Charge	Monthly Meter Charge
Meter Size					
Single Family	\$37.04	1.0	\$157.48	\$194.52	\$16.21
5/8"	\$37.04	1.0	\$157.48	\$194.52	\$16.21
1"	\$37.04	2.5	\$393.70	\$430.74	\$35.90
1 1/2"	\$37.04	5.0	\$787.40	\$824.44	\$68.70
2"	\$37.04	8.0	\$1,259.84	\$1,296.88	\$108.07
3"	\$37.04	15.0	\$2,362.20	\$2,399.24	\$199.94
4"	\$37.04	25.0	\$3,937.00	\$3,974.04	\$331.17
6"	\$37.04	50.0	\$7,874.00	\$7,911.04	\$659.25
10"	\$37.04	115.0	\$18,110.20	\$18,147.24	\$1,512.27

4.2 Fixed Private Fire Charges

Fixed Private Fire Charges recover the cost of the Capacity of an additional connection providing fire standing fire protection directly to the customer.

4.2.1 Fixed Private Fire Charge Derivation

Depending the methodology used, fire protection costs typically make up between 5% - 30% of total water system expenditures. Because private fire lines provide additional standing capacity, BWA believes it is reasonable for the Fixed Private Fire Charges to be 20% of the capacity portion of the Fixed Meter Rates.

Table 8: Proposed Monthly Fixed Private Fire Rates

Fixed Private Fire Charge Calculation	Annual Capacity Charge	Annual Meter Charge	Monthly Meter Charge
Meter Size			
1 1/2"	\$157.48	\$157.48	\$13.12
2"	\$251.97	\$251.97	\$21.00
4"	\$472.44	\$472.44	\$39.37
6"	\$787.40	\$787.40	\$65.62
8"	\$1,574.80	\$1,574.80	\$131.23
10"	\$3,622.04	\$3,622.04	\$301.84

4.3 Volumetric Charge

Volumetric Charges recover water system costs based on the amount of water consumed.

4.3.1 Rate Structure Recommendations

The District currently has an inclining block rate structure consisting of three tiers. BWA is recommending that the District transition to a single tier, uniform rate structure for the following reasons:

- To better reflect the proportional cost of each unit sold and improve compliance with Proposition 218,
- To improve the District's revenue stability by reducing revenue reliance on volatile demand,
- To reduce the administrative burden of the District.

4.3.2 Volumetric Charge Derivation

Costs allocated to the All Volume category are recovered from every unit (CCF) sold. Table 9 shows the derivation of the volumetric rates.

Table 9: Volumetric Water Rates Derivation

Uniform Rate	Tier Demand	Demand (CCF)	Revenue Requirement	Unit Rate
Tier 1	100.0%	1,125,000	2,117,479	\$1.88

4.4 Proposed Water Rates

The following table shows the proposed monthly water rates. Under Proposition 218, the rates shown below are the maximum rates that the District can enact each year. The District may adopt rates that are lower than those shown based upon an annual review of the water utility's finances to ensure that revenues are in line with expenses.

Table 10: Proposed Water Rates

Volumetric Rates	2020		2021	2022	2023	2024	2025
	<i>Existing</i>		<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>
Existing Structure		Proposed					
Tier 1 (0-8 CCF)	\$1.30	(All CCF)	\$1.88	\$2.00	\$2.12	\$2.25	\$2.39
Tier 2 (8-12 CCF)	\$1.60						
Tier 3 (12+ CCF)	\$2.15						
Monthly Fixed Rates (All Customers)			2021	2022	2023	2024	2025
Meter Size	<i>Existing</i>		<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>
Fixed Water Service Charges							
Single Family Residential			\$16.21	\$17.19	\$18.23	\$19.33	\$20.49
5/8"	\$15.29		\$16.21	\$17.19	\$18.23	\$19.33	\$20.49
1"	\$21.05		\$35.90	\$38.06	\$40.35	\$42.78	\$45.35
1 1/2"	\$38.22		\$68.70	\$72.83	\$77.20	\$81.84	\$86.76
2"	\$61.16		\$108.07	\$114.56	\$121.44	\$128.73	\$136.46
3"	\$152.91		\$199.94	\$211.94	\$224.66	\$238.14	\$252.43
4"	\$382.26		\$331.17	\$351.05	\$372.12	\$394.45	\$418.12
6"	\$764.53		\$659.25	\$698.81	\$740.74	\$785.19	\$832.31
Fixed Private Fire Charges							
1 1/2"	\$16.41		\$13.12	\$13.91	\$14.75	\$15.64	\$16.58
2"	\$16.41		\$21.00	\$22.26	\$23.60	\$25.02	\$26.53
4"	\$45.54		\$39.37	\$41.74	\$44.25	\$46.91	\$49.73
6"	\$68.86		\$65.62	\$69.56	\$73.74	\$78.17	\$82.87
8"	\$84.12		\$131.23	\$139.11	\$147.46	\$156.31	\$165.69
10"	\$106.70		\$301.84	\$319.96	\$339.16	\$359.51	\$381.09

4.5 Water Rate Pass-Through Provisions

California Government Code Section 53756 (established via AB-3030) became effective on January 1, 2009. As subsequently amended, this section of the Code authorizes public agencies providing water, sewer, and garbage services to adopt automatic pass-through rate adjustments to account for a) cost inflation, and b) increases in wholesale water charges or wastewater treatment charges.

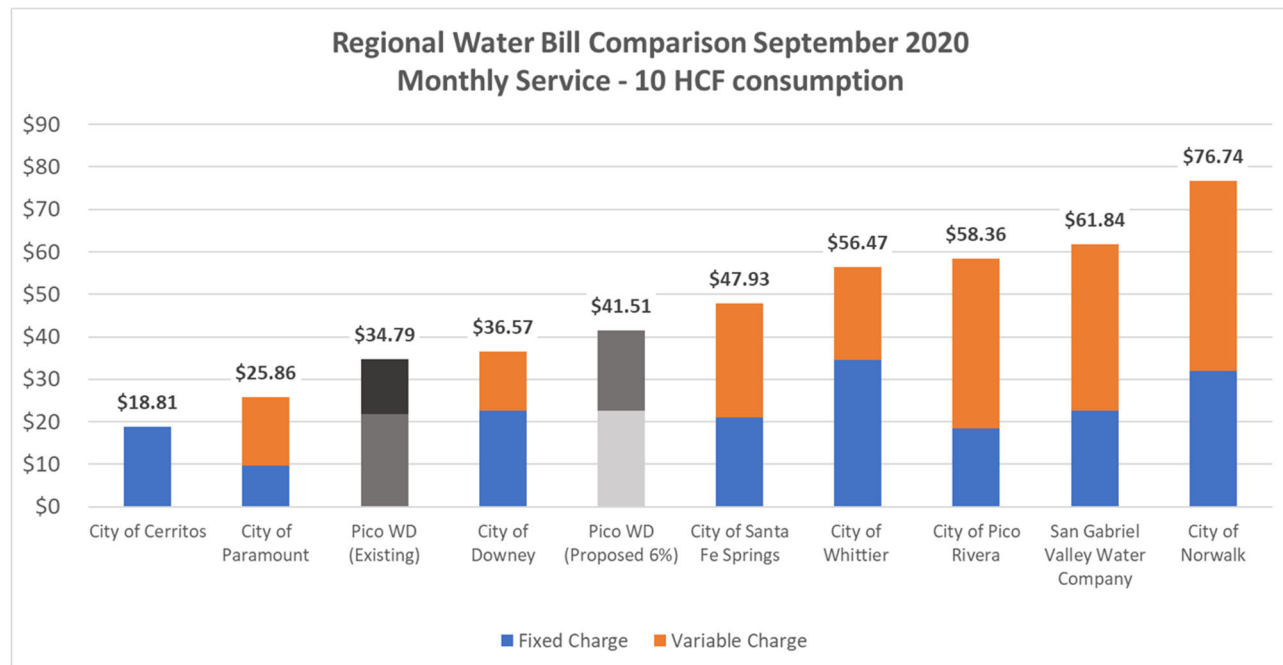
According to the Code, pass-throughs must be adopted via the Proposition 218 process and can be effective for up to five years without additional Proposition 218 authorization. The Proposition 218 Notice informing ratepayers of the proposed pass-through(s) must include a clearly defined formula indicating how any inflationary or wholesale adjustments will be implemented. After adoption of a pass-through formula, agencies do not need to go through the full Proposition 218 process to implement a pass-through. Instead, agencies must send ratepayers an information notice describing the proposed pass-through rate adjustment not less than 30 days before the effective date of the pass-through adjustment. Regardless of the pass-through authorization, rates must continue to comply with the substantive provisions of Proposition 218 including that any pass-through adjustment cannot exceed the cost of providing service.

The proposed rates already account for projected Water Replenishment District of Southern California (WRD) replenishment assessment (RA) increases based on published current and historical increases. However, the passthrough authorization could provide the District with additional protection to account for any unanticipated RA increases that exceed the levels included in the financial projections. The proposed water rates assume that WRD will charge the following average replenishment assessments: \$0.88 per hundred cubic feet (CCF) through June 30, 2021, \$0.93 per CCF through June 30, 2022, \$0.99 per CCF through June 30, 2023, \$1.04 per CCF through June 30, 2024, \$1.11 per CCF through June 30, 2025, and \$1.17 per CCF through June 30, 2026. Future pass-throughs can be implemented by increasing the District's proposed Volumetric Rates by the exact amount of the RA increase in cents per CCF in excess of the projected RA. For example, if WRD increases its rate to \$0.95 per CCF on July 1, 2021, the District's Water Volumetric Rate could be increased by up to \$0.02 per CCF, equal to the difference between \$0.95 and the projected rate of \$0.93 shown above.

4.6 Regional Water Rate Survey

Figure 5 compares the District's current and proposed monthly rates to those of other regional agencies for a single-family home using 10 CCF of water, the District's average, monthly single-family consumption. Figure 5 is shown for comparative purposes only.

Figure 5: Regional Monthly Water Rate Survey



5 CONCLUSIONS AND RECOMMENDATIONS

This water rate study report presents a comprehensive review of the Pico Water District's revenue requirements, cost allocations, and rate structures. Rates were developed as part of a collaborative process that included multiple Board meetings and closely working with District staff. The District will need regular annual rate increases to keep up with operations cost inflation and the Capital Improvement Plan while maintaining prudent reserves. Current rates are complex and will need to be updated to reflect the cost of service. These factors were considered in the rate study to fairly develop rates for customers.

5.1 Conclusions

The District practices sound financial planning that has provided for the financial health of the water enterprise. Historically, the District has increased rate revenue 5% on a yearly basis between 2014 and 2018 to keep up with inflationary cost increases and undertake capital projects. This allows the District to avoid rate spikes when new costs are incurred. The District will need to continue similar rate increases to keep up with rising operations cost and the current Capital Improvement Plan while maintaining prudent reserves. Adoption of the rate recommended in this study reflect the District's commitment to stewarding financially sound utilities and providing reliable, high quality water service that will benefit the community many years into the future.

5.2 Recommendations

BWA recommends the following:

- The District adopt the rates shown in this report.
- At minimum, BWA recommends that the District review and update its cost allocation every five years and/or concurrent with CIP Updates. The next CIP update and rate study should be performed in time for rates to be effective at the beginning of 2026.

APPENDIX A

Water Rate Study Tables



Pico Water District Water Rate Study 2020

11/11/2020



BARTLE WELLS ASSOCIATES
Independent Public Finance Advisors

Table A
Pico Water District
Recommended Water Rates

Volumetric Rates	2020	2021	2022	2023	2024	2025
	<i>Existing</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>
Existing Structure	Proposed					
Tier 1 (0-8 CCF)	\$1.30 (All CCF)	\$1.88	\$2.00	\$2.12	\$2.25	\$2.39
Tier 2 (8-12 CCF)	\$1.60					
Tier 3 (12+ CCF)	\$2.15					
Monthly Fixed Rates (All Customers)		2021	2022	2023	2024	2025
<i>Meter Size</i>	<i>Existing</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>	<i>Proposed</i>
Fixed Water Service Charges						
Single Family Residential		\$16.21	\$17.19	\$18.23	\$19.33	\$20.49
5/8"	\$15.29	\$16.21	\$17.19	\$18.23	\$19.33	\$20.49
1"	\$21.05	\$35.90	\$38.06	\$40.35	\$42.78	\$45.35
1 1/2"	\$38.22	\$68.70	\$72.83	\$77.20	\$81.84	\$86.76
2"	\$61.16	\$108.07	\$114.56	\$121.44	\$128.73	\$136.46
3"	\$152.91	\$199.94	\$211.94	\$224.66	\$238.14	\$252.43
4"	\$382.26	\$331.17	\$351.05	\$372.12	\$394.45	\$418.12
6"	\$764.53	\$659.25	\$698.81	\$740.74	\$785.19	\$832.31
Fixed Private Fire Charges						
1 1/2"	\$16.41	\$13.12	\$13.91	\$14.75	\$15.64	\$16.58
2"	\$16.41	\$21.00	\$22.26	\$23.60	\$25.02	\$26.53
4"	\$45.54	\$39.37	\$41.74	\$44.25	\$46.91	\$49.73
6"	\$68.86	\$65.62	\$69.56	\$73.74	\$78.17	\$82.87
8"	\$84.12	\$131.23	\$139.11	\$147.46	\$156.31	\$165.69
10"	\$106.70	\$301.84	\$319.96	\$339.16	\$359.51	\$381.09

Table 1
Pico Water District
Customer Data*

All Potable Customers			
Meter Size	Customers	Capacity Factor**	Equivalent Demand Units
Single Family	4,758.0	1.0	4,758.0
5/8"	329	1.0	329.0
1"	191	2.5	477.5
1 1/2"	97	5.0	485.0
2"	155	8.0	1,240.0
3"	28	15.0	420.0
4"	18	25.0	450.0
6"	2	50.0	100.0
10"	0	115.0	0.0
Total	5,578.0		8,259.5

* Customer data as of June 2019 provided by District staff

** Capacity factors based on AWWA operating capacity standards by meter size

*** Single Family Meters reflect that a 5/8" meter is sufficient to serve single family usage but new meters are sized to 1" for fire flow

Private Fire Customers

Meter Size	Customers
1 1/2"	1.0
2"	2
4"	26
6"	21
8"	20
10"	4
Total	74.0

Table 2
Pico Water District
Growth Calculations

Metered Water Demand	2017	2018	2019	2020	2021	2022	2023	2024	2025
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
Demand (CCF)	1,196,837	1,300,733	1,123,969	1,124,000	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000
Demand (AF)		2,986	2,580	2,580	2,583	2,583	2,583	2,583	2,583
Customers	<u>5,578</u>	<u>5,578</u>	<u>5,578</u>	<u>5,578</u>	<u>5,578</u>	<u>5,578</u>	<u>5,578</u>	<u>5,578</u>	<u>5,578</u>
Additional Customers ¹									
Total Customers	5,578	5,578	5,578	5,578	5,578	5,578	5,578	5,578	5,578
Consumption per Customer	215	233	202	202	202	202	202	202	202

WRD Ground Water Cost

WRD Rate \$/AF				\$373.50	\$393.46	\$417.07	\$442.09	\$468.62	\$496.73
WRD Rate \$/CCF				\$0.86	\$0.90	\$0.96	\$1.01	\$1.08	\$1.14
Cost Escalation						6.0%	6.0%	6.0%	6.0%
Total Cost				\$963,763	\$1,016,170	\$1,077,140	\$1,141,768	\$1,210,274	\$1,282,891

¹No growth assumed in order to be conservative because of the recession

²WRD rates are implimented on July 1 of every year. The rate shown are for the calendar year which are the average of the overlapping WRD rates.

Table 3
Pico Water District
Projected Operating Expenses

Cost Escalation	Inflation	2019	2020	2020	2021	2022	2023	2024	2025
General Inflation Factor	General				2.5%	3.0%	3.0%	3.0%	3.0%
No Escalation	None			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Electric	Electric			4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Water Replenishment District Cost	WRD			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Benefits	Benefits			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Salary	Salary			5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

Expenses ¹	Category	Inflation	2019	2020	2020	2021	2022	2023	2024	2025
			Actual	Budgeted	Budgeted Modified	Projected	Projected	Projected	Projected	Projected
Ground Water Replenishment	Groundwater	WRD	\$940,711	\$884,000	\$963,763	\$1,016,170	\$1,077,140	\$1,141,768	\$1,210,274	\$1,282,891
Source of Supply Salaries & Wages	Source of Supply	General	\$70,328	\$69,870	\$69,870	\$71,617	\$73,765	\$75,978	\$78,258	\$80,605
Recycled Water	Source of Supply	General	\$42,382	\$45,600	\$45,600	\$46,740	\$48,142	\$49,586	\$51,074	\$52,606
CBMWD Retail Meter Charge	Maintenance	General	\$0	\$10,800	\$10,800	\$11,070	\$11,402	\$11,744	\$12,096	\$12,459
Pumping Salaries & Wages	Pumping	General	\$177,050	\$180,240	\$180,240	\$184,746	\$190,288	\$195,997	\$201,877	\$207,933
Pumping Maint - Well 2	Pumping	General	\$1,141	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping Maint - Well 4A	Pumping	General	\$1,307	\$2,000	\$2,000	\$2,050	\$2,112	\$2,175	\$2,240	\$2,307
Pumping Maint - Well 5A	Pumping	General	\$1,718	\$3,500	\$3,500	\$3,588	\$3,695	\$3,806	\$3,920	\$4,038
Pumping Maint - Well 6	Pumping	General	\$741	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping Maint - Well 7	Pumping	General	\$741	\$1,500	\$1,500	\$1,538	\$1,584	\$1,631	\$1,680	\$1,730
Pumping Maint - Well 8	Pumping	General	\$0	\$2,000	\$2,000	\$2,050	\$2,112	\$2,175	\$2,240	\$2,307
Pumping Maint - Well 9A	Pumping	General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping Maint - Well 10	Pumping	General	\$1,616	\$1,500	\$1,500	\$1,538	\$1,584	\$1,631	\$1,680	\$1,730
Pumping Maint - Well 11	Pumping	General	\$0	\$2,500	\$2,500	\$2,563	\$2,639	\$2,719	\$2,800	\$2,884
Pumping Maint - Reservoir	Pumping	General	\$3,638	\$4,000	\$4,000	\$4,100	\$4,223	\$4,350	\$4,480	\$4,615
Pumping Maint - Miscellaneous	Pumping	General	\$21,413	\$15,000	\$15,000	\$15,375	\$15,836	\$16,311	\$16,801	\$17,305
Power Exp - Well 2	Pumping	Electric	\$704	\$400	\$400	\$418	\$437	\$456	\$477	\$498
Power Exp - Well 4A	Pumping	Electric	\$7,430	\$5,000	\$5,000	\$5,225	\$5,460	\$5,706	\$5,963	\$6,231
Power Exp - Well 5A	Pumping	Electric	\$56,307	\$52,000	\$52,000	\$54,340	\$56,785	\$59,341	\$62,011	\$64,801
Power Exp - Well 6	Pumping	Electric	\$158	\$400	\$400	\$418	\$437	\$456	\$477	\$498
Power Exp - Well 7	Pumping	Electric	\$822	\$1,000	\$1,000	\$1,045	\$1,092	\$1,141	\$1,193	\$1,246
Power Exp - Well 8	Pumping	Electric	\$70,740	\$76,100	\$76,100	\$79,525	\$83,103	\$86,843	\$90,751	\$94,834
Power Exp - Well 9A	Pumping	Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Power Exp - Reservoir	Pumping	Electric	\$28,192	\$30,700	\$30,700	\$32,082	\$33,525	\$35,034	\$36,610	\$38,258
Power Exp - Well 10	Pumping	Electric	\$33,588	\$49,800	\$49,800	\$52,041	\$54,383	\$56,830	\$59,387	\$62,060
Power Exp - Well 11	Pumping	Electric	\$0	\$20,000	\$20,000	\$20,900	\$21,841	\$22,823	\$23,850	\$24,924

Table 3
Pico Water District
Projected Operating Expenses

Cost Escalation	Inflation	2019	2020	2020	2021	2022	2023	2024	2025
General Inflation Factor	General				2.5%	3.0%	3.0%	3.0%	3.0%
No Escalation	None			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Electric	Electric			4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Water Replenishment District Cost	WRD			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Benefits	Benefits			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Salary	Salary			5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

Expenses ¹	Category	Inflation	2019	2020	2020	2021	2022	2023	2024	2025
			Actual	Budgeted	Budgeted Modified	Projected	Projected	Projected	Projected	Projected
Treatment Salaries & Wages	Water Treatment	General	\$4,480	\$4,100	\$4,100	\$4,203	\$4,329	\$4,458	\$4,592	\$4,730
Chemicals	Water Treatment	General	\$15,897	\$22,000	\$22,000	\$22,550	\$23,227	\$23,923	\$24,641	\$25,380
Lab Testing	Water Treatment	General	\$25,127	\$50,000	\$50,000	\$51,250	\$52,788	\$54,371	\$56,002	\$57,682
Permits and Fees	Water Treatment	General	\$51,016	\$30,000	\$30,000	\$30,750	\$31,673	\$32,623	\$33,601	\$34,609
Trans & Distrib Salaries & Wages	Transmission & Distribution	General	\$98,748	\$107,100	\$107,100	\$109,778	\$113,071	\$116,463	\$119,957	\$123,556
Field Supplies & Expense	Transmission & Distribution	General	\$4,543	\$7,500	\$7,500	\$7,688	\$7,918	\$8,156	\$8,400	\$8,652
Safety Expense	Transmission & Distribution	General	\$4,339	\$3,500	\$3,500	\$3,588	\$3,695	\$3,806	\$3,920	\$4,038
Small Tools Expense	Transmission & Distribution	General	\$7,479	\$2,500	\$2,500	\$2,563	\$2,639	\$2,719	\$2,800	\$2,884
Cross Connection Expense	Transmission & Distribution	General	\$199	\$600	\$600	\$615	\$633	\$652	\$672	\$692
Repair Services	Transmission & Distribution	General	\$1,405	\$600	\$600	\$615	\$633	\$652	\$672	\$692
Backhoe - Repair & Maint	Transmission & Distribution	General	\$552	\$2,400	\$2,400	\$2,460	\$2,534	\$2,610	\$2,688	\$2,769
Hydrants - Repair & Maint	Transmission & Distribution	General	\$38,175	\$5,000	\$5,000	\$5,125	\$5,279	\$5,437	\$5,600	\$5,768
Main Lines - Repair & Maint	Transmission & Distribution	General	\$7,929	\$5,000	\$5,000	\$5,125	\$5,279	\$5,437	\$5,600	\$5,768
Meters - Repair & Maint	Transmission & Distribution	General	\$16,508	\$18,000	\$18,000	\$18,450	\$19,004	\$19,574	\$20,161	\$20,766
Service Lines - Repair & Maint	Transmission & Distribution	General	\$9,441	\$10,000	\$10,000	\$10,250	\$10,558	\$10,874	\$11,200	\$11,536
Valves - Repair & Maint	Transmission & Distribution	General	\$12,845	\$8,000	\$8,000	\$8,200	\$8,446	\$8,699	\$8,960	\$9,229
Misc - Trans & Dist Maint	Transmission & Distribution	General	\$0	\$1,000	\$1,000	\$1,025	\$1,056	\$1,087	\$1,120	\$1,154
First Aid Expense	General & Administrative	General	\$5,169	\$2,100	\$2,100	\$2,153	\$2,217	\$2,284	\$2,352	\$2,423
Uniforms	General & Administrative	General	\$4,230	\$4,800	\$4,800	\$4,920	\$5,068	\$5,220	\$5,376	\$5,538
Fuel Expense	Maintenance	General	\$14,858	\$16,500	\$16,500	\$16,913	\$17,420	\$17,942	\$18,481	\$19,035
Veh Exp - 1304508 - 1997 Ford Dmp Trk	Maintenance	General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Veh Exp - 1183183 - 2005 Chev Util Trk	Maintenance	General	\$0	\$1,200	\$1,200	\$1,230	\$1,267	\$1,305	\$1,344	\$1,384
Veh Exp - 1193940 - 2006 Ford Trk	Maintenance	General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Veh Exp - 1242776 - 2008 Ford Util Trk	Maintenance	General	\$368	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Veh Exp - 1329407 - 2009 Ford Trk	Maintenance	General	\$961	\$900	\$900	\$923	\$950	\$979	\$1,008	\$1,038
Veh Exp - 1329408 - 2009 Ford Trk	Maintenance	General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Table 3
Pico Water District
Projected Operating Expenses

Cost Escalation	Inflation	2019	2020	2020	2021	2022	2023	2024	2025
General Inflation Factor	General				2.5%	3.0%	3.0%	3.0%	3.0%
No Escalation	None			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Electric	Electric			4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Water Replenishment District Cost	WRD			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Benefits	Benefits			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Salary	Salary			5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

Expenses ¹	Category	Inflation	2019	2020	2020	2021	2022	2023	2024	2025
			Actual	Budgeted	Budgeted Modified	Projected	Projected	Projected	Projected	Projected
Veh Exp - 1455249 - 2015 Chev Trk	Maintenance	General	\$415	\$400	\$400	\$410	\$422	\$435	\$448	\$461
Veh Exp - 1459257 - 2015 Chev Trk	Maintenance	General	\$1,278	\$400	\$400	\$410	\$422	\$435	\$448	\$461
Veh Exp - 1491226 - 2016 Dodge Ram DmpTrk	Maintenance	General	\$0	\$200	\$200	\$205	\$211	\$217	\$224	\$231
Veh Exp - 1555201 - 2019 Chev Trk	Maintenance	General	\$15	\$200	\$200	\$205	\$211	\$217	\$224	\$231
Veh Exp - 1555202 - 2019 Chev Trk	Maintenance	General	\$207	\$200	\$200	\$205	\$211	\$217	\$224	\$231
Veh Exp - Misc	Maintenance	General	\$153	\$200	\$200	\$205	\$211	\$217	\$224	\$231
Meter Read & Svc Call Salaries & Wages	Customer Accounts	General	\$21,288	\$24,480	\$24,480	\$25,092	\$25,845	\$26,620	\$27,419	\$28,241
Billing & Cust Svc Salaries & Wages	Customer Accounts	General	\$130,872	\$137,190	\$137,190	\$140,620	\$144,838	\$149,183	\$153,659	\$158,269
Billing & Collection Supplies	Customer Accounts	General	\$44,461	\$48,500	\$48,500	\$49,713	\$51,204	\$52,740	\$54,322	\$55,952
Billing Communication Expense	Customer Accounts	General	\$2,674	\$3,200	\$3,200	\$3,280	\$3,378	\$3,480	\$3,584	\$3,692
Uncollectible Accounts	General & Administrative	General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Travel/Mtgs - General Manager	General & Administrative	General	\$749	\$2,500	\$2,500	\$2,563	\$2,639	\$2,719	\$2,800	\$2,884
Travel/Mtgs - Board & Officers	General & Administrative	General	\$654	\$200	\$200	\$205	\$211	\$217	\$224	\$231
Gen & Admin Salaries & Wages	General & Administrative	General	\$196,143	\$233,860	\$233,860	\$239,707	\$246,898	\$254,305	\$261,934	\$269,792
Salaries - Sick Leave	General & Administrative	General	\$32,080	\$26,500	\$26,500	\$27,163	\$27,977	\$28,817	\$29,681	\$30,572
Salaries - Allowed Time	General & Administrative	General	\$13,054	\$16,070	\$16,070	\$16,472	\$16,966	\$17,475	\$17,999	\$18,539
Salaries - Vacation Pay	General & Administrative	General	\$46,978	\$35,800	\$35,800	\$36,695	\$37,796	\$38,930	\$40,098	\$41,301
Salaries - Holiday Pay	General & Administrative	General	\$35,438	\$37,100	\$37,100	\$38,028	\$39,168	\$40,343	\$41,554	\$42,800
Salaries - Standby Pay	General & Administrative	General	\$15,654	\$16,200	\$16,200	\$16,605	\$17,103	\$17,616	\$18,145	\$18,689
Salaries - Jury Duty Pay	General & Administrative	General	\$455	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries - Phone Allowance	General & Administrative	General	\$1,260	\$1,260	\$1,260	\$1,292	\$1,330	\$1,370	\$1,411	\$1,454
Salaries - Car Allowance	General & Administrative	General	\$4,820	\$4,800	\$4,800	\$4,920	\$5,068	\$5,220	\$5,376	\$5,538
SALARIES - COVID-19	General & Administrative	General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries - Other	General & Administrative	General	\$6,586	\$5,000	\$5,000	\$5,125	\$5,279	\$5,437	\$5,600	\$5,768
Group Insurance - Health	General & Administrative	General	\$158,737	\$178,000	\$178,000	\$182,450	\$187,924	\$193,561	\$199,368	\$205,349
Group Insurance - Dental	General & Administrative	General	\$14,606	\$16,000	\$16,000	\$16,400	\$16,892	\$17,399	\$17,921	\$18,458

Table 3
Pico Water District
Projected Operating Expenses

Cost Escalation	Inflation	2019	2020	2020	2021	2022	2023	2024	2025
General Inflation Factor	General				2.5%	3.0%	3.0%	3.0%	3.0%
No Escalation	None			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Electric	Electric			4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Water Replenishment District Cost	WRD			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Benefits	Benefits			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Salary	Salary			5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

Expenses ¹	Category	Inflation	2019	2020	2020	2021	2022	2023	2024	2025
			Actual	Budgeted	Budgeted Modified	Projected	Projected	Projected	Projected	Projected
Group Insurance - Life	General & Administrative	General	\$3,120	\$3,200	\$3,200	\$3,280	\$3,378	\$3,480	\$3,584	\$3,692
Group Insurance - Vision	General & Administrative	General	\$5,858	\$4,500	\$4,500	\$4,613	\$4,751	\$4,893	\$5,040	\$5,191
Group Insurance - Health Retiree Over 65	General & Administrative	General	\$19,163	\$25,500	\$25,500	\$26,138	\$26,922	\$27,729	\$28,561	\$29,418
Group Insurance - Health Retiree Under 65	General & Administrative	General	\$9,827	\$14,650	\$14,650	\$15,016	\$15,467	\$15,931	\$16,409	\$16,901
Payroll Taxes	General & Administrative	General	\$66,026	\$68,210	\$68,210	\$69,915	\$72,013	\$74,173	\$76,398	\$78,690
Workers Comp Insurance	General & Administrative	General	\$12,389	\$18,260	\$18,260	\$18,717	\$19,278	\$19,856	\$20,452	\$21,066
Pension Plan	General & Administrative	General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PERS - ER Paid Member	General & Administrative	General	\$40,303	\$44,100	\$44,100	\$45,203	\$46,559	\$47,955	\$49,394	\$50,876
PERS - ER Classic	General & Administrative	General	\$62,971	\$73,150	\$73,150	\$74,979	\$77,228	\$79,545	\$81,931	\$84,389
PERS - ER PEPRA	General & Administrative	General	\$8,717	\$12,210	\$12,210	\$12,515	\$12,891	\$13,277	\$13,676	\$14,086
PERS - PEPRA EE Paid	General & Administrative	General	\$8,240	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PEPRA Withholdings	General & Administrative	General	-\$8,454	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PERS Unfunded Expense	General & Administrative	General	\$19,350	\$23,000	\$23,000	\$23,575	\$24,282	\$25,011	\$25,761	\$26,534
OPEB Expense	General & Administrative	General	\$90,000	\$90,000	\$90,000	\$92,250	\$95,018	\$97,868	\$100,804	\$103,828
Director Compensation	General & Administrative	General	\$38,655	\$33,000	\$33,000	\$33,825	\$34,840	\$35,885	\$36,961	\$38,070
Travel/Mtgs - V. Caballero	General & Administrative	General	\$75	\$4,200	\$4,200	\$4,305	\$4,434	\$4,567	\$4,704	\$4,845
Travel/Mtgs - D. Gonzales	General & Administrative	General	\$2,678	\$4,200	\$4,200	\$4,305	\$4,434	\$4,567	\$4,704	\$4,845
Travel/Mtgs - A. Lara	General & Administrative	General	\$4,386	\$4,200	\$4,200	\$4,305	\$4,434	\$4,567	\$4,704	\$4,845
Travel/Mtgs - E. Ramirez	General & Administrative	General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Travel/Mtgs - B. Rapisarda	General & Administrative	General	\$202	\$4,200	\$4,200	\$4,305	\$4,434	\$4,567	\$4,704	\$4,845
Travel/Mtgs - H. Salazar	General & Administrative	General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Travel/Mtgs - R. Martinez	General & Administrative	General	\$1,227	\$4,200	\$4,200	\$4,305	\$4,434	\$4,567	\$4,704	\$4,845
Other Board Expense	General & Administrative	General	\$480	\$1,500	\$1,500	\$1,538	\$1,584	\$1,631	\$1,680	\$1,730
Office Supplies & Expense	General & Administrative	General	\$18,971	\$13,000	\$13,000	\$13,325	\$13,725	\$14,136	\$14,561	\$14,997
Office Utilities	General & Administrative	Electric	\$20,935	\$23,000	\$23,000	\$24,035	\$25,117	\$26,247	\$27,428	\$28,662
Prof Services - Legal	General & Administrative	General	\$45,239	\$55,000	\$55,000	\$56,375	\$58,066	\$59,808	\$61,602	\$63,451

Table 3
Pico Water District
Projected Operating Expenses

Cost Escalation	Inflation	2019	2020	2020	2021	2022	2023	2024	2025
General Inflation Factor	General				2.5%	3.0%	3.0%	3.0%	3.0%
No Escalation	None			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Electric	Electric			4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Water Replenishment District Cost	WRD			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Benefits	Benefits			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Salary	Salary			5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

Expenses ¹	Category	Inflation	2019	2020	2020	2021	2022	2023	2024	2025
			Actual	Budgeted	Budgeted Modified	Projected	Projected	Projected	Projected	Projected
Prof Services - Accounting	General & Administrative	General	\$63,549	\$45,000	\$45,000	\$46,125	\$47,509	\$48,934	\$50,402	\$51,914
Prof Services - Computer	General & Administrative	General	\$3,150	\$3,000	\$3,000	\$3,075	\$3,167	\$3,262	\$3,360	\$3,461
Prof Services - Engineering	Maintenance	General	\$2,963	\$4,500	\$4,500	\$4,613	\$4,751	\$4,893	\$5,040	\$5,191
Prof Services - Licensing & Support	General & Administrative	General	\$14,310	\$13,250	\$13,250	\$13,581	\$13,989	\$14,408	\$14,841	\$15,286
Prof Services - Misc	General & Administrative	General	\$6,789	\$3,500	\$3,500	\$3,588	\$3,695	\$3,806	\$3,920	\$4,038
Prof Services - Emergency Preparedness	Maintenance	General	\$9,088	\$12,000	\$12,000	\$12,300	\$12,669	\$13,049	\$13,441	\$13,844
Prof Services - Nobel GIS System	Maintenance	General	\$5,400	\$16,500	\$16,500	\$16,913	\$17,420	\$17,942	\$18,481	\$19,035
Property Insurance	General & Administrative	General	\$4,722	\$6,300	\$6,300	\$6,458	\$6,651	\$6,851	\$7,056	\$7,268
Earthquake Insurance	General & Administrative	General	\$9,200	\$10,000	\$10,000	\$10,250	\$10,558	\$10,874	\$11,200	\$11,536
Auto/General Liability Insurance	General & Administrative	General	\$25,515	\$27,000	\$27,000	\$27,675	\$28,505	\$29,360	\$30,241	\$31,148
Maint - General Plant	Maintenance	General	\$485	\$1,800	\$1,800	\$1,845	\$1,900	\$1,957	\$2,016	\$2,077
Maint - District Office	Maintenance	General	\$11,827	\$12,200	\$12,200	\$12,505	\$12,880	\$13,267	\$13,665	\$14,074
Maint - District Yard	Maintenance	General	\$5,680	\$6,400	\$6,400	\$6,560	\$6,757	\$6,960	\$7,168	\$7,383
Due & Subscriptions	General & Administrative	General	\$22,901	\$15,000	\$15,000	\$15,375	\$15,836	\$16,311	\$16,801	\$17,305
Noticing	General & Administrative	General	\$15,306	\$8,500	\$8,500	\$8,713	\$8,974	\$9,243	\$9,520	\$9,806
Education Expense	General & Administrative	General	\$1,850	\$3,000	\$3,000	\$3,075	\$3,167	\$3,262	\$3,360	\$3,461
Conservation Expense	Conservation	General	\$31,439	\$25,000	\$25,000	\$25,625	\$26,394	\$27,186	\$28,001	\$28,841
Grant Expense	General & Administrative	General	\$0	\$15,000	\$15,000	\$15,375	\$15,836	\$16,311	\$16,801	\$17,305
Election Costs	General & Administrative	General	\$9,024	\$40,000	\$40,000	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
Other Operating Expense	General & Administrative	General	\$0	\$1,200	\$1,200	\$1,230	\$1,267	\$1,305	\$1,344	\$1,384
Compliance Fines	General & Administrative	General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Non-Operating Expense	General & Administrative	General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Table 3
Pico Water District
Projected Operating Expenses

Cost Escalation		Inflation	2019	2020	2020	2021	2022	2023	2024	2025
General Inflation Factor		General				2.5%	3.0%	3.0%	3.0%	3.0%
No Escalation		None			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Electric		Electric			4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Water Replenishment District Cost		WRD			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Benefits		Benefits			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Salary		Salary			5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

Expenses ¹		Category	Inflation	2019	2020	2020	2021	2022	2023	2024	2025
				<i>Actual</i>	<i>Budgeted</i>	<i>Budgeted Modified</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
PFAS Maintenance	General & Administrative	General						\$80,000	\$82,400	\$84,872	\$87,418
Total Operating Expenses				\$3,230,130	\$3,341,400	\$3,421,163	\$3,519,173	\$3,739,283	\$3,888,009	\$4,043,325	\$4,205,555
% Change from Previous Year				-3.8%	-0.5%	5.9%	2.9%	6.3%	4.0%	4.0%	4.0%

¹ Based on Pico WD budget

Table 4
Pico Water District
Projected Operating Revenues

Revenue		2017	2018	2019	2020	2021	2022	2023	2024	2025
		<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
Meter Service Charge - Residential		\$309,484	\$810,364	\$865,222						
Water Sales Potable - Residential		\$1,298,623	\$1,051,788	\$1,024,629						
Meter Service Charge - Multi User		\$72,494	\$90,298	\$102,295						
Water Sales Potable - Multi User		\$467,740	\$360,298	\$364,017						
Meter Service Charge - Multi Dwelling		\$0	\$111,000	\$111,026						
Meter Service Charge - Commercial		\$51,773	\$146,538	\$151,783						
Water Sales Potable - Commercial		\$468,033	\$386,893	\$366,985						
Meter Service Charge - Industrial		\$189	\$534	\$556						
Water Sales Potable - Industrial		\$434	\$82	\$602						
Meter Service Charge - Government		\$42,953	\$123,573	\$128,475						
Water Sales Potable - Government		\$357,346	\$259,435	\$250,708						
Fire Protection		\$56,971	\$57,945	\$60,981						
Rate Revenue	Demand	\$3,126,040	\$3,398,749	\$3,427,278	\$3,420,000	\$3,420,000	\$3,625,200	\$3,842,712	\$4,073,275	\$4,317,671
Additional Rate Revenue^{1,2}					\$0	\$205,200	\$217,512	\$230,563	\$244,396	\$259,060
Water Sales Recycled - Government	None	\$39,216	\$58,458	\$69,698	\$46,000	\$46,000	\$46,000	\$46,000	\$46,000	\$46,000
Infrastructure Surcharge	Demand	\$443,485	\$419,648	\$424,926	\$410,000	\$410,000	\$410,000	\$410,000	\$410,000	\$410,000
Other Revenue										
Water Sales Potable - Hydr/Const	None	\$411	\$3,153	\$4,928	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Meter Service Charge - Hydr/Cons	None	\$0	\$6,889	\$3,653	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Water Other - Hyd Surchg/Setup C	None	\$586	\$1,100	\$1,540	\$500	\$500	\$500	\$500	\$500	\$500
Reconnection Charges	None	\$6,455	\$10,260	\$7,415	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
NSF Check Charges	None	\$1,395	\$1,980	\$795	\$525	\$525	\$525	\$525	\$525	\$525
Late Fees	None	\$57,684	\$62,412	\$58,598	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
New Customer Application Charge	None	\$6,836	\$7,500	\$5,825	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500
Damage/Lock/Unauthorized Use	None	\$250	\$50	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Testing Fees	None	\$375	\$1,625	\$875	\$500	\$500	\$500	\$500	\$500	\$500
Backflow Device Fees	None	\$24,129	\$23,745	\$23,587	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000
Temp Turn On / Turn Off Fees	None	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Credit & Collections	None	\$0	\$1	-\$157	\$0	\$0	\$0	\$0	\$0	\$0

Table 4
Pico Water District
Projected Operating Revenues

Revenue		2017	2018	2019	2020	2021	2022	2023	2024	2025
		<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
Water Rights Lease Income	None	\$88,000	\$228,000	\$144,428	\$144,000	\$144,000	\$144,000	\$144,000	\$144,000	\$144,000
Grant Revenue-Federal	None	\$6,264	\$48,022	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Income	None	\$49,202	\$133,926	\$145,231	\$55,000	\$27,500	\$30,916	\$34,612	\$36,951	\$40,194
Investment Income	None	\$3,880	-\$2,433	\$22,530	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000
House Rental Income	None	\$18,000	\$19,000	\$20,200	\$20,400	\$20,400	\$20,400	\$20,400	\$20,400	\$20,400
Unrealized Gains/Loss	None	-\$4,771	\$2,353	\$7,040	\$0	\$0	\$0	\$0	\$0	\$0
Realized Gains/Loss	None	-\$2,208	-\$1,766	\$7,305	\$0	\$0	\$0	\$0	\$0	\$0
Gain/Loss Sale of Assets	None	\$6,305	\$11,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income	None	\$32,198	\$17,152	\$21,865	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Total Other Revenue		\$294,991	\$573,970	\$475,857	\$314,625	\$287,125	\$290,541	\$294,237	\$296,576	\$299,819
Total Operating Revenue		\$3,942,947	\$4,509,282	\$4,467,457	\$4,236,625	\$4,368,325	\$4,589,253	\$4,823,512	\$5,070,247	\$5,332,551
% Change from Previous Year			14.4%	-0.9%	-5.2%	3.1%	5.1%	5.1%	5.1%	5.2%

¹Additional revenue based on recommended increase

²Additional adjusted if adopted mid-fiscal year

Table 5
Pico Water District
Capital Improvement Costs

Project Description	2020	2021	2022	2023	2024	2025
	<i>Budgeted</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
CIP (Current Dollars)						
Replace all undersized four-inch cast iron pipe			\$1,000,000			\$1,500,000
Replace all six-inch cast iron pipe			\$1,000,000			
Replace all undersized four-inch asbestos cement pipe						\$1,000,000
Replace old manual read meters with new AMRs		\$880,000				
PFAS*		\$1,500,000				
Hydrant Repairs	\$8,000					
Additional Well						\$3,000,000
Well Rehabilitation		\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
Pipeline Repair and Replacement						
Total CIP (Current Dollars)	\$8,000	\$2,425,000	\$2,045,000	\$45,000	\$45,000	\$5,545,000
CIP (Inflated Dollars)						
Total CIP (Inflated Dollars)	\$0	\$2,485,625	\$2,159,009	\$48,934	\$50,402	\$6,396,970

Table 6
Pico Water District
Existing and Proposed Debt

Description	2021	2022	2023	2024	2025
	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
Existing Debt					
I Bank 2M	\$111,380	\$111,222	\$111,058	\$110,889	\$110,715
I Bank 5M	310,522	310,120	309,702	309,268	308,818
Total Current Debt Service	\$421,902	\$421,341	\$420,760	\$420,158	\$419,533
Proposed Borrowing					
Net Proceeds Needed			\$4,500,000		
Repayment Term (yrs)			30		
Interest Rate			2.5%		
Month of Issue			1		
Issuance Cost			\$112,500		
Debt Service Reserve			\$235,000		
Total Debt Issue Size			\$4,847,500		
Prorated Debt Service Payment - Current Yr. Only			\$232,000		
Annual Debt Service Payment (rounded)			\$232,000		
Total Proposed Annual Water Debt Service	\$0	\$0	\$232,000	\$232,000	\$232,000

Table 7
Pico Water District
Cash Flow Projections

Operating Fund	2021	2022	2023	2024	2025
Reserves					
Beginning Unrestricted Balance	\$2,750,000	\$3,091,625	\$3,461,245	\$3,695,054	\$4,019,417
Revenues					
Rate Revenue	\$3,420,000	\$3,625,200	\$3,842,712	\$4,073,275	\$4,317,671
Additional Rate Revenue	205,200	217,512	230,563	244,396	259,060
Water Sales Recycled - Govt	46,000	46,000	46,000	46,000	46,000
Infrastructure Surcharge	410,000	410,000	410,000	410,000	410,000
Other Revenue	\$287,125	\$290,541	\$294,237	\$296,576	\$299,819
<i>Total Revenue</i>	<i>\$4,368,325</i>	<i>\$4,589,253</i>	<i>\$4,823,512</i>	<i>\$5,070,247</i>	<i>\$5,332,551</i>
Expenses					
Total Operating Expenses	\$3,519,173	\$3,739,283	\$3,888,009	\$4,043,325	\$4,205,555
Capital Expenses					
Existing Debt Service	\$421,902	\$421,341	\$420,760	\$420,158	\$419,533
New Debt Service	0	0	232,000	232,000	232,000
Rate Funded Capital	\$85,625	\$59,009	\$48,934	\$50,402	\$396,970
Total Capital Expenditures	\$507,527	\$480,350	\$701,694	\$702,560	\$1,048,503
<i>Total Expenses</i>	<i>\$4,026,700</i>	<i>\$4,219,633</i>	<i>\$4,589,703</i>	<i>\$4,745,885</i>	<i>\$5,254,058</i>
Net Revenues	\$341,625	\$369,620	\$233,809	\$324,362	\$78,493
Ending Unrestricted Balance	\$3,091,625	\$3,461,245	\$3,695,054	\$4,019,417	\$4,097,909
Debt Coverage (Target 1.25)	2.01	2.02	1.43	1.57	1.73

Table 7
Pico Water District
Cash Flow Projections

Capital Funding	2021	2022	2023	2024	2025
Capital Revenues					
Use of Debt Proceeds	\$2,400,000	\$2,100,000		\$0	\$6,000,000
Grant Revenue					
Use of Capacity Funds					
Rate Funded Capital	\$85,625	\$59,009	\$48,934	\$50,402	\$396,970
Total Capital Revenue	\$2,485,625	\$2,159,009	\$48,934	\$50,402	\$6,396,970
Total Capital Expenditures	\$2,485,625	\$2,159,009	\$48,934	\$50,402	\$6,396,970

Table 9
Pico Water District
Cost Allocation

Functional Allocation	Allocation Amount	Customer	Capacity	All Volume	Total
Conservation	\$25,625			100%	100%
Maintenance	\$86,510		40%	60%	100%
Source of Supply	\$118,357			100%	100%
Pumping	\$463,539			100%	100%
Water Treatment	\$108,753			100%	100%
Transmission & Distribution	\$175,480			100%	100%
Customer Accounts	\$218,704	100%			100%
General & Administrative	\$1,306,036		85%	15.0%	100%
Groundwater	\$1,016,170			100.0%	100%
New Debt	\$232,000		100.0%		100%
Capital	\$85,625			100%	100%
Functional Allocation \$		\$218,704	\$1,376,734	\$2,241,359	\$3,836,798
Functional Allocation %		5.70%	35.88%	58.41%	100%
Revenue Requirement		\$206,636	\$1,300,722	\$2,117,479	\$3,625,200

Table 10
Pico Water District
2018 Water Rates

Allocation Units	Customer	Capacity	All Volume
	#	EDU	CCF
Total Allocation Units	5,578	8,260	1,125,000
Revenue Requirement	<u>\$206,636</u>	<u>\$1,300,722</u>	<u>\$2,117,479</u>
Unit Cost	\$37.04	\$157.48	\$1.88

Uniform Rate	Tier Demand	Demand (CCF)	Revenue Requirement	Unit Rate
Tier 1	100.0%	1,125,000	2,117,479	\$1.88

Table 10
Pico Water District
2018 Water Rates

Fixed Charge Calculation	Annual Customer Charge	Capacity Factor	Annual Capacity Charge	Annual Meter Charge	Monthly Meter Charge	Bi-Monthly Meter Charge
Meter Size						
Single Family	\$37.04	1.0	\$157.48	\$194.52	\$16.21	\$32.42
5/8"	\$37.04	1.0	\$157.48	\$194.52	\$16.21	\$32.42
1"	\$37.04	2.5	\$393.70	\$430.74	\$35.90	\$71.80
1 1/2"	\$37.04	5.0	\$787.40	\$824.44	\$68.70	\$137.40
2"	\$37.04	8.0	\$1,259.84	\$1,296.88	\$108.07	\$216.14
3"	\$37.04	15.0	\$2,362.20	\$2,399.24	\$199.94	\$399.88
4"	\$37.04	25.0	\$3,937.00	\$3,974.04	\$331.17	\$662.34
6"	\$37.04	50.0	\$7,874.00	\$7,911.04	\$659.25	\$1,318.50
10"	\$37.04	115.0	\$18,110.20	\$18,147.24	\$1,512.27	\$3,024.54

Fixed Private Fire Charge Calculation	Annual Capacity Charge	Annual Meter Charge	Monthly Meter Charge	Bi-Monthly Meter Charge
Meter Size				
1 1/2"	\$157.48	\$157.48	\$13.12	\$26.24
2"	\$251.97	\$251.97	\$21.00	\$42.00
4"	\$472.44	\$472.44	\$39.37	\$78.74
6"	\$787.40	\$787.40	\$65.62	\$131.24
8"	\$1,574.80	\$1,574.80	\$131.23	\$262.46
10"	\$3,622.04	\$3,622.04	\$301.84	\$603.68