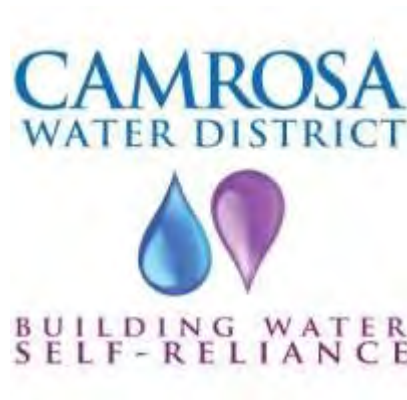


DRAFT

WATER AND SEWER RATE STUDY

BLACK & VEATCH PROJECT NO. 415600

PREPARED FOR



Camrosa Water District, CA

5 APRIL 2024



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Legal Notice

Black & Veatch Management Consulting, LLC (Black & Veatch) has prepared this report for the Camrosa Water District (District), and it is based on information not within the control of Black & Veatch. The District has not requested Black & Veatch to make an independent analysis, verify the information provided to us, or render an independent judgment of the validity of the information provided by others. Because of this, Black & Veatch cannot, and does not, guarantee the accuracy thereof to the extent that such information, data, or opinions were based on information provided by others.

In conducting these analyses and in forming an opinion of the projection of future financial operations summarized in this report, Black & Veatch made certain assumptions on the conditions, events, and circumstances that may occur in the future. The methodology utilized in performing the analyses follows generally accepted practices for such projections. Such assumptions and methodologies are reasonable and appropriate for the purpose for which they are used. While we believe the assumptions are reasonable and the projection methodology valid, actual results may differ materially from those projected, as influenced by the conditions, events, and circumstances that occur. Such factors may include the District's ability to execute the capital improvement program as scheduled and within budget, regional climate and weather conditions affecting water demand, and adverse legislative, regulatory, or legal decisions (including environmental laws and regulations) affecting the District's ability to manage the system and meet water quality requirements.

1.0 Executive Summary

Camrosa Water District (District) commissioned Black & Veatch Management Consulting, LLC (Black & Veatch) to conduct a Water and Sewer Rate Study (Study) for its Water and Sewer Utilities. Water is composed of Potable Water and Non-Potable Water. The Study included the development of a five-year financial plan, a cost-of-service analysis and the design of rates. The specific objectives of the Study were to:

- Evaluate the adequacy of projected revenues under existing rates to meet projected revenue requirements.
- Develop sound financial plans for the utilities covering a five-year Study period for both ongoing operations and planned capital improvements.
- Allocate the utilities' projected revenue requirements to the various customer classes by their respective service requirements.
- Develop a suitable rate schedule that produces revenues adequate to meet financial needs while recognizing customer costs of service and regulatory considerations such as Proposition 218 and applicable judicial decisions.

1.1 Water System

The District's Water Utility provides Potable Water services to an expected 8,194 residential, commercial, irrigation, schools, agricultural and fire connections in FY 2025. The District obtains Potable Water from two primary sources: 1) groundwater and 2) import water from Calleguas Municipal Water District. The potable sources meet the District's fiscal year water sales between 5,000 to 7,500 acre-feet (AF).

1.2 Sewer System

The District's Sewer Utility provides sewer services to 5,354 residential, commercial, and school connections (9,180 equivalent dwelling units (EDUs)). The District also provides sewer services to the California State University at Channel Islands. The District directs sewage flow through its 70 miles of mains and 5 lift stations to the Water Reclamation Facility. Additionally, a small portion of the District's customers flow is directed to the City of Thousand Oaks for collection and treatment via an agreement between the two agencies. These customers reside in a geographic area where it makes more economic sense to redirect flows to Thousand Oaks.

1.3 Financial Plan

The District operates the utilities as self-supporting enterprises. As such, the utilities must develop financial plans, also known as revenue requirements, which provide sufficient levels of revenue to meet all operation and maintenance expenses, water purchases, wastewater treatment, debt service requirements, capital improvements funded from current revenues, and other revenue requirements.

The Study develops financial plans that project operating revenue, expenses, and capital financing costs for the utilities over a five-year planning period beginning July 1, 2024, and ending June 30, 2029. The financial plans project future rate revenues under existing rates, operations and maintenance (O&M) expenses, principal and interest expense on debt, transfers, and capital improvement program (CIP) requirements.

1.3.1 Water Utility

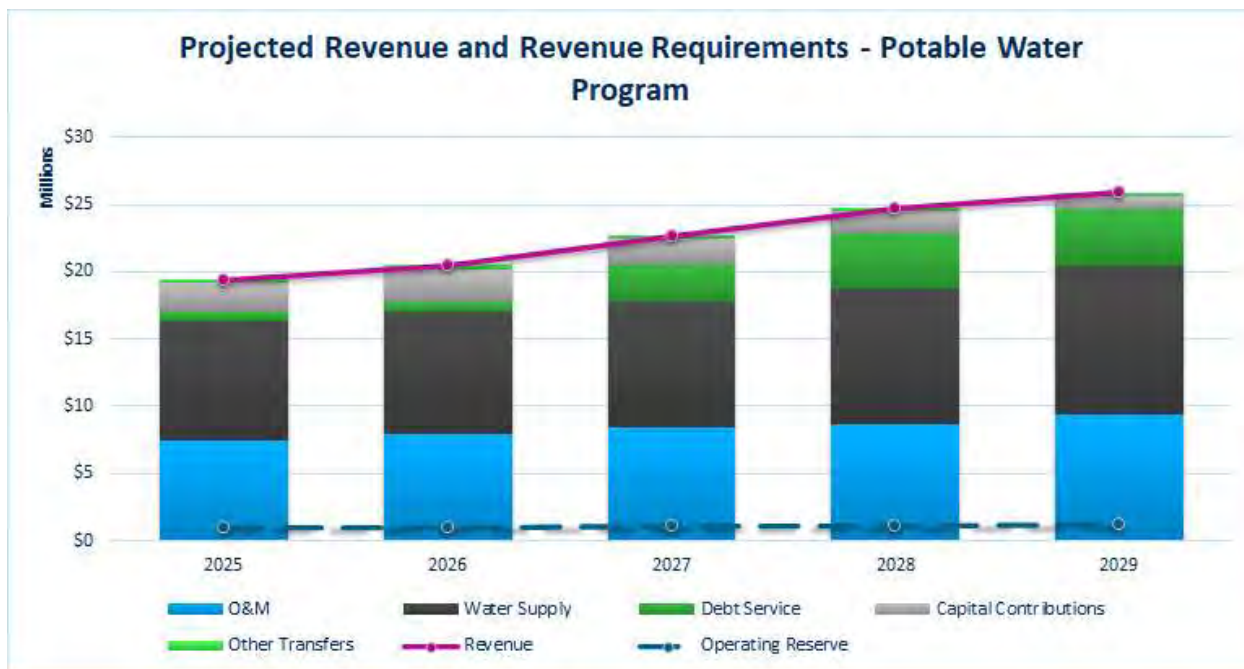
1.3.1.1 Potable Water

Summarized below are the Potable Water's revenue requirements:

- **Operation and Maintenance Expenses:** The District anticipates O&M expenses to increase from \$16.2M in FY 2025 to \$20.4M in FY 2029. Water production, services, and supplies account for most of this increase, representing roughly 70% of O&M expenses.
- **Debt Service:** The District anticipates debt service payment of about \$825,000 per FY on existing revenue bonds and \$1.95M in FY 2027 followed by \$3.34M thereafter for proposed revenue bonds.
- **Capital Improvements:** The District plans to execute a five-year CIP of \$71.0M from FY 2025 to FY 2029.
- **Reserves:** The District plans to maintain the operating and emergency reserve and amend the capital improvement and capital replacement reserve and a rate stabilization reserve.
 - The operating and emergency reserve is to help cover fluctuations in day-to-day expenses. The scheduled target is 45 days of O&M expenses (excluding wholesale water costs).
 - The capital replacement reserve fund is to help maintain sufficient funds on hand for the current and future replacement of existing capital assets as they reach the end of their useful lives and to help mitigate unexpected capital costs. The scheduled target will become a minimum of 5.0% of the replacement value of Potable Water's fixed assets.
 - The District uses the capital improvement reserve fund for new development. Capacity fees are development driven as are the costs incurred; therefore, as a matter of policy, the District has not established any minimum or maximum levels for this fund.
 - The rate stabilization fund reserve is to help mitigate future increases in drought-stricken years. The scheduled target will become a minimum of 10% of the prior year's rate revenue. For the rate stabilization fund reserve, rate revenue is defined as revenue generated from commodity charges only.

The District is proposing revenue adjustments for Potable Water to meet projected revenue requirements. These revenue adjustments should allow Potable Water to generate revenues as close as possible to operating expenses with minimal surplus or shortage as shown in Figure 1-1.

Figure 1-1 Potable Water Operating Cash Flow



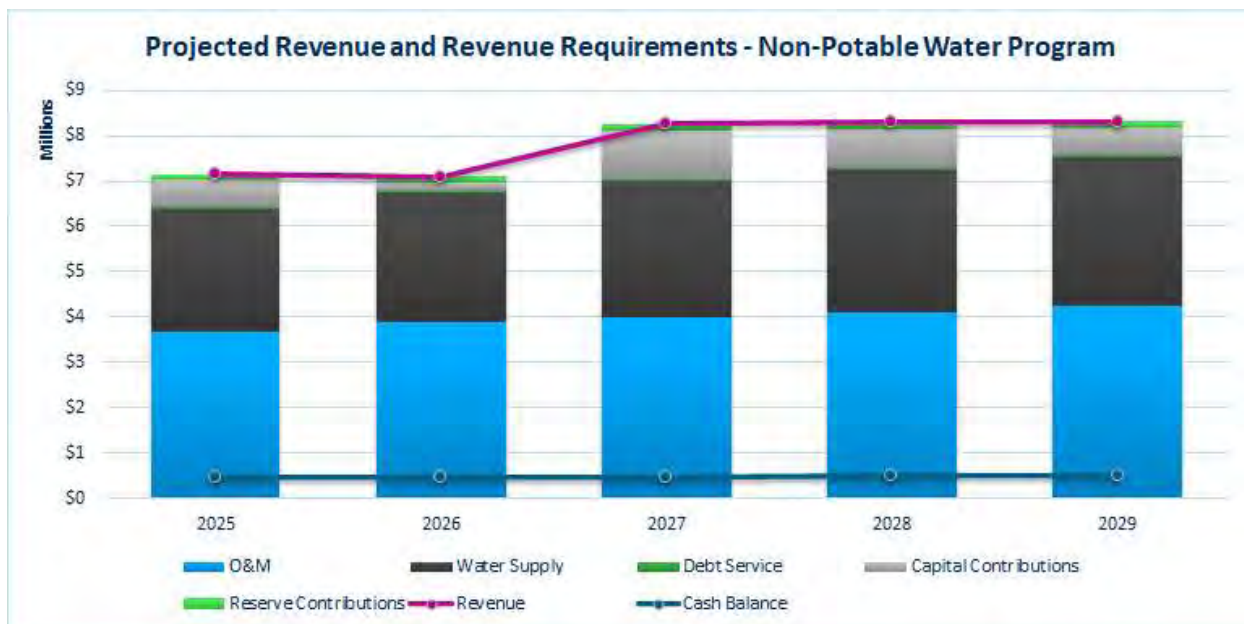
1.3.1.2 Non-Potable Water

Summarized below are the Non-Potable Water’s revenue requirements:

- **Operation and Maintenance Expenses:** The District anticipates O&M expenses to increase from \$6.4M in FY 2025 to \$7.5M in FY2029.
- **Debt Service:** The District anticipates debt service payment of about \$30.8k per FY on existing revenue bonds.
- **Capital Improvements:** The District plans to execute a five-year CIP of \$9.2M from FY 2025 to FY 2029.
- **Reserves:** The District plans to maintain the operating and emergency reserve and amend the capital improvement and capital replacement reserve.
 - The operating and emergency reserve is to help cover fluctuations in day-to-day expenses. The scheduled target is 45 days of O&M expenses.
 - The capital replacement reserve is to help maintain sufficient funds on hand to for the current and future replacement of existing capital assets as they reach the end of their useful lives and help mitigate unexpected capital costs. The scheduled target will become a minimum of 5.0% of the replacement value of the Non-Potable Water’s fixed assets.
 - The rate stabilization fund reserve is to help mitigate future cost increases. The scheduled target will become a minimum of 10% of the prior year’s rate revenue. For the rate stabilization fund reserve, rate revenue is defined as revenue generated from commodity charges only.

The District is proposing no revenue adjustments for Non-Potable Water as existing revenues are expected to meet projected revenue requirements as shown in Figure 1-2. No further discussion on Non-Potable Water is included in this report.

Figure 1-2 Non-Potable Water Cash Flow



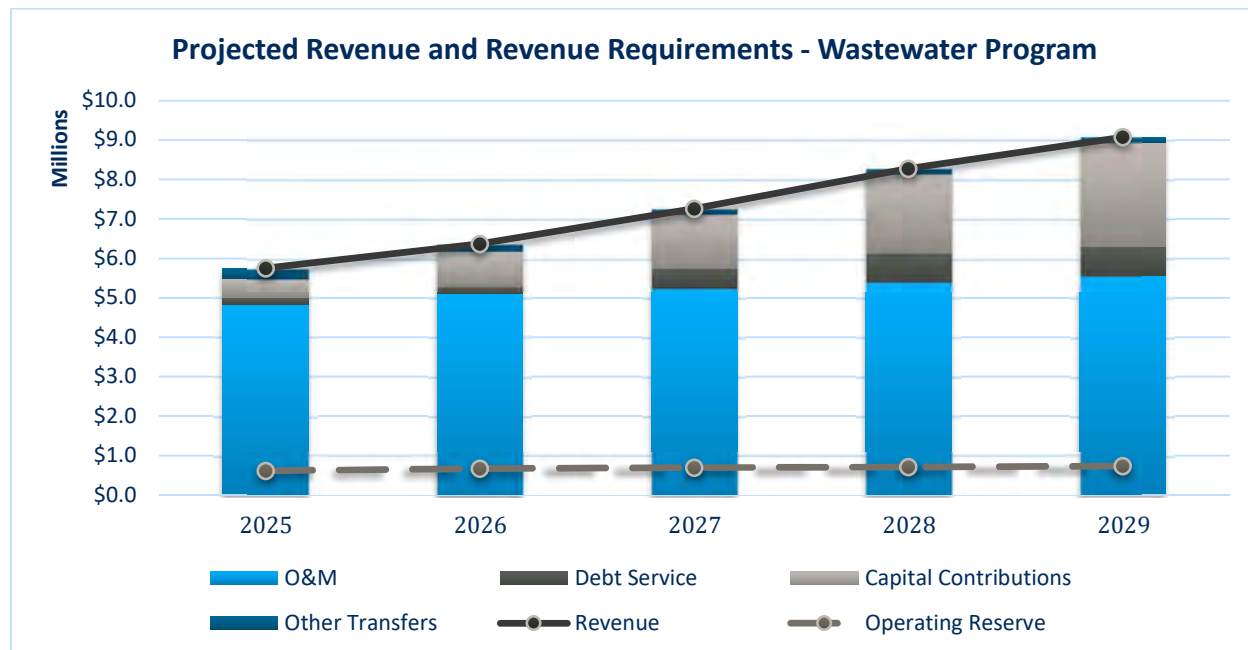
1.3.2 Sewer Utility

Summarized below are the Sewer Utility’s revenue requirements:

- **Operation and Maintenance Expenses:** The District anticipates O&M expenses to increase from \$4.8M in FY 2025 to \$5.6M in FY2029.
- **Debt Service:** The District anticipates debt service payment of about \$191.4k per FY on existing revenue bonds and \$319.8k in FY 2027 followed by \$548.2k thereafter for proposed revenue bonds.
- **Capital Improvements:** The District plans to execute a five-year CIP of \$16.2M from FY 2025 to FY 2029.
- **Reserves:** The District plans to maintain the operating and emergency reserve and amend the capital improvement and capital replacement reserve.
 - The operating and emergency reserve is to help cover fluctuations in day-to-day expenses. The scheduled target is 45 days of O&M expenses.
 - The capital replacement reserve is to help maintain sufficient funds on hand to for the current and future replacement of existing capital assets as they reach the end of their useful lives and help mitigate unexpected capital costs. The scheduled target will become a minimum of 5.0% of the replacement value of the Sewer Utility’s fixed assets.
 - The District uses the capital improvement reserve fund for new development. Capacity Fees are development driven as are the costs incurred; therefore, as a matter of policy, the District has not established any minimum or maximum levels for the fund.
 - The rate stabilization fund reserve is to help mitigate future increases in sewer treatment costs and change in customer base. The scheduled target will become a minimum of 10% of the prior year’s rate revenue.

The District is proposing revenue adjustments for the Sewer Utility to meet projected revenue requirements. These revenue adjustments should allow the Sewer Utility to generate revenues as close as possible to operating expenses with minimal surplus or shortage as shown in Figure 1-3.

Figure 1-3 Sewer Operating Cash Flow



1.4 Adequacy of Existing Rates to Meet Cost of Service

Based on the financial plan, Black & Veatch recommends the revenue adjustments shown in Table 1-1 to meet the projected revenue requirements for FY 2025 to FY 2029. These do not represent the proposed rate increases to customers; rather these represent the overall revenue increases needed by the utilities to meet their overall obligations and maintain current service levels.

Table 1-1 Proposed Revenue Adjustment

Fiscal Year	Effective Month	Potable Revenue Adjustment	Sewer Revenue Adjustment
FY 2025	July	7.50%	11.00%
FY 2026	July	7.50%	11.00%
FY 2027	July	7.50%	11.00%
FY 2028	July	7.50%	11.00%
FY 2029	July	7.50%	11.00%

1.5 Cost of Service Analysis

The cost-of-service analysis allocates the costs to the various customer classes of service in a fair and equitable manner. The methodologies used in the Study are specific to the respective utility operations. Therefore, they differ in process. The following is a brief description of the methodologies.

The water cost-of-service allocation performed in this Study uses the Base-Extra Capacity Method endorsed by the American Water Works Association (AWWA) Principles of Water Rates, Fees, and Charges, M1 (M1) manual. Under cost-of-service principles, we allocate costs to the different customer classes in proportion to their use of the water system. As recommended by AWWA, Black & Veatch distributed functional costs to the base (average load conditions), extra capacity (peaking) and customer-related parameters. This allocation methodology produces unit costs for allocation to individual customer classes based on the projected customer service requirements.

The sewer cost-of-service allocation performed in this Study follows the Functional Cost Allocation Method endorsed by the Water Environment Federation (WEF) Financing and Charges for Wastewater Systems, Manual of Practice (MoP) 27 manual. Similar to the methodology used for water systems, the sewer cost of service analysis allocates costs to the different customer classes in proportion to their use of the sewer system. As recommended by WEF, Black & Veatch distributed functional costs to volume, strength and customer-related parameters. This allocation methodology produces unit costs for allocation to individual customer classes based on the projected customer service requirements.

1.6 Rate Design

Through the cost-of-service analysis, the allocation of costs to customer classes must meet Proposition 218 requirements. The Right to Vote on Taxes Act, also known as Proposition 218, was passed by California voters in 1996 and added Article XIIC and Article XIID to the California Constitution. These articles provide the regulatory framework that guides and informs the rate-setting process. The regulatory framework helps ensure cost recovery proportionate to the cost of providing the service.

1.6.1 Water Utility

To minimize impacts, retain simplicity, and ensure the reasonable stability of revenue, Black & Veatch recommends the District maintain the same Potable Water rate structure.

- **Monthly Service Charge:** Potable Water will continue to have a fixed service charge based on meter sizes for all customer classes. The fixed service charge helps recover portions of fixed cost elements such as operating, and capital components associated with import water, debt service, meter maintenance and services, meter reading, issuing bills, and maintenance and capacity costs associated with available fire protection.
- **Commodity Charge:** Potable Water will continue to have a commodity charge based on units consumed by customer class. Residential customers will maintain the two-tier rate structure while all other customers will remain at a uniform rate by customer class. The commodity charge helps recover costs associated with base, extra capacity, and conservation.
- **Fire Service Charge:** Potable Water will continue to utilize the fire service charge based on meter size for private fire service connections. The fire service charge will help recover the costs of fixed cost elements such as operating and capital, issuing bills and maintenance and capacity costs associated with private fire protection costs.

Table 1-2 summarizes the recommended five-year rate schedules for all water components.

Table 1-2 Proposed Five-Year Water Rate Schedules

Customer Class	Monthly Service Charge					
	Existing	Proposed				
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
	\$/mo	\$/mo	\$/mo	\$/mo	\$/mo	\$/mo
Potable Water						
Master Metered [1]	6.57	6.90	7.92	8.47	9.24	10.29
3/4"	14.08	14.85	17.08	19.19	21.92	24.94
1"	24.06	26.61	30.64	35.06	40.69	46.63
1.5"	48.96	55.97	64.48	74.66	87.54	100.76
2"	78.99	91.37	105.29	122.40	144.02	166.03
3"	174.10	203.50	234.54	273.64	322.95	372.77
4"	298.98	350.72	404.23	472.19	557.86	644.20
6"	449.02	527.61	608.13	710.76	840.12	970.34
8"	748.93	881.19	1,015.68	1,187.62	1,404.30	1,622.23

[1] Master Metered accounts are charged on a per unit basis rather than meter size.

Customer Class	Fire Service Service Charge					
	Existing	Proposed				
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
	\$/mo	\$/mo	\$/mo	\$/mo	\$/mo	\$/mo
Fire Service						
4"	67.46	80.92	90.30	91.46	91.74	93.97
6"	101.90	122.23	136.41	138.16	138.58	141.95
8"	170.74	204.81	228.56	231.50	232.20	237.85
10"	453.98	544.57	607.72	615.54	617.41	632.42

Customer Class	Commodity Charge					
	Existing	Proposed				
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
	\$/HCF	\$/HCF	\$/HCF	\$/HCF	\$/HCF	\$/HCF
Potable Water						
Residential and Master Meter, Domestic Ag						
Tier 1 - First 12 Units	4.01	4.16	4.40	4.70	4.99	5.26
Tier 2 - 13 Units and Higher	4.45	4.80	5.09	5.39	5.67	6.01
Commercial/Industrial and Public	4.45	4.80	5.09	5.39	5.67	6.01
Municipal Irrigation	4.45	4.80	5.09	5.39	5.67	6.01
Other	4.45	4.80	5.09	5.39	5.67	6.01
Agricultural Irrigation	4.45	4.80	5.09	5.39	5.67	6.01
Temp Construction and Temp Agricultural	6.17	6.94	7.51	8.10	8.66	9.21
Temporary Municipal	6.17	6.94	7.51	8.10	8.66	9.21
Emergency Water Service	6.17	6.94	7.51	8.10	8.66	9.21
Surplus Water (Served Outside District)	6.17	6.94	7.51	8.10	8.66	9.21

1.6.2 Sewer Utility

Similar to the Water Utility, to minimize impacts, retain simplicity, and ensure the reasonable stability of revenue, Black & Veatch recommends the District maintain the same rate structure.

- **Monthly Sewer Service Charge:** Sewer will continue to have a fixed sewer service charge based on equivalent dwelling units for all customer classes. The fixed service charge will recover all fixed and variable cost elements associated with operating and capital components.

Table 1-3 summarizes the recommended five-year sewer rate schedule.

Table 1-3 Proposed Five-Year Sewer Rate Schedules

Customer Class	Sewer Service Charge					
	Existing	Proposed				
	2024	2025	2026	2027	2028	2029
	\$/mo/EDU	\$/mo/EDU	\$/mo/EDU	\$/mo/EDU	\$/mo/EDU	\$/mo/EDU
Customers Served by District	43.05	48.77	54.14	60.11	66.73	74.08
Customers Served by Thousand Oaks	48.61	55.56	56.94	58.33	59.72	61.57

Water Rate Study

2.0 Revenue and Revenue Requirements

To meet the costs associated with providing water services to its customers, Potable Water derives revenue from a variety of sources including water user charges (rates), special services, pump zone charges, property taxes, interest earned from the investment of available funds, engineering fees, and other miscellaneous revenues. The Water Utility is always actively looking for other sources of revenue, such as grants. Black & Veatch has projected the level of future revenue generated in the Study through a combination of an analysis of historical and future system growth in terms of the number of connections and water consumption. This section also projects the expenses, or revenue requirements, necessary to operate and maintain the systems, invest in capital improvements, make debt service payments and cover other expenses of the Potable Water system.

2.1 Customer and Water Consumption Projections

2.1.1 Customer Classes

Potable Water’s customers include both residential and non-residential. The District has identified the following distinct customer classes: Residential; Commercial; Public Water; Domestic Agricultural; Irrigation; Temporary; District Owned; and Fire Service. In the analysis, Black & Veatch has combined the Potable Water customer classes into groups. They consist of the following:

- Group 1: Temp Construction and Temp Agricultural; Temporary Municipal; Emergency Water Service; Surplus Water (Served Outside District).
- Group 2: Residential and Master Meter; Domestic Ag.
- Group 3: Commercial/Industrial and Public; Municipal Irrigation; Other; Agricultural Irrigation.

Fire Service remains a customer class outside the groups identified.

2.1.2 Connections

The District provides Potable Water services to an expected 8,194 customers in FY 2025. All customers connected to the Potable Water system do so via metered connections. Black & Veatch conducted a review of historical connection patterns for customers in order to project anticipated growth patterns. Additionally, we incorporated feedback from District staff regarding the potential new development over the Study period. The projected total number of connections are expected to remain the same until FY 2027. Then, there will be a 1.0% increase per year for the rest of the Study period. Table 2-1 summarizes the projected number of connections. The “Group” classifications represent consolidation of the individual customer classes based on usage pattern similarities.

Table 2-1 Number of Connections

Line No.	Description	Fiscal Year Ending June 30,				
		2025 (Conn)	2026 (Conn)	2027 (Conn)	2028 (Conn)	2029 (Conn)
Potable Water						
1	Group 1	20	20	20	20	20
2	Group 2	7,539	7,539	7,539	7,622	7,705
3	Group 3	518	518	518	518	518
4	Fire Service	117	117	117	117	117
5	Total	8,194	8,194	8,194	8,277	8,360

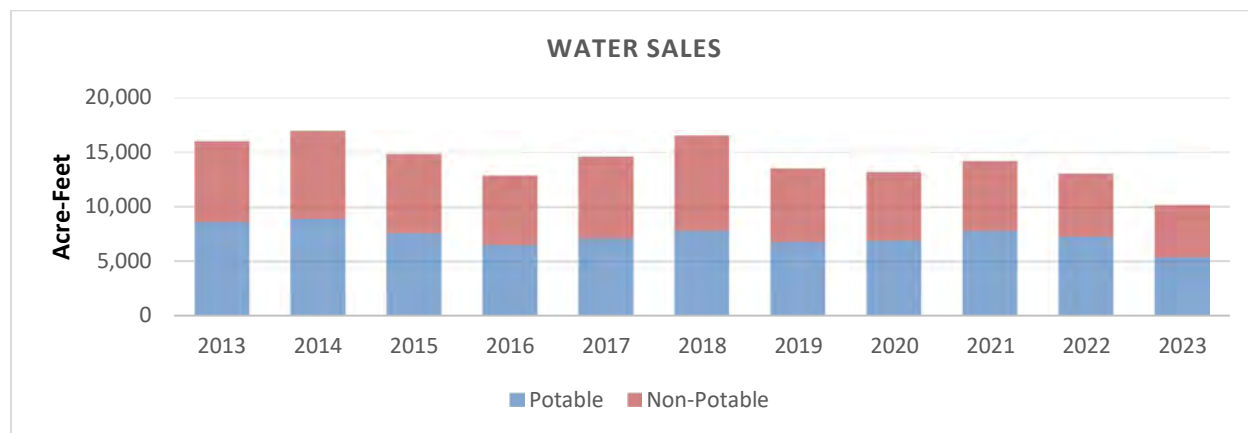
2.1.3 Water Consumption

Table 2-2 shows the projected Potable Water consumption for the Study period. In determining the projected Potable Water consumption, Black & Veatch analyzed historical patterns of water consumption in conjunction with future water conservation requirements set by the State of California via SBX 7-7 (2009), Water Conservation, and AB 1668 (2018) and SB 606 (2018), the Conservation as a Way of Life bills.

The District promotes water-use efficiency by developing alternatives to potable water and through customer education. The District has adopted more stringent permanent water-use prohibitions as required by recent law. As demonstrated by Figure 2-1, the District has experienced a steady decline in consumption despite an increase in the number of connections it serves.

The historic statewide drought around 2016 resulted in a series of emergency declarations from the Governor. Executive Order B-29-15 directed the State Water Resources Control Board (SWRCB) to impose restrictions to achieve a 25% reduction in potable urban water use. In addition, Executive Order B-37-16, Making Water Conservation a California Way of Life, instructed the State Water Resource Control Board (SWRCB) to develop a report on how to implement permanent conservation measures that “build on” the 20% reduction requirements of SBX 7-7. That report, released in April 2017, resulted in AB 1668 and SB 606, which instruct the SWRCB to develop a methodology by which urban water supplies will be required to calculate, by 2023, their “urban water use objectives,” or annual water budgets, for certain customer classes. While it is currently unknown what these budgets will look like compared with historical use, the SWRCB has indicated that its object is to perpetuate levels of conservation achieved during the height of the drought.

Figure 2-1 Water Sales by Fiscal Year



Even though District has already exceeded its SBX 7-7 goals and State drought declarations lifted, the District has been slow to rebound and current consumption is about 63% below 2013 water consumption. Persistent conservation awareness, due in part to the continual development of State regulation, are likely responsible. Between modest water-use rebounds and minimal population growth forecasts, the District anticipates increases of 1.2% per year for Potable Water over the Study period. The District bills water consumption in units of hundred cubic feet (HCF).

Table 2-2 Billed Water Consumption

Line No.	Description	Fiscal Year Ending June 30,				
		2025 (HCF)	2026 (HCF)	2027 (HCF)	2028 (HCF)	2029 (HCF)
Potable Water						
1	Group 1	6,325	6,372	6,372	6,372	6,372
2	Group 2	2,107,320	2,122,933	2,167,800	2,231,262	2,249,848
3	Group 3	943,919	950,912	950,912	950,916	950,916
4	Total	3,057,563	3,080,217	3,125,084	3,188,551	3,207,136

2.2 Revenue under Existing Rates

Potable Water user rates serve as the primary source of revenue. Therefore, the level of future rate revenue is important in the development of a long-range financial plan. To determine rate revenue, the projected system growth in terms of the number of connections and billed water consumption is multiplied by the applicable rates to determine Potable Water rate revenue.

Table 2-3 shows the Potable Water current schedule of charges.

Table 2-3 Existing Water Rates

Description	Existing FY 2024	Description	Existing FY 2024
Potable Water		Commodity Charge	
Monthly Meter Service Charge	(\$/monthly)	Residential, Master Meter & Domestic Agricultural	(\$/HCF)
Master Metered [1]	6.57	Tier 1 - First 12 Units	4.01
3/4"	14.08	Tier 2 - 13 Units and Higher	4.45
1"	24.06	Commercial/Industrial and Public	4.45
1.5"	48.96	Municipal Irrigation	4.45
2"	78.99	Other	4.45
3"	174.10	Agricultural Irrigation	4.45
4"	298.98	Temp Construction and Temp Agricultural	6.17
6"	449.02	Temporary Municipal	6.17
8"	748.93	Emergency Water Service	6.17
[1] Master Metered accounts are charged on a per unit basis rather than meter size.		Surplus Water (Served Outside District)	6.17
Fire Service			
	(\$/monthly)		
4"	67.46		
6"	101.90		
8"	170.74		
10"	453.98		

Table 2-4 represents a summary of projected Potable Water rate revenue under existing rates. As shown, the revenue generated is projected to increase over the Study period in conjunction with the increase in

the number of connections and water consumption. The projected Potable Water revenue increases from \$15.8M in FY 2025 to \$16.5M in FY 2029, representing an overall increase of 4.3% over the five-year Study Period.

Table 2-4 Projected Revenue under Existing Rates

Line No.	Description	Fiscal Year Ending June 30,				
		2025	2026	2027	2028	2029
		(\$)	(\$)	(\$)	(\$)	(\$)
Potable Water						
1	Group 1	73,200	73,500	73,500	73,500	73,500
2	Group 2	10,950,800	11,017,000	11,211,500	11,499,700	11,593,100
3	Group 3	4,629,400	4,660,800	4,660,800	4,660,800	4,660,800
4	Fire Service	165,200	165,200	165,200	165,200	165,200
5	Total	\$ 15,818,600	\$ 15,916,500	\$ 16,111,000	\$ 16,399,200	\$ 16,492,600

2.3 Other Revenue

There are other operating sources which include charges for special services, pump zone charges, property taxes, interest on investments, and other miscellaneous revenues. In total other operating revenues represents on average 6.3% of Potable Water’s total revenue from FY 2025 to FY 2029, as shown on Table 2-9, Lines 9 through 11. The District anticipates that these revenues will remain relatively constant for the duration of the Study period.

2.4 Operating and Maintenance Expenses

Table 2-5 summarizes Potable Water’s projected O&M expense for the Study period. These expenses include costs related to salaries and benefits, services and supplies, contract and professional services, and water production costs. The District anticipates the following escalation factors based on District staff estimates.

O&M Component	Escalation Factor
Salaries	4.0%
Benefits	3.0%
Supplies & Services	3.0%
Contract Services	2.0%
Utilities	3.0%
Purchased Water [1]	~6.0%

[1] Purchased water represent costs associated with purchasing import water from Calleguas Municipal Water District. The escalation factor is a 5-year average derived from Calleguas 5-year rate projections.

Water production costs include water production and purchase water costs. In the case of Potable Water, the District has two main sources of water: 1) Groundwater pumped from District-owned wells; and 2) imported water from Calleguas Municipal Water District (CMWD). The District operates 7 groundwater wells that tap the underground aquifers which make up approximately 60-70% depending on FY of the District’s water supply. The District imports the remainder of its water supplies from the wholesale water agency. Based on estimates of groundwater pumping costs and wholesale rates provided by CMWD, the District expects water production and purchased water costs to increase by an average of 6.0% per year over the Study period.

Table 2-5 O&M Expenses

Line No.	Description	Fiscal Year Ending June 30,				
		2025	2026	2027	2028	2029
		(\$)	(\$)	(\$)	(\$)	(\$)
Potable Water						
1	Production	2,188,800	2,312,400	2,845,300	3,342,100	4,115,700
2	Water Purchases (CMWD)	6,442,000	6,519,800	6,419,100	6,578,700	6,809,300
3	CamSan	156,000	161,100	166,300	171,400	176,600
4	Salaries & Benefits	2,637,424	2,951,819	3,115,443	3,232,613	3,511,420
5	Contracts & Professional Services	2,368,449	2,446,672	2,545,485	2,596,561	2,791,848
6	Services & Supplies	2,462,427	2,568,609	2,698,372	2,779,526	3,017,933
7	Total	\$ 16,255,100	\$ 16,960,400	\$ 17,790,000	\$ 18,700,900	\$ 20,422,800
8	Average % Increase					5.9%

As shown in Table 2-5, Potable Water's O&M expenses increase from \$16.3M in FY 2025 to \$20.4M in FY 2029.

2.5 Debt Service Requirements

Table 2-6 represents Potable Water's existing debt service obligations. This table shows both principal and interest requirements on the existing debt over the Study period. It is common practice for utilities to utilize debt to finance multi-year capital improvement projects, but financing options will depend on the utility's financial conditions. By financing the cost of the projects, the utility can fund major projects immediately and spread the payment over a specified time frame. For Potable Water, the District anticipates a debt service payment of \$825,000 on existing debt and about \$3.3M on proposed revenue bonds debt of \$44.5M in 2027. Based on the revenue bond requirements, the debt service coverage ratio is a minimum of 1.15x net revenues (revenue less operating expenses) for the Water Utility.

Table 2-6 Debt Service

Line No.	Description	Fiscal Year Ending June 30,				
		2025	2026	2027	2028	2029
		(\$)	(\$)	(\$)	(\$)	(\$)
Potable Water						
Refunding Rev Bond, Series						
1	2011A/2016	814,961	827,514	821,771	827,793	828,402
2	Future Bond 2027	0	0	1,949,447	3,341,910	3,341,910
3	Total	\$ 814,961	\$ 827,514	\$ 2,771,218	\$ 4,169,703	\$ 4,170,312

2.6 Capital Improvement Program

The District developed a five-year Capital Improvement Plan on an annual basis for identifying Potable Water system needs including assessments, inspections, maintenance, and rehabilitation and replacement requirements.

Table 2-7 summarizes the planned CIP for FY 2025 through FY 2029. Potable Water is projecting \$71.0M in CIP over the Study period, which includes both capital replacement and capital improvement capital projects. For complete details associated with each CIP project, contact District staff.

Table 2-7 Capital Improvement Projects

Line No.	Description	Fiscal Year Ending June 30,				
		2025	2026	2027	2028	2029
		(\$)	(\$)	(\$)	(\$)	(\$)
Potable Water						
1	Potable Water Facilities	1,541,300	527,900	542,400	0	0
2	Reservoir Rehabilitation Program	0	654,600	5,011,700	11,268,900	8,910,200
3	New Pump Station Program	99,900	1,052,800	976,300	0	0
4	Pump Station Replacement program	0	405,400	527,200	0	0
5	Potable Pipeline Replacement Progra	162,900	739,100	108,500	111,500	114,500
6	New Well Design Program	10,696,300	4,128,000	10,847,900	11,146,200	0
7	Well Rehabilitation Program	590,800	0	0	0	0
8	Meter Station Replacement Program	298,000	211,200	0	167,200	0
9	VFD Replacement Program	30,800	31,700	32,500	33,400	34,400
10	General CIPs & Fixed Assets	0	0	0	0	0
11	Total	\$ 13,420,000	\$ 7,750,700	\$ 18,046,500	\$ 22,727,200	\$ 9,059,100

2.6.1 Capital Improvement Financing Plan

The District funds annual expenditures for the CIP from a combination of previous bond debt proceeds, available funds on hand, transfers, grants, and revenues derived from user rates. As shown in Tables 2-8, Line 13, the annual CIP expenditure amount varies by FY based on the identified need in any given FY. Based on a 5-year average over the Study period, it is expected that Potable Water will expend about \$14.2M per year. The planned annual CIP contribution from the Operating Fund varies per FY based on available cash on hand and specific needs as shown in Table 2-8, Line 3. District policy sets the minimum capital replacement reserve at 5.0% of the replacement value of fixed assets, and it is expected to be met by FY 2025.

Table 2-8 Capital Replacement and Improvement Fund Financing Plan (Potable Water)

Line No.	Description	Fiscal Year Ending June 30,				
		2025	2026	2027	2028	2029
Source of Funds						
1	Developer Contributions/Connection Fees	211,100	0	0	416,400	416,400
2	Mitigation Contributions	0	0	0	0	0
3	Cash Financing (Paygo)	2,062,300	2,427,700	1,852,200	1,657,700	1,040,400
4	Water Bond Proceeds	0	0	48,570,467	0	0
5	Grant Funding	83,800	0	0	0	0
6	CIP De-Obligation	0	0	0	0	0
7	Interest Income	891,700	515,900	1,046,400	1,224,100	575,300
8	Total Sources	\$ 3,248,900	\$ 2,943,600	\$ 51,469,067	\$ 3,298,200	\$ 2,032,100
Use of Funds						
9	Replacement & Improvement Projects	13,389,100	7,718,900	18,014,100	22,693,800	9,024,700
10	Debt Issuance Charges	0	0	4,070,467	0	0
11	Transfer of Interest Income	891,700	515,900	1,046,400	1,224,100	575,300
12	Total Uses	\$ 14,280,800	\$ 8,234,800	\$ 23,130,967	\$ 23,917,900	\$ 9,600,000
13	Net Annual Cash Balance	(11,031,900)	(5,291,200)	28,338,100	(20,619,700)	(7,567,900)
14	Beginning Unrestricted Fund Balance	24,884,800	13,852,900	8,561,700	36,899,800	16,280,099
15	Net Cumulative Fund Balance	\$ 13,852,900	\$ 8,561,700	\$ 36,899,800	\$ 16,280,099	\$ 8,712,199
16	Min Capital Reserve Target [1]	8,001,300	8,001,300	8,001,300	8,001,300	8,001,300
	[1] Target is 5% of replacement value of fixed assets.					

2.7 Transfers

Potable Water will each perform two transfers annually over the Study period from its Operating Fund to the Capital Replacement Fund and Rate Stabilization Fund. Table 2-9, Lines 25 and 26 show the associated amounts of each transfer. Section 2.8 explains the Capital Replacement, Operating Reserve, Rate Stabilization, and CalPERS UAL Reserves.

2.8 Reserves

The District has a defined reserve policy for its Water Utility. A utility typically establishes reserves for several reasons such as covering shortfalls in operating revenues, maintaining strong bond ratings, covering day-to-day operating costs, and easing the burden on ratepayers associated with large rate increases. The four defined reserves the District maintains are:

- Operating Reserve represents working capital maintained by the Operating Fund to cover day-to-day expenses and maintain sufficient funds to cover accounts receivables if there are supplier issues, periods of lower than expected water sales, or unforeseen cost increases. The reserve scheduled target is 45 days of O&M expenses (excluding wholesale water costs).
- Capital Replacement Reserve represents funds used for unforeseen and unbudgeted capital costs. The reserve target is a minimum of 5.0% of the replacement value of the Potable Water's fixed assets.
- CalPERS Unfunded Accrued Liability (UAL) Reserve represents funds to help fund the unfunded accrued liability associated CalPERS.
- Rate Stabilization Reserve represents funds used to absorb revenue shortfall due to short-term decreases in water sales. The reserve target is a minimum of 10% of the prior year's rate revenue. This Study defines rate revenue as revenue generated from commodity charges only.

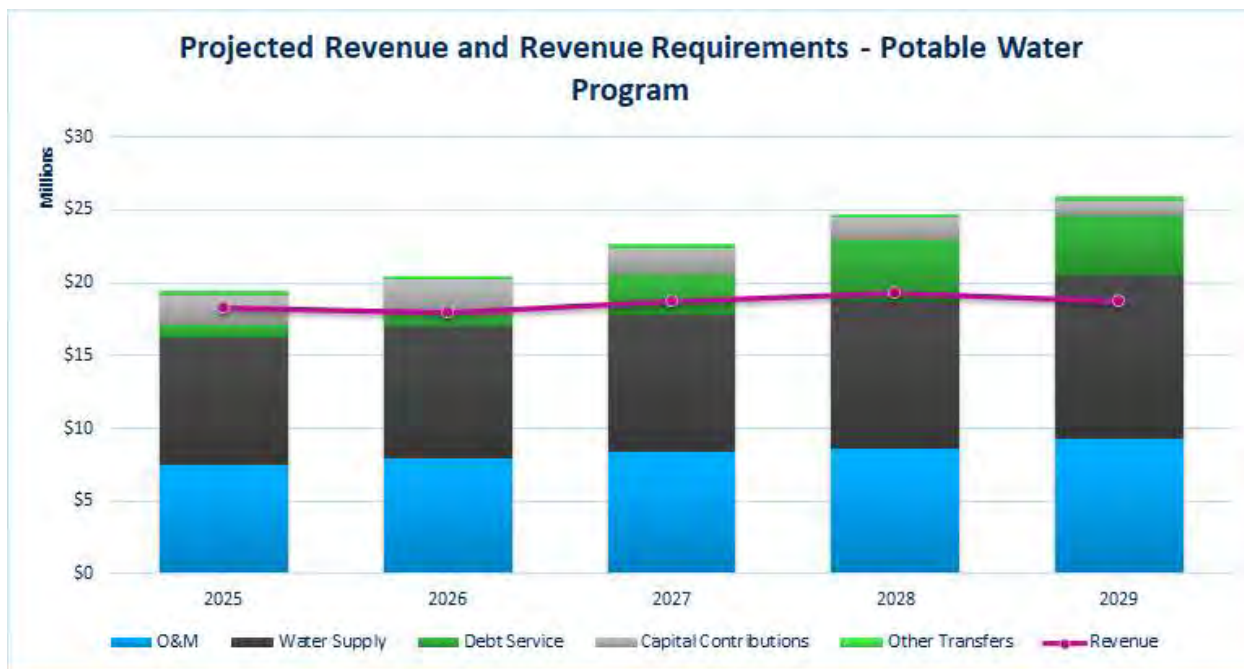
Regardless of the type of reserve, appropriate reserve levels help the Water Utility attain and keep better bond ratings, which in turn, leads to lower borrowing costs.

2.9 Projected Operating Results

The revenue requirements of Potable Water consist of O&M expenses, debt service, capital expenditures, and reserve requirements.

To fully understand the current condition of Potable Water, it was important to examine the cash flow projections under the status quo scenario. In this scenario, Potable Water would not impose any revenue increases over the Study period and continue to incur O&M expenses, debt service, pay for the execution of the planned CIP, and transfer to reserves. As shown in Figures 2-2, the status quo conditions would project that Potable Water would operate from an annual deficit position, thus tapping into their respective reserves.

Figure 2-2 Status Quo Potable Water Operating Cash Flow



Potable Water will be in deficit positions if the District does not implement the revenue increases as shown in Table 2-9. The revenue increases represent the overall total revenue adjustment needed to meet revenue requirements. The revenue adjustment does not represent adjustments to the individual rates but reflects the overall level of revenue needed to meet the obligations.

The suggested revenue increases help the Potable Water Utility meet the following goals:

- Meet budgeted operating obligations.
- Meet planned capital investments.
- Maintain an operating reserve of 45 days of operating expenses.
- Maintain capital reserve of 5.0% of the replacement value of the Potable Water’s fixed assets.
- Maintain rate stabilization reserve at a level of 10% of the prior year’s rate revenue.

Shown in Tables 2-9 is a summary of the proposed Operating Fund for the Study period. The Operating Fund consists of two parts: 1) Revenue and 2) Revenue Requirements.

Revenue

- Line 1 represents the revenue under existing rates.
- Lines 2 through 7 represent the additional revenue generated from the required annual revenue increases. The additional revenue generated is a direct reflection of the number of months the increase is effective for, and therefore the amount might calculate at less than that stated amount.
- Line 8 represents the total revenue generated from user charges.
- Line 12 represents other operating revenues.
- Line 15 represents non-operating revenues.

- Line 17 represents transfer into the operating fund from reserves, specifically rate stabilization.
- Line 18 represents total revenues for Potable Water.

Revenue Requirements

- Line 21 represents total O&M expenses. Total O&M expenses include water production and water purchase.
- Line 24 represents debt service payments.
- Line 29 represents transfers. The transfers include money to the Capital Replacement Fund, Operating Reserve, Rate Stabilization Reserve, and CalPERS UAL Reserve. These transfers do not represent direct operating expenses. Therefore, these costs are treated as “below-the-line” cash flow items when determining debt service coverage.
- Line 30 represents total revenue requirements for Potable Water.

Lines 33 represents the net cumulative cash balance within the Operating Fund. It is the District’s policy that any cash balance in the operating fund are directed to capital replacement, therefore the result balance is approximately zero.

Line 34 represents the reserve target minimum of 45 days of O&M expenses which is kept in a separate operating reserve. The operating reserve is required to ensure the Operation Fund can continue in the event of a supplier interruption, market price fluctuations of critical equipment or supplies or an abrupt drop in account receivables.

Line 35 represents the debt service coverage ratio required by the lending financial institutions which set the target of 1.15x over the span of the debt repayment period.

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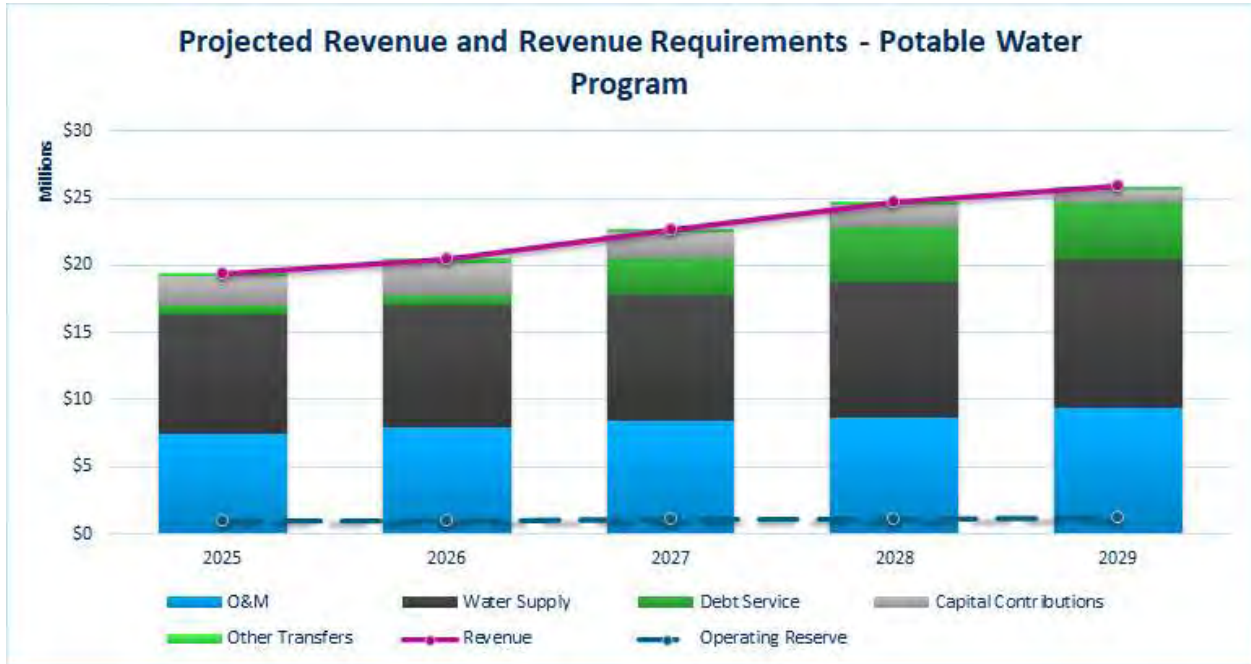
Table 2-9 Potable Water Operating Fund

Line No.	Description	Fiscal Year Ending June 30,				
		2025	2026	2027	2028	2029
		(\$)	(\$)	(\$)	(\$)	(\$)
Revenue						
Rate Revenue						
1	Revenue from Existing Rates	15,818,600	15,916,500	16,111,000	16,399,200	16,492,600
Months						
	Year	Effective	Revenue Adj			
2	2025	12	7.50%	1,186,400	1,193,700	1,208,300
3	2026	12	7.50%		1,283,300	1,298,900
4	2027	12	7.50%			1,396,400
5	2028	12	7.50%			1,421,300
6	2029	12	7.50%			1,527,900
7	Increased Revenue Due to Adjustments	1,186,400	2,477,000	3,903,600	5,501,300	7,184,500
8	Subtotal Rate Revenue	17,005,000	18,393,500	20,014,600	21,900,500	23,677,100
Other Operating Revenue						
9	Water Sales - PVCWD	969,000	998,100	1,028,000	1,058,800	1,090,600
10	Special Services	33,000	33,000	33,000	33,000	33,000
11	Miscellaneous	31,000	31,000	31,000	31,000	31,000
12	Subtotal Other Operating Revenue	1,033,000	1,062,100	1,092,000	1,122,800	1,154,600
Non-Operating Revenue						
13	Taxes	475,000	475,000	475,000	475,000	475,000
14	Interest	905,600	533,200	1,066,900	1,247,400	601,400
15	Subtotal Non-Operating Revenue	1,380,600	1,008,200	1,541,900	1,722,400	1,076,400
Transfers						
16	Transfer from Rate Stabilization	0	0	0	0	0
17	Subtotal Non-Operating Revenue	0	0	0	0	0
18	Total Revenue	\$ 19,418,600	\$ 20,463,800	\$ 22,648,500	\$ 24,745,700	\$ 25,908,100
Revenue Requirements						
Operating & Maintenance						
19	O&M Expenses	7,468,300	7,967,100	8,359,300	8,608,700	9,321,200
20	Water Supply	8,786,800	8,993,300	9,430,700	10,092,200	11,101,600
21	Subtotal O&M	16,255,100	16,960,400	17,790,000	18,700,900	20,422,800
Debt Service						
22	Existing Revenue Bonds	815,000	827,500	821,800	827,800	828,400
23	Proposed Revenue Bonds	0	0	1,949,400	3,341,900	3,341,900
24	Total Debt Service	815,000	827,500	2,771,200	4,169,700	4,170,300
Transfers						
25	Transfer to Capital Replacement [1]	2,062,300	2,427,700	1,852,200	1,657,700	1,040,400
26	Transfer to Operating Reserve	99,500	61,500	48,400	30,700	87,900
27	Transfer to Rate Stabilization Reserve	60,000	60,000	60,000	60,000	60,000
28	Transfer to CalPERS UAL Reserve	126,750	126,750	126,750	126,750	126,750
29	Total Transfers	2,348,550	2,675,950	2,087,350	1,875,150	1,315,050
30	Total Revenue Requirements	\$ 19,418,650	\$ 20,463,850	\$ 22,648,550	\$ 24,745,750	\$ 25,908,150
31	Net Annual Cash Balance	(50)	(50)	(50)	(50)	(50)
32	Beginning Fund Balance	0	0	0	0	0
33	Net Cumulative Fund Balance	\$ (50)	\$ (50)	\$ (50)	\$ (50)	\$ (50)
34	Minimum Operating Reserves (45 Days)	\$ 920,700	\$ 982,200	\$ 1,030,600	\$ 1,061,300	\$ 1,149,200
35	Debt Service Coverage (1.15x)	3.88	4.23	1.75	1.45	1.32

[1] Transfer to the Capital Replacement fund represents Pay-As-You-GO funds used to pay capital projects.

Figure 2-3 shows a graphical representation of the proposed Potable Water Operating Fund shown in Table 2-9. The figure show that the District should meet the projected revenue requirements through the proposed revenue adjustments. These revenue adjustments would allow Potable Water to generate revenues as close as possible to operating expenses with minimal surplus or shortage over the Study period.

Figure 2-3 Potable Water Operating Cash Flow



3.0 Cost of Service Analysis

Cost of Service analysis requires recovery of the District's needed revenues from rates for Potable Water service, which are allocated to customer classes according to the service rendered. An equitable rate structure allocates the capture of revenue requirements for customer classes based on the quantity of water consumed, peak flows, the number of customer connections and other relevant factors.

In analyzing Potable Water's cost of service for allocation to its customer classes, Black & Veatch selected the annual revenue requirements for FY 2025 as the Test Year (TY) requirements to demonstrate the development of cost-of-service water rates. Table 3-1 summarizes the total costs of service needs to recover from user rates. The table represent TY 2025.

Table 3-1 Cost of Service Revenue from Rates (Potable Water)

Line No.	Description	Operating Expense (\$)	Capital Cost (\$)	Total Cost (\$)
Revenue Requirements				
1	O&M Expenses	7,468,300	0	7,468,300
2	Water Supply	8,786,800	0	8,786,800
3	Debt Service	0	815,000	815,000
4	Transfers	286,250	2,062,200	2,348,450
5	Subtotal	16,541,350	2,877,200	19,418,550
Less Revenue Requirements Met from Other Sources				
6	PVCWD Revenue	969,000	0	969,000
7	Other Operating Revenue	64,000	0	64,000
8	Other Non-Operating Revenue	1,380,600	0	1,380,600
9	Subtotal	2,413,600	0	2,413,600
Adjustments				
10	Adj for Annual Cash Balance	0	(50)	(50)
11	Subtotal	0	(50)	(50)
12	Cost of Service to be Recovered from	\$ 14,127,750	\$ 2,877,250	\$ 17,005,000

Shown in Line 5 is the total revenue requirement that corresponds with Table 2-9, Line 30. Line 9 represents the other revenue sources which correspond with Table 2-9, Lines 12 and 15. Line 10 reflects the change in available funds for the Potable Water system during the TY and corresponds to the net annual cash balance, Table 2-9, Line 31. When the net annual cash balance on Table 2-9 is positive, it indicates that the utility is adding to its operating fund balance, when the balance is negative, the utility is drawing down on reserve balances to meet its annual needs.

3.1 Functional Cost Components

The first step in conducting a cost-of-service analysis involves analyzing the cost of providing Potable Water service by system function to properly allocate the costs to the various customer classes and subsequently design rates. As a basis for allocating costs of service among customer classes, we separate costs into the following four basic functional cost components: (1) "Base"; (2) "Extra Capacity"; (3) "Customer"; and (4) "Direct Assignment," described as follows:

- Base costs represent the operating and capital costs of the system associated with service to customers to the extent required under constant or average annual load conditions without the elements necessary to meet water consumption variations or peak demands.
- Extra Capacity costs represent those operating and capital costs incurred in meeting peaking demands. Peaking demands represent water consumption more than the average rate of use.
- Customer costs are those expenditures that are associated with customer-specific functions and vary in proportion to the number of customers connected to the system. These include meter reading, billing, collecting and accounting, and maintenance and capital costs associated with meters and services.
- Directly assigned costs are costs specifically identified as those incurred to serve specific customers. These costs include water production fire protection and debt service for Potable Water.

3.2 Allocation to Cost Components

The next step of the cost-of-service process involves allocating each element of cost to functional cost components based on the parameter or parameters having the most significant influence on the magnitude of that element of cost. We allocate O&M expense items directly to appropriate cost components. We use a detailed allocation of related capital investment as a proxy for allocating capital and replacement costs. The separation of costs into functional components provides a means for distributing such costs to the various classes of customers based on their respective responsibilities for each type of service.

3.2.1 System Base, Max Day, and Max Hour Allocations

Potable Water system consist of various facilities; each designed and operated to fulfill a given function. For the systems to provide adequate service to its customers, it must be capable of meeting not only the annual volume requirements but also the maximum demand rates placed on the system. Because not all customers and types of customers exert maximum demand at the same time, the capacities of the various facilities must meet the maximum coincidental demand of all classes of customers. Each Potable Water service facility within the system have an underlying average demand, exerted by the customers for whom the base cost component applies. For those facilities designed solely to meet average day demand, 100% of the costs go to the base cost component. Extra capacity requirements associated with coincidental demands more than average use consist of maximum daily and maximum hourly demand subcomponents.

For volume-related cost allocations, the first step in determining the allocation percentages is to assign system peaking factors. The base element is equal to the average daily demand (ADD) and assigned a value of 1.0. The Potable Water's maximum day (max day) demand is 1.93 times the ADD. The maximum hourly (max hour) demand is 2.316 times the ADD.

The costs associated with facilities required to meet maximum day demand are allocable to base and maximum day extra capacity as follows:

- Base = $(1.0/1.93) \times 100 = 51.8\%$
- Max Day = $(1.93 - 1.0)/1.93 \times 100 = 48.2\%$

These calculations indicate that the average or base use requires 51.8% of the capacity of facilities designed and generated to meet maximum day demand and the remaining 48.2% meets maximum day extra capacity requirements.

The costs associated with facilities required to meet maximum hour demand are allocable to base, maximum day extra capacity and maximum hour extra capacity as follows:

- Base = $(1.0/2.316) \times 100 = 43.2\%$
- Max Day = $(1.93 - 1.0)/2.316 \times 100 = 40.2\%$
- Max Hour = $(2.32 - 1.93)/2.316 \times 100 = 16.7\%$

3.2.2 Allocation of Operating and Maintenance (O&M) Expenses

In the allocation of O&M expenses for the Test Year (2025), we directly allocate the costs to the cost components to the extent possible. Potable Water books operating cost by operating categories. Therefore, Black & Veatch used the factors noted in Section 3.1 to allocate the operating expenses to the cost components. We based the allocation of various administrative costs based on the average of all other costs. Tables 3-3 and 3-4 represent the allocation of O&M to the cost components. Next, we subtracted revenues from other sources as shown in Table 3-1, Line 9, and we deducted any drawdown of available cash balances and normalized the rate adjustments for a full year as shown in Table 3-1, Line 10 to determine the net O&M costs for each utility.

The direct assignment represents water production and fire protection for Potable Water. For the allocation of adjustments such as miscellaneous revenues and other adjustments, Black & Veatch allocates these adjustments based on the average distribution of costs. For example, on Table 3-4, the allocation of \$1,574,600 of miscellaneous revenues under the Base column comes from multiplying the total miscellaneous revenues figure (\$2,413,600) by the ratio of the total Base O&M cost on Line 14 (\$10,145,150) to the total O&M cost (\$10,145,150). We repeat this process for each functional category to derive the distribution of costs to the categories.

In the following tables, historical spending trends are incorporated where possible to provide a better representation of how the District's costs relate to different functional components. Specifically, the allocations for salaries and benefits, contract services, utilities, pipeline repairs and maintenance, and materials, tools and equipment use data from 2023 to formulate the percentages reflected in Tables 3-3 and 3-5. Appendix A demonstrates the derivation of the percentages based on 2023 actual costs with modifications to reflect budget assignments for 2024.

3.2.3 Allocation of Capital Investments

In the allocation of capital investment for the Test Year (2025), the existing fixed assets (which serve as a proxy for the current capital investments) are allocated directly to cost components to the extent possible. The allocation of costs into the costs components provides a basis for annual investment in Potable Water system facilities. Tables 3-5 and 3-6 show the total allocation of existing system investment serving Potable Water customers. The total net system investment of \$23.6M shown on Line 9 for Potable Water represents the Test Year original cost less accumulated depreciation of the system in service. The total net system investment reflects the Potable Water's fixed asset listing ending June 30, 2023. This value represents the book value of the assets. Using the distribution of total net system investment across the functional cost components, we can then allocate the planned capital costs. Like the allocation of O&M expenses, Black & Veatch allocates adjustments such as miscellaneous revenues and other adjustments based on the average distribution of costs.

Table 3-2 Allocation of O&M Expenditures (Potable Water)

Line No.	Description	Common to All Customers					Fire Protection (%)	Water Production (%)	Allocation Basis
		Base	Extra Capacity		Customer				
		Base (%)	Max. Day (%)	Max. Hour (%)	Meters (%)	Cust/Bill. (%)			
Operating Expenses									
1	Production								
2	Water Purchase	86.5%	0.0%	0.0%	0.0%	0.0%	0.0%	13.5%	[1]
3	Production Power	50.8%	47.2%	0.0%	0.0%	0.0%	2.0%	0.0%	[2]
4	Pumping Power	50.8%	47.2%	0.0%	0.0%	0.0%	2.0%	0.0%	[2]
5	CamSan	86.5%	0.0%	0.0%	0.0%	0.0%	0.0%	13.5%	[1]
6	Salaries and Benefits	30.6%	28.5%	11.4%	7.6%	19.8%	2.0%	0.0%	[2]
7	Contracts & Professional Services								
8	Outside Contracts	68.3%	21.7%	7.9%	0.0%	0.0%	2.0%	0.0%	[2]
9	Professional Services	68.3%	21.7%	7.9%	0.0%	0.0%	2.0%	0.0%	[2]
10	Services & Supplies	47.8%	0.0%	0.0%	50.1%	0.0%	2.0%	0.0%	[2]
11	Utilities	93.1%	4.9%	0.0%	0.0%	0.0%	2.0%	0.0%	[2]
12	Pipeline Repairs	32.4%	30.0%	10.0%	25.5%	0.0%	2.0%	0.0%	[2]
13	Small Tools & Equipment	51.4%	46.3%	0.2%	0.0%	0.0%	2.0%	0.0%	[2]
14	Materials & Supplies	51.4%	46.3%	0.2%	0.0%	0.0%	2.0%	0.0%	[2]
15	Repair Parts & Equipment Maint	51.4%	46.3%	0.2%	0.0%	0.0%	2.0%	0.0%	[2]
16	Fees and Charges	90.1%	7.9%	0.0%	0.0%	0.0%	2.0%	0.0%	[2]
17	Transfers	86.5%	0.0%	0.0%	0.0%	0.0%	0.0%	13.5%	[1]

[1] Fixed/Variable Import Water Charges

[2] Allocations are based on actual costs for FY 2023. See Appendix A for more details.

Table 3-3 Allocation of \$ O&M Expenditures (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Total Costs	Common to All Customers				Customer	Fire Protection	Water Production
			Base	Extra Capacity	Customer				
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operating Expenses									
1	Production								
2	Water Purchase	6,442,000	5,574,800	0	0	0	0	0	867,200
3	Production Power	1,182,300	600,800	557,900	0	0	0	23,600	0
4	Pumping Power	1,006,500	511,500	474,900	0	0	0	20,100	0
5	CamSan	156,000	135,000	0	0	0	0	0	21,000
6	Salaries and Benefits	2,470,400	756,800	704,900	282,400	187,800	489,100	49,400	0
7	Contracts & Professional Services								
8	Outside Contracts	1,239,100	846,700	269,300	98,300	0	0	24,800	0
9	Professional Services	966,100	660,200	210,000	76,600	0	0	19,300	0
10	Services & Supplies	217,200	103,900	0	0	108,900	0	4,400	0
11	Utilities	74,200	69,100	3,600	0	0	0	1,500	0
12	Pipeline Repairs	391,400	126,900	117,600	39,300	99,800	0	7,800	0
13	Small Tools & Equipment	23,800	12,200	11,000	100	0	0	500	0
14	Materials & Supplies	793,100	407,800	367,500	1,900	0	0	15,900	0
15	Repair Parts & Equipment Main	1,103,500	567,500	511,300	2,600	0	0	22,100	0
16	Fees and Charges	189,500	170,700	15,000	0	0	0	3,800	0
17	Transfers	286,250	247,750	0	0	0	0	0	38,500
18	Total O&M Expenses	\$ 16,541,350	\$ 10,791,650	\$ 3,243,000	\$ 501,200	\$ 396,500	\$ 489,100	\$ 193,200	\$ 926,700
Less Other Revenue									
19	Miscellaneous Revenues	2,413,600	1,574,600	473,200	73,100	57,900	71,400	28,200	135,200
20	Other Adjustments	0	0	0	0	0	0	0	0
21	Net Operating Expenses	\$ 14,127,750	\$ 9,217,050	\$ 2,769,800	\$ 428,100	\$ 338,600	\$ 417,700	\$ 165,000	\$ 791,500

Table 3-4 Allocation of Capital Costs (Potable Water)

Line No.	Description	Common to All Customers					Fire Protection (%)	Water Production (%)	Allocation Basis
		Base	Extra Capacity		Customer				
		Base (%)	Max. Day (%)	Max. Hour (%)	Meters (%)	Cust/Bill. (%)			
Plant Assets									
1	Water Production	86.54%	0.00%	0.00%	0.00%	0.00%	0.00%	13.46%	[1]
2	Pumping	86.54%	0.00%	0.00%	0.00%	0.00%	0.00%	13.46%	[1]
3	Treatment	50.81%	47.19%	0.00%	0.00%	0.00%	2.00%	0.00%	[2]
4	Transmission & Distribution	42.51%	39.49%	16.00%	0.00%	0.00%	2.00%	0.00%	[3]
5	Meters	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	[4]
6	Fire Hydrants	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	[5]
7	Land	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	[6]
8	General Plant	54.17%	28.01%	4.27%	7.67%	0.00%	2.54%	3.34%	[7]

[1] Fixed/Variable Import Water Charges (water production represents fixed costs associated with water purchases)

[2] Base/Max Day (adj for Fire) - The base and max day in section 3.2.1 are reduced 1% percentage each associated with fire.

[3] Base/Max Hour/Max Day (adj for Fire) - The base, max day and max hour in section 3.2.1 are reduced 0.67% percentage each associated with fire.

[4] Meters

[5] Fire Hydrants

[6] Base

[7] Average of above

Table 3-5 Allocation of \$ Capital Costs (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Total Costs (Net Book Value)	Common to All Customers					Fire Protection	Water Production
			Base	Extra Capacity		Customer			
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Plant Assets									
1	Water Production	4,166,500	3,605,600	0	0	0	0	0	560,900
2	Pumping	1,547,500	1,339,200	0	0	0	0	0	208,300
3	Treatment	8,526,400	4,332,600	4,023,300	0	0	0	170,500	0
4	Transmission & Distribution	6,149,900	2,614,400	2,428,500	984,000	0	0	123,000	0
5	Meters	1,766,800	0	0	0	1,766,800	0	0	0
6	Fire Hydrants	290,500	0	0	0	0	0	290,500	0
7	Land	585,500	585,500	0	0	0	0	0	0
8	General Plant	587,500	318,200	164,600	25,100	45,100	0	14,900	19,600
9	Total Plant Assets	\$ 23,620,600	\$ 12,795,500	\$ 6,616,400	\$ 1,009,100	\$ 1,811,900	\$ 0	\$ 598,900	\$ 788,800
Less Other Revenue									
10	Miscellaneous Revenues	0	0	0	0	0	0	0	0
11	Other Adjustments	0	0	0	0	0	0	0	0
12	Net Capital Expenses	\$ 23,620,600	\$ 12,795,500	\$ 6,616,400	\$ 1,009,100	\$ 1,811,900	\$ 0	\$ 598,900	\$ 788,800
13	Proxy for Allocation of Capital Costs (%)		54.2%	28.0%	4.3%	7.7%	0.0%	2.5%	3.3%
14	Capital Costs (TY)	\$ 2,062,250	\$ 1,172,150	\$ 577,700	\$ 88,100	\$ 103,100	\$ 0	\$ 52,300	\$ 68,900

[1] These values reflect rounded amounts after applying Table 3-4 percentages to Table 3-5, Column 1.

3.3 Units of Service

Following the allocation of costs, the total cost responsibility for each customer class is developed using unit costs of service for each cost function and subsequently assigning those costs to the customer classes based on the respective service requirements of each. To properly recognize the cost of service, each customer class receives its share of base, maximum day, peak hour, and customer costs. The number of units of service required by each customer class provides a means for the proportionate distribution of costs previously allocated to respective cost categories.

Table 3-6 summarizes the estimated Test Year (2025) units of service for the various customer classes. Base costs vary with the volume of water consumed and distributed to customer classes on that basis. Extra Capacity costs are those associated with meeting peak demand rates of water use and distributed to customer classes based on the respective class capacity requirements more than average rates of use. Black & Veatch followed the capacity factor methodology outlined in Appendix A of the AWWA M1 Manual to derive peak consumption information from the monthly consumption records in the District's Customer Information System (CIS) which helps provide the basis for estimating maximum day and peak hour ratios by customer class. The number of bills for each customer class serves as the basis for distributing customer billing requirements. Customer meter requirements are allocated based on the number of equivalent meters serving each customer class. The estimated number of equivalent meters for each customer class relies on the total number of various sizes of meters serving respective classes and the ratio of the cost of meters for the various sizes to the cost of 5/8-inch meter. The equivalent meter ratios adopted in this analysis are consistent with those established in the AWWA M1 Manual. Private fire protection costs allocations use equivalent fire hydrants.

3.3.1 Max Day/Max Hour Peaking Factors

Similar to other utilities, the District does not have access to system capacity factor data. It is typical for cities to lack this data since acquiring it requires the installation of special meters for prolonged periods to measure the usage patterns of different customer classes. In the absence of measured capacity factors, we developed estimates of these factors using procedures outlined in Appendix A of AWWA's M1 Rate Manual. The process involved using the District's monthly peaking data and high-level assumptions regarding customer class usage patterns. The capacity factors for each customer class are multiplied by the average consumption for each class to determine the base, max day, and max hour allocation percentages. The allocation to base, max day, and max hour considers the total water consumption per customer class and the demand each customer class places on the system.

3.3.2 Fire Service

We allocate fire protection costs between those costs to be recovered from all users and those recovered from customers that have private fire meters. District staff provided Black & Veatch with the number of public fire hydrants (1,098), as well as the number of private fire meters (147) by meter size. We then converted the public fire hydrants and the number of meters to equivalent hydrants. The resulting proportion of equivalent public fire hydrants is approximately 88.2%. As shown in Table 3-8, Column 1, \$447,500, of the fire protection costs are associated with public hydrants and are recovered from all water users and the remaining \$174,200 of the fire protection costs will be recovered directly from those customers with private fire meters.

The derivation of fire protection units of service depends on the system's fire requirements. For the District, according to the District's Infrastructure Fire Management Plan (Tables 5.12 and 5.16), the water system should be able to handle a 2-hour fire delivering 3,000 gallons per minute (GPM) of flow. The

process for converting these fire protection requirements into base/max day/max hour elements is as follows:

Public Fire Protection

- Max Day requirements = Fire duration x Water flow x conversion factors x number of public hydrants/total number of hydrants
 - Max Day = 2 hours x 3,000 gpm x 60 minutes/hour / 748 gallons/HCF x 1,098/1,245 = 425 HCF/day
- Max Hour requirements = Water flow x conversion factors x number of public hydrants/total number of hydrants
 - Max Hour Total = 3,000 gpm x 60 minutes/hour x 24 hours/day / 748 gallons/HCF x 1,098/1,245 = 5,095 HCF/day
 - Max Hour Extra = 5,095 HCF/day – 425 HCF/day = 4,670 HCF/day

We repeated the same process for the private fire protection units, but we replace “number of public fire hydrants” with “number of private hydrants.”

3.4 Cost of Service Allocations

To determine the cost of service for each customer class, we apply the unit costs of service to each customer classes’ respective service requirements. The total unit costs of service applied to the respective requirements for each customer class results in the total cost of service for each customer class.

3.4.1 Units Costs of Service

The Test Year (2025) unit cost of service for each functional cost component is simply the total cost divided by the applicable units of service as shown in Tables 3-7. On Line 4, the total costs represent the cost that rates need to recover shown as demonstrated in Table 3-1, Line 13 for Potable Water. The net O&M cost includes O&M (which includes water purchase) less revenue from other sources and adjustments. The total capital cost includes debt service payments and transfers to the Capital Replacement Fund. Line 6 represents the unit costs for the entire Potable Water system regardless of customer class. After that, we use these unit costs in allocating the costs to the specific customer classes. Theoretically, debt service is a fixed cost in that the District must pay the debt payment regardless of how much water the District sells. However, putting 100% of debt service on the District’s fixed charge would cause a large spike to customer rates and potentially cause affordability issues. Instead, the District has opted to recognize that much of the debt issued serves to provide facilities and pipelines for the provision of water service. As such, this Study allocates 80% of the debt service obligation to the Base element (shared by all customers).

3.4.2 Distribution of Costs of Service to Customer Classes

Applying the unit costs to the units for each customer class produces the customer class costs. This process is illustrated in Table 3-8, in which we apply the unit costs to the customer class units of service for Test Year (2025). The costs attributable to each customer class reflect the functional costs components described in Section 3.1. Each customer class places a burden on the system in different ways, and thus the allocation of the units is representative of this burden.

An example of the application of unit costs is shown below for illustrative purposes.

	Base Component
Unit Cost (Table 3-8, Line 1)	\$ 3.45 per HCF
Group 2 Consumption (Table 3-8, Line 5)	2,107,320 HCF
Total Allocated Cost	\$ 7,272,700

Please note that the numbers within the tables are rounded, therefore result might vary.

3.4.3 Cost of Service Adjustments

Presented in Table 3-9 is a summary of the cost of service by customer class for potable customer groups. In recognition that public fire protection provides a general benefit to all customers that use potable water for non-irrigation purposes, we allocate this cost to relevant customers in Column 2. Column 3 shows the adjusted allocated costs of service.

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Table 3-6 Units of Service (Potable Water)

Line No.	Description	Consumption		Maximum Day			Maximum Hour			Meters	Cust/Bills	Fire Protection
		Annual	Avg. Day	Factor	Total	Extra	Factor	Total	Extra			
	Column Reference	(1)	(2)=(1)/365	(3)	(4)=(2)x(3)	(5)=(4)-(2)	(6)	(7)=(2)x(6)	(8)=(7)-(4)	(9)	(10)	(11)
	Units of Measure	(HCF)	(HCF/day)		(HCF/day)	(HCF/day)		(HCF/day)	(HCF/day)	(EMs)	(bills)	(EHs)
Potable Water												
1	Group 1	6,325	17	398%	69	52	531%	92	23	294	240	0
2	Group 2	2,107,320	5,773	295%	17,032	11,258	393%	22,690	5,658	14,394	90,468	0
3	Group 3	943,919	2,586	325%	8,405	5,819	433%	11,198	2,793	3,343	6,216	0
4	Subtotal	3,057,563	8,377		25,505	17,129		33,980	8,474	18,030	96,924	
Potable Fire Service												
5	Public Fire	0	0		425	425		5,095	4,670	0	0	1,098
6	Fire Service (PPS)	0	0		57	57		680	624	5,865	1,404	147
7	Subtotal	0	0		481	481		5,775	5,294	5,865	1,404	1,245
8	Total Potable Water System	3,057,563	8,377		25,987	17,610		39,755	13,768	23,895	98,328	1,245

Table 3-7 Units Cost of Service (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Total Costs	Common to All Customers					Fire Protection	Water Production	Debt Service
			Base	Extra Capacity		Customer				
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.				
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		
Potable Water - Unit Cost of Service										
1	Net Operating Expense (Table 3-3)	14,127,750	9,217,050	2,769,800	428,100	338,600	417,700	165,000	791,500	0
2	Debt Service	815,000	163,000	0	0	0	0	0	0	652,000
3	Capital Costs (Table 3-5)	2,062,250	1,172,150	577,700	88,100	103,100	0	52,300	68,900	0
4	Total Cost of Service	\$ 17,005,000	\$ 10,552,200	\$ 3,347,500	\$ 516,200	\$ 441,700	\$ 417,700	\$ 217,300	\$ 860,400	\$ 652,000
5	Units of Service (Table 3-6)		3,057,563	17,610	13,768	23,895	98,328	1,245	18,030	18,030
6	Units of Measure		HCF	HCF/Day	HCF/Day	Eq. Meter	Bill	Eq. Hydrant	Eq. Meter	Eq. Meter
7	Cost per Unit (Line 4 / Line 5)		\$ 3.45	\$ 190.09	\$ 37.49	\$ 18.49	\$ 4.25	\$ 174.59	\$ 47.72	\$ 36.16
8	Units of Measure		per HCF	per HCF/Day	per HCF/Day	per Eq. Meter	per Bill	Per Eq. Hydrant	per Eq. Meter	per Eq. Meter

Table 3-8 Distribution of Costs to Customer Classes (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Total Costs	Common to All Customers				Fire Protection	Water Production [1]	Debt Service [1]	
			Base	Extra Capacity		Customer				
		Base	Max. Day	Max. Hour	Meters	Cust./Bill.				
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
1	Cost per Unit (Table 3-7)		\$ 3.45	\$ 190.09	\$ 37.49	\$ 18.49	\$ 4.25	\$ 174.59	\$ 47.72	\$ 36.16
2	Units of Measure		per HCF	per HCF/Day	per HCF/Day	per Eq. Meter	per Bill	Per Eq. Hydrant	per Eq. Meter	per Eq. Meter
Potable Water										
Group 1										
3	Units		6,325	52	23	294	240	0	294	294
4	Allocation of costs of service	63,500	21,800	9,800	900	5,400	1,000	0	14,000	10,600
Group 2										
5	Units		2,107,320	11,258	5,658	14,394	90,468	0	14,394	14,394
6	Allocation of costs of service	11,482,700	7,272,700	2,140,100	212,100	266,100	384,300	0	686,900	520,500
Group 3										
7	Units		943,919	5,819	2,793	3,343	6,216	0	3,343	3,343
8	Allocation of costs of service	4,837,100	3,257,700	1,106,100	104,700	61,800	26,400	0	159,500	120,900
Public Fire										
9	Units		0	425	4,670	0	0	1,098	0	0
10	Allocation of costs of service	447,500	0	80,700	175,100	0	0	191,700	0	0
Fire Service (PP5)										
11	Units		0	57	624	5,865	1,404	147	0	0
12	Allocation of costs of service	174,200	0	10,800	23,400	108,400	6,000	25,600	0	0
13	TOTAL COSTS OF SERVICE	\$ 17,005,000	\$ 10,552,200	\$ 3,347,500	\$ 516,200	\$ 441,700	\$ 417,700	\$ 217,300	\$ 860,400	\$ 652,000
Details for Table 4-9 in the derivation of peaking costs. Section 4.2.3.1.4 for explanation.										
Group 2 Tier 1										
14	Units			3,469	1,963					
15	Allocation of costs of service	733,100		659,500	73,600					
Group 2 Tier 2										
16	Units			7,789	3,695					
17	Allocation of costs of service	1,619,100		1,480,600	138,500					

[1] Units for Water Production and Debt Service are equivalent Meters units as the allocation is based on Equivalent Meters. The exception is that Water Production and Debt Service have no Fire Service Allocation thus no units.

Table 3-9 Cost of Service by Customer Class Summary

Line No.	Description	Cost of Service [1] (\$)	Re-Allocation of Public Fire Protection [2] (\$)	Adjusted Cost of Service (\$)
Potable Water				
1	Group 1	63,500	1,700	65,200
2	Group 2	11,482,700	313,600	11,796,300
3	Group 3	4,837,100	132,200	4,969,300
4	Subtotal	16,383,300	447,500	16,830,800
5	Public Fire	447,500	(447,500)	0
6	PP5 Fire Service	174,200	0	174,200
7	Subtotal	621,700	(447,500)	174,200
8	Total Water System	\$ 17,005,000	\$ 0	\$ 17,005,000

[1] Cost of service values from Tables 3-8

[2] Public fire protection costs re-allocated based on proportionate share of costs for Groups 1, 2 & 3.

For example, Group 1's proportionate share = Line 9 * Line 1 / (Line 1 + Line 2 + Line 3)

Group 1's share = \$447,500 * \$63,500 / (\$63,500 + \$11,482,700 + \$4,837,100)

4.0 Rate Design

The initial consideration in the derivation of rate schedules for Potable Water service is the establishment of equitable charges to the customers commensurate with the cost of providing that service. While the cost-of-service allocations to customer classes should not be construed as literal or exact determinations, they offer a guide to the necessity for, and the extent of, rate adjustments. Practical considerations sometimes modify rate adjustments by considering additional factors such as the extent of bill impacts, existing contracts, and historical local policies and practices.

4.1 Existing Rates

Potable Water's existing rates consist of a fixed component in the form of monthly service charge and a variable component in the form of a commodity charge. The District bills its customers a monthly service charge based on meter size. The commodity charge is based on units of consumption (1 unit = 1 HCF = 748 gallons). The District has a separate fixed charge for private fire service. Table 2-3 presented earlier in this report summarized the existing Potable Water rates.

4.2 Proposed Rates

The costs of service analysis described in preceding sections of this report provide a basis for the design of Potable Water rates.

4.2.1 Monthly Service Charge

The monthly service charge recovers a portion of the costs associated with wholesale water purchase, meter maintenance and services, meter reading, bill issuance, debt service, and maintenance and capacity costs associated with public fire protection regardless of the level of water consumed. Black & Veatch used meter ratios based on maximum operating capacities by meter size, which recognizes that as meter size increases, so does the capacity, as shown on Table 4-1. For example, customers with a 4" meter expect to be able to use more water (at a higher flow capacity) than customers are with a ¾" meter. Consequently, the District's water system must maintain assets sized accordingly and capable of providing customers the level of service expected from their meter connection when the tap turns on.

Based on the changes, Table 4-1 demonstrates the cost elements incorporated into the monthly service charge for FY 2025. Table 4-2 shows the five-year fixed service charge rate schedule. The five-year fixed charge rate schedule follows the cost-of-service allocations as described in Section 3 of this report. Appendix B includes accompanying tables for each study period year.

The following are sample calculations for Meters Unit Costs derived in Table 4-1. The footnotes to Table 4-1 provide the additional calculations for the other unit costs that make up the monthly service charge.

- Meter Unit Cost = [\$441,700 (Table 3-7, Line 4)] / [23,895 Equivalent Potable Water Meters (Table 3-7, Line 5)] / 12 bills

Table 4-1 Costs within the Monthly Service Charge for FY 2025

Customer Class	Meters Svcs, Public Fire Protection & Billing, Debt Svc						Total Service Charge \$/month	
	Meters Unit Cost [1] per EM	Fire Unit Cost [2] per EM	Water Production [3] per EM	Debt Unit Cost [4] per EM	Ratio*	Billing Unit Cost [5] per Bill		Ratio*
Potable Water								
Master Metered	1.54	2.07	3.98	3.01	0.25	4.25	1.00	6.90
3/4"	1.54	2.07	3.98	3.01	1.00	4.25	1.00	14.85
1"	1.54	2.07	3.98	3.01	2.11	4.25	1.00	26.61
1.5"	1.54	2.07	3.98	3.01	4.88	4.25	1.00	55.97
2"	1.54	2.07	3.98	3.01	8.22	4.25	1.00	91.37
3"	1.54	2.07	3.98	3.01	18.80	4.25	1.00	203.50
4"	1.54	2.07	3.98	3.01	32.69	4.25	1.00	350.72
6"	1.54	2.07	3.98	3.01	49.38	4.25	1.00	527.61
8"	1.54	2.07	3.98	3.01	82.74	4.25	1.00	881.19

* Ratio is based on equivalent meters. Bill ratios are typically 1.0 except for master metered.
 [1] Meter unit cost = (Table 3-7, Column 5, Line 4) / (Table 3-7, Column 5, Line 5) / 12 = (\$441,700) / (23,895) / 12
 [2] Fire unit cost = (Table 3-8, Column 1, Line 10) / (Table 3-6, Column 9, Line 4) / 12 = \$447,500 / 18,030 / 12
 [3] Water Production unit cost = (Table 3-7, Column 8, Line 7) / 12 = \$47.72 / 12
 [4] Debt unit cost = (Table 3-7, Column 9, Line 7) / 12 = (\$36.16) / 12
 [5] Billing unit cost = (Table 3-7, Column 6, Line 4) / (Table 3-7, Column 6, Line 5) = (\$417,700) / (98,328)
 [6] Total Service Charge = Column 1 + Column 2 + Column 3 + Column 4 + Column 6

Table 4-2 Proposed Multi-Year Monthly Service Charge

Customer Class	Monthly Service Charge					
	Existing	Proposed				
	FY 2024 \$/mo	FY 2025 \$/mo	FY 2026 \$/mo	FY 2027 \$/mo	FY 2028 \$/mo	FY 2029 \$/mo
Potable Water						
Master Metered [1]	6.57	6.90	7.92	8.47	9.24	10.29
3/4"	14.08	14.85	17.08	19.19	21.92	24.94
1"	24.06	26.61	30.64	35.06	40.69	46.63
1.5"	48.96	55.97	64.48	74.66	87.54	100.76
2"	78.99	91.37	105.29	122.40	144.02	166.03
3"	174.10	203.50	234.54	273.64	322.95	372.77
4"	298.98	350.72	404.23	472.19	557.86	644.20
6"	449.02	527.61	608.13	710.76	840.12	970.34
8"	748.93	881.19	1,015.68	1,187.62	1,404.30	1,622.23

[1] Master Metered accounts are charged on a per unit basis rather than meter size.

4.2.2 Fire Service

The fire service charge includes the costs of issuing bills as well as maintenance and capacity costs associated with private fire protection. The fire service charge increases as pipeline diameter size increases. Potable Water provides fire service to approximately 117 private fire service accounts. These customers have a water line connection to the water system that is specifically for fire protection. To meet fire protection demands, Potable Water must design, operate, and maintain a water system that can meet peak fire demand requirements. Potable Water charges these accounts a fire service charge based on the diameter of the line that connects their fire protection system to the water system.

We derive the unit fire protection cost as follows:

- The unit cost per equivalent meter = Total private fire protection cost from Table 3-8, Line 12, Column 1 divided by the total number of equivalent meters (which is the distribution of the private hydrant connections multiplied by the meter ratios from Table 4-1) divided by the number of bills issued.
- Unit cost per equivalent meter = \$174,200/5,864.53/12 = \$2.48.

Table 4-3 demonstrates the costs incorporated into the fire service charge, and Table 4-4 shows the five-year rate schedule based on unit costs in future years. The five-year fire service charge rate schedule

follows the cost-of-service allocations as described in Section 3 of this report. Appendix B includes the associated tables for each study period year.

Table 4-3 Costs within the Fire Service Charge for FY 2025

Customer Class	Private Fire Protection		Total Service Charge \$/month
	Fire Unit Cost per EM	Ratio	
Fire Service			
4" & Below	2.48	32.7	80.92
6"	2.48	49.4	122.23
8"	2.48	82.7	204.81
10"	2.48	220.0	544.57

Table 4-4 Proposed Multi-Year Fire Service Charge

Customer Class	Fire Service Service Charge					
	Existing	Proposed				
	FY 2024 \$/mo	FY 2025 \$/mo	FY 2026 \$/mo	FY 2027 \$/mo	FY 2028 \$/mo	FY 2029 \$/mo
Fire Service						
4" & Below	67.46	80.92	90.30	91.46	91.74	93.97
6"	101.90	122.23	136.41	138.16	138.58	141.95
8"	170.74	204.81	228.56	231.50	232.20	237.85
10"	453.98	544.57	607.72	615.54	617.41	632.42

4.2.3 Commodity Charge

The commodity charge is designed to recover costs associated with the base and extra capacity demands. These costs include fixed and variable costs that are incurred by the Potable Water system while providing the average rate of use and peaking demand use. The following are the individual components that make up the commodity charge.

4.2.3.1.1 Base Costs

The base costs represent costs associated with water supply costs and delivery costs. Water supply costs are the costs associated with obtaining and treating water. Potable Water obtains import water from Calleguas Municipal Water District and groundwater through a series of wells. Calleguas Municipal Water District treats the water that it provides the District, while the District treats its groundwater at the well sites. Delivery costs are the operating and capital costs associated with delivering water through the transmission and distribution system to all customers at base use (average daily demand) conditions.

4.2.3.1.2 Water Supply Unit Costs

The determination of unit water supply costs associated with each customer class is a function of the cost and amount of water allocated from the two water sources. Black & Veatch used the following 3-steps to derive the water supply unit costs:

- Step 1: Determine the weighted average unit costs for total Potable Water sold. Sold water represents the amount of treated water sold by Potable Water. Sold does not incorporate unaccounted water. Unaccounted water represents water used to flush and clean the system, fight fires systematically, and water loss through the system that occurs as a part of routine operations such as main breaks and associated flushing of the lines for water quality purposes after each repair.

Table 4-5 identifies the amount of Potable Water produced by each water supply source, the associated costs, and the unit costs. This Study based the production allocation on the expected groundwater production by the District. The costs are determined based on purchased prices from Calleguas Municipal Water District and anticipated operating costs for groundwater. The result provides a cost per HCF for each source of water provided to all customers.

Table 4-5 Water Supply Unit Costs

Line No.	Description	(1)	(2)	(3)	(4)	(5)
		Production Costs [1]	Allocation [2]	Updated Production Costs [3]	Total Volume	Supply Unit Costs
		\$	%	\$	HCF	\$/HCF
Water Source						
1	Calleguas Municipal Water District	6,442,000	84.5%	5,217,950	1,247,486	\$ 4.18
2	Groundwater	1,182,300	15.5%	957,650	1,810,078	0.53
3	Subtotal	\$ 7,624,300		\$ 6,175,600	3,057,563	
4	Weighted Average Costs					\$ 2.02

[1] The total production costs is the sum of Column 1, Lines 2 & 3 in Table 3-3.

[2] Represents Column 1, Line 1 / Line 3 and Line 2 / Line 3.

[3] The total \$6,175,600 is the sum of Column 2, Lines 2 & 3 in Table 3-3 which is then allocated based on Column 2.

- Step 2: Determine the amount of water sold to each customer class. Table 4-6 identifies the amount of water sold by customer class based on CIS records.

Table 4-6 Water Sold by Customer Class

Description	Group 1	Group 2 Tier 1	Group 2 Tier 2	Group 3	Total Volume
Total Usage	6,325	886,294	1,221,026	943,919	3,057,564
% of Usage	0.2%	29.0%	39.9%	30.9%	100.0%

- Step 3: Allocate the water supply sources to each customer class and determine the weighted average costs by customer class. Table 4-7 identifies the amount of water sold by water source and the associated unit costs. Based on the different customer classes, the District water supply as follows:
 - Group 1 represents outside District boundaries and temporary customers. These customers can use District water at their discretion. Therefore, these customers result in additional demand and increase the District’s import water demand.
 - Group 2 represents the residential customers who were split up further into Group 2 Tier 1 and Group 2 Tier 2. These customers were separated based on usage. Tier 1 represents customers with usage between 0-12 HCF, and Tier 2 represents customers with usage above 12 HCF. The District allocates a significant percentage of groundwater to this group. Tier 1 benefits from a greater allocation of groundwater while Tier 2 is allocated slightly more costly import water as Tier 2 water uses are deemed discretionary for functions such as irrigation.
 - Group 3 represents commercial, irrigation and temporary customers. The District allocates water supply sources similar to Tier 2 associated with Group 2.

Table 4-7 Water Supply Unit Costs by Customer Class

Description	Supply Unit Costs	Group 1	Group 2 Tier 1	Group 2 Tier 2	Group 3	Total Volume
		HCF	HCF	HCF	HCF	HCF
Water Source						
Calleguas Municipal Water District	\$ 4.18	5,692	332,360	512,919	396,514	1,247,486
Groundwater	0.53	632	553,934	708,107	547,405	1,810,078
Subtotal		6,325	886,294	1,221,026	943,919	3,057,564
Weighted Average Unit Costs	\$ 2.02	\$ 3.82	\$ 1.90	\$ 2.06	\$ 2.06	

4.2.3.1.3 Delivery Costs

Table 4-8 determines water delivery unit costs. We subtract the water-supply costs from the common to all base costs determined in Table 3-7. The base costs represented the combined supply and delivery costs under average daily demand conditions.

Table 4-8 Water Delivery Unit Costs

Description	Delivery Unit Rate
	\$
	Group 1-3
Base Costs	\$10,552,200 (from Table 3-7, Line 4, Column 2)
Less Water Supply Cost	(6,175,600) (from Table 3-3, Line 2 + 3 in Column 2)
Subtotal	\$4,376,600
Water Supply (HCF)	3,057,563
Unit Costs	\$1.43

4.2.3.1.4 Extra Capacity Costs

The extra capacity represents costs associated with peak demands in excess of base demand. Total extra capacity costs consist of maximum day and maximum hour demands. Peaking factors derived from customer consumption data serves as the basis for distributing the peaking costs shown in Table 3-8. The total peaking cost associated with Group 1, 2 and 3 in Columns 3 and 4, Rows 2, 4 and 6 are redistributed below. Table 3-8 provides the breakout between Group 2 Tier and Group 2 Tier 2. Table 4-9 identified the peaking unit costs common-to-all by tier and customer class.

Table 4-9 Common-to-All Water Peaking Unit Costs

Description	Peaking Costs [1]	Usage	Peaking Unit Rate
	\$	HCF	\$/HCF
Customer Class			
Group 1	10,700	6,325	\$ 1.69
Group 2 Tier 1	733,100	886,294	0.83
Group 2 Tier 2 and Group 3	2,829,900	2,164,945	1.31
Subtotal	\$ 3,573,700	3,057,564	

[1] Peaking costs derived in Table 3-8, Columns 3 + Column 4, Lines 4, 6, and 8.

4.2.3.1.5 Summary of Base and Extra-Capacity Rates

The commodity charge includes costs associated with base and extra capacity as shown in Tables 4-10 for each customer class.

Table 4-10 Summary of Individual Potable Water Unit Costs

Description	(1)	(2)	(3)	(4)
	Supply Unit Rate	Delivery Unit Rate	Peaking Unit Rate	Total Unit Rate
	\$/HCF	\$/HCF	\$/HCF	\$/HCF
Customer Class				
Group 1	\$ 3.82	\$ 1.43	\$ 1.69	\$ 6.94
Group 2 Tier 1	1.90	1.43	0.83	4.16
Group 2 Tier 2 and Group 3	2.06	1.43	1.31	4.80

4.2.3.2 Proposed Commodity Rates

Table 4-11 shows the five-year rate schedule for Potable Water. The five-year commodity rate schedule follows the cost-of-service allocations as described in Section 3 of this report. Appendix B includes the associated tables for each year of the study period.

Table 4-11 Proposed Multi-Year Commodity Charges

Customer Class	Commodity Charge					
	Existing	Proposed				
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
	\$/HCF	\$/HCF	\$/HCF	\$/HCF	\$/HCF	\$/HCF
Potable Water						
Residential and Master Meter, Domestic Ag						
Tier 1 - First 12 Units	4.01	4.16	4.40	4.70	4.99	5.26
Tier 2 - 13 Units and Higher	4.45	4.80	5.09	5.39	5.67	6.01
Commercial/Industrial and Public	4.45	4.80	5.09	5.39	5.67	6.01
Municipal Irrigation	4.45	4.80	5.09	5.39	5.67	6.01
Other	4.45	4.80	5.09	5.39	5.67	6.01
Agricultural Irrigation	4.45	4.80	5.09	5.39	5.67	6.01
Temp Construction and Temp						
Agricultural	6.17	6.94	7.51	8.10	8.66	9.21
Temporary Municipal	6.17	6.94	7.51	8.10	8.66	9.21
Emergency Water Service	6.17	6.94	7.51	8.10	8.66	9.21
Surplus Water (Served Outside District)	6.17	6.94	7.51	8.10	8.66	9.21

4.3 Typical Monthly Costs under Proposed Charges

Table 4-12 presents a comparison of typical monthly costs under existing rates and the proposed schedule of Potable Water user rates derived in this Study.

Table 4-12 Typical Monthly Bill (Potable Water)

Line No.	Description	Usage (HCF)	Existing Rates (\$)	Proposed Rates (\$)
1		0	14.08	14.85
2		5	34.13	35.65
3		10	54.18	56.45
4	Residential, 3/4" Meter	12	62.20	64.77
5		20	97.80	103.17
6		30	142.30	151.17
7		40	186.80	199.17
8		50	231.30	247.17

4.4 Neighboring Water Utilities

Presented in Table 4-13 are the proposed rates compared to rates of neighboring cities, for a single-family residential customer with a 3/4" meter consuming 12 units of water. Based on the comparison, the District is currently one of the lower water providers in the area. With the proposed rate increases, the District continues to be a low-cost water provider of the surveyed communities. All surveyed community rates are current as of February 2024.

Table 4-13 Comparison to Neighboring Water Utilities

Water Provider	Typical Bill (\$/mo)
Fillmore	31.41
Camarillo	61.95
Camrosa Water District (Existing)	62.20
Camrosa Water District (Proposed)	66.57
Moorpark (via Ventura County)	72.81
Oxnard	76.42
Simi Valley	87.43
Thousand Oaks	98.50
Port Hueneme	106.05
Santa Paula	108.04

Sewer Rate Study

5.0 Revenue and Revenue Requirements

To meet the costs associated with providing sewer services to its customers, the Sewer Utility derives revenue from a variety of sources including sewer user charges (rates), special services, interest earned from the investment of available funds, and other miscellaneous revenues. The Sewer Utility is also actively looking for other sources of revenue, such as grants. Black & Veatch has projected the level of future revenue generated in the Study through a combination of an analysis of historical and future system growth in terms of the number of EDUs and billed sewage flow. This section also projects the expenses, or revenue requirements, necessary to operate and maintain the system, invest in capital improvements, make debt service payments and cover other expenses of the sewer system.

5.1 Customer and EDU Projections

5.1.1 Customer Classes

The Sewer Utility’s customers include both residential and non-residential. The District has identified the following distinct customer classes: Customers served by District and Customers served by Thousand Oaks. Customers served by Thousand Oaks are District customers, but due to limitations of the collection system to serve those areas, the City of Thousand Oaks provides service to those customers.

5.1.2 Equivalent Dwelling Units (EDUs)

The District provides sewer services to over 5,354 service connections (9,180 Equivalent Dwelling Units EDUs including three mastered metered communities and the university). The District bills all customers using an EDU-basis. The District determines EDUs based on Section 42 of the District’s Sanitary Sewer Design & Construction Standard. An EDU “will be is based upon one of the following criteria: 1. Fixture count provided by the customer where each group of 25 fixture units is equal to 1 EDU; 2. If a known quantity of discharge is available, it will be divided by the current gallons per day average for all sewer accounts...” Black & Veatch conducted an analysis of historical EDU patterns for customers in addition to incorporating feedback from District staff regarding the potential new development over the Study period to project anticipated growth patterns. The projected total number of EDUs are expected to increase by 1.4% per year over the Study period. Table 5-1 summarizes the projected number of EDUs for the Sewer Utility.

Table 5-1 Number of EDUs

Line No.	Description	Fiscal Year Ending June 30,					
		2024 (EDUs)	2025 (EDUs)	2026 (EDUs)	2027 (EDUs)	2028 (EDUs)	2029 (EDUs)
Sewer							
1	Customers Served by District	9,162	9,334	9,456	9,649	9,842	9,842
2	Customers Served by Thousand Oaks	18	18	18	18	18	18
3	Total	9,180	9,352	9,474	9,667	9,860	9,860

5.2 Revenue under Existing Rates

Sewer user rates serve as the primary source of revenue for the Sewer Utility. Therefore, the level of future rate revenue is important in the development of a long-range financial plan. To determine rate revenue, we multiply the projected system growth in terms of the number of EDUs by the applicable rates to determine sewer rate revenue. Table 5-2 shows the Sewer Utility’s current schedule of charges.

Table 5-2 Existing Sewer Rates

Description	Existing FY 2024
Service Charge	(\$/monthly)
Customers Served by District	43.05
Customers Served by Thousand Oaks	48.61

Table 5-3 represents a summary of the projected sewer rate revenue under existing rates. As shown, the revenue generated is projected to increase over the Study period in conjunction with the increase in the number of EDUs. The projected sewer revenue increases from \$4.9M in FY 2025 to \$5.2M in FY 2029, representing an overall increase of 5.4% over the five-year Study Period.

Table 5-3 Projected Revenue under Existing Rates

Line No.	Description	Fiscal Year Ending June 30,				
		2025	2026	2027	2028	2029
		(\$)	(\$)	(\$)	(\$)	(\$)
Sewer						
1	Customers Served by District	4,921,200	4,985,600	5,087,300	5,189,100	5,189,100
2	Customers Served by Thousand Oaks	10,700	10,700	10,700	10,700	10,700
3	Total	\$ 4,931,900	\$ 4,996,300	\$ 5,098,000	\$ 5,199,800	\$ 5,199,800

5.3 Other Revenue

There are other operating sources which include charges for special services, interest on investments, and other miscellaneous revenues. In total other operating revenues represents 4.1% of sewer’s total revenue. The District anticipates that these revenues will remain relatively constant for the duration of the Study period.

5.4 Operating and Maintenance Expenses

Table 5-4 summarizes the Sewer Utility’s projected O&M expenses for the Study period. These expenses include costs related to salaries and benefits, services and supplies, contract and professional services, and utilities. The District anticipates that all O&M expenditures will increase on average 2.9% annually from the FY 2025.

Table 5-4 O&M Expenses

Line No.	Description	Fiscal Year Ending June 30,				
		2025	2026	2027	2028	2029
		(\$)	(\$)	(\$)	(\$)	(\$)
Sewer						
1	Production	13,200	13,200	13,200	13,200	13,200
2	Salaries & Benefits	2,046,500	2,275,200	2,360,800	2,449,500	2,541,500
3	Contracts & Professional Services	2,080,700	2,122,400	2,164,900	2,208,200	2,252,500
4	Services & Supplies	656,600	674,700	693,400	712,600	732,400
5	Utilities	31,500	32,500	33,500	34,500	35,500
6	Total	\$ 4,828,500	\$ 5,118,000	\$ 5,265,800	\$ 5,418,000	\$ 5,575,100

As shown in Table 5-4, the Sewer Utility’s O&M expenses increase from \$4.8M in FY 2025 to \$5.6M in FY 2029.

5.5 Debt Service Requirements

Table 5-5 represents the Sewer Utility’s existing debt service obligations. This table shows both principal and interest requirements on the existing debt over the Study period. It is common practice for utilities to utilize debt to finance multi-year capital improvement projects, but financing options will depend on the utility’s financial conditions. By financing the cost of the projects, the utility can fund major projects immediately and spread the payment over a specified time frame. For the Sewer Utility, the District anticipates a debt service payment of \$190,000 on existing debt and about \$550,000 on proposed revenue bonds debt of \$7.3M in 2027. Based on the revenue bond requirements, the debt service coverage ratio is a minimum of 1.15x net revenues (revenue less operating expenses) for the Sewer Utility.

Table 5-5 Long-Term Debt Service

Line No.	Description	Fiscal Year Ending June 30,				
		2025	2026	2027	2028	2029
		(\$)	(\$)	(\$)	(\$)	(\$)
Sewer						
Refunding Rev Bond, Series						
1	2011A/2016	191,700	190,613	189,750	194,525	190,475
2	Future Bond 2027	0	0	319,797	548,223	548,223
3	Total	\$ 191,700	\$ 190,613	\$ 509,547	\$ 742,748	\$ 738,698

5.6 Capital Improvement Program

The Sewer Utility develops a five-year Capital Improvement Plan on an annual basis for identifying sewer system needs including ongoing assessments, maintenance, and renewal and replacement requirements.

Table 5-6 summarizes the planned CIP for FY 2025 through FY 2029. The Sewer Utility is projecting \$16.2M in CIP over the Study period, which includes both capital replacement and capital improvement projects. For complete details associated with each CIP project, see the District’s CIP Budget on their website.

Table 5-6 Capital Improvement Projects

Line No.	Description	Fiscal Year Ending June 30,				
		2025	2026	2027	2028	2029
		(\$)	(\$)	(\$)	(\$)	(\$)
Sewer						
1	Smart Covers Sewer Manholes	92,500	0	0	0	0
2	New CWRP Generator	513,800	0	0	0	0
3	Headworks Improvements	0	285,900	1,175,000	0	0
4	Influent Lift Station Improvements	0	0	384,900	1,581,900	0
5	Effluent Pump Station Improvements	0	0	0	337,300	1,386,200
6	RAS/WAS Pump Station Improvement	0	0	0	618,600	0
7	Mechanical Dewatering System	0	2,111,500	0	0	0
8	CWRP PLC Replacement	179,800	739,000	0	0	0
9	Effluent Line Replacement	0	0	0	0	0
10	Pavement Rehabilitation	0	0	0	0	0
11	Diversion Screen Replacement	185,000	0	0	0	0
12	Sewer Lift MCC & Rehabilitation	863,100	257,600	1,008,900	1,036,600	2,361,600
13	Collection System Replacement	339,100	348,400	0	367,800	0
14	General CIPs & Fixed Assets	0	0	0	0	0
15	Total	\$ 2,173,300	\$ 3,742,400	\$ 2,568,800	\$ 3,942,200	\$ 3,747,800

5.6.1 Capital Improvement Financing Plan

The District funds annual expenditures for the CIP from a combination of previous bond debt proceeds, available funds on hand, transfers, grants, and revenues derived from user rates. As shown in Tables 5-7, Line 8, the annual CIP expenditure amount varies by FY based on the identified need in any given FY. Based on a 5-year average over the Study period, it is expected that the Sewer Utility will expend about \$3.2M per year. The planned annual CIP contribution from the Operating Fund varies per FY based on available cash on hand and specific needs as shown in Table 5-7, Line 3. District policy sets the minimum capital replacement reserve at 5.0% of the replacement value of fixed assets, and it is expected to be met by FY 2025.

Table 5-7 Construction Fund Financing Plan

Line No.	Description	Fiscal Year Ending June 30,				
		2025	2026	2027	2028	2029
Source of Funds						
1	Developer Contributions	1,804,600	0	0	0	0
2	Revenue Bond Proceeds	0	0	7,967,740	0	0
3	Transfer In from Operating Fund	478,700	892,600	1,355,100	1,985,800	2,629,400
4	Grant Funding	0	0	0	0	0
5	CIP De-Obligation	0	0	0	0	0
6	Interest Income	251,500	188,400	263,000	357,900	287,200
7	Total Sources	\$ 2,534,800	\$ 1,081,000	\$ 9,585,840	\$ 2,343,700	\$ 2,916,600
Use of Funds						
8	Replacement & Improvement Projects	2,173,100	3,742,400	2,568,800	3,942,200	3,747,800
9	Debt Issuance Charges	0	0	667,740	0	0
10	Transfer to Op Fund	251,500	188,400	263,000	357,900	287,200
11	Total Uses	\$ 2,424,600	\$ 3,930,800	\$ 3,499,540	\$ 4,300,100	\$ 4,035,000
12	Net Annual Cash Balance	110,200	(2,849,800)	6,086,300	(1,956,400)	(1,118,400)
13	Beginning Unrestricted Fund Balance	5,407,700	5,517,900	2,668,100	8,754,400	6,798,000
14	Net Cumulative Fund Balance	\$ 5,517,900	\$ 2,668,100	\$ 8,754,400	\$ 6,798,000	\$ 5,679,600
15	Min Capital Reserve Target [1]	3,920,700	3,920,700	3,920,700	3,920,700	3,920,700
	[1] Target is 5% of replacement value of fixed assets.					

5.7 Transfers

The Sewer Utility performs two transfers over the Study period from the Operating Fund to the Capital Replacement Fund and Rate Stabilization Fund. Table 5-8, Lines 25 to 28 show the associated amounts of each transfer. Section 5.8 explains the Capital Replacement, Operating Reserve, Rate Stabilization, and CalPERS UAL Reserves.

5.8 Reserves

The District has a defined reserve policy for its Sewer Utility. A utility typically establishes reserves for several reasons such as covering shortfalls in operating revenues, maintaining strong bond ratings, covering day-to-day operating costs, and easing the burden on ratepayers associated with large rate increases. The four defined reserves the District maintains are:

- Operating Reserve represents working capital maintained by the Operating Fund to cover day-to-day expenses and maintain sufficient funds to cover accounts receivables if there are supplier issues,

periods of lower than expected sales, or unforeseen cost increases. The reserve scheduled target is 45 days of O&M expenses.

- Capital Replacement Reserve represents funds used for unforeseen and unbudgeted capital costs. The reserve is a minimum of 5.0% of the replacement value of the Sewer Utility’s fixed assets.
- CalPERS Unfunded Accrued Liability Reserve represents funds to help fund the unfunded accrued liability associated CalPERS.
- Rate Stabilization Reserve represents funds used to absorb revenue shortfall due to short-term decreases in water or wastewater sales. The reserve target is a minimum of 10% of the prior year’s rate revenue. This Study defines rate revenue as revenue generated from commodity charges only.

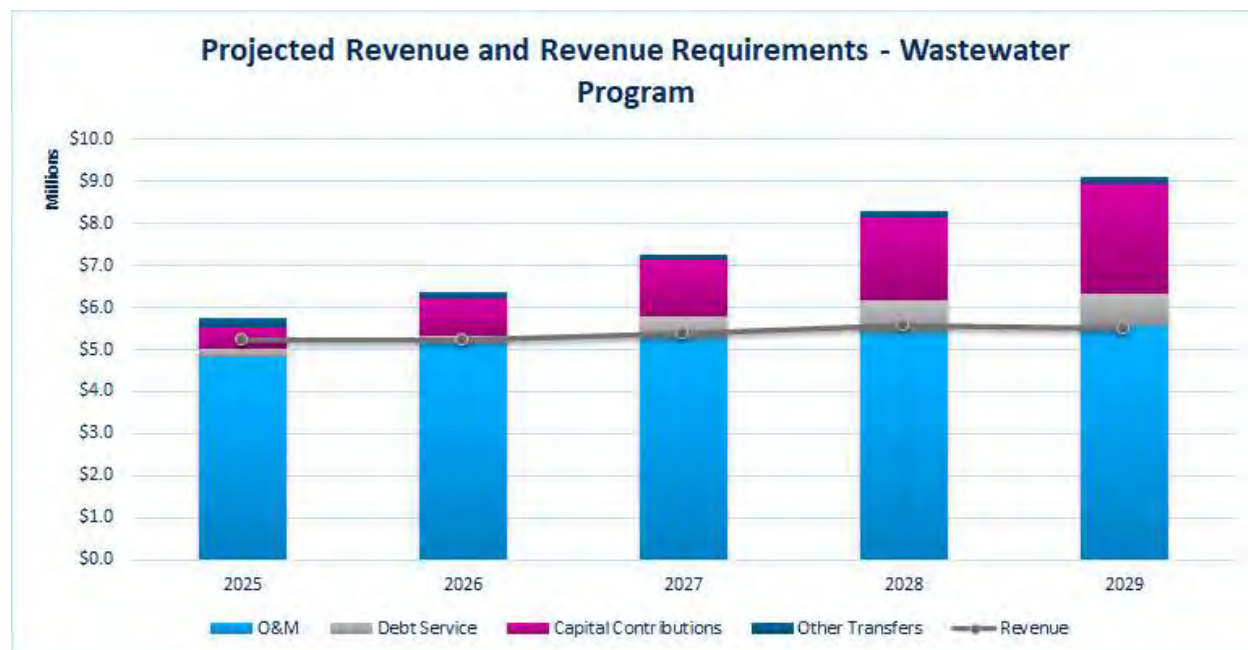
Regardless of the type of reserve, appropriate reserve levels help the Sewer Utility attain and keep better bond ratings, which in turn, leads to lower borrowing costs.

5.9 Projected Operating Results

The revenue requirements of the Sewer Utility consist of O&M expenses, debt service, capital expenditures, and reserve requirements.

It is important to examine the cash flow projections under the status quo scenario to fully understand the current condition of the Sewer Utility and the need for revenue adjustments. In this scenario, the Sewer Utility would not impose any revenue increases over the Study Period and continue to incur O&M expenses and debt service, pay for the execution of the planned CIP, and transfer to reserves. As shown in Figures 5-1, the status quo conditions would project that the Sewer Utility would operate from an annual deficit position, thus tapping into its reserves.

Figure 5-1 Status Quo Operating Cash Flow



The Sewer Utility will fall into a deficit position if the District does not implement the revenue increases as shown in Table 5-8. The revenue increases represent the overall total revenue adjustment needed to meet

revenue requirements. The revenue adjustment does not represent adjustments to the individual rates but reflects the overall level of revenue needed to meet the Sewer Utility's obligations.

The suggested revenue increases help the Sewer Utility meet the following goals:

- Meet budgeted operating obligations.
- Meet planned capital investments.
- Maintain an operating reserve of 45 days of operating expenses.
- Maintain capital reserve of 5.0% of the replacement value of the Sewer Utility's fixed assets.
- Maintain rate stabilization reserve at the level of 10% of the prior year's rate revenue.

Shown in Table 5-8 is a summary of the proposed Operating Fund for the Study Period. The Operating Fund consists of two parts: 1) Revenue and 2) Revenue Requirements.

Revenue

- Line 1 is the revenue under existing rates.
- Lines 2 through 7 is the additional revenue generated from the required annual revenue increases. The additional revenue generated is a direct reflection of the number of months the increase is effective for, and therefore the amount might calculate at less than that stated amount.
- Line 8 is the total revenue generated from user charges.
- Line 11 represents other operating revenues.
- Line 14 represents non-operating revenues.
- Line 16 represents transfer into the operating fund from reserves, specifically rate stabilization.
- Line 17 represents total revenues for the Sewer Utility.

Revenue Requirements

- Line 19 represents O&M expenses.
- Line 22 represent debt service payments.
- Line 27 represents transfers. The transfers include money to the Capital Replacement Fund, Operating Reserve, Rate Stabilization Fund and CalPERS UAL Reserve. These transfers do not represent direct operating expenses. Therefore, these costs are treated as "below-the-line" cash flow items when determining debt service coverage.
- Line 28 represents total revenue requirements for the Sewer Utility.

Lines 31 represent the net cumulative cash balance within the Operating Fund. It is the District's policy that any cash balance in the operating fund are directed to capital replacement, therefore the result balance is approximately zero.

Line 32 represents the reserve target minimum of 45 days of O&M expenses which is kept in a separate operating reserve. The operating reserve is required to ensure the Operation Fund can continue in the event of a supplier interruption, market price fluctuations of critical equipment or supplies or an abrupt drop in account receivables.

Line 33 represents the debt service coverage ratio required by the lending financial institutions which set the target of 1.15x over the span of the debt repayment period.

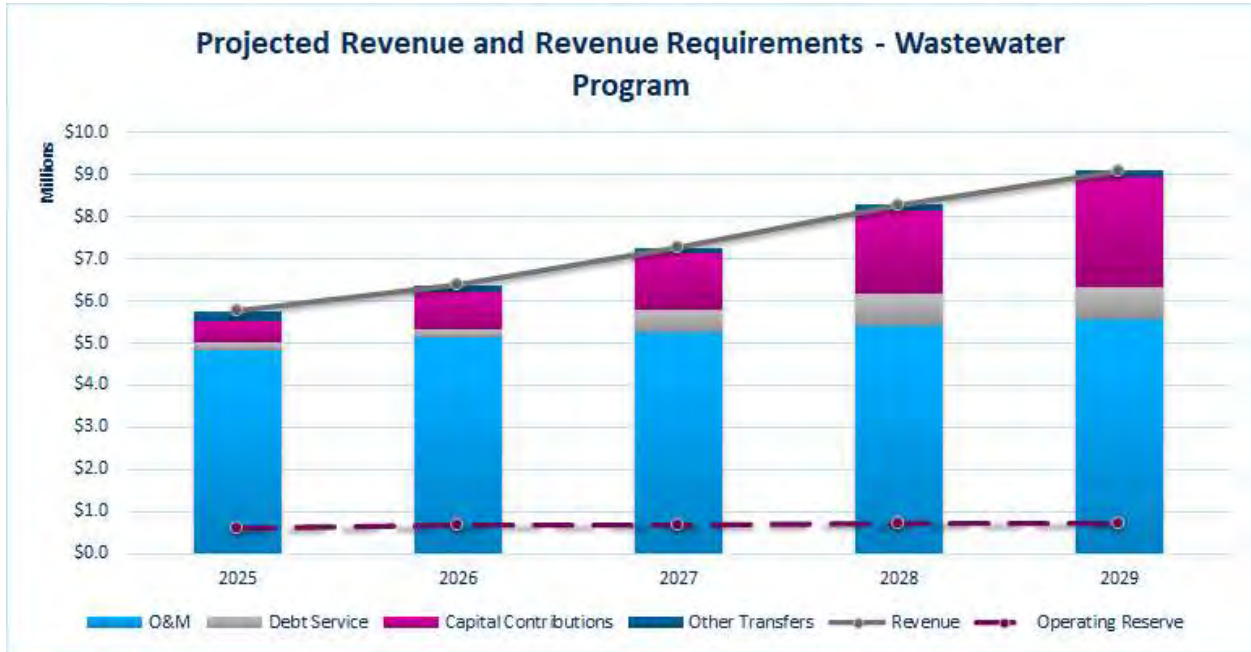
Table 5-8 Operating Fund

Line No.	Description	Fiscal Year Ending June 30,						
		2025	2026	2027	2028	2029		
Revenue								
Rate Revenue								
1	Revenue from Existing Rates	4,931,900	4,996,300	5,098,000	5,199,800	5,199,800		
	Months							
	Year	Effective	Revenue Adj					
2	2025	12	11.00%	542,500	549,600	560,800	572,000	572,000
3	2026	12	11.00%		610,000	622,500	634,900	634,900
4	2027	12	11.00%			690,900	704,700	704,700
5	2028	12	11.00%				782,300	782,300
6	2029	12	11.00%					868,300
7	Increased Revenue Due to Adjustments			542,500	1,159,600	1,874,200	2,693,900	3,562,200
8	Subtotal Rate Revenue			\$ 5,474,400	\$ 6,155,900	\$ 6,972,200	\$ 7,893,700	\$ 8,762,000
Other Operating Revenue								
9	Special Services			17,000	17,000	17,000	17,000	17,000
10	Miscellaneous			0	0	0	0	0
11	Subtotal Other Operating Revenue			\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000
Non-Operating Revenue								
12	Taxes			0	0	0	0	0
13	Interest			263,900	201,200	276,100	371,200	300,400
14	Subtotal Non-Operating Revenue			\$ 263,900	\$ 201,200	\$ 276,100	\$ 371,200	\$ 300,400
Transfers								
15	Transfer from Rate Stabilization			0	0	0	0	0
16	Subtotal Non-Operating Revenue			\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
17	Total Revenue			\$ 5,755,300	\$ 6,374,100	\$ 7,265,300	\$ 8,281,900	\$ 9,079,400
Revenue Requirements								
Operating & Maintenance								
18	O&M Expenses			4,828,500	5,118,000	5,265,800	5,418,000	5,575,100
19	Subtotal O&M			\$ 4,828,500	\$ 5,118,000	\$ 5,265,800	\$ 5,418,000	\$ 5,575,100
Debt Service								
20	Existing Revenue Bonds			191,700	190,600	189,800	194,500	190,500
21	Proposed Revenue Bonds			0	0	319,800	548,200	548,200
22	Total Debt Service			\$ 191,700	\$ 190,600	\$ 509,600	\$ 742,700	\$ 738,700
Transfers								
23	Transfer to Capital Replacement			478,600	892,500	1,355,000	1,985,700	2,629,300
24	Transfer to Operating Reserve			141,415	57,900	19,800	20,400	21,200
25	Transfer to Rate Stabilization Reserve			10,000	10,000	10,000	10,000	10,000
26	Transfer to CalPERS UAL Reserve			105,000	105,000	105,000	105,000	105,000
27	Total Transfers			\$ 735,015	\$ 1,065,400	\$ 1,489,800	\$ 2,121,100	\$ 2,765,500
28	Total Revenue Requirements			\$ 5,755,215	\$ 6,374,000	\$ 7,265,200	\$ 8,281,800	\$ 9,079,300
29	Net Annual Cash Balance			85	100	100	100	100
30	Beginning Fund Balance			0	0	0	0	0
31	Net Cumulative Fund Balance			\$ 85	\$ 100	\$ 100	\$ 100	\$ 100
32	Minimum Operating Reserves (45 Days)			\$ 595,300	\$ 631,000	\$ 649,200	\$ 668,000	\$ 687,300
33	Debt Service Coverage (1.15x)			4.83	6.59	3.92	3.86	4.74

Figure 5-2 shows a graphical representation of the proposed Sewer Utility Operating Fund shown in Table 5-8. The figure shows that the proposed revenue adjustments would allow the Sewer Utility to generate

revenues as close as possible to operating expenses with minimal surplus or shortage over the Study period, thereby meeting the projected revenue requirements.

Figure 5-2 Operating Cash Flow



6.0 Cost of Service Analysis

Cost of Service analysis requires that the utility recover needed revenues from rates for sewer service, which are allocated to customer classes according to the service rendered. An equitable rate structure allocates the capture of revenue requirements to customer classes based on EDU, sewage volume, strength, and other relevant factors.

In analyzing the Sewer Utility's cost of service for allocation to its customer classes, Black & Veatch selected the annual revenue requirements for FY 2025 as the Test Year (TY) requirements to demonstrate the development of cost-of-service sewer rates. Table 6-1 summarizes the total costs of service to be recovered from sewer user rates. The table represents TY 2025.

Table 6-1 Cost of Service Revenue from Rates

Line No.	Description	Operating Expense (\$)	Capital Cost (\$)	Total Cost (\$)
Revenue Requirements				
1	O&M Expense	4,828,500	0	4,828,500
2	Debt Service Requirements	0	191,700	191,700
3	Transfers	256,415	478,600	735,015
4	Subtotal	\$ 5,084,915	\$ 670,300	\$ 5,755,215
Less Revenue Requirements Met from Other Sources				
5	Other Operating Revenue	17,000	0	17,000
6	Interest from Operations	263,900	0	263,900
7	Subtotal	\$ 280,900	\$ 0	\$ 280,900
Adjustments				
8	Adj for Annual Cash Balance	(85)	0	(85)
9	Subtotal	\$ (85)	\$ 0	\$ (85)
10	Cost of Service to be Recovered from	\$ 4,804,100	\$ 670,300	\$ 5,474,400

Shown in Line 4 is the total revenue requirement that corresponds with Table 5-8, Line 28. Line 7 represents the other revenue sources which correspond with Table 5-8, Lines 11 and 14. Line 8 reflects the change in available funds for the Sewer Utility system during the TY and corresponds to the net annual cash balance, Table 5-8, Line 31. When the net annual cash balance on Table 5-8 is positive, it indicates that the utility is adding to its operating fund balance, when the balance is negative, the utility is drawing down on reserve balances to meet its annual needs.

6.1 Functional Cost Components

The first step in conducting a cost-of-service analysis involves analyzing the cost of providing sewer service by system function to properly allocate the costs to the various customer classes and subsequently design rates. As a basis for allocating costs of service among customer classes, we separate costs into the following four basic functional cost components: (1) "Base"; (2) "Strength"; (3) "Customer"; and (4) "Direct Assignment," described as follows:

- Base costs represent the operating and capital costs of the system associated with collection. The collection costs vary directly with the quantity of sewage flow.

- Strength costs represent those operating and capital costs associated with treatment. The treatment costs are specifically related to strength parameters such as Biological Oxygen Demand (BOD), and Total Suspended Solids (TSS).
- Customer costs are those expenditures that tend to vary in proportion to the number of customers connected to the system. These include billing, collecting and accounting, and maintenance and capital costs associated with meters and services.
- Directly assigned costs are costs specifically identified as those incurred to serve specific customers. The Sewer Utility has identified costs associated solely with customers served by Thousand Oaks.

6.2 Allocation to Cost Components

The next step of the cost-of-service process involves allocating each element of cost to functional cost components based on the parameter or parameters having the most significant influence on the magnitude of that element of cost. We allocate O&M expense items directly to appropriate cost components. We use a detailed allocation of related capital investment as a proxy for allocating capital and replacement costs. The separation of costs into functional components provides a means for distributing such costs to the various classes of customers based on their respective responsibilities for each type of service.

6.2.1 Volume and Strength Allocations

The sewer system consists of various facilities; each designed and operated to fulfill a given function. For the system to provide adequate service to its customers, it must be capable of meeting not only the annual volume requirements but also the strength loading demands placed on the system. Because not all customers and types of customers exert volume and strength loading demands similarly, the capacities of the various facilities must be designed to accommodate the demands of all classes of customers. Each sewer service facility within the system has an underlying volume demand, exerted by all customers for whom the base cost component applies. For those facilities designed solely to meet volume demand, 100% of the costs go to the base cost component. For those facilities designed to meet strength loading demands, the percentage of the costs all allocated to the different strength cost component based on their specific function.

6.2.2 Allocation of Operating and Maintenance (O&M) Expenses

In the allocation of O&M expense for Test Year (2025), we directly allocate the costs to the cost components to the extent possible. The Sewer Utility books operating costs by operating categories. Therefore, Black & Veatch used the factors noted in Section 5.1 to allocate the operating expenses to the cost components. We allocate administrative cost elements based on the average of all other costs. Tables 6-2 and 6-3 represent the allocation of O&M to the cost components. We subtract revenues from other sources as shown in Table 6-1, Lines 7 and we deduct any drawdown of the cash balance as shown in Line 9 to determine the net O&M costs.

6.2.3 Allocation of Capital Investments

In the allocation of capital investment for Test Year (2025), the existing fixed assets (which serve as a proxy for the current capital investments) are allocated directly to cost components to the extent possible. The allocation of costs into the cost components provides a basis for annual investment in sewer system facilities. Tables 6-4 and 6-5 show the total allocation of existing system investment serving sewer customers for the Test Year (2025). The total net system investment of \$14.6M shown on

Line 6 represents the Test Year original cost less accumulated depreciation of the system in service. The total net system investment reflects the Sewer Utility's fixed asset listing ending June 30, 2023. This value represents the net book value of the assets. Using the distribution of total net system investment across the functional cost components, we can then allocate the planned capital costs.

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Table 6-2 Allocation of O&M Expenditures

Line No.	Description	Common to All Customers					Allocation Basis*
		Volume (%)	BOD (%)	TSS (%)	Customer (%)	T.O. (%)	
Operation & Maintenance							
1	Water Production	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
2	Salaries and Benefits	30.00%	25.00%	25.00%	20.00%	0.00%	[2]
3	Salaries and Benefits - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
Contracts & Professional Services							
4	Outside Contracts	50.00%	25.00%	25.00%	0.00%	0.00%	[2]
5	Outside Contracts - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[6]
6	Professional Services	50.00%	25.00%	25.00%	0.00%	0.00%	[3]
7	Services & Supplies	27.64%	24.25%	24.25%	23.85%	0.00%	[4]
8	Utilities	50.00%	25.00%	25.00%	0.00%	0.00%	[3]
9	Utilities - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[6]
10	Materials & Supplies	60.00%	20.00%	20.00%	0.00%	0.00%	[5]
11	Repair Parts & Equipment Maint	60.00%	20.00%	20.00%	0.00%	0.00%	[5]
12	Transfers	100.00%	0.00%	0.00%	0.00%	0.00%	[1]

* Important to note that the percentages are based on percentages seen by other utilities.

[1] All Volume

[2] Volume/Strength/Customer (30%/25%/25%/20%)

[3] Volume/Strength (50%/25%/25%)

[4] Volume/Strength/Customer (avg of all other cost items)

[5] Volume/Strength (60%/20%/20%)

[6] All Thousand Oaks

Table 6-3 Allocation of \$ O&M Expenditures

Line No.	Description	Total Cost (\$)	Common to All Customers				
			Volume (\$)	BOD (\$)	TSS (\$)	Customer (\$)	T.O. (\$)
Operation & Maintenance							
1	Water Production	13,200	13,200	0	0	0	0
2	Salaries and Benefits	2,045,700	613,800	511,400	511,400	409,100	0
3	Salaries and Benefits - T.O.	800	0	0	0	0	800
Contracts & Professional Services							
4	Outside Contracts	1,424,500	712,300	356,100	356,100	0	0
5	Outside Contracts - T.O.	8,100	0	0	0	0	8,100
6	Professional Services	648,100	324,100	162,000	162,000	0	0
7	Services & Supplies	324,500	89,700	78,700	78,700	77,400	0
8	Utilities	28,400	14,200	7,100	7,100	0	0
9	Utilities - T.O.	3,100	0	0	0	0	3,100
10	Materials & Supplies	188,100	112,900	37,600	37,600	0	0
11	Repair Parts & Equipment Maint	144,000	86,400	28,800	28,800	0	0
12	Transfers	256,415	256,415	0	0	0	0
13	Total O&M Expenses	\$ 5,084,915	\$ 2,223,015	\$ 1,181,700	\$ 1,181,700	\$ 486,500	\$ 12,000
Less Other Revenue							
14	Miscellaneous Revenues	280,900	123,200	65,400	65,400	26,900	0
15	Other Adjustments	(85)	(85)	0	0	0	0
16	Net Operating Expenses	\$ 4,804,100	\$ 2,099,900	\$ 1,116,300	\$ 1,116,300	\$ 459,600	\$ 12,000

Table 6-4 Allocation of Capital Costs

Line No.	Description	Common to All Customers					Allocation Basis
		Volume (%)	BOD (%)	TSS (%)	Customer (%)	T.O. (%)	
Plant Assets							
1	Collection	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
2	Lift Station	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
3	Treatment	50.00%	25.00%	25.00%	0.00%	0.00%	[2]
4	Land	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
5	General Plant	80.00%	10.00%	10.00%	0.00%	0.00%	[2]

* Important to note that the percentages are based on percentages seen by other utilities.

[1] All Volume

[2] Volume/Strength (50%/25%/25%)

Table 6-5 Allocation of \$ Capital Costs

Line No.	Description	Total Cost (\$)	Common to All Customers				
			Volume (\$)	BOD (\$)	TSS (\$)	Customer (\$)	T.O. (\$)
Plant Assets							
1	Collection	4,923,800	4,923,800	0	0	0	0
2	Lift Station	42,300	42,300	0	0	0	0
3	Treatment	8,878,700	4,439,300	2,219,700	2,219,700	0	0
4	Land	393,300	393,300	0	0	0	0
5	General Plant	362,100	289,700	36,200	36,200	0	0
6	Total Plant Assets	\$ 14,600,200	\$ 10,088,400	\$ 2,255,900	\$ 2,255,900	\$ 0	\$ 0
Less Other Revenue							
7	Miscellaneous Revenues	0	0	0	0	0	0
8	Other Adjustments	0	0	0	0	0	0
9	Net Operating Expenses	\$ 14,600,200	\$ 10,088,400	\$ 2,255,900	\$ 2,255,900	\$ 0	\$ 0
10	Proxy for Allocation of Capital Costs (%)		69.1%	15.5%	15.5%	0.0%	0.0%
11	Capital Costs (TY)	\$ 478,600	\$ 330,800	\$ 73,900	\$ 73,900	\$ 0	\$ 0

6.3 Units of Service

Following the allocation of costs, the total cost responsibility for sewer customers is developed using unit costs of service for each cost function and subsequently assigning those costs to the customer classes based on the respective service requirements of each. To properly recognize the cost of service, the sewer customers receive its share of base, strength and customer costs. The number of units of service required by each customer provides a means for the proportionate distribution of costs previously allocated to respective cost categories.

Table 6-6 summarizes the estimated Test Year units of service for the sewer customers. Base costs vary with the volume of sewage flow produced and distributed to customers on that basis. Black & Veatch derived contributed sewage flow information from the monthly water consumption records in the District's CIS multiplied by a return factor to arrive at treated sewage flow. Strength costs are those associated with pollutant characteristics, and the Study allocated these costs to customers based on loadings. The District treats all customers as one class. Therefore pollutant loadings for all customers were set at the base of 250 mg/L for BOD and 200 mg/L for TSS¹. The number of bills for customers serves as the basis for distributing customer billing requirements.

6.4 Cost of Service Allocations

To determine the cost of service for sewer customers, we apply the unit costs of service to the customer's service requirements. The total unit costs of service applied to the respective requirements result in the total cost of service.

6.4.1 Units Costs of Service

The Test Year (2025) unit cost of service for each functional cost component is simply the total cost divided by the applicable units of service as shown in Table 6-7. The capital costs on Line 3 represent capital costs associated with District's CIP projects. On Line 4, the total costs represent the cost that rates need to recover shown as demonstrated in Table 6-1, Line 10. The net O&M cost includes O&M less revenue from other sources and adjustments. The total capital cost includes debt service payments and any transfers to the Capital Replacement Fund. Line 7 represents the unit costs for the entire sewer system.

After that, we apply these unit costs to allocate the costs to the customer class. Theoretically, debt service is a fixed cost in that the District must pay the debt payment regardless of how much billed sewage is treated and charged. Since the District's charge is all fixed, the debt is essentially recovered 100% through the fixed charge. In the analysis, the debt was allocated based on the net plant assets. As such, we allocate 69% of the debt service obligation to the Volume element, and 31% to the strength cost elements. Finally, Table 6-6 has two columns associated with volume: Contributed volume, which is what is measured by the water meter, and Treated volume, which corresponds to the volume received at the treatment plant. The difference between the two is the amount "not returned to the sewer," water used for irrigation or other uses (like swimming pools) that does not go down the drain. Based on the District's treatment plant records, the return factors range from 33% to 50%.

¹ The use of 250 mg/l for BOD and 200 mg/l for TSS is representative of typical residential pollutant loadings and commonly used by many communities for engineering planning and design. Additionally, the District has no significant industrial users (SIUs) that would require pretreatment monitoring as required by the USEPA, nor does it have any large commercial customers. Further, since the District does not have any USEPA grants, the segregation of rates by customer class or development of treatment surcharges is not necessary.

6.4.2 Distribution of Costs of Service to Customers

Applying the unit costs to the units for each customer produces the customer costs. In this case, the District only has two customer classes, but the process is the same. This process is illustrated in Table 6-8, in which we apply the unit costs to the customer class units of service. We base the costs attributable to each customer class on the functional costs' components described in Section 6.1. Each customer class places a burden on the system in different ways, and thus the allocation of the units is representative of this burden.

An example of the application of unit costs is shown below for illustrative purposes.

Unit Cost (Table 6-8, Line 1)	\$	5.56	per HCF
All Customers Consumption (Table 6-8, Line 3)		461,006	HCF
Total Allocated Cost	\$	2,563,200	

Please note that the numbers within the tables are rounded, therefore result might vary.

Table 6-6 Units of Service

Line No.	Description	Contributed	Contributed	Treated	BOD Loadings		TSS Loadings		Bills
		Units	Volume	Volume	Factor	Loading	Factor	Loading	
Units of Measure		(EDUs)	(HCF)	(HCF)	(mg/L)	(lbs)	(mg/L)	(lbs)	(bills)
1	Customers Served by District	9,334	1,284,989	461,006	250	719,200	200	575,300	112,008
2	Customers Served by Thousand Oaks	18	24,290	7,423	250	11,600	200	9,200	216
3	Total	9,352	1,309,279	468,429		730,800		584,500	112,224
4	Total Wastewater System		1,309,279	468,429		730,800		584,500	112,224
5	Total Wastewater System (less through CWD)		1,284,989	461,006		719,200		575,300	112,008

Table 6-7 Units Cost of Service

Line No.	Description	Total Cost	Common to All Customers				
			Volume	BOD	TSS	Customer	T.O.
1	Net Operating Expense	4,804,100	2,099,900	1,116,300	1,116,300	459,600	12,000
2	Debt Service [1]	191,700	132,500	29,600	29,600	0	0
3	Capital Costs	478,600	330,800	73,900	73,900	0	0
4	Total Cost of Service	\$ 5,474,400	\$ 2,563,200	\$ 1,219,800	\$ 1,219,800	\$ 459,600	\$ 12,000
5	Units of Service (Table 6-6)		461,006	719,200	575,300	112,008	7,423
6	Units of Measure		HCF	lbs	lbs	bills	HCF
7	Cost per Unit (Line 4/Line 5)		\$ 5.56	\$ 1.70	\$ 2.12	\$ 4.10	\$ 1.62
8	Units of Measure		per HCF	per lbs	per lbs	per bill	per HCF

[1] Allocated based on Table 6-5, Line 10

Table 6-8 Distribution of Costs to Customer Classes

Line No.	Description	Total Cost	Common to All Customers				
			Volume	BOD	TSS	Customer	T.O.
1	Cost per Unit (Per Table 6-7)		\$ 5.56	\$ 1.70	\$ 2.12	\$ 4.10	\$ 1.62
2	Units of Measure		per HCF	per lbs	per lbs	per bill	per HCF
Customers Served by District							
3	Units		461,006	719,200	575,300	112,008	0
4	Allocation of costs of service	\$ 5,462,400	2,563,200	1,219,800	1,219,800	459,600	0
Customers Served by Thousand Oaks							
5	Units		0	0	0	0	7,423
6	Allocation of costs of service	\$ 12,000	0	0	0	0	12,000
7	TOTAL COSTS OF SERVICE	\$ 5,474,400	\$ 2,563,200	\$ 1,219,800	\$ 1,219,800	\$ 459,600	\$ 12,000

7.0 Rate Design

The initial consideration in the derivation of rate schedules for sewer service is the establishment of equitable charges to the customers commensurate with the cost of providing that service. While the cost-of-service allocations to customer classes should not be construed as literal or exact determinations, they offer a guide to the necessity for, and the extent of, rate adjustments. Practical considerations sometimes modify rate adjustments by considering additional factors such as the extent of bill impacts, existing contracts, and historical local policies and practices.

7.1 Existing Rates

The Sewer Utility’s existing rates consist of a fixed component in the form of monthly sewer service charge. The monthly service charge is a flat fee based on EDUs and applied to all customers. Table 5-2 presented earlier in this report summarizes the existing sewer rates.

7.2 Proposed Rates

The costs of service analysis described in preceding sections of this report provide a basis for the design of sewer rates.

7.2.1 Monthly Sewer Service Charge

The monthly sewer service charge is designed to recover operating and capital costs associated with sewage flow, strength loadings, and billing, collecting and accounting, and maintenance costs. The charge is a flat monthly fee based on EDUs. Section 5.1 provides the definition of an EDU.

Table 7-1 Determination of Monthly Service Charge

Description	Total Costs	Number of EDUs	Total Unit Rate*
	\$	EDU	\$/mo/EDU
Customer Class			
Customers Served by District	5,462,400	9,334	48.77
Customers Served by Thousand Oaks	12,000	18	55.56
Subtotal	\$ 5,474,400	9,352	

* Divided by 12 to represent monthly bill.

Table 7-2 shows the forecasted proposed five-year monthly service charge rate schedule. The five-year commodity rate schedule follows on the cost-of-service allocations as described in Section 6 of this report. Appendix C includes the associated tables for each year of the study.

Table 7-2 Proposed Multi-Year Monthly Service Charge

Customer Class	Sewer Service Charge					
	Existing	Proposed				
	2024	2025	2026	2027	2028	2029
	\$/mo/EDU	\$/mo/EDU	\$/mo/EDU	\$/mo/EDU	\$/mo/EDU	\$/mo/EDU
Customers Served by District	43.05	48.77	54.14	60.11	66.73	74.08
Customers Served by Thousand Oaks	48.61	55.56	56.94	58.33	59.72	61.57

7.3 Typical Monthly Costs under Proposed Charges

Table 7-3 presents a comparison of typical monthly costs under existing rates and the proposed schedule of sewer user rates derived in this study for both all customers and customers served by Thousand Oaks.

Table 7-3 Typical Monthly Bill

Customer Class	Sewer Service Charge	
	Existing	Proposed
	2024	2025
	\$/mo/EDU	\$/mo/EDU
Customers Served by District	43.05	48.77
Customers Served by Thousand Oaks	48.61	55.56

7.4 Neighboring Sewer Utilities

Presented in Table 7-4 is the proposed rates compared to rates of neighboring jurisdictions, for a single-family residential customer. For sewer utilities that have a volumetric based component, 9.6 HCF (80% of 12 HCF) was used to determine the charges. Based on the comparison, the District is currently a lower cost sewer provider in the area. With the proposed rate increases, the District remains one of the low-cost sewer providers of the surveyed communities. All surveyed community rates are best estimates as of February 2024.

Table 7-4 Comparison to Neighboring Sewer Utilities

Wastewater Provider	Typical SFR Bill
	(\$/mo)
Moorpark (via Ventura County)	28.00
Thousand Oaks (2019)	35.28
Port Hueneme	36.00
Camrosa Water District (Existing)	43.05
Camrosa Water District (Proposed)	48.77
Oxnard	58.51
Camarillo (2019)	74.30
Santa Paula	101.03
Fillmore	103.36

* For agencies based on flow, 9.6 HCF was used to calculate typical bill.

8.0 Appendix A – O&M Allocations

The following calculations are intended to clarify the O&M allocations for Tables 3-3. These allocations reflect the actual costs incurred by the District in conducting business in 2024.

Background for Tables for 3.3

Description	(1) Total Cost \$	(2) Base %	(3) Max Day %	(4) Max Hour %	(5) Meters %	(6) Cust/Bill. %	(7) Fire %	(8) Water Production* %	Basis
Production									
Water Purchase	6,442,000	86.5%						13.5%	Based on Base
Production Power	1,182,300	50.8%	47.2%				2.0%		Based on Base/Max Day/Fire
Pumping Power	1,006,500	50.8%	47.2%				2.0%		Based on Base/Max Day/Fire
CamSan	156,000	86.5%			100.0%			13.5%	Based on Base
Total	\$8,786,800	\$6,822,026	\$1,032,819	\$0	\$156,000	\$0	\$43,776		
		(1)x(2)	(1)x(3)	(1)x(4)	(1)x(5)	(1)x(6)	(1)x(7)		
1st Allocation		77.6%	11.8%	0.0%	1.8%	0.0%	0.5%		

* The amount shown in water production (8) represents the fixed costs associated with purchasing water. The base percentage is associated with the variable costs.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Description	Total Cost	Base	Max Day	Max Hour	Meters	Cust/Bill.	Fire	Basis
	\$	%	%	%	%	%	%	
Salaries & Benefits								
All Other	1,307,715	43.2%	40.2%	16.7%				Based on Base/Max Day/Max Hour
Customer	356,650					100.0%		Based on % of Salaries dedicated to Customer Service
Meter	136,896				100.0%			Based on % of Salaries dedicated to Meters & Services
Total	\$1,801,261	\$564,644	\$525,119	\$217,953	\$136,896	\$356,650		
		(1)x(2)	(1)x(3)	(1)x(4)	(1)x(5)	(1)x(6)		
1st Allocation		31.3%	29.2%	12.1%	7.6%	19.8%		
Removal 1/3 of Fire Costs from Base/MaxDay/Max Hour evenly results in:								
2nd Allocation		30.6%	28.5%	11.4%	7.6%	19.8%	2.0%	Adjustment for projected 2025 activities
Utilities								
SCE	7,000	51.8%	48.2%					Based on Base/Max Day
Water	50,000	100.0%						Direct Allocation
Total	\$57,000	\$53,627	\$3,373	\$0	\$0	\$0		
		(1)x(2)	(1)x(3)	(1)x(4)	(1)x(5)	(1)x(6)		
1st Allocation		94.1%	5.9%	0.0%	0.0%	0.0%		
Removal 1/2 of Fire Costs from Base/MaxDay evenly results in:								
2nd Allocation		93.1%	4.9%	0.0%	0.0%	0.0%	2.0%	Adjustment for projected 2025 activities

Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	Basis
	Total Cost	Base	Max Day	Max Hour	Meters	Cust/Bill.	Fire	
	\$	%	%	%	%	%	%	
Contracts Services								
Supply	359,500	100.0%						Direct Allocation
Treatment	26,500	51.8%	48.2%					Based on Base/Max Day
Distribution	415,000	43.2%	40.2%	16.7%				Based on Base/Max Day/Max Hour
Total	\$801,000	\$552,419	\$179,415	\$69,167	\$0	\$0		
		(1)x(2)	(1)x(3)	(1)x(4)	(1)x(5)	(1)x(6)		
1st Allocation		69.0%	22.4%	8.6%	0.0%	0.0%		
Removal 1/3 of Fire Costs from Base/MaxDay/Max Hour evenly results in:								
2nd Allocation		68.3%	21.7%	7.9%	0.0%	0.0%	2.0%	Adjustment for projected 2025 activities
Pipeline Repairs & Maintenance								
Pumping	80,000	51.8%	48.2%					Based on Base/Max Day
Distribution	505,000	43.2%	40.2%	16.7%				Based on Base/Max Day/Max Hour
Meter	200,000				100.0%			Direct Allocation
Total	\$785,000	\$259,499	\$241,334	\$84,167	\$200,000	\$0		
		(1)x(2)	(1)x(3)	(1)x(4)	(1)x(5)	(1)x(6)		
1st Allocation		33.1%	30.7%	10.7%	25.5%	0.0%		
Removal 1/3 of Fire Costs from Base/MaxDay/Max Hour evenly results in:								
2nd Allocation		32.5%	30.0%	10.0%	25.5%	0.0%	2.0%	Adjustment for projected 2025 activities
Material, Tools & Equipment								
Supply	11,000	100.0%						Direct Allocation
Pumping	3,000	51.8%	48.2%					Based on Base/Max Day
Treatment	652,000	51.8%	48.2%					Based on Base/Max Day
Distribution	40,000	43.2%	40.2%	16.7%				Based on Base/Max Day/Max Hour
Total	\$706,000	\$367,649	\$331,684	\$6,667	\$0	\$0		
		(1)x(2)	(1)x(3)	(1)x(4)	(1)x(5)	(1)x(6)		
1st Allocation		52.1%	47.0%	0.9%	0.0%	0.0%		
Removal 1/3 of Fire Costs from Base/MaxDay/Max Hour evenly results in:								
2nd Allocation		51.4%	46.3%	0.2%	0.0%	0.0%	2.0%	Adjustment for projected 2025 activities

Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	Basis
	Total Cost	Base	Max Day	Max Hour	Meters	Cust/Bill.	Fire	
	\$	%	%	%	%	%	%	
Fees and Charges								
Supply	126,000	100.0%						Direct Allocation
Pumping	11,000	51.8%	48.2%					Based on Base/Max Day
Treatment	15,500	51.8%	48.2%					Based on Base/Max Day
Distribution	1,075	43.2%	40.2%	16.7%				Based on Base/Max Day/Max Hour
Total	\$153,575	\$140,195	\$13,201	\$179	\$0	\$0		
		(1)x(2)	(1)x(3)	(1)x(4)	(1)x(5)	(1)x(6)		
1st Allocation		91.3%	8.6%	0.1%	0.0%	0.0%		
Removal 1/3 of Fire Costs from Base/MaxDay/Max Hour evenly results in:								
2nd Allocation		90.1%	7.9%	0.0%	0.0%	0.0%	2.0%	Adjustment for projected 2025 activities
Note: Max Hour Allocation was less than 0% when Fire was subtracted, therefore it was set at 0.								
Services & Supplies								
Communications	25,857	48.0%	0.0%	0.0%	50.0%	0.0%	2.0%	Split 50/50 Bases and Meters, then Base Adjusted for Fire
Legal Services	43,590	48.0%	0.0%	0.0%	50.0%	0.0%	2.0%	Split 50/50 Bases and Meters, then Base Adjusted for Fire
Dues & Subscriptions	19,418	48.0%	0.0%	0.0%	50.0%	0.0%	2.0%	Split 50/50 Bases and Meters, then Base Adjusted for Fire
Conference & Travel	7,909	48.0%	0.0%	0.0%	50.0%	0.0%	2.0%	Split 50/50 Bases and Meters, then Base Adjusted for Fire
Safety & Training	15,785	48.0%	0.0%	0.0%	50.0%	0.0%	2.0%	Split 50/50 Bases and Meters, then Base Adjusted for Fire
Board Experience	47,320	48.0%	0.0%	0.0%	50.0%	0.0%	2.0%	Split 50/50 Bases and Meters, then Base Adjusted for Fire
Bad Debt	3,380	48.0%	0.0%	0.0%	50.0%	0.0%	2.0%	Split 50/50 Bases and Meters, then Base Adjusted for Fire
Insurance	47,658	48.0%	0.0%	0.0%	50.0%	0.0%	2.0%	Split 50/50 Bases and Meters, then Base Adjusted for Fire
Miscellaneous	0	48.0%	0.0%	0.0%	50.0%	0.0%	2.0%	Split 50/50 Bases and Meters, then Base Adjusted for Fire
Total	\$210,917	\$140,195	\$13,201	\$179	\$0	\$0	\$0	
		(1)x(2)	(1)x(3)	(1)x(4)	(1)x(5)	(1)x(6)	(1)x(7)	
1st Allocation		48.0%	0.0%	0.0%	50.0%	0.0%	2.0%	

9.0 Appendix B – Water Cost of Service Tables (2026-2029)

Fiscal Year 2026

Table 9-1 Cost of Service Revenue from Rates (Potable Water)

Line No.	Description	Operating Expense (\$)	Capital Cost (\$)	Total Cost (\$)
Revenue Requirements				
1	O&M Expenses	7,967,100	0	7,967,100
2	Water Supply	8,993,300	0	8,993,300
3	Debt Service	0	827,500	827,500
4	Transfers	248,250	2,427,600	2,675,850
5	Subtotal	17,208,650	3,255,100	20,463,750
Less Revenue Requirements Met from Other Sources				
6	PVCWD Revenue	998,100	0	998,100
7	Other Operating Revenue	64,000	0	64,000
8	Other Non-Operating Revenue	1,008,200	0	1,008,200
9	Subtotal	2,070,300	0	2,070,300
Adjustments				
10	Adj for Annual Cash Balance	0	(50)	(50)
11	Subtotal	0	(50)	(50)
12	Cost of Service to be Recovered from	\$ 15,138,350	\$ 3,255,150	\$ 18,393,500

Table 9-2 Allocation of O&M Expenditures (Potable Water)

Line No.	Description	Common to All Customers					Fire Protection (%)	Water Production (%)	Allocation Basis
		Base	Extra Capacity		Customer				
		Base (%)	Max. Day (%)	Max. Hour (%)	Meters (%)	Cust/Bill. (%)			
Operating Expenses									
1	Production								
2	Water Purchase	85.9%	0.0%	0.0%	0.0%	0.0%	0.0%	14.1%	[1]
3	Production Power	50.8%	47.2%	0.0%	0.0%	0.0%	2.0%	0.0%	[2]
4	Pumping Power	50.8%	47.2%	0.0%	0.0%	0.0%	2.0%	0.0%	[2]
5	CamSan	85.9%	0.0%	0.0%	0.0%	0.0%	0.0%	14.1%	[1]
6	Salaries and Benefits	30.6%	28.5%	11.4%	7.6%	19.8%	2.0%	0.0%	[2]
7	Contracts & Professional Services								
8	Outside Contracts	68.3%	21.7%	7.9%	0.0%	0.0%	2.0%	0.0%	[2]
9	Professional Services	68.3%	21.7%	7.9%	0.0%	0.0%	2.0%	0.0%	[2]
10	Services & Supplies	48.0%	0.0%	0.0%	50.0%	0.0%	2.0%	0.0%	[2]
11	Utilities	93.1%	4.9%	0.0%	0.0%	0.0%	2.0%	0.0%	[2]
12	Pipeline Repairs	32.4%	30.0%	10.0%	25.5%	0.0%	2.0%	0.0%	[2]
13	Small Tools & Equipment	51.4%	46.3%	0.2%	0.0%	0.0%	2.0%	0.0%	[2]
14	Materials & Supplies	51.4%	46.3%	0.2%	0.0%	0.0%	2.0%	0.0%	[2]
15	Repair Parts & Equipment Maint	51.4%	46.3%	0.2%	0.0%	0.0%	2.0%	0.0%	[2]
16	Fees and Charges	90.1%	7.9%	0.0%	0.0%	0.0%	2.0%	0.0%	[2]
17	Transfers	85.9%	0.0%	0.0%	0.0%	0.0%	0.0%	14.1%	[1]

[1] Fixed/Variable Import Water Charges

[2] Allocations are based on actual costs for FY 2023. See Appendix A for more details.

Table 9-3 Allocation of \$ O&M Expenditures (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Total Costs	Common to All Customers				Fire Protection	Water Production	
			Base	Extra Capacity		Customer			
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operating Expenses									
1	Production								
2	Water Purchase	6,519,800	5,599,500	0	0	0	0	0	920,300
3	Production Power	1,276,600	648,700	602,400	0	0	0	25,500	0
4	Pumping Power	1,035,800	526,300	488,800	0	0	0	20,700	0
5	CamSan	161,100	138,400	0	0	0	0	0	22,700
6	Salaries and Benefits	2,746,400	841,400	783,600	314,000	208,700	543,800	54,900	0
7	Contracts & Professional Services								
8	Outside Contracts	1,263,900	863,600	274,700	100,300	0	0	25,300	0
9	Professional Services	985,400	673,300	214,200	78,200	0	0	19,700	0
10	Services & Supplies	223,700	107,400	0	0	111,900	0	4,400	0
11	Utilities	76,400	71,200	3,700	0	0	0	1,500	0
12	Pipeline Repairs	403,100	130,700	121,100	40,400	102,800	0	8,100	0
13	Small Tools & Equipment	24,500	12,500	11,400	100	0	0	500	0
14	Materials & Supplies	816,900	420,200	378,500	1,900	0	0	16,300	0
15	Repair Parts & Equipment Maint	1,231,600	633,500	570,600	2,900	0	0	24,600	0
16	Fees and Charges	195,200	175,800	15,500	0	0	0	3,900	0
17	Transfers	248,250	213,250	0	0	0	0	0	35,000
18	Total O&M Expenses	\$ 17,208,650	\$ 11,055,750	\$ 3,464,500	\$ 537,800	\$ 423,400	\$ 543,800	\$ 205,400	\$ 978,000
Less Other Revenue									
19	Miscellaneous Revenues	2,070,300	1,330,100	416,800	64,700	50,900	65,400	24,700	117,700
20	Other Adjustments	0	0	0	0	0	0	0	0
21	Net Operating Expenses	\$ 15,138,350	\$ 9,725,650	\$ 3,047,700	\$ 473,100	\$ 372,500	\$ 478,400	\$ 180,700	\$ 860,300

Table 9-4 Allocation of Capital Costs (Potable Water)

Line No.	Description	Common to All Customers					Fire Protection (%)	Water Production (%)	Allocation Basis
		Base	Extra Capacity		Customer				
		Base (%)	Max. Day (%)	Max. Hour (%)	Meters (%)	Cust./Bill. (%)			
Plant Assets									
1	Water Production	85.89%	0.00%	0.00%	0.00%	0.00%	0.00%	14.11%	[1]
2	Pumping	85.89%	0.00%	0.00%	0.00%	0.00%	0.00%	14.11%	[1]
3	Treatment	50.81%	47.19%	0.00%	0.00%	0.00%	2.00%	0.00%	[2]
4	Transmission & Distribution	42.51%	39.49%	16.00%	0.00%	0.00%	2.00%	0.00%	[3]
5	Meters	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	[4]
6	Fire Hydrants	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	[5]
7	Land	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	[6]
8	General Plant	54.01%	28.01%	4.27%	7.67%	0.00%	2.54%	3.50%	[7]

- [1] Fixed/Variable Import Water Charges
- [2] Base/Max Day (adj for Fire)
- [3] Base/Max Hour/Max Day (adj for Fire)
- [4] Meters
- [5] Fire Hydrants
- [6] Base
- [7] Average of above

Table 9-5 Allocation of \$ Capital Costs (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Total Costs (Net Book Value)	Common to All Customers				Fire Protection	Water Production	
			Base	Extra Capacity		Customer			
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Plant Assets									
1	Water Production	4,166,500	3,578,400	0	0	0	0	0	588,100
2	Pumping	1,547,500	1,329,100	0	0	0	0	0	218,400
3	Treatment	8,526,400	4,332,600	4,023,300	0	0	0	170,500	0
4	Transmission & Distribution	6,149,900	2,614,400	2,428,500	984,000	0	0	123,000	0
5	Meters	1,766,800	0	0	0	1,766,800	0	0	0
6	Fire Hydrants	290,500	0	0	0	0	0	290,500	0
7	Land	585,500	585,500	0	0	0	0	0	0
8	General Plant	587,500	317,200	164,600	25,100	45,100	0	14,900	20,600
9	Total Plant Assets	\$ 23,620,600	\$ 12,757,200	\$ 6,616,400	\$ 1,009,100	\$ 1,811,900	\$ 0	\$ 598,900	\$ 827,100
Less Other Revenue									
10	Miscellaneous Revenues	0	0	0	0	0	0	0	0
11	Other Adjustments	(47)	(47)	0	0	0	0	0	0
12	Net Capital Expenses	\$ 23,620,647	\$ 12,757,247	\$ 6,616,400	\$ 1,009,100	\$ 1,811,900	\$ 0	\$ 598,900	\$ 827,100
13	Proxy for Allocation of Capital Costs (%)		54.0%	28.0%	4.3%	7.7%	0.0%	2.5%	3.5%
14	Capital Costs (TY)	\$ 2,427,650	\$ 1,375,950	\$ 680,000	\$ 103,700	\$ 121,400	\$ 0	\$ 61,600	\$ 85,000

Table 9-6 Units of Service (Potable Water and Non-Potable Water)

Line No.	Description	Consumption		Maximum Day		Maximum Hour			Meters	Cust/Bills	Fire Protection	
		Annual	Avg. Day	Factor	Total	Extra	Factor	Total				Extra
	Column Reference	(1)	(2)=(1)/365	(3)	(4)=(2)x(3)	(5)=(4)-(2)	(6)	(7)=(2)x(6)	(8)=(7)-(4)	(9)	(10)	(11)
	Units of Measure	(HCF)	(HCF/day)		(HCF/day)	(HCF/day)		(HCF/day)	(HCF/day)	(EMs)	(bills)	(EHs)
Potable Water												
1	Group 1	6,372	17	398%	69	52	531%	93	23	294	240	0
2	Group 2	2,122,933	5,816	295%	17,158	11,342	393%	22,858	5,700	14,394	90,468	0
3	Group 3	950,912	2,605	325%	8,467	5,862	433%	11,281	2,814	3,343	6,216	0
4	Subtotal	3,080,217	8,439		25,694	17,256		34,231	8,537	18,030	96,924	
Potable Fire Service												
5	Public Fire	0	0		425	425		5,095	4,670	0	0	1,098
6	Fire Service (PP5)	0	0		57	57		680	624	5,865	1,404	147
7	Subtotal	0	0		481	481		5,775	5,294	5,865	1,404	1,245
8	Total Potable Water System	3,080,217	8,439		26,176	17,737		40,007	13,831	23,895	98,328	1,245

Table 9-7 Units Cost of Service (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Total Costs	Common to All Customers					Fire Protection	Water Production	Debt Service
			Base	Extra Capacity		Customer				
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.				
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		
Potable Water - Unit Cost of Service										
1	Net Operating Expense	15,138,350	9,725,650	3,047,700	473,100	372,500	478,400	180,700	860,300	0
2	Debt Service	827,500	0	0	0	0	0	0	0	827,500
3	Capital Costs	2,427,650	1,375,950	680,000	103,700	121,400	0	61,600	85,000	0
4	Total Cost of Service	\$ 18,393,500	\$ 11,101,600	\$ 3,727,700	\$ 576,800	\$ 493,900	\$ 478,400	\$ 242,300	\$ 945,300	\$ 827,500
5	Units of Service		3,080,217	17,737	13,831	23,895	98,328	1,245	18,030	18,030
6	Units of Measure		HCF	HCF/Day	HCF/Day	Eq. Meter	Bill	Eq. Hydrant	Eq. Meter	Eq. Meter
7	Cost per Unit (Line 4 / Line 5)		\$ 3.60	\$ 210.17	\$ 41.70	\$ 20.67	\$ 4.87	\$ 194.67	\$ 52.43	\$ 45.89
8	Units of Measure		per HCF	per HCF/Day	per HCF/Day	per Eq. Meter	per Bill	Per Eq. Hydrant	per Eq. Meter	per Eq. Meter

Table 9-8 Distribution of Costs to Customer Classes (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Total Costs	Common to All Customers					Fire Protection	Water Production [1]	Debt Service [1]
			Base	Extra Capacity		Customer				
		Base	Max. Day	Max. Hour	Meters	Cust./Bill.				
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
1	Cost per Unit		\$ 3.60	\$ 210.17	\$ 41.70	\$ 20.67	\$ 4.87	\$ 194.67	\$ 52.43	\$ 45.89
2	Units of Measure		per HCF	per HCF/Day	per HCF/Day	per Eq. Meter	per Bill	Per Eq. Hydrant	per Eq. Meter	per Eq. Meter
Potable Water										
Group 1										
3	Units		6,372	52	23	294	240	0	294	294
4	Allocation of costs of service	71,100	23,000	10,900	1,000	6,100	1,200	0	15,400	13,500
Group 2										
5	Units		2,122,933	11,342	5,700	14,394	90,468	0	14,394	14,394
6	Allocation of costs of service	12,425,700	7,651,400	2,383,700	237,700	297,500	440,200	0	754,600	660,600
Group 3										
7	Units		950,912	5,862	2,814	3,343	6,216	0	3,343	3,343
8	Allocation of costs of service	5,204,500	3,427,200	1,232,000	117,300	69,100	30,200	0	175,300	153,400
Public Fire										
9	Units		0	425	4,670	0	0	1,098	0	0
10	Allocation of costs of service	497,800	0	89,200	194,800	0	0	213,800	0	0
Fire Service (PP5)										
11	Units		0	57	624	5,865	1,404	147	0	0
12	Allocation of costs of service	194,400	0	11,900	26,000	121,200	6,800	28,500	0	0
13	TOTAL COSTS OF SERVICE	\$ 18,393,500	\$ 11,101,600	\$ 3,727,700	\$ 576,800	\$ 493,900	\$ 478,400	\$ 242,300	\$ 945,300	\$ 827,500
Details for Table 4-9 in the derivation of peaking costs. Section 4.2.3.1.4 for explanation.										
Group 2 Tier 1										
14	Units			3,495	1,978					
15	Allocation of costs of service	817,100		734,600	82,500					
Group 2 Tier 2										
16	Units			7,847	3,722					
17	Allocation of costs of service	1,804,300		1,649,100	155,200					

[1] Units for Water Production and Debt Service are equivalent Meters units as the allocation is based on Equivalent Meters. The exception is that Water Production and Debt Service have no Fire Service Allocation thus no units.

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Table 9-9 Cost of Service Revenue from Rates (Potable Water)

Line No.	Description	Operating Expense (\$)	Capital Cost (\$)	Total Cost (\$)
Revenue Requirements				
1	O&M Expenses	8,359,300	0	8,359,300
2	Water Supply	9,430,700	0	9,430,700
3	Debt Service	0	2,771,200	2,771,200
4	Transfers	235,150	1,852,100	2,087,250
5	Subtotal	18,025,150	4,623,300	22,648,450
Less Revenue Requirements Met from Other Sources				
6	PVCWD Revenue	1,028,000	0	1,028,000
7	Other Operating Revenue	64,000	0	64,000
8	Other Non-Operating Revenue	1,541,900	0	1,541,900
9	Subtotal	2,633,900	0	2,633,900
Adjustments				
10	Adj for Annual Cash Balance	0	(50)	(50)
11	Subtotal	0	(50)	(50)
12	Cost of Service to be Recovered from	\$ 15,391,250	\$ 4,623,350	\$ 20,014,600

Table 9-10 Allocation of O&M Expenditures (Potable Water)

Line No.	Description	Common to All Customers					Fire Protection (%)	Water Production (%)	Allocation Basis
		Base	Extra Capacity		Customer				
		Base (%)	Max. Day (%)	Max. Hour (%)	Meters (%)	Cust/Bill. (%)			
Operating Expenses									
1	Production								
2	Water Purchase	85.3%	0.0%	0.0%	0.0%	0.0%	0.0%	14.7%	[1]
3	Production Power	50.3%	46.7%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
4	Pumping Power	50.3%	46.7%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
5	CamSan	85.3%	0.0%	0.0%	0.0%	0.0%	0.0%	14.7%	[1]
6	Salaries and Benefits	30.3%	28.2%	11.1%	7.6%	19.8%	3.0%	0.0%	[2]
7	Contracts & Professional Services								
8	Outside Contracts	68.0%	21.4%	7.6%	0.0%	0.0%	3.0%	0.0%	[2]
9	Professional Services	68.0%	21.4%	7.6%	0.0%	0.0%	3.0%	0.0%	[2]
10	Services & Supplies	46.9%	0.0%	0.0%	50.1%	0.0%	3.0%	0.0%	[2]
11	Utilities	92.6%	4.4%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
12	Pipeline Repairs	32.1%	29.7%	9.7%	25.5%	0.0%	3.0%	0.0%	[2]
13	Small Tools & Equipment	51.0%	46.0%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
14	Materials & Supplies	51.0%	46.0%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
15	Repair Parts & Equipment Maint	51.0%	46.0%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
16	Fees and Charges	89.4%	7.6%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
17	Transfers	85.3%	0.0%	0.0%	0.0%	0.0%	0.0%	14.7%	[1]

[1] Fixed/Variable Import Water Charges

[2] Allocations are based on actual costs for FY 2023. See Appendix A for more details.

Table 9-11 Allocation of \$ O&M Expenditures (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Total Costs	Common to All Customers				Fire Protection	Water Production	
			Base	Extra Capacity		Customer			
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operating Expenses									
1	Production								
2	Water Purchase	6,419,100	5,472,900	0	0	0	0	0	946,200
3	Production Power	1,400,000	704,400	653,600	0	0	0	42,000	0
4	Pumping Power	1,445,300	727,100	674,800	0	0	0	43,400	0
5	CamSan	166,300	141,800	0	0	0	0	0	24,500
6	Salaries and Benefits	2,849,500	863,300	803,600	316,300	216,600	564,200	85,500	0
7	Contracts & Professional Services								
8	Outside Contracts	1,289,200	876,600	275,900	98,000	0	0	38,700	0
9	Professional Services	1,005,100	683,400	215,100	76,400	0	0	30,200	0
10	Services & Supplies	230,300	108,000	0	0	115,400	0	6,900	0
11	Utilities	78,700	72,800	3,500	0	0	0	2,400	0
12	Pipeline Repairs	415,200	133,200	123,300	40,300	105,900	0	12,500	0
13	Small Tools & Equipment	25,200	12,800	11,600	0	0	0	800	0
14	Materials & Supplies	841,400	429,200	387,000	0	0	0	25,200	0
15	Repair Parts & Equipment Maint	1,423,600	726,000	654,900	0	0	0	42,700	0
16	Fees and Charges	201,100	179,800	15,300	0	0	0	6,000	0
17	Transfers	235,150	200,450	0	0	0	0	0	34,700
18	Total O&M Expenses	\$ 18,025,150	\$ 11,331,750	\$ 3,818,600	\$ 531,000	\$ 437,900	\$ 564,200	\$ 336,300	\$ 1,005,400
Less Other Revenue									
19	Miscellaneous Revenues	2,633,900	1,655,900	558,000	77,600	64,000	82,400	49,100	146,900
20	Other Adjustments	0	0	0	0	0	0	0	0
21	Net Operating Expenses	\$ 15,391,250	\$ 9,675,850	\$ 3,260,600	\$ 453,400	\$ 373,900	\$ 481,800	\$ 287,200	\$ 858,500

Table 9-12 Allocation of Capital Costs (Potable Water)

Line No.	Description	Common to All Customers					Fire Protection (%)	Water Production (%)	Allocation Basis
		Base	Extra Capacity		Customer				
		Base (%)	Max. Day (%)	Max. Hour (%)	Meters (%)	Cust/Bill. (%)			
Plant Assets									
1	Water Production	85.26%	0.00%	0.00%	0.00%	0.00%	0.00%	14.74%	[1]
2	Pumping	85.26%	0.00%	0.00%	0.00%	0.00%	0.00%	14.74%	[1]
3	Treatment	50.31%	46.69%	0.00%	0.00%	0.00%	3.00%	0.00%	[2]
4	Transmission & Distribution	42.18%	39.16%	15.67%	0.00%	0.00%	3.00%	0.00%	[3]
5	Meters	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	[4]
6	Fire Hydrants	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	[5]
7	Land	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	[6]
8	General Plant	53.58%	27.74%	4.18%	7.67%	0.00%	3.17%	3.66%	[7]

- [1] Fixed/Variable Import Water Charges
- [2] Base/Max Day (adj for Fire)
- [3] Base/Max Hour/Max Day (adj for Fire)
- [4] Meters
- [5] Fire Hydrants
- [6] Base
- [7] Average of above

Table 9-13 Allocation of \$ Capital Costs (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Total Costs (Net Book Value)	Common to All Customers					Fire Protection	Water Production
			Base	Extra Capacity		Customer			
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Plant Assets									
1	Water Production	4,166,500	3,552,400	0	0	0	0	0	614,100
2	Pumping	1,547,500	1,319,400	0	0	0	0	0	228,100
3	Treatment	8,526,400	4,289,900	3,980,700	0	0	0	255,800	0
4	Transmission & Distribution	6,149,900	2,593,900	2,408,000	963,500	0	0	184,500	0
5	Meters	1,766,800	0	0	0	1,766,800	0	0	0
6	Fire Hydrants	290,500	0	0	0	0	0	290,500	0
7	Land	585,500	585,500	0	0	0	0	0	0
8	General Plant	587,500	314,700	163,000	24,600	45,100	0	18,600	21,500
9	Total Plant Assets	\$ 23,620,600	\$ 12,655,800	\$ 6,551,700	\$ 988,100	\$ 1,811,900	\$ 0	\$ 749,400	\$ 863,700
Less Other Revenue									
10	Miscellaneous Revenues	0	0	0	0	0	0	0	0
11	Other Adjustments	(83)	(83)	0	0	0	0	0	0
12	Net Capital Expenses	\$ 23,620,683	\$ 12,655,883	\$ 6,551,700	\$ 988,100	\$ 1,811,900	\$ 0	\$ 749,400	\$ 863,700
13	Proxy for Allocation of Capital Costs (%)		53.6%	27.7%	4.2%	7.7%	0.0%	3.2%	3.7%
14	Capital Costs (TY)	\$ 1,852,150	\$ 1,041,850	\$ 513,700	\$ 77,500	\$ 92,600	\$ 0	\$ 58,800	\$ 67,700

Table 9-14 Units of Service (Potable Water and Non-Potable Water)

Line No.	Description	Consumption		Maximum Day		Maximum Hour			Meters	Cust/Bills	Fire Protection	
		Annual	Avg. Day	Factor	Total	Extra	Factor	Total				Extra
	Column Reference	(1)	(2)=(1)/365	(3)	(4)=(2)x(3)	(5)=(4)-(2)	(6)	(7)=(2)x(6)	(8)=(7)-(4)	(9)	(10)	(11)
	Units of Measure	(HCF)	(HCF/day)		(HCF/day)	(HCF/day)		(HCF/day)	(HCF/day)	(EMs)	(bills)	(EHs)
Potable Water												
1	Group 1	6,372	17	398%	69	52	531%	93	23	294	240	0
2	Group 2	2,167,800	5,939	295%	17,521	11,581	393%	23,341	5,820	14,587	90,468	0
3	Group 3	950,912	2,605	325%	8,467	5,862	433%	11,281	2,814	3,343	6,216	0
4	Subtotal	3,125,084	8,562		26,057	17,495		34,714	8,657	18,223	96,924	
Potable Fire Service												
5	Public Fire	0	0		425	425		5,095	4,670	0	0	1,098
6	Fire Service (PP5)	0	0		57	57		680	624	5,865	1,404	147
7	Subtotal	0	0		481	481		5,775	5,294	5,865	1,404	1,245
8	Total Potable Water System	3,125,084	8,562		26,538	17,976		40,490	13,951	24,088	98,328	1,245

Table 9-15 Units Cost of Service (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Total Costs	Common to All Customers				Fire Protection	Water Production	Debt Service	
			Base	Extra Capacity		Customer				
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.				
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Potable Water - Unit Cost of Service										
1	Net Operating Expense	15,391,250	9,675,850	3,260,600	453,400	373,900	481,800	287,200	858,500	0
2	Debt Service	2,771,200	1,496,400	0	0	0	0	0	0	1,274,800
3	Capital Costs	1,852,150	1,041,850	513,700	77,500	92,600	0	58,800	67,700	0
4	Total Cost of Service	\$ 20,014,600	\$ 12,214,100	\$ 3,774,300	\$ 530,900	\$ 466,500	\$ 481,800	\$ 346,000	\$ 926,200	\$ 1,274,800
5	Units of Service		3,125,084	17,976	13,951	24,088	98,328	1,245	18,223	18,223
6	Units of Measure		HCF	HCF/Day	HCF/Day	Eq. Meter	Bill	Eq. Hydrant	Eq. Meter	Eq. Meter
7	Cost per Unit (Line 4 / Line 5)		\$ 3.91	\$ 209.96	\$ 38.05	\$ 19.37	\$ 4.90	\$ 277.99	\$ 50.82	\$ 69.95
8	Units of Measure		per HCF	per HCF/Day	per HCF/Day	per Eq. Meter	per Bill	Per Eq. Hydrant	per Eq. Meter	per Eq. Meter

Table 9-16 Distribution of Costs to Customer Classes (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Total Costs	Common to All Customers					Fire Protection	Water Production [1]	Debt Service [1]
			Base	Extra Capacity		Customer				
		Base	Max. Day	Max. Hour	Meters	Cust./Bill.				
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		
1	Cost per Unit		\$ 3.91	\$ 209.96	\$ 38.05	\$ 19.37	\$ 4.90	\$ 277.99	\$ 50.82	\$ 69.95
2	Units of Measure		per HCF	per HCF/Day	per HCF/Day	per Eq. Meter	per Bill	Per Eq. Hydrant	per Eq. Meter	per Eq. Meter
Potable Water										
Group 1										
3	Units		6,372	52	23	294	240	0	294	294
4	Allocation of costs of service	79,200	24,900	10,900	900	5,700	1,200	0	15,000	20,600
Group 2										
5	Units		2,167,800	11,581	5,820	14,587	90,468	0	14,587	14,587
6	Allocation of costs of service	13,613,300	8,472,600	2,431,600	221,500	282,500	443,300	0	741,400	1,020,400
Group 3										
7	Units		950,912	5,862	2,814	3,343	6,216	0	3,343	3,343
8	Allocation of costs of service	5,553,200	3,716,600	1,230,800	107,100	64,700	30,400	0	169,800	233,800
Public Fire										
9	Units		0	425	4,670	0	0	1,098	0	0
10	Allocation of costs of service	572,000	0	89,100	177,700	0	0	305,200	0	0
Fire Service (PP5)										
11	Units		0	57	624	5,865	1,404	147	0	0
12	Allocation of costs of service	196,900	0	11,900	23,700	113,600	6,900	40,800	0	0
13	TOTAL COSTS OF SERVICE	\$ 20,014,600	\$ 12,214,100	\$ 3,774,300	\$ 530,900	\$ 466,500	\$ 481,800	\$ 346,000	\$ 926,200	\$ 1,274,800
Details for Table 4-9 in the derivation of peaking costs. Section 4.2.3.1.4 for explanation.										
Group 2 Tier 1										
14	Units			3,671	2,077					
15	Allocation of costs of service	849,800		770,700	79,100					
Group 2 Tier 2										
16	Units			7,847	3,722					
17	Allocation of costs of service	1,789,100		1,647,500	141,600					

[1] Units for Water Production and Debt Service are equivalent Meters units as the allocation is based on Equivalent Meters. The exception is that Water Production and Debt Service have no Fire Service Allocation thus no units.

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Table 9-17 Cost of Service Revenue from Rates (Potable Water)

Line No.	Description	Operating Expense (\$)	Capital Cost (\$)	Total Cost (\$)
Revenue Requirements				
1	O&M Expenses	8,608,700	0	8,608,700
2	Water Supply	10,092,200	0	10,092,200
3	Debt Service	0	4,169,700	4,169,700
4	Transfers	217,450	1,657,600	1,875,050
5	Subtotal	18,918,350	5,827,300	24,745,650
Less Revenue Requirements Met from Other Sources				
6	PVCWD Revenue	1,058,800	0	1,058,800
7	Other Operating Revenue	64,000	0	64,000
8	Other Non-Operating Revenue	1,722,400	0	1,722,400
9	Subtotal	2,845,200	0	2,845,200
Adjustments				
10	Adj for Annual Cash Balance	0	(50)	(50)
11	Subtotal	(100)	(50)	(150)
12	Cost of Service to be Recovered from	\$ 16,073,250	\$ 5,827,350	\$ 21,900,600

Table 9-18 Allocation of O&M Expenditures (Potable Water)

Line No.	Description	Common to All Customers					Fire Protection (%)	Water Production (%)	Allocation Basis
		Base	Extra Capacity		Customer				
		Base (%)	Max. Day (%)	Max. Hour (%)	Meters (%)	Cust/Bill. (%)			
Operating Expenses									
1	Production								
2	Water Purchase	85.2%	0.0%	0.0%	0.0%	0.0%	0.0%	14.8%	[1]
3	Production Power	50.3%	46.7%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
4	Pumping Power	50.3%	46.7%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
5	CamSan	85.2%	0.0%	0.0%	0.0%	0.0%	0.0%	14.8%	[1]
6	Salaries and Benefits	30.3%	28.2%	11.1%	7.6%	19.8%	3.0%	0.0%	[2]
7	Contracts & Professional Services								
8	Outside Contracts	68.0%	21.4%	7.6%	0.0%	0.0%	3.0%	0.0%	[2]
9	Professional Services	68.0%	21.4%	7.6%	0.0%	0.0%	3.0%	0.0%	[2]
10	Services & Supplies	46.9%	0.0%	0.0%	50.0%	0.0%	3.0%	0.0%	[2]
11	Utilities	92.6%	4.4%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
12	Pipeline Repairs	32.1%	29.7%	9.7%	25.5%	0.0%	3.0%	0.0%	[2]
13	Small Tools & Equipment	51.0%	46.0%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
14	Materials & Supplies	51.0%	46.0%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
15	Repair Parts & Equipment Maint	51.0%	46.0%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
16	Fees and Charges	89.4%	7.6%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
17	Transfers	85.2%	0.0%	0.0%	0.0%	0.0%	0.0%	14.8%	[1]

[1] Fixed/Variable Import Water Charges

[2] Allocations are based on actual costs for FY 2023. See Appendix A for more details.

Table 9-19 Allocation of \$ O&M Expenditures (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Total Costs	Common to All Customers				Fire Protection	Water Production	
			Base	Extra Capacity		Customer			
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operating Expenses									
1	Production								
2	Water Purchase	6,578,700	5,602,900	0	0	0	0	0	975,800
3	Production Power	1,509,100	759,300	704,500	0	0	0	45,300	0
4	Pumping Power	1,833,000	922,200	855,800	0	0	0	55,000	0
5	CamSan	171,400	146,000	0	0	0	0	0	25,400
6	Salaries and Benefits	2,956,500	895,800	833,700	328,200	224,700	585,400	88,700	0
7	Contracts & Professional Services								
8	Outside Contracts	1,315,000	894,200	281,400	99,900	0	0	39,500	0
9	Professional Services	1,025,200	697,100	219,400	77,900	0	0	30,800	0
10	Services & Supplies	237,200	111,300	0	0	118,700	0	7,200	0
11	Utilities	81,100	75,100	3,600	0	0	0	2,400	0
12	Pipeline Repairs	427,700	137,300	127,000	41,500	109,100	0	12,800	0
13	Small Tools & Equipment	26,000	13,200	12,000	0	0	0	800	0
14	Materials & Supplies	866,600	442,000	398,600	0	0	0	26,000	0
15	Repair Parts & Equipment Maint	1,466,300	747,800	674,500	0	0	0	44,000	0
16	Fees and Charges	207,100	185,200	15,700	0	0	0	6,200	0
17	Transfers	217,450	185,150	0	0	0	0	0	32,300
18	Total O&M Expenses	\$ 18,918,350	\$ 11,814,550	\$ 4,126,200	\$ 547,500	\$ 452,500	\$ 585,400	\$ 358,700	\$ 1,033,500
Less Other Revenue									
19	Miscellaneous Revenues	2,845,200	1,776,900	620,600	82,300	68,100	88,000	53,900	155,400
20	Other Adjustments	(100)	(100)	0	0	0	0	0	0
21	Net Operating Expenses	\$ 16,073,250	\$ 10,037,750	\$ 3,505,600	\$ 465,200	\$ 384,400	\$ 497,400	\$ 304,800	\$ 878,100

Table 9-20 Allocation of Capital Costs (Potable Water)

Line No.	Description	Common to All Customers					Fire Protection (%)	Water Production (%)	Allocation Basis
		Base	Extra Capacity		Customer				
		Base (%)	Max. Day (%)	Max. Hour (%)	Meters (%)	Cust./Bill. (%)			
Plant Assets									
1	Water Production	85.17%	0.00%	0.00%	0.00%	0.00%	0.00%	14.83%	[1]
2	Pumping	85.17%	0.00%	0.00%	0.00%	0.00%	0.00%	14.83%	[1]
3	Treatment	50.31%	46.69%	0.00%	0.00%	0.00%	3.00%	0.00%	[2]
4	Transmission & Distribution	42.18%	39.16%	15.67%	0.00%	0.00%	3.00%	0.00%	[3]
5	Meters	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	[4]
6	Fire Hydrants	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	[5]
7	Land	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	[6]
8	General Plant	53.56%	27.74%	4.18%	7.67%	0.00%	3.17%	3.68%	[7]

- [1] Fixed/Variable Import Water Charges
- [2] Base/Max Day (adj for Fire)
- [3] Base/Max Hour/Max Day (adj for Fire)
- [4] Meters
- [5] Fire Hydrants
- [6] Base
- [7] Average of above

Table 9-21 Allocation of \$ Capital Costs (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Total Costs (Net Book Value)	Common to All Customers					Fire Protection	Water Production
			Base	Extra Capacity		Customer			
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Plant Assets									
1	Water Production	4,166,500	3,548,500	0	0	0	0	0	618,000
2	Pumping	1,547,500	1,318,000	0	0	0	0	0	229,500
3	Treatment	8,526,400	4,289,900	3,980,700	0	0	0	255,800	0
4	Transmission & Distribution	6,149,900	2,593,900	2,408,000	963,500	0	0	184,500	0
5	Meters	1,766,800	0	0	0	1,766,800	0	0	0
6	Fire Hydrants	290,500	0	0	0	0	0	290,500	0
7	Land	585,500	585,500	0	0	0	0	0	0
8	General Plant	587,500	314,600	163,000	24,600	45,100	0	18,600	21,600
9	Total Plant Assets	\$ 23,620,600	\$ 12,650,400	\$ 6,551,700	\$ 988,100	\$ 1,811,900	\$ 0	\$ 749,400	\$ 869,100
Less Other Revenue									
10	Miscellaneous Revenues	0	0	0	0	0	0	0	0
11	Other Adjustments	(59)	(59)	0	0	0	0	0	0
12	Net Capital Expenses	\$ 23,620,659	\$ 12,650,459	\$ 6,551,700	\$ 988,100	\$ 1,811,900	\$ 0	\$ 749,400	\$ 869,100
13	Proxy for Allocation of Capital Costs (%)		53.6%	27.7%	4.2%	7.7%	0.0%	3.2%	3.7%
14	Capital Costs (TY)	\$ 1,657,650	\$ 932,050	\$ 459,800	\$ 69,300	\$ 82,900	\$ 0	\$ 52,600	\$ 61,000

Table 9-22 Units of Service (Potable Water and Non-Potable Water)

Line No.	Description	Consumption		Maximum Day			Maximum Hour			Meters	Cust/Bills	Fire Protection
		Annual	Avg. Day	Factor	Total	Extra	Factor	Total	Extra			
	Column Reference	(1)	(2)=(1)/365	(3)	(4)=(2)x(3)	(5)=(4)-(2)	(6)	(7)=(2)x(6)	(8)=(7)-(4)	(9)	(10)	(11)
	Units of Measure	(HCF)	(HCF/day)		(HCF/day)	(HCF/day)		(HCF/day)	(HCF/day)	(EMs)	(bills)	(EHs)
Potable Water												
1	Group 1	6,372	17	398%	69	52	531%	93	23	294	240	0
2	Group 2	2,231,262	6,113	295%	18,033	11,920	393%	24,024	5,991	14,863	91,464	0
3	Group 3	950,916	2,605	325%	8,467	5,862	433%	11,281	2,814	3,343	6,216	0
4	Subtotal	3,188,551	8,736		26,570	17,834		35,398	8,828	18,499	97,920	
Potable Fire Service												
5	Public Fire	0	0		425	425		5,095	4,670	0	0	1,098
6	Fire Service (PP5)	0	0		57	57		680	624	5,865	1,404	147
7	Subtotal	0	0		481	481		5,775	5,294	5,865	1,404	1,245
8	Total Potable Water System	3,188,551	8,736		27,051	18,316		41,173	14,122	24,364	99,324	1,245

Table 9-23 Units Cost of Service (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Total Costs	Common to All Customers					Fire Protection	Water Production	Debt Service
			Base	Extra Capacity		Customer				
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.				
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		
Potable Water - Unit Cost of Service										
1	Net Operating Expense	16,073,250	10,037,750	3,505,600	465,200	384,400	497,400	304,800	878,100	0
2	Debt Service	4,169,700	2,293,300	0	0	0	0	0	0	1,876,400
3	Capital Costs	1,657,650	932,050	459,800	69,300	82,900	0	52,600	61,000	0
4	Total Cost of Service	\$ 21,900,600	\$ 13,263,100	\$ 3,965,400	\$ 534,500	\$ 467,300	\$ 497,400	\$ 357,400	\$ 939,100	\$ 1,876,400
5	Units of Service		3,188,551	18,316	14,122	24,364	99,324	1,245	18,499	18,499
6	Units of Measure		HCF	HCF/Day	HCF/Day	Eq. Meter	Bill	Eq. Hydrant	Eq. Meter	Eq. Meter
7	Cost per Unit (Line 4 / Line 5)		\$ 4.16	\$ 216.50	\$ 37.85	\$ 19.18	\$ 5.01	\$ 287.15	\$ 50.76	\$ 101.43
8	Units of Measure		per HCF	per HCF/Day	per HCF/Day	per Eq. Meter	per Bill	Per Eq. Hydrant	per Eq. Meter	per Eq. Meter

Table 9-24 Distribution of Costs to Customer Classes (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Total Costs	Common to All Customers				Fire Protection	Water Production [1]	Debt Service [1]	
			Base	Extra Capacity		Customer				
		Base	Max. Day	Max. Hour	Meters	Cust./Bill.				
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		
1	Cost per Unit		\$ 4.16	\$ 216.50	\$ 37.85	\$ 19.18	\$ 5.01	\$ 287.15	\$ 50.76	\$ 101.43
2	Units of Measure		per HCF	per HCF/Day	per HCF/Day	per Eq. Meter	per Bill	Per Eq. Hydrant	per Eq. Meter	per Eq. Meter
Potable Water										
Group 1										
3	Units		6,372	52	23	294	240	0	294	294
4	Allocation of costs of service	90,200	26,500	11,300	900	5,600	1,200	0	14,900	29,800
Group 2										
5	Units		2,231,262	11,920	5,991	14,863	91,464	0	14,863	14,863
6	Allocation of costs of service	15,093,800	9,281,200	2,580,800	226,700	285,100	458,000	0	754,500	1,507,500
Group 3										
7	Units		950,916	5,862	2,814	3,343	6,216	0	3,343	3,343
8	Allocation of costs of service	5,935,100	3,955,400	1,269,100	106,500	64,100	31,200	0	169,700	339,100
Public Fire										
9	Units		0	425	4,670	0	0	1,098	0	0
10	Allocation of costs of service	584,000	0	91,900	176,800	0	0	315,300	0	0
Fire Service (PP5)										
11	Units		0	57	624	5,865	1,404	147	0	0
12	Allocation of costs of service	197,500	0	12,300	23,600	112,500	7,000	42,100	0	0
13	TOTAL COSTS OF SERVICE	\$ 21,900,600	\$ 13,263,100	\$ 3,965,400	\$ 534,500	\$ 467,300	\$ 497,400	\$ 357,400	\$ 939,100	\$ 1,876,400
Details for Table 4-9 in the derivation of peaking costs. Section 4.2.3.1.4 for explanation.										
Group 2 Tier 1										
14	Units			3,876	2,194					
15	Allocation of costs of service	922,300		839,300	83,000					
Group 2 Tier 2										
16	Units			7,916	3,755					
17	Allocation of costs of service	1,856,000		1,713,900	142,100					

[1] Units for Water Production and Debt Service are equivalent Meters units as the allocation is based on Equivalent Meters. The exception is that Water Production and Debt Service have no Fire Service Allocation thus no units.

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Table 9-25 Cost of Service Revenue from Rates (Potable Water)

Line No.	Description	Operating Expense (\$)	Capital Cost (\$)	Total Cost (\$)
Revenue Requirements				
1	O&M Expenses	9,321,200	0	9,321,200
2	Water Supply	11,101,600	0	11,101,600
3	Debt Service	0	4,170,300	4,170,300
4	Transfers	274,650	1,040,300	1,314,950
5	Subtotal	20,697,450	5,210,600	25,908,050
Less Revenue Requirements Met from Other Sources				
6	PVCWD Revenue	1,090,600	0	1,090,600
7	Other Operating Revenue	64,000	0	64,000
8	Other Non-Operating Revenue	1,076,400	0	1,076,400
9	Subtotal	2,231,000	0	2,231,000
Adjustments				
10	Adj for Annual Cash Balance	0	(50)	(50)
11	Subtotal	(200)	(50)	(250)
12	Cost of Service to be Recovered from	\$ 18,466,650	\$ 5,210,650	\$ 23,677,300

Table 9-26 Allocation of O&M Expenditures (Potable Water)

Line No.	Description	Common to All Customers					Fire Protection (%)	Water Production (%)	Allocation Basis
		Base	Extra Capacity		Customer				
		Base (%)	Max. Day (%)	Max. Hour (%)	Meters (%)	Cust/Bill. (%)			
Operating Expenses									
1	Production								
2	Water Purchase	81.9%	0.0%	0.0%	0.0%	0.0%	0.0%	18.1%	[1]
3	Production Power	50.3%	46.7%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
4	Pumping Power	50.3%	46.7%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
5	CamSan	81.9%	0.0%	0.0%	0.0%	0.0%	0.0%	18.1%	[1]
6	Salaries and Benefits	30.3%	28.2%	11.1%	7.6%	19.8%	3.0%	0.0%	[2]
7	Contracts & Professional Services								
8	Outside Contracts	68.0%	21.4%	7.6%	0.0%	0.0%	3.0%	0.0%	[2]
9	Professional Services	68.0%	21.4%	7.6%	0.0%	0.0%	3.0%	0.0%	[2]
10	Services & Supplies	46.8%	0.0%	0.0%	50.2%	0.0%	3.0%	0.0%	[2]
11	Utilities	92.6%	4.4%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
12	Pipeline Repairs	32.1%	29.7%	9.7%	25.5%	0.0%	3.0%	0.0%	[2]
13	Small Tools & Equipment	51.0%	46.0%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
14	Materials & Supplies	51.0%	46.0%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
15	Repair Parts & Equipment Maint	51.0%	46.0%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
16	Fees and Charges	89.4%	7.6%	0.0%	0.0%	0.0%	3.0%	0.0%	[2]
17	Transfers	81.9%	0.0%	0.0%	0.0%	0.0%	0.0%	18.1%	[1]

[1] Fixed/Variable Import Water Charges

[2] Allocations are based on actual costs for FY 2023. See Appendix A for more details.

Table 9-27 Allocation of \$ O&M Expenditures (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Total Costs	Common to All Customers				Fire Protection	Water Production	
			Base	Extra Capacity		Customer			
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operating Expenses									
1	Production								
2	Water Purchase	6,809,300	5,578,900	0	0	0	0	0	1,230,400
3	Production Power	1,975,900	994,100	922,500	0	0	0	59,300	0
4	Pumping Power	1,619,800	815,000	756,200	0	0	0	48,600	0
5	CamSan	176,600	144,700	0	0	0	0	0	31,900
6	Salaries and Benefits	3,067,800	929,600	865,100	340,500	233,200	607,400	92,000	0
7	Contracts & Professional Services								
8	Outside Contracts	1,341,300	912,200	287,000	101,900	0	0	40,200	0
9	Professional Services	1,045,700	711,000	223,800	79,500	0	0	31,400	0
10	Services & Supplies	244,400	114,500	0	0	122,600	0	7,300	0
11	Utilities	83,500	77,300	3,700	0	0	0	2,500	0
12	Pipeline Repairs	440,500	141,500	130,800	42,700	112,300	0	13,200	0
13	Small Tools & Equipment	26,800	13,700	12,300	0	0	0	800	0
14	Materials & Supplies	892,600	455,200	410,600	0	0	0	26,800	0
15	Repair Parts & Equipment Maint	1,965,300	1,002,300	904,000	0	0	0	59,000	0
16	Fees and Charges	213,300	190,700	16,200	0	0	0	6,400	0
17	Transfers	274,650	225,050	0	0	0	0	0	49,600
18	Total O&M Expenses	\$ 20,177,450	\$ 12,305,750	\$ 4,532,200	\$ 564,600	\$ 468,100	\$ 607,400	\$ 387,500	\$ 1,311,900
Less Other Revenue									
19	Miscellaneous Revenues	2,231,000	1,372,300	488,500	60,900	50,500	65,500	41,800	151,500
20	Other Adjustments	(200)	(200)	0	0	0	0	0	0
21	Net Operating Expenses	\$ 17,946,650	\$ 10,933,650	\$ 4,043,700	\$ 503,700	\$ 417,600	\$ 541,900	\$ 345,700	\$ 1,160,400

Table 9-28 Allocation of Capital Costs (Potable Water)

Line No.	Description	Common to All Customers					Fire Protection (%)	Water Production (%)	Allocation Basis
		Base	Extra Capacity		Customer				
		Base (%)	Max. Day (%)	Max. Hour (%)	Meters (%)	Cust/Bill. (%)			
Plant Assets									
1	Water Production	81.93%	0.00%	0.00%	0.00%	0.00%	0.00%	18.07%	[1]
2	Pumping	81.93%	0.00%	0.00%	0.00%	0.00%	0.00%	18.07%	[1]
3	Treatment	50.31%	46.69%	0.00%	0.00%	0.00%	3.00%	0.00%	[2]
4	Transmission & Distribution	42.18%	39.16%	15.67%	0.00%	0.00%	3.00%	0.00%	[3]
5	Meters	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	[4]
6	Fire Hydrants	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	[5]
7	Land	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	[6]
8	General Plant	52.75%	27.74%	4.18%	7.67%	0.00%	3.17%	4.48%	[7]

- [1] Fixed/Variable Import Water Charges
- [2] Base/Max Day (adj for Fire)
- [3] Base/Max Hour/Max Day (adj for Fire)
- [4] Meters
- [5] Fire Hydrants
- [6] Base
- [7] Average of above

Table 9-29 Allocation of \$ Capital Costs (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Total Costs (Net Book Value)	Common to All Customers					Fire Protection	Water Production
			Base	Extra Capacity		Customer			
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Plant Assets									
1	Water Production	4,166,500	3,413,600	0	0	0	0	0	752,900
2	Pumping	1,547,500	1,267,900	0	0	0	0	0	279,600
3	Treatment	8,526,400	4,289,900	3,980,700	0	0	0	255,800	0
4	Transmission & Distribution	6,149,900	2,593,900	2,408,000	963,500	0	0	184,500	0
5	Meters	1,766,800	0	0	0	1,766,800	0	0	0
6	Fire Hydrants	290,500	0	0	0	0	0	290,500	0
7	Land	585,500	585,500	0	0	0	0	0	0
8	General Plant	587,500	309,900	163,000	24,600	45,100	0	18,600	26,300
9	Total Plant Assets	\$ 23,620,600	\$ 12,460,700	\$ 6,551,700	\$ 988,100	\$ 1,811,900	\$ 0	\$ 749,400	\$ 1,058,800
Less Other Revenue									
10	Miscellaneous Revenues	0	0	0	0	0	0	0	0
11	Other Adjustments	(74)	(74)	0	0	0	0	0	0
12	Net Capital Expenses	\$ 23,620,674	\$ 12,460,774	\$ 6,551,700	\$ 988,100	\$ 1,811,900	\$ 0	\$ 749,400	\$ 1,058,800
13	Proxy for Allocation of Capital Costs (%)		52.8%	27.7%	4.2%	7.7%	0.0%	3.2%	4.5%
14	Capital Costs (TY)	\$ 1,040,350	\$ 576,650	\$ 288,600	\$ 43,500	\$ 52,000	\$ 0	\$ 33,000	\$ 46,600

Table 9-30 Units of Service (Potable Water and Non-Potable Water)

Line No.	Description	Consumption		Maximum Day		Maximum Hour			Meters	Cust/Bills	Fire Protection	
		Annual	Avg. Day	Factor	Total	Extra	Factor	Total				Extra
	Column Reference	(1)	(2)=(1)/365	(3)	(4)=(2)x(3)	(5)=(4)-(2)	(6)	(7)=(2)x(6)	(8)=(7)-(4)	(9)	(10)	(11)
	Units of Measure	(HCF)	(HCF/day)		(HCF/day)	(HCF/day)		(HCF/day)	(HCF/day)	(EMs)	(bills)	(EHs)
Potable Water												
1	Group 1	6,372	17	398%	69	52	531%	93	23	294	240	0
2	Group 2	2,249,848	6,164	295%	18,184	12,020	393%	24,224	6,041	14,946	92,460	0
3	Group 3	950,916	2,605	325%	8,467	5,862	433%	11,281	2,814	3,343	6,216	0
4	Subtotal	3,207,136	8,787		26,720	17,934		35,598	8,878	18,582	98,916	
Potable Fire Service												
5	Public Fire	0	0		425	425		5,095	4,670	0	0	1,098
6	Fire Service (PPS)	0	0		57	57		680	624	5,865	1,404	147
7	Subtotal	0	0		481	481		5,775	5,294	5,865	1,404	1,245
8	Total Potable Water System	3,207,136	8,787		27,202	18,415		41,373	14,172	24,447	100,320	1,245

Table 9-31 Units Cost of Service (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Total Costs	Common to All Customers				Fire Protection	Water Production	Debt Service	
			Base	Extra Capacity		Customer				
		Base	Max. Day	Max. Hour	Meters	Cust/Bill.				
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Potable Water - Unit Cost of Service										
1	Net Operating Expense	18,466,650	11,359,650	4,043,700	503,700	417,600	541,900	345,700	1,254,400	0
2	Debt Service	4,170,300	2,085,100	0	0	0	0	0	0	2,085,200
3	Capital Costs	1,040,350	576,650	288,600	43,500	52,000	0	33,000	46,600	0
4	Total Cost of Service	\$ 23,677,300	\$ 14,021,400	\$ 4,332,300	\$ 547,200	\$ 469,600	\$ 541,900	\$ 378,700	\$ 1,301,000	\$ 2,085,200
5	Units of Service		3,207,136	18,415	14,172	24,447	100,320	1,245	18,582	18,582
6	Units of Measure		HCF	HCF/Day	HCF/Day	Eq. Meter	Bill	Eq. Hydrant	Eq. Meter	Eq. Meter
7	Cost per Unit (Line 4 / Line 5)		\$ 4.37	\$ 235.26	\$ 38.61	\$ 19.21	\$ 5.40	\$ 304.26	\$ 70.01	\$ 112.21
8	Units of Measure		per HCF	per HCF/Day	per HCF/Day	per Eq. Meter	per Bill	Per Eq. Hydrant	per Eq. Meter	per Eq. Meter

Table 9-32 Distribution of Costs to Customer Classes (Potable Water)

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Total Costs	Common to All Customers					Fire Protection	Water Production [1]	Debt Service [1]
			Base	Extra Capacity		Customer				
		Base	Max. Day	Max. Hour	Meters	Cust./Bill.				
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		
1	Cost per Unit		\$ 4.37	\$ 235.26	\$ 38.61	\$ 19.21	\$ 5.40	\$ 304.26	\$ 70.01	\$ 112.21
2	Units of Measure		per HCF	per HCF/Day	per HCF/Day	per Eq. Meter	per Bill	Per Eq. Hydrant	per Eq. Meter	per Eq. Meter
Potable Water										
Group 1										
3	Units		6,372	52	23	294	240	0	294	294
4	Allocation of costs of service	101,600	27,900	12,200	900	5,700	1,300	0	20,600	33,000
Group 2										
5	Units		2,249,848	12,020	6,041	14,946	92,460	0	14,946	14,946
6	Allocation of costs of service	16,407,200	9,836,200	2,827,800	233,200	287,100	499,400	0	1,046,400	1,677,100
Group 3										
7	Units		950,916	5,862	2,814	3,343	6,216	0	3,343	3,343
8	Allocation of costs of service	6,351,900	4,157,300	1,379,100	108,700	64,100	33,600	0	234,000	375,100
Public Fire										
9	Units		0	425	4,670	0	0	1,098	0	0
10	Allocation of costs of service	614,300	0	99,900	180,300	0	0	334,100	0	0
Fire Service (PP5)										
11	Units		0	57	624	5,865	1,404	147	0	0
12	Allocation of costs of service	202,300	0	13,300	24,100	112,700	7,600	44,600	0	0
13	TOTAL COSTS OF SERVICE	\$ 23,677,300	\$ 14,021,400	\$ 4,332,300	\$ 547,200	\$ 469,600	\$ 541,900	\$ 378,700	\$ 1,301,000	\$ 2,085,200
Details for Table 4-9 in the derivation of peaking costs. Section 4.2.3.1.4 for explanation.										
Group 2 Tier 1										
14	Units			3,907	2,211					
15	Allocation of costs of service	1,004,500		919,100	85,400					
Group 2 Tier 2										
16	Units			7,986	3,788					
17	Allocation of costs of service	2,025,000		1,878,700	146,300					

[1] Units for Water Production and Debt Service are equivalent Meters units as the allocation is based on Equivalent Meters. The exception is that Water Production and Debt Service have no Fire Service Allocation thus no units.

10.0 Appendix C – Sewer Cost of Service Tables (2026-2029)

Fiscal Year 2026

Table 10-1 Cost of Service Revenue from Rates

Line No.	Description	Operating Expense (\$)	Capital Cost (\$)	Total Cost (\$)
Revenue Requirements				
1	O&M Expense	5,118,000	0	5,118,000
2	Debt Service Requirements	0	190,600	190,600
3	Transfers	172,900	892,500	1,065,400
4	Subtotal	\$ 5,290,900	\$ 1,083,100	\$ 6,374,000
Less Revenue Requirements Met from Other Sources				
5	Other Operating Revenue	17,000	0	17,000
6	Interest from Operations	201,200	0	201,200
7	Subtotal	\$ 218,200	\$ 0	\$ 218,200
Adjustments				
8	Adj for Annual Cash Balance	(100)	0	(100)
9	Subtotal	\$ (100)	\$ 0	\$ (100)
10	Cost of Service to be Recovered from	\$ 5,072,800	\$ 1,083,100	\$ 6,155,900

Table 10-2 Allocation of O&M Expenditures

Line No.	Description	Common to All Customers					Allocation Basis
		Volume (%)	BOD (%)	TSS (%)	Customer (%)	T.O. (%)	
Operation & Maintenance							
1	Water Production	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
2	Salaries and Benefits	30.00%	25.00%	25.00%	20.00%	0.00%	[2]
3	Salaries and Benefits - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
Contracts & Professional Services							
4	Outside Contracts	49.99%	25.00%	25.00%	0.00%	0.00%	[3]
5	Outside Contracts - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
6	Professional Services	50.00%	25.00%	25.00%	0.00%	0.00%	[4]
7	Services & Supplies	27.75%	24.21%	24.21%	23.83%	0.00%	[5]
8	Utilities	50.00%	25.00%	25.00%	0.00%	0.00%	[4]
9	Utilities - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
10	Materials & Supplies	60.00%	20.00%	20.00%	0.00%	0.00%	[6]
11	Repair Parts & Equipment Maint	60.00%	20.00%	20.00%	0.00%	0.00%	[6]
12	Transfers	100.00%	0.00%	0.00%	0.00%	0.00%	[1]

- [1] All Volume
- [2] Volume/Strength/Customer
- [3] Volume/Strength/Customer/TO
- [4] Volume/Strength
- [5] Volume/Strength/Customer (avg of all other cost items)
- [6] Volume/Strength
- [7] Thousand Oaks

Table 10-3 Allocation of \$ O&M Expenditures

Line No.	Description	Total Cost (\$)	Common to All Customers				
			Volume (\$)	BOD (\$)	TSS (\$)	Customer (\$)	T.O. (\$)
Operation & Maintenance							
1	Water Production	13,200	13,200	0	0	0	0
2	Salaries and Benefits	2,274,400	682,300	568,600	568,600	454,900	0
3	Salaries and Benefits - T.O.	800	0	0	0	0	800
Contracts & Professional Services							
4	Outside Contracts	1,453,000	726,400	363,300	363,300	0	0
5	Outside Contracts - T.O.	8,300	0	0	0	0	8,300
6	Professional Services	661,100	330,500	165,300	165,300	0	0
7	Services & Supplies	334,100	92,700	80,900	80,900	79,600	0
8	Utilities	29,300	14,700	7,300	7,300	0	0
9	Utilities - T.O.	3,200	0	0	0	0	3,200
10	Materials & Supplies	193,700	116,300	38,700	38,700	0	0
11	Repair Parts & Equipment Maint	146,900	88,100	29,400	29,400	0	0
12	Transfers	172,900	172,900	0	0	0	0
13	Total O&M Expenses	\$ 5,290,900	\$ 2,237,100	\$ 1,253,500	\$ 1,253,500	\$ 534,500	\$ 12,300
Less Other Revenue							
14	Miscellaneous Revenues	218,200	92,500	51,800	51,800	22,100	0
15	Other Adjustments	(100)	(100)	0	0	0	0
16	Net Operating Expenses	\$ 5,072,800	\$ 2,144,700	\$ 1,201,700	\$ 1,201,700	\$ 512,400	\$ 12,300

Table 10-4 Allocation of Capital Costs

Line No.	Description	Common to All Customers					Allocation Basis
		Volume (%)	BOD (%)	TSS (%)	Customer (%)	T.O. (%)	
Plant Assets							
1	Collection	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
2	Lift Station	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
3	Treatment	50.00%	25.00%	25.00%	0.00%	0.00%	[2]
4	Land	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
5	General Plant	80.00%	10.00%	10.00%	0.00%	0.00%	[2]
[1] All Volume							
[2] Volume/Strength							

Table 10-5 Allocation of \$ Capital Costs

Line No.	Description	Total Cost (\$)	Common to All Customers				
			Volume (\$)	BOD (\$)	TSS (\$)	Customer (\$)	T.O. (\$)
Plant Assets							
1	Collection	4,923,800	4,923,800	0	0	0	0
2	Lift Station	42,300	42,300	0	0	0	0
3	Treatment	8,878,700	4,439,300	2,219,700	2,219,700	0	0
4	Land	393,300	393,300	0	0	0	0
5	General Plant	362,100	289,700	36,200	36,200	0	0
6	Total Plant Assets	\$ 14,600,200	\$ 10,088,400	\$ 2,255,900	\$ 2,255,900	\$ 0	\$ 0
Less Other Revenue							
7	Miscellaneous Revenues	0	0	0	0	0	0
8	Other Adjustments	0	0	0	0	0	0
9	Net Operating Expenses	\$ 14,600,200	\$ 10,088,400	\$ 2,255,900	\$ 2,255,900	\$ 0	\$ 0
10	Proxy for Allocation of Capital Costs (%)		69.1%	15.5%	15.5%	0.0%	0.0%
11	Capital Costs (TY)	\$ 892,500	\$ 616,700	\$ 137,900	\$ 137,900	\$ 0	\$ 0

Table 10-6 Units of Service

Line No.	Description	Contributed	Contributed	Treated	BOD Loadings		TSS Loadings		Bills
		Units	Volume	Volume	Factor	Loading	Factor	Loading	
Units of Measure		(EDUs)	(HCF)	(HCF)	(mg/L)	(lbs)	(mg/L)	(lbs)	(bills)
1	Customers Served by District	9,456	1,307,640	468,367	250	730,600	200	584,500	113,472
2	Customers Served by Thousand Oaks	18	24,290	7,423	250	11,600	200	9,200	216
3	Total	9,474	1,331,930	475,790		742,200		593,700	113,688
4	Total Wastewater System		1,331,930	475,790		742,200		593,700	113,688
5	Total Wastewater System (less through CWD)		1,307,640	468,367		730,600		584,500	113,472

Table 10-7 Units Cost of Service

Line No.	Description	Total Cost	Common to All Customers				
			Volume	BOD	TSS	Customer	T.O.
1	Net Operating Expense	5,072,800	2,144,700	1,201,700	1,201,700	512,400	12,300
2	Debt Service	190,600	131,800	29,400	29,400	0	0
3	Capital Costs	892,500	616,700	137,900	137,900	0	0
4	Total Cost of Service	\$ 6,155,900	\$ 2,893,200	\$ 1,369,000	\$ 1,369,000	\$ 512,400	\$ 12,300
5	Units of Service		468,367	730,600	584,500	113,472	7,423
6	Units of Measure		HCF	lbs	lbs	bills	HCF
7	Cost per Unit (Line 4/Line 5)		\$ 6.18	\$ 1.87	\$ 2.34	\$ 4.52	\$ 1.66
8	Units of Measure		per HCF	per lbs	per lbs	per bill	per HCF

Table 10-8 Distribution of Costs to Customer Classes

Line No.	Description	Total Cost	Common to All Customers				
			Volume	BOD	TSS	Customer	T.O.
1	Cost per Unit		\$ 6.18	\$ 1.87	\$ 2.34	\$ 4.52	\$ 1.66
2	Units of Measure		per HCF	per lbs	per lbs	per bill	per HCF
Customers Served by District							
3	Units		468,367	730,600	584,500	113,472	0
4	Allocation of costs of service	\$ 6,143,600	2,893,200	1,369,000	1,369,000	512,400	0
Customers Served by Thousand Oaks							
5	Units		0	0	0	0	7,423
6	Allocation of costs of service	\$ 12,300	0	0	0	0	12,300
7	TOTAL COSTS OF SERVICE	\$ 6,155,900	\$ 2,893,200	\$ 1,369,000	\$ 1,369,000	\$ 512,400	\$ 12,300

Fiscal Year 2027

Table 10-9 Cost of Service Revenue from Rates

Line No.	Description	Operating Expense (\$)	Capital Cost (\$)	Total Cost (\$)
Revenue Requirements				
1	O&M Expense	5,265,800	0	5,265,800
2	Debt Service Requirements	0	509,600	509,600
3	Transfers	134,800	1,355,000	1,489,800
4	Subtotal	\$ 5,400,600	\$ 1,864,600	\$ 7,265,200
Less Revenue Requirements Met from Other Sources				
5	Other Operating Revenue	17,000	0	17,000
6	Interest from Operations	276,100	0	276,100
7	Subtotal	\$ 293,100	\$ 0	\$ 293,100
Adjustments				
8	Adj for Annual Cash Balance	(100)	0	(100)
9	Subtotal	\$ (100)	\$ 0	\$ (100)
10	Cost of Service to be Recovered from	\$ 5,107,600	\$ 1,864,600	\$ 6,972,200

Table 10-10 Allocation of O&M Expenditures

Line No.	Description	Common to All Customers					Allocation Basis
		Volume (%)	BOD (%)	TSS (%)	Customer (%)	T.O. (%)	
Operation & Maintenance							
1	Water Production	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
2	Salaries and Benefits	30.00%	25.00%	25.00%	20.00%	0.00%	[2]
3	Salaries and Benefits - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
Contracts & Professional Services							
4	Outside Contracts	50.00%	25.00%	25.00%	0.00%	0.00%	[3]
5	Outside Contracts - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
6	Professional Services	50.00%	25.00%	25.00%	0.00%	0.00%	[4]
7	Services & Supplies	27.52%	24.30%	24.30%	23.89%	0.00%	[5]
8	Utilities	50.00%	25.00%	25.00%	0.00%	0.00%	[4]
9	Utilities - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
10	Materials & Supplies	60.00%	20.00%	20.00%	0.00%	0.00%	[6]
11	Repair Parts & Equipment Maint	60.00%	20.00%	20.00%	0.00%	0.00%	[6]
12	Transfers	100.00%	0.00%	0.00%	0.00%	0.00%	[1]

- [1] All Volume
- [2] Volume/Strength/Customer
- [3] Volume/Strength/Customer/TO
- [4] Volume/Strength
- [5] Volume/Strength/Customer (avg of all other cost items)
- [6] Volume/Strength
- [7] Thousand Oaks

Table 10-11 Allocation of \$ O&M Expenditures

Line No.	Description	Total Cost (\$)	Common to All Customers				
			Volume (\$)	BOD (\$)	TSS (\$)	Customer (\$)	T.O. (\$)
Operation & Maintenance							
1	Water Production	13,200	13,200	0	0	0	0
2	Salaries and Benefits	2,360,000	708,000	590,000	590,000	472,000	0
3	Salaries and Benefits - T.O.	800	0	0	0	0	800
Contracts & Professional Services							
4	Outside Contracts	1,482,100	741,100	370,500	370,500	0	0
5	Outside Contracts - T.O.	8,500	0	0	0	0	8,500
6	Professional Services	674,300	337,100	168,600	168,600	0	0
7	Services & Supplies	344,100	94,700	83,600	83,600	82,200	0
8	Utilities	30,200	15,000	7,600	7,600	0	0
9	Utilities - T.O.	3,300	0	0	0	0	3,300
10	Materials & Supplies	199,500	119,700	39,900	39,900	0	0
11	Repair Parts & Equipment Maint	149,800	89,800	30,000	30,000	0	0
12	Transfers	134,800	134,800	0	0	0	0
13	Total O&M Expenses	\$ 5,400,600	\$ 2,253,400	\$ 1,290,200	\$ 1,290,200	\$ 554,200	\$ 12,600
Less Other Revenue							
14	Miscellaneous Revenues	293,100	122,600	70,200	70,200	30,100	0
15	Other Adjustments	(100)	(100)	0	0	0	0
16	Net Operating Expenses	\$ 5,107,600	\$ 2,130,900	\$ 1,220,000	\$ 1,220,000	\$ 524,100	\$ 12,600

Table 10-12 Allocation of Capital Costs

Line No.	Description	Common to All Customers					Allocation Basis
		Volume (%)	BOD (%)	TSS (%)	Customer (%)	T.O. (%)	
Plant Assets							
1	Collection	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
2	Lift Station	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
3	Treatment	50.00%	25.00%	25.00%	0.00%	0.00%	[2]
4	Land	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
5	General Plant	80.00%	10.00%	10.00%	0.00%	0.00%	[2]
[1] All Volume							
[2] Volume/Strength							

Table 10-13 Allocation of \$ Capital Costs

Line No.	Description	Total Cost (\$)	Common to All Customers				
			Volume (\$)	BOD (\$)	TSS (\$)	Customer (\$)	T.O. (\$)
Plant Assets							
1	Collection	4,923,800	4,923,800	0	0	0	0
2	Lift Station	42,300	42,300	0	0	0	0
3	Treatment	8,878,700	4,439,300	2,219,700	2,219,700	0	0
4	Land	393,300	393,300	0	0	0	0
5	General Plant	362,100	289,700	36,200	36,200	0	0
6	Total Plant Assets	\$ 14,600,200	\$ 10,088,400	\$ 2,255,900	\$ 2,255,900	\$ 0	\$ 0
Less Other Revenue							
7	Miscellaneous Revenues	0	0	0	0	0	0
8	Other Adjustments	0	0	0	0	0	0
9	Net Operating Expenses	\$ 14,600,200	\$ 10,088,400	\$ 2,255,900	\$ 2,255,900	\$ 0	\$ 0
10	Proxy for Allocation of Capital Costs (%)		69.1%	15.5%	15.5%	0.0%	0.0%
11	Capital Costs (TY)	\$ 1,355,000	\$ 936,200	\$ 209,400	\$ 209,400	\$ 0	\$ 0

Table 10-14 Units of Service

Line No.	Description	Contributed	Contributed	Treated	BOD Loadings		TSS Loadings		Bills
		Units	Volume	Volume	Factor	Loading	Factor	Loading	
Units of Measure		(EDUs)	(HCF)	(HCF)	(mg/L)	(lbs)	(mg/L)	(lbs)	(bills)
1	Customers Served by District	9,649	1,350,982	490,039	250	764,400	200	611,500	115,788
2	Customers Served by Thousand Oaks	18	24,290	7,423	250	11,600	200	9,200	216
3	Total	9,667	1,375,272	497,461		776,000		620,700	116,004
4	Total Wastewater System		1,375,272	497,461		776,000		620,700	116,004
5	Total Wastewater System (less through CWD)		1,350,982	490,039		764,400		611,500	115,788

Table 10-15 Units Cost of Service

Line No.	Description	Total Cost	Common to All Customers				
			Volume	BOD	TSS	Customer	T.O.
1	Net Operating Expense	5,107,600	2,130,900	1,220,000	1,220,000	524,100	12,600
2	Debt Service	509,600	352,200	78,700	78,700	0	0
3	Capital Costs	1,355,000	936,200	209,400	209,400	0	0
4	Total Cost of Service	\$ 6,972,200	\$ 3,419,300	\$ 1,508,100	\$ 1,508,100	\$ 524,100	\$ 12,600
5	Units of Service		490,039	764,400	611,500	115,788	7,423
6	Units of Measure		HCF	lbs	lbs	bills	HCF
7	Cost per Unit (Line 4/Line 5)		\$ 6.98	\$ 1.97	\$ 2.47	\$ 4.53	\$ 1.70
8	Units of Measure		per HCF	per lbs	per lbs	per bill	per HCF

Table 10-16 Distribution of Costs to Customer Classes

Line No.	Description	Total Cost	Common to All Customers				
			Volume	BOD	TSS	Customer	T.O.
1	Cost per Unit		\$ 6.98	\$ 1.97	\$ 2.47	\$ 4.53	\$ 1.70
2	Units of Measure		per HCF	per lbs	per lbs	per bill	per HCF
Customers Served by District							
3	Units		490,039	764,400	611,500	115,788	0
4	Allocation of costs of service	\$ 6,959,600	3,419,300	1,508,100	1,508,100	524,100	0
Customers Served by Thousand Oaks							
5	Units		0	0	0	0	7,423
6	Allocation of costs of service	\$ 12,600	0	0	0	0	12,600
7	TOTAL COSTS OF SERVICE	\$ 6,972,200	\$ 3,419,300	\$ 1,508,100	\$ 1,508,100	\$ 524,100	\$ 12,600

Fiscal Year 2028

Table 10-17 Cost of Service Revenue from Rates

Line No.	Description	Operating Expense (\$)	Capital Cost (\$)	Total Cost (\$)
Revenue Requirements				
1	O&M Expense	5,418,000	0	5,418,000
2	Debt Service Requirements	0	742,700	742,700
3	Transfers	135,400	1,985,700	2,121,100
4	Subtotal	\$ 5,553,400	\$ 2,728,400	\$ 8,281,800
Less Revenue Requirements Met from Other Sources				
5	Other Operating Revenue	17,000	0	17,000
6	Interest from Operations	371,200	0	371,200
7	Subtotal	\$ 388,200	\$ 0	\$ 388,200
Adjustments				
8	Adj for Annual Cash Balance	(100)	0	(100)
9	Subtotal	\$ (100)	\$ 0	\$ (100)
10	Cost of Service to be Recovered from	\$ 5,165,300	\$ 2,728,400	\$ 7,893,700

Table 10-18 Allocation of O&M Expenditures

Line No.	Description	Common to All Customers					Allocation Basis
		Volume (%)	BOD (%)	TSS (%)	Customer (%)	T.O. (%)	
Operation & Maintenance							
1	Water Production	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
2	Salaries and Benefits	30.00%	25.00%	25.00%	20.00%	0.00%	[2]
3	Salaries and Benefits - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
Contracts & Professional Services							
4	Outside Contracts	50.00%	25.00%	25.00%	0.00%	0.00%	[3]
5	Outside Contracts - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
6	Professional Services	50.00%	25.00%	25.00%	0.00%	0.00%	[4]
7	Services & Supplies	27.58%	24.27%	24.27%	23.88%	0.00%	[5]
8	Utilities	50.00%	25.00%	25.00%	0.00%	0.00%	[4]
9	Utilities - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
10	Materials & Supplies	60.00%	20.00%	20.00%	0.00%	0.00%	[6]
11	Repair Parts & Equipment Maint	60.00%	20.00%	20.00%	0.00%	0.00%	[6]
12	Transfers	100.00%	0.00%	0.00%	0.00%	0.00%	[1]

- [1] All Volume
- [2] Volume/Strength/Customer
- [3] Volume/Strength/Customer/TO
- [4] Volume/Strength
- [5] Volume/Strength/Customer (avg of all other cost items)
- [6] Volume/Strength
- [7] Thousand Oaks

Table 10-19 Allocation of \$ O&M Expenditures

Line No.	Description	Total Cost (\$)	Common to All Customers				
			Volume (\$)	BOD (\$)	TSS (\$)	Customer (\$)	T.O. (\$)
Operation & Maintenance							
1	Water Production	13,200	13,200	0	0	0	0
2	Salaries and Benefits	2,448,700	734,600	612,200	612,200	489,700	0
3	Salaries and Benefits - T.O.	800	0	0	0	0	800
Contracts & Professional Services							
4	Outside Contracts	1,511,700	755,900	377,900	377,900	0	0
5	Outside Contracts - T.O.	8,700	0	0	0	0	8,700
6	Professional Services	687,800	343,800	172,000	172,000	0	0
7	Services & Supplies	354,300	97,700	86,000	86,000	84,600	0
8	Utilities	31,100	15,500	7,800	7,800	0	0
9	Utilities - T.O.	3,400	0	0	0	0	3,400
10	Materials & Supplies	205,500	123,300	41,100	41,100	0	0
11	Repair Parts & Equipment Maint	152,800	91,600	30,600	30,600	0	0
12	Transfers	135,400	135,400	0	0	0	0
13	Total O&M Expenses	\$ 5,553,400	\$ 2,311,000	\$ 1,327,600	\$ 1,327,600	\$ 574,300	\$ 12,900
Less Other Revenue							
14	Miscellaneous Revenues	388,200	162,000	93,000	93,000	40,200	0
15	Other Adjustments	(100)	(100)	0	0	0	0
16	Net Operating Expenses	\$ 5,165,300	\$ 2,149,100	\$ 1,234,600	\$ 1,234,600	\$ 534,100	\$ 12,900

Table 10-20 Allocation of Capital Costs

Line No.	Description	Common to All Customers					Allocation Basis
		Volume (%)	BOD (%)	TSS (%)	Customer (%)	T.O. (%)	
Plant Assets							
1	Collection	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
2	Lift Station	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
3	Treatment	50.00%	25.00%	25.00%	0.00%	0.00%	[2]
4	Land	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
5	General Plant	80.00%	10.00%	10.00%	0.00%	0.00%	[2]
[1] All Volume							
[2] Volume/Strength							

Table 10-21 Allocation of \$ Capital Costs

Line No.	Description	Total Cost (\$)	Common to All Customers				
			Volume (\$)	BOD (\$)	TSS (\$)	Customer (\$)	T.O. (\$)
Plant Assets							
1	Collection	4,923,800	4,923,800	0	0	0	0
2	Lift Station	42,300	42,300	0	0	0	0
3	Treatment	8,878,700	4,439,300	2,219,700	2,219,700	0	0
4	Land	393,300	393,300	0	0	0	0
5	General Plant	362,100	289,700	36,200	36,200	0	0
6	Total Plant Assets	\$ 14,600,200	\$ 10,088,400	\$ 2,255,900	\$ 2,255,900	\$ 0	\$ 0
Less Other Revenue							
7	Miscellaneous Revenues	0	0	0	0	0	0
8	Other Adjustments	0	0	0	0	0	0
9	Net Operating Expenses	\$ 14,600,200	\$ 10,088,400	\$ 2,255,900	\$ 2,255,900	\$ 0	\$ 0
10	Proxy for Allocation of Capital Costs (%)		69.1%	15.5%	15.5%	0.0%	0.0%
11	Capital Costs (TY)	\$ 1,985,700	\$ 1,372,100	\$ 306,800	\$ 306,800	\$ 0	\$ 0

Table 10-22 Units of Service

Line No.	Description	Contributed	Contributed	Treated	BOD Loadings		TSS Loadings		Bills
		Units	Volume	Volume	Factor	Loading	Factor	Loading	
Units of Measure		(EDUs)	(HCF)	(HCF)	(mg/L)	(lbs)	(mg/L)	(lbs)	(bills)
1	Customers Served by District	9,842	1,394,324	511,710	250	798,200	200	638,600	118,104
2	Customers Served by Thousand Oaks	18	24,290	7,423	250	11,600	200	9,200	216
3	Total	9,860	1,418,614	519,132		809,800		647,800	118,320
4	Total Wastewater System		1,418,614	519,132		809,800		647,800	118,320
5	Total Wastewater System (less through CWD)		1,394,324	511,710		798,200		638,600	118,104

Table 10-23 Units Cost of Service

Line No.	Description	Total Cost	Common to All Customers				
			Volume	BOD	TSS	Customer	T.O.
1	Net Operating Expense	5,165,300	2,149,100	1,234,600	1,234,600	534,100	12,900
2	Debt Service	742,700	513,100	114,800	114,800	0	0
3	Capital Costs	1,985,700	1,372,100	306,800	306,800	0	0
4	Total Cost of Service	\$ 7,893,700	\$ 4,034,300	\$ 1,656,200	\$ 1,656,200	\$ 534,100	\$ 12,900
5	Units of Service		511,710	798,200	638,600	118,104	7,423
6	Units of Measure		HCF	lbs	lbs	bills	HCF
7	Cost per Unit (Line 4/Line 5)		\$ 7.88	\$ 2.07	\$ 2.59	\$ 4.52	\$ 1.74
8	Units of Measure		per HCF	per lbs	per lbs	per bill	per HCF

Table 10-24 Distribution of Costs to Customer Classes

Line No.	Description	Total Cost	Common to All Customers				
			Volume	BOD	TSS	Customer	T.O.
1	Cost per Unit		\$ 7.88	\$ 2.07	\$ 2.59	\$ 4.52	\$ 1.74
2	Units of Measure		per HCF	per lbs	per lbs	per bill	per HCF
Customers Served by District							
3	Units		511,710	798,200	638,600	118,104	0
4	Allocation of costs of service	\$ 7,880,800	4,034,300	1,656,200	1,656,200	534,100	0
Customers Served by Thousand Oaks							
5	Units		0	0	0	0	7,423
6	Allocation of costs of service	\$ 12,900	0	0	0	0	12,900
7	TOTAL COSTS OF SERVICE	\$ 7,893,700	\$ 4,034,300	\$ 1,656,200	\$ 1,656,200	\$ 534,100	\$ 12,900

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Table 10-25 Cost of Service Revenue from Rates

Line No.	Description	Operating Expense (\$)	Capital Cost (\$)	Total Cost (\$)
Revenue Requirements				
1	O&M Expense	5,575,100	0	5,575,100
2	Debt Service Requirements	0	738,700	738,700
3	Transfers	136,200	2,629,300	2,765,500
4	Subtotal	\$ 5,711,300	\$ 3,368,000	\$ 9,079,300
Less Revenue Requirements Met from Other Sources				
5	Other Operating Revenue	17,000	0	17,000
6	Interest from Operations	300,400	0	300,400
7	Subtotal	\$ 317,400	\$ 0	\$ 317,400
Adjustments				
8	Adj for Annual Cash Balance	(100)	0	(100)
9	Subtotal	\$ (100)	\$ 0	\$ (100)
10	Cost of Service to be Recovered from	\$ 5,394,000	\$ 3,368,000	\$ 8,762,000

Table 10-26 Allocation of O&M Expenditures

Line No.	Description	Common to All Customers					Allocation Basis
		Volume (%)	BOD (%)	TSS (%)	Customer (%)	T.O. (%)	
Operation & Maintenance							
1	Water Production	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
2	Salaries and Benefits	30.00%	25.00%	25.00%	20.00%	0.00%	[2]
3	Salaries and Benefits - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
Contracts & Professional Services							
4	Outside Contracts	50.00%	25.00%	25.00%	0.00%	0.00%	[3]
5	Outside Contracts - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
6	Professional Services	50.00%	25.00%	25.00%	0.00%	0.00%	[4]
7	Services & Supplies	27.55%	24.29%	24.29%	23.88%	0.00%	[5]
8	Utilities	50.00%	25.00%	25.00%	0.00%	0.00%	[4]
9	Utilities - T.O.	0.00%	0.00%	0.00%	0.00%	100.00%	[7]
10	Materials & Supplies	60.00%	20.00%	20.00%	0.00%	0.00%	[6]
11	Repair Parts & Equipment Maint	60.00%	20.00%	20.00%	0.00%	0.00%	[6]
12	Transfers	100.00%	0.00%	0.00%	0.00%	0.00%	[1]

- [1] All Volume
- [2] Volume/Strength/Customer
- [3] Volume/Strength/Customer/TO
- [4] Volume/Strength
- [5] Volume/Strength/Customer (avg of all other cost items)
- [6] Volume/Strength
- [7] Thousand Oaks

Table 10-27 Allocation of \$ O&M Expenditures

Line No.	Description	Total Cost (\$)	Common to All Customers				
			Volume (\$)	BOD (\$)	TSS (\$)	Customer (\$)	T.O. (\$)
Operation & Maintenance							
1	Water Production	13,200	13,200	0	0	0	0
2	Salaries and Benefits	2,540,700	762,200	635,200	635,200	508,100	0
3	Salaries and Benefits - T.O.	800	0	0	0	0	800
Contracts & Professional Services							
4	Outside Contracts	1,541,900	770,900	385,500	385,500	0	0
5	Outside Contracts - T.O.	9,000	0	0	0	0	9,000
6	Professional Services	701,600	350,800	175,400	175,400	0	0
7	Services & Supplies	364,800	100,500	88,600	88,600	87,100	0
8	Utilities	32,000	16,000	8,000	8,000	0	0
9	Utilities - T.O.	3,500	0	0	0	0	3,500
10	Materials & Supplies	211,700	127,100	42,300	42,300	0	0
11	Repair Parts & Equipment Maint	155,900	93,500	31,200	31,200	0	0
12	Transfers	136,200	136,200	0	0	0	0
13	Total O&M Expenses	\$ 5,711,300	\$ 2,370,400	\$ 1,366,200	\$ 1,366,200	\$ 595,200	\$ 13,300
Less Other Revenue							
14	Miscellaneous Revenues	317,400	132,000	76,100	76,100	33,200	0
15	Other Adjustments	(100)	(100)	0	0	0	0
16	Net Operating Expenses	\$ 5,394,000	\$ 2,238,500	\$ 1,290,100	\$ 1,290,100	\$ 562,000	\$ 13,300

Table 10-28 Allocation of Capital Costs

Line No.	Description	Common to All Customers					Allocation Basis
		Volume (%)	BOD (%)	TSS (%)	Customer (%)	T.O. (%)	
Plant Assets							
1	Collection	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
2	Lift Station	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
3	Treatment	50.00%	25.00%	25.00%	0.00%	0.00%	[2]
4	Land	100.00%	0.00%	0.00%	0.00%	0.00%	[1]
5	General Plant	80.00%	10.00%	10.00%	0.00%	0.00%	[2]
[1] All Volume							
[2] Volume/Strength							

Table 10-29 Allocation of \$ Capital Costs

Line No.	Description	Total Cost (\$)	Common to All Customers				
			Volume (\$)	BOD (\$)	TSS (\$)	Customer (\$)	T.O. (\$)
Plant Assets							
1	Collection	4,923,800	4,923,800	0	0	0	0
2	Lift Station	42,300	42,300	0	0	0	0
3	Treatment	8,878,700	4,439,300	2,219,700	2,219,700	0	0
4	Land	393,300	393,300	0	0	0	0
5	General Plant	362,100	289,700	36,200	36,200	0	0
6	Total Plant Assets	\$ 14,600,200	\$ 10,088,400	\$ 2,255,900	\$ 2,255,900	\$ 0	\$ 0
Less Other Revenue							
7	Miscellaneous Revenues	0	0	0	0	0	0
8	Other Adjustments	0	0	0	0	0	0
9	Net Operating Expenses	\$ 14,600,200	\$ 10,088,400	\$ 2,255,900	\$ 2,255,900	\$ 0	\$ 0
10	Proxy for Allocation of Capital Costs (%)		69.1%	15.5%	15.5%	0.0%	0.0%
11	Capital Costs (TY)	\$ 2,629,300	\$ 1,816,700	\$ 406,300	\$ 406,300	\$ 0	\$ 0

Table 10-30 Units of Service

Line No.	Description	Contributed	Contributed	Treated	BOD Loadings		TSS Loadings		Bills
		Units	Volume	Volume	Factor	Loading	Factor	Loading	
Units of Measure		(EDUs)	(HCF)	(HCF)	(mg/L)	(lbs)	(mg/L)	(lbs)	(bills)
1	Customers Served by District	9,842	1,394,324	511,709	250	798,200	200	638,600	118,104
2	Customers Served by Thousand Oaks	18	24,290	7,423	250	11,600	200	9,200	216
3	Total	9,860	1,418,614	519,132		809,800		647,800	118,320
4	Total Wastewater System		1,418,614	519,132		809,800		647,800	118,320
5	Total Wastewater System (less through CWD)		1,394,324	511,709		798,200		638,600	118,104

Table 10-31 Units Cost of Service

Line No.	Description	Total Cost	Common to All Customers				
			Volume	BOD	TSS	Customer	T.O.
1	Net Operating Expense	5,394,000	2,238,500	1,290,100	1,290,100	562,000	13,300
2	Debt Service	738,700	510,500	114,100	114,100	0	0
3	Capital Costs	2,629,300	1,816,700	406,300	406,300	0	0
4	Total Cost of Service	\$ 8,762,000	\$ 4,565,700	\$ 1,810,500	\$ 1,810,500	\$ 562,000	\$ 13,300
5	Units of Service		511,709	798,200	638,600	118,104	7,423
6	Units of Measure		HCF	lbs	lbs	bills	HCF
7	Cost per Unit (Line 4/Line 5)		\$ 8.92	\$ 2.27	\$ 2.84	\$ 4.76	\$ 1.79
8	Units of Measure		per HCF	per lbs	per lbs	per bill	per HCF

Table 10-32 Distribution of Costs to Customer Classes

Line No.	Description	Total Cost	Common to All Customers				
			Volume	BOD	TSS	Customer	T.O.
1	Cost per Unit		\$ 8.92	\$ 2.27	\$ 2.84	\$ 4.76	\$ 1.79
2	Units of Measure		per HCF	per lbs	per lbs	per bill	per HCF
Customers Served by District							
3	Units		511,709	798,200	638,600	118,104	0
4	Allocation of costs of service	\$ 8,748,700	4,565,700	1,810,500	1,810,500	562,000	0
Customers Served by Thousand Oaks							
5	Units		0	0	0	0	7,423
6	Allocation of costs of service	\$ 13,300	0	0	0	0	13,300
7	TOTAL COSTS OF SERVICE	\$ 8,762,000	\$ 4,565,700	\$ 1,810,500	\$ 1,810,500	\$ 562,000	\$ 13,300