

Adds \$2,690 to Base Rate Expense to fund anticipated DBP Project loan first semi-annual payment due July 1, 2018
 Increases Operator's budgeted hours per week from 22 to 26

WESTHAVEN COMMUNITY SERVICES DISTRICT (#260) JUNE 2017

ANNUAL OPERATING BUDGET

2016-2017 2017-2018 INCREASE
 (DECREASE)

Revenue from monthly bills
 Commodity rate expenses (variable operating costs)
 Base rate expenses (fixed operating costs)
 Expenses part commodity, part base

OPERATING REVENUES

411.00	WATER SALES	221,810	230,640	8,830	
	Base Rate Residential	129,924	135,746	5,822	
	Commodity Rate Residential	89,847	92,778	2,931	
411.10	Total Residential	219,771	228,524	8,753	
	Base Rate Business	1,135	1,186	51	
	Commodity Rate Business	785	810	25	
411.20	Total Business	1,920	1,996	76	
411.70	Other water sales	120	120	0	
421.00	WATER SERVICES	4,992	5,218	226	
	Fire prevention	567	593	26	
	Backflow valve testing charges	2,625	2,625	0	
	Water Service charges				
	Other water services	1,800	2,000	200	
	TOTAL OPERATING REVENUES	224,883	233,738	8,855	
	REVENUE PAID TO CAPITAL EXPENSES	46,402	49,092	2,690	
	TOTAL OP. REV. AFTER CAP. EXPENSE	178,481	184,646	6,165	

NOTES

Estimated residential income is linked to estimated average bill 229 residential
 2 Business - WCC, WCA (+ WVFD - no charge)
 Emergency deliveries
 Merryman's fire system - pays base rate only
 Equals Backflow Program Expense - Not part of water rates
 Water service repair / relocation
 Charges for late payment, returned checks, reconnection, etc.
 Interest Revenue moved to Capital Budget
 Total does not include 411.70 & 421.50
 Increases by one semi-annual DBP Loan payment - will be two in 2018-2019

OPERATING EXPENSES

COLA 1.8% 1.7% **5,685**
 equals \$2.04
 per cust. per mo.

COLA = 10 yr. running avg. of avg. of COLA & CPI

40.00 Mg/Op - hours / week - 2017 - 2018 Base Wage = 27.24/hr.
 26.00 Op - hours / week - 2017 - 2018 Base Wage = 21.66/hr.
 12.00 S/B - hours / week - 2017 - 2018 Base Wage = 21.66/hr.

REGULAR OPERATING EXPENSES

SOURCE OF SUPPLY

511.10	Wages - Operator	1,189	1,209	20	
511.20	Wages - 2nd Operator	975	992	17	
511.00	Total wages	2,164	2,201	37	
512.00	Maintenance, structure, & improvements	350	350	0	
513.00	Purchased water				Default
	TOTAL SOURCE OF SUPPLY	2,514	2,551	37	

1.00 Mg/Op - hours / week
 1.00 Op - hours / week

PUMPING

521.10	Wages - Operator	1,189	1,209	20	
521.20	Wages - 2nd Operator	975	1,240	265	
521.00	Total wages	2,164	2,449	285	
522.00	Maint, structure, & improvements	200	200	0	
523.10	Fuel or power used for pumping - booster	3,400	3,500	100	
523.20	Fuel or power used for pumping - well	1,500	1,800	300	
	TOTAL PUMPING	7,264	7,949	685	

1.00 Mg/Op - hours / week
 1.25 Op - hours / week - Increases 0.25

Default
 Includes tank fan and shop storage room dehumidifier
 Per income/expense report

WATER TREATMENT

531.10	Wages - Operator	7,730	7,860	130	
531.20	Wages - 2nd Operator	14,631	16,122	1,491	
531.00	Total wages	22,361	23,982	1,621	
532.00	Maint, structure & improvements	350	350	0	
533.10	Chemical	4,800	4,800	0	
533.20	Outside lab expense	3,770	3,500	(270)	
533.30	Water testing supplies - WCSD	1,000	1,000	0	
	TOTAL WATER TREATMENT	32,281	33,632	1,351	

6.50 Mg/Op - hours / week
 16.25 Op - hours / week - Increases 1.25

Default
 Chlorine & Calcite
 North Coast Labs
 Reagents and Instrument maintenance

TRANSMISSION & DISTRIBUTION

541.10	Wages - Operator	6,541	5,744	(797)	
541.20	Wages - 2nd Operator	3,902	6,449	2,547	
541.00	Total wages	10,443	12,193	1,750	
542.00	Maint, structure, & improvements	2,600	1,600	(1,000)	
543.00	District Vehicle O&M	2,400	2,400	0	
544.00	Backflow Program Expense	2,625	2,625	0	
	TOTAL TRANSMISSION & DISTRIBUTION	18,068	18,818	750	

4.75 Mg/Op - hours / week - Decreases .75
 6.50 Op - hours / week - Increases 2.50

Per income/expense report - decrease anticipated due to new mains
 Insurance, fuel, maintenance, etc.
 Not part of regular rate calculations - program is self-supporting
 Truck mileage averages 430 per month

	A	B	C	D	E	F	G
1							ITEM 4.0
2							
3							
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6							

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ANNUAL OPERATING BUDGET				Revenue from monthly bills
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				Expenses part commodity, part base
OPTION 3 - EXAMPLES OF MONTHLY BILLS	CURRENT	2017 - 2018	INCREASE (DECREASE)	
BASE	\$47.28	\$49.40	2.12	
NO WATER INCLUDED IN BASE CHARGE	TOTAL / MO			
0 gallons per month	47.28	\$49.40	2.12	<p>The option of a single commodity rate structure was adopted in 2016 in response to the recent verdict involving the City of San Juan Capistrano in which the court held that implementing an inclining tiered rate structure requires a cost of service analysis showing how delivering water for usage in higher tiers incurs additional costs compared to delivering for usage lower tiers.</p> <p>The court's decision was based on the requirements of Proposition 218 which prohibit charging more for services than the actual cost of providing the service.</p>
50 gallons per day = 1,500 gallons per month	\$67.99	\$70.51	2.52	
100 gallons per day = 3,000 gallons per month	\$88.70	\$91.61	2.91	
150 gallons per day = 4,500 gallons per month	\$109.41	\$112.72	3.31	
200 gallons per day = 6,000 gallons per month	\$130.12	\$133.83	3.71	
250 gallons per day = 7,500 gallons per month	\$150.83	\$154.94	4.11	
300 gallons per day = 9,000 gallons per month	\$171.54	\$176.05	4.51	
Avg. monthly bill increase for active accounts (204)			3.51	