

City of

GROVER BEACH | CALIFORNIA



Financial Analysis and Rate Study

December 27, 2016



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December 27, 2016

Ms. Gayla Chapman
Administrative Services Director
City of Grover Beach
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Ms. Chapman,

Willdan Financial Services (“Willdan”) is pleased to present this report on the Financial Analysis and Rate Study (“Study”) conducted for the City of Grover Beach (“City”) water and wastewater systems.

This analysis has been prepared using generally accepted rate study techniques. The City’s accounting, budgeting, customer billing, and capital improvement lists were the primary sources of data used in the study. The conclusions enclosed within this report provide the City with a cost of service based rate structure and planned rate adjustment scenarios to provide funding for continued operations. The focus of this study is to ensure the City will have sufficient water and wastewater revenues to meet operational and capital obligations through the projection period and to recommend rate structure changes that correspond with cost of service principles. This report provides a summary of our findings.

It was a pleasure working with you and other staff members at the City. Thank you for the support and cooperation extended throughout the study.

Sincerely,

WILLDAN FINANCIAL SERVICES



Robert P. Ryall

Principal Consultant

Section 1 - Introduction

1.1. Introduction

Willdan Financial Services (“Willdan”) was retained by the City of Grover Beach, California (“City”) to conduct a Financial Analysis and Rate Study (“Study”) for the City’s water and wastewater enterprise funds (“Utilities”). This report details the results of the Study for the five-year period FY 2017-2021, the results of which are presented in this Study Report.

The results presented herein consist of a Revenue Sufficiency, Cost of Service review, and Rate Design Analysis for the Utilities (separately for water and wastewater). The financial plan (Revenue Sufficiency) was designed to provide revenues sufficient to fund the ongoing operating expenses and capital costs necessary to operate the Utilities, while meeting the financial requirements and goals set forth by the City for the Utilities. The focus of this component of the study is annual revenue increases needed by the Utilities to fund ongoing operating expenses and capital costs.

The cost of service analysis presented herein follows general conformance with the America Water Works Association’s Manual M1; “Principals of Water Rates, Fees, and Charges” for the water system. In developing an equitable rate structure, revenue requirements are allocated to the various customer classifications in proportion to the quantity of service rendered. Allocations of revenue requirements to customer classes should take into account the quantity of water used, the relative peak capacity requirements placed on the water utility, the number and size of services to customers.

Wastewater treatment is provided by South San Luis Obispo County Sanitation District. The City’s wastewater system is limited to collection service only. The current wastewater rate structure consists of a variety of fixed and volumetric rates based on the type of customer being served. In addition to the City wastewater rate schedule, the City maintains a “pass-through” rate for South Luis Obispo County Sanitation District which adjusts as the District’s rates change. The City does not maintain volumetric billing information for sewer customers, as such, it was not possible to complete a Cost of Service analysis for wastewater.

The Revenue Sufficiency and Cost of Service analysis provide a basis for the review and update of a schedule of water and wastewater rates that reasonably recover allocated costs of service. The Rate Design portion of this study considers the findings of the Revenue Sufficiency and Cost of Service analysis in the development of a rate structure that equitably recovers the necessary funding for the Utility.

1.2. Organization of this Report

This Study Report presents an overview of the rate-making concepts employed in the development of the analysis contained herein, followed by a discussion of the data, assumptions and results associated with the analysis. Appendices with detailed schedules are presented for a further investigation into the data, assumptions and calculations used in the development of this Study Report. The report is organized as follows:

- Section 1 - Introduction
- Section 2 – Overview of Utility Rate-Making Principles, Processes and Issues
- Section 3 – Revenue Sufficiency Analysis Development and Results
- Section 4 – Cost of Service Analysis Development and Results
- Section 5 – Rate Design
- Section 6 – Bill Comparison
- Section 7 – Conclusions and Recommendations
- Appendix A – Detailed Revenue Sufficiency Analysis Schedules
- Appendix B – Detailed Cost of Service Analysis Schedules
- Appendix C – Detailed Rate Design Schedules

Section 2 - Overview of Utility Rate-Making Principles, Processes and Issues

2.1. Introduction

Rate analyses are typically performed every few years to ensure that revenues from rates are adequately funding utility operations, maintenance, and future capital needs. In California, rate analyses also require compliance with the cost-of-service principles imposed by Proposition 218 to ensure that rates correlate to how costs are incurred. This rate analysis utilized generally accepted rate-making principles which resulted in the development of rates that are projected to: 1) generate sufficient revenue to meet the financial requirements of the water and wastewater utilities, 2) address the need to recover costs from users in a manner which is fair and equitable relative to the service provided, and 3) meet the rate design goals of the Utility. A discussion of some of the key principles of rate-making, and how the processes employed herein are guided by those principles, is presented below.

2.2. Discussion of General Rate-Making Principles

While the individual rates for each utility vary based on a variety of factors, the development of rates should be consistent with general rate-making principles set forth in utility rate-making practice and literature. In addition, as the primary goal of the Utility is to provide reliable water and wastewater service, the primary goal of this Study was that the rates generate sufficient revenue to provide the Utility with the resources to provide reliable service to the City. The principles by which rate practitioners are guided include designing rates that strike a reasonable balance between several key principles. In general, rates designed should:

- Generate a stable rate revenue stream which, when combined with other sources of funds, is sufficient to meet the financial requirements and goals of the utility
- Be fair and equitable – that is, they should generate revenue from customer classes which is reasonably in proportion to the cost to provide service to that customer class
- Comply with California State requirements - Proposition 218 requires that property related fees and charges, such as water and wastewater rates not exceed the reasonable cost of providing the service associated with the fee or charge, and shall also not exceed the proportional cost of the service attributable to the parcel that is subject to the fee or charge. The San Juan Capistrano court ruling further identifies the need for tiered water rates to be based on cost principles.

- Be easy to understand by customers
- Be easy to administer by the utility
- Minimize customer impact

2.3. The Revenue Sufficiency Process

In order to develop rates and charges which generate sufficient revenue to meet the fiscal requirements of the Utility, a determination of the annual rate revenue required must be completed. This rate revenue, combined with other sources of funds, is evaluated to determine whether the total revenue is sufficient to meet those fiscal requirements. This process is typically referred to as a Revenue Sufficiency Analysis.

The process employed in the Revenue Sufficiency Analysis results in the identification of revenue requirements of the system, such as operating expenses, capital expenses (minor and major), debt service expense (including a provision for debt service coverage), transfers out and the maintenance of both restricted and unrestricted reserves at appropriate levels. These revenue requirements are then compared to the total sources of funds during each year of the forecast period to determine the adequacy of projected revenues to meet projected revenue requirements. To the extent that the existing revenue stream is not sufficient to meet the annual revenue requirements of the system, a series of rate revenue increases are calculated which would be required in order to provide revenue sufficient to meet those needs.

2.4. Cost of Service Analysis

The water cost of service analysis presented herein follows general conformance with The America Water Works Association's (AWWA), in their Manual M1; "Principals of Water Rates, Fees, and Charges" which developed an industry guide to developing cost of service based rates. Developing an equitable rate structure using the principals established in the manual involves allocating revenue requirements to the various customer classifications in proportion to the quantity of service rendered. Allocations of revenue requirements to customer classes should take into account the quantity of water used, the relative peak capacity requirements placed on the water utility, and the number and size of services to customers.

This rate study was performed using AWWA's Manual M1 as a guideline to allocate the costs of providing service to users in order to ensure that the resulting rates are equitable and in compliance with Proposition 218 requirements. The total costs of serving water customers is determined by distributing

each of the water utility cost components based upon the water service demands placed on the utility by the City's three water customer classes. The cost of providing wastewater collection service is distributed to customers through a variety of fixed and volumetric rates as well as a "pass-through" rate for the City's wastewater treatment provider, South Luis Obispo County Sanitation District. The City does not maintain volumetric billing information for sewer customers, as such; it was not possible to complete a Cost of Service analysis for wastewater.

2.5. Rate Design Process

The Revenue Sufficiency and Cost of Service process described in the preceding sections provide a basis for the review and update of a schedule of rates that reasonably recovers allocated costs of service. However, other factors such as public reaction, bill impact, and administrative complexity of the rate structure should also be taken into consideration. Within the revenue needs of the system, as forecasted in the Revenue Sufficiency Analysis, and within the boundaries of Cost of Service, there are certain judgments that must be entered into the final choice of rates. Factors such as public reaction to the extent of changes and adjustments, previous rate levels, and local practice in the past should be recognized in making rate adjustments. Additionally, rates should be reasonably simple in application.

Section 3 - Revenue Sufficiency Analysis Development and Results

3.1. Revenue Sufficiency Analysis

3.1.1 General Methodology

In order to develop rates and charges which generate sufficient revenue to meet the fiscal requirements of the Utility, a determination of the annual revenue from rates which, combined with other sources of funds, will provide sufficient funds to meet those fiscal requirements must first be completed. This process is typically referred to as a Revenue Sufficiency Analysis.

The process employed in the Revenue Sufficiency Analysis resulted in the identification of revenue requirements of the Utility, such as operating expenses, capital expenses (minor and major), and the maintenance of unrestricted reserves at appropriate levels. These revenue requirements were then compared to the total sources of funds during each year of the forecast period to determine the adequacy of projected revenues to meet requirements. To the extent that the existing revenue stream was not sufficient to meet the annual revenue requirements of the Utility, a series of rate revenue increases were calculated to provide revenue sufficient to meet those needs.

In addition, the Revenue Sufficiency Analysis resulted in the identification of a capital project funding plan for the forecast period which identified the need to fund capital projects in FY 2017-2021 through the use of the Utilities available funds and future debt. Scenarios that include a mix of current cash, generated through revenue increases, and future debt were reviewed during the study.

The Capital Improvement Plan (CIP), including the timing of projects and estimated costs, was provided by the Utility. Willdan relied on this information and the CIP was fully integrated into the Revenue Sufficiency Analysis.

3.1.2 Data Items

Key data items reviewed, discussed and incorporated into the Revenue Sufficiency Analysis were:

- Financial management goals of the Utility
- Fiscal Year (FY) 2015 Comprehensive Annual Financial Report (CAFR)
- FY2017 Operating Budget
- FY2017-FY2021 Capital Improvements Plan (CIP)
- Customer Billing data including a water meter count (number of meters by size) and monthly water consumption reports for FY2015
- General assumptions related to:
 - Customer growth
 - Cost escalation factors
 - New debt

A discussion of the use of each of the above data items is presented below.

3.1.3 Fund Balances

To better understand what funds the Utility had on hand to start the forecast period, a detailed review of the City’s financial statements, the fiscal year (FY) 2015 CAFR, was conducted and reviewed with staff. In addition to the FY2015 CAFR, the City provided the FY2017 Enterprise Fund Budget (dated 5-31-2016) which provided funds available to the Utility at the end of FY2016, and therefore at the beginning of FY2017, based on discussions with staff. The reported fund balance for water and for wastewater is are provided in Table 3-1 below.

| Table 3-1 Utility Fund Balances as of June 30, 2016 | | | | |
|--|------------|------------|--------------|------------|
| Description | Water Fund | | Sewer Fund | |
| | Operating | Impact Fee | Operating | Impact Fee |
| Cash Balance | \$ 926,928 | NA | \$ 3,269,895 | NA |

Source - Fiscal Year 2017 Enterprise Fund Operating Budget dated May 31, 2016.

3.1.4 Budgeted and Projected Revenue and Expenses

Staff provided the fiscal year (“FY”) 2017 Budget, and associated line-item expense detail, as the basis for the projection of financial performance for FY2017. Reported revenue was obtained from the City’s 2017 Budget and was used as the basis for projecting Utility revenue. Projected revenue for FY2017-FY2021 was developed assuming no annual growth in customers and, further, by any adopted or projected rate increases during the forecast period. In addition, line-item projected expenses for FY 2017-2021 were developed using cost escalation factors as discussed in Section 3.1.8; General Assumptions.

Cost escalation factors were reviewed by staff and were used to project line-item costs beyond the FY2017 budget. Those factors were applied based on line-item cost classifications.

A summary of the budgeted and projected revenues and expenses are presented below in Tables 3-2 and 3-3, respectively.

| Table 3-2 | | | | | |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Forecasted Utility Fund Revenues | | | | | |
| Description | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
| Water Fund: | | | | | |
| Rate Revenue | \$ 2,493,080 | \$ 3,482,979 | \$ 3,886,272 | \$ 4,119,448 | \$ 4,366,615 |
| Miscellaneous Revenue | 163,740 | 171,240 | 171,240 | 171,240 | 171,240 |
| Interest Earnings | 1,000 | 0 | 1,000 | 1,000 | 2,000 |
| Total | \$ 2,657,820 | \$ 3,654,219 | \$ 4,058,512 | \$ 4,291,688 | \$ 4,539,855 |
| Sewer Fund: | | | | | |
| City Wastewater Rate Revenue | \$ 776,588 | \$ 835,551 | \$ 887,899 | \$ 932,294 | \$ 978,909 |
| Pass-through Treatment Rate | 1,125,000 | 1,158,750 | 1,193,513 | 1,229,318 | 1,266,198 |
| Miscellaneous Revenue | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Interest Earnings | 4,000 | 3,000 | 3,000 | 2,000 | 2,000 |
| Total | \$ 1,908,088 | \$ 1,999,801 | \$ 2,086,912 | \$ 2,166,112 | \$ 2,249,607 |

| Table 3-3 Water Forecasted Utility Fund Operating Expenses | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Description | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
| Water Fund: | | | | | |
| Non-Departmental: | | | | | |
| Salaries/Fringe Benefits | \$ 88,467 | \$ 92,620 | \$ 96,973 | \$ 101,536 | \$ 106,318 |
| Utility Billing: | | | | | |
| Salaries/Fringe Benefits | \$ 296,000 | \$ 310,800 | \$ 326,341 | \$ 342,658 | \$ 359,791 |
| Supplies & Services | 82,500 | 84,975 | 87,526 | 90,150 | 92,855 |
| Minor Capital | 80,698 | 0 | 0 | 0 | 0 |
| Subtotal Utility Billing | \$ 459,198 | \$ 395,775 | \$ 413,867 | \$ 432,808 | \$ 452,646 |
| Water System: | | | | | |
| Salaries/Fringe Benefits | \$ 413,800 | \$ 434,412 | \$ 456,053 | \$ 478,773 | \$ 502,626 |
| Supplies & Services | 1,205,797 | 1,237,932 | 1,287,307 | 1,348,726 | 1,402,167 |
| Minor Capital | 126,350 | 130,141 | 134,045 | 138,066 | 142,208 |
| Transfers | 316,746 | 326,248 | 336,035 | 346,116 | 356,499 |
| Subtotal Water System | \$ 2,062,693 | \$ 2,128,733 | \$ 2,213,440 | \$ 2,311,681 | \$ 2,403,500 |
| Debt Service - Flood Control Zone 3 | \$ 432,709 | \$ 432,709 | \$ 432,709 | \$ 432,709 | \$ 432,709 |
| New Debt Service | 0 | 255,000 | 255,000 | 255,000 | 255,000 |
| Subtotal Debt Service | \$ 432,709 | \$ 687,709 | \$ 687,709 | \$ 687,709 | \$ 687,709 |
| Total Water Fund | \$ 3,043,067 | \$ 3,304,837 | \$ 3,411,989 | \$ 3,533,734 | \$ 3,650,173 |

| Table 3-3 Wastewater Forecasted Utility Fund Operating Expenses | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Description | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
| Wastewater Fund: | | | | | |
| Non-Departmental: | | | | | |
| Salaries/Fringe Benefits | \$ 36,493 | \$ 38,318 | \$ 40,234 | \$ 42,246 | \$ 44,358 |
| Utility Billing: | | | | | |
| Salaries/Fringe Benefits | \$ 197,400 | \$ 207,238 | \$ 217,567 | \$ 228,411 | \$ 239,796 |
| Supplies & Services | 27,250 | 28,068 | 28,910 | 29,778 | 30,671 |
| Minor Capital | 30,565 | 5,000 | 5,150 | 5,305 | 5,464 |
| Subtotal Utility Billing | \$ 255,215 | \$ 240,306 | \$ 251,627 | \$ 263,494 | \$ 275,931 |
| Wastewater System: | | | | | |
| Salaries/Fringe Benefits | \$ 184,800 | \$ 194,004 | \$ 203,668 | \$ 213,813 | \$ 224,464 |
| Supplies & Services | 132,079 | 136,044 | 140,126 | 144,330 | 148,659 |
| WW Treatment | 1,125,000 | 1,158,750 | 1,193,513 | 1,229,318 | 1,266,198 |
| Minor Capital | 7,950 | 8,189 | 8,434 | 8,687 | 8,947 |
| Transfers | 143,105 | 147,398 | 151,820 | 156,375 | 161,066 |
| Subtotal Wastewater System | \$ 1,592,934 | \$ 1,644,385 | \$ 1,697,561 | \$ 1,752,523 | \$ 1,809,334 |
| General Fund Loan/(Re-Payment) | \$ 452,000 | \$ (95,896) | \$ (95,896) | \$ (95,896) | \$ (95,896) |
| Existing Debt Service | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| New Debt Service | 0 | 0 | 0 | 0 | 0 |
| Subtotal Debt Service | \$ 0 |
| Total Wastewater Fund | \$ 2,336,642 | \$ 1,827,113 | \$ 1,893,526 | \$ 1,962,367 | \$ 2,033,727 |

Based on information provided in the FY2017 Budget, as well as discussions with the City, the Wastewater Fund is budgeted to provide a loan to the General Fund in the amount of \$452,000. It is our understanding the loan is related to a broad band network and is scheduled to be repaid to the wastewater fund at a rate of 2% over 5-years.

A more detailed presentation of the line-item budgeted and projected revenues and expenses for the water and wastewater funds is presented in Schedules A-3W, A-4W, A-3S, and A-4S, respectively, in the Appendix.

3.1.5 Capital Improvements Plan (CIP)

The Utility provided Willdan with a forecast of capital requirements for the FY2017 – 2030 forecast period. The forecast period of this study is FY2017 – 2021 and, as such, a summary table of the water and wastewater CIP for the forecast period is presented below in Table 3-4. A more detailed CIP, including the timing and funding source for each respective project, is presented in Schedules A-5W, A-7W, A-5S, and A-7S, respectively for water and wastewater, in the Appendix.

| Table 3-4 | | | | | |
|-------------------------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| Utility Capital Improvement Program | | | | | |
| Description | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
| Water CIP: | | | | | |
| Upgrade of 2" and 4" Water Mains | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Fire Flow Upgrades | 0 | 0 | 0 | 0 | 200,000 |
| Water Delivery Upgrades | 113,800 | 0 | 500,000 | 550,000 | 0 |
| Meter Replacement Program | 0 | 50,000 | 50,000 | 250,000 | 250,000 |
| Flush Water System | 0 | 30,000 | 0 | 30,000 | 0 |
| Upgrade Financial System | 0 | 0 | 0 | 0 | 0 |
| West Grand Avenue Loop Main | 30,000 | 334,000 | 334,000 | 0 | 0 |
| Nitrate Plant Improvements | 0 | 30,000 | 30,000 | 30,000 | 0 |
| Reservoir Exterior Coating | 0 | 100,000 | 100,000 | 100,000 | 0 |
| Reservoir Interior Inspections | 50,000 | 0 | 0 | 0 | 0 |
| Reservoir Interior Coating | 0 | 0 | 0 | 100,000 | 100,000 |
| Water Line Replacement | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 |
| Water Main Zone Valves | 0 | 25,000 | 25,000 | 25,000 | 25,000 |
| Telemetry/Alarm System | 0 | 0 | 0 | 0 | 0 |
| Well Pump VFD's | 0 | 0 | 0 | 0 | 0 |
| Replace Water Department | 0 | 0 | 0 | 0 | 0 |
| Pressure Zone Upgrades | 0 | 0 | 0 | 0 | 0 |
| Ramona Waterline Upgrades | 0 | 0 | 0 | 0 | 0 |
| Recycled Water Project 200 | 0 | 0 | 0 | 200,000 | 500,000 |
| Total Water CIP | \$ 443,800 | \$ 819,000 | \$ 1,289,000 | \$ 1,535,000 | \$ 1,325,000 |
| Sewer CIP: | | | | | |
| Citywide Sewer Lining Project | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 |
| Lift Stations: | | | | | |
| Front Street | \$ 0 | \$ 150,000 | \$ 0 | \$ 0 | \$ 0 |
| Oak Park | 0 | 0 | 0 | 150,000 | 0 |
| Nacimiento | 0 | 15,000 | 0 | 0 | 0 |
| All | 5,000 | 5,000 | 30,000 | 5,000 | 5,000 |
| Sewer Mains | 0 | 15,000 | 0 | 10,000 | 0 |
| Wastewater Project | 0 | 0 | 1,000,000 | 0 | 0 |
| Total Wastewater CIP | \$ 105,000 | \$ 285,000 | \$ 1,130,000 | \$ 265,000 | \$ 105,000 |

3.1.6 Outstanding Debt Service

Many utilities utilized long-term debt to fund capital assets. Debt obligations generally carry some form of covenants associated with the debt that require that a minimum debt service coverage be maintained, or exceeded, in each year of the forecast period. Based on review of the City's financial statements, and confirmed with staff, the Utility does not have any outstanding debt.

However, the City does have an August 19, 2000, water supply contract with San Luis Obispo County Flood Control. Article 16 of the contract includes a pledge of rates and charges and states that the City shall "...pledge gross water sale revenues of its Water Enterprise to its obligations under this Contract, and covenants and agrees to establish, fix and collect Rates and Charges from the customers of its Water Enterprise at levels sufficient to produce revenues from the Water Enterprise at least equal to (A) the costs of operating and maintaining the Water Enterprise, plus (B) the Agency's Contract Payments, calculated in accordance with Articles 14(B) here of, including (C) the Agency's Proportionate Share of Debt Service, plus (D) the Coverage Factor for the Debt Service portion of the Agency's Contract Payments..."

According to the Definitions provided in the contract, "Coverage Factor shall mean 25% of the Agency Debt Service, determined in accordance with Article 14 hereof, calculated for each Fiscal Year. Article 18 of the contract provides procedures should the City not met the requirements of Article 16."

3.1.7 General Assumptions

In order to develop the financial and rate projections, certain assumptions were made with regard to elements of the revenue sufficiency analysis. A summary of those assumptions is presented below.

3.1.7.1. Growth

Based on discussion with City staff, it was assumed that there would be no annual growth in the customer base and requisite flows during the forecast period.

3.1.7.2. Operating Projections

For the purposes of forecasting Operating requirements of the Utility, an escalation factor of 5.0% for personnel related expenses is used. Other requirements are projected using an annual escalation factor of 3.0%.

3.1.7.3. Minimum Reserve Balance – Operating Fund

In order to provide reserves for the water and wastewater funds, it was determined as part of the study that the Utility will establish a goal of maintaining an unrestricted working capital operating fund reserve amount greater than or equal to approximately 6 months of operating expenses. For the water fund, the analysis presented herein establishes the minimum unrestricted working capital operating fund reserve over the course of the Forecast Period. A minimum 6 month reserve is maintained for the wastewater fund.

3.1.7.4. Future Debt

In order to fund the capital needs of the water utility, future debt is forecasted to be needed. Payments associated with this debt are assumed to be level annual payments and are forecasted using an interest rate of 4.0%, 20 year term, and issuance costs of 2.0% of the issuance amount. No future debt is forecasted to be needed for the wastewater fund.

3.1.8 Results of the Revenue Sufficiency Analysis

After a thorough review of the above-mentioned data elements, the resulting financial plan presented herein is the embodiment of the data, assumptions and review process undertaken with staff in several meetings.

3.1.8.1. Revenue Increases Required

The revenue requirements and financial goals of the Utility during the forecast period necessitate the need for additional revenue in the form of customer revenue increases.

Table 3-5 below presents a summary of the projected customer revenue increases required during the forecast period in order for the Utility to meet its financial goals.

| Table 3-5 Water Water Utility Fund Revenue Increases | | | | | |
|---|---------------------|---------------------|--------------|--------------|--------------|
| Description | FY2017 ¹ | FY2018 ² | FY2019 | FY2020 | FY2021 |
| Water Fund | | | | | |
| Water Sales Revenue | \$ 2,346,428 | \$ 2,346,429 | \$ 2,346,430 | \$ 2,346,431 | \$ 2,346,432 |
| Additional Rate Revenue From Adjustments: | | | | | |
| FY2017 @ 25% | \$ 146,652 | \$ 586,607 | \$ 586,607 | \$ 586,607 | \$ 586,607 |
| FY2016 @ 25% | | 549,944 | 733,259 | 733,259 | 733,259 |
| FY2019 @ 6% | | | 219,978 | 219,978 | 219,978 |
| FY2020 @ 6% | | | | 233,176 | 233,176 |
| FY2021 @ 6% | | | | | 247,167 |
| Total Additional Water Rate Revenue | \$ 146,652 | \$ 1,136,551 | \$ 1,539,844 | \$ 1,773,020 | \$ 2,020,187 |
| Total Rate Revenue | \$ 2,493,080 | \$ 3,482,980 | \$ 3,886,274 | \$ 4,119,451 | \$ 4,366,619 |
| Other Operating Revenue | \$ 163,740 | \$ 171,240 | \$ 171,240 | \$ 171,240 | \$ 171,240 |
| Interest Earnings | 1,000 | 0 | 1,000 | 1,000 | 2,000 |
| Total Operating Revenue | \$ 2,657,820 | \$ 3,654,220 | \$ 4,058,514 | \$ 4,291,691 | \$ 4,539,859 |

Note:

1 - Partial year increase April 1, 2017

2 - Partial year increase October 1, 2017

| Table 3-5 Wastewater Wastewater Utility Fund Revenue Increases | | | | | |
|---|---------------------|---------------------|--------------|--------------|--------------|
| Description | FY2017 ¹ | FY2018 ² | FY2019 | FY2020 | FY2021 |
| Wastewater Fund | | | | | |
| Wastewater Sales Revenue | \$ 767,000 | \$ 767,000 | \$ 767,000 | \$ 767,000 | \$ 767,000 |
| Additional Rate Revenue From Adjustments: | | | | | |
| FY 2017 @ 5% | \$ 9,588 | \$ 38,350 | \$ 38,350 | \$ 38,350 | \$ 38,350 |
| FY 2018 @ 5% | | 30,201 | 40,268 | 40,268 | 40,268 |
| FY 2019 @ 5% | | | 42,281 | 42,281 | 42,281 |
| FY 2020 @ 5% | | | | 44,395 | 44,395 |
| FY 2021 @ 5% | | | | | 46,615 |
| Total Additional Wastewater Rate Revenue | \$ 9,588 | \$ 68,551 | \$ 120,898 | \$ 165,293 | \$ 211,908 |
| Total Wastewater Rate Revenue | \$ 776,588 | \$ 835,551 | \$ 887,898 | \$ 932,293 | \$ 978,908 |
| Sewer Surcharge | \$ 1,125,000 | \$ 1,158,750 | \$ 1,193,513 | \$ 1,229,318 | \$ 1,266,198 |
| Other Operating Revenue | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Interest Earnings | 4,000 | 3,000 | 3,000 | 2,000 | 2,000 |
| Total Operating Revenue | \$ 1,908,088 | \$ 1,999,801 | \$ 2,086,911 | \$ 2,166,111 | \$ 2,249,606 |

Note:

1 - Partial year increase; April 1, 2017

2 - Partial year increase; October 1, 2017

Capital Project Funding

With capital project funding needs projected during the forecast period, it is imperative the Utility develop a financial plan which provides for the full funding of the CIP.

Table 3-6 below presents the summary capital project funding projections, by funding source and by year, for FY2017 through FY2021, considering the Capital Improvement Programs provided by the City for the water and wastewater utilities.

A more detailed presentation of the capital project funding plan is presented in Schedule A-6 in the Appendix.

| Table 3-6 Capital Improvements Program Funding Plans | | | | | |
|---|------------|------------|--------------|--------------|--------------|
| Description | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
| Water Fund | | | | | |
| Capital Improvement Program | \$ 443,800 | \$ 819,000 | \$ 1,289,000 | \$ 1,535,000 | \$ 1,325,000 |
| Funding Sources: | | | | | |
| CDBG ¹ | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Operating Fund | 443,800 | 0 | 0 | 243,000 | 1,325,000 |
| New Debt | 0 | 819,000 | 1,289,000 | 1,292,000 | 0 |
| Total Funding | \$ 443,800 | \$ 819,000 | \$ 1,289,000 | \$ 1,535,000 | \$ 1,325,000 |
| Sewer Fund | | | | | |
| Capital Improvement Program | \$ 105,000 | \$ 285,000 | \$ 1,130,000 | \$ 265,000 | \$ 105,000 |
| Funding Sources: | | | | | |
| Operating Fund | \$ 105,000 | \$ 285,000 | \$ 1,130,000 | \$ 265,000 | \$ 105,000 |

Notes:

1 - Community Development Block Grant; \$1,111,669 of water main upgrades is anticipated to be funded from CDBG. Based on discussions with staff, these projects and funding are excluded from the analysis.

3.2. Summary of the Revenue Sufficiency Analysis

The Revenue Sufficiency Analysis presented herein utilized generally accepted rate-making principles which resulted in the development of a rate plan which is projected to generate sufficient revenue to meet the financial requirements of the Utility during the forecast period.

3.2.1.1. Summary of Revenue Sufficiency Analysis

The resulting financial plan presented herein includes a series of rate revenue increases, presented earlier in Table 3-5. The rate revenue increases provide for funding of projected revenue requirements during the forecast period and provide revenue to meet the financial goals of the Utility as documented in this Report.

The summary of the Revenue Sufficiency Analysis is presented below in Tables 3-7 for the water and wastewater funds respectively. A more detailed presentation of the financial plan, including fund balance reconciliations for each fund, is presented in Schedules A-1W and A-1S in the Appendix.

| Table 3-7 Water Summary of the Water Revenue Sufficiency Analysis | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| Description | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
| Revenue from City Rates | | | | | |
| Water Sales Revenue | \$ 2,346,428 | \$ 2,346,428 | \$ 2,346,428 | \$ 2,346,428 | \$ 2,346,428 |
| Total Sales Revenue | \$ 2,346,428 | \$ 2,346,428 | \$ 2,346,428 | \$ 2,346,428 | \$ 2,346,428 |
| Additional Rate Revenue from Adjustments | | | | | |
| FY 2017 @ 25% | \$ 146,652 | \$ 586,607 | \$ 586,607 | \$ 586,607 | \$ 586,607 |
| FY 2018 @ 25% | | 549,944 | 733,259 | 733,259 | 733,259 |
| FY 2019 @ 6% | | | 219,978 | 219,978 | 219,978 |
| FY 2020 @ 6% | | | | 233,176 | 233,176 |
| FY 2021 @ 6% | | | | | 247,167 |
| Total Additional Rate Revenue | \$ 146,652 | \$ 1,136,551 | \$ 1,539,843 | \$ 1,773,020 | \$ 2,020,187 |
| Total Rate Revenue | \$ 2,493,080 | \$ 3,482,979 | \$ 3,886,271 | \$ 4,119,448 | \$ 4,366,615 |
| Other Revenue | | | | | |
| Other Operating Revenue | 163,740 | 171,240 | 171,240 | 171,240 | 171,240 |
| Interest Earnings | 1,000 | 0 | 1,000 | 1,000 | 2,000 |
| Total Operating Revenue | \$ 2,657,820 | \$ 3,654,219 | \$ 4,058,511 | \$ 4,291,688 | \$ 4,539,855 |
| Expenditures | | | | | |
| Operating Expenses | \$ (2,610,358) | \$ (2,617,128) | \$ (2,724,280) | \$ (2,846,025) | \$ (2,962,464) |
| Net Revenue | \$ 47,462 | \$ 1,037,091 | \$ 1,334,231 | \$ 1,445,663 | \$ 1,577,391 |
| Net Revenue Available for Coverage | \$ 47,462 | \$ 1,037,091 | \$ 1,334,231 | \$ 1,445,663 | \$ 1,577,391 |
| Non-Operating Expenses: | | | | | |
| Minor Capital | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Projects Funded with Existing Reserves/Current Cash | (443,800) | 0 | 0 | (243,000) | (1,325,000) |
| Transfers Out | 0 | 0 | 0 | 0 | 0 |
| Non Operating Expenses | 0 | 0 | 0 | 0 | 0 |
| Total Non-Operating Expenses | \$ (443,800) | \$ 0 | \$ 0 | \$ (243,000) | \$ (1,325,000) |
| Debt Service: | | | | | |
| SLOCFC Water Supply Payments | \$ (432,709) | \$ (432,709) | \$ (432,709) | \$ (432,709) | \$ (432,709) |
| New Revenue Bond Debt Service | 0 | (255,000) | (255,000) | (255,000) | (255,000) |
| Total Debt Service for Coverage | \$ (432,709) | \$ (687,709) | \$ (687,709) | \$ (687,709) | \$ (687,709) |
| Maximum Annual Debt Service for Parity Test | \$ (432,709) | \$ (687,709) | \$ (687,709) | \$ (687,709) | \$ (687,709) |
| Debt Service Coverage | | | | | |
| Debt Service Coverage | 0.11 | 1.51 | 1.94 | 2.10 | 2.29 |
| Net Cash Flow | \$ (829,047) | \$ 349,382 | \$ 646,522 | \$ 514,954 | \$ (435,318) |

| Table 3-7 Water (continued) | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|
| Summary of the Water Revenue Sufficiency Analysis | | | | | |
| Description | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
| Fund Balances | | | | | |
| Water Operating Fund: | | | | | |
| Beginning Year Balance | \$ 926,928 | \$ 97,881 | \$ 447,263 | \$ 1,093,786 | \$ 1,608,740 |
| Net Income from Operations | (829,047) | 349,382 | 646,522 | 514,954 | (435,318) |
| Ending Balance | \$ 97,881 | \$ 447,263 | \$ 1,093,785 | \$ 1,608,740 | \$ 1,173,422 |
| Operating Reserve - Months of O&M | 0 | 2 | 5 | 7 | 5 |
| Water Operating Fund Reserve Target | | | | | |
| Operating Reserve Target - 6 Months of O&M | \$ 1,305,179 | \$ 1,308,564 | \$ 1,362,140 | \$ 1,423,013 | \$ 1,481,232 |
| CDBG Fund: | | | | | |
| Beginning Year Balance | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Interest Earnings | 0 | 0 | 0 | 0 | 0 |
| Use of Funds | 0 | 0 | 0 | 0 | 0 |
| Ending Balance | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Capital Program Funding | | | | | |
| Annual Capital Needs: | | | | | |
| Upgrade of 2" and 4" Water Mains | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Upgrade of 2" and 4" Water Mains | 0 | 0 | 0 | 0 | 0 |
| Fire Flow Upgrades | 0 | 0 | 0 | 0 | 200,000 |
| Water Delivery Upgrades | 113,800 | 0 | 500,000 | 550,000 | 0 |
| Meter Replacement Program | 0 | 50,000 | 50,000 | 250,000 | 250,000 |
| Flush Water System | 0 | 30,000 | 0 | 30,000 | 0 |
| Upgrade Financial System | 0 | 0 | 0 | 0 | 0 |
| West Grand Avenue Loop Main | 30,000 | 334,000 | 334,000 | 0 | 0 |
| Nitrate Plant Improvements | 0 | 30,000 | 30,000 | 30,000 | 0 |
| Reservoir Exterior Coating | 0 | 100,000 | 100,000 | 100,000 | 0 |
| Reservoir Interior Inspections | 50,000 | 0 | 0 | 0 | 0 |
| Reservoir Interior Coating | 0 | 0 | 0 | 100,000 | 100,000 |
| Water Line Replacement | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 |
| Water Main Zone Valves | 0 | 25,000 | 25,000 | 25,000 | 25,000 |
| Telemetry/Alarm System | 0 | 0 | 0 | 0 | 0 |
| Well Pump VFD's | 0 | 0 | 0 | 0 | 0 |
| Replace Water Department Truck | 0 | 0 | 0 | 0 | 0 |
| Pressure Zone Upgrades | 0 | 0 | 0 | 0 | 0 |
| Ramona Waterline Upgrades Fire Flow | 0 | 0 | 0 | 0 | 0 |
| Recycled Water Project 200 AFY | 0 | 0 | 0 | 200,000 | 500,000 |
| Total Capital Program | \$ 443,800 | \$ 819,000 | \$ 1,289,000 | \$ 1,535,000 | \$ 1,325,000 |
| Funding Sources: | | | | | |
| Operating Revenue | \$ 443,800 | \$ 0 | \$ 0 | \$ 243,000 | \$ 1,325,000 |
| Water Impact Fees | 0 | 0 | 0 | 0 | 0 |
| CDBG | 0 | 0 | 0 | 0 | 0 |
| Debt | 0 | 819,000 | 1,289,000 | 1,292,000 | 0 |
| Total Capital Program Funding | \$ 443,800 | \$ 819,000 | \$ 1,289,000 | \$ 1,535,000 | \$ 1,325,000 |

| Table 3-7 Wastewater Forecasted Wastewater Utility Fund Operating Results | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| Description | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
| Revenue from City Rates | | | | | |
| Wastewater Sales Revenue | \$ 767,000 | \$ 767,000 | \$ 767,000 | \$ 767,000 | \$ 767,000 |
| Total Sales Revenue | \$ 767,000 | \$ 767,000 | \$ 767,000 | \$ 767,000 | \$ 767,000 |
| Additional Rate Revenue from Adjustments | | | | | |
| FY 2017 @ 5% | \$ 9,588 | \$ 38,350 | \$ 38,350 | \$ 38,350 | \$ 38,350 |
| FY 2018 @ 5% | | 30,201 | 40,268 | 40,268 | 40,268 |
| FY 2019 @ 5% | | | 42,281 | 42,281 | 42,281 |
| FY 2020 @ 5% | | | | 44,395 | 44,395 |
| FY 2021 @ 5% | | | | | 46,615 |
| Total Additional Rate Revenue | \$ 9,588 | \$ 68,551 | \$ 120,898 | \$ 165,293 | \$ 211,908 |
| Total Wastewater Rate Revenue | \$ 776,588 | \$ 835,551 | \$ 887,898 | \$ 932,293 | \$ 978,908 |
| Sewer Surcharge | 1,125,000 | 1,158,750 | 1,193,513 | 1,229,318 | 1,266,198 |
| Other Operating Revenue | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Interest Earnings | 4,000 | 3,000 | 3,000 | 2,000 | 2,000 |
| Total Operating Revenue | \$ 1,908,088 | \$ 1,999,801 | \$ 2,086,911 | \$ 2,166,111 | \$ 2,249,606 |
| Expenditures | | | | | |
| Operating Expenses | \$ (1,846,127) | \$ (1,909,820) | \$ (1,975,838) | \$ (2,044,271) | \$ (2,115,212) |
| Net Revenue | \$ 61,961 | \$ 89,981 | \$ 111,073 | \$ 121,840 | \$ 134,394 |
| Non-Operating Expenses: | | | | | |
| Minor Capital | \$ (38,515) | \$ (13,189) | \$ (13,584) | \$ (13,992) | \$ (14,411) |
| Projects Funded with Existing Reserves/Current Cash | (105,000) | (285,000) | (1,130,000) | (265,000) | (105,000) |
| Transfers Out (GF Loan) | (452,000) | 95,896 | 95,896 | 95,896 | 95,896 |
| Non Operating Expenses | 0 | 0 | 0 | 0 | 0 |
| Total Non-Operating Expenses | \$ (595,515) | \$ (202,293) | \$ (1,047,688) | \$ (183,096) | \$ (23,515) |
| Debt Service: | | | | | |
| Existing Revenue Bond Debt Service | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| New Revenue Bond Debt Service | 0 | 0 | 0 | 0 | 0 |
| Total Debt Service for Coverage | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Maximum Annual Debt Service for Parity Test | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Debt Service Coverage | | | | | |
| Debt Service Coverage | NA | NA | NA | NA | NA |
| Net Cash Flow | \$ (533,555) | \$ (112,313) | \$ (936,615) | \$ (61,256) | \$ 110,879 |

| Table 3-7 Wastewater (continued) | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|
| Forecasted Wastewater Utility Fund Operating Results | | | | | |
| Description | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
| Fund Balances | | | | | |
| Wastewater Operating Fund: | | | | | |
| Beginning Year Balance | \$ 3,269,895 | \$ 2,736,341 | \$ 2,624,029 | \$ 1,687,414 | \$ 1,626,159 |
| Net Income from Operations | (533,555) | (112,313) | (936,615) | (61,256) | 110,879 |
| Ending Balance | \$ 2,736,341 | \$ 2,624,028 | \$ 1,687,414 | \$ 1,626,158 | \$ 1,737,037 |
| Operating Reserve - Months of O&M | 18 | 16 | 10 | 10 | 10 |
| Wastewater Operating Fund Reserve Target | | | | | |
| Operating Reserve Target - 6 Months of O&M | \$ 923,064 | \$ 954,910 | \$ 987,919 | \$ 1,022,136 | \$ 1,057,606 |
| Capital Program Funding | | | | | |
| Annual Capital Needs: | | | | | |
| Citywide Sewer Lining Project | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 |
| Lift Stations: | | | | | |
| Front Street | 0 | 150,000 | 0 | 0 | 0 |
| Oak Park | 0 | 0 | 0 | 150,000 | 0 |
| Nacimiento | 0 | 15,000 | 0 | 0 | 0 |
| All | 5,000 | 5,000 | 30,000 | 5,000 | 5,000 |
| Sewer Mains | 0 | 15,000 | 0 | 10,000 | 0 |
| Wastewater Project | 0 | 0 | 1,000,000 | 0 | 0 |
| Total Capital Program | \$ 105,000 | \$ 285,000 | \$ 1,130,000 | \$ 265,000 | \$ 105,000 |
| Funding Sources: | | | | | |
| Operating Revenue | \$ 105,000 | \$ 285,000 | \$ 1,130,000 | \$ 265,000 | \$ 105,000 |
| Total Capital Program Funding | \$ 105,000 | \$ 285,000 | \$ 1,130,000 | \$ 265,000 | \$ 105,000 |

In the preparation of this analysis, Willdan Financial Services relied upon financial, statistical, and operating data regarding the Utility which was taken from the books of record and accounts prepared by or for the City, information provided by the management and staff of the City and others, and certified statements of the independent auditors for the City. While Willdan believes such sources to be reliable, it does not verify the accuracy of any of the information furnished by and obtained from such sources as part of this engagement.

Furthermore, this report and findings are prepared for the sole use of the City of Grover Beach, California in connection with the water and wastewater funds and are not intended for distribution or use of any third party.

Section 4 - Cost of Service Analysis Development and Results

4.1. General

The water cost of service analysis presented herein follows general conformance with the America Water Works Association's Manual M1; "Principals of Water Rates, Fees, and Charges". In developing an equitable rate structure using the Base Extra Capacity method, revenue requirements are allocated to the various customer classifications in proportion to the quantity of service rendered. Allocations of revenue requirements to customer classes take into account the quantity of water used, the relative peak capacity requirements placed on the System, and the number and size of services to customers within each class.

Wastewater treatment is provided by South San Luis Obispo County Sanitation District. The City's wastewater system is limited to collection service and transportation to the District. The current wastewater rate structure consists of fixed monthly and single volumetric rates charged to a variety of customer classes. Billed water usage for wastewater customers was not available for this study and thus prevented the ability of a wastewater cost of service analysis. As such, adjustments to wastewater rates, if any, are limited to increases within the existing structure.

4.2. Allocation of Cost Components

The cost of water service may be analyzed by system function in order to properly allocate the costs to the various classes of customers. Costs of service are first determined by function and then further separated into the following three basic cost components: (1) "Base"; (2) "Extra Capacity"; and (3) "Customer". Base costs are those that vary directly with the quantity of water used, as well as those costs associated with serving customers under average load conditions without the elements necessary to meet water use variations or peak demands. Base costs include operating and capital related costs of the System, or portions thereof, associated with service required for a constant or average annual rate of use.

Extra Capacity costs represent those operating costs incurred in meeting demands in excess of average, and capital related costs for additional plant and system capacity beyond that required for the average rate of use.

Customer costs are defined as those that tend to 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.

The separation of costs of service into these four principal categories facilitates the allocation of such costs to the various cost components on the basis of the respective service requirements of each component. Table 4-1 below provides a summary of the allocation methodology employed for each operating cost category of the water utility.

| Table 4-1 Cost Component Allocation Factors | | | | | | |
|--|------|------------------|----------------|----------|----------------------|-------------------------|
| Cost Category | Base | Emerg. Supply | Extra Capacity | | Customer | |
| | | | Max Day | Max Hour | Meters & Services | Billing & Collection |
| Water - SOS | 100% | 0% | 0% | 0% | 0% | 0% |
| Water - Emergency Supply | 0% | 100% | 0% | 0% | 0% | 0% |
| Water - Pump | 76% | 0% | 24% | 0% | 0% | 0% |
| Water - Treat ¹ | 76% | 0% | 24% | 0% | 0% | 0% |
| Water - T&D ² | 53% | 0% | 17% | 31% | 0% | 0% |
| Water - CS ³ | 0% | 0% | 0% | 0% | 50% | 50% |
| Water - New Bond DS ⁴ | 63% | 0% | 16% | 12% | 4% | 4% |
| Water - Admin ⁵ | 64% | 0% | 7% | 12% | 9% | 9% |

| Operating Data: | Flow | Max Day | Max Hour |
|------------------------|------|---------|----------|
| Average Day Flow (MGD) | 1.80 | 76% | 53% |
| Max Day Flow (MGD) | 2.38 | 24% | 17% |
| Max Hour Flow (MGD) | 3.43 | 0% | 31% |

Notes:

- 1 - Allocation based on Max Day.
- 2 - Allocation based on Max Hour.
- 3 - Allocated 50/50 Meters & Services/Billing & Collection.
- 4 - Allocated based function of the CIP.
- 5 - Allocated based on average of other Cost Category's.

Table 4-2 below provides a summary of the allocation of operating costs using the allocation factors presented above. The Fix and Flow Charge proportions shown in this table are the basis for allocating the test year annual revenue requirement to meter service charges and volume charges. Additional detail with regard to the cost allocations can be found in Appendix B-1.

| Table 4-2 Allocation of Water Operating Costs | | | | | | | |
|--|---------------------|------------------|-------------------|-------------------|----------------------|-------------------------|---------------------|
| Cost Category | Base ¹ | Emerg. Supply | Extra Capacity | | Customer | | Total |
| | | | Max Day | Max Hour | Meters & Services | Billing & Collection | |
| Water - SOS | \$ 1,141,646 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 1,141,646 |
| Water - Emergency Supply | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Water - Pump | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Water - Treat | 26,471 | 0 | 8,529 | 0 | 0 | 0 | 35,000 |
| Water - T&D | 526,266 | 0 | 169,575 | 306,170 | 0 | 0 | 1,002,010 |
| Water - CS | 0 | 0 | 0 | 0 | 229,599 | 229,599 | 459,198 |
| Water - New Bond DS | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Water - Admin | 260,282 | 0 | 27,359 | 47,032 | 35,270 | 35,270 | 405,213 |
| Total | \$ 1,954,664 | \$ 0 | \$ 205,463 | \$ 353,202 | \$ 264,869 | \$ 264,869 | \$ 3,043,067 |
| Allocation for Admin ² | 64% | 0% | 7% | 12% | 9% | 9% | |
| Fixed Charge Component | \$ 308,837 | \$ 0 | \$ 0 | \$ 0 | \$ 264,869 | \$ 264,869 | \$ 838,574 |
| Flow Charge Component | 1,645,827 | 0 | 205,463 | 353,202 | 0 | 0 | 2,204,493 |
| Total | \$ 1,954,664 | | \$ 205,463 | \$ 353,202 | \$ 264,869 | \$ 264,869 | \$ 3,043,067 |
| | | | | | | Fixed Charge %: | 28% |
| | | | | | | Flow Charge %: | 72% |

Notes:

- 1 - 15.8% allocated to Fix Charge Component
- 2 - Based on average of total Cost Category

4.3. Distribution of Costs to Customer Classes

The total cost responsibility of each customer class may be estimated by developing unit costs of service for each cost category and assigning those costs to the customer classes based on the respective service requirement of each. To properly recognize the cost of service, each customer class is allocated a share of Base and Extra Capacity (including maximum day and maximum hour) costs.

Unit costs of service are developed by dividing the total cost allocated to each cost component by the total applicable units of service. The customer class responsibility for service is obtained by applying the resultant unit costs of service to the number of units of service for each customer class. This allocation procedure and the resulting proportion of costs to be recovered from each customer class are provided in Table 4-3 below. Additional detail with respect to distribution of costs to customer classes can be found in Appendix B-1.

| Customer Class | Annual Flow Base & Emerg. | Average Daily Flow | Max Day | | | Max Hour | | | Total |
|-----------------|------------------------------|-------------------------|--------------------|---|-------------------|--|-------------------|---------------------|-------|
| | | | Capacity Factor | Total Capacity | Extra Capacity | Capacity Factor | Total Capacity | Extra Capacity | |
| Residential | 352,784 | 967 | 215% | 2,079 | 1,113 | 310% | 2,994 | 2,028 | |
| Landscape | 16,411 | 45 | 278% | 125 | 80 | 400% | 180 | 135 | |
| Other Customers | 101,023 | 277 | 206% | 571 | 295 | 297% | 823 | 546 | |
| Total | 470,218 | 1,288 | | 2,776 | 1,487 | | 3,997 | 2,709 | |
| Allocated Costs | \$ 1,954,664 | \$ 0 | | | \$ 205,463 | | \$ 353,202 | \$ 2,513,329 | |
| Billing Units | 470,218 | 470,218 | | | 1,487 | | 2,709 | | |
| Unit Cost | \$ 4.16 | \$ 0.00 | | | \$ 138.14 | | \$ 130.40 | | |
| | | Base Cost Allocation | | Max Day Extra Capacity Cost Allocation | | Max Hour Extra Capacity Cost Allocation | | | |
| Residential | 352,784 | \$ 1,466,501 | | 1,113 \$ 153,728 | | 2,028 \$ 264,419 | | \$ 1,884,648 | |
| Landscape | 16,411 | \$ 68,219 | | 80 \$ 11,030 | | 135 \$ 17,573 | | \$ 96,822 | |
| Other Customers | 101,023 | 419,945 | | 295 40,705 | | 546 71,210 | | 531,859 | |
| Total | 470,218 | \$ 1,954,664 | | 1,487 \$ 205,463 | | 2,709 \$ 353,202 | | \$ 2,513,329 | |
| | | | | | | Residential Proportion: | | 75% | |
| | | | | | | Landscape Portion: | | 4% | |
| | | | | | | Other Customer Proportion: | | 21% | |

Section 5 - Rate Design

The revenue requirement and cost of service studies described in the preceding sections of this Report provide a basis for the review and update of a schedule of rates that reasonably recovers allocated costs of the Utility. This section of the Report provides supporting detail around the development of the rate structures developed as part of this study.

5.1. Development of Service Charges

Service Charges represent fixed charges of the rate structure that do not vary based on a customer’s water consumption. Under the City’s current rate structure, these charges are determined based on the customer’s meter size. This method of collecting fixed charges is constant with standard rate making practice; however, fixed charges are generally developed and charged based on the American Water Works Association (AWWA) meter equivalencies. These meter equivalencies, as established by AWWA, recognize the potential for greater water availability as meter sizes increase. The Service Charges developed below use AWWA meter equivalencies as the basis for distributing fixed costs to customers. Table 5-1 shows the development of the “Base Meter Rate”, which is the rate for 5/8”, ¾”, and 1.0” meter sizes. As shown in Table 5-2, the “Base Meter Rate” is multiplied by AWWA meter equivalencies to develop rates for larger meter sizes. Additional detail with respect to the development of service charges can be found in Appendix C-1.

| Table 5-1 Development of Base Service Charges | | | |
|--|----------------------|-------------------|-----------------|
| Description | Revenue Requirements | Meter Equivalents | Base Meter Rate |
| Test Year Revenue Requirement ¹ : | \$ 2,933,035 | | |
| Fixed Charge Portion ² : | 28% | | |
| Fixed Charge Amount: | \$ 838,574 | 75,623 | \$ 11.09 |

Notes:

1 - Adjusted for mid-year increase; see Table 3-5, FY2016 \$2346428 with 25 % rate increase.

2 - See Table 4-2

| Table 5-2 Service Charge Development | | | | | |
|---|------------------|-------|--------------|-----------|----------|
| Meter Size | Meter Equivalent | | Meter Charge | | |
| | Residential | Other | Residential | Landscape | Other |
| 5/8" | 1.00 | 1.00 | \$ 11.09 | \$ 11.09 | \$ 11.09 |
| 3/4" | 1.00 | 1.50 | 11.09 | 16.63 | 16.63 |
| 1.0" | 1.00 | 2.50 | 11.09 | 27.72 | 27.72 |
| 1.5" | 5.00 | 5.00 | 55.44 | 55.44 | 55.44 |
| 2.0" | 8.00 | 8.00 | 88.71 | 88.71 | 88.71 |
| 3.0" | 15.00 | 15.00 | 166.33 | 166.33 | 166.33 |
| 4.0" | 25.00 | 25.00 | 277.22 | 277.22 | 277.22 |

5.2. Development of Volume Charges

Volume charges represent components of the rate structure that vary based on a customer's water consumption, generally, the more a customer uses the more the customer will pay. Some volume charge structures, such as the City's existing volume structure, incorporate tiered rates, where the unit rate increases at distinct volume levels (tiers); the more a customer uses the higher the unit volume rate.

This type of structure is known as a conservation rate structure and is commonly implemented in areas with limited or strained water supplies. Given that the unit rate increases as a customer's usage increases, this rate structure provides a price signal encouraging customers to conserve water.

The California court ruling related to San Juan Capistrano challenged whether tiered rate structures comply with Proposition 218 requirements. The courts ruled that all water rates, including tiered rates, must be based on the actual costs incurred.

Given the challenges the San Juan Capistrano ruling has created for tiered rate structures, it was determined that the rate structures developed as part of this study would consolidate existing tiered structures into single volumetric rates for both Residential, Landscape and Other customer classes. Table 5-3 provides detail around the development of volumetric rates for each customer class. Additional detail with respect to the development of volume rates can be found in Appendix C-2.

| Table 5-3 Development of Volume Rates | | | | |
|--|--------------|-------------|------------|------------|
| Description | Calculations | | | |
| Revenue Requirement ¹ : | \$ | 2,933,035 | | |
| | | Residential | Landscape | Other |
| Cost of Service Allocation ² | | 75% | 4% | 21% |
| Cost Distribution | \$ | 2,199,369 | \$ 112,991 | \$ 620,675 |
| Less Service Charge Revenue | | (564,583) | (17,986) | (256,005) |
| Subtotal | \$ | 1,634,786 | \$ 95,005 | \$ 364,670 |
| Flow (CCF) ² | | 352,784 | 16,411 | 101,023 |
| Rate (\$/CCF) | \$ | 4.63 | \$ 5.79 | \$ 3.61 |

Notes:

1 - Adjusted for mid-year increase; see Table 3-5, FY2016 \$2,346,428.00 with 25 % rate increase.

2 - From Cost of Service Allocations Table 4-3

5.3. Rate Recommendations

The proposed water rates follow a similar structure as existing rates which include Service Charges which are fixed charges based on meter size, and Volume Charges which are based on a customer's usage. Modifications to the water rate structure include:

- The developed rates are generally based on the American Water Works Association guidelines which includes allocation of costs to customer classes
- Service Charges are based on meter equivalencies developed by the American Water Works Association
- Volume Charges for Residential customers include a single rate (reduced from a four tier structure)
- Volume Charge for Landscape customers consist of a single rate for all consumption
- Volume Charge for Other customers consist of a single rate for all consumption

The City's wastewater system is limited to collection service and transmission to the District. The current wastewater rate structure consists of fixed monthly and single volumetric rates charged to a variety of customer classes. Billed water usage for wastewater customers was not available for this study and thus prevented the ability of a wastewater cost of service analysis. As such, adjustments to sewer rates, if any, are limited to increases within the existing structure.

Table 5-5 below presents the City's existing rates as well as recommended rates for the FY2017 through 2021 projection period. The FY2017 rates incorporate the rate structure changes discussed herein, and are subsequently adjusted for future years based on similar costs of service analysis completed or each year of the forecast.

| Table 5-4 Water Recommended Water Rates | | | | | | |
|---|----------------|-------------|----------------|--------|--------|--------|
| Description | Existing Rates | Description | Proposed Rates | | | |
| | FY2016 | | FY2017 | FY2018 | FY2019 | FY2020 |

Water Rates

Residential Service Charges:

| | | | | | | |
|------|----------|----------|----------|----------|----------|----------|
| 5/8" | \$ 10.06 | \$ 11.09 | \$ 12.08 | \$ 12.83 | \$ 13.62 | \$ 14.44 |
| 3/4" | 10.06 | 11.09 | 12.08 | 12.83 | 13.62 | 14.44 |
| 1.0" | 16.78 | 11.09 | 12.08 | 12.83 | 13.62 | 14.44 |
| 1.5" | 33.52 | 55.45 | 60.39 | 64.13 | 68.06 | 72.18 |
| 2.0" | 53.64 | 88.72 | 96.62 | 102.61 | 108.89 | 115.49 |
| 3.0" | 100.54 | 166.34 | 181.15 | 192.38 | 204.16 | 216.54 |
| 4.0" | 167.57 | 277.23 | 301.91 | 320.63 | 340.26 | 360.89 |

Landscape & Other Service Charges:

| | | | | | | |
|--------|----------|----------|----------|----------|----------|----------|
| 5/8" | \$ 10.06 | \$ 11.09 | \$ 12.08 | \$ 12.83 | \$ 13.62 | \$ 14.44 |
| 3/4" | 10.06 | 16.64 | 18.12 | 19.24 | 20.42 | 21.66 |
| 1.0" | 16.78 | 27.73 | 30.20 | 32.07 | 34.03 | 36.09 |
| 1 1/2" | 33.52 | 55.45 | 60.39 | 64.13 | 68.06 | 72.18 |
| 2.0" | 53.64 | 88.72 | 96.62 | 102.61 | 108.89 | 115.49 |
| 3.0" | 100.54 | 166.34 | 181.15 | 192.38 | 204.16 | 216.54 |
| 4.0" | 167.57 | 277.23 | 301.91 | 320.63 | 340.26 | 360.89 |

Residential Volume (per 100 Cubic Feet):

| | | | | | | |
|----------------|---------|---------|---------|---------|---------|---------|
| First 12 Units | \$ 3.34 | | | | | |
| Next 8 Units | 3.53 | | | | | |
| Next 22 Units | 4.04 | | | | | |
| Over 42 Units | 4.57 | | | | | |
| All Usage | | \$ 4.64 | \$ 6.17 | \$ 6.58 | \$ 7.01 | \$ 7.47 |

Landscape Volume (per 100 Cubic Feet):

| | | | | | | |
|-----------|---------|---------|---------|---------|---------|---------|
| All Usage | \$ 4.04 | \$ 5.79 | \$ 7.56 | \$ 8.06 | \$ 8.59 | \$ 9.16 |
|-----------|---------|---------|---------|---------|---------|---------|

All Other Volume (per 100 Cubic Feet):

| | | | | | | |
|-----------|---------|---------|---------|---------|---------|---------|
| All Usage | \$ 3.53 | \$ 3.61 | \$ 5.02 | \$ 5.35 | \$ 5.70 | \$ 6.07 |
|-----------|---------|---------|---------|---------|---------|---------|

Emergency Water Supply (per 100 Cubic Feet):

| | | | | | | |
|-----------------------|----|---------|---------|---------|---------|---------|
| All Usage - 600 Ac-Ft | NA | NA | \$ 2.81 | \$ 3.00 | \$ 3.20 | \$ 3.41 |
| All Usage - 900 Ac-Ft | NA | \$ 0.00 | \$ 4.28 | \$ 4.57 | \$ 4.87 | \$ 5.20 |

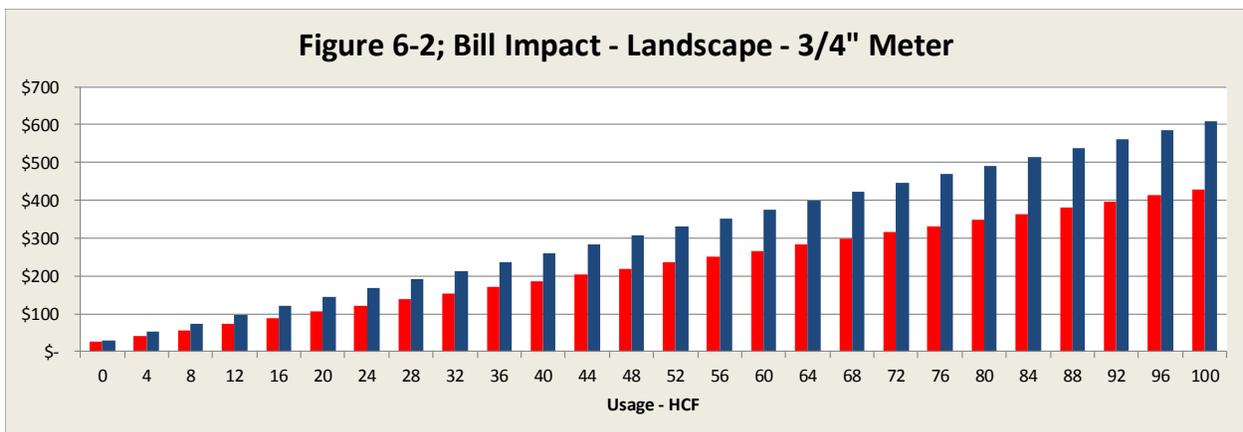
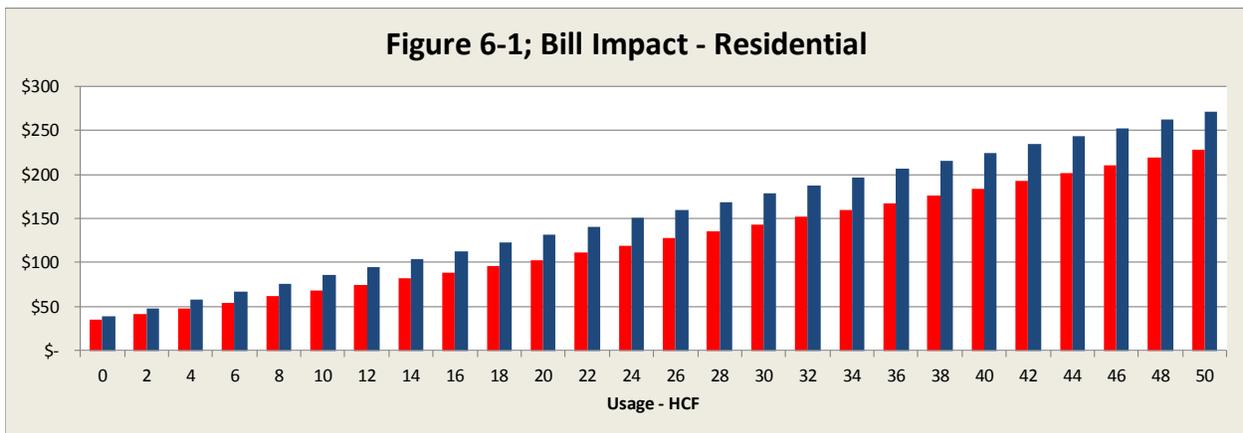
| Table 5-4 Wastewater Recommended Wastewater Rates | | | | | | |
|--|----------------|---------------------|---------------------|----------|----------|----------|
| Description | Existing Rates | Proposed Rates | | | | |
| | FY2016 | FY2017 ¹ | FY2018 ² | FY2019 | FY2020 | FY2021 |
| Wastewater Rates (monthly) | | | | | | |
| Appeal/Relief application fee (GBMC 7156) | \$ 25.00 | \$ 26.25 | \$ 27.57 | \$ 28.95 | \$ 30.40 | \$ 31.92 |
| Boarding house (per unit) | 12.02 | 12.63 | 13.27 | 13.94 | 14.64 | 15.38 |
| Plus per bedroom charge | 7.74 | 8.13 | 8.54 | 8.97 | 9.42 | 9.90 |
| Car washes & Laundromats minimum charge | 4.78 | 5.02 | 5.28 | 5.55 | 5.83 | 6.13 |
| Per 100 cubic feet above minimum | 1.55 | 1.63 | 1.72 | 1.81 | 1.91 | 2.01 |
| Church | 11.65 | 12.24 | 12.86 | 13.51 | 14.19 | 14.90 |
| Plus per parsonage or dwelling unit | 9.92 | 10.42 | 10.95 | 11.50 | 12.08 | 12.69 |
| Commercial establishment (Public Place) (up to 5 fixtures) | 11.63 | 12.22 | 12.84 | 13.49 | 14.17 | 14.88 |
| Each additional fixture | 3.18 | 3.34 | 3.51 | 3.69 | 3.88 | 4.08 |
| Factories, industrial Plants with 20 or less employees | 7.82 | 8.22 | 8.64 | 9.08 | 9.54 | 10.02 |
| Each additional employee over 20 | 0.88 | 0.93 | 0.98 | 1.03 | 1.09 | 1.15 |
| Higher rate where heavy discharge or character of sewer discharge warrants | | | | | | |
| Hotel, motel, auto court or lodge (per unit) | 11.97 | 12.57 | 13.20 | 13.86 | 14.56 | 15.29 |
| Mobile home (per space) | 9.92 | 10.42 | 10.95 | 11.50 | 12.08 | 12.69 |
| Restaurants minimum charge | 1.64 | 1.73 | 1.82 | 1.92 | 2.02 | 2.13 |
| Per 100 cubic feet against minimum | 3.18 | 3.34 | 3.51 | 3.69 | 3.88 | 4.08 |
| Schools minimum annual charge per ADA and employees | 2.55 | 2.68 | 2.82 | 2.97 | 3.12 | 3.28 |
| Schools with Cafeterias additional | | | | | | |
| Per ADA and employees | 1.05 | 1.11 | 1.17 | 1.23 | 1.30 | 1.37 |
| Single-family dwelling unit | 9.92 | 10.42 | 10.95 | 11.50 | 12.08 | 12.69 |
| Theater, clubhouse or place of amusement | 11.63 | 12.22 | 12.84 | 13.49 | 14.17 | 14.88 |
| Travel trailer and recreational vehicle space | 5.10 | 5.36 | 5.63 | 5.92 | 6.22 | 6.54 |
| Two or more dwellings (per unit) | 9.92 | 10.42 | 10.95 | 11.50 | 12.08 | 12.69 |
| Plus Per Each coin-operated washer | 2.16 | 2.27 | 2.39 | 2.51 | 2.64 | 2.78 |
| Excess discharge per 100 cubic feet (GBMC 7182) | 0.30 | 0.32 | 0.34 | 0.36 | 0.38 | 0.40 |

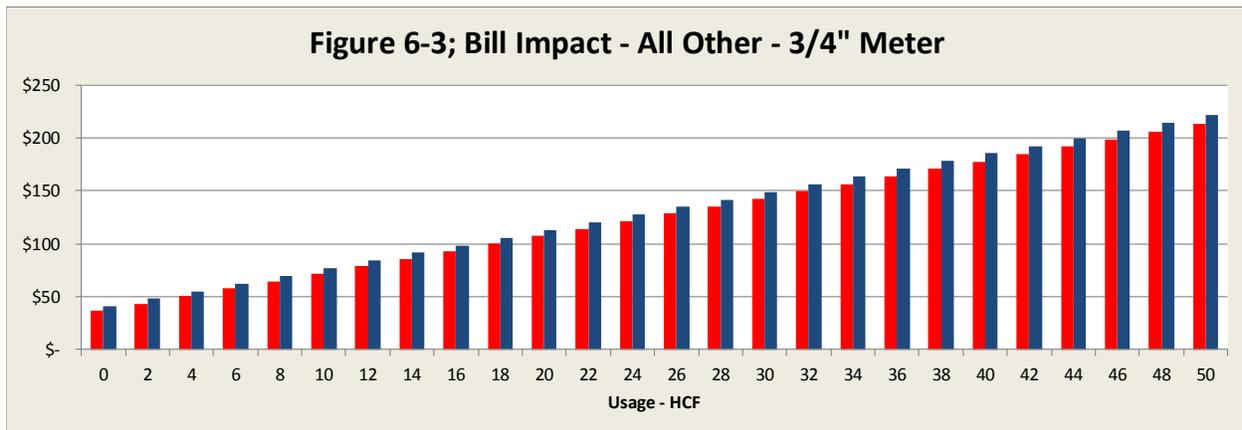
1 - Partial year increase April 1, 2017

2 - Partial year increase October 1, 2017

Section 6 - Customer Impact

In order to provide a review of the impact the proposed rates will have on customers, a comparison of bills under existing rates and under proposed rates was completed for the City’s three customer classes; Residential, Landscape, and Other. The comparison below provides customer’s bills, using existing and proposed (FY2017) rates, at varying levels of usage. For Landscape and Other customer classes, existing bills vary for each customer based on their meter size. For these customer classes, majority of the customers utilize a 3/4” meter, as such, the water bill comparisons for Landscape and Other customers use rates for this meter size.





Section 7 - Bill Comparison

While operational structures and facilities vary greatly between water and wastewater systems, as do financial dynamics and policies such as levels of funding associated with routine rehabilitation and replacement of aging system components, levels of borrowing, and funding of reserves. Rate comparisons provide stakeholders a nominal barometer of the proposed rates in relation to surrounding or similar communities. Figures 7-1 and 7-2 below provide the estimated bi-monthly bill for a Residential water and wastewater, respectively, customer in comparison to other local communities. Figure 7-3 provides a comparison of the estimated Residential bi-monthly utility bill, consisting of water and wastewater.

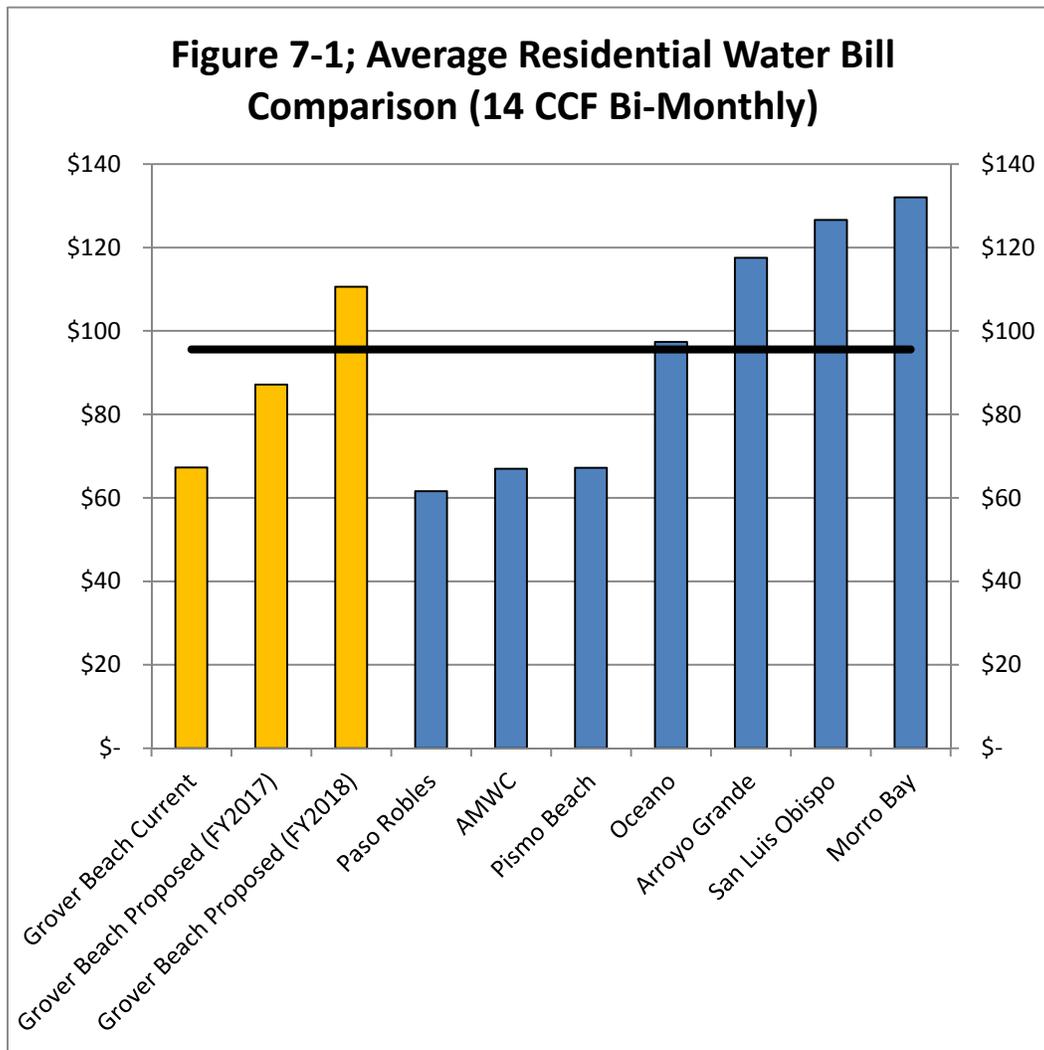
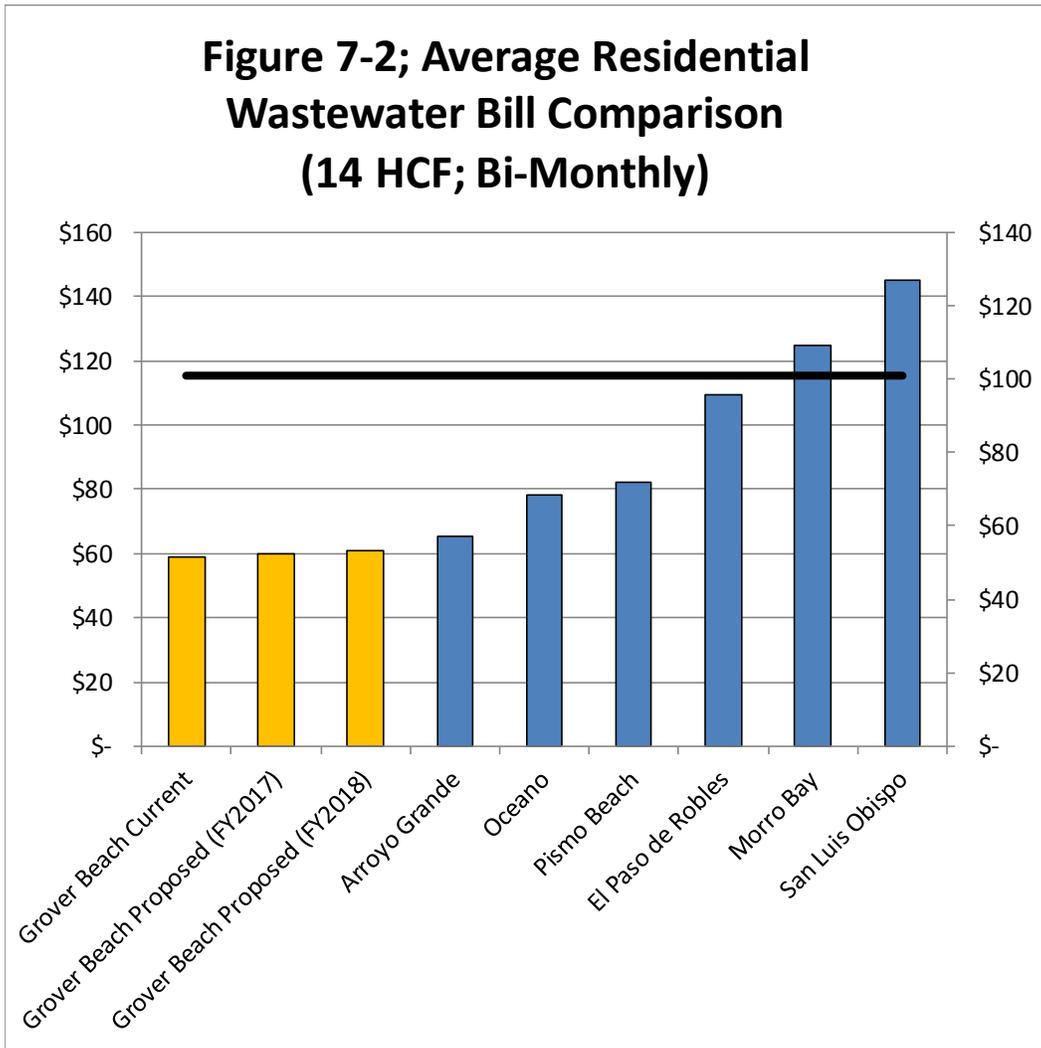
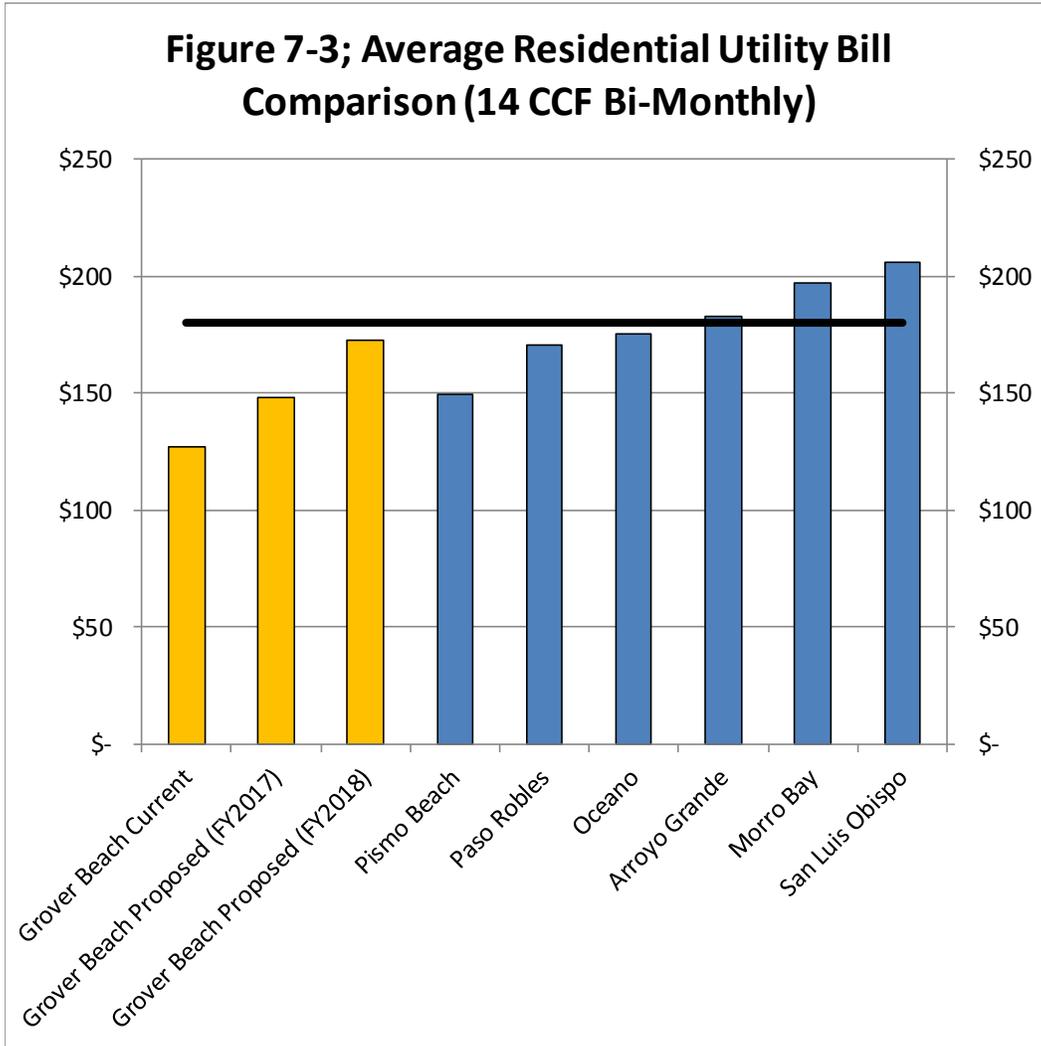


Figure 7-2; Average Residential Wastewater Bill Comparison (14 HCF; Bi-Monthly)





Section 8 - Conclusions and Recommendations

8.1. Conclusions

- Projected operating revenues and operating expenses for the forecast period were developed by, and/or in consultation with, City staff and are based upon reasonable projections.
- The projected capital project expenses have been developed by City staff to address Utility system capital needs over the forecast period.
- Based on the conclusions above, we are of the opinion that the financial projections presented herein demonstrate the Utility's ability to meet its obligations with regard to:
 - Operating expenses,
 - Non-operating expenses,
 - Capital project expenses, and
 - Key financial policies, including:
 - For the water system, building an unrestricted operating reserve balance in an amount at least equal to 6 months of operating expenses,
 - For the wastewater system, generating and maintaining an unrestricted operating reserve balance in an amount at least equal to 6 months of operating expenses,
 - Generating debt service coverage levels to at least 1.25 for future water debt.

8.2. Recommendations

- It is recommended that the City implement the proposed rates and charges presented in this Report for FY2017 through FY2021, effective April 1, 2017 for FY2017; October 1, 2017 for FY2018, and effective July 1 of the remaining fiscal years.
- It is recommended that the City update the revenue sufficiency analysis portion of this study each year to ensure projected revenue is sufficient to fund projected expenses going forward as assumptions made during this analysis may change and have a material impact upon the analysis.

Appendix

Schedule A - 1 Water
Grover Beach Water Fund
 Pro Forma with Debt Service Coverage and Fund Balance Reconciliation

| Line No | Reference | 2017 | 2018 | 2019 | 2020 | 2021 | |
|--|--|--------------------|---------------------|-------------------|-------------------|-------------------|---------------------|
| Water Operating | | | | | | | |
| 1 | Water and Sewer Rate Revenue Increases | 25.00% | 25.00% | 6.00% | 6.00% | 6.00% | |
| 2 | % of Year Rate Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% | |
| 3 | Beginning Unrestricted Fund Balance | Sch A - 2, Line 26 | \$ 926,928 | \$ 97,881 | \$ 447,263 | \$ 1,093,786 | \$ 1,608,740 |
| 4 | Water Sales Revenue | Sch A - 3, Line 2 | \$ 2,493,080 | \$ 3,482,979 | \$ 3,886,272 | \$ 4,119,448 | \$ 4,366,615 |
| 5 | Rate Revenue 2 | Sch A - 3, Line 3 | - | - | - | - | - |
| 6 | Rate Revenue 3 | Sch A - 3, Line 4 | - | - | - | - | - |
| 7 | Rate Revenue 4 | Sch A - 3, Line 5 | - | - | - | - | - |
| 8 | Rate Revenue 5 | Sch A - 3, Line 6 | - | - | - | - | - |
| 9 | Rate Revenue 6 | Sch A - 3, Line 7 | - | - | - | - | - |
| 10 | Rate Revenue 7 | Sch A - 3, Line 8 | - | - | - | - | - |
| 11 | Rate Revenue 8 | Sch A - 3, Line 9 | - | - | - | - | - |
| 12 | Rate Revenue 9 | Sch A - 3, Line 10 | - | - | - | - | - |
| 13 | Rate Revenue 10 | Sch A - 3, Line 11 | - | - | - | - | - |
| 14 | Total Rate Revenue | | \$ 2,493,080 | \$ 3,482,979 | \$ 3,886,272 | \$ 4,119,448 | \$ 4,366,615 |
| 15 | Other Operating Revenue | Sch A - 3, Line 12 | 163,740 | 171,240 | 171,240 | 171,240 | 171,240 |
| 16 | Interest Income - Operating Fund | Calc | 1,000 | - | 1,000 | 1,000 | 2,000 |
| 17 | Total Operating Revenue | | \$ 2,657,820 | \$ 3,654,219 | \$ 4,058,512 | \$ 4,291,688 | \$ 4,539,855 |
| 18 | Operating Expenses | Sch A - 4, Line 2 | (2,610,358) | (2,617,128) | (2,724,280) | (2,846,025) | (2,962,464) |
| 19 | Net Revenue | | \$ 47,462 | \$ 1,037,091 | \$ 1,334,232 | \$ 1,445,663 | \$ 1,577,391 |
| Plus: | | | | | | | |
| Other Sources of Funds | | | | | | | |
| 20 | Transfers In | Sch A - 3, Line 13 | - | - | - | - | - |
| Less: | | | | | | | |
| Other Uses of Funds | | | | | | | |
| 21 | Minor Capital | Sch A - 4, Line 4 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | Major Capital Funded with Existing Reserves/Current Cash | Sch A - 6, Line 12 | (443,800) | - | - | (243,000) | (1,325,000) |
| 23 | Transfers Out | Sch A - 4, Line 5 | - | - | - | - | - |
| 24 | Non Operating Expenses | Sch A - 4, Line 3 | - | - | - | - | - |
| 25 | Existing Revenue Bond Debt Service | Sch A - 4, Line 6 | (432,709) | (432,709) | (432,709) | (432,709) | (432,709) |
| 26 | New Revenue Bond Debt Service | Sch A - 4, Line 7 | - | (255,000) | (255,000) | (255,000) | (255,000) |
| 27 | Net Cash Flow | | \$ (829,047) | \$ 349,382 | \$ 646,523 | \$ 514,954 | \$ (435,318) |
| 28 | Ending Unrestricted Fund Balance | | \$ 97,881 | \$ 447,263 | \$ 1,093,786 | \$ 1,608,740 | \$ 1,173,422 |
| 29 | Days of O&M | | 14 | 62 | 147 | 206 | 145 |
| 30 | Target Unrestricted Fund Balance | Target | 1,305,179 | 1,308,564 | 1,362,140 | 1,423,013 | 1,481,232 |
| Debt Service Coverage Calculations: | | | | | | | |
| Revenue Bond Debt Service Coverage | | | | | | | |
| Rate Covenant Debt Service Coverage Test: | | | | | | | |
| 31 | Net Revenue Available for Debt Service Coverage Test | | \$ 47,462 | \$ 1,037,091 | \$ 1,334,232 | \$ 1,445,663 | \$ 1,577,391 |
| 32 | Less Minor Capital | | - | - | - | - | - |
| 33 | Less Transfers (for allocated general overhead) | | - | - | - | - | - |
| | Net for coverage | | \$ 47,462 | \$ 1,037,091 | \$ 1,334,232 | \$ 1,445,663 | \$ 1,577,391 |
| Revenue Bond Debt Service: | | | | | | | |
| 34 | Existing Revenue Bond Debt Service | | 432,709 | 432,709 | 432,709 | 432,709 | 432,709 |
| 35 | New Revenue Bond Debt Service | | - | 255,000 | 255,000 | 255,000 | 255,000 |
| 36 | Total Revenue Bond Debt Service | | \$ 432,709 | \$ 687,709 | \$ 687,709 | \$ 687,709 | \$ 687,709 |
| 37 | Debt Service Coverage - Excluding Capacity Fees | | 0.11 | 1.51 | 1.94 | 2.10 | 2.29 |
| 38 | Debt Service Coverage Requirement | | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| Parity Debt Service Coverage Test: | | | | | | | |
| Revenue Bond Debt Service Coverage | | | | | | | |
| Rate Covenant Debt Service Coverage Test: | | | | | | | |
| 39 | Net Revenue Available for Debt Service Coverage Test | | \$ 47,462 | \$ 1,037,091 | \$ 1,334,232 | \$ 1,445,663 | \$ 1,577,391 |
| 40 | Water Capacity Fees | | - | - | - | - | - |
| 41 | N/CG UD Area Tap Fees | | - | - | - | - | - |
| 42 | Sewer Capacity Fees | | - | - | - | - | - |
| 43 | Total Available for Debt Service Coverage | | 47,462 | 1,037,091 | 1,334,232 | 1,445,663 | 1,577,391 |
| New Bonds Issued (Yes, No) | | | | | | | |
| | | No | Yes | No | No | No | |
| 44 | Maximum Revenue Bond Debt Service | | 432,709 | 687,709 | 687,709 | 687,709 | 687,709 |
| 45 | Debt Service Coverage - Parity Test | | 0.11 | 1.51 | 1.94 | 2.10 | 2.29 |
| 46 | Debt Service Coverage Requirement | | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |

Schedule A - 1 Water
Grover Beach Water Fund
 Pro Forma with Debt Service Coverage and Fund Balance Reconciliation

Line No

| | Reference | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|--------------------|--------------|--------------|--------------|--------------|--------------|
| Debt Service Coverage Calculations (Including Capacity Fees): | | | | | | |
| <u>Revenue Bond Debt Service Coverage</u> | | | | | | |
| Rate Covenant Debt Service Coverage Test: | | | | | | |
| | | \$ 47,462 | \$ 1,037,091 | \$ 1,334,232 | \$ 1,445,663 | \$ 1,577,391 |
| | | - | - | - | - | - |
| | | - | - | - | - | - |
| | | - | - | - | - | - |
| | | \$ 47,462 | \$ 1,037,091 | \$ 1,334,232 | \$ 1,445,663 | \$ 1,577,391 |
| Revenue Bond Debt Service: | | | | | | |
| | | 432,709 | 687,709 | 687,709 | 687,709 | 687,709 |
| | | 0.11 | 1.51 | 1.94 | 2.10 | 2.29 |
| | | <u>1.25</u> | <u>1.25</u> | <u>1.25</u> | <u>1.25</u> | <u>1.25</u> |
| SRF Debt Service Coverage Test | | | | | | |
| SRF Test: | | | | | | |
| 47 | | \$ 47,462 | \$ 1,037,091 | \$ 1,334,232 | \$ 1,445,663 | \$ 1,577,391 |
| 48 | | \$ (432,709) | \$ (687,709) | \$ (687,709) | \$ (687,709) | \$ (687,709) |
| 49 | | \$ (385,247) | \$ 349,382 | \$ 646,523 | \$ 757,954 | \$ 889,682 |
| 50 | | \$ - | \$ - | \$ - | \$ - | \$ - |
| 51 | | - | - | - | - | - |
| 52 | | - | - | - | - | - |
| 53 | | - | - | - | - | - |
| 54 | | - | - | - | - | - |
| Water Impact Fee | | | | | | |
| 55 | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 56 | Sch A - 3, Line 14 | - | - | - | - | - |
| 57 | Calc | - | - | - | - | - |
| 58 | Sch A - 4, Line 12 | - | - | - | - | - |
| 59 | Sch A - 6, Line 11 | - | - | - | - | - |
| 60 | | \$ - | \$ - | \$ - | \$ - | \$ - |
| CDBG | | | | | | |
| 61 | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | Sch A - 3, Line 15 | - | - | - | - | - |
| 63 | Calc | - | - | - | - | - |
| 64 | Sch A - 4, Line 15 | - | - | - | - | - |
| 65 | Sch A - 6, Line 10 | - | - | - | - | - |
| 66 | | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund 4 | | | | | | |
| 67 | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | Sch A - 3, Line 16 | - | - | - | - | - |
| 69 | Calc | - | - | - | - | - |
| 70 | Sch A - 4, Line 18 | - | - | - | - | - |
| 71 | Sch A - 6, Line 9 | - | - | - | - | - |
| 72 | | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund 5 | | | | | | |
| 73 | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | Sch A - 3, Line 17 | - | - | - | - | - |
| 75 | Calc | - | - | - | - | - |
| 76 | Sch A - 4, Line 21 | - | - | - | - | - |
| 77 | Sch A - 6, Line 8 | - | - | - | - | - |
| 78 | | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund 6 | | | | | | |
| 79 | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 80 | Sch A - 3, Line 18 | - | - | - | - | - |
| 81 | Calc | - | - | - | - | - |
| 82 | Sch A - 4, Line 24 | - | - | - | - | - |
| 83 | Sch A - 6, Line 7 | - | - | - | - | - |
| 84 | | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund 7 | | | | | | |
| 85 | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | Sch A - 3, Line 19 | - | - | - | - | - |
| 87 | Calc | - | - | - | - | - |
| 88 | Sch A - 4, Line 27 | - | - | - | - | - |
| 89 | Sch A - 6, Line 6 | - | - | - | - | - |
| 90 | | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund 8 | | | | | | |
| 91 | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | Sch A - 3, Line 20 | - | - | - | - | - |
| 93 | Calc | - | - | - | - | - |
| 94 | Sch A - 4, Line 30 | - | - | - | - | - |
| 95 | Sch A - 6, Line 5 | - | - | - | - | - |
| 96 | | \$ - | \$ - | \$ - | \$ - | \$ - |

Schedule A - 1 Water
Grover Beach Water Fund
Pro Forma with Debt Service Coverage and Fund Balance Reconciliation

Line No.

| Reference | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------|------|------|------|------|------|
|-----------|------|------|------|------|------|

Schedule A - 1 Water
Grover Beach Water Fund
 Pro Forma with Debt Service Coverage and Fund Balance Reconciliation

| Line No | Reference | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------------|--|--------------------|------|------|------|------|
| Fund 9 | | | | | | |
| 97 | Beginning Balance | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - |
| 98 | Sources of Funds | Sch A - 3, Line 19 | - | - | - | - |
| 99 | Interest Earnings | Calc | - | - | - | - |
| 100 | Uses of Funds other Than Major Capital | Sch A - 4, Line 27 | - | - | - | - |
| 101 | Major Capital Funded with Fund 9 | Sch A - 6, Line 6 | - | - | - | - |
| 102 | Ending Balance | | \$ - | \$ - | \$ - | \$ - |
| Cash Funded Projects | | | | | | |
| 103 | Beginning Balance | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - |
| 104 | Sources of Funds | Sch A - 3, Line 20 | - | - | - | - |
| 105 | Interest Earnings | Calc | - | - | - | - |
| 106 | Uses of Funds other Than Major Capital | Sch A - 4, Line 30 | - | - | - | - |
| 107 | Major Capital Funded with Cash Funded Projects | Sch A - 6, Line 5 | - | - | - | - |
| 108 | Ending Balance | | \$ - | \$ - | \$ - | \$ - |

Grover Beach Water Fund
Beginning Fund Balance Reconciliation

| BEGINNING BALANCES | | | | | | | | | | | |
|---------------------------|---|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------------|-------------|
| Line No. | Water Operating | Water Impact Fee | CDBG | Fund 4 | Fund 5 | Fund 6 | Fund 7 | Fund 8 | Fund 9 | Cash Funded Projects | |
| 1 | Current assets: | | | | | | | | | | |
| 2 | Beginning Cash Balance | \$ 926,928 | - | - | | | | | | | |
| | Receivables: | | | | | | | | | | |
| | Accounts | | | | | | | | | | |
| | Due from other funds | | | | | | | | | | |
| | General fund | | | | | | | | | | |
| | Water and Sewer | | | | | | | | | | |
| | Emergency Communication District | | | | | | | | | | |
| | Unbilled utility revenue | | | | | | | | | | |
| | Inventories of supplies | | | | | | | | | | |
| | Prepaid expenses | | | | | | | | | | |
| | Restricted cash and cash equivalents | | | | | | | | | | |
| 3 | Total Current Assets | \$ 926,928 | \$ - | \$ - |
| | Current Liabilities (payable from current assets): | | | | | | | | | | |
| | Current maturities of long-term debt | | | | | | | | | | |
| | Accounts payable | | | | | | | | | | |
| | Claims payable | | | | | | | | | | |
| | Accrued salaries | | | | | | | | | | |
| | Accrued interest | | | | | | | | | | |
| | Due to other funds: | | | | | | | | | | |
| | Due to Capital Projects Fund | | | | | | | | | | |
| | Due to Fuel Fund | | | | | | | | | | |
| | Due to Municipal Center | | | | | | | | | | |
| | Other payables | | | | | | | | | | |
| | Compensated absences payable | | | | | | | | | | |
| | Current Liabilities (payable from restricted assets): | | | | | | | | | | |
| | Retainage payable | | | | | | | | | | |
| 4 | Total Current Liabilities | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Adjustments by RPR: | | | | | | | | | | |
| | Other | | | | | | | | | | |
| 5 | Net Adjustments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Net Beginning Balances (Curr Assets less Current Liabilities - with Adjustments) | \$ 926,928 | \$ - | \$ - |

Schedule A - 3 Water
Grover Beach Water Fund
 Revenue

| Line No: | Code | Description | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|-------------------|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| 1 | Summary | | | | | | |
| 2 | RR1 | Water Sales Revenue | \$ 2,493,080 | \$ 3,482,979 | \$ 3,886,272 | \$ 4,119,448 | \$ 4,366,615 |
| 3 | RR2 | Rate Revenue 2 | - | - | - | - | - |
| 4 | RR3 | Rate Revenue 3 | - | - | - | - | - |
| 5 | RR4 | Rate Revenue 4 | - | - | - | - | - |
| 6 | RR5 | Rate Revenue 5 | - | - | - | - | - |
| 7 | RR6 | Rate Revenue 6 | - | - | - | - | - |
| 8 | RR7 | Rate Revenue 7 | - | - | - | - | - |
| 9 | RR8 | Rate Revenue 8 | - | - | - | - | - |
| 10 | RR9 | Rate Revenue 9 | - | - | - | - | - |
| 11 | RR10 | Rate Revenue 10 | - | - | - | - | - |
| 12 | OR | Other Operating Revenue | 163,740 | 171,240 | 171,240 | 171,240 | 171,240 |
| 13 | TRIN | Transfers In | - | - | - | - | - |
| 14 | Sources - Fund 2 | Sources of Funds - Fund 2 | - | - | - | - | - |
| 15 | Sources - Fund 3 | Sources of Funds - Fund 3 | - | - | - | - | - |
| 16 | Sources - Fund 4 | Sources of Funds - Fund 4 | - | - | - | - | - |
| 17 | Sources - Fund 5 | Sources of Funds - Fund 5 | - | - | - | - | - |
| 18 | Sources - Fund 6 | Sources of Funds - Fund 6 | - | - | - | - | - |
| 19 | Sources - Fund 7 | Sources of Funds - Fund 7 | - | - | - | - | - |
| 20 | Sources - Fund 8 | Sources of Funds - Fund 8 | - | - | - | - | - |
| 21 | Sources - Fund 9 | Sources of Funds - Fund 9 | - | - | - | - | - |
| 22 | Sources - Fund 10 | Sources of Funds - Fund 10 | - | - | - | - | - |
| 23 | INT - Fund 1 | Interest Earnings - Fund 1 | 2,000 | - | 1,000 | 3,000 | 4,000 |
| 24 | INT - Fund 2 | Interest Earnings - Fund 2 | - | - | - | - | - |
| 25 | INT - Fund 3 | Interest Earnings - Fund 3 | - | - | - | - | - |
| 26 | INT - Fund 4 | Interest Earnings - Fund 4 | - | - | - | - | - |
| 27 | INT - Fund 5 | Interest Earnings - Fund 5 | - | - | - | - | - |
| 28 | INT - Fund 6 | Interest Earnings - Fund 6 | - | - | - | - | - |
| 29 | INT - Fund 7 | Interest Earnings - Fund 7 | - | - | - | - | - |
| 30 | INT - Fund 8 | Interest Earnings - Fund 8 | - | - | - | - | - |
| 31 | INT - Fund 9 | Interest Earnings - Fund 9 | - | - | - | - | - |
| 32 | INT - Fund 10 | Interest Earnings - Fund 10 | - | - | - | - | - |

| Line No: | Code | Description | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|-----------------------------------|--|--------------|--------------|--------------|--------------|--------------|
| 33 | Detail | | | | | | |
| 34 | Water Operating | | | | | | |
| 35 | RR1 - BEFORE GROWTH AND RATE INCR | Water Sales Revenue | \$ 2,346,428 | \$ 2,933,035 | \$ 3,666,294 | \$ 3,886,272 | \$ 4,119,448 |
| 36 | RR1 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 37 | | Revenue Increase | 25.00% | 25.00% | 6.00% | 6.00% | 6.00% |
| 38 | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 39 | RR1 | Total Water Sales Revenue - After Revenue Increase | \$ 2,493,080 | \$ 3,482,979 | \$ 3,886,272 | \$ 4,119,448 | \$ 4,366,615 |
| 40 | RR2 - BEFORE GROWTH AND RATE INCR | Rate Revenue 2 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | RR2 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 42 | | Revenue Increase | 25.00% | 25.00% | 6.00% | 6.00% | 6.00% |
| 43 | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 44 | RR2 | Total Rate Revenue 2 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 45 | RR3 - BEFORE GROWTH AND RATE INCR | Rate Revenue 3 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | RR3 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 47 | | Revenue Increase | 25.00% | 25.00% | 6.00% | 6.00% | 6.00% |
| 48 | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 49 | RR3 | Total Rate Revenue 3 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 50 | RR4 - BEFORE GROWTH AND RATE INCR | Rate Revenue 4 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 51 | RR4 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 52 | | Revenue Increase | 25.00% | 25.00% | 6.00% | 6.00% | 6.00% |
| 53 | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 54 | RR4 | Total Rate Revenue 4 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 55 | RR5 - BEFORE GROWTH AND RATE INCR | Rate Revenue 5 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 56 | RR5 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 57 | | Revenue Increase | 25.00% | 25.00% | 6.00% | 6.00% | 6.00% |
| 58 | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 59 | RR5 | Total Rate Revenue 5 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 60 | RR6 - BEFORE GROWTH AND RATE INCR | Rate Revenue 6 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | RR6 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 62 | | Revenue Increase | 25.00% | 25.00% | 6.00% | 6.00% | 6.00% |
| 63 | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 64 | RR6 | Total Rate Revenue 6 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |

Schedule A - 3 Water
Grover Beach Water Fund
 Revenue

| Line No: | Summary | Code | Description | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|---------|------------------------------------|--|--------------|--------------|--------------|--------------|--------------|
| 65 | | RR7 - BEFORE GROWTH AND RATE INCR | Rate Revenue 7 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | | RR7 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 67 | | | Revenue Increase | 25.00% | 25.00% | 6.00% | 6.00% | 6.00% |
| 68 | | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 69 | | RR7 | Total Rate Revenue 7 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | | RR8 - BEFORE GROWTH AND RATE INCR | Rate Revenue 8 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | | RR8 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 72 | | | Revenue Increase | 25.00% | 25.00% | 6.00% | 6.00% | 6.00% |
| 73 | | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 74 | | RR8 | Total Rate Revenue 8 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 75 | | RR9 - BEFORE GROWTH AND RATE INCR | Rate Revenue 9 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | | RR9 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 77 | | | Revenue Increase | 25.00% | 25.00% | 6.00% | 6.00% | 6.00% |
| 78 | | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 79 | | RR9 | Total Rate Revenue 9 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 80 | | RR10 - BEFORE GROWTH AND RATE INCR | Rate Revenue 10 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 81 | | RR10 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 82 | | | Revenue Increase | 25.00% | 25.00% | 6.00% | 6.00% | 6.00% |
| 83 | | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 84 | | RR10 | Total Rate Revenue 10 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | | | For Use In Rate Design Section - Do Not Alter: | 2017 | 2018 | 2019 | 2020 | 2021 |
| 85 | | | Total Rate Revenue - w/ Partial Year Rate Increase (as applicable) | \$ 2,493,080 | \$ 3,482,979 | \$ 3,886,272 | \$ 4,119,448 | \$ 4,366,615 |
| 86 | | | Total Rate Revenue - w/ Full Year Rate Increase | \$ 2,933,035 | \$ 3,666,294 | \$ 3,886,272 | \$ 4,119,448 | \$ 4,366,615 |
| 87 | | | Total Full Year Operating Revenue Requirement | 3,097,775 | 3,837,534 | 4,058,512 | 4,291,688 | 4,539,855 |
| 88 | | OR | Credit Card Convenience Fee | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| 88 | | OR | Plan Check Building In House - Water | 0 | - | - | - | - |
| 88 | | OR | Miscellaneous | 0 | - | - | - | - |
| 89 | | OR | Pull and test Water Meter | 0 | - | - | - | - |
| 89 | | OR | Account Set-up Fee | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| 90 | | OR | Frontage Fees | 0 | - | - | - | - |
| 90 | | OR | Water Service Installation | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| 90 | | OR | Reconnect Fees | 5,300 | 5,300 | 5,300 | 5,300 | 5,300 |
| 91 | | OR | Water Development Impact Fee | 0 | - | - | - | - |
| 91 | | OR | Late Fee Penalty | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| 91 | | OR | Water Impact Fees (intrafund loan re-payment) | 43,440 | 43,440 | 43,440 | 43,440 | 43,440 |
| 92 | | OR | Less Water Impact Fee Supplies and Services | (7,500) | - | - | - | - |
| | | | Total Other Revenue | 163,740 | 171,240 | 171,240 | 171,240 | 171,240 |
| 93 | | | <u>Interest Earning Calculation</u> | | | | | |
| 94 | | | Average Balance | \$ 926,928 | \$ 97,881 | \$ 447,263 | \$ 1,093,786 | \$ 1,608,740 |
| 95 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 96 | | INT - Fund 1 | Projected Interest Earnings | \$ 2,000 | \$ - | \$ 1,000 | \$ 3,000 | \$ 4,000 |
| 97 | | | <u>Water Impact Fee</u> | | | | | |
| 98 | | | Operating Revenue | - | - | - | - | - |
| 99 | | | Non Operating Revenue | - | - | - | - | - |
| 100 | | | Transfers In | - | - | - | - | - |
| 101 | | Sources - Fund 2 | Total Sources | - | - | - | - | - |
| 102 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 103 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 105 | | INT - Fund 2 | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |

Schedule A - 3 Water
Grover Beach Water Fund
 Revenue

| Line No: | Summary | Code | Description | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|-------------------------|------|---|------|------|------|------|------|
| 106 | | | CDBG | | | | | |
| 107 | | | Operating Revenue | - | - | - | - | - |
| 108 | | | Operating Revenue N/CG UD Area Tap Fees | - | - | - | - | - |
| 109 | | | Non Operating Revenue | - | - | - | - | - |
| 110 | | | Transfers In | - | - | - | - | - |
| | Sources - Fund 3 | | Total Sources | - | - | - | - | - |
| 111 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 112 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | | | Assumed Interest Earnings Rate | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 114 | | | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | | | Fund 4 | - | - | - | - | - |
| 116 | | | Operating Revenue | - | - | - | - | - |
| 117 | | | Non Operating Revenue | - | - | - | - | - |
| 118 | | | Transfers In | - | - | - | - | - |
| 119 | | | Total Sources | - | - | - | - | - |
| 120 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 121 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 122 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 123 | | | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 124 | | | Fund 5 | - | - | - | - | - |
| 125 | | | Operating Revenue | - | - | - | - | - |
| 126 | | | Non Operating Revenue | - | - | - | - | - |
| 127 | | | Transfers In | - | - | - | - | - |
| 128 | | | Total Sources | - | - | - | - | - |
| 129 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 130 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 131 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 132 | | | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 133 | | | Fund 6 | - | - | - | - | - |
| 134 | | | Operating Revenue | - | - | - | - | - |
| 135 | | | Non Operating Revenue | - | - | - | - | - |
| 136 | | | Transfers In | - | - | - | - | - |
| 137 | | | Total Sources | - | - | - | - | - |
| 138 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 139 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 140 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 141 | | | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 142 | | | Fund 7 | - | - | - | - | - |
| 143 | | | Operating Revenue | - | - | - | - | - |
| 144 | | | Non Operating Revenue | - | - | - | - | - |
| 145 | | | Transfers In | - | - | - | - | - |
| 146 | | | Total Sources | - | - | - | - | - |
| 147 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 148 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 149 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 150 | | | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 151 | | | Fund 8 | - | - | - | - | - |
| 152 | | | Operating Revenue | - | - | - | - | - |
| 153 | | | Non Operating Revenue | - | - | - | - | - |
| 154 | | | Transfers In | - | - | - | - | - |
| 155 | | | Total Sources | - | - | - | - | - |
| 156 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 157 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 158 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 159 | | | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |

Schedule A - 3 Water
Grover Beach Water Fund
 Revenue

| Line No: | Summary | | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|--------------------------|--------------------------------------|------|------|------|------|------|
| 1 | Code | Description | | | | | |
| 160 | | Fund 9 | | | | | |
| 161 | | Operating Revenue | - | - | - | - | - |
| 162 | | Non Operating Revenue | - | - | - | - | - |
| 163 | | Transfers In | - | - | - | - | - |
| 164 | Sources - Fund 9 | Total Sources | - | - | - | - | - |
| 165 | | <u>Interest Earnings Calculation</u> | | | | | |
| 166 | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 167 | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 168 | INT - Fund 9 | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 169 | | <u>Cash Funded Projects</u> | | | | | |
| 170 | | Operating Revenue | - | - | - | - | - |
| 171 | | Non Operating Revenue | - | - | - | - | - |
| 172 | | Transfers In | - | - | - | - | - |
| 173 | Sources - Fund 10 | Total Sources | - | - | - | - | - |
| 174 | | <u>Interest Earnings Calculation</u> | | | | | |
| 175 | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 176 | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 177 | INT - Fund 10 | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |

Schedule A - 4 Water
Grover Beach Water Fund
 Expenses Other than Major Capital Expenses

| Line No: | Summary - Water Operating | | | | | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------------------|---------------------------|----------------------------|----------------------------|--|------------------|------------------|------------------|------------------|------------------|------|
| FUND # | Expense Code | Description | | | | | | | | |
| 1 | 1 | Operating | Operating | | \$ 2,610,358 | \$ 2,617,128 | \$ 2,724,280 | \$ 2,846,025 | \$ 2,962,464 | |
| 2 | 1 | Non Operating | Non Operating | | - | - | - | - | - | |
| 3 | 1 | Minor Capital | Minor Capital | | - | - | - | - | - | |
| 4 | 1 | Transfers | Transfers | | - | - | - | - | - | |
| 5 | 1 | Existing Bond Debt Service | Existing Bond Debt Service | | 432,709 | 432,709 | 432,709 | 432,709 | 432,709 | |
| 6 | 1 | New Bond Debt Service | New Bond Debt Service | | - | - | - | - | - | |
| 7 | 1 | Existing SRF Debt Service | Existing SRF Debt Service | | - | - | - | - | - | |
| 8 | 1 | New SRF Debt Service | New SRF Debt Service | | - | - | - | - | - | |
| 9 | 1 | | | | | | | | | |
| 10 | | | TOTAL | | 3,043,067 | 3,049,837 | 3,156,989 | 3,278,734 | 3,395,173 | |
| Summary - Water Impact Fee | | | | | | | | | | |
| 11 | FUND # | Expense Code | Description | | 2017 | 2018 | 2019 | 2020 | 2021 | |
| 12 | 2 | Operating | Operating | | - | - | - | - | - | |
| 13 | | | TOTAL | | - | - | - | - | - | |
| Summary - CDBG | | | | | | | | | | |
| 14 | FUND # | Expense Code | Description | | 2017 | 2018 | 2019 | 2020 | 2021 | |
| 15 | 3 | Operating | Operating | | - | - | - | - | - | |
| 16 | | | TOTAL | | - | - | - | - | - | |
| Summary - Fund 4 | | | | | | | | | | |
| 17 | FUND # | Expense Code | Description | | 2017 | 2018 | 2019 | 2020 | 2021 | |
| 18 | 4 | Operating | Operating | | - | - | - | - | - | |
| 19 | | | TOTAL | | - | - | - | - | - | |
| Summary - Fund 5 | | | | | | | | | | |
| 20 | FUND # | Expense Code | Description | | 2017 | 2018 | 2019 | 2020 | 2021 | |
| 21 | 5 | Operating | Operating | | - | - | - | - | - | |
| 22 | | | TOTAL | | - | - | - | - | - | |
| Summary - Fund 6 | | | | | | | | | | |
| 23 | FUND # | Expense Code | Description | | 2017 | 2018 | 2019 | 2020 | 2021 | |
| 24 | 6 | Operating | Operating | | - | - | - | - | - | |
| 25 | | | TOTAL | | - | - | - | - | - | |
| Summary - Fund 7 | | | | | | | | | | |
| 26 | FUND # | Expense Code | Description | | 2017 | 2018 | 2019 | 2020 | 2021 | |
| 27 | 7 | Operating | Operating | | - | - | - | - | - | |
| 28 | | | TOTAL | | - | - | - | - | - | |
| Summary - Fund 8 | | | | | | | | | | |
| 29 | FUND # | Expense Code | Description | | 2017 | 2018 | 2019 | 2020 | 2021 | |
| 30 | 8 | Operating | Operating | | - | - | - | - | - | |
| 31 | | | TOTAL | | - | - | - | - | - | |

Schedule A - 4 Water
Grover Beach Water Fund
 Expenses Other than Major Capital Expenses

| Line No: | Summary - Water Operating | | | | | 2017 | 2018 | 2019 | 2020 | 2021 | |
|----------|---------------------------|---------------|---------------------------------|-----------|------|--|---------|---------|---------|---------|---------|
| 1 | FUND | Expense Code | Description | | | | | | | | |
| | | | WATER SYSTEM | | | | | | | | |
| | | | Salaries/Fringe Benefits | | | | | | | | |
| 68 | 1 | Water - T&D | Personnel | Operating | 5.0% | Salaries: Full-Time | 263,400 | 276,570 | 290,399 | 304,919 | 320,165 |
| 69 | 1 | Water - T&D | Personnel | Operating | 5.0% | Salaries: Part-Time | 5,700 | 5,985 | 6,284 | 6,598 | 6,928 |
| 70 | 1 | Water - T&D | Personnel | Operating | 5.0% | Overtime | 14,600 | 15,330 | 16,097 | 16,902 | 17,747 |
| 70 | 1 | Water - T&D | Personnel | Operating | 5.0% | Social Security | 17,000 | 17,850 | 18,743 | 19,680 | 20,664 |
| 71 | 1 | Water - T&D | Personnel | Operating | 5.0% | Medicare | 4,100 | 4,305 | 4,520 | 4,746 | 4,983 |
| 72 | 1 | Water - T&D | Personnel | Operating | 5.0% | Workers Compensation | 8,500 | 8,925 | 9,371 | 9,840 | 10,332 |
| 73 | 1 | Water - T&D | Personnel | Operating | 5.0% | Medical Insurance | 70,000 | 73,500 | 77,175 | 81,034 | 85,086 |
| 74 | 1 | Water - T&D | Personnel | Operating | 5.0% | Dental/Life | 600 | 630 | 662 | 695 | 730 |
| 75 | 1 | Water - T&D | Personnel | Operating | 5.0% | Long Term Disability | 800 | 840 | 882 | 926 | 972 |
| 76 | 1 | Water - T&D | Personnel | Operating | 5.0% | PERS Retirement | 25,200 | 26,460 | 27,783 | 29,172 | 30,631 |
| 77 | 1 | Water - T&D | Operating | Operating | 3.0% | Safety Equipment Allowance | - | - | - | - | - |
| 78 | 1 | Water - T&D | Operating | Operating | 3.0% | Deferred Compensation | 3,400 | 3,502 | 3,607 | 3,715 | 3,826 |
| 79 | 1 | Water - T&D | Operating | Operating | 3.0% | Automobile Allowance | 500 | 515 | 530 | 546 | 562 |
| 80 | 1 | Water - T&D | Operating | Operating | 3.0% | Cell Phone Allowance | - | - | - | - | - |
| | | | | | | 413,800 | | | | | |
| | | | Supplies & Services | | | | | | | | |
| 81 | 1 | Water - T&D | Operating | Operating | 3.0% | Supplies - Office | 300 | 309 | 318 | 328 | 338 |
| | 1 | Water - T&D | Operating | Operating | 3.0% | Supplies - Data Processing | 1,600 | 1,648 | 1,697 | 1,748 | 1,800 |
| 82 | 1 | Water - T&D | Operating | Operating | 3.0% | Supplies - Software | 100 | 103 | 106 | 109 | 112 |
| | 1 | Water - Treat | Operating | Operating | 3.0% | Supplies - Other | 35,000 | 36,050 | 37,132 | 38,246 | 39,393 |
| 83 | 1 | Water - T&D | Operating | Operating | 3.0% | Supplies - Custodial | - | - | - | - | - |
| 84 | 1 | Water - T&D | Operating | Operating | 3.0% | Supplies - Safety | 1,000 | 1,030 | 1,061 | 1,093 | 1,126 |
| 85 | 1 | Water - T&D | Operating | Operating | 3.0% | Operating Supplies and Tools | 500 | 515 | 530 | 546 | 562 |
| 86 | 1 | Water - T&D | Operating | Operating | 3.0% | Signage | - | - | - | - | - |
| 87 | 1 | Water - T&D | Operating | Operating | 3.0% | Dues and Memberships | 1,000 | 1,030 | 1,061 | 1,093 | 1,126 |
| 88 | 1 | Water - T&D | Operating | Operating | 3.0% | Employee Recognition | 700 | 721 | 743 | 765 | 788 |
| 89 | 1 | Water - T&D | Operating | Operating | 3.0% | Training and Education | 1,500 | 1,545 | 1,591 | 1,639 | 1,688 |
| 90 | 1 | Water - T&D | Operating | Operating | 3.0% | Advertising and Notices | - | - | - | - | - |
| 91 | 1 | Water - T&D | Operating | Operating | 3.0% | Copy - Allocated | 100 | 103 | 106 | 109 | 112 |
| 92 | 1 | Water - T&D | Operating | Operating | 3.0% | Painting and Copying | 2,000 | 2,060 | 2,122 | 2,186 | 2,252 |
| 93 | 1 | Water - T&D | Operating | Operating | 3.0% | Telephone | 12,000 | 12,360 | 12,731 | 13,113 | 13,506 |
| 94 | 1 | Water - T&D | Operating | Operating | 3.0% | Postage and Shipping | 2,500 | 2,575 | 2,652 | 2,732 | 2,814 |
| 95 | 1 | Water - T&D | Operating | Operating | 3.0% | Small Tools and Equipment | 1,000 | 1,030 | 1,061 | 1,093 | 1,126 |
| 96 | 1 | Water - T&D | Operating | Operating | 3.0% | Vehicle Fuel | 13,000 | 13,390 | 13,792 | 14,206 | 14,632 |
| 97 | 1 | Water - T&D | Operating | Operating | 3.0% | Utilities - Natural Gas | 800 | 824 | 849 | 874 | 900 |
| 98 | 1 | Water - T&D | Operating | Operating | 3.0% | Utilities - Electricity | 90,000 | 92,700 | 95,481 | 98,345 | 101,295 |
| 99 | 1 | Water - T&D | Operating | Operating | 3.0% | Insurance | 63,950 | 65,869 | 67,845 | 69,880 | 71,976 |
| 100 | 1 | Water - T&D | Operating | Operating | 3.0% | Miscellaneous Fees/Charges | 7,000 | 7,210 | 7,426 | 7,649 | 7,878 |
| 101 | 1 | Water - T&D | Operating | Operating | 3.0% | Services - Legal | 15,000 | 15,450 | 15,914 | 16,391 | 16,883 |
| 102 | 1 | Water - T&D | Operating | Operating | 3.0% | Services - Engineering | 95,000 | 97,850 | 100,786 | 103,810 | 106,924 |
| 103 | 1 | Water - T&D | Operating | Operating | 3.0% | City Engineer - Cost Recovery | - | - | - | - | - |
| 104 | 1 | Water - T&D | Operating | Operating | 3.0% | Services - Communication | 4,000 | 4,120 | 4,244 | 4,371 | 4,502 |
| 105 | 1 | Water - T&D | Operating | Operating | 3.0% | Services - Maintenance | 15,000 | 15,450 | 15,914 | 16,391 | 16,883 |
| 106 | 1 | Water - SOS | Operating | Operating | 3.0% | Services Miscellaneous; Lopez Water Facility O&M | 708,937 | 713,184 | 733,834 | 765,668 | 788,638 |
| 107 | 1 | Water - T&D | Operating | Operating | 3.0% | Services - Other | 40,000 | 41,200 | 42,436 | 43,709 | 45,020 |
| 108 | 1 | Water - T&D | Operating | Operating | 3.0% | Contractual Obligations | 51,510 | 66,037 | 80,999 | 96,410 | 112,284 |
| 109 | 1 | Water - T&D | Operating | Operating | 3.0% | Rentals and Leases Other | 1,200 | 1,236 | 1,273 | 1,311 | 1,350 |
| 110 | 1 | Water - T&D | Operating | Operating | 3.0% | Maintenance of Vehicles | 5,700 | 5,871 | 6,047 | 6,228 | 6,415 |
| 111 | 1 | Water - T&D | Operating | Operating | 3.0% | Maintenance of Facilities | 34,000 | 35,020 | 36,071 | 37,153 | 38,268 |
| 112 | 1 | Water - T&D | Operating | Operating | 3.0% | Maintenance of Equipment | 1,400 | 1,442 | 1,485 | 1,530 | 1,576 |
| 113 | 1 | Water - T&D | Operating | Operating | 3.0% | Late Fees and Finance Charges | - | - | - | - | - |
| | | | | | | 1,205,797 | | | | | |

Schedule A - 5 Water
Grover Beach Water Fund
 CIP

| Line No: | Description | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|-------------------------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| | Capital Projects | | | | | |
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | Upgrade of 2" and 4" Water Mains | | | | | |
| 4 | Upgrade of 2" and 4" Water Mains | | - | - | - | - |
| 4 | Fire Flow Upgrades | - | - | - | - | 200,000 |
| 5 | Water Delivery Upgrades | 113,800 | - | 500,000 | 550,000 | - |
| 6 | Meter Replacement Program | - | 50,000 | 50,000 | 250,000 | 250,000 |
| 7 | Flush Water System | | 30,000 | - | 30,000 | - |
| 8 | Upgrade Financial System | | - | - | - | - |
| 9 | West Grand Avenue Loop Main | 30,000 | 334,000 | 334,000 | - | - |
| 10 | Nitrate Plant Improvements | | 30,000 | 30,000 | 30,000 | - |
| 11 | Reservoir Exterior Coating | - | 100,000 | 100,000 | 100,000 | - |
| 12 | Reservoir Interior Inspections | 50,000 | - | - | - | - |
| 13 | Reservoir Interior Coating | | - | - | 100,000 | 100,000 |
| 14 | Water Line Replacement | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 |
| 15 | Water Main Zone Valves | | 25,000 | 25,000 | 25,000 | 25,000 |
| 16 | Telemetry/Alarm System | | | | | |
| 17 | Well Pump VFD's | | | | | |
| 18 | Replace Water Department Truck | | | | | |
| 19 | Pressure Zone Upgrades | | | | | |
| 20 | Ramona Waterline Upgrades Fire Flow | | | | | |
| 21 | Recycled Water Project 200 AFY | | | | 200,000 | 500,000 |
| | Total | \$ 443,800 | \$ 819,000 | \$ 1,289,000 | \$ 1,535,000 | \$ 1,325,000 |

Schedule A - 6 Water
Grover Beach Water Fund
 CIP Funding

| Line No: | | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|-----------------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| | Capital Project | | | | | |
| 1 | Costs | \$ 443,800 | \$ 819,000 | \$ 1,289,000 | \$ 1,535,000 | \$ 1,325,000 |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | Funding Sources | | | | | |
| 5 | Cash Funded Project | - | - | - | - | - |
| 6 | Fund 9 | - | - | - | - | - |
| 7 | Fund 8 | - | - | - | - | - |
| 8 | Fund 7 | - | - | - | - | - |
| 9 | Fund 6 | - | - | - | - | - |
| 10 | Fund 5 | - | - | - | - | - |
| 11 | Fund 4 | - | - | - | - | - |
| 12 | CDBG | - | - | - | - | - |
| 13 | Water Impact Fee | - | - | - | - | - |
| 14 | Water Operating | 443,800 | - | - | 243,000 | 1,325,000 |
| 15 | New Bonds | - | 819,000 | 1,289,000 | 1,292,000 | - |
| 16 | New SRF | | | | | |
| 17 | | | | | | |
| 18 | otal Project Funding | \$ 443,800 | \$ 819,000 | \$ 1,289,000 | \$ 1,535,000 | \$ 1,325,000 |

Grover Beach Water Fund
Allocation of Water Costs - FY2017

Allocation to Base Extra Capacity - Water

| Line No: | Water Costs | Base | Extra Capacity | | | | Meters & Services | Billing & Collection | Total |
|----------|---|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|----------------------|---------------------|
| | | | Base - Emergency | Max Day | Max Hour | | | | |
| 1 | Source of Supply Water - SOS \$ 1,141,646 | \$ 1,141,646 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 1,141,646 | |
| 2 | Emergency Supply Water - Emergency Supply 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 3 | Pumping Water - Pump 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 4 | Water Treatment Water - Treat 35,000 | 26,471 | 0 | 8,529 | 0 | 0 | 0 | 35,000 | |
| 5 | Transmission & Distribution Water - T&D 1,002,010 | 526,266 | 0 | 169,575 | 306,170 | 0 | 0 | 1,002,010 | |
| 6 | Meter-related Services Water - CS 459,198 | 0 | 0 | 0 | 0 | 229,599 | 229,599 | 459,198 | |
| 7 | New Debt Service Water - New Bond DS 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 8 | General Admin Water - Admin 405,213 | 260,282 | 0 | 27,359 | 47,032 | 35,270 | 35,270 | 405,213 | |
| 9 | Total | \$ 3,043,067 | \$ 1,954,664 | \$ - | \$ 205,463 | \$ 353,202 | \$ 264,869 | \$ 264,869 | \$ 3,043,067 |
| 10 | Allocation for Admin | 64% | | 7% | 12% | 9% | 9% | | |
| 11 | Fixed Charge Component | 16% | \$ 308,837 | \$ 0 | | \$ 264,869 | \$ 264,869 | \$ 838,574 | 27.56% |
| 12 | Flow Charge Component | | 1,645,827 | 0 | 205,463 | 353,202 | | 2,204,493 | 72.44% |
| | Emergency Supply | | 0 | 0 | 0 | 0 | | 0 | 0.00% |
| 13 | Total | \$ 1,954,664 | \$ - | \$ 205,463 | \$ 353,202 | \$ 264,869 | \$ 264,869 | \$ 3,043,067 | 100.00% |

Allocation to Customer Class - Water - Annual Basis

| Line No: | Customer Class | Total Annual Flow (HCF) | Average Daily Flow | Maximum Day | | | Maximum Hour | | | Total Costs | |
|----------|-----------------|-------------------------|--------------------|--------------|------------------|----------------|-----------------|----------------|----------------|--------------|--------------|
| | | | | Base | Base - Emergency | Extra Capacity | Capacity Factor | Total Capacity | Extra Capacity | | |
| 14 | Residential | 352,784 | 967 | | | 215% | 2,079 | 1,113 | 310% | 2,994 | 2,028 |
| 15 | Landscape | 16,411 | 45 | | | 278% | 125 | 80 | 400% | 180 | 135 |
| 16 | Other Customers | 101,023 | 277 | | | 206% | 571 | 295 | 297% | 823 | 546 |
| 17 | Total | 470,218 | 1,288 | | | | 2,776 | 1,487 | | 3,997 | 2,709 |
| 18 | Allocated Costs | | | \$ 1,954,664 | \$ - | | \$ 205,463 | | | \$ 353,202 | \$ 2,513,329 |
| 19 | Billing Units | | | 470,218 | 470,218 | | 1,487 | | | 2,709 | |
| 20 | Rate | | | \$ 4.16 | \$ - | | \$ 138.14 | | | \$ 130.40 | |

| Line No: | Customer Class | Total Annual Flow | Base Costs Allocated to Customer Class | Base-Emergency Costs Allocated to Customer Class | Max Day Costs Allocated to Customer Class | | Max Hour Costs Allocated to Customer Class | | Total Base Extra Capacity Costs Allocated to Customer Class | Cost Distribution |
|----------|-----------------|-------------------|--|--|---|-------------------|--|-------------------|---|-------------------|
| | | | | | Extra Capacity | Customer Class | Extra Capacity | Customer Class | | |
| 22 | Residential | 352,784 | \$ 1,466,501 | \$ - | 1,113 | \$ 153,728 | 2,028 | \$ 264,419 | \$ 1,884,648 | 75% |
| 23 | Landscape | 16,411 | 88,219 | 0 | 80 | 11,030 | 135 | 17,573 | 96,822 | 4% |
| 24 | Other Customers | 101,023 | 419,945 | 0 | 295 | 40,705 | 546 | 71,210 | 531,859 | 21% |
| 25 | Total | 470,218 | \$ 1,954,664 | \$ - | 1,487 | \$ 205,463 | 2,709 | \$ 353,202 | \$ 2,513,329 | 100% |

Grover Beach Water Fund
Allocation of Water Costs - FY2018

Allocation to Base Extra Capacity - Water

| Line No: | Source of Supply | Water Costs | Extra Capacity | | | | Meters & Services | Billing & Collection | Total |
|----------|-----------------------------|-----------------------------|---------------------|------------------|-------------------|-------------------|-------------------|----------------------|----------------|
| | | | Base | Base - Emergency | Max Day | Max Hour | | | |
| 1 | Source of Supply | Water - SOS \$ 1,145,893 | \$ 1,145,893 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 1,145,893 | |
| 2 | Emergency Supply | Water - Emergency Supply 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 3 | Pumping | Water - Pump 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 4 | Water Treatment | Water - Treat 36,050 | 27,265 | 0 | 8,785 | 0 | 0 | 36,050 | |
| 5 | Transmission & Distribution | Water - T&D 1,053,251 | 553,178 | 0 | 178,246 | 321,827 | 0 | 1,053,251 | |
| 6 | Meter-Related Services | Water - CS 395,775 | 0 | 0 | 0 | 0 | 197,888 | 395,775 | |
| 7 | New Debt Service | Water - New Bond DS 255,000 | 156,114 | 0 | 42,508 | 44,281 | 6,048 | 255,000 | |
| 8 | General Admin | Water - Admin 418,868 | 269,053 | 0 | 28,281 | 48,617 | 36,458 | 418,868 | |
| 8 | Total | \$ 3,304,837 | \$ 2,151,503 | \$ - | \$ 257,821 | \$ 414,725 | \$ 240,394 | \$ 3,304,837 | |
| 9 | Allocation for Admin | | | | | | | | |
| 10 | Fixed Charge Component | 20% | \$ 432,452.15 | \$ 0 | | | \$ 240,394 | \$ 913,241 | 27.63% |
| 11 | Flow Charge Component | | 1,719,051 | 0 | 257,821 | 414,725 | 240,394 | 2,391,596 | 72.37% |
| 12 | Emergency Supply | | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 12 | Total | | \$ 2,151,503 | \$ - | \$ 257,821 | \$ 414,725 | \$ 240,394 | \$ 3,304,837 | 100.00% |

Allocation to Customer Class - Water - Annual Basis

| Line No: | Customer Class | Total Annual Flow (HCF) | Average Daily Flow | Maximum Day | | | Maximum Hour | | | Total Costs | | |
|----------|-----------------|-------------------------|--------------------|--------------|------------------|-----------------|-----------------|----------------|----------------|--------------|--------------|--|
| | | | | Base | Base - Emergency | Capacity Factor | Capacity Factor | Total Capacity | Extra Capacity | | | |
| 14 | Residential | 346,170 | 948 | | | 215% | 2,040 | 1,092 | 310% | 2,938 | 1,990 | |
| 15 | Landscape | 16,103 | 44 | | | 278% | 122 | 78 | 400% | 176 | 132 | |
| 16 | Other Customers | 99,128 | 272 | | | 206% | 561 | 289 | 297% | 807 | 536 | |
| 17 | Total | 461,401 | 1,264 | | | | 2,724 | 1,459 | | 3,922 | 2,658 | |
| 18 | Allocated Costs | | | \$ 2,151,503 | \$ - | | | \$ 257,821 | | \$ 414,725 | \$ 2,824,049 | |
| 19 | Billing Units | | | 461,401 | 461,401 | | | 1,459 | | 2,658 | | |
| 20 | Rate | | | \$ 4.66 | \$ - | | | \$ 176.65 | | \$ 156.04 | | |

| Line No: | Customer Class | Total Annual Flow | Base Costs Allocated to Customer Class | Base-Emergency Costs Allocated to Customer Class | Max Day Costs Allocated to Customer Class | | Max Hour Costs Allocated to Customer Class | | Total Base Extra Capacity Costs Allocated to Customer Class | Cost Distribution |
|----------|-----------------|-------------------|--|--|---|-------------------|--|-------------------|---|-------------------|
| | | | | | Extra Capacity | Customer Class | Extra Capacity | Customer Class | | |
| 22 | Residential | 346,170 | \$ 1,614,181 | \$ - | 1,092 | \$ 192,902 | 1,990 | \$ 310,477 | \$ 2,117,560 | 75% |
| 23 | Landscape | 16,103 | 75,088 | 0 | 78 | 13,841 | 132 | 20,634 | 109,564 | 4% |
| 24 | Other Customers | 99,128 | 462,234 | 0 | 289 | 51,077 | 536 | 83,614 | 596,925 | 21% |
| 24 | Total | 461,401 | \$ 2,151,503 | \$ - | 1,459 | \$ 257,821 | 2,658 | \$ 414,725 | \$ 2,824,049 | 100% |

Grover Beach Water Fund
Allocation of Water Costs - FY2019

Allocation to Base Extra Capacity - Water

| Line No: | Water Costs | Base | Extra Capacity | | | | Meters & Services | Billing & Collection | Total |
|----------|---|---------------------|------------------|-------------------|-------------------|-------------------|-------------------|----------------------|----------------|
| | | | Base - Emergency | Max Day | Max Hour | | | | |
| 1 | Source of Supply Water - SOS \$ 1,166,543 | \$ 1,166,543 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 1,166,543 | |
| 2 | Emergency Supply Water - Emergency Supply 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 3 | Pumping Water - Pump 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 4 | Water Treatment Water - Treat 37,132 | 28,083 | 0 | 9,049 | 0 | 0 | 0 | 37,132 | |
| 5 | Transmission & Distribution Water - T&D 1,106,439 | 581,113 | 0 | 187,247 | 338,079 | 0 | 0 | 1,106,439 | |
| 6 | Meter-related Services Water - CS 413,867 | 0 | 0 | 0 | 0 | 206,934 | 206,934 | 413,867 | |
| 7 | New Debt Service Water - New Bond DS 255,000 | 156,114 | 0 | 42,508 | 44,281 | 6,048 | 6,048 | 255,000 | |
| 8 | General Admin Water - Admin 433,008 | 278,136 | 0 | 29,236 | 50,258 | 37,689 | 37,689 | 433,008 | |
| 8 | Total \$ 3,411,989 | \$ 2,209,989 | \$ - | \$ 268,040 | \$ 432,618 | \$ 250,671 | \$ 250,671 | \$ 3,411,989 | |
| 9 | Allocation for Admin | 65% | | 8% | | 13% | 7% | | |
| 10 | Fixed Charge Component | 21% \$ 468,518 | \$ 0 | | | \$ 250,671 | \$ 250,671 | \$ 969,860 | 28.43% |
| 11 | Flow Charge Component | 1,741,471 | 0 | \$ 268,040 | \$ 432,618 | | | 2,442,129 | 71.57% |
| 11 | Emergency Supply | 0 | 0 | | | | | 0 | 0.00% |
| 12 | Total | \$ 2,209,989 | \$ - | \$ 268,040 | \$ 432,618 | \$ 250,671 | \$ 250,671 | \$ 3,411,989 | 100.00% |

Allocation to Customer Class - Water - Annual Basis

| Line No: | Customer Class | Total Annual Flow (HCF) | | Base | Base - Emergency | Maximum Day | | | Maximum Hour | | | Total Costs |
|----------|-----------------|-------------------------|--------------|--------------|------------------|-----------------|----------------|----------------|-----------------|----------------|----------------|--------------|
| | | Average Daily Flow | Flow | | | Capacity Factor | Total Capacity | Extra Capacity | Capacity Factor | Total Capacity | Extra Capacity | |
| 13 | Residential | 344,093 | 943 | | | 215% | 2,028 | 1,085 | 310% | 2,921 | 1,978 | |
| 14 | Landscape | 16,006 | 44 | | | 278% | 122 | 78 | 400% | 175 | 131 | |
| 15 | Other Customers | 98,534 | 270 | | | 206% | 557 | 287 | 297% | 803 | 533 | |
| 16 | Total | 458,633 | 1,257 | | | | 2,707 | 1,451 | | 3,898 | 2,642 | |
| 17 | Allocated Costs | | | \$ 2,209,989 | \$ - | | | \$ 268,040 | | \$ | 432,618 | \$ 2,910,647 |
| 18 | Billing Units | | | 458,633 | 458,633 | | | 1,451 | | | 2,642 | |
| 19 | Rate | | | \$ 4.82 | \$ - | | | \$ 184.76 | | \$ | 163.75 | |

| Line No: | Customer Class | Total Annual Flow | Base Costs Allocated to Customer Class | Base-Emergency Costs Allocated to Customer Class | Max Day Costs Allocated to Customer Class | | Max Hour Costs Allocated to Customer Class | Total Base Extra Capacity Costs Allocated to Customer Class | Cost Distribution | |
|----------|-----------------|-------------------|--|--|---|-------------------|--|---|---------------------|-------------|
| | | | | | Extra Capacity | Customer Class | | | | |
| 21 | Residential | 344,093 | \$ 1,658,060 | \$ - | 1,085 | \$ 200,549 | 1,978 | \$ 323,872 | \$ 2,182,481 | 75% |
| 22 | Landscape | 16,006 | 77,130 | - | 78 | 14,390 | 131 | 21,525 | 113,044 | 4% |
| 23 | Other Customers | 98,534 | 474,799 | - | 287 | 53,102 | 533 | 87,221 | 615,122 | 21% |
| 24 | Total | 458,633 | \$ 2,209,989 | \$ - | 1,451 | \$ 268,040 | 2,642 | \$ 432,618 | \$ 2,910,647 | 100% |

Grover Beach Water Fund
Allocation of Water Costs - FY2020

Allocation to Base Extra Capacity - Water

| Line No: | Source of Supply | Water Costs | Extra Capacity | | | | Meters & Services | Billing & Collection | Total |
|----------|-----------------------------|-----------------------------|---------------------|-------------------|-------------------|-------------------|-------------------|----------------------|----------------|
| | | | Base | Base - Emergency | Max Day | Max Hour | | | |
| 1 | Source of Supply | Water - SOS \$ 1,198,377 | \$ 1,198,377 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 1,198,377 | |
| 2 | Emergency Supply | Water - Emergency Supply 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 3 | Pumping | Water - Pump 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 4 | Water Treatment | Water - Treat 38,246 | 28,926 | 0 | 9,320 | 0 | 0 | 38,246 | |
| 5 | Transmission & Distribution | Water - T&D 1,161,651 | 610,111 | 0 | 196,591 | 354,949 | 0 | 1,161,651 | |
| 6 | Meter-related Services | Water - CS 432,808 | 0 | 0 | 0 | 0 | 216,404 | 432,808 | |
| 7 | New Debt Service | Water - New Bond DS 255,000 | 156,114 | 0 | 42,508 | 44,281 | 6,048 | 255,000 | |
| 8 | General Admin | Water - Admin 447,652 | 287,542 | 0 | 30,225 | 51,958 | 38,964 | 447,652 | |
| 9 | Total | \$ 3,533,734 | \$ 2,281,070 | \$ - | \$ 278,644 | \$ 451,188 | \$ 261,416 | \$ 3,533,734 | |
| 10 | Allocation for Admin | | 65% | | 8% | 13% | 7% | | |
| 11 | Fixed Charge Component | 22% \$ 506,397 | \$ 0 | | | | \$ 261,416 | \$ 1,029,230 | 29.13% |
| 12 | Flow Charge Component | 1,774,672 | \$ 0 | \$ 278,644 | \$ 451,188 | | \$ 261,416 | \$ 2,504,504 | 70.87% |
| 13 | Emergency Supply | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| | Total | \$ 2,281,070 | \$ - | \$ 278,644 | \$ 451,188 | \$ 261,416 | \$ 261,416 | \$ 3,533,734 | 100.00% |

Allocation to Customer Class - Water - Annual Basis

| Line No: | Customer Class | Total Annual Flow (HCF) | Average Daily Flow | Maximum Day | | | Maximum Hour | | | Total Costs | |
|----------|-----------------|-------------------------|--------------------|--------------|------------------|-----------------|----------------|----------------|-----------------|--------------|----------------|
| | | | | Base | Base - Emergency | Capacity Factor | Total Capacity | Extra Capacity | Capacity Factor | | Total Capacity |
| 14 | Residential | 342,028 | 937 | | | 215% | 2,016 | 1,079 | 310% | 2,903 | 1,966 |
| 15 | Landscape | 15,910 | 44 | | | 278% | 121 | 77 | 400% | 174 | 131 |
| 16 | Other Customers | 97,942 | 268 | | | 206% | 554 | 286 | 297% | 798 | 529 |
| 17 | Total | 455,881 | 1,249 | | | | 2,691 | 1,442 | | 3,875 | 2,626 |
| 18 | Allocated Costs | | | \$ 2,281,070 | \$ - | | \$ 278,644 | | | \$ 451,188 | \$ 3,010,902 |
| 19 | Billing Units | | | 455,881 | 455,881 | | 1,442 | | | 2,626 | |
| 20 | Rate | | | \$ 5.00 | \$ - | | \$ 193.23 | | | \$ 171.81 | |

| Line No: | Customer Class | Total Annual Flow | Base Costs Allocated to Customer Class | Base-Emergency Costs Allocated to Customer Class | Max Day Costs Allocated to Customer Class | | Max Hour Costs Allocated to Customer Class | | Total Base Extra Capacity Costs Allocated to Customer Class | Cost Distribution |
|----------|-----------------|-------------------|--|--|---|-------------------|--|-------------------|---|-------------------|
| | | | | | Extra Capacity | Customer Class | Extra Capacity | Customer Class | | |
| 22 | Residential | 342,028 | \$ 1,711,389 | \$ - | 1,079 | \$ 208,483 | 1,966 | \$ 337,774 | \$ 2,257,646 | 75% |
| 23 | Landscape | 15,910 | 79,610 | 0 | 77 | 14,959 | 131 | 22,449 | 117,018 | 4% |
| 24 | Other Customers | 97,942 | 490,070 | 0 | 286 | 55,203 | 529 | 90,965 | 636,238 | 21% |
| 25 | Total | 455,881 | \$ 2,281,070 | \$ - | 1,442 | \$ 278,644 | 2,626 | \$ 451,188 | \$ 3,010,902 | 100% |

Grover Beach Water Fund
Allocation of Water Costs - FY2021

Allocation to Base Extra Capacity - Water

| Line No: | Water Costs | Extra Capacity | | | | Meters & Services | Billing & Collection | Total | |
|----------|---|---------------------|------------------|-------------------|-------------------|-------------------|----------------------|---------------------|----------------|
| | | Base | Base - Emergency | Max Day | Max Hour | | | | |
| 1 | Source of Supply Water - SOS \$ 1,221,347 | \$ 1,221,347 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 1,221,347 | |
| 2 | Emergency Supply Water - Emergency Supply 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 3 | Pumping Water - Pump 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 4 | Water Treatment Water - Treat 39,393 | 29,793 | 0 | 9,600 | 0 | 0 | 0 | 39,393 | |
| 5 | Transmission & Distribution Water - T&D 1,218,970 | 640,215 | 0 | 206,292 | 372,463 | 0 | 0 | 1,218,970 | |
| 6 | Meter-related Services Water - CS 452,646 | 0 | 0 | 0 | 0 | 226,323 | 226,323 | 452,646 | |
| 7 | New Debt Service Water - New Bond DS 255,000 | 156,114 | 0 | 42,508 | 44,281 | 6,048 | 6,048 | 255,000 | |
| 8 | General Admin Water - Admin 462,817 | 297,283 | 0 | 31,249 | 53,718 | 40,284 | 40,284 | 462,817 | |
| 9 | Total | \$ 3,650,173 | \$ - | \$ 289,648 | \$ 470,462 | \$ 272,655 | \$ 272,655 | \$ 3,650,173 | |
| 10 | Allocation for Admin | 64% | | 8% | 13% | 7% | 7% | | |
| 11 | Fixed Charge Component | 23% | \$ 546,327 | \$ 0 | | \$ 272,655 | \$ 272,655 | \$ 1,091,637 | 29.91% |
| 12 | Flow Charge Component | | 1,798,425 | 0 | \$ 289,648 | \$ 470,462 | | 2,558,536 | 70.09% |
| | Emergency Supply | | 0 | 0 | | | | 0 | 0.00% |
| 13 | Total | \$ 2,344,753 | \$ - | \$ 289,648 | \$ 470,462 | \$ 272,655 | \$ 272,655 | \$ 3,650,173 | 100.00% |

Allocation to Customer Class - Water - Annual Basis

| Customer Class | Total Annual Flow (HCF) | | Average Daily Flow | Maximum Day | | | | Maximum Hour | | | Total Costs |
|-----------------|-------------------------|------------------|--------------------|-----------------|----------------|----------------|-----------------|----------------|----------------|--------------|-------------|
| | Base | Base - Emergency | | Capacity Factor | Total Capacity | Extra Capacity | Capacity Factor | Total Capacity | Extra Capacity | | |
| Residential | 339,976 | | 931 | 215% | 2,004 | 1,072 | 310% | 2,886 | 1,954 | 1,954 | |
| Landscape | 15,815 | | 43 | 278% | 120 | 77 | 400% | 173 | 130 | 130 | |
| Other Customers | 97,355 | | 267 | 206% | 551 | 284 | 297% | 793 | 526 | 526 | |
| Total | 453,146 | | 1,241 | | 2,675 | 1,433 | | 3,852 | 2,610 | 2,610 | |
| Allocated Costs | | \$ 2,344,753 | \$ - | | | \$ 289,648 | | | \$ 470,462 | \$ 3,104,863 | |
| Billing Units | | 453,146 | 453,146 | | | 1,433 | | | 2,610 | | |
| Rate | | \$ 5.17 | \$ - | | | \$ 202.08 | | | \$ 180.23 | | |

| Customer Class | Total Annual Flow | Base Costs Allocated to Customer Class | Base-Emergency Costs Allocated to Customer Class | Max Day Costs Allocated to Customer Class | Extra Capacity | Max Hour Costs Allocated to Customer Class | Total Base Extra Capacity Costs Allocated to Customer Class | Cost Distribution |
|-----------------|-------------------|--|--|---|-------------------|--|---|-------------------|
| Residential | 339,976 | \$ 1,759,168 | \$ - | 1,072 | \$ 216,716 | 1,954 | \$ 352,203 | \$ 2,328,087 75% |
| Landscape | 15,815 | 81,833 | 0 | 77 | 15,550 | 130 | 23,408 | 120,790 4% |
| Other Customers | 97,355 | 503,752 | 0 | 284 | 57,383 | 526 | 94,851 | 655,986 21% |
| Total | 453,146 | \$ 2,344,753 | \$ - | 1,433 | \$ 289,648 | \$ 470,462 | \$ 3,104,863 | 100% |

Grover Beach Water Fund
Development of Base Service Charges - FY2017

Line No:

| | | |
|---|---------------------------|--------------------|
| 1 | Total Revenue Requirement | \$ 2,933,035 |
| 2 | Less Vol Charge | <u>(2,094,461)</u> |
| 3 | Fixed Charge | \$ 838,574 |

| | | Meter | |
|------------------|-------------------|-------------|-----------------|
| Base Meter Calc: | Rev. Req. | Equivalents | Base Meter Rate |
| 4 | Allocable to All: | \$ 838,574 | 75,623 \$ 11.09 |
| 5 | Subtotal | \$ 838,574 | \$ 11.09 |

| Meter Rate Calc: | | Meter | Meter | Other | | |
|------------------|-------------|--------|--------|----------|-----------|-----------|
| Meter Size | Equivalents | Res | Other | Res | Landscape | Customers |
| 6 | 5/8" | 1.00 | 1.00 | \$ 11.09 | \$ 11.09 | \$ 11.09 |
| 7 | 3/4" | 1.00 | 1.50 | 11.09 | 16.63 | 16.63 |
| 8 | 1.0" | 1.00 | 2.50 | 11.09 | 27.72 | 27.72 |
| 9 | 1.5" | 5.00 | 5.00 | 55.44 | 55.44 | 55.44 |
| 10 | 2.0" | 8.00 | 8.00 | 88.71 | 88.71 | 88.71 |
| 11 | 3.0" | 15.00 | 15.00 | 166.33 | 166.33 | 166.33 |
| 12 | 4.0" | 25.00 | 25.00 | 277.22 | 277.22 | 277.22 |
| 13 | 6.0" | 50.00 | 50.00 | 554.45 | 554.45 | 554.45 |
| 14 | 8.0" | 80.00 | 80.00 | 887.12 | 887.12 | 887.12 |
| 15 | 10.0" | 115.00 | 115.00 | 1,275.23 | 1,275.23 | 1,275.23 |

Meter Rev Calc.

| Meter Size | Number of Meters | | | | Meter Rate | | | | Meter Revenue | | |
|------------|------------------|-----------|-------|-----------|------------|-----------|----------|-----------|---------------|-----------|------------|
| | Res | Landscape | Other | Customers | Res | Landscape | Other | Customers | Res | Landscape | Other |
| 16 | 5/8" | 94 | 1 | 13 | \$ 11.09 | \$ 11.09 | \$ 11.09 | \$ 11.09 | \$ 1,042 | \$ 11 | \$ 144 |
| 17 | 3/4" | 44,537 | 440 | 6,237 | 11.09 | 16.63 | 16.63 | 16.63 | 493,869 | 7,319 | 103,743 |
| 18 | 1.0" | 6,283 | 62 | 880 | 11.09 | 27.72 | 27.72 | 27.72 | 69,672 | 1,719 | 24,396 |
| 19 | 1.5" | - | 41 | 583 | 55.44 | 55.44 | 55.44 | 55.44 | 0 | 2,273 | 32,324 |
| 20 | 2.0" | - | 47 | 661 | 88.71 | 88.71 | 88.71 | 88.71 | 0 | 4,169 | 58,638 |
| 21 | 3.0" | - | 10 | 146 | 166.33 | 166.33 | 166.33 | 166.33 | 0 | 1,663 | 24,285 |
| 22 | 4.0" | - | 3 | 45 | 277.22 | 277.22 | 277.22 | 277.22 | 0 | 832 | 12,475 |
| 23 | 6.0" | - | - | - | 554.45 | 554.45 | 554.45 | 554.45 | 0 | 0 | 0 |
| 24 | 8.0" | - | - | - | 887.12 | 887.12 | 887.12 | 887.12 | 0 | 0 | 0 |
| 25 | 10.0" | - | - | - | 1,275.23 | 1,275.23 | 1,275.23 | 1,275.23 | 0 | 0 | 0 |
| 26 | | | | | | | | | \$ 564,583 | \$ 17,986 | \$ 256,005 |
| | | | | | | | | | Total: | | \$ 838,574 |

Grover Beach Water Fund
Development of Base Service Charges - FY2018

Line No:

| | | |
|---|---------------------------|--------------------|
| 1 | Total Revenue Requirement | \$ 3,666,294 |
| 2 | Less Vol Charge | <u>(2,753,053)</u> |
| 3 | Fixed Charge | \$ 913,241 |

| | | Meter | |
|------------------|-------------------|-------------|-----------------|
| Base Meter Calc: | Rev. Req. | Equivalents | Base Meter Rate |
| 4 | Allocable to All: | \$ 913,241 | 75,623 \$ 12.08 |
| 5 | Subtotal | \$ 913,241 | \$ 12.08 |

| | | Meter | | | | |
|------------------|------------|-----------------|-------------------|----------|-----------|-----------------|
| Meter Rate Calc: | Meter Size | Equivalents Res | Equivalents Other | Res | Landscape | Other Customers |
| 6 | 5/8" | 1.00 | 1.00 | \$ 12.08 | \$ 12.08 | \$ 12.08 |
| 7 | 3/4" | 1.00 | 1.50 | 12.08 | 18.11 | 18.11 |
| 8 | 1.0" | 1.00 | 2.50 | 12.08 | 30.19 | 30.19 |
| 9 | 1.5" | 5.00 | 5.00 | 60.38 | 60.38 | 60.38 |
| 10 | 2.0" | 8.00 | 8.00 | 96.61 | 96.61 | 96.61 |
| 11 | 3.0" | 15.00 | 15.00 | 181.14 | 181.14 | 181.14 |
| 12 | 4.0" | 25.00 | 25.00 | 301.91 | 301.91 | 301.91 |
| 13 | 6.0" | 50.00 | 50.00 | 603.82 | 603.82 | 603.82 |
| 14 | 8.0" | 80.00 | 80.00 | 966.10 | 966.10 | 966.10 |
| 15 | 10.0" | 115.00 | 115.00 | 1,388.78 | 1,388.78 | 1,388.78 |

Meter Rev Calc.

| | Meter Size | Number of Meters | | | Meter Rate | | | Meter Revenue | | |
|----|------------|------------------|-----------|-----------------|------------|-----------|-----------------|---------------|-----------|-----------------|
| | | Res | Landscape | Other Customers | Res | Landscape | Other Customers | Res | Landscape | Other Customers |
| 16 | 5/8" | 94 | 1 | 13 | \$ 12.08 | \$ 12.08 | \$ 12.08 | \$ 1,135 | \$ 12 | \$ 157 |
| 17 | 3/4" | 44,537 | 440 | 6,237 | 12.08 | 18.11 | 18.11 | 537,842 | 7,970 | 112,980 |
| 18 | 1.0" | 6,283 | 62 | 880 | 12.08 | 30.19 | 30.19 | 75,875 | 1,872 | 26,568 |
| 19 | 1.5" | - | 41 | 583 | 60.38 | 60.38 | 60.38 | 0 | 2,476 | 35,202 |
| 20 | 2.0" | - | 47 | 661 | 96.61 | 96.61 | 96.61 | 0 | 4,541 | 63,860 |
| 21 | 3.0" | - | 10 | 146 | 181.14 | 181.14 | 181.14 | 0 | 1,811 | 26,447 |
| 22 | 4.0" | - | 3 | 45 | 301.91 | 301.91 | 301.91 | 0 | 906 | 13,586 |
| 23 | 6.0" | - | - | - | 603.82 | 603.82 | 603.82 | 0 | 0 | 0 |
| 24 | 8.0" | - | - | - | 966.10 | 966.10 | 966.10 | 0 | 0 | 0 |
| 25 | 10.0" | - | - | - | 1,388.78 | 1,388.78 | 1,388.78 | 0 | 0 | 0 |
| 26 | | | | | | | | \$ 614,853 | \$ 19,588 | \$ 278,800 |
| | | | | | | | | Total: | | \$ 913,241 |

Grover Beach Water Fund
Development of Base Service Charges - FY2019

Line No:

| | | |
|---|---------------------------|--------------|
| 1 | Total Revenue Requirement | \$ 3,886,272 |
| 2 | Less Vol Charge | (2,916,412) |
| 3 | Fixed Charge | \$ 969,860 |

| Base Meter Calc: | Rev. Req. | Meter | | |
|------------------|-------------------|-------------|-----------------|----------|
| | | Equivalents | Base Meter Rate | |
| 4 | Allocable to All: | \$ 969,860 | 75,623 | \$ 12.83 |
| 5 | Subtotal | \$ 969,860 | | \$ 12.83 |

| Meter Size | Meter | | Res | Landscape | Other Customers | |
|------------|-------------|-------------|--------|-----------|-----------------|----------|
| | Equivalents | Meter Other | | | | |
| 6 | 5/8" | 1.00 | 1.00 | \$ 12.83 | \$ 12.83 | \$ 12.83 |
| 7 | 3/4" | 1.00 | 1.50 | 12.83 | 19.24 | 19.24 |
| 8 | 1.0" | 1.00 | 2.50 | 12.83 | 32.06 | 32.06 |
| 9 | 1.5" | 5.00 | 5.00 | 64.13 | 64.13 | 64.13 |
| 10 | 2.0" | 8.00 | 8.00 | 102.60 | 102.60 | 102.60 |
| 11 | 3.0" | 15.00 | 15.00 | 192.38 | 192.38 | 192.38 |
| 12 | 4.0" | 25.00 | 25.00 | 320.63 | 320.63 | 320.63 |
| 13 | 6.0" | 50.00 | 50.00 | 641.25 | 641.25 | 641.25 |
| 14 | 8.0" | 80.00 | 80.00 | 1,026.00 | 1,026.00 | 1,026.00 |
| 15 | 10.0" | 115.00 | 115.00 | 1,474.88 | 1,474.88 | 1,474.88 |

| Meter Size | Number of Meters | | | Meter Rate | | | Meter Revenue | | |
|------------|------------------|-----------|-----------------|------------|-----------|-----------------|---------------|-----------|-----------------|
| | Res | Landscape | Other Customers | Res | Landscape | Other Customers | Res | Landscape | Other Customers |
| | 16 | 94 | 1 | 13 | \$ 12.83 | \$ 12.83 | \$ 12.83 | \$ 1,206 | \$ 13 |
| 17 | 44,537 | 440 | 6,237 | 12.83 | 19.24 | 19.24 | 571,188 | 8,465 | 119,984 |
| 18 | 6,283 | 62 | 880 | 12.83 | 32.06 | 32.06 | 80,580 | 1,988 | 28,215 |
| 19 | - | 41 | 583 | 64.13 | 64.13 | 64.13 | 0 | 2,629 | 37,385 |
| 20 | - | 47 | 661 | 102.60 | 102.60 | 102.60 | 0 | 4,822 | 67,819 |
| 21 | - | 10 | 146 | 192.38 | 192.38 | 192.38 | 0 | 1,924 | 28,087 |
| 22 | - | 3 | 45 | 320.63 | 320.63 | 320.63 | 0 | 962 | 14,428 |
| 23 | - | - | - | 641.25 | 641.25 | 641.25 | 0 | 0 | 0 |
| 24 | - | - | - | 1,026.00 | 1,026.00 | 1,026.00 | 0 | 0 | 0 |
| 25 | - | - | - | 1,474.88 | 1,474.88 | 1,474.88 | 0 | 0 | 0 |
| 26 | | | | | | | \$ 652,973 | \$ 20,802 | \$ 296,085 |
| | | | | | | | Total: | | \$ 969,860 |

Grover Beach Water Fund
Development of Base Service Charges - FY2020

Line No:

| | | |
|---|---------------------------|--------------|
| 1 | Total Revenue Requirement | \$ 4,119,448 |
| 2 | Less Vol Charge | (3,090,219) |
| 3 | Fixed Charge | \$ 1,029,230 |

| Base Meter Calc: | | Rev. Req. | Meter Equivalents | Base Meter Rate |
|------------------|-------------------|--------------|----------------------|-----------------|
| 4 | Allocable to All: | \$ 1,029,230 | 75,623 | \$ 13.61 |
| 5 | Subtotal | \$ 1,029,230 | | \$ 13.61 |

| Meter Rate Calc: | | | | | | |
|------------------|-----------------------------|-------------------------------|--------|-----------|--------------------|----------|
| Meter Size | Meter Equivalents Res | Meter Equivalents Other | Res | Landscape | Other Customers | |
| 6 | 5/8" | 1.00 | 1.00 | \$ 13.61 | \$ 13.61 | \$ 13.61 |
| 7 | 3/4" | 1.00 | 1.50 | 13.61 | 20.42 | 20.42 |
| 8 | 1.0" | 1.00 | 2.50 | 13.61 | 34.03 | 34.03 |
| 9 | 1.5" | 5.00 | 5.00 | 68.05 | 68.05 | 68.05 |
| 10 | 2.0" | 8.00 | 8.00 | 108.88 | 108.88 | 108.88 |
| 11 | 3.0" | 15.00 | 15.00 | 204.15 | 204.15 | 204.15 |
| 12 | 4.0" | 25.00 | 25.00 | 340.25 | 340.25 | 340.25 |
| 13 | 6.0" | 50.00 | 50.00 | 680.50 | 680.50 | 680.50 |
| 14 | 8.0" | 80.00 | 80.00 | 1,088.81 | 1,088.81 | 1,088.81 |
| 15 | 10.0" | 115.00 | 115.00 | 1,565.16 | 1,565.16 | 1,565.16 |

| Meter Rev Calc. | | | | | | | | | | |
|-----------------|------------------|-----------|-----------------|------------|-----------|-----------------|---------------|------------|-----------------|--------------|
| Meter Size | Number of Meters | | | Meter Rate | | | Meter Revenue | | | |
| | Res | Landscape | Other Customers | Res | Landscape | Other Customers | Res | Landscape | Other Customers | |
| 16 | 5/8" | 94 | 1 | 13 | \$ 13.61 | \$ 13.61 | \$ 13.61 | \$ 1,279 | \$ 14 | \$ 177 |
| 17 | 3/4" | 44,537 | 440 | 6,237 | 13.61 | 20.42 | 20.42 | 606,153 | 8,983 | 127,329 |
| 18 | 1.0" | 6,283 | 62 | 880 | 13.61 | 34.03 | 34.03 | 85,512 | 2,110 | 29,942 |
| 19 | 1.5" | - | 41 | 583 | 68.05 | 68.05 | 68.05 | 0 | 2,790 | 39,673 |
| 20 | 2.0" | - | 47 | 661 | 108.88 | 108.88 | 108.88 | 0 | 5,117 | 71,970 |
| 21 | 3.0" | - | 10 | 146 | 204.15 | 204.15 | 204.15 | 0 | 2,042 | 29,806 |
| 22 | 4.0" | - | 3 | 45 | 340.25 | 340.25 | 340.25 | 0 | 1,021 | 15,311 |
| 23 | 6.0" | - | - | - | 680.50 | 680.50 | 680.50 | 0 | 0 | 0 |
| 24 | 8.0" | - | - | - | 1,088.81 | 1,088.81 | 1,088.81 | 0 | 0 | 0 |
| 25 | 10.0" | - | - | - | 1,565.16 | 1,565.16 | 1,565.16 | 0 | 0 | 0 |
| 26 | | | | | | | | \$ 692,944 | \$ 22,076 | \$ 314,210 |
| | | | | | | | | Total: | | \$ 1,029,230 |

Grover Beach Water Fund
Development of Base Service Charges - FY2021

Line No:

| | | |
|---|---------------------------|--------------------|
| 1 | Total Revenue Requirement | \$ 4,366,615 |
| 2 | Less Vol Charge | <u>(3,274,977)</u> |
| 3 | Fixed Charge | \$ 1,091,637 |

| | | Meter | |
|------------------|-------------------|--------------|-----------------|
| Base Meter Calc: | Rev. Req. | Equivalents | Base Meter Rate |
| 4 | Allocable to All: | \$ 1,091,637 | 75,623 \$ 14.44 |
| 5 | Subtotal | \$ 1,091,637 | \$ 14.44 |

| | | Meter | | | | |
|------------|-----------------|-------------------|--------|-----------|-----------------|----------|
| Meter Size | Equivalents Res | Equivalents Other | Res | Landscape | Other Customers | |
| 6 | 5/8" | 1.00 | 1.00 | \$ 14.44 | \$ 14.44 | \$ 14.44 |
| 7 | 3/4" | 1.00 | 1.50 | 14.44 | 21.65 | 21.65 |
| 8 | 1.0" | 1.00 | 2.50 | 14.44 | 36.09 | 36.09 |
| 9 | 1.5" | 5.00 | 5.00 | 72.18 | 72.18 | 72.18 |
| 10 | 2.0" | 8.00 | 8.00 | 115.48 | 115.48 | 115.48 |
| 11 | 3.0" | 15.00 | 15.00 | 216.53 | 216.53 | 216.53 |
| 12 | 4.0" | 25.00 | 25.00 | 360.88 | 360.88 | 360.88 |
| 13 | 6.0" | 50.00 | 50.00 | 721.77 | 721.77 | 721.77 |
| 14 | 8.0" | 80.00 | 80.00 | 1,154.83 | 1,154.83 | 1,154.83 |
| 15 | 10.0" | 115.00 | 115.00 | 1,660.07 | 1,660.07 | 1,660.07 |

| | | Number of Meters | | | Meter Rate | | | Meter Revenue | | |
|------------|-------|------------------|-----------------|-------|------------|-----------------|----------|---------------|-----------------|--------------|
| Meter Size | Res | Landscape | Other Customers | Res | Landscape | Other Customers | Res | Landscape | Other Customers | |
| 16 | 5/8" | 94 | 1 | 13 | \$ 14.44 | \$ 14.44 | \$ 14.44 | \$ 1,357 | \$ 14 | \$ 188 |
| 17 | 3/4" | 44,537 | 440 | 6,237 | 14.44 | 21.65 | 21.65 | 642,907 | 9,527 | 135,050 |
| 18 | 1.0" | 6,283 | 62 | 880 | 14.44 | 36.09 | 36.09 | 90,697 | 2,237 | 31,758 |
| 19 | 1.5" | - | 41 | 583 | 72.18 | 72.18 | 72.18 | 0 | 2,959 | 42,079 |
| 20 | 2.0" | - | 47 | 661 | 115.48 | 115.48 | 115.48 | 0 | 5,428 | 76,334 |
| 21 | 3.0" | - | 10 | 146 | 216.53 | 216.53 | 216.53 | 0 | 2,165 | 31,613 |
| 22 | 4.0" | - | 3 | 45 | 360.88 | 360.88 | 360.88 | 0 | 1,083 | 16,240 |
| 23 | 6.0" | - | - | - | 721.77 | 721.77 | 721.77 | 0 | 0 | 0 |
| 24 | 8.0" | - | - | - | 1,154.83 | 1,154.83 | 1,154.83 | 0 | 0 | 0 |
| 25 | 10.0" | - | - | - | 1,660.07 | 1,660.07 | 1,660.07 | 0 | 0 | 0 |
| 26 | | | | | | | | \$ 734,962 | \$ 23,414 | \$ 333,262 |
| | | | | | | | | Total: | | \$ 1,091,637 |

Grover Beach Water Fund
Development of Volume Rates - FY2017

Line No: _____

| | | Flow Charge Revenue Requirement | | | | | | | | | | | |
|---------------|-----------------------------------|--|----------------------|--------------------|--------------------|----------------------|-----------------------------|--------------------|----------------------|----------------------|--------------------------|----------------|--|
| | | Res | Landscape | Other Cust. | | | | | | | | | |
| 1 | Total Revenue Requirement | \$ 2,933,035 | \$ 2,199,369 | \$ 112,991 | \$ 620,675 | | | | | | | | |
| 2 | Less Fixed Charge | (838,574) | (564,583) | (17,986) | (256,005) | | | | | | | | |
| 3 | Less Emergency Supply | 0 | 0 | 0 | 0 | | | | | | | | |
| 4 | Flow Charge | <u>\$ 2,094,461</u> | <u>\$ 1,634,786</u> | <u>\$ 95,005</u> | <u>\$ 364,670</u> | | | | | | | | |
| | | | | | | Block | | | | | Equiv. | | |
| | | Base Block | Equiv. Factor | Final Block | Tier 1 Flow | Equiv. Factor | Equiv. Flow - Tier 1 | Tier 2 Flow | Equiv. Factor | Flow - Tier 2 | Total Equiv. Flow | | |
| 5 | Residential | 352,784 | All | 1.0 | NA | 352,784 | 1.00 | 352,784 | - | 1.00 | - | 352,784 | |
| 6 | Landscape | 16,411 | All | 1.0 | NA | 16,411 | 1.00 | 16,411 | - | 1.00 | - | 16,411 | |
| 7 | Other Customers | 101,023 | All | 1.0 | NA | 101,023 | 1.00 | 101,023 | - | 1.00 | - | 101,023 | |
| 8 | Total | <u>470,218</u> | | | | <u>470,218</u> | | | <u>-</u> | | | <u>470,218</u> | |
| 9 | Res. Flow Charge Rev. Req. | \$ 1,634,786 | | | | | | | | | | | |
| 10 | Residential Equiv. | 352,784 | | | | | | | | | | | |
| 11 | Residential Vol. Rate | \$ 4.63 | | | | | | | | | | | |
| 12 | Landscape Flow Charge Rev. Req. | \$ 95,005 | | | | | | | | | | | |
| 13 | Landscape Equiv. | 16,411 | | | | | | | | | | | |
| 14 | Landscape Vol. Rate | \$ 5.79 | | | | | | | | | | | |
| 15 | Other Cust. Flow Charge Rev. Req. | \$ 364,670 | | | | | | | | | | | |
| 16 | Other Cust. Equiv. | 101,023 | | | | | | | | | | | |
| 17 | Other Cust. Vol. Rate | \$ 3.61 | | | | | | | | | | | |
| Revenue Calc: | | | | | | | | | | | | | |
| 18 | Residential | \$ 1,634,786 | | | | | | | | | | | |
| 19 | Landscape | 95,005 | | | | | | | | | | | |
| 20 | Other Customers | 364,670 | | | | | | | | | | | |
| 21 | Total | <u>\$ 2,094,461</u> | | | | | | | | | | | |

Grover Beach Water Fund
Development of Volume Rates - FY2018

Line No: _____

| | | Flow Charge Revenue Requirement | | | | | | | | | | | |
|---------------|-----------------------------------|--|----------------------|--------------------|--------------------|----------------------|-----------------------------|--------------------|----------------------|----------------------|--------------------------|---------|---------|
| | | Res | Landscape | Other Cust. | | | | | | | | | |
| 1 | Total Revenue Requirement | \$ 3,666,294 | \$ 2,749,211 | \$ 141,239 | \$ 775,844 | | | | | | | | |
| 2 | Less Fixed Charge | (913,241) | (614,853) | (19,588) | (278,800) | | | | | | | | |
| 3 | Less Emergency Supply | 0 | 0 | 0 | 0 | | | | | | | | |
| 4 | Flow Charge | \$ 2,753,053 | \$ 2,134,358 | \$ 121,651 | \$ 497,044 | | | | | | | | |
| | | | | | | Block | | | | Equiv. | | | |
| | | Base Block | Equiv. Factor | Final Block | Tier 1 Flow | Equiv. Factor | Equiv. Flow - Tier 1 | Tier 2 Flow | Equiv. Factor | Flow - Tier 2 | Total Equiv. Flow | | |
| 5 | Residential | 346,170 | All | 1.0 | NA | 346,170 | 1.00 | 346,170 | - | 1.00 | - | 346,170 | |
| 6 | Landscape | 16,103 | All | 1.0 | NA | 16,103 | 1.00 | 16,103 | - | 1.00 | - | 16,103 | |
| 7 | Other Customers | 99,128 | All | 1.0 | NA | 99,128 | 1.00 | 99,128 | - | 1.00 | - | 99,128 | |
| 8 | Total | 461,401 | | | | 461,401 | | | | - | | | 461,401 |
| 9 | Res. Flow Charge Rev. Req. | \$ 2,134,358 | | | | | | | | | | | |
| 10 | Residential Equiv. | 346,170 | | | | | | | | | | | |
| 11 | Residential Vol. Rate | \$ 6.17 | | | | | | | | | | | |
| 12 | Landscape Flow Charge Rev. Req. | \$ 121,651 | | | | | | | | | | | |
| 13 | Landscape Equiv. | 16,103 | | | | | | | | | | | |
| 14 | Landscape Vol. Rate | \$ 7.55 | | | | | | | | | | | |
| 15 | Other Cust. Flow Charge Rev. Req. | \$ 497,044 | | | | | | | | | | | |
| 16 | Other Cust. Equiv. | 99,128 | | | | | | | | | | | |
| 17 | Other Cust. Vol. Rate | \$ 5.01 | | | | | | | | | | | |
| Revenue Calc: | | | | | | | | | | | | | |
| 18 | Residential | \$ 2,134,358 | | | | | | | | | | | |
| 19 | Landscape | 121,651 | | | | | | | | | | | |
| 20 | Other Customers | 497,044 | | | | | | | | | | | |
| 21 | Total | \$ 2,753,053 | | | | | | | | | | | |

Grover Beach Water Fund
Development of Volume Rates - FY2019

Line No: _____

| | | Flow Charge Revenue Requirement | | | | | | | | | | | |
|---------------|-----------------------------------|--|----------------------|--------------------|--------------------|----------------------|-----------------------------|--------------------|----------------------|----------------------|--------------------------|---------|--|
| | | Res | Landscape | Other Cust. | | | | | | | | | |
| 1 | Total Revenue Requirement | \$ 3,886,272 | \$ 2,914,164 | \$ 149,713 | \$ 822,395 | | | | | | | | |
| 2 | Less Fixed Charge | (969,860) | (652,973) | (20,802) | (296,085) | | | | | | | | |
| 3 | Less Emergency Supply | 0 | 0 | 0 | 0 | | | | | | | | |
| 4 | Flow Charge | \$ 2,916,412 | \$ 2,261,191 | \$ 128,911 | \$ 526,310 | | | | | | | | |
| | | | | | | Block | | | | | Equiv. | | |
| | | Base Block | Equiv. Factor | Final Block | Tier 1 Flow | Equiv. Factor | Equiv. Flow - Tier 1 | Tier 2 Flow | Equiv. Factor | Flow - Tier 2 | Total Equiv. Flow | | |
| 5 | Residential | 344,093 | All | 1.0 | NA | 344,093 | 1.00 | 344,093 | - | 1.00 | - | 344,093 | |
| 6 | Landscape | 16,006 | All | 1.0 | NA | 16,006 | 1.00 | 16,006 | - | 1.00 | - | 16,006 | |
| 7 | Other Customers | 98,534 | All | 1.0 | NA | 98,534 | 1.00 | 98,534 | - | 1.00 | - | 98,534 | |
| 8 | Total | 458,633 | | | | 458,633 | | | - | | | 458,633 | |
| 9 | Res. Flow Charge Rev. Req. | \$ 2,261,191 | | | | | | | | | | | |
| 10 | Residential Equiv. | 344,093 | | | | | | | | | | | |
| 11 | Residential Vol. Rate | \$ 6.57 | | | | | | | | | | | |
| 12 | Landscape Fowl Charge Rev. Req. | \$ 128,911 | | | | | | | | | | | |
| 13 | Landscape Equiv. | 16,006 | | | | | | | | | | | |
| | Landscape Vol. Rate | \$ 8.05 | | | | | | | | | | | |
| | Other Cust. Flow Charge Rev. Req. | \$ 526,310 | | | | | | | | | | | |
| 14 | Other Cust. Equiv. | 98,534 | | | | | | | | | | | |
| 15 | Other Cust. Vol. Rate | \$ 5.34 | | | | | | | | | | | |
| Revenue Calc: | | | | | | | | | | | | | |
| 16 | Residential | \$ 2,261,191 | | | | | | | | | | | |
| 17 | Landscape | 128,911 | | | | | | | | | | | |
| 18 | Other Customers | 526,310 | | | | | | | | | | | |
| 19 | Total | \$ 2,916,412 | | | | | | | | | | | |

Grover Beach Water Fund
Development of Volume Rates - FY2020

Line No:

| Flow Charge Revenue Requirement | | | | |
|--|---------------------------|---------------------|---------------------|--------------------|
| | | Res | Landscape | Other Cust. |
| 1 | Total Revenue Requirement | \$ 4,119,448 | \$ 3,089,014 | \$ 871,739 |
| 2 | Less Fixed Charge | (1,029,230) | (692,944) | (314,210) |
| 3 | Less Emergency Supply | 0 | 0 | 0 |
| 4 | Flow Charge | <u>\$ 3,090,219</u> | <u>\$ 2,396,070</u> | <u>\$ 557,529</u> |

| | | Base Block | Block Equiv. Factor | Final Block | Tier 1 Flow | Equiv. Factor | Equiv. Flow - Tier 1 | Tier 2 Flow | Equiv. Factor | Equiv. Flow - Tier 2 | Total Equiv. Flow | |
|---------------|-----------------------------------|---------------------|------------------------------------|--------------------|--------------------|--------------------------|---------------------------------|--------------------|----------------------|-------------------------------------|------------------------------|----------------|
| 5 | Residential | 342,028 | All | 1.0 | NA | 342,028 | 1.00 | 342,028 | - | 1.00 | - | 342,028 |
| 6 | Landscape | 15,910 | All | 1.0 | NA | 15,910 | 1.00 | 15,910 | - | 1.00 | - | 15,910 |
| 7 | Other Customers | 97,942 | All | 1.0 | NA | 97,942 | 1.00 | 97,942 | - | 1.00 | - | 97,942 |
| 8 | Total | <u>455,881</u> | | | | <u>455,881</u> | | | <u>-</u> | | | <u>455,881</u> |
| 9 | Res. Flow Charge Rev. Req. | \$ 2,396,070 | | | | | | | | | | |
| 10 | Residential Equiv. | 342,028 | | | | | | | | | | |
| 11 | Residential Vol. Rate | \$ 7.01 | | | | | | | | | | |
| 12 | Landscape Fow Charge Rev. Req. | \$ 136,620 | | | | | | | | | | |
| 13 | Landscape Equiv. | 15,910 | | | | | | | | | | |
| 14 | Landscape Vol. Rate | \$ 8.59 | | | | | | | | | | |
| 15 | Other Cust. Flow Charge Rev. Req. | \$ 557,529 | | | | | | | | | | |
| 16 | Other Cust. Equiv. | 97,942 | | | | | | | | | | |
| 17 | Other Cust. Vol. Rate | \$ 5.69 | | | | | | | | | | |
| Revenue Calc: | | | | | | | | | | | | |
| 18 | Residential | \$ 2,396,070 | | | | | | | | | | |
| 19 | Landscape | 136,620 | | | | | | | | | | |
| 20 | Other Customers | 557,529 | | | | | | | | | | |
| 21 | Total | <u>\$ 3,090,219</u> | | | | | | | | | | |

Grover Beach Water Fund
Development of Volume Rates - FY2021

Line No:

| Flow Charge Revenue Requirement | | | | | |
|---------------------------------|---------------------------|---------------------|---------------------|-------------------|-------------------|
| | | Res | Landscape | Other Cust. | |
| 1 | Total Revenue Requirement | \$ 4,366,615 | \$ 3,274,355 | \$ 168,217 | \$ 924,043 |
| 2 | Less Fixed Charge | (1,091,637) | (734,962) | (23,414) | (333,262) |
| 3 | Less Emergency Supply | 0 | 0 | 0 | 0 |
| 4 | Flow Charge | <u>\$ 3,274,977</u> | <u>\$ 2,539,393</u> | <u>\$ 144,803</u> | <u>\$ 590,781</u> |

| | | Base Block | Block Equiv. Factor | Final Block | Tier 1 Flow | Equiv. Factor | Equiv. Flow - Tier 1 | Tier 2 Flow | Equiv. Factor | Equiv. Flow - Tier 2 | Total Equiv. Flow | |
|---------------|-----------------------------------|---------------------|---------------------------|-------------|-------------|------------------|-------------------------|-------------|---------------|----------------------------|----------------------|----------------|
| 5 | Residential | 339,976 | All | 1.0 | NA | 339,976 | 1.00 | 339,976 | - | 1.00 | - | 339,976 |
| 6 | Landscape | 15,815 | All | 1.0 | NA | 15,815 | 1.00 | 15,815 | - | 1.00 | - | 15,815 |
| 7 | Other Customers | 97,355 | All | 1.0 | NA | 97,355 | 1.00 | 97,355 | - | 1.00 | - | 97,355 |
| 8 | Total | <u>453,146</u> | | | | <u>453,146</u> | | <u>-</u> | | | <u>-</u> | <u>453,146</u> |
| 9 | Res. Flow Charge Rev. Req. | \$ 2,539,393 | | | | | | | | | | |
| 10 | Residential Equiv. | 339,976 | | | | | | | | | | |
| 11 | Residential Vol. Rate | \$ 7.47 | | | | | | | | | | |
| 12 | Landscape Fowl Charge Rev. Req. | \$ 144,803 | | | | | | | | | | |
| 13 | Landscape Equiv. | 15,815 | | | | | | | | | | |
| 14 | Landscape Vol. Rate | \$ 9.16 | | | | | | | | | | |
| 15 | Other Cust. Flow Charge Rev. Req. | \$ 590,781 | | | | | | | | | | |
| 16 | Other Cust. Equiv. | 97,355 | | | | | | | | | | |
| 17 | Other Cust. Vol. Rate | \$ 6.07 | | | | | | | | | | |
| Revenue Calc: | | | | | | | | | | | | |
| 18 | Residential | \$ 2,539,393 | | | | | | | | | | |
| 19 | Landscape | 144,803 | | | | | | | | | | |
| 20 | Other Customers | 590,781 | | | | | | | | | | |
| 21 | Total | <u>\$ 3,274,977</u> | | | | | | | | | | |

Schedule A - 1 Wastewater
Grover Beach Wastewater Fund
 Pro Forma with Debt Service Coverage and Fund Balance Reconciliation

| Line No | Reference | 2017 | 2018 | 2019 | 2020 | 2021 | |
|--|--|--------------------|---------------------|---------------------|---------------------|--------------------|-------------------|
| Wastewater Operating | | | | | | | |
| 1 | Water and Sewer Rate Revenue Increases | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | |
| 2 | % of Year Rate Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% | |
| 3 | Beginning Unrestricted Fund Balance | Sch A - 2, Line 26 | \$ 3,269,895 | \$ 2,736,341 | \$ 2,624,029 | \$ 1,687,414 | \$ 1,626,159 |
| 4 | Wastewater Sales Revenue From City Rates | Sch A - 3, Line 2 | \$ 776,588 | \$ 835,551 | \$ 887,899 | \$ 932,294 | \$ 978,909 |
| 5 | Rate Revenue 2 | Sch A - 3, Line 3 | - | - | - | - | - |
| 6 | Rate Revenue 3 | Sch A - 3, Line 4 | - | - | - | - | - |
| 7 | Rate Revenue 4 | Sch A - 3, Line 5 | - | - | - | - | - |
| 8 | Rate Revenue 5 | Sch A - 3, Line 6 | - | - | - | - | - |
| 9 | Rate Revenue 6 | Sch A - 3, Line 7 | - | - | - | - | - |
| 10 | Rate Revenue 7 | Sch A - 3, Line 8 | - | - | - | - | - |
| 11 | Rate Revenue 8 | Sch A - 3, Line 9 | - | - | - | - | - |
| 12 | Rate Revenue 9 | Sch A - 3, Line 10 | - | - | - | - | - |
| 13 | Rate Revenue 10 | Sch A - 3, Line 11 | - | - | - | - | - |
| 14 | Total Rate Revenue | | \$ 776,588 | \$ 835,551 | \$ 887,899 | \$ 932,294 | \$ 978,909 |
| 15 | Other Operating Revenue | Sch A - 3, Line 12 | 1,127,500 | 1,161,250 | 1,196,013 | 1,231,818 | 1,268,698 |
| 16 | Interest Income - Operating Fund | Calc | 4,000 | 3,000 | 3,000 | 2,000 | 2,000 |
| 17 | Total Operating Revenue | | \$ 1,908,088 | \$ 1,999,801 | \$ 2,086,912 | \$ 2,166,112 | \$ 2,249,607 |
| 18 | Operating Expenses | Sch A - 4, Line 2 | (1,846,127) | (1,909,820) | (1,975,838) | (2,044,271) | (2,115,212) |
| 19 | Net Revenue | | \$ 61,961 | \$ 89,981 | \$ 111,074 | \$ 121,841 | \$ 134,395 |
| | Plus: | | | | | | |
| | Other Sources of Funds | | | | | | |
| 20 | Transfers In | Sch A - 3, Line 13 | - | - | - | - | - |
| | Less: | | | | | | |
| | Other Uses of Funds | | | | | | |
| 21 | Minor Capital | Sch A - 4, Line 4 | \$ (38,515) | \$ (13,189) | \$ (13,584) | \$ (13,992) | \$ (14,411) |
| 22 | Major Capital Funded with Existing Reserves/Current Cash | Sch A - 6, Line 12 | (105,000) | (285,000) | (1,130,000) | (265,000) | (105,000) |
| 23 | Transfers Out | Sch A - 4, Line 5 | (452,000) | 95,896 | 95,896 | 95,896 | 95,896 |
| 24 | Non Operating Expenses | Sch A - 4, Line 3 | - | - | - | - | - |
| 25 | Existing Revenue Bond Debt Service | Sch A - 4, Line 6 | - | - | - | - | - |
| 26 | New Revenue Bond Debt Service | Sch A - 4, Line 7 | - | - | - | - | - |
| 27 | Net Cash Flow | | \$ (533,554) | \$ (112,312) | \$ (936,614) | \$ (61,255) | \$ 110,880 |
| 28 | Ending Unrestricted Fund Balance | | \$ 2,736,341 | \$ 2,624,029 | \$ 1,687,414 | \$ 1,626,159 | \$ 1,737,038 |
| 29 | <u>Days of O&M</u> | | <u>541</u> | <u>501</u> | <u>312</u> | <u>290</u> | <u>300</u> |
| 30 | Target Unrestricted Fund Balance | Target | 923,064 | 954,910 | 987,919 | 1,022,136 | 1,057,606 |
| Debt Service Coverage Calculations (Excluding Capacity Fees): | | | | | | | |
| Revenue Bond Debt Service Coverage | | | | | | | |
| Rate Covenant Debt Service Coverage Test: | | | | | | | |
| 31 | Net Revenue Available for Debt Service Coverage Test | | \$ 61,961 | \$ 89,981 | \$ 111,074 | \$ 121,841 | \$ 134,395 |
| Revenue Bond Debt Service: | | | | | | | |
| 32 | Existing Revenue Bond Debt Service | | - | - | - | - | - |
| 33 | New Revenue Bond Debt Service | | - | - | - | - | - |
| 34 | Total Revenue Bond Debt Service | | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35 | Debt Service Coverage - Excluding Capacity Fees | | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 36 | <u>Debt Service Coverage Requirement</u> | | <u>1.00</u> | <u>1.00</u> | <u>1.00</u> | <u>1.00</u> | <u>1.00</u> |
| Parity Debt Service Coverage Test: | | | | | | | |
| Revenue Bond Debt Service Coverage | | | | | | | |
| Rate Covenant Debt Service Coverage Test: | | | | | | | |
| 37 | Net Revenue Available for Debt Service Coverage Test | | \$ 61,961 | \$ 89,981 | \$ 111,074 | \$ 121,841 | \$ 134,395 |
| 38 | Water Capacity Fees | | - | - | - | - | - |
| 39 | N/CG UD Area Tap Fees | | - | - | - | - | - |
| 40 | Sewer Capacity Fees | | - | - | - | - | - |
| 41 | Total Available for Debt Service Coverage | | 61,961 | 89,981 | 111,074 | 121,841 | 134,395 |
| New Bonds Issued (Yes, No) | | | | | | | |
| | | | No | No | No | No | No |
| 42 | Maximum Revenue Bond Debt Service | | - | - | - | - | - |
| 43 | Debt Service Coverage - Parity Test | | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 44 | <u>Debt Service Coverage Requirement</u> | | <u>1.00</u> | <u>1.00</u> | <u>1.00</u> | <u>1.00</u> | <u>1.00</u> |

Schedule A - 1 Wastewater
Grover Beach Wastewater Fund
 Pro Forma with Debt Service Coverage and Fund Balance Reconciliation

Line No

| Reference | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|--------------------|------------------|-------------------|-------------------|-------------------|
| Debt Service Coverage Calculations (Including Capacity Fees): | | | | | |
| Revenue Bond Debt Service Coverage | | | | | |
| Rate Covenant Debt Service Coverage Test: | | | | | |
| Net Revenue Available for Debt Service Coverage Test | \$ 61,961 | \$ 89,981 | \$ 111,074 | \$ 121,841 | \$ 134,395 |
| Water Capacity Fees | - | - | - | - | - |
| N/CG UD Area Tap Fees | - | - | - | - | - |
| Sewer Capacity Fees | - | - | - | - | - |
| Total Available for Debt Service Coverage | \$ 61,961 | \$ 89,981 | \$ 111,074 | \$ 121,841 | \$ 134,395 |
| Revenue Bond Debt Service: | | | | | |
| Total Revenue Bond Debt Service | - | - | - | - | - |
| Debt Service Coverage - Including Capacity Fees | - | - | - | - | - |
| <i>Debt Service Coverage Requirement</i> | <i>1.00</i> | <i>1.00</i> | <i>1.00</i> | <i>1.00</i> | <i>1.00</i> |
| SRF Debt Service Coverage Test | | | | | |
| SRF Test: | | | | | |
| 45 Net Revenue Available for Debt Service Coverage Test | \$ 61,961 | \$ 89,981 | \$ 111,074 | \$ 121,841 | \$ 134,395 |
| Less: | | | | | |
| 46 Existing Revenue Bond Debt Service | \$ - | \$ - | \$ - | \$ - | \$ - |
| 47 Net Revenue Available for SRF Debt Service Coverage Test | \$ 61,961 | \$ 89,981 | \$ 111,074 | \$ 121,841 | \$ 134,395 |
| 48 Existing SRF Debt Service | \$ - | \$ - | \$ - | \$ - | \$ - |
| 49 New SRF Debt Service | - | - | - | - | - |
| 50 Total SRF Debt Service | - | - | - | - | - |
| Debt Service Coverage - SRF Test | - | - | - | - | - |
| 52 <i>Debt Service Coverage Requirement</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> |
| Fund 2 | | | | | |
| 53 Beginning Balance | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - |
| 54 Sources of Funds | Sch A - 3, Line 14 | - | - | - | - |
| 55 Interest Earnings | Calc | - | - | - | - |
| 56 Uses of Funds other Than Major Capital | Sch A - 4, Line 12 | - | - | - | - |
| 57 Major Capital Funded with Fund 2 | Sch A - 6, Line 11 | - | - | - | - |
| 58 Ending Balance | | \$ - | \$ - | \$ - | \$ - |
| Fund 3 | | | | | |
| 59 Beginning Balance | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - |
| 60 Sources of Funds | Sch A - 3, Line 15 | - | - | - | - |
| 61 Interest Earnings | Calc | - | - | - | - |
| 62 Uses of Funds other Than Major Capital | Sch A - 4, Line 15 | - | - | - | - |
| 63 Major Capital Funded with Fund 3 | Sch A - 6, Line 10 | - | - | - | - |
| 64 Ending Balance | | \$ - | \$ - | \$ - | \$ - |
| Fund 4 | | | | | |
| 65 Beginning Balance | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - |
| 66 Sources of Funds | Sch A - 3, Line 16 | - | - | - | - |
| 67 Interest Earnings | Calc | - | - | - | - |
| 68 Uses of Funds other Than Major Capital | Sch A - 4, Line 18 | - | - | - | - |
| 69 Major Capital Funded with Fund 4 | Sch A - 6, Line 9 | - | - | - | - |
| 70 Ending Balance | | \$ - | \$ - | \$ - | \$ - |
| Fund 5 | | | | | |
| 71 Beginning Balance | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - |
| 72 Sources of Funds | Sch A - 3, Line 17 | - | - | - | - |
| 73 Interest Earnings | Calc | - | - | - | - |
| 74 Uses of Funds other Than Major Capital | Sch A - 4, Line 21 | - | - | - | - |
| 75 Major Capital Funded with Fund 5 | Sch A - 6, Line 8 | - | - | - | - |
| 76 Ending Balance | | \$ - | \$ - | \$ - | \$ - |
| Fund 6 | | | | | |
| 77 Beginning Balance | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - |
| 78 Sources of Funds | Sch A - 3, Line 18 | - | - | - | - |
| 79 Interest Earnings | Calc | - | - | - | - |
| 80 Uses of Funds other Than Major Capital | Sch A - 4, Line 24 | - | - | - | - |
| 81 Major Capital Funded with Fund 6 | Sch A - 6, Line 7 | - | - | - | - |
| 82 Ending Balance | | \$ - | \$ - | \$ - | \$ - |

Schedule A - 1 Wastewater
Grover Beach Wastewater Fund
 Pro Forma with Debt Service Coverage and Fund Balance Reconciliation

| Line No | Reference | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------------|--|--------------------|------|------|------|------|
| Fund 7 | | | | | | |
| 83 | Beginning Balance | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - |
| 84 | Sources of Funds | Sch A - 3, Line 19 | - | - | - | - |
| 85 | Interest Earnings | Calc | - | - | - | - |
| 86 | Uses of Funds other Than Major Capital | Sch A - 4, Line 27 | - | - | - | - |
| 87 | Major Capital Funded with Fund 7 | Sch A - 6, Line 6 | - | - | - | - |
| 88 | Ending Balance | | \$ - | \$ - | \$ - | \$ - |
| Fund 8 | | | | | | |
| 89 | Beginning Balance | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - |
| 90 | Sources of Funds | Sch A - 3, Line 20 | - | - | - | - |
| 91 | Interest Earnings | Calc | - | - | - | - |
| 92 | Uses of Funds other Than Major Capital | Sch A - 4, Line 30 | - | - | - | - |
| 93 | Major Capital Funded with Fund 8 | Sch A - 6, Line 5 | - | - | - | - |
| 94 | Ending Balance | | \$ - | \$ - | \$ - | \$ - |
| Fund 9 | | | | | | |
| 95 | Beginning Balance | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - |
| 96 | Sources of Funds | Sch A - 3, Line 19 | - | - | - | - |
| 97 | Interest Earnings | Calc | - | - | - | - |
| 98 | Uses of Funds other Than Major Capital | Sch A - 4, Line 27 | - | - | - | - |
| 99 | Major Capital Funded with Fund 9 | Sch A - 6, Line 6 | - | - | - | - |
| 100 | Ending Balance | | \$ - | \$ - | \$ - | \$ - |
| Cash Funded Projects | | | | | | |
| 101 | Beginning Balance | Sch A - 2, Line 26 | \$ - | \$ - | \$ - | \$ - |
| 102 | Sources of Funds | Sch A - 3, Line 20 | - | - | - | - |
| 103 | Interest Earnings | Calc | - | - | - | - |
| 104 | Uses of Funds other Than Major Capital | Sch A - 4, Line 30 | - | - | - | - |
| 105 | Major Capital Funded with Cash Funded Projects | Sch A - 6, Line 5 | - | - | - | - |
| 106 | Ending Balance | | \$ - | \$ - | \$ - | \$ - |

Grover Beach Wastewater Fund
Beginning Fund Balance Reconciliation

| BEGINNING BALANCES | | | | | | | | | | | | |
|---------------------------|---|-------------------------|--------|--------|--------|--------|--------|--------|--------|--------|----------------------|------|
| Line No. | | Wastewater Operating | Fund 2 | Fund 3 | Fund 4 | Fund 5 | Fund 6 | Fund 7 | Fund 8 | Fund 9 | Cash Funded Projects | |
| 1 | Current assets: | | | | | | | | | | | |
| 2 | Beginning Cash Balance | \$ 3,269,895 | - | | | | | | | | | |
| | Receivables: | | | | | | | | | | | |
| | Accounts | | | | | | | | | | | |
| | Due from other funds | | | | | | | | | | | |
| | General fund | | | | | | | | | | | |
| | Water and Sewer | | | | | | | | | | | |
| | Emergency Communication District | | | | | | | | | | | |
| | Unbilled utility revenue | | | | | | | | | | | |
| | Inventories of supplies | | | | | | | | | | | |
| | Prepaid expenses | | | | | | | | | | | |
| | Restricted cash and cash equivalents | | | | | | | | | | | |
| 3 | Total Current Assets | \$ 3,269,895 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Current Liabilities (payable from current assets): | | | | | | | | | | | |
| | Current maturities of long-term debt | | | | | | | | | | | |
| | Accounts payable | | | | | | | | | | | |
| | Claims payable | | | | | | | | | | | |
| | Accrued salaries | | | | | | | | | | | |
| | Accrued interest | | | | | | | | | | | |
| | Due to other funds: | | | | | | | | | | | |
| | Due to Capital Projects Fund | | | | | | | | | | | |
| | Due to Fuel Fund | | | | | | | | | | | |
| | Due to Municipal Center | | | | | | | | | | | |
| | Other payables | | | | | | | | | | | |
| | Compensated absences payable | | | | | | | | | | | |
| | Current Liabilities (payable from restricted assets): | | | | | | | | | | | |
| | Retainage payable | | | | | | | | | | | |
| 4 | Total Current Liabilities | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Adjustments by RPR: | | | | | | | | | | | |
| | Other | | | | | | | | | | | |
| 5 | Net Adjustments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Net Beginning Balances (Curr Assets less Current Liabilities - with Adjustments) | \$ 3,269,895 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Schedule A - 3 Wastewater
Grover Beach Wastewater Fund
 Revenue

| Line No: | Code | Description | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|-------------------|--|------------|------------|------------|------------|------------|
| 1 | Summary | | | | | | |
| 2 | RR1 | Wastewater Sales Revenue From City Rates | \$ 776,588 | \$ 835,551 | \$ 887,899 | \$ 932,294 | \$ 978,909 |
| 3 | RR2 | Rate Revenue 2 | - | - | - | - | - |
| 4 | RR3 | Rate Revenue 3 | - | - | - | - | - |
| 5 | RR4 | Rate Revenue 4 | - | - | - | - | - |
| 6 | RR5 | Rate Revenue 5 | - | - | - | - | - |
| 7 | RR6 | Rate Revenue 6 | - | - | - | - | - |
| 8 | RR7 | Rate Revenue 7 | - | - | - | - | - |
| 9 | RR8 | Rate Revenue 8 | - | - | - | - | - |
| 10 | RR9 | Rate Revenue 9 | - | - | - | - | - |
| 11 | RR10 | Rate Revenue 10 | - | - | - | - | - |
| 12 | OR | Other Operating Revenue | 1,127,500 | 1,161,250 | 1,196,013 | 1,231,818 | 1,268,698 |
| 13 | TRIN | Transfers In | - | - | - | - | - |
| 14 | Sources - Fund 2 | Sources of Funds - Fund 2 | - | - | - | - | - |
| 15 | Sources - Fund 3 | Sources of Funds - Fund 3 | - | - | - | - | - |
| 16 | Sources - Fund 4 | Sources of Funds - Fund 4 | - | - | - | - | - |
| 17 | Sources - Fund 5 | Sources of Funds - Fund 5 | - | - | - | - | - |
| 18 | Sources - Fund 6 | Sources of Funds - Fund 6 | - | - | - | - | - |
| 19 | Sources - Fund 7 | Sources of Funds - Fund 7 | - | - | - | - | - |
| 20 | Sources - Fund 8 | Sources of Funds - Fund 8 | - | - | - | - | - |
| 21 | Sources - Fund 9 | Sources of Funds - Fund 9 | - | - | - | - | - |
| 22 | Sources - Fund 10 | Sources of Funds - Fund 10 | - | - | - | - | - |
| 23 | INT - Fund 1 | Interest Earnings - Fund 1 | 8,000 | 7,000 | 7,000 | 4,000 | 4,000 |
| 24 | INT - Fund 2 | Interest Earnings - Fund 2 | - | - | - | - | - |
| 25 | INT - Fund 3 | Interest Earnings - Fund 3 | - | - | - | - | - |
| 26 | INT - Fund 4 | Interest Earnings - Fund 4 | - | - | - | - | - |
| 27 | INT - Fund 5 | Interest Earnings - Fund 5 | - | - | - | - | - |
| 28 | INT - Fund 6 | Interest Earnings - Fund 6 | - | - | - | - | - |
| 29 | INT - Fund 7 | Interest Earnings - Fund 7 | - | - | - | - | - |
| 30 | INT - Fund 8 | Interest Earnings - Fund 8 | - | - | - | - | - |
| 31 | INT - Fund 9 | Interest Earnings - Fund 9 | - | - | - | - | - |
| 32 | INT - Fund 10 | Interest Earnings - Fund 10 | - | - | - | - | - |

| Line No: | Code | Description | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|-----------------------------------|---|------------|------------|------------|------------|------------|
| 33 | Detail | | | | | | |
| 34 | Wastewater Operating | | | | | | |
| 35 | RR1 - BEFORE GROWTH AND RATE INCR | Wastewater Sales Revenue From City Rates | \$ 767,000 | \$ 805,350 | \$ 845,618 | \$ 887,899 | \$ 932,294 |
| 36 | RR1 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 37 | | Revenue Increase | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| 38 | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 39 | RR1 | Total Wastewater Sales Revenue From City Rates - After Revenue Increase | \$ 776,588 | \$ 835,551 | \$ 887,899 | \$ 932,294 | \$ 978,909 |
| 40 | RR2 - BEFORE GROWTH AND RATE INCR | Rate Revenue 2 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | RR2 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 42 | | Revenue Increase | 35.00% | 35.00% | 35.00% | 3.00% | 3.00% |
| 43 | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 44 | RR2 | Total Rate Revenue 2 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 45 | RR3 - BEFORE GROWTH AND RATE INCR | Rate Revenue 3 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | RR3 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 47 | | Revenue Increase | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| 48 | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 49 | RR3 | Total Rate Revenue 3 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 50 | RR4 - BEFORE GROWTH AND RATE INCR | Rate Revenue 4 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 51 | RR4 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 52 | | Revenue Increase | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| 53 | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 54 | RR4 | Total Rate Revenue 4 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 55 | RR5 - BEFORE GROWTH AND RATE INCR | Rate Revenue 5 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 56 | RR5 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 57 | | Revenue Increase | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| 58 | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 59 | RR5 | Total Rate Revenue 5 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 60 | RR6 - BEFORE GROWTH AND RATE INCR | Rate Revenue 6 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | RR6 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 62 | | Revenue Increase | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| 63 | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 64 | RR6 | Total Rate Revenue 6 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |

Schedule A - 3 Wastewater
Grover Beach Wastewater Fund
 Revenue

| Line No: | Summary | Code | Description | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|---------|------------------------------------|--|--------------|--------------|--------------|--------------|--------------|
| 65 | | RR7 - BEFORE GROWTH AND RATE INCR | Rate Revenue 7 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | | RR7 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 67 | | | Revenue Increase | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| 68 | | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 69 | | RR7 | Total Rate Revenue 7 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | | RR8 - BEFORE GROWTH AND RATE INCR | Rate Revenue 8 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | | RR8 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 72 | | | Revenue Increase | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| 73 | | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 74 | | RR8 | Total Rate Revenue 8 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 75 | | RR9 - BEFORE GROWTH AND RATE INCR | Rate Revenue 9 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | | RR9 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 77 | | | Revenue Increase | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| 78 | | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 79 | | RR9 | Total Rate Revenue 9 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 80 | | RR10 - BEFORE GROWTH AND RATE INCR | Rate Revenue 10 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 81 | | RR10 - Growth | Growth | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 82 | | | Revenue Increase | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| 83 | | | Pct of Year Revenue Increase Effective | 25.00% | 75.00% | 100.00% | 100.00% | 100.00% |
| 84 | | RR10 | Total Rate Revenue 10 - After Revenue Increase | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | | | For Use In Rate Design Section - Do Not Alter: | 2017 | 2018 | 2019 | 2020 | 2021 |
| 85 | | | Total Rate Revenue - w/ Partial Year Rate Increase (as applicable) | \$ 776,588 | \$ 835,551 | \$ 887,899 | \$ 932,294 | \$ 978,909 |
| 86 | | | Total Rate Revenue - w/ Full Year Rate Increase | \$ 805,350 | \$ 845,618 | \$ 887,899 | \$ 932,294 | \$ 978,909 |
| 87 | | | Total Full Year Operating Revenue Requirement | 1,936,850 | 2,009,868 | 2,086,912 | 2,166,112 | 2,249,607 |
| 88 | | OR | Credit Card Convenience Fee | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| 88 | | OR | Storm Water Fee | 0 | - | - | - | - |
| 88 | | OR | Plan Check Building In House - Wastewater | 0 | - | - | - | - |
| 88 | | OR | Miscellaneous Income | 0 | - | - | - | - |
| 89 | | OR | Facilities Fees | 0 | - | - | - | - |
| 90 | | OR | Pass Through Revenue for WW Service Provider | 1,125,000 | 1,158,750 | 1,193,513 | 1,229,318 | 1,266,198 |
| | | | Total Other Revenue | 1,127,500 | 1,161,250 | | | |
| 91 | | | <u>Interest Earning Calculation</u> | | | | | |
| 92 | | | Average Balance | \$ 3,269,895 | \$ 2,736,341 | \$ 2,624,029 | \$ 1,687,414 | \$ 1,626,159 |
| 93 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 94 | | INT - Fund 1 | Projected Interest Earnings | \$ 8,000 | \$ 7,000 | \$ 7,000 | \$ 4,000 | \$ 4,000 |
| 95 | | | Fund 2 | | | | | |
| 96 | | | Operating Revenue | - | - | - | - | - |
| 97 | | | Non Operating Revenue | - | - | - | - | - |
| 98 | | | Transfers In | - | - | - | - | - |
| 99 | | Sources - Fund 2 | Total Sources | - | - | - | - | - |
| 100 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 101 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 103 | | INT - Fund 2 | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | | | Fund 3 | | | | | |
| 105 | | | Operating Revenue Water Tap Fees | - | - | - | - | - |
| 106 | | | Operating Revenue N/CG UD Area Tap Fees | - | - | - | - | - |
| 107 | | | Non Operating Revenue | - | - | - | - | - |
| 108 | | Sources - Fund 3 | Total Sources | - | - | - | - | - |
| 109 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 110 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 112 | | INT - Fund 3 | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |

Schedule A - 3 Wastewater
Grover Beach Wastewater Fund
Revenue

| Line No: | Summary | | | | | | | |
|----------|---------|-------------|------|------|------|------|------|--|
| 1 | Code | Description | 2017 | 2018 | 2019 | 2020 | 2021 | |

Schedule A - 3 Wastewater
Grover Beach Wastewater Fund
 Revenue

| Line No: | Summary | Code | Description | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|--------------------------|------|--------------------------------------|------|------|------|------|------|
| 113 | | | Fund 4 | - | - | - | - | - |
| 114 | | | Operating Revenue | - | - | - | - | - |
| 115 | | | Non Operating Revenue | - | - | - | - | - |
| 116 | | | Transfers In | - | - | - | - | - |
| 117 | Sources - Fund 4 | | Total Sources | - | - | - | - | - |
| 118 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 119 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 121 | INT - Fund 4 | | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 122 | | | Fund 5 | | | | | |
| 123 | | | Operating Revenue | - | - | - | - | - |
| 124 | | | Non Operating Revenue | - | - | - | - | - |
| 125 | | | Transfers In | - | - | - | - | - |
| 126 | Sources - Fund 5 | | Total Sources | - | - | - | - | - |
| 127 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 128 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 129 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 130 | INT - Fund 5 | | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 131 | | | Fund 6 | | | | | |
| 132 | | | Operating Revenue | - | - | - | - | - |
| 133 | | | Non Operating Revenue | - | - | - | - | - |
| 134 | | | Transfers In | - | - | - | - | - |
| 135 | Sources - Fund 6 | | Total Sources | - | - | - | - | - |
| 136 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 137 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 138 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 139 | INT - Fund 6 | | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 140 | | | Fund 7 | | | | | |
| 141 | | | Operating Revenue | - | - | - | - | - |
| 142 | | | Non Operating Revenue | - | - | - | - | - |
| 143 | | | Transfers In | - | - | - | - | - |
| 144 | Sources - Fund 7 | | Total Sources | - | - | - | - | - |
| 145 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 146 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 147 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 148 | INT - Fund 7 | | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 149 | | | Fund 8 | | | | | |
| 150 | | | Operating Revenue | - | - | - | - | - |
| 151 | | | Non Operating Revenue | - | - | - | - | - |
| 152 | | | Transfers In | - | - | - | - | - |
| 153 | Sources - Fund 8 | | Total Sources | - | - | - | - | - |
| 154 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 155 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 156 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 157 | INT - Fund 8 | | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 158 | | | Fund 9 | | | | | |
| 159 | | | Operating Revenue | - | - | - | - | - |
| 160 | | | Non Operating Revenue | - | - | - | - | - |
| 161 | | | Transfers In | - | - | - | - | - |
| 162 | Sources - Fund 9 | | Total Sources | - | - | - | - | - |
| 163 | | | <u>Interest Earnings Calculation</u> | | | | | |
| 164 | | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 165 | | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 166 | INT - Fund 9 | | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |
| 167 | | | <u>Cash Funded Projects</u> | | | | | |
| 168 | | | Operating Revenue | - | - | - | - | - |
| 169 | | | Non Operating Revenue | - | - | - | - | - |
| 170 | | | Transfers In | - | - | - | - | - |
| 171 | Sources - Fund 10 | | Total Sources | - | - | - | - | - |
| 172 | | | <u>Interest Earnings Calculation</u> | | | | | |

Schedule A - 3 Wastewater
Grover Beach Wastewater Fund
 Revenue

| Line No: | Summary | | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|---------------|--------------------------------|------|------|------|------|------|
| | Code | Description | | | | | |
| 173 | | Average Balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| 174 | | Assumed Interest Earnings Rate | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| 175 | INT - Fund 10 | Projected Interest Earnings | \$ - | \$ - | \$ - | \$ - | \$ - |

Schedule A - 4 Wastewater
Grover Beach Wastewater Fund
 Expenses Other than Major Capital Expenses

| Summary - Wastewater Operating | | | | | | | | | |
|---------------------------------|-----------------------------|--------------|----------------------------------|-------------------------------|---------|---------|---------|---------|---------|
| FUND # | Expense Code | Description | 2017 | 2018 | 2019 | 2020 | 2021 | | |
| Detail | | | | | | | | | |
| FUND # | Cost Escalation Factor Code | Expense Code | Annual Expense Escalation Factor | EXPENSES | 2017 | 2018 | 2019 | 2020 | 2021 |
| Detail | | | | | | | | | |
| FUND 1 | | | | | | | | | |
| NON DEPARTMENTAL | | | | | | | | | |
| Salaries/Fringe Benefits | | | | | | | | | |
| 1 | Personnel | Operating | 5.0% | PERS Retirement | 27,493 | 28,868 | 30,311 | 31,827 | 33,418 |
| 1 | Personnel | Operating | 5.0% | Miscellaneous Fees/Charges | 2,800 | 2,940 | 3,087 | 3,241 | 3,403 |
| 1 | Personnel | Operating | 5.0% | Services - Other | 1,600 | 1,680 | 1,764 | 1,852 | 1,945 |
| 1 | Personnel | Operating | 5.0% | Contractual Obligations | 4,600 | 4,830 | 5,072 | 5,326 | 5,592 |
| | | | | | 36,493 | | | | |
| UTILITY BILLING | | | | | | | | | |
| Salaries/Fringe Benefits | | | | | | | | | |
| 1 | Personnel | Operating | 5.0% | Salaries: Full-Time | 135,800 | 142,590 | 149,720 | 157,206 | 165,066 |
| 1 | Personnel | Operating | 5.0% | Salaries: Part-Time | - | - | - | - | - |
| 1 | Personnel | Operating | 5.0% | Overtime | 400 | 420 | 441 | 463 | 486 |
| 1 | Personnel | Operating | 5.0% | Social Security | 8,000 | 8,400 | 8,820 | 9,261 | 9,724 |
| 1 | Personnel | Operating | 5.0% | Medicare | 2,000 | 2,100 | 2,205 | 2,315 | 2,431 |
| 1 | Personnel | Operating | 5.0% | Workers Compensation | 4,300 | 4,515 | 4,741 | 4,978 | 5,227 |
| 1 | Personnel | Operating | 5.0% | Medical Insurance | 30,900 | 32,445 | 34,067 | 35,770 | 37,559 |
| 1 | Personnel | Operating | 5.0% | Dental/Life | 300 | 315 | 331 | 348 | 365 |
| 1 | Personnel | Operating | 5.0% | Long Term Disability | 400 | 420 | 441 | 463 | 486 |
| 1 | Personnel | Operating | 5.0% | PERS Retirement | 13,700 | 14,385 | 15,104 | 15,859 | 16,652 |
| 1 | Operating | Operating | 3.0% | Deferred Compensation | 1,600 | 1,648 | 1,697 | 1,748 | 1,800 |
| 1 | Operating | Operating | 3.0% | Automobile Allowance | - | - | - | - | - |
| 1 | Operating | Operating | 3.0% | Cell Phone Allowance | - | - | - | - | - |
| | | | | | 197,400 | | | | |
| Supplies & Services | | | | | | | | | |
| 1 | Operating | Operating | 3.0% | Supplies - Office | 200 | 206 | 212 | 218 | 225 |
| 1 | Operating | Operating | 3.0% | Supplies - Data Processing | 500 | 515 | 530 | 546 | 562 |
| 1 | Operating | Operating | 3.0% | Supplies - Other | 100 | 103 | 106 | 109 | 112 |
| 1 | Operating | Operating | 3.0% | Copy - Allocated | - | - | - | - | - |
| 1 | Operating | Operating | 3.0% | Painting and Copying | 600 | 618 | 637 | 656 | 676 |
| 1 | Operating | Operating | 3.0% | Telephone | 500 | 515 | 530 | 546 | 562 |
| 1 | Operating | Operating | 3.0% | Postage and Shipping | 3,200 | 3,296 | 3,395 | 3,497 | 3,602 |
| 1 | Operating | Operating | 3.0% | Small Tools and Equipment | 100 | 103 | 106 | 109 | 112 |
| 1 | Operating | Operating | 3.0% | Insurance | 2,000 | 2,060 | 2,122 | 2,186 | 2,252 |
| 1 | Operating | Operating | 3.0% | Miscellaneous Fees/Charges | 5,000 | 5,150 | 5,305 | 5,464 | 5,628 |
| 1 | Operating | Operating | 3.0% | Services - Maintenance | 5,200 | 5,356 | 5,517 | 5,683 | 5,853 |
| 1 | Operating | Operating | 3.0% | Services - Other | 400 | 412 | 424 | 437 | 450 |
| 1 | Operating | Operating | 3.0% | Contractual Obligations | 9,200 | 9,476 | 9,760 | 10,053 | 10,355 |
| 1 | Operating | Operating | 3.0% | Maintenance of Equipment | 250 | 258 | 266 | 274 | 282 |
| 1 | Operating | Operating | 3.0% | Late Fees and Finance Charges | - | - | - | - | - |
| | | | | | 27,250 | | | | |

Schedule A - 4 Wastewater
Grover Beach Wastewater Fund
 Expenses Other than Major Capital Expenses

| Line No: | Summary - Wastewater Operating | | | | | | | | | |
|----------|--------------------------------|---------------|---------------|------|---------------------------------|-----------|-----------|-----------|-----------|-----------|
| | FUND | | | | | | | | | |
| | # | Expense Code | | | Description | 2017 | 2018 | 2019 | 2020 | 2021 |
| | | | | | Minor Capital | | | | | |
| 61 | 1 | Minor Capital | Minor Capital | 3.0% | Special Projects | 30,565 | 5,000 | 5,150 | 5,305 | 5,464 |
| | | | | | WASTEWATER FUND | | | | | |
| | | | | | Salaries/Fringe Benefits | | | | | |
| 60 | 1 | Personnel | Operating | 5.0% | Salaries: Full-Time | 115,300 | 121,065 | 127,118 | 133,474 | 140,148 |
| 61 | 1 | Personnel | Operating | 5.0% | Salaries: Part-Time | 5,700 | 5,985 | 6,284 | 6,598 | 6,928 |
| 61 | 1 | Personnel | Operating | 5.0% | Salaries: Temporary | - | - | - | - | - |
| 62 | 1 | Personnel | Operating | 5.0% | Overtime | 6,500 | 6,825 | 7,166 | 7,524 | 7,900 |
| 63 | 1 | Personnel | Operating | 5.0% | Social Security | 7,500 | 7,875 | 8,269 | 8,682 | 9,116 |
| 64 | 1 | Personnel | Operating | 5.0% | Medicare | 1,800 | 1,890 | 1,985 | 2,084 | 2,188 |
| 65 | 1 | Personnel | Operating | 5.0% | Workers Compensation | 3,800 | 3,990 | 4,190 | 4,400 | 4,620 |
| 66 | 1 | Personnel | Operating | 5.0% | Medical Insurance | 30,700 | 32,235 | 33,847 | 35,539 | 37,316 |
| 67 | 1 | Personnel | Operating | 5.0% | Dental/Life | 300 | 315 | 331 | 348 | 365 |
| 68 | 1 | Personnel | Operating | 5.0% | Long Term Disability | 400 | 420 | 441 | 463 | 486 |
| 69 | 1 | Personnel | Operating | 5.0% | PERS Retirement | 11,000 | 11,550 | 12,128 | 12,734 | 13,371 |
| 70 | 1 | Personnel | Operating | 5.0% | Safety Equipment Allowance | - | - | - | - | - |
| 70 | 1 | Operating | Operating | 3.0% | Deferred Compensation | 1,500 | 1,545 | 1,591 | 1,639 | 1,688 |
| 71 | 1 | Operating | Operating | 3.0% | Automobile Allowance | 300 | 309 | 318 | 328 | 338 |
| 72 | 1 | Operating | Operating | 3.0% | Cell Phone Allowance | - | - | - | - | - |
| | | | | | | 184,800 | | | | |
| | | | | | Supplies & Services | | | | | |
| 73 | 1 | Operating | Operating | 3.0% | Supplies - Office | 300 | 309 | 318 | 328 | 338 |
| 73 | 1 | Operating | Operating | 3.0% | Supplies - Data Processing | - | - | - | - | - |
| 73 | 1 | Operating | Operating | 3.0% | Supplies - Software | 100 | 103 | 106 | 109 | 112 |
| 74 | 1 | Operating | Operating | 3.0% | Supplies - Safety | 1,000 | 1,030 | 1,061 | 1,093 | 1,126 |
| 74 | 1 | Operating | Operating | 3.0% | Operating Supplies and Tools | 100 | 103 | 106 | 109 | 112 |
| 74 | 1 | Operating | Operating | 3.0% | Dues and Memberships | 550 | 567 | 584 | 602 | 620 |
| 75 | 1 | Operating | Operating | 3.0% | Copy - Allocated | 800 | 824 | 849 | 874 | 900 |
| 76 | 1 | Operating | Operating | 3.0% | Printing and Copying | - | - | - | - | - |
| 77 | 1 | Operating | Operating | 3.0% | Postage and Shipping | 100 | 103 | 106 | 109 | 112 |
| 78 | 1 | Operating | Operating | 3.0% | Small Tools and Equipment | 550 | 567 | 584 | 602 | 620 |
| 79 | 1 | Operating | Operating | 3.0% | Vehicle Fuel | 9,000 | 9,270 | 9,548 | 9,834 | 10,129 |
| 80 | 1 | Operating | Operating | 3.0% | Utilities - Propane | 1,000 | 1,030 | 1,061 | 1,093 | 1,126 |
| 81 | 1 | Operating | Operating | 3.0% | Utilities - Electricity | 8,000 | 8,240 | 8,487 | 8,742 | 9,004 |
| 82 | 1 | Operating | Operating | 3.0% | Insurance | 52,250 | 53,818 | 55,433 | 57,096 | 58,809 |
| 83 | 1 | Operating | Operating | 3.0% | Miscellaneous Fees/Charges | 2,100 | 2,163 | 2,228 | 2,295 | 2,364 |
| 84 | 1 | Operating | Operating | 3.0% | Services - Engineering | 5,000 | 5,150 | 5,305 | 5,464 | 5,628 |
| 85 | 1 | Operating | Operating | 3.0% | City Engineer - Cost Recovery | - | - | - | - | - |
| 84 | 1 | Operating | Operating | 3.0% | Services - Maintenance | 4,000 | 4,120 | 4,244 | 4,371 | 4,502 |
| 85 | 1 | Operating | Operating | 3.0% | Services - Other | 1,125,000 | 1,158,750 | 1,193,513 | 1,229,318 | 1,266,198 |
| 86 | 1 | Operating | Operating | 3.0% | Community and City Relations | - | - | - | - | - |
| 86 | 1 | Operating | Operating | 3.0% | Contractual Obligations | 33,254 | 34,252 | 35,280 | 36,338 | 37,428 |
| 86 | 1 | Operating | Operating | 3.0% | Rentals and Leases Equipment | 100 | 103 | 106 | 109 | 112 |
| 87 | 1 | Operating | Operating | 3.0% | Rentals and Leases Facilities | - | - | - | - | - |
| 87 | 1 | Operating | Operating | 3.0% | Rentals and Leases Other | 950 | 979 | 1,008 | 1,038 | 1,069 |
| 87 | 1 | Operating | Operating | 3.0% | Maintenance of Vehicles | 2,700 | 2,781 | 2,864 | 2,950 | 3,039 |
| 88 | 1 | Operating | Operating | 3.0% | Maintenance of Facilities | 7,000 | 7,210 | 7,426 | 7,649 | 7,878 |
| 88 | 1 | Operating | Operating | 3.0% | Maintenance of Infrastructure | - | - | - | - | - |
| 88 | 1 | Operating | Operating | 3.0% | Maintenance of Equipment | 3,225 | 3,322 | 3,422 | 3,525 | 3,631 |
| | | | | | | 1,257,079 | | | | |

Schedule A - 4 Wastewater
Grover Beach Wastewater Fund
 Expenses Other than Major Capital Expenses

| Line No: | Summary - Wastewater Operating | | | | | | | | | |
|----------|--------------------------------|--------------|-------------|----------------|------|------|------|------|------|---|
| | FUND # | Expense Code | Description | | 2017 | 2018 | 2019 | 2020 | 2021 | |
| 1 | FUND 9 | | | | | | | | | |
| | 9 | Operating | Operating | 3.0% Operating | - | - | - | - | - | - |
| 107 | FUND 10 | | | | | | | | | |
| 108 | 10 | Operating | Operating | 3.0% Operating | - | - | - | - | - | - |

Schedule A - 5 Wastewater
Grover Beach Wastewater Fund
 CIP

| Line No: | Description | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|-------------------------------|-------------------|-------------------|---------------------|-------------------|-------------------|
| | Capital Projects | | | | | |
| 1 | | | | | | |
| 2 | Citywide Sewer Lining Project | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| | Lift Stations: | | | | | |
| 3 | Front Street | | 150,000 | | | |
| 4 | Oak Park | | | | 150,000 | |
| 5 | Nacimiento | | 15,000 | | | |
| 6 | All | 5,000 | 5,000 | 30,000 | 5,000 | 5,000 |
| 7 | Sewer Mains | | 15,000 | | 10,000 | |
| 8 | Wastewater Project | | | 1,000,000 | | |
| | Total | \$ 105,000 | \$ 285,000 | \$ 1,130,000 | \$ 265,000 | \$ 105,000 |

Schedule A - 6 Wastewater
Grover Beach Wastewater Fund
 CIP Funding

| Line No: | | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------|-----------------------------|-------------------|-------------------|---------------------|-------------------|-------------------|
| | Capital Project | | | | | |
| 1 | Costs | \$ 105,000 | \$ 285,000 | \$ 1,130,000 | \$ 265,000 | \$ 105,000 |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | Funding Sources | | | | | |
| 5 | Cash Funded Project | - | - | - | - | - |
| 6 | Fund 9 | - | - | - | - | - |
| 7 | Fund 8 | - | - | - | - | - |
| 8 | Fund 7 | - | - | - | - | - |
| 9 | Fund 6 | - | - | - | - | - |
| 10 | Fund 5 | - | - | - | - | - |
| 11 | Fund 4 | - | - | - | - | - |
| 12 | Fund 3 | - | - | - | - | - |
| 13 | Fund 2 | - | - | - | - | - |
| 14 | Wastewater Operatin | 105,000 | 285,000 | 1,130,000 | 265,000 | 105,000 |
| 15 | New Bonds | - | - | - | - | - |
| 16 | New SRF | - | - | - | - | - |
| 17 | | | | | | |
| 18 | otal Project Funding | \$ 105,000 | \$ 285,000 | \$ 1,130,000 | \$ 265,000 | \$ 105,000 |