



PALMDALE WATER DISTRICT
A CENTURY OF SERVICE

October 30, 2024

BOARD OF DIRECTORS

W. SCOTT KELLERMAN
Division 1

DON WILSON
Division 2

CYNTHIA SANCHEZ
Division 3

KATHY MAC LAREN-GOMEZ
Division 4

VINCENT DINO
Division 5

**AGENDA FOR SPECIAL MEETING
OF THE BOARD OF DIRECTORS
OF THE PALMDALE WATER DISTRICT
TO BE HELD AT 2029 EAST AVENUE Q, PALMDALE
MONDAY, NOVEMBER 4, 2024**

6:00 p.m.

DENNIS D. LaMOREAUX
General Manager

ALESHIRE & WYNDER LLP
Attorneys

NOTES: To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Danielle Henry at 661-947-4111 x1059 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Additionally, an interpreter will be made available to assist the public in making **comments** under Agenda Item No. 4 and any action items where public input is offered during the meeting if requested at least 48 hours before the meeting. Please call Danielle Henry at 661-947-4111 x1059 with your request. (PWD Rules and Regulations Section 4.03.1 (c))

Adicionalmente, un intérprete estará disponible para ayudar al público a hacer **comentarios** bajo la sección No. 4 en la agenda y cualquier elemento de acción donde se ofrece comentarios al público durante la reunión, siempre y cuando se solicite con 48 horas de anticipación de la junta directiva. Por favor de llamar Danielle Henry al 661-947-4111 x1059 con su solicitud. (PWD reglas y reglamentos sección 4.03.1 (c))

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale or on the District's website at <https://www.palmdalewater.org/governance/board-activity/2024-meeting-agendas-minutes/> (Government Code Section 54957.5). Please call Danielle Henry at 661-947-4111 x1059 for public review of materials.

PUBLIC COMMENT GUIDELINES: The prescribed time limit per speaker is three-minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to conduct its meeting will not be permitted, and offenders will be requested to leave the meeting. (PWD Rules and Regulations, Appendix DD, Sec. IV.A.)

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance to take action on any item.

- 1) Pledge of Allegiance/Moment of Silence.
- 2) Roll Call.
- 3) Adoption of Agenda.



- 5) Action Items – Action Calendar (The public shall have an opportunity to comment on any action item as each item is considered by the Board of Directors prior to action being taken.)
 - 5.1) Public Hearing to Consider Water Rate Adjustment Based on 2024 Water Rate Study by RDN, Inc. Pursuant to Proposition 218. (Finance Manager Hoffmeyer/RDN, Inc.)
 - 5.2) Consideration and Possible Action on Resolution No. 24-12 Adopting a Water Rate Adjustment of 11% for Each Calendar Year 2025 and 2026, 9% for Each Calendar Year 2027 and 2028, and 8% for Calendar Year 2029, Amending Appendix C to the Rules and Regulations of Palmdale Water District, and Establishing Prudent Parameters to Consider Future Water Rate Adjustment Reductions. (Finance Manager Hoffmeyer)
- 6) Board Members' Requests for Future Agenda Items.
- 7) Adjournment.



SCOTT L. ROGERS,
Assistant General Manager

SLR/dh



BOARD MEMORANDUM

DATE: November 4, 2024
TO: BOARD OF DIRECTORS
FROM: Mr. Dennis J. Hoffmeyer, Finance Manager/CFO
VIA: Mr. Scott L. Rogers, Assistant General Manager
RE: *PUBLIC HEARING TO CONSIDER WATER RATE ADJUSTMENT BASED ON 2024 WATER RATE STUDY BY RDN, INC. PURSUANT TO PROPOSITION 218 AND CONSIDERATION AND POSSIBLE ACTION ON RESOLUTION NO. 24-12 ADOPTING A WATER RATE ADJUSTMENT OF 11% FOR EACH CALENDAR YEAR 2025 AND 2026, 9% FOR EACH CALENDAR YEAR 2027 AND 2028, AND 8% FOR CALENDAR YEAR 2029, AMENDING APPENDIX C TO THE RULES AND REGULATIONS OF PALMDALE WATER DISTRICT, AND ESTABLISHING PRUDENT PARAMETERS TO CONSIDER FUTURE WATER RATE ADJUSTMENT REDUCTIONS (FINANCE MANAGER HOFFMEYER/RDN, INC.)*

Recommendation:

Staff recommends that the Board adopt Resolution No. 24-12 approving adjustments in rates for water service based on the accepted 2024 Water Rate Study report prepared by RDN, Inc. (RDN) pursuant to Proposition 218.

Alternative Options:

There is no alternative option.

Impact of Taking No Action:

The District will not be in compliance with the Environmental Protection Agency's (EPA) minimum rate increase requirements as agreed to in the executed 2024 WIFIA loan agreement dated June 17, 2024.

Background:

The Board approved an agreement with RDN, an independent consulting firm, on April 22, 2024, to prepare the 2024 Water Rate Study. Staff attended several meetings with RDN to discuss the needs of the District according to the Strategic Plan. Also included were the future bond and loan requirements necessary for the implementation of rates supported to build the Pure Water AV production facility and two new well sites.

On August 12, 2024, a presentation was made to the Board by RDN of the results, findings, and recommendations of the 2024 Water Rate Study. After further discussion with the Board, staff offered to perform a due diligence review on the initial two-year rate percentages. This included

November 4, 2024

lowering the rate from 11% to the minimum to meet the EPA-required rates or, at most, limited to 10%.

On August 20, 2024, staff reviewed this information with the Finance Committee, which showed that the reduced percentage may jeopardize the District's obligation of meeting the bond covenants on the debt service 1.1x in 2026 and additionally the District could also miss the subsequent three years of debt service requirements. After discussing this matter, staff and the Committee agreed that the necessary due diligence had been completed and decided to keep the original revenue percentages as presented at the August 12, 2024 Board Meeting.

At the Special Meeting held on September 16, 2024, the Board took action to finalize the 2024 Water Rate Study and staff was instructed to begin the Proposition 218 process. The public hearing date was set for November 4, 2024. The time from the start of the process to the public hearing is 49 days, which exceeds the 45-day minimum requirement.

Staff mailed the public notices on September 17, 2024 and held two public outreach meetings to answer ratepayers' questions. The first outreach meeting was held virtually on October 7, 2024, to better address customers who commute outside Palmdale for employment. The second community workshop was held in-person on October 23, 2024 to accommodate additional attendees. An interpreter was also present to provide Spanish translation.

Under the provision provided by Proposition 218, protests to any proposed rate change may be filed until the public hearing time closes. If a majority of the recorded property owners within the District's service boundaries protest the change, it may not be implemented. The District has 31,786 recorded property owners, and as of the date of this report, the District has received 35 written protests.

The key concepts and adjustments contained in the attached 2024 Final Water Rate Study Report are as follows:

- 1) The reduction of the number of tiers from five to four.
- 2) The water allocation per capita per day (GPCD) is reduced from 55 to 50.
- 3) Update the drought surcharge to apply only to use in tiers 3 and 4 instead of all tiers in times of drought reduction mandates established by the State.
- 4) Develop the meter rate for 12" meters that reflect the extra costs to provide service for those meters.
- 5) Recategorize those Multi Family Residential accounts that have compound meters for their service. Due to the compound meter, these accounts are currently under either commercial and industrial or fire protection classes.

November 4, 2024

The 2024 Water Rate Study covers a five-year period and contains recommended rate adjustments over that period. Although the Study provides the District with the authority to implement rate adjustments up to the approved levels, the District reviews the need to implement annual adjustments as part of the annual budget process, as stated in Resolution No. 24-12.

Strategic Plan Initiative/Mission Statement:

This item is under Strategic Initiative No. 4 – Financial Health and Stability.
This item directly relates to the District’s Mission Statement.

Budget:

The 2024 Water Rate Study is under Project No. 24-403.

Supporting Documents:

- Public Hearing Presentation by RDN, Inc.
- Final 2024 Water Rate Study Report
- Resolution No. 24-12



PALMDALE WATER DISTRICT
A CENTURY OF SERVICE



Water Rate Study

Palmdale Water District

ROBERT D. NIEHAUS, INC.

NOVEMBER 4, 2024

Agenda

- **Schedule of Events**
- **Study Drivers/Benefits**
- **Present Financial Plan**
- **Present Changes to Rate Structure**
- **Proposed Rates**
- **Rate Impacts**



Schedule of Events

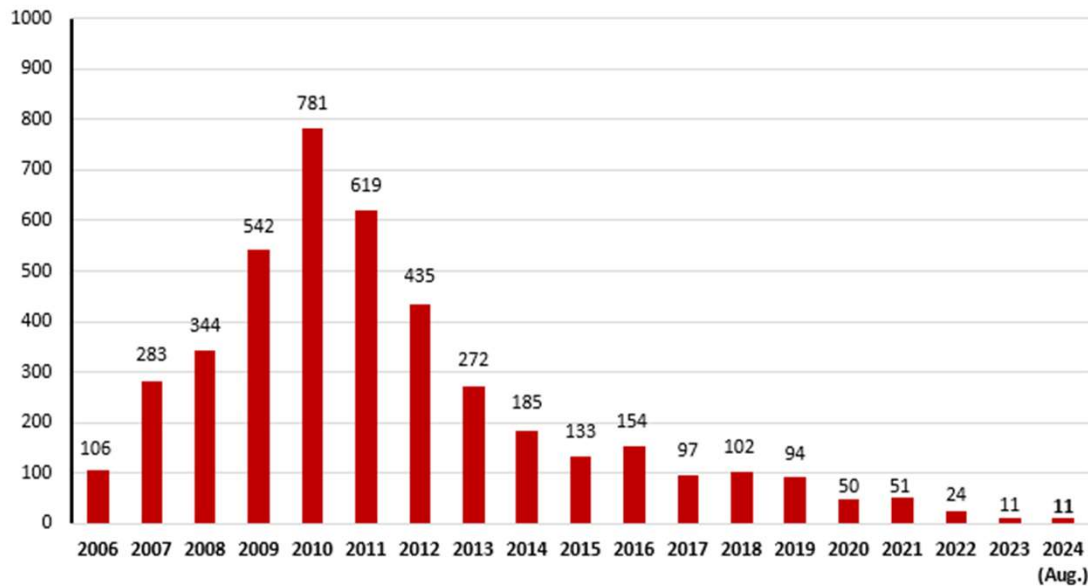
- District staff issued the Request for Proposals (RFP) for the 2024 Rate Study on February 29, 2024.
- Proposals were due on March 25, 2024, at 5:00 p.m.
- Management conducted reviews of the submitted proposals and rated based on criteria established in the RFP.
- Contract was awarded to Robert D. Niehaus, Inc. (RDN) at the board meeting held April 22, 2024.
- First review of data was presented to the Board on August 12, 2024.
- Due Diligence review was presented to the Finance Committee on August 20, 2024.
- Start of the Proposition 218 process was opened at the Special Meeting of the Board on September 16, 2024.
- Public notices were mailed on September 17 to property owners within the District's service area.
- Remote Workshop for Ratepayers was held on October 7 (Review of Rate Study)
- On-site Workshop for Ratepayers was held on October 23 (Reasoning of Rate Study)
- November 4 – Rate Hearing

Study
Drivers/Benefits



Investment in the water system

PWD Mainline Leak History



- Since moving to budget-based billing in 2010, annual revenues are stable and predictable.
- PWD invests in capital projects instead of reactive maintenance and repair as part of the rates.
- A portion of revenue is allocated to fund capital investment as either cash expenditures or debt service funding.
- Debt funding supports the development of more capital projects through levelized annual payments over a longer term instead of being shouldered strictly by current customers.

Investment in the water system

■ Annual Capital Expenditures (Audited)

- CY2020 - \$7,019,603 in process \$1,270,726 completed
- CY2021 - \$3,024,929 in process \$19,857,130 completed *
- CY2022 - \$10,867,275 in process \$3,818,646 completed
- CY2023 - \$8,987,262 in process \$8,735,735 completed #

Completed pipeline replacement projects between 2014 and 2023
\$16,132,321 (24 Projects)

System rehabilitation projects between 2014 and 2023
\$1,562,152 (11 Projects)

* Completion of the Littlerock Dam Grade Control Structure that was financed through 2018 WRB.

Projects include ones that were paid through debt financing from the 2021 WRB.



PLANNING FOR THE FUTURE

- Prolonged droughts
- Weather whiplash
- Less reliable imported water supplies

...underscore the need to develop locally controlled water sources.



US & WORLD // CALIFORNIA

California reservoir levels could drop much more than expected in the future, report finds

By Kurtis Alexander, Reporter
July 31, 2024



Newsweek

News | California | Water

California Imposes Permanent Water Restrictions on Cities and Towns

Published Jul 05, 2024 at 4:59 AM EDT | Updated Jul 05, 2024 at 11:31 AM EDT



WATER

California agrees to long-term cuts of Colorado River water

BY RACHEL BECKER
MARCH 6, 2024



Pure Water Antelope Valley



Advanced Water Purification Facility



4.5 Million Gallons



14,500 Homes

Project Benefits



Creates Additional Local Water Supplies



Decreases Dependency on Imported Water



Improves Water Resiliency



Replenishes Groundwater Basin



Ensures Water Quality



Helps Address Climate Change



Provides Water to Fuel Economic Growth



Creates Local Jobs



Project Timeline



Demonstration
Facility construction:
Summer 2024 –
Spring 2025



Demonstration
Facility tours and
operations begin
Winter 2025



Full Scale Facility
Planning and Design:
Fall 2024 – Summer
2027

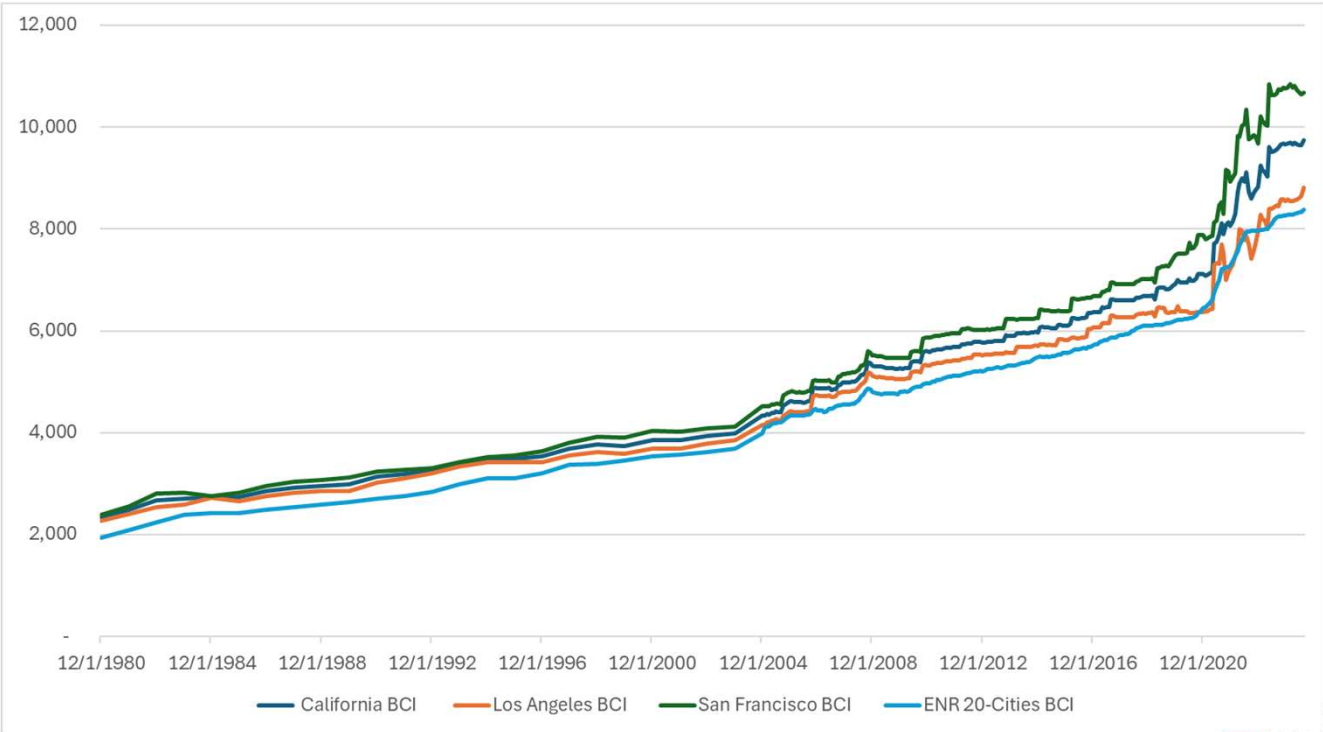


Full Scale Facility
Construction: Spring
2027 – Spring 2029

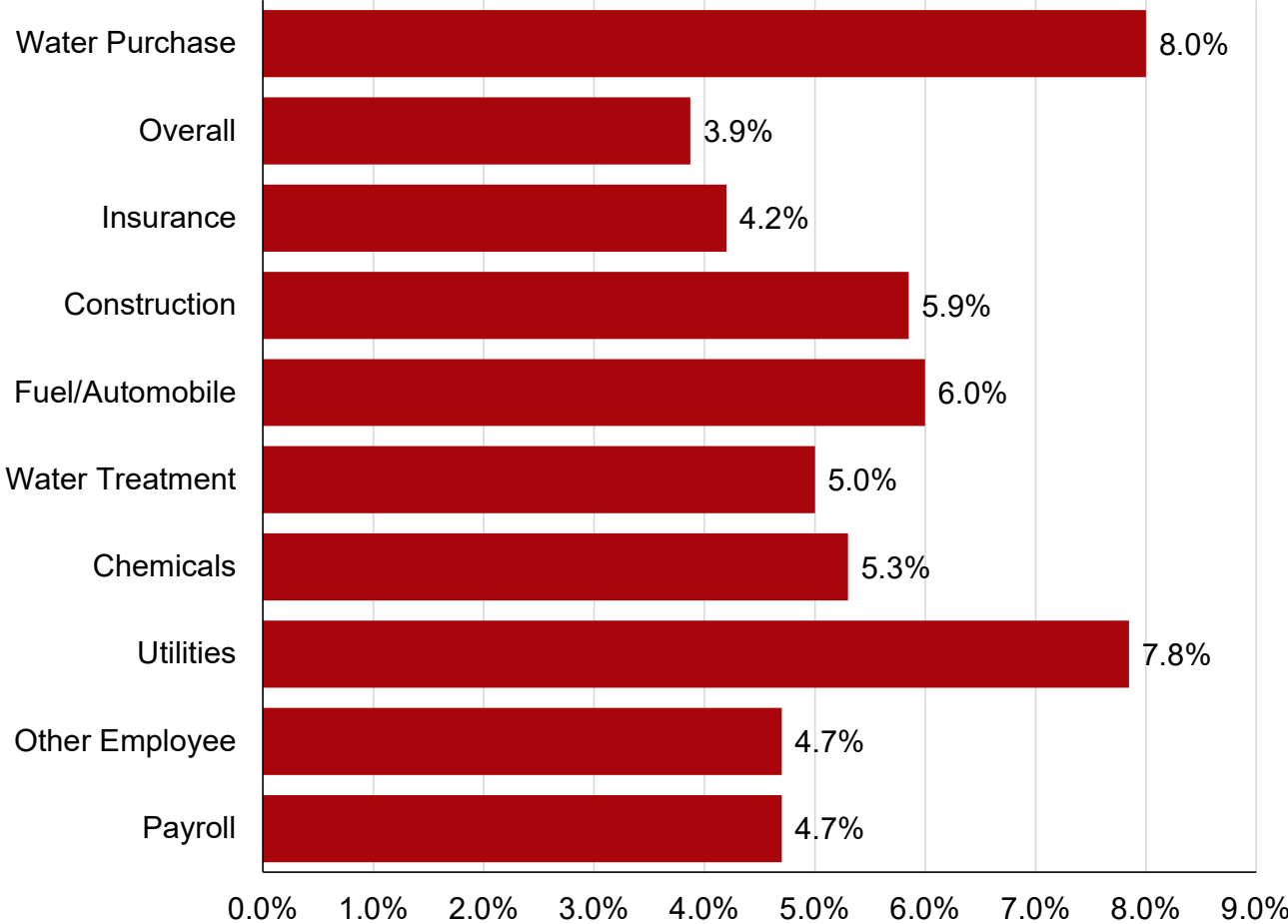


Full Scale Facility
Start up: Summer
2029

Construction Inflation Index



Operating Inflation



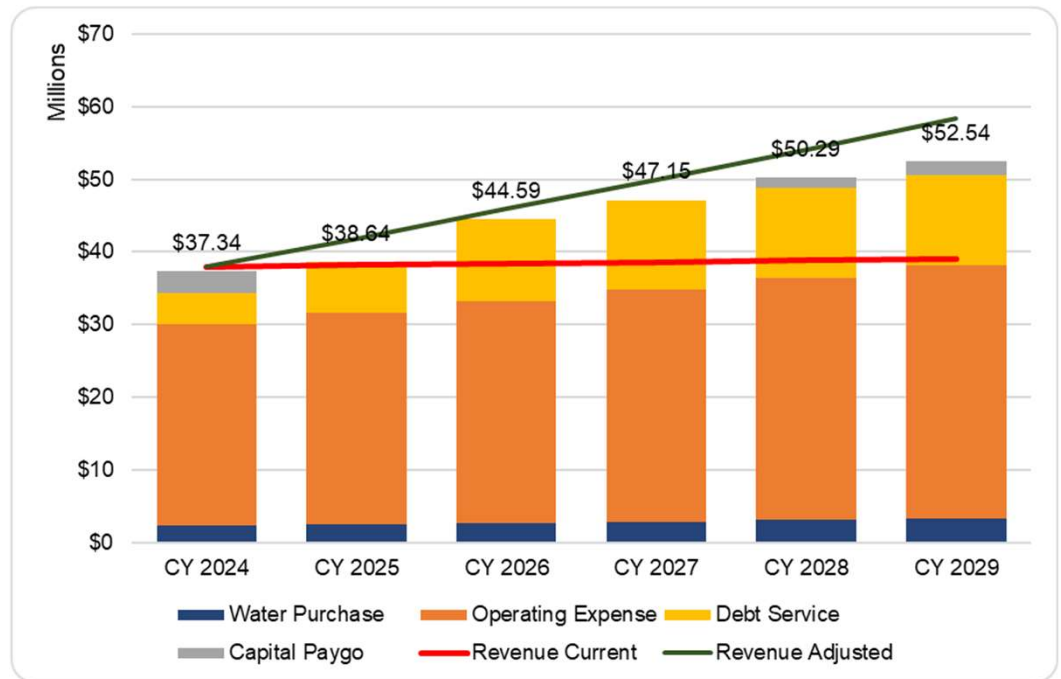
Financial Plan



Water Financial Plan

Necessary Revenue Adjustments– Financial plan includes:

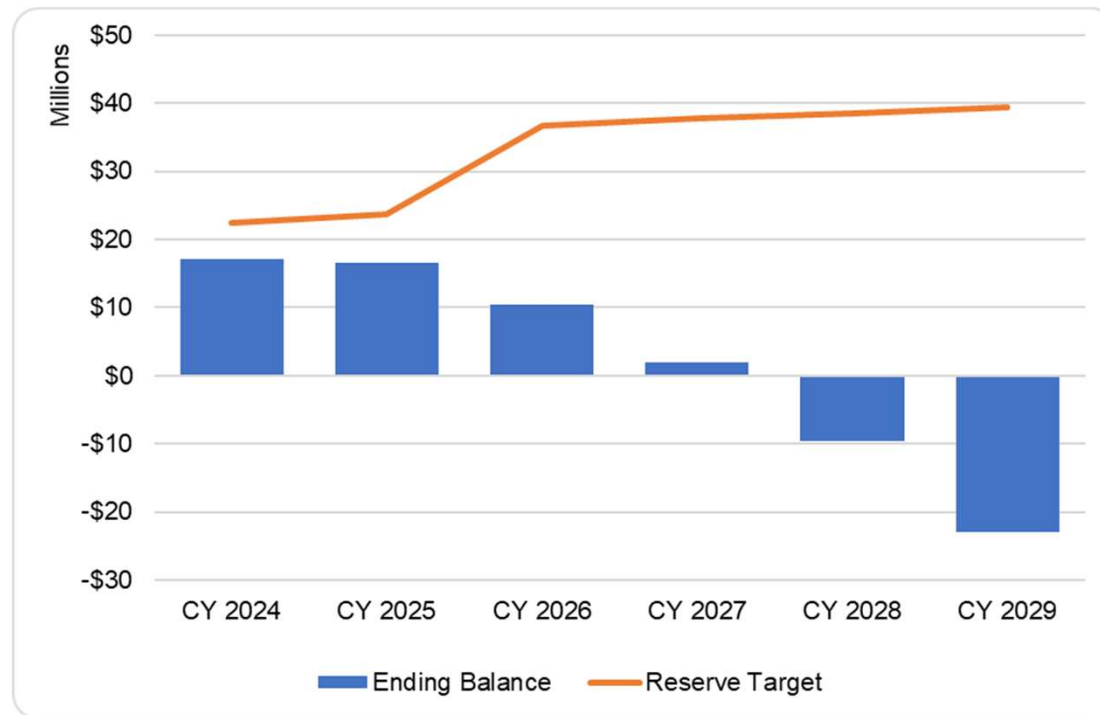
- Funding increasing operating costs
- Covering current and proposed debt service
- Executing necessary capital improvements
- Maintaining healthy reserves



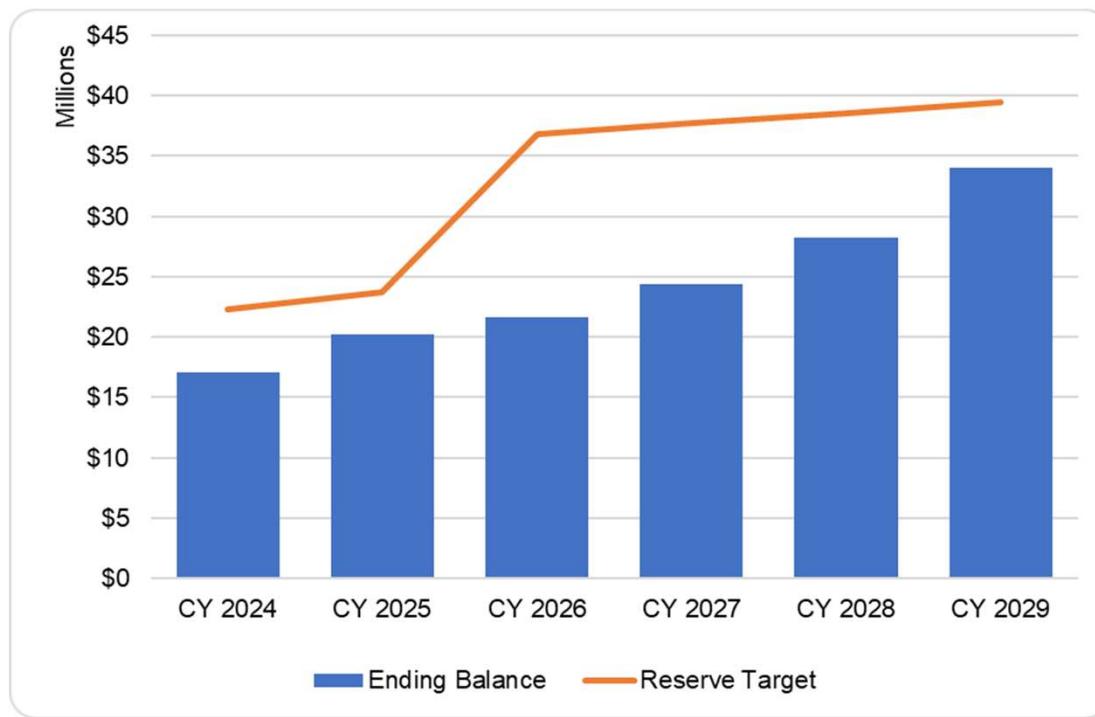
	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Revenue Adjustment	11.0%	11.0%	9.0%	9.0%	8.0%



Water Fund Balance (Status Quo)



Water Fund Balance (Proposed)



	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Revenue Adjustment	11.0%	11.0%	9.0%	9.0%	8.0%



Rates and Impacts

Current Rates

Service Charge

Meter Size	Monthly Service Charge 2024
5/8" – 1"	\$ 54.43
1-1/2"	\$ 134.37
2"	\$ 204.21
3"	\$ 367.16
4"	\$ 600.07
6"	\$ 1,181.81
8"	\$ 1,880.17
10"	\$ 2,695.17
Fixed Fire Line	\$ 192.47

Commodity Rates (\$/ccf*)

Tiers	CY 2024
Essential Use Tier 1	\$ 1.08
Efficient Use Tier 2	\$ 1.98
Tier 3	\$ 2.54
Tier 4	\$ 4.23
Tier 5	\$ 6.23



Proposed Rate Refinements

- **Reduce Indoor Allocation**
 - Indoor allocation for residential customers reduced from 55 gpcd to 50 gpcd to address ongoing reduction in State water budget regulations
- **Remove Tier 5**
 - To simplify rates, tier 5 has been removed and tier 3 will include use up to 50 percent higher than the budget and tier 4 will include all additional use
- **Update Drought Surcharge**
 - Drought surcharge will only apply to use in tier 3 and tier 4 instead of all tiers in times of drought reduction mandates
- **Develop Meter Rate for 12" Meters**
 - Meter rates for 12" meter will reflect the extra costs to provide service for those meters



Proposed Fixed Rates

	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Revenue Adjustment	11.0%	11.0%	9.0%	9.0%	8.0%

Customer Class	Meter Size	Current Rate	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
All Customers	5/8" - 1"	\$54.43	\$60.75	\$67.43	\$73.50	\$80.12	\$86.53
	1 1/2"	\$134.37	\$150.26	\$166.79	\$181.80	\$198.16	\$214.01
	2"	\$204.21	\$229.94	\$255.24	\$278.21	\$303.25	\$327.51
	3"	\$367.16	\$415.87	\$461.61	\$503.16	\$548.44	\$592.32
	4"	\$600.07	\$681.61	\$756.59	\$824.68	\$898.90	\$970.81
	6"	\$1,181.81	\$1,345.37	\$1,493.36	\$1,627.76	\$1,774.26	\$1,916.20
	8"	\$1,880.17	\$2,142.20	\$2,377.84	\$2,591.84	\$2,825.11	\$3,051.12
	10"	\$2,695.17	\$3,072.09	\$3,410.02	\$3,716.93	\$4,051.45	\$4,375.57
	12"	-	\$4,240.64	\$4,707.11	\$5,130.75	\$5,592.52	\$6,039.92
Fire Service	All Meters	\$192.47	\$95.57	\$106.09	\$115.64	\$126.04	\$136.13

Proposed Variable Rates

	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Revenue Adjustment	11.0%	11.0%	9.0%	9.0%	8.0%

Customer Class	Current	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Tier 1	\$1.08	\$1.31	\$1.45	\$1.58	\$1.73	\$1.87
Tier 2	\$1.98	\$2.64	\$2.93	\$3.19	\$3.48	\$3.76
Tier 3	\$2.54	\$3.96	\$4.40	\$4.79	\$5.22	\$5.64
Tier 4	\$4.23	\$4.98	\$5.53	\$6.03	\$6.57	\$7.09
Tier 5	\$6.23	-	-	-	-	-

Proposed Drought Surcharge

	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Revenue Adjustment	11.0%	11.0%	9.0%	9.0%	8.0%

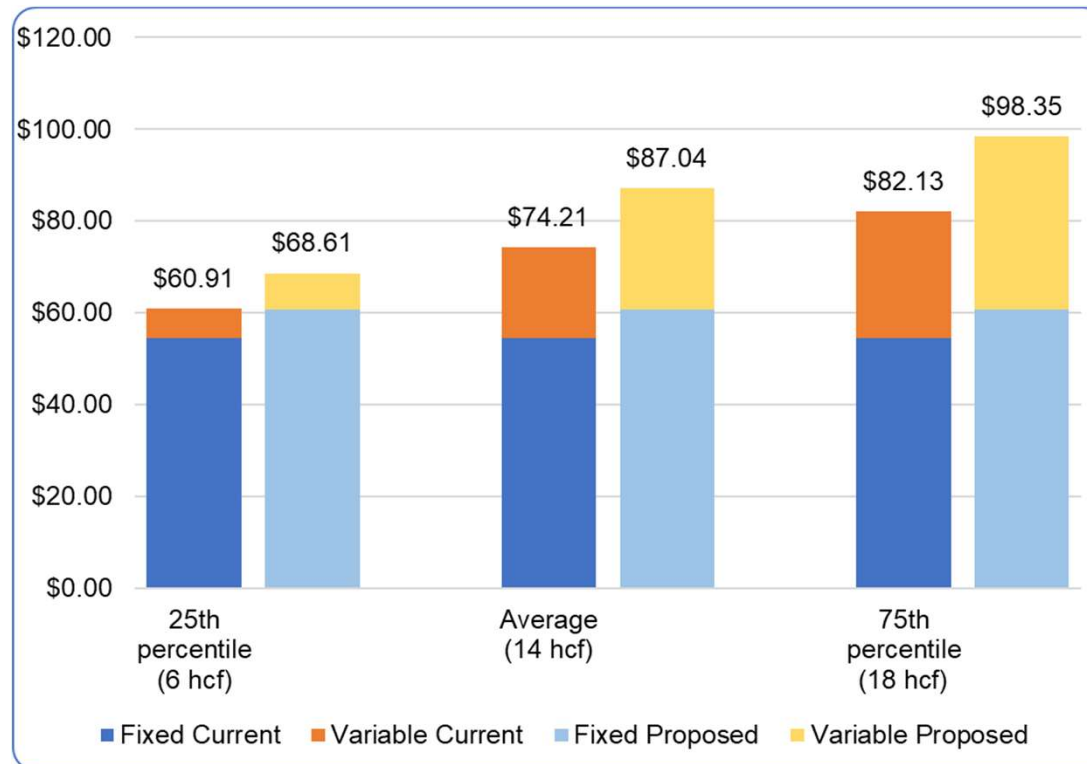
Drought Stage	Current(1)	CY 2025 (2)	CY 2026	CY 2027	CY 2028	CY 2029
Stage 1 (20%)	\$0.45	\$2.12	\$2.36	\$2.57	\$2.80	\$3.02
Stage 2 (30%)	\$0.69	\$3.09	\$3.43	\$3.74	\$4.07	\$4.40
Stage 3 (40%)	\$1.00	\$3.48	\$3.86	\$4.21	\$4.59	\$4.96

- (1) Current drought surcharges are applied to all water use
- (2) Proposed drought surcharges are only applied to tier 3 and tier 4 use

Single Family Residential Customer Impacts

Rate Inputs:

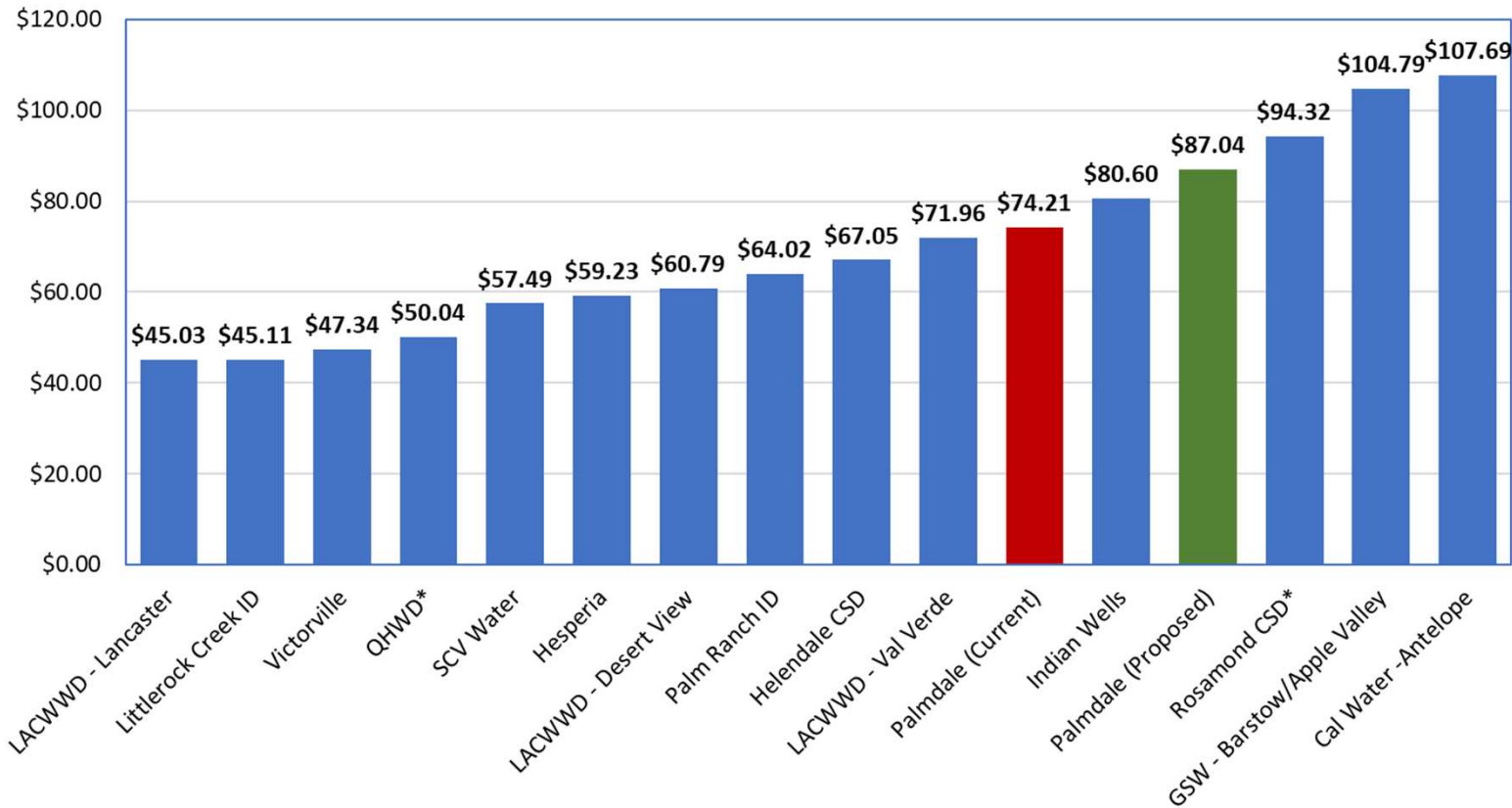
- 3/4" meter
- 4 Occupants
- 2,798 sqft Irrigable Area
- 5.77 Average ET
- 0.7 Landscape Factor



Dollar Change

25th percentile - \$7.70
Average - \$12.83
75th percentile - \$16.22

Rate Survey – July 1, 2024



Single Family Residential
 14 hcf
 ¾" Meter
 4 Persons
 2,798 irrigated sqft
 5.77 ET
 Summer Rates where applicable

*Denotes agency with water budget-based rates



Questions?



PALMDALE WATER DISTRICT

2024 Water Rate Study

Final Report

October 25, 2024



PALMDALE WATER DISTRICT

A CENTURY OF SERVICE

**PALMDALE WATER DISTRICT
2024 WATER RATE STUDY**

FINAL REPORT

Prepared for:

Palmdale Water District
2029 E Avenue Q
Palmdale, CA 93550

Prepared by:

ROBERT D. NIEHAUS, INC.
140 East Carrillo Street
Santa Barbara, CA 93101
(805) 962-0611

RDN Project Number 367

October 25, 2024



Dennis Hoffmeyer
CFO/Finance Manager
Palmdale Water District
2029 E Avenue Q
Palmdale, CA 93550

Subject: 2024 Water Rate Study

Dear Mr. Hoffmeyer,

Robert D. Niehaus, Inc. is pleased to provide this Financial Planning, Revenue Requirements, Cost of Service, and Rate Setting Analysis report to the Palmdale Water District. This rate study includes a financial plan to determine the revenue requirements for the next five years and a comprehensive review of the District's current rates based on the cost of service principles. This report outlines the approach, methodology, findings, and recommendations of the study. Each of the components of this study has enhanced the equitability of the rates we propose.

The proposed rates were developed utilizing the District's customer usage data, billing records, accounting, operating and management records, capital plans, and reserve policies. Based on the District-provided data, key assumptions were made for the study using appropriate resources and our econometric and financial expertise. We are confident that the rates proposed in this report are cost-based and are fully compliant with Proposition 218 and other legal requirements.

It has been an absolute pleasure and honor to work with your District. We thank you and all staff who helped complete this report.

Respectfully submitted,

A handwritten signature in blue ink that reads "Robert D. Niehaus".

Robert D. Niehaus, Ph.D.
Managing Director/Principal Economist - RDN

A handwritten signature in black ink that reads "Anthony Elowsky".

Anthony Elowsky M.A.
Project Manager - RDN

TABLE OF CONTENTS

TABLE OF CONTENTS	i
LIST OF TABLES	iii
LIST OF FIGURES	vi
Executive Summary	1
Background.....	1
Purpose of Study	2
Rate Recommendations and Proposed Rates.....	3
Methodology	7
General Methodology.....	7
Legal Considerations.....	8
Key Assumptions	12
Escalation Factors	12
Customer Growth.....	13
Reserve Policy	14
Equivalent Meter Size	15
Debt Service Coverage Ratios	16
Financial Plan	17
Demand Projections	17
Revenues	18
Operating and Maintenance (O&M) Expense	19
Other Obligations	20
Capital Improvement Projects.....	20
Debt Service and Coverage Ratios.....	21
Reserves	23
Financial Plan	25
Revenue Requirements	27
Cost of Service Analysis	28
Functionalization of Costs	28
Allocation to Units	38
Allocation to Customer Classes.....	40
Water Rate Design	43
Recommended Changes to the Current Rate Structure.....	44

Water Budget Rate Structure	44
Monthly Fixed Charge	48
Variable Water Rates	50
Construction Meters	51
Drought Surcharges	52
Bill Impact Analysis.....	54
Bill comparison	56
Conclusion	58
Summary of Recommendations and Financial Results	58
Appendix	65

LIST OF TABLES

Table 1. Current Fixed Rates	4
Table 2. Current Variable Water Rates	4
Table 3. Current Drought Surcharge Rates	4
Table 4. Proposed Revenue Adjustments CY 2024-25 to CY 2029	5
Table 5. Proposed Rates for CY 2025 to CY 2029	5
Table 6. Proposed Drought Surcharges for CY 2025 – CY 2029	6
Table 7. Expense Escalation Factors	13
Table 8. Annual Meter Count CY 2024 to CY 2029	14
Table 9. Reserve Policies and CY 2025 target	15
Table 10. AWWA Equivalent Meter Ratios	15
Table 11. Annual Water Use by Customer Class, CY 2024 to CY 2029	18
Table 12. Annual Non-Operating Revenue by Source, CY 2024 to CY 2029	18
Table 13. Water Utility Operating Forecast, CY 2024 to CY 2029	19
Table 14. Operating Expenses by Expense Category, CY 2024 to CY 2029	19
Table 15. Rate Study CIP Expenses by Expense Type, CY 2024 to CY 2029	20
Table 16. Water Fund Debt Service Payments, CY 2024 to CY 2029	22
Table 17. Debt Service Coverage Ratio Calculation, CY 2024 to CY 2029	22
Table 18. Reserve Targets, CY 2024 to CY 2029	24
Table 19. Status Quo Financial Pro Forma for Palmdale Water District, CY 2024 to CY 2029	25
Table 20. Proposed Financial Pro Forma for Palmdale Water District, CY 2024 to CY 2029	26
Table 21. Revenue Requirements for Palmdale Water District, CY 2025 – CY 2029	27
Table 22. Percentage of Operating Costs Allocated to Standard Functions	29
Table 23. Percentage of Non-operating Costs Allocated to Standard Functions	30
Table 24. System-Wide Peaking Factors	31

Table 25. Percent of Operating Function Categories Allocated to Cost Components	33
Table 26. Total of Operating Functional Categories Allocated to Cost Components	33
Table 27. Percent of Non-Operating Function Categories Allocated to Cost Components	34
Table 28. Total of Non-Operating Functional Categories Allocated to Cost Components	34
Table 29. Operating and Non-Operating Cost Allocation to Cost Components	35
Table 30. Rate Revenue Requirements for Test Year, CY 2025	35
Table 31. Allocation of Fire Costs	36
Table 32. Final Cost of Service Allocations with all Adjustments	37
Table 33. Total Non-fire Equivalent Meters Used for Cost Allocation	38
Table 34. Total Use and Peak Values used for Cost Allocation	39
Table 35. Cost of Service Units.....	39
Table 36. Rate Revenue Requirements Divided by the Corresponding Units	39
Table 37. Unit of Service by Customer Class	41
Table 38. Cost of Service by Customer Class	41
Table 39. Total Cost Allocation by Customer Class and Revenue Requirements with Offset for Variable Rates Removed	42
Table 40. Allocation of Fixed and Variable Costs	44
Table 41. Definitions of Water Budget Tier Widths	48
Table 42. Fixed Cost Components Divided by Number of Units.....	48
Table 43. Monthly Water Service Fixed Charge Calculation.....	49
Table 44. 1” and Smaller Meters Normalized Rate	49
Table 45. Proposed 5-year Fixed Charge Schedule	50
Table 46. Water Unit Cost by Category and Tier and Proposed Revenue Offset.....	51
Table 47. Variable Rate Calculation	51
Table 48. Proposed 5-year Variable Rate Schedule	51
Table 49. Proposed Construction Meter Variable Rates	52
Table 50. Drought Reductions Based on Individual Customer Use Reduction	53

Table 51. Net Revenue Lost after Offsets 53
Table 52. Drought Surcharge Calculation under Various Drought Stages 54
Table 53. Drought Surcharges per HCF, CY 2025 – CY 2029..... 54
Table 54. Proposed Fixed and Variable Rates Based on the Proposed Revenue Adjustment 63

LIST OF FIGURES

Figure 1. Palmdale Water District Boundary2

Figure 2. Water Rate Study Process7

Figure 3. Water Customer Account Growth CY 2024 to CY 2034 14

Figure 4. Annual Aggregate Water Use, CY 2024 to CY 2034 17

Figure 5. Rate Study CIP Expenses by Funding Source, CY 2024 to CY 2029 21

Figure 6. Debt Service Coverage Ratio Under Current Rates, CY 2024 to CY 2029 23

Figure 7. Cash Balances and Reserve Target With Current Rates, CY 2024 to CY 2029 24

Figure 8. A Typical Flow for Cost of Service Analysis Process..... 28

Figure 9. Single Family Customer Impact by Usage for ¾” Meter..... 55

Figure 10. Rate Comparison for Customers Using 14 hcf, July 2024 57

Figure 11. Rate Study Water Status Quo Financial Plan 59

Figure 12 Debt Service Cover Ratio with no Revenue Adjustment 60

Figure 13. Ending Water Cash Balances with No Revenue Adjustment 60

Figure 14. Recommended Water Revenue Adjustment..... 61

Figure 15. Recommended Rate Study Adjusted Water Financial Plan 62

Figure 16. Debt Service Cover Ratio with Revenue Adjustment..... 64

Figure 17. Ending Water Cash Balances with Revenue Adjustment 64

EXECUTIVE SUMMARY

Background

Palmdale Water District (District; PWD) is in the southern Antelope Valley in Los Angeles County and includes the central and southern portions of the City of Palmdale, as well as adjacent unincorporated areas of the County. The District was established in 1918 as the Palmdale Irrigation District to supply irrigation water to approximately 4,500 acres of agricultural customers. As the population grew in the Antelope Valley, the District experienced increased demand for domestic water, most notably in the 1950's with the activation of Air Force Plant 42 and increased use of Edwards Air Force Base. Today, the District serves approximately 115,000 people through 27,600 connections in a service area of approximately 187 square miles, supplying water to residential, irrigation, and commercial customers.

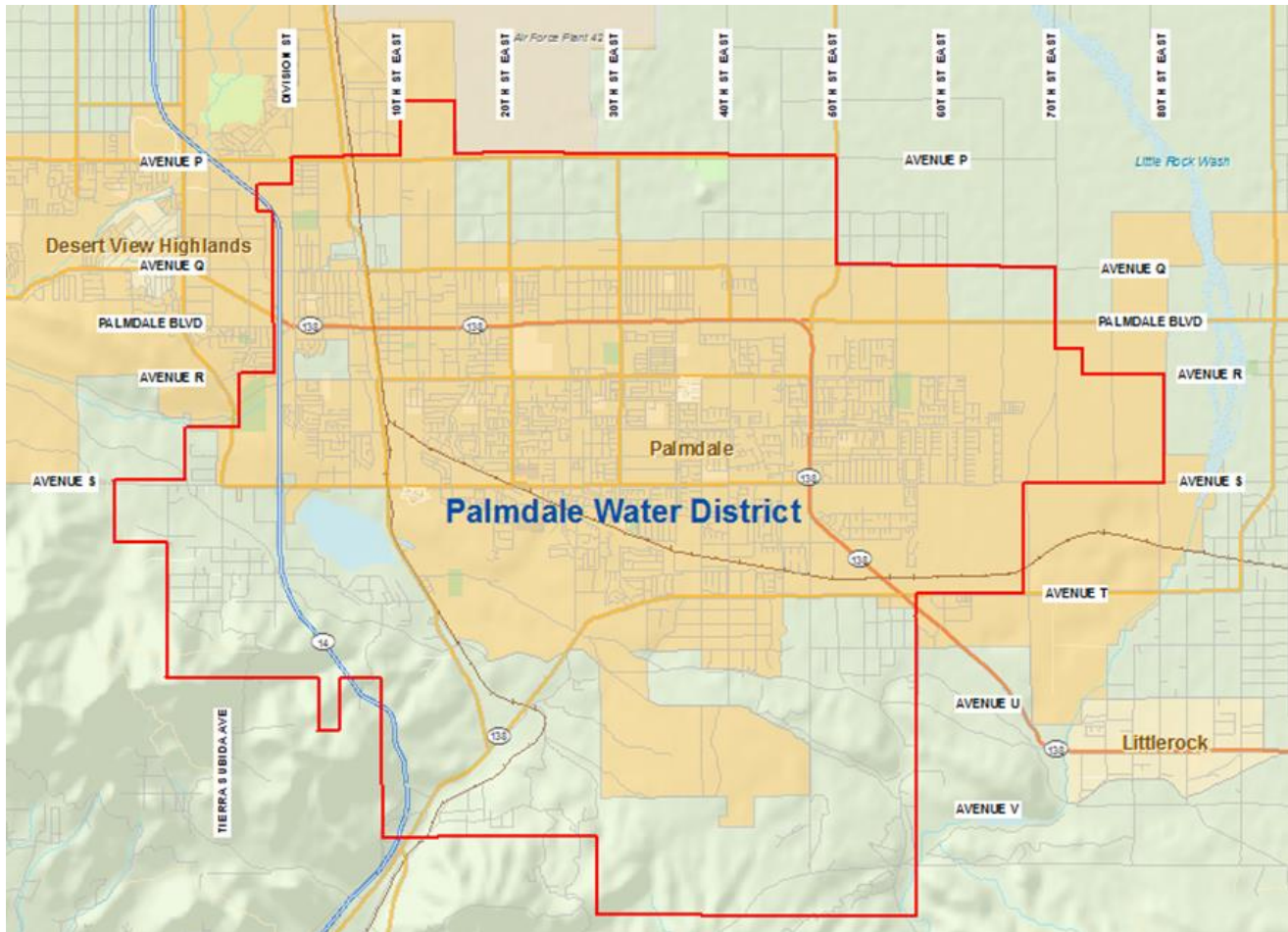
PWD maintains over 400 miles of pipeline, multiple well sites, booster pumping stations, and water storage tanks, which combined have over 50 million gallons of capacity. The District's water supply consists of 60 percent surface water and 40 percent groundwater. Local surface water is stored in the Littlerock Reservoir (3,500-acre feet capacity). PWD's surface water supply includes an annual entitlement of 21,300-acre feet of water from the State Water Project (SWP), which is funded by property taxes and separate transportation costs. Surface water is stored at Lake Palmdale (4,100-acre feet capacity) and treated at the 35-mgd Leslie O. Carter Water Treatment Plant. The District's service area slopes upward from 2,600 feet to 3,800 feet above sea level toward the San Gabriel Mountains and is divided into seven elevation zones.

The District first implemented a water budget rate structure in 2009 to promote efficient water use. Under this rate structure, each customer receives a monthly water budget based on various parameters such as the number of people in the home, the property's irrigable acreage, and the weather. The District offers a variance program for customers to adjust their allocation, if necessary.

In April 2024, Palmdale Water District (PWD) retained Robert D. Niehaus, Inc. (RDN) to develop a comprehensive water rate study, which includes financial planning, revenue requirements, cost of service, and rate-setting analyses (Study). The overall goal of this Study is to develop a financial plan to identify necessary revenues to meet the District's financial needs and design rates which recover the costs from ratepayers commensurate with their service requirements. RDN amended the District's current rates to further improve equity, promote efficiency and conservation, and ensure compliance with Proposition 218 (Prop 218) requirements and other legal mandates.

Figure 1 Error! Reference source not found. presents the limits of the District PWD in Red.

Figure 1. Palmdale Water District Boundary



Purpose of Study

The purpose of this analysis is to conduct a rate study which evaluates the District's current rates and financial data and propose new rates, if necessary, that meet the District's financial and strategic goals.

The primary objectives of this Study include:

- Projecting revenues and expenses for a ten-year study period
- Proposing five-year revenue adjustments to fund the District's projected financial needs
- Proposing rates which do not overly impact customers
- Producing an administrative record which effectively summarizes all findings
- Supporting the District through the Proposition 218 process

Rate Recommendations and Proposed Rates

Water

- Adjusting rates by the recommended revenue adjustments of 11.0 percent in CY 2025 and CY 2026, 9.0 percent in CY 2027 and CY 2028, and 8.0 percent in CY 2029
- Removing the fifth usage tier from the rate structure and retain only four tiers to establish clear connections between the costs and the pricing of tiered rates
- Reducing the amount of water allocated as essential water for residential customers from 55 Gallons per Capita per Day (GCPD) to 50 GCPD to better align with State legislation
- Increasing the fixed proportion of rate collection
- Developing a fixed charge for 12" meter customers
- Updating Drought Surcharges which will be levied only on Tier 3 and Tier 4 usage

Current Water Rates

Currently, the District's water customers pay a monthly fixed charge based on the customer's meter size. Additionally, customers with a dedicated private fire connection pay a monthly fee for their fire connection. Customers also pay variable charges based on water use, which is billed per hundred cubic feet (hcf). All non-fire customers, besides Construction customers, currently have a five-tiered budget-based¹ rate design where higher use level categories are billed at a higher rate based on the increasing cost of water from different water sources as well as incremental supply costs and conservation costs. Construction customers pay the same fixed charges as retail customers but are billed a uniform rate for all usage instead of a tiered system. This uniform rate is currently set at the Tier 5 level because construction usage is sporadic and exceeds base use levels. The District also levies surcharges on all use during times of drought. The drought surcharges are intended to recover revenue lost during times of reduced usage. The current rates as described are displayed in **Table 1**, **Table 2**, and **Table 3**.

¹ Budget-based rates are designed to allow each customer an individual "water budget" which includes unique tier widths based on parameters designated by the District. For residential customers a water budget is made up of essential indoor water use based on household size and efficient outdoor water use based on irrigated area. Commercial budgets are based on a rolling average of water use.

Table 1. Current Fixed Rates

Fixed Charges		
Customer Class	Meter Size	Monthly Fee
All Customers	5/8"	\$54.43
	3/4"	\$54.43
	1"	\$54.43
	1 1/2"	\$134.37
	2"	\$204.21
	3"	\$367.16
	4"	\$600.07
	6"	\$1,181.81
	8"	\$1,880.17
	10"	\$2,695.17
Fire Service	All Meters	\$192.47

Table 2. Current Variable Water Rates

Variable Charges		
Customer Class	Tier - Width	Unit Cost
Commodity Rates	Tier 1	\$1.08
	Tier 2	\$1.98
	Tier 3	\$2.54
	Tier 4	\$4.23
	Tier 5	\$6.23

Table 3. Current Drought Surcharge Rates

Drought Surcharge	
Drought Stage	CY 2024
Stage 1	\$0.45
Stage 2	\$0.69
Stage 3	\$1.00

Proposed Rates

RDN proposes the following rate and revenue adjustments to accomplish the District’s goals of capital and reserve funding as well as maintaining debt service coverage ratios. To maintain the proposed financial plan, the District should raise water revenues by 11.0 percent in CY 2025 and CY 2026, 9.0 percent in CY 2027 and CY 2028, and 8.0 percent in CY 2029. **Table 4** shows the proposed water revenue adjustments for the five-year rate study period. Additionally, RDN recommends that the District bill all customers based on a four-tiered rate structure, which will allow better cost to tier allocation. Tier 1 width for residential customers should be changed to reflect the reduction in essential use from 55

GPCD to 50 GPCD, which better aligns with the step-down of indoor allocation which is currently being implemented by the State of California. The resulting rates form an equitable rate structure which is based on the actual cost to provide service for each customer. Costs were allocated between all customers during the cost of service analysis. The rates for each meter size represent an equitable portion of the total cost of service for each class allocated the respective meter. Construction use is billed at the Tier 4 rate, which will be \$4.98 per hcf in CY 2025 for the reasons stated above. The District will implement new rates in January of each calendar year. The rates which result from these adjustments are shown in **Table 5**.

Table 4. Proposed Revenue Adjustments CY 2024-25 to CY 2029

	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Recommended Adjustment	11.0%	11.0%	9.0%	9.0%	8.0%

Table 5. Proposed Rates for CY 2025 to CY 2029

Fixed Charges					
Meter Size	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
All Customers					
5/8"	\$60.75	\$67.43	\$73.50	\$80.12	\$86.53
3/4"	\$60.75	\$67.43	\$73.50	\$80.12	\$86.53
1"	\$60.75	\$67.43	\$73.50	\$80.12	\$86.53
1 1/2"	\$150.26	\$166.79	\$181.80	\$198.16	\$214.01
2"	\$229.94	\$255.24	\$278.21	\$303.25	\$327.51
3"	\$415.87	\$461.61	\$503.16	\$548.44	\$592.32
4"	\$681.61	\$756.59	\$824.68	\$898.90	\$970.81
6"	\$1,345.37	\$1,493.36	\$1,627.76	\$1,774.26	\$1,916.20
8"	\$2,142.20	\$2,377.84	\$2,591.84	\$2,825.11	\$3,051.12
10"	\$3,072.09	\$3,410.02	\$3,716.93	\$4,051.45	\$4,375.57
12"	\$4,240.64	\$4,707.11	\$5,130.75	\$5,592.52	\$6,039.92
Private Fire	\$95.57	\$106.09	\$115.64	\$126.04	\$136.13
Variable Charges					
Tier	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Tier 1	\$1.31	\$1.45	\$1.58	\$1.73	\$1.87
Tier 2	\$2.64	\$2.93	\$3.19	\$3.48	\$3.76
Tier 3	\$3.96	\$4.40	\$4.79	\$5.22	\$5.64
Tier 4	\$4.98	\$5.53	\$6.03	\$6.57	\$7.09

Drought Surcharges

RDN has reviewed and updated the District’s Drought Surcharges to ensure sufficient revenue collection during drought conditions when water usage typically decreases. The proposed surcharges will only be

applied to water usage in Tiers 3 and 4, reflecting the principle that usage in Tiers 1 and 2 is considered essential and efficient, while consumption in Tiers 3 and above is deemed excessive and non-essential. The proposed Drought Surcharges for the study period are shown in **Table 6**, these will be billed in addition to the current variable rates for each hcf of water used in tier 3 and 4 when drought mandates are required.

Table 6. Proposed Drought Surcharges for CY 2025 – CY 2029

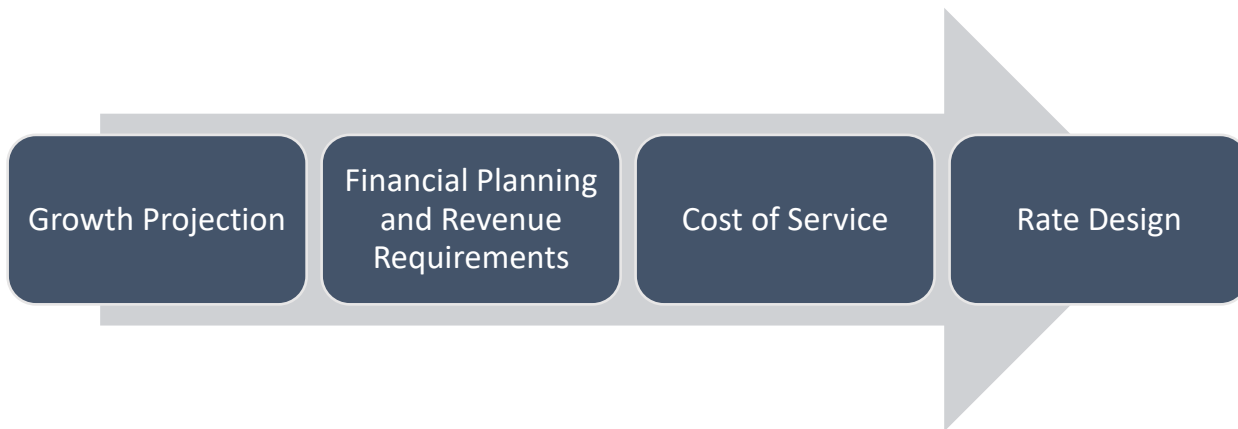
Drought Mandate	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
20% Surcharge	\$2.12	\$2.36	\$2.57	\$2.80	\$3.02
30% Surcharge	\$3.09	\$3.43	\$3.74	\$4.07	\$4.40
40% Surcharge	\$3.48	\$3.86	\$4.21	\$4.59	\$4.96

METHODOLOGY

General Methodology

The water rates were developed using principles set forth by the American Water Works Association (AWWA). RDN rate-making practices incorporate methods described in the AWWA Manual 1 (M1)² for Water Systems wherever possible. **Figure 2** presents the steps taken to develop the District’s proposed rates.

Figure 2. Water Rate Study Process



- **Growth Projection:** project customer growth for the current year and the ten-year study period, CY 2025 through CY 2034, using the District customers’ historical growth data. Forecast revenues for the study period based on the projected customer growth.
- **Financial Planning and Revenue Requirements:** develop a ten-year financial plan based on the projected revenues and annual costs which include both operating and capital expenses. The District’s target reserve level should also be considered as part of the financial planning. Based on the financial planning, revenue requirements are determined for each year of the study period.
- **Cost of Service:** evaluate the customer classifications and allocate costs based on their service requirements.
- **Rate Design:** design rates to equitably recover the rate revenue requirements from each customer.

² Principles of Water Rates, Fees, and Charges, Seventh Edition, Manual of Water Supply Practices, American Water Works Association

Legal Considerations

This section describes the legal framework considered in the development of the recommended rates to ensure that the calculated cost of service rates provide a fair and equitable allocation of costs to each customer class.

California Constitution-Article XIII C (Proposition 26)

California voters approved Proposition 26 on November 2, 2010. Proposition 26 amended Article XIII C of the State Constitution to expand the definition of “tax” to include “any levy, charge, or exaction of any kind imposed by a local government” with listed exceptions. By means of these exceptions, Article XIII C classifies several types of charges, in addition to property-related charges, that are not taxes, such as charges for specific services or benefits, regulatory charges and penalties.

Article XIII C’s definition of “tax” lists the following exceptions: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payer that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payer that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIII D.

Proposition 26 also provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payer bear a fair or reasonable relationship to the payer’s burdens on, or benefits received from, the governmental activity. Like the proportionality requirements of Article XIII D, assessment of rates under these requirements, if applicable, would be supported by the cost of service approach.

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

In November 1996, California voters passed Proposition 218, the “Right to Vote on Taxes Act.” This constitutional amendment protects taxpayers by limiting the methods by which local governments can create or increase taxes, fees and charges without taxpayer consent. Between 2002 and 2017, California courts have ruled that fees associated with providing water services are “property-related” and thus under the jurisdiction of Prop 218. The principal requirements for fairness of the fees, as they relate to public water service, are as follows: Revenues derived from the fee or charge shall not exceed the funds required to provide the property related service. Revenues derived by the fee or charge shall not be used for any other purpose other than that for which the charge was imposed. The amount of the fee or charge imposed upon any parcel shall not exceed the proportional cost of service attributable to the parcel. Reliance by an agency on any parcel map, including, but not limited to, an assessor’s parcel map, may be considered a significant factor in determining whether a fee or charge is imposed as an incident of property ownership for purposes of this article.

The rates developed in this report use a methodology to establish an equitable system of charges that recovers the cost of providing service and fairly apportion costs to each customer as required by Proposition 218.

California Constitution-Article X, Section 2

Article X, Section 2 of the California Constitution (established in 1976) provides as follows:

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

As such, public agencies are constitutionally mandated to maximize the beneficial use of water, prevent waste, and encourage efficiency which this Study achieves.

Assembly Bill-AB 2882

In 2008, the California Legislature adopted AB 2882, establishing a body of law entitled “Allocation-Based Conservation Water Pricing.” AB 2882 is consistent with the above referenced constitutional provisions.

Water Code Section 370 provides in part as follows:

“The Legislature hereby finds and declares all of the following:

- a. *The use of allocation-based conservation water pricing by public entities that sell and distribute water is one effective means by which waste or unreasonable use of water can be prevented and water can be saved in the interest of the people and for the public welfare, within the contemplation of Section 2 of Article X of the California Constitution.*
- b. *It is in the best interest of the people of California to encourage public entities to voluntarily use allocation-based conservation water pricing, tailored to local needs and conditions, as a means of increasing efficient uses of water, and further discouraging wasteful or unreasonable use of water under both normal and dry-year hydrologic conditions.”*

Water Code Section 372 provides as follows:

- a. *“A public entity may employ allocation-based conservation water pricing that meets all of the following criteria.*
 - (1) *Billing is based on metered water use.*
 - (2) *A basic use allocation is established for each customer account that provides a reasonable amount of water for the customer’s needs and property characteristics. Factors used to determine the basic use allocation may include, but are not limited to the number of occupants, the type or classification of use, the size of lot or irrigated area, and the local climate data for the billing period. Nothing in this chapter prohibits a customer of the public entity from challenging whether the basic use allocation established for that customer’s account is reasonable under the circumstances. Nothing in this chapter is intended to permit public entities to limit the use of property through the establishment of a basic use allocation.*
 - (3) *A basic charge is imposed for all water used within the customer’s basic use allocation, except that at the option of the public entity, a lower rate may be applied to any portion of the basic use allocation that the public entity has determined to represent superior or more than reasonable conservation efforts.*
 - (4) *A conservation charge shall be imposed on all increments of water use in excess of the basic use allocation. The increments may be fixed or may be determined on a percentage or any other basis, without limitation on the number of increments, or any requirement that the increments or conservation charges be sized, or ascend uniformly, or in a specified relationship. The volumetric prices for the lowest through the highest priced increments shall be established in an ascending relationship that is economically structured to encourage conservation and reduce the inefficient use of water, consistent with Section 2 of Article X of the California Constitution.*

b.

(1) *Except as specified in subdivision*

(a) *The design of an allocation-based conservation pricing rate structure shall be determined in the discretion of the public entity.*

(2) *The public entity may impose meter charges or other fixed charges to recover fixed costs of water service in addition to the allocation-based conservation pricing rate structure.*

c. *A public entity may use one or more allocation-based conservation water pricing structures for any class of municipal or other service that the public entity provides.”*

Assembly Bill-AB 1668 and Senate Bill-SB 606

In 2018, the California Legislature adopted AB 1668 and SB 606, establishing a standard for indoor water use, long-term standards for efficient water use of commercial, industrial, and institutional customers, and penalties for customers who don't comply with use restrictions. The bill establishes “55 gallons per capita daily as the standard for indoor residential water use” until January 1, 2025, “52.5 gallons per capita daily or a standard recommended by the department and the board as the standard for indoor residential water use” until January 1, 2030, and establishes “the greater of 50 gallons per capita daily or a standard recommended by the department and the board as the standard for indoor residential water use” thereafter. The bill also establishes principles for determining efficient outdoor water use. *“Principles of the model water efficient landscape ordinance’ means those provisions of the model water efficient landscape ordinance applicable to the establishment or determination of the amount of water necessary to efficiently irrigate both new and existing landscapes.*

These provisions include, but are not limited to, all of the following:

(a) *Evapotranspiration adjustment factors, as applicable.*

(b) *Landscape area.*

(c) *Maximum applied water allowance.*

(d) *Reference evapotranspiration.*

(e) *Special landscape areas, including provisions governing evapotranspiration adjustment factors for different types of water used for irrigating the landscape.”*

“For landscape irrigated through dedicated or residential meters or connections, water efficiency equivalent to the standards of the Model Water Efficient Landscape Ordinance set forth in Chapter 2.7 (commencing with Section 490) of Division 2 of Title 23 of the California Code of Regulations, as in effect

the later of the year of the landscape's installation or 1992. An urban retail water supplier using the approach specified in this subparagraph shall use satellite imagery, site visits, or other best available technology to develop an accurate estimate of landscaped areas.”

As noted in the referenced statutes, an “Allocation-Based Conservation Water Pricing Rate Structure” is a form of an increasing block rate structure where the amount of water within the first block or blocks is based on the estimated, efficient water needs of the individual customer, currently 55 gallons (47 beginning in 2025) per day per person. This Study, in conjunction with the District’s findings and determinations for individual customers, establishes a water budget for each customer. Each water budget defines how much water is considered efficient. Customers who use water in excess of their water budget pay a higher rate for their “inefficient or wasteful” usage due to the fact that water use in excess of budgeted amounts incurs higher costs to the District.

Key Assumptions

A test year, CY 2025, was selected for which costs are to be analyzed and rates to be established for this study. The financial plan was built for the next ten years, including the five-year study period CY 2025 through CY 2029 with a detailed revenue adjustment plan. The District’s fiscal year mirrors the calendar year, beginning on January 1 and ending on December 31.

Escalation Factors

The financial plan was built based on an assumption in the projected escalation of revenues and expenses associated with both operations and maintenance (O&M) and capital improvement projects (CIPs). Bureau of Labor Statistics (BLS) Los Angeles-Long Beach-Anaheim Consumer Price Index (CPI), Federal Reserve Bank of St. Louis (FRED) Economic Research Division, Quarterly Census of Employment and Wages (QCEW), and Engineering News Record (ENR) Building Cost Index (BCI). Escalation factors used in this study are shown in **Table 7**. This study assumes that recent record inflation levels will recede and return to more normal levels in future years.

The Overall escalation factor is derived solely from the All Items series of the BLS Los Angeles-Long Beach-Anaheim CPI. The All Items series represents a broad measure of the average change in prices over time for a wide array of goods and services. The market basket includes categories such as food and beverage, housing, apparel, transportation, medical, and other goods and services. The Utilities escalation factor is derived from the Fuels and utilities and Energy series of the BLS Los Angeles-Long Beach-Anaheim CPI. RDN takes a weighted average of the Energy and Fuels and utilities data sets to form a combined Utilities inflation factor. This escalation factor accurately captures the costs associated with energy consumption and utility service.

The Payroll escalation factor was provided by City Staff and is based on internal labor negotiations. The Fuels and Automobile escalation factor is derived from the Private transportation, Fuels and utilities, and Motor fuel series of the BLS Los Angeles-Long Beach-Anaheim CPI. RDN takes a weighted average of the Private transportation, Fuels and utilities, and Motor fuel data sets to form a combined Fuels and Automobile inflation factor. Water Purchase inflation is based on an average published increases for the Metropolitan Water District (MWD)

The Construction escalation factor is derived using ENR’s BCI for the selected geography. ENR publishes a building cost index for Los Angeles, San Francisco, California, and the National level. RDN analyzes all four indices and, in coordination with staff, ultimately selected the index which best represents the building cost environment in the Agency, the Los Angeles BCI. The Insurance escalation factor is derived solely from the Federal Reserve Bank of St. Louis’ Producer Price Index for Premiums for Commercial Insurance. This index tracks the insurance costs for both liability and property coverage for businesses in the United States.

Table 7. Expense Escalation Factors

Category	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Payroll	4.7%	4.7%	4.7%	4.7%	4.7%
Other Employee	4.7%	4.7%	4.7%	4.7%	4.7%
Utilities	7.8%	7.8%	4.8%	4.8%	4.8%
Chemicals	5.3%	5.3%	5.3%	5.3%	5.3%
Water Treatment	5.0%	5.0%	5.0%	5.0%	5.0%
Fuel/Automobile	6.0%	3.6%	3.6%	3.6%	3.6%
Construction	5.9%	5.9%	5.9%	5.9%	4.0%
Insurance	4.2%	4.2%	4.2%	4.2%	4.2%
Overall	3.9%	3.9%	2.7%	2.7%	2.7%
Water Purchase	8.0%	8.0%	8.0%	8.0%	8.0%

Customer Growth

All the analyses performed for this Study were based on an assumption of customer account growth (described in detail in the Demand Projections section). RDN projects a slight increase (0.7%) in Single Family Residential (SFR) customers, and a 0.2% increase in Multi-Family Residential (MFR) customers annually. Approximately 93% of the District’s customers are SFR customers. The count for CY 2024 is derived from customers’ billing records, and the numbers of accounts for the following 10 years were projected based on the historical data and input from the District.

There are currently approximately 27,378 water meters connected to the District’s water system. In ten years, 29,394 meters connected are projected. A total of 977 new Water Service connections are projected to join the water system during the 5-year rate setting period, approximately 200 per year.

Figure 3 shows the annual water customer growth for the study period. **Table 8** shows the projected number of meters for all customer classes during the rate setting period.

Figure 3. Water Customer Account Growth CY 2024 to CY 2034

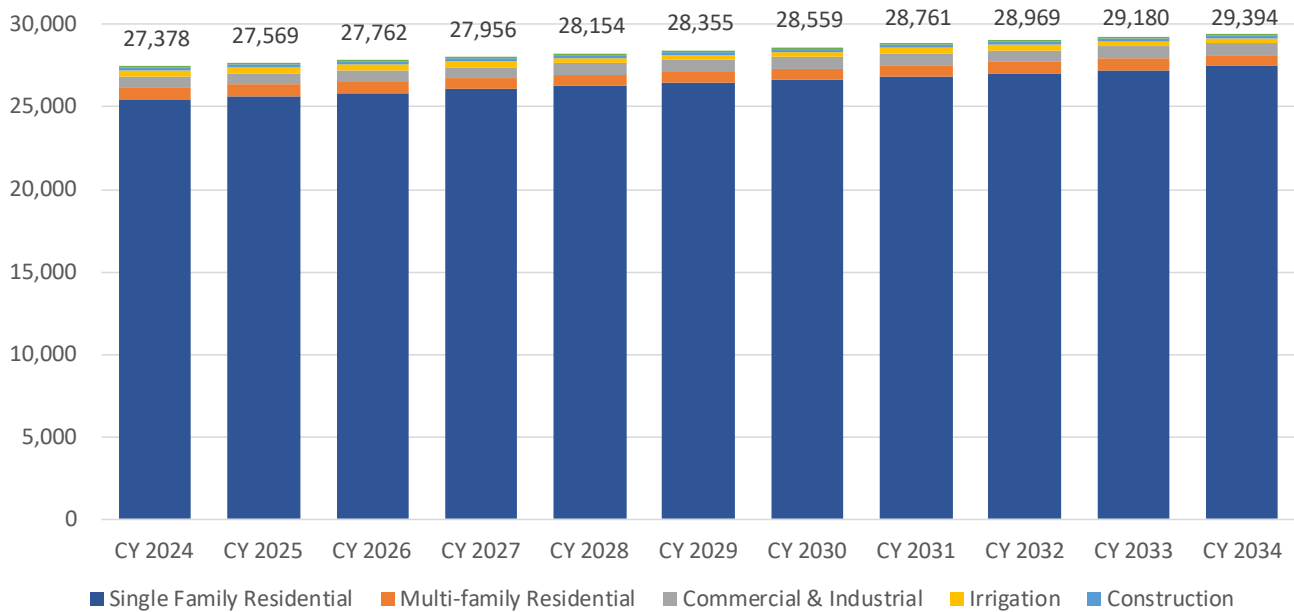


Table 8. Annual Meter Count CY 2024 to CY 2029

Meter Size	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
5/8"	1,655	1,638	1,622	1,605	1,590	1,574
3/4"	20,681	20,887	21,096	21,306	21,519	21,734
1"	4,297	4,298	4,299	4,299	4,300	4,301
1 1/2"	305	306	305	306	306	307
2"	307	307	307	307	307	307
3"	16	16	16	16	16	16
4"	37	37	37	37	36	36
6"	26	26	26	26	26	26
8"	46	46	46	46	46	46
10"	8	8	8	8	8	8
Total	27,378	27,569	27,762	27,956	28,154	28,355

Reserve Policy

The District’s reserve policy includes five targeted reserves for the water fund. These funds include a Debt Service Reserve Fund, Rate Stabilization Fund, Operating Reserve, Emergency Reserve, and Dam Self Insurance. The total water fund reserve target for CY 2025 is \$23.7 million. **Table 9** shows the reserve target for CY 2025, as well as the reserve policy for each individual reserve.

Table 9. Reserve Policies and CY 2025 target³

Reserve	Policy	CY 2025 Target
Debt Service Reserve Fund	Based on Debt	\$1,469,000
Rate Stabilization Fund	20% of Annual Debt Service	\$1,403,152
Dam Self Insurance	\$5 Million	\$5,000,000
O&M Operating Reserve	3 Months Operating	\$7,905,285
O&M Emergency Reserve	3 Months Operating	\$7,905,285
Total Reserve CY 2025 Target		\$23,682,722

Equivalent Meter Size

When designing fixed monthly water service charges, the potential demand or capacity requirements placed on the water system can be measured by the size of installed meters which receive services from the system. The safe operating flow (or capacity) of a particular size of the meter is essentially the limiting factor in terms of the demand that can be exerted on the water system through the meter. The ratio of the safe operating capacity of various sizes of meters relative to the capacity of a base meter may be used to determine appropriate charges for the larger meter sizes⁴. The District considers all meters 1” and below as the base meter capacity. The capacity ratio is calculated using the meter capacities in gallons per minute (gpm) provided in the AWWA M1 for meters larger than 3/4 inch. **Table 10** shows the equivalent meter ratios used in this study.

Table 10. AWWA Equivalent Meter Ratios

Meter Size	Meter Ratio
5/8"	0.67
3/4"	1.00
1"	1.67
1 1/2"	3.33
2"	5.33
3"	10.00
4"	16.67
6"	33.33
8"	53.33
10"	76.67
12"	106.00

³ Reserve Policies taken from Palmdale Water District Resolution No. 23-15.

⁴ From “Principles of Water Rates, Fees, and Charges” by American Water Works Association, 2017, Seventh Edition, Appendix B, p. 385.

Debt Service Coverage Ratios

The District's debt covenants require a certain ratio of net revenue in excess of operating expenses. Debt service coverage ratios are one of the main financial plan drivers of the revenue adjustments. When calculating debt service coverage requirements, the District must maintain a net revenue of 110 percent, or a 1.10 debt service coverage ratio (DSCR) to avoid facing technical default.

FINANCIAL PLAN

RDN built a 10-year financial model to meet the District’s long-term financial goals.

Demand Projections

Using historical billing records, RDN first derived aggregate usage levels to project water demand. Next, we calculated per account water usage for each customer by dividing the aggregate usage by the number of accounts. RDN assumed constant per account usage over the study period. This assumption was introduced to ensure that forecasted deviation in the wake of the Covid-19 pandemic is conservative. Finally, the forecast number of accounts and per-account usage were multiplied to estimate aggregate use by customer class. **Figure 4** shows the District’s total water demand projected for the next ten years in millions of hcf.

Figure 4. Annual Aggregate Water Use, CY 2024 to CY 2034

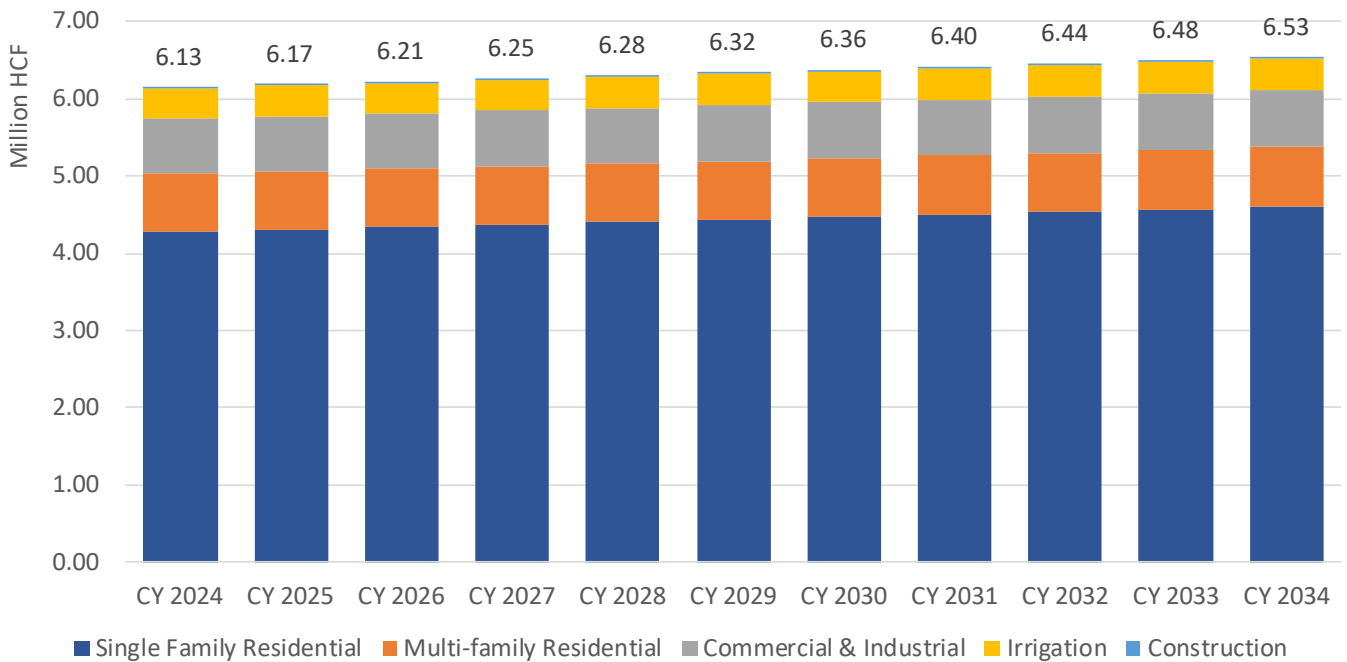


Table 11 show the annual water use projection, in hcf, by customer class for the rate setting period.

Table 11. Annual Water Use by Customer Class, CY 2024 to CY 2029⁵

Customer Class	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Single Family Residential	4,278,587	4,309,625	4,340,999	4,372,876	4,405,089	4,437,637
Multi-family Residential	750,236	752,429	753,526	755,720	756,817	759,010
Commercial & Industrial	710,311	712,370	714,429	716,488	717,517	719,576
Irrigation	393,459	395,965	398,471	398,471	402,230	404,736
Construction	1,769	1,769	1,769	1,769	1,769	1,769
Total	6,134,361	6,172,158	6,209,194	6,245,323	6,283,421	6,322,728

Revenues

Based on the account growth and water demand projections, RDN forecasted revenues generated from customer rates using the current water rates for the study period, which total approximately \$32.4 to \$33.3 million annually. Table 12 shows the projected rate revenues by source for each year.

Table 12. Annual Rate Revenues, CY 2024 to CY 2029⁶

Tier Revenue	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Tier 1	\$3,518,238	\$3,539,655	\$3,560,675	\$3,580,407	\$3,602,250	\$3,624,481
Tier 2	\$3,582,541	\$3,605,340	\$3,627,837	\$3,650,474	\$3,673,345	\$3,697,117
Tier 3	\$1,171,660	\$1,178,824	\$1,185,775	\$1,192,953	\$1,199,982	\$1,207,444
Tier 4	\$1,063,186	\$1,069,717	\$1,076,020	\$1,082,566	\$1,088,986	\$1,095,790
Tier 5	\$2,199,013	\$2,212,020	\$2,224,381	\$2,237,174	\$2,249,863	\$2,263,384
Total Variable Revenue	\$11,534,639	\$11,605,556	\$11,674,688	\$11,743,573	\$11,814,426	\$11,888,216
Fixed Revenue	\$19,902,770	\$20,028,483	\$20,155,240	\$20,282,913	\$20,407,347	\$20,541,248
Other Rate Revenue	\$806,657	\$811,263	\$815,827	\$820,275	\$824,998	\$829,800
Total Rate Revenue	\$32,244,066	\$32,445,302	\$32,645,755	\$32,846,760	\$33,046,770	\$33,259,263

Other operating income and non-operating revenue are estimated to provide supplemental revenue each year. Total non-operating revenues are projected to total \$4.1 million per year. Table 13 shows the projected non-operating revenue by source for CY 2024 to CY 2029.

Table 13. Annual Non-Operating Revenue by Source, CY 2024 to CY 2029

Non-Operating Revenue	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Assessments (1%)	\$2,547,500	\$2,593,355	\$2,593,355	\$2,593,355	\$2,593,355	\$2,593,355
Successor Agency Component	\$868,690	\$884,327	\$884,327	\$884,327	\$884,327	\$884,327
DWR Fixed Charge Recovery	\$349,339	\$349,339	\$349,339	\$349,339	\$349,339	\$349,339
Interest	\$97,429	\$97,429	\$97,429	\$97,429	\$97,429	\$97,429
Grants - State & Federal	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Other	\$163,377	\$163,867	\$163,867	\$163,867	\$163,867	\$163,867
Total	\$4,076,335	\$4,138,316	\$4,138,316	\$4,138,316	\$4,138,316	\$4,138,316

⁵ Use projections derived from historical monthly customer billing records and trends in water use

⁶ Other rate revenues include elevation charges as well as construction water use

The system’s total revenue for the study period is estimated to be approximately \$38.2 to \$39.0 million annually under the current rates. **Table 14** shows the projected revenue flow for the study period (CY 2024 – CY 2029) without any revenue adjustments, projections are based on water use and customer growth projections as well as other operating and non-operating revenue estimates provided by District staff.

Table 14. Water Utility Operating Forecast, CY 2024 to CY 2029

	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Revenue from Rates						
Fixed Charges	\$19,973,262	\$20,098,974	\$20,225,732	\$20,353,404	\$20,477,838	\$20,611,739
Variable Charges	\$12,270,804	\$12,346,328	\$12,420,023	\$12,493,356	\$12,568,932	\$12,647,523
Rate Revenue Total	\$32,244,066	\$32,445,302	\$32,645,755	\$32,846,760	\$33,046,770	\$33,259,263
Other Operating Revenues	\$1,628,600	\$1,632,211	\$1,632,211	\$1,632,211	\$1,632,211	\$1,632,211
Non-operating Revenues	\$4,076,335	\$4,138,316	\$4,138,316	\$4,138,316	\$4,138,316	\$4,138,316
Total	\$37,949,000	\$38,215,829	\$38,416,282	\$38,617,287	\$38,817,297	\$39,029,790

Operating and Maintenance (O&M) Expense

The water utility’s operating budget includes \$30.0 million in operating expenses for CY 2024. Total operating expenses are expected to increase approximately 5.3 percent in CY 2025. By the end of the five-year rate setting period, total operating expenses are expected to reach \$38.2 million. Annual overall inflation for operating expenses for the ten-year financial planning period is expected to average around 4.8 percent per year. **Table 15** shows projected operating expenses for the rate setting period by budget category.

Table 15. Operating Expenses by Expense Category, CY 2024 to CY 2029⁷

Expense Category	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Admin	\$4,941,491	\$5,161,904	\$5,392,461	\$5,622,398	\$5,862,705	\$6,113,864
Customer Care	\$1,651,350	\$1,727,581	\$1,807,338	\$1,890,395	\$1,977,286	\$2,068,190
Directors	\$239,221	\$240,927	\$242,708	\$244,565	\$246,503	\$248,525
Eng	\$2,134,750	\$2,233,569	\$2,336,969	\$2,444,771	\$2,557,564	\$2,675,579
Facilities	\$8,143,270	\$8,612,087	\$9,103,636	\$9,522,374	\$9,960,819	\$10,402,132
Finance	\$1,987,750	\$2,076,445	\$2,169,122	\$2,260,594	\$2,356,062	\$2,455,703
HR	\$727,750	\$758,609	\$790,891	\$823,655	\$857,911	\$893,727
IT	\$2,056,747	\$2,144,245	\$2,235,498	\$2,318,083	\$2,403,923	\$2,493,153
Operations	\$4,236,890	\$4,491,667	\$4,762,840	\$4,985,725	\$5,219,124	\$5,460,350
Plant	\$602,448	\$617,219	\$632,854	\$649,403	\$666,922	\$679,494
Supply	\$2,992,664	\$3,215,150	\$3,454,589	\$3,712,295	\$3,989,684	\$4,288,284
Water Efficiency	\$326,800	\$341,737	\$357,359	\$373,403	\$390,177	\$407,714
Total Operating	\$30,041,132	\$31,621,140	\$33,286,264	\$34,847,662	\$36,488,679	\$38,186,715

⁷ District staff provided current year operating expenses by category; projections are based on individual line-item inflationary factors shown in Table 7

Other Obligations

Other obligations included in the financial plan are capital improvement projects funded by PAYGO (Pay As You Go), debt service obligations, and reserve contributions made from rates.

Capital Improvement Projects

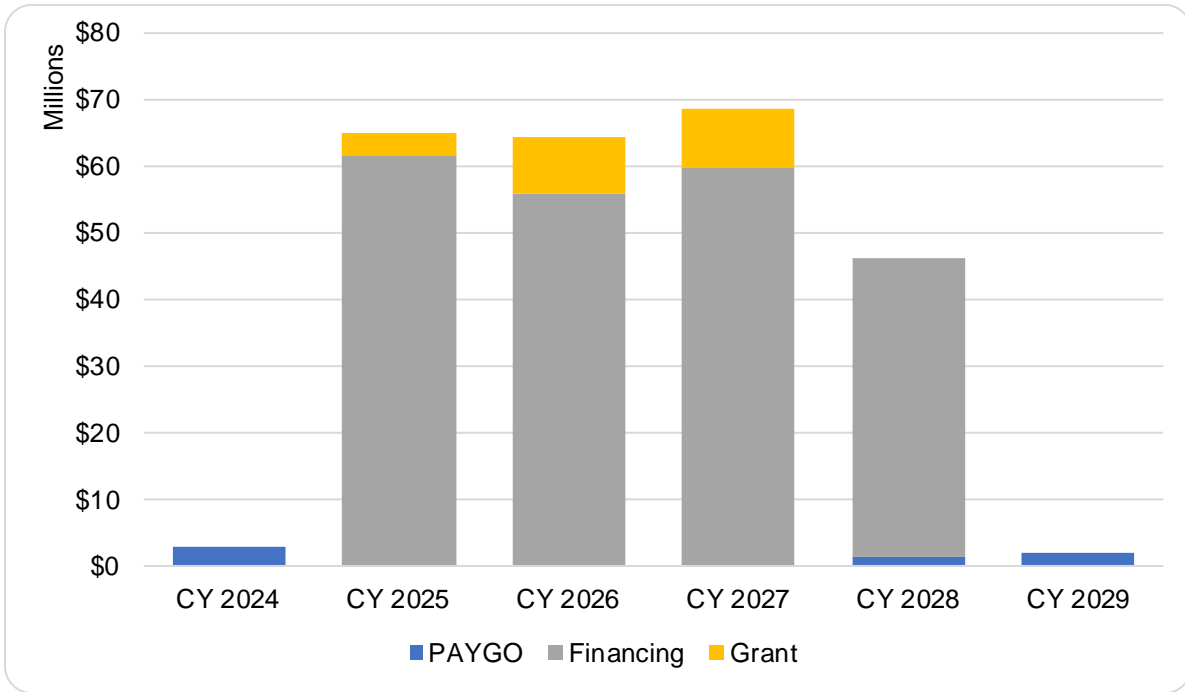
The District plans to allocate an average of \$49.2 million annually for water rate-related capital expenditures during the rate setting period. Of this total, approximately \$4.1 million per year will be funded by grants. The majority of capital outlay is earmarked for the construction of the new Pure Water Antelope Valley facility, which will purify recycled water for potable use. This facility will enhance the District’s water supply security by providing an additional 5,000 acre-feet of potable water each year. **Table 16** shows the rate related capital expenditure by expenditure type. The District will use a variety of funding sources including grants, financing, and customer rates to accomplish the proposed capital plan **Figure 5** shows the rate study capital plan by funding source, only PAYGO funded expenditure will immediately impact customer rates.

Table 16. Rate Study CIP Expenses by Expense Type, CY 2024 to CY 2029⁸

CIP Type	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
PAYGO	\$3,022,000	\$0	\$0	\$0	\$1,500,000	\$2,000,000
Grant	\$0	\$3,175,530	\$8,403,326	\$8,895,004	\$0	\$0
Financing	\$0	\$61,841,321	\$56,063,376	\$59,892,613	\$44,623,535	\$0
Total CIP	\$3,022,000	\$65,016,851	\$64,466,702	\$68,787,618	\$46,123,535	\$2,000,000

⁸ District’s 10-year CIP budget and input from staff was used for project cost, project type, and funding source

Figure 5. Rate Study CIP Expenses by Funding Source, CY 2024 to CY 2029



Debt Service and Coverage Ratios

The District’s debt service schedule totals between \$4.3 million and \$12.4 million a year during the study period. Current debt obligations include the 2018, 2021, 2023, and 2024 Water Revenue Bonds, as well as the 2020 and 2021 IPA bonds and the 2022 ISA. Additionally, the District plans to issue three new loans—the 2024 Water Infrastructure Finance and Innovation Act Loan (WIFIA), 2026 WIFIA, and 2026 Water Revenue Bonds—to finance the Pure Water Antelope Valley project and other essential capital improvements. **Table 17** shows the District’s annual debt service payments through the study period. Payments on the 2026 WIFIA loan will not commence until after the rate setting period.

Table 17. Water Fund Debt Service Payments, CY 2024 to CY 2029⁹

Debt Obligation	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Water Revenue Bonds - Series 2018A	\$820,794	\$822,044	\$822,544	\$822,294	\$821,294	\$819,544
2020 IPA	\$307,881	\$307,881	\$307,881	\$307,881	\$307,881	\$307,880
2020 TX Bonds	\$556,290	\$554,305	\$551,894	\$553,870	\$555,476	\$551,299
Water Revenue Bonds - Series 2021A	\$299,725	\$299,725	\$299,725	\$299,725	\$299,725	\$299,725
2021 TX IPA	\$368,136	\$2,578,129	\$2,582,629	\$2,576,382	\$2,579,634	\$0
2022 ISA	\$527,402	\$527,402	\$527,402	\$527,402	\$0	\$0
Water Revenue Bonds - Series 2023A	\$997,743	\$984,075	\$984,075	\$984,075	\$984,075	\$984,075
Water Revenue Bonds - Series 2024A	\$395,201	\$942,200	\$942,200	\$942,200	\$942,200	\$2,217,200
2024 WIFIA Loan	\$0	\$0	\$354,822	\$709,643	\$709,643	\$709,643
Water Revenue Bonds - 2026	\$0	\$0	\$3,927,458	\$4,579,500	\$5,099,750	\$6,468,250
2026 WIFIA Loan	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$4,273,171	\$7,015,760	\$11,300,630	\$12,302,971	\$12,299,678	\$12,357,616

Table 18 shows the DSCR under the current finances detailed in the previous tables. To derive the DSCR, net revenue is divided by the total debt service in each year.

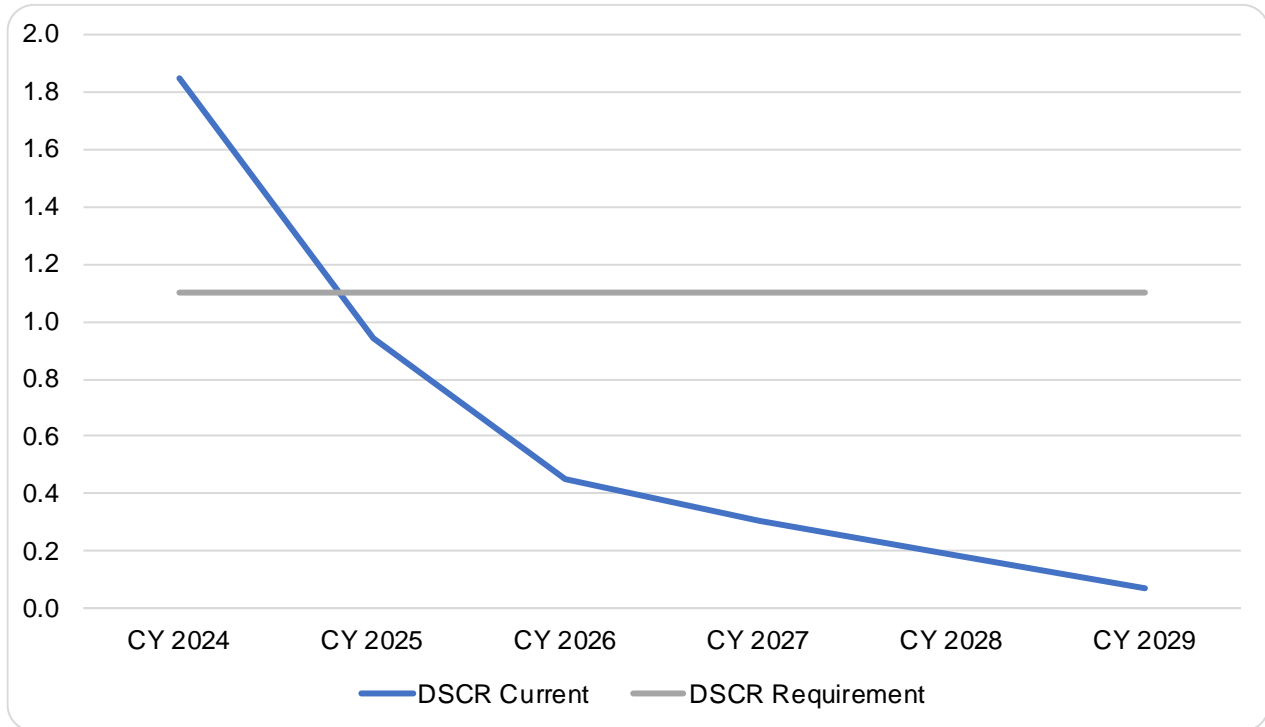
Table 18. Debt Service Coverage Ratio Calculation, CY 2024 to CY 2029

Category	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Total Revenue	\$37,949,000	\$38,215,829	\$38,416,282	\$38,617,287	\$38,817,297	\$39,029,790
Operating Expense	\$30,041,132	\$31,621,140	\$33,286,264	\$34,847,662	\$36,488,679	\$38,186,715
Net Revenue	\$7,907,869	\$6,594,690	\$5,130,017	\$3,769,626	\$2,328,618	\$843,075
Debt Service Total	\$4,273,171	\$7,015,760	\$11,300,630	\$12,302,971	\$12,299,678	\$12,357,616
DSCR	1.85	0.94	0.45	0.31	0.19	0.07

Under the current rates, the District will be in technical default beginning in CY 2025 as net revenues are not 110 percent greater than debt service payments **Figure 6** shows the projected debt service coverage ratios based on the current financial plan.

⁹ District staff provided details of all current and planned debt service obligations

Figure 6. Debt Service Coverage Ratio Under Current Rates, CY 2024 to CY 2029



Reserves

The District must maintain an appropriate reserve balance to ensure the day-to-day operation will continue during emergencies and guarantee the future stability of the system. The District’s financial goal is to build an appropriate level of cash reserves for each reserve fund included in the financial plan of this Study. Reserve targets are described below:

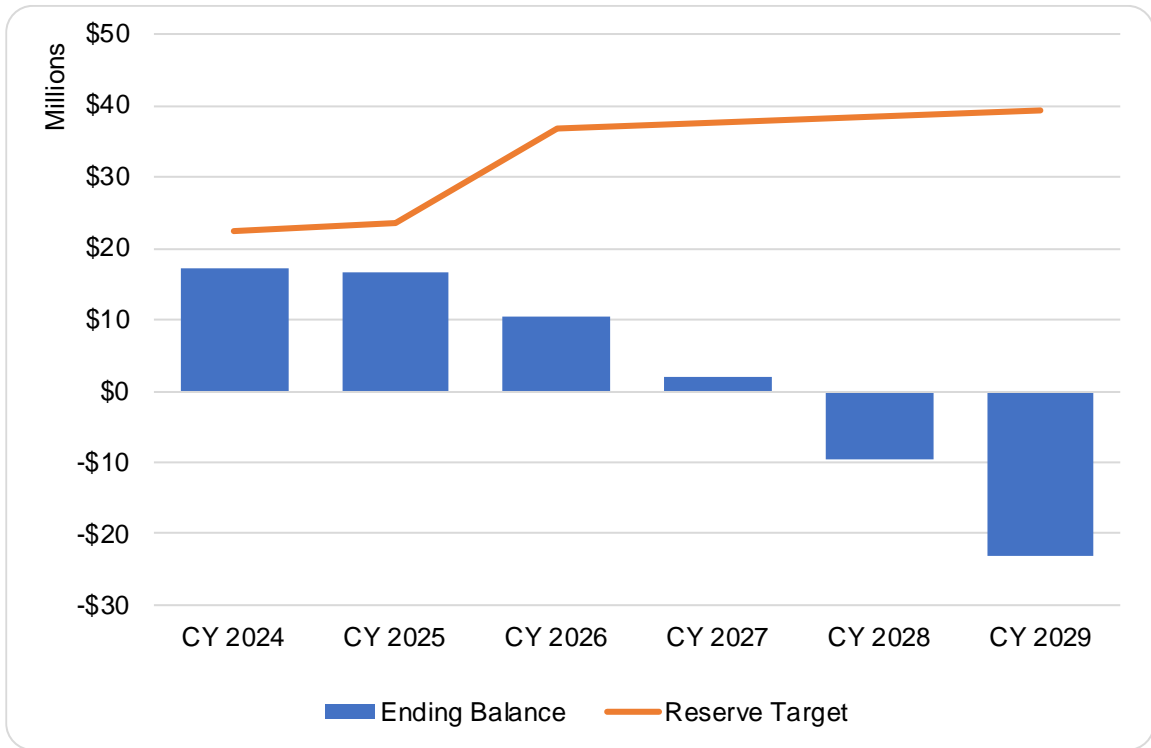
- **Debt Service Reserve:** based on debt service reserve requirement covenants
- **Rate Stabilization Fund:** 20% of annual debt service, maximum balance of \$2.5 million
- **Dam Self Insurance:** \$5 million
- **Operating Reserve:** three months of operating expenses
- **Emergency Reserve:** three months of operating expenses

Reserve targets at the end of the study period reach \$39.4 million. **Table 19** shows the District’s reserve targets for CY 2024 through CY 2029 based on the current reserve policy. **Figure 7** displays the resulting cash balances versus the reserve target under the current rates. Reserve targets are based on the reserve policy shown in **Table 9** and operating, capital, and debt service totals shown in **Tables 15, 16, and 17**, respectively.

Table 19. Reserve Targets, CY 2024 to CY 2029

Reserve Fund	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Debt Service Reserve Fund	\$1,469,000	\$1,469,000	\$12,872,064	\$12,872,064	\$12,872,064	\$12,872,064
Rate Stabalization Fund	\$854,634	\$1,403,152	\$2,260,126	\$2,460,594	\$2,459,936	\$2,471,523
Dam Self Insurance	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
O&M Operating Reserve	\$7,510,283	\$7,905,285	\$8,321,566	\$8,711,915	\$9,122,170	\$9,546,679
O&M Emergency Reserve	\$7,510,283	\$7,905,285	\$8,321,566	\$8,711,915	\$9,122,170	\$9,546,679
Total	\$22,344,200	\$23,682,722	\$36,775,322	\$37,756,489	\$38,576,339	\$39,436,945

Figure 7. Cash Balances and Reserve Target With Current Rates, CY 2024 to CY 2029¹⁰



¹⁰ Note that reserve targets increase because of the District’s increased debt load

Financial Plan

Based on the projected total revenue and necessary costs to be recovered during the study period, RDN built a financial plan that will generate sufficient revenues for the day-to-day operation and annual PAYGO and make appropriate contributions to reserves. The District currently has a projected ending cash balance of \$17.1 million in CY 2024. **Table 20** shows the status quo water pro forma with no revenue adjustments and the resulting ending balances based on the revenues and expenses outlined in this section.

Table 20. Status Quo Financial Pro Forma for Palmdale Water District, CY 2024 to CY 2029

Rate Increase	0.0%		0.0%		0.0%		0.0%	
Rate Month Implemented								
	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029		
Cash Position Opening Balance	\$ 16,453,635	\$ 17,066,333	\$ 16,645,263	\$ 10,474,651	\$ 1,941,305	\$ (9,529,755)		
Revenues								
Water Rate Revenue	\$ 32,244,066	\$ 32,445,302	\$ 32,645,755	\$ 32,846,760	\$ 33,046,770	\$ 33,259,263		
Adjusted Rate Revenue								
Other Operating Revenue	\$ 1,628,600	\$ 1,632,211	\$ 1,632,211	\$ 1,632,211	\$ 1,632,211	\$ 1,632,211	\$ 1,632,211	
Non-Operating Revenue	\$ 4,076,335	\$ 4,138,316	\$ 4,138,316	\$ 4,138,316	\$ 4,138,316	\$ 4,138,316	\$ 4,138,316	
Total Revenues	\$ 37,949,000	\$ 38,215,829	\$ 38,416,282	\$ 38,617,287	\$ 38,817,297	\$ 39,029,790		
Operating Expenses								
Operating Expenses	\$ 30,041,132	\$ 31,621,140	\$ 33,286,264	\$ 34,847,662	\$ 36,488,679	\$ 38,186,715		
Net Operating Revenues	\$ 7,907,869	\$ 6,594,690	\$ 5,130,017	\$ 3,769,626	\$ 2,328,618	\$ 843,075		
Planned Rate Funded Debt Service								
Planned Rate Funded Debt Service	\$ 4,273,171	\$ 7,015,760	\$ 11,300,630	\$ 12,302,971	\$ 12,299,678	\$ 12,357,616		
Total Rate Funded Debt Service	\$ 4,273,171	\$ 7,015,760	\$ 11,300,630	\$ 12,302,971	\$ 12,299,678	\$ 12,357,616		
Total Operating and Debt Service	\$ 34,314,303	\$ 38,636,899	\$ 44,586,894	\$ 47,150,633	\$ 48,788,357	\$ 50,544,331		
Total Operating and Debt Net Revenues	\$ 3,634,698	\$ (421,070)	\$ (6,170,612)	\$ (8,533,346)	\$ (9,971,060)	\$ (11,514,541)		
Capital Expenditure								
Capital Expenditure	\$ 3,022,000	\$ 65,016,851	\$ 64,466,702	\$ 68,787,618	\$ 46,123,535	\$ 2,000,000		
Debt Proceeds Proposed	\$ -	\$ 61,841,321	\$ 56,063,376	\$ 59,892,613	\$ 44,623,535	\$ -		
Debt Proceeds New	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Capacity Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Grants	\$ -	\$ 3,175,530	\$ 8,403,326	\$ 8,895,004	\$ -	\$ -		
Cash	\$ 3,022,000	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 2,000,000		
Net Income	\$ 612,698	\$ (421,070)	\$ (6,170,612)	\$ (8,533,346)	\$ (11,471,060)	\$ (13,514,541)		
Ending Balance	\$ 17,066,333	\$16,645,263	\$10,474,651	\$1,941,305	(\$9,529,755)	(\$23,044,296)		

Table 21 shows the proposed water pro forma for the study period with the recommended revenue adjustments per year. All revenue adjustments will occur in January of each year.

Table 21. Proposed Financial Pro Forma for Palmdale Water District, CY 2024 to CY 2029

Rate Increase	11.0%	11.0%	9.0%	9.0%	8.0%	
Rate Month Implemented	1-Jan	1-Jan	1-Jan	1-Jan	1-Jan	
	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Cash Position Opening Balance	\$ 16,453,635	\$ 17,066,333	\$ 20,214,246	\$ 21,620,714	\$ 24,353,445	\$ 28,211,394
Revenues						
Water Rate Revenue	\$ 32,244,066	\$ 32,445,302	\$ 32,645,755	\$ 32,846,760	\$ 33,046,770	\$ 33,259,263
Adjusted Rate Revenue	\$ -	\$ 3,568,983	\$ 7,577,080	\$ 11,266,077	\$ 15,329,009	\$ 19,322,523
Other Operating Revenue	\$ 1,628,600	\$ 1,632,211	\$ 1,632,211	\$ 1,632,211	\$ 1,632,211	\$ 1,632,211
Non-Operating Revenue	\$ 4,076,335	\$ 4,138,316	\$ 4,138,316	\$ 4,138,316	\$ 4,138,316	\$ 4,138,316
Total Revenues	\$ 37,949,000	\$ 41,784,813	\$ 45,993,361	\$ 49,883,365	\$ 54,146,306	\$ 58,352,312
Operating Expenses	\$ 30,041,132	\$ 31,621,140	\$ 33,286,264	\$ 34,847,662	\$ 36,488,679	\$ 38,186,715
Net Operating Revenues	\$ 7,907,869	\$ 10,163,673	\$ 12,707,097	\$ 15,035,703	\$ 17,657,627	\$ 20,165,598
Planned Rate Funded Debt Service	\$ 4,273,171	\$ 7,015,760	\$ 11,300,630	\$ 12,302,971	\$ 12,299,678	\$ 12,357,616
Total Debt Service	\$ 4,273,171	\$ 7,015,760	\$ 11,300,630	\$ 12,302,971	\$ 12,299,678	\$ 12,357,616
Total Operating and Debt Service	\$ 34,314,303	\$ 38,636,899	\$ 44,586,894	\$ 47,150,633	\$ 48,788,357	\$ 50,544,331
Net Revenues	\$ 3,634,698	\$ 3,147,914	\$ 1,406,467	\$ 2,732,732	\$ 5,357,949	\$ 7,807,982
Capital Expenditure	\$ 3,022,000	\$ 65,016,851	\$ 64,466,702	\$ 68,787,618	\$ 46,123,535	\$ 2,000,000
Debt Proceeds Proposed	\$ -	\$ 61,841,321	\$ 56,063,376	\$ 59,892,613	\$ 44,623,535	\$ -
Debt Proceeds New	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	\$ -	\$ 3,175,530	\$ 8,403,326	\$ 8,895,004	\$ -	\$ -
Cash	\$ 3,022,000	\$ -	\$ -	\$ (0)	\$ 1,500,000	\$ 2,000,000
Net Income	\$ 612,698	\$ 3,147,914	\$ 1,406,467	\$ 2,732,732	\$ 3,857,949	\$ 5,807,982
Ending Balance	\$ 17,066,333	\$20,214,246	\$ 21,620,714	\$24,353,445	\$28,211,394	\$34,019,376

Revenue Requirements

Table 22 displays the water utility's revenue requirements for CY 2025 through CY 2029. The total expense for each year is offset by other operating revenues and non-operating revenues to compute a pure portion of revenue requirements that need to be recovered from customers' rates. RDN proposes annual revenue adjustments of 11.0 percent in CY 2025 and CY 2026, 9.0 percent in CY 2027 and CY 2028, and 8.0 percent in CY 2029 to reach the financial goals set by the District.

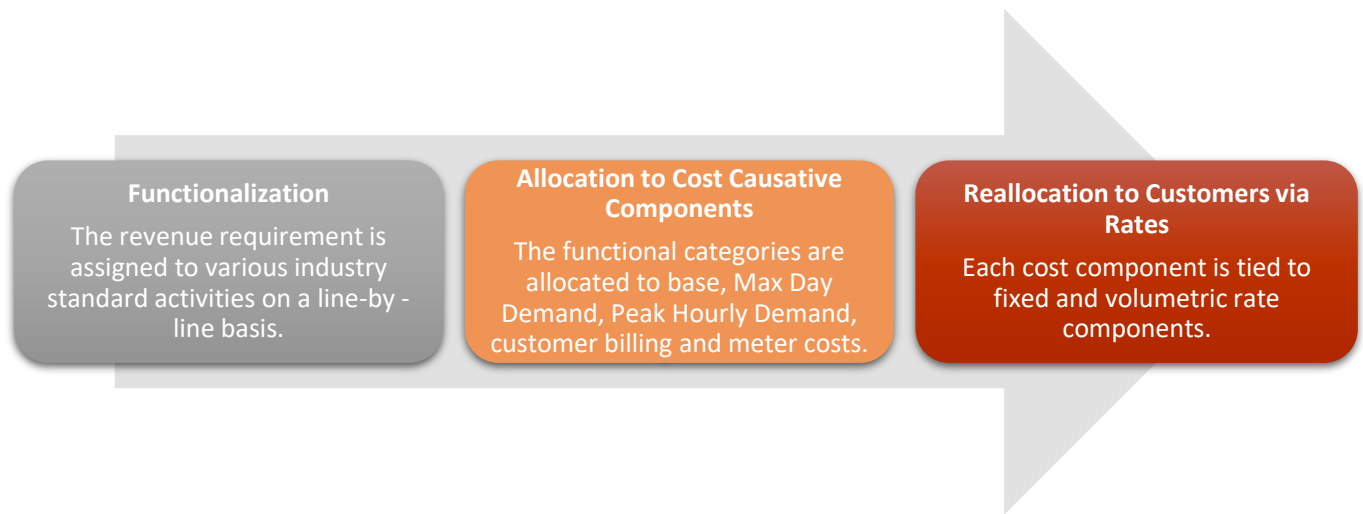
Table 22. Revenue Requirements for Palmdale Water District, CY 2025 – CY 2029

Revenue Requirements	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
O&M Expenses	\$31,621,140	\$33,286,264	\$34,847,662	\$36,488,679	\$38,186,715
Debt Service	\$7,015,760	\$11,300,630	\$12,302,971	\$12,299,678	\$12,357,616
Capital Expenditures	\$0	\$0	\$0	\$1,500,000	\$2,000,000
Total Expenses	\$38,636,899	\$44,586,894	\$47,150,633	\$50,288,357	\$52,544,331
Other Operating Revenue	(\$1,632,211)	(\$1,632,211)	(\$1,632,211)	(\$1,632,211)	(\$1,632,211)
Non-Operating Revenue	(\$4,138,316)	(\$4,138,316)	(\$4,138,316)	(\$4,138,316)	(\$4,138,316)
Net Balance From Operations	\$3,147,914	\$1,406,467	\$2,732,732	\$3,857,949	\$5,807,982
Rate Revenue Requirement	\$36,014,286	\$40,222,834	\$44,112,838	\$48,375,779	\$52,581,785

COST OF SERVICE ANALYSIS

The purpose of a Cost of Service (COS) analysis is to allocate costs among customers commensurate with their service requirements. RDN employed the “base-extra capacity” cost-of-service method promulgated in AWWA’s M1, whereby costs are first allocated to individual functions, which are typical industry standard activities, then the costs of each function are distributed to appropriate cost causative components, which are defined by the cost driving elements. The results of the COS form a reasonable, equitable basis for designing rates. **Figure 8** displays a typical process for the COS analysis.

Figure 8. A Typical Flow for Cost of Service Analysis Process



Functionalization of Costs

Operating and capital costs are functionalized based on operating categories used in the District’s budget and input from District staff with expertise on the system and utility industry knowledge. The functionalization of capital expenses is based on total water asset values, which represents a better overall estimate of systemwide needs versus just one year of capital expenditure. The functions of the water system for both operating and capital expenses include:

- Water Supply – costs associated groundwater procurement and water purchases
- Pumping – costs associated with general pumping and energy use
- Storage – costs associated with water storage for distribution
- Treatment – costs associated with treating water
- Transmission and Distribution – costs associated with transmitting and distributing water to customers
- Hydrants – costs associated with the maintenance of fire hydrants

- Meter Reading and Bill Collections – costs associated with customer service and billing related tasks
- Meter and Services – costs associated with the maintenance of meters
- Conservation – costs associated with the District’s conservation programs
- Administrative and General – costs associated with administrative and general functions

Costs were functionalized based on industry standard budget determinations and input from staff. **Table 23** shows the amount and percentage of test year operating expenses allocated to each function. District assets are categorized based on functions as described in the District’s audited financial statements. **Table 24** shows the amount and percentage of the District’s fixed assets allocated to each function. Total assets were used as a proxy for the allocation of non-operating expenses because they represent the long-term investment in the system made by the District. A single year of non-operating expenses typically does not reflect an adequate ratio of overall system values.

Table 23. Percentage of Operating Costs Allocated to Standard Functions

O&M Expense		
Category	Allocation	Percent
Total O&M	\$31,621,140	100.0%
Water Supply	\$4,522,075	14.3%
Pumping	\$4,848,221	15.3%
Storage	\$542,494	1.7%
Transmission and Distribution	\$4,624,482	14.6%
Meter and Services	\$399,387	1.3%
Hydrants	\$233,981	0.7%
Treatment	\$4,649,365	14.7%
Meter Reading/Bill Collections	\$3,684,691	11.7%
Conservation	\$357,624	1.1%
Administrative and General	\$7,758,820	24.5%

Table 24. Percentage of Non-operating Costs Allocated to Standard Functions

Non-Operating Expense		
Category	Allocation	Percent
Total Assets	\$94,583,620	100.0%
Water Supply	\$7,189,513	7.6%
Pumping	\$367,400	0.4%
Storage	\$10,190,313	10.8%
Transmission and Distribution	\$14,400,684	15.2%
Meter and Services	\$10,303	0.0%
Hydrants	\$0	0.0%
Treatment	\$47,650,457	50.4%
Meter Reading/Bill Collections	\$0	0.0%
Conservation	\$1,875,095	2.0%
Administrative and General	\$12,899,853	13.6%

A COS analysis considers both the average quantity of water consumed (base costs) and the peak rate at which it is consumed (peaking or capacity costs as identified by maximum day and maximum hour demands). Peaking costs are costs that are incurred during peak times of consumption. Title 22 of the California Code of Regulations (CCR) requires PWD to have enough source capacity to meet the Maximum Day Demand (MDD) at all times. There are additional costs associated with designing, constructing, operating, and maintaining facilities to meet peak demands. All current and future water facilities, including water mains, pump stations, reservoirs, wells, and treatment plants, are designed and constructed to meet peak demands. If deficiencies are found, the existing facilities get upsized, or a secondary line or pump is installed to meet the peaking demands. These peak demand costs should be allocated to those customers whose water usage patterns generate additional costs for the utility. In other words, not all customer classes and not all customers share the same responsibility for peaking related costs. For the system to provide adequate service to its customers at all times, it must be capable of meeting not only the annual volume requirements, but also the peak demand - the maximum rate at which water is consumed. Therefore, the capacities of the various facilities must meet the maximum coincidental demand of all customers.

Each water service facility within the system has an underlying average demand, exerted by the customers for whom the base cost component applies. For those facilities designed solely to meet average daily demand, 100% of the cost should go to the base cost component. Extra capacity requirements associated with demand in excess of average use consist of Max Day Demand and Peak Hourly Demand (PHD). Base demand and MDD demand were calculated based on historical customer usage for the most recent year that data was fully available, CY 2023. Base demand was calculated as the total demand divided by the number of days in a year. Max Day Demand was calculated by taking

the highest use month, September, and dividing that by the number of days in the month, 30. Based on the MDD factor, RDN estimated the average hourly flow during the max day by multiplying it by a peaking factor of 1.5 (the lowest factor recommended by the State Board’s Division of Drinking Water¹¹) to compute a PHD factor. Functions that require capacity to perform at base and MDD levels were allocated based on the ratio of base demand compared to MDD, or 62.3 percent and 37.7 percent, respectively. Additionally, the costs associated with the functions which require extra capacity service requirements were distributed to the base, MDD, and PHD cost components at 38.8 percent, 23.5 percent, and 37.7 percent, respectively. **Table 25** shows the systemwide peaking factors based on customer use patterns as described.

Table 25. System-Wide Peaking Factors

	Factor	Base	Max Day	Max Hour
Use		16,910	27,145	43,605
Base	1.00	100.0%	0.0%	0.0%
Max Day	1.61	62.3%	37.7%	0.0%
Max Hour	2.58	38.8%	23.5%	37.7%
Average Max Day/Max Hour		50.5%	30.6%	18.9%

The cost causative components include:

- **Source of Supply** – water purchase costs, groundwater procurement, pumping costs, etc.
- **Base** – delivering water to customers under average demand conditions
- **Maximum Day Demand (MDD)** – the costs of delivering water to customers on the day with the highest demand
- **Peaking Hourly Demand (PHD)** – the costs of delivering water to customers on the hour with the highest demand on highest day
- **Meters** – the costs of servicing and reading meters
- **Fire Protection Service** – the costs of providing water service for public and private fire protection services
- **Customer Service** – billing and other customer service-related costs
- **Conservation** – the cost to administer the District’s conservation program

Water supply costs are allocated 100 percent to the Supply component as they relate to purchasing water from other agencies as well as groundwater production. Pumping costs are allocated based on the max day allocation as pumping facilities must meet max day requirements. Meter Reading, Customer Service, Conservation, and Fire related costs are all allocated directly to those cost components as they are not impacted by water source availability or delivery dynamics.

¹¹ California Public Utilities Commission. Standard Practice for Determination of Water Supply Requirements, Standard Practice U-22. San Francisco. 2000

Storage, Transmission and Distribution, and Treatment-related costs are allocated using the maximum hour allocation as these facilities are constructed to meet maximum hour demand. Administrative and general costs are allocated to cost components based on the percentage of the functions allocated to the other cost categories.

The result of the COS analysis determines how the total revenue requirements should be allocated to each of the cost components, which are categorized and grouped based on the similar cost driving elements. **Table 26** through **Table 29** show the percent and total value of functionalized operating costs and assets allocated to the cost causative components. Asset values provide a more stable estimate of overall capital needs and thus, the allocation used is based on asset values. The percentage of system assets under each cost component is then applied to the non-operating revenue requirements for the test year.

Table 26. Percent of Operating Function Categories Allocated to Cost Components

Category	Total Allocation	Source of Supply	O&M Expense							Total
			Base	MDD	PHD	Meters	Fire Protection	Customer Service	Conservation	
Water Supply	\$4,522,075	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Pumping	\$4,848,221	0.0%	62.3%	37.7%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Storage	\$542,494	0.0%	38.8%	23.5%	37.7%	0.0%	0.0%	0.0%	0.0%	100.0%
Transmission and Distribution	\$4,624,482	0.0%	38.8%	23.5%	37.7%	0.0%	0.0%	0.0%	0.0%	100.0%
Meter and Services	\$399,387	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
Hydrants	\$233,981	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
Treatment	\$4,649,365	0.0%	38.8%	23.5%	37.7%	0.0%	0.0%	0.0%	0.0%	100.0%
Meter Reading/Bill Collections	\$3,684,691	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100.0%
Conservation	\$357,624	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
Administrative and General	\$7,758,820	0.0%	26.3%	15.9%	25.6%	2.8%	1.6%	25.4%	2.5%	100.0%

Table 27. Total of Operating Functional Categories Allocated to Cost Components

Category	Total Allocation	Source of Supply	O&M Expense							Conservation
			Base	MDD	PHD	Meters	Fire Protection	Customer Service		
Water Supply	\$4,522,075	\$4,522,075	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$4,848,221	\$0	\$3,020,215	\$1,828,006	\$0	\$0	\$0	\$0	\$0	\$0
Storage	\$542,494	\$0	\$210,379	\$127,333	\$204,782	\$0	\$0	\$0	\$0	\$0
Transmission and Distribution	\$4,624,482	\$0	\$1,793,371	\$1,085,450	\$1,745,661	\$0	\$0	\$0	\$0	\$0
Meter and Services	\$399,387	\$0	\$0	\$0	\$0	\$399,387	\$0	\$0	\$0	\$0
Hydrants	\$233,981	\$0	\$0	\$0	\$0	\$0	\$233,981	\$0	\$0	\$0
Treatment	\$4,649,365	\$0	\$1,803,020	\$1,091,290	\$1,755,054	\$0	\$0	\$0	\$0	\$0
Meter Reading/Bill Collections	\$3,684,691	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,684,691	\$0
Conservation	\$357,624	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$357,624
Administrative and General	\$7,758,820	\$0	\$2,038,090	\$1,233,568	\$1,983,870	\$213,826	\$125,270	\$1,972,731	\$191,467	\$191,467
Percent of Total		14.3%	28.0%	17.0%	18.0%	1.9%	1.1%	17.9%	1.7%	

Table 28. Percent of Non-Operating Function Categories Allocated to Cost Components

Category	Non-Operating Expense									
	Total Allocation	Source of Supply	Base	MDD	PHD	Meters	Fire Protection	Customer Service	Conservation	Total
Water Supply	\$7,189,513	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Pumping	\$367,400	0.0%	62.3%	37.7%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Storage	\$10,190,313	0.0%	38.8%	23.5%	37.7%	0.0%	0.0%	0.0%	0.0%	100.0%
Transmission and Distribution	\$14,400,684	0.0%	38.8%	23.5%	37.7%	0.0%	0.0%	0.0%	0.0%	100.0%
Meter and Services	\$10,303	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100.0%
Hydrants	\$0	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%
Treatment	\$47,650,457	0.0%	63.3%	36.7%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Meter Reading/Bill Collections	\$0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100.0%
Conservation	\$1,875,095	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
Administrative and General	\$12,899,853	0.0%	55.0%	32.2%	12.8%	0.0%	0.0%	0.0%	0.0%	100.0%

Table 29. Total of Non-Operating Functional Categories Allocated to Cost Components

Category	Non-Operating Expense									
	Total Allocation	Source of Supply	Base	MDD	PHD	Meters	Fire Protection	Customer Service	Conservation	
Water Supply	\$7,189,513	\$7,189,513	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pumping	\$367,400	\$0	\$228,873	\$138,527	\$0	\$0	\$0	\$0	\$0	\$0
Storage	\$10,190,313	\$0	\$3,951,796	\$2,391,852	\$3,846,665	\$0	\$0	\$0	\$0	\$0
Transmission and Distribution	\$14,400,684	\$0	\$5,584,575	\$3,380,102	\$5,436,007	\$0	\$0	\$0	\$0	\$0
Meter and Services	\$10,303	\$0	\$0	\$0	\$0	\$10,303	\$0	\$0	\$0	\$0
Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	\$47,650,457	\$0	\$30,172,695	\$17,477,762	\$0	\$0	\$0	\$0	\$0	\$0
Meter Reading/Bill Collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Conservation	\$1,875,095	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,875,095
Administrative and General	\$12,899,853	\$0	\$7,089,670	\$4,151,012	\$1,657,331	\$1,840	\$0	\$0	\$0	\$0
Percent of Total		7.6%	49.7%	29.1%	11.6%	0.0%	0.0%	0.0%	0.0%	2.0%

The non-operating expenses for the test year are made up of debt service payments and capital expenditures totaling approximately \$7.0 million. Those costs are distributed to the cost components based on the final percentages shown in **Table 29**, above, which are based on the total asset values of water assets owned by the District. Water asset values represent the long-term investment in the District’s water system and are proxy value for how a single year of non-operating expenses should be allocated. Asset values do not significantly fluctuate year over year as annual capital expenditures do, which ensures that cost categories are accurately represented. Operating allocations are based on the actual projected test year expenses and the total for each cost component reflect the percentages in **Table 27**. **Table 30** shows the projected test year expenses allocated to each cost component based on the percentages in **Table 27** and **Table 29**.

Table 30. Operating and Non-Operating Cost Allocation to Cost Components

Cost Component	Operating Percentage	Operating Costs	Non-Operating Percentage	Non-Operating Costs
Total	100.00%	\$31,621,140	100.00%	\$7,015,760
Source of Supply	14.30%	\$4,522,075	7.60%	\$533,284
Base	28.04%	\$8,865,075	49.72%	\$3,488,283
MDD	16.97%	\$5,365,647	29.12%	\$2,042,730
PHD	17.99%	\$5,689,367	11.57%	\$811,477
Meters	1.94%	\$613,213	0.01%	\$901
Fire Protection	1.14%	\$359,251	0.00%	\$0
Customer Service	17.89%	\$5,657,422	0.00%	\$0
Conservation	1.74%	\$549,091	1.98%	\$139,086

Table 31 shows the cost allocation by cost causative components under the proposed financial plan before adjustments. Revenue offsets made up of non-operating revenues for CY 2024-24 shown in **Table 13** will be used to offset purchased water costs in the rate design section. A percentage of the total revenue offsets will also be allocated to reserve/capital contributions, which will be applied directly to reserve totals and not used in rate setting. Other operating revenues are allocated to each cost component based on the overall cost allocation percentages shown in the “percent of total” row.

Table 31. Rate Revenue Requirements for Test Year, CY 2025

Category	Total	Source of Supply	Base	MDD	PHD	Meters	Fire Protection	Customer Service	Conservation	Revenue Offset	Reserve/Capital Contribution
O&M Revenue Requirements	\$31,621,140	\$4,522,075	\$8,865,075	\$5,365,647	\$5,689,367	\$613,213	\$359,251	\$5,657,422	\$549,091	\$0	\$0
Non-Operating Revenue Requirements	\$7,015,760	\$533,284	\$3,488,283	\$2,042,730	\$811,477	\$901	\$0	\$0	\$139,086	\$0	\$0
Total	\$38,636,899	\$5,055,358	\$12,353,358	\$7,408,377	\$6,500,844	\$614,114	\$359,251	\$5,657,422	\$688,176	\$0	\$0
Percent of Total		13.1%	32.0%	19.2%	16.8%	1.6%	0.9%	14.6%	1.8%	0.0%	0.0%
Quality & Booster Revenue Credit	(\$714,549)	(\$93,494)	(\$228,463)	(\$137,010)	(\$120,226)	(\$11,357)	(\$6,644)	(\$104,628)	(\$12,727)	\$0	\$0
Other Operating Revenue	(\$1,632,211)	(\$213,563)	(\$521,866)	(\$312,966)	(\$274,627)	(\$25,943)	(\$15,177)	(\$238,997)	(\$29,072)	\$0	\$0
Non-Operating Revenue	(\$4,138,316)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,138,316)	\$0
Net Balance From Operations	\$3,147,914	\$411,882	\$1,006,481	\$603,592	\$529,652	\$50,034	\$29,270	\$460,934	\$56,069	\$0	\$0
Total	\$35,299,736	\$5,160,183	\$12,609,510	\$7,561,993	\$6,635,642	\$626,848	\$366,700	\$5,774,731	\$702,446	(\$4,138,316)	\$0

Water systems provide two types of fire protection: public fire protection for firefighting, which is generally visible as hydrants on a street, and private fire protection which provides fire flow to building and other structure sprinkler systems for fire suppression within private improvements. To determine the share of total fire costs responsible to each, fire service must additionally be allocated between private

and public fire connections. There are a total of 177 private fire connections which are equal to 177 equivalent fire meters. Total public fire connections are equal to 2,809 equivalent meters. The allocation of fire costs is based on the ratio of equivalent fire meters, 94.1 percent for public fire and 5.9 percent for private fire. **Table 32** shows the percentage of fire costs allocated to each customer class based on the number of equivalent meters. Public fire costs are reallocated to the meter component of the cost allocation.

Table 32. Allocation of Fire Costs

Customer Class	Equivalent Meters	Percent	Total Fire Allocation	Allocation by Class
Private Fire	177	5.9%		\$21,737
Public Fire	2,809	94.1%		\$344,963
Total Fire	2,986		\$366,700	

Because public fire protection benefits all customers, the associated costs are reallocated to peaking costs. Fire protection demands significant flow and duration, so these costs are allocated to Peak Hour Demand (PHD). Private fire protection costs are then allocated based on the fire cost allocation shown in **Table 32**, representing the cost share of private fire connections. Revenue offsets have been adjusted to reflect a conservative projection for non-operating revenue. District staff have projected \$2.5 million in non-operating revenue, which must be included in the rate-setting cost of service. Any non-operating revenue exceeding \$2.5 million will be transferred to reserves or used for capital spending. **Table 33** provides the total cost allocation by category, which will be used to allocate costs to each customer class.

Table 33. Final Cost of Service Allocations with all Adjustments

Category	Total	Source of Supply	Base	MDD	PHD	Meters	Fire Protection	Customer Service	Conservation	Revenue Offset	Reserve/Capital Contribution
O&M Revenue Requirements	\$31,621,140	\$4,522,075	\$8,865,075	\$5,365,647	\$5,689,367	\$613,213	\$359,251	\$5,657,422	\$549,091	\$0	\$0
Non-Operating Revenue Requirements	\$7,015,760	\$533,284	\$3,488,283	\$2,042,730	\$811,477	\$901	\$0	\$0	\$139,086	\$0	\$0
Total	\$38,636,899	\$5,055,358	\$12,353,358	\$7,408,377	\$6,500,844	\$614,114	\$359,251	\$5,657,422	\$688,176	\$0	\$0
Percent of Total		13.1%	32.0%	19.2%	16.8%	1.6%	0.9%	14.6%	1.8%	0.0%	0.0%
Quality & Booster Revenue Credit	(\$714,549)	(\$93,494)	(\$228,463)	(\$137,010)	(\$120,226)	(\$11,357)	(\$6,644)	(\$104,628)	(\$12,727)	\$0	\$0
Other Operating Revenue	(\$1,632,211)	(\$213,563)	(\$521,866)	(\$312,966)	(\$274,627)	(\$25,943)	(\$15,177)	(\$238,997)	(\$29,072)	\$0	\$0
Non-Operating Revenue	(\$4,138,316)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,138,316)	\$0
Net Balance From Operations	\$3,147,914	\$411,882	\$1,006,481	\$603,592	\$529,652	\$50,034	\$29,270	\$460,934	\$56,069	\$0	\$0
Total	\$35,299,736	\$5,160,183	\$12,609,510	\$7,561,993	\$6,635,642	\$626,848	\$366,700	\$5,774,731	\$702,446	(\$4,138,316)	\$0
Adjustments											
Re-Allocation of Public Fire	\$0	\$0	\$0	\$0	\$366,700	\$0	(\$366,700)	\$0	\$0	\$0	\$0
Re-Allocation of Private Fire	\$0	\$0	\$0	\$0	(\$21,737)	\$0	\$21,737	\$0	\$0	\$0	\$0
Re-Allocation of Revenue Offset	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,638,316	(\$1,638,316)
Final Cost Allocation	\$35,299,736	\$5,160,183	\$12,609,510	\$7,561,993	\$6,980,605	\$626,848	\$21,737	\$5,774,731	\$702,446	(\$2,500,000)	(\$1,638,316)

Allocation to Units

The final step of the COS analysis is to allocate the cost causative components back to the customers. In order to perform this, unit values were determined for each cost component. **Table 36** shows the number of systemwide units under each category. Equivalent meters are determined by multiplying the total meters by their equivalent meter value. **Table 34** shows the meters currently connected to the water system and the number of equivalent meters based on AWWA meter equivalency factors.

Table 34. Total Non-fire Equivalent Meters Used for Cost Allocation

Meter Size	Number of Meters	Equivalence Factor	Total Equivalent Meters
5/8"	1,638	0.67	1,092
3/4"	20,887	1.00	20,887
1"	4,298	1.67	7,163
1 1/2"	306	3.33	1,020
2"	307	5.33	1,637
3"	16	10.00	160
4"	37	16.67	617
6"	26	33.33	867
8"	46	53.33	2,453
10"	8	76.67	613
Total	27,569		36,510

All use categories (Water Use, Max Month, Average Day, Max Day, and Peak Hourly) were calculated based on actual (billed) customer use and are expressed in hcf. As previously described, average day demand constitutes the entire year of use divided by the number of days in a year. Max day demand takes the use during the highest use month (September) and divides that by the number of days in the month (30). Peak hourly demand is estimated by taking the difference between average day and max day demand and multiplying the result by a factor of 1.5. Because of the fluctuation of use throughout the year at the different tier levels, each tier's capacity factor and extra capacity reflects the differences within that tier. The cost to provide service at the base and peak level for each tier is represented individually. This results in the total capacity, with extra capacity calculated by subtracting the average daily use from the total capacity for either max day or max hour. **Table 35** shows the water use values used to calculate units for the cost of service allocation. The total base and peak costs allocated to each tier represent the relative difference of the use characteristics under that tier and the relative extra costs which must be allocated to equitably recover those costs.

Table 35. Total Use and Peak Values used for Cost Allocation

Customer Class	Annual Use (hcf)	Daily Potable Use	Max Day			Peak Hour		
			Capacity Factor	Total Capacity	Extra Capacity	Capacity Factor	Total Capacity	Extra Capacity
All Customers	6,170,402	16,905						
Tier 1	2,988,969	8,189	1.17	9,619	1,430	1.76	14,428	4,809
Tier 2	1,831,409	5,018	1.73	8,686	3,668	2.60	13,029	4,343
Tier 3	735,761	2,016	1.85	3,724	1,708	2.77	5,586	1,862
Tier 4	614,263	1,683	2.27	3,826	2,143	3.41	5,739	1,913
Total	6,170,402	16,905		25,855	8,950		38,782	12,927

The number of bills in one year (the number of accounts multiplied by 12) serves as the basis for distributing billing and customer service costs associated with meter reading, customer billing and collection, and other customer services costs. The number of equivalent meters is used to distribute meter related service costs.

Table 36. Cost of Service Units

Unit	Count of Units
Customers	27,569
EMs	44,137
Total Water Use	6,172,171
Max Month	784,533
Average Day	16,910
Max Day Extra	8,952
Peak Hourly Extra	12,931

Table 37 shows the total cost allocation by cost component divided by the corresponding unit values to develop a unit cost for each.

Table 37. Rate Revenue Requirements Divided by the Corresponding Units

	Source of Supply	Base	MDD	PHD
Rate Revenue Requirement	\$5,160,183	\$12,609,510	\$7,561,993	\$6,980,605
Units	6,172,171	6,172,171	8,952	12,931
Unit Cost	\$0.84	\$2.04	\$844.77	\$539.84
	Meters	Customer Service	Conservation	Revenue Offset
Rate Revenue Requirement	\$626,848	\$5,774,731	\$702,446	(\$2,500,000)
Units	44,137	330,828	6,172,171	4,822,147
Unit Cost	\$14.20	\$17.46	\$0.11	(\$0.52)

Conservation costs consist of a comprehensive conservation program, designed to promote sustainable water use while providing tangible benefits to its customers.

Allocation to Customer Classes

The District currently maintains six distinct customer classes; however, Single Family, Multi-Family, Commercial and Industrial, and Irrigation customers are all charged the same fixed and variable rates. Therefore, for the purposes of the COS analysis, these customers have been combined into a single Retail Customer class. The total units of service by customer class are shown in **Table 38**. **Table 39** shows the cost of service allocated to each customer class based on the units of service. **Table 40** shows the total cost allocation by customer class based on the cost of service analysis. The total rate revenue requirements which need to be recovered from customer rates is also shown, this amount is the cost of service allocation reduced by the non-operating revenues which are applied directly to the variable rates. The total revenue requirements reflect the final cost allocation in **Table 33**.

Table 38. Unit of Service by Customer Class

Customer Class	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Conservation	Revenue Offset
Retail Customers	6,170,402	6,170,402	8,950	12,927	33,868	328,572	1,350,024	4,820,378
Tier 1	2,988,969	2,988,969	1,430	4,809	-	-	-	2,988,969
Tier 2	1,831,409	1,831,409	3,668	4,343	-	-	-	1,831,409
Tier 3	735,761	735,761	1,708	1,862	-	-	735,761	-
Tier 4	614,263	614,263	2,143	1,913	-	-	614,263	-
Construction	1,769	1,769	2	3	117	132	1,769	1,769
Private Fire	-	-	-	-	10,152	2,124	-	-

Table 39. Cost of Service by Customer Class

Customer Class	Source of Supply	Base	MDD	PHD	Meters	Private Fire	Customer Service	Conservation	Revenue Offset
Unit Cost	\$0.84	\$2.04	\$844.77	\$539.84	\$14.20	\$21,737	\$17.46	\$0.11	(\$0.52)
Retail Customers	\$5,158,704	\$12,605,896	\$7,560,330	\$6,978,765	\$481,002	\$0	\$5,735,352	\$702,245	(\$2,499,083)
Tier 1	\$2,498,898	\$0	\$1,207,972	\$2,596,351	\$0	\$0	\$0	\$0	(\$1,549,605)
Tier 2	\$1,531,131	\$0	\$3,098,903	\$2,344,511	\$0	\$0	\$0	\$0	(\$949,478)
Tier 3	\$615,126	\$0	\$1,442,934	\$1,005,151	\$0	\$0	\$0	\$382,722	\$0
Tier 4	\$513,549	\$0	\$1,810,520	\$1,032,752	\$0	\$0	\$0	\$319,522	\$0
Construction	\$1,479	\$3,614	\$1,663	\$1,840	\$1,657	\$0	\$2,304	\$201	(\$917)
Private Fire	\$0	\$0	\$0	\$0	\$144,189	\$21,737	\$37,075	\$0	\$0
Total	\$5,160,183	\$12,609,510	\$7,561,993	\$6,980,605	\$626,848	\$21,737	\$5,774,731	\$702,446	(\$2,500,000)

Table 40. Total Cost Allocation by Customer Class and Revenue Requirements with Offset for Variable Rates Removed

Customer Class	Total Cost
Retail Customers	\$39,222,294
Tier 1	
Tier 2	
Tier 3	
Tier 4	
Construction	\$12,759
Private Fire	\$203,001
Total COS	\$39,438,053
Revenue Offset	(\$2,500,000)
Revenue Requirement	\$36,938,053

WATER RATE DESIGN

The last step of a rate study is designing rates. Rates must be designed to equitably recover the rate revenue requirements from each customer given the projected customer demand identified as a result of the COS analysis. In reviewing the District's water rates and finances, RDN used the following criteria in developing our recommendations:

- 1) Revenue sufficiency: rates should recover the annual cost of service and provide revenue stability.
- 2) Rate impacts: while rates are calculated to generate sufficient revenue to cover all costs, they should be designed to minimize, as much as possible, the impacts on ratepayers.
- 3) Equitability: rates should be fairly allocated among all customers based on their estimated demand characteristics.
- 4) Practicality: rates should be simple in form and, therefore, adaptable to changing conditions, easy to administer, and easy to understand.

RDN proposes the following adjustments to customer water rate structures:

- Adjusting rates by the recommended revenue adjustments of 11.0 percent in CY 2025 and CY 2026, 9.0 percent in CY 2027 and CY 2028, and 8.0 percent in CY 2029
- Remove the fifth usage tier from the rate structure and retain only four tiers to establish clear connections between the costs and the pricing of tiered rates
- Reduce the amount of water allocated as essential water for residential customers from 55 Gallons per Capita per Day (GCPD) to 50 GCPD to better align with State legislation
- Increasing the fixed proportion of rate collection
- Developing a fixed charge for 12" meter customers

The water rates have two components: 1) a fixed monthly service charge and 2) volumetric rates. Customers must pay the fixed charge regardless of the water use. In addition, the customers pay volumetric rates based on the volume of water use.

1. **Fixed monthly service charge:** the rates are established based on the size of the meter at the property receiving water service and are calculated to recover a portion of the District's fixed costs, such as water facilities repairs and replacements, meter reading, and customer service.

2. **Variable rates:** the rates are calculated based on the cost of water supplies, the cost of managing the District’s water resources at regular and peak use and distributing water throughout the system to customers. The remaining fixed costs that are not recovered via fixed charges are also recovered from variable charges. The rates are billed per hundred cubic feet.

Together, the two components (fixed and variable) are calculated to recover the proportionate cost of providing water service attributable to each customer. **Table 41** shows the costs which are allocated to either fixed or variable rates. The revenue offset is made up of non-operating revenues which will be collected in the test year and primarily includes property tax revenue and income from investments.

Table 41. Allocation of Fixed and Variable Costs¹²

Unit of Service	Fixed	Variable
Source of Supply	\$0	\$5,160,183
Base	\$12,609,510	\$0
MDD	\$1,640,952	\$5,921,041
PHD	\$1,514,791	\$5,465,814
Meters	\$626,848	\$0
Private Fire	\$21,737	\$0
Customer Service	\$5,774,731	\$0
Conservation	\$0	\$702,446
Revenue Offset	\$0	(\$2,500,000)

Recommended Changes to the Current Rate Structure

The District currently uses an allocation based on water budget rate (WBR) structure for all customers. “Water Budget” is defined as the quantity of water required for an efficient level of water use by that customer in the AWWA M1. Under the WBR structure, each customer gets their own allocation of water, which is determined by different parameters. For example, Single-Family Residential (SFR) customers currently receive 55 gallons of water per capita per day (GPCD) for essential use. RDN recommends reducing this amount to 50 GPCD to be more closely aligned with the parameter used in the ongoing State legislation. RDN also recommends eliminating Tier 5 from the proposed rate structure. The tiered pricing should be linked to actual costs such as water supply cost and peaking cost. RDN determined that there are no costs that can be accurately allocated to the Tier 5 rate in the proposed rate structure.

Water Budget Rate Structure

The following formula displays a typical indoor water budget calculation for residential customers. RDN recommends that Gallons per Capita per Day (GPCD) should be reduced from 55 GPCD to 50 GPCD

¹² Revenue offsets are the direct use of non-operating revenues shown in table 26 to offset variable rates

under the proposed rate structure to be consistent with the State new requirements under AB 1668 and SB 606.

Indoor Water Budget (Residential Customers)

$$= \frac{GPCD}{748 \text{ gallons/hcf}} \times \text{Household Size} \times \# \text{ of Dwelling Units} \times \text{Days of Service}$$

Where:

- GPCD – Gallons per Capita per Day, currently set at 55. RDN recommends setting GPCD at 50 under the proposed rates.
- Household Size – Number of residents per dwelling unit, set at 4 for SFR customers unless a customer variance has been requested. The default household size for the proposed rates is set at 4 for SFR customers and 2 for MFR customers.
- Dwelling Units – The number of dwelling units served by the meter. For example, a SFR customer’s number of dwelling unit is one.
- Days of Service – Number of days of service varies with each billing cycle for each customer. The actual number of days of service will be applied to calculate the indoor water budget for each billing cycle.
- 748 is the conversion unit from gallons to a billing unit of one hundred cubic feet (hcf) currently used by the District.

When using these default numbers to calculate a hypothetical SFR customer’s indoor water budget under the current rates in a hypothetical month (30 billing days), the water budget for this customer is 8.8 hcf per month.

Example for a SFR Indoor Water Budget (Current)

$$= \frac{55 \text{ GPCD}}{748 \text{ gallons/hcf}} \times 4 \text{ persons} \times 1 \text{ unit} \times 30 \text{ days} = 8.8 \text{ hcf}$$

RDN recommends reducing GPCD from 55 to 50 for the proposed rate structure. The following equation shows the proposed indoor allocation.

Example for a SFR Indoor Water Budget (Proposed)

$$= \frac{50 \text{ GPCD}}{748 \text{ gallons/hcf}} \times 4 \text{ persons} \times 1 \text{ unit} \times 30 \text{ days} = 8.0 \text{ hcf}$$

The data on the number of dwelling units for all MFR customers was provided by District staff and used in the same equation. The household size for MFR customers is set at 2. The indoor allocation for a hypothetical MFR customer with an apartment complex with 20 units is computed as follows:

Example for a MFR Indoor Water Budget (Proposed)

$$= \frac{50 \text{ GPCD}}{748 \text{ gallons/hcf}} \times 2 \text{ persons} \times 20 \text{ units} \times 30 \text{ days} = 80.2 \text{ hcf}$$

Under the current and proposed rate structure, residential customers' outdoor water (Tier 2) budgets are calculated in the formula below. Irrigation customers' allocations are also computed using this formula.

Outdoor Water Budget for Residential Customers and Irrigation Customers

$$= \frac{\text{Landscape Area (Irrigable)}^{13} \times \frac{ETO^{14}}{12 \text{ in/ft}}}{100 \text{ sf/hcf}} \times LF \times DF$$

Where:

- SFR customers' irrigable area is equal to the actual irrigable area of each residential customer's parcel.
- Irrigation customers' irrigable area is set at 100% of the total parcel size.
- Landscape Factor (LF) is set to 70% to the amount of water needed for irrigation to encourage conservation, which was the metric set by the District in 2009. This is consistent with the State of California Code of Regulations Title 23, Section 491 and an expected parameter to be used for LF under Assembly Bill No. 1668 (AB 1668) and Senate Bill No. 606 (SB 606), approved in May 2018.
- Note that Irrigation customers Tier 1 allocation is calculated using the same formula, but the Landscape Factor (LF) is set at 0.42 for their essential water use.
- Landscape Factor (LF) for the efficient use (Tier 1 + Tier 2) for the exempt irrigation customers is set at 100%. The exempt irrigation customers include schools, government offices, and parks.
- Drought Factor (DF) is currently set at 1. The District may apply this additional parameter to the equation if the State mandates reduction of water usage due to drought.

¹³ Landscape Area (or Irrigable Area in square feet) is the measured irrigable landscape area served by a customer's meter

¹⁴ Evapotranspiration (ETO) is measured in inches of water during the billing period based on a ten-year rolling average ET from CIMIS weather station # 197.

Example for **Outdoor Water Budget** for a **Residential Customer (Proposed)** with 2,135 sf. Irrigable Landscape Area when ETO @ 10 inch

$$= \frac{2,135 \times \frac{10}{12 \text{ in/ft}}}{100 \text{ sf/hcf}} \times 0.7 \times 1.0 = 12.5 \text{ hcf}$$

Example for **Essential Water Budget (Tier 1)** for an **Irrigation Customer (Current and Proposed)** with 10,000 sf. Parcel Size when ETO @ 10 inch

$$= \frac{10,000 \times \frac{10}{12 \text{ in/ft}}}{100 \text{ sf/hcf}} \times 0.42 \times 1.0 = 35.0 \text{ hcf}$$

Example for **Efficient Water Budget (Tier 1+Tier 2)** for an **Irrigation Customer (Current and Proposed)** with 10,000 sf. Parcel Size with ETO @ 10 inch

$$= \frac{10,000 \times \frac{10}{12 \text{ in/ft}}}{100 \text{ sf/hcf}} \times 0.7 \times 1.0 = 58.3 \text{ hcf}$$

Landscape Factor (LF) for the efficient use (Tier 1 + Tier 2) for exempt irrigation customers is set at 100%. The exempt irrigation customers include schools, government offices, and parks.

Example for **Efficient Water Budget (Tier 1+Tier 2)** for an **Exempt Irrigation Customer (Current and Proposed)** with 10,000 sf. Parcel Size with ETO @ 10 inch

$$= \frac{10,000 \times \frac{10}{12 \text{ in/ft}}}{100 \text{ sf/hcf}} \times 1.0 \times 1.0 = 83.3 \text{ hcf}$$

Note that Irrigation customers' Tier 2 width is computed by subtracting Essential Water Budget from Efficient Water Budget. Thus, this hypothetical customer's Tier 1 width is 35 hcf and Tier 2 width is 23.3 hcf (58.3 – 35.0 hcf). The Tier 1 and Tier 2 rates are applied to these widths accordingly when the monthly bill is computed.

Commercial, Industrial, and Institutional (CII) Tier 1 (essential use) is based on a 3-year average of minimum monthly usage to reflect the lowest winter month. The average is based on the minimum usage month of the past 3 full calendar years (January to December). Tier 2 (efficient usage) is based on a 3-year rolling 3-month average based on an average of the current month and surrounding two months of the past three full calendar years (January to December). For this customer group, efficient water use Tier 2 allocation is computed by subtracting Tier 1.

Commercial/Industrial/Institutional Customers Tier 1 (Essential Usage)

= 3 yr average minimum monthly usage

Commercial/Industrial/Institutional Customers Tier 2 (Efficient Usage)

= 3 yr moving average by month – 3 yr average minimum monthly usage

Table 42 displays definitions for each of the four tiers by customer type.

Table 42. Definitions of Water Budget Tier Widths

	Water Budget		up to 150% over Budget	150% + over Budget
	Tier 1	Tier 2	Tier 3	Tier 4
Residential	Indoor Water Use: GPCD (50) / (748 gallons/hcf) x Household Size (4) x # of Dwelling Units x Days of Service	Outdoor Water Use: Landscape Area (Irrigable) x ETO / (12 in/ft.) / (100 sf/hcf) x LF (0.7) x DF (1.0)	up to 150% of (Tier 1 + Tier 2)	over 151% of (Tier 1 + Tier 2)
Irrigation	Essential Water Use: Landscape Area (Irrigable) x ETO / (12 in/ft.) / (100 sf/hcf) x LF (0.42) x DF (1.0)	[Efficient Water Use: Landscape Area (Irrigable) x ETO / (12 in/ft.) / (100 sf/hcf) x LF (0.7) x DF (1.0)] - [Essential Water Use]	up to 150% of Efficient Water Use	over 151% of Efficient Water Use
Commerical	Essential Water Use: 3 yr. average minimum monthly usage	[Efficient Water Use: 3 yr. moving average by month] - [Essential Water Use]	up to 150% of Efficient Water Use	over 151% of Efficient Water Use

Monthly Fixed Charge

All meter costs are divided by the number of equivalent meters using the AWWA ratio discussed in the Key Assumptions section to compute the unit cost for each cost component. Customer service costs are simply divided by the number of bills since the service requirements of this cost type are the same regardless of the meter size installed on a property. Table 43 shows the total costs allocated to each cost category, the number of units for the category, and the cost for a year and a month of service for each cost unit. The resulting monthly unit costs are used to calculate the fixed customer rates.

Table 43. Fixed Cost Components Divided by Number of Units

	Cost	Unit	Cost per Unit	Cost per Month
Meter	\$16,247,913	33,985	\$478.10	\$39.84
Service	\$5,774,731	27,569	\$209.46	\$17.46

Table 44 shows the monthly fixed charge calculation by meter size for water service customer connections.

Table 44. Monthly Water Service Fixed Charge Calculation

Meter Size	Meter Charge	Meter Ratio	Total Meter	Customer Service	Monthly Rate
5/8"	\$39.84 x	0.67	\$26.56 +	\$17.46 =	\$44.02
3/4"	\$39.84 x	1.00	\$39.84 +	\$17.46 =	\$57.30
1"	\$39.84 x	1.67	\$66.40 +	\$17.46 =	\$83.86
1 1/2"	\$39.84 x	3.33	\$132.80 +	\$17.46 =	\$150.26
2"	\$39.84 x	5.33	\$212.49 +	\$17.46 =	\$229.94
3"	\$39.84 x	10.00	\$398.41 +	\$17.46 =	\$415.87
4"	\$39.84 x	16.67	\$664.16 +	\$17.46 =	\$681.61
6"	\$39.84 x	33.33	\$1,327.91 +	\$17.46 =	\$1,345.37
8"	\$39.84 x	53.33	\$2,124.74 +	\$17.46 =	\$2,142.20
10"	\$39.84 x	76.67	\$3,054.64 +	\$17.46 =	\$3,072.09
12"	\$39.84 x	106.00	\$4,223.19 +	\$17.46 =	\$4,240.64
Private Fire	\$0.70 x	111.31	\$78.12 +	\$17.46 =	\$95.57

The District uses the 1" meter as the base size, so all meters 1" and smaller are normalized to a common rate because these meters typically have the same use patterns and are the most common meters. This normalized rate is calculated by taking a weighted average of the monthly rates for these meter sizes, as shown in **Table 44**, based on the number of accounts for each meter size. The Cost of Service (COS) fixed rates are then multiplied by the number of accounts in each meter size to calculate the total annual fixed revenue. Finally, the total annual fixed revenue is divided by the total number of accounts across the three meter sizes to determine the normalized rate for 1" and smaller meters. The resulting rate and calculation are presented in **Table 45**.

Table 45. 1" and Smaller Meters Normalized Rate

Meter Size	COS Rate	# of Accounts	Annual Fixed Revenue	Normalized Rate
5/8"	\$44.02 x	1,621 =	\$71,350	
3/4"	\$57.30 x	20,806 =	\$1,192,116	
1"	\$83.86 x	4,284 =	\$359,246	
Total		26,711	\$1,622,713	\$60.75

The proposed five-year monthly fixed charges for all water customers are shown in **Table 46**:

Table 46. Proposed 5-year Fixed Charge Schedule

		Fixed Charges				
Customer Class	Meter Size	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
All Customers						
	5/8"	\$60.75	\$67.43	\$73.50	\$80.12	\$86.53
	3/4"	\$60.75	\$67.43	\$73.50	\$80.12	\$86.53
	1"	\$60.75	\$67.43	\$73.50	\$80.12	\$86.53
	1 1/2"	\$150.26	\$166.79	\$181.80	\$198.16	\$214.01
	2"	\$229.94	\$255.24	\$278.21	\$303.25	\$327.51
	3"	\$415.87	\$461.61	\$503.16	\$548.44	\$592.32
	4"	\$681.61	\$756.59	\$824.68	\$898.90	\$970.81
	6"	\$1,345.37	\$1,493.36	\$1,627.76	\$1,774.26	\$1,916.20
	8"	\$2,142.20	\$2,377.84	\$2,591.84	\$2,825.11	\$3,051.12
	10"	\$3,072.09	\$3,410.02	\$3,716.93	\$4,051.45	\$4,375.57
	12"	\$4,240.64	\$4,707.11	\$5,130.75	\$5,592.52	\$6,039.92
Private Fire	All Meters	\$95.57	\$106.09	\$115.64	\$126.04	\$136.13

Variable Water Rates

Volumetric charges are established based on variable costs such as water purchases, treatment, and energy costs. The peaking and delivery costs on the volumetric side are the remaining fixed costs intended to be recovered from volumetric charges. Additionally, water conservation related costs must be recovered from tiers greater than customers' water budgets.

Because there is not enough groundwater to supply the whole District, the cost by water source is blended to produce a unit value for all water use. All customers have a blend of all available water sources, except for construction customers which are temporary connections to the water system. Variable rates for temporary water connections are based on the peak use values of these customers, which accounts for the sporadic nature of these connections being not included in supply projections. Construction water rates are calculated using the peak values of Tier 4 water rates. For all other customers, each inclining tier of water is assessed the same unit cost for water supply. **Table 47** displays the unit cost for supply, peaking, conservation, and revenue offsets, and the allocation of these categories to tiers.

Table 47. Water Unit Cost by Category and Tier and Proposed Revenue Offset

Category	Cost	Unit	Cost per Unit	Tier Component
Supply Cost	\$5,160,183	6,172,171	\$0.84	All Tiers
Peaking Costs Tier 1	\$2,978,785	2,988,969	\$1.00	Tier 1
Peaking Costs Tier 2	\$4,262,194	1,831,409	\$2.33	Tier 2
Peaking Costs Tier 3	\$1,916,851	735,761	\$2.61	Tier 3
Peaking Costs Tier 4	\$2,226,282	614,263	\$3.62	Tier 4
Conservation	\$702,245	1,350,024	\$0.52	Tier 3 & 4
Revenue Offset	(\$2,499,083)	4,820,378	(\$0.52)	Tier 1 & 2

Peaking costs, the sum of MDD and PHD costs allocated to each tier as shown in **Table 47**, are divided by total water use in each tier to determine the unit cost. The corresponding peaking unit cost is applied to all water used within that tier. Conservation costs are divided by total water use to determine the unit cost. Customers will pay all conservation costs in the upper two tiers. The District is projecting non-operating revenues as described in the financial planning section, these are used to offset variable rates based on the total cost of each water source. The unit cost with offset is used in the final variable rate calculation. **Table 48** shows the calculation used to determine the variable rates for each tier. Supply costs are added to peaking, conservation, and revenue offsets to calculate the variable rates.

Table 48. Variable Rate Calculation

Tier	Supply	Peaking	Conservation	Revenue Offset	Variable Rate
Tier 1	\$0.84 +	1.00 +	\$0.00 +	(\$0.52) =	\$1.31
Tier 2	\$0.84 +	2.33 +	\$0.00 +	(\$0.52) =	\$2.64
Tier 3	\$0.84 +	2.61 +	\$0.52 +	\$0.00 =	\$3.96
Tier 4	\$0.84 +	3.62 +	\$0.52 +	\$0.00 =	\$4.98

Table 49 shows the proposed variable rates for each year of the study period.

Table 49. Proposed 5-year Variable Rate Schedule

Tier	Variable Rates				
	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Tier 1	\$1.31	\$1.45	\$1.58	\$1.73	\$1.87
Tier 2	\$2.64	\$2.93	\$3.19	\$3.48	\$3.76
Tier 3	\$3.96	\$4.40	\$4.79	\$5.22	\$5.64
Tier 4	\$4.98	\$5.53	\$6.03	\$6.57	\$7.09

Construction Meters

Construction meters are assessed a fixed charge based on meter size, as shown in **Table 46**. The variable costs allocated to these accounts include costs associated with the highest levels of peaking

and conservation. Therefore, construction customer usage is billed at the proposed Tier 4 rate. **Table 50** shows the proposed construction variable charges for the study period.

Table 50. Proposed Construction Meter Variable Rates

Variable Rates					
Class	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Construction	\$4.98	\$5.53	\$6.03	\$6.57	\$7.09

Drought Surcharges

Revenue that is lost during mandatory State cutbacks is revenue the District still requires to cover its costs whether or not water is available from the State or elsewhere. Not all fixed costs are recovered from the District’s fixed charges, and the District relies upon estimated consumption to recover all fixed costs, which is reduced during times of drought. Additionally, there are additional costs to the District during drought and mandatory cutbacks, including, but not limited to, enforcement of State mandated restrictions on customers and additional reporting to the State; however, some costs are reduced, including the cost of water production, pumping, and purchase.

A drought surcharge is recommended based on Board Resolution No. 09-04, which calls for 3 stages of mandatory cutbacks of 20%, 30%, and 40% of water deliveries. RDN calculated the estimated usage reductions per customer. Rather than a percentage reduction uniformly across each tier, based on historical trends it was determined that customers reduce excessive use before essential use. Additionally, tier widths above Tier 1 contract due to the application of drought factors, which means that in a 20% cutback, Tier 3 use increases due to Tier 2 including less water. Furthermore, given that customer usage has remained at lower levels since previous drought mandates, it is unlikely customers would reduce their consumption below their Tier 1 allocations, as this tier covers essential water use necessary for maintaining basic quality of life functions. Therefore, a mandated 20% reduction in usage does not necessarily equate to an overall 20% reduction, as some customers may be unable to further reduce their usage. **Table 51** shows the estimated overall use reductions based on individual customer responses to State drought mandates for the test year if it is a drought year. Reductions were calculated for each year of the study period based on the total projected use for that year using the percentages calculated for the test year.

Table 51. Drought Reductions Based on Individual Customer Use Reduction

Tier	Baseline Use	20% Reduction	% of Baseline	30% Reduction	% of Baseline	40% Reduction	% of Baseline
Tier 1	3,136,270	3,136,270	0.0%	3,136,270	0.0%	3,136,270	0.0%
Tier 2	1,778,699	1,334,134	-25.0%	1,044,632	-41.3%	815,387	-54.2%
Tier 3	652,382	458,767	-29.7%	429,891	-34.1%	468,536	-28.2%
Tier 4	504,340	278,017	-44.9%	229,042	-54.6%	193,604	-61.6%
Total	6,071,691	5,207,188	-14.2%	4,839,835	-20.3%	4,613,797	-24.0%

While revenues ultimately decrease overall due to drought mandates, some variable costs associated with water purchases, pumping, and chemical purchases also decrease, softening the impact on the District. Customer use reduction will spur a lower demand for SWP water purchases by the District, reducing the total cost of purchased water. Additionally, with the decrease in overall usage, the District will incur lower expenses on pumping—primarily in electrical costs—and will also purchase smaller quantities of chemicals needed to treat the reduced water usage. The reduction in costs is combined with the lost revenue to determine the Net Loss, which represents the total revenue that must be generated through drought surcharges at each drought stage. **Table 52** outlines the cost reductions across various drought stages, the lost revenue due to reduced usage, and the resulting net loss from these combined factors.

Table 52. Net Revenue Lost after Offsets

	20% Reduction	30% Reduction	40% Reduction
Operating Cost Offsets			
State Water Purchase Offset	(\$616,820)	(\$878,926)	(\$1,040,203)
Pumping Cost Offset	(\$302,106)	(\$430,479)	(\$509,470)
Chemical Purchase Offset	(\$173,711)	(\$247,526)	(\$292,945)
Total Offsets	(\$1,092,637)	(\$1,556,931)	(\$1,842,618)
Revenue Lost			
Tier 1	\$0	\$0	\$0
Tier 2	\$1,173,652	\$1,937,937	\$2,543,144
Tier 3	\$766,715	\$881,064	\$728,030
Tier 4	\$1,127,089	\$1,370,984	\$1,547,465
Total Revenue Lost	\$3,067,456	\$4,189,985	\$4,818,639
Net Loss	\$1,974,819	\$2,633,054	\$2,976,021

The Net Loss is then divided by the estimated Tier 3 and Tier 4 usage after reductions to calculate the appropriate drought surcharge. Drought surcharges are assessed only on Tier 3 and Tier 4 usage to recognize that customers exceeding the defined Water Budget for essential and efficient use during times of drought are likely not following drought mandates. **Table 53** shows the Net Loss divided by the usage in Tier 3 and Tier 4 that is subject to drought surcharges, which determines the surcharges for each drought stage.

Table 53. Drought Surcharge Calculation under Various Drought Stages

	20% Reduction	30% Reduction	40% Reduction
Net Loss	\$1,974,819	\$2,633,054	\$2,976,021
Tier 3 and Tier 4 Usage after Reduction	930,086	852,235	855,442
Drought Surcharge	\$2.12	\$3.09	\$3.48

Drought surcharges are increased each year of the study period by the recommended revenue adjustments shown in **Table 4**. The resulting drought surcharges for each year of the study period are displayed in **Table 54**.

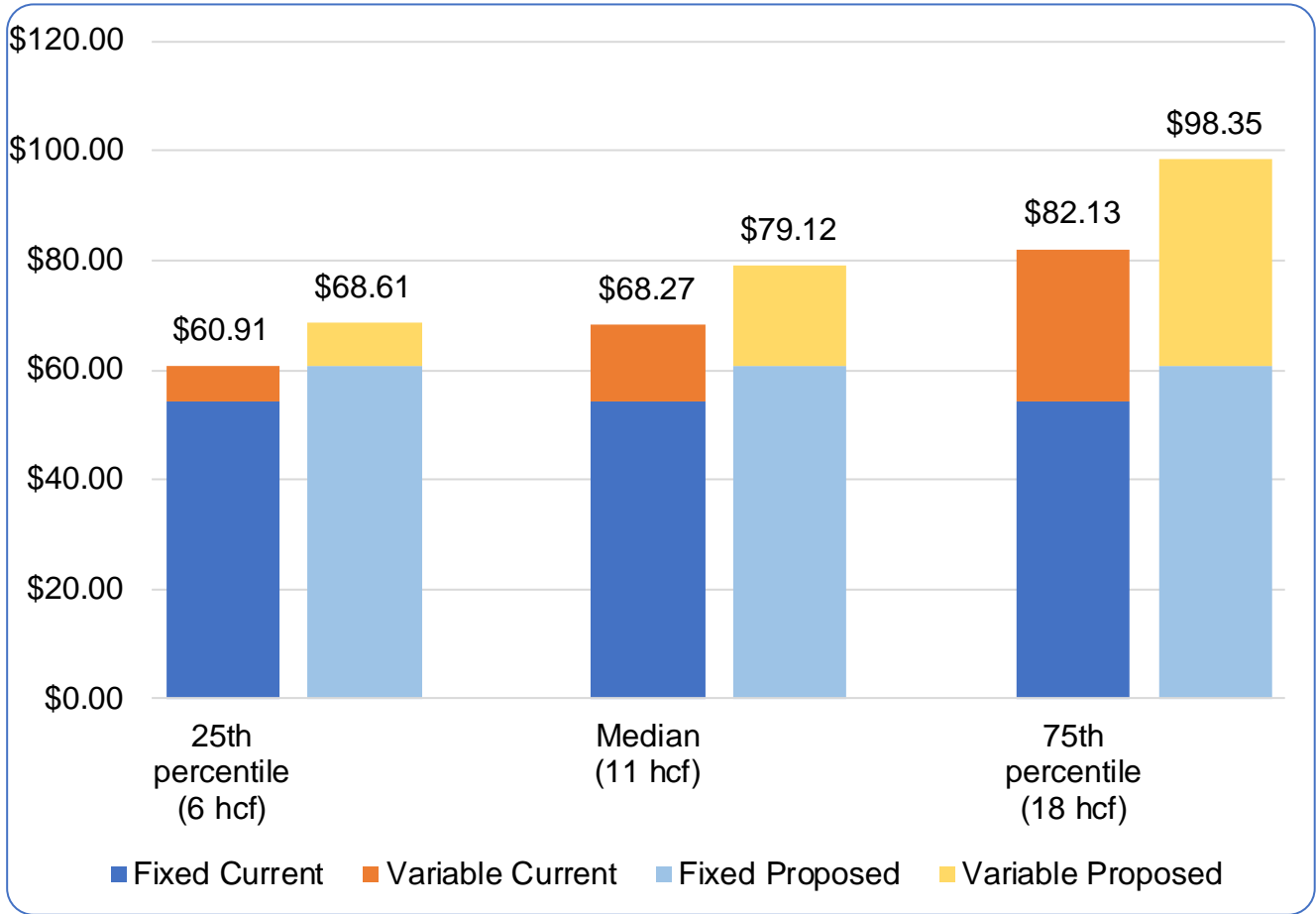
Table 54. Drought Surcharges per HCF, CY 2025 – CY 2029

Drought Mandate	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
20% Surcharge	\$2.12	\$2.36	\$2.57	\$2.80	\$3.02
30% Surcharge	\$3.09	\$3.43	\$3.74	\$4.07	\$4.40
40% Surcharge	\$3.48	\$3.86	\$4.21	\$4.59	\$4.96

Bill Impact Analysis

This analysis compares customers’ bills under current and proposed rates. **Figure 9** shows the dollar change in the bill based on ¾” meter single family residential customers’ use at selected usage points. To facilitate comparison, we use average values for each variable influencing the water budget, given that individual water budgets are tailored to each customer’s specific circumstances. For the example in **Figure 9**, we assume a household with four occupants, an irrigable area of 2,798 sq. ft., an Eto value of 5.77, and a landscape factor of 0.7. The District’s median ¾” residential customer uses 11 hcf of water monthly. Additionally, the 75th percentile user for a ¾” residential customer uses 18 hcf per billing period.

Figure 9. Single Family Customer Impact by Usage for ¾” Meter

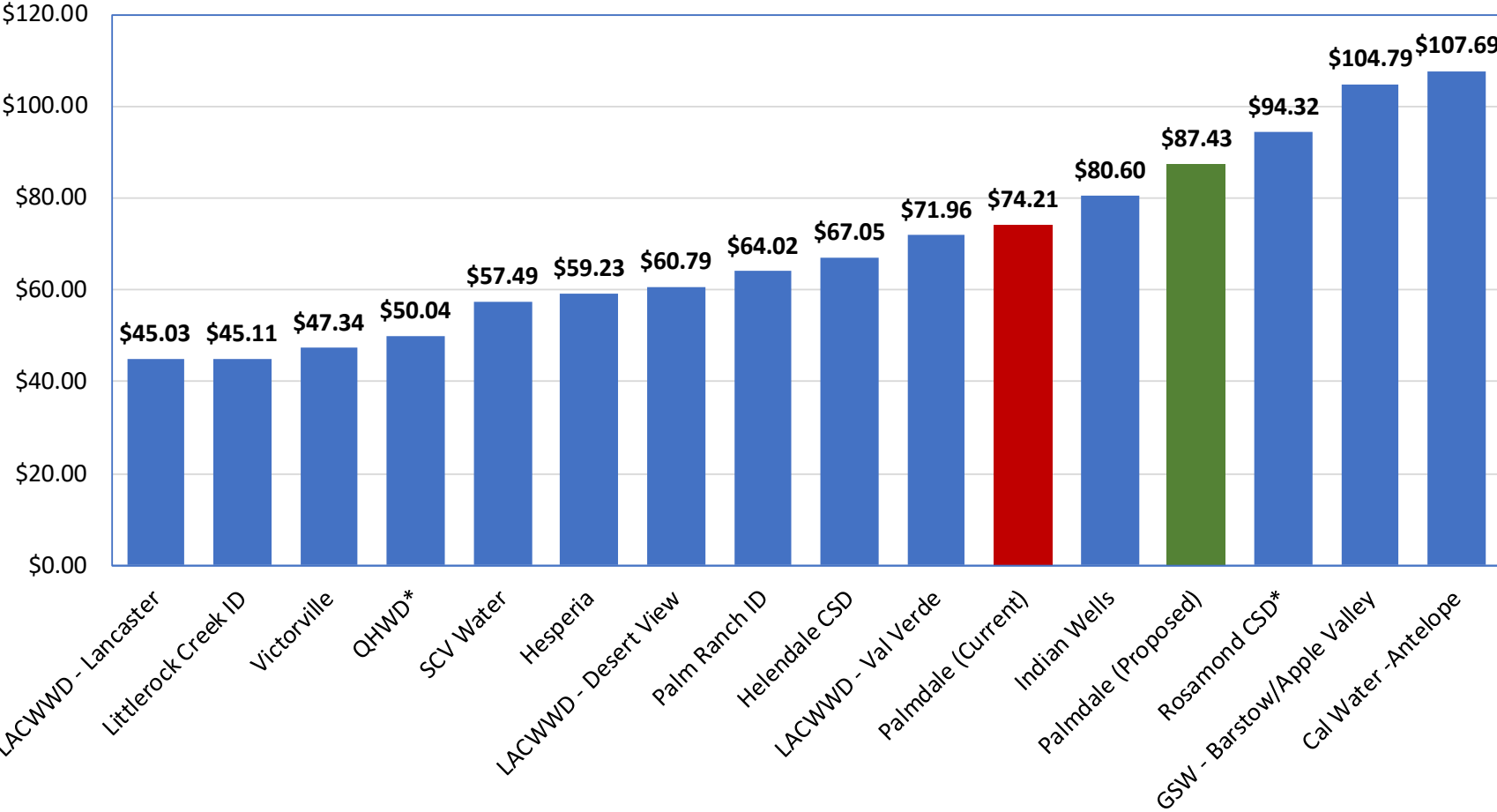


BILL COMPARISON

There are significant differences in the rates and rate structures of water providers in the neighboring communities of Palmdale Water District. Some differences are because of administrative paradigms, which are unique to each agency. For example, investor-owned utilities are allowed to make a profit on their water service, whereas municipal ones are not. Furthermore, customer rates can be affected by outside funding sources such as property taxes and transfers. Additionally, the cost associated with different water sources may affect rates. Finally, the rate structure itself may influence which types of users pay a proportion of costs. **Figure 10** shows the projected water rates in July 2024 for 15 local providers at 14 hcf of use. This usage level was chosen because 14 hcf represents the average monthly use for residential customers. Additionally, to ensure equal comparison, all variables were controlled or when possible, i.e., lot size, meter size, and season. Also shown are the proposed rates for PWD. Individual water rates range between \$45.03 and \$107.69 at 14 hcf of use. The new rates proposed by PWD will fund O&M expenses, contribute to reserves, and allow significant CIP spending. Following is a list of the agencies compared in this study:

- Los Angeles County Waterworks District Region 40, Lancaster (LACWWD-Lancaster)
- Littlerock Creek Irrigation District (Littlerock Creek ID)
- Victorville Water District (Victorville)
- Quartz Hill Water District (QHWD)
- Santa Clarita Valley Water Agency (SCV Water)
- The City of Hesperia (Hesperia)
- Los Angeles County Waterworks District Region 34, Desert View (LACWWD-Desert View)
- Palm Ranch Irrigation District (Palm Ranch ID)
- Helendale Community Services District (Helendale CSD)
- Los Angeles County Waterworks District Region 36, Val Verde (LACWWD-Val Verde)
- Rosamond Community Services District (Rosamond CSD)
- Golden State Water Company – Barstow/Apple Valley (GSW- Barstow/Apple Valley)
- Cal Water – Antelope Valley

Figure 10. Rate Comparison for Customers Using 14 hcf, July 2024¹⁵



¹⁵ Quartz Hill Water District and Rosamond Community Services District also use some form of water budget rate structure

CONCLUSION

Summary of Recommendations and Financial Results

Recommendations:

- Adjusting rates by the recommended revenue adjustments of 11.0 percent in CY 2025 and CY 2026, 9.0 percent in CY 2027 and CY 2028, and 8.0 percent in CY 2029
- Remove the fifth usage tier from the rate structure and retain only four tiers to establish clear connections between the costs and the pricing of tiered rates
- Reduce the amount of water allocated as essential water from 55 Gallons per Capita per Day (GCPD) to 50 GCPD to align with State legislation
- Increasing the fixed proportion of rate collection
- Develop a fixed charge for 12" meter customers
- Update Drought Surcharges to be levied only on Tier 3 and Tier 4 usage

The following figures summarize the recommendations of this report:

Figure 11 shows the status quo water financial plan used for this study.

Figure 11. Rate Study Water Status Quo Financial Plan

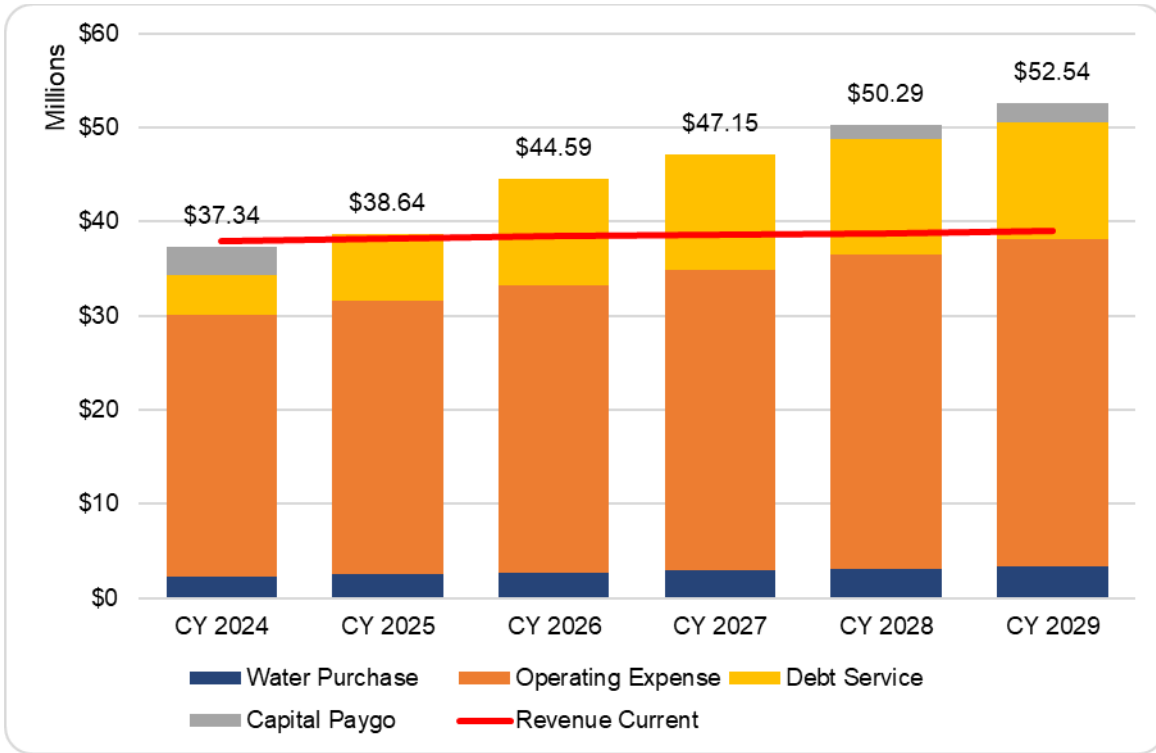


Figure 12 shows the debt service coverage ratio with no revenue adjustments.

Figure 12 Debt Service Cover Ratio with no Revenue Adjustment

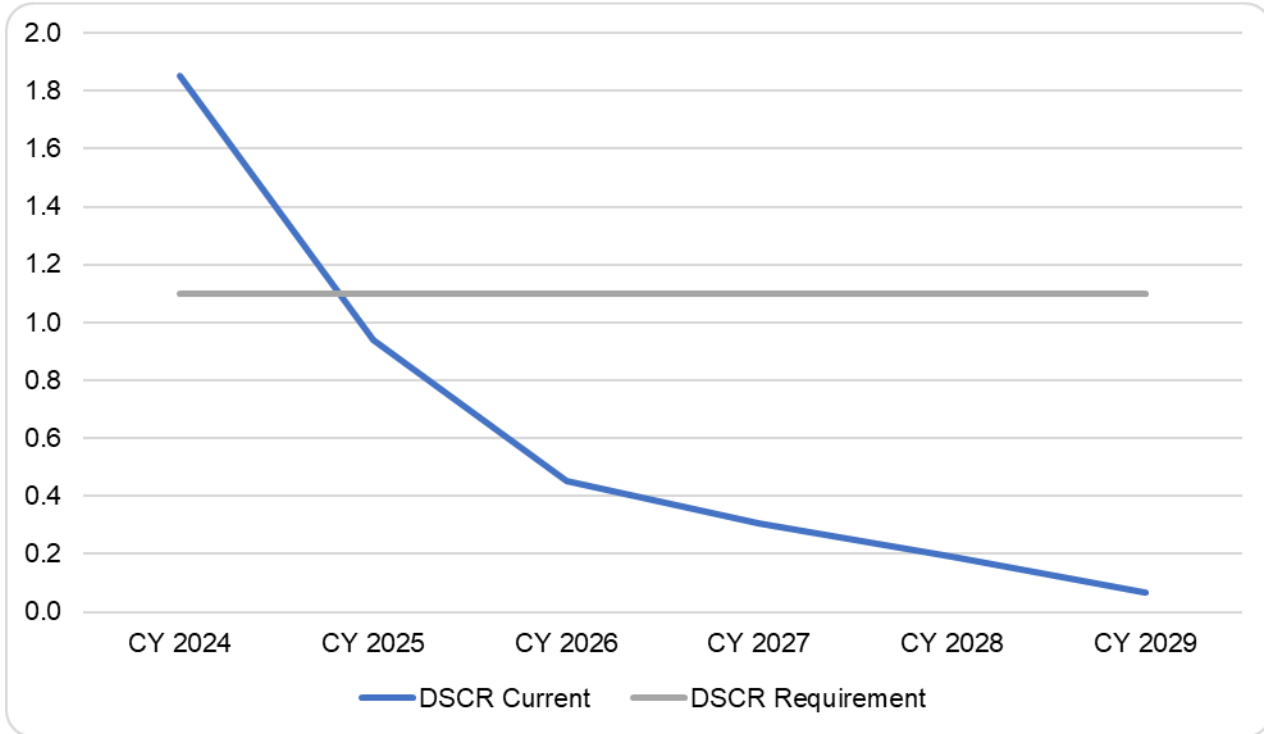


Figure 13 shows the District’s water utility ending cash balances with no adjustments to the revenue requirements.

Figure 13. Ending Water Cash Balances with No Revenue Adjustment

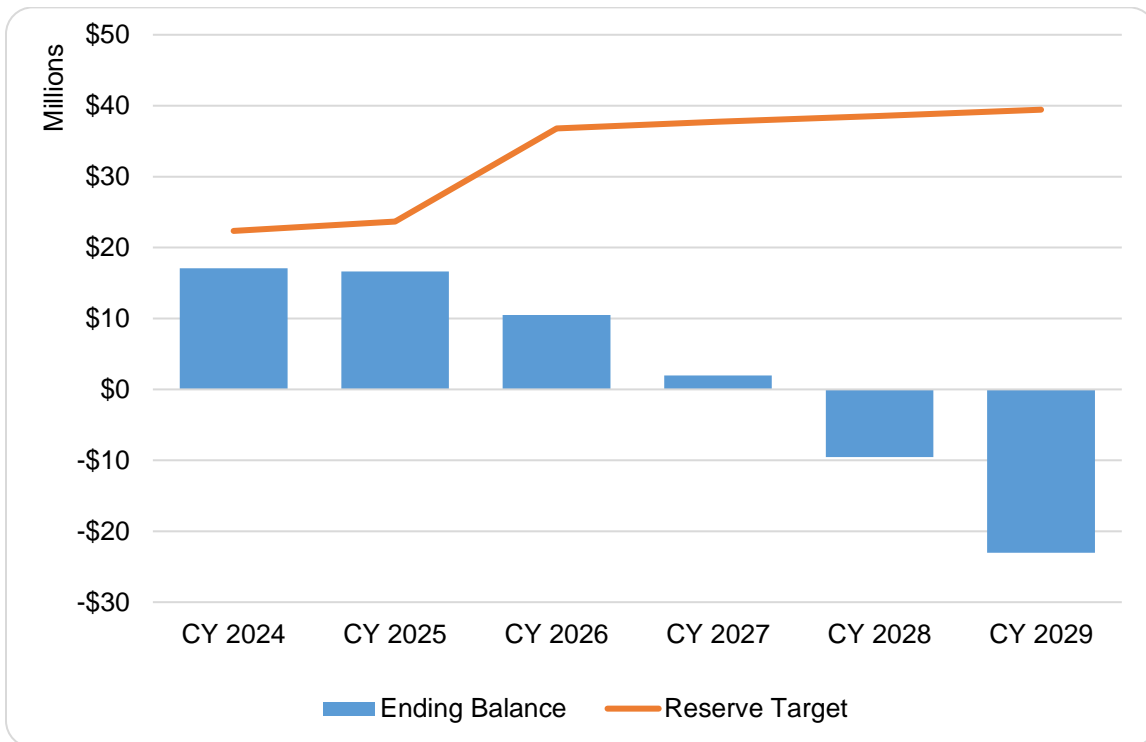


Figure 14 shows the recommended annual water revenue adjustments for each year of the rate setting period.

Figure 14. Recommended Water Revenue Adjustment

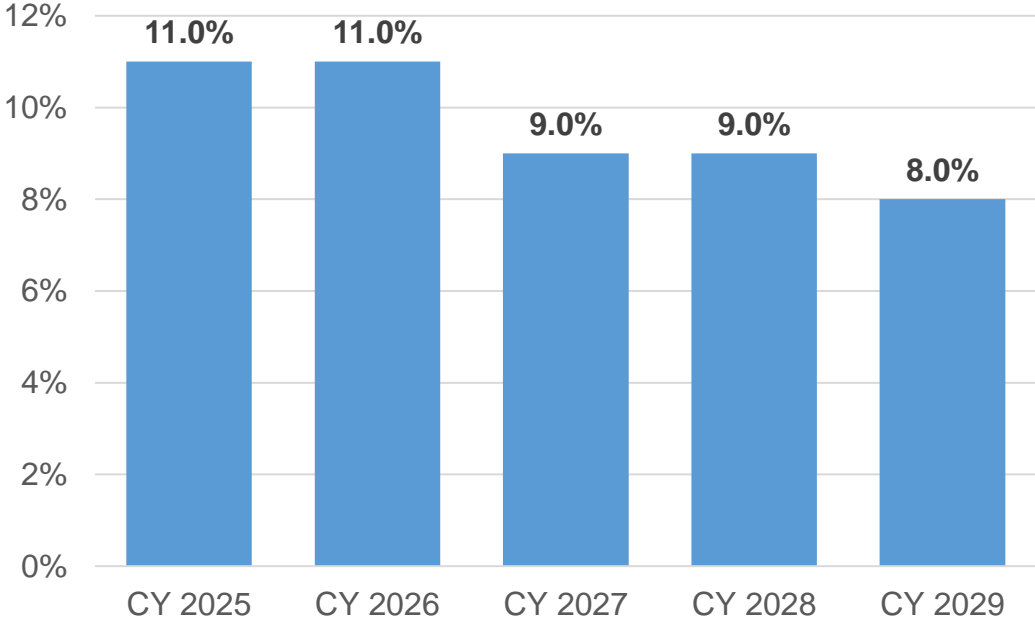


Figure 15 shows the proposed financial plan with revenue adjustments used for this study.

Figure 15. Recommended Rate Study Adjusted Water Financial Plan

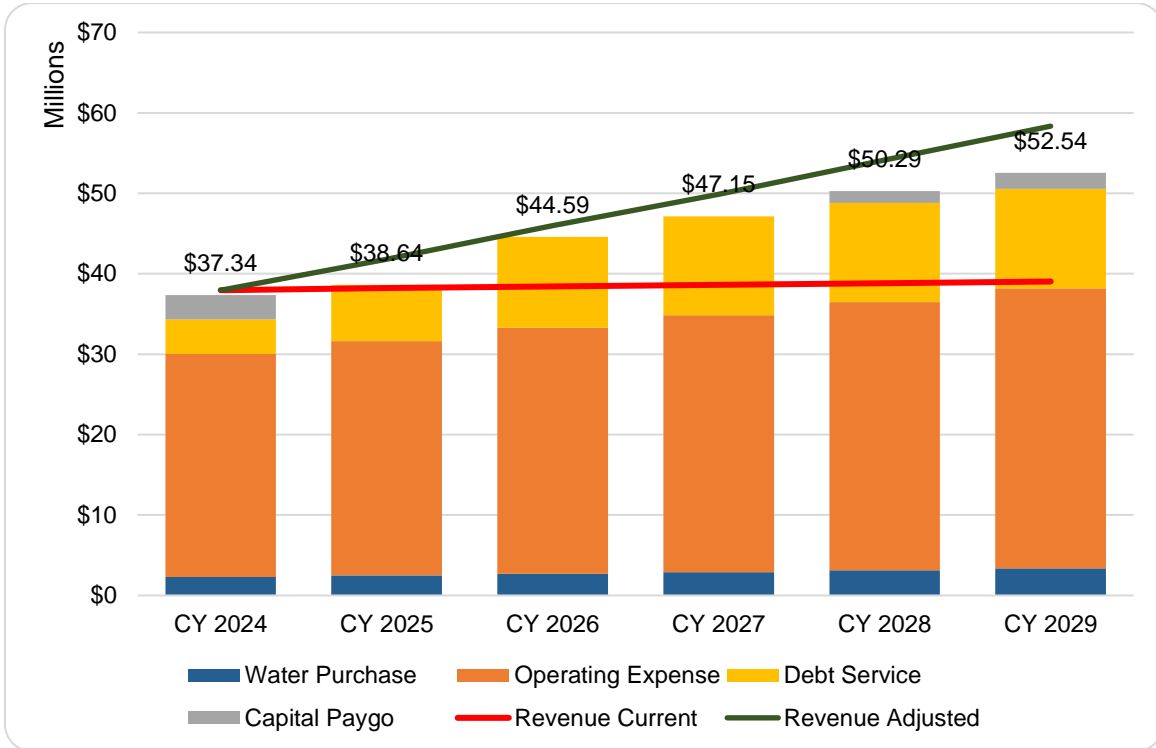


Table 55 shows the proposed fixed rates and variable rates based on the proposed revenue adjustments and cost of service analysis for each year of the rate setting period, respectively.

Table 55. Proposed Fixed and Variable Rates Based on the Proposed Revenue Adjustment

		Fixed Charges				
Customer Class	Meter Size	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
All Customers						
	5/8"	\$60.75	\$67.43	\$73.50	\$80.12	\$86.53
	3/4"	\$60.75	\$67.43	\$73.50	\$80.12	\$86.53
	1"	\$60.75	\$67.43	\$73.50	\$80.12	\$86.53
	1 1/2"	\$150.26	\$166.79	\$181.80	\$198.16	\$214.01
	2"	\$229.94	\$255.24	\$278.21	\$303.25	\$327.51
	3"	\$415.87	\$461.61	\$503.16	\$548.44	\$592.32
	4"	\$681.61	\$756.59	\$824.68	\$898.90	\$970.81
	6"	\$1,345.37	\$1,493.36	\$1,627.76	\$1,774.26	\$1,916.20
	8"	\$2,142.20	\$2,377.84	\$2,591.84	\$2,825.11	\$3,051.12
	10"	\$3,072.09	\$3,410.02	\$3,716.93	\$4,051.45	\$4,375.57
	12"	\$4,240.64	\$4,707.11	\$5,130.75	\$5,592.52	\$6,039.92
Private Fire	All Meters	\$95.57	\$106.09	\$115.64	\$126.04	\$136.13

Variable Rates					
Tier	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
Tier 1	\$1.31	\$1.45	\$1.58	\$1.73	\$1.87
Tier 2	\$2.64	\$2.93	\$3.19	\$3.48	\$3.76
Tier 3	\$3.96	\$4.40	\$4.79	\$5.22	\$5.64
Tier 4	\$4.98	\$5.53	\$6.03	\$6.57	\$7.09

Figure 16 shows the debt service coverage ratio under the proposed revenue adjustments. **Figure 17** shows the District’s ending cash balance with the proposed adjustments to the revenue requirements.

Figure 16. Debt Service Cover Ratio with Revenue Adjustment

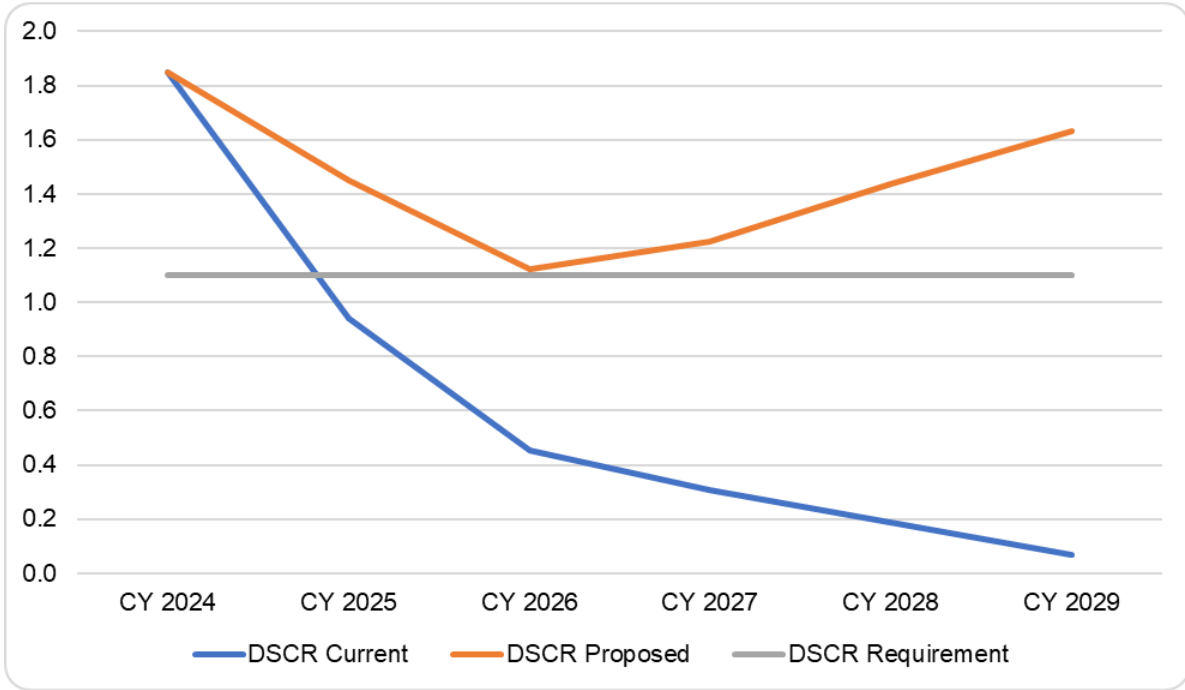
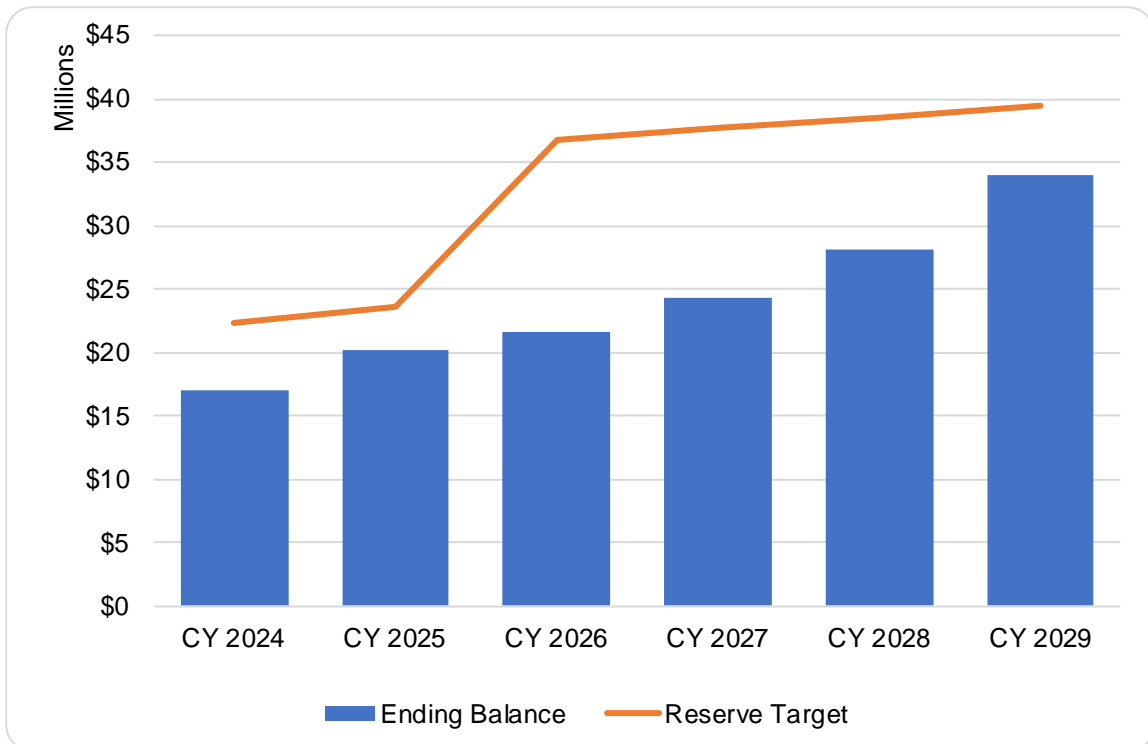


Figure 17. Ending Water Cash Balances with Revenue Adjustment



APPENDIX

This appendix includes the background data used in this report.

Fixed Revenue/Growth Projections

		CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029	CY 2030	CY 2031	CY 2032	CY 2033	CY 2034
SFR	SFR	\$16,672,029	\$16,792,864	\$16,915,005	\$17,039,105	\$17,164,512	\$17,291,225	\$17,419,897	\$17,548,570	\$17,679,855	\$17,813,100	\$17,947,651
	5/8"	1,619	1,603	1,587	1,571	1,556	1,540	1,525	1,509	1,494	1,479	1,465
	3/4"	20,141	20,342	20,545	20,751	20,958	21,168	21,380	21,593	21,809	22,028	22,248
	1"	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730
	1 1/2"	10	10	10	10	10	10	10	10	10	10	10
	2"	1	1	1	1	1	1	1	1	1	1	1
	3"	1	1	1	1	1	1	1	1	1	1	1
	4"											
	6"											
	8"											
	10"											
MFR	MFR	\$983,079	\$984,385	\$984,079	\$985,386	\$985,079	\$986,386	\$986,080	\$987,386	\$987,080	\$989,039	\$988,733
	5/8"	-	-	-	-	-	-	-	-	-	-	-
	3/4"	201	203	205	207	209	211	213	215	217	220	222
	1"	262	262	262	262	262	262	262	262	262	262	262
	1 1/2"	93	93	92	92	91	91	90	90	89	89	88
	2"	112	112	112	112	112	112	112	112	112	112	112
	3"	1	1	1	1	1	1	1	1	1	1	1
	4"	4	4	4	4	4	4	4	4	4	4	4
	6"	3	3	3	3	3	3	3	3	3	3	3
	8"	8	8	8	8	8	8	8	8	8	8	8
	10"											
C&I	COM	\$1,440,663	\$1,441,969	\$1,443,275	\$1,444,582	\$1,438,687	\$1,439,993	\$1,441,953	\$1,443,259	\$1,444,566	\$1,445,872	\$1,447,831
	5/8"	7	7	7	7	7	7	7	7	7	7	7
	3/4"	208	210	212	214	216	218	221	223	225	227	230
	1"	164	164	164	164	164	164	164	164	164	164	164
	1 1/2"	125	125	125	125	125	125	125	125	125	125	125
	2"	147	147	147	147	147	147	147	147	147	147	147
	3"	2	2	2	2	2	2	2	2	2	2	2
	4"	8	8	8	8	7	7	7	7	7	7	7
	6"	13	13	13	13	13	13	13	13	13	13	13
	8"	14	14	14	14	14	14	14	14	14	14	14
	10"	2	2	2	2	2	2	2	2	2	2	2
IRR		\$398,193	\$400,459	\$401,765	\$402,724	\$405,643	\$407,909	\$409,215	\$410,827	\$413,746	\$416,012	\$418,931
	5/8"	11	11	11	10	10	10	10	10	10	10	10
	3/4"	51	51	52	52	53	53	54	54	55	55	56
	1"	127	128	129	129	130	131	132	132	133	134	135
	1 1/2"	77	78	78	79	80	81	81	82	83	84	85
	2"	44	44	44	44	44	44	44	44	44	44	44
	3"											
	4"	2	2	2	2	2	2	2	2	2	2	2
	6"	2	2	2	2	2	2	2	2	2	2	2
	8"											
	10"											
FIRE		\$408,806	\$408,806	\$411,116	\$411,116	\$413,426	\$415,735	\$418,045	\$418,045	\$420,354	\$420,354	\$422,664
	5/8"	18	17	17	17	17	17	17	16	16	16	16
	3/4"	80	81	82	82	83	84	85	86	87	87	88
	1"	14	14	14	14	14	14	14	14	14	14	14
	1 1/2"											
	2"	3	3	3	3	3	3	3	3	3	3	3
	3"	2	2	2	2	2	2	2	2	2	2	2
	4"	22	22	22	22	22	22	22	22	22	22	22
	6"	8	8	8	8	8	8	8	8	8	8	8
	8"	24	24	24	24	24	24	24	24	24	24	24
	10"	6	6	6	6	6	6	6	6	6	6	6
CNS		\$41,605	\$41,605	\$41,605	\$41,605	\$41,605	\$41,605	\$41,605	\$41,605	\$41,605	\$41,605	\$41,605
	5/8"											
	3/4"											
	1"											
	1 1/2"											
	2"											
	3"	10	10	10	10	10	10	10	10	10	10	10
	4"	1	1	1	1	1	1	1	1	1	1	1
	6"											
	8"											
	10"											
REC		\$28,886	\$28,886	\$28,886	\$28,886	\$28,886	\$28,886	\$28,886	\$28,886	\$28,886	\$28,886	\$28,886
	5/8"											
	3/4"											
	1"											
	1 1/2"											
	2"	1	1	1	1	1	1	1	1	1	1	1
	3"	6	6	6	6	6	6	6	6	6	6	6
	4"											
	6"											
	8"											
	10"											

Variable Revenue/Use Projections

			CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029	CY 2030	CY 2031	CY 2032	CY 2033	CY 2034
SFR			\$8,398,476	\$8,459,402	\$8,520,986	\$8,583,558	\$8,646,788	\$8,710,678	\$8,775,555	\$8,840,432	\$8,906,627	\$8,973,809	\$9,041,650
Width 1	hcf		2,135,198	2,150,687	2,166,344	2,182,252	2,198,327	2,214,570	2,231,065	2,247,559	2,264,388	2,281,468	2,298,716
Width 2	hcf		1,393,964	1,404,077	1,414,298	1,424,684	1,435,179	1,445,783	1,456,551	1,467,319	1,478,306	1,489,457	1,500,717
Width 3	hcf		332,650	335,063	337,503	339,981	342,486	345,016	347,586	350,155	352,777	355,438	358,125
Width 4	hcf		182,869	184,196	185,537	186,899	188,276	189,667	191,080	192,492	193,934	195,396	196,874
Width 5	hcf		233,905	235,602	237,317	239,060	240,821	242,601	244,407	246,214	248,058	249,929	251,818
Width 6	hcf												
MFR			\$1,702,745	\$1,707,724	\$1,710,213	\$1,715,192	\$1,717,681	\$1,722,660	\$1,725,150	\$1,730,128	\$1,732,618	\$1,740,086	\$1,742,575
Width 1	hcf		366,219	367,290	367,826	368,896	369,432	370,503	371,038	372,109	372,644	374,251	374,786
Width 2	hcf		178,843	179,366	179,627	180,150	180,412	180,935	181,196	181,719	181,980	182,765	183,026
Width 3	hcf		75,044	75,264	75,374	75,593	75,703	75,922	76,032	76,251	76,361	76,690	76,800
Width 4	hcf		46,605	46,741	46,810	46,946	47,014	47,150	47,218	47,355	47,423	47,627	47,695
Width 5	hcf		83,524	83,768	83,890	84,134	84,256	84,501	84,623	84,867	84,989	85,355	85,477
Width 6	hcf												
C&I			\$1,208,121	\$1,211,623	\$1,215,124	\$1,218,626	\$1,220,377	\$1,223,879	\$1,229,132	\$1,232,633	\$1,236,135	\$1,239,637	\$1,244,890
Width 1	hcf		445,521	446,812	448,104	449,395	450,041	451,332	453,269	454,560	455,852	457,143	459,080
Width 2	hcf		180,804	181,328	181,852	182,376	182,638	183,162	183,948	184,472	184,997	185,521	186,307
Width 3	hcf		44,260	44,389	44,517	44,645	44,709	44,838	45,030	45,158	45,287	45,415	45,607
Width 4	hcf		16,783	16,832	16,881	16,929	16,954	17,002	17,075	17,124	17,173	17,221	17,294
Width 5	hcf		22,943	23,009	23,076	23,142	23,175	23,242	23,342	23,408	23,475	23,541	23,641
Width 6	hcf												
IRR			\$593,253	\$597,031	\$600,810	\$600,810	\$606,478	\$610,257	\$614,035	\$615,925	\$621,593	\$625,371	\$631,039
Width 1	hcf		310,690	312,669	314,648	314,648	317,617	319,595	321,574	322,564	325,532	327,511	330,480
Width 2	hcf		55,753	56,108	56,464	56,464	56,996	57,351	57,706	57,884	58,417	58,772	59,304
Width 3	hcf		9,328	9,388	9,447	9,447	9,536	9,596	9,655	9,685	9,774	9,833	9,922
Width 4	hcf		5,087	5,119	5,152	5,152	5,200	5,233	5,265	5,281	5,330	5,362	5,411
Width 5	hcf		12,600	12,680	12,760	12,760	12,881	12,961	13,041	13,081	13,202	13,282	13,402
Width 6	hcf												
REC			\$15,201	\$15,201	\$15,201	\$15,201	\$15,201	\$15,201	\$15,201	\$15,201	\$15,201	\$15,201	\$15,201
Width 1	hcf		24,518	24,518	24,518	24,518	24,518	24,518	24,518	24,518	24,518	24,518	24,518
Width 2	hcf												
Width 3	hcf												
Width 4	hcf												
Width 5	hcf												
Width 6	hcf												
CNS			\$11,127	\$11,127	\$11,127	\$11,127	\$11,127	\$11,127	\$11,127	\$11,127	\$11,127	\$11,127	\$11,127
Width 1	hcf		1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769
Width 2	hcf												
Width 3	hcf												
Width 4	hcf												
Width 5	hcf												
Width 6	hcf												
Elevation Surcharge			\$341,881	\$344,220	\$346,561	\$348,842	\$351,278	\$353,722	\$356,200	\$358,619	\$361,181	\$363,761	\$366,401
Area A1	hcf		2,071,919	2,085,568	2,099,142	2,111,964	2,126,217	2,140,434	2,154,848	2,168,684	2,183,713	2,198,764	2,214,318
Area A2	hcf		104,654	105,409	106,171	106,943	107,726	108,517	109,319	110,121	110,941	111,774	112,614
Area A3	hcf		56,824	57,236	57,652	58,076	58,504	58,936	59,375	59,814	60,262	60,716	61,175

Other Revenues

	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029	CY 2030	CY 2031	CY 2032	CY 2033	CY 2034
Other Operating Revenue	\$1,628,600	\$1,632,211	\$1,632,211	\$1,632,211	\$1,632,211	\$1,632,211	\$1,632,211	\$1,632,211	\$1,632,211	\$1,632,211	\$1,632,211
Elevation Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wholesale Water	\$425,000	\$425,000	\$425,000	\$425,000	\$425,000	\$425,000	\$425,000	\$425,000	\$425,000	\$425,000	\$425,000
Other	\$1,203,600	\$1,207,211	\$1,207,211	\$1,207,211	\$1,207,211	\$1,207,211	\$1,207,211	\$1,207,211	\$1,207,211	\$1,207,211	\$1,207,211
Non-Operating Revenue	\$4,076,335	\$4,138,316	\$4,138,316	\$4,138,316	\$4,138,316	\$4,138,316	\$4,138,316	\$4,138,316	\$4,138,316	\$4,138,316	\$4,138,316
Assessments (1%)	\$2,547,500.00	\$2,593,355	\$2,593,355	\$2,593,355	\$2,593,355	\$2,593,355	\$2,593,355	\$2,593,355	\$2,593,355	\$2,593,355	\$2,593,355
Successor Agency Component (Prop Tax)	\$868,690.29	\$884,327	\$884,327	\$884,327	\$884,327	\$884,327	\$884,327	\$884,327	\$884,327	\$884,327	\$884,327
DWR Fixed Charge Recovery	\$349,339.00	\$349,339	\$349,339	\$349,339	\$349,339	\$349,339	\$349,339	\$349,339	\$349,339	\$349,339	\$349,339
Interest	\$138,193.03	\$138,193	\$138,193	\$138,193	\$138,193	\$138,193	\$138,193	\$138,193	\$138,193	\$138,193	\$138,193
Market Adj. on Investments	-\$40,764.44	-\$40,764	-\$40,764	-\$40,764	-\$40,764	-\$40,764	-\$40,764	-\$40,764	-\$40,764	-\$40,764	-\$40,764
Grants - State & Federal	\$50,000.00	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Sale of Real Property	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$163,376.96	\$163,867	\$163,867	\$163,867	\$163,867	\$163,867	\$163,867	\$163,867	\$163,867	\$163,867	\$163,867

Operating Expenses

	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029	CY 2030	CY 2031	CY 2032	CY 2033	CY 2034
Total Operating Expense	\$30,041,132	\$31,621,140	\$33,286,264	\$34,847,662	\$36,488,679	\$38,186,715	\$39,970,658	\$41,845,174	\$43,815,204	\$45,885,977	\$48,063,034
Provision for Bad Debt	\$44,721	\$44,721	\$44,721	\$44,721	\$44,721	\$44,721	\$44,721	\$44,721	\$44,721	\$44,721	\$44,721
Payroll Taxes	\$9,500	\$9,947	\$10,414	\$10,903	\$11,416	\$11,952	\$12,514	\$13,102	\$13,718	\$14,363	\$15,038
Health Insurance	\$30,000	\$31,260	\$32,573	\$33,941	\$35,367	\$36,852	\$38,400	\$40,012	\$41,693	\$43,444	\$45,269
Director's Travel, Seminars & Meetings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Director's Expense Share - MacLaren, Kathy	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000
Director's Expense Share - Wilson	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000
Director's Expense Share - Dino, Vincent	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000
Director's Expense Share - Dizmgang	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000
Director's Expense Share - Kellerman	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000
Salaries	\$1,859,500	\$1,946,897	\$2,038,401	\$2,134,205	\$2,234,513	\$2,339,535	\$2,449,493	\$2,564,620	\$2,685,157	\$2,811,359	\$2,943,493
Salaries - Departmental Overtime	\$5,000	\$5,235	\$5,481	\$5,739	\$6,008	\$6,291	\$6,586	\$6,896	\$7,220	\$7,559	\$7,915
Payroll Taxes	\$144,750	\$151,553	\$158,676	\$166,134	\$173,942	\$182,118	\$190,677	\$199,639	\$209,022	\$218,846	\$229,132
Health Insurance	\$202,250	\$210,745	\$219,596	\$228,819	\$238,429	\$248,443	\$258,878	\$269,751	\$281,080	\$292,886	\$305,187
Pers	\$193,000	\$202,071	\$211,568	\$221,512	\$231,923	\$242,824	\$254,236	\$266,185	\$278,696	\$291,795	\$305,509
Salaries-On-Call/Stand By Time	\$90,000	\$94,230	\$98,659	\$103,296	\$108,151	\$113,234	\$118,556	\$124,128	\$129,962	\$136,070	\$142,465
Salaries-Public Relations Overtime	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PERS-Unfunded Liability	\$1,039,041	\$1,087,876	\$1,139,006	\$1,192,539	\$1,248,589	\$1,307,272	\$1,368,714	\$1,433,044	\$1,500,397	\$1,570,915	\$1,644,749
Worker's Compensation	\$230,000	\$240,810	\$252,128	\$263,978	\$276,385	\$289,375	\$302,976	\$317,216	\$332,125	\$347,735	\$364,078
Vacation Benefit Expense	\$95,000	\$99,465	\$104,140	\$109,034	\$114,159	\$119,525	\$125,142	\$131,024	\$137,182	\$143,630	\$150,380
Life Insurance/EAP	\$7,000	\$7,329	\$7,673	\$8,034	\$8,412	\$8,807	\$9,221	\$9,654	\$10,108	\$10,583	\$11,081
Staff Travel	\$18,500	\$19,216	\$19,960	\$20,739	\$21,552	\$22,407	\$23,302	\$24,237	\$25,212	\$26,228	\$27,285
General Manager Travel	\$5,500	\$5,713	\$5,934	\$6,097	\$6,265	\$6,437	\$6,614	\$6,796	\$6,983	\$7,175	\$7,372
Staff Conferences & Seminars	\$7,500	\$7,790	\$8,092	\$8,314	\$8,543	\$8,778	\$9,019	\$9,272	\$9,529	\$9,793	\$10,052
General Manager Conferences & Seminars	\$4,000	\$4,155	\$4,316	\$4,434	\$4,556	\$4,681	\$4,810	\$4,942	\$5,078	\$5,218	\$5,361
Employee Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Settlements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Settlements - City of Palmdale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Settlements - Mr. Hill's Contract	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bank Charges	\$204,875	\$212,806	\$221,043	\$227,120	\$233,363	\$239,779	\$246,370	\$253,143	\$260,102	\$267,252	\$274,599
Legal Services - Consultants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Accounting Services	\$35,000	\$36,355	\$37,762	\$38,800	\$39,867	\$40,963	\$42,089	\$43,246	\$44,435	\$45,656	\$46,911
Contracted Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Landscape Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Janitorial Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Elevator Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - GASB45 Actuarial	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Collection Related Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Permits (Construction)	\$10,000	\$10,387	\$10,789	\$11,086	\$11,391	\$11,704	\$12,025	\$12,356	\$12,696	\$13,045	\$13,403
Postage	\$15,500	\$16,100	\$16,723	\$17,183	\$17,655	\$18,141	\$18,639	\$19,152	\$19,678	\$20,219	\$20,775
Public Relations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Public Relations - Publications	\$32,500	\$33,758	\$35,065	\$36,029	\$37,019	\$38,037	\$39,083	\$40,157	\$41,261	\$42,395	\$43,560
Public Affairs - Marketing/Outreach	\$40,000	\$41,548	\$43,157	\$44,343	\$45,562	\$46,815	\$48,102	\$49,424	\$50,783	\$52,179	\$53,613
Public Affairs - Drought Outreach	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Public Affairs - Advertising	\$4,000	\$4,155	\$4,316	\$4,434	\$4,556	\$4,681	\$4,810	\$4,942	\$5,078	\$5,218	\$5,361
Public Affairs - Equipment	\$1,000	\$1,039	\$1,079	\$1,109	\$1,139	\$1,170	\$1,203	\$1,236	\$1,270	\$1,304	\$1,340
Public Affairs - Conference/Seminar/Travel	\$4,000	\$4,155	\$4,316	\$4,434	\$4,556	\$4,681	\$4,810	\$4,942	\$5,078	\$5,218	\$5,361
Public Affairs - Consultants	\$2,000	\$2,077	\$2,158	\$2,217	\$2,278	\$2,341	\$2,405	\$2,471	\$2,539	\$2,609	\$2,681
Public Affairs - Memberships	\$1,500	\$1,558	\$1,618	\$1,663	\$1,709	\$1,756	\$1,804	\$1,853	\$1,904	\$1,957	\$2,010
Public Relations - Other	\$1,000	\$1,039	\$1,079	\$1,109	\$1,139	\$1,170	\$1,203	\$1,236	\$1,270	\$1,304	\$1,340
Advertising	\$1,000	\$1,039	\$1,079	\$1,109	\$1,139	\$1,170	\$1,203	\$1,236	\$1,270	\$1,304	\$1,340
Office Supplies	\$27,500	\$28,565	\$29,670	\$30,486	\$31,324	\$32,185	\$33,070	\$33,979	\$34,913	\$35,873	\$36,859
Office Furniture	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Operating	\$55,000	\$57,129	\$59,341	\$60,972	\$62,648	\$64,370	\$66,140	\$67,958	\$69,826	\$71,745	\$73,718
Consultants	\$50,000	\$51,936	\$53,946	\$55,429	\$56,953	\$58,518	\$60,127	\$61,780	\$63,478	\$65,223	\$67,016
Insurance	\$50,000	\$51,936	\$53,946	\$55,429	\$56,953	\$58,518	\$60,127	\$61,780	\$63,478	\$65,223	\$67,016
Groundwater Adjudication - Legal	\$25,000	\$25,968	\$26,973	\$27,714	\$28,476	\$29,259	\$30,063	\$30,890	\$31,739	\$32,612	\$33,508
Legal Services	\$175,000	\$181,774	\$188,811	\$194,001	\$199,334	\$204,814	\$210,444	\$216,229	\$222,174	\$228,281	\$234,557
Memberships	\$158,000	\$164,116	\$170,469	\$175,155	\$179,970	\$184,918	\$190,001	\$195,224	\$200,591	\$206,105	\$211,771
Elections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Succession Planning	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Groundwater Adjudication - Pumping Assessment	\$47,575	\$51,381	\$55,491	\$59,931	\$64,725	\$69,903	\$75,496	\$81,535	\$88,058	\$95,103	\$102,711
Computer Software - Info 360	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
100th Anniversary	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Salaries	\$1,561,000	\$1,634,367	\$1,711,182	\$1,791,608	\$1,875,813	\$1,963,977	\$2,056,284	\$2,152,929	\$2,254,116	\$2,360,060	\$2,470,983
Salaries - Departmental Overtime	\$16,000	\$16,752	\$17,539	\$18,364	\$19,227	\$20,130	\$21,077	\$22,067	\$23,104	\$24,190	\$25,327
Payroll Taxes	\$119,750	\$125,378	\$131,271	\$137,441	\$143,900	\$150,664	\$157,745	\$165,159	\$172,921	\$181,049	\$189,558
Health Insurance	\$249,000	\$259,458	\$270,355	\$281,710	\$293,542	\$305,871	\$318,717	\$332,103	\$346,052	\$360,586	\$375,731
PERS	\$156,500	\$163,856	\$171,557	\$179,620	\$188,062	\$196,901	\$206,155	\$215,845	\$225,989	\$236,611	\$247,731
Staff Travel	\$4,000	\$4,155	\$4,316	\$4,434	\$4,556	\$4,681	\$4,810	\$4,942	\$5,078	\$5,218	\$5,361
Staff Conferences & Seminars	\$10,000	\$10,387	\$10,789	\$11,086	\$11,391	\$11,704	\$12,025	\$12,356	\$12,696	\$13,045	\$13,403
Contracted Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Staff Training - Auto CAD Civil 3D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Contracted Services - GIS Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Reproduction	\$3,000	\$3,116	\$3,237	\$3,326	\$3,417	\$3,511	\$3,608	\$3,707	\$3,809	\$3,913	\$4,021
Contracted Services - Prod./Demand Database	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Plotter/Scanner	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Backflow Software	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services -	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Memberships/Subscriptions	\$7,000	\$7,271	\$7,552	\$7,760	\$7,973	\$8,193	\$8,418	\$8,649	\$8,887	\$9,131	\$9,382
General Materials & Supplies	\$7,500	\$7,790	\$8,092	\$8,314	\$8,543	\$8,778	\$9,019	\$9,267	\$9,522	\$9,783	\$10,052
Supplies - Plotter Paper/Toner	\$1,000	\$1,039	\$1,079	\$1,109	\$1,139	\$1,170	\$1,203	\$1,236	\$1,270	\$1,304	\$1,340
Supplies - Surveying Total Station	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies - GPS Plotting Tool (One Time Expense)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies - Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Inspection - Non Recovered	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance & Repair - Office Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Computer Software - Maint. & Support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Computer Software - SCADAWatch	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries	\$2,649,000	\$2,773,503	\$2,903,858	\$3,040,339	\$3,183,235	\$3,332,847	\$3,489,491	\$3,653,497	\$3,825,211	\$4,004,996	\$4,193,231
Salaries - Departmental Overtime	\$150,000	\$157,050	\$164,431	\$172,160	\$180,251	\$188,723	\$197,593	\$206,880	\$216,603	\$226,783	\$237,442
Payroll Taxes	\$213,000	\$223,011	\$233,493	\$244,467	\$255,957	\$267,987	\$280,582	\$293,769	\$307,576	\$322,033	\$337,168
Health Insurance	\$558,000	\$581,436	\$605,856	\$631,302	\$657,817	\$685,445	\$714,234	\$744,232	\$775,490	\$808,060	\$841,999
PERS	\$227,000	\$237,669	\$248,839	\$260,535	\$272,780	\$285,601	\$299,024	\$313,078	\$327,793	\$343,199	\$359,329
Staff Travel	\$5,000	\$5,194	\$5,395	\$5,543	\$5,695	\$5,852	\$6,013	\$6,178	\$6,348	\$6,522	\$6,702
Staff Conferences & Seminars	\$7,500	\$7,790	\$8,092	\$8,314	\$8,543	\$8,778	\$9,019	\$9,267	\$9,522	\$9,783	\$10,052
Contracted Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Landscape Svcs (All Sites)	\$12,864	\$13,362	\$13,879	\$14,260	\$14,652	\$15,055	\$15,469	\$15,894	\$16,331	\$16,780	\$17,241
Contracted Services - Landscape Svcs (Wells)	\$55,000	\$57,129	\$59,341	\$60,972	\$62,648	\$64,370	\$66,140	\$67,958	\$69,826	\$71,745	\$73,718
Contracted Services - Alarm Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Janitorial Services (All Sites)	\$48,000	\$49,858	\$51,788	\$53,212	\$54,675	\$56,178	\$57,722	\$59,309	\$60,939	\$62,614	\$64,336
Contracted Services - Pest Control Svcs (Contracted)	\$8,250	\$8,569	\$8,901	\$9,146	\$9,397	\$9,656	\$9,921	\$10,194	\$10,474	\$10,762	\$11,058
Contracted Services - Pest Control Svcs (Plm Dam)	\$6,250	\$6,492	\$6,743	\$6,929	\$7,119	\$7,315	\$7,516	\$7,722	\$7,935	\$8,153	\$8,377
Contracted Services - Elevator Services	\$3,250	\$3,376	\$3,506	\$3,603	\$3,702	\$3,804	\$3,908	\$4,016	\$4,126	\$4,240	\$4,356
Contracted Services - SCADA Software	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - SCADA Hardware	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Seismic Value Controllers	\$7,000	\$7,271	\$7,552	\$7,760	\$7,973	\$8,193	\$8,418	\$8,649	\$8,887	\$9,131	\$9,382
Contracted Services - Annual Tank Service	\$125,000	\$129,839	\$134,865	\$138,572	\$142,382	\$146,296	\$150,317	\$154,450	\$158,695	\$163,058	\$167,540
Contracted Services - Fire Extinguisher Servicing	\$3,500	\$3,635	\$3,776	\$3,880	\$3,987	\$4,096	\$4,209	\$4,325	\$4,443	\$4,566	\$4,691
Contracted Services - Firetide Radio	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Clearscada	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Fenway	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Fuel Serve	\$3,500	\$3,635	\$3,776	\$3,880	\$3,987	\$4,096	\$4,209	\$4,325	\$4,443	\$4,566	\$4,691
Contracted Services - Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Permits (District Facilities including Dams)	\$70,000	\$72,710	\$75,524	\$77,600	\$79,734	\$81,926	\$84,178	\$86,492	\$88,869	\$91,312	\$93,823
Natural Gas - Wells & Boosters	\$500,000	\$539,226	\$581,528	\$609,277	\$638,350	\$668,810	\$700,724	\$734,160	\$769,192	\$805,896	\$844,351
Natural Gas - Buildings	\$15,500	\$16,716	\$18,027	\$18,888	\$19,789	\$20,733	\$21,722	\$22,759	\$23,845	\$24,983	\$26,175
Electricity - Wells & Boosters	\$2,000,000	\$2,156,902	\$2,326,113	\$2,437,108	\$2,553,400	\$2,675,240	\$2,802,895	\$2,936,641	\$3,076,768	\$3,223,582	\$3,377,402
Electricity - Buildings	\$106,815	\$115,195	\$124,232	\$130,160	\$136,371	\$142,878	\$149,696	\$156,839	\$164,323	\$172,164	\$180,379
Maint. & Repair - Vehicles	\$38,000	\$40,223	\$42,577	\$45,068	\$47,705	\$49,597	\$51,565	\$53,611	\$55,737	\$57,948	\$60,247
Maint. & Rep. Operations - Office Building	\$12,500	\$13,231	\$14,006	\$14,825	\$15,692	\$16,615	\$16,962	\$17,635	\$18,335	\$19,062	\$19,818
Maint. & Rep. Office - Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maint. & Rep. Operations - Two-way Radios	\$1,500	\$1,588	\$1,681	\$1,779	\$1,883	\$1,958	\$2,035	\$2,116	\$2,200	\$2,287	\$2,378
Maint. & Rep. Operations - Equipment	\$10,000	\$10,585	\$11,204	\$11,860	\$12,554	\$13,052	\$13,570	\$14,108	\$14,668	\$15,250	\$15,855
Maint. & Rep. Operations - Wells	\$105,000	\$111,144	\$117,647	\$124,530	\$131,816	\$137,045	\$142,482	\$148,134	\$154,011	\$160,120	\$166,472
Maint. & Rep. Operations - Boosters	\$85,000	\$89,973	\$95,238	\$100,810	\$106,708	\$110,942	\$115,343	\$119,918	\$124,675	\$129,621	\$134,763
Maint. & Rep. Operations - Shop Bldgs	\$5,000	\$5,293	\$5,602	\$5,930	\$6,277	\$6,526	\$6,785	\$7,054	\$7,334	\$7,625	\$7,927
Maint. & Rep. Operations - Facilities	\$50,000	\$52,926	\$56,022	\$59,300	\$62,770	\$65,260	\$67,849	\$70,540	\$73,338	\$76,248	\$79,273
Maint. & Rep. Operations - Water Lines	\$300,000	\$317,553	\$336,133	\$355,800	\$376,618	\$391,558	\$407,092	\$423,241	\$440,031	\$457,487	\$475,635
Maint. & Rep. Operations - Littlerock Dam	\$24,842	\$26,295	\$27,834	\$29,463	\$31,186	\$32,424	\$33,710	\$35,047	\$36,437	\$37,883	\$39,386
Maint. & Rep. Operations - Palmdale Dam	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maint. & Rep. Operations - Palmdale Canal	\$8,500	\$8,997	\$9,524	\$10,081	\$10,671	\$11,094	\$11,534	\$11,992	\$12,468	\$12,962	\$13,476
Maint. & Rep. Operations - Large Meters	\$3,265	\$3,457	\$3,659	\$3,873	\$4,099	\$4,262	\$4,431	\$4,607	\$4,790	\$4,980	\$5,177
Maint. & Rep. Operations - Telemetry	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maint. & Rep. Operations - Hypo Generators	\$10,000	\$10,585	\$11,204	\$11,860	\$12,554	\$13,052	\$13,570	\$14,108	\$14,668	\$15,250	\$15,855
Maint. & Rep. Operations - Heavy Equipment	\$47,500	\$50,279	\$53,221	\$56,335	\$59,631	\$61,997	\$64,456	\$67,013	\$69,672	\$72,435	\$75,309
Maint. & Rep. Operations - Storage Reservoirs	\$10,000	\$10,585	\$11,204	\$11,860	\$12,554	\$13,052	\$13,570	\$14,108	\$14,668	\$15,250	\$15,855
Maint. & Rep. Operations - Fire Hydrants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maint. & Rep. Operations - Air Vacs	\$5,750	\$6,086	\$6,443	\$6,820	\$7,219	\$7,505	\$7,803	\$8,112	\$8,434	\$8,768	\$9,116
Maint. & Rep. Operations - Meter Exchanges	\$35,000	\$37,048	\$39,216	\$41,510	\$43,939	\$45,682	\$47,494	\$49,378	\$51,337	\$53,373	\$55,491
Materials - Hot Tapping	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Telecommunication - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Testing - Regulatory Compliance	\$12,500	\$12,984	\$13,486	\$13,857	\$14,238	\$14,630	\$15,032	\$15,445	\$15,870	\$16,306	\$16,754
Testing - Large Meter Testing	\$14,000	\$14,542	\$15,105	\$15,520	\$15,947	\$16,385	\$16,836	\$17,298	\$17,774	\$18,262	\$18,765
Testing - Edison Testing	\$11,437	\$11,880	\$12,340	\$12,679	\$13,028	\$13,386	\$13,754	\$14,132	\$14,520	\$14,920	\$15,330
Service Costs Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Groundwater Adjudication - Pumping Assessment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Waste Disposal	\$17,500	\$18,873	\$20,353	\$21,325	\$22,342	\$23,408	\$24,525	\$25,696	\$26,922	\$28,206	\$29,552
Fuel - Gas and Diesel	\$212,097	\$224,820	\$232,861	\$241,190	\$249,817	\$258,753	\$268,008	\$277,594	\$287,523	\$297,807	\$308,459
Lubricates District Wide	\$28,000	\$29,680	\$30,741	\$31,841	\$32,980	\$34,159	\$35,381	\$36,647	\$37,957	\$39,315	\$40,721
Uniforms	\$34,000	\$35,316	\$36,683	\$37,692	\$38,728	\$39,792	\$40,886	\$42,010	\$43,165	\$44,352	\$45,571
Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies - General	\$58,000	\$60,245	\$62,577	\$64,298	\$66,065	\$67,881	\$69,747	\$71,665	\$73,635	\$75,659	\$77,739
Supplies - Hypo Generators	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Supplies - Electrical	\$2,500	\$2,597	\$2,697	\$2,771	\$2,848	\$2,926	\$3,006	\$3,089	\$3,174	\$3,261	\$3,351
Supplies - Telemetry	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies - Construction Materials	\$27,750	\$28,824	\$29,940	\$30,763	\$31,609	\$32,478	\$33,370	\$34,288	\$35,230	\$36,199	\$37,194
Tools	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tools - Facilities	\$30,000	\$31,161	\$32,368	\$33,257	\$34,172	\$35,111	\$36,076	\$37,068	\$38,087	\$39,134	\$40,210
Tools - Vehicles	\$8,000	\$8,310	\$8,631	\$8,869	\$9,112	\$9,363	\$9,620	\$9,885	\$10,157	\$10,436	\$10,723
Equipment - Firetide Radios	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment - GF Signet Flow Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment - SCADA Workstations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment - Compound Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leases - Equipment	\$1,200	\$1,246	\$1,295	\$1,330	\$1,367	\$1,404	\$1,443	\$1,483	\$1,523	\$1,565	\$1,608
Leases - Fleet	\$160,000	\$166,194	\$172,627	\$177,372	\$182,248	\$187,258	\$192,406	\$197,695	\$203,130	\$208,714	\$214,452
Lease Interest Expense (GASB 87)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries	\$1,371,500	\$1,435,961	\$1,503,451	\$1,574,113	\$1,648,096	\$1,725,557	\$1,806,658	\$1,891,571	\$1,980,475	\$2,073,557	\$2,171,014
Salaries - Departmental Overtime	\$100,000	\$104,700	\$109,621	\$114,773	\$120,167	\$125,815	\$131,729	\$137,920	\$144,402	\$151,189	\$158,295
Payroll Taxes	\$119,500	\$125,117	\$130,997	\$137,154	\$143,600	\$150,349	\$157,416	\$164,814	\$172,560	\$180,671	\$189,162
Health Insurance	\$228,000	\$237,576	\$247,554	\$257,951	\$268,785	\$280,074	\$291,838	\$304,095	\$316,867	\$330,175	\$344,042
PERS	\$149,000	\$156,003	\$163,303	\$171,012	\$179,049	\$187,465	\$196,276	\$205,501	\$215,159	\$225,272	\$235,859
Staff Travel	\$3,300	\$3,428	\$3,560	\$3,658	\$3,759	\$3,862	\$3,968	\$4,077	\$4,190	\$4,305	\$4,423
Staff Conferences & Seminars	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Training - Lab Equipment	\$3,300	\$3,428	\$3,560	\$3,658	\$3,759	\$3,862	\$3,968	\$4,077	\$4,190	\$4,305	\$4,423
Training - SCADA Network Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Landscape Services	\$3,700	\$3,843	\$3,992	\$4,102	\$4,214	\$4,330	\$4,449	\$4,572	\$4,697	\$4,827	\$4,959
Contracted Services - Alarm Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Janatorial Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Pest Control Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Wind Turbine Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - CMMS Software	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - SCADA Software	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Lab Software	\$7,943	\$8,250	\$8,570	\$8,805	\$9,047	\$9,296	\$9,552	\$9,814	\$10,084	\$10,361	\$10,646
Contracted Services - Lab Equipment Services	\$21,635	\$22,472	\$23,342	\$23,984	\$24,643	\$25,321	\$26,017	\$26,732	\$27,467	\$28,222	\$28,998
Contracted Services - Water Quality Svcs (SolarBee)	\$48,880	\$50,772	\$52,738	\$54,187	\$55,677	\$57,207	\$58,780	\$60,396	\$62,056	\$63,762	\$65,515
Contracted Services - SCADA Hardware	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Seismic Valve Controllers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Permits (WTP Facilities Inclusive)	\$105	\$109	\$113	\$116	\$120	\$123	\$126	\$130	\$133	\$137	\$141
Natural Gas - Wells & Boosters	\$3,000	\$3,235	\$3,489	\$3,656	\$3,830	\$4,013	\$4,204	\$4,405	\$4,615	\$4,835	\$5,066
Natural Gas - Water Treatment Plant	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electricity - Wells & Boosters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electricity - Water Treatment Plant	\$425,000	\$458,342	\$494,299	\$517,886	\$542,597	\$568,489	\$595,615	\$624,036	\$653,813	\$685,011	\$717,698
Maint. & Rep. Office - Equipment	\$5,800	\$6,139	\$6,499	\$6,879	\$7,281	\$7,570	\$7,870	\$8,183	\$8,507	\$8,845	\$9,196
Maint. & Rep. Operations - Equipment	\$40,000	\$42,340	\$44,818	\$47,440	\$50,216	\$52,208	\$54,279	\$56,432	\$58,671	\$60,998	\$63,418
Maint. & Rep. Operations - Shop Bldgs	\$7,000	\$7,410	\$7,843	\$8,302	\$8,788	\$9,136	\$9,499	\$9,876	\$10,267	\$10,675	\$11,098
Maint. & Rep. Operations - Facilities	\$82,000	\$86,798	\$91,876	\$97,252	\$102,942	\$107,026	\$111,272	\$115,686	\$120,275	\$125,046	\$130,007
Maint. & Rep. Operations - Telemetry	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maint. & Rep. Operations - Hypo Generators	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maint. & Repair - Wind Turbine	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Palmdale Lake Management	\$200,000	\$209,400	\$219,242	\$229,546	\$240,335	\$251,631	\$263,457	\$275,840	\$288,804	\$302,378	\$316,590
General Material & Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Telecommunication - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Testing - Edison Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Emergency Repair & Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Filter Media Testing/Inspection	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EPA / Regulatory Compliance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Waste Disposal	\$50,000	\$53,923	\$58,153	\$60,928	\$63,835	\$66,881	\$70,072	\$73,416	\$76,919	\$80,590	\$84,435
Uniforms	\$15,595	\$16,199	\$16,826	\$17,288	\$17,764	\$18,252	\$18,754	\$19,269	\$19,799	\$20,343	\$20,902
Supplies - General	\$30,000	\$31,161	\$32,368	\$33,257	\$34,172	\$35,111	\$36,076	\$37,068	\$38,087	\$39,134	\$40,210
Supplies - Hypo Generators	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies - Electrical	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies - Telemetry	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies - Lab	\$82,931	\$89,437	\$96,453	\$101,056	\$105,878	\$110,930	\$116,223	\$121,769	\$127,580	\$133,667	\$140,046
Outside Lab Work	\$82,303	\$88,760	\$95,723	\$100,291	\$105,076	\$110,090	\$115,343	\$120,847	\$126,614	\$132,655	\$138,985
Tools	\$6,398	\$6,646	\$6,903	\$7,093	\$7,288	\$7,488	\$7,694	\$7,905	\$8,123	\$8,346	\$8,575
Chemicals	\$1,150,000	\$1,240,219	\$1,337,515	\$1,401,337	\$1,468,205	\$1,538,263	\$1,611,664	\$1,688,568	\$1,769,142	\$1,853,560	\$1,942,000
Leases - Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries	\$1,120,000	\$1,172,640	\$1,227,754	\$1,285,459	\$1,345,875	\$1,409,131	\$1,475,360	\$1,544,702	\$1,617,303	\$1,693,317	\$1,772,902
Salaries - Departmental Overtime	\$6,000	\$6,282	\$6,577	\$6,886	\$7,210	\$7,549	\$7,904	\$8,275	\$8,664	\$9,071	\$9,498
Payroll Taxes	\$85,250	\$89,257	\$93,452	\$97,844	\$102,443	\$107,258	\$112,299	\$117,577	\$123,103	\$128,889	\$134,946
Health Insurance	\$211,000	\$219,862	\$229,096	\$238,718	\$248,744	\$259,192	\$270,078	\$281,421	\$293,241	\$305,557	\$318,390
PERS	\$122,250	\$127,996	\$134,012	\$140,310	\$146,905	\$153,809	\$161,038	\$168,607	\$176,532	\$184,829	\$193,515
Staff Travel	\$3,000	\$3,116	\$3,237	\$3,326	\$3,417	\$3,511	\$3,608	\$3,707	\$3,809	\$3,913	\$4,021
Staff Conferences & Seminars	\$2,500	\$2,597	\$2,697	\$2,771	\$2,848	\$2,926	\$3,006	\$3,089	\$3,174	\$3,261	\$3,351
Contracted Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Infosend	\$325,000	\$337,581	\$350,649	\$360,288	\$370,192	\$380,369	\$390,825	\$401,569	\$412,608	\$423,951	\$435,605
Contracted Services - Infosend Drought Related	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - AdComp	\$4,250	\$4,415	\$4,585	\$4,711	\$4,841	\$4,974	\$5,111	\$5,251	\$5,396	\$5,544	\$5,696
Contracted Services - Assessor Data (Realquest)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Credit Reporting Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - AMR Services (Itron)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Letter Extractor (OPEX)	\$3,500	\$3,635	\$3,776	\$3,880	\$3,987	\$4,096	\$4,209	\$4,325	\$4,443	\$4,566	\$4,691

Contracted Services - GASB Actuarial Reports	\$13,500	\$14,023	\$14,565	\$14,966	\$15,377	\$15,800	\$16,234	\$16,681	\$17,139	\$17,610	\$18,094
Contracted Services - Payroll/HR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Memberships/Subscriptions	\$500	\$519	\$539	\$554	\$570	\$585	\$601	\$618	\$635	\$652	\$670
Office Furniture	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Natural Gas - Office Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electricity - Office Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance & Repair - Office Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance & Repair - Office Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maint. & Rep. Operations - Large Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maint. & Rep. Operations - Meter Exchanges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Material & Supplies	\$1,500	\$1,558	\$1,618	\$1,663	\$1,709	\$1,756	\$1,804	\$1,853	\$1,904	\$1,957	\$2,010
Business Forms	\$1,500	\$1,558	\$1,618	\$1,663	\$1,709	\$1,756	\$1,804	\$1,853	\$1,904	\$1,957	\$2,010
Telecommunication - Office	\$65,000	\$67,516	\$70,130	\$72,058	\$74,038	\$76,074	\$78,165	\$80,314	\$82,522	\$84,790	\$87,121
Telecommunication - Cellular Stipend	\$20,000	\$20,774	\$21,578	\$22,172	\$22,781	\$23,407	\$24,051	\$24,712	\$25,391	\$26,089	\$26,806
Telecommunication - Cellular (District On-Call)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Testing - Meter Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Testing - Large Meter Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leases - Equipment	\$3,000	\$3,116	\$3,237	\$3,326	\$3,417	\$3,511	\$3,608	\$3,707	\$3,809	\$3,913	\$4,021
Salaries	\$205,250	\$214,897	\$224,997	\$235,572	\$246,644	\$258,236	\$270,373	\$283,080	\$296,385	\$310,315	\$324,900
Salaries - Departmental Overtime	\$10,500	\$10,994	\$11,510	\$12,051	\$12,618	\$13,211	\$13,832	\$14,482	\$15,162	\$15,875	\$16,621
Payroll Taxes	\$16,750	\$17,537	\$18,362	\$19,224	\$20,128	\$21,074	\$22,065	\$23,102	\$24,187	\$25,324	\$26,514
Health Insurance	\$44,250	\$46,109	\$48,045	\$50,063	\$52,166	\$54,357	\$56,640	\$59,018	\$61,497	\$64,080	\$66,771
PERS	\$25,750	\$26,960	\$28,227	\$29,554	\$30,943	\$32,397	\$33,920	\$35,514	\$37,184	\$38,931	\$40,761
Staff Travel	\$2,000	\$2,077	\$2,158	\$2,217	\$2,278	\$2,341	\$2,405	\$2,471	\$2,539	\$2,609	\$2,681
Staff Conferences & Seminars	\$1,500	\$1,558	\$1,618	\$1,663	\$1,709	\$1,756	\$1,804	\$1,853	\$1,904	\$1,957	\$2,010
Public Relations - Landscape Workshop/Training	\$6,000	\$6,232	\$6,474	\$6,651	\$6,834	\$7,022	\$7,215	\$7,414	\$7,617	\$7,827	\$8,042
Public Relations - Contests	\$1,000	\$1,039	\$1,079	\$1,109	\$1,139	\$1,170	\$1,203	\$1,239	\$1,270	\$1,304	\$1,340
Public Relations - Education Programs	\$4,000	\$4,155	\$4,316	\$4,434	\$4,556	\$4,681	\$4,810	\$4,942	\$5,078	\$5,218	\$5,361
Public Relations - General Media (Public Outreach)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Public Relations - Other	\$800	\$831	\$863	\$887	\$911	\$936	\$962	\$988	\$1,016	\$1,044	\$1,072
Drought Enforcement Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies - General	\$9,000	\$9,348	\$9,710	\$9,977	\$10,251	\$10,533	\$10,823	\$11,120	\$11,426	\$11,740	\$12,063
Salaries	\$380,000	\$397,860	\$416,559	\$436,138	\$456,636	\$478,098	\$500,569	\$524,095	\$548,728	\$574,518	\$601,520
Salaries - Departmental Overtime	\$5,250	\$5,497	\$5,755	\$6,026	\$6,309	\$6,605	\$6,916	\$7,241	\$7,581	\$7,937	\$8,310
Salaries - Intern Program	\$54,000	\$56,538	\$59,195	\$61,977	\$64,890	\$67,940	\$71,133	\$74,477	\$77,977	\$81,642	\$85,479
Payroll Taxes	\$34,500	\$36,122	\$37,819	\$39,597	\$41,458	\$43,406	\$45,446	\$47,582	\$49,819	\$52,160	\$54,612
Health Insurance	\$56,500	\$58,500	\$60,500	\$62,500	\$64,500	\$66,500	\$68,500	\$70,500	\$72,500	\$74,500	\$76,500
Pers	\$34,250	\$35,860	\$37,545	\$39,310	\$41,157	\$43,092	\$45,117	\$47,238	\$49,458	\$51,782	\$54,216
Staff Travel	\$1,500	\$1,558	\$1,618	\$1,663	\$1,709	\$1,756	\$1,804	\$1,853	\$1,904	\$1,957	\$2,010
Staff Conferences & Seminars	\$5,000	\$5,194	\$5,395	\$5,543	\$5,695	\$5,852	\$6,013	\$6,178	\$6,348	\$6,522	\$6,702
Employee Expense	\$80,000	\$83,760	\$87,697	\$91,818	\$96,134	\$100,652	\$105,383	\$110,336	\$115,522	\$120,951	\$126,636
Succession Planning	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Temporary Staffing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Recruitment	\$10,000	\$10,387	\$10,789	\$11,086	\$11,391	\$11,704	\$12,025	\$12,356	\$12,696	\$13,045	\$13,403
Employee Retention	\$3,000	\$3,116	\$3,237	\$3,326	\$3,417	\$3,511	\$3,608	\$3,707	\$3,809	\$3,913	\$4,021
Employee Relations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Consultants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Training - Safety	\$16,000	\$16,619	\$17,263	\$17,737	\$18,225	\$18,726	\$19,241	\$19,770	\$20,313	\$20,871	\$21,445
Training - Specialty	\$10,000	\$10,387	\$10,789	\$11,086	\$11,391	\$11,704	\$12,025	\$12,356	\$12,696	\$13,045	\$13,403
Safety/HR Program	\$1,000	\$1,039	\$1,079	\$1,109	\$1,139	\$1,170	\$1,203	\$1,239	\$1,270	\$1,304	\$1,340
Memberships/Subscriptions	\$1,250	\$1,298	\$1,349	\$1,386	\$1,424	\$1,463	\$1,503	\$1,544	\$1,587	\$1,631	\$1,675
HR/Safety Publications	\$1,000	\$1,039	\$1,079	\$1,109	\$1,139	\$1,170	\$1,203	\$1,236	\$1,270	\$1,304	\$1,340
Office Furniture	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies - Safety	\$34,500	\$35,835	\$37,223	\$38,246	\$39,297	\$40,378	\$41,488	\$42,628	\$43,800	\$45,004	\$46,241
Salaries	\$740,000	\$774,780	\$811,195	\$849,321	\$889,239	\$931,033	\$974,792	\$1,020,607	\$1,068,575	\$1,118,798	\$1,171,382
Salaries - Departmental Overtime	\$10,000	\$10,470	\$10,962	\$11,477	\$12,017	\$12,582	\$13,173	\$13,792	\$14,440	\$15,119	\$15,829
Payroll Taxes	\$62,000	\$64,914	\$67,965	\$71,159	\$74,504	\$78,005	\$81,672	\$85,510	\$89,529	\$93,737	\$98,143
Health Insurance	\$110,000	\$114,620	\$119,434	\$124,450	\$129,677	\$135,124	\$140,799	\$146,712	\$152,874	\$159,295	\$165,985
PERS	\$95,000	\$99,465	\$104,140	\$109,034	\$114,159	\$119,525	\$125,142	\$131,024	\$137,182	\$143,630	\$150,380
Staff Travel	\$3,000	\$3,116	\$3,237	\$3,326	\$3,417	\$3,511	\$3,608	\$3,707	\$3,809	\$3,913	\$4,021
Staff Conferences & Seminars	\$7,500	\$7,790	\$8,092	\$8,314	\$8,543	\$8,778	\$9,019	\$9,267	\$9,522	\$9,783	\$10,052
Contracted Services - Computer Vendors	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - SCADA Software	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - SCADA Hardware	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Clearcada	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cloud Services-MS-Office 360	\$40,000	\$41,548	\$43,157	\$44,343	\$45,562	\$46,815	\$48,102	\$49,424	\$50,783	\$52,179	\$53,613
Cloud Services-MS-Project	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cloud Services-MS-Visio	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cloud Services-Adobe-Creative Suite	\$13,750	\$14,282	\$14,835	\$15,243	\$15,662	\$16,093	\$16,535	\$16,989	\$17,456	\$17,936	\$18,429
Cloud Services-SeamlessDocs	\$7,500	\$7,790	\$8,092	\$8,314	\$8,543	\$8,778	\$9,019	\$9,267	\$9,522	\$9,783	\$10,052
Cloud Services-IPSwitch-Moveit	\$10,500	\$10,906	\$11,329	\$11,640	\$11,960	\$12,289	\$12,627	\$12,974	\$13,330	\$13,697	\$14,073
Cloud Services-GFI Fax	\$2,250	\$2,337	\$2,428	\$2,494	\$2,563	\$2,633	\$2,706	\$2,780	\$2,857	\$2,935	\$3,016
Cloud Services-KnowBe4-Security Awareness	\$4,750	\$4,934	\$5,125	\$5,266	\$5,411	\$5,559	\$5,712	\$5,869	\$6,030	\$6,196	\$6,367
Cloud Services-Network Solutions-DNS, Web Registrat	\$3,500	\$3,635	\$3,776	\$3,880	\$3,987	\$4,096	\$4,209	\$4,325	\$4,443	\$4,566	\$4,691
Cloud Services-IBM-MaaS 360	\$6,250	\$6,492	\$6,743	\$6,929	\$7,119	\$7,315	\$7,516	\$7,722	\$7,935	\$8,153	\$8,377
Cloud Services-MSP Portal-Bit Defender	\$5,345	\$5,552	\$5,767	\$5,926	\$6,088	\$6,256	\$6,428	\$6,604	\$6,786	\$6,973	\$7,164
Cloud Services-Akins-WiFi	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cloud Services-FleetMate	\$525	\$545	\$566	\$582	\$598	\$614	\$631	\$648	\$666	\$684	\$703
Cloud Services-Security Metrics-PCI Compliance	\$4,617	\$4,796	\$4,981	\$5,118	\$5,259	\$5,403	\$5,552	\$5,705	\$5,861	\$6,023	\$6,188
Cloud Services-Citrix	\$2,011	\$2,089	\$2,169	\$2,229	\$2,290	\$2,353	\$2,418	\$2,484	\$2,551	\$2,623	\$2,695
Cloud Services - Azure Services	\$40,000	\$41,548	\$43,157	\$44,343	\$45,562	\$46,815	\$48,102	\$49,424	\$50,783	\$52,179	\$53,613

Contracted Services - Offsite Services	\$7,250	\$7,531	\$7,822	\$8,037	\$8,258	\$8,485	\$8,718	\$8,958	\$9,204	\$9,457	\$9,717
Contracted Services - Printer Services	\$4,000	\$4,155	\$4,316	\$4,434	\$4,556	\$4,681	\$4,810	\$4,942	\$5,078	\$5,218	\$5,361
Contracted Services - Website Design Services	\$5,000	\$5,194	\$5,395	\$5,543	\$5,695	\$5,852	\$6,013	\$6,178	\$6,348	\$6,522	\$6,702
Contracted Services - Telephony Services	\$1,500	\$1,558	\$1,618	\$1,663	\$1,709	\$1,756	\$1,804	\$1,853	\$1,904	\$1,957	\$2,010
Contracted Services - TDS (Network & Software Support)	\$41,000	\$42,587	\$44,236	\$45,452	\$46,701	\$47,985	\$49,304	\$50,659	\$52,052	\$53,483	\$54,953
Contracted Services - Network Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Hardware Warranties	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - Access Control	\$85,000	\$88,290	\$91,708	\$94,229	\$96,819	\$99,481	\$102,216	\$105,026	\$107,913	\$110,879	\$113,927
Contracted Services - LA County Dataset	\$250	\$260	\$270	\$277	\$285	\$293	\$301	\$309	\$317	\$326	\$335
Contracted Services - ESRI Customer Care	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - SCADA Software	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - SCADA Hardware	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services - ClearSCADA	\$20,000	\$20,774	\$21,578	\$22,172	\$22,781	\$23,407	\$24,051	\$24,712	\$25,391	\$26,089	\$26,806
Memberships/Subscriptions	\$2,500	\$2,597	\$2,697	\$2,771	\$2,848	\$2,926	\$3,006	\$3,089	\$3,174	\$3,261	\$3,351
Maintenance & Repair - Computer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance & Repair - Telemetry	\$3,500	\$3,635	\$3,776	\$3,880	\$3,987	\$4,096	\$4,209	\$4,325	\$4,443	\$4,566	\$4,691
Telecommunication - Office Phone	\$21,000	\$21,813	\$22,657	\$23,280	\$23,920	\$24,578	\$25,253	\$25,948	\$26,661	\$27,394	\$28,147
Telecommunication - Office Backbone	\$22,000	\$22,852	\$23,736	\$24,389	\$25,059	\$25,748	\$26,456	\$27,183	\$27,930	\$28,698	\$29,487
Telecommunication - WTP Backbone	\$14,500	\$15,061	\$15,644	\$16,074	\$16,516	\$16,970	\$17,437	\$17,916	\$18,409	\$18,915	\$19,435
Telecommunication - Cellular (Data & On-Call)	\$72,500	\$75,306	\$78,222	\$80,372	\$82,581	\$84,851	\$87,184	\$89,581	\$92,043	\$94,574	\$97,173
Telecommunication - Other	\$20,000	\$20,774	\$21,578	\$22,172	\$22,781	\$23,407	\$24,051	\$24,712	\$25,391	\$26,089	\$26,806
Supplies - Telemetry	\$5,000	\$5,194	\$5,395	\$5,543	\$5,695	\$5,852	\$6,013	\$6,178	\$6,348	\$6,522	\$6,702
Equipment - GF Signet Flow Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leases - Equipment (Printers)	\$56,500	\$58,687	\$60,959	\$62,635	\$64,356	\$66,126	\$67,943	\$69,811	\$71,730	\$73,702	\$75,728
Computer Equipment - Computers	\$45,500	\$47,261	\$49,091	\$50,440	\$51,827	\$53,252	\$54,716	\$56,220	\$57,765	\$59,353	\$60,985
Computer Equipment - Mobility	\$45,000	\$46,742	\$48,551	\$49,886	\$51,257	\$52,666	\$54,114	\$55,602	\$57,130	\$58,701	\$60,315
Computer Equipment - Monitors	\$10,000	\$10,387	\$10,789	\$11,086	\$11,391	\$11,704	\$12,025	\$12,356	\$12,696	\$13,045	\$13,403
Computer Equipment - Printers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Computer Equipment - Printer Supplies	\$2,500	\$2,597	\$2,697	\$2,771	\$2,848	\$2,926	\$3,006	\$3,089	\$3,174	\$3,261	\$3,351
Computer Equipment - Telephony	\$2,500	\$2,597	\$2,697	\$2,771	\$2,848	\$2,926	\$3,006	\$3,089	\$3,174	\$3,261	\$3,351
Computer Equipment - Other	\$17,500	\$18,177	\$18,881	\$19,400	\$19,933	\$20,481	\$21,044	\$21,623	\$22,217	\$22,828	\$23,456
Computer Equipment - Warranty and Support	\$17,500	\$18,177	\$18,881	\$19,400	\$19,933	\$20,481	\$21,044	\$21,623	\$22,217	\$22,828	\$23,456
Software - Maint. and Support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software M&S - Xtelesis-Phone	\$9,500	\$9,868	\$10,250	\$10,531	\$10,821	\$11,118	\$11,424	\$11,738	\$12,061	\$12,392	\$12,733
Software M&S - Tredent-Appsure	\$12,000	\$12,465	\$12,947	\$13,303	\$13,669	\$14,044	\$14,430	\$14,827	\$15,235	\$15,654	\$16,084
Software M&S - Conduviser/V-locity-Diskeeper	\$6,500	\$6,752	\$7,013	\$7,206	\$7,404	\$7,607	\$7,817	\$8,031	\$8,250	\$8,479	\$8,712
Software M&S - FWI	\$500	\$519	\$539	\$554	\$570	\$585	\$601	\$618	\$635	\$652	\$670
Software M&S - Strategy 7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software M&S - Astria Solutions-Docstar	\$15,000	\$15,581	\$16,184	\$16,629	\$17,086	\$17,555	\$18,038	\$18,534	\$19,043	\$19,567	\$20,105
Software M&S - NemoQ-Ticketing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software M&S - FMT-Management Reporter	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software M&S - Neogov	\$8,000	\$8,310	\$8,631	\$8,869	\$9,112	\$9,363	\$9,620	\$9,885	\$10,157	\$10,436	\$10,723
Software M&S - TruePoint	\$42,500	\$44,145	\$45,854	\$47,115	\$48,410	\$49,741	\$51,108	\$52,513	\$53,956	\$55,440	\$56,964
Software M&S - Technology Unlimited	\$5,000	\$5,194	\$5,395	\$5,543	\$5,695	\$5,852	\$6,013	\$6,178	\$6,348	\$6,522	\$6,702
Software M&S - Sierra Workforce-Timesheet	\$4,250	\$4,415	\$4,585	\$4,711	\$4,841	\$4,974	\$5,111	\$5,251	\$5,396	\$5,544	\$5,696
Software M&S - Tredent-SAN Manager	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software M&S - Faranics-Powersaver	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software M&S - Netwix-Monitoring	\$60,000	\$62,323	\$64,735	\$66,515	\$68,343	\$70,222	\$72,152	\$74,136	\$76,174	\$78,268	\$80,419
Software M&S - VMware-Virtualization	\$12,500	\$12,984	\$13,486	\$13,857	\$14,238	\$14,630	\$15,032	\$15,445	\$15,870	\$16,306	\$16,754
Software M&S - iPrism-Web Filter	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software M&S - Quest-VMWare Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software M&S - Palitto Consulting (IVR)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software M&S - ESRI GIS Software	\$27,500	\$28,565	\$29,670	\$30,486	\$31,324	\$32,185	\$33,070	\$33,979	\$34,913	\$35,873	\$36,859
Software M&S - ESRI Drone2Map	\$3,000	\$3,116	\$3,237	\$3,326	\$3,417	\$3,511	\$3,608	\$3,707	\$3,809	\$3,913	\$4,021
Software M&S - Info360 (SCADA Watch)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software M&S - InfoWatch (Innovyze)	\$17,000	\$17,658	\$18,342	\$18,846	\$19,364	\$19,896	\$20,443	\$21,005	\$21,583	\$22,176	\$22,785
Software M&S - BAMBOO HR	\$12,000	\$12,465	\$12,947	\$13,303	\$13,669	\$14,044	\$14,430	\$14,827	\$15,235	\$15,654	\$16,084
Software M&S - Syncta Backflow	\$6,000	\$6,232	\$6,474	\$6,651	\$6,834	\$7,022	\$7,215	\$7,414	\$7,617	\$7,827	\$8,042
Software M&S - ProcureNow (OpenGov)	\$10,000	\$10,387	\$10,789	\$11,086	\$11,391	\$11,704	\$12,025	\$12,356	\$12,696	\$13,045	\$13,403
Software M&S - AutoDesk	\$15,000	\$15,581	\$16,184	\$16,629	\$17,086	\$17,555	\$18,038	\$18,534	\$19,043	\$19,567	\$20,105
Software M&S - Starik	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Software M&S - Dynamics GP	\$60,000	\$62,323	\$64,735	\$66,515	\$68,343	\$70,222	\$72,152	\$74,136	\$76,174	\$78,268	\$80,419
Software - Software and Upgrades	\$40,000	\$41,548	\$43,157	\$44,343	\$45,562	\$46,815	\$48,102	\$49,424	\$50,783	\$52,179	\$53,613
Salaries	\$1,171,500	\$1,226,561	\$1,284,209	\$1,344,567	\$1,407,761	\$1,473,926	\$1,543,201	\$1,615,731	\$1,691,670	\$1,771,179	\$1,854,424
Salaries - Departmental Overtime	\$7,000	\$7,329	\$7,673	\$8,034	\$8,412	\$8,807	\$9,221	\$9,654	\$10,108	\$10,583	\$11,081
Payroll Taxes	\$90,250	\$94,492	\$98,933	\$103,583	\$108,451	\$113,548	\$118,885	\$124,473	\$130,323	\$136,448	\$142,861
Health Insurance	\$223,250	\$232,627	\$242,397	\$252,577	\$263,186	\$274,240	\$285,758	\$297,759	\$310,265	\$323,296	\$336,875
PERS	\$127,250	\$133,231	\$139,493	\$146,049	\$152,913	\$160,100	\$167,625	\$175,503	\$183,752	\$192,388	\$201,430
Staff Travel	\$2,000	\$2,077	\$2,158	\$2,217	\$2,278	\$2,341	\$2,405	\$2,471	\$2,539	\$2,609	\$2,681
Staff Conferences & Seminars	\$3,000	\$3,116	\$3,237	\$3,326	\$3,417	\$3,511	\$3,608	\$3,707	\$3,809	\$3,913	\$4,021
Contracted Services - Assessor Data (Realquest)	\$10,500	\$10,906	\$11,329	\$11,640	\$11,960	\$12,289	\$12,627	\$12,974	\$13,330	\$13,697	\$14,073
Contracted Services - Credit Reporting Services	\$5,000	\$5,194	\$5,395	\$5,543	\$5,695	\$5,852	\$6,013	\$6,178	\$6,348	\$6,522	\$6,702
Contracted Services - AMR Services (Itron)	\$2,400	\$2,493	\$2,589	\$2,661	\$2,734	\$2,809	\$2,886	\$2,965	\$3,047	\$3,131	\$3,217
Contracted Services - NEMO-Q System	\$3,200	\$3,324	\$3,453	\$3,547	\$3,645	\$3,745	\$3,848	\$3,954	\$4,063	\$4,174	\$4,289
Mtce & Rep Office - Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Material & Supplies	\$5,000	\$5,194	\$5,395	\$5,543	\$5,695	\$5,852	\$6,013	\$6,178	\$6,348	\$6,522	\$6,702
Business Forms	\$1,000	\$1,039	\$1,079	\$1,109	\$1,139	\$1,170	\$1,203	\$1,236	\$1,270	\$1,304	\$1,340
Water Purchases	\$2,300,000	\$2,484,000	\$2,682,720	\$2,897,338	\$3,129,125	\$3,379,455	\$3,649,811	\$3,941,796	\$4,257,139	\$4,597,711	\$4,965,527
OAP Chrg (Prior Year)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Recovery	\$128,440	\$138,715	\$149,812	\$161,797	\$174,741	\$188,720	\$203,818	\$220,124	\$237,733	\$256,752	\$277,292
Water Quality (GAC Media)	\$564,224	\$592,435	\$622,057	\$653,160	\$685,818	\$720,109	\$756,114	\$793,920	\$833,616	\$875,297	\$919,062
Plant Expenditures	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000
Annual Sediment Removal	\$252,448	\$267,219	\$282,854	\$299,403	\$316,922	\$329,494	\$342,565	\$356,154	\$370,283	\$384,972	\$400,244

Capital Plan

Project	Total Cost	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029	CY 2030	CY 2031	CY 2032	CY 2033	CY 2034
PAYGO	\$28,022,000.00	\$3,022,000				\$1,500,000	\$2,000,000	\$2,500,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Palmdale Ditch Conversion	\$3,175,530.00		\$3,175,530	\$0	\$0	\$0						
Palmdale Ditch Conversion	\$8,403,325.65			\$8,403,326	\$0	\$0						
Palmdale Ditch Conversion	\$8,895,004.23			\$0	\$8,895,004	\$0						
Pure Water AV	\$61,841,321.26		\$61,841,321	\$0	\$0	\$0						
Pure Water AV	\$56,063,376.43		\$0	\$56,063,376	\$0	\$0						
Pure Water AV	\$53,369,610.31		\$0	\$0	\$53,369,610	\$0						
Pure Water AV	\$44,623,535.42		\$0	\$0	\$0	\$44,623,535						
New Well 37	\$6,523,003.11				\$6,523,003							

Debt Service

Description	Category	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029	CY 2030	CY 2031	CY 2032	CY 2033	CY 2034
Water Revenue Bonds - Series 2018A	Principal	\$275,000	\$290,000	\$305,000	\$320,000	\$335,000	\$350,000	\$370,000	\$390,000	\$405,000	\$425,000	\$440,000
Water Revenue Bonds - Series 2018A	Interest	\$545,794	\$532,044	\$517,544	\$502,294	\$486,294	\$469,544	\$452,044	\$433,544	\$414,044	\$393,794	\$380,513
2020 IPA	Principal	\$13,776	\$14,229	\$14,698	\$15,181	\$15,681	\$16,196	\$16,729	\$17,280	\$17,848	\$18,435	\$19,042
2020 IPA	Interest	\$294,105	\$293,652	\$293,183	\$292,700	\$292,200	\$291,684	\$291,152	\$290,601	\$290,033	\$289,446	\$288,839
2020 TX Bonds	Principal	\$170,000	\$170,000	\$170,000	\$175,000	\$180,000	\$180,000	\$185,000	\$3,070,000	\$3,150,000	\$3,240,000	\$3,335,000
2020 TX Bonds	Interest	\$386,290	\$384,305	\$381,894	\$378,870	\$375,476	\$371,299	\$366,851	\$362,002	\$279,695	\$192,094	\$98,749
Water Revenue Bonds - Series 2021A	Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Revenue Bonds - Series 2021A	Interest	\$299,725	\$299,725	\$299,725	\$299,725	\$299,725	\$299,725	\$299,725	\$299,725	\$299,725	\$299,725	\$299,725
2021 TX IPA	Principal	\$212,890	\$2,426,140	\$2,467,760	\$2,499,270	\$2,540,760	\$0	\$0	\$0	\$0	\$0	\$0
2021 TX IPA	Interest	\$155,246	\$151,989	\$114,869	\$77,112	\$38,874	\$0	\$0	\$0	\$0	\$0	\$0
2022 ISA	Principal	\$463,073	\$479,423	\$496,349	\$513,873	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2022 ISA	Interest	\$64,328	\$47,979	\$31,052	\$13,528	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Revenue Bonds - Series 2023A	Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Revenue Bonds - Series 2023A	Interest	\$997,743	\$984,075	\$984,075	\$984,075	\$984,075	\$984,075	\$984,075	\$984,075	\$984,075	\$984,075	\$984,075
Water Revenue Bonds - Series 2024A	Principal	\$0	\$0	\$0	\$0	\$0	\$1,275,000	\$1,335,000	\$0	\$0	\$0	\$0
Water Revenue Bonds - Series 2024A	Interest	\$395,201	\$942,200	\$942,200	\$942,200	\$942,200	\$942,200	\$878,450	\$811,700	\$811,700	\$811,700	\$811,700
2024 WIFIA Loan	Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2024 WIFIA Loan	Interest	\$0	\$0	\$354,822	\$709,643	\$709,643	\$709,643	\$709,643	\$709,643	\$709,643	\$709,643	\$709,643
Water Revenue Bonds - 2026	Principal	\$0	\$0	\$0	\$295,000	\$830,000	\$2,240,000	\$2,350,000	\$930,000	\$980,000	\$1,030,000	\$1,075,000
Water Revenue Bonds - 2026	Interest	\$0	\$0	\$3,927,458	\$4,284,500	\$4,269,750	\$4,228,250	\$4,116,250	\$3,998,750	\$3,952,250	\$3,903,250	\$3,851,750
2026 WIFIA Loan	Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2026 WIFIA Loan	Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$1,673,089	\$6,767,550	\$6,767,550	\$6,767,550	\$6,767,550

O&M Allocation

	Test Year 2025	Water Supply	Pumping	Storage	Transmission and Distribution	Meter and Services	Hydrants	Treatment	Meter Reading/Bill Collections	Conservation	Administrative and General	Total
O&M Expense												
Total	\$31,621,140	\$4,522,075	\$4,848,221	\$542,494	\$4,624,482	\$399,387	\$233,981	\$4,649,365	\$3,684,691	\$357,624	\$7,758,820	\$31,621,140
Percent		14%	15%	2%	15%	1%	1%	15%	12%	1%	25%	100%
Provision for Bad Debt	\$44,721	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Payroll Taxes	\$9,947	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Health Insurance	\$31,260	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Director's Travel, Seminars & Meetings	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Director's Expense Share - Mac Laren, Kathy	\$31,000	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Director's Expense Share - Wilson	\$31,000	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Director's Expense Share - Dino, Vincent	\$31,000	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Director's Expense Share - Dizmang	\$31,000	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Director's Expense Share - Kellerman	\$31,000	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Salaries	\$1,946,897	10%	10%	0%	10%	0%	0%	10%	10%	0%	50%	100%
Salaries - Departmental Overtime	\$5,235	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Payroll Taxes	\$151,553	10%	10%	0%	10%	0%	0%	10%	10%	0%	50%	100%
Health Insurance	\$210,745	10%	10%	0%	10%	0%	0%	10%	10%	0%	50%	100%
Pers	\$202,071	10%	10%	0%	10%	0%	0%	10%	10%	0%	50%	100%
Salaries-On-Call/Stand By Time	\$94,230	0%	30%	0%	20%	20%	10%	0%	20%	0%	0%	100%
Salaries-Public Relations Overtime	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
PERS-Unfunded Liability	\$1,087,876	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Worker's Compensation	\$240,810	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Vacation Benefit Expense	\$99,465	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Life Insurance/EAP	\$7,329	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Staff Travel	\$19,216	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
General Manager Travel	\$5,713	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Staff Conferences & Seminars	\$7,790	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
General Manager Conferences & Seminars	\$4,155	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Employee Expense	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Settlements	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Settlements - City of Palmdale	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Settlements - Mr. Hill's Contract	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Bank Charges	\$212,806	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Legal Services - Consultants	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Accounting Services	\$36,355	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Landscape Services	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Janitorial Services	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Elevator Services	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - GASB45 Actuarial	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%

Collection Related Fees	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Permits (Construction)	\$10,387	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
Postage	\$16,100	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Public Relations	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Public Relations - Publications	\$33,758	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Public Affairs - Marketing/Outreach	\$41,548	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Public Affairs - Drought Outreach	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Public Affairs - Advertising	\$4,155	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Public Affairs - Equipment	\$1,039	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Public Affairs - Conference/Seminar/Travel	\$4,155	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Public Affairs - Consultants	\$2,077	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Public Affairs - Memberships	\$1,558	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Public Relations - Other	\$1,039	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Advertising	\$1,039	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Office Supplies	\$28,565	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Office Furniture	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Other Operating	\$57,129	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Consultants	\$51,936	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Insurance	\$51,936	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Groundwater Adjudication - Legal	\$25,968	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Legal Services	\$181,774	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Memberships	\$164,116	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Elections	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Succession Planning	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Groundwater Adjudication - Pumping Assessment	\$51,381	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Computer Software - Info 360	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
100th Anniversary	\$100,000	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Salaries	\$1,634,367	10%	20%	10%	35%	5%	10%	10%	0%	0%	0%	10%	100%
Salaries - Departmental Overtime	\$16,752	0%	0%	0%	20%	0%	0%	0%	0%	0%	0%	80%	100%
Payroll Taxes	\$125,378	0%	20%	10%	45%	5%	10%	10%	0%	0%	0%	10%	100%
Health Insurance	\$259,458	0%	20%	10%	45%	5%	10%	10%	0%	0%	0%	10%	100%
PERS	\$163,856	0%	20%	10%	45%	5%	10%	10%	0%	0%	0%	10%	100%
Staff Travel	\$4,155	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Staff Conferences & Seminars	\$10,387	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Staff Training - Auto CAD Civil 3D	\$0	0%	0%	0%	90%	0%	0%	0%	0%	0%	0%	10%	100%
Contracted Services - GIS Services	\$0	0%	0%	0%	45%	30%	20%	0%	0%	0%	0%	5%	100%
Contracted Services - Reproduction	\$3,116	0%	0%	0%	45%	30%	20%	0%	0%	0%	0%	5%	100%
Contracted Services - Prod./Demand Database	\$0	20%	70%	0%	0%	0%	0%	0%	0%	0%	0%	10%	100%
Contracted Services - Plotter/Scanner	\$0	0%	0%	0%	90%	0%	0%	0%	0%	0%	0%	10%	100%
Contracted Services - Backflow Software	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services -	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Memberships/Subscriptions	\$7,271	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
General Materials & Supplies	\$7,790	0%	10%	5%	45%	10%	20%	5%	0%	0%	0%	5%	100%
Supplies - Plotter Paper/Toner	\$1,039	0%	0%	0%	45%	30%	20%	0%	0%	0%	0%	5%	100%
Supplies - Surveying Total Station	\$0	0%	10%	0%	90%	0%	0%	0%	0%	0%	0%	0%	100%
Supplies - GPS Plotting Tool (One Time Expense)	\$0	0%	10%	0%	90%	0%	0%	0%	0%	0%	0%	0%	100%
Supplies - Miscellaneous	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Inspection - Non Recovered	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Maintenance & Repair - Office Equipment	\$0	0%	10%	5%	45%	10%	20%	5%	0%	0%	0%	5%	100%
Computer Software - Maint. & Support	\$0	0%	10%	5%	45%	10%	20%	5%	0%	0%	0%	5%	100%
Computer Software - SCADAWatch	\$0	10%	55%	5%	0%	0%	0%	0%	0%	0%	0%	30%	100%
Salaries	\$2,773,503	5%	25%	4%	40%	5%	5%	10%	0%	0%	0%	6%	100%
Salaries - Departmental Overtime	\$157,050	0%	5%	0%	85%	0%	5%	5%	0%	0%	0%	0%	100%
Payroll Taxes	\$223,011	5%	25%	4%	40%	5%	5%	10%	0%	0%	0%	6%	100%
Health Insurance	\$581,436	5%	25%	4%	40%	5%	5%	10%	0%	0%	0%	6%	100%
PERS	\$237,669	5%	25%	4%	40%	5%	5%	10%	0%	0%	0%	6%	100%
Staff Travel	\$5,194	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Staff Conferences & Seminars	\$7,790	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Landscape Svcs (All Sites)	\$13,362	0%	25%	15%	0%	0%	0%	0%	0%	0%	0%	60%	100%
Contracted Services - Landscape Svcs (Wells)	\$57,129	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Contracted Services - Alarm Services	\$0	30%	0%	0%	0%	0%	0%	0%	0%	0%	0%	70%	100%
Contracted Services - Janitorial Services (All Sites)	\$49,858	0%	0%	0%	35%	0%	0%	20%	0%	0%	0%	45%	100%
Contracted Services - Pest Control Svcs (Contracted)	\$8,569	10%	35%	0%	0%	0%	0%	35%	0%	0%	0%	20%	100%
Contracted Services - Pest Control Svcs (Plm Dam)	\$6,492	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Contracted Services - Elevator Services	\$3,376	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - SCADA Software	\$0	0%	0%	0%	50%	0%	0%	40%	0%	0%	0%	10%	100%
Contracted Services - SCADA Hardware	\$0	5%	0%	0%	55%	0%	0%	40%	0%	0%	0%	0%	100%
Contracted Services - Seismic Valve Controllers	\$7,271	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Contracted Services - Annual Tank Service	\$129,839	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Contracted Services - Fire Extinguisher Servicing	\$3,635	0%	35%	0%	35%	0%	0%	20%	5%	0%	0%	5%	100%
Contracted Services - Firetide Radio	\$0	5%	0%	0%	55%	0%	0%	40%	0%	0%	0%	0%	100%
Contracted Services - Clearscada	\$0	5%	0%	0%	55%	0%	0%	40%	0%	0%	0%	0%	100%
Contracted Services - Fenway	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Fuel Serve	\$3,635	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Miscellaneous	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Permits (District Facilities including Dam)	\$72,710	30%	50%	0%	20%	0%	0%	0%	0%	0%	0%	0%	100%
Natural Gas - Wells & Boosters	\$539,226	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Natural Gas - Buildings	\$16,716	0%	0%	0%	30%	0%	0%	0%	0%	0%	0%	70%	100%
Electricity - Wells & Boosters	\$2,156,902	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Electricity - Buildings	\$115,195	0%	0%	0%	30%	0%	0%	0%	0%	0%	0%	70%	100%
Maint. & Repair - Vehicles	\$40,223	2%	15%	4%	40%	5%	7%	14%	3%	5%	0%	5%	100%
Maint. & Rep. Operations - Office Building	\$13,231	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Maint. & Rep. Office - Equipment	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Maint. & Rep. Operations - Two-way Radios	\$1,588	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Maint. & Rep. Operations - Equipment	\$10,585	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
Maint. & Rep. Operations - Wells	\$111,144	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Maint. & Rep. Operations - Boosters	\$89,973	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Maint. & Rep. Operations - Shop Bldgs	\$5,293	0%	15%	0%	70%	0%	0%	10%	0%	0%	0%	5%	100%
Maint. & Rep. Operations - Facilities	\$52,926	55%	35%	5%	0%	0%	0%	0%	0%	0%	0%	5%	100%
Maint. & Rep. Operations - Water Lines	\$317,553	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
Maint. & Rep. Operations - Littlerock Dam	\$26,295	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Maint. & Rep. Operations - Palmdale Dam	\$0	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Maint. & Rep. Operations - Palmdale Canal	\$8,997	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%

Maint. & Rep. Operations - Large Meters	\$3,457	0%	0%	0%	0%	100%	0%	0%	0%	0%	0%	100%
Maint. & Rep. Operations - Telemetry	\$0	5%	0%	0%	55%	0%	0%	40%	0%	0%	0%	100%
Maint. & Rep. Operations - Hypo Generators	\$10,585	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Maint. & Rep. Operations - Heavy Equipment	\$50,279	10%	10%	0%	80%	0%	0%	0%	0%	0%	0%	100%
Maint. & Rep. Operations - Storage Reservoirs	\$10,585	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
Maint. & Rep. Operations - Fire Hydrants	\$0	0%	0%	0%	0%	0%	100%	0%	0%	0%	0%	100%
Maint. & Rep. Operations - Air Vacs	\$6,086	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
Maint. & Rep. Operations - Meter Exchanges	\$37,048	0%	0%	0%	0%	100%	0%	0%	0%	0%	0%	100%
Materials - Hot Tapping	\$0	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
Telecommunication - Other	\$0	3%	15%	4%	40%	5%	5%	7%	9%	2%	10%	100%
Testing - Regulatory Compliance	\$12,984	50%	20%	0%	30%	0%	0%	0%	0%	0%	0%	100%
Testing - Large Meter Testing	\$14,542	0%	0%	0%	0%	100%	0%	0%	0%	0%	0%	100%
Testing - Edison Testing	\$11,880	50%	50%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Service Costs Construction	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Groundwater Adjudication - Pumping Assessment	\$0	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Waste Disposal	\$18,873	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
Fuel - Gas and Diesel	\$224,820	5%	16%	4%	30%	5%	5%	7%	15%	3%	10%	100%
Lubricates District Wide	\$29,680	45%	45%	0%	0%	0%	0%	10%	0%	0%	0%	100%
Uniforms	\$35,316	0%	15%	0%	65%	0%	0%	0%	15%	5%	0%	100%
Supplies	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Supplies - General	\$60,245	25%	25%	0%	50%	0%	0%	0%	0%	0%	0%	100%
Supplies - Hypo Generators	\$0	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Supplies - Electrical	\$2,597	30%	40%	0%	20%	0%	0%	10%	0%	0%	0%	100%
Supplies - Telemetry	\$0	5%	0%	0%	55%	0%	0%	40%	0%	0%	0%	100%
Supplies - Construction Materials	\$28,824	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
Tools	\$0	4%	15%	4%	40%	5%	5%	4%	10%	3%	10%	100%
Tools - Facilities	\$31,161	4%	15%	4%	40%	5%	5%	4%	10%	3%	10%	100%
Tools - Vehicles	\$8,310	4%	15%	4%	40%	5%	5%	4%	10%	3%	10%	100%
Equipment - Firetide Radios	\$0	2%	15%	4%	40%	5%	5%	7%	9%	3%	10%	100%
Equipment - GF Signet Flow Meters	\$0	60%	40%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Equipment - SCADA Workstations	\$0	5%	0%	0%	55%	0%	0%	40%	0%	0%	0%	100%
Equipment - Compound Meters	\$0	0%	0%	0%	0%	100%	0%	0%	0%	0%	0%	100%
Leases - Equipment	\$1,246	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
Leases - Fleet	\$166,194	2%	15%	4%	40%	5%	5%	7%	14%	3%	5%	100%
Lease Interest Expense (GASB 87)	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Salaries	\$1,435,961	20%	0%	0%	20%	0%	0%	60%	0%	0%	0%	100%
Salaries - Departmental Overtime	\$104,700	0%	0%	0%	20%	0%	0%	80%	0%	0%	0%	100%
Payroll Taxes	\$125,117	20%	0%	0%	20%	0%	0%	60%	0%	0%	0%	100%
Health Insurance	\$237,576	20%	0%	0%	20%	0%	0%	60%	0%	0%	0%	100%
PERS	\$156,003	20%	0%	0%	20%	0%	0%	60%	0%	0%	0%	100%
Staff Travel	\$3,428	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Staff Conferences & Seminars	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Training - Lab Equipment	\$3,428	20%	0%	0%	20%	0%	0%	60%	0%	0%	0%	100%
Training - SCADA Network Equipment	\$0	0%	0%	0%	20%	0%	0%	80%	0%	0%	0%	100%
Contracted Services	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Landscape Services	\$3,843	70%	0%	0%	0%	0%	0%	30%	0%	0%	0%	100%
Contracted Services - Alarm Services	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Janitorial Services	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Pest Control Services	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Wind Turbine Services	\$0	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Contracted Services - CMMS Software	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - SCADA Software	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Lab Software	\$8,250	20%	0%	0%	20%	0%	0%	60%	0%	0%	0%	100%
Contracted Services - Lab Equipment Services	\$22,472	0%	0%	0%	30%	0%	0%	70%	0%	0%	0%	100%
Contracted Services - Water Quality Svcs (SolarBee)	\$50,772	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Contracted Services - SCADA Hardware	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Seismic Valve Controllers	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Miscellaneous	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Permits (WTP Facilities Inclusive)	\$109	20%	0%	0%	20%	0%	0%	60%	0%	0%	0%	100%
Natural Gas - Wells & Boosters	\$3,235	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Natural Gas - Water Treatment Plant	\$0	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Electricity - Wells & Boosters	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Electricity - Water Treatment Plant	\$458,342	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Maint. & Rep. Office - Equipment	\$6,139	0%	0%	0%	30%	0%	0%	70%	0%	0%	0%	100%
Maint. & Rep. Operations - Equipment	\$42,340	0%	0%	0%	30%	0%	0%	70%	0%	0%	0%	100%
Maint. & Rep. Operations - Shop Bldgs	\$7,410	10%	0%	0%	25%	0%	0%	65%	0%	0%	0%	100%
Maint. & Rep. Operations - Facilities	\$86,798	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Maint. & Rep. Operations - Telemetry	\$0	0%	0%	0%	20%	0%	0%	80%	0%	0%	0%	100%
Maint. & Rep. Operations - Hypo Generators	\$0	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Maint. & Repair - Wind Turbine	\$0	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Palmdale Lake Management	\$209,400	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
General Material & Supplies	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Telecommunication - Other	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Testing - Edison Testing	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Emergency Repair & Recovery	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Filter Media Testing/Inspection	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
EPA / Regulatory Compliance	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Waste Disposal	\$53,923	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Uniforms	\$16,199	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Supplies - General	\$31,161	0%	0%	0%	20%	0%	0%	80%	0%	0%	0%	100%
Supplies - Hypo Generators	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Supplies - Electrical	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Supplies - Telemetry	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Supplies - Lab	\$89,437	20%	0%	0%	20%	0%	0%	60%	0%	0%	0%	100%
Outside Lab Work	\$88,760	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Tools	\$6,646	0%	0%	0%	20%	0%	0%	80%	0%	0%	0%	100%
Chemicals	\$1,240,219	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Leases - Equipment	\$0	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Salaries	\$1,172,640	0%	0%	0%	0%	0%	0%	0%	40%	0%	60%	100%
Salaries - Departmental Overtime	\$6,282	0%	0%	0%	0%	0%	0%	0%	40%	0%	60%	100%
Payroll Taxes	\$89,257	0%	0%	0%	0%	0%	0%	0%	40%	0%	60%	100%
Health Insurance	\$219,862	0%	0%	0%	0%	0%	0%	0%	40%	0%	60%	100%
PERS	\$127,996	0%	0%	0%	0%	0%	0%	0%	40%	0%	60%	100%
Staff Travel	\$3,116	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Staff Conferences & Seminars	\$2,597	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Infosend	\$337,581	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Contracted Services - Infosend Drought Related	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - AdComp	\$4,415	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Assessor Data (Realquest)	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%

Contracted Services - Credit Reporting Services	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - AMR Services (Itron)	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Letter Extractor (DPEX)	\$3,635	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Contracted Services - GASB Actuarial Reports	\$14,023	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Payroll/HR	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Memberships/Subscriptions	\$519	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Office Furniture	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Natural Gas - Office Building	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Electricity - Office Building	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Maintenance & Repair - Office Building	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Maintenance & Repair - Office Equipment	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Maint. & Rep. Operations - Large Meters	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Maint. & Rep. Operations - Meter Exchanges	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
General Material & Supplies	\$1,558	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Business Forms	\$1,558	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Telecommunication - Office	\$67,516	0%	10%	0%	10%	0%	0%	10%	40%	0%	30%	100%
Telecommunication - Cellular Stipend	\$20,774	0%	10%	0%	10%	0%	0%	10%	40%	0%	30%	100%
Telecommunication - Cellular (District On-Call)	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Testing - Meter Testing	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Testing - Large Meter Testing	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Supplies	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Leases - Equipment	\$3,116	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Salaries	\$214,897	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Salaries - Departmental Overtime	\$10,994	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Payroll Taxes	\$17,537	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Health Insurance	\$46,109	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
PERS	\$26,960	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Staff Travel	\$2,077	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Staff Conferences & Seminars	\$1,558	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Public Relations - Landscape Workshop/Training	\$6,232	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Public Relations - Contests	\$1,039	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Public Relations - Education Programs	\$4,155	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Public Relations - General Media (Public Outreach)	\$0	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Public Relations - Other	\$831	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Drought Enforcement Expense	\$0	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Supplies - General	\$9,348	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
Salaries	\$397,860	0%	0%	0%	20%	0%	0%	0%	0%	0%	80%	100%
Salaries - Departmental Overtime	\$5,497	0%	0%	0%	20%	0%	0%	0%	0%	0%	80%	100%
Salaries - Intern Program	\$56,538	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Payroll Taxes	\$36,122	0%	0%	0%	20%	0%	0%	0%	0%	0%	80%	100%
Health Insurance	\$56,500	0%	0%	0%	20%	0%	0%	0%	0%	0%	80%	100%
Pers	\$35,860	0%	0%	0%	20%	0%	0%	0%	0%	0%	80%	100%
Staff Travel	\$1,558	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Staff Conferences & Seminars	\$5,194	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Employee Expense	\$83,760	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Succession Planning	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Temporary Staffing	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Employee Recruitment	\$10,387	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Employee Retention	\$3,116	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Employee Relations	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Consultants	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Training - Safety	\$16,619	0%	0%	0%	50%	0%	0%	20%	20%	0%	10%	100%
Training - Specialty	\$10,387	0%	0%	0%	50%	0%	0%	20%	20%	0%	10%	100%
Safety/HR Program	\$1,039	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Memberships/Subscriptions	\$1,298	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
HR/Safety Publications	\$1,039	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Office Furniture	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Supplies - Safety	\$35,835	0%	0%	0%	50%	0%	0%	20%	20%	0%	10%	100%
Salaries	\$774,780	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Salaries - Departmental Overtime	\$10,470	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Payroll Taxes	\$64,914	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Health Insurance	\$114,620	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
PERS	\$99,465	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Staff Travel	\$3,116	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Staff Conferences & Seminars	\$7,790	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Contracted Services - Computer Vendors	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - SCADA Software	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - SCADA Hardware	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Clearscada	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Cloud Services-MS-Office 360	\$41,548	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-MS-Project	\$0	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-MS-Visio	\$0	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-Adobe-Creative Suite	\$14,282	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-SeamlessDocs	\$7,790	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-IPSwitch-Moveit	\$10,906	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-GFI Fax	\$2,337	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-KnowBe4-Security Awareness	\$4,934	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-Network Solutions-DNS, Web Registrat	\$3,635	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-IBM-MaaS 360	\$6,492	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-MSP Portal-Bit Defender	\$5,552	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-Akins-Wifi	\$0	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-FleetMate	\$545	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-Security Metrics-PCI Compliance	\$4,796	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services-Citrix	\$2,089	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Cloud Services - Azure Services	\$41,548	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Offsite Services	\$7,531	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Contracted Services - Printer Services	\$4,155	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Contracted Services - Website Design Services	\$5,194	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Contracted Services - Telephony Services	\$1,558	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Contracted Services - TDS (Network & Software Suppo	\$42,587	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - Network Services	\$0	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Contracted Services - Hardware Warranties	\$0	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Contracted Services - Access Control	\$88,290	0%	10%	0%	30%	0%	0%	10%	30%	0%	20%	100%
Contracted Services - LA County Dataset	\$260	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - ESRI Customer Care	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - SCADA Software	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - SCADA Hardware	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Contracted Services - ClearSCADA	\$20,774	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Memberships/Subscriptions	\$2,597	0%	0%	0%	30%	0%	0%	10%	30%	0%	20%	100%

Maintenance & Repair - Computer	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Maintenance & Repair - Telemetry	\$3,635	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Telecommunication - Office Phone	\$21,813	0%	0%	0%	0%	0%	0%	0%	0%	40%	0%	60%	100%
Telecommunication - Office Backbone	\$22,852	0%	0%	0%	0%	0%	0%	0%	0%	40%	0%	60%	100%
Telecommunication - WTP Backbone	\$15,061	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Telecommunication - Cellular (Data & On-Call)	\$75,306	0%	10%	0%	10%	0%	0%	0%	0%	60%	0%	20%	100%
Telecommunication - Other	\$20,774	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Supplies - Telemetry	\$5,194	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Equipment - GF Signet Flow Meters	\$0	0%	10%	0%	10%	0%	0%	0%	0%	60%	0%	20%	100%
Leases - Equipment (Printers)	\$58,687	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Computer Equipment - Computers	\$47,261	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Computer Equipment - Mobility	\$46,742	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Computer Equipment - Monitors	\$10,387	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Computer Equipment - Printers	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Computer Equipment - Printer Supplies	\$2,597	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Computer Equipment - Telephony	\$2,597	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Computer Equipment - Other	\$18,177	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Computer Equipment - Warranty and Support	\$18,177	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software - Maint. and Support	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Software M&S - Xtelesis-Phone	\$9,868	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S - Tredent-Appassure	\$12,465	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- ConduSive/V-locity-Diskeeper	\$6,752	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- FWI	\$519	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- Strategy 7	\$0	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- Astria Solutions-Docstar	\$15,581	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- NemoQ-Ticketing	\$0	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- FMT-Management Reporter	\$0	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- Neogov	\$8,310	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- TruePoint	\$44,145	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- Technology Unlimited	\$5,194	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- Sierra Workforce-Timesheet	\$4,415	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- Tredent-SAN Manager	\$0	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- Faranics-Powersaver	\$0	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- Netwrix-Monitoring	\$62,323	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- VMWare-Virtualization	\$12,984	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- iPrism-Web Filter	\$0	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S- Quest-VMWare Recovery	\$0	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software M&S - Palitto Consulting (IVR)	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Software M&S - ESRI GIS Software	\$28,565	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Software M&S - ESRI Drone2Map	\$3,116	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Software M&S - Info360 (SCADA Watch)	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Software M&S - InfoWatch (Innovyze)	\$17,658	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Software M&S - BAMBOO HR	\$12,465	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Software M&S - Syncta Backflow	\$6,232	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Software M&S - ProcureNow (OpenGov)	\$10,387	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Software M&S - AutoDesk	\$15,581	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Software M&S - Starnik	\$0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Software M&S- Dynamics GP	\$62,323	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Software - Software and Upgrades	\$41,548	0%	10%	0%	30%	0%	0%	0%	10%	30%	0%	20%	100%
Salaries	\$1,226,561	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Salaries - Departmental Overtime	\$7,329	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Payroll Taxes	\$94,492	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Health Insurance	\$232,627	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
PERS	\$133,231	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Staff Travel	\$2,077	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Staff Conferences & Seminars	\$3,116	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Contracted Services - Assessor Data (Realquest)	\$10,906	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Contracted Services - Credit Reporting Services	\$5,194	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Contracted Services - AMR Services (Itron)	\$2,493	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Contracted Services - NEMO-Q System	\$3,324	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Mtce & Rep Office - Equipment	\$0	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
General Material & Supplies	\$5,194	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Business Forms	\$1,039	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	100%
Water Purchases	\$2,484,000	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
OAP Chrg (Prior Year)	\$0	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Water Recovery	\$138,715	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Water Quality (GAC Media)	\$592,435	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
Plant Expenditures	\$350,000	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Annual Sediment Removal	\$267,219	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%

Asset Allocation

	Test Year 2025	Water Supply	Pumping	Storage	Transmission and Distribution	Meter and Services	Hydrants	Treatment	Meter Reading/Bill Collections	Conservation	Administrative and General	Total
Total	\$94,583,620	\$7,189,513	\$367,400	\$10,190,313	\$14,400,684	\$10,303	\$0	\$47,650,457	\$0	\$1,875,095	\$12,899,853	\$94,583,620
Percent		8%	0%	11%	15%	0%	0%	50%	0%	2%	14%	100%
522-87 Design/Construct WTP	\$2,200,624.97	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
501-91New Office Bldg Spec 9	\$874,245.73	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
501-93 Littlerock Dam Deprecat	\$8,372,986.66	50%	0%	50%	0%	0%	0%	0%	0%	0%	0%	100%
510-90 Littlerock Dam Shared C	\$523,614.45	50%	0%	50%	0%	0%	0%	0%	0%	0%	0%	100%
SPEC NO. 9503	\$4,340.01	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
633-96 Repl. Water Mains Ave	\$23,505.55	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
634-97 Repl. Water Main	\$18,510.09	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
630-97 Well	\$0.00	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
639-96 Repl. Water Main Palm	\$12,182.35	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
634-96 Repl. Water Mains Pal	\$6,830.42	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%

628-97 Design & Construct Carb	\$16,111.15	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
639-97 Repl. Water Mains	\$38,537.82	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
640-97 Repl. Water Main 6th	\$37,535.83	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
SPEC 0001/REPLACE WATER MAIN	\$28,885.75	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
617-99 Repl. Water Mains Ave	\$64,577.79	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
619-99 Repl. Water Main N/S	\$36,718.06	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
509-93 Design & Construct 34	\$85,274.29	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
500-96 Design & Const. Clearwe	\$950,496.19	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
616-99 WATERMAIN REPLACE PROJ	\$68,991.65	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
6000 Watt Emergency Generator	\$5,873.91	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Solar Bee Circulation Pumps	\$189,385.50	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
623-01 Repl. Water Mains 8th	\$133,213.08	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
608-01 COMBINATION DRIVE ENGIN	\$143,920.92	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
611-01 ELECTRIC GENERATOR	\$390,447.25	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
604-02 NEW SIEMIC RECORDER	\$0.00	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
613-02 SOLAR PHOTOVOLTIC	\$72,716.79	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
610-00 REPLACE HILLTOP TANK	\$53,733.73	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
504-01	\$555,239.83	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
500-02 Const	\$1,258,934.44	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
603-02 MODIFY 3MG TANK AVE S	\$85,563.84	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
611-02 Water Main Replacement	\$30,641.16	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
615-02 Installation of Wind T	\$425,754.79	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
603-03 Water Main Replacement	\$219,134.73	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
606-04 Salt Silos at 5 Well S	\$53,510.66	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
606-06 Water Main Replacement	\$4,448.36	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
610-03 SEISMIC TANK VALVES 47T	\$28,103.39	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
611-03 SALT SILO INSTALLATION	\$193,572.49	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
610-07 5M BSTR/SOUTH ST RESERVO	\$26,023.37	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
WELL	\$103,288.50	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
604-05 Repl 4" Water Main 42nd	\$21,105.61	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
605-06 Remodel Old Office Bldg	\$211,575.63	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
616-07 New Water Main Lakevi	\$430,245.79	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
604-03 Water Main Replacement	\$744,021.00	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
605-03	\$1,003.25	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Well #7 Rehab/New Pump	\$8,945.60	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Well #6 Pump/Rebuild Bowls	\$1,101.62	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Well #10 Rehab New Pump/Column	\$3,846.76	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Tank Recoating Various Sites (	\$15,145.31	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
500-05 Well	\$466,397.26	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
502-01 4 M.G. Reservoir (2850)	\$5,042,180.24	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
601-04 WTP Improvements (Phase	\$12,094,926.85	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
602-06 Replacement Water Main	\$774,316.50	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
602-08 Roundabout Pipeline Rel	\$16,524.81	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
611-07 Sodium Hypochlorite Gen	\$21,004.38	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
612-07 SCADA Tower Upgrades	\$704.56	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
613-07 Landscape Renovation	\$809.20	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
616-02 Replacement Water Main	\$71,836.42	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
617-07 Well	\$0.00	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
611-05 WTP Improvements (Phase	\$33,304,137.83	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
614-07 Traveling Screen @ Aque	\$82,867.72	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
NEMOQ Lobby Ticketing System	\$0.00	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
607-01 Energy Recovery System	\$1,875,095.05	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	100%
609-03 Altitude Valve for 3900	\$90,693.24	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
2010 420E CAT Backhoe w/BHL Thum	\$12,508.06	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Tank Recoating Various Sites (	\$48,732.50	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
10 O&M PRO-02 WTP NEW ROOF	\$5,055.37	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
600-05 Energy Bridge Project	\$438,943.01	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
603-08 Water Main Replacement	\$487,597.90	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
603-09 Emergency Waterline Rep	\$115,092.54	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
604-09 PRV Station 32nd ST E	\$4,306.04	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
607-09 Compound Meter Thousa	\$10,303.14	0%	0%	0%	0%	100%	0%	0%	0%	0%	0%	100%
10 AR NB-01 5M Booster Pump Up	\$3,948.81	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
10 O&M NCP-01 GAC Influent Lin	\$9,711.84	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
10 WQ PRO-08 Chemical Feeders	\$4,538.04	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
10 AR PRO-09 Filter Bay Piping	\$6,618.50	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Tank Recoating Various Sites (	\$85,131.84	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
601-05 Palmdale Ditch Enclosur	\$2,178,157.22	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
601-08 Water Main Replacement	\$630,430.71	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
606-08 Water Main Replacement	\$844,483.32	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
602-10 Water Main Replacement	\$710,505.32	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
604-10 4" DIP Connection Line in	\$104,424.87	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
605-10 Relocation of Svc Lateral	\$21,110.21	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
608-09 Water Main Replacement	\$259,639.05	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
10 AR PRO-12 Super Scraper Upgra	\$10,988.71	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
606-09 Water Main Replacement	\$95,151.55	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
Tank Recoating Various Sites (	\$118,252.69	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
CAP12WS RCP25 Well 3 Rehabilit	\$57,131.22	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
CAP12WS RCP26 Well	\$31,696.36	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
10AR RCP20 Well	\$42,965.69	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
12RCP NB01 Camares PRV Station	\$4,464.24	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
605-08 Well	\$345,542.48	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
604-11 Water Main Replacement	\$137,158.52	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
500-11 AVEK Intertie	\$89,439.83	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
608-11 Water Main Replacement	\$249,852.71	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
600-11 Water Main Replacement	\$1,027,875.06	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
602-09 Water Main Replacement	\$51,827.42	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
607-08 Water Main Replacement	\$1,109,435.66	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
602-12 Water Main Replacement	\$132,706.35	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
600-12 3600' Replacement Tank	\$239,145.94	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	100%
600-09 Water Main Replacement	\$447,932.53	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
2000 Sterling Acterra Dump Truck	\$37,410.11	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
602-11 Water Main Replacement	\$273,524.78	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
Dionex ICS-2100 IC System w/Auto	\$1,707.93	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%

603-12 Water Main Replacement	\$853,973.14	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
601-11 GAC Vessels @ El Camino	\$320,476.41	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
11WS RCP23 Well	\$198,727.06	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
601-14 Well	\$53,971.86	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
2005 Ford F750 Dump Truck	\$29,477.23	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
606-11 Water Main Replacement lo	\$1,648,007.80	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
601-09 Water Main Replacement	\$965,931.22	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
2015 Ford F250 Truck w/ Utility	\$8,846.72	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
2015 Ford F250 Truck w/ Utility	\$8,045.27	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
2015 Ford F250 Truck w/ Utility	\$8,045.27	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
2015 Ford F250 Truck w/ Utility	\$8,045.27	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
2015 Ford F650 Truck w/Crane Bod	\$72,408.97	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Vibralign Fixturilaser EVO Syst	\$4,707.16	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
13AR PRO19 NaOCl Rack	\$0.00	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
605-11 Repl Booster 45th ST	\$2,573.80	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
12-607 Spec	\$1,789,547.06	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
2016 Dodge Durango	\$13,934.07	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
2015 Ford F550 Truck w/Valve Tur	\$89,633.99	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Asphalt Zipper Machine (Used-BV	\$2,482.19	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
12-605 Spec	\$1,627,721.40	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
15-602 Salt Silos-Wells	\$106,868.55	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
15-605 45th ST Booster NaOCl G	\$39,050.83	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
Agilent 7890B Gas Chromatograph/	\$73,094.64	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
2017 Capital Lease Purchase	\$537,056.20	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
2012 CAT	\$11,659.14	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
13-600 Well 32 Pump Failure/Re	\$26,574.71	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
15-600 Well 7A Electrical Tran	\$16,294.96	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
15-603 Well	\$53,630.45	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
15-607 HVAC Unit @ WTP Lab Off	\$6,642.16	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
15-608 Well	\$53,129.72	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
15-610 Design/Construction NOB	\$105,227.32	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
15-616 Well 30 Inspection/Reha	\$61,214.86	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
16-606 Well 3 Failed Motor Rep	\$42,877.42	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
16-610 Well	\$15,688.89	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
15-615 Well	\$260,214.46	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
16-604 Well	\$20,039.14	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
17-605 Wind Turbine Generator	\$66,864.93	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
16-600 Well	\$52,434.94	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
17-603 WTP Control Room Remode	\$66,411.13	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
17-606 Electric Vehicle Chargin	\$48,363.01	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
12-604 Spec	\$425,538.93	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
15-601 Well 3A Gen/Engine Emis	\$61,943.17	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
15-606 Well	\$8,255.41	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
16-609 Boardroom Video System	\$29,278.10	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
16-612 Well 8A Rehab & Replace	\$139,251.08	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
17-607 Repl PRV Lakeview/El	\$7,267.17	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	100%
12-609 Spec	\$89,352.54	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
15-612 Spec	\$409,673.26	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
16-601 Solar PV Invertor Repla	\$17,138.17	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
17-601 Well	\$95,454.00	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
17-604 BO Installation Plm Blv	\$7,239.98	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
2018 CAT 420F2 Backhoe VIN: OH	\$109,440.40	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
CAT Model SSL BP118C Broom Picku	\$4,273.20	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
16-607 Clearwell Booster #2 &	\$133,597.02	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
18-602 Well 7 Rehabilitatio	\$310,444.88	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
17-611 Well 6 Rehabilitation	\$74,411.21	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
17-610 WTP 30" Effluent Meter	\$50,767.65	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	100%
18-604 Well 35 Rehabilitation	\$56,437.52	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
18-607 Well	\$82,554.33	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%



**PALMDALE WATER DISTRICT
RESOLUTION NO. 24-12**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
PALMDALE WATER DISTRICT ADOPTING A WATER RATE
ADJUSTMENT OF 11% FOR EACH CALENDAR YEAR 2025 AND 2026,
9% FOR EACH CALENDAR YEAR 2027 AND 2028, AND 8% FOR CALENDAR YEAR
2029, AMENDING APPENDIX C TO THE RULES AND REGULATIONS OF THE
PALMDALE WATER DISTRICT, AND ESTABLISHING PRUDENT PARAMETERS
TO CONSIDER FUTURE WATER RATE ADJUSTMENT REDUCTIONS**

WHEREAS, the Palmdale Water District (the "District") is authorized to collect charges and set rates for water service pursuant to the Irrigation District Law, codified at Division 11 of the Water Code, specifically at Sections 22280 through 22284; and

WHEREAS, the Board of Directors of the Palmdale Water District has developed and adopted several water supply and infrastructure plans outlining long range water supply projects to meet the water supply needs of the community's growing population and the future growth of Palmdale, and long-range financial planning to finance these projects is required; and

WHEREAS, the Board of Directors of Palmdale Water District unanimously adopted an updated Strategic Plan in 2022, which includes, among others, Initiative 4 — Financial Health and Stability that has a goal to conduct and adopt a 2024 five-year Water Rate Plan; and

WHEREAS, District staff has searched, and will continue to search, for cost saving measures including the active pursuit of grant funding; and

WHEREAS, the Board of Directors of the Palmdale Water District previously approved a 5-Year Water Rate Plan on October 28, 2019 authorizing annual water rate adjustments up to 8.1% through calendar year 2024; and

WHEREAS, the Board of Directors of the Palmdale Water District now desires to meet the Strategic goal of sustainable and balanced water rates by providing customers predictable and stable water rate adjustments for each calendar year 2025, 2026, 2027, 2028, and 2029 to ensure adequate funds to meet current and future water demands; to continue to maintain the Rate Assistance Program, the Internship Program, and water use efficiency Rebate Programs; to continue to provide high quality water through innovative treatment technologies; and to construct long range water supply projects, including the Pure Water Antelope Valley Advanced Water Treatment Project and the necessary removal of sediment from Littlerock Reservoir to maintain water storage capacity; and

WHEREAS, the benefits of the Pure Water Antelope Valley Advanced Water Treatment Project include meeting the water supply needs of the community's growing population and the water supplies required for growth within the City of Palmdale; utilizing local recycled water; diversifying the District's water supply portfolio; maximizing the State Water Project supply and additional State Water Project supplies acquired through water transfer options; preparing to meet water supply needs during a natural disaster; reducing the impact to the District and to its customers from groundwater adjudication and droughts; and being the most cost effective long-term water supply strategy, which can potentially reduce future water rate adjustments; and

WHEREAS, the benefits of the Littlerock Reservoir Sediment Removal Project include maximizing the water supply from Littlerock Reservoir; maintaining this critical and cost-effective water resource; diversifying the District's water supply portfolio; and preserving a recreational opportunity for the residents of Palmdale and the Antelope Valley; and

WHEREAS, the Board of Directors desires to create clear parameters to monitor and assess the District's financial position for District staff to evaluate and report on; and

WHEREAS, these parameters will be assessed and reported on annually, along with proposed projects and expenditures, to the Board of Directors during annual budget discussions for each calendar year 2025 through 2029; and

WHEREAS, if circumstances allow a water rate reduction in the future, said reduction will be presented to the Board of Directors for consideration, provided that the adjusted revenues will be sufficient to meet all District operations, expenses, projects, and current and future water demands; and

WHEREAS, the adoption of this resolution is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273 because the resolution pertains to the adoption of charges necessary to maintain services within the District's existing service area.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Palmdale Water District as follows:

Section 1. The Board of Directors of the District does hereby:

- 1) Approve a water revenue adjustment of 11% for each calendar year 2025 and 2026, 9% for each calendar year 2027 and 2028, and 8% for calendar year 2029, effective January 1, 2025 (collectively, "Adjustments").
- 2) Revise Appendix "C" of the Palmdale Water District's Rules and Regulations, attached as part of this Resolution, to reflect the Adjustments.
- 3) Direct District staff to continue researching cost-saving measures, including grants, to help reduce approved revenue increases in the 2024 Water Rate Plan.
- 4) Direct District staff to assess and report on the following parameters using actuals through August 31st and projecting through December 31st of each year as part of the annual budget process for the subject years. A "Yes" answer from the District staff analysis for any four (4) parameters will allow for the consideration of a reduced water rate adjustment, provided the reduced water rate adjustment continues to satisfy the same "Yes" parameters:
 - a. Do the District's projected reserves at the end of each year in 2025-2029 meet or exceed the target reserve level of \$39,436,945, as stated in the 2024 Water Rate Plan for the end of calendar year 2029?
 - b. Are projects funded at a level that is equal to the year's depreciation while maintaining the reserve levels for each year in 2025-2029, as presented in the 2024 Water Rate Plan?

- c. Has an annual Rate Stabilization Fund contribution been made, as shown in the 2024 Water Rate Plan?
- d. Is the projected Debt Coverage Ratio for the subject year and each of the remaining years adequate to meet current and proposed bond covenants?
- e. Has the District’s bond rating been re-evaluated to and maintained at AA or higher by either Standard & Poor’s or Fitch rating agencies, which are currently A- Stable and A+, respectively?
- f. Does the proposed water rate adjustment change from the 2024 Water Rate Plan meet the minimum water rate adjustment required by the WIFIA loan agreement approved by the Board and signed on June 17, 2024? The required minimum water rate adjustment as set forth by the Environmental Protection Agency (EPA) is 9.3% in 2025, 9.0% in 2026, 8.5% in 2027, and 8.5% in 2028. The EPA did not set a minimum rate for 2029.

Section 2. If any provision in this Resolution, or the application thereof to any person or circumstances, is for any reason held invalid, the validity of the remainder of this Resolution, or the application of such provisions to other persons or circumstances shall not be affected thereby. The Board of Directors hereby declares that it would have passed this Resolution, and each provision thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.

Section 3. This Resolution shall become effective upon the date of adoption as set forth herein.

PASSED AND ADOPTED this 4th day of November, 2024 by the Board of Directors, the governing body of the Palmdale Water District.

PALMDALE WATER DISTRICT

KATHY MAC LAREN-GOMEZ, President

ATTEST:

VINCENT DINO, Secretary

APPROVED AS TO FORM:

By: _____
PAM K. LEE, General Counsel