

Final Report



City of Woodland Wastewater Rate Study October 2021





October 22, 2021

Mr. Evis Morales
Finance Officer
City of Woodland
300 First Street
Woodland, CA 95695

Subject: Wastewater Rate Study Final Report

Dear Mr. Morales:

HDR Engineering, Inc. (HDR) is pleased to present to the City of Woodland (City) the final report for the wastewater rate study (Study). The City's Study was developed to provide cost-based rates that generate sufficient revenue to fund the operation and maintenance costs and capital infrastructure needs of the wastewater utility. More specifically, the City's Study was also designed to develop cost-based and proportional rates for the City's customers. This report outlines the overall approach used to achieve these objectives, along with our findings, conclusions, and recommendations.

The costs associated with providing wastewater services to the City's customers has been developed based on City specific information and customer characteristics and this data have been incorporated into the development of the proposed rates. This study was developed utilizing generally accepted rate setting principles and methodologies as outlined in the Water Environment Federation's Manual of Practice No. 27, Financing and Charges for Wastewater Systems to meet the proportionality requirements of Proposition 218. This report provides the basis for developing and implementing wastewater rates which are cost-based, proportional, and legally defensible for the City's customers.

We appreciate the assistance provided by the City's project team in the development of this study and this report. More importantly, HDR appreciates the opportunity to provide these technical and professional services to the City of Woodland.

Sincerely yours,
HDR Engineering, Inc.

A handwritten signature in black ink, appearing to read 'Shawn Koorn', written over a light blue horizontal line.

Shawn Koorn
Associate Vice President

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Table of Contents

Executive Summary

Introduction	1
Overview of the Rate Study Process	1
Key Wastewater Rate Study Results	2
Summary of the Wastewater Revenue Requirement Analysis	2
Summary of the Wastewater Cost of Service Analysis	5
Summary of the Wastewater Rate Designs.....	6
Wastewater Rate Adoption	8
Summary of the Wastewater Rate Study.....	8

1 Introduction and Overview 9

1.1 Introduction.....	9
1.2 Goals and Objectives	9
1.3 Overview of the Rate Study Process.....	9
1.4 Organization of the Study	10
1.5 Summary	10

2 Overview of Rate Setting Principles 11

2.1 Introduction.....	11
2.2 Generally Accepted Rate Setting Principles.....	11
2.3 Determining the Revenue Requirement.....	11
2.4 Analyzing Cost of Service	12
2.5 Designing Utility Rates	13
2.6 Summary	13

3 Wastewater Revenue Requirement 14

3.1 Introduction.....	14
3.2 Determining the Revenue Requirement.....	14
3.2.1 Establishing a Time Frame and Approach.....	14
3.2.2 Projecting Rate and Other Miscellaneous Revenues	15
3.2.3 Projecting Operation and Maintenance Expenses	16
3.2.4 Projecting Capital Funding Needs.....	16
3.2.5 Projection of Debt Service.....	18
3.2.6 Reserve Funding	19

3.2.7	Summary of the Wastewater Revenue Requirement	19
3.3	Consultant’s Conclusions	21
3.4	Summary	21
4	Cost of Service	22
4.1	Introduction.....	22
4.2	Objectives of a Cost of Service Study	22
4.3	Determining the Customer Classes of Service	22
4.4	General Cost of Service Procedures	23
4.4.1	Functionalization of Costs	23
4.4.2	Allocation of Costs	23
4.4.3	Development of Distribution Factors	24
4.5	Summary of the Wastewater Cost of Service Analysis.....	25
4.6	Consultant’s Conclusions	31
4.7	Summary	31
5	Wastewater Rate Design	32
5.1	Introduction.....	32
5.2	Rate Design Criteria and Considerations	32
5.3	Development of Cost-Based Wastewater Rates	32
5.4	Overview of the Current Wastewater Rate Structure	33
5.5	Overview of the Proposed Rate Adjustments.....	34
5.6	Development of the Proposed Wastewater Rates.....	34
5.7	Wastewater Rate Adoption.....	35
5.8	Summary of the Wastewater Rate Study	35
	Wastewater Technical Appendix	37
	Wastewater Proposition 218 Appendix	38

Introduction

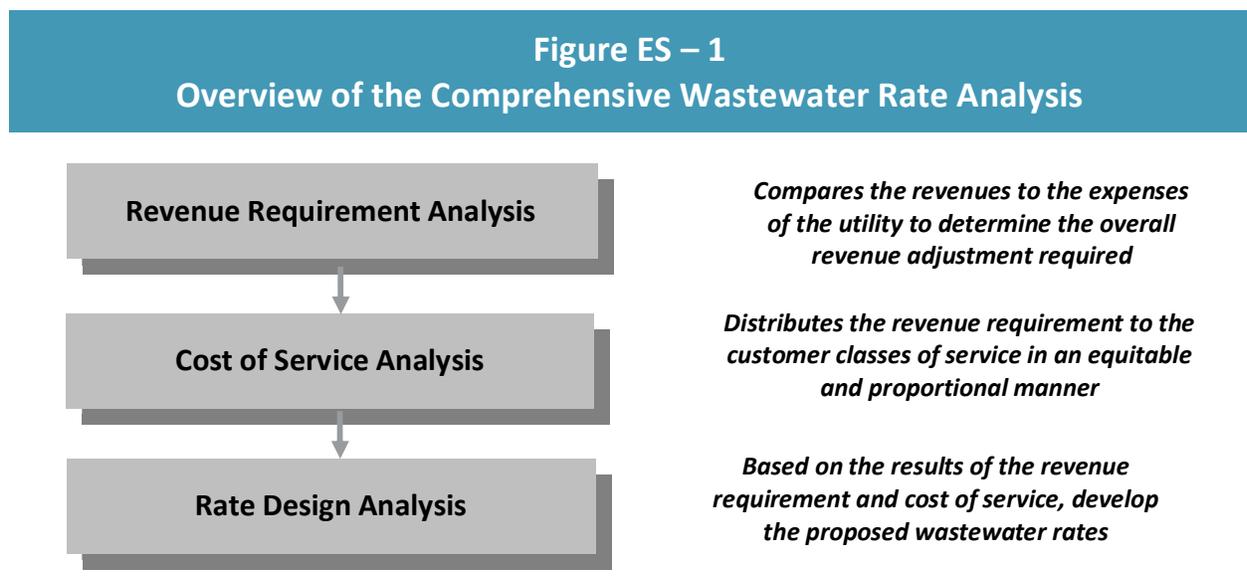
HDR Engineering, Inc. (HDR) was retained by the City of Woodland (City) to conduct a comprehensive wastewater rate study (Study). The main objectives of the Study were:

- Develop a projection of wastewater revenues to support the City’s operating and capital costs
- Provide a proportional and equitable distribution of the costs for providing wastewater service to those customers receiving service
- Propose cost-based rates for a multi-year time period that are in compliance with State law and fulfill the requirement of Proposition 218

The City owns, operates, and maintains the wastewater system which provide wastewater service to the City’s customers. The City’s wastewater system plays a leading role in the protection of public health and the environment. Maintaining the City’s wastewater system requires a proactive commitment to investing in the capital infrastructure and resources necessary to keep this critical infrastructure operating 24 hours a day, 365 days per year. The costs included within this study associated with providing wastewater collection and treatment were based upon the financial and operating data provided by the City.

Overview of the Rate Study Process

A comprehensive rate study uses three interrelated analyses to address the adequacy and equity of each utility’s rates. These three analyses are a revenue requirement analysis, a cost of service analysis, and a rate design analysis. These three analyses are illustrated below in Figure ES – 1.



The above framework was utilized in the development of the City’s Study to review and evaluate the adequacy and equity of the City’s wastewater rates.

Key Wastewater Rate Study Results

The City's Study developed technical analyses to determine the adequacy of the existing rates, and the equity and proportionality of the rates assessed to the various customer classes of service (e.g., residential, non-residential, etc.). The wastewater rate study conducted herein resulted in the following findings, conclusions, and recommendations.

- A revenue requirement analysis was developed for the projected time period of FY 2022 through FY 2030
- The City's FY 2022 wastewater utility adopted budget was used as the starting point for the revenue requirement analysis
- Operation and maintenance (O&M) expenses are projected to increase at inflationary levels
 - ✓ Additional O&M expenses are assumed in FY 2022 and FY 2023 based on information provided by the City
- A cost of service analysis was developed for FY 2023 to review the equity of the existing rates and to proportionally distribute the revenue requirement among the wastewater customer classes of service
- The results of the cost of service analysis for FY 2023 provided the average unit costs (i.e., cost-based rates) which were used to establish the proposed wastewater rates
- The Study has developed and recommended proposed rates for a five-year rate setting period of FY 2022 – FY 2026 by customer class of service.
- The proposed wastewater rate revenue adjustments (not customer bill impacts) are 0.0% in FY 2022 and 2.0%, annually in FY 2023 through FY 2026
- Rate adjustments are effective January 1 of each year, or midway through the Fiscal Year.

Summary of the Wastewater Revenue Requirement Analysis

The City's wastewater utility revenue requirement analysis is the first analytical step in the comprehensive rate study process. The revenue requirement analysis determines the adequacy or capacity of the current wastewater rates to fund current and future costs related to both O&M and capital infrastructure needs. From this analysis, a determination can be made as to the overall level of wastewater revenue (i.e., rate) adjustments needed to provide adequate and prudent funding for the wastewater utility.

For this Study, the revenue requirement analysis was developed from the FY 2022 adopted budget and a nine-year projected period (FY 2022 – FY 2030). As a practical matter, a multi-year time frame is recommended in an attempt to identify any major expenses that may be on the horizon. By anticipating future financial requirements, the City may begin planning for these changes sooner, thereby minimizing short-term rate shock and overall long-term rates. Given the projection over the time period, the Study developed proposed rates for the five-year period of FY 2022 – FY 2026.

For the revenue requirement analysis, a “cash basis” approach was utilized. The “cash basis” approach is the most commonly used methodology by municipal utilities to establish their revenue requirement and it is the same methodology the City has historically used. Under this approach, the revenues of the utility must be sufficient to cover all necessary expenditures including operations & maintenance (O&M), annual debt service payments, capital projects funded through rates (rate funded capital), and reserve funding. The primary financial inputs in the development of the City’s revenue requirement analysis were the City’s FY 2022 budget documents, historical billed customer and consumption data, and the City’s wastewater capital improvement plan. The FY 2022 budgeted O&M expenses were projected over the projected time period using escalation (inflationary) factors for the City’s various O&M expenses, which included wastewater collection, conveyance, treatment, and disposal costs. These escalation factors were based on historical costs trends and planned changes based on City of Woodland planning and financial projection studies and analyses.

The proper and adequate funding of capital improvement projects (i.e., the annual re-investment in the wastewater system) is important to help minimize operating costs and the need for rate increases over time. General financial guidelines state that, at a minimum, a utility should fund an amount equal to, or greater than, annual depreciation expense through rates on an annual basis. Annual depreciation expense reflects the current investment in plant facilities in service being depreciated or “losing” their useful life. This portion of plant investment needs to be replaced to maintain the existing level of infrastructure (and service levels). However, it must be kept in mind that simply funding an amount equal to annual depreciation expense will not be sufficient to fund the replacement value or cost of an existing or depreciated facility. Therefore, consideration should be given to funding within rates at some amount greater than the annual depreciation expense for renewals and replacement project funding.

As a part of this Study, and the current capital improvement funding plan, the City made a concerted effort to maintain and slightly increase the overall level of “pay-as-you-go” (rate) funding. This is a critical part of the City’s capital improvement funding plan to maintain the wastewater system (e.g., annual renewal and replacement needs). Based on the City’s capital improvement plan, there is a significant level of annual capital investment over the next 9-year period. On average, there is approximately \$6.2 million per year needed to fund capital improvement projects. Over the rate setting period, the City anticipates funding the capital needs with \$2.9 million in available reserves and \$31.5 million from rate funded capital. No new long-term debt has been assumed as a part of this study.

As a point of reference, the City’s annual depreciation expense for the wastewater utility is approximately \$2.8 million (FY 2019). This financial plan has placed the City’s rate funding for capital improvements at \$5.3 million in FY 2022 and increases slightly over time to prudently fund capital renewal and replacement needs reaching \$5.5 million by FY 2026. In developing this financial plan, the City has attempted to minimize rate impacts while funding the projects as identified in the capital improvement plan. HDR collaborated with City staff to develop the proposed capital improvement funding plan. Provided below in Table ES - 1 is a summary of the

capital improvement funding plan over the five-year rate setting period. A more detailed discussion of the capital funding plan is included in Section 3.5 of this report.

**Table ES – 1
Summary of the Capital Improvement Funding Plan (000's)**

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Capital Projects					
Total Public Works	\$175	\$133	\$163	\$30	\$0
Total Wastewater Capital	7,555	5,600	3,560	5,000	4,325
Future Capital Projects	<u>0</u>	<u>0</u>	<u>1,677</u>	<u>420</u>	<u>1,175</u>
Total Capital Projects	\$7,730	\$5,733	\$5,400	\$5,450	\$5,500
Less Funding Sources					
Operating Reserves	\$2,480	\$383	\$0	\$0	\$0
Assumed Debt	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Funding Sources	\$2,480	\$383	\$0	\$0	\$0
Total Rate Funded Capital	\$5,250	\$5,350	\$5,400	\$5,450	\$5,500

It is important to note that HDR is not advising the City on the need for or issuance of any long-debt issuances, but rather identifying overall funding needs as part of the overall capital improvement funding plan. Given a projection of operating and capital expenses, a summary of the wastewater revenue requirement analysis was developed. Provided below in Table ES – 2 is a summary of the revenue requirement analysis for the City's wastewater utility.

**Table ES - 2
Summary of the Wastewater Revenue Requirements (000's)**

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenues					
Rate Revenues	\$18,646	\$18,833	\$18,927	\$19,022	\$19,117
Miscellaneous Revenues	<u>208</u>	<u>242</u>	<u>244</u>	<u>246</u>	<u>248</u>
Total Revenues	\$18,854	\$19,075	\$19,171	\$19,268	\$19,365
Expenses					
Total O&M	\$9,761	\$10,429	\$10,863	\$11,316	\$11,789
Rate Funded Capital	5,250	5,350	5,400	5,450	5,500
Debt Service	3,453	3,455	3,453	3,510	3,457
Reserve Funding	<u>390</u>	<u>29</u>	<u>27</u>	<u>(42)</u>	<u>(8)</u>
Total Revenue Requirement	\$18,854	\$19,264	\$19,743	\$20,234	\$20,738
Bal./(Def.) of Funds	\$0	(\$188)	(\$572)	(\$966)	(\$1,373)
Bal. as a % of Rate Rev.	0.0%	1.0%	3.0%	5.1%	7.2%
Proposed Revenue Adjustments	0.0%	2.0%	2.0%	2.0%	2.0%
Add'l Rev. from Adjustments	\$0	\$188	\$572	\$966	\$1,373
Total Bal. / (Def.) of Funds	\$0	\$0	\$0	(\$0)	(\$0)

As can be seen, the revenue requirement has summed the O&M expense, rate funded capital, annual debt service, and reserve funding. The total revenue requirement is then compared to the total sources of funds which include the rate revenues, at present rate levels, and other miscellaneous revenues. From this comparison, a balance or deficiency of funds in each year can be determined. This balance or deficiency of funds is then compared to the current level of rate revenues to determine the level of rate revenue adjustment needed to meet the revenue requirement. It is important to note the “Bal. / (Def.) of Funds” row is cumulative. That is, any adjustments in the initial years will reduce the deficiency in the later years. As shown in Table ES-2, there is no proposed change in rates for FY 2022. Starting in FY 2023 through FY 2026 the analysis results in the need for annual adjustments of 2.0%.

A more detailed discussion of the development of the revenue requirement analysis is provided in Section 3 of this report.

Summary of the Wastewater Cost of Service Analysis

A cost of service analysis determines the equitable and proportional distribution of the revenue requirement to the City’s various customer classes of service. The objective of the cost of service analysis is different from determining the revenue requirement. The revenue requirement analysis determines the utility’s overall revenue needs whereas the cost of service analysis determines the proportional manner in which to distribute costs to each customer class. Given that there is no proposed change in rates for FY 2022, the revenue requirement for FY 2023 was used for establishing the cost of service analysis.

In summary form, the cost of service analysis began by functionalizing the revenue requirement for the City’s wastewater utility. As explained in more detail in this report (Section 4), the functionalized revenue requirement was then allocated into their various cost components. The allocated totals were then proportionally distributed to the various customer class of service based upon each customer class’s usage characteristics or the demand placed on the wastewater system. The distributed costs for each customer class were then aggregated to determine each customer class’s overall revenue responsibility. Table ES – 3 provides the summary of the wastewater cost of service analysis completed for the City.

Table ES - 3
Summary of the Wastewater Cost of Service Analysis (\$000)

Class of Service	Current Rate Revenues	Distributed Costs	\$ Difference	% Difference
Single-Family	\$11,450	\$11,676	(\$227)	2.0%
Duplex	581	581	(1)	0.1%
Multi-Family	2,960	3,335	(375)	12.7%
Non-Residential – Low	1,931	1,608	323	-16.7%
Non-Residential – Med	1,034	960	74	-7.2%
Non-Residential – High	636	611	25	-3.9%
Schools	<u>242</u>	<u>249</u>	<u>(7)</u>	2.8%
Total	\$18,833	\$19,021	(\$188)	1.0%

The results of the wastewater cost of service analysis indicate some cost differences between the customer classes of service, which is not uncommon. For this analysis the cost of service reviewed the customer classes of Single-Family Residential, Duplex, Multi-Family, Non-Residential – Low Strength, Non-Residential – Medium Strength, and Non-Residential - High Strength, and Schools. These customer classes reflect the various types of customers served by the City as well as the current rate schedules. Given the requirement of California Constitution Article XIII D, Section 6 (commonly referred to as Proposition 218) the results of the cost of service analysis are used to establish the proposed wastewater rates. From the allocation and distribution of costs, average unit costs (i.e., cost-based rates) can be developed. As noted in the cost of service section (Section 4) of this report, the implementation of cost of service adjustments will impact the overall customer bill and revenue generation for the wastewater utility. A detailed discussion of the development of the cost of service analysis is provided in Section 4 of this report.

Summary of the Wastewater Rate Designs

The final step of the comprehensive rate study process is the design of the wastewater rates to collect the desired levels of revenue, based on the results of the revenue requirement and cost of service analysis. The revenue requirement analysis provided a set of recommendations related to annual revenue adjustments, while incorporating the cost of service results and implementing interclass adjustments to reflect the proportional distribution of costs.

It is important to understand that each customer class has a separate rate given the different usage and customer characteristics as outlined in the cost of service analysis. The City currently has a rate structure for each of the customer classes of service. The Residential Single-Family and Multi-Family customers are charged a flat fixed charge that reflects the costs to provide service. Non-Residential customers have three subclasses (Low, Medium, and High Strength) which are all currently charged the same fixed charge and a uniform (flat) volumetric charge unique to each. Finally, Schools are charged the same fixed charge as Non-Residential customers, but the

volumetric component is a rate charged on an average daily attendance (ADA) basis (i.e., number of students).

After discussion with City staff, minor rate structure changes were recommended. First, the Non-Residential customers will move to a fixed charge which varies by type of customer (i.e., subclass of low, medium, and high strength customers). Additionally, given this change to the fixed charge for Non-Residential customers, the Schools’ fixed charge will be set at the same level as the Non-Residential Low-Strength fixed charge.

Given the result of the prior analyses - the revenue requirement and cost of service analyses - proposed wastewater rates can be developed that reflect the equitable and proportional distribution of the costs of providing service over the five year period. Provided in Table ES – 4 is a summary of the current and proposed rates for FY 2022 through FY 2026.

Table ES – 4 Summary of the Present and Proposed Wastewater Rates						
	Present Rates	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Base Charge	\$ / Acct.					
Residential	\$62.15	\$62.15	\$64.65	\$65.95	\$67.27	\$68.61
Multi-Family						
Condo/Apt./3+ Units	\$40.55	\$40.55	\$46.61	\$47.54	\$48.50	\$49.47
Duplex	50.35	50.35	51.44	52.47	53.51	54.58
Non-Residential	37.70	--	--	--	--	--
Low - Strength	--	\$37.70	\$10.36	\$10.56	\$10.77	\$10.99
Med - Strength	--	37.70	37.65	38.40	39.17	39.95
High - Strength	--	37.70	40.56	41.37	42.20	43.04
Schools	\$37.70	37.70	10.36	10.56	10.77	10.99
Variable Charge	\$ / ADA.					
Schools	\$1.67	\$1.67	\$1.83	\$1.86	\$1.90	\$1.94
Non Residential	\$ / CCF					
Low - Strength	\$7.75	\$7.75	\$7.49	\$7.64	\$7.79	\$7.94
Med - Strength	8.95	8.95	8.46	8.63	8.80	8.98
High - Strength	10.17	10.17	9.90	10.10	10.30	10.51

As shown in Table ES-4, there is no change in rates in FY 2022. Starting in FY 2023, the proposed rates reflect the results of the cost of service analysis and overall revenue needs as outlined in the revenue requirement analysis. The proposed wastewater rates are based on the cost of service unit costs results. The development of the rate designs is discussed and outlined in more detail in Section 5 of this report.

Wastewater Rate Adoption

Proposition 218 outlines a specific process to legally adopt and implement the proposed water rates. The first requirement is that the rates must be cost-based and proportional, which is the purpose of completing the wastewater rate study. Once the proposed wastewater rates have been developed, a public process must be undertaken to adopt the proposed rates. This began with the presentation of the proposed rates to the Woodland City Council in October 2021. At this meeting, the City Council directed staff to mail the Proposition 218 notices – shown in the Proposition 218 Appendix - to the City’s customers which outlines the proposed changes in rates. The notice also contains the time, date, and location of the public hearing, which is shown in the Approved Notice Appendix. The City Council then held a public hearing on December 7, 2021 to discuss the publicly noticed and proposed rates. Absent sufficient written protest by customers, the City Council moved to adopt the proposed wastewater rates as outlined in the customer notification over the next five-year period.

Summary of the Wastewater Rate Study

This wastewater rate study is the culmination of technical analyses undertaken for the City’s wastewater utility. The recommendations contained within this study are intended to adequately fund and maintain the City’s wastewater utility with cost-based and equitable rates. This Study, and the proposed rates, has been developed using methodologies and approaches to support meeting the legal requirements of Proposition 218.

1 Introduction and Overview

1.1 Introduction

HDR Engineering Inc. (HDR) was retained by the City of Woodland (City) to conduct a comprehensive wastewater cost of service study (Study). The objective of the wastewater rate study was to review the City's wastewater operating and capital costs in order to develop a financial plan and cost-based rates. The City's wastewater utility was reviewed on a standalone basis with the intent of developing cost-based rates to comply with the requirements of Proposition 218. This study provides the analytical framework to review the City's current costs and develop the proposed cost-based and proportional wastewater rates.

The City owns and operates the wastewater system in Woodland, California. The system collects, treats, and disposes of customer wastewater through a complex system of collection, conveyance, treatment, and disposal facilities. The costs included within this Study associated with providing wastewater services are based on the financial and operating data provided by the City.

1.2 Goals and Objectives

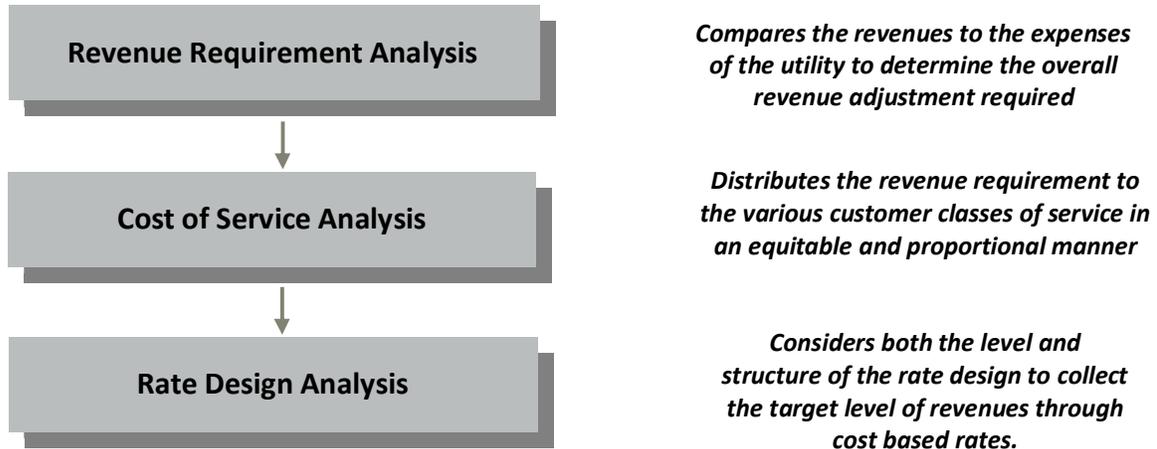
The City had a number of key objectives in developing the wastewater cost of service study. These key objectives provided a framework for policy decisions in the analyses that followed. The key objectives were:

- Develop the Study in a manner that is consistent with the principles and methodologies established by the Water Environment Federation, Manual of Practice No. 27, Financing and Charges for Sewer Systems (WEF MOP #27) in order to meet the requirements of California Constitution Article XIII D, Section 6 (commonly referred to as Proposition 218).
- In financial planning, and when establishing the City's rates, review and utilize industry best practices while, at the same time, recognizing and acknowledging the specific and unique characteristics of the City's wastewater system.
- Meet the City's financial planning criteria and goals, such as debt service coverage ratios, adequate funding of capital infrastructure replacement, and maintenance of adequate and prudent reserve levels.
- Develop a financial plan which adequately supports the wastewater utility's funding requirements, while attempting to minimize overall impacts to rates.

1.3 Overview of the Rate Study Process

User rates must be set at a level where a utility's operation and maintenance (O&M) and capital expenses are met with the revenues received from customers. This is an important point, as failure to achieve this objective may lead to insufficient funds to maintain system integrity. To evaluate the adequacy and equitability of the existing wastewater rates, a comprehensive rate study is often performed. A wastewater rate study consists of three interrelated analyses. Figure 1 - 1 provides an overview of these analyses.

Figure 1 – 1 Overview of the Comprehensive Wastewater Rate Analyses



The above framework for reviewing and evaluating rates was utilized for the development of the City’s Study. As noted, the wastewater utility was reviewed on a stand-alone basis. That is, no funding from other City funds is included when determining the level of adequate funding needs from the wastewater utility’s rate revenues.

1.4 Organization of the Study

This report is organized in a sequential manner that first provides an overview of utility rate setting principles, followed by sections that detail the specific steps used to review and develop the City’s proposed wastewater rates. The following sections comprise the City’s wastewater rate study report:

- **Section 2** – Overview of Rate Setting Principles
- **Section 3** – Wastewater Revenue Requirement Analysis
- **Section 4** – Wastewater Cost of Service Analysis
- **Section 5** – Wastewater Rate Design Analysis

Technical Appendices are attached at the end of this report, which detail the various technical analyses that were undertaken in the preparation of the City’s Study.

1.5 Summary

This report will review the wastewater rate study prepared for the City. To meet the legal requirements of Proposition 218, this report has been prepared utilizing generally accepted and industry standard wastewater rate setting techniques, tailored specifically to the City’s unique wastewater system and the requirements of Proposition 218.

2 Overview of Rate Setting Principles

2.1 Introduction

This section of the report provides background information about the wastewater rate setting process, including descriptions of generally accepted principles, types of utilities, methods of determining a revenue requirement, cost of service, and rate design. This information is useful for gaining a better understanding of the details presented in Sections 3 through 5 of this report.

2.2 Generally Accepted Rate Setting Principles

As a practical matter, all utilities should consider setting their rates around some generally accepted or global principles and guidelines. Utility rates should be:

- Cost-based, equitable, and set at a level that meets the utility's full revenue requirement
- Easy to understand and administer
- Designed to conform to generally accepted rate setting techniques
- Stable in their ability to provide adequate revenues for meeting the utility's financial, O&M, and regulatory requirements
- From a customer's perspective, rate are established at a level that is stable from year-to-year.

2.3 Determining the Revenue Requirement

Most public utilities use the "cash basis" approach for establishing their revenue requirement and setting rates. This approach conforms to most public utility budgetary requirements and the calculation is easy to understand. A public utility totals its cash expenditures for a period of time to determine its required revenues. The revenue requirement for a public utility is usually comprised of the following costs or expenses:

- **Total Operating Expenses:** This includes a utility's operation and maintenance (O&M) expenses, plus any applicable taxes or transfer payments. O&M expenses include the materials, electricity, labor, supplies, etc., needed to maintain the utility.
- **Total Capital Expenses:** Capital expenses are calculated by adding debt service payments (principal and interest) to capital improvement projects (CIP) financed with rate revenues. In lieu of including CIP financed (funded) from rate revenues, a utility sometimes includes annual depreciation expense to stabilize the annual revenue requirement from year-to-year. In addition, a utility may fund future capital improvements through transfers to reserves which are then used in future years for capital improvements.

Under the "cash basis" approach, the sum of the total operating expenses plus the total capital expenses equals the utility's revenue requirement during the selected time period. It is important to note that the two portions of the capital expense component (debt service and rate funded capital) are necessary under the cash basis approach because utilities generally cannot finance all of their capital facilities with long-term debt. At the same time, it is often difficult to pay for capital expenditures on a "pay-as-you-go" basis given that some major capital projects may have

significant rate impacts on a utility, even when financed with long-term debt. Many utilities have found that some combination of pay-as-you-go funding and long-term financing will often lead to the minimization of rate increases over time.

As noted, public utilities typically use the cash basis¹ approach to establish their revenue requirements. An exception occurs if a public utility provides service to a major wholesale or contract customer. In this situation, a public utility could use the utility basis approach (see Table 2 - 1) regarding earning a fair return on its investment. As a point of reference, the City’s Study is based on the cash basis approach.

Table 2 – 1 Cash versus Utility Basis Comparison	
Cash Basis	Utility Basis (Accrual)
+ O&M Expenses	+ O&M Expenses
+ Taxes / Transfer Payments	+ Taxes/Transfer Payments
+ Capital Improv. Funded from Rates (≥ Depreciation Expense)	+ Depreciation Expense
+ Debt Service (Principal + Interest)	+ Return on Investment
= Total Revenue Requirement	= Total Revenue Requirement

2.4 Analyzing Cost of Service

After the total revenue requirement is determined, it is equitably allocated and proportionally distributed to the various customers benefitting from the service. The allocation, analyzed through a cost of service analysis, reflects the cost relationships for providing wastewater services. A cost of service analysis requires three analytical steps:

1. Costs are **functionalized** or grouped into the various cost categories related to providing service. For the wastewater utility, this typically includes collection, pumping, and treatment. This step is largely accomplished by the chart of accounts within the utility’s accounting system.
2. The functionalized costs are then **allocated** to specific cost components. Allocation refers to the arrangement of the functionalized data into cost components. For example, wastewater costs are typically allocated as volume-², strength-(BOD, TSS)³, and customer-related.⁴

¹ “Cash basis” as used in the context of rate setting is not the same as the terminology used for accounting purposes and the recognition of revenues and expenses. As used for rate setting, “cash basis” simply refers to the specific cost components to be included within the revenue requirement analysis.

² “Volume” refers to the amount of wastewater discharged.

³ “Strength” refers to the level of constituents (biological oxygen demand, or BOD, and total dissolved solids, or TSS) in wastewater discharged.

⁴ “Customer-related” refers to costs which vary with the number of customers served, such costs as billing costs.

3. Once the costs are allocated into the components, they are proportionally ***distributed*** to each customer class of service (e.g., residential, commercial, etc.). The distribution of each allocated cost is based on each customer class's relative (proportional) contribution to the allocated cost component (i.e., benefits received from and burdens placed on the system and its resources). For example, customer-related costs are proportionally distributed to each class of service based on the total number of customers in that class of service. Once costs are proportionally distributed, the revenues from each customer class of service required to achieve cost-based rates can be determined.

2.5 Designing Utility Rates

Rates that meet the utility's objectives are designed based on both the revenue requirement and the cost of service analysis. This approach results in rates that are strictly cost-based. In designing the final proposed rates, factors such as ability to pay, continuity of past rate philosophy, economic development, ease of administration, and customer understanding may be taken into consideration. However, with the legal requirements of Proposition 218, the proposed rates must be cost-based and reflective of each customer class's proportional share of the costs distributed through the cost of service analysis.

2.6 Summary

This section of the report has provided a brief introduction to the general principles, techniques, and approach used to develop cost-based wastewater rates. These principles and techniques are the basis for the City's comprehensive wastewater rate study discussed and explained in this report.

3 Wastewater Revenue Requirement

3.1 Introduction

This section of the report details the development of the revenue requirement analysis for the City’s wastewater system. The revenue requirement analysis is the first analytical step in the comprehensive rate study process. From this analysis, a determination can be made as to the overall level of wastewater rate revenue adjustments needed to provide adequate and prudent funding for both the O&M and capital needs of the utility. The primary objective of the City’s wastewater rate study was to develop cost-based and proportional wastewater rates that comply with the California Constitution while, at the same time, attempting to minimize the impacts to the City’s customers.

3.2 Determining the Revenue Requirement

In developing the City’s wastewater revenue requirement, an important objective is that the utility must financially stand on its own and be fully funded. That is, no revenues are being transferred from other City funds to support the wastewater utility. As a result, the revenue requirement analysis developed herein assumes the full and proper funding needed to operate and maintain the wastewater system on a financially sound and prudent basis for the projected time period.

3.2.1 Establishing a Time Frame and Approach

To begin calculating the revenue requirement for the City’s wastewater utility, a time frame was established for the analysis (i.e., the time period under review). The budget year (FY 2022) plus a projected period of FY 2023 – FY 2030 was determined to be an appropriate time period for the revenue requirement analysis. The revenue requirement was based on the City’s adopted wastewater budget for FY 2022, which was then projected over a multi-year period to FY 2030 based on escalation (inflationary) factors. Reviewing a multi-year time period is recommended as it attempts to identify any major expenses that may be on the horizon. By anticipating future financial requirements, the City can begin planning for these changes sooner, thereby minimizing short-term rate impacts and overall long-term rates.

The second step in determining the revenue requirement was to determine the basis for accumulating costs. As discussed in Section 2 of this report, the revenue requirement analysis was developed using the “cash basis” approach. The “cash basis” approach is the most commonly used methodology by municipal utilities to set their revenue requirement. This is also the methodology that the City has historically used to establish its wastewater revenue requirement. Table 3 - 1 provides a summary of the “cash basis” approach and cost components used to develop the City’s wastewater revenue requirement.

Table 3 – 1 Overview of the City’s “Cash Basis” Revenue Requirements

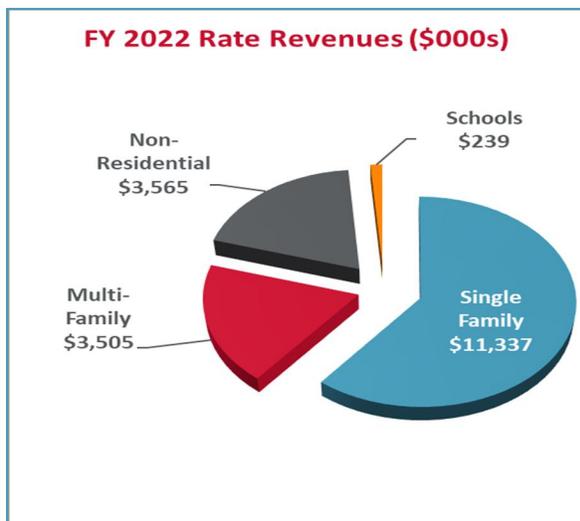
+	Wastewater Operation and Maintenance Expenses
+	Rate Funded Capital
+	Debt Service (Principal + Interest) – Existing and Future
±	<u>Reserve Funding</u>
=	Total Wastewater Revenue Requirement
-	<u>Miscellaneous Revenues</u>
=	Net Revenue Requirement <i>(Balance Required from Rates)</i>

Given a time period around which to develop the revenue requirement and a method to accumulate the costs, the focus shifts to the development and projection of the revenues and expenses of the City’s wastewater utility.

The primary financial inputs in the development of the revenue requirement were the City’s adopted FY 2022 budget documents, recent 12-months of customer billing data, historical financial reports, and the City’s Capital Improvement Plan (CIP). Presented below is a detailed discussion of the steps and key assumptions contained in the development of the projections of the City’s wastewater revenue requirement analysis.

3.2.2 Projecting Rate and Other Miscellaneous Revenues

The first step in developing a projection of the wastewater rate revenues, at present (current) rate levels, was to determine the projected billing units (fixed and volumetric charges) for each customer group. The billing units for each customer group were based on the most recent 12-month period. These billing units were then multiplied by the applicable current wastewater



rates. This method of independently calculating revenues links the projected revenues used within the analysis to the projected billing units. It also helps to confirm that the billing units used within the analysis are reasonable for purposes of projecting future revenues, proportionally distributing costs and, ultimately, establishing proposed rates. The detail of the projection of rate revenues can be found on Exhibit 6 of the Technical Appendices. The projected rate revenues are then used in the revenue requirement analysis on Exhibit 3, under “Rate Revenues” for FY 2022.

The majority of the City’s rate revenues are derived from single family customers. The City also serves multi-family, commercial, and school customers. In total, and at adopted present rate levels, the City’s wastewater system is projected to receive approximately \$18.6 million in rate

revenue in FY 2022. Based on current City planning documents, the Study has assumed a conservative level of customer account growth of 0.5% / year. By FY 2026, the rate revenues, at current rate levels, are projected to be approximately \$19.1 million. The detailed calculation of the revenues at present rates is included in Exhibit 6 of the Technical Appendix.

In addition to rate revenues, the City also receives other miscellaneous revenues. These are revenues related to correctional facility revenues, interest income, etc. In total, the City is projected to receive approximately \$208,000 in miscellaneous revenues in FY 2022. Miscellaneous revenues were estimated to increase slightly over the study time period and reach \$248,000 by FY 2026.

On a combined basis, taking into account the rate revenues and the miscellaneous revenues, the City's wastewater utility has total projected revenues of approximately \$18.9 million in FY 2022, increasing to approximately \$19.4 million by FY 2026. As noted above, this slight increase in revenues over the planning period is a function of estimated customer growth. The assumptions used for projecting customer growth and increases in miscellaneous revenues can be found in Exhibit 2 of the Technical Appendix. The projection of rate and miscellaneous revenues can be found in Exhibit 3 of the Technical Appendix.

3.2.3 Projecting Operation and Maintenance Expenses

Operation and maintenance (O&M) expenses are incurred by the City to operate and maintain the wastewater collection, conveyance, treatment, and disposal system at a consistent service level. The starting point of the projection of O&M expenses was the City's adopted FY 2022 budget. Budgeted O&M expenses were projected over the rate study time period based on escalation (inflationary) factors. These escalation factors took into consideration the City's historical cost increases and projected increases. The escalation factors ranged from 2.0% to 6.0% per year annually for the various types of expenses (e.g., salaries, benefits, materials & supplies). The assumed escalation factors used for projection of O&M expenses can be found in Exhibit 2 of the Technical Appendix. In addition to the budgeted O&M expenses, the City provided a number of items to include for example, additional staff and contract services. The total new or additional O&M is approximately \$218,000 in FY 2022 and increases to \$419,000 by FY 2026. The total operation and maintenance expenses budgeted for the wastewater utility are budgeted to be approximately \$9.8 million in FY 2022. Over the review period, the total O&M expenses are projected to increase to approximately \$11.8 million by FY 2026. A summary of the O&M expenses is shown as a line item in Table 3 – 3 and detailed in Exhibit 3 of the technical appendices.

3.2.4 Projecting Capital Funding Needs

A key component in the development of the wastewater revenue requirement was to develop a capital improvement funding analysis to adequately fund capital improvement project needs in the near- and long-term. One of the major issues facing many utilities across the U.S. is the amount of deferred capital projects and the funding pressure from regulatory-related improvements. The proper and adequate funding of capital projects is an important issue for all wastewater utilities and not just a local issue or concern of the City. To accomplish this, the City

has an adopted Capital Improvement Plan (CIP) to address both the near- and long-term needs of the wastewater utility. The City's CIP will help guide and prioritize capital projects over time and capital investments to expand the capacity of facilities to accommodate future customers.

In general, there are three types of capital projects that the City may need to fund. These include the following types:

- Renewal and replacement projects
- Growth/capacity expansion projects
- Regulatory-related projects

A renewal and replacement project is a capital project to maintain the existing system that is in place today. Existing facilities become worn out, obsolete, etc. As such, the City should be continuously making investments to maintain the integrity of its facilities with renewal and replacement projects. In contrast, growth / capacity expansion projects are related to providing sufficient capacity to enable service to new customers. This may be through expansion of the existing system or construction of new facilities to provide service to customers within the City's service area. Finally, certain capital projects may be a function of a regulatory requirement in which the Federal or State government mandates the need for an improvement to the system to meet regulatory standards (e.g., higher treatment standards). Understanding these different types of capital projects is important because it may help to explain why costs are increasing and the cost drivers for any needed rate adjustment.

The way in which projects are funded may vary by the type of capital project. For example, renewal and replacement projects should be funded through annual rates on a "pay-as-you-go basis". In contrast to this, growth or capacity expansion projects may be funded through the collection of connection charges (i.e., growth-related charges) in which new development pays an equitable share of the cost of improvements required to serve them as a result of their connection (impact). Finally, regulatory projects may be funded by a variety of different means, which may include one or more funding sources such as rates, long-term debt, grants, etc.

While the above discussion appears to neatly divide capital projects into three clearly defined categories, the reality of capital projects may be more complex. For example, an existing pump may be replaced, but while being replaced, it is up-sized to accommodate the need for greater capacity to serve new growth-related connections. There are many projects that share these "joint" characteristics. At the same time, projects may not be "replacement" related, but rather "improvement" related.

As a part of this Study, the City is maintaining a "pay-as-you-go" (rate) funding approach to maintain the wastewater system capital infrastructure needs (e.g., renewal and replacement needs). Over the rate setting period, FY 2022 through FY 2026, the City anticipates funding the capital improvement needs through \$2.9 million from reserve funds and \$27.0 million in rate funded capital. No new long-term borrowing has been assumed in the City's capital improvement funding plan. Provided below in Table 3 – 2 is a summary of the wastewater capital funding analysis.

Table 3 – 2
Summary of the Capital Improvement Funding Plan (\$000s)

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Total Public Works	\$175	\$133	\$163	\$30	\$0
Total Wastewater Capital	7,555	5,600	3,560	5,000	4,325
Unidentified Future Capital	<u>0</u>	<u>0</u>	<u>1,677</u>	<u>420</u>	<u>1,175</u>
Total Capital Improv. Projects	\$7,730	\$5,733	\$5,400	\$5,450	\$5,500
<i>Less: Outside Funding Sources</i>					
Operating Fund Reserves	\$2,480	\$383	\$0	\$0	\$0
Long-Term Borrowing	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Funding Sources	\$2,480	\$383	\$0	\$0	\$0
Total Rate Funded Capital	\$5,250	\$5,350	\$5,400	\$5,450	\$5,500

While the total amount of capital projects to be funded varies from year to year, the wastewater capital improvement funding plan has been developed to provide a consistent funding source from rates for the replacement of deteriorating wastewater system assets. In this case, the wastewater utility's rates will annually fund approximately \$5.3 to \$5.5 million per year. As a point of reference, the City's annual depreciation expense was approximately \$2.8 million in FY 2019. However, it is important to understand that annual depreciation expense is not the same as replacement cost. Thus, funding an amount which exceeds the depreciation expense is both prudent and appropriate. Given this, a desirable funding target for rate funded capital is one to two times annual depreciation expense in order to reflect replacement cost. As noted, to help establish a prudent level of annual replacement funding through rates, HDR worked with City staff to develop a funding plan for the CIP. In developing this financial plan, HDR and the City have attempted to minimize rate impacts while funding the planned capital improvement projects of the City.

3.2.5 Projection of Debt Service

The City currently has five outstanding long-term debt issue with estimated annual payments in FY 2021 of \$4.2 million. This amount remains flat over the period as no new, or additional, long-term debt issuances are planned during this projected time period. This is primarily a function of the annual capital improvements funded from rates being set at a financially healthy and sufficient level. Any additional funding requirements has been assumed from available reserves. Should the City decide to issue additional long-term debt to fund capital, rather than utilizing available reserve funds, the revenue requirement will be impacted to include the addition debt service.

It is important to note that HDR is not advising the City on the need for or issuance of any long-term debt issuances, but rather identifying overall funding needs. The City is working with an independent financial advisor, and City financial staff, to develop the overall financing plan to fund the capital improvement projects identified in this Study. Given this, HDR is not acting in a municipal advisory role to the City for the issuance of any long-term borrowing.

3.2.6 Reserve Funding

The final component of the revenue requirement analysis is reserve funding. This can be described as transfers of revenue to reserve funds to maintain prudent ending fund balances or for future funding of specific or unanticipated projects. Additionally, any balance of funds after the expenses are paid is transferred to the operating fund to fund cash flow variances while maintaining target reserve balances. As will be shown, the rates are at sufficient levels and funds are being transferred back to reserves to maintain minimum target levels. An overview of the City's current reserves are as follows:

- **Operating Reserve:** The City currently has an operating reserve to aid in the cash-flow needs of the wastewater utility. A target of 180 days of O&M expenses has been identified as a prudent minimum level. The main purpose of this reserve is to act as the cash flow reserve to meet the daily, monthly, seasonal, and annual variations in cash-flow operating requirements.
- **Development Fund:** There is currently no target for the City's development fund. The reserve is funded by revenues from the wastewater connection fee. Expenses, or deductions, from the fund are for projects or expenses attributable to growth-related or other identified uses of funds for the development fund.

During the course of the time period target minimum reserves are maintained.

3.2.7 Summary of the Wastewater Revenue Requirement

Given the above projections of revenues and expenses, a summary of the wastewater revenue requirement analysis can be developed. In developing the revenue requirement analysis, consideration was given to the financial planning considerations of the City. In particular, emphasis was placed on attempting to minimize rates, yet still provide adequate funds to support the operational activities and capital improvement projects throughout the projected time period. Presented below in Table 3 – 3 is a summary of the City's projected wastewater revenue requirement.

Table 3 - 3
Summary of the Wastewater Revenue Requirements (000's)

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenues					
Rate Revenues	\$18,646	\$18,833	\$18,927	\$19,022	\$19,117
Miscellaneous Revenues	208	242	244	246	248
Total Revenues	\$18,854	\$19,075	\$19,171	\$19,268	\$19,365
Expenses					
Total O&M	\$9,761	\$10,429	\$10,863	\$11,316	\$11,789
Rate Funded Capital	5,250	5,350	5,400	5,450	5,500
Debt Service	3,453	3,455	3,453	3,510	3,457
Total To/(From) Reserves	390	29	27	(42)	(8)
Total Revenue Requirement	\$18,854	\$19,264	\$19,743	\$20,234	\$20,738
Bal./(Def.) of Funds	\$0	(\$188)	(\$572)	(\$966)	(\$1,373)
Bal. as a % of Rate Rev.	0.0%	1.0%	3.0%	5.1%	7.2%
Proposed Revenue Adjustments	0.0%	2.0%	2.0%	2.0%	2.0%
Add'l Rev. from Adjustments	\$0	\$188	\$572	\$966	\$1,373
Total Bal. / (Def.) of Funds	\$0	\$0	\$0	(\$0)	(\$0)

As can be seen, the revenue requirement has summed the O&M expense, rate funded capital, net debt service, and reserve funding. The total revenue requirement is then compared to the total sources of funds which include the rate revenues, at present rate levels, and other miscellaneous revenues. From this comparison, a balance or deficiency of funds in each year can be determined. This balance or deficiency of funds is then compared to the current level of rate revenues to determine the level of adjustment needed to meet the revenue requirement. It is important to note the “Bal. / (Def.) of Funds” row is cumulative. That is, any adjustments in the initial years will reduce the deficiency in the later years. Over rate setting period, the total projected deficiency of rate revenue is approximately \$1.4 million.

Table 3 – 3 has included a set of proposed revenue adjustments (blue highlighted band) which are designed to sufficiently meet the total revenue requirements over the projected time period. The overall deficiency in rates and the need for the proposed revenue adjustments are, in part, a function of assumed inflation over this time period, coupled with the strengthening of additional funding for capital improvement projects.

The revenue requirement has been developed based on industry standard approaches and methodologies. These standard approaches and methodologies are outlined in the Water Environment Federation, Manual of Practice #27 rate setting manual. The City specific data and information reflects the financial planning objectives of the City. More specifically, the City desires to adequately and prudently fund its wastewater operating and capital needs. It is important to note that the overall revenue adjustments may not reflect the final rate adjustments, or bill impacts, seen by the City’s customers as the cost of service analysis will proportionally distribute the revenue requirement among the various customer classes. The overall revenue adjustment reflects the needed revenues for the system as a whole. Detailed

exhibits of the revenue requirement analysis can be found in the Technical Appendix (Exhibits 1 – 6).

3.3 Consultant’s Conclusions

Based on the revenue requirement analysis developed herein, HDR has recommended that the City adjust wastewater revenues over the next five fiscal years by 0.0% in FY 2022 and annual adjustment of 2.0% in FY 2023 through FY 2026. HDR has reached this conclusion for the following reasons:

- Revenue adjustments are necessary to fund the City’s capital needs, of which a significant portion is driven by the funding of replacement capital projects
- Revenue adjustments are necessary to maintain strong debt service coverage ratios and maintain financial flexibility for funding projects
- The revenue adjustments also reflect the need to fund the projected annual inflationary impacts to the O&M costs of the wastewater utility
- The proposed revenue adjustments maintain the City’s strong financial health and provide long-term sustainable funding levels for the City’s wastewater utility.

In reaching this conclusion, HDR would recommend that the City adopt the proposed rate revenue adjustments in order to provide sufficient funding for annual O&M and capital improvement program over the next five-year period

3.4 Summary

This section of the City’s wastewater rate study has provided a discussion of the City’s wastewater revenue requirement analysis. The revenue requirement analysis developed a revenue transition plan to support the City’s O&M and capital needs. The next section of this report will discuss the cost of service analysis developed for the City’s wastewater utility which is the basis for establishing cost-based and proportional wastewater rates.

4 Cost of Service

4.1 Introduction

In the previous section, the revenue requirement analysis focused on the total sources and application of funds required to adequately fund the City's wastewater utility. This section will provide an overview of the cost of service analysis developed for the City's wastewater utility.

The wastewater cost of service analysis is concerned with the proportional distribution of the total revenue requirement among the customer classes of service (single family, multi-family, non-residential, and schools) to meet the requirements of Proposition 218. The previously developed revenue requirement analysis from Section 3 was utilized as the starting point in the development of the City's wastewater cost of service analysis.

4.2 Objectives of a Cost of Service Study

There are two primary objectives in conducting a wastewater cost of service study:

1. Proportionally distribute the City's wastewater revenue requirement among the customer classes of service; and
2. Derive cost-based average unit costs (i.e., cost-based rates) for subsequent rate designs.

The primary objective of the cost of service analysis is to develop an equitable and proportional method to collect the revenue requirement from the City's various customer classes of service. The second rationale for conducting a cost of service analysis is to allow for the development of proposed rates that properly reflect the costs incurred by the City and impacts customers place on the wastewater system. For example, a wastewater utility typically incurs costs related to flow (wastewater volumes), strength, and customer-related cost components. Each of these types of costs may be distributed and collected in a slightly different manner to allow for the development of rates that collect costs in the same manner as they are incurred.

4.3 Determining the Customer Classes of Service

The first step in a cost of service analysis is to determine the customer classes of service. The classes of service used within the cost of service analysis are:

- Single Family
- Multi-Family (Duplex, all other Multi-Family)
- Non-Residential (low, medium, and high strength)
- Schools

In determining classes of service for cost of service purposes, the objective is to group customers together into similar or homogeneous groups based upon facility requirements and/or flow and strength characteristics. HDR reviewed the current customer characteristics and facility requirements to determine the classes of service, which were the City's current customer classes and determined they are reasonable and consistent with typical wastewater industry practices.

4.4 General Cost of Service Procedures

In order to determine the proportional cost to serve each customer class of service on the City's wastewater system, a cost of service analysis is conducted. A cost of service analysis utilizes a three-step approach to review costs. These steps are outlined in Chapters 6 and 7 of the Water Environment Federation, Manual of Practice No. 27 (WEF MOP #27). These steps take the form of functionalization, allocation, and distribution. Provided below is a detailed discussion of the wastewater cost of service analysis conducted for the City, and the specific steps taken within the analysis to meet the requirements of Proposition 218.

4.4.1 Functionalization of Costs

The first analytical step in the cost of service process is called functionalization. Functionalization is the arrangement of expenses and asset (plant) data by major operating functions (e.g., collection, pumping, treatment). Within the City's analysis, the City's accounting records (i.e., chart of accounts) functionalized the expenses and assets.

4.4.2 Allocation of Costs

The second analytical task performed in a wastewater cost of service analysis is the allocation of the costs. Allocation determines why the expenses were incurred or what type of need is being met. The following cost allocators were used to develop the Study:

- **Volume-Related Costs:** Volume-related costs are those costs which tend to vary with the total quantity of wastewater collected and treated. As an example, a majority of collection system costs are included in this component. Another example of a volume-related cost is electricity used for pumping or treating wastewater.
- **Strength-Related Costs:** Strength-related costs are those costs associated with the additional handling and the treatment of wastewater. For the City's study, strength was differentiated between biochemical

Terminology of a Wastewater Cost of Service Analysis

Functionalization – The arrangement of the cost data by functional category (e.g., collection, pumping, treatment).

Allocation – The assignment of functionalized costs to cost components (e.g., volume, strength, and customer-related).

Distribution – Distributing the allocated costs to each class of service based upon each class's proportional contribution to that specific cost component.

Volume Costs – Costs that are allocation as volume related vary with the total flow of wastewater (e.g., power for pumping).

Strength Costs – Costs allocated as strength related refer to the wastewater treatment function. Typically, strength-related costs are further defined as biochemical oxygen demand (BOD) and suspended solids (SS). Different types of customers may have high wastewater strength characteristics. High strength wastewater costs more to treat. Treatment facilities are designed and sized around meeting these treatment demands.

Customer Costs – Costs allocated as customer related vary with the number of customers on the wastewater system, e.g., billing, collections and accounting costs.

Direct Assignment – Costs that can be clearly identified as belonging to a specific customer class of service.

oxygen demand⁵ (BOD), total suspended solids⁶ (TSS), and Ammonia (AMN). These three constituents represent the strength factors that drive the City’s treatment-related costs. Increased strength levels, or high strength waste, of BOD, TSS, or AMN equates to increased treatment costs for wastewater treatment systems. The strength component was also further differentiated between domestic strength levels and greater than domestic strength levels to further establish the distribution of costs between customers and specifically the Non-Residential low, medium, and high strength.

- **Customer-Related Costs:** Customer-related costs vary with the addition or deletion of a customer or a cost which is a function of the number of customers served. Customer-related costs typically include the costs of billing, collecting, and accounting. Customer related costs can be further defined as weighted, or to reflect a higher or different per customer cost of providing specific services.
- **Revenue-Related Costs:** Some costs associated with the utility may vary with the amount of revenue received by the utility. An example of a revenue related cost would be a utility tax which is based on gross utility revenue.

The basis, or general methodology, for the allocation process is outlined in the WEF MOP #27. The methodology provided in the manual was then applied to the City’s specific circumstances, customers, costs, and system operation to develop an equitable allocation methodology.

4.4.3 Development of Distribution Factors

Once the allocation process is complete, and the customer groups have been defined, the costs allocated to each component are proportionally distributed to each customer class of service. The City’s allocated costs were proportionally distributed to the customer classes of service using the following distribution factors.

- **Volume Distribution Factor:** Volume-related costs are generally distributed on the basis of contribution to wastewater flows. In order to develop this distribution factor, some knowledge of the contribution to flows must be determined. Wastewater flows were estimated based on winter water consumption plus estimated I&I⁷ for each class of service for the projected test period, FY 2023. Winter water consumption is used as a reasonable surrogate for wastewater flows as wastewater flows are not metered. Winter water reflects the “indoor consumption” and the amount that is discharged into the wastewater system. The development and calculation of the volume distribution factor is shown in Exhibit 7 of the Technical Appendix.
- **Customer Distribution Factors:** Customer costs within the cost of service analysis are distributed to the various customer classes of service based upon their respective number of customer accounts. Two types of customer distributed factors were developed – actual and weighted. The actual customer distribution factor assumes that there is no

⁵ BOD is the amount of dissolved oxygen that must be present in water in order for microorganisms to decompose the organic matter in the wastewater

⁶ SS is the entire amount of organic and inorganic particles dispersed in wastewater

⁷ I&I the inflow and infiltration of water into the wastewater system. This can be from rainwater, groundwater, or other sources of water that make it into the wastewater system.

disproportionate cost associated with serving a customer (e.g., postage for bills is the same regardless of the size or volumetric wastewater contribution of the customer). In contrast, a weighted customer distribution factor assumes that there is some disproportionality associated with serving different types of customers and attempts to estimate the level of per customer cost difference in serving the customers. Exhibit 8 of the Technical Appendix provides the calculation of the customer distribution factor.

- **Strength Distribution Factors:** Three different strength distribution factors were developed as a part of this study. Strength-related costs are allocated and distributed between BOD, TSS and AMN. These costs are distributed to each of the classes of service based upon the estimated strength levels from industry standards as well as limited strength data from the City. The strength levels in total, for each customer class of service, were utilized to calculate the pounds removed for each constituent based on the actual pounds removed at the wastewater treatment plant over a 12-month period as provided in City wastewater treatment plant reports. In order to develop a greater level of equity between customers, the strength factor was split between domestic strength and greater than domestic strength. This was primarily done to provide the proportional distribution of strength costs to the Non-Residential low, medium, and high customers. Exhibit 9a and Exhibit 9b in the Technical Appendix provides the derivation and calculation of the strength distribution factor.
- **Revenue Related Distribution Factor:** The revenue related distribution factor was developed from the projected rate revenues for FY 2023 for each customer class of service as developed in Exhibit 3. A summary of the revenue allocation factor is provided in Exhibit 10 of the Technical Appendix.

In summary, the development of the wastewater distribution factors is based on generally accepted principles as outlined in the WEF MOP #27 and tailored to the City’s unique customer and system characteristics to meet the requirement of Proposition 218.

4.5 Summary of the Wastewater Cost of Service Analysis

In summary, the cost of service analysis began by functionalizing the City’s wastewater assets (infrastructure) and O&M expenses. The functionalized asset and expense accounts were then allocated into their various cost components. Provided below is a summary of the allocation of the City’s FY 2023 test period revenue requirement using the cost of service principles and approaches as outlined in the WEF MOP #27 and the City’s specific system and customer characteristics. Provided in Exhibits 11 and 12 of the Technical Appendix is a detailed summary of the allocation of the City’s infrastructure and revenue requirement. Provided below in Table 4 – 1 is a summary of the costs allocated to each cost component.

Table 4 – 1
Summary of the Allocated of the FY 2023 Revenue Requirement (\$000's)

Total	Volume	Strength	Customer	RR / DA
\$19,021	\$8,971	\$7,970	\$2,080	\$0

Based generally accepted wastewater cost of service analysis approaches, and the City’s specific costs and operation of the wastewater collection and treatment system, the revenue requirement of approximately \$19.0 million is allocated between the volume, strength, and customer-related cost components.

Once the costs are allocated, they are then proportionally distributed to the various customer classes of service based on the distribution factors previously developed. The total distributed costs are then summed to develop the total distribution of costs to each customer class of service. Provided in Table 4 – 2 is a summary of the distribution of costs to the customer classes of service. As a point of reference, for this table, multi-family includes all multi-family customers and non-residential includes all low, medium, and high strength customers. For rate design purposes, these two customer classes are further differentiated as outlined in the technical appendix.

Table 4 – 2
Summary of the Distribution of the Revenue Requirement (\$000's)

	Total	Single Family	Duplex	Multi-Family	Non-Res Low	Non-Res Med	Non-Res High	Schools
Volume	\$8,971	\$5,288	\$282	\$1,778	\$820	\$441	\$230	\$132
BOD	2,657	1,513	81	81	509	235	169	113
AMN	2,657	1,520	81	81	511	236	162	109
TSS	2,657	1,485	79	79	499	230	178	148
AC / WCA	2,080	1,870	59	38	87	10	12	4
RR / DA	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$19,021	\$11,676	\$581	\$2,057	\$2,427	\$1,151	\$751	\$505

As shown in Table 4 – 1 and 4 – 2, the total revenue requirement for FY 2023 has been equitably allocated between the various cost components based on generally accepted cost of service methodologies. Next, the individual allocation totals were then proportionally distributed each customer class of service based on the appropriate distribution factors to provide the proportionality required by Proposition 218. For example, volume-related costs were distributed based on each customer class’ proportional share of total wastewater contributions (flows). The total costs allocated to each cost component were proportionally distributed between the customer classes using the previously mentioned factors.

The total distributed costs are then compared to the current revenues of each class of service to determine the overall change in revenues needed from each class of service to reflect the proportional distribution of costs. Provided in Table 4 - 3 is a summary of the City’s wastewater cost of service analysis.

Table 4 - 3
Summary of the Wastewater Cost of Service Analysis (\$000)

Class of Service	Current Rate Revenues	Distributed Costs	\$ Difference	% Difference
Single-Family	\$11,450	\$11,676	(\$227)	2.0%
Duplex	581	581	(1)	0.1%
Multi-Family	2,960	3,335	(375)	12.7%
Non-Residential – Low	1,931	1,608	323	-16.7%
Non-Residential – Med	1,034	960	74	-7.2%
Non-Residential – High	636	611	25	-3.9%
Schools	<u>242</u>	<u>249</u>	<u>(7)</u>	2.8%
Total	\$18,833	\$19,021	(\$188)	1.0%

The results of the cost of service analysis indicate some cost differences between the customer classes of service. When reviewing the results of the cost of service analysis, it is important to understand that the results will not be “exact” each time the City updates its cost of service analysis. This is due to changing customer wastewater usage and strength characteristics and other changes in how the City incurs costs. The changes in customer characteristics since the prior study reflect the primary reason for the cost of service differences seen in this Study. Another update from the prior wastewater rate study is the inclusion of the ammonia cost component which may also have an impact on the overall cost distribution since the City’s prior cost of service study.

To comply with the requirements of article XII D, section 6 (b) of the California Constitution (Proposition 218), HDR recommends that cost of service adjustments be made in accordance with the results of this study. To accomplish this, the distributed costs shown in the prior tables are used to develop average unit costs which become the proposed rates for year one of the rate setting period. In this way, the proposed rates are proportional and cost-based and reflect the results of the wastewater cost of service analysis.

Provided in Table 4 – 4 is the development of the Single Family, Duplex, and Multi-Family customer class average unit cost calculations. The costs were taken from Table 4 – 2. These average unit costs then become the basis for the proposed rates under the rate design section (Section 5).

Table 4 – 4
Summary of the Residential Average Unit Costs (\$000's)

	Distribution % of Total	Total Costs	Billing Units	Average Unit Cost
Single Family				
Fixed Charge/Account				
Volume	58.9%	\$5,287,721	15,050	\$29.28
BOD	58.9%	1,513,148	15,050	8.38
TSS	58.9%	1,520,185	15,050	8.42
AMN	58.9%	1,485,046	15,050	8.22
AC	89.9%	1,870,377	15,050	10.36
WCA	65.8%	0	15,050	0.00
RR	60.8%	0	15,050	0.00
DA		0	15,050	0.00
Total		\$11,676,476		\$64.65
Duplex				
Fixed Charge/Living Unit				
Volume	3.1%	\$281,964	942	\$24.94
BOD	3.1%	80,688	942	7.14
TSS	3.1%	79,189	942	7.01
AMN	3.1%	81,063	942	7.17
AC	2.8%	58,535	942	5.18
WCA	4.1%	0	942	0.00
RR	3.1%	0	942	0.00
DA		0	942	0.00
Total		\$581,439		\$51.44
Multi-Family				
Fixed Charge/Living Unit				
Volume	19.8%	\$1,777,970	5,963	\$24.85
BOD	19.8%	508,789	5,963	7.11
TSS	19.8%	511,155	5,963	7.14
AMN	19.8%	499,339	5,963	6.98
AC	1.8%	38,153	5,963	0.53
WCA	26.1%	0	5,963	0.00
RR	15.7%	0	5,963	0.00
DA		0	5,963	0.00
Total		\$3,335,406		\$46.61

As can be seen, because the Single Family customers are charged a fixed charge, therefore, all accumulated costs are divided by the number of billing units, in this case the number of accounts. Likewise, the Duplex and Multi-family are charge in a similar manner, based on the number of living units.

The approach used to determine and establish the average unit costs was slightly different for the Commercial customer class and it's three subclasses. The current fixed charge rate structure is based on a single rate for all customers regardless of strength based subclass assignment. As

part of the Study, it is recommended that the fixed charge reflect the different strength assumptions for each subclass. Non-Residential customers are also charged a uniform volume charge which varies by customer subclass (i.e., Low, Medium, or High). The volume charge is assessed based on water usage up to a winter water cap that is calculated as the four-month average usage in November through February of the prior year. Table 4 – 5 shows the development of the Non-Residential customer class average unit cost calculations. The costs within this table were again taken from Table 4 – 2 and the average unit costs will become the basis for the proposed rate designs.

Table 4 – 5
Summary of the Non-Residential Average Unit Costs (\$000's)

	Distribution % of Total	Total Costs	Billing Units	Average Unit Cost
Low - Strength				
Volume	9.1%	\$820,055	203,138	\$4.04
BOD	9.1%	234,669	203,138	1.16
TSS	9.1%	230,311	203,138	1.13
AMN	9.1%	235,760	203,138	1.16
RR	10.3%	0	203,138	<u>0.00</u>
Total \$/CCF				\$7.49
AC	4.2%	\$87,491	704	\$10.36
WCA	3.1%	0	704	0.00
DA		0	704	<u>0.00</u>
Total \$/Account				\$10.36
Med - Strength				
Volume	4.9%	\$440,506	109,119	\$4.04
BOD	4.9%	126,056	109,119	1.16
TSS	4.9%	123,715	109,119	1.13
AMN	4.9%	126,643	109,119	1.16
RR	5.5%	0	109,119	<u>0.00</u>
Total \$/CCF				\$7.49
AC	0.5%	\$10,066	81	\$10.36
WCA	0.4%	0	81	0.00
DA		0	81	<u>0.00</u>
Total \$/Account				\$10.36
High - Strength				
Volume	2.6%	\$230,435	57,082	\$4.04
BOD	2.6%	65,942	57,082	1.16
TSS	2.6%	64,717	57,082	1.13
AMN	2.6%	66,249	57,082	1.16
RR	3.4%	0	57,082	<u>0.00</u>
Total \$/CCF				\$7.49
AC	0.6%	\$11,806	95	\$10.36
WCA	0.4%	0	95	0.00
DA		0	95	<u>0.00</u>
Total \$/Account				\$10.36

Similarly, how the unit costs for the Non-Residential customer class were developed, the average unit costs for the Schools class were calculated. However, the variable charge is based on the number of pupils attending school which is referred to as average daily attendance (ADA). Table 4 – 6 shows a summary of the average unit cost calculation for the Schools customer class.

Table 4 – 6
Summary of the Schools Average Unit Costs (\$000's)

	Distribution % of Total	Total Costs	Billing Units	Average Unit Cost
Schools				
Volume	1.5%	\$132,093	11,176	\$0.98
BOD	1.5%	37,800	11,176	0.28
TSS	1.5%	37,098	11,176	0.28
AMN	1.5%	37,976	11,176	0.28
RR	1.3%	0	11,176	0.00
Total \$/ADA				\$1.83
AC	0.2%	\$3,604	29	\$10.36
WCA	0.1%	0	29	0.00
DA		0	29	0.00
Total \$/Account				\$10.36

The allocated and distributed costs for each customer class of service are used to develop the proposed rates for the test period. In this case, proposed rates will be developed for FY 2023. The detailed development of the City’s wastewater cost of service analysis and average unit costs can be seen on Exhibits 13 and 14 of the Technical Appendix.

4.6 Consultant’s Conclusions

The results of the City’s wastewater cost of service analysis show that cost differences exist between the various customer classes of service. Given this, HDR is recommending that the City implement cost of service adjustments and realign the rate structures at this time. This realignment is a natural progression in designing rates as the results of the calculation may change between analyses based on changes in consumption habits, the manner in which costs are incurred, system design or operation, etc. In this case, the change in various customer characteristics and addition of ammonia as a strength component are the primary drivers in the cost of service results. Given the results of this analysis, the City’s proposed wastewater rates will reflect the results of the current cost of service analysis and the average unit costs derived from the cost of service analysis.

4.7 Summary

This section of the City’s wastewater rate study has provided a summary of the cost of service analysis developed for the City. This analysis was prepared using generally accepted cost of service techniques and principles. The next section of the City’s Study will review the present and proposed wastewater rates for the City.

5 Wastewater Rate Design

5.1 Introduction

The final step of the City's Study is the design of wastewater rates to collect the appropriate levels of revenues. The proposed rates are based on and derived from the results of the revenue requirement and cost of service analyses. In reviewing City's wastewater rates, consideration is given to the level of the rates and the structure of the rates.

5.2 Rate Design Criteria and Considerations

Prudent rate administration dictates that several criteria must be considered when setting utility rates. Some of these rate design criteria are listed below:

- Rates which are easy to understand from the customer's perspective
- Rates which are easy for the utility to administer
- Consideration of the customer's ability to pay
- Continuity, over time, of the rate making philosophy
- Policy considerations (economic development, etc.)
- Provide revenue stability from month to month and year to year
- Promote efficient allocation of the resource
- Equitable and non-discriminatory (cost-based)
- Compliance with State law

It is important that the City provide its customers with a proper price signal as to what their usage or volumetric contributions are costing. This goal may be approached through rate level and structure. When developing the proposed rate designs, all the above-listed criteria were taken into consideration. However, it should be noted that it is difficult, if not impossible, to design a rate that meets all the goals and objectives listed above. For example, it may be difficult to design a rate that takes into consideration customers' ability to pay, and one which is cost-based. In designing rates, there are always trade-offs between these various goals and objectives.

5.3 Development of Cost-Based Wastewater Rates

As mentioned, developing cost-based and proportional rates is of paramount importance in developing proposed wastewater rates. While always a key consideration in developing rates, meeting the legal requirements, and documenting the steps taken to meet the requirements, has been in the forefront with the recent legal challenges in the State of California on utility rates. Given this, the development of the District's proposed wastewater rates has been developed to meet the legal requirements of California Constitution Article XIII D, Section 6 (Article XIII D). A key component of Article XIII D is the development of rates which reflect the cost of providing service and are proportionally distributed among the various customer classes of service and the customers within each class. HDR would point out that there is no single methodology for equitably assigning costs to the various customer groups or establishing cost-based rates. In

actuality, the Water Environment Federation Manual of Practice #27 (WEF MOP #27) provides various methodologies which may be used to establish cost-based rates. However, Article XIII D is not prescriptive and does not provide a specific methodology for establishing rates. Given that, HDR developed the City's proposed wastewater rates based on generally accepted rate setting methodologies to meet the requirements of Article XIII D.

HDR is of the opinion that the proposed rates meet the legal requirements of Article XIII D. HDR reaches this conclusion based upon the following:

- **The revenue derived from wastewater rates does not exceed the funds required to provide the property related service (i.e., wastewater service).** The proposed rates are designed to collect the overall revenue requirement of the City's wastewater system.
- **The revenues derived from wastewater rates shall not be used for any purpose other than that for which the fee or charge is imposed.** The revenues derived from the City's wastewater rates are used exclusively to operate and maintain the City's wastewater system.
- **The amount of a fee or charge imposed upon a parcel or person as an incident of property ownership shall not exceed the proportional costs of the service attributable to the parcel.** Section 4 of this Study focused exclusively on the issue of proportional assignment of costs to customer classes of service (i.e., the cost of service). The proposed rates have appropriately grouped customers into customer classes of service (single family, multi-family, non-residential, schools) that reflect the varying consumption patterns and system requirements (i.e., the benefits they receive from and burdens they place on the system) of each customer class of service. The grouping of customers and rates into these classes of service creates the equity and fairness expected under Article XIII D by having differing rates by customer classes of service which reflect both the level of revenue to be collected by the utility, and the manner in which these costs are incurred and proportionally distributed to the customer classes of service, and the customers within each class of service based upon their proportional impacts.

5.4 Overview of the Current Wastewater Rate Structure

It is important to understand that each customer class has a separate rate given the different characteristics as outlined in the cost of service analysis. The City currently has a rate structure for each of the customer classes of service.

The single family and multi-family customer classes are charged a fixed charge that reflects the total costs to provide service. It is important to note that the fixed charge is different for single family then for multi-family and further separated by duplex and 3+ units. For non-residential, there are three subclasses – low, medium, and high strength, that are all charged the same fixed charge. Each subclass is then charged a uniform volumetric rate which is unique to each customer subclass. The volume billed is charged up to the customer's winter water average based cap that is calculated on the average usage from November through February of the prior year. The final customer class is Schools. Schools are charged the same fixed charge as Non-Residential

customers. The variable charge is then charged based on the average daily attendance (ADA) in the schools.

5.5 Overview of the Proposed Rate Adjustments

As outlined in the revenue requirement analysis, the overall revenue adjustment for the City’s wastewater utility is 2.0% annually for FY 2023 to FY 2026. This level of adjustment meets the overall revenue needs of the wastewater utility. Next, the cost of service analysis proportionally distributed the revenue requirement to the customer classes of service (Tables 4 – 1 through 4 – 3) to develop the unit costs (Tables 4 – 3 through 4 – 6) for the proposed rates in FY 2023. Given the results of these analyses, the proposed rate designs for each class of service, reflective of the revenue requirement and cost of service analyses, can be developed.

5.6 Development of the Proposed Wastewater Rates

Section 5.4 provided a summary of the City’s current wastewater rate structure. After discussion with City staff, no changes to the current rate structures were recommended at this time. As noted, the proposed rates are based on the results of the overall revenue needs (revenue requirement) and the proportional distribution of costs (cost of service) results. Provided below in Table 5 – 1 is a summary of the current and proposed residential rates, which includes the single-family, duplex, and multi-family customers. As a note, the rates are implemented midway through the fiscal year, or January 1 of each year and no changes to rates are proposed in FY 2022.

Table 5 – 1 Summary of the Present and Proposed Residential Wastewater Rates						
	Present Rates	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Fixed Charge	\$ / Acct or Unit					
<i>Single Family</i>	\$62.15	\$62.15	\$64.65	\$65.95	\$67.27	\$68.61
<i>Duplex</i>	50.35	50.35	51.44	52.47	53.51	54.58
<i>Multi-Family</i>	40.55	40.55	46.61	47.54	48.50	49.47

As shown in Table 5 – 1, the residential rate structure remains the same as the present rate structure and only the level of the rates is adjusted in FY 2023 through FY 2026 to reflect the cost of service analysis results and specifically the average unit cost calculation (Table 4-4).

Provided in Table 5 – 2 is a summary of the present and proposed Non-Residential rates. There are three subsets of customers included in this class: low, medium, and high strength wastewater customers. As noted in the cost of service analysis (Section 4), the fixed charge is proposed to be revised to reflect the results of the analysis starting in FY 2023. Given this, the fixed charge in FY 2023 has been revised for the low, medium, and high strength customers. In addition, the volume charge has been updated based on the unit cost calculation for FY 2023. Subsequent year

adjustments have been based on the overall revenue adjustments as identified in the revenue requirement analysis, in this case, 2.0% per year to both the fixed and volume charges.

Table 5 – 2
Summary of the Present and Proposed Non-Residential Wastewater Rates

	Present Rates	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Non-Residential	\$ / Acct					
Fixed Charge						
Low - Strength	\$37.70	\$37.70	\$10.36	\$10.56	\$10.77	\$10.99
Med - Strength	37.70	37.70	37.65	38.40	39.17	39.95
High - Strength	37.70	37.70	40.56	41.37	42.20	43.04
Volume Charge	\$ / CCF					
Low - Strength	\$7.75	\$7.75	\$7.49	\$7.64	\$7.79	\$7.94
Med - Strength	8.95	8.95	8.46	8.63	8.80	8.98
High - Strength	10.17	10.17	9.90	10.10	10.30	10.51
Schools	\$ / Acct					
Fixed Charge	\$37.70	\$37.70	\$10.36	\$10.56	\$10.77	\$10.99
	\$ / ADA					
Volume Charge	\$1.67	\$1.67	\$1.83	\$1.86	\$1.90	\$1.94

5.7 Wastewater Rate Adoption

Proposition 218 outlines a specific process to legally adopt and implement the proposed water rates. The first requirement is that the rates must be cost-based and proportional, which is the purpose of completing the wastewater rate study. Once the proposed wastewater rates have been developed, a public process must be undertaken to adopt the proposed rates. This began with the presentation of the proposed rates to the Woodland City Council in October 2021. At this meeting, the City Council directed staff to mail the Proposition 218 notices – shown in the Proposition 218 Appendix - to the City’s customers which outlines the proposed changes in rates. The notice also contains the time, date, and location of the public hearing, which is shown in the Approved Notice Appendix. The City Council then held a public hearing on December 7, 2021 to discuss the publicly noticed and proposed rates. Absent sufficient written protest by customers, the City Council moved to adopt the proposed wastewater rates as outlined in the customer notification over the next five-year period.

5.8 Summary of the Wastewater Rate Study

The City’s present wastewater rate structures are contemporary in design and reflect the rate structures used by other similar utilities in California, both locally and statewide. Based on the Study completed for the City, and the current customer and system characteristics, the proposed wastewater rates are equitable, proportional, and appropriately reflect the cost to provide the

wastewater service (i.e., cost-based). Full and complete technical appendices of the development of the City's Study can be found in appendices of this report.



Wastewater Technical Appendix

**City of Woodland
Wastewater Rate Update
Summary of the Revenue Requirement
Exhibit 1**

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues									
Rate Revenues	\$18,646,319	\$18,832,782	\$18,926,946	\$19,021,580	\$19,116,688	\$19,212,272	\$19,308,333	\$19,404,875	\$19,501,899
Miscellaneous Revenues	208,114	242,395	244,448	246,184	248,117	223,529	225,016	226,329	227,376
Total Revenues	\$18,854,432	\$19,075,177	\$19,171,394	\$19,267,765	\$19,364,805	\$19,435,800	\$19,533,350	\$19,631,204	\$19,729,275
Expenses									
Total Accounting	\$828,829	\$861,560	\$895,660	\$931,189	\$968,211	\$1,006,795	\$1,047,011	\$1,088,931	\$1,132,635
Total Sewage Collection System	2,651,957	2,763,203	2,879,426	3,000,864	3,127,768	3,260,400	3,399,036	3,543,967	3,695,498
Total Sewage Treatment Plant	4,156,251	4,443,750	4,634,368	4,833,502	5,041,549	5,258,923	5,486,061	5,723,420	5,971,480
Total ENV Operations Laboratory	702,884	731,422	761,201	792,280	824,718	858,581	893,936	930,852	969,406
Total Operations Administration	308,022	321,412	335,426	350,093	365,447	381,522	398,354	415,981	434,443
Total Utilities Expenditures	888,120	922,406	958,085	995,216	1,033,863	1,074,092	1,115,972	1,159,576	1,204,978
Total Communication Manager	7,687	7,956	8,235	8,523	8,821	9,130	9,449	9,780	10,122
Total Other O&M	217,603	377,557	390,772	404,449	418,604	433,255	448,419	464,114	480,358
Total O&M Expenses	\$9,761,353	\$10,429,266	\$10,863,171	\$11,316,115	\$11,788,981	\$12,282,698	\$12,798,238	\$13,336,621	\$13,898,921
Rate Funded Capital	\$5,250,000	\$5,350,000	\$5,400,000	\$5,450,000	\$5,500,000	\$5,500,000	\$5,500,000	\$5,500,000	\$5,500,000
Net Debt Service	3,453,406	3,455,155	3,452,605	3,510,030	3,457,081	3,458,049	3,458,705	3,452,880	3,452,631
Total To / (From) Reserves	389,674	29,083	27,211	(42,008)	(8,295)	(13,278)	(787)	8,399	1,392
Total Revenue Requirement	\$18,854,432	\$19,263,504	\$19,742,988	\$20,234,137	\$20,737,767	\$21,227,469	\$21,756,156	\$22,297,900	\$22,852,943
Bal. / (Def.) of Funds	\$0	(\$188,328)	(\$571,594)	(\$966,372)	(\$1,372,962)	(\$1,791,669)	(\$2,222,806)	(\$2,666,696)	(\$3,123,668)
Balance a % of Rate Adj. Req'd	0.0%	1.0%	3.0%	5.1%	7.2%	9.3%	11.5%	13.7%	16.0%
Proposed Rate Adj. - July	0.0%								
# of Effective Months	6	6	6	6	6	6	6	6	6
Proposed Rate Adj. - January	0.0%	2.0%							
# of Effective Months	6	6	6	6	6	6	6	6	6
Cumulative Annualized Rate Adj.	0.0%	1.0%	3.0%	5.1%	7.2%	9.3%	11.5%	13.7%	16.0%
Add'l Revenue from Rate Increase	\$0	\$188,328	\$571,594	\$966,372	\$1,372,962	\$1,791,669	\$2,222,806	\$2,666,696	\$3,123,668
Bal. / (Def.) After Rate Adj.	\$0	\$0	\$0	(\$0)	(\$0)	\$0	\$0	\$0	(\$0)
Additional Rate Adjustment Required	0.0%								
Single Family Customer Bill									
Customer Bill on Proposed Adjustment	\$62.15	\$62.77	\$64.67	\$67.95	\$72.83	\$79.63	\$88.79	\$100.99	\$117.17
Bill Difference - Monthly	0.00	0.62	1.90	3.29	4.88	6.79	9.17	12.20	16.18
Cumulative Bill Difference	0.00	0.62	2.52	5.80	10.68	17.48	26.64	38.84	55.02
Debt Service Coverage Ratio (all debt)									
Before Rate Adjustment	2.16	2.06	1.98	1.87	1.80	1.70	1.60	1.50	1.39
After Needed Rate Adjustment	2.16	2.10	2.11	2.09	2.13	2.13	2.13	2.13	2.13
After Proposed Rate Adjustment	2.16	2.10	2.11	2.09	2.13	2.13	2.13	2.13	2.13
Total Ending Reserves	\$26,902,231	\$26,818,414	\$27,120,826	\$27,359,144	\$27,636,328	\$22,608,705	\$22,795,777	\$22,947,264	\$23,044,999

City of Woodland
Wastewater Rate Update
Escalation Factors
Exhibit 2

	<i>Budgeted</i>	<i>Projected</i>								<i>Notes</i>
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	
Revenues										
Customer Growth	1.0%	1.0%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Volume Growth	Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Misc. Revenues	Budget	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Expenses										
Salaries	Budget	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Benefits - Other	Budget	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Benefits - Medical	Budget	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Benefits - Retirement	Budget	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Materials & Supplies	Budget	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Equipment	Budget	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Miscellaneous	Budget	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Utilities	Budget	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Flat	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Chemicals	Budget	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
General Expenses	Budget	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Interest	0.8%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
New Debt Service										
Low Interest Loans										
Term in Years	20	20	20	20	20	20	20	20	20	20
Rate	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Revenue Bond										
Term in Years	20	20	20	20	20	20	20	20	20	20
Rate	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%

City of Woodland
Wastewater Rate Update
Revenue Requirement
Exhibit 3

	<i>Budgeted</i>	<i>Projected</i>								<i>Notes</i>
	<i>FY 2022</i>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>	<i>FY 2030</i>	
Revenues										
<i>Rate Revenues</i>										
Single Family	\$11,336,533	\$11,449,898	\$11,507,148	\$11,564,683	\$11,622,507	\$11,680,619	\$11,739,023	\$11,797,718	\$11,856,706	As Customer Growth
Multi-Family	3,505,460	3,540,514	3,558,217	3,576,008	3,593,888	3,611,857	3,629,917	3,648,066	3,666,307	As Customer Growth
Non-Residential										
<i>Low - Strength</i>	\$1,911,740	\$1,930,858	\$1,940,512	\$1,950,214	\$1,959,965	\$1,969,765	\$1,979,614	\$1,989,512	\$1,999,460	As Customer Growth
<i>Med - Strength</i>	1,023,393	1,033,627	1,038,795	1,043,989	1,049,209	1,054,455	1,059,727	1,065,026	1,070,351	As Customer Growth
<i>High - Strength</i>	629,735	636,033	639,213	642,409	645,621	648,849	652,093	655,354	658,631	As Customer Growth
Schools	239,458	241,852	243,061	244,277	245,498	246,726	247,959	249,199	250,445	As Customer Growth
Total Rate Revenues	\$18,646,319	\$18,832,782	\$18,926,946	\$19,021,580	\$19,116,688	\$19,212,272	\$19,308,333	\$19,404,875	\$19,501,899	
<i>Other Revenues</i>										
Other Misc	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Misc. Revenues
Correctional Facility	107,230	108,303	108,844	109,389	109,935	110,485	111,038	111,593	112,151	As Customer Growth
Interest	100,883	134,092	135,604	136,796	138,182	113,044	113,979	114,736	115,225	Calculated
Total Other Revenues	\$208,114	\$242,395	\$244,448	\$246,184	\$248,117	\$223,529	\$225,016	\$226,329	\$227,376	
Total Revenues	\$18,854,432	\$19,075,177	\$19,171,394	\$19,267,765	\$19,364,805	\$19,435,800	\$19,533,350	\$19,631,204	\$19,729,275	
Accounting										
<i>Personnel Expenditures</i>										
Salaries-Perm Full Time	\$180,563	\$186,883	\$193,424	\$200,193	\$207,200	\$214,452	\$221,958	\$229,727	\$237,767	As Salaries
Hourly Wages - Temporary	1,500	1,553	1,607	1,663	1,721	1,782	1,844	1,908	1,975	As Salaries
Vacation Buyout	1,200	1,248	1,298	1,350	1,404	1,460	1,518	1,579	1,642	As Benefits - Other
Admin Buyout	260	270	281	292	304	316	329	342	356	As Benefits - Other
Comp Time Buyout	300	312	324	337	351	365	380	395	411	As Benefits - Other
Overtime-Perm Full Time	1,824	1,888	1,954	2,022	2,093	2,166	2,242	2,321	2,402	As Salaries
Def Comp City Match	2,823	2,936	3,053	3,175	3,303	3,435	3,572	3,715	3,863	As Benefits - Other
Acting Pay	258	267	276	286	296	306	317	328	340	As Salaries
Wrkrs Comp/Liab Ins	16,300	16,952	17,630	18,335	19,069	19,831	20,625	21,450	22,308	As Benefits - Other
Retirement	63,927	67,763	71,828	76,138	80,706	85,549	90,682	96,123	101,890	As Benefits - Retirement
Health Pay-In Lieu	329	349	370	392	415	440	467	495	524	As Benefits - Medical
Retirement Hlth Svgs Pln	2,418	2,563	2,717	2,880	3,053	3,236	3,430	3,636	3,854	As Benefits - Medical
Life Vision Dental	4,893	5,187	5,498	5,828	6,177	6,548	6,941	7,357	7,799	As Benefits - Medical
Retiree Medical	18,034	19,116	20,263	21,479	22,768	24,134	25,582	27,116	28,743	As Benefits - Medical
Health/Life/Vision Ins	53,937	57,173	60,604	64,240	68,094	72,180	76,511	81,101	85,967	As Benefits - Medical
Unemployment Insurance	906	942	980	1,019	1,060	1,102	1,146	1,192	1,240	As Benefits - Other
Medicare Insurance	2,635	2,793	2,961	3,138	3,327	3,526	3,738	3,962	4,200	As Benefits - Medical
Personnel Offset	2,620	2,672	2,726	2,780	2,836	2,893	2,951	3,010	3,070	As Miscellaneous
Total Personnel Expenditures	\$354,727	\$370,866	\$387,794	\$405,549	\$424,177	\$443,721	\$464,231	\$485,756	\$508,351	
<i>Supplies & Services</i>										
Office Supplies	\$700	\$721	\$743	\$765	\$788	\$811	\$836	\$861	\$887	As Materials & Supplies
Department Specific Supplies	400	412	424	437	450	464	478	492	507	As Materials & Supplies
Telephone	718	747	777	808	840	874	908	945	983	As Utilities
Contract Services	132,163	136,789	141,576	146,531	151,660	156,968	162,462	168,148	174,033	As Salaries
Credit Card Fees	324,000	335,340	347,077	359,225	371,797	384,810	398,279	412,218	426,646	As General Expenses
Contract Services (2)	1,800	1,863	1,928	1,996	2,066	2,138	2,213	2,290	2,370	As Salaries
Total Supplies & Services	\$459,781	\$475,871	\$492,525	\$509,761	\$527,601	\$546,065	\$565,175	\$584,955	\$605,426	

City of Woodland
Wastewater Rate Update
Revenue Requirement
Exhibit 3

	<i>Budgeted</i>	<i>Projected</i>								<i>Notes</i>
	<i>FY 2022</i>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>	<i>FY 2030</i>	
Other Expenses										
Indirect Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As General Expenses
Technology Services Chargebacks	14,321	14,822	15,341	15,878	16,434	17,009	17,604	18,220	18,858	As General Expenses
Total Other Expenses	\$14,321	\$14,822	\$15,341	\$15,878	\$16,434	\$17,009	\$17,604	\$18,220	\$18,858	
Total Accounting	\$828,829	\$861,560	\$895,660	\$931,189	\$968,211	\$1,006,795	\$1,047,011	\$1,088,931	\$1,132,635	
Sewage Collection System										
Personnel Expenditures (023)										
Salaries-Perm Full Time	\$14,972	\$15,496	\$16,038	\$16,600	\$17,181	\$17,782	\$18,404	\$19,049	\$19,715	As Salaries
Wrkrs Comp/Liab Ins	1,351	1,405	1,461	1,520	1,580	1,644	1,709	1,778	1,849	As Benefits - Other
Retirement	5,416	5,741	6,085	6,451	6,838	7,248	7,683	8,144	8,632	As Benefits - Retirement
Retirement Hlth Svgs Pln	132	140	148	157	167	177	187	198	210	As Benefits - Retirement
Life Vision Dental	441	467	496	525	557	590	626	663	703	As Benefits - Medical
Retiree Medical	1,625	1,723	1,826	1,935	2,052	2,175	2,305	2,443	2,590	As Benefits - Medical
Health/Life/Vision Ins	4,233	4,487	4,756	5,042	5,344	5,665	6,005	6,365	6,747	As Benefits - Medical
Unemployment Insurance	75	78	81	84	88	91	95	99	103	As Benefits - Other
Medicare Insurance	218	231	245	260	275	292	309	328	347	As Benefits - Medical
Technology Services Chargebacks	1,623	1,680	1,739	1,799	1,862	1,928	1,995	2,065	2,137	As General Expenses
Contract Service	336	348	360	373	386	399	413	427	442	As Salaries
Total Personnel Expenditures (023)	\$30,422	\$31,796	\$33,236	\$34,745	\$36,329	\$37,989	\$39,731	\$41,559	\$43,476	
Personnel Expenditures (086)										
Salaries-Perm Full Time	\$769,413	\$796,342	\$824,214	\$853,062	\$882,919	\$913,821	\$945,805	\$978,908	\$1,013,170	As Salaries
Hourly Wages - Temporary	42,579	44,069	45,612	47,208	48,860	50,570	52,340	54,172	56,068	As Salaries
Vacation Buyout	5,100	5,304	5,516	5,737	5,966	6,205	6,453	6,711	6,980	As Benefits - Other
Admin Buyout	600	624	649	675	702	730	759	790	821	As Benefits - Other
Comp Time Buyout	600	624	649	675	702	730	759	790	821	As Benefits - Other
Overtime-Perm Full Time	15,000	15,600	16,224	16,873	17,548	18,250	18,980	19,739	20,529	As Benefits - Other
Def Comp City Match	6,783	7,054	7,336	7,630	7,935	8,253	8,583	8,926	9,283	As Benefits - Other
Acting Pay	3,458	3,596	3,740	3,890	4,045	4,207	4,375	4,550	4,733	As Benefits - Other
Standby Pay	16,000	16,640	17,306	17,998	18,718	19,466	20,245	21,055	21,897	As Benefits - Other
Wrkrs Comp/Liab Ins	68,763	71,514	74,374	77,349	80,443	83,661	87,007	90,487	94,107	As Benefits - Other
Retirement	275,969	292,527	310,079	328,683	348,405	369,309	391,467	414,955	439,853	As Benefits - Retirement
Health Pay-In Lieu	11,421	12,106	12,833	13,603	14,419	15,284	16,201	17,173	18,203	As Benefits - Medical
Retirement Hlth Svgs Pln	14,727	15,611	16,547	17,540	18,592	19,708	20,891	22,144	23,473	As Benefits - Medical
Life Vision Dental	25,032	26,534	28,126	29,814	31,602	33,498	35,508	37,639	39,897	As Benefits - Medical
Retiree Medical	92,261	97,797	103,664	109,884	116,477	123,466	130,874	138,726	147,050	As Benefits - Medical
Health/Life/Vision Ins	236,185	250,356	265,377	281,300	298,178	316,069	335,033	355,135	376,443	As Benefits - Medical
Unemployment Insurance	3,820	3,973	4,132	4,297	4,469	4,648	4,834	5,027	5,228	As Benefits - Other
Medicare Insurance	11,244	11,694	12,162	12,648	13,154	13,680	14,227	14,796	15,388	As Benefits - Other
Total Personnel Expenditures (086)	\$1,598,955	\$1,671,965	\$1,748,540	\$1,828,865	\$1,913,135	\$2,001,555	\$2,094,342	\$2,191,724	\$2,293,943	

	<i>Budgeted</i>	<i>Projected</i>								<i>Notes</i>
	<i>FY 2022</i>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>	<i>FY 2030</i>	
Supplies & Services (086)										
Office Supplies	\$1,500	\$1,545	\$1,591	\$1,639	\$1,688	\$1,739	\$1,791	\$1,845	\$1,900	As Materials & Supplies
Postage	400	412	424	437	450	464	478	492	507	As Materials & Supplies
Printing	333	343	353	364	375	386	398	410	422	As Materials & Supplies
Copy Machine Costs	1,600	1,648	1,697	1,748	1,801	1,855	1,910	1,968	2,027	As Materials & Supplies
Department Specific Supplies	219,323	225,903	232,680	239,660	246,850	254,255	261,883	269,740	277,832	As Materials & Supplies
Personal Protective Equipment	8,550	8,892	9,248	9,618	10,002	10,402	10,818	11,251	11,701	As Equipment
Laundry	4,611	4,749	4,892	5,039	5,190	5,345	5,506	5,671	5,841	As Materials & Supplies
Tools	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	As Materials & Supplies
Advertising	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	As Materials & Supplies
Telephone	840	865	891	918	945	974	1,003	1,033	1,064	As Materials & Supplies
Cell Phones	6,192	6,378	6,569	6,766	6,969	7,178	7,394	7,615	7,844	As Materials & Supplies
Maintenance - Equipment	9,308	9,587	9,875	10,171	10,476	10,791	11,114	11,448	11,791	As Materials & Supplies
Equip Rental	1,350	1,391	1,432	1,475	1,519	1,565	1,612	1,660	1,710	As Materials & Supplies
Contract Services	242,940	251,443	260,243	269,352	278,779	288,537	298,635	309,088	319,906	As Salaries
Total Supplies & Services (086)	\$507,947	\$524,486	\$541,566	\$559,207	\$577,426	\$596,243	\$615,677	\$635,749	\$656,479	
Education & Meetings (086)										
Memberships & Dues	\$5,382	\$5,570	\$5,765	\$5,967	\$6,176	\$6,392	\$6,616	\$6,847	\$7,087	As General Expenses
"Conferences, Meetings & Other Trai	1,830	1,894	1,960	2,029	2,100	2,173	2,250	2,328	2,410	As General Expenses
Mandatory Training	18,000	18,630	19,282	19,957	20,655	21,378	22,127	22,901	23,703	As General Expenses
Education Incentive Reimbursement	8,125	8,409	8,704	9,008	9,324	9,650	9,988	10,337	10,699	As General Expenses
Total Education & Meetings (086)	\$33,337	\$34,504	\$35,711	\$36,961	\$38,255	\$39,594	\$40,980	\$42,414	\$43,898	
Other Expenses										
Property Taxes	\$3,700	\$3,830	\$3,964	\$4,102	\$4,246	\$4,394	\$4,548	\$4,707	\$4,872	As General Expenses
Gas & Oil	1,000	1,035	1,071	1,109	1,148	1,188	1,229	1,272	1,317	As General Expenses
Indirect Expense	0	0	0	0	0	0	0	0	0	As Utilities
Technology Services Chargebacks	75,875	78,910	82,066	85,349	88,763	92,314	96,006	99,846	103,840	As Utilities
Fixed Fleet Cost	127,110	132,194	137,482	142,981	148,701	154,649	160,835	167,268	173,959	As Equipment
Variable Fleet Cost	144,361	150,135	156,141	162,386	168,882	175,637	182,663	189,969	197,568	As Equipment
Lease Payment Chargeback	114,908	119,504	124,284	129,256	134,426	139,803	145,395	151,211	157,260	As Equipment
Total Other Expenses	\$466,954	\$485,609	\$505,009	\$525,184	\$546,165	\$567,985	\$590,676	\$614,274	\$638,816	
Operating Transfers	\$14,342	\$14,844	\$15,364	\$15,901	\$16,458	\$17,034	\$17,630	\$18,247	\$18,886	As General Expenses
Total Sewage Collection System	\$2,651,957	\$2,763,203	\$2,879,426	\$3,000,864	\$3,127,768	\$3,260,400	\$3,399,036	\$3,543,967	\$3,695,498	

	<i>Budgeted</i>	<i>Projected</i>								<i>Notes</i>
	<i>FY 2022</i>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>	<i>FY 2030</i>	
Sewage Treatment Plant										
Personnel Expenditures										
Salaries-Perm Full Time	\$806,353	\$834,575	\$863,785	\$894,018	\$925,309	\$957,694	\$991,214	\$1,025,906	\$1,061,813	As Salaries
Hourly Wages - Temporary	46,832	48,471	50,168	51,923	53,741	55,622	57,568	59,583	61,669	As Salaries
Vacation Buyout	12,950	13,468	14,007	14,567	15,150	15,756	16,386	17,041	17,723	As Benefits - Other
Admin Buyout	3,500	3,640	3,786	3,937	4,095	4,258	4,429	4,606	4,790	As Benefits - Other
Comp Time Buyout	1,500	1,560	1,622	1,687	1,755	1,825	1,898	1,974	2,053	As Benefits - Other
Overtime-Perm Full Time	12,000	12,420	12,855	13,305	13,770	14,252	14,751	15,267	15,802	As Salaries
Def Comp City Match	11,353	11,807	12,279	12,771	13,281	13,813	14,365	14,940	15,537	As Benefits - Other
Acting Pay	12,284	12,714	13,159	13,619	14,096	14,590	15,100	15,629	16,176	As Salaries
Standby Pay	15,700	16,250	16,818	17,407	18,016	18,647	19,299	19,975	20,674	As Salaries
Wrkrs Comp/Liab Ins	72,998	75,918	78,955	82,113	85,397	88,813	92,366	96,060	99,903	As Benefits - Other
Retirement	289,773	307,159	325,589	345,124	365,832	387,782	411,049	435,711	461,854	As Benefits - Retirement
Health Pay-In Lieu	10,692	11,334	12,014	12,734	13,498	14,308	15,167	16,077	17,041	As Benefits - Medical
Retirement Hlth Svgs Pln	8,762	9,288	9,845	10,436	11,062	11,726	12,429	13,175	13,965	As Benefits - Medical
Life Vision Dental	17,115	18,142	19,230	20,384	21,607	22,904	24,278	25,735	27,279	As Benefits - Medical
Retiree Medical	63,081	66,866	70,878	75,130	79,638	84,417	89,482	94,851	100,542	As Benefits - Medical
Health/Life/Vision Ins	132,404	140,348	148,769	157,695	167,157	177,186	187,818	199,087	211,032	As Benefits - Medical
Unemployment Insurance	4,056	4,218	4,387	4,562	4,745	4,935	5,132	5,337	5,551	As Benefits - Other
Medicare Insurance	11,916	12,631	13,389	14,192	15,044	15,946	16,903	17,917	18,992	As Benefits - Medical
Total Personnel Expenditures	\$1,533,269	\$1,600,809	\$1,671,534	\$1,745,606	\$1,823,193	\$1,904,473	\$1,989,633	\$2,078,871	\$2,172,395	
Supplies & Services										
Office Supplies	\$2,000	\$2,060	\$2,122	\$2,185	\$2,251	\$2,319	\$2,388	\$2,460	\$2,534	As Materials & Supplies
Postage	500	515	530	546	563	580	597	615	633	As Materials & Supplies
Janitorial Supplies	1,544	1,590	1,638	1,687	1,738	1,790	1,844	1,899	1,956	As Materials & Supplies
Printing	593	611	629	648	667	687	708	729	751	As Materials & Supplies
Copy Machine Costs	1,938	1,996	2,056	2,118	2,181	2,247	2,314	2,383	2,455	As Materials & Supplies
Spec Dept Supplies	981,152	1,038,289	1,090,204	1,144,714	1,201,950	1,262,047	1,325,150	1,391,407	1,460,977	As Chemicals
Personnel Supp & Equip	4,320	4,450	4,583	4,721	4,862	5,008	5,158	5,313	5,472	As Materials & Supplies
Laundry	2,251	2,319	2,388	2,460	2,534	2,610	2,688	2,768	2,851	As Materials & Supplies
Tools	2,895	2,982	3,071	3,163	3,258	3,356	3,457	3,560	3,667	As Materials & Supplies
Advertising	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	As Materials & Supplies
Telephone	4,620	4,805	4,997	5,197	5,405	5,621	5,846	6,080	6,323	As Utilities
Cell Phones	5,520	5,686	5,856	6,032	6,213	6,399	6,591	6,789	6,993	As Materials & Supplies
Maint Office Equip	4,236	4,405	4,582	4,765	4,956	5,154	5,360	5,574	5,797	As Equipment
Lease Pmnts-Personal Prop	8,500	8,755	9,018	9,288	9,567	9,854	10,149	10,454	10,768	As Materials & Supplies
Contract Services	230,885	339,694	351,584	363,889	376,625	389,807	403,450	417,571	432,186	As Salaries
Total Supplies & Services	\$1,253,954	\$1,421,247	\$1,486,441	\$1,554,692	\$1,626,146	\$1,700,956	\$1,779,282	\$1,861,293	\$1,947,164	
Education & Meetings										
Memberships Dues	\$5,933	\$6,141	\$6,356	\$6,578	\$6,808	\$7,047	\$7,293	\$7,548	\$7,813	As General Expenses
Conf & Mtgs	350	362	375	388	402	416	430	445	461	As General Expenses
Education Trng	20,909	21,641	22,398	23,182	23,994	24,833	25,702	26,602	27,533	As General Expenses
Education Incent Reimb	4,375	4,528	4,687	4,851	5,020	5,196	5,378	5,566	5,761	As General Expenses
Machinery & Equipment	57,400	59,409	61,488	63,640	65,868	68,173	70,559	73,029	75,585	As General Expenses
Total Education & Meetings	\$88,967	\$92,081	\$95,304	\$98,639	\$102,092	\$105,665	\$109,363	\$113,191	\$117,153	

City of Woodland
Wastewater Rate Update
Revenue Requirement
Exhibit 3

	<i>Budgeted</i>	<i>Projected</i>								<i>Notes</i>
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	
Other Expenses										
Property Taxes	\$1,700	\$1,760	\$1,821	\$1,885	\$1,951	\$2,019	\$2,090	\$2,163	\$2,239	As General Expenses
Gas & Oil	11,000	11,440	11,898	12,374	12,868	13,383	13,919	14,475	15,054	As Utilities
Indirect Expense	276,479	286,156	296,171	306,537	317,266	328,370	339,863	351,758	364,070	As General Expenses
Water Utilities	39,507	41,087	42,731	44,440	46,218	48,066	49,989	51,989	54,068	As Utilities
Other Utilities	815,000	847,600	881,504	916,764	953,435	991,572	1,031,235	1,072,484	1,115,384	As Utilities
Technology Services Chargebacks	51,878	53,694	55,573	57,518	59,531	61,615	63,771	66,003	68,313	As General Expenses
Fixed Fleet Cost	32,248	33,538	34,879	36,275	37,726	39,235	40,804	42,436	44,134	As Equipment
Variable Fleet Cost	47,665	49,572	51,554	53,617	55,761	57,992	60,311	62,724	65,233	As Equipment
Lease Payment Chargebacks	4,584	4,767	4,958	5,156	5,363	5,577	5,800	6,032	6,274	As Equipment
Total Other Expenses	\$1,280,061	\$1,329,613	\$1,381,090	\$1,434,565	\$1,490,118	\$1,547,829	\$1,607,782	\$1,670,065	\$1,734,768	
Operating Transfers	\$0	As General Expenses								
Total Sewage Treatment Plant	\$4,156,251	\$4,443,750	\$4,634,368	\$4,833,502	\$5,041,549	\$5,258,923	\$5,486,061	\$5,723,420	\$5,971,480	
ENV Operations Laboratory										
Personnel Expenditures										
Salaries-Perm Full Time	\$199,626	\$206,613	\$213,844	\$221,329	\$229,075	\$237,093	\$245,391	\$253,980	\$262,869	As Salaries
Hourly Wages - Temporary	22,839	23,638	24,466	25,322	26,208	27,126	28,075	29,058	30,075	As Salaries
Vacation Buyout	4,000	4,160	4,326	4,499	4,679	4,867	5,061	5,264	5,474	As Benefits - Other
Admin Buyout	1,200	1,248	1,298	1,350	1,404	1,460	1,518	1,579	1,642	As Benefits - Other
Overtime-Perm Full Time	1,800	1,863	1,928	1,996	2,066	2,138	2,213	2,290	2,370	As Salaries
Def Comp City Match	2,764	2,875	2,990	3,109	3,233	3,363	3,497	3,637	3,783	As Benefits - Other
Acting Pay	2,953	3,056	3,163	3,274	3,389	3,507	3,630	3,757	3,889	As Salaries
Wrkrs Comp/Liab Ins	18,093	18,817	19,569	20,352	21,166	22,013	22,893	23,809	24,762	As Benefits - Other
Retirement	73,664	78,084	82,769	87,735	92,999	98,579	104,494	110,763	117,409	As Benefits - Retirement
Retirement Hlth Svgs Pln	2,940	3,116	3,303	3,502	3,712	3,934	4,170	4,421	4,686	As Benefits - Medical
Life Vision Dental	6,195	6,567	6,961	7,378	7,821	8,290	8,788	9,315	9,874	As Benefits - Medical
Retiree Medical	22,833	24,203	25,655	27,194	28,826	30,556	32,389	34,332	36,392	As Benefits - Medical
Health/Life/Vision Ins	54,495	57,765	61,231	64,904	68,799	72,927	77,302	81,940	86,857	As Benefits - Medical
Unemployment Insurance	1,005	1,045	1,087	1,130	1,176	1,223	1,272	1,323	1,375	As Benefits - Other
Medicare Insurance	2,915	3,090	3,275	3,472	3,680	3,901	4,135	4,383	4,646	As Benefits - Medical
Total Personnel Expenditures	\$417,322	\$436,140	\$455,866	\$476,547	\$498,233	\$520,976	\$544,829	\$569,851	\$596,103	
Supplies & Services										
Office Supplies	\$500	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	As Materials & Supplies
Postage	2,100	2,163	2,228	2,295	2,364	2,434	2,508	2,583	2,660	As Materials & Supplies
Spec Dept Supplies	54,488	56,123	57,806	59,541	61,327	63,167	65,062	67,013	69,024	As Materials & Supplies
Personnel Supp & Equip	2,800	2,884	2,971	3,060	3,151	3,246	3,343	3,444	3,547	As Materials & Supplies
Laundry	600	618	637	656	675	696	716	738	760	As Materials & Supplies
Telephone	840	865	891	918	945	974	1,003	1,033	1,064	As Materials & Supplies
Cell Phones	2,160	2,225	2,292	2,360	2,431	2,504	2,579	2,657	2,736	As Materials & Supplies
Contract Services	188,959	195,573	202,418	209,502	216,835	224,424	232,279	240,409	248,823	As Salaries
Total Supplies & Services	\$252,447	\$260,965	\$269,772	\$278,877	\$288,291	\$298,024	\$308,087	\$318,491	\$329,248	
Education & Meetings										
Memberships Dues	\$900	\$932	\$964	\$998	\$1,033	\$1,069	\$1,106	\$1,145	\$1,185	As General Expenses
Conf & Mtgs	500	518	536	554	574	594	615	636	658	As General Expenses
Education Trng	2,700	2,795	2,892	2,994	3,098	3,207	3,319	3,435	3,555	As General Expenses
Education Incent Reimb	1,563	1,618	1,674	1,733	1,794	1,856	1,921	1,989	2,058	As General Expenses
Total Education & Meetings	\$5,663	\$5,861	\$6,066	\$6,279	\$6,498	\$6,726	\$6,961	\$7,205	\$7,457	

	<i>Budgeted</i>	<i>Projected</i>								<i>Notes</i>
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	
Other Expenses										
Technology Services Chargebacks	\$18,778	\$19,435	\$20,115	\$20,820	\$21,548	\$22,302	\$23,083	\$23,891	\$24,727	As General Expenses
Fixed Fleet Cost	7,154	7,440	7,738	8,047	8,369	8,704	9,052	9,414	9,791	As Equipment
Variable Fleet Cost	1,520	1,581	1,644	1,710	1,778	1,849	1,923	2,000	2,080	As Equipment
Total Other Expenses	\$27,452	\$28,456	\$29,497	\$30,577	\$31,696	\$32,856	\$34,058	\$35,305	\$36,598	
Operating Transfers	\$0	As General Expenses								
Total ENV Operations Laboratory	\$702,884	\$731,422	\$761,201	\$792,280	\$824,718	\$858,581	\$893,936	\$930,852	\$969,406	
Operations Administration										
Personnel Expenditures										
Salaries-Perm Full Time	\$148,844	\$154,054	\$159,445	\$165,026	\$170,802	\$176,780	\$182,967	\$189,371	\$195,999	As Salaries
Vacation Buyout	5,500	5,720	5,949	6,187	6,434	6,692	6,959	7,238	7,527	As Benefits - Other
Admin Buyout	2,900	3,016	3,137	3,262	3,393	3,528	3,669	3,816	3,969	As Benefits - Other
Overtime-Perm Full Time	100	104	107	111	115	119	123	127	132	As Salaries
Def Comp City Match	3,461	3,599	3,743	3,893	4,049	4,211	4,379	4,554	4,737	As Benefits - Other
Acting Pay	150	155	161	166	172	178	184	191	198	As Salaries
Wrkrs Comp/Liab Ins	13,430	13,967	14,526	15,107	15,711	16,340	16,993	17,673	18,380	As Benefits - Other
Retirement	53,585	56,800	60,208	63,821	67,650	71,709	76,011	80,572	85,406	As Benefits - Retirement
Health Pay-In Lieu	3,159	3,285	3,417	3,553	3,696	3,843	3,997	4,157	4,323	As Benefits - Other
Retirement Hlth Svgs Pln	1,500	1,590	1,685	1,787	1,894	2,007	2,128	2,255	2,391	As Benefits - Medical
Life Vision Dental	3,885	4,118	4,365	4,627	4,905	5,199	5,511	5,842	6,192	As Benefits - Medical
Retiree Medical	14,319	15,178	16,089	17,054	18,077	19,162	20,312	21,530	22,822	As Benefits - Medical
Health/Life/Vision Ins	23,343	24,744	26,228	27,802	29,470	31,238	33,112	35,099	37,205	As Benefits - Medical
Unemployment Insurance	746	791	838	888	942	998	1,058	1,122	1,189	As Benefits - Medical
Medicare Insurance	2,210	2,343	2,483	2,632	2,790	2,957	3,135	3,323	3,522	As Benefits - Medical
Total Personnel Expenditures	\$277,132	\$289,464	\$302,382	\$315,916	\$330,099	\$344,962	\$360,540	\$376,871	\$393,992	
Supplies & Services										
Memberships & Dues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Materials & Supplies
Office Supplies	1,715	1,766	1,819	1,874	1,930	1,988	2,048	2,109	2,173	As Materials & Supplies
Postage	25	26	27	27	28	29	30	31	32	As Materials & Supplies
Pubs & Periodicals	150	155	159	164	169	174	179	184	190	As Materials & Supplies
Printing	25	26	27	27	28	29	30	31	32	As Materials & Supplies
Copy Machine Costs	300	309	318	328	338	348	358	369	380	As Materials & Supplies
Spec Dept Supplies	1,256	1,294	1,332	1,372	1,414	1,456	1,500	1,545	1,591	As Materials & Supplies
Personnel Supp & Equip	186	192	197	203	209	216	222	229	236	As Materials & Supplies
Telephone	840	865	891	918	945	974	1,003	1,033	1,064	As Materials & Supplies
Contract Services	11,217	11,610	12,016	12,436	12,872	13,322	13,789	14,271	14,771	As Salaries
Total Supplies & Services	\$15,714	\$16,242	\$16,787	\$17,350	\$17,933	\$18,536	\$19,158	\$19,802	\$20,467	
Education & Meetings										
Memberships Dues	\$150	\$155	\$161	\$166	\$172	\$178	\$184	\$191	\$198	As General Expenses
Conf & Mtgs	2,000	2,070	2,142	2,217	2,295	2,375	2,459	2,545	2,634	As General Expenses
Education Incent Reimb	1,250	1,294	1,339	1,386	1,434	1,485	1,537	1,590	1,646	As General Expenses
Total Education & Meetings	\$3,400	\$3,519	\$3,642	\$3,770	\$3,902	\$4,038	\$4,179	\$4,326	\$4,477	

	<i>Budgeted</i>	<i>Projected</i>								<i>Notes</i>
	<i>FY 2022</i>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>	<i>FY 2030</i>	
Other Expenses										
Technology Services Chargebacks	\$11,776	\$12,188	\$12,615	\$13,056	\$13,513	\$13,986	\$14,476	\$14,982	\$15,507	As General Expenses
Total Other Expenses	\$11,776	\$12,188	\$12,615	\$13,056	\$13,513	\$13,986	\$14,476	\$14,982	\$15,507	
Operating Transfers	\$0	\$0	As General Expenses							
Total Operations Administration	\$308,022	\$321,412	\$335,426	\$350,093	\$365,447	\$381,522	\$398,354	\$415,981	\$434,443	
Utilities Expenditures										
Personnel Expenditures										
Salaries-Perm Full Time	\$419,134	\$433,804	\$448,987	\$464,701	\$480,966	\$497,800	\$515,223	\$533,255	\$551,919	As Salaries
Hourly Wages - Temporary	7,524	7,787	8,060	8,342	8,634	8,936	9,249	9,573	9,908	As Salaries
Vacation Buyout	13,000	13,520	14,061	14,623	15,208	15,816	16,449	17,107	17,791	As Benefits - Other
Admin Buyout	4,000	4,160	4,326	4,499	4,679	4,867	5,061	5,264	5,474	As Benefits - Other
Def Comp City Match	6,511	6,771	7,042	7,324	7,617	7,922	8,238	8,568	8,911	As Benefits - Other
Acting Pay	2,536	2,625	2,717	2,812	2,910	3,012	3,117	3,227	3,339	As Salaries
Wrkrs Comp/Liab Ins	38,015	39,346	40,723	42,148	43,623	45,150	46,730	48,366	50,058	As Salaries
Retirement	149,278	154,503	159,910	165,507	171,300	177,295	183,501	189,923	196,571	As Salaries
Health Pay-In Lieu	2,284	2,364	2,447	2,532	2,621	2,713	2,808	2,906	3,008	As Salaries
Retirement Hlth Svgs Pln	4,483	4,752	5,037	5,339	5,660	5,999	6,359	6,741	7,145	As Benefits - Medical
Life Vision Dental	8,988	9,527	10,099	10,705	11,347	12,028	12,750	13,515	14,326	As Benefits - Medical
Retiree Medical	33,127	35,115	37,221	39,455	41,822	44,331	46,991	49,811	52,799	As Benefits - Medical
Health/Life/Vision Ins	72,160	76,490	81,079	85,944	91,100	96,566	102,360	108,502	115,012	As Benefits - Medical
Unemployment Insurance	2,112	2,239	2,373	2,515	2,666	2,826	2,996	3,176	3,366	As Benefits - Medical
Medicare Insurance	6,158	6,527	6,919	7,334	7,774	8,241	8,735	9,259	9,815	As Benefits - Medical
Total Personnel Expenditures	\$769,310	\$799,529	\$831,001	\$863,782	\$897,928	\$933,503	\$970,568	\$1,009,192	\$1,049,443	
Supplies & Services										
Office Supplies	\$500	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	As Materials & Supplies
Postage	100	103	106	109	113	116	119	123	127	As Materials & Supplies
Pubs & Periodicals	300	309	318	328	338	348	358	369	380	As Materials & Supplies
Printing	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	As Materials & Supplies
Copy Machine Costs	2,150	2,215	2,281	2,349	2,420	2,492	2,567	2,644	2,724	As Materials & Supplies
Spec Dept Supplies	9,375	9,656	9,946	10,244	10,552	10,868	11,194	11,530	11,876	As Materials & Supplies
Advertising	200	206	212	219	225	232	239	246	253	As Materials & Supplies
Telephone	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	As Materials & Supplies
Cell Phones	2,160	2,225	2,292	2,360	2,431	2,504	2,579	2,657	2,736	As Materials & Supplies
Contract Services	57,730	59,751	61,842	64,006	66,247	68,565	70,965	73,449	76,019	As Salaries
Total Supplies & Services	\$76,015	\$78,584	\$81,240	\$83,987	\$86,826	\$89,762	\$92,798	\$95,937	\$99,182	
Education & Meetings										
Memberships Dues	\$1,600	\$1,656	\$1,714	\$1,774	\$1,836	\$1,900	\$1,967	\$2,036	\$2,107	As General Expenses
Conf & Mtgs	0	0	0	0	0	0	0	0	0	As General Expenses
Education Trng	3,000	3,105	3,214	3,326	3,443	3,563	3,688	3,817	3,950	As General Expenses
Education Incent Reimb	1,250	1,294	1,339	1,386	1,434	1,485	1,537	1,590	1,646	As General Expenses
Total Education & Meetings	\$5,850	\$6,055	\$6,267	\$6,486	\$6,713	\$6,948	\$7,191	\$7,443	\$7,703	

	<i>Budgeted</i>	<i>Projected</i>								<i>Notes</i>
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	
Other Expenses										
Technology Services Chargebacks	\$36,945	\$38,238	\$39,576	\$40,962	\$42,395	\$43,879	\$45,415	\$47,004	\$48,650	As General Expenses
Total Other Expenses	\$36,945	\$38,238	\$39,576	\$40,962	\$42,395	\$43,879	\$45,415	\$47,004	\$48,650	
Operating Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As General Expenses
Total Utilities Expenditures	\$888,120	\$922,406	\$958,085	\$995,216	\$1,033,863	\$1,074,092	\$1,115,972	\$1,159,576	\$1,204,978	
Communication Manager										
Salaries-Perm Full Time	\$4,498	\$4,655	\$4,818	\$4,987	\$5,162	\$5,342	\$5,529	\$5,723	\$5,923	As General Expenses
Def Comp City Match	90	93	96	100	103	107	111	115	119	As General Expenses
Wrks Comp/Liab Ins	405	419	434	449	465	481	498	515	533	As General Expenses
Retirement	1,660	1,718	1,778	1,840	1,905	1,972	2,041	2,112	2,186	As General Expenses
Life Vision Dental	105	109	112	116	120	125	129	134	138	As General Expenses
Retiree Medical	387	401	415	429	444	460	476	492	510	As General Expenses
Health/Life/Vision Ins	454	470	486	503	521	539	558	578	598	As General Expenses
Unemployment Insurance	23	24	25	26	26	27	28	29	30	As General Expenses
Medicare Insurance	65	67	70	72	75	77	80	83	86	As General Expenses
Total Communication Manager	\$7,687	\$7,956	\$8,235	\$8,523	\$8,821	\$9,130	\$9,449	\$9,780	\$10,122	
Other O&M										
Staffing Adjustments	\$50,000	\$51,750	\$53,561	\$55,436	\$57,376	\$59,384	\$61,463	\$63,614	\$65,840	As General Expenses
093-7390-5910 (Transfer-General)	0	0	0	0	0	0	0	0	0	As General Expenses
Water Pollution Control Operator IIII	167,603	173,469	179,540	185,824	192,328	199,059	206,026	213,237	220,700	As Salaries
Treatment Plant Mechanic	0	152,338	157,670	163,189	168,900	174,812	180,930	187,263	193,817	As Salaries
Total Other O&M	\$217,603	\$377,557	\$390,772	\$404,449	\$418,604	\$433,255	\$448,419	\$464,114	\$480,358	
Total O&M Expenses	\$9,761,353	\$10,429,266	\$10,863,171	\$11,316,115	\$11,788,981	\$12,282,698	\$12,798,238	\$13,336,621	\$13,898,921	
Rate Funded Capital	\$5,250,000	\$5,350,000	\$5,400,000	\$5,450,000	\$5,500,000	\$5,500,000	\$5,500,000	\$5,500,000	\$5,500,000	\$2,785,569 FY 2019 Dep. Exp.
Debt Service										
2017 Revenue Bond	\$811,485	\$808,484	\$809,684	\$804,109	\$811,910	\$812,378	\$811,534	\$808,459	\$805,210	Debt Schedule
2014 Refunding Bond	2,533,850	2,538,600	2,534,850	2,597,850	2,537,100	2,537,600	2,539,100	2,536,350	2,539,350	Debt Schedule
SFR - 14805	763,094	763,094	763,094	763,094	763,094	763,094	763,094	763,094	763,094	Debt Schedule
SFR - 14806	34,248	34,248	34,248	34,248	34,248	34,248	34,248	34,248	34,248	Debt Schedule
SFR - 14807	60,729	60,729	60,729	60,729	60,729	60,729	60,729	60,729	60,729	Debt Schedule
Assumed Low Interest Loan	0	0	0	0	0	0	0	0	0	Calc'd @ 2.5% for 20 yrs
Assumed Revenue Bond	0	0	0	0	0	0	0	0	0	Calc'd @ 4.5% for 20 yrs
Additional Long-Term Debt	0	0	0	0	0	0	0	0	0	Calc'd @ 4.5% for 20 yrs
Total Debt Service	\$4,203,406	\$4,205,155	\$4,202,605	\$4,260,030	\$4,207,081	\$4,208,049	\$4,208,705	\$4,202,880	\$4,202,631	
LESS: Other Funding										
Connection Fees	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	
Net Debt Service	\$3,453,406	\$3,455,155	\$3,452,605	\$3,510,030	\$3,457,081	\$3,458,049	\$3,458,705	\$3,452,880	\$3,452,631	

	<i>Budgeted</i>	<i>Projected</i>								<i>Notes</i>
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	
To / (From) Reserves										
To / (From) Sewer Operating Reserve	\$389,674	\$29,083	\$27,211	(\$42,008)	(\$8,295)	(\$13,278)	(\$787)	\$8,399	\$1,392	
To / (From) Sewer Development Fund	0	0	0	0	0	0	0	0	0	
Total To / (From) Reserves	\$389,674	\$29,083	\$27,211	(\$42,008)	(\$8,295)	(\$13,278)	(\$787)	\$8,399	\$1,392	
Total Revenue Requirement	\$18,854,432	\$19,263,504	\$19,742,988	\$20,234,137	\$20,737,767	\$21,227,469	\$21,756,156	\$22,297,900	\$22,852,943	
Bal. / (Def.) of Funds	\$0	(\$188,328)	(\$571,594)	(\$966,372)	(\$1,372,962)	(\$1,791,669)	(\$2,222,806)	(\$2,666,696)	(\$3,123,668)	
Balance a % of Rate Adj. Req'd	0.0%	1.0%	3.0%	5.1%	7.2%	9.3%	11.5%	13.7%	16.0%	
Proposed Rate Adj. - July	0.0%	0.0%								
<i># of Effective Months</i>	6	6	6	6	6	6	6	6	6	6
Proposed Rate Adj. - January	0.0%	2.0%	2.0%							
<i># of Effective Months</i>	6	6	6	6	6	6	6	6	6	6
Cumulative Annualized Rate Adj.	0.0%	1.0%	3.0%	5.1%	7.2%	9.3%	11.5%	13.7%	16.0%	
Add'l Revenue from Rate Increase	\$0	\$188,328	\$571,594	\$966,372	\$1,372,962	\$1,791,669	\$2,222,806	\$2,666,696	\$3,123,668	
Bal. / (Def.) After Rate Adj.	\$0	\$0	\$0	(\$0)	(\$0)	\$0	\$0	\$0	(\$0)	
Add'l Rate Adj. Req'd	0.0%	0.0%								

	<i>Budgeted</i>	<i>Projected</i>								<i>Notes</i>
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	
Single Family Customer Bill	\$62.15									
Customer Bill on Proposed Adjustment	\$62.15	\$62.77	\$64.67	\$67.95	\$72.83	\$79.63	\$88.79	\$100.99	\$117.17	
Bill Difference - Monthly	0.00	0.62	1.90	3.29	4.88	6.79	9.17	12.20	16.18	
Cumulative Bill Difference	0.00	0.62	2.52	5.80	10.68	17.48	26.64	38.84	55.02	
Debt Service Coverage Ratio (all debt)										
Before Rate Adjustment	2.16	2.06	1.98	1.87	1.80	1.70	1.60	1.50	1.39	
After Needed Rate Adjustment	2.16	2.10	2.11	2.09	2.13	2.13	2.13	2.13	2.13	
After Proposed Rate Adjustment	2.16	2.10	2.11	2.09	2.13	2.13	2.13	2.13	2.13	
Reserve Funds										
Beginning Reserve Balance	\$28,732,557	\$26,902,231	\$26,818,414	\$27,120,826	\$27,359,144	\$27,636,328	\$22,608,705	\$22,795,777	\$22,947,264	
Sewer Operating Reserve										
Beginning Balance	\$26,596,557	\$24,506,231	\$24,152,315	\$24,179,526	\$24,137,518	\$24,129,223	\$18,810,945	\$18,702,158	\$18,552,557	
Plus: Additions	389,674	29,083	27,211	0	0	0	0	8,399	1,392	
Ending Fund Balance	0	0	0	(0)	(0)	0	0	0	(0)	
Less: Uses of Funds	(2,480,000)	(383,000)	0	(42,008)	(8,295)	(5,318,278)	(108,787)	(158,000)	(210,000)	
Ending Balance	\$24,506,231	\$24,152,315	\$24,179,526	\$24,137,518	\$24,129,223	\$18,810,945	\$18,702,158	\$18,552,557	\$18,343,948	
180 Days of O&M Expense	\$4,813,818	\$5,143,200	\$5,357,180	\$5,580,550	\$5,813,744	\$6,057,221	\$6,311,460	\$6,576,964	\$6,854,262	
Sewer Development Fund										
Beginning Balance	\$2,135,999	\$2,395,999	\$2,666,099	\$2,941,300	\$3,221,626	\$3,507,105	\$3,797,760	\$4,093,619	\$4,394,707	
Plus: Additions	0	0	0	0	0	0	0	0	0	
Connection Fees	1,010,000	1,020,100	1,025,201	1,030,327	1,035,478	1,040,656	1,045,859	1,051,088	1,056,344	As Customer Growth
Less: Uses of Funds	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)	
Ending Balance	\$2,395,999	\$2,666,099	\$2,941,300	\$3,221,626	\$3,507,105	\$3,797,760	\$4,093,619	\$4,394,707	\$4,701,051	
Total Ending Reserves	\$26,902,231	\$26,818,414	\$27,120,826	\$27,359,144	\$27,636,328	\$22,608,705	\$22,795,777	\$22,947,264	\$23,044,999	

City of Woodland
Wastewater Rate Update
Capital Improvement Plan
Exhibit 4

Inflation	0.0%
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	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total	Notes
Public Works												
Heated Polymer Tank	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	
Treatment Plant Mechanic Truck	32,000	0	0	0	0	0	0	0	0	0	32,000	
Replace Diffusers - (Operations Cost Inc.)	0	60,000	60,000	60,000	0	0	60,000	60,000	60,000	0	360,000	
Filter Media Rplcmnt (Operations Cost Inc.)	0	85,000	43,000	43,000	0	0	85,000	43,000	43,000	0	342,000	
UV (Operations Cost Increase)	0	30,000	30,000	60,000	30,000	0	60,000	30,000	30,000	60,000	330,000	
Total Public Works	\$132,000	\$175,000	\$133,000	\$163,000	\$30,000	\$0	\$205,000	\$133,000	\$133,000	\$60,000	\$1,164,000	
Wastewater Capital												
Annual Sewer Repair and Replacement	\$0	\$900,000	\$600,000	\$700,000	\$600,000	\$700,000	\$600,000	\$1,000,000	\$1,000,000	\$1,000,000	\$7,100,000	
Preliminary Odor Abatement	0	10,000	10,000	10,000	0	0	0	0	0	0	30,000	
Treatment Plant Exp-Biosolids	0	500,000	700,000	150,000	1,100,000	0	1,100,000	0	1,100,000	0	4,650,000	
Water Pollution Asset Replacement Project	0	750,000	750,000	1,000,000	1,200,000	1,400,000	1,800,000	1,700,000	1,700,000	1,500,000	11,800,000	
Replacement of Orangeberg Sewer Laterals	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	4,500,000	
Large Dia. WW Pipeline Repair, Rplcmnt, & Lining	0	400,000	1,050,000	400,000	500,000	600,000	600,000	900,000	800,000	800,000	6,050,000	
2020 Rd Rehabilitation - Matmor Rd & Gum Ave	0	0	100,000	0	0	0	0	0	0	0	100,000	
2022 Sewer Repair & Replac (Pendegast & College)	0	1,600,000	0	0	0	0	0	0	0	0	1,600,000	
2022 Sewer System Hydraulic Model Update	0	0	90,000	0	0	125,000	0	0	0	0	215,000	
Gibson Road sewer repairs	0	1,000,000	0	0	0	0	0	0	0	0	1,000,000	
2023 water/sewer	0	200,000	1,000,000	0	0	0	0	0	0	0	1,200,000	
2024 water/sewer	0	0	200,000	600,000	0	0	0	0	0	0	800,000	
2025 water/sewer	0	0	0	200,000	750,000	0	0	0	0	0	950,000	
2026 water/sewer	0	0	0	0	200,000	800,000	0	0	0	0	1,000,000	
2027 water/sewer	0	0	0	0	0	200,000	1,000,000	0	0	0	1,200,000	
NPDES (ROWD Application) Renewal	0	0	0	0	150,000	0	0	0	0	0	150,000	
Spring Lake Lift Station Pump Replac Project	0	0	600,000	0	0	0	0	0	0	0	600,000	
Erskine Pond modification and DAFT	0	0	0	0	0	0	5,000,000	0	0	0	5,000,000	
029-1402-5262 (Contract Services)	850,000	795,000	0	0	0	0	0	0	0	0	1,645,000	
029-1403-5262 (Contract Services)	0	500,000	0	0	0	0	0	0	0	0	500,000	
029-1415-5262 (Contract Services)	0	400,000	0	0	0	0	0	0	0	0	400,000	
Total Wastewater Capital	\$850,000	\$7,555,000	\$5,600,000	\$3,560,000	\$5,000,000	\$4,325,000	\$10,600,000	\$4,100,000	\$5,100,000	\$3,800,000	\$50,490,000	

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total	Notes
Unidentified Future Capital Projects	\$3,518,000	\$0	\$0	\$1,677,000	\$420,000	\$1,175,000	\$0	\$1,375,000	\$425,000	\$1,850,000	\$10,440,000	
Transfer to Operating Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Capital Improvement Projects	\$4,500,000	\$7,730,000	\$5,733,000	\$5,400,000	\$5,450,000	\$5,500,000	\$10,805,000	\$5,608,000	\$5,658,000	\$5,710,000	\$62,094,000	
Less: Outside Funding Sources												
Operating Fund Reserves	\$0	\$2,480,000	\$383,000	\$0	\$0	\$0	\$5,305,000	\$108,000	\$158,000	\$210,000	\$8,644,000	
Capital Fund Reserves	0	0	0	0	0	0	0	0	0	0	0	
Developer Contributions	0	0	0	0	0	0	0	0	0	0	0	
Secured Debt (SRF)	0	0	0	0	0	0	0	0	0	0	0	
Assumed Low Interest Loan	0	0	0	0	0	0	0	0	0	0	0	
Assumed Revenue Bond	0	0	0	0	0	0	0	0	0	0	0	
Additional Revenue Bonds	0	0	0	0	0	0	0	0	0	0	0	
Total Funding Sources	\$0	\$2,480,000	\$383,000	\$0	\$0	\$0	\$5,305,000	\$108,000	\$158,000	\$210,000	\$8,644,000	
Rate Funded Capital	\$4,500,000	\$5,250,000	\$5,350,000	\$5,400,000	\$5,450,000	\$5,500,000	\$5,500,000	\$5,500,000	\$5,500,000	\$5,500,000	\$31,450,000	

City of Woodland
Wastewater Rate Update
Debt Schedule
Exhibit 5

	2017 Revenue Bond	2014			Total	
		Refunding Bond	SFR - 14805	SFR - 14806		SFR - 14807
FY 2021	\$808,485	\$2,541,350	\$763,094	\$34,248	\$60,729	\$4,207,906
FY 2022	811,485	2,533,850	763,094	34,248	60,729	4,203,406
FY 2023	808,484	2,538,600	763,094	34,248	60,729	4,205,155
FY 2024	809,684	2,534,850	763,094	34,248	60,729	4,202,605
FY 2025	804,109	2,597,850	763,094	34,248	60,729	4,260,030
FY 2026	811,910	2,537,100	763,094	34,248	60,729	4,207,081
FY 2027	812,378	2,537,600	763,094	34,248	60,729	4,208,049
FY 2028	811,534	2,539,100	763,094	34,248	60,729	4,208,705
FY 2029	808,459	2,536,350	763,094	34,248	60,729	4,202,880
FY 2030	805,210	2,539,350	763,094	34,248	60,729	4,202,631
FY 2031	815,210	2,537,600	763,094	34,248	60,729	4,210,881
FY 2032	0	2,538,100	763,094	34,248	60,729	3,396,171
FY 2033	0	2,899,600	763,094	34,248	60,729	3,757,671
FY 2034	0	2,698,600	763,094	34,248	60,729	3,556,671
FY 2035	0	2,698,800	763,094	34,248	60,729	3,556,871
FY 2036	0	2,698,600	763,094	34,248	60,729	3,556,671
FY 2037	0	2,698,800	763,094	34,248	60,729	3,556,871
Total Debt Service	\$8,906,948	\$44,206,100	\$12,972,590	\$582,217	\$1,032,401	\$67,700,256

City of Woodland
Wastewater Rate Update
Revenues at Present Rates
Exhibit 6

<i>FY 2018 Rates</i>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
Residential														
Fixed Charge	\$ / Acct.													
Single Family	\$62.15	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050
<i>Total Fixed Charge Revenue</i>	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$11,224,290
Total Residential Revenue	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$11,224,290
Multi-Family														
Fixed Charge	Accounts													
Condo/Apmtnt/MH/3plex >	307	307	307	307	307	307	307	307	307	307	307	307	307	307
Duplex	471	471	471	471	471	471	471	471	471	471	471	471	471	471
4-Plex or less														
Res Attached														
Res Multi-Unit														
	778	778	778	778	778	778	778	778	778	778	778	778	778	778
# of Units	\$ / Unit													
Condo/Apmtnt/MH/3plex >	\$40.55	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963
Duplex	\$0.35	942	942	942	942	942	942	942	942	942	942	942	942	942
4-Plex or less	\$40.55													
Res Attached	\$0.35													
Res Multi-Unit	\$0.35													
	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905
<i>Total Fixed Charge Revenue</i>	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$3,470,752
Volume Charge	\$ / CCF													
Number of Bills														#DIV/0!
Water Consumed	\$3.65													0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Total Volume Charge Revenue</i>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Multi-Family Revenue	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$289,229	\$3,470,752

City of Woodland
Wastewater Rate Update
Revenues at Present Rates
Exhibit 6

<i>FY 2018 Rates</i>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Non-Residential													
Fixed Charge	\$ / Acct.												
Commercial													
<i>Low - Strength</i>	<i>\$37.70</i>	704	704	704	704	704	704	704	704	704	704	704	704
<i>Med - Strength</i>	<i>37.70</i>	81	81	81	81	81	81	81	81	81	81	81	81
<i>High - Strength</i>	<i>37.70</i>	95	95	95	95	95	95	95	95	95	95	95	95
		880	880	880	880	880	880	880	880	880	880	880	880
<i>Total Fixed Charge Revenue</i>		\$33,176	\$33,176	\$33,176	\$33,176	\$33,176	\$33,176	\$33,176	\$33,176	\$33,176	\$33,176	\$33,176	\$398,112
Volume Charge	\$ / CCF												
Low - Strength	<i>\$7.75</i>	18,493	15,186	14,254	15,035	16,828	13,215	16,683	16,243	17,368	17,475	17,294	25,063
Med - Strength	<i>8.95</i>	7,204	6,758	7,191	6,580	7,873	6,333	8,409	10,029	11,817	15,307	12,810	8,808
High - Strength	<i>10.17</i>	4,525	5,626	5,086	3,844	4,216	4,236	5,019	4,573	4,745	4,745	4,836	5,630
		30,223	27,570	26,531	25,459	28,917	23,783	30,112	30,846	33,930	37,528	34,940	39,501
<i>Total Volume Charge Revenue</i>		\$253,823	\$235,394	\$226,551	\$214,504	\$243,758	\$202,170	\$255,606	\$262,154	\$288,621	\$320,691	\$297,857	\$330,331
Total Non-Residential Revenue		\$286,999	\$268,570	\$259,727	\$247,680	\$276,934	\$235,346	\$288,782	\$295,330	\$321,797	\$353,867	\$331,033	\$363,507
Schools													
Fixed Charge	\$ / Acct.												
Per Account	<i>\$37.70</i>	29	29	29	29	29	29	29	29	29	29	29	29
<i>Total Fixed Charge Revenue</i>		\$1,093	\$1,093	\$1,093	\$1,093	\$1,093	\$1,093	\$1,093	\$1,093	\$1,093	\$1,093	\$1,093	\$13,120
ADA Charge	\$ / ADA												
Schools	<i>\$1.67</i>	11,176	11,176	11,176	11,176	11,176	11,176	11,176	11,176	11,176	11,176	11,176	11,176
<i>Total ADA Charge Revenue</i>		\$18,664	\$18,664	\$18,664	\$18,664	\$18,664	\$18,664	\$18,664	\$18,664	\$18,664	\$18,664	\$18,664	\$223,967
Total Schools Revenue		\$19,757	\$237,087										
Correctional Facility													
Fixed Charge	\$ / Acct.												
Per Facility	<i>\$8,847.40</i>	1	1	1	1	1	1	1	1	1	1	1	1
		1	1	1	1	1	1	1	1	1	1	1	1
<i>Total Fixed Charge Revenue</i>		\$8,847	\$8,847	\$8,847	\$8,847	\$8,847	\$8,847	\$8,847	\$8,847	\$8,847	\$8,847	\$8,847	\$106,169

City of Woodland
Wastewater Rate Update
Revenues at Present Rates
Exhibit 6

<i>FY 2018 Rates</i>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
Summary														
Customers														
Residential	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050
Multi-Family	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905	6,905
Commercial														
<i>Low - Strength</i>	704	704	704	704	704	704	704	704	704	704	704	704	704	704
<i>Med - Strength</i>	81	81	81	81	81	81	81	81	81	81	81	81	81	81
<i>High - Strength</i>	95	95	95	95	95	95	95	95	95	95	95	95	95	95
Per Account	29	29	29	29	29	29	29	29	29	29	29	29	29	29
Correctional Facility	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Total Number of Customers	22,865	22,865	22,865											
Volume														
Residential	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Multi-Family	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Residential														
<i>Low - Strength</i>	18,493	15,186	14,254	15,035	16,828	13,215	16,683	16,243	17,368	17,475	17,294	25,063		203,138
<i>Med - Strength</i>	7,204	6,758	7,191	6,580	7,873	6,333	8,409	10,029	11,817	15,307	12,810	8,808		109,119
<i>High - Strength</i>	4,525	5,626	5,086	3,844	4,216	4,236	5,019	4,573	4,745	4,745	4,836	5,630		57,082
Schools	11,176	11,176	11,176	11,176	11,176	11,176	11,176	11,176	11,176	11,176	11,176	11,176		134,112
Correctional Facility	0	0	0	0	0	0	0	0	0	0	0	0		0
Total Consumption	41,399	38,746	37,707	36,635	40,093	34,959	41,288	42,022	45,106	48,704	46,116	50,677		503,451
Revenues														
Residential	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$935,358	\$11,224,290
Multi-Family	289,229	289,229	289,229	289,229	289,229	289,229	289,229	289,229	289,229	289,229	289,229	289,229	289,229	3,470,752
Non-Residential														
<i>Low - Strength</i>	169,864	144,235	137,009	143,058	156,958	128,959	155,835	152,428	161,140	161,974	160,571	220,780		1,892,812
<i>Med - Strength</i>	67,530	63,542	67,413	61,942	73,516	59,730	78,318	92,817	108,814	140,053	117,699	81,886		1,013,260
<i>High - Strength</i>	49,605	60,793	55,305	42,680	46,461	46,657	54,628	50,086	51,843	51,840	52,762	60,841		623,500
Schools	19,757	19,757	19,757	19,757	19,757	19,757	19,757	19,757	19,757	19,757	19,757	19,757		237,087
Correctional Facility	8,847	8,847	8,847	8,847	8,847	8,847	8,847	8,847	8,847	8,847	8,847	8,847		106,169
Total Revenues	\$1,540,190	\$1,521,761	\$1,512,919	\$1,500,872	\$1,530,126	\$1,488,538	\$1,541,973	\$1,548,522	\$1,574,989	\$1,607,059	\$1,584,224	\$1,616,699		\$18,567,870

FY 2019 Actual
Difference \$18,567,870
Percent #DIV/0!

Prior Study (2018) = \$17,529,117
5.9%

FY 2022 Budgeted \$18,500,000
Difference \$67,870
Percent 0.4%

City of Woodland
Wastewater Rate Update
Exhibit 7
Volume Distribution Factor

	FY 2023	5.0%	Total Annual	Avg. Daily	% of
	Annual Flow	Inflow and	Flow at Plant	Flow At	Total
	(CCF)	Infiltration ^[1]	(CCF)	Plant (MGD)	
Single Family	1,309,838	65,492	1,375,330	2.82	58.9%
Duplex	69,846	3,492	73,339	0.15	3.1%
Multi-Family	440,427	22,021	462,448	0.95	19.8%
Non-Residential[2]					16.6%
<i>Low - Strength</i>	203,138	10,157	213,295	0.44	9.1%
<i>Med - Strength</i>	109,119	5,456	114,575	0.23	4.9%
<i>High - Strength</i>	57,082	2,854	59,936	0.12	2.6%
Schools^[3]	32,721	1,636	34,357	0.07	1.5%
Total	2,222,171	111,109	2,333,279	4.78	100.0%
		<i>Actual Flows ^[4]</i>	1,970,218	4.04	
Distribution Factor					(VOL)

Notes

- [1] - Estimated
- [1] - Based on billed winter water usage for Nov - Feb then annualized
- [3] - Based on 10 gpd / ADA
- [4] - Provide by City for CY 2020 [prior model: July 2017 - June 2018 = 6.19]

City of Woodland
Wastewater Rate Update
Exhibit 8
Customer Distribution Factors

	<i>Actual Customer</i>		<i>Customer Service & Accounting</i>	
	Number of Account ^[1]	% of Total	Dwelling Units	% of Total
Single Family	15,050	89.9%	15,050	65.8%
Duplex	471	2.8%	942	4.1%
Multi-Family	307	1.8%	5,963	26.1%
Non-Residential		5.3%		3.8%
<i>Low - Strength</i>	704	4.2%	704	3.1%
<i>Med - Strength</i>	81	0.5%	81	0.4%
<i>High - Strength</i>	95	0.6%	95	0.4%
Schools	29	0.2%	29	0.1%
Total	16,737	100.0%	22,864	100.0%
Distribution Factor		(AC)		(WCA)

Notes

[1] - Based on CY 2020 Billing Data

City of Woodland
Wastewater Rate Update
Exhibit 9a
Strength Distribution Factors - Domestic Strength

	<i>Biological Oxygen Demand</i>				<i>Suspended Solids</i>		
	Daily Flow (MGD)	Avg. Factor (mg/l)	Calculated Pounds ^{[1][2]}	% of Total	Avg. Factor (mg/l)	Calculated Pounds ^{[1][2]}	% of Total
Single Family	2.82	205	1,758,848	58.9%	205	1,758,848	58.9%
Duplex	0.15	205	93,789	3.1%	205	93,789	3.1%
Multi-Family	0.95	205	591,404	19.8%	205	591,404	19.8%
Non-Residential				16.6%			16.6%
<i>Low - Strength</i>	0.44	205	272,774	9.1%	205	272,774	9.1%
<i>Med - Strength</i>	0.23	205	146,525	4.9%	205	146,525	4.9%
<i>High - Strength</i>	0.12	205	76,649	2.6%	205	76,649	2.6%
Schools	0.07	205	43,938	1.5%	205	43,938	1.5%
Total	4.78	205	2,983,928	100.0%	205	2,983,928	100.0%
<i>Actual lbs Removed</i>			<i>3,084,255</i>			<i>3,103,657</i>	
Distribution Factor				(BOD)			(TSS)

	<i>Ammonia</i>			
	Daily Flow (MGD)	Avg. Factor (mg/l)	Calculated Pounds ^{[1][2]}	% of Total
Single Family	2.82	30	257,392	58.9%
Duplex	0.15	30	13,725	3.1%
Multi-Family	0.95	30	86,547	19.8%
Non-Residential				16.6%
<i>Low - Strength</i>	0.44	30	39,918	9.1%
<i>Med - Strength</i>	0.23	30	21,443	4.9%
<i>High - Strength</i>	0.12	30	11,217	2.6%
Schools	0.07	30	6,430	1.5%
Total	4.78	30	436,672	100.0%
<i>Actual lbs Removed</i>			<i>490,990</i>	
Distribution Factor				(AMN)

Notes

[1] - Calculated Pounds = Daily Flow * Factor * 8.34 (Lbs. / MGD)
[2] - Retail figures based on WRF influent design

City of Woodland
Wastewater Rate Update
Exhibit 9b
Strength Distribution Factors - Greater than Domestic Strength

	Biological Oxygen Demand				
	Calc Lbs @ Domestic	Daily Flow (MGD)	Avg. Factor (mg/l)	Calculated Pounds ^{[1][2]}	% of Total
Single Family	1,758,848	2.82		0	0.0%
Duplex	93,789	0.15		0	0.0%
Multi-Family	591,404	0.95		0	0.0%
Non-Residential		0.00			100.0%
<i>Low - Strength</i>	272,774	0.44		0	0.0%
<i>Med - Strength</i>	146,525	0.23	275	50,033	48.0%
<i>High - Strength</i>	76,649	0.12	350	54,215	52.0%
Schools	43,938	0.07		0	0.0%
Total	2,983,928	4.78		104,248	100.0%

Actual lbs Removed

3,084,255

Distribution Factor

(BOD-Xtra)

	Ammonia				
	Calc Lbs @ Domestic	Daily Flow (MGD)	Avg. Factor (mg/l)	Calculated Pounds ^{[1][2]}	% of Total
Single Family	257,392	2.82		0	0.0%
Duplex	13,725	0.15		0	0.0%
Multi-Family	86,547	0.95		0	0.0%
Non-Residential					100.0%
<i>Low - Strength</i>	39,918	0.44		0	0.0%
<i>Med - Strength</i>	21,443	0.23	45	10,721	45.0%
<i>High - Strength</i>	11,217	0.12	65	13,086	55.0%
Schools	6,430	0.07		0	0.0%
	436,672	4.78		23,808	100.0%

Actual lbs Removed

490,990

Distribution Factor

(AMN-Xtra)

Notes

[1] - Calculated Pounds = Daily Flow * Factor * 8.34 (Lbs. / MGD)

[2] - Retail figures based on WRF influent design

	Suspended Solids		
	Calc Lbs @ Domestic	Avg. Factor (mg/l)	Calculated Pounds ^{[1][2]}
	1,758,848		0
	93,789		0
	591,404		0
	272,774		0
	146,525	255	35,738
	76,649	350	54,215
	43,938		0
Total	2,983,928		89,953

3,103,657

City of Woodland
Wastewater Rate Update
Exhibit 10
Revenue Distribution Factor

	Projected FY 2023	% of Total
Single Family	\$11,449,898	60.8%
Duplex	580,596	3.1%
Multi-Family	2,959,918	15.7%
Non-Residential		19.1%
<i>Low - Strength</i>	\$1,930,858	10.3%
<i>Med - Strength</i>	1,033,627	5.5%
<i>High - Strength</i>	636,033	3.4%
Schools	241,852	1.3%
Total	\$18,832,782	100.0%
Distribution Factor		(RR)

City of Woodland
Wastewater Rate Update
Exhibit 11.1
Net Plant in Service

As of	Strength Related - Domestic			Strength Related - > Domestic			Weighted for		Revenue Related (RR)	Direct Assignment (DA)	Basis of Classification		
	Volume (VOL)	Bio-oxygen Demand (BOD)	Ammonia (AMN)	Suspended Solids (TSS)	Bio-oxygen Demand (BOD-Xtra)	Ammonia (AMN-Xtra)	Suspended Solids (TSS-Xtra)	Actual Customer (AC)				Customer Acct/Svcs (WCA)	
Collection	\$9,149,549	\$6,862,162	\$0	\$0	\$0	\$0	\$0	\$0	\$2,287,387	\$0	\$0	\$0	75.0% VOL 25.0% AC
Land	\$2,944,605	\$1,398,919	\$446,975	\$449,054	\$438,674	\$15,616	\$13,537	\$23,917	\$157,912	\$0	\$0	\$0	As Treat & Collection
Lift Station	\$782,685	\$587,014	\$0	\$0	\$0	\$0	\$0	\$0	\$195,671	\$0	\$0	\$0	75.0% VOL 25.0% AC
Treatment	\$36,369,597	\$14,547,839	\$7,028,372	\$7,061,057	\$6,897,842	\$245,548	\$212,862	\$376,077	\$0	\$0	\$0	\$0	40.0% VOL 20.0% BOD 20.0% AMN 20.0% SS
<i>Plant Before General Plant</i>	\$49,246,436	\$23,395,933	\$7,475,347	\$7,510,111	\$7,336,516	\$261,163	\$226,399	\$399,994	\$2,640,971	\$0	\$0	\$0	
<i>% Plant Before General Plant</i>	100.0%	47.5%	15.2%	15.3%	14.9%	0.5%	0.5%	0.8%	5.4%	0.0%	0.0%	0.0%	Factor PBGP
General Plant													
General - Buildings	\$17,648	\$8,384	\$2,679	\$2,691	\$2,629	\$94	\$81	\$143	\$946	\$0	\$0	\$0	As Factor PBGP
General - Misc	4,288,621	2,037,433	650,990	654,017	638,900	22,743	19,716	34,833	229,989	0	0	0	As Factor PBGP
General - Equipment	649,799	308,706	98,636	99,095	96,804	3,446	2,987	5,278	34,847	0	0	0	As Factor PBGP
General - GASB 34	23,966,700	11,386,069	3,638,018	3,654,936	3,570,453	127,100	110,181	194,665	1,285,278	0	0	0	As Factor PBGP
Total General Plant	\$28,922,768	\$13,740,591	\$4,390,322	\$4,410,740	\$4,308,786	\$153,383	\$132,966	\$234,919	\$1,551,060	\$0	\$0	\$0	
Net Plant in Service	\$78,169,204	\$37,136,525	\$11,865,670	\$11,920,851	\$11,645,302	\$414,546	\$359,365	\$634,914	\$4,192,031	\$0	\$0	\$0	
<i>% Net Plant in Service</i>	100.0%	47.5%	15.2%	15.3%	14.9%	0.5%	0.5%	0.8%	5.4%	0.0%	0.0%	0.0%	As Net Plant in Service

	Orig Allocation	Lbs	Xtra Lbs	% Xtra Lbs	Alloc - Xtra	Alloc - Domestic
BOD	20.0%	3,088,176	104,248	3.4%	0.68%	19.3%
AMN	20.0%	3,073,881	89,953	2.9%	0.59%	19.4%
TSS	20.0%	460,480	23,808	5.2%	1.03%	19.0%

Test Year FY 2023	Strength Related - Domestic			Strength Related - > Domestic			Weighted for		Revenue Related (RR)	Direct Assignment (DA)	Basis of Classification	
	Volume (VOL)	Bio-oxygen Demand (BOD)	Ammonia (AMN)	Suspended Solids (TSS)	Bio-oxygen Demand (BOD-Xtra)	Ammonia (AMN-Xtra)	Suspended Solids (TSS-Xtra)	Actual Customer (AC)				Customer Acct/Svcs (WCA)
Accounting												
Personnel Expenditures												
Salaries-Perm Full Time	\$186,883	\$0	\$0	\$0	\$0	\$0	\$0	\$186,883	\$0	\$0	\$0	100.0% AC
Hourly Wages - Temporary	1,553	0	0	0	0	0	0	1,553	0	0	0	100.0% AC
Vacation Buyout	1,248	0	0	0	0	0	0	1,248	0	0	0	100.0% AC
Admin Buyout	270	0	0	0	0	0	0	270	0	0	0	100.0% AC
Comp Time Buyout	312	0	0	0	0	0	0	312	0	0	0	100.0% AC
Overtime-Perm Full Time	1,888	0	0	0	0	0	0	1,888	0	0	0	100.0% AC
Def Comp City Match	2,936	0	0	0	0	0	0	2,936	0	0	0	100.0% AC
Wrkrs Comp/Liab Ins	16,952	0	0	0	0	0	0	16,952	0	0	0	100.0% AC
Retirement	67,763	0	0	0	0	0	0	67,763	0	0	0	100.0% AC
Health Pay-In Lieu	349	0	0	0	0	0	0	349	0	0	0	100.0% AC
Retirement Hlth Svgs Pln	2,563	0	0	0	0	0	0	2,563	0	0	0	100.0% AC
Life Vision Dental	5,187	0	0	0	0	0	0	5,187	0	0	0	100.0% AC
Retiree Medical	19,116	0	0	0	0	0	0	19,116	0	0	0	100.0% AC
Health/Life/Vision Ins	57,173	0	0	0	0	0	0	57,173	0	0	0	100.0% AC
Unemployment Insurance	942	0	0	0	0	0	0	942	0	0	0	100.0% AC
Medicare Insurance	2,793	0	0	0	0	0	0	2,793	0	0	0	100.0% AC
Personnel Offset	2,672	0	0	0	0	0	0	2,672	0	0	0	100.0% AC
Total Personnel Expenditures	\$370,866	\$0	\$0	\$0	\$0	\$0	\$0	\$370,866	\$0	\$0	\$0	
Supplies & Services												
Office Supplies	\$721	\$0	\$0	\$0	\$0	\$0	\$0	\$721	\$0	\$0	\$0	100.0% AC
Department Specific Supplies	412	0	0	0	0	0	0	412	0	0	0	100.0% AC
Telephone	747	0	0	0	0	0	0	747	0	0	0	100.0% AC
Contract Services	136,789	0	0	0	0	0	0	136,789	0	0	0	100.0% AC
Credit Card Fees	335,340	0	0	0	0	0	0	335,340	0	0	0	100.0% AC
Contract Services (2)	1,863	0	0	0	0	0	0	1,863	0	0	0	100.0% AC
Total Supplies & Services	\$475,871	\$0	\$0	\$0	\$0	\$0	\$0	\$475,871	\$0	\$0	\$0	
Other Expenses												
Indirect Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	100.0% AC
Technology Services Chargebacks	14,822	0	0	0	0	0	0	14,822	0	0	0	100.0% AC
Total Other Expenses	\$14,822	\$0	\$0	\$0	\$0	\$0	\$0	\$14,822	\$0	\$0	\$0	
Total Accounting	\$861,560	\$0	\$0	\$0	\$0	\$0	\$0	\$861,560	\$0	\$0	\$0	
Sewage Collection System												
Personnel Expenditures (023)												
Salaries-Perm Full Time	\$15,496	\$11,622	\$0	\$0	\$0	\$0	\$0	\$3,874	\$0	\$0	\$0	As Collection
Wrkrs Comp/Liab Ins	1,405	1,054	0	0	0	0	0	351	0	0	0	As Collection
Retirement	5,741	4,306	0	0	0	0	0	1,435	0	0	0	As Collection
Retirement Hlth Svgs Pln	140	105	0	0	0	0	0	35	0	0	0	As Collection
Life Vision Dental	467	351	0	0	0	0	0	117	0	0	0	As Collection
Retiree Medical	1,723	1,292	0	0	0	0	0	431	0	0	0	As Collection
Health/Life/Vision Ins	4,487	3,365	0	0	0	0	0	1,122	0	0	0	As Collection
Unemployment Insurance	78	59	0	0	0	0	0	20	0	0	0	As Collection
Medicare Insurance	231	173	0	0	0	0	0	58	0	0	0	As Collection
Technology Services Chargebacks	1,680	1,260	0	0	0	0	0	420	0	0	0	As Collection
Contract Service	348	261	0	0	0	0	0	87	0	0	0	As Collection
Total Personnel Expenditures (023)	\$31,796	\$23,847	\$0	\$0	\$0	\$0	\$0	\$7,949	\$0	\$0	\$0	
Personnel Expenditures (086)												
Salaries-Perm Full Time	\$796,342	\$597,257	\$0	\$0	\$0	\$0	\$0	\$199,086	\$0	\$0	\$0	As Collection
Hourly Wages - Temporary	44,069	33,052	0	0	0	0	0	11,017	0	0	0	As Collection
Vacation Buyout	5,304	3,978	0	0	0	0	0	1,326	0	0	0	As Collection
Admin Buyout	624	468	0	0	0	0	0	156	0	0	0	As Collection
Comp Time Buyout	624	468	0	0	0	0	0	156	0	0	0	As Collection
Overtime-Perm Full Time	15,600	11,700	0	0	0	0	0	3,900	0	0	0	As Collection
Def Comp City Match	7,054	5,291	0	0	0	0	0	1,764	0	0	0	As Collection
Acting Pay	3,596	2,697	0	0	0	0	0	899	0	0	0	As Collection
Standby Pay	16,640	12,480	0	0	0	0	0	4,160	0	0	0	As Collection
Wrkrs Comp/Liab Ins	71,514	53,635	0	0	0	0	0	17,878	0	0	0	As Collection
Retirement	292,527	219,395	0	0	0	0	0	73,132	0	0	0	As Collection
Health Pay-In Lieu	12,106	9,080	0	0	0	0	0	3,027	0	0	0	As Collection
Retirement Hlth Svgs Pln	15,611	11,708	0	0	0	0	0	3,903	0	0	0	As Collection
Life Vision Dental	26,534	19,900	0	0	0	0	0	6,633	0	0	0	As Collection
Retiree Medical	97,797	73,347	0	0	0	0	0	24,449	0	0	0	As Collection
Health/Life/Vision Ins	250,356	187,767	0	0	0	0	0	62,589	0	0	0	As Collection
Unemployment Insurance	3,973	2,980	0	0	0	0	0	993	0	0	0	As Collection
Medicare Insurance	11,694	8,770	0	0	0	0	0	2,923	0	0	0	As Collection
Total Personnel Expenditures (086)	\$1,671,965	\$1,253,974	\$0	\$0	\$0	\$0	\$0	\$417,991	\$0	\$0	\$0	

Test Year FY 2023	Strength Related - Domestic			Strength Related - > Domestic			Weighted for		Revenue Related (RR)	Direct Assignment (DA)	Basis of Classification	
	Volume (VGL)	Bio-oxygen Demand (BOD)	Ammonia (AMN)	Suspended Solids (TSS)	Bio-oxygen Demand (BOD-Xtra)	Ammonia (AMN-Xtra)	Suspended Solids (TSS-Xtra)	Actual Customer (AC)				Customer Acct/Svcs (WCA)
Supplies & Services (086)												
Office Supplies	\$1,545	\$1,159	\$0	\$0	\$0	\$0	\$0	\$386	\$0	\$0	\$0	As Collection
Postage	412	309	0	0	0	0	0	103	0	0	0	As Collection
Printing	343	257	0	0	0	0	0	86	0	0	0	As Collection
Copy Machine Costs	1,648	1,236	0	0	0	0	0	412	0	0	0	As Collection
Department Specific Supplies	225,903	169,427	0	0	0	0	0	56,476	0	0	0	As Collection
Personal Protective Equipment	8,892	6,669	0	0	0	0	0	2,223	0	0	0	As Collection
Laundry	4,749	3,562	0	0	0	0	0	1,187	0	0	0	As Collection
Tools	5,150	3,863	0	0	0	0	0	1,288	0	0	0	As Collection
Advertising	6,180	4,635	0	0	0	0	0	1,545	0	0	0	As Collection
Telephone	865	649	0	0	0	0	0	216	0	0	0	As Collection
Cell Phones	6,378	4,783	0	0	0	0	0	1,594	0	0	0	As Collection
Maintenance - Equipment	9,587	7,190	0	0	0	0	0	2,397	0	0	0	As Collection
Equip Rental	1,391	1,043	0	0	0	0	0	348	0	0	0	As Collection
Contract Services	251,443	188,582	0	0	0	0	0	62,861	0	0	0	As Collection
Total Supplies & Services (086)	\$524,486	\$393,364	\$0	\$0	\$0	\$0	\$0	\$131,121	\$0	\$0	\$0	
Education & Meetings (086)												
Memberships & Dues	\$5,570	\$4,178	\$0	\$0	\$0	\$0	\$0	\$1,393	\$0	\$0	\$0	As Collection
*Conferences, Meetings & Other Trai	1,894	1,421	0	0	0	0	0	474	0	0	0	As Collection
Mandatory Training	18,630	13,973	0	0	0	0	0	4,658	0	0	0	As Collection
Education Incentive Reimbursement	8,409	6,307	0	0	0	0	0	2,102	0	0	0	As Collection
Total Education & Meetings (086)	\$34,504	\$25,878	\$0	\$0	\$0	\$0	\$0	\$8,626	\$0	\$0	\$0	
Other Expenses												
Property Taxes	\$3,830	\$2,872	\$0	\$0	\$0	\$0	\$0	\$957	\$0	\$0	\$0	As Collection
Gas & Oil	1,035	776	0	0	0	0	0	259	0	0	0	As Collection
Technology Services Chargebacks	78,910	59,183	0	0	0	0	0	19,728	0	0	0	As Collection
Fixed Fleet Cost	132,194	99,146	0	0	0	0	0	33,049	0	0	0	As Collection
Variable Fleet Cost	150,135	112,602	0	0	0	0	0	37,534	0	0	0	As Collection
Lease Payment Chargeback	119,504	89,628	0	0	0	0	0	29,876	0	0	0	As Collection
Total Other Expenses	\$485,609	\$364,206	\$0	\$0	\$0	\$0	\$0	\$121,402	\$0	\$0	\$0	
Operating Transfers	\$14,844	\$11,133	\$0	\$0	\$0	\$0	\$0	\$3,711	\$0	\$0	\$0	As Collection
Total Sewage Collection System	\$2,763,203	\$2,072,402	\$0	\$0	\$0	\$0	\$0	\$690,801	\$0	\$0	\$0	
Sewage Treatment Plant												
Personnel Expenditures												
Salaries-Perm Full Time	\$834,575	\$333,830	\$161,280	\$162,031	\$158,285	\$5,635	\$4,885	\$8,630	\$0	\$0	\$0	As Treatment
Hourly Wages - Temporary	48,471	19,388	9,367	9,411	9,193	327	284	501	0	0	0	As Treatment
Vacation Buyout	13,468	5,387	2,603	2,615	2,554	91	79	139	0	0	0	As Treatment
Admin Buyout	3,640	1,456	703	707	690	25	21	38	0	0	0	As Treatment
Comp Time Buyout	1,560	624	301	303	296	11	9	16	0	0	0	As Treatment
Overtime-Perm Full Time	12,420	4,968	2,400	2,411	2,356	84	73	128	0	0	0	As Treatment
Def Comp City Match	11,807	4,723	2,282	2,292	2,239	80	69	122	0	0	0	As Treatment
Acting Pay	12,714	5,086	2,457	2,468	2,411	86	74	131	0	0	0	As Treatment
Standby Pay	16,250	6,500	3,140	3,155	3,082	110	95	168	0	0	0	As Treatment
Wrkrs Comp/Liab Ins	75,918	30,367	14,671	14,739	14,399	513	444	785	0	0	0	As Treatment
Retirement	307,159	122,864	59,358	59,634	58,256	2,074	1,798	3,176	0	0	0	As Treatment
Health Pay-In Lieu	11,334	4,533	2,190	2,200	2,150	77	66	117	0	0	0	As Treatment
Retirement Hlth Svcs Pln	9,288	3,715	1,795	1,803	1,762	63	54	96	0	0	0	As Treatment
Life Vision Dental	18,142	7,257	3,506	3,522	3,441	122	106	188	0	0	0	As Treatment
Retiree Medical	66,866	26,746	12,922	12,982	12,682	451	391	691	0	0	0	As Treatment
Health/Life/Vision Ins	140,348	56,139	27,122	27,248	26,618	948	821	1,451	0	0	0	As Treatment
Unemployment Insurance	4,218	1,687	815	819	800	28	25	44	0	0	0	As Treatment
Medicare Insurance	12,631	5,052	2,441	2,452	2,396	85	74	131	0	0	0	As Treatment
Total Personnel Expenditures	\$1,600,809	\$640,324	\$309,354	\$310,793	\$303,609	\$10,808	\$9,369	\$16,553	\$0	\$0	\$0	
Supplies & Services												
Office Supplies	\$2,060	\$824	\$398	\$400	\$391	\$14	\$12	\$21	\$0	\$0	\$0	As Treatment
Postage	515	206	100	100	98	3	3	5	0	0	0	As Treatment
Janitorial Supplies	1,590	636	307	309	302	11	9	16	0	0	0	As Treatment
Printing	611	244	118	119	116	4	4	6	0	0	0	As Treatment
Copy Machine Costs	1,996	798	386	388	379	13	12	21	0	0	0	As Treatment
Spec Dept Supplies	1,038,289	415,316	200,648	201,581	196,922	7,010	6,077	10,736	0	0	0	As Treatment
Personnel Supp & Equip	4,450	1,780	860	864	844	30	26	46	0	0	0	As Treatment
Laundry	2,319	927	448	450	440	16	14	24	0	0	0	As Treatment
Tools	2,982	1,193	576	579	566	20	17	31	0	0	0	As Treatment
Advertising	3,090	1,236	597	600	586	21	18	32	0	0	0	As Treatment
Telephone	4,805	1,922	929	933	911	32	28	50	0	0	0	As Treatment
Cell Phones	5,686	2,274	1,099	1,104	1,078	38	33	59	0	0	0	As Treatment
Maint Office Equip	4,405	1,762	851	855	836	30	26	46	0	0	0	As Treatment
Lease Pmts-Personal Prop	8,755	3,502	1,692	1,700	1,660	59	51	91	0	0	0	As Treatment
Contract Services	339,694	135,878	65,645	65,951	64,426	2,293	1,988	3,513	0	0	0	As Treatment
Total Supplies & Services	\$1,421,247	\$568,499	\$274,654	\$275,931	\$269,553	\$9,595	\$8,318	\$14,696	\$0	\$0	\$0	

Test Year FY 2023	Strength Related - Domestic			Strength Related -> Domestic			Weighted for		Revenue Related (RR)	Direct Assignment (DA)	Basis of Classification	
	Volume (VOL)	Bio-oxygen Demand (BOD)	Ammonia (AMN)	Suspended Solids (TSS)	Bio-oxygen Demand (BOD-Xtra)	Ammonia (AMN-Xtra)	Suspended Solids (TSS-Xtra)	Actual Customer (AC)				Customer Acct/Svcs (WCA)
Education & Meetings												
Memberships Dues	\$6,141	\$2,456	\$1,187	\$1,192	\$1,165	\$41	\$36	\$63	\$0	\$0	\$0	As Treatment
Conf & Mtgs	362	145	70	70	69	2	2	4	0	0	0	As Treatment
Education Trng	21,641	8,656	4,182	4,202	4,104	146	127	224	0	0	0	As Treatment
Education Incent Reimb	4,528	1,811	875	879	859	31	27	47	0	0	0	As Treatment
Machinery & Equipment	59,409	23,764	11,481	11,534	11,267	401	348	614	0	0	0	As Treatment
Total Education & Meetings	\$92,081	\$36,832	\$17,794	\$17,877	\$17,464	\$622	\$539	\$952	\$0	\$0	\$0	
Other Expenses												
Property Taxes	\$1,760	\$704	\$340	\$342	\$334	\$12	\$10	\$18	\$0	\$0	\$0	As Treatment
Gas & Oil	11,440	4,576	2,211	2,221	2,170	77	67	118	0	0	0	As Treatment
Indirect Expense	286,156	114,462	55,299	55,556	54,272	1,932	1,675	2,959	0	0	0	As Treatment
Water Utilities	41,087	16,435	7,940	7,977	7,793	277	240	425	0	0	0	As Treatment
Other Utilities	847,600	339,040	163,797	164,559	160,755	5,723	4,961	8,765	0	0	0	As Treatment
Technology Services Chargebacks	53,694	21,477	10,376	10,424	10,184	363	314	555	0	0	0	As Treatment
Fixed Fleet Cost	33,538	13,415	6,481	6,511	6,361	226	196	347	0	0	0	As Treatment
Variable Fleet Cost	49,572	19,829	9,580	9,624	9,402	335	290	513	0	0	0	As Treatment
Lease Payment Chargebacks	4,767	1,907	921	926	904	32	28	49	0	0	0	As Treatment
Total Other Expenses	\$1,329,613	\$531,845	\$256,946	\$258,141	\$252,174	\$8,977	\$7,782	\$13,749	\$0	\$0	\$0	
Operating Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Treatment
Total Sewage Treatment Plant	\$4,443,750	\$1,777,500	\$858,748	\$862,742	\$842,800	\$30,002	\$26,008	\$45,950	\$0	\$0	\$0	
ENV Operations Laboratory												
Personnel Expenditures												
Salaries-Perm Full Time	\$206,613	\$82,645	\$39,928	\$40,113	\$39,186	\$1,395	\$1,209	\$2,136	\$0	\$0	\$0	As Treatment
Hourly Wages - Temporary	23,638	9,455	4,568	4,589	4,483	160	138	244	0	0	0	As Treatment
Vacation Buyout	4,160	1,664	804	808	789	28	24	43	0	0	0	As Treatment
Admin Buyout	1,248	499	241	242	237	8	7	13	0	0	0	As Treatment
Overtime-Perm Full Time	1,863	745	360	362	353	13	11	19	0	0	0	As Treatment
Def Comp City Match	2,875	1,150	556	558	545	19	17	30	0	0	0	As Treatment
Acting Pay	3,056	1,223	591	593	580	21	18	32	0	0	0	As Treatment
Workers Comp/Liab Ins	18,817	7,527	3,636	3,653	3,569	127	110	195	0	0	0	As Treatment
Retirement	78,084	31,234	15,090	15,160	14,809	527	457	807	0	0	0	As Treatment
Retirement Hlth Svcs Pln	3,116	1,247	602	605	591	21	18	32	0	0	0	As Treatment
Life Vision Dental	6,567	2,627	1,269	1,275	1,245	44	38	68	0	0	0	As Treatment
Retiree Medical	24,203	9,681	4,677	4,699	4,590	163	142	250	0	0	0	As Treatment
Health/Life/Vision Ins	57,765	23,106	11,163	11,215	10,956	390	338	597	0	0	0	As Treatment
Unemployment Insurance	1,045	418	202	203	198	7	6	11	0	0	0	As Treatment
Medicare Insurance	3,090	1,236	597	600	586	21	18	32	0	0	0	As Treatment
Total Personnel Expenditures	\$436,140	\$174,456	\$84,283	\$84,675	\$82,718	\$2,945	\$2,553	\$4,510	\$0	\$0	\$0	
Supplies & Services												
Office Supplies	\$515	\$206	\$100	\$100	\$98	\$3	\$3	\$5	\$0	\$0	\$0	As Treatment
Postage	2,163	865	418	420	410	15	13	22	0	0	0	As Treatment
Spec Dept Supplies	56,123	22,449	10,846	10,896	10,644	379	328	580	0	0	0	As Treatment
Personnel Supp & Equip	2,884	1,154	557	560	547	19	17	30	0	0	0	As Treatment
Laundry	618	247	119	120	117	4	4	6	0	0	0	As Treatment
Telephone	865	346	167	168	164	6	5	9	0	0	0	As Treatment
Cell Phones	2,225	890	430	432	422	15	13	23	0	0	0	As Treatment
Contract Services	195,573	78,229	37,794	37,970	37,092	1,320	1,145	2,022	0	0	0	As Treatment
Total Supplies & Services	\$260,965	\$104,386	\$50,431	\$50,666	\$49,495	\$1,762	\$1,527	\$2,698	\$0	\$0	\$0	
Education & Meetings												
Memberships Dues	\$932	\$373	\$180	\$181	\$177	\$6	\$5	\$10	\$0	\$0	\$0	As Treatment
Conf & Mtgs	518	207	100	100	98	3	3	5	0	0	0	As Treatment
Education Trng	2,795	1,118	540	543	530	19	16	29	0	0	0	As Treatment
Education Incent Reimb	1,618	647	313	314	307	11	9	17	0	0	0	As Treatment
Total Education & Meetings	\$5,861	\$2,344	\$1,133	\$1,138	\$1,112	\$40	\$34	\$61	\$0	\$0	\$0	
Other Expenses												
Technology Services Chargebacks	\$19,435	\$7,774	\$3,756	\$3,773	\$3,686	\$131	\$114	\$201	\$0	\$0	\$0	As Treatment
Fixed Fleet Cost	7,440	2,976	1,438	1,444	1,411	50	44	77	0	0	0	As Treatment
Variable Fleet Cost	1,581	632	305	307	300	11	9	16	0	0	0	As Treatment
Total Other Expenses	\$28,456	\$11,382	\$5,499	\$5,525	\$5,397	\$192	\$167	\$294	\$0	\$0	\$0	
Operating Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Treatment
Total ENV Operations Laboratory	\$731,422	\$292,569	\$141,346	\$142,004	\$138,721	\$4,938	\$4,281	\$7,563	\$0	\$0	\$0	

Test Year FY 2023	Strength Related - Domestic			Strength Related - > Domestic			Weighted for		Revenue Related (RR)	Direct Assignment (DA)	Basis of Classification		
	Volume (VOL)	Bio-oxygen Demand (BOD)	Ammonia (AMN)	Suspended Solids (TSS)	Bio-oxygen Demand (BOD-Xtra)	Ammonia (AMN-Xtra)	Suspended Solids (TSS-Xtra)	Actual Customer (AC)				Customer Acct/Svcs (WCA)	
Operations Administration													
Personnel Expenditures													
Salaries-Perm Full Time	\$154,054	\$73,188	\$23,385	\$23,493	\$22,950	\$817	\$708	\$1,251	\$8,262	\$0	\$0	\$0	As Net Plant
Vacation Buyout	5,720	2,717	868	872	852	30	26	46	307	0	0	0	As Net Plant
Admin Buyout	3,016	1,433	458	460	449	16	14	24	162	0	0	0	As Net Plant
Overtime-Perm Full Time	104	49	16	16	15	1	0	1	6	0	0	0	As Net Plant
Def Comp City Match	3,599	1,710	546	549	536	19	17	29	193	0	0	0	As Net Plant
Acting Pay	155	74	24	24	23	1	1	1	8	0	0	0	As Net Plant
Wrks Comp/Liab Ins	13,967	6,636	2,120	2,130	2,081	74	64	113	749	0	0	0	As Net Plant
Retirement	56,800	26,985	8,622	8,662	8,462	301	261	461	3,046	0	0	0	As Net Plant
Health Pay-In Lieu	3,285	1,561	499	501	489	17	15	27	176	0	0	0	As Net Plant
Retirement Hlth Svgs Pln	1,590	755	241	242	237	8	7	13	85	0	0	0	As Net Plant
Life Vision Dental	4,118	1,956	625	628	613	22	19	33	221	0	0	0	As Net Plant
Retiree Medical	15,178	7,211	2,304	2,315	2,261	80	70	123	814	0	0	0	As Net Plant
Health/Life/Vision Ins	24,744	11,755	3,756	3,773	3,686	131	114	201	1,327	0	0	0	As Net Plant
Unemployment Insurance	791	376	120	121	118	4	4	6	42	0	0	0	As Net Plant
Medicare Insurance	2,343	1,113	356	357	349	12	11	19	126	0	0	0	As Net Plant
Total Personnel Expenditures	\$289,464	\$137,518	\$43,939	\$44,143	\$43,123	\$1,535	\$1,331	\$2,351	\$15,523	\$0	\$0	\$0	
Supplies & Services													
Memberships & Dues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Net Plant
Office Supplies	1,766	839	268	269	263	9	8	14	95	0	0	0	As Net Plant
Postage	26	12	4	4	4	0	0	0	1	0	0	0	As Net Plant
Pubs & Periodicals	155	73	23	24	23	1	1	1	8	0	0	0	As Net Plant
Printing	26	12	4	4	4	0	0	0	1	0	0	0	As Net Plant
Copy Machine Costs	309	147	47	47	46	2	1	3	17	0	0	0	As Net Plant
Spec Dept Supplies	1,294	615	196	197	193	7	6	11	69	0	0	0	As Net Plant
Personnel Supp & Equip	192	91	29	29	29	1	1	2	10	0	0	0	As Net Plant
Telephone	865	411	131	132	129	5	4	7	46	0	0	0	As Net Plant
Contract Services	11,610	5,515	1,762	1,770	1,730	62	53	94	623	0	0	0	As Net Plant
Total Supplies & Services	\$16,242	\$7,716	\$2,465	\$2,477	\$2,420	\$86	\$75	\$132	\$871	\$0	\$0	\$0	
Education & Meetings													
Memberships Dues	\$155	\$74	\$24	\$24	\$23	\$1	\$1	\$1	\$8	\$0	\$0	\$0	As Net Plant
Conf & Mtgs	2,070	983	314	316	308	11	10	17	111	0	0	0	As Net Plant
Education Incent Reimb	1,294	615	196	197	193	7	6	11	69	0	0	0	As Net Plant
Total Education & Meetings	\$3,519	\$1,672	\$534	\$537	\$524	\$19	\$16	\$29	\$189	\$0	\$0	\$0	
Other Expenses													
Technology Services Chargebacks	\$12,188	\$5,790	\$1,850	\$1,859	\$1,816	\$65	\$56	\$99	\$654	\$0	\$0	\$0	As Net Plant
Total Other Expenses	\$12,188	\$5,790	\$1,850	\$1,859	\$1,816	\$65	\$56	\$99	\$654	\$0	\$0	\$0	
Operating Transfers													
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Net Plant
Total Operations Administration	\$321,412	\$152,696	\$48,789	\$49,016	\$47,883	\$1,705	\$1,478	\$2,611	\$17,237	\$0	\$0	\$0	
Utilities Expenditures													
Personnel Expenditures													
Salaries-Perm Full Time	\$433,804	\$206,091	\$65,849	\$66,155	\$64,626	\$2,301	\$1,994	\$3,523	\$23,264	\$0	\$0	\$0	As Net Plant
Hourly Wages - Temporary	7,787	3,700	1,182	1,188	1,160	41	36	63	418	0	0	0	As Net Plant
Vacation Buyout	13,520	6,423	2,052	2,062	2,014	72	62	110	725	0	0	0	As Net Plant
Admin Buyout	4,160	1,976	631	634	620	22	19	34	223	0	0	0	As Net Plant
Def Comp City Match	6,771	3,217	1,028	1,033	1,009	36	31	55	363	0	0	0	As Net Plant
Acting Pay	2,625	1,247	398	400	391	14	12	21	141	0	0	0	As Net Plant
Wrks Comp/Liab Ins	39,346	18,692	5,972	6,000	5,862	209	181	320	2,110	0	0	0	As Net Plant
Retirement	154,503	73,401	23,453	23,562	23,017	819	710	1,255	8,286	0	0	0	As Net Plant
Health Pay-In Lieu	2,364	1,123	359	361	352	13	11	19	127	0	0	0	As Net Plant
Retirement Hlth Svgs Pln	4,752	2,258	721	725	708	25	22	39	255	0	0	0	As Net Plant
Life Vision Dental	9,527	4,526	1,446	1,453	1,419	51	44	77	511	0	0	0	As Net Plant
Retiree Medical	35,115	16,682	5,330	5,355	5,231	186	161	285	1,883	0	0	0	As Net Plant
Health/Life/Vision Ins	76,490	36,339	11,611	11,665	11,395	406	352	621	4,102	0	0	0	As Net Plant
Unemployment Insurance	2,239	1,064	340	341	334	12	10	18	120	0	0	0	As Net Plant
Medicare Insurance	6,527	3,101	991	995	972	35	30	53	350	0	0	0	As Net Plant
Total Personnel Expenditures	\$799,529	\$379,839	\$121,364	\$121,929	\$119,110	\$4,240	\$3,676	\$6,494	\$42,877	\$0	\$0	\$0	
Supplies & Services													
Office Supplies	\$515	\$245	\$78	\$79	\$77	\$3	\$2	\$4	\$28	\$0	\$0	\$0	As Net Plant
Postage	103	49	16	16	15	1	0	1	6	0	0	0	As Net Plant
Pubs & Periodicals	309	147	47	47	46	2	1	3	17	0	0	0	As Net Plant
Printing	2,060	979	313	314	307	11	9	17	110	0	0	0	As Net Plant
Copy Machine Costs	2,215	1,052	336	338	330	12	10	18	119	0	0	0	As Net Plant
Spec Dept Supplies	9,656	4,587	1,466	1,473	1,439	51	44	78	518	0	0	0	As Net Plant
Advertising	206	98	31	31	31	1	1	2	11	0	0	0	As Net Plant
Telephone	1,545	734	235	236	230	8	7	13	83	0	0	0	As Net Plant
Cell Phones	2,225	1,057	338	339	331	12	10	18	119	0	0	0	As Net Plant
Contract Services	59,751	28,386	9,070	9,112	8,901	317	275	485	3,204	0	0	0	As Net Plant
Total Supplies & Services	\$78,584	\$37,334	\$11,929	\$11,984	\$11,707	\$417	\$361	\$638	\$4,214	\$0	\$0	\$0	

Test Year FY 2023	Strength Related - Domestic			Strength Related - > Domestic			Weighted for		Revenue Related (RR)	Direct Assignment (DA)	Basis of Classification	
	Volume (VOL)	Bio-oxygen Demand (BOD)	Ammonia (AMN)	Suspended Solids (TSS)	Bio-oxygen Demand (BOD-Xtra)	Ammonia (AMN-Xtra)	Suspended Solids (TSS-Xtra)	Actual Customer (AC)				Customer Acct/Svcs (WCA)
Education & Meetings												
Memberships Dues	\$1,656	\$787	\$251	\$253	\$247	\$9	\$8	\$13	\$89	\$0	\$0	As Net Plant
Education Trng	3,105	1,475	471	474	463	16	14	25	167	0	0	As Net Plant
Education Incent Reimb	1,294	615	196	197	193	7	6	11	69	0	0	As Net Plant
Total Education & Meetings	\$6,055	\$2,876	\$919	\$923	\$902	\$32	\$28	\$49	\$325	\$0	\$0	
Other Expenses												
Technology Services Chargebacks	\$38,238	\$18,166	\$5,804	\$5,831	\$5,697	\$203	\$176	\$311	\$2,051	\$0	\$0	As Net Plant
Total Other Expenses	\$38,238	\$18,166	\$5,804	\$5,831	\$5,697	\$203	\$176	\$311	\$2,051	\$0	\$0	
Operating Transfers												
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Net Plant
Total Utilities Expenditures	\$922,406	\$438,215	\$140,016	\$140,667	\$137,416	\$4,892	\$4,241	\$7,492	\$49,466	\$0	\$0	
Communication Manager												
Salaries-Perm Full Time	\$4,655	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,655	\$0	\$0	100.0% AC
Def Comp City Match	93	0	0	0	0	0	0	0	93	0	0	100.0% AC
Wrks Comp/Liab Ins	419	0	0	0	0	0	0	0	419	0	0	100.0% AC
Retirement	1,718	0	0	0	0	0	0	0	1,718	0	0	100.0% AC
Life Vision Dental	109	0	0	0	0	0	0	0	109	0	0	100.0% AC
Retiree Medical	401	0	0	0	0	0	0	0	401	0	0	100.0% AC
Health/Life/Vision Ins	470	0	0	0	0	0	0	0	470	0	0	100.0% AC
Unemployment Insurance	24	0	0	0	0	0	0	0	24	0	0	100.0% AC
Medicare Insurance	67	0	0	0	0	0	0	0	67	0	0	100.0% AC
Total Communication Manager	\$7,956	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,956	\$0	\$0	
Other O&M												
Staffing Adjustments	\$51,750	\$24,585	\$7,855	\$7,892	\$7,709	\$274	\$238	\$420	\$2,775	\$0	\$0	As Net Plant
093-7390-5910 (Transfer-General)	0	0	0	0	0	0	0	0	0	0	0	100.0% VOL
Water Pollution Control Operator III	173,469	69,387	33,523	33,678	32,900	1,171	1,015	1,794	0	0	0	As Treatment
Treatment Plant Mechanic	152,338	60,935	29,439	29,576	28,892	1,029	892	1,575	0	0	0	As Treatment
Total Other O&M	\$377,557	\$154,908	\$70,817	\$71,146	\$69,502	\$2,474	\$2,145	\$3,789	\$2,775	\$0	\$0	
Total O&M Expenses	\$10,429,266	\$4,888,290	\$1,259,717	\$1,265,575	\$1,236,321	\$44,010	\$38,152	\$67,406	\$1,629,795	\$0	\$0	
Rate Funded Capital	\$5,350,000	\$2,541,671	\$812,102	\$815,878	\$797,019	\$28,372	\$24,595	\$43,454	\$286,908	\$0	\$0	As Net Plant
Debt Service												
2017 Revenue Bond	\$808,484	\$384,094	\$122,724	\$123,294	\$120,444	\$4,288	\$3,717	\$6,567	\$43,357	\$0	\$0	As Net Plant
2014 Refunding Bond	2,538,600	1,206,035	385,346	387,138	378,189	13,463	11,671	20,619	136,139	0	0	As Net Plant
SFR - 14805	763,094	362,529	115,834	116,372	113,682	4,047	3,508	6,198	40,923	0	0	As Net Plant
SFR - 14806	34,248	16,271	5,199	5,223	5,102	182	157	278	1,837	0	0	As Net Plant
SFR - 14807	60,729	28,851	9,218	9,261	9,047	322	279	493	3,257	0	0	As Net Plant
Assumed Low Interest Loan	0	0	0	0	0	0	0	0	0	0	0	As Net Plant
Assumed Revenue Bond	0	0	0	0	0	0	0	0	0	0	0	As Net Plant
Additional Long-Term Debt	0	0	0	0	0	0	0	0	0	0	0	As Net Plant
Total Debt Service	\$4,205,155	\$1,997,780	\$638,320	\$641,289	\$626,465	\$22,301	\$19,332	\$34,156	\$225,513	\$0	\$0	
LESS: Other Funding												
Connection Fees	\$750,000	\$356,309	\$113,846	\$114,375	\$111,732	\$3,977	\$3,448	\$6,092	\$40,221	\$0	\$0	As Debt Service
Net Debt Service	\$3,455,155	\$1,641,471	\$524,474	\$526,913	\$514,734	\$18,323	\$15,884	\$28,064	\$185,292	\$0	\$0	
To / (From) Reserves												
To / (From) Sewer Operating Reserve	\$29,083	\$13,632	\$3,513	\$3,529	\$3,448	\$123	\$106	\$188	\$4,545	\$0	\$0	As O&M Expenses
To / (From) Sewer Development Fund	0	0	0	0	0	0	0	0	0	0	0	As O&M Expenses
Total To / (From) Reserves	\$29,083	\$13,632	\$3,513	\$3,529	\$3,448	\$123	\$106	\$188	\$4,545	\$0	\$0	
Total Revenue Requirement	\$19,263,504	\$9,085,064	\$2,599,805	\$2,611,896	\$2,551,522	\$90,828	\$78,738	\$139,112	\$2,106,540	\$0	\$0	
Less: Non-Operating Revenue												
Other Misc	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Rev Req
Correctional Facility	108,303	51,078	14,617	14,685	14,345	511	443	782	11,843	0	0	As Rev Req
Interest	134,092	63,241	18,097	18,181	17,761	632	548	968	14,663	0	0	As Rev Req
Total Other Revenues	\$242,395	\$114,318	\$32,714	\$32,866	\$32,106	\$1,143	\$991	\$1,750	\$26,507	\$0	\$0	
Net Revenue Requirement	\$19,021,110	\$8,970,745	\$2,567,092	\$2,579,030	\$2,519,416	\$89,686	\$77,747	\$137,361	\$2,080,033	\$0	\$0	

City of Woodland
Wastewater Rate Update
Exhibit 13
Allocation of Total Revenue Requirement

	FY 2023 Expenses	Single Family	Duplex	Multi-Family	Low - Strength	Med - Strength	High - Strength	Schools	Basis of Allocation
Volume Related	\$8,970,745	\$5,287,721	\$281,964	\$1,777,970	\$820,055	\$440,506	\$230,435	\$132,093	(VOL)
Strength Related									
Bio-oxygen Demand	\$2,567,092	\$1,513,148	\$80,688	\$508,789	\$234,669	\$126,056	\$65,942	\$37,800	(BOD)
Ammonia	2,579,030	1,520,185	81,063	511,155	235,760	126,643	66,249	37,976	(AMN)
Suspended Solids	2,519,416	1,485,046	79,189	499,339	230,311	123,715	64,717	37,098	(SS)
Bio-oxygen Demand - Xtra	89,686	0	0	0	0	43,044	46,642	0	(BOD-Xtra)
Ammonia - Xtra	77,747	0	0	0	0	35,012	42,735	0	(AMN-Xtra)
Suspended Solids - Xtra	137,361	0	0	0	0	54,573	82,789	0	(TSS-Xtra)
Total Strength Related	\$7,970,331	\$4,518,378	\$240,940	\$1,519,283	\$700,740	\$509,042	\$369,074	\$112,874	
Customer Related									
Actual Customer	\$2,080,033	\$1,870,377	\$58,535	\$38,153	\$87,491	\$10,066	\$11,806	\$3,604	(AC)
Weighted Customer	0	0	0	0	0	0	0	0	(WCA)
Total Customer Related	\$2,080,033	\$1,870,377	\$58,535	\$38,153	\$87,491	\$10,066	\$11,806	\$3,604	
Revenue Related	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(RR)
Direct Assignment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(DA)
Total Revenue Requirements	\$19,021,110	\$11,676,476	\$581,439	\$3,335,406	\$1,608,287	\$959,615	\$611,315	\$248,571	

City of Woodland
Wastewater Rate Update
Exhibit 14
Cost of Service Analysis Summary

	FY 2023	Single Family	Duplex	Multi-Family	Low - Strength	Med - Strength	High - Strength	Schools
Revenues at Present Rates	\$18,832,782	\$11,449,898	\$580,596	\$2,959,918	\$1,930,858	\$1,033,627	\$636,033	\$241,852
Distributed Revenue Requirem	\$19,021,110	\$11,676,476	\$581,439	\$3,335,406	\$1,608,287	\$959,615	\$611,315	\$248,571
<i>Balance / (Deficiency) of Fi</i>	<i>(\$188,328)</i>	<i>(\$226,578)</i>	<i>(\$842)</i>	<i>(\$375,489)</i>	<i>\$322,571</i>	<i>\$74,012</i>	<i>\$24,717</i>	<i>(\$6,719)</i>
Required % Change in Rates	1.0%	2.0%	0.1%	12.7%	-16.7%	-7.2%	-3.9%	2.8%

City of Woodland
Wastewater Rate Update
Exhibit 15
Unit Costs Summary

	System Average	Single Family	Duplex	Multi-Family	Low - Strength	Med - Strength	High - Strength	Schools
Volume Charge								
Volume Costs - \$ / CCF	\$4.04				\$4.04	\$4.04	\$4.04	\$0.98
BOD Costs - \$ / CCF	1.16				1.16	1.47	1.81	0.28
SS Costs - \$ / CCF	1.16				1.16	1.42	1.76	0.28
Ammonia Costs - \$ / CCF	1.13				1.13	1.53	2.29	0.28
Direct Assgn. - \$ / CCF	0.00				0.00	0.00	0.00	0.00
Total	\$7.49				\$7.49	\$8.46	\$9.90	\$1.83
	<i>Current Rates</i>				\$7.75	\$8.95	\$10.17	\$1.67
Fixed Charge								
Actual Customer - \$ / Acct.	\$10.36	\$10.36	\$10.36	\$10.36	\$10.36	\$10.36	\$10.36	\$10.36
Weighted Customer - \$ / A	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue Related - \$ / Acct	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Strength > Domestic	1.52	0.00	0.00	0.00	0.00	27.29	30.20	0.00
Total	\$11.87	\$10.36	\$10.36	\$10.36	\$10.36	\$37.65	\$40.56	\$10.36
	<i>Current Rates</i>	\$62.15	\$51.44	\$46.61	\$37.70	\$37.70	\$37.70	\$37.70
Basic Data								
Annual Flow - CCF	2,222,171	1,309,838	69,846	440,427	203,138	109,119	57,082	32,721
Number of Accounts	16,737	15,050	471	307	704	81	95	29
Number of Living Units	22,864	15,050	942	5,963	704	81	95	29

City of Woodland
Wastewater Rate Update
Single Family Rates

	<i>Present</i>					
	<i>Rates</i>	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Fixed Charge	<i>\$/Acct.</i>					
Per Account	\$62.15	\$62.15	\$64.65	\$65.95	\$67.27	\$68.61

City of Woodland
Wastewater Rate Update
Multi-Family Rates

	<i>Present</i>	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
	<i>Rates</i>					
Fixed Charge						
Condo/Aprtmnt/MH/3plex >	\$40.55	\$40.55	\$46.61	\$47.54	\$48.50	\$49.47
Duplex	50.35	50.35	51.44	52.47	53.51	54.58

**City of Woodland
Wastewater Rate Update
Non Residential Rates**

	<i>Present Rates</i>	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Fixed Charge						
Low - Strength	\$37.70	\$37.70	\$10.36	\$10.56	\$10.77	\$10.99
Med - Strength	37.70	37.70	37.65	38.40	39.17	39.95
High - Strength	37.70	37.70	40.56	41.37	42.20	43.04
Volume Charge						
Low - Strength	\$7.75	\$7.75	\$7.49	\$7.64	\$7.79	\$7.94
Med - Strength	8.95	8.95	8.46	8.63	8.80	8.98
High - Strength	10.17	10.17	9.90	10.10	10.30	10.51

**City of Woodland
Wastewater Rate Update
Schools Rates**

	<i>Present Rates</i>	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Fixed Charge						
Per Account	\$37.70	\$37.70	\$10.36	\$10.56	\$10.77	\$10.99
ADA Charge						
Per ADA	\$1.67	\$1.67	\$1.83	\$1.86	\$1.90	\$1.94



Wastewater Proposition 218 Appendix





Proposition 218 NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City of Woodland will hold a public hearing on Tuesday, December 7, 2021, at 6:00 p.m., in the City Council Chambers at 300 First Street, Woodland CA 95695, and online via link provided at www.cityofwoodland.org. This public hearing is to consider adoption of proposed increases to rates for Water and Wastewater Utility Services.

You are receiving this notice because you are either a City of Woodland water or sewer customer or you own property that receives water services through the City of Woodland.

Reasons for the proposed rates and instructions for protesting the rate increases are described in more detail below.

The City of Woodland provides water and wastewater (sewer) services to close to 17,000 accounts and is committed to providing the highest water quality at the lowest possible cost for our customers. These utilities are operated to be financially self-sufficient. Monthly rates and charges are the primary source of revenue to fund these utility operations, which include system operations and maintenance, capital infrastructure improvements, debt service and costs related to long-term operational or financial management, such as maintaining adequate fund reserves and contingency planning.

PROPOSED CHANGES TO WATER AND SEWER RATES

The City hired a consultant to perform an independent water rate study and sewer rate study (“Rate Study”) to evaluate the infrastructure needs, programs, and operations and maintenance costs of the City’s utility services and the revenues necessary to recover the costs for those services for the next five years. Costs to provide water and sewer services rise annually. The costs to buy water have increased, and rising costs for energy, fuel, infrastructure construction and maintenance, personnel to operate the systems, and supplies required for treating the water and wastewater impact the overall cost to provide services in a safe and reliable manner. Additionally, the City is required to comply with both Federal and State mandated regulatory requirements that place further costs on the utilities. Increases in the rates are necessary to recover sufficient revenue to meet these increasing costs.

IMPACT ON WATER AND SEWER BILLS

Water and sewer rates vary by size of water meter and type of wastewater effluent (i.e. rates are higher for restaurants and similar “high-strength” users). An example of a residential customer bill and the related proposed adjustments are shown below, and the complete schedule of rate adjustments under consideration is shown in Tables 2 and 3.

The example shown in Table 1 is for a monthly bill for a typical single-family residential customer with a 1” water meter and consumes 12 CCF of water.

TABLE 1 – RATE COMPARISON: TYPICAL SINGLE FAMILY CUSTOMER

	Current	JAN 2022	JAN 2023	JAN 2024	JAN 2025	JAN 2026
Water	\$103.41	\$103.03	\$106.12	\$109.26	\$112.57	\$115.93
Sewer	62.15	62.15	64.65	65.95	67.27	68.61
Total Bill	\$ 165.56	\$ 165.18	\$ 170.77	\$ 175.21	\$ 179.84	\$ 184.54

TABLE 2 – PROPOSED WATER RATES

	Current	JAN 2022	JAN 2023	JAN 2024	JAN 2025	JAN 2026
Meter Charge (All customer classes)						
2" or smaller	\$55.65	\$54.55	\$56.20	\$57.90	\$59.65	\$61.45
3"	99.00	102.50	105.60	108.80	112.10	115.40
4"	165.00	170.80	175.00	181.30	186.80	192.40
6"	329.40	340.95	351.30	361.90	372.80	384.10
8"	329.40	545.50	562.00	579.00	596.50	614.50
10"	329.40	784.45	808.20	832.60	857.80	883.70
Consumption (per ccf)						
Residential						
0-12 CCF	\$3.98	\$4.04	\$4.16	\$4.28	\$4.41	\$4.54
13-36 CCF	4.79	4.72	4.86	5.00	5.15	5.30
36+ CCF	5.89	6.10	6.28	6.46	6.66	6.86
Non Residential						
Uniform Rate	\$5.18	\$5.14	\$5.29	\$5.45	\$5.61	\$5.78
Landscape						
Uniform Rate	\$5.86	\$5.29	\$5.45	\$5.61	\$5.78	\$5.95

*CCF = Centum Cubic Feet (hundred cubic feet). Water meters are read in CCF, and 1 CCF or unit is equal to 748 gallons.

TABLE 3 – PROPOSED SEWER RATES

	Current	JAN 2022	JAN 2023	JAN 2024	JAN 2025	JAN 2026
Single Family Rates						
Fixed Charge						
Per Account	\$ 62.15	\$ 62.15	\$ 64.65	\$ 65.95	\$ 67.27	\$ 68.61
Multi Family Rates						
Fixed Charge						
Condo/Apartmt/3plex	\$ 40.55	\$ 40.55	\$ 46.61	\$ 47.54	\$ 48.50	\$ 49.47
Duplex	50.35	50.35	51.44	52.47	53.51	54.58
Non-Residential Rates						
Fixed Charge						
Low Strength	\$ 37.70	\$ 37.70	\$ 10.36	\$ 10.56	\$ 10.77	\$ 10.99
Med Strength	37.70	37.70	37.65	38.40	39.17	39.95
High Strength	37.70	37.70	40.56	41.37	42.20	43.04
Volume Charge						
Low Strength	\$ 7.75	\$ 7.75	\$ 7.49	\$ 7.64	\$ 7.79	\$ 7.94
Med Strength	8.95	8.95	8.46	8.63	8.80	8.98
High Strength	10.17	10.17	9.90	10.10	10.30	10.51
Schools Rate						
Fixed Charge						
Per Account	\$ 37.70	\$ 37.70	\$ 10.36	\$ 10.56	\$ 10.77	\$ 10.99
ADA Charge						
Per ADA	\$ 1.67	\$ 1.67	\$ 1.83	\$ 1.86	\$ 1.90	\$ 1.94

The full rate study documents for the Water and Wastewater Systems are available on the City's website.

PUBLIC HEARING & PROTEST PROCEDURES

The Public Hearing for proposed rates will be held on **December 7, 2021 at 6:00 p.m.** at the City of Woodland City Council Chambers, **300 First Street, Woodland, CA 95695**. Council meetings are also online via the link provided on each published agenda. The purpose of the hearing is to consider all *written* protests against the increases to the City's proposed water and sewer rate increases. Any owner or tenant of property receiving City of Woodland water and sewer services may submit a written protest against the proposed increases. However, if the identified parcel has more than one record owner and/or customer of record, only one written protest will be counted.

Each protest must be (1) in writing; (2) state opposition to the increase of water service fees; (3) provide the location of the identified parcel (by assessor's parcel number or street address); and (4) include the original signature of the record owner or customer of record submitting the protest. Written protests may be submitted by mail to **Utility Rate Adjustment Protest, c/o City of Woodland City Clerk, 300 First Street, Woodland, CA 95695, hand delivered to the City Clerk, 300 First Street, Woodland, CA 95695**. All protests must be received (not postmarked) by the City before conclusion of the public hearing. Protests submitted via e-mail or other electronic means cannot be accepted. Oral comments at the Public Hearing will not qualify as formal protests unless accompanied by a written protest. As per State law, the proposed adjustments will not take effect if a majority of the customers file a written protest.

For further details regarding the basis and reasons for the proposed rate and fee increases, please visit our website at www.cityofwoodland.org where the complete Rate Study documents and other information regarding the City's water and sewer systems and rates is posted.

Una versión en Español de esta notificación esta disponible vía de la pagina de Internet de la Ciudad de Woodland