CENTERVILLE COMMUNITY SERVICES DISTRICT

O&M Budget – FY 2021-22

Rate Study – Cost-of-Service Analysis

June 2021

Cost-Based Water Utility Rate-Making

Maintaining cost-based rates, fees and charges is an important component in managing revenue for Centerville Community Services District ("District"). Having cost-based rates provides the District sufficient funding to build, operate, maintain and to reinvest into our water system. The method and analysis used to establish cost-based rates, fees and charges have a long history within the water utility industry. Maintaining cost-based rates requires an understanding of finance, accounting, budgeting, engineering, system design and operations, customer service, public outreach and communications as well as the legal requirements as they relate to setting rates, fees and charges which also includes the operation and maintenance of the water system. This methodology generates revenue from each class of customer in proportion to the cost to serve each class of customer. This rate-making process includes an evaluation of: Revenue Requirement Analysis; Cost-of-Service Analysis; and Rate-Design Analysis.

Revenue Requirements Analysis

A revenue requirement analysis is used to determine an adequate and reasonable level of funding for the District. Revenue requirements are defined as the summation of operations, maintenance and capital costs during the time period for which the rates will be in place. Additionally, revenue is required to provide for future capital improvement reserves and other reserves used to fund unforeseen operational costs.

There are generally two accepted approaches that are accepted: the cash-needs approach and the utility-basis approach.

The objective of the cash-needs approach is to provide sufficient revenues to recover total cash requirements for a given time period. Generally, this approach is used by government-owned utilities (except for those which require use of the utility-basis approach). The revenue requirement components of the cash-needs approach include: operational and maintenance ("O & M") expenses, debt-service payments, contributions to reserves, and the cost of capital expenditures that are included in the Districts annual operating budget. This includes smaller capital expenditures such as meters, services, vehicles, smaller mains. Depreciation expense is not included within the cash-needs revenue requirement but is captured through: 1) specific capital asset replacement needs in the budget, and 2) larger planned capital replacement projects.

The utility-basis approach is typically used for investor-owned water utilities as well as for specific government-owned utilities which may require it. The utility approach for determining revenue requirements consists of the similar expenses as the cash-needs method and also includes a "fair" return on the rate base investment.

The District uses the cash-needs approach for determining its revenue requirements.

Length of Projection

Revenue projections can be made for differing lengths of time depending upon the purpose of the projection. From a strategic financial planning or revenue-adequacy standpoint, longer projections become more speculative and have limited value. For O&M budgetary purposes, the District projects one fiscal year ahead at a time. The District utilizes a pro forma approach based upon historical data to develop it's O & M budget and determine the adequacy of revenues to support the budget.

While the District does project its significant capital needs for a twenty-year period, it primarily focuses upon the near-term five-year period for budgetary planning since projections beyond that period are generally more speculative.

Cost-of-Service Analysis / Rate Design Analysis

This Cost-of-Service Analysis (COSA) presents the results of the review and analysis of the District's 2021-2022 O & M budget and current water rates. The COSA was conducted to determine if the current water rates provide sufficient projected revenues to cover the total projected costs of operating the water system, including the need to maintain adequate reserves. Historical revenues and operating expenditures were reviewed to conduct this analysis. Operating expenditures include: the cost of operation and maintenance (O&M), normal additions and replacement to the systems, administrative costs, and capital replacement needs. In addition, the adequacy of reserves consistent with the District's Reserve Policy was reviewed.

The District utilizes the American Water Works Association (AWWA) Manual M1 – Principals of Water Rates, Fees, and Charges as guidance for determining its rate structures. As such, the District's water rates are established based on the cash-needs approach, as defined in AWWA Manual M1. Similar to most public agencies throughout California, the District's water rates contain a base (fixed) charge and a uniform consumption charge, based on the amount of water consumed. The base rates are generally designed to collect the revenue needed to cover the District's fixed expenses.

When establishing water rates, the District strives to adhere to the following principals:

- Water rates should be easy to understand and implement.
- Water rates should promote efficient use of the resources, i.e., conservation minded.
- Water rates should be equitable and non-discriminating, i.e., cost-based.
- There should be continuity in the rate making philosophy over time.
- Water rates should consider all aspects of the utility usage, including planning for the future.
- Water rates should provide month-to-month and year-to-year revenue stability within the District.
- Water rates should recover adequate revenue to fund the following:
    - Day-to-day O&M expenses, including reserves intended to replace short-lived assets, such as pumps, instrumentation, controls, computers.

- Debt service obligations for long-term capital improvement loans, if any, including required reserves by funding agencies.
- Capital replacement project costs.

Review of the O&M Budget for FY 2020-21

The O&M actual results through February, FY 2020-21 combined with projected revenue and expenses through the end of the fiscal year anticipate a net deficit of $6,151. This net deficit is primarily due to a 12% higher than the budgeted consumption revenue of $76,600, offset primarily by increased water costs due to the one-time $100,000 purchase of water from the McConnell Foundation for use during the next fiscal year as well as unbudgeted legal expenses due to threatened litigation. The higher water consumption will result in both the Water Treatment Plant (WTP) Fee as well as the Rate Stabilization Fee (RSF) to be higher than the budgeted which will increase the contribution to the respective reserves. The Clear Creek CSD ("CC-CSD") monthly expense factor was adjusted downward to $33,716.39 from $39,132.36, resulting from the CC-CSD finalizing their FY 2018-19 annual audit review. The FY 2019-20 annual audit review is anticipated to be completed once CC-CSD adopts its Financial Statement for the FY ending June 30, 2020. For budgeting purposes, it was assumed that the resulting annual adjustment would be slightly higher than the previous with the average of the two years remaining under what was initially budgeted.

Additional contributors to the projected net deficit include:

- Zone A Pump Station (52130) – installed a new water pump and repaired motor – approximate expenditure of $8,400 funded by reserves.
- Zone A1 Pump Station (52140) – replaced water pump for the emergency generator – approximate expenditure of $1,100 funded by reserves. An electric motor was also rebuilt for an approximate $2,200 expenditure.
- Operating Supplies & Expenses (52200) – approximately $4,500 higher than budget due to various extraordinary expenses related to site security improvements, a replacement part for the pipeline location equipment and numerous temporary generator security devices and their related expenses.
- Utilities for Pump Zones A & A-1 (52500 & 52600) – higher than budget resulting from increased propane for the use of generators during the PGE PSPS power shutdowns and the Zogg Fire. Both A & A1 pressure zones rely 100% upon electric power to operate the pumps.
- A new separate budget item is included in the preliminary O&M budget to reflect the propane costs for each of the pump zones A & A1.
- Legal – District Attorney (54550) – approximately $14,000 higher than budget as a result of increased legal services due to threatened litigation and defending a small claims court action.
- Salaries & related expenses (55000 series) – approximately $43,000 lower than budget resulting from approved employee unpaid leaves.

During this fiscal year, the District has experienced an overall increase to water consumption despite an increase to the base rate, consumption rate, and the addition of the Rate Stabilization Fee and Water Treatment Plant Fee (both based upon actual water consumption). This increase was not anticipated in relation to price elasticity. "Price elasticity" reflects a customer's desire to reduce consumption to avoid incurring additional cost due to a rate increase. In the case of the various rate increases that became effective July 1, 2020, the District customers overall increased consumption compared to the previous year, with exception to a slight decline in the Zone A1 Pump Zone.

Percentage of Fixed versus Variable

The District's Base Rate is the single contributor to the District's fixed revenue. At present, the fixed portion of all revenue is approximately 37% with the remaining 63% of revenue subject to the variability of consumption. In relation to the fixed expenses, the Base Rate alone addresses approximately 76% of the fixed expenses. In this manner it aids in the fiscal stability of the District on an annual basis. In seasonal times when consumption is lower and monthly revenue does not fully cover expenses, the District has an O&M Reserve for cash flow stability which is later restored when consumption revenues return.

Below is a summary of the relative fixed versus variable revenue and expenses:

	Fixed	Variable
Revenue – FY 20-21	37%	63%
Expense – FY 20-21	48%	52%

Regarding fixed revenue, there are various industry accepted approaches for agencies. AWWA uses meter factors which are proportioned based upon their hydraulic capacity. Alternatively, the California Water Conservation Council developed a memorandum of understanding (MOU) in 2010 which established a goal for public agencies to collect 30% of its revenues from base rates while the remaining 70% would be derived from consumption rates.

The District utilizes a hybrid of industry approaches which is based upon the historical use of the District which provides adequate revenue relative to its fixed expenses.

The remaining variable revenues and expenses are commensurate with actual consumption whereby higher consumption derives higher revenue and is then offset by the higher costs of water-related costs. This accounts for 63% of the revenue which covers approximately 52% of the variable expenses.

Preliminary O&M Budget for FY 2021-22

The approved Preliminary O&M Budget for FY 2021-22 incorporates multiple factors affecting budget items. The most significant condition is the current drought conditions and reduced water availability from historical sources. In February 2021, the Bureau of

Reclamation announced an initial allocation of only 55% of the historical M&I average for contract water for the upcoming Water Year 2021 restricting the District's available water to well below historical level of use. The District decided to obtain supplemental water supplies from the McConnell Foundation for Water Year 2021 starting March 1st at a cost of $100,000.00 for 400 acre-feet of water. The cost was funded by using funds from the Districts O & M Reserve. The allocation was further reduced to 25% of the historical M&I average effective June 1, 2021. Additionally, water schedules were modified by staff so that water available to District customers is similar to last Water Year's consumption. The Preliminary O & M Budget for FY 2021-22 includes an $0.08 per hundred cubic-feet consumed Drought Surcharge for the period August 1, 2021 through June 30, 2022. Based on projected consumption it is estimated to replenish the O & M Reserve by $50,000 during that period.

The available water supplies may also impact consumption revenue received. For budgeting purposes, the preliminary budget assumes no increase in customer demand based upon trends that have been experienced throughout the current fiscal year. Related to water expenses, the preliminary budget does assume that CC- CSD will utilize its wells to supplement its water supplies due to water allocation reductions from the Bureau of Reclamation which will increase our projected expense to CC-CSD for the WTP. The preliminary budget assumes that CC-CSD will use its wells three (3) months this summer causing the District expense for water treatment to increase significantly during that period. The District will be responsible for the entire monthly treatment plant expenses for those months that CC-CSD is not using Bureau water.

Additionally, the preliminary O&M Budget projects a net deficit in the Zone A pressure zone and Zone A1 pressure zone.

Below is a discussion of the various budgetary assumptions as well as options for rate adjustments:

Income

The draft O&M Budget assumes that water consumption will remain similar to the previous fiscal year. This assumption is based upon continued usage trends exceeding the current fiscal year projections (with exception of Zone A1 pressure zone) combined with continued reduction in the non-revenue water ratio experienced by the District. This is a result of minimal leaks in the District's distribution system and the improved accuracy achieved from the recently installed replacement meters as included in the Water Meter Exchange Program. This program has been completed during the current fiscal year.

Expense

Below is information related to the various expenses:

51100 – Raw Water Charge – this reflects the Bureau of Reclamation's current Cost-of-Service with the initial 55% allocation of historical average. This also reflects the 10.3% increase to the Bureau of Reclamations Cost-of-Service Rate which recently increased

from $31.63 to $34.88 despite having removed the Capital Component ($7.11) from the overall rate. This removal was achieved by the District repaying the construction liability as allowed by the WIIN Act during the recent contract conversion. Effective June 1, 2021 the M&I Allocation was further reduced to 25% for months June through February. While this change did provide an impact to water supplies, this was offset by scheduling increases to the Exchange Water to minimize supply issues.

51300 – Clear Creek Water Treatment Plant O&M – this item reflects a net increase of approximately $110,000. With the reduced water allocation, CC-CSD lowered its water schedule from 4,260 AF (2,455 AF M&I and 1,805 AF Ag) down to 1,898 AF (1,144 AF M&I and 754 AF Ag) based upon the 55% initial M&I allocation. Considering the further reduction, the water available decreased significantly. The preliminary budget reflects the District's increased usage of the Water Treatment Plant (WTP) relative to CC-CSD. With the District's higher percent usage of the WTP caused by the CC-CSD's projected use of its wells for 3 months exclusively this summer the projected budget expense is increased significantly from FY 2020/21.

51305 – Clear Creek Admin – this item reflects the District's scheduled water and includes a CPI of 1.6%.

51310 – Clear Creek O&M Adjustment – with recent WTP equipment replacements and on-going maintenance it is projected that this item is projected return to previous levels with an annual adjustment within the range of $8-15k.

52800 – Meter Replacement Program – this program is complete and is therefore removed.

Electric Power – all PGE electric accounts are projected to include a 5% increase.

54550 – Legal District Attorney – the current fiscal year has experienced increased legal service expenses due to threatened litigation along with defending a small claims court action. The preliminary budget FY 2021/22 projects a modest increase to legal services expense.

54551 – Ankeny v Centerville Threatened Litigation – Increased legal expense is budgeted to cover the frequent need to have our legal counsel respond to accusations.

55100 – Salaries – the preliminary budget includes the Board-approved 1.75% COLA for all employees and available step increases for non-exempt employees.

55300 – Pension CalPERS Retirement – the budget includes the District's proportionate share as well as the unfunded liability payments of $37,711 and $587 for the Classic and PEPRA plans respectively.

55400 – Health Insurance – the preliminary budget includes a reduced health benefit expense which is forecasted to save the District approximately $20,000 annually. A change in health insurance is anticipated at the next "open enrollment period" to become effective January 1, 2022. This permits time for the District to thoroughly evaluate health

care benefit options and make a recommendation to the Board for adoption before the next open enrollment period. The preliminary budget includes a proportionate projected cost saving of $10,000 (six months of lower premiums).

Grant School Rate

The 2021/22 budget projects Grant School rate to be the same as for other customers.

Zone A & A1 Pressure Zones

Zone A and A1 pressure zones are located within areas in the District that rely completely upon pumps for its water supply. Below is a summary for each pump zones revenue versus expense performance which includes each pump zone's ability to adequately fund the Pump Station Repair and Replacement Reserve in preparation for future extraordinary expenses:

Zone A		
Revenue	**FY 2020-21**	**FY 2021-22**
Base Surcharge	8,600	8,600
Consumption Surcharge	19,700	19,700
Total	**$28,300**	**$28,300**
Expense		
52500 – Utility Cost	26,400	27,900
52130 – Repairs & Maintenance	1,600	1,600
Extraordinary Expense – new pump / repair motor * paid by reserve	8,400 *	0 *
PSRR Reserve	2,800	2,800
PSRR Reserve – Increased Reserve Contribution 3,700 total	0	900
Total	**$39,200**	**$33,200**
Net (loss) / gain * *Not including any reserve-funded expenses	**($2,500) ***	**($4,900) ***

Zone A1 – FY 2020-21		
Revenue	**FY 2020-21**	**FY 2021-22**
Base Surcharge	2,800	2,800
Consumption Surcharge	6,200	6,200
Total	**$9,000**	**$9,000**
Expense		
52600 – Utility Cost	6,100	6,500
52140 – Repairs & Maintenance	1,600	1,600
Extraordinary Expense – new water pump for generator and motor rebuild* paid by reserve	3,300 *	0 *
PSRR Reserve	1,700	1,700
PSRR Reserve – Increased Reserve Contribution 2,700 total	0	1,000
Total	**$12,700**	**$10,800**
Net (loss) / gain * *Not including any reserve funded expense	**($400) ***	**($1,800) ***

At present, the Pump Station Repair and Replacement Reserve is funded directly by the rate payers located within Zone A and A1 pressure zones. The current goal for annual reserve contribution is $4,500 ($2,800 Zone A and $1,700 Zone A1). In review of the infrastructure needs for each of the pressure zones, it is recommended that this annual reserve goal be modified to $6,400 annually ($3,700 Zone A and $2,700 Zone A1). This will better prepare these pressure zones for repairs and improvements as identified in the reserve.

The following adjustments to the base rate and consumption rate surcharges for customers located within the A and A-1 zones have been included in the Preliminary O & M Budget for FY 2021-2022:

Zone A **Rate Adjustment: Unit Increase Options**	**Projected Revenue per Unit Increase**	**Proposed Adjustment**	**Projected Revenue**
Zone A: Goal $4,900			
Base Surcharge: $0.25 increase	$300	**$2.00**	$2,400
Consumption Surcharge: $0.01 increase	$800	**$0.031**	$2,500
		TOTAL	**$4,900**
	Current		**Proposed**
Base Rate Surcharge	**$6.25**		**$8.25**
Consumption Rate Surcharge	**$0.241**		**$0.272**

Zone A1 Rate Adjustment: Unit Increase Options	Projected Revenue per Unit Increase	Proposed Adjustment	Projected Revenue
Zone A1: Goal $1,800			
Base Surcharge: $0.25 increase	$90	**$2.00**	$720
Consumption Surcharge: $0.01 increase	$120	**$0.090**	$1,080
		TOTAL	**$1,800**

	Current	Proposed
Base Rate Surcharge	**$9.00**	**$11.00**
Consumption Rate Surcharge	**$0.437**	**$0.527**

Considering the adequacy of the Preliminary O&M Budget for the FY 2021-2022 related to projected revenue versus expenses and all related fiscal requirements, the current Base Rate and the Consumption Rate are determined to be adequate for this fiscal year; therefore, no additional rate adjustments are being proposed at this time to each of these rates.

Preliminary O&M Budget (06-03-21) - w/ RATE ADJUSTMENTS

	FY 2020-21		FY 2021-2022	
	Actual thru Feb.	Projected Thru June	PROPOSED Budget FY 21-22	FY 21/22 vs. 20/21 Projected
Income				
41000 · WATER SALES				
41100 · Base Rate	314,856.46	472,000	472,000	0.00
41200 · Consumption Rate	527,460.69	745,000	746,000	1,000.00
41201 - Consumption Surcharge (4-cents)	20,592.32	29,000	29,000	0.00
41202 - Water Treatment Plant Fee	41,388.78	57,000	57,000	0.00
41203 - Rate Stabilization Fee	41,388.78	57,000	57,000	0.00
41205 - Drought Surcharge	0.00	0	50,000	50,000.00
41210 - Late Fees	10,429.58	13,700	11,000	(2,700.00)
41300 · Water Sales-Temp Const	726.36	1,200	1,200	0.00
41400 · Pump Zone A (Base Rate)	5,725.00	8,600	11,000	2,400.00
41450 · Pump Zone A (Power Comp)	14,432.32	19,700	22,200	2,500.00
41500 · Pump Zone A-1 (Base Rate)	1,854.00	2,800	3,500	700.00
41550 · Pump Zone A-1(Power Comp)	4,079.93	6,200	7,300	1,100.00
Total 41000 · WATER SALES	982,934.22	1,412,200	1,467,200	55,000.00
42000 · SERVICE INSTALLATION - METERS				
42100 · Connection Charges	1,490.00	1,490	400	(1,090.00)
Total 42000 · SERVICE INSTALLATION	1,490.00	1,490	400	(1,090.00)
43000 · INTEREST				
43001 · LAIF	5,987.54	7,800	8,000	200.00
43002 · Other Interest	57.06	90	100	10.00
43003 · Shasta Co 422 Interest	81.81	120	120	0.00
Total 43000 · INTEREST	6,126.41	8,010	8,220	210.00
44100 · General Property Tax-422				
44830 - Cent. Admin Fee 1995-1	2,500.00	2,500	2,500	0.00
44840 - Cent. Admin Fee TSWAD 01-1	2,500.00	2,500	2,500	0.00
Total 44100 · General Property Tax-422	5,000.00	5,000	5,000	0.00
45000 · OTHER OPER. REVENUE				
45100 · Inspection Fees			0	0.00
45300 - Returned Check Charge	15.00	15	0	(15.00)
45400 · Misc. Revenue	1,748.45	2,200	500	(1,700.00)
45850 · Backflow Prevention Testing	1,743.75	2,600	2,600	0.00
45900 - Will Serve - Engineering	500.00	500	0	(500.00)
45950 - Will Serve - Legal			0	0.00
45955 - Will Serve - Admin	100.00	100	0	(100.00)
49715 - Water Sales			0	0.00
Total 45000 · OTHER OPER. REVENUE	4,107.20	5,415	3,100	(2,315.00)
Total Income	999,657.83	1,432,115	1,483,920	51,805.00
Expense				
51000 · WATER COSTS				
51100 · Raw Water Charge	8,255.43	15,800	14,200	(1,600.00)
51300 · Oper.& Maint. - Clear Creek	86,300.25	148,200	259,000	110,800.00

Preliminary O&M Budget (06-03-21) - w/ RATE ADJUSTMENTS

	FY 2020-21		FY 2021-2022	
	Actual thru Feb.	Projected Thru June	PROPOSED Budget FY 21-22	FY 21/22 vs. 20/21 Projected
51305 · Administration - Clear Creek	35,983.03	51,000	52,500	1,500.00
51310 · O & M Adjustment - Clear Creek	8,792.88	25,000	10,000	(15,000.00)
51315 · Restoration Fee	5,729.05	12,600	8,700	(3,900.00)
51316 - Trinity PUD Bureau Charges	78.40	100	70	(30.00)
51317 · SWRCB - Water Rights Fee	3,246.05	3,250	3,350	100.00
51319 · McConnell Water Transfer	100,000.00	100,000	0	(100,000.00)
51321 - Clear Creek - Water Purchase	22,593.21	22,593	0	(22,593.21)
Total 51000 · WATER COSTS	270,978.30	378,543.21	347,820	(30,723.21)
52000 · TRANSMISSION & DISTRIB.				
52100 · Rep. & Maint.	35,533.68	53,300	53,000	(300.00)
52130 Zone A PS Repairs & Maint.	1,226.09	10,000	1,600	(8,400.00)
52140 Zone A1 PS Repairs & Maint.	1,566.08	2,700	1,600	(1,100.00)
52200 · Operating Supplies & Expense	17,235.41	21,000	18,500	(2,500.00)
52300 · Lease Payment - BLM Tank Site	56.12	56	0	(56.12)
52400 · Utilities - General Plant	377.66	600	750	150.00
52425 - Elect., Muletown Pump Station	3,975.12	5,100	5,400	300.00
52450 - Elect., Towerview Pump Station	1,236.01	1,800	1,900	100.00
52500 · Electric - Pump Zone A	17,347.03	26,400	26,600	200.00
· Propane - Pump Zone A			1,300	1,300.00
52600 · Electric - Pump Zone A-1	4,183.80	6,100	6,100	0.00
· Propane - Pump Zone A1			400	400.00
52800 · Meter Replacement Program	15,253.50	15,254	0	(15,254.00)
52810 - Meter Repair & Replacement	1,980.24	2,000	1,500	(500.00)
52850 · Backflow Prevention Testing	2,910.00	2,910	3,000	90.00
Total 52000 · TRANSMISSION & DISTRIB.	102,880.74	147,220	121,650	(25,570.12)
53000 · EQUIPMENT				
53100 · Equipment Repairs & Maint.	4,874.54	7,300	7,000	(300.00)
53200 · Gasoline	4,461.62	6,700	7,000	300.00
Total 53000 · EQUIPMENT	9,336.16	14,000	14,000	0.00
54000 · ADMINISTRATIVE				
54100 · Liability Insurance - District	21,014.78	21,000	21,000	0.00
54150 · Utilities-District Office	5,163.37	6,500	6,700	200.00
54200 · Telephone - District Office	5,939.50	8,900	9,000	100.00
54250 · SWRCB Fees	682.00	3,400	3,500	100.00
54300 · Travel & Training	492.00	1,000	6,000	5,000.00
54325 · Employee Recognition	714.13	1,400	1,400	0.00
54350 · Elections	0.00	0	0	0.00
54375 · LAFCO	2,953.00	2,953	3,200	247.00
54400 · Miscellaneous	4,052.30	5,000	500	(4,500.00)
54500 · Engineering - District Engineer	7,399.25	11,000	10,000	(1,000.00)
54550 · Legal-Dist. Attorney	15,735.00	22,000	9,000	(13,000.00)
54551 - Ankeny v Centerville Claim	0.00	5,000	5,000	0.00
54600 · Accounting-Audit & Consult	17,637.50	18,500	19,000	500.00
54625 - Meals	277.69	550	500	(50.00)

Preliminary O&M Budget (06-03-21) - w/ RATE ADJUSTMENTS

	FY 2020-21		FY 2021-2022	
	Actual thru Feb.	Projected Thru June	PROPOSED Budget FY 21-22	FY 21/22 vs. 20/21 Projected
54630 - Construction Meals	213.74	400	500	100.00
54650 · Office Supplies	5,763.78	8,500	8,000	(500.00)
54675 · Bank Charges	0.00	0	50	50.00
54680 - Merchant Fees	690.95	1,000	1,000	0.00
54700 · Postage	3,880.68	7,300	7,500	200.00
54750 · Office Equipment (Small)	9,645.39	15,500	16,000	500.00
54800 · Office Building - R&M	3,108.37	4,700	5,000	300.00
54850 · Directors Compensation	3,400.00	5,100	5,500	400.00
54900 · Subscription & Licenses	23,946.62	25,900	26,000	100.00
Total 54000 · ADMINISTRATIVE	132,710.05	175,603	164,350	(11,253.00)
55000 · WAGES & BENEFITS				
55100 · Salaries	210,230.84	320,800	370,000	49,200.00
55110 · Salaries - Standby	3,748.89	6,000	7,000	1,000.00
55120 - Overtime	4,028.48	6,100	7,000	900.00
55200 · Salaries - Part Time Employees	9,293.76	14,900	15,500	600.00
55210 · Salaries - Temporary Employees			0	0.00
55300 · Pension - Retirement	49,295.64	57,600	66,300	8,700.00
55400 · Insurance - Emp. Health&Dental	90,163.28	135,300	129,000	(6,300.00)
55500 · Workman's Comp. Insurance	3,946.48	8,900	13,500	4,600.00
55600 · F.I.C.A.	13,558.68	20,700	23,000	2,300.00
55700 · Medicare Tax	3,170.97	5,100	5,400	300.00
Total 55000 · WAGES & BENEFITS	387,437.02	575,400	636,700	61,300.00
Sub-Total Expense	903,342.27	1,290,766	1,284,520	(6,246.33)
Other Expenses				
57110 - Transfer to Pump Station Res.	0.00	4,500	6,400	1,900.00
58105 - RSF transfer to O&M Reserve	41,388.78	57,000	57,000	0.00
58106 - WTP Fee transfer to O&M Res.	41,388.78	57,000	57,000	0.00
58107 - Drought Surcharge to O&M Res.	0.00	0	50,000	50,000.00
				0.00
58120 - Transfer to Capital Imp. Reserve	20,592.32	29,000	29,000	0.00
Total 57102 - OTHER OPER EXPENSES	103,369.88	147,500	199,400	51,900.00
TOTAL - Expenses/Transfers	1,006,712.15	1,438,266	1,483,920.00	45,653.67
NET INCOME / (LOSS)	**(7,054.32)**	**(6,151)**	**0**	**6,151**