

ENGINEER'S REPORT
ON PROPOSED
INCREASED SEWER AND NEW WATER SERVICE FEES
FOR FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE)
COUNTY OF FRESNO, STATE OF CALIFORNIA

Prepared for:
QUAIL LAKE HOME OWNERS ASSOCIATION

By

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A handwritten signature in cursive script, appearing to read "Dejan Pavić", located below the professional seal.

TABLE OF CONTENTS

ENGINEER'S REPORT ON PROPOSED INCREASED SEWER AND NEW WATER SERVICE FEES FOR FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE) COUNTY OF FRESNO, STATE OF CALIFORNIA

<u>DESCRIPTION</u>	<u>PAGE</u>
Report Contents and Requirements	1
Background	1
Analysis of the Existing Water and Sewer Rates, Community Demographics and Usage Patterns, Budgets, and Expenditures	2
Proposed Rates Analysis	4
Sewer Rates Analysis	5
Water Rates Analysis	6
Lake Aerators Electricity Usage Analysis	8
Reserve Fund Analysis	8
Projected Budget Expenditures	9
5-Year Proposed Rates	9

REPORT EXHIBITS

<u>TABLES I</u>	<u>Table I-A:</u>	Summary of Existing Systems (Combined Water and Sewer) Revenues and Expenditures for Fiscal Years 2012-13, 2013-14, 2014-15, and 2015-16
	<u>Table I-B:</u>	Summary of Existing Systems (Water Only) Revenues and Expenditures for Fiscal Years 2012-13, 2013-14, 2014-15, and 2015-16
	<u>Table I-C:</u>	Summary of Existing Systems (Sewer Only) Revenues and Expenditures for Fiscal Years 2012-13, 2013-14, 2014-15, and 2015-16

DESCRIPTION

<u>TABLES II</u>	<u>Table II-A:</u>	Proposed Rates: Detailed Calculations and Summary
	<u>Table II-B:</u>	5-Year Proposed Rates (With Maximum 3% Inflation Factor)
	<u>Table II-C:</u>	Current Rates
	<u>Table II-D:</u>	Comparison between Current Rates and Proposed New Rates for Various Ranges of Water Consumption
<u>TABLE III</u>		Projected Budget Expenditures FY 2016-2017
<u>TABLE IV</u>		Capital Improvement Replacement Costs

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Report Contents and Requirements

This Engineer's Report (the "Engineer's Report") on Proposed Increased Sewer and New Water Service Fees for Fresno County Service Area 47 ("CSA 47"), also known as "Quail Lake," has been prepared by Dejan Pavić, a Civil Engineer licensed by the State of California and doing business as D-P Consulting of Fresno, California, a financial and assessment engineering consulting firm (the "Rate Consultant"), in response to a verbal "Request for Fee Proposal" ("RFP") by the Quail Lake Home Owners Association (the "HOA"), discussed at a meeting in the offices of County of Fresno (the "County"), Department of Public Works and Planning (the "Department") on September 25, 2015. The purpose of the RFP was to solicit a proposal from D-P Consulting to prepare an Engineer's Report for a Rate Study (the "Rate Study") for Water and Sewer Services for the County CSA 47, based on the HOA's proposed project, subject to County's direction and adherence to all state and local laws and regulations, including, but not limited to: analyzing the existing water rates, sewer rates, budget, and expenses, and proposing new water and sewer use fees that would incorporate projected operation and maintenance costs, as well as water conservation efforts for the Quail Lake community. Per the RFP, "the Study shall include a water and sewer rate analysis of projected operation and maintenance costs over at least the 5 year period following the new rate acceptance date." At their regular meeting on October 13, 2015, the HOA Board of Directors accepted and approved D-P Consulting proposal to prepare the Rate Study.

The Rate Study presented in this Engineer's Report is consistent with guidance presented in the American Water Works Association ("AWWA") Manual M1, "Principles of Water Rates, Fees, and Charges." The fees proposed in this Engineer's Report are intended to satisfy all of the requirements in Article XIII.D, Section 6, Subdivision (b), of the California Constitution.

Background

CSA 47 was formed in 1995 to provide community water and sewer services to the Quail Lake subdivision located between Shaw Avenue and Ashlan Avenue, east of McCall Avenue. CSA 47 encompasses approximately 375 acres. It includes 707 developed residential lots, a community center (clubhouse), an elementary school, and an undeveloped commercial parcel (conditionally zoned C-1-c; and not a part of this Rate Study). Except for the commercial parcel, it is fully developed. The current water and wastewater (sewer) service rates became effective September 1, 2010, as approved by the Fresno County Board of Supervisors (the "Board of Supervisors") on August 10, 2010, pursuant to Proposition 218 requirements. Attached Table II-C presents the Current Rates, as provided to the Rate Consultant by the Department. The current rate structure was

designed with the purpose of beginning to establish a reserve fund for necessary capital improvements, a reserve fund for operation and maintenance (“O&M”) costs, and to repay the Quail Lake developer for the funds borrowed during Fiscal Year (“FY”) 2008-09 and FY 2009-10.

The County, through CSA 47, is responsible of the water recharge facility located within the Redbank Slough, as provided in County Agreement No. 05-0068 (the “Agreement”) between the County on behalf of CSA 47, Fresno Irrigation District (“FID”), and Quail Lake Properties, LLC. Under the Agreement, FID operates the recharge facility. Between April 15 and June 1 of each year when optimal conditions for recharge prevail, FID is required to recharge a minimum of 400 acre-feet of water through the recharge facility. However, during the ongoing severe drought, FID has significantly reduced or eliminated the quantity of water released into the Redbank Slough.

In 2010, the HOA began investigating a possibility of transferring water and sewer services from CSA 47 to California Water Service Company (“CalWater”), a private utility provider. During 2012 and 2013, the Board of Supervisors and the Fresno Local Agency Formation Commission (“Fresno LAFCo”) considered, initiated, and approved a dissolution application following a protest hearing (in May 2013). In FY 2013-14 and FY 2014-15, County staff, County Counsel, and a County-retained Bond Counsel, facilitated preparation of appraisals to establish a fair market value of the facilities, initiated preparation of the asset purchasing agreement with CalWater, and conducted public meetings with the CSA 47 property owners. At the end of this prolonged process, the HOA and the property owners of the properties within CSA 47 decided not to proceed with the transfer of services to CalWater.

Analysis of the Existing Water and Sewer Rates, Community Demographics and Usage Patterns, Budgets, and Expenditures

Pursuant to the above-referenced RFP and the subsequent proposal approval between HOA and the Rate Consultant, and subject to direction from the County, this Rate Study is intended to “... Make an analysis of the facts of the existing systems data and develop a basis of analysis for the proposed new water system and sewer system fees. Build computer data files incorporating user class data and operational costs that will incorporate County staff and its consultants’ work in progress. Work with County staff to develop proposed operations and maintenance budgets for the above-listed systems. Review and evaluate the user classifications incorporated into the existing rates to determine their cost-benefit relationships and relative proportionality of cost of service being funded to level of service being attributed to each parcel assigned to the separate user classifications...” The analysis of the current rates and expenditures are presented below:

1. This analysis was performed for the last four full fiscal years: FY 2012-2013, FY 2013-2014, FY 2014-2015, and FY 2015-2016. In each case, a fiscal year runs from July 1 through June 30 of the following year.
2. Table I-A attached herewith presents a summary of existing systems (combined water and sewer) revenues and expenditures for those four full fiscal years. Notes: (i) for certain fiscal years the totals taken from the County-provided “Department Revenue Status” tables do not match the totals from the detailed revenue reports. However, based on further discussion presented below, these discrepancies do not affect the overall Rate Study presented in this Engineer’s Report; (ii) The Landscape Maintenance item (identified under Account 7220 -

Memo Code 21) is an incidental landscape expense directly related to maintaining the grounds around water and sewer facilities included in this Rate Study (and as such is treated as a “Maintenance-Buildings and Grounds” item incidental to operating the CSA 47 water and sewer systems), and it does not represent a separate cost related to landscape maintenance for the Quail Lake community at large (maintained and paid for by HOA).

3. Table I-B attached herewith presents a summary of existing systems (water only) revenues and expenditures for those four full fiscal years. Again, the amounts taken from the revenue summary tables less the actual sewer billings, which are flat rates, are in each case lower than the amounts taken from the revenue table showing detailed billing per each account billed for water and sewer usage. Further analysis is based on those actually-billed amounts.
4. Table I-C attached herewith presents a summary of existing systems (sewer only) revenues and expenditures for those four full fiscal years. As described above, and due to the fact that sewer rates are flat bi-monthly charges throughout the entire year, the totals for sewer are easily matched between the summary revenue tables and the detailed billing tables, showing no discrepancies like in water rate tables.
5. The number of residential service connections varied in each of the four years and in month-to-month comparisons within each fiscal year, increasing due to construction of new homes: from 575 in January of 2013 to 696 in June 2015 to 707 in June 2016, for example. The current number of residential connections is 707. Presented below are averages for the number of connections, yearly water expenses per connection, and yearly sewer expenses per connection for those four years:
 - a. FY 2012-2013:
 - average monthly number of connections: 580
 - average yearly water expense per connection: \$501
 - average yearly sewer expense per connection: \$703
 - b. FY 2013-2014:
 - average monthly number of connections: 620
 - average yearly water expense per connection: \$497
 - average yearly sewer expense per connection: \$771 (exception: admin. refunds)
 - c. FY 2014-2015:
 - average monthly number of connections: 670
 - average yearly water expense per connection: \$492 (adjusted, see below)
 - average yearly sewer expense per connection: \$775 (adjusted, see below)
 - d. FY 2015-2016:
 - average monthly number of connections: 707
 - average yearly water expense per connection: \$440 (adjusted, see below)
 - average yearly sewer expense per connection: \$845 (adjusted, see below)

6. Three major factors played a role in selecting a representative year for further analysis of this Rate Study:
 - a. Significant residential development that occurred after FY 2013-2014
 - b. Reduction in water consumption in FY 2015-2016 due to the ongoing drought
 - c. Significantly increased County staffing costs related to sewer system operation

Based on the above-described review of the past four full fiscal years, an “average year” (averaging FY 2014-2015 and FY 2015-2016 data) was selected as a representative year for further analysis described below. For both water and sewer, the total expenditures (shown in Tables I-B and I-C) in FY 2014-2015 have been reduced by \$15,206.82 and in FY 2015-2016 they have been reduced by \$4,365.92, representing, respectively, 50% of the total FY 2014-2015 and FY 2015-2016 “one-time” costs and expenses associated with the evaluation of the above-described, possible systems sale to CalWater. Of the total \$88,435.05 costs and expenses of that process, \$30,413.64 occurred in FY 2014-2015 and \$8,731.84 in FY 2015-2016.

Therefore, the above-described per-connection expenses for the representative year (averages between FY 2014-2015 and FY 2015-2016) are adjusted to:

- a. average monthly number of connections: 689
 - b. average yearly water expense per connection: \$451
 - c. average yearly sewer expense per connection: \$796
7. The \$9,000.00 that is currently separately paid by HOA to CSA 47 for the Lake Aerators annual utility cost is excluded from the total utility cost associated with the water pump meter. As described below, in the proposed rate analysis, this expense has been increased to \$11,000.00/year to account for the increase in electricity costs since the last rate calculation.
8. As shown in Tables I-A and I-C, in each of the four fiscal years sewer expenditures exceeded sewer revenues. As also shown in Table I-A, in each of the four fiscal years water revenues exceeded water expenditures. Since the overall CSA 47 expenditures did not exceed revenue in any of the four fiscal years (when that admin. refund in FY 2013-2014 is taken into consideration), the conclusion is that the water revenue excesses covered the sewer shortfalls.
9. Table II-C presents the Current Rates table, as provided to the Rate Consultant by the Fresno County staff.

Proposed Rates Analysis

Table II-A, entitled “Proposed Rates: Detailed Calculations and Summary,” presents a detailed analysis of the various components of the water and sewer proposed rates, including the energy costs for the lake aerators (paid by the HOA). A description of the main components of that analysis is presented below.

Sewer Rates Analysis:

1. The current sewer rates are \$48.00 per month (billed \$96.00 bi-monthly) and are equal per each residential user. The school is billed at the rate of \$32.00 per year per student, faculty, and staff. Individual sewer connection flows in CSA 47 are not metered. Most of the residences in the Quail Lake community are of a somewhat similar size and occupancy rate, and, unless actual number of fixtures and occupants per residence are counted (which does not appear to be feasible), it is not possible to tie sewer rates to water consumption. Significant differences in water consumption are related closely to irrigation and not to domestic/indoor water use. Therefore, the proposed increased sewer rates are also calculated as flat rates (non-metered), as described below.
2. Based on AWWA Manuals and on a sample of existing California community facilities districts and/or sewer and water utility providers with non-metered sewer usage^(a), the proposed increased sewer rate for the school is calculated in direct proportion to the residential Equivalent Dwelling Unit (EDU), as follows: each 20 students, faculty, and staff (the entire school population) are equivalent to 1 EDU. Similar to the current school population of 598, assuming 600 total school population in session a total of 9 months over the course of a fiscal year, the school per-month EDU equivalent calculates to: $600/20/12 \times 9 = 22.5$, rounded to 23 EDU/month. Currently, the school is billed for sewer charges once a year based on the total school population reported to the CSA 47 staff after the beginning of each school year. Frequency of school billings (bi-monthly, semi-annually, or annually) in the future is to be decided by the Department.
3. If the average expense per each of the 689 connections in FY 2014-2015/FY 2015-2016 (\$796.18) is extrapolated to the current number of residential connections (707) (and the annual sewer expenses per connection remain relatively flat), in order to cover all projected sewer expenses (except for Reserve Funds, discussed below), the per-month **Base Sewer Rate** per connection/EDU is calculated to be:
 - a. $(707 \text{ residential EDUs} + 23 \text{ school EDUs}) \times \$796.18/\text{year} = \$581,211.40/\text{year}$
 - b. $\$581,211.40 / 730 \text{ EDUs} / 12 \text{ months} = \textbf{\$66.35/month}$
4. This per-month Base Sewer Rate **does not include** any amount that would need to be charged in order to build a **Capital Improvement Replacement Reserve Fund and Operations & Maintenance Reserve Fund**. A detailed analysis of the Reserve Fund components are presented on Page 1 of Table II-A.

Details on the total sewer Capital Improvement Reserve Fund amount (\$316,200.00) are presented in Table IV (based on the information provided by the Department). To be able to build-up a reserve fund on an accelerated schedule (as no reserve fund exists at this time), and in consultations with the HOA, it is proposed by this Rate Study that the entire Capital Improvement Reserve Fund be funded over a period of 5 years, resulting in the **\$7.20/month/EDU Capital Improvement Replacement Reserve Fund** component of the proposed increased sewer rate.

(a) Napa Sanitation District; Jurupa Community Services District; South Fork Sewer System Facilities Plan

5. Details on the total sewer Operations & Maintenance Reserve Fund amount (\$285,930.00) are presented on Page 1 of Table II-A (based on the information provided by the Department and a requirement to fund over a 5-year period an estimated total of \$450,000.00 as 50% of the total combined Operations & Maintenance annual budget for both sewer and water). The above-referenced \$285,930.00 sewer estimated share of the \$450,000.00 O&M Reserve Fund requirement is calculated in direct proportion to the ratio of sewer and water O&M expenses in the representative year. The CSA 47 cash-on-hand at the end of FY 2015-2016 (on June 30, 2016) in the amount of \$200,000.00 is applied towards this sewer share of the O&M Reserve Fund requirement, resulting in the ***\$2.00/month/EDU Operations & Maintenance Reserve Fund*** component of the proposed increased sewer rate.
6. The three above-described components of the proposed increased Sewer rates are summarized below:
 - a. Base rate component: \$66.35/month/EDU
 - b. Capital Improvement Replacement Reserve Fund component: \$7.20/month/EDU
 - c. Operations & Maintenance Reserve Fund component: \$2.00/EDU
 - d. Total proposed increased rate for residences and the community center: \$75.55/month
 - e. Total proposed increased rate for the school: \$34.75/year/person (students & staff)
7. Page 3 of Table II-A provides a detailed calculation of the estimated annual revenues from the various components of the proposed increased sewer rates, including the analysis of available revenues with and without reserve funds components of the proposed increased rates.

Water Rates Analysis:

1. The current water rates are shown in Table II-C attached hereto. As shown in Table II-C, the current water rates are tier-based and vary between winter and summer months. The proposed new rates are calculated in direct proportion to the cost of operating the CSA 47 water system and the direct benefits each class of customer receives from those services.
2. Through thorough research and investigation, in consultation with the Department staff and the HOA, of each of the annual expenditure item, for the purpose of this analysis items labeled with an asterisk (*) on the enclosed Table I-B are categorized as Operation & Maintenance costs (\$264,377.57) and all other items (in the amount of \$46,226.44 (after the \$9,786.37 reduction for the “one-time” costs described above) are categorized as “fixed administrative and other” costs. The detailed analysis and calculations presented on Page 2 of Table II-A are summarized below:
 - a. Total water consumption (gal) in avg. FY 2014-2015/FY 2015-2016: 136,027,479
 - b. Total average monthly number of connections: 689
 - c. Operations & Maintenance costs: \$264,377.57 (of this, around 90% is attributed directly to the amount of water being processed: treatment, pumping, utility costs, etc., making it feasible to include the entire amount in the per-gallon-charge calculation shown below)
 - d. Fixed costs: \$46,226.44
 - e. O&M cost per 1,000 gallons: $264,377.57 / 136,027,479 * 1,000 = \$1.95/1,000 \text{ gal}$
 - f. Fixed cost per connection per month: $46,226.44 / 689 / 12 = \$5.60/\text{month}$

3. Based on evaluation of the existing water rates, community demographics and usage patterns, budgets, and expenditures, in consultation with the Department staff and the HOA, a usage of **5,000 gallons/month** is established as a **service availability/base consumption “tier”** for each class of water user in CSA 47. Higher-usage alternatives of 8,000-, 10,000-, and 12,500-gallon/month were considered and evaluated. However, the proposed alternative of 5,000 gallons/month usage is selected for providing the best direct benefit/cost ratio, equitably allocating benefits among various user classes, and establishing proportionally higher monthly charges for those properties with higher water consumption (by tying the proposed new water rates directly to the costs of providing each gallon of water to the CSA 47 users). The per-month **Base Water Rate** per connection is calculated to be:

- a. Fixed charge per connection per month (as calculated above): \$5.60/month
- b. Consumption charge (fixed charge per 1,000 gallons): \$1.95

4. This per-month Base Water Rate **does not include** any amount that would need to be charged in order to build a **Capital Improvement Replacement Reserve Fund and Operations & Maintenance Reserve Fund**. A detailed analysis of the Reserve Fund components are presented on Page 2 of Table II-A.

Details on the total water Capital Improvement Reserve Fund amount (\$97,000.00) are presented in Table IV (based on the information provided by the Department). To be able to build-up a reserve fund on an accelerated schedule (as no reserve fund exists at this time), and in consultations with the HOA, it is proposed by this Rate Study that the entire Capital Improvement Reserve Fund be funded over a period of 5 years, resulting in the **\$0.15/1,000 gal Capital Improvement Replacement Reserve Fund** component of the proposed new water rate.

5. Details on the total water Operations & Maintenance Reserve Fund amount (\$164,070.00) are presented on Page 2 of Table II-A (based on the information provided by the Department and a requirement to fund over a 5-year period an estimated total of \$450,000.00 as 50% of the total combined Operations & Maintenance annual budget for both sewer and water). The above-referenced \$164,070.00 water estimated share of the \$450,000.00 O&M Reserve Fund requirement is calculated in direct proportion to the ratio of sewer and water O&M expenses in the representative year. As stated above, the CSA 47 cash-on-hand at the end of FY 2015-2016 (on June 30, 2016) in the amount of \$200,000.00 is applied towards the sewer share of the O&M Reserve Fund requirement, resulting in the **\$0.25/1,000 gal Operations & Maintenance Reserve Fund** component of the proposed new water rate.

6. The four above-described components of the proposed new Water rates for all classes/categories of CSA 47 customers are summarized below:

Fixed charge component: \$5.60/month/connection

Consumption charge components:

- Excluding Reserve Funds: \$1.95/1,000 gal
- Capital Improvement Replacement Reserve Fund component: \$0.15/1,000 gal
- Operations & Maintenance Reserve Fund component: \$0.25/1,000 gal
- Total consumption charge, including reserve funds components: \$2.35/1,000 gal

Base Rate (consumption up to 5,000 gal/month):

- a. Excluding Reserve Funds: $\$5.60 + 5 \times \$1.95 = \$15.35/\text{month/connection}$
- b. Including Reserve Funds: $\$5.60 + 5 \times \$2.35 = \$17.35/\text{month/connection}$

Consumption over 5,000 gal/month:

- a. Excluding Reserve Funds: $\$15.35/\text{month/connection} + \$1.95/1,000 \text{ gal}$
- b. Including Reserve Funds: $\$17.35/\text{month/connection} + \$2.35/1,000 \text{ gal}$

- 7. Page 3 of Table II-A provides a detailed calculation of the estimated annual revenues from the various components of the proposed new water rates, including the analysis of available revenues with and without reserve funds components of the proposed new rates.
- 8. Table II-D provides a “Comparison between Current Rates and Proposed New Rates for Various Ranges of Water Consumption.” As stated above, the proposed new water rates are not based on tiers. The water consumption ranges shown in Table II-D are selected based either on the current rate tiers and/or 10,000-gallon increments for comparison purposes.

Lake Aerators Electricity Usage Analysis:

As described above, the \$9,000.00 that is currently separately paid by HOA to CSA 47 for the Lake Aerators annual utility cost has been excluded from the total utility cost associated with the water pump meter. In this proposed rate analysis, this expense has been increased to \$11,000.00/year to account for the increase in electricity costs since the last/current rate calculation. This proposed rate will continue to be paid to CSA 47 directly by HOA and will not be charged to individual water and sewer customers in CSA 47.

Reserve Fund Analysis

The Reserve Fund analysis (for both sewer and water components) are presented above and on Page 1 of Table II-A (sewer) and on Page 2 of Table II-A (water). Detailed calculations of the Reserve Fund estimated annual revenues and their coverages of the Reserve Fund requirements are presented on Page 3 of Table II-A. As described above, all components of the Reserve Fund are proposed to be fully funded in the next five years, including the Capital Improvement Replacement components for both sewer and water.

This Rate Study proposes an implementation of a 3% maximum annual inflation factor for the proposed rates, as described below. Therefore, a separate analysis to include a similar inflation factor for the Capital Improvement Replacement component of the Reserve Fund projected increases has not been conducted, as the proposed 3% annual increase in the proposed rates would “automatically” cover similar annual increases in the estimated Capital Improvement Replacement costs.

For tracking purposes and future evaluation and/or modification of the rate structure components of the water and sewer Reserve Funds (and in each case separately for the Capital Improvement Replacement component and for the Operation & Maintenance component), it would be beneficial

for both the HOA and the CSA 47 if they are tracked individually (in separate “sub-accounts/funds” or in spreadsheets/databases).

Projected Budget Expenditures

Table III, entitled “Projected Budget Expenditures FY 2016-2017,” presents details of each component of the estimated FY 2016-2017 expenditures for each account item (expenditure category) that existed in the four previous fiscal years, based on the analysis of the expenditures for the representative FY 2014-2015/FY 2015-2016 averages. Reference is made to Page 3 of Table II-A and to the notes at the bottom of Table III for further details on the assumptions and estimates used in preparing the projected FY 2016-2017 budget expenditures and the coverage of those projected expenditures based on the proposed rates.

5-Year Proposed Rates

Table II-B, entitled “5-Year Proposed Rates (With Maximum 3% Inflation Factor),” presents details of each component of the proposed rates for the current fiscal year and for the next four fiscal years with a proposed not-to-exceed 3% annual inflation factor.

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TABLES I

TABLE I-A:

**SUMMARY OF EXISTING SYSTEMS
(COMBINED SEWER AND WATER)
REVENUES AND EXPENDITURES
FOR FISCAL YEARS 2012-13, 2013-14, 2014-15 AND 2015-16**

TABLE I-B:

**SUMMARY OF EXISTING SYSTEMS
(WATER ONLY)
REVENUES AND EXPENDITURES
FOR FISCAL YEARS 2012-13, 2013-14, 2014-15 AND 2015-16**

TABLE I-C:

**SUMMARY OF EXISTING SYSTEMS
(SEWER ONLY)
REVENUES AND EXPENDITURES
FOR FISCAL YEARS 2012-13, 2013-14, 2014-15 AND 2015-16**

TABLE I-A

**SUMMARY OF EXISTING SYSTEMS
(COMBINED WATER AND SEWER)
REVENUES AND EXPENDITURES**

FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE)

FOR FISCAL YEARS 2012-13, 2013-14, 2014-15, AND 2015-16

SERVICE TYPE MEMO CODE NO.	ACCOUNT CODE NO.	MEMO CODE AND ACCOUNT ITEM DESCRIPTIONS	FY 2012-13			FY 2013-14			FY 2014-15			FY 2015-16			FY 14-15 & FY 15-16 AVERAGES
			NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	
I. REVENUES (ACTUAL) - from Summary Revenue Report															
	A.	OPERATING REVENUES													
	i.	4986 Water Meter Installation Fees			\$2,978.12			\$28,064.72			\$17,832.13			\$434.93	\$9,133.53
	ii.	5060 Charges for Current Services			\$786,943.80			\$802,532.66			\$870,926.53			\$891,798.81	\$881,362.67
	iii.	Total Operating Revenues			\$789,921.92			\$830,597.38			\$888,758.66			\$892,233.74	\$890,496.20
	B.	NON-OPERATING REVENUES													
	i.	3010 Tax Revenues													
	ii.	3380 Interest (and Other Miscellaneous in FY 2015-16)			\$1,897.16			\$1,666.06			\$1,696.67			\$4,359.22	\$3,027.95
	iii.	Total Non-Operating Revenues			\$1,897.16			\$1,666.06			\$1,696.67			\$4,359.22	\$3,027.95
	C.	TOTAL OPERATING REVENUES			\$789,921.92			\$830,597.38			\$888,758.66			\$892,233.74	\$890,496.20
	D.	TOTAL NON-OPERATING REVENUES			\$1,897.16			\$1,666.06			\$1,696.67			\$4,359.22	\$3,027.95
	E.	TOTAL REVENUES			\$791,819.08			\$832,263.44			\$890,455.33			\$896,592.96	\$893,524.15
II. REVENUES (ACTUAL) - from User Billing Revenue Report (Operating Revenues) (on this sheet for informational purposes only; does not match Revenue Summaries above)					\$804,035.34			\$850,013.61			\$911,508.43			\$891,798.81	\$901,653.62
III. EXPENDITURES (ACTUAL)															
	A.	OPERATING EXPENDITURES													
	i.	7010 Agriculture - Water Supply													
5	a.	Water Purchases - Fresno Irrigation District			\$21,043.26			\$10,669.83			\$36,566.53			\$14,961.93	\$25,764.23
	b.	Subtotal 7010 Agriculture - Water Supply			\$21,043.26			\$10,669.83			\$36,566.53			\$14,961.93	\$25,764.23
	ii.	7040 Communication/Telephone													
6	a.	Administration - Water			\$145.77			\$144.35			\$127.53				\$63.77
	b.	Subtotal 7040 Communication/Telephone			\$145.77			\$144.35			\$127.53			\$0.00	\$63.77
	iii.	7101 Liability Insurance													
6	a.	Administration - Water			\$6,930.81			\$4,703.44			\$4,167.33			\$4,751.64	\$4,459.49
13	b.	Administration - Sewer			\$4,636.14			\$4,720.61			\$5,518.76			\$6,436.09	\$5,977.43
	c.	Subtotal 7101 Liability Insurance			\$11,566.95			\$9,424.05			\$9,686.09			\$11,187.73	\$10,436.92
	iv.	7205 Maintenance - Equipment													
1	a.	Water Pumping			\$1,164.53			\$459.73			\$24,526.73			\$7,501.95	\$16,014.34
2	b.	Water Treatment			\$10,676.09			\$14,344.50			\$10,500.09			\$9,400.73	\$9,950.41
3	c.	Water Transmission & Distribution			\$9,252.07									\$39.06	\$19.53
6	d.	Administration - Water			\$4,269.80			\$2,175.70			\$1,832.96			\$2,213.30	\$2,023.13
7	e.	Other Expense - Water Supply			\$450.21			\$156.36			\$1,398.28			\$699.14	
8	f.	Sewage Collection			\$240.00										\$0.00
9	g.	Sewage Treatment			\$29,705.62			\$18,956.82			\$58,318.42			\$79,533.11	\$68,925.77
13	i.	Administration - Sewer			\$4,272.78			\$2,172.57			\$1,832.70			\$2,213.30	\$2,023.00
14	j.	Other Expense - Sewer			\$397.68						\$5,991.03			\$837.61	\$3,414.32
	k.	Subtotal 7205 Maintenance - Equipment			\$60,428.78			\$38,265.68			\$104,400.21			\$101,739.06	\$103,069.64
	v.	7220 Maintenance - Buildings and Grounds													
1	a.	Water Pumping									\$966.00				\$483.00
2	b.	Water Treatment			\$682.19			\$2,924.59			\$523.14				\$261.57
3	c.	Water Transmission & Distribution			\$8,181.98			\$15,189.63			\$2,333.85			\$3,213.93	\$2,773.89
6	d.	Administration - Water						\$10,551.94						-\$0.01	-\$0.01
7	e.	Other Expense - Water Supply									\$1,001.25			\$116.82	\$559.04
8	f.	Sewage Collection			\$1,191.59			\$12,496.59			\$137,625.50			\$142,980.23	\$140,302.87
9	g.	Sewage Treatment			\$104,983.12			\$150,386.07			\$20,321.53			\$1,682.75	\$11,002.14
14	h.	Other Expense - Sewer									\$287.45			\$626.59	\$457.02
21	i.	Landscape Maintenance (split 50/50 between water/sewer)			\$9,580.00			\$8,990.00			\$9,620.00			\$11,395.00	\$10,507.50
	j.	Subtotal 7220 Maintenance - Building and Grounds			\$124,618.88			\$200,538.82			\$172,678.72			\$160,015.31	\$166,347.02

TABLE I-A

**SUMMARY OF EXISTING SYSTEMS
(COMBINED WATER AND SEWER)
REVENUES AND EXPENDITURES**

FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE)

FOR FISCAL YEARS 2012-13, 2013-14, 2014-15, AND 2015-16

SERVICE TYPE MEMO CODE NO.	ACCOUNT CODE NO.	MEMO CODE AND ACCOUNT ITEM DESCRIPTIONS	FY 2012-13			FY 2013-14			FY 2014-15			FY 2015-16			FY 14-15 & FY 15-16 AVERAGES
			NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	
		vi. 7250 Memberships													
6		a. Administration - Water									\$152.94			\$81.33	\$117.14
7		b. Other Expense - Water Supply			\$75.00			\$76.47							\$0.00
13		c. Administration - Sewer												\$81.32	\$40.66
14		d. Other Expense - Sewer			\$75.00			\$76.47							\$0.00
		e. Subtotal 7250 Memberships			\$150.00			\$152.94			\$152.94			\$162.65	\$157.80
		vii. 7265 Office Expense													
6		a. Administration - Water			\$5.91			\$72.43						\$22.24	\$11.12
13		b. Administration - Sewer			\$2.35			\$17.06							\$0.00
		c. Subtotal 7265 Office Expense			\$8.26			\$89.49			\$0.00			\$22.24	\$11.12
		viii. 7268 Postage													
6		a. Administration - Water			\$2,817.76			\$3,867.18			\$4,879.86			\$7,276.43	\$6,078.15
		b. Subtotal 7268 Postage			\$2,817.76			\$3,867.18			\$4,879.86			\$7,276.43	\$6,078.15
		ix. 7287 PeopleSoft Financial Charge													
6		a. Administration - Water			\$3,011.12			\$3,189.36			\$4,852.08			\$4,811.04	\$4,831.56
		b. Subtotal 7287 PeopleSoft Financial Charge			\$3,011.12			\$3,189.36			\$4,852.08			\$4,811.04	\$4,831.56
		x. 7295 Professional & Specialized Services													
1		a. Water Pumping			\$10,160.57			\$206.38			\$6,543.06				\$3,271.53
2		b. Water Treatment			\$64,021.92			\$64,073.59			\$48,873.04			\$65,580.39	\$57,226.72
3		c. Water Transmission & Distribution			\$1,601.47			\$854.96			\$5,970.74			\$740.72	\$3,355.73
4		d. Customer Accounts - Water			\$31,990.86			\$34,451.68			\$31,765.10			\$28,069.46	\$29,917.28
6		e. Administration - Water			\$25,870.06			\$39,874.97			\$35,148.06			\$33,386.53	\$34,267.30
7		f. Other Expense - Water Supply			\$11,151.59			\$11,162.29			\$12,377.34			\$27,169.18	\$19,773.26
8		g. Sewage Collection			\$3,386.64			\$2,207.19			\$331.53			\$135.00	\$233.00
9		h. Sewage Treatment			\$113,312.03			\$112,287.15			\$91,453.22			\$128,672.08	\$110,062.65
12		i. Customer Accounts - Sewer			\$25,094.10			\$28,188.41			\$26,576.67			\$25,328.91	\$25,952.79
13		j. Administration - Sewer			\$27,217.70			\$40,489.63			\$39,510.18			\$39,354.97	\$39,432.58
14		k. Other Expense - Sewer			\$26,512.57			\$38,148.15			\$28,794.29			\$87,146.90	\$57,970.60
23		l. Fire Protection (belongs in/moved to Memo code 14 above)												\$2,644.65	\$1,322.33
		m. Subtotal 7295 Professional & Specialized Services			\$340,319.51			\$371,944.40			\$327,343.23			\$438,228.79	\$382,786.04
		xi. 7296 Data Processing Services													
6		a. Administration - Water												\$213.66	\$106.83
		b. Subtotal 7296 Data Processing Services			\$0.00			\$0.00			\$0.00			\$213.66	\$106.83
		xii. 7325 Public & Legal Notices													
6		a. Administration - Water													
9		b. Sewage Treatment						\$606.75							\$0.00
		c. Subtotal 7325 Public & Legal Notices			\$0.00			\$606.75			\$0.00			\$0.00	\$0.00
		xiii. 7385 Small Tools & Instruments													
2		a. Water Treatment												\$41.84	\$20.92
9		b. Sewage Treatment												\$41.85	\$20.93
		c. Subtotal 7385 Small Tools & Instruments			\$0.00			\$0.00			\$0.00			\$83.69	\$41.85
		xiv. 7400 Special Departmental Expense													
2		a. Administration - Water						\$1,940.00			\$240.00				\$120.00
6		b. Water Treatment			\$3,483.72						\$3,804.00			\$5,106.00	\$4,455.00
7		c. Other Expense - Water Supply			\$1,465.00			\$3,684.00			\$120.00				\$60.00
9		d. Sewage Treatment			\$12,634.00			\$13,875.00			\$17,362.00			\$17,017.00	\$17,189.50
14		e. Other Expense - Sewer			\$1,225.00			\$360.00			\$120.00				\$60.00
		f. Subtotal 7400 Special Departmental Expense			\$18,807.72			\$19,859.00			\$21,646.00			\$22,123.00	\$21,884.50
		xv. 7430 Utilities													
1		a. Water Pumping (includes \$9,000 lake aerator)			\$81,016.09			\$92,521.69			\$95,243.84			\$96,882.18	\$96,063.01
9 (was 2)		b. Water Treatment			\$53,118.07			\$52,928.67			\$80,423.33			\$54,222.82	\$67,323.08
		c. Subtotal 7430 Utilities			\$134,134.16			\$145,450.36			\$175,667.17			\$151,105.00	\$163,386.09
		xvi. 7565 Countywide Cost Allocation													
6		a. Water Treatment												\$2,779.09	\$1,389.55
13		b. Administration - Sewer												\$2,779.09	\$1,389.55
		c. Subtotal 7565 Countywide Cost Allocation			\$0.00			\$0.00			\$0.00			\$5,558.18	\$2,779.10

TABLE I-A

**SUMMARY OF EXISTING SYSTEMS
(COMBINED WATER AND SEWER)
REVENUES AND EXPENDITURES**

FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE)

FOR FISCAL YEARS 2012-13, 2013-14, 2014-15, AND 2015-16

SERVICE TYPE MEMO CODE NO.	ACCOUNT CODE NO.	MEMO CODE AND ACCOUNT ITEM DESCRIPTIONS	FY 2012-13			FY 2013-14			FY 2014-15			FY 2015-16			FY 14-15 & FY 15-16 AVERAGES
			NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	
13		xvii. 7855 Miscellaneous Refunds						\$42,999.92							\$0.00
		a. Administration - Sewer													
		b. Subtotal 7855 Miscellaneous Refunds			\$0.00			\$42,999.92			\$0.00			\$0.00	\$0.00
		xviii. Total Operating Expenditures			\$717,052.17			\$847,202.13			\$858,000.36			\$917,488.71	\$887,744.62
	B.	CAPITAL EXPENDITURES													\$0.00
	i.	8150 Buildings & Improvements													\$0.00
	ii.	Total Capital Expenditures			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00
	C.	TOTAL OPERATING EXPENDITURES			\$717,052.17			\$847,202.13			\$858,000.36			\$917,488.71	\$887,744.62
	D.	TOTAL CAPITAL EXPENDITURES			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00
	E.	TOTAL EXPENDITURES			\$717,052.17			\$847,202.13			\$858,000.36			\$917,488.71	\$887,744.62
	IV.	REVENUES (ACTUAL) less OPERATING/CAPITAL EXPENDITURES (Line I.E less Line III.E)			\$74,766.91			-\$14,938.69			\$32,454.97			-\$20,895.75	N/A
	V.	CASH BALANCES ON JUNE 30 (AT THE END OF EACH FISCAL YEAR) (for informational purposes only; does not reflect real savings)			\$152,057.49			\$154,327.20			\$224,358.66			\$202,902.79	N/A
		WATER EXPENDITURES			\$295,257.78			\$312,790.07			\$329,723.75			\$311,056.94	\$320,390.38
		SEWER EXPENDITURES			\$412,794.39			\$525,412.06			\$519,276.61			\$597,431.77	\$558,354.24
		LAKE AERATOR UTILITIES (\$9,000 PAID SEPARATELY BY HOA)			\$9,000.00			\$9,000.00			\$9,000.00			\$9,000.00	\$9,000.00
		TOTALS			\$717,052.17			\$847,202.13			\$858,000.36			\$917,488.71	\$887,744.62

TABLE I-B

SUMMARY OF EXISTING SYSTEMS
(WATER ONLY)
REVENUES AND EXPENDITURES

FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE)

FOR FISCAL YEARS 2012-13, 2013-14, 2014-15, AND 2015-16

SERVICE TYPE MEMO CODE NO.	ACCOUNT CODE NO.	MEMO CODE AND ACCOUNT ITEM DESCRIPTIONS	FY 2012-13			FY 2013-14			FY 2014-15			FY 2015-16			FY 14-15 & FY 15-16 AVERAGES	NOTES
			NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL		
I. REVENUES (ACTUAL) - from Summary Revenue Report																
A. OPERATING REVENUES																
i. 4986 Water Meter Installation Fees					\$2,978.12			\$28,064.72			\$17,832.13			\$434.93	\$9,133.53	
ii. 5060 Charges for Current Services (total less actual sewer)					\$441,727.80			\$431,876.66			\$458,030.53			\$479,190.81	\$468,610.67	
iii. Total Operating Revenues					\$444,705.92			\$459,941.38			\$475,862.66			\$479,625.74	\$477,744.20	
B. NON-OPERATING REVENUES																
i. 3010 Tax Revenues																
ii. 3380 Interest (all interest earnings kept in water table)					\$1,897.16			\$1,666.06			\$1,696.67			\$4,359.22	\$3,027.95	
iii. Total Non-Operating Revenues					\$1,897.16			\$1,666.06			\$1,696.67			\$4,359.22	\$3,027.95	
C. TOTAL OPERATING REVENUES					\$444,705.92			\$459,941.38			\$475,862.66			\$479,625.74	\$477,744.20	
D. TOTAL NON-OPERATING REVENUES					\$1,897.16			\$1,666.06			\$1,696.67			\$4,359.22	\$3,027.95	
E. TOTAL REVENUES					\$446,603.08			\$461,607.44			\$477,559.33			\$483,984.96	\$480,772.15	
II. REVENUES (ACTUAL) - from User Billing Revenue Report (Operating Revenues)					\$458,819.34			\$479,357.61			\$498,612.43			\$479,190.81	\$488,901.62	
(does not match Summary Revenue Report above; higher/lower in each year by)					\$17,091.54			\$47,480.95			\$40,581.90			\$0.00	\$20,290.95	
III. EXPENDITURES (ACTUAL)																
A. OPERATING EXPENDITURES																
i. 7010 Agriculture - Water Supply																
5	a. Water Purchases - Fresno Irrigation District				\$21,043.26			\$10,669.83			\$36,566.53			\$14,961.93	\$25,764.23	
	b. Subtotal 7010 Agriculture - Water Supply				\$21,043.26			\$10,669.83			\$36,566.53			\$14,961.93	\$25,764.23	
ii. 7040 Communication/Telephone																
6	a. Administration - Water				\$145.77			\$144.35			\$127.53				\$63.77	
	b. Subtotal 7040 Communication/Telephone				\$145.77			\$144.35			\$127.53			\$0.00	\$63.77	
iii. 7101 Liability Insurance																
6	a. Administration - Water				\$6,930.81			\$4,703.44			\$4,167.33			\$4,751.64	\$4,459.49	
	c. Subtotal 7101 Liability Insurance				\$6,930.81			\$4,703.44			\$4,167.33			\$4,751.64	\$4,459.49	
iv. 7205 Maintenance - Equipment																
1	a. Water Pumping				\$1,164.53			\$459.73			\$24,526.73			\$7,501.95	\$16,014.34	*
2	b. Water Treatment				\$10,676.09			\$14,344.50			\$10,500.09			\$9,400.73	\$9,950.41	*
3	c. Water Transmission & Distribution				\$9,252.07						\$39.06			\$19.53		*
6	d. Administration - Water				\$4,269.80			\$2,175.70			\$1,832.96			\$2,213.30	\$2,023.13	
7	e. Other Expense - Water Supply				\$450.21			\$156.36			\$1,398.28				\$699.14	
														\$0.00		
	k. Subtotal 7205 Maintenance - Equipment				\$25,812.70			\$17,136.29			\$38,258.06			\$19,155.04	\$28,706.55	
v. 7220 Maintenance - Buildings and Grounds																
1	a. Water Pumping										\$966.00				\$483.00	*
2	b. Water Treatment				\$682.19			\$2,924.59			\$523.14				\$261.57	*
3	c. Water Transmission & Distribution				\$8,181.98			\$15,189.63			\$2,333.85			\$3,213.93	\$2,773.89	*
6	d. Administration - Water							\$10,551.94						-\$0.01	-\$0.01	
7	e. Other Expense - Water Supply										\$1,001.25			\$116.82	\$559.04	
21	i. Landscape Maintenance (split 50/50 between water/sewer)				\$4,790.00			\$4,495.00			\$4,810.00			\$5,697.50	\$5,253.75	
	j. Subtotal 7220 Maintenance - Building and Grounds				\$13,654.17			\$33,161.16			\$9,634.24			\$9,028.24	\$9,331.24	

TABLE I-B

SUMMARY OF EXISTING SYSTEMS
(WATER ONLY)
REVENUES AND EXPENDITURES

FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE)

FOR FISCAL YEARS 2012-13, 2013-14, 2014-15, AND 2015-16

SERVICE TYPE MEMO CODE NO.	ACCOUNT CODE NO.	MEMO CODE AND ACCOUNT ITEM DESCRIPTIONS	FY 2012-13			FY 2013-14			FY 2014-15			FY 2015-16			FY 14-15 & FY 15-16 AVERAGES	NOTES
			NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL		
6	7	vi. 7250 Memberships														
		a. Administration - Water									\$152.94			\$81.33	\$117.14	
		b. Other Expense - Water Supply			\$75.00			\$76.47							\$0.00	
		d. Subtotal 7250 Memberships			\$75.00			\$76.47			\$152.94			\$81.33	\$117.14	
6		vii. 7265 Office Expense														
		a. Administration - Water			\$5.91			\$72.43						\$22.24	\$11.12	
		c. Subtotal 7265 Office Expense			\$5.91			\$72.43			\$0.00			\$22.24	\$11.12	
6		viii. 7268 Postage														
		a. Administration - Water			\$2,817.76			\$3,867.18			\$4,879.86			\$7,276.43	\$6,078.15	
		b. Subtotal 7268 Postage			\$2,817.76			\$3,867.18			\$4,879.86			\$7,276.43	\$6,078.15	
6		ix. 7287 PeopleSoft Financial Charge														
		a. Administration - Water			\$3,011.12			\$3,189.36			\$4,852.08			\$4,811.04	\$4,831.56	
		b. Subtotal 7287 PeopleSoft Financial Charge			\$3,011.12			\$3,189.36			\$4,852.08			\$4,811.04	\$4,831.56	
1		x. 7295 Professional & Specialized Services														
2		a. Water Pumping			\$10,160.57			\$206.38			\$6,543.06				\$3,271.53	*
3		b. Water Treatment			\$64,021.92			\$64,073.59			\$48,873.04			\$65,580.39	\$57,226.72	*
4		c. Water Transmission & Distribution			\$1,601.47			\$854.96			\$5,970.74			\$740.72	\$3,355.73	*
6		d. Customer Accounts - Water			\$31,990.86			\$34,451.68			\$31,765.10			\$28,069.46	\$29,917.28	*
7		e. Administration - Water			\$25,870.06			\$39,874.97			\$35,148.06			\$33,386.53	\$34,267.30	*
		f. Other Expense - Water Supply			\$11,151.59			\$11,162.29			\$12,377.34			\$27,169.18	\$19,773.26	*
		l. Subtotal 7295 Professional & Specialized Services			\$144,796.47			\$150,623.87			\$140,677.34			\$154,946.28	\$147,811.82	
6		xi. 7296 Data Processing Services														
		a. Administration - Water												\$213.66	\$106.83	
		b. Subtotal 7296 Data Processing Services			\$0.00			\$0.00			\$0.00			\$213.66	\$106.83	
6		xii. 7325 Public & Legal Notices														
		a. Administration - Water													\$0.00	
		c. Subtotal 7325 Public & Legal Notices			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00	
2		xiii. 7385 Small Tools & Instruments														
9		a. Water Treatment												\$41.84	\$20.92	
		c. Subtotal 7385 Small Tools & Instruments			\$0.00			\$0.00			\$0.00			\$41.84	\$20.92	
2		xiv. 7400 Special Departmental Expense														
6		a. Water Treatment						\$1,940.00			\$240.00				\$120.00	
7		b. Administration - Water			\$3,483.72						\$3,804.00			\$5,106.00	\$4,455.00	
		c. Other Expense - Water Supply			\$1,465.00			\$3,684.00			\$120.00				\$60.00	
		f. Subtotal 7400 Special Departmental Expense			\$4,948.72			\$5,624.00			\$4,164.00			\$5,106.00	\$4,635.00	
1		xv. 7430 Utilities														
		a. Water Pumping			\$81,016.09			\$92,521.69			\$95,243.84			\$96,882.18	\$96,063.01	*
		(less \$9,000 paid separately by HOA for lake aerator)			-\$9,000.00			-\$9,000.00			-\$9,000.00			-\$9,000.00	-\$9,000.00	*
		c. Subtotal 7430 Utilities			\$72,016.09			\$83,521.69			\$86,243.84			\$87,882.18	\$87,063.01	*

TABLE I-B

SUMMARY OF EXISTING SYSTEMS
(WATER ONLY)
REVENUES AND EXPENDITURES

FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE)

FOR FISCAL YEARS 2012-13, 2013-14, 2014-15, AND 2015-16

SERVICE TYPE MEMO CODE NO.	ACCOUNT CODE NO.	MEMO CODE AND ACCOUNT ITEM DESCRIPTIONS	FY 2012-13			FY 2013-14			FY 2014-15			FY 2015-16			FY 14-15 & FY 15-16 AVERAGES	NOTES
			NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL		
6		xvi. 7565 Countywide Cost Allocation														
		a. Administration - Water												\$2,779.09	\$1,389.55	
														\$0.00	\$0.00	
		c. Subtotal 7565 Countywide Cost Allocation			\$0.00			\$0.00			\$0.00			\$2,779.09	\$1,389.55	
		xvii. 7855 Miscellaneous Refunds													\$0.00	
		b. Subtotal 7855 Miscellaneous Refunds			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00	
		xviii. Total Operating Expenditures			\$295,257.78			\$312,790.07			\$329,723.75			\$311,056.94	\$320,390.38	
	B.	CAPITAL EXPENDITURES														
	i.	8150 Buildings & Improvements													\$0.00	\$0.00
	ii.	Total Capital Expenditures			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00	
	C.	TOTAL OPERATING EXPENDITURES			\$295,257.78			\$312,790.07			\$329,723.75			\$311,056.94	\$320,390.38	
	D.	TOTAL CAPITAL EXPENDITURES			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00	
	E.	TOTAL EXPENDITURES			\$295,257.78			\$312,790.07			\$329,723.75			\$311,056.94	\$320,390.38	
	IV.	REVENUES (ACTUAL) less OPERATING/CAPITAL EXPENDITURES (Line I.E less Line III.E)			\$151,345.30			\$148,817.37			\$147,835.58			\$172,928.02	\$160,381.77	
		When compared to User Billing Revenue Report totals only														
	V.	REVENUES (ACTUAL) less OPERATING/CAPITAL EXPENDITURES (Line II less Line III.E)			\$163,561.56			\$166,567.54			\$168,888.68			\$168,133.87	\$168,511.24	
		* OPERATION & MAINTENANCE COSTS									\$265,770.99			\$262,984.13	\$264,377.57	
		FIXED COSTS (ADMINISTRATIVE AND OTHER)									\$48,745.94			\$43,706.89	\$46,226.44	
		"ONE-TIME" COSTS									\$15,206.82			\$4,365.92	\$9,786.37	
		TOTAL WATER EXPENDITURES									\$329,723.75			\$311,056.94	\$320,390.38	
		TOTAL WATER CONSUMPTION (gallons)									141,421,947			130,633,011	136,027,479	

TABLE I-C
SUMMARY OF EXISTING SYSTEMS
(SEWER ONLY)
REVENUES AND EXPENDITURES

FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE)

FOR FISCAL YEARS 2012-13, 2013-14, 2014-15, AND 2015-16

SERVICE TYPE MEMO CODE NO.	ACCOUNT CODE NO.	MEMO CODE AND ACCOUNT ITEM DESCRIPTIONS	FY 2012-13			FY 2013-14			FY 2014-15			FY 2015-16			FY 14-15 & FY 15-16 AVERAGES
			NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	
I. REVENUES (ACTUAL) - from Summary Revenue Report															
A. OPERATING REVENUES															
	i.	4986 Water Meter Installation Fees													
	ii.	5060 Charges for Current Services			\$345,216.00			\$370,656.00			\$412,896.00			\$412,608.00	\$412,752.00
	iii.	Total Operating Revenues			\$345,216.00			\$370,656.00			\$412,896.00			\$412,608.00	\$412,752.00
B. NON-OPERATING REVENUES															
	i.	3010 Tax Revenues													
	ii.	3380 Interest (all interest earnings kept in water table)													\$0.00
	iii.	Total Non-Operating Revenues			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00
	C.	TOTAL OPERATING REVENUES			\$345,216.00			\$370,656.00			\$412,896.00			\$412,608.00	\$412,752.00
	D.	TOTAL NON-OPERATING REVENUES			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00
	E.	TOTAL REVENUES			\$345,216.00			\$370,656.00			\$412,896.00			\$412,608.00	\$412,752.00
II. REVENUES (ACTUAL) - from User Billing Revenue Report (Operating Revenues)					\$345,216.00			\$370,656.00			\$412,896.00			\$412,608.00	\$412,752.00
III. EXPENDITURES (ACTUAL)															
A. OPERATING EXPENDITURES															
	i.	7010 Agriculture - Water Supply													\$0.00
	b.	Subtotal 7010 Agriculture - Water Supply			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00
	ii.	7040 Communication/Telephone													\$0.00
	b.	all in water Subtotal 7040 Communication/Telephone			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00
	iii.	7101 Liability Insurance													
13	b.	Administration - Sewer			\$4,636.14			\$4,720.61			\$5,518.76			\$6,436.09	\$5,977.43
	c.	Subtotal 7101 Liability Insurance			\$4,636.14			\$4,720.61			\$5,518.76			\$6,436.09	\$5,977.43
	iv.	7205 Maintenance - Equipment													
	f.	Sewage Collection			\$240.00										
8	g.	Sewage Treatment			\$29,705.62			\$18,956.82			\$58,318.42			\$79,533.11	\$68,925.77
9	i.	Administration - Sewer			\$4,272.78			\$2,172.57			\$1,832.70			\$2,213.30	\$2,023.00
13	j.	Other Expense - Sewer			\$397.68						\$5,991.03			\$837.61	\$3,414.32
14	k.	Subtotal 7205 Maintenance - Equipment			\$34,616.08			\$21,129.39			\$66,142.15			\$82,584.02	\$74,363.09
	v.	7220 Maintenance - Buildings and Grounds													
	f.	Sewage Collection			\$1,191.59			\$12,496.59			\$137,625.50			\$142,980.23	\$140,302.87
8	g.	Sewage Treatment			\$104,983.12			\$150,386.07			\$20,321.53			\$1,682.75	\$11,002.14
9	h.	Other Expense - Sewer									\$287.45			\$626.59	\$457.02
14	i.	Landscape Maintenance (split 50/50 between water/sewer)			\$4,790.00			\$4,495.00			\$4,810.00			\$5,697.50	\$5,253.75
21	j.	Subtotal 7220 Maintenance - Building and Grounds			\$110,964.71			\$167,377.66			\$163,044.48			\$150,987.07	\$157,015.78
	vi.	7250 Memberships													
	c.	Administration - Sewer												\$81.32	\$40.66
13	d.	Other Expense - Sewer			\$75.00			\$76.47							\$0.00
14	e.	Subtotal 7250 Memberships			\$75.00			\$76.47			\$0.00			\$81.32	\$40.66
	vii.	7265 Office Expense													
	b.	Administration - Sewer			\$2.35			\$17.06						\$0.00	\$0.00
13	c.	Subtotal 7265 Office Expense			\$2.35			\$17.06			\$0.00			\$0.00	\$0.00
	viii.	7268 Postage													
	a.	all in water													\$0.00
	b.	Subtotal 7268 Postage			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00

TABLE I-C

**SUMMARY OF EXISTING SYSTEMS
(SEWER ONLY)
REVENUES AND EXPENDITURES**

FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE)

FOR FISCAL YEARS 2012-13, 2013-14, 2014-15, AND 2015-16

SERVICE TYPE MEMO CODE NO.	ACCOUNT CODE NO.	MEMO CODE AND ACCOUNT ITEM DESCRIPTIONS	FY 2012-13			FY 2013-14			FY 2014-15			FY 2015-16			FY 14-15 & FY 15-16 AVERAGES
			NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	NUMBER OF CONN. /EDUs	MONTHLY CHARGE	YEAR TOTAL	
		ix. 7287 PeopleSoft Financial Charge all in water													\$0.00
		b. Subtotal 7287 PeopleSoft Financial Charge			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00
		x. 7295 Professional & Specialized Services													
8		g. Sewage Collection			\$3,386.64			\$2,207.19			\$331.53			\$135.00	\$233.27
9		h. Sewage Treatment			\$113,312.03			\$112,287.15			\$91,453.22			\$128,672.08	\$110,062.65
12		i. Customer Accounts - Sewer			\$25,094.10			\$28,188.41			\$26,576.67			\$25,328.91	\$25,952.79
13		j. Administration - Sewer			\$27,217.70			\$40,489.63			\$39,510.18			\$39,354.97	\$39,432.58
14		k. Other Expense - Sewer			\$26,512.57			\$38,148.15			\$28,794.29			\$87,146.90	\$57,970.60
23		l. Fire Protection (belongs in/moved to Memo code 14 above)												\$2,644.65	\$1,322.33
		m. Subtotal 7295 Professional & Specialized Services			\$195,523.04			\$221,320.53			\$186,665.89			\$283,282.51	\$234,974.22
		xi. 7296 Data Processing Services all in water													\$0.00
		b. Subtotal 7296 Data Processing Services			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00
		xii. 7325 Public & Legal Notices													
9		b. Sewage Treatment						\$606.75							\$0.00
		c. Subtotal 7325 Public & Legal Notices			\$0.00			\$606.75			\$0.00			\$0.00	\$0.00
		xiii. 7385 Small Tools & Instruments													
9		b. Sewage Treatment												\$41.85	\$20.93
		c. Subtotal 7385 Small Tools & Instruments			\$0.00			\$0.00			\$0.00			\$41.85	\$20.93
		xiv. 7400 Special Departmental Expense													
9		d. Sewage Treatment			\$12,634.00			\$13,875.00			\$17,362.00			\$17,017.00	\$17,189.50
14		e. Other Expense - Sewer			\$1,225.00			\$360.00			\$120.00				\$60.00
		f. Subtotal 7400 Special Departmental Expense			\$13,859.00			\$14,235.00			\$17,482.00			\$17,017.00	\$17,249.50
		xv. 7430 Utilities													
9 (was 2)		b. Water Treatment			\$53,118.07			\$52,928.67			\$80,423.33			\$54,222.82	\$67,323.08
		c. Subtotal 7430 Utilities			\$53,118.07			\$52,928.67			\$80,423.33			\$54,222.82	\$67,323.08
		xvi. 7565 Countywide Cost Allocation													
13		b. Administration - Sewer												\$2,779.09	\$1,389.55
		c. Subtotal 7565 Countywide Cost Allocation			\$0.00			\$0.00			\$0.00			\$2,779.09	\$1,389.55
		xvii. 7855 Miscellaneous Refunds													
13		a. Administration - Sewer						\$42,999.92							\$0.00
		b. Subtotal 7855 Miscellaneous Refunds			\$0.00			\$42,999.92			\$0.00			\$0.00	\$0.00
		xviii. Total Operating Expenditures			\$412,794.39			\$525,412.06			\$519,276.61			\$597,431.77	\$558,354.24
		B. CAPITAL EXPENDITURES													
		i. 8150 Buildings & Improvements													
		ii. Total Capital Expenditures			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00
		C. TOTAL OPERATING EXPENDITURES			\$412,794.39			\$525,412.06			\$519,276.61			\$597,431.77	\$558,354.24
		D. TOTAL CAPITAL EXPENDITURES			\$0.00			\$0.00			\$0.00			\$0.00	\$0.00
		E. TOTAL EXPENDITURES			\$412,794.39			\$525,412.06			\$519,276.61			\$597,431.77	\$558,354.24
		IV. REVENUES (ACTUAL) less OPERATING/CAPITAL EXPENDITURES (Line I.E less Line III.E)			-\$67,578.39			-\$154,756.06			-\$106,380.61			-\$184,823.77	N/A
		OPERATION & MAINTENANCE COSTS AND FIXED COSTS (ADMINISTRATIVE AND OTHER)									\$504,069.79			\$593,065.85	\$548,567.87
		"ONE-TIME" COSTS									\$15,206.82			\$4,365.92	\$9,786.37
		TOTAL SEWER EXPENDITURES									\$519,276.61			\$597,431.77	\$558,354.24
		TOTAL NUMBER OF CONNECTIONS									670			707	689

ENGINEER'S REPORT
ON PROPOSED
INCREASED SEWER AND NEW WATER SERVICE FEES
FOR FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE)
COUNTY OF FRESNO, STATE OF CALIFORNIA

TABLES II

TABLE II-A:

**PROPOSED RATES:
DETAILED CALCULATIONS AND SUMMARY**

TABLE II-B:

**5-YEAR PROPOSED RATES
(WITH MAXIMUM 3% INFLATION FACTOR)**

TABLE II-C:

CURRENT RATES

TABLE II-D:

**COMPARISON BETWEEN CURRENT RATES AND
PROPOSED NEW RATES FOR VARIOUS RANGES
OF WATER CONSUMPTION**

TABLE II-A

PROPOSED RATES: DETAILED CALCULATIONS AND SUMMARY

<u>LAKE AERATOR</u> UTILITY EXPENSE: PAID BY HOA ANNUALLY (NO CHARGE TO SCHOOL):		\$11,000.00	
SEWER:			
TOTAL SEWER EXPENDITURES (AVERAGE FOR FY 2014-2015 AND FY 2015-2016)		\$558,354.24	
LESS "ONE-TIME" COSTS & EXPENSES (AVERAGE FOR FY 2014-2015 AND FY 2015-2016)		-\$9,786.37	
TOTAL REPRESENTATIVE SEWER EXPENDITURES (AVERAGE FOR FY 2014-2015 AND FY 2015-2016)		\$548,567.87	
AVERAGE YEARLY SEWER EXPENSE PER EACH OF THE 689 CONNECTIONS		\$796.18	
CURRENT NUMBER OF RESIDENTIAL CONNECTIONS (EDUs)		707	
EQUIVALENT NUMBER OF EDUs FOR THE SCHOOL			
Each 20 students + teachers + staff = 1 EDU			
Estimated total number of students + teachers + staff: 600			
Corresponding number of EDUs per month:			
600 / 20 / 12 x 9 school months:		23	
TOTAL NUMBER OF EDUs/MONTH (residences + school)		730	
BASE RATE PER MONTH (EXCLUDING RESERVE FUND): 730 EDU X \$796.18/YEAR / 730 / 12 =		\$66.35	
COUNTY ESTIMATED SEWER CAPITAL IMPROVEMENT RESERVE FUND REQUIREMENT		\$316,200.00	
PROPOSAL:			
FUND ALL OF THE CAPITAL IMPROVEMENT RESERVE FUND IN THE NEXT 5 FISCAL YEARS:			
MONTHLY SEWER CHARGES FOR THE CAPITAL IMPR. RESERVE FUND COMPONENT:			
\$316,200.00 / 730 EDU / 60 MONTHS =			
\$7.20			
COUNTY ESTIMATED TOTAL (WATER AND SEWER) O & M RESERVE FUND REQUIREMENT (IN 5 YRS)		\$450,000.00	
SEWER COMPONENT OF THE O & M RESERVE FUND REQUIREMENT: 63.54%		\$285,930.00	
WATER COMPONENT OF THE O & M RESERVE FUND REQUIREMENT: 36.46%		\$164,070.00	
PROPOSAL:			
ALLOCATE ALL OF THE CURRENT "CASH ON HAND" (IN THIS CALCULATION USED \$200,000)		TOTAL (MONTHLY), INCLUDING	
AS SEWER O & M RESERVE FUND COMPONENT, RESULTING IN THE FOLLOWING MONTHLY		BASE RATE, CAPITAL IMPR. RESERVE,	
SEWER CHARGES FOR THE O & M RESERVE FUND COMPONENT:		AND O & M RESERVE (residential)	
"CASH ON HAND" IS \$200,000: (285,930.00 - 200,000.00) / 730 / 60 =		\$75.55	
\$2.00		SCHOOL TOTAL	
		(MONTHLY,	
		per 12 months)	
		\$1,737.65	
		SCHOOL	
		(PER PERSON	
		PER YEAR)	
		\$34.75	

TABLE II-A

PROPOSED RATES: DETAILED CALCULATIONS AND SUMMARY

WATER:

TOTAL WATER EXPENDITURES (AVERAGE FOR FY 2014-2015 AND FY 2015-2016)	\$320,390.38
OPERATIONS & MAINTENANCE COMPONENT	\$264,377.57
FIXED ADMINISTRATIVE AND OTHER COSTS	\$56,012.81
LESS "ONE-TIME" COSTS & EXPENSES (AVERAGE FOR FY 2014-2015 AND FY 2015-2016)	-\$9,786.37
TOTAL REPRESENTATIVE WATER FIXED EXPENDITURES (AVERAGE FOR FY 2014-2015 AND FY 2015-2016)	\$46,226.44

FIXED COST PER MONTH PER EACH OF THE 689 CONNECTIONS: $\$46,226.44 / 689 / 12 =$ **\$5.60**

O & M COST PER 1,000 GALLONS: $\$264,377.57 / 136,027,479 \text{ GAL} \times 1,000 =$ **\$1.95**

BASE RATE PER MONTH (EXCLUDING RESERVE FUND):

PROPOSED ALTERNATIVE (5,000 GAL/MONTH): $\$5.60 + 5 \times \$1.95 =$ **\$15.35**

COUNTY ESTIMATED **WATER CAPITAL IMPROVEMENT RESERVE FUND REQUIREMENT** **\$97,000.00**

PROPOSAL:

FUND ALL OF THE CAPITAL IMPROVEMENT RESERVE FUND IN THE NEXT 5 FISCAL YEARS:

MONTHLY WATER CHARGES FOR THE CAPITAL IMPR. RESERVE FUND COMPONENT:

$\$97,000.00 / 136,027,479 \text{ GAL} \times 1,000 \text{ GAL} / 5 \text{ YEARS} =$ **\$0.15** per 1,000 gal

(Note: this portion could be adjusted to higher components for the base tier, in case a significant water conservation is achieved)

COUNTY ESTIMATED TOTAL (WATER AND SEWER) O & M RESERVE FUND REQUIREMENT (IN 5 YRS) **\$450,000.00**

SEWER COMPONENT OF THE O & M RESERVE FUND REQUIREMENT: 63.54% **\$285,930.00**

WATER COMPONENT OF THE O & M RESERVE FUND REQUIREMENT: 36.46% **\$164,070.00**

PROPOSAL (AS STATED ABOVE, UNDER SEWER):

ALLOCATE ALL OF THE CURRENT "CASH ON HAND" (IN THIS CALCULATION USED \$200,000)

AS SEWER O & M RESERVE FUND COMPONENT, RESULTING IN THE FOLLOWING MONTHLY

WATER CHARGES FOR THE O & M RESERVE FUND COMPONENT:

PROPOSED ALTERNATIVE (5,000 GAL/MONTH): $164,070.00 / 136,027,479 \times 1,000 / 5 =$ **\$0.25** per 1,000 gal

**TOTAL (MONTHLY), INCLUDING
BASE RATE, CAPITAL IMPR. RESERVE,
AND O & M RESERVE (base tier)**
\$17.35

**BASE TIER AND
ABOVE BASE TIER
PER 1,000 GAL**
\$2.35

TABLE II-A

PROPOSED RATES: DETAILED CALCULATIONS AND SUMMARY

RECAPITULATION:

ESTIMATED ANNUAL REVENUE
 BASED ON FY 2014-2015 AND FY 2015-2016
 AVERAGE WATER CONSUMPTION,
 707 RESIDENCES, 1 COMMUNITY CENTER, AND
 1 SCHOOL (2 WATER METERS AND 600 STUDENTS AND STAFF)

<u>LAKE AERATOR</u> UTILITY EXPENSE: Paid by HOA annually (no charge to school)	\$11,000.00	\$11,000.00
<u>SEWER:</u>		
SEWER: Base rate (excluding reserves) - Residential and Community Center	\$66.35	\$563,709.60
SEWER: Capital Improvement Reserve - Residential and Community Center	\$7.20	\$61,171.20
SEWER: O & M Reserve - Residential and Community Center	\$2.00	\$16,992.00
SEWER Total Rate per Month: Residential and Community Center	\$75.55	\$641,872.80
SEWER Total Rate per Student per Year: School	\$34.75	\$20,850.00
SUBTOTAL SEWER:		\$662,722.80
<u>WATER:</u>		
WATER: Base rate, Fixed Costs - ALL customers (Residential, Community Center, School)	\$5.60	\$47,712.00
WATER: Base rate, O & M Costs (per 1000 gal) - ALL customers	\$1.95	\$83,070.00
WATER: Capital Improvement Reserve (per 1000 gal) - ALL customers	\$0.15	\$6,390.00
WATER: O & M Reserve (per 1000 gal) - ALL customers	\$0.25	\$10,650.00
WATER Total Rate per Month (up to 5000 gal): ALL customers	\$17.35	\$147,822.00
WATER Total Rate per 1000 gal over 5000 gal/month: ALL customers	\$2.35	\$219,554.58
SUBTOTAL WATER:		\$367,376.58
SUBTOTAL SEWER, WATER, AND LAKE AERATOR UTILITY (without Reserve):		\$908,525.19
TOTAL SEWER, WATER, AND LAKE AERATOR UTILITY (with Reserve):		\$1,041,099.38

RESERVE FUND:

SEWER: Capital Improvement Reserve - Residential and Community Center	\$61,171.20 /year	\$305,856.00 after 5 years	
SEWER: Capital Improvement Reserve - School	\$1,987.20 /year	\$9,936.00 after 5 years	
		\$315,792.00	requirement: \$316,200.00 (see page 1)
SEWER: O & M Reserve - Residential and Community Center	\$16,992.00 /year	\$84,960.00 after 5 years	
SEWER: O & M Reserve - School	\$552.00 /year	\$2,760.00 after 5 years	
SEWER: O & M Reserve - Cash-on-hand as of 6/30/2016	\$200,000.00	\$200,000.00	
		\$287,720.00	requirement: \$285,930.00 (see page 1)
WATER: Capital Improvement Reserve - All customers (up to 5000 gal/month)	\$6,390.00 /year	\$31,950.00 after 5 years	
WATER: Capital Improvement Reserve - All customers (over 5000 gal/month)	\$14,014.12 /year	\$70,070.60 after 5 years	
		\$102,020.60	requirement: \$97,000.00 (see page 2)
WATER: O & M Reserve - All customers (up to 5000 gal/month)	\$10,650.00 /year	\$53,250.00 after 5 years	
WATER: O & M Reserve - All customers (over 5000 gal/month)	\$23,356.87 /year	\$116,784.35 after 5 years	
		\$170,034.35	requirement: \$164,070.00 (see page 2)

Note: differences between estimated and required Reserve Fund amounts are due to rounding of monthly rates

TABLE II-B
5-YEAR PROPOSED RATES
(WITH MAXIMUM 3% INFLATION FACTOR)

SEWER							
	CUSTOMER CLASS / RATE COMPONENT	CURRENT	EFFECTIVE UPON APPROVAL FY 2016-2017	EFFECTIVE JULY 1, 2017 FY 2017-2018	EFFECTIVE JULY 1, 2018 FY 2018-2019	EFFECTIVE JULY 1, 2019 FY 2019-2020	EFFECTIVE JULY 1, 2020 FY 2020-2021
1	RESIDENTIAL	monthly	monthly	monthly	monthly	monthly	monthly
	RESIDENTIAL - BASE, EXCLUDING RESERVE	included below	\$ 66.35	\$ 68.34	\$ 70.39	\$ 72.50	\$ 74.68
	RESIDENTIAL - CAPITAL IMPROVEMENT RESERVE	included below	\$ 7.20	\$ 7.42	\$ 7.64	\$ 7.87	\$ 8.11
	RESIDENTIAL - O & M RESERVE	included below	\$ 2.00	\$ 2.06	\$ 2.12	\$ 2.18	\$ 2.25
	TOTAL RESIDENTIAL	\$ 48.00	\$ 75.55	\$ 77.82	\$ 80.15	\$ 82.55	\$ 85.04
2	COMMUNITY CENTER	monthly	monthly	monthly	monthly	monthly	monthly
	COMMUNITY CENTER - BASE, EXCLUDING RESERVE	included below	\$ 66.35	\$ 68.34	\$ 70.39	\$ 72.50	\$ 74.68
	COMMUNITY CENTER - CAPITAL IMPROVEMENT RESERVE	included below	\$ 7.20	\$ 7.42	\$ 7.64	\$ 7.87	\$ 8.11
	COMMUNITY CENTER - O & M RESERVE	included below	\$ 2.00	\$ 2.06	\$ 2.12	\$ 2.18	\$ 2.25
	TOTAL COMMUNITY CENTER	\$ 48.00	\$ 75.55	\$ 77.82	\$ 80.15	\$ 82.55	\$ 85.04
3	SCHOOL	yearly (*)	yearly (*)	yearly (*)	yearly (*)	yearly (*)	yearly (*)
	SCHOOL - BASE AND RESERVE (O & M AND CAPITAL IMPR.)	\$ 32.00	\$ 34.75	\$ 35.79	\$ 36.86	\$ 37.97	\$ 39.11
	(*) PER STUDENT & FACULTY/STAFF						
	TOTAL SCHOOL	\$ 32.00	\$ 34.75	\$ 35.79	\$ 36.86	\$ 37.97	\$ 39.11

WATER							
	CUSTOMER CLASS / RATE COMPONENT	CURRENT	EFFECTIVE UPON APPROVAL FY 2016-2017	EFFECTIVE JULY 1, 2017 FY 2017-2018	EFFECTIVE JULY 1, 2018 FY 2018-2019	EFFECTIVE JULY 1, 2019 FY 2019-2020	EFFECTIVE JULY 1, 2020 FY 2020-2021
1	ALL CUSTOMERS (RESIDENTIAL, COMMUNITY CENTER, SCHOOL)						
	BASE - UP TO 5000 GALLONS/MONTH (includes Fixed and O&M, no Reserves)	Current rates are based on tiers and are not directly comparable to the new rate structure. See Table II-C for details on the existing rates. See Table II-D for comparison between the current and the proposed new rates for various ranges of water consumption.	monthly	monthly	monthly	monthly	monthly
			\$ 15.35	\$ 15.81	\$ 16.28	\$ 16.77	\$ 17.27
	BASE - UP TO 5000 GALLONS/MONTH (includes Fixed, O&M, and Reserve (O&M and Capital Impr.)-see Table II-A for details)		\$ 17.35	\$ 17.87	\$ 18.41	\$ 18.96	\$ 19.53
	CONSUMPTION CHARGE COMPONENTS PER 1000 GALLONS		per 1000 gallons	per 1000 gallons	per 1000 gallons	per 1000 gallons	per 1000 gallons
	O & M COMPONENT		\$ 1.95	\$ 2.01	\$ 2.07	\$ 2.13	\$ 2.19
	RESERVE FUND CAPITAL IMPROVEMENT COMPONENT		\$ 0.15	\$ 0.15	\$ 0.16	\$ 0.17	\$ 0.18
	RESERVE FUND O & M COMPONENT		\$ 0.25	\$ 0.26	\$ 0.27	\$ 0.28	\$ 0.29
	TOTAL CONSUMPTION CHARGE PER 1000 GALLONS (includes Reserve Components)		\$ 2.35	\$ 2.42	\$ 2.50	\$ 2.58	\$ 2.66

LAKE AERATORS							
	CUSTOMER CLASS / RATE COMPONENT	CURRENT	EFFECTIVE UPON APPROVAL FY 2016-2017	EFFECTIVE JULY 1, 2017 FY 2017-2018	EFFECTIVE JULY 1, 2018 FY 2018-2019	EFFECTIVE JULY 1, 2019 FY 2019-2020	EFFECTIVE JULY 1, 2020 FY 2020-2021
1	LAKE AERATORS ELECTRICITY USAGE	yearly	yearly	yearly	yearly	yearly	yearly
	(Paid by HOA; no separate charges to residences, community center, or school)	\$ 9,000.00	\$ 11,000.00	\$ 11,330.00	\$ 11,670.00	\$ 12,020.00	\$ 12,381.00
	TOTAL LAKE AERATORS	\$ 9,000.00	\$ 11,000.00	\$ 11,330.00	\$ 11,670.00	\$ 12,020.00	\$ 12,381.00

NOTES:

1. REFERENCE IS MADE TO TABLE II-A FOR DETAILS ON THE PROPOSED RATES.
2. REFERENCE IS MADE TO TABLE II-C FOR DETAILS ON THE CURRENT RATES.
3. REFERENCE IS MADE TO TABLE II-D FOR COMPARISON BETWEEN THE CURRENT RATES AND THE PROPOSED NEW RATES FOR VARIOUS RANGES OF WATER CONSUMPTION.

TABLE II-C
CURRENT RATES

3545 CSA 47 (Quail Lake)	Winter Season (November-April)
Water	\$44.00 / mo. /Dev.Parcel / \$88.00 /bi- mo. /Dev.Parcel / Residential (Includes 16,000 gal./bi-mo.)
Overuse Rate	\$3.25 /1000 gal. (Allowance 16,001-20,000 gal./bi-mo.) Meter Reading
Overuse Rate	\$3.75 /1000 gal. (Allowance:20,001-30,000 gal./bi-mo.) Meter Reading
Overuse Rate	\$4.00 /1000 gal. (Allowance:30,001 gal. and over/bi-mo.) Meter Reading
Water	Summer Season (May-October) \$32.00 /mo./Dev. Parcel \$64.00 /bi-mo./Dev. Parcel Residential (includes 25,000 gal./bi-mo.)
Overuse Rate	\$1.90 /1000 gal. (Allowance:25,001-40,000 gal./bi-mo.) Meter Reading
Overuse Rate	\$2.65 /1000 gal. (Allowance:40,001-65,000 gal./bi-mo.) Meter Reading
Overuse Rate	\$3.15 /1000 gal. (Allowance:65,001gal. and over/bi-mo.) Meter Reading
<u>Winter and Summer</u> Sewer	\$48.00 /mo./Dev. Parcel Residential
<u>School</u> Water	\$140.00 /mo. \$280.00 /bi-mo./ Includes 50,000 gallons /bi-mo. during school session
Overuse Rate	\$2.10 / 1,000 gal./50,001gal. and over/bi-mo./ School meter \$32.00/yr. /School / Per Student & Faculty/Staff
Sewer	
<u>Community Center</u> Water-Summer	\$192.00 /yr
Water-Winter	\$264.00 /yr
Sewer	\$576.00 /yr
<u>Winter and Summer Season</u> Water	\$14.00 / mo./Commercial \$28.00 /bi-mo./ Dev. Parcel (Includes 10,000 gal. bi-monthly)
Water	\$1.50 /1,000 gal (bi-monthly) (Allowance: 10,001 gal and over bi-mo)
Overuse Rate	\$30.00 /mo./ Commercial
Sewer	
<u>Homeowners Association (HOA)</u>	\$9,000.00 /yr. Annual Electricity Usage for Lake Aerators

NOTE:
CURRENT RATES TABLE SHOWN ABOVE PROVIDED BY FRESNO COUNTY.

TABLE II-D
COMPARISON
BETWEEN CURRENT RATES AND PROPOSED NEW RATES
FOR VARIOUS RANGES OF WATER CONSUMPTION

WINTER

BI-MONTHLY				
GALLONS		CURRENT		PROPOSED
10000		\$88.00		\$34.70
16000		\$88.00		\$48.80
20000		\$101.00		\$58.20
30000		\$138.50		\$81.70
40000		\$178.50		\$105.20
50000		\$218.50		\$128.70
60000		\$258.50		\$152.20

SUMMER

BI-MONTHLY				
GALLONS		CURRENT		PROPOSED
10000		\$64.00		\$34.70
25000		\$64.00		\$69.95
40000		\$92.50		\$105.20
65000		\$158.75		\$163.95
75000		\$190.25		\$187.45
85000		\$221.75		\$210.95
95000		\$253.25		\$234.45

NOTE:

THE PROPOSED NEW WATER RATES ARE NOT BASED ON TIERS. THE ABOVE-SHOWN WATER CONSUMPTION RANGES ARE SELECTED BASED EITHER ON THE CURRENT RATE TIERS AND/OR 10,000-GALLON INCREMENTS FOR COMPARISON PURPOSES.

ENGINEER'S REPORT
ON PROPOSED
INCREASED SEWER AND NEW WATER SERVICE FEES
FOR FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE)
COUNTY OF FRESNO, STATE OF CALIFORNIA

TABLE III

PROJECTED BUDGET EXPENDITURES FY 2016-2017

TABLE III

PROJECTED BUDGET EXPENDITURES FY 2016-2017

FY 2014-2015 EXPENDITURES (ACTUAL)						FY 2015-2016 EXPENDITURES (ACTUAL)			
ACCOUNT CODE	ACCOUNT ITEM DESCRIPTION	SEWER	WATER	LAKE AERATOR	TOTAL	SEWER	WATER	LAKE AERATOR	TOTAL
7010	AGRICULTURE-WATER SUPPLY	\$ -	\$ 36,566.53		\$ 36,566.53	\$ -	\$ 14,961.93		\$ 14,961.93
7040	COMMUNICATION/TELEPHONE	\$ -	\$ 127.53		\$ 127.53	\$ -	\$ -		\$ -
7101	LIABILITY INSURANCE	\$ 5,518.76	\$ 4,167.33		\$ 9,686.09	\$ 6,436.09	\$ 4,751.64		\$ 11,187.73
7205	MAINTENANCE-EQUIPMENT	\$ 66,142.15	\$ 38,258.06		\$ 104,400.21	\$ 82,584.02	\$ 19,155.04		\$ 101,739.06
7220	MAINTENANCE-BUILDINGS AND GROUNDS	\$ 163,044.48	\$ 9,634.24		\$ 172,678.72	\$ 150,987.07	\$ 9,028.24		\$ 160,015.31
7250	MEMBERSHIPS	\$ -	\$ 152.94		\$ 152.94	\$ 81.32	\$ 81.33		\$ 162.65
7265	OFFICE EXPENSE	\$ -	\$ -		\$ -	\$ -	\$ 22.24		\$ 22.24
7268	POSTAGE	\$ -	\$ 4,879.86		\$ 4,879.86	\$ -	\$ 7,276.43		\$ 7,276.43
7287	PEOPLESFT FINANCIAL CHARGE	\$ -	\$ 4,852.08		\$ 4,852.08	\$ -	\$ 4,811.04		\$ 4,811.04
7295	PROFESSIONAL & SPECIALIZED SERVICES	\$ 186,665.89	\$ 140,677.34		\$ 327,343.23	\$ 283,282.51	\$ 154,946.28		\$ 438,228.79
7296	DATA PROCESSING SERVICES	\$ -	\$ -		\$ -	\$ -	\$ 213.66		\$ 213.66
7325	PUBLIC & LEGAL NOTICES	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -
7385	SMALL TOOLS & INSTRUMENTS	\$ -	\$ -		\$ -	\$ 41.85	\$ 41.84		\$ 83.69
7400	SPECIAL DEPARTMENTAL EXPENSE	\$ 17,482.00	\$ 4,164.00		\$ 21,646.00	\$ 17,017.00	\$ 5,106.00		\$ 22,123.00
7430	UTILITIES	\$ 80,423.33	\$ 86,243.84	\$ 9,000.00	\$ 175,667.17	\$ 54,222.82	\$ 87,882.18	\$ 9,000.00	\$ 151,105.00
7565	COUNTYWIDE COST ALLOCATION	\$ -	\$ -		\$ -	\$ 2,779.09	\$ 2,779.09		\$ 5,558.18
TOTAL EXPENDITURES:		\$ 519,276.61	\$ 329,723.75	\$ 9,000.00	\$ 858,000.36	\$ 597,431.77	\$ 311,056.94	\$ 9,000.00	\$ 917,488.71
TOTAL REVENUES:		\$ 412,896.00	\$ 498,612.33	N/A	\$ 911,508.33	\$ 412,608.00	\$ 479,190.81	N/A	\$ 891,798.81
EXPENDITURES LESS REVENUES:		\$ (106,380.61)	\$ 168,888.58	N/A	\$ 53,507.97	\$ (184,823.77)	\$ 168,133.87	N/A	\$ (25,689.90)

AVERAGE FY 2014-2015 AND FY 2015-2016 EXPENDITURES (ACTUAL)						FY 2016-2017 EXPENDITURES (PROPOSED)			
ACCOUNT CODE	ACCOUNT ITEM DESCRIPTION	SEWER	WATER	LAKE AERATOR	TOTAL	SEWER	WATER	LAKE AERATOR	TOTAL
7010	AGRICULTURE-WATER SUPPLY	\$ -	\$ 25,764.23		\$ 25,764.23	\$ -	\$ 22,500.00		\$ 22,500.00
7040	COMMUNICATION/TELEPHONE	\$ -	\$ 63.77		\$ 63.77	\$ 100.00	\$ 100.00		\$ 200.00
7101	LIABILITY INSURANCE	\$ 5,977.43	\$ 4,459.49		\$ 10,436.92	\$ 8,000.00	\$ 8,000.00		\$ 16,000.00
7205	MAINTENANCE-EQUIMPMENT	\$ 74,363.09	\$ 28,706.55		\$ 103,069.64	\$ 75,000.00	\$ 30,000.00		\$ 105,000.00
7220	MAINTENANCE-BUILDINGS AND GROUNDS	\$ 157,015.78	\$ 9,331.24		\$ 166,347.02	\$ 160,000.00	\$ 10,000.00		\$ 170,000.00
7250	MEMBERSHIPS	\$ 40.66	\$ 117.14		\$ 157.80	\$ 100.00	\$ 100.00		\$ 200.00
7265	OFFICE EXPENSE	\$ -	\$ 11.12		\$ 11.12	\$ 100.00	\$ 100.00		\$ 200.00
7268	POSTAGE	\$ -	\$ 6,078.15		\$ 6,078.15	\$ 2,500.00	\$ 2,500.00		\$ 5,000.00
7287	PEOPLESFT FINANCIAL CHARGE	\$ -	\$ 4,831.56		\$ 4,831.56	\$ 2,500.00	\$ 2,500.00		\$ 5,000.00
7295	PROFESSIONAL & SPECIALIZED SERVICES	\$ 234,974.22	\$ 147,811.82		\$ 382,786.04	\$ 235,000.00	\$ 148,000.00		\$ 383,000.00
7296	DATA PROCESSING SERVICES	\$ -	\$ 106.83		\$ 106.83	\$ 200.00	\$ 200.00		\$ 400.00
7325	PUBLIC & LEGAL NOTICES	\$ -	\$ -		\$ -	\$ 200.00	\$ 200.00		\$ 400.00
7385	SMALL TOOLS & INSTRUMENTS	\$ 20.93	\$ 20.92		\$ 41.85	\$ 50.00	\$ 50.00		\$ 100.00
7400	SPECIAL DEPARTMENTAL EXPENSE	\$ 17,249.50	\$ 4,635.00		\$ 21,884.50	\$ 200.00	\$ 200.00		\$ 400.00
7430	UTILITIES	\$ 67,323.08	\$ 87,063.01	\$ 9,000.00	\$ 163,386.09	\$ 98,000.00	\$ 98,000.00	\$ 10,500.00	\$ 206,500.00
7565	COUNTYWIDE COST ALLOCATION	\$ 1,389.55	\$ 1,389.55		\$ 2,779.10	\$ 750.00	\$ 750.00		\$ 1,500.00
TOTAL EXPENDITURES:		\$ 558,354.24	\$ 320,390.38	\$ 9,000.00	\$ 887,744.62	\$ 582,700.00	\$ 323,200.00	\$ 10,500.00	\$ 916,400.00
TOTAL REVENUES:		\$ 412,752.00	\$ 488,901.62	N/A	\$ 901,653.62	\$ 584,559.60	\$ 323,484.80	\$ 11,000.00	\$ 919,044.40
REVENUES LESS EXPENDITURES:		\$ (145,602.24)	\$ 168,511.24	N/A	\$ 13,909.00	\$ 1,859.60	\$ 284.80	\$ 500.00	\$ 2,644.40

NOTES:

1. FY 2016-2017 PROJECTED EXPENDITURES DO NOT INCLUDE SEVERAL "ONE-TIME" COMPONENTS (FOR REPAIR AND REPLACEMENT) OF THE FY 2014-2015 AND/OR FY 2015-2016 ACTUAL EXPENDITURES (TO BE FUNDED FROM THE RESERVE FUND, SEE NOTES 2 AND 3 BELOW), AND ARE ESTIMATED FOR THE ENTIRE 12-MONTH FISCAL YEAR.
2. FY 2016-2017 PROJECTED REVENUES DO NOT INCLUDE THE RESERVE FUND PROJECTED REVENUES (FOR O&M AND FOR CAPITAL IMPROVEMENT REPLACEMENT) AND ARE BASED ON THE CURRENT NUMBER OF RESIDENCES (707) AND THE TOTAL AVERAGE WATER CONSUMPTION FOR FY 2014-2015 AND FY 2015-2016 (136,027,479 GALLONS), ALSO ESTIMATED FOR THE ENTIRE 12-MONTH FISCAL YEAR.
3. FY 2016-2017 PROJECTED REVENUES TO CREATE THE RESERVE FUNDS (FOR O&M AND FOR CAPITAL IMPROVEMENT REPLACEMENT) ARE NOT INCLUDED IN THIS TABLE. THE COMPONENTS OF THE NEW MONTHLY RATES DESIGNATED FOR CREATION OF THE RESERVE FUNDS ARE SHOWN IN TABLE II-A, AND ARE SET AT SUCH LEVELS THAT 100% OF EACH RESERVE FUND REQUIREMENT WILL BE ACHIEVED IN 5 YEARS IF THERE ARE NO EXPENDITURES FROM THE RESERVE FUNDS IN THE NEXT 5 YEARS.

ENGINEER'S REPORT
ON PROPOSED
INCREASED SEWER AND NEW WATER SERVICE FEES
FOR FRESNO COUNTY SERVICE AREA 47 (QUAIL LAKE)
COUNTY OF FRESNO, STATE OF CALIFORNIA

TABLE IV

CAPITAL IMPROVEMENT REPLACEMENT COSTS

TABLE IV

CAPITAL IMPROVEMENT REPLACEMENT COSTS

SEWER

	PROJECT DESCRIPTION	TODAY'S TOTAL COST OF REPLACEMENT
1	LIFT STATION - MODS SCIMMER	\$ 40,000.00
2	LIFT STATION UPGRADE (GLIDE PUMP RAILS AND CONTROLS)	\$ 60,000.00
3	LIFT STATION PUMP - 2 X 20HP PUMP	\$ 50,000.00
4	ASHLAN 2 X 2HP PUMP	\$ 7,500.00
5	FALLING WATER 2 X 1HP	\$ 5,500.00
6	CONTROL PANEL X 2	\$ 40,000.00
7	WWTP 1 & 2 5HP PUMPS X 4	\$ 36,800.00
8	EQUALIZATION PUMP X 4	\$ 16,800.00
9	SUTORBILT BLOWERS X 4	\$ 15,600.00
10	FILTER MEDIA REPLACEMENT X 4	\$ 10,000.00
11	FILTER CONTROL VALVES X 16	\$ 24,000.00
12	MISCELLANEOUS	\$ 10,000.00
TOTAL:		\$ 316,200.00

WATER

	PROJECT DESCRIPTION	TODAY'S TOTAL COST OF REPLACEMENT
1	BOOSTER PUMP REPLACEMENT/REBUILD (60HP) X 3	\$ 33,000.00
2	125HP WELL PUMP (REPAIR) #1	\$ 9,000.00
3	125HP WELL PUMP (REPAIR) #2	\$ 9,000.00
4	FIRE HYDRANT MAINTENANCE	\$ 6,000.00
5	CONTROL PANEL UPGRADE	\$ 35,000.00
6	MISCELLANEOUS	\$ 5,000.00
TOTAL:		\$ 97,000.00

NOTE:

PROJECT DESCRIPTIONS AND ESTIMATED REPLACEMENT COSTS SHOWN ABOVE ARE BASED ON INFORMATION PROVIDED BY FRESNO COUNTY.

