

**Apple Valley Foothills Water Rates Comparison First Year**

**Apple Valley Foothills Rate Adjustment Option #2**

1. Base rate is set assuming AWWA merter size equivalency - Recover 75% of Fixed Costs in Base Rate
2. Assmumes funding 12.5% of the annual operating budget over the 5 year period
3. Assumes emergency Reserves already funded and in bank account
4. Assumese funding CRP reserves at an average of \$92,600 annually

Apple Valley Foothills Water Rate Adjustment Option #2	Year #1	Year #2	Year #3	Year #4	Year #5	5 Year Total	
Base + Usage Rate Revenue	\$239,611.73	\$245,744.19	\$252,031.99	\$258,479.03	\$264,424.04	\$1,260,290.98	Total 5-year projected revenue under option
Uncollectible Receivables	-\$479.22	-\$491.49	-\$504.06	-\$516.96	-\$528.85	-\$2,520.58	Total 5-year uncollectible receivables (assumes 0.20% of billings)
<b>Total Operating Revenue</b>	<b>\$239,132.51</b>	<b>\$245,252.70</b>	<b>\$251,527.92</b>	<b>\$257,962.07</b>	<b>\$263,895.20</b>	<b>\$1,257,770.40</b>	Total 5-year revenue after uncollectible accounts
Operating Costs	\$163,020.00	\$169,541.00	\$176,322.00	\$183,375.00	\$190,710.00	\$882,968.00	
Debt Service	\$53,582.00	\$53,582.00	\$14,892.00	\$14,892.00	\$14,892.00	\$151,840.00	
Operating Reserves	\$4,076.00	\$4,076.00	\$4,076.00	\$4,076.00	\$4,076.00	\$20,380.00	Total 5-Year Operating Reserves
Emergency Reserves	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Total 5-Year Emergency Reserves
CRP Reserves	\$70,000.00	\$70,000.00	\$108,000.00	\$108,000.00	\$107,000.00	\$463,000.00	Total 5-Year Capital Replacement Reserves
<b>Total Costs</b>	<b>\$290,678.00</b>	<b>\$297,199.00</b>	<b>\$303,290.00</b>	<b>\$310,343.00</b>	<b>\$316,678.00</b>	<b>\$1,518,188.00</b>	
<b>Revenue Operating Revenue Over/(Under) Costs</b>	<b>-\$51,545.49</b>	<b>-\$51,946.30</b>	<b>-\$51,762.08</b>	<b>-\$52,380.93</b>	<b>-\$52,782.80</b>	<b>-\$260,417.60</b>	
<b>Non-Operating Revenue</b>							
Property Tax Apportionment	\$21,840.00	\$21,840.00	\$21,840.00	\$21,840.00	\$21,840.00	\$109,200.00	
Meter Installation fees	\$30,300.00	\$30,300.00	\$30,300.00	\$30,300.00	\$30,300.00	\$151,500.00	
<b>Total Non-Operating Revenue</b>	<b>\$52,140.00</b>	<b>\$52,140.00</b>	<b>\$52,140.00</b>	<b>\$52,140.00</b>	<b>\$52,140.00</b>	<b>\$260,700.00</b>	
<b>Net Revenue</b>	<b>\$594.51</b>	<b>\$193.70</b>	<b>\$377.92</b>	<b>-\$240.93</b>	<b>-\$642.80</b>	<b>\$0.00</b>	

Rate Adjustment Option #1 Five-Year Rate Schedule					
Meter Size	Year 1	Year 2	Year 3	Year 4	Year 5
1"	\$61.15	\$62.56	\$64.00	\$65.47	\$66.97
<b>Usage Rate per 100 CF - No usage in Base Rate</b>	<b>2.00</b>	<b>2.05</b>	<b>2.09</b>	<b>2.14</b>	<b>2.19</b>
Annual Increase to Base and Usage Rates		2.30%	2.30%	2.30%	2.30%
Affordability Index	2.48%	2.54%	2.60%	2.67%	2.73%

**APPLE VALLEY FOOTHILL COUNTY WATER DISTRICT**

**Five-year projected budget**

Operating Expenses	Actual 2023	Budget/2024	Approved 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
Electricity-Tank Site	\$ 4,489.41	\$ 6,000.00	\$ 6,240.00	\$ 6,489.60	\$ 6,749.18	\$ 7,019.15	\$ 7,299.92
Electricity-Well Site	\$ 15,552.85	\$ 17,000.00	\$ 17,680.00	\$ 18,387.20	\$ 19,122.69	\$ 19,887.60	\$ 20,683.10
Repairs & Maintenance	\$ 22,351.34	\$ 20,000.00	\$ 20,800.00	\$ 21,632.00	\$ 22,497.28	\$ 23,397.17	\$ 24,333.06
Standby Fees/Water	\$ 687.08	\$ 1,000.00	\$ 1,040.00	\$ 1,081.60	\$ 1,124.86	\$ 1,169.86	\$ 1,216.65
Supplies	\$ 4,001.60	\$ 5,000.00	\$ 5,200.00	\$ 5,408.00	\$ 5,624.32	\$ 5,849.29	\$ 6,083.26
Utility Markings	\$ 130.75	\$ 100.00	\$ 104.00	\$ 108.16	\$ 112.49	\$ 116.99	\$ 121.67
Wages-Maintenance	\$ 14,466.68	\$ 15,000.00	\$ 15,600.00	\$ 16,224.00	\$ 16,872.96	\$ 17,547.88	\$ 18,249.79
Well Monitoring	\$ 2,210.00	\$ 3,000.00	\$ 3,120.00	\$ 3,244.80	\$ 3,374.59	\$ 3,509.58	\$ 3,649.96
Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounting & Legal	\$ 8,120.00	\$ 10,000.00	\$ 10,400.00	\$ 10,816.00	\$ 11,248.64	\$ 11,698.59	\$ 12,166.53
Advertising	\$ 161.00	\$ 200.00	\$ 208.00	\$ 216.32	\$ 224.97	\$ 233.97	\$ 243.33
Automobile Expense	\$ 116.00	\$ 500.00	\$ 520.00	\$ 540.80	\$ 562.43	\$ 584.93	\$ 608.33
Gasoline	\$ 1,290.00	\$ 1,500.00	\$ 1,560.00	\$ 1,622.40	\$ 1,687.30	\$ 1,754.79	\$ 1,824.98
Bank Charges	\$ 100.00	\$ 150.00	\$ 156.00	\$ 162.24	\$ 168.73	\$ 175.48	\$ 182.50
Dues & Subscriptions	\$ 4,385.00	\$ 3,500.00	\$ 3,640.00	\$ 3,785.60	\$ 3,937.02	\$ 4,094.50	\$ 4,258.29
Fees (Auditor Controller LAFCO)	\$ 47.00	\$ 300.00	\$ 312.00	\$ 324.48	\$ 337.46	\$ 350.96	\$ 365.00
Insurance	\$ 6,134.00	\$ 6,000.00	\$ 6,240.00	\$ 6,489.60	\$ 6,749.18	\$ 7,019.15	\$ 7,299.92
Insurance-WC	\$ 1,506.00	\$ 1,500.00	\$ 1,560.00	\$ 1,622.40	\$ 1,687.30	\$ 1,754.79	\$ 1,824.98
Licenses & Permits	\$ 1,611.00	\$ 1,000.00	\$ 1,040.00	\$ 1,081.60	\$ 1,124.86	\$ 1,169.86	\$ 1,216.65
Meeting Fees	\$ 1,815.00	\$ 3,200.00	\$ 3,328.00	\$ 3,461.12	\$ 3,599.56	\$ 3,743.55	\$ 3,893.29
Mileage	\$ 695.00	\$ 1,000.00	\$ 1,040.00	\$ 1,081.60	\$ 1,124.86	\$ 1,169.86	\$ 1,216.65
Office Expense	\$ 7,513.00	\$ 4,000.00	\$ 4,160.00	\$ 4,326.40	\$ 4,499.46	\$ 4,679.43	\$ 4,866.61
Payroll Tax Expense	\$ 5,504.00	\$ 6,000.00	\$ 6,240.00	\$ 6,489.60	\$ 6,749.18	\$ 7,019.15	\$ 7,299.92
Penalties	\$ -	\$ 100.00	\$ 104.00	\$ 108.16	\$ 112.49	\$ 116.99	\$ 121.67
Security	\$ 1,189.00	\$ 1,000.00	\$ 1,040.00	\$ 1,081.60	\$ 1,124.86	\$ 1,169.86	\$ 1,216.65
Telephone	\$ 2,946.00	\$ 3,000.00	\$ 3,120.00	\$ 3,244.80	\$ 3,374.59	\$ 3,509.58	\$ 3,649.96
Uniforms	\$ -	\$ 300.00	\$ 312.00	\$ 324.48	\$ 337.46	\$ 350.96	\$ 365.00
Utilities	\$ 2,121.00	\$ 2,000.00	\$ 2,080.00	\$ 2,163.20	\$ 2,249.73	\$ 2,339.72	\$ 2,433.31
Wages-Clerical	\$ 8,450.00	\$ 8,400.00	\$ 8,736.00	\$ 9,085.44	\$ 9,448.86	\$ 9,826.81	\$ 10,219.88
Wages-General Mgr	\$ 35,100.00	\$ 36,000.00	\$ 37,440.00	\$ 38,937.60	\$ 40,495.10	\$ 42,114.91	\$ 43,799.50
<b>Total Operating Expense</b>	<b>153252.71</b>	<b>156,750.00</b>	<b>163,020.00</b>	<b>169,540.80</b>	<b>176,322.43</b>	<b>183,375.33</b>	<b>190,710.34</b>
<b>Reserves</b>							
Operating Reserve Funding	\$ -	\$ -	\$ 4,075.50	\$ 4,075.50	\$ 4,075.50	\$ 4,075.50	\$ 4,075.50
Emergency Reserve Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Reserve Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Replacement of Existing Capital Assets	\$ -	\$ -	\$ 70,000.00	\$ 70,000.00	\$ 108,000.00	\$ 108,000.00	\$ 107,000.00
Replacement of Funded Project Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserves for Additional Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ 53,582.00	\$ 53,582.00	\$ 14,891.55	\$ 14,891.55	\$ 14,891.55
<b>Total Costs</b>	<b>\$ 153,252.71</b>	<b>\$ 156,750.00</b>	<b>\$ 290,677.50</b>	<b>\$ 297,198.30</b>	<b>\$ 303,289.48</b>	<b>\$ 310,342.37</b>	<b>\$ 316,677.39</b>

**BUDGET 2024-2025**

**Apple Valley Foothills Rate Adjustment/Budget**

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<b>Apple Valley Foothills Water Rate Adjustment/Budget</b>	<b>Year #1</b>	<b>Year #2</b>	<b>Year #3</b>	<b>Year #4</b>	<b>Year #5</b>	<b>5 Year Total</b>	
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Emergency Reserves	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Total 5-Year Emergency Reserves
<b>CRP Reserves</b>	<b>\$70,000.00</b>	<b>\$70,000.00</b>	<b>\$108,000.00</b>	<b>\$108,000.00</b>	<b>\$107,000.00</b>	<b>\$463,000.00</b>	Total 5-Year Capital Replacement Reserves
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<b>Rate Adjustment Option #1 Five-Year Rate Schedule</b>					
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1"	<b>\$61.15</b>	<b>\$62.56</b>	<b>\$64.00</b>	<b>\$65.47</b>	<b>\$66.97</b>
Usage Rate per 100 CF - No usage in Base Rate	2.00	2.05	2.09	2.14	2.19
Annual Increase to Base and Usage Rates		2.30%	2.30%	2.30%	2.30%
Affordability Index	2.48%	2.54%	2.60%	2.67%	2.73%