



CITY OF WEST SACRAMENTO

Water and Sewer Cost-of-Service Study

December 22, 2025

Final Report





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December 22, 2025

Roberta Raper
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Sent via email: robertar@cityofwestsacramento.org

Subject: Water and Sewer Rate Cost-of-Service Study

Dear Roberta Raper,

HF&H is pleased to submit this cost-of-service report to the City of West Sacramento (City). The report summarizes the analysis that was conducted to develop the recommended water and sewer rates for FY 2025-26 through FY 2029-30. The rates proposed in this report reflect the current and projected cost of providing water and sewer service for the next five years.

We greatly appreciate your assistance in developing the cost-of-service analysis.

Sincerely,

Rick Simonson
Senior Vice President



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APPENDIX B. SEWER RATES COST OF SERVICE MODEL



GLOSSARY

AWWA – American Water Works Association.

City – City of West Sacramento and/or the City’s Water or Sewer Enterprise

CCF – Hundred cubic feet (see HCF below).

CIP - Capital Improvement Program.

Commodity Charges – The product of commodity rates per unit of metered water use multiplied by a customer’s metered water use during the billing period.

Commodity Rates – The rates assessed per unit of metered water use during the billing period to determine the volumetric portion of a water bill.

EMU – Equivalent Meter Unit.

ESD – Equivalent Single-Family Dwelling used for calculating sewer charges.

EU – Environment & Utilities (Commission).

FY - Fiscal Year.

Flat rates - Fixed charges per account that do not vary based on metered water use. Flat rates are found in unmetered water systems and in wastewater rates. Flat rates are not uniform rates (see below).

GPD - Gallons Per Day.

HCF - Hundred cubic feet of metered water; 748 gallons; a cube of water 4.6 feet on edge. One HCF per month is about 25 gallons per day.

Meter charges - One-time charges for the purchase of a meter. Meter charges are not Service Charges (see below).

Multi-Family Residential – Refers to the current Multi Family Residential customer class. Includes all multi-family customer accounts, including those receiving irrigation from the same potable meter.

O&M - Operating and Maintenance, in reference to the costs of running facilities.

PAYGo - Pay-As-You-Go, in reference to funding capital improvements from cash rather than from borrowed sources such as bonds or loans.

SASD – Sacramento Area Sewer District.

Service Charges (sewer) – Fixed charges paid by City customers for sewer collection service. All residential and commercial with a water meter attached to their parcel are charged a service charge on their sewer bill.

Service Charges (water) – Fixed charges paid by City customers per water meter size, regardless of the amount of water used. The charge is proportionate to the capacity of the customer’s service.

Study Period – Five-year planning period analyzed in this study, which includes fiscal year 2025-26 to fiscal year 2029-30.

Uniform rates - Constant charges per unit of water use that do not change depending on the amount used. Uniform rates are not flat rates (see above).

Volumetric Rates – The rates assessed per unit of metered water use during the billing period to determine the volumetric portion of a wastewater bill.



ACKNOWLEDGEMENTS

City Council

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Verna Sulpizio Hull, Mayor Pro Tem
Norma Alcala, Councilmember
Quirina Orozco, Councilmember
Dawnté Early, Councilmember

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LIMITATIONS

This document was prepared solely for the City of West Sacramento in accordance with the contract between the City and HF&H and is not intended for use by any other party for any other purpose.

In preparing this study, we relied on information from the City, which we consider accurate and reliable. Our analysis is based on the best available information at the time of the study.

Rounding differences caused by stored values in electronic models may exist.

This document represents our understanding of relevant laws, regulations, and court decisions but should not be relied upon as legal advice. Questions concerning the interpretation of legal authorities referenced in this document should be referred to a qualified attorney.



I. Executive Summary

This study documents the process by which the City of West Sacramento’s (City’s) water and sewer rates were analyzed to ensure that rates continue to meet the cost of service. This report describes how the revenue requirement (expenses) is apportioned between customer classes receiving water and sewer service, the appropriate changes in the respective classes’ rates to cover their costs, and the proposed water and sewer rate designs that are appropriate to ensure that customers continue paying their proportionate share.

STUDY OBJECTIVES

The City undertook this rate study to meet the following key objectives.

1. **Provide revenue sufficiency and financial stability** - Ensure revenues from future water and sewer rates continue covering costs without depleting reserves and maintaining necessary debt service coverage requirements. Revenue requirement projections (i.e., expenses) are increasing with expanded capital program expenses to upgrade aging infrastructure.
2. **Maintain adequate reserves to meet City policies** - Confirm future rates will continue to generate revenues that will keep the City’s reserve balance in line with its target threshold to have sufficient reserves on hand for operational cash flow, debt service payments, unplanned emergencies, retirement funding liability, and capital project funding.
3. **Rate payer equity** - Revisit allocation of City’s costs to verify each customer class pays their proportionate share of expenses for each utility. Each customer within each customer class must pay their proportionate share of expenses via volumetric and service capacity charges.

FINDINGS AND RECOMMENDATIONS

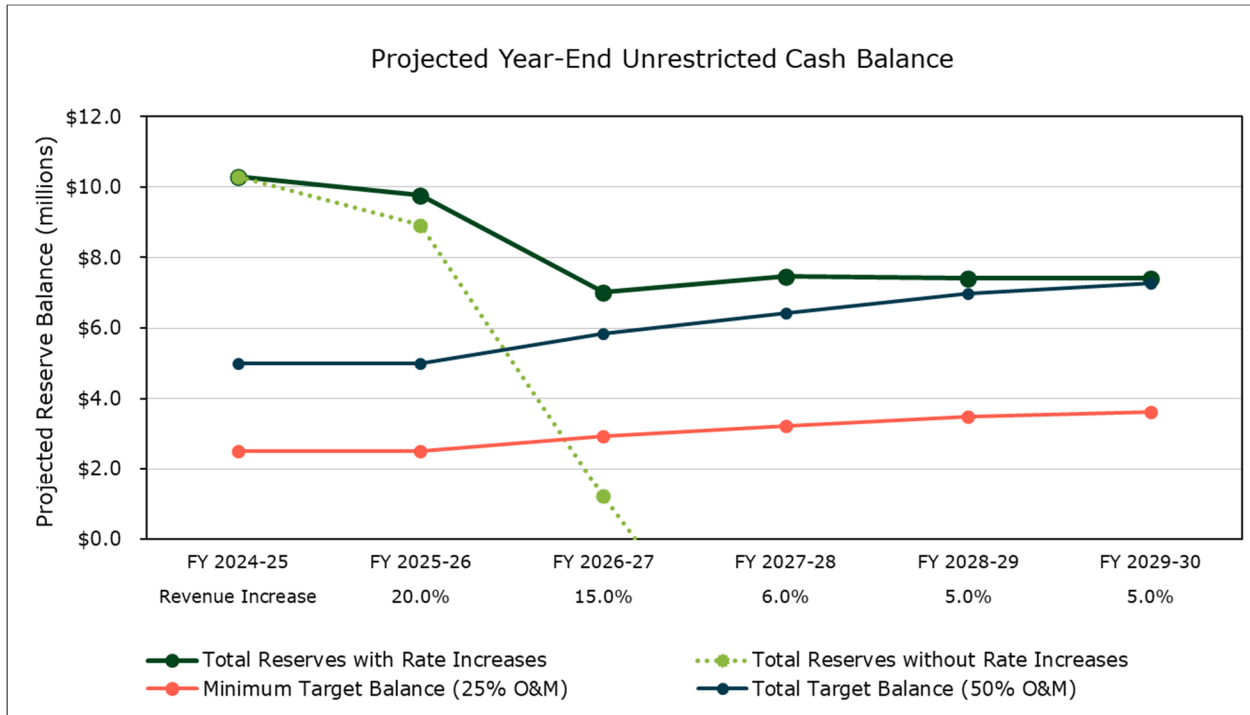
The following discussion summarizes HF&H’s findings and recommendations for both the City’s Water and Sewer Enterprises.

1. **Water rate revenue increases are necessary.** The City has not increased rates since 2021. Revenue increases are needed to fund additional staffing and operational expenses. The City’s capital improvement plans to fund necessary infrastructure are to be funded through a combination of new debt issuance and cash on-hand. These capital needs necessitate rate revenue increases, as well. Annual revenue increases of 20%, 15%, 6%, 5%, and 5% over the next five fiscal years (FY) 2025-26 through 2029-30 are recommended. Refer to **Section III** for additional details.
2. **The City will continue to meet all Water Enterprise reserve targets with recommended revenue increases.** Increasing water rate revenues will allow the City to continue to maintain sufficient reserves to meet the minimum and target reserve levels. Cost increases should be monitored to ensure modeled rate increases are sufficient. The City should re-analyze rates within five years to ensure rates are providing enough support



so that reserves continue to meet the target threshold. **Figure I-1** shows the projected reserve balance (solid green line) meets or exceeds the target reserve (solid blue line) throughout the five-year planning period. Refer to **Section III** for additional details.

Figure I-1. Water Enterprise Reserve Fund Balance



Note: Minimum and target balances are proposed policies.

- Water rates are recommended for realignment to the cost of service.** The cost-of-service analysis of the FY 2025-26 revenue requirement indicates adjustments are required to realign water rates to reflect the proportional benefits each customer class receives. With the recommended adjustments, rate revenues for each customer class would adjust based on **Figure I-2**.

Based on the cost-of-service analysis, overall revenue from Commodity Charges would increase by 1.4% and revenue from Service Charges would increase by 42.8%. The increase can be attributed to an increase in the capital improvement plans to address critical infrastructure. This expense is the largest expense category in the cost allocation exercise. Refer to **Section IV** for additional details.



Figure I-2. Cost-of-Service Water Rates Revenue Summary

Components of Rate Structure	Revenue at		FY 2025-26		Difference	
	Current Rates		Cost of Service		COS Minus Current	
Single Family Residential						
Commodity Charge Revenue	\$4,684,778	47.6%	\$4,751,571	38.9%	\$66,794	1.4%
Service Charge Revenue	\$5,159,620	52.4%	\$7,454,774	61.1%	\$2,295,153	44.5%
Subtotal - SFR	\$9,844,398	100.0%	\$12,206,345	100.0%	\$2,361,947	24.0%
Commercial						
Commodity Charge Revenue	\$4,611,683	65.7%	\$4,677,435	58.2%	\$65,752	1.4%
Meter Charge Revenue	\$2,409,662	34.3%	\$3,355,111	41.8%	\$945,450	39.2%
Subtotal - Commercial	\$7,021,345	100.0%	\$8,032,546	100.0%	\$1,011,201	14.4%
Total						
Commodity Charge Revenue	\$9,296,461	55.1%	\$9,429,006	46.6%	\$132,545	1.4%
Service Charge Revenue	\$7,569,282	44.9%	\$10,809,885	53.4%	\$3,240,603	42.8%
Total	\$16,865,742	100.0%	\$20,238,891	100.0%	\$3,373,148	20.0%

4. **Updated Fixed Service Charges are recommended for water rates. Figure I-3** shows the current and cost-of-service Fixed Service Charges during the period of FY 2025-26 through FY 2029-30. All customers would see an increase. However, the increase varies between 37% and 46%, depending on the meter size. Refer to **Section V** for additional details.

Figure I-3. Current and Proposed Service Charge Rates

Meter Size	Current Rates	Monthly Service Charges				
		FY 2025-26 eff. 4/1/2026	FY 2026-27 eff. 1/1/2027	FY 2027-28 eff. 1/1/2028	FY 2028-29 eff. 1/1/2029	FY 2029-30 eff. 1/1/2030
	rate increases:	varies	15.0%	6.0%	5.0%	5.0%
up to 3/4" Meters	\$24.61	\$35.93	\$38.09	\$39.99	\$41.99	\$44.09
1" Meters	\$40.98	\$58.42	\$61.93	\$65.03	\$68.28	\$71.69
1.5" Meters	\$81.78	\$114.65	\$121.53	\$127.61	\$133.99	\$140.69
2" Meters	\$131.02	\$182.12	\$193.05	\$202.70	\$212.84	\$223.48
3" Meters	\$262.13	\$362.06	\$383.78	\$402.97	\$423.12	\$444.28
4" Meters	\$409.61	\$564.48	\$598.35	\$628.27	\$659.68	\$692.66
6" Meters	\$818.94	\$1,126.78	\$1,194.39	\$1,254.11	\$1,316.82	\$1,382.66
8" Meters	\$1,310.45	\$1,801.53	\$1,909.62	\$2,005.10	\$2,105.36	\$2,210.63
10" Meters	\$1,883.65	\$2,588.74	\$2,744.06	\$2,881.26	\$3,025.32	\$3,176.59

5. **Updated Commodity Charges are recommended for water rates. Figure I-4** shows the current and cost-of-service Commodity Charges during the period of FY 2025-26 through FY 2029-30. All metered customers are charged the same uniform rate. Therefore, under the proposed rates, all customers would see an increase of 1.4% in FY 2025-26. Refer to **Section V** for additional details.

Water and Sewer Cost-of-Service Study

I. Executive Summary



Figure I-4. Current and Proposed Commodity Charge Rates

Monthly Use	Current Rates Rates rate increase:	Commodity Charge (per hcf)				
		FY 2025-26 eff. 4/1/2026	FY 2026-27 eff. 1/1/2027	FY 2027-28 eff. 1/1/2028	FY 2028-29 eff. 1/1/2029	FY 2029-30 eff. 1/1/2030
		1.2%	15.0%	6.0%	5.0%	5.0%
Metered Accounts						
All Water Use	\$2.43	\$2.46	\$2.83	\$3.00	\$3.15	\$3.31

6. **Updated Flat Rate Charges are recommended for water rates.** Figure I-5 shows the recommended Flat Rate Charges during the period of FY 2025-26 through FY 2029-30. The City assesses these rates to customers with outdated meters that do not report consumption. Further, the City plans to replace all existing meters for customers in this category within the next five years. All customers would see an increase of 20% in FY 2025-26, which aligns with the overall revenue increase of 20% shown in Figure I-1. Refer to Section V for additional details.

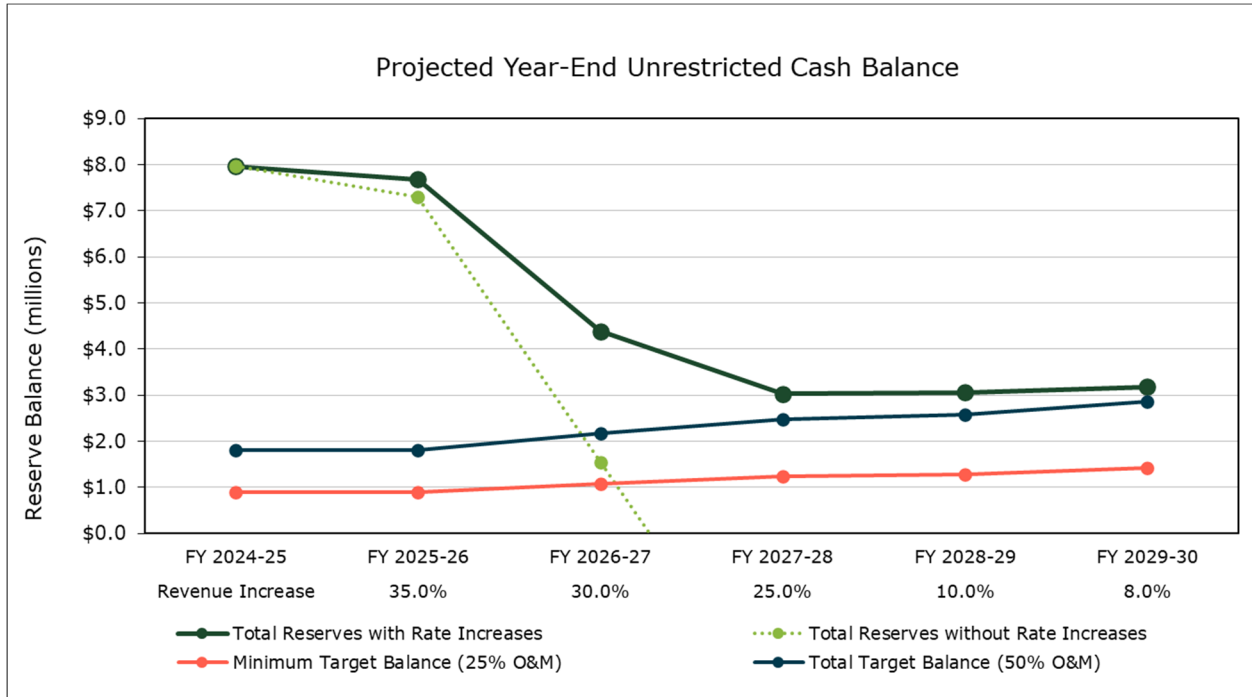
Figure I-5. Current and Proposed Flat Rate Charges

Meter Size	Current Rates Rates rate increase:	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
		eff. 4/1/2026	eff. 1/1/2027	eff. 1/1/2028	eff. 1/1/2029	eff. 1/1/2030
		20.0%	15.0%	6.0%	5.0%	5.0%
Residential Flat Rates						
Up to 3/4" Meter	\$59.23	\$71.08	\$81.74	\$86.64	\$90.97	\$95.52
1" Meter	\$58.26	\$69.91	\$80.40	\$85.22	\$89.48	\$93.95
Additional Dwelling Units	\$33.61	\$40.33	\$46.38	\$49.16	\$51.62	\$54.20

7. **Sewer rate revenue increases are necessary.** Like water rates, the City has not increased sewer rates since 2021. Revenue increases are needed to fund additional staffing and operational expenses. The City’s capital improvement plans to fund necessary infrastructure are to be funded through a combination of new debt issuance and cash on-hand. These capital needs necessitate rate revenue increases, as well. Annual revenue increases of 35%, 30%, 25%, 10%, and 8% over the next five fiscal years (FY) 2025-26 through 2029-30 are recommended. Refer to Section VII for additional details.
8. **The City will continue to meet all Sewer Enterprise reserve targets with recommended revenue increases.** Increasing sewer rate revenues will allow the City to continue to maintain sufficient reserves to meet the minimum and target reserve levels. Cost increases should be monitored to ensure modeled rate increases are sufficient. The City should re-analyze rates within five years to ensure rates are providing enough support so that reserves continue to meet the target threshold. Figure I-6 shows the projected reserve balance (solid green line) meets or exceeds the target reserve (solid blue line) throughout the five-year planning period. Refer to Section VII for additional details.



Figure I-6. Sewer Enterprise Reserve Fund Balance



Note: Minimum and target balances are proposed policies.

9. **Sewer rates are recommended for realignment to the cost of service.** The cost-of-service analysis of the FY 2025-26 revenue requirement indicates adjustments are required to realign sewer rates to reflect the proportional benefits each customer class receives. With the recommended adjustments, rate revenues for each customer class would adjust based on **Figure I-7**.

Figure I-7. Cost-of-Service Sewer Rates Revenue Summary

	Current Revenue	Cost-of-Service	Difference	% Difference
Single Family Residential	\$1,747,023	\$3,187,782	\$1,440,759	82.5%
Multi-Family Residential	\$704,789	\$1,185,309	\$480,520	68.2%
Commercial	\$1,863,056	\$1,411,569	(\$451,487)	-24.2%
Other Non-Residential	\$85,132	\$155,340	\$70,208	82.5%
Total	\$4,400,000	\$5,940,000	\$1,540,000	35.0%

10. **Update Service Charges are recommended.** **Figure I-8** shows the current and cost-of-service Service Charges during the period of FY 2025-26 through FY 2029-30. All Residential (i.e., Single-Family and Multi-Family customers) and Other Non-Residential (i.e., non-metered commercial accounts) parcels will see an increase. Commercial customers will see a decreased Service Charge to reflect their proportionate share of the cost of service. Refer to **Section IX** for additional details.

11. **Updated Volumetric Rates are recommended.** **Figure I-8** shows the current and cost-of-service Volumetric Rates during the period of FY 2025-26 through FY 2029-30. The

Water and Sewer Cost-of-Service Study
 I. Executive Summary



Volumetric Rates charged to Commercial customers will see a decrease to reflect their proportionate share of the cost of service. Refer to **Section IX** for additional details.

Figure I-8. Current and Proposed Sewer Rates

	Current	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
		eff. 4/1/2026	eff. 1/1/2027	eff. 1/1/2028	eff. 1/1/2029	eff. 1/1/2030
Monthly Sewer Rates	rate increase:	<i>varies</i>	30%	25%	10%	8%
Fixed Service Charges						
Single-Family (per dwelling)	\$10.88	\$19.85	\$25.81	\$32.26	\$35.49	\$38.33
Multi-Family (per dwelling)	\$8.16	\$13.53	\$17.59	\$21.99	\$24.19	\$26.13
Commercial - Metered (per account)	\$5.40	\$3.19	\$4.15	\$5.19	\$5.71	\$6.17
Other Non-Residential (per ESD)	\$10.88	\$19.85	\$25.81	\$32.26	\$35.49	\$38.33
Volumetric Rates						
Commercial (per hcf)	\$3.16	\$2.41	\$3.14	\$3.93	\$4.32	\$4.67

ESD = Equivalent Single-Family Dwelling as defined by Sacramento Area Sewer District in the Treatment and Resource Recovery Ordinance.

13. Water and sewer bill increases will vary by customer. The combined impacts to a utility bill are also customer specific. Refer to **Section VI** for further discussion of water bill impacts. Refer to **Section X** for further discussion of sewer bill impacts. **Section XI** provides sample monthly bill comparisons considering the proposed rates over the five year period.



II. Introduction

The City provides water service to its residential and commercial accounts, including 14,425 residential meters and 1,752 non-residential meters. The City treats surface water from the Sacramento River at its George Kristoff Water Treatment Plant for potable use by all customers.

The City provides sewer collection service to 13,381 Single Family Residential accounts, 7,298 Multi-Family dwellings, 964 Commercial accounts, and 652 other equivalent single-family dwellings (ESD¹) representing other large commercial customers. City wastewater is conveyed through the City's network and is transported to Sacramento Area Sanitary District (SASD) for treatment. Treatment services are billed by SASD.

Separate enterprise funds are maintained for the sewer and water programs. As such, each enterprise fund maintains its own operating and capital reserves.

The water rates in this study were developed using rate-making principles set forth by the American Water Works Association (AWWA) in *Principles of Water Rates, Fees and Charges* (M1 Manual). This Manual's cost-of-service principles endeavor to distribute costs to customer classes (also referred to as classes) and to individual customers in proportion to customers' impacts on the water system. Pursuant to the M1 Manual, rate studies generally contain three elements: (1) a revenue requirements analysis, which determines how much revenue is needed from rates to recover a utility's projected costs; (2) a cost-of-service analysis, which allocates the revenue requirements to the rate components;² and (3) a rate design analysis, which determines any modifications that are required to align the rate structure with the cost of service.

Similarly, the sewer rates in this study were developed using rate-making principles in compliance with Proposition 218. Therefore, the sewer rate analysis employs the same three elements as the water rate analysis: (1) a revenue requirements analysis; (2) a cost-of-service analysis; and (3) a rate design analysis.

Rate studies always include a revenue requirements analysis. A cost-of-service analysis is typically only conducted periodically. It is recommended that a cost-of-service analysis be conducted at least every five years to account for any material differences in the costs of providing service and in the water usage among customer classes, which will affect their respective shares of the cost of service. The City last conducted a cost-of-service study in 2016 to establish rates through 2021 for each of the respective utilities.

¹ As defined by Sacramento Area Sewer District in the Treatment and Resource Recovery Ordinance.

² The cost-of-service analysis in the current study tailors the base/extra capacity method to account for unique conditions, circumstances, and factors related to the City's cost of providing water service, which the M1 Manual does not specifically address. The adjustments to the M1 base/extra capacity method of allocating costs are described in more detail in **Section IV**.

Water and Sewer Cost-of-Service Study

II. Introduction



The City hired HF&H Consultants (HF&H) to conduct a cost-of-service study to set water and sewer rates for FY 2025-26 through FY 2029-30 (Study Period). Since the previous study, changes in usage patterns among customer classes has occurred, which affects the factors that are used to allocate costs. The costs to which the allocation factors are applied also changed. Hence, there will be differences between the previous and current cost-of-service analyses. Adjustments are made to reflect the differences and rates are set accordingly.

The cost-of-service analysis proportionately allocates the revenue that is required from rates to the components of the rate structure and to the customer classes. Costs are classified corresponding to the function they serve. Each function's costs are further allocated to each component of the rates in proportion to the level of service required by customers. The levels of service are related to volumes of demand, infrastructure capacity, and customer service. A cost-of-service analysis ensures that the rates yield charges that are proportional to the cost of providing service to each customer.

STUDY PURPOSE

The purpose of this study is to conduct a cost-of-service analysis that will determine rates that proportionally recover the costs of providing the City's water service and sewer collection service. Toward that end, the cost-of-service analysis for each utility determines how much revenue should be generated by each component of the rate structure so that rate payers within each customer class are charged for their proportionate share of the cost of providing service on a parcel basis. The cost-of-service analysis is tailored specifically to the City's customer classes and the rate structures that are appropriate for each class.

STUDY PROCESS

In 2023, the City contracted with HF&H to perform a cost-of-service study to set water and sewer rates for FY 2025-26 and FY 2029-30. A ten-year analysis provided support for long-term planning. The primary goal of this study is to ensure that rates continue to reflect the current cost of providing water and sewer service, as required by Proposition 218.

A comprehensive rate study comprises three steps: 1) revenue requirement projections; 2) cost-of-service analysis; and 3) rate design. Revenue requirement projections identify how much revenue is needed from rates. The cost-of-service analysis determines how much of the revenue should come from the fixed and variable charges. This step also confirms the proportionate amount to be paid by each customer class. The final step, rate design, establishes the structure of the fixed service charges and the variable volume charges for each customer class.

The water cost-of-service analysis was conducted following industry practices promulgated by the American Water Works Association.³ At the outset of the analysis, the types of customer classes were reviewed, as were the types of rate structures that are appropriate to the City's customer classes.

³ *Principles of Water Rates, Fees, and Charges*. American Water Works Association Manual M1. 2017.

Water and Sewer Cost-of-Service Study

II. Introduction



The sewer cost-of-service analysis was conducted following industry practices promulgated by the Water Environment Federation Manual of Practice No. 27, Financing and Charges for Sewer Systems, 2004. At the initial stages of the project, HF&H reviewed the types of customer classes and the types of rate structures that are appropriate to the City's customer classes.

REPORT ORGANIZATION

The report includes both the water rates study and sewer rates study. The report is bifurcated to cover the analysis associated with each study. Therefore, the report is divided into four initial sections addressing the water rate study: Water Revenue Requirements, Water Rate Cost of Service Analysis, Water Rate Design, and Water Bill Impacts. Next, there are four subsequent sections addressing the sewer rate study: Sewer Revenue Requirements, Sewer Rate Cost of Service Analysis, Sewer Rate Design, and Sewer Bill Impacts. Finally, the closing section is the Combined Utility Bill Impacts, which looks at the overall impact to customers when both water and sewer rate adjustments are considered.

A Glossary of technical terms and acronyms is provided following the Table of Contents.



III. Water Revenue Requirements

The revenue requirements analysis starts by determining the FY 2025-26 revenue requirements based on the budgeted O&M and capital expenditures. Revenue requirements for each fiscal year are then projected over the Study Period. Revenue increases needed to cover the projected revenue requirements are then determined.

REVENUE REQUIREMENT ASSUMPTIONS AND PROJECTIONS

Expense projections become the revenue requirements. The City’s operating and capital budgets were relied on for FY 2025-26 expenses in the first-year revenue requirement. The operating and maintenance (O&M) expenses were projected over a ten-year period, through FY 2034-35, using appropriate escalation factors. Capital expenses were projected according to the City’s current capital improvement program (CIP). While a ten-year model was built, for brevity, **Figure III-1** reflects the assumptions which were used to project revenue requirements through FY 2029-30 in order to set rates for the next five-year period. All assumptions were reviewed with City staff. HF&H worked with City staff to project expenses for additional years where approved budgets were not available.

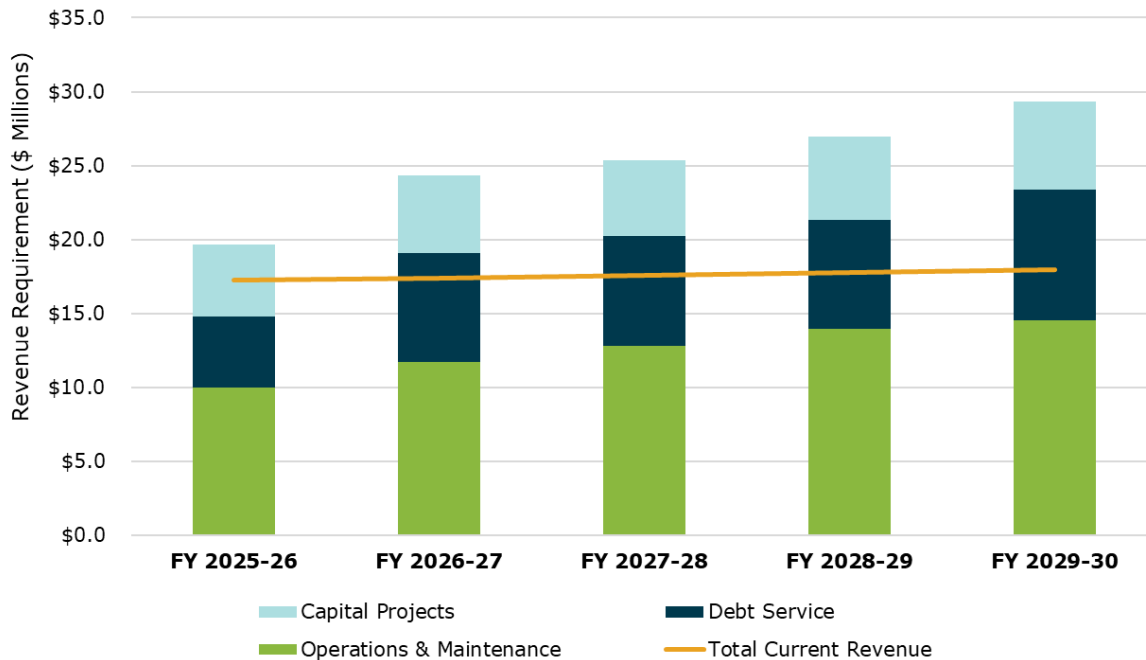
Figure III-1. Projection Assumptions

Assumptions	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
General Inflation	per Budget	3.0%	3.0%	3.0%	3.0%
Salary and Wage Increases	per Budget	5.0%	5.0%	5.0%	5.0%
Benefit Increases	per Budget	5.0%	5.0%	5.0%	5.0%
Utility Cost Increases	per Budget	4.0%	4.0%	4.0%	4.0%
Interest of Reserve Balance	1.0%	1.0%	1.0%	1.0%	1.0%
Flat Rate Meter Phase-out	0.0%	0.0%	0.0%	0.0%	0.0%
Growth in Residential Accounts	0.0%	1.0%	1.0%	1.0%	1.0%
Growth in Commercial Accounts	0.0%	1.0%	1.0%	1.0%	1.0%
Change in Water Use per Residential Customer	0.0%	1.0%	1.0%	1.0%	1.0%
Change in Water Use per Non-Residential Customer	0.0%	1.0%	1.0%	1.0%	1.0%
Annual Impact Fee Revenues	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000

The application of these projections to O&M and capital expenses are summarized graphically in **Figure III-2** and are described below in more detail.



Figure III-2. Total Annual Projected Revenue Requirement for Water Enterprise



O&M Expenses

The City’s O&M expenses include salaries, benefits, materials, supplies, insurance, vehicle maintenance, utilities, and administrative expenses. Expense projections were calculated using assumptions reviewed with City staff. The City identified supplemental budget needs for personnel, professional services expenses, and operations and maintenance expense increases for both its Water Treatment and Water Distribution divisions. In FY 2026-27, the City budget includes \$696,057 of additional Treatment expenses and \$602,005 for Water Distribution expenses. Of these sums, for FY 2026-27 the City identified \$339,951 in additional Water Treatment staffing costs and \$467,452 in Water Distribution additional staffing costs. The City included additional staffing costs for Water Treatment of \$658,216 in FY 2027-28 before escalating future years. The City included additional staffing costs for Water Distribution of \$872,210 in FY 2027-28 which increase to \$1,475,837 by FY 2029-30. Refer to Appendix A, Table 2 for additional details of these supplemental expenses denoted as “Budget Additions.” Collectively, the overall O&M Expenses category represents approximately 50% of the total revenue requirement over the Study Period. These expenses are projected to increase annually by an average of 11% over the five-year period (which reflects additional staff and inflation), averaging \$12.6 million per fiscal year from FY 2025-26 through FY 2029-30. Individual expense line items present in both water and sewer studies were escalated by the same factors for consistency.



Debt Service

The City has existing debt service that was previously issued to fund various capital infrastructure improvements. Currently, the City has \$4.8 million in annual payments for existing obligations in FY 2025-26. These obligations include revenue bonds issued in 2017 and 2020 and are scheduled to be paid off in 2047 and 2034, respectively. In addition, the Water Enterprise has a Bank of America annual lease payment of \$107,262 that will be paid off in FY 2030-31 (outside the Study Period).

To fund necessary capital improvements, the City is also planning to issue two bonds during the Study Period. The first bond would fund \$39,000,000 in capital projects and be issued in FY 2026-27. The second bond would fund \$22,000,000 in capital projects and be issued in FY 2029-30. Both bonds assume a 5% interest rate and a 30-year term. As such, the first bond would have an annual payment of \$2,575,061 and the second bond would have an annual payment of \$1,452,599. **Note: the City is exploring other debt funding alternatives including grants and low interest State and Federal loans, which may reduce the debt service payments.** With these supplemental debt issuances, the Water Enterprise annual debt service payments would grow from \$4.8 million to \$8.8 million by FY 2029-30. This category of expenses accounts for approximately 29% of the total revenue requirement over the Study Period.

Capital Project Costs

This category of expenses includes only those funded through rate revenues and cash on hand. The cash-funded capital expenditures projections average \$4,847,000 annually during the five-year period. In addition, \$47.0 million in projects are proposed to be debt funded and paid for over time in the form of annual debt service (described above). **Figure III-3** provides a detailed listing of the Water Enterprise five-year CIP. The City contemplated multiple options of capital improvements to determine the recommended volume of projects, cash-funded capital needs, and future debt issuance needs. The schedule of capital improvements reflects the scenario recommended by the Environment & Utilities (EU) Commission.



Capital Reserve

The capital improvement component of the reserves provides working capital for the City’s capital improvement program. The fund balance needs to be sufficient to at least pay contractors without delays caused by cash flow limitations. The fund balance can be larger so that the City can fund larger construction projects on a pay-as-you-go basis, thereby eliminating financing costs. The City’s approved policy is one-year of average annual capital expenditures. The current target reserve for the total fund balance of the City’s operating and capital reserves is the sum of 50% of annual operating expenses plus one-year of average annual capital expenditures.

Proposed Reserve Policy Changes

The City is proposing to reduce both the minimum and target balances policies, as well as to eliminate the separate capital reserve. Thus, the operating reserve minimum balance would decrease from 50% to 25% of annual operating expenses. The target balance would be revised to a figure equal to 50% of annual operating expenses. In other words, the City’s current minimum balance would become the new threshold for the target balance. These proposed minimum and target balance policies are reflected in **Figure III-6**.

REVENUE INCREASES

Rates are set to generate sufficient revenue to cover annual expenses. In addition, rates are set to maintain adequate reserves. **Figure III-4** summarizes the projected revenue from current rates, projected revenue at proposed rates, annual revenue requirements, and the annual surplus or shortfalls with and without the proposed rate increases.

The proposed revenue increases serve to decrease the projected shortfalls facing the City. In addition, rates are not the only funding source. The City projects to receive \$2.25 million in impact fee revenues each year to offset the cost of capital. When added to line e in **Figure III-4**, these supplemental revenues mitigate the rate revenue shortfall each year. This allows the rate increases proposed to decrease incrementally over the five-year period.

The specific rates, which generate the total revenue at proposed rates, are derived in **Section V**. With those rate increases, the City is able to pay for its annual O&M and capital expenses and maintain adequate reserves, as further discussed below.

Figure III-4. Rate Increase Calculations

		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Revenue from Current Rates	a	\$16,865,742	\$17,034,400	\$17,204,744	\$17,376,791	\$17,550,559
Revenue Requirement		\$19,673,226	\$24,316,453	\$25,382,501	\$26,987,305	\$29,323,264
Non-Operating Revenue		(\$375,525)	(\$386,791)	(\$398,394)	(\$410,346)	(\$422,657)
Transfer to Reserves		\$941,190	\$0	\$0	\$0	\$0
Net Revenue Requirement	b	\$20,238,891	\$23,929,662	\$24,984,107	\$26,576,959	\$28,900,608
Surplus/(Shortfall) - Without Rate Incr	c=a-b	(\$3,373,148)	(\$6,895,262)	(\$7,779,363)	(\$9,200,167)	(\$11,350,048)
Revenue at Proposed Rates	d	\$17,709,030	\$21,974,376	\$24,454,823	\$26,054,240	\$27,630,521
Surplus/(Shortfall) - With Rate Incr	e=d-b	(\$2,529,861)	(\$1,955,286)	(\$529,284)	(\$522,719)	(\$1,270,086)



DEBT SERVICE COVERAGE

Figure III-5 shows the debt service coverage provided by the revenue increases in **Figure III-4**. The City is required to maintain a minimum coverage ratio of 1.35. A higher ratio provides a greater margin of safety to bondholders and enhances the credit rating on bonds. Moreover, a higher credit rating benefits ratepayers by reducing the cost of future borrowing, if needed.

Figure III-5. City Debt Coverage Ratio Calculations (with rate adjustments)

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Revenue Sources	\$18,184,389	\$22,444,685	\$24,925,268	\$26,538,597	\$28,126,965
Operating Expenses	(\$9,999,361)	(\$11,698,644)	(\$12,838,780)	(\$13,950,644)	(\$14,528,241)
Net Revenue	\$8,185,028	\$10,746,041	\$12,086,488	\$12,587,953	\$13,598,724
Debt Service	\$4,826,865	\$7,398,809	\$7,393,721	\$7,386,661	\$8,845,023
Debt Coverage Ratio	1.70	1.45	1.63	1.70	1.54

Note: Revenue sources include water rate revenues, non-operating revenues, and investment interest.

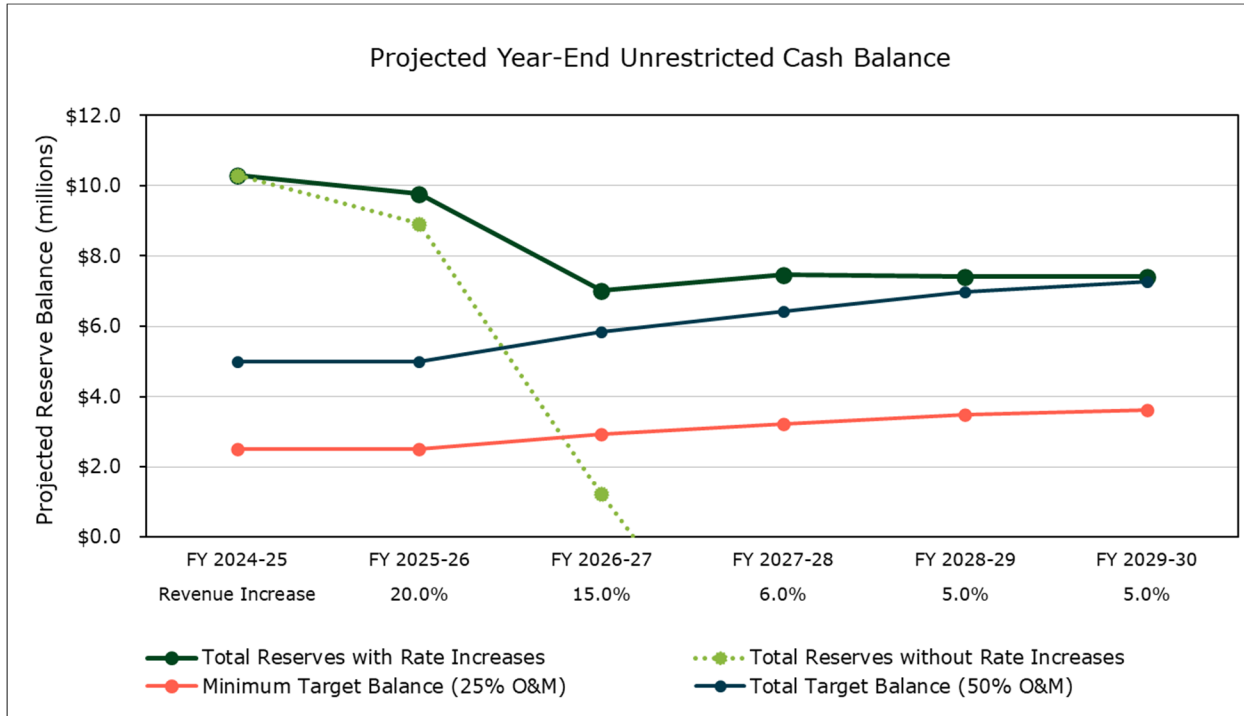
RESERVE FUND BALANCE

Figure III-6 shows the annual fluctuations (solid, dark, green line) in the fund balance that are caused by the differences between the revenue requirement and revenue from rates with the rate increases; the dashed green line is the projected fund balance without rate increases. The revenue and rate increases in **Figure III-4** were derived to balance increasing rates while maintaining a level of reserves that continues to meet the City’s reserve target (blue line) through FY 2029-30.

The five-year projection in **Figure III-6** demonstrates the use of reserves over the Study Period as expense projections outpace revenue increases. The City is using both reserves and rate increases to address the Water Enterprise revenue requirement. Consequently, reserves project to decline through FY 2026-27, despite larger revenue increases. Thereafter, the cumulative nature of the multiple years of rate increases will help stabilize the reserve fund balance from FY 2027-28 through FY 2029-30, such that the fund balance remains relatively stable. By FY 2029-30, the reserve fund balance will meet the City’s reserve target line. In contrast, the dashed green line, reflects the projected fund balance without rate increases, and the year-end fund balance of \$10.3 million in FY 2024-25 is projected to drop below the City’s minimum reserve line by the end of FY 2026-27 and be fully depleted before the end of FY 2027-28.



Figure III-6. Water Enterprise Fund Balance Projection



Note: Minimum and target balances are proposed policies.



IV. Water Rate Cost of Service Analysis

METHODOLOGY

The revenue requirement analysis establishes how much revenue is required from rates. The next step in the analysis is determining the cost of service. Cost-of-service analysis is used to derive rates that proportionally allocate the cost of service. The cost-of-service analysis performed in this study follows a procedure described by the AWWA, which is referred to as the “base/extra capacity method.” This method allocates the revenue requirements to the components of the rate structure.

A cost-of-service analysis determines the unit cost of the services provided to the City’s water customers. Each customer class is charged the same unit cost for its share of the services that it requires. In this way, the total revenue requirement is proportioned between the Service Charges and the Commodity Charges. This methodology is consistent with industry standards promulgated by the American Water Works Association and referred to as the “base/extra capacity method.”

The City provides demand services and customer services to water customers. Demand services include the costs related to meeting average and peak levels of demand. Customer services include the costs related to customer accounts and the capacity that customers require.

The analytical procedure contains the following steps:

1. Cost classification - Costs in the FY 2025-26 revenue requirement are classified into the service categories related to providing for customer demands and for customer service. FY 2025-26 costs are used for the cost-of-service analysis because they are the most recent budget year.
2. Cost allocation - The classified costs are allocated to the functions associated with each service. For demand services, the functions are levels of service that comprise average day, maximum day, and maximum hour demands. For customer services, the functions are customer accounts and customer capacity.

The classifications of major costs are summarized as follows:

Demand services

- Commodity: all costs borne by the City to support water demand are captured in this classification, regardless of the level of demand placed on the system.

Customer services

- Accounts: meter reading, billing, accounting, customer service, fire services.
- Capacity: a portion of distribution storage, distribution mains to customers, hydrants, conservation programs.
- Composite services: Indirect allocations for costs that are not directly related to either the demand or customer service functions: reserve transfers, debt service.

Water and Sewer Cost-of-Service Study

IV. Water Rate Cost of Service Analysis



Working with City staff, the individual line items in the revenue requirements were classified into either the demand or customer service categories. Certain costs, however, are not directly related to either demand or customer services. Such costs are considered to be composite in function and are allocated based on a composite of the direct allocations to the demand and customer service categories.

CUSTOMER CLASSES

The cost-of-service analysis distributes the revenue requirements among customer classes in proportion to their service requirements. There is no industry standard that specifies which customer classes should be used. The law allows utilities to exercise discretion in determining the appropriate customer classes provided the rates yield charges that are proportional to the cost of providing service for each category. As a result, the base/extra capacity method needs to be tailored to the customer classes.

The City currently has multiple customer classes: Metered Water customers and Flat Rate customers. These classes were last reviewed as part of the previous cost-of-service study in 2016. The division of separate customer classes captures those customers who receive water service through a meter with recorded consumption and those customers whose consumption is not recorded. The City is working actively to install meters for all parcels in order to comply with California Water Code. No revisions to the number of types of customer classes are recommended at this time. Once all customers served by the City are metered, these classes can be re-visited.

The cost allocation methodology is further discussed below.

COST-OF-SERVICE ALLOCATIONS

A cost-of-service analysis is a process of determining how much services cost for each customer class. To provide water service, infrastructure must be constructed, operated, and maintained, which must be paid for from cash or debt. The type and size of infrastructure depends on how much service customers require. Water systems are designed to provide sufficient capacity to meet customer demands for service wherever, whenever, and for as long as demanded.

Although each customer places unique demands on the system, water system design is based on the maximum or peak demand for service placed on the system by all customers during the peak demand period. The size of the infrastructure that is needed will depend on the maximum demand. Higher demands will require larger, more costly infrastructure as well as increased operating and O&M costs. The goal of a cost-of-service analysis is to allocate the cost of the capacity to meet the peak demand in proportion to how much of the capacity is required by each customer. The proportions correspond to the maximum amount of capacity provided by the infrastructure. This means that customers that place greater demands on the infrastructure – customers with greater service needs will be apportioned a greater share of the operating and capital costs of the infrastructure required to meet that demand.

Figure IV-1 allocates the FY 2025-26 revenue requirement between the demand services (i.e. commodity) and customer service functions. **Figure IV-2** summarizes the percentage

Water and Sewer Cost-of-Service Study
 IV. Water Rate Cost of Service Analysis



allocations used in apportioning the revenue requirement. A discussion of the methodology behind the allocation of costs follows.

Figure IV-1. Allocation of FY 2025-26 Revenue Requirement

	FY 2025-26 Revenue Requirement	Allocation Factor	Commodity Charge	Service Charge	
				Services	Capacity
O&M Expenses					
Water Treatment	\$5,772,329	Commodity	\$5,772,329	\$0	\$0
Water Distribution	\$2,893,962	Commodity	\$2,893,962	\$0	\$0
Water Backflow Prevention	\$410,614	Services	\$0	\$410,614	\$0
Water Conservation	\$451,553	Commodity	\$451,553	\$0	\$0
Total Allocable O&M	\$9,528,458		\$9,117,844	\$410,614	\$0
		O&M Composite	95.7%	4.3%	0.0%
Debt Service	\$4,826,865	Capacity	\$0	\$0	\$4,826,865
Capital Expenses (PayGo)	\$4,847,000	Capacity	\$0	\$0	\$4,847,000
Subtotal - O&M and Capital	\$19,202,323		\$9,117,844	\$410,614	\$9,673,865
		Expense Composite	47.5%	2.1%	50.4%
Water Administration	\$470,903	Exp Composite	\$223,599	\$10,070	\$237,234
Subtotal O&M, Capital, Administration	\$19,673,226		\$9,341,443	\$420,684	\$9,911,099
Non-Operating Revenue	(\$375,525)	O&M Composite	(\$359,342)	(\$16,183)	\$0
Transfers to/(from) Op Reserves	\$941,190	Exp Composite	\$446,906	\$20,126	\$474,159
Total Revenue Requirement	\$20,238,891		\$9,429,006	\$424,627	\$10,385,258
	% of total revenue requirement		46.6%		53.4%
			Commodity Charge COS		Service Charge COS

Cost of Service Allocations and Allocation Factors

The allocation factors in **Figure IV-2** were used to apportion the City customers' allocation of costs in **Figure IV-1**. **Figure IV-2** includes the demand service level allocation, listed as Commodity Charge, in addition to Customer Service and Composite allocations. The expenses that are allocated to the Demand Service Levels are recovered from the City's Commodity Charges. The Customer Service factors are either 100% customer service or 100% capacity allocations. The O&M Composite and Expenses Composite allocations are based on the subtotals of the O&M and capital costs that were directly allocated to either the demand or customer service categories.



Figure IV-2. Cost-of-Service Allocation Factors

System-Wide Cost Allocation Factor	Commodity Charge	Customer Services		Total
		Services	Capacity Charge	
<u>Demand Services</u>				
Commodity	100.0%	0.0%	0.0%	100.0%
<u>Customer Services</u>				
Capacity	0.0%	0.0%	100.0%	100.0%
Services	0.0%	100.0%	0.0%	100.0%
<u>Composite Allocations</u>				
O&M Composite	95.7%	4.3%	0.0%	100.0%
Exp Composite	47.5%	2.1%	50.4%	100.0%

Figure IV-3 summarizes the overall shift in revenues from the Commodity Charge revenues to the Service Charge revenues to align with the cost-of-service. The exercise performed indicates the proportion of Service Charge revenues will increase from 44.9% to 53.4% of total rate revenues, while the share of Commodity Charge revenues will increase from 55.1% to 46.6%. Debt service and capital expenditure allocations to capacity-related service in **Figure IV-1** are leading to an increased share of overall Service Charge revenues. All customers will contribute to funding the capital improvements funded through this rate study, whether through debt service or out-of-pocket expenses. With the allocation to capacity-related service for these revenue requirement categories, the share of funding these capital improvements is proportional to the size of the meter serving a parcel.

Rates need to be designed to generate each class's share of the revenue requirement related to commodity charges and fixed service charges. The next section provides the recommended modifications to the Service Charge and Commodity Charges needed to meet the cost of service.

Figure IV-3. Cost-of-Service Revenue Summary

Components of Rate Structure	Revenue at		FY 2025-26		Difference	
	Current Rates		Cost of Service		COS Minus Current	
Single Family Residential						
Commodity Charge Revenue	\$4,684,778	47.6%	\$4,751,571	38.9%	\$66,794	1.4%
Service Charge Revenue	\$5,159,620	52.4%	\$7,454,774	61.1%	\$2,295,153	44.5%
Subtotal - SFR	\$9,844,398	100.0%	\$12,206,345	100.0%	\$2,361,947	24.0%
Commercial						
Commodity Charge Revenue	\$4,611,683	65.7%	\$4,677,435	58.2%	\$65,752	1.4%
Meter Charge Revenue	\$2,409,662	34.3%	\$3,355,111	41.8%	\$945,450	39.2%
Subtotal - Commercial	\$7,021,345	100.0%	\$8,032,546	100.0%	\$1,011,201	14.4%
Total						
Commodity Charge Revenue	\$9,296,461	55.1%	\$9,429,006	46.6%	\$132,545	1.4%
Service Charge Revenue	\$7,569,282	44.9%	\$10,809,885	53.4%	\$3,240,603	42.8%
Total	\$16,865,742	100.0%	\$20,238,891	100.0%	\$3,373,148	20.0%



V. Water Rate Design

The City has historically charged water customers the combination of a fixed Service Charge and a variable Commodity Charge based on metered water use. As previously discussed, this is a common set of charges that is prevalent throughout the water industry. This section explains the derivation of the Commodity and Service Charge rates that reflect the projected cost of service.

CURRENT RATES

The City’s current water rate structure is composed of two components: Service Charges and Commodity Charges.

Current Service Charges

The Service Charges are fixed rates that are charged on a fixed rate graduated in proportion to the capacity of the service provided for all customers. All customers are billed on a monthly basis. **Figures V-1** summarizes the current Service Charges, which were last increased on July 1, 2021.

Figure V-1. Current Service Charges

Monthly Service Charges	
FY 2025-26	
Service Size	Current Rates
up to 3/4" Meters	\$24.61
1" Meters	\$40.98
1.5" Meters	\$81.78
2" Meters	\$131.02
3" Meters	\$262.13
4" Meters	\$409.61
6" Meters	\$818.94
8" Meters	\$1,310.45
10" Meters	\$1,883.65

The City assesses flat rates to residential customers with outdated meters that do not report consumption. The City plans to replace all existing meters for customers within this category within the next five years. **Figure V-2** summarizes the current flat rate charges billed to Single Family Residential and Multi Family Residential accounts, which were last increased July 1, 2021.



Figure V-2. Current Flat Rate Charges

Service Size	FY 2025-26
	Current Rates
Residential Flat Rates	
Up to 3/4" Meter	\$59.23
1" Meter	\$58.26
Additional Dwelling Units	\$33.61

Current Commodity Charges

Commodity Charges are the product of rates per unit of metered water use multiplied times the metered water use during the monthly billing period. Water is metered in “units” of HCF of metered water use, whereby one unit or HCF equals 748 gallons. Commodity Charges are charged to all metered water customers. **Figure V-3** reflects the current Commodity Charge rates.

All components of the rate structure were reviewed, including the composition of the customer classes, the structures of the Service Charges, and Commodity Charges.

Figure V-3. Current Commodity Charges

Monthly Use	Commodity Charge (per hcf)
	Current Rates
Metered Accounts	
All Water Use	\$2.43

SERVICE CHARGE DESIGN

Service Charges are fixed rates that are billed each billing period to recover the cost of the service functions. The cost-of-service analysis determined how much of the revenue requirement is attributable to the customer service function. The function has two components – customer services (meters) and customer capacity – each of which is itemized in the cost-of-service analyses in **Figure IV-1**. Costs attributable to customer services are allocated to customers in proportion to the number of meters. Costs attributable to customer capacity are allocated to customers in proportion to the capacity of their services. The sum of the two components equals the Service Charge rate per connection.

Figure V-4 lists the units of service corresponding to each of the cost components. Capacity costs associated with the water system are apportioned among the connections in proportion to the capacity associated with each connection. Connections are converted to Equivalent Meter Units (EMU’s) to apportion the customer capacity cost component. An EMU represents the number of 3/4-inch meters to which a larger meter is equivalent. For example, a 2-inch meter provides 5.33 times as much capacity as a 3/4-inch meter. The capacity multipliers are based on nominal capacity ratings for meters, confirmed with the City. There are 25,652 total EMUs. In effect, the 16,177 services of assorted sizes have the equivalent capacity as 25,652 3/4-inch meters. Specifically, there are 16,177 meters providing 26,562 total EMUs of capacity for City customers.



Figure V-4. Service Charge Units of Service

Service Size	Service Services	Meter Ratings (gpm)	Capacity Multiplier	EMUs
	a	b	c = b ÷ 30	a * c
up to 3/4" Meters	10,168	30	1.00	10,168
1" Meters	4,862	50	1.67	8,103
1 1/2" Meters	373	100	3.33	1,243
2" Meters	642	160	5.33	3,424
3" Meters	15	320	10.67	160
4" Meters	87	500	16.67	1,450
6" Meters	26	1,000	33.33	867
8" Meters	3	1,600	53.33	160
10" Meters	1	2,300	76.67	77
Total Services	16,177		Total EMUs	25,652

Note: Capacity multiplier assumes 3/4" meter = 1 EMU = 30 gallons per minute.

Figure V-5 derives the unit costs for the customer service and customer capacity cost components for City customers. Each service is allocated \$2.19 per month for the customer service cost component. That amount represents the costs the City incurs to maintain each meter regardless of the capacity of the service (e.g., customer billing, administration overhead). Each service is also allocated \$33.74 per monthly period per EMU. That amount represents a portion of the cost of providing water system capacity for each meter, and increases based on the capacity of the meter.

Figure V-5. Service Charge Unit Costs

FY 2025-26 City Service Expenses	Customer Service Component	Customer Capacity Component
Cost Allocation	\$424,627	\$10,385,258
Units of Service	16,177	25,652
	Services	EMUs
Annual Unit Cost	\$26.25	\$404.85
Monthly Unit Cost	\$2.19	\$33.74
	per Service	per EMU

Figure V-6 combines the customer service and capacity components into a single Service Charge for each size of service and compares proposed rates to the current rates.



Figure V-6. Proposed Bi-Monthly Service Charge Rates – FY 2025-26

Service Size	% of Meters	Service Component (\$/mo.)	Capacity Component			COS Service Charges (\$/mo.)	Total	
			\$/EMU	Capacity Multiplier	Capacity Total		Current Charge	\$ Difference
		a	b	c	d = b * c	e = a + d	f	g = e - f
up to 3/4" Meters	62.9%	\$2.19	\$33.74	1.00	\$33.74	\$35.93	\$24.61	\$11.32
1" Meters	30.1%	\$2.19	\$33.74	1.67	\$56.23	\$58.42	\$40.98	\$17.44
1 1/2" Meters	2.3%	\$2.19	\$33.74	3.33	\$112.46	\$114.65	\$81.78	\$32.87
2" Meters	4.0%	\$2.19	\$33.74	5.33	\$179.93	\$182.12	\$131.02	\$51.10
3" Meters	0.1%	\$2.19	\$33.74	10.67	\$359.87	\$362.06	\$262.13	\$99.93
4" Meters	0.5%	\$2.19	\$33.74	16.67	\$562.29	\$564.48	\$409.61	\$154.87
6" Meters	0.2%	\$2.19	\$33.74	33.33	\$1,124.59	\$1,126.78	\$818.94	\$307.84
8" Meters	0.0%	\$2.19	\$33.74	53.33	\$1,799.34	\$1,801.53	\$1,310.45	\$491.08
10" Meters	0.0%	\$2.19	\$33.74	76.67	\$2,586.55	\$2,588.74	\$1,883.65	\$705.09

Note: Rounding differences caused by stored values in electronic models may exist.

With the proposed rates, all meter sizes would see an increase. The increase in rates reflects the 42.8% increase to Service Charge revenues to be collected from all customers (see **Figure IV-3**). The proposed rates reflect the proportional change of fixed service charges such that the capacity portion of each charge is significantly more than the service portion of each charge.

Figure V-7 shows the proposed five-year schedule of Service Charge rates.

Figure V-7. Current and Proposed Service Charge Rates

Meter Size	Current Rates	Monthly Service Charges				
		FY 2025-26 eff. 4/1/2026	FY 2026-27 eff. 1/1/2027	FY 2027-28 eff. 1/1/2028	FY 2028-29 eff. 1/1/2029	FY 2029-30 eff. 1/1/2030
rate increases:		varies	15.0%	6.0%	5.0%	5.0%
up to 3/4" Meters	\$24.61	\$35.93	\$38.09	\$39.99	\$41.99	\$44.09
1" Meters	\$40.98	\$58.42	\$61.93	\$65.03	\$68.28	\$71.69
1.5" Meters	\$81.78	\$114.65	\$121.53	\$127.61	\$133.99	\$140.69
2" Meters	\$131.02	\$182.12	\$193.05	\$202.70	\$212.84	\$223.48
3" Meters	\$262.13	\$362.06	\$383.78	\$402.97	\$423.12	\$444.28
4" Meters	\$409.61	\$564.48	\$598.35	\$628.27	\$659.68	\$692.66
6" Meters	\$818.94	\$1,126.78	\$1,194.39	\$1,254.11	\$1,316.82	\$1,382.66
8" Meters	\$1,310.45	\$1,801.53	\$1,909.62	\$2,005.10	\$2,105.36	\$2,210.63
10" Meters	\$1,883.65	\$2,588.74	\$2,744.06	\$2,881.26	\$3,025.32	\$3,176.59

Figure V-8 shows the proposed five-year schedule of Flat Water Rates, which are increasing in line with the revenue increases shown in **Figure III-6**. It is expected that the City will replace all meters within the next five years for customers currently billed by flat water rates. At that time, customers previously billed flat water rates would pay a fixed charge based on the size of their meter according to the schedule shown in **Figure V-7**.



Figure V-8. Current and Proposed Flat Water Rates

Meter Size	Flat Water Rates (\$/month)					
	Current Rates	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Rates	eff. 4/1/2026	eff. 1/1/2027	eff. 1/1/2028	eff. 1/1/2029	eff. 1/1/2030
	rate increase:	20.0%	15.0%	6.0%	5.0%	5.0%
Residential Flat Rates (1, 2, or 3 units)						
Up to 3/4" Meter	\$59.23	\$71.08	\$81.74	\$86.64	\$90.97	\$95.52
1" Meter	\$58.26	\$69.91	\$80.40	\$85.22	\$89.48	\$93.95
Additional Dwelling Units	\$33.61	\$40.33	\$46.38	\$49.16	\$51.62	\$54.20

COMMODITY CHARGE DESIGN

All applicable customers pay a uniform Commodity Charge rate under the City’s existing rates. The proposed adjustment for FY 2025-26 is intended to increase the uniform rate to re-align with the cost of service. **Figure V-9** derives the uniform Commodity Charge for all customers. The proposed Commodity Charge rate will increase 1.2%, or \$0.03 per HCF, from current rates.

Figure V-9. Calculation of Uniform Commodity Charges

All Customers	
Grand Total Commodity Charge COS	\$9,429,006
Annual water use (hcf)	3,825,704
Unit Rate per hcf	\$2.46

Commodity Charges Summary

The five-year schedule of proposed Commodity Charge rates is shown in **Figure V-10**. After rates are revised to meet the cost-of-service in FY 2025-26, all rates will increase uniformly by 15%, 6%, 5%, and 5%, respectively, each of the next four fiscal years.

Figure V-10. Current and Proposed Commodity Charge Rates

Monthly Use	Commodity Charge (per hcf)					
	Current Rates	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Rates	eff. 4/1/2026	eff. 1/1/2027	eff. 1/1/2028	eff. 1/1/2029	eff. 1/1/2030
	rate increase:	1.2%	15.0%	6.0%	5.0%	5.0%
Metered Accounts						
All Water Use	\$2.43	\$2.46	\$2.83	\$3.00	\$3.15	\$3.31



VI. Water Bill Impacts

In the previous section, the Service Charge and Commodity Charge structures were compared for the current and proposed rates. A further understanding of the differences between the two structures can be gained by comparing bills based on both rate structures.

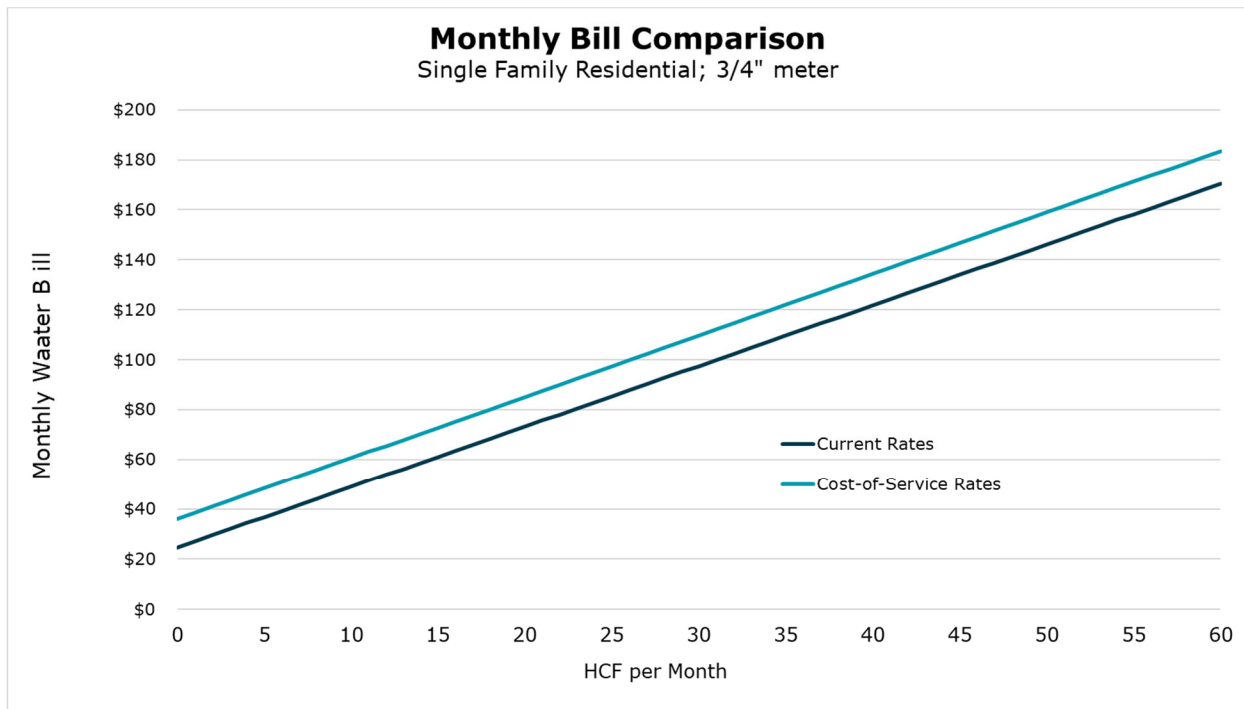
BILL COMPARISON

Single Family Residential Bills Under Proposed Rates (eff. 4/1/2026)

Customers pay the sum of the Service Charge corresponding to the capacity of their service plus a Commodity Charge for water use during the billing period.

Figure VI-1 provides perspective on the impact of the proposed (light blue line) and current rates (dark blue line). This graph plots bills across a range of water use. Customers can expect an increase at all levels of water use as both the fixed service charge and commodity rate for water use would increase under the proposed rates. The lines appear to be parallel, which reflects that all customers with a 3/4-inch meter would see an increase of \$11.32 for the fixed service charge and in addition, would see an increase of \$0.03 per HCF of water use.

Figure VI-1. Single Family Residential Bill Comparison



Neighboring Agency Comparison

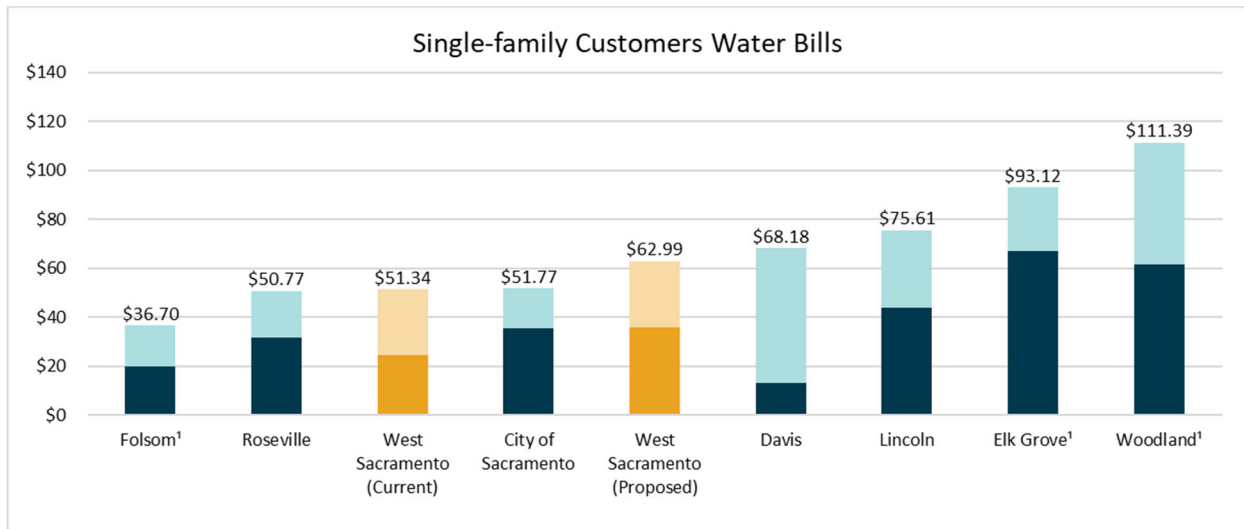
The bill for common water use by a Single Family household in West Sacramento was compared to a water bill subject to neighboring agency rates in **Figure VI-2**. For a monthly

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comparison, the average monthly water use of 11 HCF was used to calculate the Commodity Charge. The Service Charge reflects the monthly fixed charge assessed to a customer with a 3/4 -inch meter. With the recommended increases, the West Sacramento customer bill for common water use increases slightly among neighboring agencies.

Figure VI-2. Single Family Residential Monthly Water Bill Survey



Note: Service charge represented by darker shaded portion of each bill. Commodity charge represented by lighter shaded portion of each bill.

¹Service Charge reflects rates for smallest meter size available which is larger than larger a 3/4-inch meter.

Commercial Bills Under Proposed Rates (eff. 4/1/2026)

Commercial bills will increase proportionately to the level of water use. At lower levels of water use, bills benefit due to the reduced Service Charge. **Figure VI-3** provides specific bill impacts by incremental water use and meter size.

Figure VI-3. Sample Commercial Bill Impacts by Meter Size and Water Use

Water Use (HCF)	1" Meter			2" Meter			4" Meter		
	Current Bill	Proposed Rates	Monthly Increase	Current Bill	Proposed Rates	Monthly Increase	Current Bill	Proposed Rates	Monthly Increase
0	\$40.98	\$58.42	\$17.44	\$131.02	\$182.12	\$51.10	\$409.61	\$564.48	\$154.87
10	\$65.28	\$83.02	\$17.74	\$155.32	\$206.72	\$51.40	\$433.91	\$589.08	\$155.17
20	\$89.58	\$107.62	\$18.04	\$179.62	\$231.32	\$51.70	\$458.21	\$613.68	\$155.47
30	\$113.88	\$132.22	\$18.34	\$203.92	\$255.92	\$52.00	\$482.51	\$638.28	\$155.77
40	\$138.18	\$156.82	\$18.64	\$228.22	\$280.52	\$52.30	\$506.81	\$662.88	\$156.07
50	\$162.48	\$181.42	\$18.94	\$252.52	\$305.12	\$52.60	\$531.11	\$687.48	\$156.37
100	\$283.98	\$304.42	\$20.44	\$374.02	\$428.12	\$54.10	\$652.61	\$810.48	\$157.87
200	\$526.98	\$550.42	\$23.44	\$617.02	\$674.12	\$57.10	\$895.61	\$1,056.48	\$160.87
300	\$769.98	\$796.42	\$26.44	\$860.02	\$920.12	\$60.10	\$1,138.61	\$1,302.48	\$163.87
400	\$1,012.98	\$1,042.42	\$29.44	\$1,103.02	\$1,166.12	\$63.10	\$1,381.61	\$1,548.48	\$166.87
500	\$1,255.98	\$1,288.42	\$32.44	\$1,346.02	\$1,412.12	\$66.10	\$1,624.61	\$1,794.48	\$169.87

Note: Proposed rates shown would be effective 4/1/2026



VII. Sewer Revenue Requirements

A spreadsheet model was developed to derive revenue requirements for a ten-year planning period, FY 2025-26 through FY 2034-35. The revenue requirements represent the costs that must be covered by revenue from rates and other sources. The City’s budget for FY 2025-26 served as the starting point for projecting the City’s expenses and revenues. The escalation factors summarized in **Figure VII-1** were incorporated in the model for projecting expenses and revenues for the duration of the Study Period. For brevity, only the first five years of modeling assumptions are shown. Factors driving these annual increases are discussed in more detail following **Figure VII-2**.

Figure VII-1. Key Modeling Assumptions

Assumptions	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
General Inflation	Per Budget	3.0%	3.0%	3.0%	3.0%
Salary and Wage Increases	Per Budget	5.0%	5.0%	5.0%	5.0%
Benefit Increases	Per Budget	5.0%	5.0%	5.0%	5.0%
Utility Cost Increases	Per Budget	4.0%	4.0%	4.0%	4.0%
Interest of Reserve Balance	1.0%	1.0%	1.0%	1.0%	1.0%
Growth in Residential Accounts	Per Budget	1.0%	1.0%	1.0%	1.0%
Growth in Commercial Accounts	Per Budget	1.0%	1.0%	1.0%	1.0%
Annual Impact Fee Revenues	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000

The application of these projections to O&M and capital expenses are summarized graphically in **Figure VII-2** and are described below in more detail.

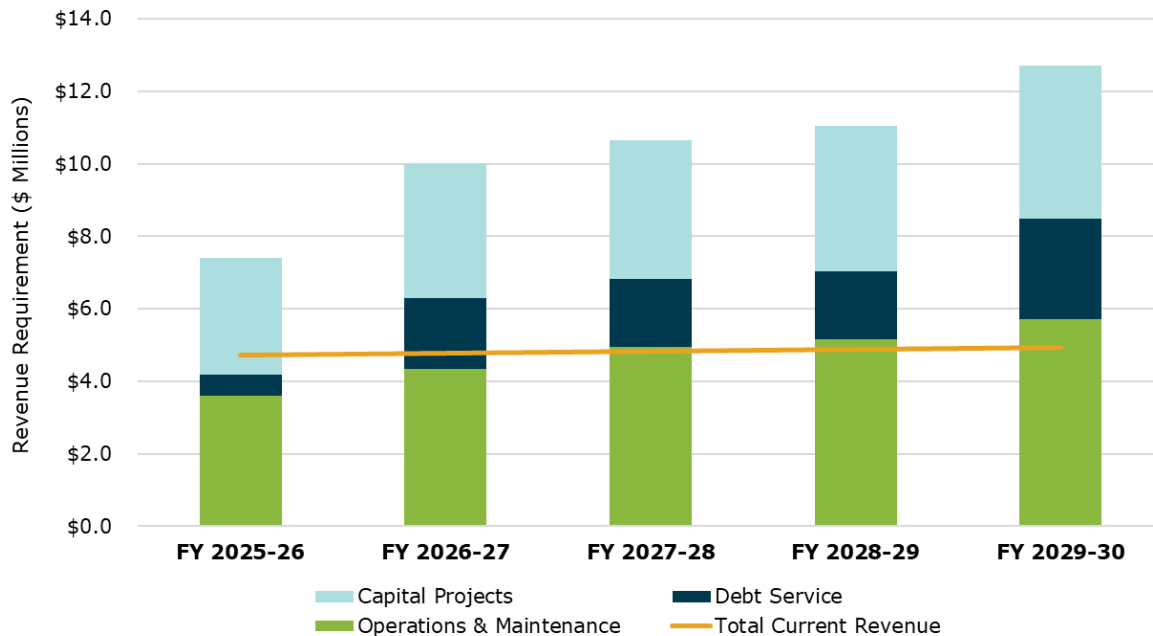
O&M Expenses

The City’s Collection System O&M expenses include salaries, benefits, materials, supplies, insurance, vehicle maintenance, utilities, and administrative expenses. Expense projections were calculated using assumptions reviewed with City staff. The City identified supplemental budget needs for personnel and operations and maintenance expense increases for its collection system. In FY 2026-27, the City budget includes \$591,169 of additional expenses. Of this amount, \$123,717 are attributable to annual operations and maintenance expenses. The annual operations supplemental expenses increase from \$123,717 in FY 2026-27 to \$168,986 in FY 2029-30. The City’s additional headcount requires a supplemental budget of \$467,452 in FY 2026-27 and this will increase to \$1,328,493 by FY 2029-30. Refer to Appendix B, Table 2 for additional details.

Collectively, this category represents approximately 46% of the total revenue requirement over the Study Period. These O&M expenses are projected to increase annually by an average of 15% over the five-year period, averaging \$4.7 million per fiscal year from FY 2025-26 through FY 2029-30.



Figure VII-2. Total Annual Projected Revenue Requirements for Sewer Enterprise



Debt Service

The City has existing debt service that was previously issued to fund various capital infrastructure improvements. Currently, the City makes annual payments of approximately \$483,000 toward a revenue bond issued in 2017 that will continue through FY 2034-35. In addition, the City has a note payment of \$90,956 per year, which shall be paid off in FY 2026-27.

To fund necessary capital improvements, the City is also planning to issue two bonds during the Study Period. The first bond would fund \$21,000,000 in capital projects and be issued in FY 2026-27. The second bond would fund \$14,000,000 in capital projects and be issued in FY 2029-30. Both bonds assume a 5% interest rate and a 30-year term. As such, the first bond would have an annual payment of \$1,386,571 and the second bond would have an annual payment of \$924,381. **Note: the City is exploring other debt funding alternatives including grants and low interest State and Federal loans, which may reduce the debt service payments.** With these supplemental debt issuances, the Sewer Enterprise annual debt service payments would grow from \$0.6 million to \$2.8 million by FY 2029-30. This category of expenses accounts for approximately 17% of the total revenue requirement over the Study Period.

Capital Project Costs

This category of expenses includes only those projects funded through rate revenues and cash on-hand. The capital expenditures projections average \$3,225,000 annually during the five-year period. In addition, \$35.0 million in projects are proposed to be debt funded and paid

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for over time in the form of annual debt service (described above). **Figure VII-3** provides a detailed listing of the Water Enterprise five-year CIP. The City contemplated multiple options of capital improvements to determine the recommended volume of projects, cash-funded capital needs, and future debt issuance needs. The schedule of capital improvements reflects the scenario recommended by the EU Commission.

Figure VII-3. Sewer Five-Year Capital Improvement Plan

Capital Projects	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total
South Lift Station Rehabilitation Project		\$8,500,000				\$8,500,000
Westmore Oaks Sewer Rehabilitation Project			\$6,000,000			\$6,000,000
Bryte Lift Station Sewer Rehabilitation Project	\$1,500,000		\$8,000,000			\$9,500,000
Major Sewer System Repairs (Mainline)		\$250,000	\$250,000	\$8,000,000	\$7,500,000	\$16,000,000
Yearly Reoccurring Emergency Sewer Fund	\$250,000	\$250,000	\$250,000	\$500,000	\$500,000	\$1,750,000
GIS Utility Infrastructure Surveying And Mapping	\$250,000					\$250,000
Total Capital Projects	\$2,000,000	\$9,000,000	\$14,500,000	\$8,500,000	\$8,000,000	\$42,000,000
Total Debt-Funded Capital Projects	\$0	\$5,000,000	\$11,000,000	\$5,000,000	\$5,000,000	\$26,000,000
Net Cash-Funded Capital Projects	\$2,000,000	\$4,000,000	\$3,500,000	\$3,500,000	\$3,000,000	\$16,000,000
Vehicle Replacement Expenses	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$4,000,000
(Less) Impact Fee Revenues	(\$775,000)	(\$775,000)	(\$775,000)	(\$775,000)	(\$775,000)	(\$3,875,000)
Net Capital Projects	\$1,225,000	\$4,225,000	\$3,725,000	\$3,725,000	\$3,225,000	\$16,125,000
		5-Year Average Annual Cash-funded Capital Projects			\$3,225,000	

RESERVES

The City uses its reserves to stabilize rates against annual fluctuations in capital expenditures, variances between projected and actual water demands, and unanticipated expenditures and other expenditure variances. In some years, there is surplus revenue that is available to replenish reserves. In other years, reserves are drawn down to cover the cost of service.

Reserves are required to stabilize rates and to provide for contingencies. Reserves can be drawn on in years when the City’s Sewer Enterprise Fund experiences above average costs and augmented during years when costs are below average. The City’s reserves are used for operating and capital purposes. Each of these purposes has its own requirements that lead to a minimum and optimum target balance. Note, the types of reserves held by the Sewer Enterprise mirror the reserves held by the Water Enterprise, including the target balance.

Rates must be set so that the fund balance achieves the target balance.

Operating Reserve

The operating component of the reserves provides working capital for month-to-month O&M expenditures. With sufficient working capital, the City can operate without cash flow constraints. The City’s approved reserve policy is 180 days of operating expenses, or 50% of annual operating expenses. The City’s Reserves should never drop below this minimum balance.



Capital Reserve

The capital improvement component of the reserves provides working capital for the City’s capital improvement program. The fund balance needs to be sufficient to at least pay contractors without delays caused by cash flow limitations. The fund balance can be larger so that the City can fund larger construction projects on a pay-as-you-go basis, thereby eliminating financing costs. The City’s approved policy is one-year of average annual capital expenditures. The current target reserve for the total fund balance of the City’s operating and capital reserves is the sum of 50% of annual operating expenses plus one-year of average annual capital expenditures.

Proposed Reserve Policy Changes

The City is proposing to reduce both the minimum and target balances policies, as well as to eliminate the separate capital reserve. Thus, the operating reserve minimum balance would decrease from 50% to 25% of annual operating expenses. The target balance would be revised to a figure equal to 50% of annual operating expenses. In other words, the City’s current minimum balance would become the new threshold for the target balance. These proposed minimum and target balance policies are reflected in **Figure VII-6**.

REVENUE INCREASES

Rates are set to generate sufficient revenue to cover annual expenses. In addition, rates are set to maintain adequate reserves. **Figure VII-4** summarizes the projected revenue from current rates, projected revenue at proposed rates, annual revenue requirements, and the annual surplus or shortfalls with and without the proposed rate increases.

Figure VII-4. Rate Increase Calculations

		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Revenue from Current Rates	a	\$4,400,000	\$4,444,000	\$4,488,440	\$4,533,324	\$4,578,658
Revenue Requirement		\$7,395,581	\$9,516,279	\$10,041,275	\$10,245,362	\$11,719,316
Non-Operating Revenue		(\$247,200)	(\$254,616)	(\$262,254)	(\$270,122)	(\$278,226)
Transfer from Reserves		(\$1,208,381)	\$0	\$0	\$0	\$0
Net Revenue Requirement	b	\$5,940,000	\$9,261,663	\$9,779,021	\$9,975,240	\$11,441,090
Surplus/(Shortfall) - Without Rate Incr	c=a-b	(\$1,540,000)	(\$4,817,663)	(\$5,290,581)	(\$5,441,915)	(\$6,862,433)
Revenue at Proposed Rates	d	\$4,785,000	\$6,899,310	\$8,861,864	\$10,442,229	\$11,490,828
Surplus/(Shortfall) - With Rate Incr	e=d-b	(\$1,155,000)	(\$2,362,353)	(\$917,157)	\$466,990	\$49,738

Rate increases account for rate revenue and future revenue requirements. As shown in **Figure VII-4**, the City is proposing a five-year schedule of increases where the change in rates year-over-year increases less over time as the compounding nature of rate increases allows the City to increase rate by smaller percentages each year. The revenue requirement (shown in greater detail in **Figure VII-2**) increases due to increasing staffing costs, debt issuance, and increased capital project expenditures to address the City’s aging infrastructure. The proposed revenue increases serve to decrease the projected shortfalls facing the City.

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In addition, rates are not the only funding source. The City projects to receive \$775 thousand in impact fee revenues each year to offset the cost of capital. When added to line e in **Figure VII-4**, these supplemental revenues mitigate the rate revenue shortfall each year. This allows the rate increases proposed to decrease incrementally over the five-year period.

The specific rates, which generate the total revenue at proposed rates, are derived in **Section IX**. With those rate increases, the City is able to pay for its annual O&M and capital expenses and maintain adequate reserves, as further discussed below.

DEBT SERVICE COVERAGE

Figure VII-5 shows the debt service coverage provided by the revenue increases in **Figure VII-4**. The City is required to maintain a minimum coverage ratio of 1.35. A higher ratio provides a greater margin of safety to bondholders and enhances the credit rating on bonds. Moreover, a higher credit rating benefits ratepayers by reducing the cost of future borrowing, if needed.

Figure VII-5. City Debt Coverage Ratio Calculations (with rate adjustments)

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Revenue Sources	\$5,110,036	\$7,217,743	\$9,186,574	\$10,777,432	\$11,841,285
Operating Expenses	(\$3,598,030)	(\$4,331,158)	(\$4,946,510)	(\$5,150,397)	(\$5,700,170)
Net Revenue	\$1,512,005	\$2,886,586	\$4,240,063	\$5,627,035	\$6,141,114
Debt Service	\$572,550	\$1,960,122	\$1,869,765	\$1,869,965	\$2,794,146
Debt Coverage Ratio	2.64	1.47	2.27	3.01	2.20

Note: Revenue sources include sewer rate revenues, non-operating revenues, and investment interest.

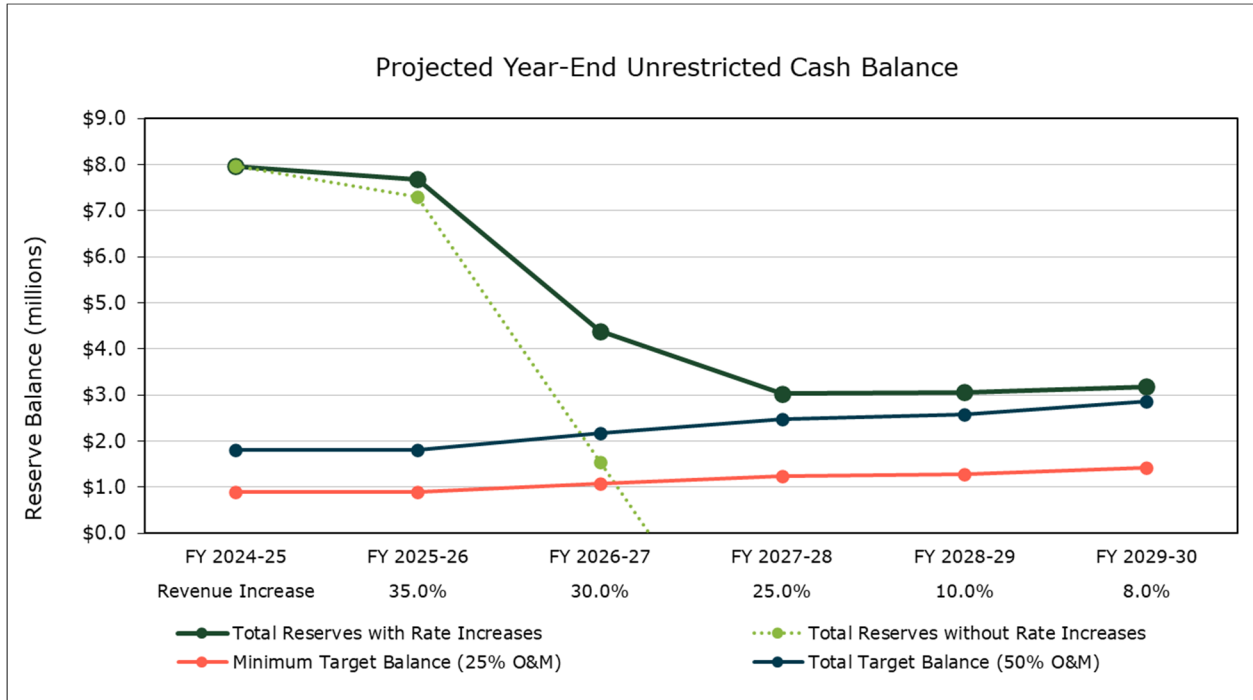
RESERVE FUND BALANCE

Figure VII-6 shows the annual fluctuations (solid, dark, green line) in the fund balance that are caused by the differences between the revenue requirement and revenue from rates with the rate increases; the dashed green line is the projected fund balance without rate increases. The revenue and rate increases in **Figure VII-4** were derived to balance increasing rates while maintaining a level of reserves that continues to meet the City's reserve target (blue line) through FY 2029-30.

The five-year projection in **Figure VII-6** demonstrates the use of reserves over the Study Period as expense projections outpace revenue increases. The City is using both reserves and rate increases to address the Sewer Enterprise revenue requirement. Consequently, reserves project to decline through FY 2027-28, despite larger revenue increases. Thereafter, the cumulative nature of the multiple years of rate increases will help stabilize the reserve fund balance from FY 2028-29 through FY 2029-30, such that the fund balance increases slightly. By FY 2029-30, the reserve fund balance will meet the City's reserve target line. In contrast, the projected fund balance without rate increases, the year-end fund balance of \$8.0 million in FY 2024-25 is projected to be fully depleted before the end of FY 2027-28.



Figure VII-6. Projected Year-End Fund Balance



Note: Minimum and target balances are proposed policies.



VIII. Sewer Rate Cost of Service Analysis

METHODOLOGY

The revenue requirement analysis establishes how much revenue is required from rates. The next step in the analysis is determining the cost of service. Cost-of-service analysis is used to derive rates that proportionally allocate the cost of service. This is achieved by allocating the revenue requirements to the components of the rate structure.

A cost-of-service analysis determines how much each customer and customer class should pay based on its respective share of service-related expenses and flow. The volume of sewer discharged influences the design of the collection and treatment systems. The cost-of-service analysis allocates expenses to “cost components on the basis of operating considerations or design capacity of each facility.” Therefore, a larger proportion of expenses associated with sewer flow on the sewer system are allocated to customers who place a greater burden on the system.

CUSTOMER CLASSES

The cost-of-service analysis distributes the revenue requirements among customer classes in proportion to their service requirements. Like water rates, there is no industry standard that specifies which customer classes should be used. The law allows utilities to exercise discretion in determining the appropriate customer classes provided the rates yield charges that are proportional to the cost of providing service for each category. As a result, the allocation of costs needs to be tailored to the customer classes.

The City currently has multiple customer classes: Single Family Residential, Multi-Family Residential, Commercial, and Other Non-Residential. Other Non-Residential customers consist of accounts that are not tied to a water meter. These classes were last reviewed as part of the previous cost-of-service study in 2016. As stated previously in **Section IV**, the City is working actively to install water meters for all parcels in order to comply with California Water Code. No revisions to the number of types of customer classes are recommended at this time. Once an Other Non-Residential customer has a meter installed, they are charged as a Commercial customer and subject to those identified sewer rates.

COST-OF-SERVICE ALLOCATIONS

The cost-of-service analysis allocation process follows the same process as the one performed for the allocation of water costs. The FY 2025-26 revenue requirement was summarized by function and these functional costs were allocated between City customers. The proportionate shares of the revenue requirement were then further allocated among the fixed and variable components for cost recovery.

Figure VIII-1 allocates the FY 2025-26 revenue requirement between into four functions: accounts, flow, BOD (biochemical oxygen demand), and TSS (total suspended solids). **Figure VIII-2** summarizes the percentage allocations used in apportioning the revenue requirement. A discussion of the methodology behind the allocation of costs follows. The allocation type specified on each row of **Figure VIII-1** ties to the allocation type listed in **Figure VIII-2**.

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Figure VIII-1. Allocation of FY 2025-26 Revenue Requirement

Description	Rev. Req't 2025-26	Allocation Type	Cost Allocation			
			Accounts	Flow	BOD	TSS
Collection System O&M						
5111 Salaries/Wages-Regular	\$965,298	1	\$0	\$868,768	\$48,265	\$48,265
5113 Salaries/Wages-O/T & Standby	\$85,000	1	\$0	\$76,500	\$4,250	\$4,250
5114 Salaries/Wages-Other /PERS	\$45,887	1	\$0	\$41,298	\$2,294	\$2,294
5116 Salaries/Wages-Holiday Pay	\$0	1	\$0	\$0	\$0	\$0
5118 Salaries/Wages-Other/Non PERS	\$45,557	1	\$0	\$41,001	\$2,278	\$2,278
5121 Medicare	\$13,997	1	\$0	\$12,597	\$700	\$700
5122 Retirement-P.E.R.S.	\$240,663	1	\$0	\$216,597	\$12,033	\$12,033
5130 Employee Health Ins	\$232,137	1	\$0	\$208,923	\$11,607	\$11,607
5131 Retired Employee Health Ins	\$27,916	1	\$0	\$25,124	\$1,396	\$1,396
5132 Workers Comp Ins	\$40,795	1	\$0	\$36,715	\$2,040	\$2,040
5133 Deferred Compensation	\$525	1	\$0	\$473	\$26	\$26
5135 Retiree Health Savings	\$3,120	1	\$0	\$2,808	\$156	\$156
5136 OPEB ADC Contribution	\$0	1	\$0	\$0	\$0	\$0
5195 Retiree Health Reimb Offset	\$0	1	\$0	\$0	\$0	\$0
5199 Payroll Reimbursement Offset	\$0	1	\$0	\$0	\$0	\$0
5212 Small Tools/Instruments	\$9,270	1	\$0	\$8,343	\$464	\$464
5215 Safety Clothing/Supplies	\$22,248	1	\$0	\$20,023	\$1,112	\$1,112
5219 Household Expenses	\$0	1	\$0	\$0	\$0	\$0
5221 Communications	\$7,871	1	\$0	\$7,084	\$394	\$394
5222 Utilities	\$230,000	1	\$0	\$207,000	\$11,500	\$11,500
5240 Maintenance-Equipment	\$59,731	1	\$0	\$53,758	\$2,987	\$2,987
5241 Maintenance-Structures/Grounds	\$80,855	1	\$0	\$72,770	\$4,043	\$4,043
5245 Rents/Leases-Equipment	\$75,350	1	\$0	\$67,815	\$3,768	\$3,768
5251 Office Expense	\$361	1	\$0	\$324	\$18	\$18
5253 Educational Materials/Supplies	\$515	1	\$0	\$464	\$26	\$26
5255 Vehicle Expenses	\$66,314	1	\$0	\$59,683	\$3,316	\$3,316
5256 Memberships/Dues	\$1,056	1	\$0	\$950	\$53	\$53
5257 Software Maintenance	\$14,800	1	\$0	\$13,320	\$740	\$740
5258 Training/Travel/Meals	\$6,438	1	\$0	\$5,794	\$322	\$322
5259 Special Departmental Expense	\$2,029	1	\$0	\$1,826	\$101	\$101
5260 Legal Fees	\$515	1	\$0	\$464	\$26	\$26
5261 Professional Services	\$8,849	1	\$0	\$7,964	\$442	\$442
Total Collection System O&M	\$2,287,096		\$0	\$2,058,386	\$114,355	\$114,355
Non-Operating/Admin Expenses	\$1,310,935	2	\$1,310,935	\$0	\$0	\$0
Debt Service	\$572,550	1	\$0	\$515,295	\$28,628	\$28,628
Subtotal O&M + Admin	\$4,170,581		\$1,310,935	\$2,573,681	\$142,982	\$142,982
<i>O&M Admin Composite</i>			<i>31.4%</i>	<i>61.7%</i>	<i>3.4%</i>	<i>3.4%</i>
Non-Operating Revenues	(\$247,200)	3	(\$77,702)	(\$152,548)	(\$8,475)	(\$8,475)
Contribution to Capital	\$3,225,000	1	\$0	\$2,902,500	\$161,250	\$161,250
Subtotal Expenses	\$7,148,381		\$1,233,233	\$5,323,633	\$295,757	\$295,757
<i>Expense Composite</i>			<i>17.3%</i>	<i>74.5%</i>	<i>4.1%</i>	<i>4.1%</i>
Transfers to/(from) Op Reserves	(\$1,208,381)	3	(\$379,829)	(\$745,696)	(\$41,428)	(\$41,428)
Total Revenue Requirement	\$5,940,000		\$853,403	\$4,577,937	\$254,330	\$254,330



Cost of Service Allocations and Allocation Factors

The allocation factors in **Figure VIII-2** were used to apportion the City customers’ allocation of costs in **Figure VIII-1**. The Collection System O&M was allocated between three functions related to customer demand placed on the system, flow, BOD, and TSS. The percentages reflect that the City’s collection system costs are largely driven by the volume of flow, and the sizing of the conveyance and collection system assets required to transport wastewater to the treatment plan, and to a lesser extent by the wastewater loading characteristics. Expenses that are allocated to the Accounts allocation factor are recovered from the City’s fixed charge tied to each account. The O&M Composite and Expenses Composite allocations are based on the subtotals of the O&M and capital costs that were directly allocated to either the demand or customer service categories.

Figure VIII-2. Cost-of-Service Allocation Factors

Type	Description	Accounts	Flow	BOD	TSS	Total
1	Collection System O&M	0.0%	90.0%	5.0%	5.0%	100.0%
2	Customer Account	100.0%	0.0%	0.0%	0.0%	100.0%
3	O&M Admin Composite	31.4%	61.7%	3.4%	3.4%	100.0%
4	Expense Composite	17.3%	74.5%	4.1%	4.1%	100.0%

Units of Service

The units of service provided by the City to its customers are the sum of the services provided to each of the City’s customer classes.

Estimates of City customer flows and wastewater loading associated with each customer class are shown in **Figure VIII-3**. Flow volumes were calculated using annualized winter water use for calendar years 2019-2024. Wastewater loading weights were determined using estimated loading characteristics based on wastewater industry standard sampling data, and were confirmed with the City. BOD and TSS concentrations represent the average of each customer class.

Figure VIII-3. Units of Service Calculations

	Accts/Dwellings	Winter Flow	BOD	TSS	BOD	TSS
	Units	hcf	mg/l	mg/l	(lbs/year)	(lbs/year)
Single Family Residential	13,381	1,233,446	200	200	1,539,956	1,539,956
Multi-Family Residential	7,298	417,647	200	200	521,432	521,432
Commercial	964	569,807	500	500	1,778,507	1,778,507
Other Non-Residential	652	60,105	200	200	75,042	75,042
Total	22,295	2,281,005			3,914,936	3,914,936

Note: Other Non-Residential customers are billed by ESD (Equivalent Sewer Dwelling) in place of a per account charge or per dwelling charge. These figures coincide with those assigned by SASD.

Figure VIII-4 summarizes the units of service by customer class calculated in **Figure VIII-3**.



Figure VIII-4. Summary of Units of Service by Customer Class

	<u>Accts/Dwellings</u>	<u>Winter Flow</u>	<u>BOD</u>	<u>TSS</u>
	Units	hcf	(lbs/year)	(lbs/year)
Single Family Residential	13,381	1,233,446	1,539,956	1,539,956
Multi-Family Residential	7,298	417,647	521,432	521,432
Commercial	964	569,807	1,778,507	1,778,507
Other Non-Residential	652	60,105	75,042	75,042
Total	22,295	2,281,005	3,914,936	3,914,936

Note: Other Non-Residential customers are billed by ESD in place of a per account charge or per dwelling charge. These figures coincide with those assigned by SASD.

Unit Costs of Service

The functionalized costs in **Figure VIII-1** are divided by the respective units of service in **Figure VIII-4** to determine the unit costs. The derivation of the unit costs applicable to the City customers is shown in **Figure VIII-5**. These unit costs are the costs of providing the units of service to all customer classes without exception, thereby ensuring that all customers pay their share in proportion to their respective units of service.

Figure VIII-5. Unit Costs of Service (City)

	Cost Allocation				Total
	Fixed	Flow	BOD	TSS	
Allocated Functional Costs (from Fig. VIII-1)	\$853,403	\$4,577,937	\$254,330	\$254,330	\$5,940,000
Units of Service (from Fig. VIII-4)	22,295	2,281,005	3,914,936	3,914,936	
Annual Unit Costs	\$38.28	\$2.01	\$0.06	\$0.06	
	\$/acct or \$/dwelling	\$/hcf	\$/lb	\$/lb	

Note: Rounding differences caused by stored values in electronic models may exist.

Revenue Requirement by Customer Class

In cost-of-service analyses, all customer classes are treated equally through the application of the same unit costs to all customers, which is the fundamental purpose of cost-of-service analysis. In this way, the cost-of-service analysis proportionally distributes the revenue requirement to each customer class without discrimination, after which rates can be designed to generate the revenue required to provide the necessary level of service to each class. **Figure VIII-6** shows the result of applying the unit costs from **Figure VIII-5** to each customer class's units of service in **Figure VIII-4** to distribute the respective shares of the revenue requirement. **Figure VIII-7** summarizes how rate revenues would be redistributed so that the City could continue to meet the cost-of-service if the rates calculated in **Figure VIII-6** were implemented.

Water and Sewer Cost-of-Service Study
VIII. Sewer Rate Cost of Service Analysis



Figure VIII-6. Unit Rates per Customer Class

Single Family Residential	Fixed	Flow	BOD	TSS
Units	13,381 dwellings	1,233,446 hcf	1,539,956 lbs	1,539,956 lbs
Accounts	13,381 dwellings	13,381 dwellings	13,381 dwellings	13,381 dwellings
Units per account		92.18 hcf/dwelling	115.09 lbs/dwelling	115.09 lbs/dwelling
Unit Costs (\$ per Unit)	\$38.28 per dwelling	\$2.01 per hcf	\$0.06 per lbs	\$0.06 per lbs
Total Single Family Residential	\$38.28 per dwelling	\$185.00 per dwelling	\$7.48 per dwelling	\$7.48 per dwelling
Multi-Family Residential	Fixed	Flow	BOD	TSS
Units	7,298 dwellings	417,647 hcf	521,432 lbs	521,432 lbs
Accounts	7,298 dwellings	7,298 dwellings	7,298 dwellings	7,298 dwellings
Units per account		57.23 hcf/dwelling	71.45 lbs/dwelling	71.45 lbs/dwelling
Unit Costs (\$ per Unit)	\$38.28 per dwelling	\$2.01 per hcf	\$0.06 per lbs	\$0.06 per lbs
Total Multi-Family Residential	\$38.28 per dwelling	\$114.85 per dwelling	\$4.64 per dwelling	\$4.64 per dwelling
Commercial	Fixed	Flow	BOD	TSS
Units	964 accounts	569,807 hcf	1,778,507 lbs	1,778,507 lbs
Accounts	964 accounts	569,807 hcf	569,807 hcf	569,807 hcf
Units per account		1.00 hcf/account	3.12 lbs/account	3.12 lbs/account
Unit Costs (\$ per Unit)	\$38.28 per account	\$2.01 per hcf	\$0.06 per lbs	\$0.06 per lbs
Total Commercial	\$38.28 per account	\$2.01 per hcf	\$0.20 per hcf	\$0.20 per hcf
Other Non-Residential	Fixed	Flow	BOD	TSS
Units	652 ESDs	60,105 hcf	75,042 lbs	75,042 lbs
Accounts	652 ESDs	652 ESDs	652 hcf	652 hcf
Units per account		92.18 hcf/ESD	115.09 lbs/hcf	115.09 lbs/hcf
Unit Costs (\$ per Unit)	\$38.28 per ESD	\$2.01 per hcf	\$0.06 per lbs	\$0.06 per lbs
Total Other Non-Residential	\$38.28 per ESD	\$185.00 per ESD	\$7.48 per ESD	\$7.48 per ESD

Note: Rounding differences caused by stored values in electronic models may exist.

Figure VIII-7. Cost-of-Service Revenue Summary

	Current Revenue	Cost-of-Service	Difference	% Difference
Single Family Residential	\$1,747,023	\$3,187,782	\$1,440,759	82.5%
Multi-Family Residential	\$704,789	\$1,185,309	\$480,520	68.2%
Commercial	\$1,863,056	\$1,411,569	(\$451,487)	-24.2%
Other Non-Residential	\$85,132	\$155,340	\$70,208	82.5%
Total	\$4,400,000	\$5,940,000	\$1,540,000	35.0%

Note: FY 2025-26 revenues assume 12 months of rates implemented on July 1, 2025.



IX. Sewer Rate Design

The City has historically charged residential sewer customers a fixed service charge and commercial sewer customers with the combination of a fixed service charge and a variable charge based on metered water use. Both approaches are common throughout the sewer industry. This section explains the derivation of the Service Charges and the Volumetric Rates that reflect the projected cost of service.

CURRENT RATES

The City's current sewer rate structure is composed of two components: Service Charges and Volumetric Rates.

Current Service Charges

The Service Charges billed to residential accounts are fixed rates that are charged on a fixed rate per dwelling for Single-Family Residential and Multi-Family Residential. The Service Charges billed to Commercial customers are charged on a fixed rate per account. The Service Charges billed to Other Non-Residential customers are charged on a fixed rate per account and differ from those charged to Commercial accounts.

Current Volumetric Rates

The City charges Commercial customers via Volumetric Rates. Customers are billed based on the average metered water use recorded during the previous January and February periods to approximate the volume of water discharged to the sewer resulting from indoor water use. This average amount is then multiplied by the Commercial Volumetric Rate for each monthly bill. Water is metered in "units" of HCF of metered water use, whereby one unit or HCF equals 748 gallons.

No adjustments are recommended to the City's current rate structure.

Figures IX-1 summarizes the current Service Charges and Volumetric Rates, which were last increased on July 1, 2021.



Figure IX-1. Current Sewer Rates

FY 2025-26	
Customer Class	Current Rates
Single Family	
Flat Rate per month	\$10.88
Multi-Family	
Flat Rate per month (per DU)	\$8.16
Commercial	
Flat Rate per month	\$5.40
Metered Rate per hcf	\$3.16
Other Non-Residential per ESD	
Flat Rate per month	\$10.88

SERVICE CHARGE DESIGN

The Service Charges billed to Single Family Residential and Multi Family Residential customers are calculated by adding the fixed unit costs with the flow, BOD, and TSS unit costs. Flow, unit costs from **Figure VIII-6** are converted to a cost per dwelling by multiplying each by the average annual flow per dwelling. Similarly, BOD and TSS unit costs from **Figure VIII-6** are converted to a cost per dwelling by multiplying each by the average annual loading per dwelling. The resulting unit costs are shown in **Figure IX-2**. For example, the Single Family Residential unit costs of \$2.01 per HCF, are converted to \$185.00 per dwelling after multiplying this unit cost by the average annual flow per dwelling. Also, the Single Family Residential unit costs of \$0.06 per pound BOD and \$0.06 per pound TSS are converted to \$7.49 per dwelling each after multiplying each of the unit costs by the average annual loading of BOD and TSS per dwelling. In total, the annual account charge recovered through the Service Charge is \$238.23, or \$19.85 per month,⁴ for Single Family Residential customers as shown in **Figure V-1**. Following the same steps for Multi-Family Residential rates yields a monthly Service Charge of \$13.53 for each Multi Family Residential dwelling.

The Service Charge that would be billed to Commercial customers represents only the fixed unit cost per account for each customer class. In FY 2025-26, each Commercial customer would pay an annual total of \$38.28, or \$3.19 per month, per account to reimburse the City for their portion of fixed service costs.

⁴ Rounding differences caused by stored values in electronic models may exist.

Water and Sewer Cost-of-Service Study
IX. Sewer Rate Design



Figure IX-2. Cost of Service Rates Calculations

	Fixed	Flow	BOD	TSS	Total	Total
Single Family Residential						
Units	13,381 dwellings	1,233,446 hcf	1,539,956 lbs	1,539,956 lbs	per dwelling/mo.	per hcf
Accounts	13,381 dwellings	13,381 dwellings	13,381 dwellings	13,381 dwellings		
Units per account		92.18 hcf/dwelling	115.09 lbs/dwelling	115.09 lbs/dwelling		
Unit Costs (\$ per Unit)	\$38.28 per dwelling	\$2.01 per hcf	\$0.06 per lbs	\$0.06 per lbs		
Total Single Family Residential	\$38.28 per dwelling	\$185.00 per dwelling	\$7.48 per dwelling	\$7.48 per dwelling	\$19.85	\$0.00
Multi-Family Residential						
Units	7,298 dwellings	417,647 hcf	521,432 lbs	521,432 lbs	per dwelling/mo.	per hcf
Accounts	7,298 dwellings	7,298 dwellings	7,298 dwellings	7,298 dwellings		
Units per account		57.23 hcf/dwelling	71.45 lbs/dwelling	71.45 lbs/dwelling		
Unit Costs (\$ per Unit)	\$38.28 per dwelling	\$2.01 per hcf	\$0.06 per lbs	\$0.06 per lbs		
Total Multi-Family Residential	\$38.28 per dwelling	\$114.85 per dwelling	\$4.64 per dwelling	\$4.64 per dwelling	\$13.53	\$0.00
Commercial						
Units	964 accounts	569,807 hcf	1,778,507 lbs	1,778,507 lbs	per account/mo.	per hcf
Accounts	964 accounts	569,807 hcf	569,807 hcf	569,807 hcf		
Units per account		1.00 hcf/account	3.12 lbs/account	3.12 lbs/account		
Unit Costs (\$ per Unit)	\$38.28 per account	\$2.01 per hcf	\$0.06 per lbs	\$0.06 per lbs		
Total Commercial	\$38.28 per account	\$2.01 per hcf	\$0.20 per hcf	\$0.20 per hcf	\$3.19	\$2.41
Other Non-Residential						
Units	652 ESDs	60,105 hcf	75,042 lbs	75,042 lbs	per ESD/mo.	per hcf
Accounts	652 ESDs	652 ESDs	652 hcf	652 hcf		
Units per account		92.18 hcf/ESD	115.09 lbs/hcf	115.09 lbs/hcf		
Unit Costs (\$ per Unit)	\$38.28 per ESD	\$2.01 per hcf	\$0.06 per lbs	\$0.06 per lbs		
Total Other Non-Residential	\$38.28 per ESD	\$185.00 per ESD	\$7.48 per ESD	\$7.48 per ESD	\$19.85	\$0.00

Note: Rounding differences caused by stored values in electronic models may exist.

With the proposed rates, all Service Charges billed to Residential and Other Non-Residential City customers would see an increase. Commercial customers would see a decrease. **Figure IX-3** shows the proposed five-year schedule of Service Charges.

VOLUMETRIC RATES DESIGN

The Volumetric Rate for Commercial customers was determined via adding the unit costs of flow, BOD, and TSS in **Figure IX-2**. The resulting Volumetric Rate is shown in **Figure IX-2 and Figure IX-3**. Initially, Volumetric Rates are decreasing to reflect the shift of more costs being borne by the fixed charge component assessed to all customers.

Figure IX-3. Current and Proposed Sewer Rates

	Current	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
		eff. 4/1/2026	eff. 1/1/2027	eff. 1/1/2028	eff. 1/1/2029	eff. 1/1/2030
Monthly Sewer Rates	rate increase:	varies	30%	25%	10%	8%
Residential						
Single-Family (per dwelling)	\$10.88	\$19.85	\$25.81	\$32.26	\$35.49	\$38.33
Multi-Family (per dwelling)	\$8.16	\$13.53	\$17.59	\$21.99	\$24.19	\$26.13
Commercial (Metered)						
Fixed Charge	\$5.40	\$3.19	\$4.15	\$5.19	\$5.71	\$6.17
Volumetric Rate (per hcf)	\$3.16	\$2.41	\$3.14	\$3.93	\$4.32	\$4.67
Other Non-Residential						
Fixed Charge per ESD	\$10.88	\$19.85	\$25.81	\$32.26	\$35.49	\$38.33



X. Sewer Bill Impacts

In the previous section, the Service Charges and Volumetric Rate structures were compared for the current and proposed rates. A further understanding of the differences between the two structures can be gained by comparing bills for each customer class.

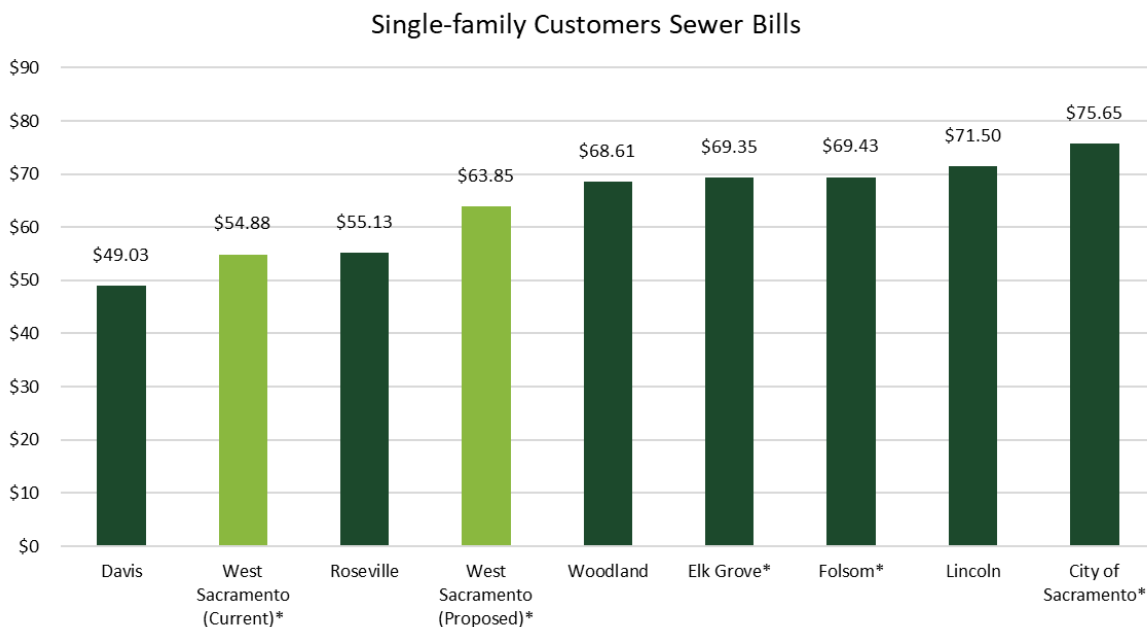
BILL COMPARISON

Single Family Residential Bills Under Proposed Rates

Single Family Residential customers will pay a uniform Service Charge regardless of recorded water use. With the proposed rates, customers can expect a 16.3% increase from their current combined sewer and treatment sewer bills. **Figure X-1** compares the current combined (treatment and collection charges) monthly sewer bill to the proposed sewer bill. No increase has been assumed for SASD treatment charges in FY 2025-26.

The combined sewer bill for a Single Family household in West Sacramento was compared to a sewer bill subject to neighboring agency rates in **Figure X-1**. With the recommended increases, the customer bill for combined sewer collection and treatment services increases slightly among neighboring agencies.

Figure X-1. Comparison of Monthly Sewer Charges for Single Family Customers



**Reflects a combined collection and treatment bill (i.e., includes charges by SASD for treatment). This is necessary to compare to the other jurisdictions which both collect and treat their own wastewater.*



Commercial Bills Under Proposed Rates

Commercial customers will pay a uniform Service Charge per account under the proposed rates. In addition to the Service Charge, each customer will be charged a Volumetric Rate that is applied to the monthly water use recorded. **Figure X-2** through **Figure X-4** compares sewer bills by plotting bills across a range of water use and three distinct assumptions of the number of ESDs that are assessed by Sacramento Area Sewer District (SASD) for treatment services. ESDs assigned by SASD are subject to the specific business associated with the parcel and rates assigned by SASD for that respective business. Often times, the number of ESDs is calculated according to gross floor area of the building serving the commercial account. Customers should review their bill from SASD to determine the specific number of ESDs that make up their treatment charge when evaluating the sample bill impact graphs below.

Figure X-2. Comparison of Commercial Customer Bills (1 ESD billed by SASD)

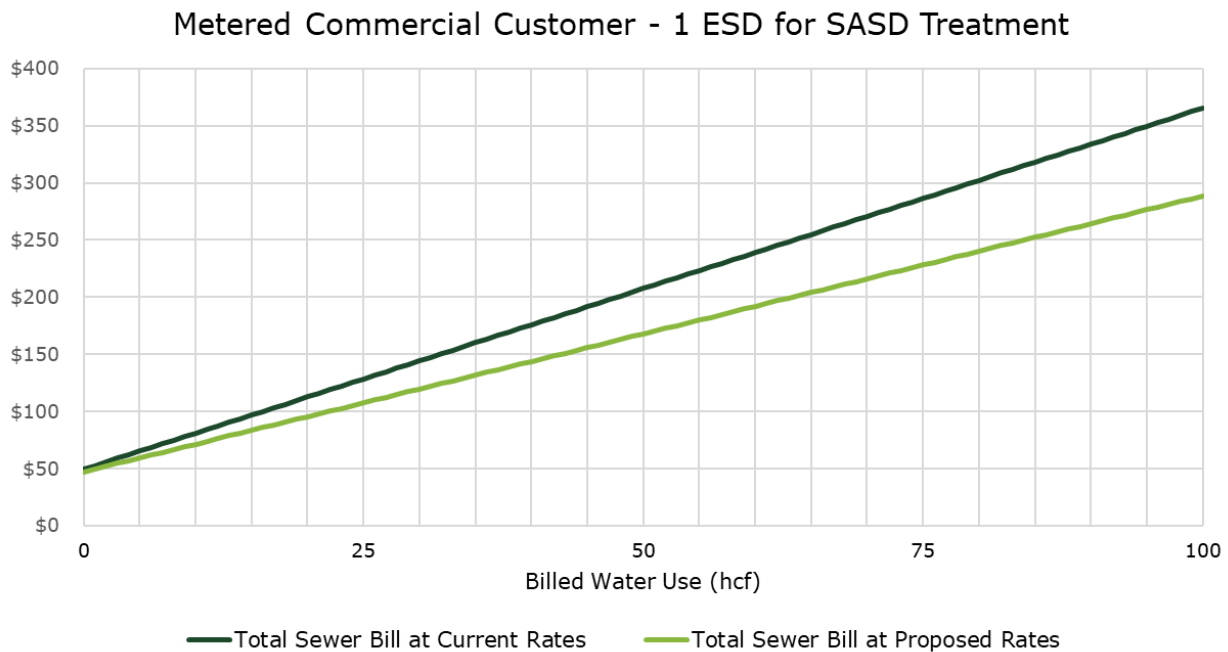




Figure X-3. Comparison of Commercial Customer Bills (5 ESDs billed by SASD)

Metered Commercial Customer - 5 ESD for SASD Treatment

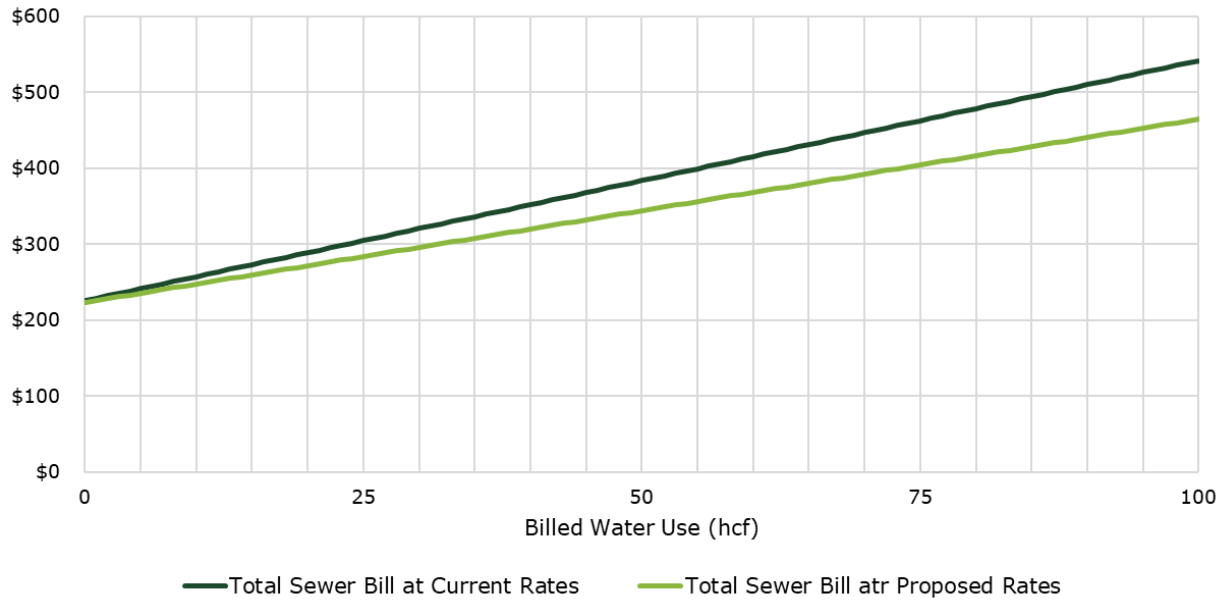
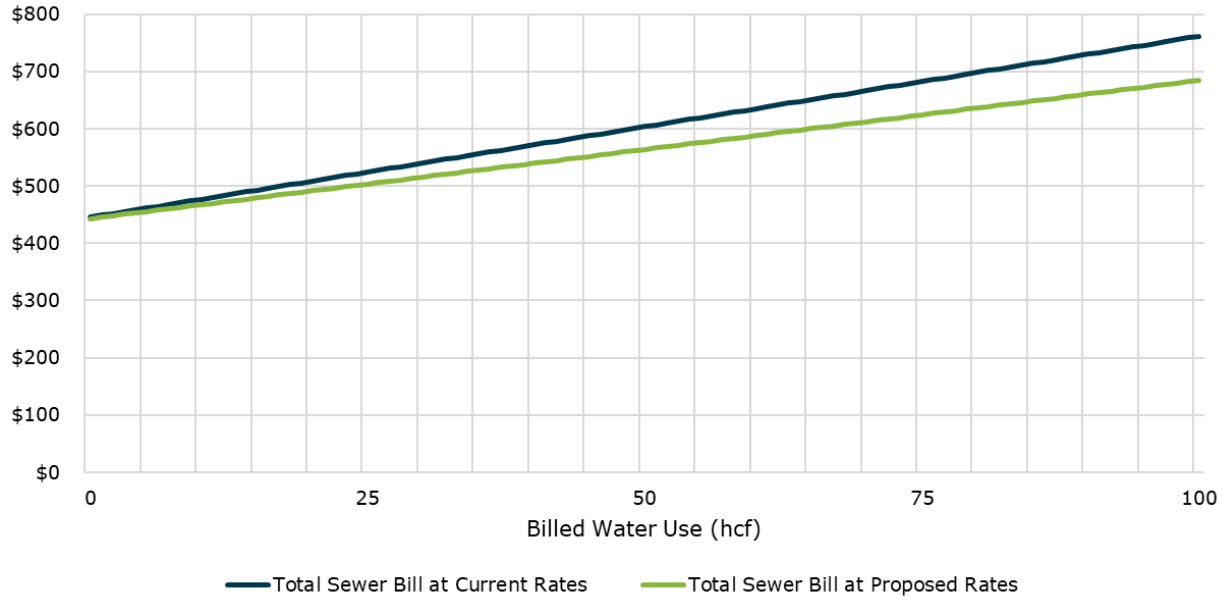




Figure X-4. Comparison of Commercial Customer Bills (10 ESDs billed by SASD)

Metered Commercial Customer - 10 ESD for SASD Treatment





XI. Combined Utility Bill Impacts

In the previous sections, the proposed water and sewer rates were compared for the current and proposed rates. Combining water and sewer bills, including the treatment charge assessed by SASD, provides customers with a broader perspective of how their overall utility bills would be influenced by the proposed rates. **Figure XI-1** shows how combined water and sewer bills at current rates compare to bills at the proposed rates across a range of water usage. For comparison, these bills are shown next to the combined sewer and water bills assessed to single family residential customers of neighboring agencies.

Figure XI-1. Combined Residential Water and Sewer Bill Comparison (eff. 4/1/2026)

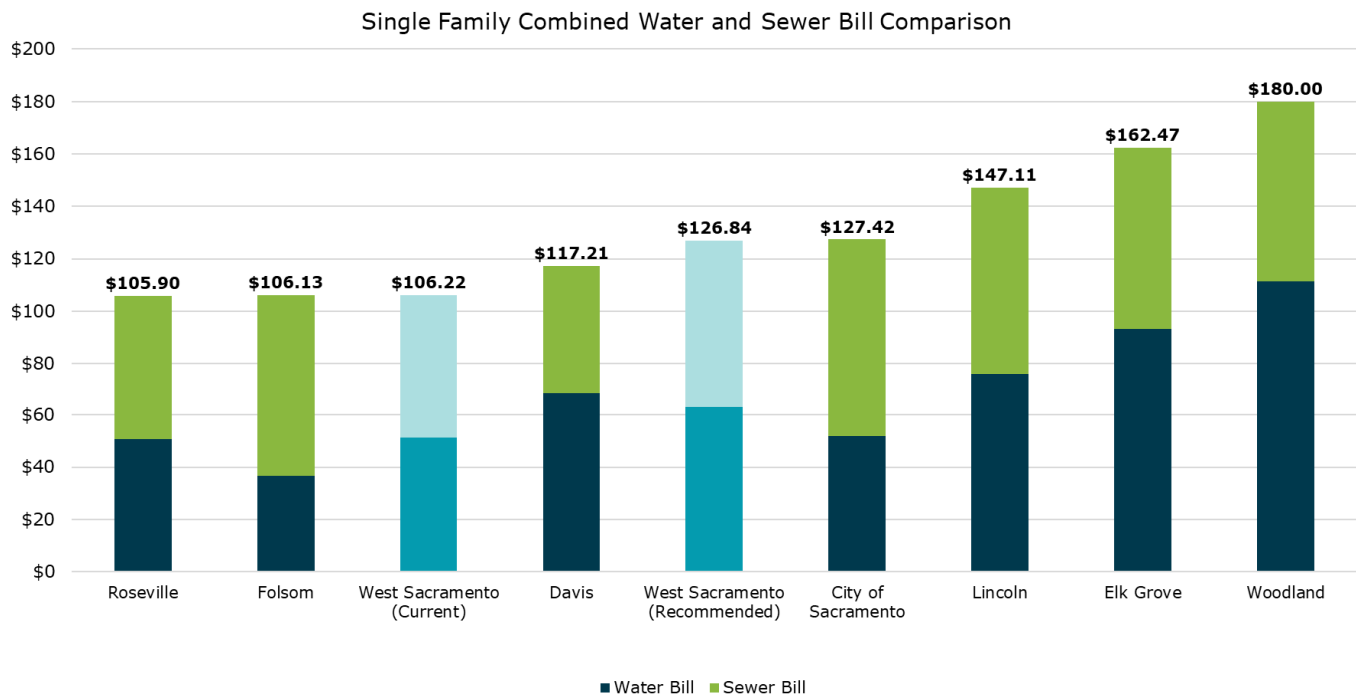


Figure XI-1 includes the bill impacts with the proposed water and sewer rates over a five-year period for typical residential and commercial customers. Assumptions are noted for water use and billed sewer water volumes for the commercial customer comparison. Bills assume average water use; however, it should be noted that bills modulate throughout the year as water use patterns change. Thus, customers can expect bills to increase and decrease relative to their use of water.



Figure XI-2. Combined Five-Year Water and Sewer Bill Impacts

Combined Water and Sewer Bill Impacts	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<u>Average Residential Bill Impact [1, 3, 5]</u>					
Average Monthly Bill (Current)	\$106.22	\$106.22	\$106.22	\$106.22	\$106.22
Proposed Monthly Bill by Fiscal Year	\$126.84	\$145.26	\$157.47	\$165.99	\$174.39
<i>Per month Increase vs Current</i>	\$20.62	\$39.04	\$51.25	\$59.77	\$68.17
<u>Average Commercial Bill Impact [2, 4, 5]</u>					
Average Monthly Bill (Current)	\$553.96	\$553.96	\$553.96	\$553.96	\$553.96
Proposed Monthly Bill by Fiscal Year	\$568.80	\$666.15	\$733.77	\$778.00	\$821.67
<i>Per month Increase vs Current</i>	\$14.84	\$112.19	\$179.81	\$224.04	\$267.71

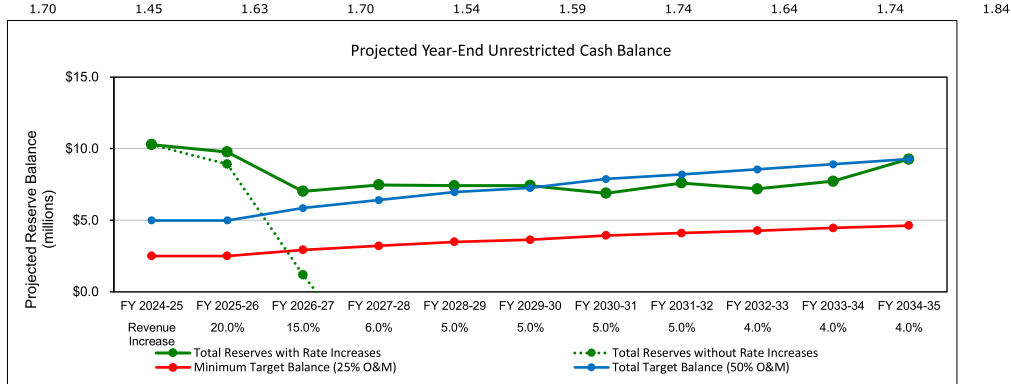
[1] Residential Bill impacts based on Average Water use of 11 HCF per month.
 [2] Commercial Bill impacts based on Average Water use of 90 HCF per month with a 2" Meter.
 [3] Current sewer bills and FY 2025-26 sewer bills include \$44 treatment charge from SASD, in addition to City portion.
 [4] Sewer bills include minimum \$44 treatment charge from SASD, in addition to City portion, at 49 HCF per month.
 [5] Treatment charge in future years calculated using approved \$47 monthly rate for FY 2026-27. Future years assume 3% annual increases thereafter.

Appendix A: Water Rates Cost of Service Model

City of West Sacramento
Water Rate Study
1A. Summary

Fiscal Year:	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
effective date:	4/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	
Revenue Increases	20.0%	15.0%	6.0%	5.0%	5.0%	5.0%	5.0%	4.0%	4.0%	4.0%	
Cumulative Increase	20.0%	38.0%	46.3%	53.6%	61.3%	69.3%	77.8%	84.9%	92.3%	100.0%	
PAYGo CIP	\$6,140,000	\$6,845,000	\$5,000,000	\$6,000,000	\$5,500,000	\$6,500,000	\$6,500,000	\$7,500,000	\$7,500,000	\$7,500,000	Total \$64,985,000
Debt-Funded CIP	\$0	\$19,000,000	\$10,000,000	\$10,000,000	\$8,000,000	\$7,000,000	\$7,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$79,000,000
Total Capital Spend	\$6,140,000	\$25,845,000	\$15,000,000	\$16,000,000	\$13,500,000	\$13,500,000	\$13,500,000	\$13,500,000	\$13,500,000	\$13,500,000	\$143,985,000
				5-yr Subtotal	\$76,485,000						

Debt Coverage (1.35 min)



Debt Issuance	Bond 1	Bond 2	Bond 3	Debt Funded CIP
Project Costs	\$39,000,000	\$22,000,000	\$18,000,000	\$79,000,000
Insurance Costs	1.50%	1.50%	1.50%	
Loan Amount	\$39,585,000	\$22,330,000	\$18,270,000	
Interest Rate	5%	5%	5%	
Term	30	30	30	
First Payment	FY 2026-27	FY 2029-30	FY 2032-33	
Annual Payment	\$2,575,061	\$1,452,599	\$1,188,490	To Table 6

	Current	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
		4/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035
Metered Water Rates											
Fixed Service Charges (\$/month)											
Up to 3/4" Meter	\$24.61	\$35.93	\$41.32	\$43.80	\$45.99	\$48.29	\$50.70	\$53.24	\$55.37	\$57.58	\$59.88
1" Meter	\$40.98	\$58.42	\$67.18	\$71.21	\$74.77	\$78.51	\$82.44	\$86.56	\$90.02	\$93.62	\$97.36
1.5" Meter	\$81.78	\$114.65	\$131.85	\$139.76	\$146.75	\$154.09	\$161.79	\$169.88	\$176.68	\$183.75	\$191.10
2" Meter	\$131.02	\$182.12	\$209.44	\$222.01	\$233.11	\$244.77	\$257.01	\$269.86	\$280.65	\$291.88	\$303.56
3" Meter	\$262.13	\$362.06	\$416.37	\$441.35	\$463.42	\$486.59	\$510.92	\$536.47	\$557.93	\$580.25	\$603.46
4" Meter	\$409.61	\$564.48	\$649.15	\$688.10	\$722.51	\$758.64	\$796.57	\$836.40	\$869.86	\$904.65	\$940.84
6" Meter	\$818.94	\$1,126.78	\$1,295.80	\$1,373.55	\$1,442.23	\$1,514.34	\$1,590.06	\$1,669.56	\$1,736.34	\$1,805.79	\$1,878.02
8" Meter	\$1,310.45	\$1,801.53	\$2,071.76	\$2,196.07	\$2,305.87	\$2,421.16	\$2,542.22	\$2,669.33	\$2,776.10	\$2,887.14	\$3,002.63
10" Meter	\$1,883.65	\$2,588.74	\$2,977.05	\$3,155.67	\$3,313.45	\$3,479.12	\$3,653.08	\$3,835.73	\$3,989.16	\$4,148.73	\$4,314.68
12" Meter											
Commodity Rates (\$/CCF)											
All Use	\$2.43	\$2.46	\$2.83	\$3.00	\$3.15	\$3.31	\$3.48	\$3.65	\$3.80	\$3.95	\$4.11
Flat Water Rates (\$/month)											
Residential Flat Rates (1, 2, or 3 units)											
Up to 3/4" Meter	\$59.23	\$71.08	\$81.74	\$86.64	\$90.97	\$95.52	\$100.30	\$105.32	\$109.53	\$113.91	\$118.47
1" Meter	\$58.26	\$69.91	\$80.40	\$85.22	\$89.48	\$93.95	\$98.65	\$103.58	\$107.72	\$112.03	\$116.51
Additional Dwelling Units	\$33.61	\$40.33	\$46.38	\$49.16	\$51.62	\$54.20	\$56.91	\$59.76	\$62.15	\$64.64	\$67.23

City of West Sacramento
Water Rate Study
1B. General

Assumptions	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
a General Inflation	per Budget	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
b Salary and Wage Increases	per Budget	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
c Benefit Increases	per Budget	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
d Utility Cost Increases	per Budget	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	
e Purchased Water Cost Increases	per Budget	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
f Interest of Reserve Balance		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
h Flat Rate Meter Phase-out		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
i Growth in Residential Accounts		0.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
j Growth in Commercial Accounts		0.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
k Change in Water Use per Residential Customer		0.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
l Change in Water Use per Non-Residential Customer		0.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
m Annual Impact Fee Revenues		\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	City Projection

Target Fund Balances

Operating Fund

Purpose For O&M cash flow during the year
 Minimum balance Cannot go negative
 Target balance 50% of operating expenses

Capital Improvement Fund

Purpose To be used for replacement of Equipment/ Facilities
 Minimum balance Cannot go negative
 Target balance Average annual PAYGo

**City of West Sacramento
Water Rate Study
2. Rev Req**

		Budgeted	Projected								Notes	
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34		FY 2034-35
Water Treatment												
5111 Salaries/Wages-Regular	b	\$1,106,619	\$1,161,950	\$1,220,048	\$1,281,050	\$1,345,102	\$1,412,358	\$1,482,975	\$1,557,124	\$1,634,980	\$1,716,729	
Budget Additions - Salaries/Wages	b	\$0	\$339,951	\$658,216	\$691,127	\$725,683	\$761,967	\$800,065	\$840,069	\$882,072	\$926,176	
5113 Salaries/Wages-O/T & Standby	b	\$60,000	\$63,000	\$66,150	\$69,458	\$72,930	\$76,577	\$80,406	\$84,426	\$88,647	\$93,080	
5114 Salaries/Wages-Other /PERS	b	\$44,465	\$46,688	\$49,023	\$51,474	\$54,047	\$56,750	\$59,587	\$62,567	\$65,695	\$68,980	
5116 Salaries/Wages-Holiday Pay	b	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5118 Salaries/Wages-Other/Non PERS	b	\$44,637	\$46,869	\$49,212	\$51,673	\$54,256	\$56,969	\$59,817	\$62,808	\$65,949	\$69,246	
5121 Medicare	b	\$16,046	\$16,848	\$17,691	\$18,575	\$19,504	\$20,479	\$21,503	\$22,578	\$23,707	\$24,893	
5122 Retirement-P.E.R.S.	c	\$273,959	\$287,657	\$302,040	\$317,142	\$332,999	\$349,649	\$367,131	\$385,488	\$404,762	\$425,001	
5130 Employee Health Ins	c	\$226,920	\$238,266	\$250,179	\$262,688	\$275,823	\$289,614	\$304,095	\$319,299	\$335,264	\$352,027	
5131 Retired Employee Health Ins	c	\$5,075	\$5,329	\$5,595	\$5,875	\$6,169	\$6,477	\$6,801	\$7,141	\$7,498	\$7,873	
5132 Workers Comp Ins	c	\$39,543	\$41,520	\$43,596	\$45,776	\$48,065	\$50,468	\$52,991	\$55,641	\$58,423	\$61,344	
5133 Deferred Compensation	c	\$2,202	\$2,312	\$2,428	\$2,549	\$2,676	\$2,810	\$2,951	\$3,098	\$3,253	\$3,416	
5135 Retiree Health Savings	c	\$3,120	\$3,276	\$3,440	\$3,612	\$3,792	\$3,982	\$4,181	\$4,390	\$4,610	\$4,840	
5136 OPEB ADC Contribution	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5195 Retiree Health Reimb Offset	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5210 Chemicals-Treatment & Op	c	\$537,430	\$564,302	\$592,517	\$622,142	\$653,250	\$685,912	\$720,208	\$756,218	\$794,029	\$833,730	
5212 Small Tools/Instruments	a	\$5,562	\$5,729	\$5,901	\$6,078	\$6,260	\$6,448	\$6,641	\$6,841	\$7,046	\$7,257	
5214 Laboratory/Medical Supplies	a	\$18,861	\$19,427	\$20,010	\$20,610	\$21,229	\$21,865	\$22,521	\$23,197	\$23,893	\$24,610	
5215 Safety Clothing/Supplies	a	\$15,584	\$16,051	\$16,533	\$17,029	\$17,540	\$18,066	\$18,608	\$19,166	\$19,741	\$20,333	
5219 Household Expenses	a	\$206	\$212	\$219	\$225	\$232	\$239	\$246	\$253	\$261	\$269	
5221 Communications	a	\$7,437	\$7,660	\$7,889	\$8,126	\$8,370	\$8,621	\$8,880	\$9,146	\$9,420	\$9,703	
5222 Utilities	a	\$1,200,000	\$1,236,000	\$1,273,080	\$1,311,272	\$1,350,611	\$1,391,129	\$1,432,863	\$1,475,849	\$1,520,124	\$1,565,728	
5240 Maintenance-Equipment	a	\$16,892	\$17,399	\$17,921	\$18,458	\$19,012	\$19,582	\$20,170	\$20,775	\$21,398	\$22,040	
5241 Maintenance-Structures/Grounds	d	\$152,303	\$158,395	\$164,731	\$171,320	\$178,173	\$185,300	\$192,712	\$200,420	\$208,437	\$216,775	
5245 Rents/Leases-Equipment	a	\$5,471	\$5,636	\$5,805	\$5,979	\$6,158	\$6,343	\$6,533	\$6,729	\$6,931	\$7,139	
5246 Rents/Leases-Structures	a	\$26,945	\$27,753	\$28,586	\$29,443	\$30,327	\$31,236	\$32,174	\$33,139	\$34,133	\$35,157	
5251 Office Expense	a	\$1,545	\$1,591	\$1,639	\$1,688	\$1,739	\$1,791	\$1,845	\$1,900	\$1,957	\$2,016	
5252 Postage	a	\$155	\$159	\$164	\$169	\$174	\$179	\$184	\$190	\$196	\$202	
5253 Educational Materials/Supplies	a	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652	\$672	
5255 Vehicle Expenses	a	\$28,085	\$28,927	\$29,795	\$30,689	\$31,610	\$32,558	\$33,535	\$34,541	\$35,577	\$36,644	
5256 Memberships/Dues	a	\$79,552	\$81,939	\$84,397	\$86,929	\$89,537	\$92,223	\$94,989	\$97,839	\$100,774	\$103,797	
5257 Software Maintenance	a	\$6,750	\$6,953	\$7,161	\$7,376	\$7,597	\$7,825	\$8,060	\$8,302	\$8,551	\$8,807	
5258 Training/Travel/Meals	a	\$19,055	\$19,627	\$20,215	\$20,822	\$21,447	\$22,090	\$22,753	\$23,435	\$24,138	\$24,862	
5259 Special Departmental Expense	a	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	\$6,720	
5260 Legal Fees	a	\$31,930	\$32,888	\$33,875	\$34,891	\$35,937	\$37,016	\$38,126	\$39,270	\$40,448	\$41,661	
5261 Professional Services	a	\$491,198	\$505,934	\$521,112	\$536,745	\$552,848	\$569,433	\$586,516	\$604,112	\$622,235	\$640,902	
Budget Additions - Professional Services	a	\$0	\$300,000	\$309,000	\$318,270	\$327,818	\$337,653	\$347,782	\$358,216	\$368,962	\$380,031	
5310 Contribution to Other Agencies	a	\$368,851	\$379,917	\$391,314	\$403,054	\$415,145	\$427,600	\$440,428	\$453,641	\$467,250	\$481,267	
5330 Taxes/Assessments	a	\$1,700	\$1,751	\$1,804	\$1,858	\$1,913	\$1,971	\$2,030	\$2,091	\$2,154	\$2,218	
5572 Equipment-Vehicles	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5575 Equip-Other	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Budget Additions - O&M Cost Increase	a	\$0	\$56,106	\$57,789	\$59,523	\$61,308	\$63,148	\$65,042	\$66,993	\$69,003	\$71,073	
5991 Transfer Out-Gen Supp Alloc	a	\$928,566	\$956,423	\$985,116	\$1,014,669	\$1,045,109	\$1,076,462	\$1,108,756	\$1,142,019	\$1,176,280	\$1,211,568	
Total Treatment		\$5,772,329	\$6,690,279	\$7,250,197	\$7,534,553	\$7,830,766	\$8,139,357	\$8,460,870	\$8,795,878	\$9,144,975	\$9,508,787	

**City of West Sacramento
Water Rate Study
2. Rev Req**

		Budgeted	Projected								Notes	
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34		FY 2034-35
Water Distribution												
5111 Salaries/Wages-Regular	b	\$833,675	\$875,359	\$919,126	\$965,083	\$1,013,337	\$1,064,004	\$1,117,204	\$1,173,064	\$1,231,717	\$1,293,303	
Budget Additions - Salaries/Wages	b	\$0	\$467,452	\$872,210	\$1,405,559	\$1,475,837	\$2,071,231	\$2,174,792	\$2,283,532	\$2,397,708	\$2,517,594	
5113 Salaries/Wages-O/T & Standby	b	\$66,000	\$69,300	\$72,765	\$76,403	\$80,223	\$84,235	\$88,446	\$92,869	\$97,512	\$102,388	
5114 Salaries/Wages-Other /PERS	b	\$35,945	\$37,743	\$39,630	\$41,611	\$43,692	\$45,876	\$48,170	\$50,579	\$53,108	\$55,763	
5116 Salaries/Wages-Holiday Pay	b	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5118 Salaries/Wages-Other/Non PERS	b	\$43,863	\$46,057	\$48,359	\$50,777	\$53,316	\$55,982	\$58,781	\$61,720	\$64,806	\$68,046	
5121 Medicare	b	\$12,088	\$12,693	\$13,327	\$13,994	\$14,693	\$15,428	\$16,199	\$17,009	\$17,860	\$18,753	
5122 Retirement-P.E.R.S.	c	\$206,970	\$217,319	\$228,185	\$239,594	\$251,574	\$264,153	\$277,360	\$291,228	\$305,790	\$321,079	
5130 Employee Health Ins	c	\$193,965	\$203,663	\$213,846	\$224,539	\$235,766	\$247,554	\$259,932	\$272,928	\$286,575	\$300,903	
5131 Retired Employee Health Ins	c	\$17,431	\$18,303	\$19,218	\$20,179	\$21,187	\$22,247	\$23,359	\$24,527	\$25,754	\$27,041	
5132 Workers Comp Ins	c	\$36,994	\$38,843	\$40,785	\$42,825	\$44,966	\$47,214	\$49,575	\$52,054	\$54,656	\$57,389	
5133 Deferred Compensation	c	\$525	\$551	\$579	\$608	\$638	\$670	\$704	\$739	\$776	\$815	
5135 Retiree Health Savings	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5136 OPEB ADC Contribution	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5195 Retiree Health Reimb Offset	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5199 Payroll Reimbursement Offset	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5212 Small Tools/Instruments	a	\$7,210	\$7,426	\$7,649	\$7,879	\$8,115	\$8,358	\$8,609	\$8,867	\$9,133	\$9,407	
5215 Safety Clothing/Supplies	a	\$16,047	\$16,528	\$17,024	\$17,535	\$18,061	\$18,603	\$19,161	\$19,736	\$20,328	\$20,938	
5219 Household Expenses	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5221 Communications	a	\$7,368	\$7,589	\$7,817	\$8,051	\$8,293	\$8,542	\$8,798	\$9,062	\$9,334	\$9,614	
5222 Utilities	a	\$340,000	\$350,200	\$360,706	\$371,527	\$382,673	\$394,153	\$405,978	\$418,157	\$430,702	\$443,623	
5240 Maintenance-Equipment	a	\$41,869	\$43,125	\$44,419	\$45,751	\$47,124	\$48,538	\$49,994	\$51,494	\$53,038	\$54,630	
5241 Maintenance-Structures/Grounds	a	\$146,981	\$151,390	\$155,932	\$160,610	\$165,428	\$170,391	\$175,503	\$180,768	\$186,191	\$191,777	
5245 Rents/Leases-Equipment	d	\$11,840	\$12,314	\$12,806	\$13,318	\$13,851	\$14,405	\$14,981	\$15,581	\$16,204	\$16,852	
5251 Office Expense	a	\$257	\$265	\$273	\$281	\$289	\$298	\$307	\$316	\$326	\$335	
5253 Educational Materials/Supplies	a	\$360	\$371	\$382	\$393	\$405	\$417	\$430	\$443	\$456	\$470	
5255 Vehicle Expenses	a	\$70,667	\$72,787	\$74,971	\$77,220	\$79,536	\$81,922	\$84,380	\$86,911	\$89,519	\$92,204	
5256 Memberships/Dues	a	\$644	\$663	\$683	\$704	\$725	\$747	\$769	\$792	\$816	\$840	
5257 Software Maintenance	a	\$6,533	\$6,729	\$6,931	\$7,139	\$7,353	\$7,574	\$7,801	\$8,035	\$8,276	\$8,524	
5258 Training/Travel/Meals	a	\$5,278	\$5,436	\$5,599	\$5,767	\$5,940	\$6,119	\$6,302	\$6,491	\$6,686	\$6,887	
5259 Special Departmental Expense	a	\$2,060	\$2,122	\$2,185	\$2,251	\$2,319	\$2,388	\$2,460	\$2,534	\$2,610	\$2,688	
5261 Professional Services	a	\$10,790	\$11,114	\$11,447	\$11,791	\$12,144	\$12,509	\$12,884	\$13,270	\$13,668	\$14,079	
Budget Additions - Professional Services	a	\$0	\$75,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5310 Contribution to Other Agencies	a	\$2,575	\$2,652	\$2,732	\$2,814	\$2,898	\$2,985	\$3,075	\$3,167	\$3,262	\$3,360	
5330 Taxes/Assessments	a	\$16,587	\$17,085	\$17,597	\$18,125	\$18,669	\$19,229	\$19,806	\$20,400	\$21,012	\$21,642	
5572 Equipment-Vehicles	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5575 Equip-Other	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5930 Depreciation	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Budget Additions - O&M Cost Increase	a	\$59,553	\$122,680	\$122,680	\$221,131	\$227,765	\$335,140	\$345,194	\$355,550	\$366,216	\$377,203	
5991 Transfer Out-Gen Supp Alloc	a	\$759,439	\$782,222	\$805,689	\$829,860	\$854,755	\$880,398	\$906,810	\$934,014	\$962,035	\$990,896	
Total Distribution		\$2,893,962	\$3,611,854	\$4,125,554	\$4,883,318	\$5,091,574	\$5,931,308	\$6,187,763	\$6,455,837	\$6,736,073	\$7,029,042	

City of West Sacramento
Water Rate Study
2. Rev Req

		Budgeted	Projected								Notes	
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	
Backflow Prevention Program												
5111 Salaries/Wages-Regular	b	\$149,577	\$157,056	\$164,909	\$173,154	\$181,812	\$190,903	\$200,448	\$210,470	\$220,994	\$232,043	
5113 Salaries/Wages-O/T & Standby	b	\$1,200	\$1,260	\$1,323	\$1,389	\$1,459	\$1,532	\$1,608	\$1,689	\$1,773	\$1,862	
5114 Salaries/Wages-Other /PERS	b	\$18,803	\$19,743	\$20,730	\$21,767	\$22,855	\$23,998	\$25,197	\$26,457	\$27,780	\$29,169	
5116 Salaries/Wages-Holiday Pay	b	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5118 Salaries/Wages-Other/Non PERS	b	\$8,118	\$8,524	\$8,950	\$9,398	\$9,867	\$10,361	\$10,879	\$11,423	\$11,994	\$12,594	
5121 Medicare	b	\$2,169	\$2,277	\$2,391	\$2,511	\$2,636	\$2,768	\$2,906	\$3,052	\$3,204	\$3,365	
5122 Retirement-P.E.R.S.	c	\$40,075	\$42,078	\$44,182	\$46,391	\$48,711	\$51,146	\$53,704	\$56,389	\$59,208	\$62,169	
5130 Employee Health Ins	c	\$20,700	\$21,735	\$22,822	\$23,963	\$25,161	\$26,419	\$27,740	\$29,127	\$30,583	\$32,112	
5131 Retired Employee Health Ins	c	\$2,761	\$2,899	\$3,044	\$3,196	\$3,356	\$3,524	\$3,700	\$3,885	\$4,079	\$4,283	
5132 Workers Comp Ins	c	\$6,608	\$6,938	\$7,285	\$7,649	\$8,032	\$8,433	\$8,855	\$9,298	\$9,763	\$10,251	
5133 Deferred Compensation	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5135 Retiree Health Savings	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5136 OPEB ADC Contribution	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5195 Retiree Health Reimb Offset	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5199 Payroll Reimbursement Offset	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5212 Small Tools/Instruments	a	\$2,575	\$2,652	\$2,732	\$2,814	\$2,898	\$2,985	\$3,075	\$3,167	\$3,262	\$3,360	
5215 Safety Clothing/Supplies	a	\$4,594	\$4,732	\$4,874	\$5,020	\$5,171	\$5,326	\$5,485	\$5,650	\$5,820	\$5,994	
5219 Household Expenses	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5221 Communications	a	\$2,315	\$2,384	\$2,456	\$2,530	\$2,606	\$2,684	\$2,764	\$2,847	\$2,933	\$3,021	
5222 Utilities	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5240 Maintenance-Equipment	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5241 Maintenance-Structures/Grounds	a	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067	\$5,219	\$5,376	
5245 Rents/Leases-Equipment	d	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5251 Office Expense	a	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652	\$672	
5253 Educational Materials/Supplies	a	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652	\$672	
5255 Vehicle Expenses	a	\$5,398	\$5,560	\$5,727	\$5,899	\$6,075	\$6,258	\$6,445	\$6,639	\$6,838	\$7,043	
5256 Memberships/Dues	a	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652	\$672	
5257 Software Maintenance	a	\$4,800	\$4,944	\$5,092	\$5,245	\$5,402	\$5,565	\$5,731	\$5,903	\$6,080	\$6,263	
5258 Training/Travel/Meals	a	\$3,090	\$3,183	\$3,278	\$3,377	\$3,478	\$3,582	\$3,690	\$3,800	\$3,914	\$4,032	
5259 Special Departmental Expense	a	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652	\$672	
5261 Professional Services	a	\$1,666	\$1,716	\$1,767	\$1,820	\$1,875	\$1,931	\$1,989	\$2,049	\$2,110	\$2,174	
5310 Contribution to Other Agencies	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5330 Taxes/Assessments	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5572 Equipment-Vehicles	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5575 Equip-Other	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5930 Depreciation	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5991 Transfer Out-Gen Supp Alloc	a	\$129,986	\$133,886	\$137,902	\$142,039	\$146,300	\$150,689	\$155,210	\$159,866	\$164,662	\$169,602	
Total Backflow Prevention		\$410,614	\$427,933	\$446,021	\$464,914	\$484,650	\$505,267	\$526,807	\$549,312	\$572,827	\$597,400	
Conservation												
5212 Small Tools/Instruments	b	\$100	\$105	\$110	\$116	\$122	\$128	\$134	\$141	\$148	\$155	
5215 Safety Clothing/Supplies	b	\$50	\$53	\$55	\$58	\$61	\$64	\$67	\$70	\$74	\$78	
5219 Household Expenses	b	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5251 Office Expense	b	\$50	\$53	\$55	\$58	\$61	\$64	\$67	\$70	\$74	\$78	
5252 Postage	b	\$2,500	\$2,625	\$2,756	\$2,894	\$3,039	\$3,191	\$3,350	\$3,518	\$3,694	\$3,878	
5253 Educational Materials/Supplies	b	\$100	\$105	\$110	\$116	\$122	\$128	\$134	\$141	\$148	\$155	
5254 Ads/Promotions/Notices	c	\$5,900	\$6,195	\$6,505	\$6,830	\$7,171	\$7,530	\$7,907	\$8,302	\$8,717	\$9,153	
5255 Vehicle Expenses	c	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216	\$1,276	\$1,340	\$1,407	\$1,477	\$1,551	
5256 Memberships/Dues	c	\$20,000	\$21,000	\$22,050	\$23,153	\$24,310	\$25,526	\$26,802	\$28,142	\$29,549	\$31,027	
5258 Training/Travel/Meals	c	\$4,600	\$4,830	\$5,072	\$5,325	\$5,591	\$5,871	\$6,164	\$6,473	\$6,796	\$7,136	
5259 Special Departmental Expense	c	\$60,095	\$63,100	\$66,255	\$69,567	\$73,046	\$76,698	\$80,533	\$84,560	\$88,788	\$93,227	
5260 Legal Fees	c	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216	\$1,276	\$1,340	\$1,407	\$1,477	\$1,551	
5261 Professional Services	c	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431	\$2,553	\$2,680	\$2,814	\$2,955	\$3,103	
5991 Transfer Out-Gen Supp Alloc	c	\$354,158	\$371,866	\$390,459	\$409,982	\$430,481	\$452,005	\$474,606	\$498,336	\$523,253	\$549,415	
Total Conservation		\$451,553	\$474,131	\$497,837	\$522,729	\$548,865	\$576,309	\$605,124	\$635,380	\$667,149	\$700,507	

**City of West Sacramento
Water Rate Study
2. Rev Req**

		Budgeted		Projected								
		FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
Adminstration												
5115 Salaries/Wages-Vacation Pay	b	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5118 Salaries/Wages-Other/Non PERS	b	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5210 Chemicals-Treatment & Op	b	\$3,000	\$3,150	\$3,308	\$3,473	\$3,647	\$3,829	\$4,020	\$4,221	\$4,432	\$4,654	
5257 Software Maintenance	b	\$49,195	\$51,655	\$54,237	\$56,949	\$59,797	\$62,787	\$65,926	\$69,222	\$72,683	\$76,318	
5260 Legal Fees	b	\$6,000	\$6,300	\$6,615	\$6,946	\$7,293	\$7,658	\$8,041	\$8,443	\$8,865	\$9,308	
5261 Professional Services	b	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5950 Transfer Out	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5991 Transfer Out-Gen Supp Alloc	c	\$412,708	\$433,343	\$455,011	\$477,761	\$501,649	\$526,732	\$553,068	\$580,722	\$609,758	\$640,246	
Total Adminstration		\$470,903	\$494,448	\$519,171	\$545,129	\$572,386	\$601,005	\$631,055	\$662,608	\$695,738	\$730,525	
Total O&M plus Administrative Costs		\$9,999,361	\$11,698,644	\$12,838,780	\$13,950,644	\$14,528,241	\$15,753,246	\$16,411,620	\$17,099,015	\$17,816,763	\$18,566,261	
Debt Service												
Revenue Bonds Series 2013		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Revenue Bonds Series 2017		\$801,381	\$801,681	\$801,381	\$800,481	\$803,881	\$801,581	\$803,581	\$802,256	\$802,781	\$802,856	
Revenue Bonds Series 2020		\$3,918,222	\$3,914,805	\$3,910,017	\$3,903,857	\$3,906,220	\$3,902,054	\$3,896,410	\$3,889,290	\$3,880,692	\$3,880,512	
Future Debt Service		\$0	\$2,575,061	\$2,575,061	\$2,575,061	\$4,027,660	\$4,027,660	\$4,027,660	\$5,216,149	\$5,216,149	\$5,216,149	
Bank of America Lease		\$107,262	\$107,262	\$107,262	\$107,262	\$107,262	\$107,262	\$0	\$0	\$0	\$0	
Total Debt Service		\$4,826,865	\$7,398,809	\$7,393,721	\$7,386,661	\$8,845,023	\$8,838,556	\$8,727,651	\$9,907,695	\$9,899,623	\$9,899,518	
Non-Op Revenue												
4220 Fines & Forfeitures/Reimbursements	a	(\$315,000)	(\$324,450)	(\$334,184)	(\$344,209)	(\$354,535)	(\$365,171)	(\$376,126)	(\$387,410)	(\$399,033)	(\$411,004)	
4990 Transfers In	a	(\$15,000)	(\$15,450)	(\$15,914)	(\$16,391)	(\$16,883)	(\$17,389)	(\$17,911)	(\$18,448)	(\$19,002)	(\$19,572)	
4899 Other Revenue	a	(\$45,525)	(\$46,891)	(\$48,297)	(\$49,746)	(\$51,239)	(\$52,776)	(\$54,359)	(\$55,990)	(\$57,670)	(\$59,400)	
Total Non-Operating Revenue		(\$375,525)	(\$386,791)	(\$398,394)	(\$410,346)	(\$422,657)	(\$435,336)	(\$448,396)	(\$461,848)	(\$475,704)	(\$489,975)	
Other Transfers												
To/(From) Operating Reserves		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
To/(From) Capital Reserves		\$4,847,000	\$5,219,000	\$5,150,000	\$5,650,000	\$5,950,000	\$6,350,000	\$6,350,000	\$6,350,000	\$6,350,000	\$6,350,000	
Total Transfers		\$4,847,000	\$5,219,000	\$5,150,000	\$5,650,000	\$5,950,000	\$6,350,000	\$6,350,000	\$6,350,000	\$6,350,000	\$6,350,000	
Net Revenue Requirement		\$19,297,701	\$23,929,662	\$24,984,107	\$26,576,959	\$28,900,608	\$30,506,466	\$31,040,875	\$32,894,862	\$33,590,682	\$34,325,803	
<i>Annual Change</i>			24.0%	4.4%	6.4%	8.7%	5.6%	1.8%	6.0%	2.1%	2.2%	

City of West Sacramento
Water Rate Study
3A. Rev Increase

Service and EMU Summary			FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
Rate Revenue @ Current Rates													
Revenue from Current Rates			\$16,865,742	\$17,034,400	\$17,204,744	\$17,376,791	\$17,550,559	\$17,726,065	\$17,903,325	\$18,082,359	\$18,263,182	\$18,445,814	From Table 3b
Revenue Requirement			\$19,297,701	\$23,929,662	\$24,984,107	\$26,576,959	\$28,900,608	\$30,506,466	\$31,040,875	\$32,894,862	\$33,590,682	\$34,325,803	From Table 2
Surplus/(Deficit) before Rate Adjs			(\$2,431,958)	(\$6,895,262)	(\$7,779,363)	(\$9,200,167)	(\$11,350,048)	(\$12,780,401)	(\$13,137,549)	(\$14,812,503)	(\$15,327,499)	(\$15,879,989)	
Increase in Revenue from Rates													From Table 1A
			20%	15%	6%	5%	5%	5%	5%	4%	4%	4%	
Revenue from Rate Increases													
	Eff. Date	Mo's											
	FY 2025-26	4/1/2026	3	\$843,287	\$3,406,880	\$3,440,949	\$3,475,358	\$3,510,112	\$3,545,213	\$3,580,665	\$3,616,472	\$3,652,636	\$3,689,163
	FY 2026-27	1/1/2027	6		\$1,533,096	\$3,096,854	\$3,127,822	\$3,159,101	\$3,190,692	\$3,222,599	\$3,254,825	\$3,287,373	\$3,320,247
	FY 2027-28	1/1/2028	6			\$712,276	\$1,438,798	\$1,453,186	\$1,467,718	\$1,482,395	\$1,497,219	\$1,512,191	\$1,527,313
	FY 2028-29	1/1/2029	6				\$635,469	\$1,283,648	\$1,296,484	\$1,309,449	\$1,322,544	\$1,335,769	\$1,349,127
	FY 2029-30	1/1/2030	6					\$673,915	\$1,361,309	\$1,374,922	\$1,388,671	\$1,402,558	\$1,416,583
	FY 2030-31	1/1/2031	6						\$714,687	\$1,443,668	\$1,458,104	\$1,472,685	\$1,487,412
	FY 2031-32	1/1/2032	6							\$757,926	\$1,531,010	\$1,546,320	\$1,561,783
	FY 2032-33	1/1/2033	6								\$643,024	\$1,298,909	\$1,311,898
	FY 2033-34	1/1/2034	6									\$675,432	\$1,364,374
	FY 2034-35	1/1/2035	6										\$709,474
Total Revenue from Rate Increases				\$843,287	\$4,939,976	\$7,250,079	\$8,677,448	\$10,079,962	\$11,576,103	\$13,171,623	\$14,711,868	\$16,183,874	\$17,737,374
Total Current Rate Revenue				\$17,709,030	\$21,974,376	\$24,454,823	\$26,054,240	\$27,630,521	\$29,302,168	\$31,074,949	\$32,794,227	\$34,447,056	\$36,183,188
Net Revenue Requirement				(\$19,297,701)	(\$23,929,662)	(\$24,984,107)	(\$26,576,959)	(\$28,900,608)	(\$30,506,466)	(\$31,040,875)	(\$32,894,862)	(\$33,590,682)	(\$34,325,803)
Surplus/(Deficit) after Rate Adjs				(\$1,588,671)	(\$1,955,286)	(\$529,284)	(\$522,719)	(\$1,270,086)	(\$1,204,298)	\$34,074	(\$100,634)	\$856,375	\$1,857,385
FY 2025-26 Revenue at 12 months of COS rates				\$ 20,238,891									
Revenue Requirement				\$ (19,297,701)									
Difference due to delayed increase				\$ 941,190									To Table 8 to account for 12 months of rate increases

**City of West Sacramento
Water Rate Study
3B. Current Rev**

note: this is tied to the 2024 water meter data table

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
Service Charge Revenues										
Residential Class										
Metered Rate Customers										
up to 3/4" Meters	9,955	10,055	10,155	10,257	10,359	10,463	10,567	10,673	10,780	10,888
1" Meters	4,426	4,470	4,515	4,560	4,606	4,652	4,698	4,745	4,793	4,841
1 1/2" Meters	44	44	45	45	46	46	47	47	48	48
2" Meters	0	0	0	0	0	0	0	0	0	0
3" Meters	0	0	0	0	0	0	0	0	0	0
4" Meters	0	0	0	0	0	0	0	0	0	0
6" Meters	0	0	0	0	0	0	0	0	0	0
8" Meters	0	0	0	0	0	0	0	0	0	0
10" Meters	0	0	0	0	0	0	0	0	0	0
Subtotal	14,425	14,569	14,715	14,862	15,011	15,161	15,312	15,466	15,620	15,776
Metered Service Charges										
up to 3/4" Meters	\$24.61	\$24.61	\$24.61	\$24.61	\$24.61	\$24.61	\$24.61	\$24.61	\$24.61	\$24.61
1" Meters	\$40.98	\$40.98	\$40.98	\$40.98	\$40.98	\$40.98	\$40.98	\$40.98	\$40.98	\$40.98
1 1/2" Meters	\$81.78	\$81.78	\$81.78	\$81.78	\$81.78	\$81.78	\$81.78	\$81.78	\$81.78	\$81.78
2" Meters	\$131.02	\$131.02	\$131.02	\$131.02	\$131.02	\$131.02	\$131.02	\$131.02	\$131.02	\$131.02
3" Meters	\$262.13	\$262.13	\$262.13	\$262.13	\$262.13	\$262.13	\$262.13	\$262.13	\$262.13	\$262.13
4" Meters	\$409.61	\$409.61	\$409.61	\$409.61	\$409.61	\$409.61	\$409.61	\$409.61	\$409.61	\$409.61
6" Meters	\$818.94	\$818.94	\$818.94	\$818.94	\$818.94	\$818.94	\$818.94	\$818.94	\$818.94	\$818.94
8" Meters	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45
10" Meters	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65
Service Charge Revenue										
up to 3/4" Meters	\$244,993	\$247,442	\$249,917	\$252,416	\$254,940	\$257,490	\$260,065	\$262,665	\$265,292	\$267,945
1" Meters	\$181,377	\$183,191	\$185,023	\$186,873	\$188,742	\$190,630	\$192,536	\$194,461	\$196,406	\$198,370
1 1/2" Meters	\$3,598	\$3,634	\$3,671	\$3,707	\$3,744	\$3,782	\$3,820	\$3,858	\$3,896	\$3,935
2" Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3" Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4" Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6" Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8" Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10" Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Monthly Revenue	\$429,968	\$434,268	\$438,611	\$442,997	\$447,427	\$451,901	\$456,420	\$460,984	\$465,594	\$470,250
Residential Service Charge Revenue	\$5,159,620	\$5,211,216	\$5,263,329	\$5,315,962	\$5,369,121	\$5,422,813	\$5,477,041	\$5,531,811	\$5,587,129	\$5,643,001

**City of West Sacramento
Water Rate Study
3B. Current Rev**

note: this is tied to the 2024 water meter data table

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
Non-Residential Class										
Metered Rate Customers										
up to 3/4" Meters	213	215	217	219	222	224	226	228	231	233
1" Meters	436	440	445	449	454	458	463	467	472	477
1 1/2" Meters	329	332	336	339	342	346	349	353	356	360
2" Meters	642	648	655	661	668	675	681	688	695	702
3" Meters	15	15	15	15	16	16	16	16	16	16
4" Meters	87	88	89	90	91	91	92	93	94	95
6" Meters	26	26	27	27	27	27	28	28	28	28
8" Meters	3	3	3	3	3	3	3	3	3	3
10" Meters	1	1	1	1	1	1	1	1	1	1
Subtotal	1,752	1,770	1,787	1,805	1,823	1,841	1,860	1,878	1,897	1,916
Metered Customer Rates										
up to 3/4" Meters	\$24.61	\$24.61	\$24.61	\$24.61	\$24.61	\$24.61	\$24.61	\$24.61	\$24.61	\$24.61
1" Meters	\$40.98	\$40.98	\$40.98	\$40.98	\$40.98	\$40.98	\$40.98	\$40.98	\$40.98	\$40.98
1 1/2" Meters	\$81.78	\$81.78	\$81.78	\$81.78	\$81.78	\$81.78	\$81.78	\$81.78	\$81.78	\$81.78
2" Meters	\$131.02	\$131.02	\$131.02	\$131.02	\$131.02	\$131.02	\$131.02	\$131.02	\$131.02	\$131.02
3" Meters	\$262.13	\$262.13	\$262.13	\$262.13	\$262.13	\$262.13	\$262.13	\$262.13	\$262.13	\$262.13
4" Meters	\$409.61	\$409.61	\$409.61	\$409.61	\$409.61	\$409.61	\$409.61	\$409.61	\$409.61	\$409.61
6" Meters	\$818.94	\$818.94	\$818.94	\$818.94	\$818.94	\$818.94	\$818.94	\$818.94	\$818.94	\$818.94
8" Meters	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45	\$1,310.45
10" Meters	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65	\$1,883.65
Revenues										
Up to 3/4"	\$5,242	\$5,294	\$5,347	\$5,401	\$5,455	\$5,509	\$5,564	\$5,620	\$5,676	\$5,733
1" meter	\$17,867	\$18,046	\$18,226	\$18,409	\$18,593	\$18,779	\$18,966	\$19,156	\$19,348	\$19,541
1-1/2" meter	\$26,906	\$27,175	\$27,446	\$27,721	\$27,998	\$28,278	\$28,561	\$28,846	\$29,135	\$29,426
2" meter	\$84,115	\$84,956	\$85,806	\$86,664	\$87,530	\$88,406	\$89,290	\$90,182	\$91,084	\$91,995
3" meter	\$3,932	\$3,971	\$4,011	\$4,051	\$4,092	\$4,133	\$4,174	\$4,216	\$4,258	\$4,300
4" meter	\$35,636	\$35,992	\$36,352	\$36,716	\$37,083	\$37,454	\$37,828	\$38,207	\$38,589	\$38,975
6" meter	\$21,292	\$21,505	\$21,720	\$21,938	\$22,157	\$22,379	\$22,602	\$22,828	\$23,057	\$23,287
8" meter	\$3,931	\$3,971	\$4,010	\$4,050	\$4,091	\$4,132	\$4,173	\$4,215	\$4,257	\$4,300
10" meter	\$1,884	\$1,902	\$1,922	\$1,941	\$1,960	\$1,980	\$2,000	\$2,020	\$2,040	\$2,060
Monthly Revenue	\$200,805	\$202,813	\$204,841	\$206,890	\$208,959	\$211,048	\$213,159	\$215,290	\$217,443	\$219,618
Commercial Service Charge Revenue	\$2,409,662	\$2,433,758	\$2,458,096	\$2,482,677	\$2,507,503	\$2,532,579	\$2,557,904	\$2,583,483	\$2,609,318	\$2,635,411
Total Annual Service Charge Revenue	\$7,569,282	\$7,644,975	\$7,721,424	\$7,798,639	\$7,876,625	\$7,955,391	\$8,034,945	\$8,115,295	\$8,196,448	\$8,278,412
Commodity Charge Revenues										
Annual Consumption										
Residential Tier 1	1,927,892	1,947,171	1,966,643	1,986,309	2,006,172	2,026,234	2,046,496	2,066,961	2,087,631	2,108,507
Commercial	1,897,812	1,916,790	1,935,958	1,955,318	1,974,871	1,994,619	2,014,566	2,034,711	2,055,058	2,075,609
Rate per hcf										
Residential	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43
Commercial	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43	\$2.43
Commodity Charge Revenue										
Residential	\$4,684,778	\$4,731,625	\$4,778,942	\$4,826,731	\$4,874,998	\$4,923,748	\$4,972,986	\$5,022,716	\$5,072,943	\$5,123,672
Commercial	\$4,611,683	\$4,657,800	\$4,704,378	\$4,751,422	\$4,798,936	\$4,846,925	\$4,895,395	\$4,944,349	\$4,993,792	\$5,043,730
Total Commodity Charge Revenue	\$9,296,461	\$9,389,425	\$9,483,320	\$9,578,153	\$9,673,934	\$9,770,674	\$9,868,380	\$9,967,064	\$10,066,735	\$10,167,402
Total Revenue	\$16,865,742	\$17,034,400	\$17,204,744	\$17,376,791	\$17,550,559	\$17,726,065	\$17,903,325	\$18,082,359	\$18,263,182	\$18,445,814

**City of West Sacramento
Water Rate Study
3C. Proposed Rev**

with COS rates calculated in table 9

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
Service Charge Revenues										
Residential Class										
Metered Rate Customers										
up to 3/4" Meters	9,955	10,055	10,155	10,257	10,359	10,463	10,567	10,673	10,780	10,888
1" Meters	4,426	4,470	4,515	4,560	4,606	4,652	4,698	4,745	4,793	4,841
1 1/2" Meters	44	44	45	45	46	46	47	47	48	48
2" Meters	0	0	0	0	0	0	0	0	0	0
3" Meters	0	0	0	0	0	0	0	0	0	0
4" Meters	0	0	0	0	0	0	0	0	0	0
6" Meters	0	0	0	0	0	0	0	0	0	0
8" Meters	0	0	0	0	0	0	0	0	0	0
10" Meters	0	0	0	0	0	0	0	0	0	0
Subtotal	14,425	14,569	14,715	14,862	15,011	15,161	15,312	15,466	15,620	15,776
Metered Service Charges										
<i>from table 10</i>										
up to 3/4" Meters	\$35.93	\$41.31	\$43.79	\$45.98	\$48.28	\$50.70	\$53.23	\$55.36	\$57.57	\$59.88
1" Meters	\$58.42	\$67.18	\$71.21	\$74.77	\$78.51	\$82.43	\$86.56	\$90.02	\$93.62	\$97.36
1 1/2" Meters	\$114.65	\$131.84	\$139.75	\$146.74	\$154.08	\$161.78	\$169.87	\$176.67	\$183.73	\$191.08
2" Meters	\$182.12	\$209.44	\$222.01	\$233.11	\$244.76	\$257.00	\$269.85	\$280.64	\$291.87	\$303.54
3" Meters	\$362.06	\$416.36	\$441.35	\$463.41	\$486.58	\$510.91	\$536.46	\$557.92	\$580.23	\$603.44
4" Meters	\$564.48	\$649.15	\$688.10	\$722.51	\$758.63	\$796.57	\$836.39	\$869.85	\$904.64	\$940.83
6" Meters	\$1,126.78	\$1,295.79	\$1,373.54	\$1,442.22	\$1,514.33	\$1,590.04	\$1,669.55	\$1,736.33	\$1,805.78	\$1,878.01
8" Meters	\$1,801.53	\$2,071.76	\$2,196.06	\$2,305.87	\$2,421.16	\$2,542.22	\$2,669.33	\$2,776.10	\$2,887.15	\$3,002.63
10" Meters	\$2,588.74	\$2,977.05	\$3,155.67	\$3,313.46	\$3,479.13	\$3,653.09	\$3,835.74	\$3,989.17	\$4,148.74	\$4,314.69
Service Charge Revenue										
up to 3/4" Meters	\$357,634	\$415,392	\$444,718	\$471,624	\$500,157	\$530,417	\$562,507	\$590,857	\$620,636	\$651,916
1" Meters	\$258,553	\$300,309	\$321,511	\$340,962	\$361,591	\$383,467	\$406,667	\$427,163	\$448,692	\$471,306
1 1/2" Meters	\$5,044	\$5,859	\$6,273	\$6,652	\$7,055	\$7,482	\$7,934	\$8,334	\$8,754	\$9,195
2" Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3" Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4" Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6" Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8" Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10" Meters	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Monthly Revenue	\$621,231	\$721,560	\$772,502	\$819,238	\$868,802	\$921,365	\$977,108	\$1,026,354	\$1,078,082	\$1,132,417
Residential Service Charge Revenue	\$7,454,774	\$8,658,719	\$9,270,025	\$9,830,862	\$10,425,629	\$11,056,379	\$11,725,290	\$12,316,245	\$12,936,984	\$13,589,008

**City of West Sacramento
Water Rate Study
3C. Proposed Rev**

with COS rates calculated in table 9

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
Non-Residential Class										
Metered Rate Customers										
	<i>from table 3B</i>									
up to 3/4" Meters	213	215	217	219	222	224	226	228	231	233
1" Meters	436	440	445	449	454	458	463	467	472	477
1 1/2" Meters	329	332	336	339	342	346	349	353	356	360
2" Meters	642	648	655	661	668	675	681	688	695	702
3" Meters	15	15	15	15	16	16	16	16	16	16
4" Meters	87	88	89	90	91	91	92	93	94	95
6" Meters	26	26	27	27	27	27	28	28	28	28
8" Meters	3	3	3	3	3	3	3	3	3	3
10" Meters	1	1	1	1	1	1	1	1	1	1
Subtotal	1,752	1,770	1,787	1,805	1,823	1,841	1,860	1,878	1,897	1,916
Metered Customer Rates										
	<i>from table 10</i>									
up to 3/4" Meters	\$35.93	\$41.31	\$43.79	\$45.98	\$48.28	\$50.69	\$53.22	\$55.35	\$57.56	\$59.86
1" Meters	\$58.42	\$67.18	\$71.21	\$74.77	\$78.51	\$82.44	\$86.56	\$90.02	\$93.62	\$97.36
1 1/2" Meters	\$114.65	\$131.84	\$139.75	\$146.74	\$154.08	\$161.78	\$169.87	\$176.66	\$183.73	\$191.08
2" Meters	\$182.12	\$209.44	\$222.01	\$233.11	\$244.77	\$257.01	\$269.86	\$280.65	\$291.88	\$303.56
3" Meters	\$362.06	\$416.36	\$441.34	\$463.41	\$486.58	\$510.91	\$536.46	\$557.92	\$580.24	\$603.45
4" Meters	\$564.48	\$649.15	\$688.10	\$722.51	\$758.64	\$796.57	\$836.40	\$869.86	\$904.65	\$940.84
6" Meters	\$1,126.78	\$1,295.79	\$1,373.54	\$1,442.22	\$1,514.33	\$1,590.05	\$1,669.55	\$1,736.33	\$1,805.78	\$1,878.01
8" Meters	\$1,801.53	\$2,071.76	\$2,196.07	\$2,305.87	\$2,421.16	\$2,542.22	\$2,669.33	\$2,776.10	\$2,887.14	\$3,002.63
10" Meters	\$2,588.74	\$2,977.05	\$3,155.67	\$3,313.45	\$3,479.12	\$3,653.08	\$3,835.73	\$3,989.16	\$4,148.73	\$4,314.68
Revenues										
Up to 3/4"	\$7,652	\$8,887	\$9,515	\$10,091	\$10,701	\$11,348	\$12,033	\$12,640	\$13,276	\$13,945
1" meter	\$25,470	\$29,583	\$31,672	\$33,588	\$35,620	\$37,777	\$40,062	\$42,080	\$44,200	\$46,426
1-1/2" meter	\$37,719	\$43,809	\$46,902	\$49,740	\$52,751	\$55,941	\$59,325	\$62,314	\$65,456	\$68,755
2" meter	\$116,922	\$135,805	\$145,395	\$154,191	\$163,523	\$173,417	\$183,908	\$193,174	\$202,913	\$213,143
3" meter	\$5,431	\$6,308	\$6,753	\$7,162	\$7,595	\$8,055	\$8,542	\$8,972	\$9,425	\$9,900
4" meter	\$49,110	\$57,041	\$61,068	\$64,763	\$68,682	\$72,837	\$77,243	\$81,137	\$85,226	\$89,522
6" meter	\$29,296	\$34,027	\$36,430	\$38,634	\$40,971	\$43,450	\$46,079	\$48,401	\$50,840	\$53,403
8" meter	\$5,405	\$6,277	\$6,721	\$7,127	\$7,558	\$8,016	\$8,501	\$8,929	\$9,379	\$9,852
10" meter	\$2,589	\$3,007	\$3,219	\$3,414	\$3,620	\$3,839	\$4,072	\$4,277	\$4,492	\$4,719
12" meter	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Monthly Revenue	\$279,593	\$324,745	\$347,674	\$368,710	\$391,022	\$414,679	\$439,766	\$461,925	\$485,208	\$509,664
Commercial Service Charge Revenue	\$3,355,111	\$3,896,940	\$4,172,091	\$4,424,514	\$4,692,261	\$4,976,152	\$5,277,187	\$5,543,095	\$5,822,494	\$6,115,962
Total Annual Service Charge Revenue	\$10,809,885	\$12,555,659	\$13,442,116	\$14,255,376	\$15,117,890	\$16,032,531	\$17,002,477	\$17,859,339	\$18,759,478	\$19,704,970
Commodity Charge Revenues										
Annual Consumption										
	<i>from Bill Analysis</i>									
Residential	1,927,892	1,947,171	1,966,643	1,986,309	2,006,172	2,026,234	2,046,496	2,066,961	2,087,631	2,108,507
Commercial	1,897,812	1,916,790	1,935,958	1,955,318	1,974,871	1,994,619	2,014,566	2,034,711	2,055,058	2,075,609
Rate per hcf										
	<i>from table 9</i>									
Residential	\$2.46	\$2.83	\$3.00	\$3.15	\$3.31	\$3.48	\$3.65	\$3.80	\$3.95	\$4.11
Commercial	\$2.46	\$2.83	\$3.00	\$3.15	\$3.31	\$3.48	\$3.65	\$3.80	\$3.95	\$4.11
Commodity Charge Revenue										
Residential	\$4,751,571	\$5,510,494	\$5,899,928	\$6,256,874	\$6,640,430	\$7,051,294	\$7,469,711	\$7,854,452	\$8,246,142	\$8,665,964
Commercial	\$4,677,435	\$5,424,516	\$5,807,874	\$6,159,250	\$6,536,822	\$6,941,276	\$7,353,165	\$7,731,903	\$8,117,481	\$8,530,753
Total Commodity Charge Revenue	\$9,429,006	\$10,935,010	\$11,707,802	\$12,416,124	\$13,177,252	\$13,992,570	\$14,822,876	\$15,586,356	\$16,363,622	\$17,196,717
Total Revenue	\$20,238,891	\$23,490,669	\$25,149,918	\$26,671,500	\$28,295,142	\$30,025,101	\$31,825,353	\$33,445,695	\$35,123,100	\$36,901,687

City of West Sacramento
Water Rate Study
4. Reserves

	Revenue Increase	20.0%	15.0%	6.0%	5.0%	5.0%	5.0%	5.0%	4.0%	4.0%	4.0%	From Table 1A
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
Operating Reserves												
Beginning Balance		\$5,888,055	\$4,350,321	\$2,428,762	\$1,921,119	\$1,414,998	\$152,711	(\$1,051,587)	(\$1,017,513)	(\$1,118,148)	(\$261,773)	
Surplus/Deficit		(\$1,588,671)	(\$1,955,286)	(\$529,284)	(\$522,719)	(\$1,270,086)	(\$1,204,298)	\$34,074	(\$100,634)	\$856,375	\$1,857,385	From Table 3A
Revenue Requirements		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	To Table 2
To Capital Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	To/From Below
Subtotal		\$4,299,384	\$2,395,035	\$1,899,478	\$1,398,400	\$144,911	(\$1,051,587)	(\$1,017,513)	(\$1,118,148)	(\$261,773)	\$1,595,611	
Estimated Interest Earnings		\$50,937	\$33,727	\$21,641	\$16,598	\$7,800	\$0	\$0	\$0	\$0	\$6,669	Table 1B, Factor a.
Ending Balance	\$5,888,055	\$4,350,321	\$2,428,762	\$1,921,119	\$1,414,998	\$152,711	(\$1,051,587)	(\$1,017,513)	(\$1,118,148)	(\$261,773)	\$1,602,281	
Minimum Balance	\$2,499,840	\$2,499,840	\$2,924,661	\$3,209,695	\$3,487,661	\$3,632,060	\$3,938,311	\$4,102,905	\$4,274,754	\$4,454,191	\$4,641,565	
Target Balance	\$4,999,680	\$4,999,680	\$5,849,322	\$6,419,390	\$6,975,322	\$7,264,121	\$7,876,623	\$8,205,810	\$8,549,507	\$8,908,381	\$9,283,130	50% of annual operating expenses
Capital Reserves												
Beginning Balance		\$4,411,253	\$5,417,150	\$4,590,942	\$5,541,351	\$5,998,764	\$7,264,752	\$7,940,400	\$8,622,804	\$8,307,032	\$7,988,102	
PAYGo Funded Capital Projects		(\$6,140,000)	(\$6,845,000)	(\$5,000,000)	(\$6,000,000)	(\$5,500,000)	(\$6,500,000)	(\$6,500,000)	(\$7,500,000)	(\$7,500,000)	(\$7,500,000)	From Table 5
Impact Fee Revenue		\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	Assumption
Equipment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Vehicles		\$0	(\$1,500,000)	(\$1,500,000)	(\$1,500,000)	(\$1,500,000)	(\$1,500,000)	(\$1,500,000)	(\$1,500,000)	(\$1,500,000)	(\$1,500,000)	
Net PAYGo Funded with Rates		(\$3,890,000)	(\$6,095,000)	(\$4,250,000)	(\$5,250,000)	(\$4,750,000)	(\$5,750,000)	(\$5,750,000)	(\$6,750,000)	(\$6,750,000)	(\$6,750,000)	
From Revenue Requirements		\$4,847,000	\$5,219,000	\$5,150,000	\$5,650,000	\$5,950,000	\$6,350,000	\$6,350,000	\$6,350,000	\$6,350,000	\$6,350,000	To Table 2
From Operating Reserves		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	To/From Above
Subtotal		\$5,368,253	\$4,541,150	\$5,490,942	\$5,941,351	\$7,198,764	\$7,864,752	\$8,540,400	\$8,222,804	\$7,907,032	\$7,588,102	
Estimated Interest Earnings		\$48,898	\$49,792	\$50,409	\$57,414	\$65,988	\$75,648	\$82,404	\$84,228	\$81,070	\$77,881	Table 1B, Factor a.
Ending Balance	\$4,411,253	\$5,417,150	\$4,590,942	\$5,541,351	\$5,998,764	\$7,264,752	\$7,940,400	\$8,622,804	\$8,307,032	\$7,988,102	\$7,665,983	
Target Balance	\$7,097,000	\$7,097,000	\$7,469,000	\$7,400,000	\$7,900,000	\$8,200,000	\$8,600,000	\$8,600,000	\$8,600,000	\$8,600,000	\$8,600,000	Average Annual Cash funded CIP

**City of West Sacramento
Water Rate Study
5. Capital Projects**

Projects provided by Capital Planning. Costs shown account for inflation.

Capital Improvements

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
1 Annual Water System Repairs/Replacement Projects		\$2,000,000	\$3,000,000	\$5,000,000	\$10,000,000						
2 Water Tank Cathodic Protection Assessment & Installation	\$500,000										
3 Central Water Tank Rehabilitation/Recoating		\$3,000,000									
4 Water Pump Stations Pump & Motor Evaluation & Rehabilitation	\$1,250,000										
5 High Service Manifold Repair/Replacement/Vault Installation		\$10,000,000									
6 Water Treatment Plant Security	\$500,000										
7 Tank Projects		\$2,000,000	\$1,500,000	\$2,000,000	\$2,000,000						
8 Major Water System Emergency Repairs	\$600,000	\$1,500,000	\$1,000,000	\$1,000,000	\$1,000,000						
9 Process Drain Pump Station Improvements		\$300,000									
10 Sand Pump Replacements		\$250,000									
11 Tube Settler Replacements		\$250,000									
12 Westmore Oaks Neighborhood Water System Replacement Project	\$500,000		\$7,000,000								
13 Water Meter Upgrade and Replacement Project		\$1,000,000	\$1,000,000								
14 WTP VFD Replacement		\$195,000									
15 Water Treatment Building & Pipe Painting	\$750,000	\$250,000									
16 Backwash Equipment	\$1,000,000										
17 PSIP Tank and BPS Replacement				\$6,000,000							
18 Potable Well Refurbishment & Construction		\$1,600,000	\$1,500,000	\$1,500,000							
19 WTP Altitude Valve Replacement	\$40,000										
20 Water Treatment Plant-Alternative Energy/Solar Cells		\$3,000,000									
21 New Security Fencing for Remote Water Facility Sites	\$1,000,000	\$500,000		\$500,000	\$500,000						
Additional Capital Projects (Placeholder)	\$0	\$0	\$0	\$0	\$0	\$13,500,000	\$13,500,000	\$13,500,000	\$13,500,000	\$13,500,000	From Table 1A
Total Capital Projects	\$6,140,000	\$25,845,000	\$15,000,000	\$16,000,000	\$13,500,000	\$13,500,000	\$13,500,000	\$13,500,000	\$13,500,000	\$13,500,000	
Less: Debt Fund	\$0	(\$19,000,000)	(\$10,000,000)	(\$10,000,000)	(\$8,000,000)	(\$7,000,000)	(\$7,000,000)	(\$6,000,000)	(\$6,000,000)	(\$6,000,000)	
Net PAYGo	\$6,140,000	\$6,845,000	\$5,000,000	\$6,000,000	\$5,500,000	\$6,500,000	\$6,500,000	\$7,500,000	\$7,500,000	\$7,500,000	To Table 4

City of West Sacramento
Water Rate Study
6. Debt Service

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
Revenue Bonds Series 2017											
Principal	\$360,000	\$375,000	\$390,000	\$405,000	\$425,000	\$440,000	\$460,000	\$475,000	\$490,000	\$505,000	ends 2047
Interest	\$441,381	\$426,681	\$411,381	\$395,481	\$378,881	\$361,581	\$343,581	\$327,256	\$312,781	\$297,856	
Total	\$801,381	\$801,681	\$801,381	\$800,481	\$803,881	\$801,581	\$803,581	\$802,256	\$802,781	\$802,856	
Revenue Bonds Series 2020											
Principal	\$3,210,000	\$3,275,000	\$3,340,000	\$3,405,000	\$3,480,000	\$3,550,000	\$3,620,000	\$3,690,000	\$3,760,000	\$3,840,000	ends 2034
Interest	\$708,222	\$639,805	\$570,017	\$498,857	\$426,220	\$352,054	\$276,410	\$199,290	\$120,692	\$40,512	
Total	\$3,918,222	\$3,914,805	\$3,910,017	\$3,903,857	\$3,906,220	\$3,902,054	\$3,896,410	\$3,889,290	\$3,880,692	\$3,880,512	
Bank of Americal Lease (Payment)	\$107,262	\$107,262	\$107,262	\$107,262	\$107,262	\$107,262	\$0	\$0	\$0	\$0	from Table 2A
Future Debt Service #1											
Total	\$0	\$2,575,061	\$2,575,061	\$2,575,061	\$2,575,061	\$2,575,061	\$2,575,061	\$2,575,061	\$2,575,061	\$2,575,061	from Table 1A
Future Debt Service #2											
Total	\$0	\$0	\$0	\$0	\$1,452,599	\$1,452,599	\$1,452,599	\$1,452,599	\$1,452,599	\$1,452,599	from Table 1A
Future Debt Service #3											
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,188,490	\$1,188,490	\$1,188,490	from Table 1A
Total Debt Service	\$4,826,865	\$7,398,809	\$7,393,721	\$7,386,661	\$8,845,023	\$8,838,556	\$8,727,651	\$9,907,695	\$9,899,623	\$9,899,518	

2012 Bonds - CIP water system improvements and fully refund the outstanding principal amount from 2002 Revenue Bonds, 2003C Revenue Bonds
 2013 Bonds - CIP water system improvements and to fully refund 2003C Revenue Bonds
 2017 Bonds - CIP water system improvements.
 2020 Bonds - partially refund 2012 bonds.

Debt Coverage Calculation											
Funds Available for Debt Service											
Rate revenue	\$17,709,030	\$21,974,376	\$24,454,823	\$26,054,240	\$27,630,521	\$29,302,168	\$31,074,949	\$32,794,227	\$34,447,056	\$36,183,188	From Table 3
Non-Operating Income	\$375,525	\$386,791	\$398,394	\$410,346	\$422,657	\$435,336	\$448,396	\$461,848	\$475,704	\$489,975	From Table 2, excludes Impact Fee revenue
Interest income	\$99,835	\$83,518	\$72,051	\$74,011	\$73,787	\$75,648	\$82,404	\$84,228	\$81,070	\$84,550	From Table 4
Total Funds Available	\$18,184,389	\$22,444,685	\$24,925,268	\$26,538,597	\$28,126,965	\$29,813,152	\$31,605,749	\$33,340,304	\$35,003,830	\$36,757,713	To below
O&M	\$9,999,361	\$11,698,644	\$12,838,780	\$13,950,644	\$14,528,241	\$15,753,246	\$16,411,620	\$17,099,015	\$17,816,763	\$18,566,261	From Table 2
Net Revenue	\$8,185,028	\$10,746,041	\$12,086,488	\$12,587,953	\$13,598,724	\$14,059,906	\$14,059,906	\$16,241,289	\$17,187,067	\$18,191,452	Funds Available less Expenses
Debt Service	\$4,826,865	\$7,398,809	\$7,393,721	\$7,386,661	\$8,845,023	\$8,838,556	\$8,727,651	\$9,907,695	\$9,899,623	\$9,899,518	From above
Debt Coverage Ratio	1.70	1.45	1.63	1.70	1.54	1.59	1.61	1.64	1.74	1.84	To Table 1B

**City of West Sacramento
Water Rate Study
7. Water Use**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Service and EMU Summary	96,056	90,664	10,098,600	10,115,487	10,175,884	212,003	268,831	243,251	215,555	184,286	122,913	102,387	31,925,917
Removed Reads + Refunds	0	0	(10,000,629)	(9,998,715)	(9,998,706)	25	0	0	0	0	0	0	(29,998,025)
Net Consumption	96,056	90,664	97,971	116,772	177,178	212,028	268,831	243,251	215,555	184,286	122,913	102,387	1,927,892
Commercial	102,259	94,003	100,569	120,998	181,672	229,208	118,262	240,716	210,984	186,432	123,302	96,679	1,805,084
Removed Reads	(20,968)	0	0	0	0	0	113,696	0	0	0	0	0	92,728
Net Consumption	81,291	94,003	100,569	120,998	181,672	229,208	231,958	240,716	210,984	186,432	123,302	96,679	1,897,812
Total Consumption	177,347	184,667	198,540	237,770	358,850	441,236	500,789	483,967	426,539	370,718	246,215	199,066	3,825,704

**City of West Sacramento
Water Rate Study
8. Allocations**

Service and EMU Summary System-Wide Cost Allocation Factors	Commodity Charge	Customer Services		Total
		Services	Capacity Charge	
<u>Demand Services</u>				
Commodity	100.0%	0.0%	0.0%	100.0%
<u>Customer Services</u>				
Capacity	0.0%	0.0%	100.0%	100.0%
Services	0.0%	100.0%	0.0%	100.0%
<u>Composite Allocations</u>				
O&M Composite	95.7%	4.3%	0.0%	100.0%
CIP Composite	0.0%	0.0%	100.0%	100.0%
Exp Composite	47.5%	2.1%	50.4%	100.0%

	FY 2025-26	Allocation Factor	Commodity Charge	Service Charge	
	Revenue Requirement			Services	Capacity
O&M Expenses					
Water Treatment	\$5,772,329	Commodity	\$5,772,329	\$0	\$0
Water Distribution	\$2,893,962	Commodity	\$2,893,962	\$0	\$0
Water Backflow Prevention	\$410,614	Services	\$0	\$410,614	\$0
Water Conservation	\$451,553	Commodity	\$451,553	\$0	\$0
Total Allocable O&M	\$9,528,458		\$9,117,844	\$410,614	\$0
		<i>O&M Composite</i>	95.7%	4.3%	0.0%
Debt Service	\$4,826,865	Capacity	\$0	\$0	\$4,826,865
Capital Expenses (PayGo)	\$4,847,000	Capacity	\$0	\$0	\$4,847,000
Subtotal - O&M and Capital	\$19,202,323		\$9,117,844	\$410,614	\$9,673,865
		<i>Expense Composite</i>	47.5%	2.1%	50.4%
Water Administration	\$470,903	Exp Composite	\$223,599	\$10,070	\$237,234
Subtotal O&M, Capital, Administration	\$19,673,226		\$9,341,443	\$420,684	\$9,911,099
Non-Operating Revenue	(\$375,525)	O&M Composite	(\$359,342)	(\$16,183)	\$0
Transfers to/(from) Op Reserves	\$941,190	Exp Composite	\$446,906	\$20,126	\$474,159
Total Revenue Requirement	\$20,238,891		\$9,429,006	\$424,627	\$10,385,258
	% of total revenue requirement		46.6%		53.4%
			<i>Commodity Charge COS</i>		<i>Service Charge COS</i>

City of West Sacramento
Water Rate Study
9. Commodity Charges

Service and EMU Summary		
Commodity Charge	Cost of Service	
Revenue Requirement Categories		
O&M Expenses	\$9,117,844	\$9,117,844
Debt Service	\$0	\$0
Capital Expenses (PayGo)	\$0	\$0
Water Administration	\$223,599	\$223,599
Non-Operating Revenue	(\$359,342)	(\$359,342)
Transfers to/(from) Reserves	\$446,906	\$446,906
Total Commodity Charge COS	\$9,429,006	\$9,429,006
Units of Service (hcf)		
Residential	5,282	
Commercial	5,199	
	<u>10,481</u>	
Proportional Allocation Factors		
Residential	50.39%	
Commercial	49.61%	
	<u>100.00%</u>	
Cost of Service - Residential		
O&M Expenses	\$4,594,767	\$4,594,767
Debt Service	\$0	\$0
Capital Expenses (PayGo)	\$0	\$0
Water Administration	\$112,679	\$112,679
Non-Operating Revenue	(\$181,084)	(\$181,084)
Transfers to/(from) Reserves	\$225,210	\$225,210
Total COS - Residential	\$4,751,571	\$4,751,571
	Annual water use (hcf)	1,927,892
	\$ per hcf	\$2.46
Cost of Service - Commercial		
O&M Expenses	\$4,523,077	\$4,523,077
Debt Service	\$0	\$0
Capital Expenses (PayGo)	\$0	\$0
Water Administration	\$110,920	\$110,920
Non-Operating Revenue	(\$178,258)	(\$178,258)
Transfers to/(from) Reserves	\$221,696	\$221,696
Total COS - Commercial	\$4,677,435	\$4,677,435
	Annual water use (hcf)	1,897,812
	\$ per hcf	\$2.46
Grand Total Commodity Charge COS	\$9,429,006	\$9,429,006

Components of Rate Structure	Revenue at Current Rates		FY 2025-26 Cost of Service		Difference COS Minus Current	
	Amount	%	Amount	%	Amount	%
Single Family Residential						
Commodity Charge Revenue	\$4,684,778	48%	\$4,751,571	39%	\$66,794	1.4%
Service Charge Revenue	\$5,159,620	52%	\$7,454,774	61%	\$2,295,153	44.5%
Subtotal - SFR	\$9,844,398	100%	\$12,206,345	100%	\$2,361,947	24.0%
Commercial						
Commodity Charge Revenue	\$4,611,683	66%	\$4,677,435	58%	\$65,752	1.4%
Service Charge Revenue	\$2,409,662	34%	\$3,355,111	42%	\$945,450	39.2%
Subtotal - Commercial	\$7,021,345	100%	\$8,032,546	100%	\$1,011,201	14.4%
Total						
Commodity Charge Revenue	\$9,296,461	55%	\$9,429,006	47%	\$132,545	1.4%
Service Charge Revenue	\$7,569,282	45%	\$10,809,885	53%	\$3,240,603	42.8%
Total	\$16,865,742	100%	\$20,238,891	100%	\$3,373,148	20.0%

**City of West Sacramento
Water Rate Study
10. Fixed Monthly Charges**

Service and EMU Summary

Service Size	# of Services	Meter Ratings (gpm)	Capacity Multiplier	EMUs
	a	b	c = b ÷ 30	a * c
up to 3/4" Meters	10,168	30	1.00	10,168
1" Meters	4,862	50	1.67	8,103
1 1/2" Meters	373	100	3.33	1,243
2" Meters	642	160	5.33	3,424
3" Meters	15	320	10.67	160
4" Meters	87	500	16.67	1,450
6" Meters	26	1000	33.33	867
8" Meters	3	1600	53.33	160
10" Meters	1	2300	76.67	77
Total Services	16,177		Total EMUs	25,652
Units Costs	\$424,627			\$10,385,258
Monthly Cost per Service	\$2.19		Monthly Cost per EMU	\$33.74

Displacement Type
Displacement Type
Displacement Type
Displacement Type
Singlejet Type
Singlejet Type
Singlejet Type
Compound Type, Class I
HF&H Estimate

Based on AWWA gpm ratings

Service Charge Component Calculation

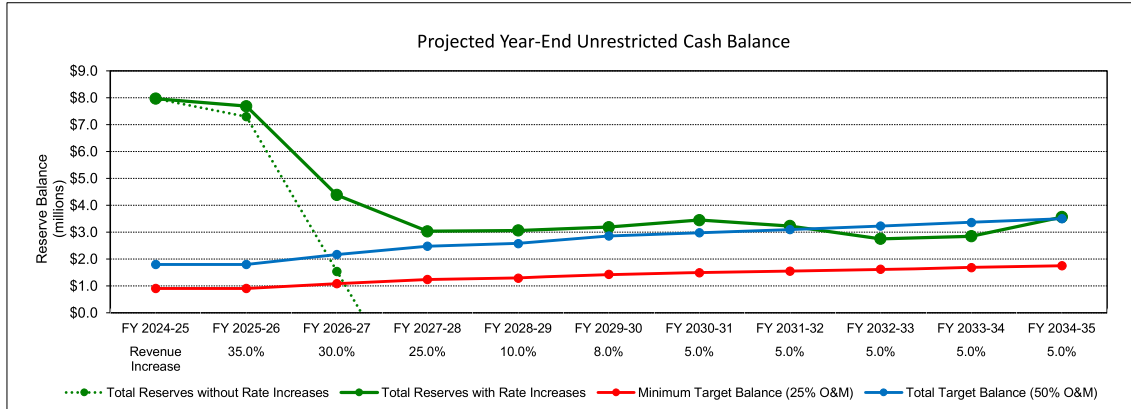
Service Size	% of Meters	Service Component (\$/mo.)	Capacity Component			COS Service Charges (\$/mo.)	Total	
			\$/EMU	Capacity Multiplier	Capacity Total		Current Charge	\$ Difference
		a	b	c	d = b * c	e = a + d	f	g = e - f
up to 3/4" Meters	62.85%	\$2.19	\$33.74	1.00	\$33.74	\$35.93	\$24.61	\$11.32
1" Meters	30.06%	\$2.19	\$33.74	1.67	\$56.23	\$58.42	\$40.98	\$17.44
1 1/2" Meters	2.31%	\$2.19	\$33.74	3.33	\$112.46	\$114.65	\$81.78	\$32.87
2" Meters	3.97%	\$2.19	\$33.74	5.33	\$179.93	\$182.12	\$131.02	\$51.10
3" Meters	0.09%	\$2.19	\$33.74	10.67	\$359.87	\$362.06	\$262.13	\$99.93
4" Meters	0.54%	\$2.19	\$33.74	16.67	\$562.29	\$564.48	\$409.61	\$154.87
6" Meters	0.16%	\$2.19	\$33.74	33.33	\$1,124.59	\$1,126.78	\$818.94	\$307.84
8" Meters	0.02%	\$2.19	\$33.74	53.33	\$1,799.34	\$1,801.53	\$1,310.45	\$491.08
10" Meters	0.01%	\$2.19	\$33.74	76.67	\$2,586.55	\$2,588.74	\$1,883.65	\$705.09

Appendix B: Sewer Rates Cost of Service Model

City of West Sacramento
Sewer Rate Study
1A. Summary

Fiscal Year:	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
effective date:	4/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	
Revenue Increases	35.0%	30.0%	25.0%	10.0%	8.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
Cumulative Increase	35.0%	75.5%	119.4%	141.3%	160.6%	173.6%	187.3%	201.7%	216.8%	232.6%	
PAYGo CIP	\$2,000,000	\$4,000,000	\$3,500,000	\$3,500,000	\$3,000,000	\$3,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	
Debt-Funded CIP	\$0	\$5,000,000	\$11,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$47,000,000
Total Capital Projects	\$2,000,000	\$9,000,000	\$14,500,000	\$8,500,000	\$8,000,000	\$8,500,000	\$8,500,000	\$8,500,000	\$8,500,000	\$8,500,000	\$84,500,000

Debt Coverage (1.35 min) 2.64 1.47 2.27 3.01 2.20 2.43 2.61 2.18 2.35 2.52



Debt Funded Projects	Bond 1	Bond 2	Bond 3	Debt Funded CIP
Project Costs	\$21,000,000	\$14,000,000	\$12,000,000	\$47,000,000
Issuance Cost	1.50%	1.50%	1.50%	
Loan Amount	\$21,315,000	\$14,210,000	\$12,180,000	
Interest Rate	5%	5%	5%	
Term	30	30	30	
First Payment	FY 2026-27	FY 2029-30	FY 2032-33	
Annual Payment	\$1,386,571	\$924,381	\$792,326	To Table 6

	Current	FY 2025-26 4/1/2026	FY 2026-27 1/1/2027	FY 2027-28 1/1/2028	FY 2028-29 1/1/2029	FY 2029-30 1/1/2030	FY 2030-31 1/1/2031	FY 2031-32 1/1/2032	FY 2032-33 1/1/2033	FY 2033-34 1/1/2034	FY 2034-35 1/1/2035
Residential											
1 dwelling unit	\$10.88	\$19.85	\$25.81	\$32.26	\$35.49	\$38.33	\$40.25	\$42.26	\$44.37	\$46.59	\$48.92
2 units or more	\$8.16	\$13.53	\$17.59	\$21.99	\$24.19	\$26.13	\$27.44	\$28.81	\$30.25	\$31.76	\$33.35
Metered Sewer Rates											
Fixed Charge	\$5.40	\$3.19	\$4.15	\$5.19	\$5.71	\$6.17	\$6.48	\$6.80	\$7.14	\$7.50	\$7.88
Volumetric Rate (per hcf)	\$3.16	\$2.41	\$3.14	\$3.93	\$4.32	\$4.67	\$4.90	\$5.15	\$5.41	\$5.68	\$5.96
Other Non-Residential											
Fiat Rate	\$10.88	\$19.85	\$25.81	\$32.26	\$35.49	\$38.33	\$40.25	\$42.26	\$44.37	\$46.59	\$48.92

**City of West Sacramento
Sewer Rate Study
1B. General**

Assumptions	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
a General Inflation	Per Budget	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	To Table 2
b Salary and Wage Increases	Per Budget	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	To Table 2
c Benefit Increases	Per Budget	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	To Table 2
d Utility Cost Increases	Per Budget	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	To Table 2
e Interest of Reserve Balance	1.00%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	To Table 5
f Growth in Residential Accounts	Per Budget	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	To Tables 2, 3
g Growth in Commercial Accounts	Per Budget	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	To Tables 2, 3
h Annual Impact Fee Revenues	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	City Projection

City of West Sacramento
Sewer Rate Study
2. Rev Req

	Tbl 1B	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
Operations & Maintenance												
5111 Salaries/Wages-Regular	b	\$965,298	\$1,013,563	\$1,064,241	\$1,117,453	\$1,173,325	\$1,231,992	\$1,293,591	\$1,358,271	\$1,426,184	\$1,497,494	
Budget Additions - Salaries/Wages	b	\$0	\$467,452	\$899,317	\$944,283	\$1,328,493	\$1,394,918	\$1,464,664	\$1,537,897	\$1,614,792	\$1,695,531	Budget Additions
5113 Salaries/Wages-O/T & Standby	b	\$85,000	\$89,250	\$93,713	\$98,398	\$103,318	\$108,484	\$113,908	\$119,604	\$125,584	\$131,863	
5114 Salaries/Wages-Other /PERS	b	\$45,887	\$48,181	\$50,590	\$53,119	\$55,775	\$58,564	\$61,492	\$64,567	\$67,795	\$71,185	
5116 Salaries/Wages-Holiday Pay	b	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5118 Salaries/Wages-Other/Non PERS	b	\$45,557	\$47,835	\$50,227	\$52,738	\$55,375	\$58,144	\$61,051	\$64,103	\$67,309	\$70,740	
5121 Medicare	b	\$13,997	\$14,697	\$15,431	\$16,203	\$17,013	\$17,864	\$18,757	\$19,695	\$20,680	\$21,714	
5122 Retirement-P.E.R.S.	c	\$240,663	\$252,696	\$265,331	\$278,597	\$292,527	\$307,154	\$322,511	\$338,637	\$355,569	\$373,347	
5130 Employee Health Ins	c	\$232,137	\$243,744	\$255,931	\$268,728	\$282,164	\$296,272	\$311,086	\$326,640	\$342,972	\$360,121	
5131 Retired Employee Health Ins	c	\$27,916	\$29,312	\$30,777	\$32,316	\$33,932	\$35,629	\$37,410	\$39,281	\$41,245	\$43,307	
5132 Workers Comp Ins	c	\$40,795	\$42,835	\$44,976	\$47,225	\$49,587	\$52,066	\$54,669	\$57,403	\$60,273	\$63,286	
5133 Deferred Compensation	c	\$525	\$551	\$579	\$608	\$638	\$670	\$704	\$739	\$776	\$815	
5135 Retiree Health Savings	c	\$3,120	\$3,276	\$3,440	\$3,612	\$3,792	\$3,982	\$4,181	\$4,390	\$4,610	\$4,840	
5136 OPEB ADC Contribution	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5195 Retiree Health Reimbursement Offset	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5199 Payroll Reimbursement Offset	c	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5212 Small Tools/Instruments	a	\$9,270	\$9,548	\$9,835	\$10,130	\$10,433	\$10,746	\$11,069	\$11,401	\$11,743	\$12,095	
5215 Safety Clothing/Supplies	a	\$22,248	\$22,915	\$23,603	\$24,311	\$25,040	\$25,792	\$26,565	\$27,362	\$28,183	\$29,029	
5219 Household Expenses	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5221 Communications	a	\$7,871	\$8,107	\$8,351	\$8,601	\$8,859	\$9,125	\$9,399	\$9,681	\$9,971	\$10,270	
5222 Utilities	a	\$230,000	\$236,900	\$244,007	\$251,327	\$258,867	\$266,633	\$274,632	\$282,871	\$291,557	\$300,098	
5240 Maintenance-Equipment	a	\$59,731	\$61,523	\$63,369	\$65,270	\$67,228	\$69,245	\$71,322	\$73,462	\$75,665	\$77,935	
5241 Maintenance-Structures/Grounds	a	\$80,855	\$83,281	\$85,779	\$88,352	\$91,003	\$93,733	\$96,545	\$99,441	\$102,425	\$105,497	
5245 Rents/Leases-Equipment	a	\$75,350	\$77,611	\$79,939	\$82,337	\$84,807	\$87,351	\$89,972	\$92,671	\$95,451	\$98,315	
5251 Office Expense	a	\$361	\$371	\$382	\$394	\$406	\$418	\$430	\$443	\$457	\$470	
5253 Educational Materials/Supplies	a	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652	\$672	
5255 Vehicle Expenses	a	\$66,314	\$68,304	\$70,353	\$72,463	\$74,637	\$76,877	\$79,183	\$81,558	\$84,005	\$86,525	
5256 Memberships/Dues	a	\$1,056	\$1,087	\$1,120	\$1,154	\$1,188	\$1,224	\$1,261	\$1,298	\$1,337	\$1,378	
5257 Software Maintenance	a	\$14,800	\$15,244	\$15,701	\$16,172	\$16,658	\$17,157	\$17,672	\$18,202	\$18,748	\$19,311	
5258 Training/Travel/Meals	a	\$6,438	\$6,631	\$6,830	\$7,034	\$7,245	\$7,463	\$7,687	\$7,917	\$8,155	\$8,399	
5259 Special Departmental Expense	a	\$2,029	\$2,090	\$2,153	\$2,217	\$2,284	\$2,352	\$2,423	\$2,496	\$2,570	\$2,648	
5260 Legal Fees	a	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652	\$672	
Budget Additions - O&M Cost Increase	a	\$0	\$123,717	\$159,286	\$164,064	\$168,986	\$174,056	\$179,277	\$184,656	\$190,195	\$195,901	
5261 Professional Services	a	\$8,849	\$9,114	\$9,388	\$9,669	\$9,960	\$10,258	\$10,566	\$10,883	\$11,210	\$11,546	
Total Collection System O&M		\$2,287,096	\$2,980,895	\$3,555,739	\$3,717,903	\$4,224,702	\$4,419,361	\$4,623,257	\$4,836,835	\$5,060,565	\$5,294,937	
			30.3%	19.3%	4.6%	13.6%	4.6%	4.6%	4.6%	4.6%	4.6%	
Non-Operating/Admin Expenses												
5115 Salaries/Wages-Vacation Pay	b	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5310 Contribution to Other Agencies	a	\$14,312	\$14,741	\$15,183	\$15,639	\$16,108	\$16,591	\$17,089	\$17,602	\$18,130	\$18,674	
5330 Taxes/Assessments	a	\$4,975	\$5,124	\$5,278	\$5,436	\$5,599	\$5,767	\$5,940	\$6,119	\$6,302	\$6,491	
5572 Equipment-Vehicles	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5575 Equip-Other	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5950 Transfer Out	a	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5991 Transfer Out-Gen Supp Alloc	a	\$1,291,648	\$1,330,397	\$1,370,309	\$1,411,419	\$1,453,761	\$1,497,374	\$1,542,295	\$1,588,564	\$1,636,221	\$1,685,308	
Total Non-Operating Expenses		\$1,310,935	\$1,350,263	\$1,390,771	\$1,432,494	\$1,475,469	\$1,519,733	\$1,565,325	\$1,612,285	\$1,660,653	\$1,710,473	
Total O&M plus Administrative Costs		\$3,598,030	\$4,331,158	\$4,946,510	\$5,150,397	\$5,700,170	\$5,939,094	\$6,188,582	\$6,449,120	\$6,721,218	\$7,005,410	
Debt Service												
Revenue Bonds Series 2017		\$481,594	\$482,594	\$483,194	\$483,394	\$483,194	\$482,594	\$481,594	\$481,644	\$482,794	\$478,719	From Table 6
Notes		\$90,956	\$90,956									per FY 22-23 ACFR, Note ends FY 2024-25
New Debt Service		\$0	\$1,386,571	\$1,386,571	\$1,386,571	\$2,310,952	\$2,310,952	\$2,310,952	\$3,103,279	\$3,103,279	\$3,103,279	From Table 6
Total Debt Service		\$572,550	\$1,960,122	\$1,869,765	\$1,869,965	\$2,794,146	\$2,793,546	\$2,792,546	\$3,584,922	\$3,586,072	\$3,581,997	
Non-Operating Revenues												
4220 Forfeitures/Penalties	a	(\$235,000)	(\$242,050)	(\$249,312)	(\$256,791)	(\$264,495)	(\$272,429)	(\$280,602)	(\$289,020)	(\$297,691)	(\$306,622)	
4790 Work Order Internal	a	(\$4,700)	(\$4,841)	(\$4,986)	(\$5,136)	(\$5,290)	(\$5,449)	(\$5,612)	(\$5,780)	(\$5,954)	(\$6,132)	
4792 Indirect Cost (ICAP) Reimb	a	(\$7,500)	(\$7,725)	(\$7,957)	(\$8,195)	(\$8,441)	(\$8,695)	(\$8,955)	(\$9,224)	(\$9,501)	(\$9,786)	
Total Non-Operating Revenue		(\$247,200)	(\$254,616)	(\$262,254)	(\$270,122)	(\$278,226)	(\$286,573)	(\$295,170)	(\$304,025)	(\$313,146)	(\$322,540)	
Other Transfers												
To/(From) Operating Fund		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
To/(From) Capital Fund		\$3,225,000	\$3,725,000	\$3,825,000	\$4,025,000	\$4,225,000	\$4,525,000	\$4,525,000	\$4,525,000	\$4,525,000	\$4,525,000	From Table 4
Total Transfers		\$3,225,000	\$3,725,000	\$3,825,000	\$4,025,000	\$4,225,000	\$4,525,000	\$4,525,000	\$4,525,000	\$4,525,000	\$4,525,000	
Net Revenue Requirement		\$7,148,381	\$9,761,663	\$10,379,021	\$10,775,240	\$12,441,090	\$12,971,068	\$13,210,958	\$14,255,017	\$14,519,145	\$14,789,868	To Table 3
Annual Change			36.6%	6.3%	3.8%	15.5%	4.3%	1.8%	7.9%	1.9%	1.9%	
Cumulative Change			36.6%	45.2%	50.7%	74.0%	81.5%	84.8%	99.4%	103.1%	106.9%	

City of West Sacramento
Sewer Rate Study
3A. Rev Increases

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes	
Rate Revenue @ Current Rates												
Revenue from Current Rates	\$4,400,000	\$4,444,000	\$4,488,440	\$4,533,324	\$4,578,658	\$4,624,444	\$4,670,689	\$4,717,396	\$4,764,570	\$4,812,215	FY 2024-25 per budget [1]	
Revenue Requirement	\$7,148,381	\$9,761,663	\$10,379,021	\$10,775,240	\$12,441,090	\$12,971,068	\$13,210,958	\$14,255,017	\$14,519,145	\$14,789,868	From Table 2	
Surplus/(Deficit) before Rate Adjs	(\$2,748,381)	(\$5,317,663)	(\$5,890,581)	(\$6,241,915)	(\$7,862,433)	(\$8,346,623)	(\$8,540,269)	(\$9,537,622)	(\$9,754,575)	(\$9,977,652)	To Table 4	
Increase in Rate Revenue	35.0%	30.0%	25.0%	10.0%	8.0%	5.0%	5.0%	5.0%	5.0%	5.0%	From Table 1B	
Revenue from Rate Increases	Mo's											
FY 2025-26	4/1/2026	3	\$385,000	\$1,555,400	\$1,570,954	\$1,586,664	\$1,602,530	\$1,618,555	\$1,634,741	\$1,651,088	\$1,667,599	\$1,684,275
FY 2026-27	1/1/2027	6		\$899,910	\$1,817,818	\$1,835,996	\$1,854,356	\$1,872,900	\$1,891,629	\$1,910,545	\$1,929,651	\$1,948,947
FY 2027-28	1/1/2028	6			\$984,652	\$1,988,996	\$2,008,886	\$2,028,975	\$2,049,265	\$2,069,757	\$2,090,455	\$2,111,359
FY 2028-29	1/1/2029	6				\$497,249	\$1,004,443	\$1,014,487	\$1,024,632	\$1,034,879	\$1,045,227	\$1,055,680
FY 2029-30	1/1/2030	6					\$441,955	\$892,749	\$901,676	\$910,693	\$919,800	\$928,998
FY 2030-31	1/1/2031	6						\$301,303	\$608,632	\$614,718	\$620,865	\$627,074
FY 2031-32	1/1/2032	6							\$319,532	\$645,454	\$651,908	\$658,427
FY 2032-33	1/1/2033	6								\$338,863	\$684,504	\$691,349
FY 2033-34	1/1/2034	6									\$359,364	\$725,916
FY 2034-35	1/1/2035	6										\$381,106
Total Revenue from Rate Increases			\$385,000	\$2,455,310	\$4,373,424	\$5,908,905	\$6,912,171	\$7,728,969	\$8,430,107	\$9,175,998	\$9,969,374	\$10,813,132
Total Current Rate Revenue			\$4,400,000	\$4,444,000	\$4,488,440	\$4,533,324	\$4,578,658	\$4,624,444	\$4,670,689	\$4,717,396	\$4,764,570	\$4,812,215
Total Revenue			\$4,785,000	\$6,899,310	\$8,861,864	\$10,442,229	\$11,490,828	\$12,353,414	\$13,100,795	\$13,893,393	\$14,733,944	\$15,625,347
Net Revenue Requirement			(\$7,148,381)	(\$9,761,663)	(\$10,379,021)	(\$10,775,240)	(\$12,441,090)	(\$12,971,068)	(\$13,210,958)	(\$14,255,017)	(\$14,519,145)	(\$14,789,868)
Surplus/(Deficit) after Rate Adjs			(\$2,363,381)	(\$2,862,353)	(\$1,517,157)	(\$333,010)	(\$950,262)	(\$617,654)	(\$110,163)	(\$361,624)	\$214,799	\$835,480
FY 2025-26 Revenue at 12 months of COS rates			\$ 5,940,000									
Revenue Requirement			\$ (7,148,381)									
Difference due to delayed increase			\$ (1,208,381)									

[1] excludes SRCSD Wastewater Treatment Pass-through costs

**City of West Sacramento
Sewer Rate Study
3B. Current Rev**

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	
Single Family Residential											
SFR Units	13,381	13,515	13,650	13,786	13,924	14,064	14,204	14,346	14,490	14,635	
SFR Monthly Rate	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	
SFR Ann. Revenue	\$1,747,023	\$1,764,494	\$1,782,139	\$1,799,960	\$1,817,960	\$1,836,139	\$1,854,501	\$1,873,046	\$1,891,776	\$1,910,694	
Multi-Family Residential											
MFR Units	6,796	6,864	6,933	7,002	7,072	7,143	7,214	7,286	7,359	7,433	
MFR Single Family Equivs	5,097	5,148	5,199	5,251	5,304	5,357	5,411	5,465	5,519	5,575	0.75 SFR
Monthly Rate	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	
MFR Ann. Revenue	\$665,464	\$672,119	\$678,840	\$685,629	\$692,485	\$699,410	\$706,404	\$713,468	\$720,603	\$727,809	
Senior Multi-Family Residential											
SMFR Units	502	507	512	517	522	528	533	538	544	549	
SMFR Single Family Equivs	301	304	307	310	313	317	320	323	326	329	0.60 SFR
Monthly Rate	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	
Sr. MFR Ann. Revenue	\$39,325	\$39,718	\$40,115	\$40,516	\$40,921	\$41,331	\$41,744	\$42,161	\$42,583	\$43,009	
Commercial											
Fixed Charge											
WSC & TL	964	974	983	993	1,003	1,013	1,023	1,034	1,044	1,054	
Total Non-Residential Billing Units	964	974	983	993	1,003	1,013	1,023	1,034	1,044	1,054	
Commercial Monthly Rate	\$5.40	\$5.40	\$5.40	\$5.40	\$5.40	\$5.40	\$5.40	\$5.40	\$5.40	\$5.40	
Non-Res Fixed Charge Ann. Revenue	\$62,467	\$63,092	\$63,723	\$64,360	\$65,004	\$65,654	\$66,310	\$66,973	\$67,643	\$68,319	
Other Non-Residential											
WSCL1 ESDs	4	4	4	4	5	5	5	5	5	5	
WSCL2 ESDs	199	201	203	205	207	209	211	213	216	218	
WS04 ESDs	32	33	33	33	34	34	34	35	35	35	
WS1 ESDs	4	4	4	4	4	4	4	4	4	4	
WS2 ESDs	1	1	1	1	1	1	1	1	1	1	
WS3 ESDs	11	11	11	11	11	11	12	12	12	12	
WS4 ESDs	1	1	1	1	1	1	1	2	2	2	
WS47 ESDs	3	3	3	3	3	3	3	3	3	3	
WS51 ESDs	57	57	58	59	59	60	60	61	62	62	
WS7 ESDs	1	1	1	1	1	1	1	1	1	1	
WSED ESDs	338	342	345	349	352	356	359	363	366	370	
	652	659	665	672	679	685	692	699	706	713	
ESD Monthly Rate	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	
Other Non-Residential Ann. Revenue	\$85,132	\$85,983	\$86,843	\$87,711	\$88,589	\$89,474	\$90,369	\$91,273	\$92,186	\$93,107	
Flow Charge											
Billed Annual Flow hcf	569,807	575,505	581,260	587,072	592,943	598,872	604,861	610,910	617,019	623,189	
Flow Charge	\$3.16	\$3.16	\$3.16	\$3.16	\$3.16	\$3.16	\$3.16	\$3.16	\$3.16	\$3.16	
Non-Res Flow Charge Revenue	\$1,800,589	\$1,818,594	\$1,836,780	\$1,855,148	\$1,873,700	\$1,892,437	\$1,911,361	\$1,930,475	\$1,949,779	\$1,969,277	
Total Rate Revenue	\$4,400,000	\$4,444,000	\$4,488,440	\$4,533,324	\$4,578,658	\$4,624,444	\$4,670,689	\$4,717,396	\$4,764,569	\$4,812,215	

City of West Sacramento
 Sewer Rate Study
 3C. Projected Rev

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
Single Family Residential										
SFR Units	13,381	13,515	13,650	13,786	13,924	14,064	14,204	14,346	14,490	14,635
SFR Monthly Rate	\$19.85	\$19.85	\$19.85	\$19.85	\$19.85	\$19.85	\$19.85	\$19.85	\$19.85	\$19.85
SFR Ann. Revenue	\$3,187,782	\$3,219,660	\$3,251,857	\$3,284,375	\$3,317,219	\$3,350,391	\$3,383,895	\$3,417,734	\$3,451,911	\$3,486,430
Multi-Family Residential										
MFR Units	6,796	6,864	6,933	7,002	7,072	7,143	7,214	7,286	7,359	7,433
Monthly Rate	\$13.53	\$13.53	\$13.53	\$13.53	\$13.53	\$13.53	\$13.53	\$13.53	\$13.53	\$13.53
MFR Ann. Revenue	\$1,103,777	\$1,114,814	\$1,125,962	\$1,137,222	\$1,148,594	\$1,160,080	\$1,171,681	\$1,183,398	\$1,195,232	\$1,207,184
Senior Multi-Family Residential										
SMFR Units	502	507	512	517	522	528	533	538	544	549
Monthly Rate	\$13.53	\$13.53	\$13.53	\$13.53	\$13.53	\$13.53	\$13.53	\$13.53	\$13.53	\$13.53
Sr. MFR Ann. Revenue	\$81,533	\$82,348	\$83,171	\$84,003	\$84,843	\$85,692	\$86,549	\$87,414	\$88,288	\$89,171
Commercial										
Fixed Charge										
WSC & TL	964	974	983	993	1,003	1,013	1,023	1,034	1,044	1,054
Total Non-Residential Billing Units	964	974	983	993	1,003	1,013	1,023	1,034	1,044	1,054
Commercial Monthly Rate	\$3.19	\$3.19	\$3.19	\$3.19	\$3.19	\$3.19	\$3.19	\$3.19	\$3.19	\$3.19
Non-Residential Fixed Charge Ann. Revenue	\$36,900	\$37,269	\$37,641	\$38,018	\$38,398	\$38,782	\$39,170	\$39,561	\$39,957	\$40,357
Other Non-Residential										
WSCL1 ESDs	4	4	4	4	5	5	5	5	5	5
WSCL2 ESDs	199	201	203	205	207	209	211	213	216	218
WS04 ESDs	32	33	33	33	34	34	34	35	35	35
WS1 ESDs	4	4	4	4	4	4	4	4	4	4
WS2 ESDs	1	1	1	1	1	1	1	1	1	1
WS3 ESDs	11	11	11	11	11	11	12	12	12	12
WS4 ESDs	1	1	1	1	1	1	1	2	2	2
WS47 ESDs	3	3	3	3	3	3	3	3	3	3
WS51 ESDs	57	57	58	59	59	60	60	61	62	62
WS7 ESDs	1	1	1	1	1	1	1	1	1	1
WSED ESDs	338	342	345	349	352	356	359	363	366	370
	652	659	665	672	679	685	692	699	706	713
ESD Monthly Rate	\$19.85	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88	\$10.88
Other Non-Residential Ann. Revenue	\$155,340	\$85,983	\$86,843	\$87,711	\$88,589	\$89,474	\$90,369	\$91,273	\$92,186	\$93,107
Flow Charge										
Billed Annual Flow hcf	569,807	575,505	581,260	587,072	592,943	598,872	604,861	610,910	617,019	623,189
Flow Charge	\$2.41	\$2.41	\$2.41	\$2.41	\$2.41	\$2.41	\$2.41	\$2.41	\$2.41	\$2.41
Non-Res Flow Charge Revenue	\$1,374,669	\$1,388,416	\$1,402,300	\$1,416,323	\$1,430,487	\$1,444,791	\$1,459,239	\$1,473,832	\$1,488,570	\$1,503,456
Total Rate Revenue	\$5,940,000	\$5,928,490	\$5,987,775	\$6,047,653	\$6,108,129	\$6,169,211	\$6,230,903	\$6,293,212	\$6,356,144	\$6,419,705

City of West Sacramento
Sewer Rate Study
4. Reserves

	Revenue Increase	35.0%	30.0%	25.0%	10.0%	8.0%	5.0%	5.0%	5.0%	5.0%	5.0%	From Table 1A
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
Operating Reserves												
Beginning Balance		\$3,389,273	\$1,047,968	(\$1,814,385)	(\$3,331,543)	(\$3,664,553)	(\$4,614,815)	(\$5,232,469)	(\$5,342,632)	(\$5,704,256)	(\$5,489,457)	
Surplus/Deficit		(\$2,363,381)	(\$2,862,353)	(\$1,517,157)	(\$333,010)	(\$950,262)	(\$617,654)	(\$110,163)	(\$361,624)	\$214,799	\$835,480	From Table 3
Revenue Requirement		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	To Table 2
To Capital Reserves		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Subtotal		\$1,025,892	(\$1,814,385)	(\$3,331,543)	(\$3,664,553)	(\$4,614,815)	(\$5,232,469)	(\$5,342,632)	(\$5,704,256)	(\$5,489,457)	(\$4,653,977)	
Estimated Interest Earnings		\$22,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Ending Balance		\$3,389,273	\$1,047,968	(\$1,814,385)	(\$3,331,543)	(\$3,664,553)	(\$4,614,815)	(\$5,232,469)	(\$5,342,632)	(\$5,704,256)	(\$5,489,457)	Working Capital for Fund 501 as of 6/30/24
Minimum Balance		\$899,508	\$1,082,789	\$1,236,628	\$1,287,599	\$1,425,043	\$1,484,774	\$1,547,145	\$1,612,280	\$1,680,304	\$1,751,353	25% of annual operating expenses
Target Balance		\$1,799,015	\$2,165,579	\$2,473,255	\$2,575,198	\$2,850,085	\$2,969,547	\$3,094,291	\$3,224,560	\$3,360,609	\$3,502,705	50% of annual operating expenses
Capital Reserves												
Beginning Balance		\$4,575,968	\$6,631,728	\$6,195,545	\$6,358,000	\$6,723,080	\$7,795,311	\$8,677,264	\$8,563,037	\$8,447,667	\$8,331,144	
Cash Funded CIP		(\$2,000,000)	(\$4,000,000)	(\$3,500,000)	(\$3,500,000)	(\$3,000,000)	(\$3,500,000)	(\$4,500,000)	(\$4,500,000)	(\$4,500,000)	(\$4,500,000)	From Table 5
Impact Fee Revenue		\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	\$775,000	
Equipment		\$0	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	
Vehicles		(\$1,225,000)	(\$4,225,000)	(\$3,725,000)	(\$3,725,000)	(\$3,225,000)	(\$3,725,000)	(\$4,725,000)	(\$4,725,000)	(\$4,725,000)	(\$4,725,000)	
Net PAYGo Funded with Rates		\$3,225,000	\$3,725,000	\$3,825,000	\$4,025,000	\$4,225,000	\$4,525,000	\$4,525,000	\$4,525,000	\$4,525,000	\$4,525,000	To Table 2
From Revenue Requirements		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	From Above
From Operating Reserves		\$6,575,968	\$6,131,728	\$6,295,545	\$6,658,000	\$7,723,080	\$8,595,311	\$8,477,264	\$8,363,037	\$8,247,667	\$8,131,144	
Subtotal		\$55,760	\$63,817	\$62,455	\$65,080	\$72,231	\$81,953	\$85,773	\$84,630	\$83,477	\$82,311	
Estimated Interest Earnings		\$4,575,968	\$6,195,545	\$6,358,000	\$6,723,080	\$7,795,311	\$8,677,264	\$8,563,037	\$8,447,667	\$8,331,144	\$8,213,455	[1]
Ending Balance		\$4,575,968	\$6,631,728	\$6,195,545	\$6,358,000	\$6,723,080	\$7,795,311	\$8,677,264	\$8,563,037	\$8,447,667	\$8,331,144	
Target Balance		\$4,000,000	\$4,500,000	\$4,600,000	\$4,800,000	\$5,000,000	\$5,300,000	\$5,300,000	\$5,300,000	\$5,300,000	\$5,300,000	1-year Cash funded CIP

[1] Available Balance for Fund 502 net of CIP Carryover as of 6/30/24

**City of West Sacramento
Sewer Rate Study
5. Capital Projects**

Projects provided by Capital Planning. Costs shown account for inflation.

Capital Improvements	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
1 South Lift Station Rehabilitation Project		\$ 8,500,000									
2 Westmore Oaks Sewer Rehabilitation Project			\$ 6,000,000								
3 Bryte Lift Station Sewer Rehabilitation Project	\$ 1,500,000		\$ 8,000,000								
4 Major Sewer System Repairs (Mainline)		\$ 250,000	\$ 250,000	\$ 8,000,000	\$ 7,500,000						
5 Yearly Reoccurring Emergency Sewer Fund	\$ 250,000	\$ 250,000	\$ 250,000	\$ 500,000	\$ 500,000						
6 GIS Utility Infrastructure Surveying And Mapping	\$ 250,000										
Additional Capital Projects (Placeholder)	\$0	\$0	\$0	\$0	\$0	\$8,500,000	\$8,500,000	\$8,500,000	\$8,500,000	\$8,500,000	From Table 1A
Total Capital Projects	\$ 2,000,000	\$ 9,000,000	\$ 14,500,000	\$ 8,500,000	\$ 8,000,000	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000	
Less Debt Funded Projects	\$0	(\$5,000,000)	(\$11,000,000)	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	
Net PAYGo	\$2,000,000	\$4,000,000	\$3,500,000	\$3,500,000	\$3,000,000	\$3,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	To Table 4

City of West Sacramento
Sewer Rate Study
6. Debt Service

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Notes
Revenue Bonds Series 2017											
Principal	\$220,000	\$230,000	\$240,000	\$250,000	\$260,000	\$270,000	\$280,000	\$290,000	\$300,000	\$305,000	
Interest	\$261,594	\$252,594	\$243,194	\$233,394	\$223,194	\$212,594	\$201,594	\$191,644	\$182,794	\$173,719	
Total	\$481,594	\$482,594	\$483,194	\$483,394	\$483,194	\$482,594	\$481,594	\$481,644	\$482,794	\$478,719	
Notes (per Budget)	\$90,956	\$90,956	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
New Debt Service											
Total	\$0	\$1,386,571	\$1,386,571	\$1,386,571	\$2,310,952	\$2,310,952	\$2,310,952	\$3,103,279	\$3,103,279	\$3,103,279	From Table 5
Total Debt Service	\$572,550	\$1,960,122	\$1,869,765	\$1,869,965	\$2,794,146	\$2,793,546	\$2,792,546	\$3,584,922	\$3,586,072	\$3,581,997	
Debt Coverage Calculation											
Funds Available for Debt Service											
Rate revenue - Service Charge	\$4,785,000	\$6,899,310	\$8,861,864	\$10,442,229	\$11,490,828	\$12,353,414	\$13,100,795	\$13,893,393	\$14,733,944	\$15,625,347	From Table 3
Non-Operating Income	\$247,200	\$254,616	\$262,254	\$270,122	\$278,226	\$286,573	\$295,170	\$304,025	\$313,146	\$322,540	From Table 2, excludes Impact Fee revenue
Interest income	\$77,836	\$63,817	\$62,455	\$65,080	\$72,231	\$81,953	\$85,773	\$84,630	\$83,477	\$82,311	From Table 4
Total Funds Available	\$5,110,036	\$7,217,743	\$9,186,574	\$10,777,432	\$11,841,285	\$12,721,939	\$13,481,738	\$14,282,049	\$15,130,566	\$16,030,199	To below
O&M	\$3,598,030	\$4,331,158	\$4,946,510	\$5,150,397	\$5,700,170	\$5,939,094	\$6,188,582	\$6,449,120	\$6,721,218	\$7,005,410	From Table 2
Net Revenue	\$1,512,005	\$2,886,586	\$4,240,063	\$5,627,035	\$6,141,114	\$6,782,845	\$7,293,156	\$7,832,929	\$8,409,348	\$9,024,788	Funds Available less Expenses
Debt Service	\$572,550	\$1,960,122	\$1,869,765	\$1,869,965	\$2,794,146	\$2,793,546	\$2,792,546	\$3,584,922	\$3,586,072	\$3,581,997	From above
Debt Coverage Ratio	2.64	1.47	2.27	3.01	2.20	2.43	2.61	2.18	2.35	2.52	To Table 1B

City of West Sacramento
Sewer Rate Study
7. COS - Allocations

FUNCTIONAL ALLOCATION FACTORS

Type	Description	Accounts	Flow	BOD	TSS	Total
1	Collection System O&M	0.0%	90.0%	5.0%	5.0%	100.0%
2	Customer Account	100.0%	0.0%	0.0%	0.0%	100.0%
3	O&M Admin Composite	31.4%	61.7%	3.4%	3.4%	100.0%
4	Expense Composite	17.3%	74.5%	4.1%	4.1%	100.0%

REVENUE REQUIREMENT ALLOCATION

Description	Rev. Req't 2025-26	Allocation Type	Cost Allocation				Total
			Accounts	Flow	BOD	TSS	
Collection System O&M							
5111 Salaries/Wages-Regular	\$965,298	1	\$0	\$868,768	\$48,265	\$48,265	\$965,298
5113 Salaries/Wages-O/T & Standby	\$85,000	1	\$0	\$76,500	\$4,250	\$4,250	\$85,000
5114 Salaries/Wages-Other /PERS	\$45,887	1	\$0	\$41,298	\$2,294	\$2,294	\$45,887
5116 Salaries/Wages-Holiday Pay	\$0	1	\$0	\$0	\$0	\$0	\$0
5118 Salaries/Wages-Other/Non PERS	\$45,557	1	\$0	\$41,001	\$2,278	\$2,278	\$45,557
5121 Medicare	\$13,997	1	\$0	\$12,597	\$700	\$700	\$13,997
5122 Retirement-P.E.R.S.	\$240,663	1	\$0	\$216,597	\$12,033	\$12,033	\$240,663
5130 Employee Health Ins	\$232,137	1	\$0	\$208,923	\$11,607	\$11,607	\$232,137
5131 Retired Employee Health Ins	\$27,916	1	\$0	\$25,124	\$1,396	\$1,396	\$27,916
5132 Workers Comp Ins	\$40,795	1	\$0	\$36,715	\$2,040	\$2,040	\$40,795
5133 Deferred Compensation	\$525	1	\$0	\$473	\$26	\$26	\$525
5135 Retiree Health Savings	\$3,120	1	\$0	\$2,808	\$156	\$156	\$3,120
5136 OPEB ADC Contribution	\$0	1	\$0	\$0	\$0	\$0	\$0
5195 Retiree Health Reimbursement Offset	\$0	1	\$0	\$0	\$0	\$0	\$0
5199 Payroll Reimbursement Offset	\$0	1	\$0	\$0	\$0	\$0	\$0
5212 Small Tools/Instruments	\$9,270	1	\$0	\$8,343	\$464	\$464	\$9,270
5215 Safety Clothing/Supplies	\$22,248	1	\$0	\$20,023	\$1,112	\$1,112	\$22,248
5219 Household Expenses	\$0	1	\$0	\$0	\$0	\$0	\$0
5221 Communications	\$7,871	1	\$0	\$7,084	\$394	\$394	\$7,871
5222 Utilities	\$230,000	1	\$0	\$207,000	\$11,500	\$11,500	\$230,000
5240 Maintenance-Equipment	\$59,731	1	\$0	\$53,758	\$2,987	\$2,987	\$59,731
5241 Maintenance-Structures/Grounds	\$80,855	1	\$0	\$72,770	\$4,043	\$4,043	\$80,855
5245 Rents/Leases-Equipment	\$75,350	1	\$0	\$67,815	\$3,768	\$3,768	\$75,350
5251 Office Expense	\$361	1	\$0	\$324	\$18	\$18	\$361
5253 Educational Materials/Supplies	\$515	1	\$0	\$464	\$26	\$26	\$515
5255 Vehicle Expenses	\$66,314	1	\$0	\$59,683	\$3,316	\$3,316	\$66,314
5256 Memberships/Dues	\$1,056	1	\$0	\$950	\$53	\$53	\$1,056
5257 Software Maintenance	\$14,800	1	\$0	\$13,320	\$740	\$740	\$14,800
5258 Training/Travel/Meals	\$6,438	1	\$0	\$5,794	\$322	\$322	\$6,438
5259 Special Departmental Expense	\$2,029	1	\$0	\$1,826	\$101	\$101	\$2,029
5260 Legal Fees	\$515	1	\$0	\$464	\$26	\$26	\$515
5261 Professional Services	\$8,849	1	\$0	\$7,964	\$442	\$442	\$8,849
Total Collection System O&M	\$2,287,096		\$0	\$2,058,386	\$114,355	\$114,355	\$2,287,096
Non-Operating/Admin Expenses	\$1,310,935	2	\$1,310,935	\$0	\$0	\$0	\$1,310,935
Debt Service	\$572,550	1	\$0	\$515,295	\$28,628	\$28,628	\$572,550
Subtotal O&M + Admin	\$4,170,581		\$1,310,935	\$2,573,681	\$142,982	\$142,982	\$4,170,581
<i>O&M Admin Composite</i>			<i>31.4%</i>	<i>61.7%</i>	<i>3.4%</i>	<i>3.4%</i>	<i>100.0%</i>
Non-Operating Revenues	(\$247,200)	3	(\$77,702)	(\$152,548)	(\$8,475)	(\$8,475)	(\$247,200)
Contribution to Capital	\$3,225,000	1	\$0	\$2,902,500	\$161,250	\$161,250	\$3,225,000
Subtotal Expenses	\$7,148,381		\$1,233,233	\$5,323,633	\$295,757	\$295,757	\$7,148,381
<i>Expense Composite</i>			<i>17.3%</i>	<i>74.5%</i>	<i>4.1%</i>	<i>4.1%</i>	<i>100.0%</i>
Transfers to/(from) Op Reserves	(\$1,208,381)	3	(\$379,829)	(\$745,696)	(\$41,428)	(\$41,428)	(\$1,208,381)
Total Revenue Requirement	\$5,940,000		\$853,403	\$4,577,937	\$254,330	\$254,330	\$5,940,000

**City of West Sacramento
Sewer Rate Study
8. COS - Units**

	<u>Accts/Dwellings</u> Units	<u>Winter Flow [1]</u> hcf	<u>BOD [c]</u> mg/l	<u>TSS [c]</u> mg/l	<u>BOD</u> (lbs/year)	<u>TSS</u> (lbs/year)	<u>Flow/Unit</u>
Single Family Residential	13,381	1,233,446	200	200	1,539,956	1,539,956	92
Multi-Family Residential	7,298	417,647	200	200	521,432	521,432	57
Commercial	964	569,807	500	500	1,778,507	1,778,507	591
Other Non-Residential	652	60,105	200	200	75,042	75,042	92
Total	22,295	2,281,005			3,914,936	3,914,936	

[1] Average of January & February annualized for FY 2018-19 through FY 2023-24 increased by annual growth to FY 2024-25

City of West Sacramento
Sewer Rate Study
9. COS - Unit Costs

	Cost Allocation				Total
	Accounts/Dwellings/ESDs	Flow	BOD	TSS	
Functional Costs					
Collection System O&M	\$0	\$2,058,386	\$114,355	\$114,355	\$2,287,096
Administrative Expenses	\$1,310,935	\$0	\$0	\$0	\$1,310,935
Debt Service	\$0	\$515,295	\$28,628	\$28,628	\$572,550
Non-Operating Revenues	(\$77,702)	(\$152,548)	(\$8,475)	(\$8,475)	(\$247,200)
Contribution to Capital	\$0	\$2,902,500	\$161,250	\$161,250	\$3,225,000
Transfers to/from Reserves	(\$379,829)	(\$745,696)	(\$41,428)	(\$41,428)	(\$1,208,381)
	\$853,403	\$4,577,937	\$254,330	\$254,330	\$5,940,000
Units of Service	22,295	2,281,005	3,914,936	3,914,936	
Annual Unit Costs	\$38.28	\$2.01	\$0.06	\$0.06	
Monthly Units Costs	\$3.19	\$2.01	\$0.06	\$0.06	
	\$/Unit	\$/hcf	\$/lb	\$/lb	

City of West Sacramento
 Sewer Rate Study
 10. COS - Rate Calc Resi Fixed

Single Family Residential	Fixed	Flow	BOD	TSS	Total	Total
Units	13,381 dwellings	1,233,446 hcf	1,539,956 lbs	1,539,956 lbs	per dwelling/mo.	per hcf
Accounts	13,381 dwellings	13,381 dwellings	13,381 dwellings	13,381 dwellings		
Units per account		92.18 hcf/dwelling	115.09 lbs/dwelling	115.09 lbs/dwelling		
Unit Costs (\$ per Unit)	\$38.28 per dwelling	\$2.01 per hcf	\$0.06 per lb	\$0.06 per lb		
Total Single Family Residential	\$38.28 per dwelling	\$185.00 per dwelling	\$7.48 per dwelling	\$7.48 per dwelling	\$19.85	\$0.00
Multi-Family Residential	Fixed	Flow	BOD	TSS	Total	Total
Units	7,298 dwellings	417,647 hcf	521,432 lbs	521,432 lbs	per dwelling/mo.	per hcf
Accounts	7,298 dwellings	7,298 dwellings	7,298 dwellings	7,298 dwellings		
Units per account		57.23 hcf/dwelling	71.45 lbs/dwelling	71.45 lbs/dwelling		
Unit Costs (\$ per Unit)	\$38.28 per dwelling	\$2.01 per hcf	\$0.06 per lb	\$0.06 per lb		
Total Multi-Family Residential	\$38.28 per dwelling	\$114.85 per dwelling	\$4.64 per dwelling	\$4.64 per dwelling	\$13.53	\$0.00
Commercial	Fixed	Flow	BOD	TSS	Total	Total
Units	964 accounts	569,807 hcf	1,778,507 lbs	1,778,507 lbs	per account/mo.	per hcf
Accounts	964 accounts	569,807 hcf	569,807 hcf	569,807 hcf		
Units per account		1.00 hcf/account	3.12 lbs/account	3.12 lbs/account		
Unit Costs (\$ per Unit)	\$38.28 per account	\$2.01 per hcf	\$0.06 per lb	\$0.06 per lb		
Total Commercial	\$38.28 per account	\$2.01 per hcf	\$0.20 per hcf	\$0.20 per hcf	\$3.19	\$2.41
Other Non-Residential	Fixed	Flow	BOD	TSS	Total	Total
Units	652 ESDs	60,105 hcf	75,042 lbs	75,042 lbs	per ESD/mo.	per hcf
Accounts	652 ESDs	652 ESDs	652 hcf	652 hcf		
Units per account		92.18 hcf/ESD	115.09 lbs/hcf	115.09 lbs/hcf		
Unit Costs (\$ per Unit)	\$38.28 per ESD	\$2.01 per hcf	\$0.06 per lb	\$0.06 per lb		
Total Other Non-Residential	\$38.28 per ESD	\$185.00 per ESD	\$7.48 per ESD	\$7.48 per ESD	\$19.85	\$0.00

**City of West Sacramento
Sewer Rate Study
11. COS - Rates**

from Table 10

Customer Class	FY 2025-26 Current Rates	Proposed Rates (eff. 4/1/26)
Single Family		
Flat Rate per month	\$10.88	\$19.85
Multi-Family		
Flat Rate per month (per DU)	\$8.16	\$13.53
Commercial		
Flat Rate per month	\$5.40	\$3.19
Metered Rate per hcf	\$3.16	\$2.41
Other Non-Residential per ESD		
Flat Rate per month	\$10.88	\$19.85

**City of West Sacramento
Sewer Rate Study
12. COS - Class Comparison**

Current Rates

	Accounts/ESDs	Flow
Single Family Residential	13,381	1,233,446
Multi-Family Residential	5,398	417,647
Commercial	964	569,807
Other Non-Residential	652	60,105

Current Rates

Single Family Residential	\$10.88	\$0.00
Multi-Family Residential	\$10.88	\$0.00
Commercial	\$5.40	\$3.16
Other Non-Residential	\$10.88	\$0.00

Revenue

Single Family Residential	\$1,747,023	\$0	\$1,747,023
Multi-Family Residential	\$704,789	\$0	\$704,789
Commercial	\$62,467	\$1,800,589	\$1,863,056
Other Non-Residential	\$85,132	\$0	\$85,132
Total	\$2,599,411	\$1,800,589	\$4,400,000
	59.1%	40.9%	100.0%

COS Rates from 10A

	Accounts/ESDs	Flow
Single Family Residential	13,381	1,233,446
Multi-Family Residential	7,298	417,647
Commercial	964	569,807
Other Non-Residential	652	60,105

Proposed Rates

Single Family Residential	\$19.85	\$0.00
Multi-Family Residential	\$13.53	\$0.00
Commercial	\$3.19	\$2.41
Other Non-Residential	\$19.85	\$0.00

Revenue

Single Family Residential	\$3,187,782	\$0	\$3,187,782
Multi-Family Residential	\$1,185,309	\$0	\$1,185,309
Commercial	\$36,900	\$1,374,669	\$1,411,569
Other Non-Residential	\$155,340	\$0	\$155,340
Total	\$4,565,331	\$1,374,669	\$5,940,000
	76.9%	23.1%	100.0%

	Current Revenue	Cost-of-Service	Difference	% Difference
Single Family Residential	\$1,747,023	\$3,187,782	\$1,440,759	82.5%
Multi-Family Residential	\$704,789	\$1,185,309	\$480,520	68.2%
Commercial	\$1,863,056	\$1,411,569	(\$451,487)	-24.2%
Other Non-Residential	\$85,132	\$155,340	\$70,208	82.5%
Total	\$4,400,000	\$5,940,000	\$1,540,000	35.0%