

City of San Diego
Water Financial Planning & Rate Design
Historic and Projected Customer Characteristics

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Customer Connection Summary							
1	Single Family	221,949	221,949	221,949	223,060	224,176	225,297
2	Multi Family	30,159	30,159	30,159	30,762	31,378	32,006
3	Commercial, Industrial & Outside City	16,841	16,841	16,841	16,924	17,008	17,092
4	Construction	347	347	347	348	349	350
5	Irrigation	7,497	7,497	7,497	7,553	7,610	7,667
6	Cal American	7	7	7	7	7	7
7	Total Connections	276,800	276,800	276,800	278,654	280,528	282,419
Customer Usage Summary							
1	Single Family	27,880,636	27,880,636	27,950,338	28,090,090	28,230,540	28,371,693
2	Multi Family	17,521,723	17,521,723	17,609,332	17,785,425	17,963,279	18,142,912
3	Commercial, Industrial & Outside City	20,319,467	20,319,467	20,522,662	20,728,528	20,936,459	21,146,476
4	Construction	242,238	242,238	243,449	244,666	245,889	247,118
5	Irrigation	10,424,191	10,424,191	10,528,433	10,675,831	10,825,293	10,976,847
6	Cal American	5,064,377	5,064,377	5,115,021	5,166,331	5,218,155	5,270,499
7	Total Usage (HCF)	81,452,632	81,452,632	81,969,235	82,690,871	83,419,615	84,155,545

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Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Customer Connections Growth Factors (1)							
1	Single Family	0.00%	0.00%	0.00%	0.50%	0.50%	0.50%
2	Multi Family	0.00%	0.00%	0.00%	2.00%	2.00%	2.00%
3	Commercial, Industrial & Outside City	0.00%	0.00%	0.00%	0.50%	0.50%	0.50%
4	Construction	0.00%	0.00%	0.00%	0.20%	0.20%	0.20%
5	Irrigation	0.00%	0.00%	0.00%	0.75%	0.75%	0.75%
6	Cal American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Customer Connections by Meter Size (2)							
Single Family							
1	5/8", 3/4"	205,152	205,152	205,152	206,178	207,209	208,245
2	1"	15,933	15,933	15,933	16,013	16,093	16,173
3	1.5"	761	761	761	765	769	773
4	2"	103	103	103	104	105	106
5	3"	0	0	0	0	0	0
6	4"	0	0	0	0	0	0
7	6"	0	0	0	0	0	0
8	8"	0	0	0	0	0	0
9	10"	0	0	0	0	0	0
10	12"	0	0	0	0	0	0
11	16"	0	0	0	0	0	0
12	Subtotal	221,949	221,949	221,949	223,060	224,176	225,297

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Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Multi Family							
13	5/8", 3/4"	16,110	16,110	16,110	16,432	16,761	17,096
14	1"	4,362	4,362	4,362	4,449	4,538	4,629
15	1.5"	5,230	5,230	5,230	5,335	5,442	5,551
16	2"	3,971	3,971	3,971	4,050	4,131	4,214
17	3"	180	180	180	184	188	192
18	4"	198	198	198	202	206	210
19	6"	69	69	69	70	71	72
20	8"	34	34	34	35	36	37
21	10"	5	5	5	5	5	5
22	12"	0	0	0	0	0	0
23	16"	0	0	0	0	0	0
24	Subtotal	30,159	30,159	30,159	30,762	31,378	32,006
Commercial/Industrial/Outside City							
25	5/8", 3/4"	6,187	6,187	6,187	6,218	6,249	6,280
26	1"	2,396	2,396	2,396	2,408	2,420	2,432
27	1.5"	3,246	3,246	3,246	3,262	3,278	3,294
28	2"	4,295	4,295	4,295	4,316	4,338	4,360
29	3"	214	214	214	215	216	217
30	4"	250	250	250	251	252	253
31	6"	142	142	142	143	144	145
32	8"	70	70	70	70	70	70
33	10"	40	40	40	40	40	40
34	12"	1	1	1	1	1	1
35	16"	0	0	0	0	0	0
36	Subtotal	16,841	16,841	16,841	16,924	17,008	17,092

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Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Temp Construction							
37	5/8", 3/4"	0	0	0	0	0	0
38	1"	0	0	0	0	0	0
39	1.5"	0	0	0	0	0	0
40	2"	347	347	347	348	349	350
41	3"	0	0	0	0	0	0
42	4"	0	0	0	0	0	0
43	6"	0	0	0	0	0	0
44	8"	0	0	0	0	0	0
45	10"	0	0	0	0	0	0
46	12"	0	0	0	0	0	0
47	16"	0	0	0	0	0	0
48	Subtotal	347	347	347	348	349	350
Irrigation							
49	5/8", 3/4"	905	905	905	912	919	926
50	1"	1,235	1,235	1,235	1,244	1,253	1,262
51	1.5"	1,553	1,553	1,553	1,565	1,577	1,589
52	2"	3,664	3,664	3,664	3,691	3,719	3,747
53	3"	73	73	73	74	75	76
54	4"	41	41	41	41	41	41
55	6"	21	21	21	21	21	21
56	8"	3	3	3	3	3	3
57	10"	1	1	1	1	1	1
58	12"	1	1	1	1	1	1
59	16"	0	0	0	0	0	0
60	Subtotal	7,497	7,497	7,497	7,553	7,610	7,667

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Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Cal American							
61	5/8", 3/4"	0	0	0	0	0	0
62	1"	0	0	0	0	0	0
63	1.5"	0	0	0	0	0	0
64	2"	0	0	0	0	0	0
65	3"	0	0	0	0	0	0
66	4"	0	0	0	0	0	0
67	6"	0	0	0	0	0	0
68	8"	3	3	3	3	3	3
69	10"	1	1	1	1	1	1
70	12"	2	2	2	2	2	2
71	16"	1	1	1	1	1	1
72	Subtotal	7	7	7	7	7	7
Total Water System (Except Fire)							
73	5/8", 3/4"	228,354	228,354	228,354	229,740	231,138	232,547
74	1"	23,926	23,926	23,926	24,114	24,304	24,496
75	1.5"	10,790	10,790	10,790	10,927	11,066	11,207
76	2"	12,380	12,380	12,380	12,509	12,642	12,777
77	3"	467	467	467	473	479	485
78	4"	489	489	489	494	499	504
79	6"	232	232	232	234	236	238
80	8"	110	110	110	111	112	113
81	10"	47	47	47	47	47	47
82	12"	4	4	4	4	4	4
83	16"	1	1	1	1	1	1
84	Total	276,800	276,800	276,800	278,654	280,528	282,419

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Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Fire Protection (3)							
85	1"	1	1	1	1	1	1
86	1.5"	5	5	5	5	5	5
87	2"	90	90	90	90	90	90
88	3"	25	25	25	25	25	25
89	4"	1,478	1,478	1,478	1,478	1,478	1,478
90	6"	2,189	2,189	2,189	2,189	2,189	2,189
91	8"	1,699	1,699	1,699	1,699	1,699	1,699
92	10"	168	168	168	168	168	168
93	12"	31	31	31	31	31	31
94	16"	8	8	8	8	8	8
95	Subtotal	5,694	5,694	5,694	5,694	5,694	5,694
Equivalent Meter Connections (4)							
1	EMC Growth Rate	0.25%	0.25%	0.25%	0.50%	0.50%	0.50%
2	Total Equivalent Meter Connections	2,579	2,586	2,592	2,605	2,618	2,631
3	Total	2,579	2,586	2,592	2,605	2,618	2,631

Notes:

1. Customer growth rates based on historical trends.
2. Customer connections by Meter Size from CCS Customer Billing Data (Andy Ly).
3. Fire Service connections from 2006 Rate Model.
4. An equivalent meter connection is based on a 3/4" meter using meter ratios.

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Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Customer Usage Growth Factors (1)							
1	Single Family	0.00%	0.00%	0.25%	0.50%	0.50%	0.50%
2	Multi Family	0.00%	0.00%	0.50%	1.00%	1.00%	1.00%
3	Commercial, Industrial & Outside City	0.00%	0.00%	1.00%	1.00%	1.00%	1.00%
4	Construction	0.00%	0.00%	0.50%	0.50%	0.50%	0.50%
5	Irrigation	0.00%	0.00%	1.00%	1.40%	1.40%	1.40%
6	Cal American	0.00%	0.00%	1.00%	1.00%	1.00%	1.00%
7	City of San Diego Population Served (2)	1,298,659	1,314,026	1,329,393	1,344,232	1,359,071	1,373,911
8	Gallons per Capita per Day (gpcd) (3)	129	127	126	126	126	126
Annual Usage (HCF) (4)							
1	Single Family	27,880,636	27,880,636	27,950,338	28,090,090	28,230,540	28,371,693
2	Multi Family	17,521,723	17,521,723	17,609,332	17,785,425	17,963,279	18,142,912
3	Commercial, Industrial & Outside City (5)	20,319,467	20,319,467	20,522,662	20,728,528	20,936,459	21,146,476
4	Temp Construction	242,238	242,238	243,449	244,666	245,889	247,118
5	Irrigation	10,424,191	10,424,191	10,528,433	10,675,831	10,825,293	10,976,847
6	Cal American	5,064,377	5,064,377	5,115,021	5,166,331	5,218,155	5,270,499
7	Total (HCF)	81,452,632	81,452,632	81,969,235	82,690,871	83,419,615	84,155,545
8	Total (AF)	186,990	186,990	188,175	189,832	191,505	193,195

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Line No.	Description		Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Tiered Usage (HCF) (6)								
1	Single Family (Billed Monthly)	0.3%	72,567	72,567	72,749	73,113	73,478	73,845
2	Tier 1 (0-7 HCF)	44.1%	31,987	31,987	32,067	32,227	32,388	32,550
3	Tier 2 (7-14 HCF)	11.9%	8,604	8,604	8,626	8,669	8,712	8,756
4	Tier 3 (14+ HCF)	44.1%	31,977	31,977	32,056	32,217	32,378	32,540
5	Subtotal		72,567	72,567	72,749	73,113	73,478	73,845
6	Single Family (Billed Bi-Monthly)	99.7%	27,808,069	27,808,069	27,877,589	28,016,977	28,157,062	28,297,848
7	Tier 1 (0-14 HCF)	56.4%	15,682,186	15,682,186	15,721,391	15,799,998	15,878,998	15,958,393
8	Tier 2 (14-28 HCF)	25.9%	7,193,027	7,193,027	7,211,009	7,247,064	7,283,300	7,319,716
9	Tier 3 (28+ HCF)	17.7%	4,932,857	4,932,857	4,945,189	4,969,915	4,994,764	5,019,738
10	Subtotal		27,808,069	27,808,069	27,877,589	28,016,977	28,157,062	28,297,848

Notes:

1. Customer growth rates based on historical trends.
2. Population obtained from E-5 City/County Population and Housing Estimates for 2010 and adjusted for population served using 2010 UWMP.
3. The 2020 Target is 142 gpcd based on 2010 UWMP using the Hydrologic Region Method.
4. Actual annual usage obtained from CCS Report 003.
5. The Commercial, Industrial, and Outside City were grouped into the CI category.
If Commercial, Industrial and Outside City are to be separated, then premise code needs to be used. Industrial (0004) and Outside City (0005), all other represent Commercial.
6. The tier allocations are derived from a Bill Tab Analysis using FY 12 consumption data.

City of San Diego
Water Financial Planning & Rate Design
Existing Water Rates

Description	Existing FY 2013	Projected FY 2014	Projected FY 2015	Projected FY 2016	Projected FY 2017	Projected FY 2018
Meter Service Charge (by Month) (1,2)						
5/8", 3/4"	\$19.33	\$19.33	\$19.33	\$19.33	\$19.33	\$19.33
1"	\$28.46	\$28.46	\$28.46	\$28.46	\$28.46	\$28.46
1.5"	\$49.34	\$49.34	\$49.34	\$49.34	\$49.34	\$49.34
2"	\$75.44	\$75.44	\$75.44	\$75.44	\$75.44	\$75.44
3"	\$136.74	\$136.74	\$136.74	\$136.74	\$136.74	\$136.74
4"	\$224.15	\$224.15	\$224.15	\$224.15	\$224.15	\$224.15
6"	\$440.73	\$440.73	\$440.73	\$440.73	\$440.73	\$440.73
8"	\$701.64	\$701.64	\$701.64	\$701.64	\$701.64	\$701.64
10"	\$1,006.94	\$1,006.94	\$1,006.94	\$1,006.94	\$1,006.94	\$1,006.94
12"	\$1,875.82	\$1,875.82	\$1,875.82	\$1,875.82	\$1,875.82	\$1,875.82
16"	\$3,267.86	\$3,267.86	\$3,267.86	\$3,267.86	\$3,267.86	\$3,267.86
Commodity Charge (per HCF)						
Single Family						
Tier 1 (0-7 HCF)	\$3.61	\$3.61	\$3.61	\$3.61	\$3.61	\$3.61
Tier 2 (7-14 HCF)	\$3.92	\$3.92	\$3.92	\$3.92	\$3.92	\$3.92
Tier 3 (15+ HCF)	\$4.40	\$4.40	\$4.40	\$4.40	\$4.40	\$4.40
Multi Family						
Commercial/Industrial/Outside City	\$3.76	\$3.76	\$3.76	\$3.76	\$3.76	\$3.76
Temp Construction	\$4.01	\$4.01	\$4.01	\$4.01	\$4.01	\$4.01
Irrigation	\$4.01	\$4.01	\$4.01	\$4.01	\$4.01	\$4.01
Cal American	\$2.30	\$2.30	\$2.30	\$2.30	\$2.30	\$2.30
Capacity Charge (per EDU)						
Water Capacity Charge	\$3,047.00	\$3,047.00	\$3,047.00	\$3,047.00	\$3,047.00	\$3,047.00

Notes:

1. Rate Schedule provided by City.
2. Number of bills equals 6, but the rates are monthly, and therefore the revenues calculations will use 12.

City of San Diego
Water Financial Planning & Rate Design
Projected Revenue from Rates

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Meter Service Revenue							
1	Single Family	53,572,300	53,572,300	53,572,300	53,840,900	54,110,600	54,381,600
2	Multi Family	13,457,600	13,457,600	13,457,600	13,726,700	14,001,100	14,280,600
3	Commercial/Industrial/Outside City	10,933,300	10,933,300	10,933,300	10,982,700	11,033,000	11,083,300
4	Temp Construction	314,100	314,100	314,100	315,000	315,900	316,800
5	Irrigation	5,269,100	5,269,100	5,269,100	5,307,000	5,345,800	5,384,600
6	Cal American	121,600	121,600	121,600	121,600	121,600	121,600
7	Total Meter Service Revenue	\$ 83,668,000	\$ 83,668,000	\$ 83,668,000	\$ 84,293,900	\$ 84,928,000	\$ 85,568,500
Usage Revenue							
1	Single Family						
2	Tier 1	56,759,600	56,759,600	56,901,500	57,186,000	57,471,900	57,759,300
3	Tier 2	28,208,800	28,208,800	28,279,300	28,420,700	28,562,800	28,705,600
4	Tier 3	21,835,300	21,835,300	21,889,900	21,999,400	22,109,400	22,219,900
5	Multi Family	68,632,600	68,632,600	68,975,800	69,665,500	70,362,200	71,065,800
6	Commercial/Industrial/Outside City [a]	76,340,200	76,340,200	77,103,600	77,877,100	78,658,300	79,447,300
7	Temp Construction	972,300	972,300	977,200	982,100	987,000	991,900
8	Irrigation	41,842,700	41,842,700	42,261,100	42,852,800	43,452,700	44,061,100
9	Cal American	11,648,100	11,648,100	11,764,500	11,882,600	12,001,800	12,122,100
10	Total Usage Revenue	\$ 306,239,600	\$ 306,239,600	\$ 308,152,900	\$ 310,866,200	\$ 313,606,100	\$ 316,373,000
Total Water System Revenue		\$ 389,907,600	\$ 389,907,600	\$ 391,820,900	\$ 395,160,100	\$ 398,534,100	\$ 401,941,500

City of San Diego
Water Financial Planning & Rate Design
Historic and Projected Other Revenue

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Other Water Sales (1,2)							
1	Reclaimed Water Charges (WTR_RECL) (3)	1,981,600	2,008,900	2,037,100	2,122,700	2,140,500	2,158,400
2	Fire Service Charges (WTR_FIRE)	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
3	Backflow Charges (WTR_BKFLW)	500,000	500,000	500,000	500,000	500,000	500,000
4	Center Island Charges (WTR_CNTISL) (4)	150,000	150,000	150,000	150,000	150,000	150,000
5	Water-Sales Other Agency (422076)	500,000	500,000	500,000	500,000	500,000	500,000
6	Water Sales-Interrupt Agri (422078)	269,000	269,000	269,000	269,000	269,000	269,000
7	Reclaimed Water Incentive (422079)	2,489,000	2,269,000	2,044,400	1,871,600	1,629,700	1,382,900
8	Reclaimed Water Wholesale (422228)	2,271,200	2,333,400	2,392,400	2,459,700	2,533,000	2,607,900
9	Total Operating Revenue	10,060,800	9,930,300	9,792,900	9,773,000	9,622,200	9,468,200
Other Operating Revenue (5)							
10	Service Charges	1,267,000	1,267,000	1,267,000	1,267,000	1,267,000	1,267,000
11	New Water Services	750,000	750,000	750,000	750,000	750,000	750,000
12	Land and Building Rentals	6,244,500	6,253,000	6,306,600	6,370,000	6,433,000	6,497,000
13	Services Rendered Other Funds	6,016,000	6,043,000	6,218,000	6,398,000	6,581,000	6,771,000
14	Other Revenue	17,414,900	4,495,000	2,182,000	2,183,000	2,184,000	2,185,000
15	Total Other Operating Revenue	\$ 31,692,400	\$ 18,808,000	\$ 16,723,600	\$ 16,968,000	\$ 17,215,000	\$ 17,470,000
Non-Operating Revenue (5)							
16	Damages Recovered	225,000	225,000	225,000	225,000	225,000	225,000
17	Sale of Land	0	0	0	0	0	0
18	Earning on Investments (6)						
19	Total Non-Operating Revenue	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000

Notes:

1. Revenue obtained from Comptroller's Revenue by Rate Workbook and Trial Balance report.
2. Operating revenue not subject to rate increases.
3. Reclaimed water charges are adjutsed in a separate Recycled Water Pricing Model.
4. In FY 2011, Center Island was incorporated with Temp Construction.
5. Revenues obtained from E1-E2 report.
6. Earnings on Investments (Interest) is calculated in the funds based on results.

City of San Diego
Water Financial Planning & Rate Design
Historic and Projected O&M Expenses

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Summary by Division (Inflated)							
1	Department Management	12,066,746	15,606,900	14,486,100	12,455,000	12,478,600	12,500,300
2	Finance & Information Technology	19,774,143	20,056,200	19,724,700	19,844,100	19,944,700	20,581,900
3	Employee Services & Quality Assurance	6,024,651	4,816,000	4,823,500	4,819,000	4,826,700	4,834,700
4	Customer Support Services	9,214,227	9,768,700	9,434,700	9,524,300	9,541,500	9,580,200
5	Long Range Planning	13,707,297	14,301,100	13,052,900	13,833,600	12,986,800	13,045,200
6	Engineering Program Management	6,434,154	12,734,400	11,023,100	10,599,600	9,646,500	9,351,700
7	Environmental Monitoring & Technical Services	4,492,806	4,966,100	4,971,600	4,987,600	5,004,000	5,020,700
8	Water Operations	82,074,575	88,619,400	88,432,400	89,707,300	91,153,100	91,926,000
9	Total	\$ 153,788,599	\$ 170,868,800	\$ 165,949,000	\$ 165,770,500	\$ 165,581,900	\$ 166,840,700
Summary by Categories (Inflated)							
1	Personnel Cost	39,326,153	40,235,800	40,235,800	40,235,800	40,235,800	40,235,800
2	Fringe Benefits	25,473,213	27,829,800	28,143,600	28,521,000	28,866,600	29,190,900
3	Supplies	15,722,282	17,661,700	16,464,200	16,438,200	17,175,000	16,579,500
4	Contracts	43,253,357	50,914,100	48,510,400	48,774,000	47,091,300	47,157,600
5	Information Technology	14,490,543	17,366,600	15,236,900	13,609,900	13,570,000	14,134,000
6	Energy and Utilities	10,902,614	11,464,400	12,037,600	12,639,500	13,271,400	13,935,000
7	Capital Expenditures	1,845,307	2,621,300	2,545,500	2,777,000	2,596,600	2,832,800
8	Other Expenses	1,816,272	1,816,300	1,816,300	1,816,300	1,816,300	1,816,300
9	Transfers Out	918,185	918,200	918,200	918,200	918,200	918,200
10	Debt Expense	40,673	40,700	40,700	40,700	40,700	40,700
11	Total	\$ 153,788,599	\$ 170,868,900	\$ 165,949,200	\$ 165,770,600	\$ 165,581,900	\$ 166,840,800

City of San Diego
Water Financial Planning & Rate Design
Historic and Projected O&M Expenses

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
O&M Expenses Escalation Factors (Annual) (1)							
1	Personnel Cost		0.00%	0.00%	0.00%	0.00%	0.00%
2	Fringe Benefits		0.00%	0.00%	0.00%	0.00%	0.00%
3	Supplies		1.00%	1.00%	1.00%	1.00%	1.00%
4	Contracts		1.00%	1.00%	1.00%	1.00%	1.00%
5	IT Expenses		0.00%	0.00%	0.00%	0.00%	0.00%
6	Energy & Utilities		5.00%	5.00%	5.00%	5.00%	5.00%
7	Capital Expenditures		1.00%	1.00%	1.00%	1.00%	1.00%
8	Other		0.00%	0.00%	0.00%	0.00%	0.00%
9	Transfers		0.00%	0.00%	0.00%	0.00%	0.00%
10	Debt Service		0.00%	0.00%	0.00%	0.00%	0.00%
O&M Expenses Escalation Factors (Cumulative)							
1	Personnel Cost		100.00%	100.00%	100.00%	100.00%	100.00%
2	Fringe Benefits		100.00%	100.00%	100.00%	100.00%	100.00%
3	Supplies		101.00%	102.01%	103.03%	104.06%	105.10%
4	Contracts		101.00%	102.01%	103.03%	104.06%	105.10%
5	IT Expenses		100.00%	100.00%	100.00%	100.00%	100.00%
6	Energy & Utilities		105.00%	110.25%	115.76%	121.55%	127.63%
7	Capital Expenditures		101.00%	102.01%	103.03%	104.06%	105.10%
8	Other		100.00%	100.00%	100.00%	100.00%	100.00%
9	Transfers		100.00%	100.00%	100.00%	100.00%	100.00%
10	Debt Service		100.00%	100.00%	100.00%	100.00%	100.00%

City of San Diego
Water Financial Planning & Rate Design
Historic and Projected O&M Expenses

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Operation & Maintenance Expenses (2)							
Department Management							
1	Personnel Cost	1,198,602	1,198,602	1,198,602	1,198,602	1,198,602	1,198,602
2	Fringe Benefits	723,218	723,218	723,218	723,218	723,218	723,218
3	Supplies	10,324	10,324	10,324	10,324	10,324	10,324
4	Contracts	727,943	1,995,776	1,997,776	1,997,776	1,999,776	1,999,776
5	Information Technology	7,904,364	10,155,967	9,012,097	6,959,822	6,959,822	6,959,822
6	Energy and Utilities	13,537	13,537	13,537	13,537	13,537	13,537
7	Capital Expenditures						
8	Other Expenses	1,488,757	1,488,757	1,488,757	1,488,757	1,488,757	1,488,757
9	Transfers Out						
10	Total Department Management	\$ 12,066,746	\$ 15,586,182	\$ 14,444,312	\$ 12,392,037	\$ 12,394,037	\$ 12,394,037
Finance & Information Technology							
11	Personnel Cost	2,410,170	2,410,170	2,410,170	2,410,170	2,410,170	2,410,170
12	Fringe Benefits	1,638,442	1,638,442	1,638,442	1,638,442	1,638,442	1,638,442
13	Supplies	59,303	59,303	59,303	59,303	59,303	59,303
14	Contracts	13,683,065	13,395,919	13,512,919	13,497,919	13,464,919	13,399,919
15	Information Technology	1,494,129	1,928,163	1,340,796	1,336,475	1,331,028	1,895,028
16	Energy and Utilities	12,312	12,312	12,312	12,312	12,312	12,312
17	Capital Expenditures	490	490	490	490	490	490
18	Other Expenses	219,429	219,429	219,429	219,429	219,429	219,429
19	Transfers Out	256,803	256,803	256,803	256,803	256,803	256,803
20	Total Finance & Information Technology	\$ 19,774,143	\$ 19,921,031	\$ 19,450,664	\$ 19,431,343	\$ 19,392,896	\$ 19,891,896

City of San Diego
Water Financial Planning & Rate Design
Historic and Projected O&M Expenses

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Employee Services & Quality Assurance							
21	Personnel Cost	2,053,846	2,053,846	2,053,846	2,053,846	2,053,846	2,053,846
22	Fringe Benefits	1,407,398	1,407,398	1,407,398	1,407,398	1,407,398	1,407,398
23	Supplies	98,628	98,628	98,628	98,628	98,628	98,628
24	Contracts	1,822,639	563,055	563,055	563,055	563,055	563,055
25	Information Technology	633,321	660,943	660,943	648,693	648,693	648,693
26	Energy and Utilities	490	16,317	16,317	16,317	16,317	16,317
27	Capital Expenditures	2,450	2,450	2,450	2,450	2,450	2,450
28	Other Expenses	5,880	5,880	5,880	5,880	5,880	5,880
29	Transfers Out						
30	Total Employee Services & Quality Assurance	\$ 6,024,651	\$ 4,808,516	\$ 4,808,516	\$ 4,796,266	\$ 4,796,266	\$ 4,796,266
Customer Support Services							
31	Personnel Cost	2,863,494	3,138,694	3,138,694	3,138,694	3,138,694	3,138,694
32	Fringe Benefits	2,054,946	2,054,946	2,054,946	2,054,946	2,054,946	2,054,946
33	Supplies	430,234	430,234	430,234	430,234	430,234	430,234
34	Contracts	2,370,185	2,551,185	2,541,185	2,541,185	2,541,185	2,541,185
35	Information Technology	1,246,514	1,358,473	997,837	1,050,002	1,029,114	1,029,114
36	Energy and Utilities	120,780	120,780	120,780	120,780	120,780	120,780
37	Capital Expenditures	94,210	44,210	44,210	44,210	44,210	44,210
38	Other Expenses	33,864	33,864	33,864	33,864	33,864	33,864
39	Transfers Out						
40	Total Customer Support Services	\$ 9,214,227	\$ 9,732,386	\$ 9,361,750	\$ 9,413,915	\$ 9,393,027	\$ 9,393,027

City of San Diego
Water Financial Planning & Rate Design
Historic and Projected O&M Expenses

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Long Range Planning							
41	Personnel Cost	3,832,156	3,800,305	3,800,305	3,800,305	3,800,305	3,800,305
42	Fringe Benefits	2,437,599	2,437,599	2,437,599	2,437,599	2,437,599	2,437,599
43	Supplies	52,640	52,640	52,640	52,640	52,640	52,640
44	Contracts	6,765,680	7,242,532	5,982,051	6,142,051	5,277,281	5,277,281
45	Information Technology	528,228	601,695	563,195	1,114,890	1,101,390	1,101,390
46	Energy and Utilities	47,340	47,340	47,340	47,340	47,340	47,340
47	Capital Expenditures						
48	Other Expenses	43,654	43,654	43,654	43,654	43,654	43,654
49	Transfers Out						
50	Total Long Range Planning	\$ 13,707,297	\$ 14,225,765	\$ 12,926,784	\$ 13,638,479	\$ 12,760,209	\$ 12,760,209
Engineering Program Management							
51	Personnel Cost	2,688,250	2,511,788	2,511,788	2,511,788	2,511,788	2,511,788
52	Fringe Benefits	1,636,682	1,636,682	1,636,682	1,636,682	1,636,682	1,636,682
53	Supplies	37,065	37,065	37,065	37,065	37,065	37,065
54	Contracts	911,208	7,008,918	5,259,943	4,824,943	3,859,943	3,539,943
55	Information Technology	759,554	1,067,155	1,067,824	1,037,516	1,037,516	1,037,516
56	Energy and Utilities		0	0	0	0	0
57	Capital Expenditures	94,978	94,978	94,978	94,978	94,978	94,978
58	Other Expenses	7,471	7,471	7,471	7,471	7,471	7,471
59	Transfers Out	298,946	298,946	298,946	298,946	298,946	298,946
60	Total Engineering Program Management	\$ 6,434,154	\$ 12,663,003	\$ 10,914,697	\$ 10,449,389	\$ 9,484,389	\$ 9,164,389

City of San Diego
Water Financial Planning & Rate Design
Historic and Projected O&M Expenses

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Environmental Monitoring & Technical Services							
61	Personnel Cost	2,065,386	2,178,153	2,178,153	2,178,153	2,178,153	2,178,153
62	Fringe Benefits	1,394,836	1,394,836	1,394,836	1,394,836	1,394,836	1,394,836
63	Supplies	503,817	639,326	639,326	639,326	639,326	639,326
64	Contracts	174,963	184,963	174,963	174,963	174,963	174,963
65	Information Technology	180,843	230,432	230,432	230,432	230,432	230,432
66	Energy and Utilities	97,991	97,991	97,991	97,991	97,991	97,991
67	Capital Expenditures	74,415	224,415	224,415	224,415	224,415	224,415
68	Other Expenses	555	555	555	555	555	555
69	Transfers Out						
70	Total Environmental Monitoring & Technical Services	\$ 4,492,806	\$ 4,950,671	\$ 4,940,671	\$ 4,940,671	\$ 4,940,671	\$ 4,940,671
Water Operations							
71	Personnel Cost	22,214,249	22,944,249	22,944,249	22,944,249	22,944,249	22,944,249
72	Fringe Benefits	14,180,092	14,180,092	14,180,092	14,180,092	14,180,092	14,180,092
73	Supplies	14,530,271	16,159,271	14,812,271	14,627,271	15,177,271	14,447,271
74	Contracts	16,797,674	17,467,674	17,522,674	17,597,674	17,372,674	17,372,674
75	Information Technology	1,743,590	1,363,738	1,363,738	1,232,036	1,232,036	1,232,035
76	Energy and Utilities	10,610,164	10,610,164	10,610,164	10,610,164	10,610,164	10,610,164
77	Capital Expenditures	1,578,764	2,228,764	2,128,764	2,328,764	2,128,764	2,328,764
78	Other Expenses	16,662	16,662	16,662	16,662	16,662	16,662
79	Transfers Out	362,436	362,436	362,436	362,436	362,436	362,436
80	Debt Expense	40,673	40,673	40,673	40,673	40,673	40,673
81	Total Water Operations	\$ 82,074,575	\$ 85,373,723	\$ 83,981,723	\$ 83,940,021	\$ 84,065,021	\$ 83,535,020

City of San Diego
Water Financial Planning & Rate Design
Historic and Projected O&M Expenses

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Fringe Benefits Adjustments							
82	Pension		2,356,600	2,670,400	2,941,700	3,181,100	3,399,200
83	OPEB				106,100	212,300	318,500
84	Total Fringe Benefits Adjustments	\$ 0	\$ 2,356,600	\$ 2,670,400	\$ 3,047,800	\$ 3,393,400	\$ 3,717,700
85	Total O&M Expenses	\$ 153,788,599	\$ 169,617,877	\$ 163,499,516	\$ 162,049,920	\$ 160,619,915	\$ 160,593,214

Notes:

1. Escalations obtained from City Budget and Finance Committee.
2. Expenses from Public Utilities - 5 Year Operating Expenditure Projections.

City of San Diego
Water Financial Planning & Rate Design
Projected Water Supply Costs

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Water Supply Costs Summary							
1	Fixed Costs	60,440,407	62,126,713	62,126,713	62,126,713	62,126,713	62,126,713
2	Variable Costs	142,355,798	153,462,102	155,383,306	156,898,311	158,428,238	159,973,253
3	Total Water Supply Costs	\$ 202,796,205	\$ 215,588,815	\$ 217,510,019	\$ 219,025,024	\$ 220,554,951	\$ 222,099,966
MWD Fixed Charges (1)							
1	Capacity Reservation	2,598,618	2,479,308	2,479,308	2,479,308	2,479,308	2,479,308
2	Readiness to Serve Charges	10,254,912	10,254,912	10,254,912	10,254,912	10,254,912	10,254,912
3	Total MWD Fixed Charges	12,853,530	12,734,220	12,734,220	12,734,220	12,734,220	12,734,220
SDCWA Fixed Charges (1)							
3	Customer Service	9,831,198	10,008,120	10,008,120	10,008,120	10,008,120	10,008,120
4	Emergency Storage Charge	23,790,426	25,246,788	25,246,788	25,246,788	25,246,788	25,246,788
5	Infrastructure Access Charge	12,325,416	12,497,748	12,497,748	12,497,748	12,497,748	12,497,748
6	In Lieu Tax Payment	1,639,837	1,639,837	1,639,837	1,639,837	1,639,837	1,639,837
7	Total SDCWA Fixed Charges	47,586,877	49,392,493	49,392,493	49,392,493	49,392,493	49,392,493
Variable Costs							
8	Tier 1						
9	Untreated	676	714	714	714	714	714
10	Treated	921	970	970	970	970	970
11	Transportation Charge	89	93	93	93	93	93
12	Infrastructure Access Charge	2.63	2.65	2.65	2.65	2.65	2.65
Estimated % of SDCWA Import Water							
Tier 1							
13	Untreated	89.0%	90.5%	89.0%	89.0%	89.0%	89.0%
14	Treated	11.0%	9.5%	11.0%	11.0%	11.0%	11.0%

City of San Diego
Water Financial Planning & Rate Design
Projected Water Supply Costs

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Water Sold							
15	Water Sold (AF)	186,990	186,990	188,175	189,832	191,505	193,195
16	Unaccounted Water (%) (2)	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%
17	Total Produced (AF)	204,754	204,754	206,052	207,866	209,698	211,548
18	Local Water Supplied (AF) (3)	25,000	20,153	20,000	20,000	20,000	20,000
19	Total Water Purchased (AF)	179,754	184,601	186,052	187,866	189,698	191,548

Notes:

1. Obtained from MWD and SDCWA. MWD and CWA Charges are a Calendar Year Basis, therefore costs represent 1/2 of each Calendar Year.
2. Based on historical unaccounted water.
3. Based on Monthly Projected Water Purchases FY 14 from PUD. Local water supplied adjusted for SDCWA and San Vicente.

City of San Diego
Water Financial Planning & Rate Design
Debt Service Requirements

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Long Term Debt Summary							
1	Revenue Bonds	59,850,854	62,119,556	69,332,194	77,039,769	85,349,819	94,428,544
2	SRF Loans	4,531,431	4,621,431	5,415,499	5,415,499	5,415,499	5,415,499
3	Total	\$ 64,382,285	\$ 66,740,987	\$ 74,747,693	\$ 82,455,268	\$ 90,765,318	\$ 99,844,043
4	Senior Debt	36,723,494	36,725,206	43,936,469	52,020,144	73,515,969	82,597,544
5	Subordinate Debt	23,127,360	25,394,350	25,395,725	25,019,625	11,833,850	11,831,000
6	Total	\$ 59,850,854	\$ 62,119,556	\$ 69,332,194	\$ 77,039,769	\$ 85,349,819	\$ 94,428,544
Existing Long Term Debt (1)							
Revenue Bonds							
1998/2010A Revenue Bonds							
1	Principal						
2	Interest	6,310,475	6,310,475	6,310,475	6,310,475	6,310,475	6,310,475
2002/2012A Subordinate Revenue Bonds							
3	Principal	16,430,000	17,105,000	17,595,000	17,940,000	5,290,000	5,530,000
4	Interest	6,697,360	8,289,350	7,800,725	7,079,625	6,543,850	6,301,000
2009A Refunding Revenue Bonds							
5	Principal	1,170,000	1,215,000	1,265,000	2,200,000	15,015,000	15,780,000
6	Interest	7,507,225	7,465,375	7,415,775	7,357,475	6,949,100	6,179,225
2009B Revenue Bonds							
7	Principal	5,555,000	5,730,000	5,975,000	6,240,000	6,490,000	6,790,000
8	Interest	16,180,794	16,004,356	15,761,869	15,495,494	15,248,694	14,949,144
9	Total Revenue Bonds	\$ 59,850,854	\$ 62,119,556	\$ 62,123,844	\$ 62,623,069	\$ 61,847,119	\$ 61,839,844

City of San Diego
Water Financial Planning & Rate Design
Debt Service Requirements

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
SRF Loans (2)							
2006 SRF Loan							
10	Principal	988,289	1,013,282	1,038,908	1,065,182	1,092,120	1,119,740
11	Interest	387,633	362,640	337,014	310,740	283,802	256,182
2012 Miramar WTP SRF Loan							
12	Principal	806,674	825,363	844,484	864,049	884,067	904,549
13	Interest	446,949	428,260	409,138	389,574	369,556	349,074
2012 Alvarado WTP SRF Loan							
14	Principal	483,766	494,999	506,492	518,253	530,286	542,599
15	Interest	268,767	257,535	246,041	234,281	222,247	209,934
2013 Otay WTP SRF Loan							
16	Principal	703,419	721,126	739,280	757,890	776,968	796,527
17	Interest	445,934	428,227	410,073	391,463	372,384	352,825
2015 Lindbergh Field SRF Loan							
18	Principal			155,139	158,403	161,736	165,139
19	Interest		27,500	78,909	75,645	72,313	68,910
2015 Harbor Drive SRF Loan							
20	Principal			430,866	439,931	449,187	458,638
21	Interest		62,500	219,154	210,089	200,833	191,382
22	Total SRF Loans	\$ 4,531,431	\$ 4,621,431	\$ 5,415,499	\$ 5,415,499	\$ 5,415,499	\$ 5,415,499
23	Total Long-Term Debt	\$ 64,382,285	\$ 66,740,987	\$ 67,539,343	\$ 68,038,568	\$ 67,262,618	\$ 67,255,343

City of San Diego
Water Financial Planning & Rate Design
Debt Service Requirements

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Senior Debt							
Revenue Bonds							
24	Principal	6,725,000	6,945,000	7,240,000	8,440,000	21,505,000	22,570,000
25	Interest	29,998,494	29,780,206	29,488,119	29,163,444	28,508,269	27,438,844
26	Total Senior Debt	\$ 36,723,494	\$ 36,725,206	\$ 36,728,119	\$ 37,603,444	\$ 50,013,269	\$ 50,008,844
SFR Loans							
27	Principal	1,993,859	2,041,488	2,676,261	2,738,526	2,802,245	2,867,452
28	Interest	1,161,650	1,204,021	1,363,316	1,301,051	1,237,332	1,172,125
29	Total Total Senior Debt	\$ 3,155,509	\$ 3,245,509	\$ 4,039,577	\$ 4,039,577	\$ 4,039,577	\$ 4,039,577
Subordinate Debt							
Revenue Bonds							
30	Principal	16,430,000	17,105,000	17,595,000	17,940,000	5,290,000	5,530,000
31	Interest	6,697,360	8,289,350	7,800,725	7,079,625	6,543,850	6,301,000
32	Total Subordinate Debt	\$ 23,127,360	\$ 25,394,350	\$ 25,395,725	\$ 25,019,625	\$ 11,833,850	\$ 11,831,000
SFR Loans							
33	Principal	988,289	1,013,282	1,038,908	1,065,182	1,092,120	1,119,740
34	Interest	387,633	362,640	337,014	310,740	283,802	256,182
35	Total Total Subordinate Debt	\$ 1,375,922	\$ 1,375,922	\$ 1,375,922	\$ 1,375,922	\$ 1,375,922	\$ 1,375,922

Notes:

1. Amortization scheduled obtained from City.
2. SRF loans are determined outside the rate model and therefore only amortization scheduled are included.

City of San Diego
Water Financial Planning & Rate Design
Debt Service Requirements

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Proposed Long Term Debt							
Revenue Bonds							
1	Amount of Issue	0	0	209,529,300	0	264,106,600	0
2	Month of Issue	January	January	January	July	January	January
3	No. of Months Effective	6	6	6	12	6	6
4	Bond Interest Rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
5	Bond Term	30	30	30	30	30	30
6	Bond Issuance Expense (% of Principal)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
7	Bond Issuance Expense	0	0	4,190,600	0	5,282,100	0
8	Bond Reserve Fund Requirement	0	0	14,416,700	0	18,172,000	0
9	Equal Annual Debt Service	0	0	14,416,700	0	18,172,000	0
Proposed Bonds Debt Service							
10	FY 2013	0	0	0	0	0	0
11	FY 2014		0	0	0	0	0
12	FY 2015			7,208,350	14,416,700	14,416,700	14,416,700
13	FY 2016				0	0	0
14	FY 2017					9,086,000	18,172,000
15	FY 2018						0
16	FY 2019						
17	FY 2020						
18	FY 2021						
19	FY 2022						
20	FY 2023						
21	Total	\$ 0	\$ 0	\$ 7,208,350	\$ 14,416,700	\$ 23,502,700	\$ 32,588,700

City of San Diego
Water Financial Planning & Rate Design
Capital Improvement Program (CIP)

Line No.	Project Name	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Capital Improvement Projects Summary - Expenditure							
Projects by Function							
1	WTP	5,576,370	5,142,517	4,625,613	10,372,979	24,290,910	21,239,281
2	Pipeline	52,701,404	74,564,156	54,011,231	68,279,300	67,210,941	66,470,696
3	Recycled	1,800,140	1,966,098	1,064,655	0	0	0
4	Storage	3,215,506	5,496,829	14,145,433	10,284,534	3,916,041	10,493,067
5	Pump Station	6,227,093	7,761,361	19,854,093	8,956,231	14,991,719	22,696,716
6	Pipeline - Transmission	3,436,603	7,414,822	27,040,860	35,311,783	43,896,023	36,341,724
7	Misc	5,022,000	5,651,440	8,417,132	15,172,715	9,002,186	2,816,860
8	Groundwater	0	0	563,384	2,667,732	15,501,853	15,032,685
9	PRV	0	0	0	0	0	0
10	Total	\$ 66,282,249	\$ 91,797,640	\$ 110,264,042	\$ 128,388,484	\$ 151,988,223	\$ 148,827,374
Projects by Type							
11	Expansion	10,098,780	8,539,002	7,672,101	12,489,818	29,718,315	23,721,920
12	Replacement	16,056,329	14,361,128	35,515,984	48,366,688	62,276,952	64,257,596
13	TBD	40,127,141	68,897,510	67,075,957	67,531,978	59,992,956	60,847,858
14	Total	\$ 66,282,249	\$ 91,797,640	\$ 110,264,042	\$ 128,388,484	\$ 151,988,223	\$ 148,827,374

City of San Diego
Water Financial Planning & Rate Design
Capital Improvement Program (CIP)

Line No.	Project Name	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Capital Improvement Program - Inflation Factor							
1	Annual Construction Cost Index (1)			2.27%	2.27%	2.27%	2.27%
2	Cumulative Construction Cost Index	100.00%	100.00%	102.27%	104.59%	106.96%	109.38%
Capital Improvement Program - Expenditures (2)							
1	Water Treatment Plants	0	500,000	1,100,000	100,000	100,000	100,000
2	Water Pump Station Restoration	504,000	2,248,188	7,245,554	4,295,059	5,857,291	7,426,797
3	Dams and Reservoirs	95,253	1,018,578	1,620,552	0	0	0
4	Standpipe and Reservoir Rehabilitations	2,866,253	2,084,965	7,195,475	5,671,142	1,442,313	1,626,319
5	Groundwater Asset Development Program	0	0	0	0	0	0
6	Reclaimed Water Extension	0	0	0	0	0	0
7	North City Reclamation System	1,540,000	1,129,451	43,540	0	0	0
8	Reclaimed Water Retrofit	0	0	0	0	0	0
9	Reclaimed Water Systems Upgrades	0	147,968	53,954	0	0	0
10	AA-Corrosion	0	498,943	100,000	100,000	100,000	100,000
11	Pressure Reduction Facility Upgrades	0	0	0	0	0	0
12	Freeway Relocation	34,560	3,091	67,567	220,812	165,108	203,362
13	Water Main Replacements	36,661,634	62,546,834	49,814,377	57,365,777	52,493,352	51,594,741
14	Torrey Pines Rd / La Jolla Blvd Main Replacement	125,669	0	0	0	0	0
15	South Bay Reclamation System	118,597	78,464	0	0	0	0
16	Alvarado Water Treatment Plant Upgrade & Expansion	690,000	0	0	0	0	0
17	Miramar Water Treatment Plant Upgrade & Expansion	2,162,000	263,292	0	0	0	0
18	Otay Water Treatment Plant Phase 1	1,064,370	742,526	0	0	0	0
19	Otay Second Pipeline Improvements	100,000	0	0	0	0	0
20	Otay 2nd PL - Isolate / Sweetwater - D/B	0	0	0	0	0	0
21	Otay 2nd PL-Cathodic Pot-Otay Ranch	0	0	0	0	187,077	475,223
22	Water Department Security Upgrades	5,010,000	2,436,492	0	0	0	0
23	Murray Outlet Tower	0	0	60,107	420,748	828,851	6,034,325
24	Morena Dam Grotto	0	0	0	0	0	459,000
25	San Diego Formation Site B	0	0	0	53,440	63,529	1,544,031
26	San Diego Formation Site A	0	0	0	191,858	168,503	4,557,288
27	Outlet Tower Silt Removal / Mangement of Res.	0	0	0	0	0	0
28	El Capitan Well Field	0	0	135,869	749,545	2,927,175	1,254,504

City of San Diego
Water Financial Planning & Rate Design
Capital Improvement Program (CIP)

Line No.	Project Name	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
29	San Vicente Well Field	0	0	0	0	163,067	1,114,635
30	Mercy Road Parallel Pipeline D/B	0	0	0	0	0	0
31	Otay Mesa Pipeline Replacement - D/B	0	0	0	453,154	684,006	1,132,703
32	Otay WTP Building Improvement	0	0	0	89,397	294,905	845,394
33	Otay WTP Upgrade - Phase 3	0	0	865,636	2,628,698	8,458,735	3,955,005
34	Penasquitos Canyon Interconnect - D/B	0	0	0	0	499,200	1,259,063
35	Santa Luz Interconnect - D/B	0	0	0	0	0	0
36	Mission Valley Basin Groundwater Production	0	0	415,023	1,210,068	9,277,107	4,007,906
37	Barrett Pipeline Replacement D/B	0	0	0	307,993	2,177,643	5,168,967
38	Otay Mesa 680 Zone 24-inch Loop Pipeline - D/B	0	0	0	0	306,793	1,092,735
39	The Miramar Del Mar Extension - D/B	0	0	0	0	0	0
40	Rancho Bernardo Pipeline Replacement - D/B	0	0	0	0	0	2,451,886
41	Penasquitos Canyon New Pipeline Tunneling - D/B	0	0	0	0	0	0
42	South San Diego #2 Pipeline, Parallel Pipelines - D/B	0	0	0	0	0	0
43	Miramar WTP Improvements	0	0	0	0	0	0
44	Alvarado WTP Improvements	0	0	0	0	0	0
45	Balboa Ave Pipelines - D/B	0	0	0	0	0	0
46	Semillon Blvd and Scripps Trail Parallel Pipeline - D/B	0	0	0	0	0	0
47	Penasquitos Bluffs Parallel Pipeline - D/B	0	0	0	0	0	0
48	Miramar WTP SDFCF 5C	0	0	950,000	2,100,000	0	0
49	Recycled Water Tank Modifications	0	90,000	810,000	0	0	0
50	San Pasqual Brackish Desalination	0	0	0	345,834	1,894,034	1,264,780
51	Tierrasanta (Via Dominique) Pump Station	981,093	587,561	8,262,664	1,396,077	606	0
52	San Diego 17 Flow Control Facility	0	0	0	0	0	0
53	El Capitan Reservoir Improvements	0	0	89,564	153,019	491,211	1,473,300
54	Morena Reservoir Outlet Tower Upgrade	230,000	851,142	4,098,772	2,159	0	0
55	Lower Otay Reservoir Emerg Outlet Improv	24,000	1,242,568	46,897	0	0	0
56	Water CIP Reserve	0	0	0	0	0	0
57	Pomerado Pipeline #2	0	0	0	0	0	0
58	Miramar Pipeline Monitoring	266,104	0	0	0	0	0
59	Vulnerability Measures	0	0	500,000	1,000,000	2,000,000	2,000,000
60	Water Group 790	231,877	212,525	0	0	0	0
61	El Capitan Pipeline No. 2	926,151	146,559	0	0	0	0
62	El Monte Raw Water	608,600	1,690,700	135,800	0	0	0

City of San Diego
Water Financial Planning & Rate Design
Capital Improvement Program (CIP)

Line No.	Project Name	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
63	Recycled Water System Upgrades	141,543	520,216	133,555	0	0	0
64	Kearny Mesa Pipeline Upgrade	0	0	0	0	0	0
65	Barrett Flume Cover	0	0	0	0	0	0
66	Lindbergh Field Pipeline	2,206,312	2,708,123	469,617	0	0	0
67	Kensington Pressure Regulating Station	0	0	0	0	0	0
68	3012 - DB Water	3,090,079	2,330,049	0	0	0	0
69	Advanced Water Treatment Demo Plant (IPR/RA)	0	0	0	0	0	0
70	University Ave Pipeline Replacement	700,000	679,216	4,938,572	5,892,515	2,491,074	16,176
71	Upas St. Pipeline Replacement	1,284,000	757,250	3,601,723	5,824,571	3,494,183	4,160,188
72	Miramar Clearwell Improvements	1,660,000	3,636,699	1,607,417	5,000,000	13,857,082	14,516,923
73	Chollas Building	12,000	451,085	1,753,702	8,969,654	6,129,493	0
74	Mid-City Pipeline - Ph 2 / Montezuma PPL	0	329,512	465,909	5,551,060	7,789,192	2,542,716
75	Otay 1st /2nd Pipeline	577,899	1,599,340	4,297,824	545,492	0	0
76	CIS ERP Implementation	0	0	0	0	0	0
77	Colony Hill Water Main Relocation	617,400	301,997	0	0	0	0
78	Water Group 787 CI (CH)-1	2,145,000	1,513,179	716,204	0	0	0
79	El Capitan Pipeline Potable Water Extension D/B	0	0	0	0	0	394,850
80	Catalina Blvd 12 in Cast Iron Mains	0	1,800,000	6,617,326	0	0	0
81	La Jolla Scenic Drive 16inch Main	0	345,807	452,438	1,166,102	0	0
82	30th Street Pipeline Replacement	0	0	800,540	4,308,035	4,213,010	0
83	69th and Mohawk Pump Station	0	220,152	1,665,760	2,078,996	6,606,789	1,614,440
84	Cielo & Woodman Pump Station	0	100,000	239,844	793,344	1,551,781	11,708,498
85	Alvarado 2nd PI Exten & Morena Blvd CI	0	0	0	1,173,807	3,642,612	15,004,956
86	Pacific Beach Pipeline	462,722	1,048,569	731,269	4,032,372	5,909,987	5,765,449
87	Otay 1st/2nd PPL Abandon West of Highland Avenue	0	488,051	4,824,082	7,277,099	13,739,232	0
88	Del Mar Heights East Segment	0	70,753	759,530	2,429,536	2,003,526	0
89	Lower Otay Outlet Tower	0	299,575	720,432	3,586,460	898,918	0
90	Scripps Ranch Pump Station	4,742,000	4,605,460	2,000,062	0	0	0
91	Harbor Drive Pipelines Replacement	6,100,000	3,067,781	121,852	0	0	0
92	Water and Sewer Group Job 816	0	339,640	440,360	2,500,000	4,270,243	3,205,120
93	Miramar Contract A Roof System Redesign	0	70,000	3,743,504	3,743,496	0	0
94	EAM ERP Implementation	0	2,194,920	2,133,300	694,200	0	0
95	Total	\$ 77,979,116	\$ 107,997,224	\$ 126,846,172	\$ 144,421,519	\$ 167,177,627	\$ 160,071,281

City of San Diego
Water Financial Planning & Rate Design
Capital Improvement Program (CIP)

Line No.	Project Name	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
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Notes:

1. Source: Engineering News Record (ENR) Los Angeles Construction Cost Index

Dec-12	10,270.93
Dec-07	9,181.67
Dec-02	7,402.75
Dec-92	6,348.55
ENR-5 Yr	2.27%
ENR-10Yr	3.33%
ENR-20Yr	2.43%

2. Public Utilities - FY13-23 Sewer Expenditures provide by City.

City of San Diego
Water Financial Planning & Rate Design
Operating Fund

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Water Operating Fund							
Revenue							
Rate Revenue							
1	Water Sales (Cust. Charge/Commercial Charge)	389,907,600	389,907,600	391,820,900	395,160,100	398,534,100	401,941,500
2	Year Months Effective Rate Adj						
3	FY 2013 12 0.0%	0	0	0	0	0	0
4	FY 2014 10 0.0%		0	0	0	0	0
5	FY 2015 12 0.0%			0	0	0	0
6	FY 2016 12 0.0%				0	0	0
7	FY 2017 12 0.0%					0	0
8	FY 2018 12 0.0%						0
9	FY 2019 12 0.0%						
10	FY 2020 12 0.0%						
11	FY 2021 12 0.0%						
12	FY 2022 12 0.0%						
13	FY 2023 12 0.0%						
14	Increased Revenue Due to Adjustments	0	0	0	0	0	0
15	Subtotal Rate Revenue	389,907,600	389,907,600	391,820,900	395,160,100	398,534,100	401,941,500
Other Operating Revenue							
16	Other Water Sales	10,060,800	9,930,300	9,792,900	9,773,000	9,622,200	9,468,200
17	Service Charges	1,267,000	1,267,000	1,267,000	1,267,000	1,267,000	1,267,000
18	New Water Services	750,000	750,000	750,000	750,000	750,000	750,000
19	Land and Building Rentals	6,244,500	6,253,000	6,306,600	6,370,000	6,433,000	6,497,000
20	Services Rendered Other Funds	6,016,000	6,043,000	6,218,000	6,398,000	6,581,000	6,771,000
21	Other Revenue	17,414,900	4,495,000	2,182,000	2,183,000	2,184,000	2,185,000
22	Subtotal Other Operating Revenue	41,753,200	28,738,300	26,516,500	26,741,000	26,837,200	26,938,200
Non-Operating Revenue							
23	Damages Recovered	225,000	225,000	225,000	225,000	225,000	225,000
24	Sale of Land	0	0	0	0	0	0
25	Earnings on Investments	2,730,900	2,140,000	3,125,900	3,682,200	4,217,100	5,194,000
26	Subtotal Non-Operating Revenue	2,955,900	2,365,000	3,350,900	3,907,200	4,442,100	5,419,000

City of San Diego
Water Financial Planning & Rate Design
Operating Fund

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Transfers							
27	From Operating Reserve	0	0	0	0	0	0
28	From Rate Stabilization Reserve	11,800,000	18,000,000	0	0	0	0
29	From Secondary Purchase Reserve	0	0	0	0	0	0
30	From DRES Reserve	0	0	0	0	0	0
31	Subtotal Transfers	11,800,000	18,000,000	0	0	0	0
32	Total Revenue	\$ 446,416,700	\$ 439,010,900	\$ 421,688,300	\$ 425,808,300	\$ 429,813,400	\$ 434,298,700
Revenue Requirements							
Operating & Maintenance							
33	O&M Expenses	153,788,600	170,868,900	165,949,200	165,770,600	165,581,900	166,840,800
34	Water Purchase (SDCWA)	202,796,200	215,588,800	217,510,000	219,025,000	220,555,000	222,100,000
35	Subtotal O&M	356,584,800	386,457,700	383,459,200	384,795,600	386,136,900	388,940,800
Debt Service							
36	Existing Long Term Debt						
37	Revenue Bonds	59,850,900	62,119,600	62,123,800	62,623,100	61,847,100	61,839,800
38	SRF Loans	4,531,400	4,621,400	5,415,500	5,415,500	5,415,500	5,415,500
39	Proposed Long Term Debt						
40	Revenue Bonds	0	0	7,208,400	14,416,700	23,502,700	32,588,700
41	Total Debt Service	64,382,300	66,741,000	74,747,700	82,455,300	90,765,300	99,844,000
Transfers							
42	To CIP Fund (PAYGO)	13,256,400	18,359,500	22,052,800	25,677,700	30,397,600	29,765,500
43	To CIP Fund (Other Capital Financing)	24,432,900	66,251,400	0	0	0	0
44	To Operating Reserve	0	3,212,900	0	0	0	0
45	To Capital Reserve	0	0	0	0	0	0
46	To Rate Stabilization Reserve	0	0	0	0	0	0
47	To Secondary Purchase Reserve	0	431,400	115,300	90,900	91,800	92,700
48	To DRES	0	0	0	0	0	0
49	Total Transfers	37,689,300	88,255,200	22,168,100	25,768,600	30,489,400	29,858,200
50	Total Revenue Requirements	\$ 458,656,400	\$ 541,453,900	\$ 480,375,000	\$ 493,019,500	\$ 507,391,600	\$ 518,643,000

City of San Diego
Water Financial Planning & Rate Design
Operating Fund

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
51	Net Annual Cash Balance	(12,239,700)	(102,443,000)	(58,686,700)	(67,211,200)	(77,578,200)	(84,344,300)
52	Beginning Cash Balance	248,824,500	236,584,800	134,141,800	75,455,100	8,243,900	(69,334,300)
53	Net Cumulative Fund Balance	\$ 236,584,800	\$ 134,141,800	\$ 75,455,100	\$ 8,243,900	\$ (69,334,300)	\$ (153,678,600)
Minimum Reserves Balance							
54	Operating Reserve	29,556,500	32,769,400	32,769,400	32,769,400	32,769,400	32,769,400
55	Capital Reserve	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
56	Rate Stabilization Reserve	38,500,000	20,500,000	20,500,000	20,500,000	20,500,000	20,500,000
57	Secondary Purchase Reserve	12,503,900	12,935,300	13,050,600	13,141,500	13,233,300	13,326,000
58	DRES Reserve	0	0	0	0	0	0
59	Subtotal Minimum Reserves Balance	\$ 85,560,400	\$ 71,204,700	\$ 71,320,000	\$ 71,410,900	\$ 71,502,700	\$ 71,595,400
60	Surplus/Deficit	\$ 151,024,400	\$ 62,937,100	\$ 4,135,100	\$ (63,167,000)	\$ (140,837,000)	\$ (225,274,000)
61	Cumulative Revenue Increase	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
62	Adjustment to Annualize Rate Increase	0	0	0	0	0	0
63	Cumulative Revenues	\$ 389,907,600	\$ 389,907,600	\$ 391,820,900	\$ 395,160,100	\$ 398,534,100	\$ 401,941,500
64	Interest Rate (1)	0.30%	0.30%	0.75%	1.50%	2.25%	3.25%

Notes:

1. Interest rates obtained from Pool Yield Forecast provided by the City Treasurer's Office.

City of San Diego
Water Financial Planning & Rate Design
Capital Improvement Fund

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Water Capital Fund							
1	Total Projects to be Funded	66,282,200	91,797,600	110,264,000	128,388,500	151,988,200	148,827,400
2	Less Projects not Eligible for Debt Funding						
3	Bond Proceed Balance						
4	SRF Proceeds	7,200,000	7,186,700				
5	Grants						
6	Capacity Fees	No 0	0	0	0	0	0
7	PAYGO Funds (% of CIP) (1)	20% 13,256,400	18,359,500	22,052,800	25,677,700	30,397,600	29,765,500
8	Other Cash Financing (2)	24,432,900	66,251,400				
9	DRES Transfers	21,392,900	0	0	0	0	0
10	Capital Reserve Transfers	0	0	0	0	0	0
11	Total Projects Eligible for Debt Funding	\$ 0	\$ 0	\$ 88,211,200	\$ 102,710,800	\$ 121,590,600	\$ 119,061,900
12	Years to Finance	0	0	2	0	2	0
13	Funds Needed	0	0	190,922,000	0	240,652,500	0
14	Amount of Issue	\$ 0	\$ 0	\$ 209,529,300	\$ 0	\$ 264,106,600	\$ 0

Notes:

1. City policy to finance 20% of CIP with pay as you go funds (cash).
2. Other Cash Financing are other funds that include capital cash balance, transfers from operating, capacity fee, interest income, etc.

Water Capital Fund

Source of Funds

1	Bond Proceeds	0	0	88,211,200	102,710,800	121,590,600	119,061,900
2	SRF Proceeds	7,200,000	7,186,700	0	0	0	0
3	Grants	0	0	0	0	0	0
4	PAYGO Funds	13,256,400	18,359,500	22,052,800	25,677,700	30,397,600	29,765,500
5	Other Cash Financing	24,432,900	66,251,400	0	0	0	0
6	DRES Transfers	21,392,900	0	0	0	0	0
7	Capital Reserve Transfers	0	0	0	0	0	0
8	Total Sources	\$ 66,282,200	\$ 91,797,600	\$ 110,264,000	\$ 128,388,500	\$ 151,988,200	\$ 148,827,400

Use of Funds

9	Capital Projects	66,282,200	91,797,600	110,264,000	128,388,500	151,988,200	148,827,400
10	Total Uses	\$ 66,282,200	\$ 91,797,600	\$ 110,264,000	\$ 128,388,500	\$ 151,988,200	\$ 148,827,400
11	Net Annual Cash Balance	0	0	0	0	0	0

City of San Diego
Water Financial Planning & Rate Design
Capital Improvement Fund

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Revenue Bonds Funds							
Source of Funds							
1	Bond Proceeds	0	0	209,529,300	0	264,106,600	0
2	Earnings from Investments	0	0	440,900	776,200	1,561,400	1,966,700
3	Total Sources	\$ 0	\$ 0	\$ 209,970,200	\$ 776,200	\$ 265,668,000	\$ 1,966,700
Use of Funds							
4	Transfer to Capital Fund (for Projects)	0	0	88,211,200	102,710,800	121,590,600	119,061,900
5	Interest to Capital Fund	0	0	440,900	776,200	1,561,400	1,966,700
6	Transfer to Bond Debt Service Fund	0	0	14,416,700	0	18,172,000	0
7	Debt Expense	0	0	4,190,600	0	5,282,100	0
8	Total Uses	\$ 0	\$ 0	\$ 107,259,400	\$ 103,487,000	\$ 146,606,100	\$ 121,028,600
9	Net Annual Cash Balance	0	0	102,710,800	(102,710,800)	119,061,900	(119,061,900)
10	Beginning Unrestricted Cash Balance	0	0	0	102,710,800	0	119,061,900
11	Net Cumulative Fund Balance	\$ 0	\$ 0	\$ 102,710,800	\$ 0	\$ 119,061,900	\$ 0

City of San Diego
Water Financial Planning & Rate Design
Reserves

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Reserves Cash Balance Summary							
1	Operating Reserve	29,556,500	32,769,400	32,769,400	32,769,400	32,769,400	32,769,400
2	Capital Reserve	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
3	Rate Stabilization Reserve	38,500,000	20,500,000	20,500,000	20,500,000	20,500,000	20,500,000
4	Secondary Purchase Reserve	12,503,900	12,935,300	13,050,600	13,141,500	13,233,300	13,326,000
5	DRES Reserve	0	0	0	0	0	0
6	Bond Debt Service Reserve	66,062,578	66,062,578	94,895,978	94,895,978	131,239,978	131,239,978
7	SRF Debt Service Reserve	5,415,458	5,415,458	5,415,458	5,415,458	5,415,458	5,415,458
8	Total	\$ 157,038,437	\$ 142,682,737	\$ 171,631,437	\$ 171,722,337	\$ 208,158,137	\$ 208,250,837
Operating Reserve							
Source of Funds							
1	Water Operating Fund	0	3,212,900	0	0	0	0
2	Earnings from Investments	88,800	93,600	246,700	495,300	745,700	1,082,600
3	Total Sources	\$ 88,800	\$ 3,306,500	\$ 246,700	\$ 495,300	\$ 745,700	\$ 1,082,600
Use of Funds							
4	Water Operating Fund						
5	Interest to Operating Fund	88,800	93,600	246,700	495,300	745,700	1,082,600
6	Total Uses	\$ 88,800	\$ 93,600	\$ 246,700	\$ 495,300	\$ 745,700	\$ 1,082,600
7	Net Annual Cash Balance	0	3,212,900	0	0	0	0
8	Beginning Cash Balance	29,556,500	29,556,500	32,769,400	32,769,400	32,769,400	32,769,400
9	Net Cumulative Fund Balance	\$ 29,556,500	\$ 32,769,400	\$ 32,769,400	\$ 32,769,400	\$ 32,769,400	\$ 32,769,400
10	Target Days per Reserve Policy	70	70	70	70	70	70
11	Target Balance per Reserve Policy	29,493,700	32,769,400	31,825,900	31,791,600	31,755,400	31,996,900

City of San Diego
Water Financial Planning & Rate Design
Reserves

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Capital Reserve							
Source of Funds							
1	Water Operating Fund						
2	Earnings from Investments	15,000	15,000	37,600	75,600	113,800	165,200
3	Total Sources	\$ 15,000	\$ 15,000	\$ 37,600	\$ 75,600	\$ 113,800	\$ 165,200
Use of Funds							
4	Water Capital Fund						
5	Interest to Operating Fund	15,000	15,000	37,600	75,600	113,800	165,200
6	Total Uses	\$ 15,000	\$ 15,000	\$ 37,600	\$ 75,600	\$ 113,800	\$ 165,200
7	Net Annual Cash Balance	0	0	0	0	0	0
8	Beginning Cash Balance	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
9	Net Cumulative Fund Balance	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Rate Stabilization Reserve							
Source of Funds							
1	Water Operating Fund						
2	Earnings from Investments	133,400	88,600	154,300	309,800	466,500	677,300
3	Total Sources	\$ 133,400	\$ 88,600	\$ 154,300	\$ 309,800	\$ 466,500	\$ 677,300
Use of Funds							
4	Water Operating Fund	11,800,000	18,000,000				
5	Interest to Operating Fund	133,400	88,600	154,300	309,800	466,500	677,300
6	Total Uses	\$ 11,933,400	\$ 18,088,600	\$ 154,300	\$ 309,800	\$ 466,500	\$ 677,300
7	Net Annual Cash Balance	(11,800,000)	(18,000,000)	0	0	0	0
8	Beginning Cash Balance	50,300,000	38,500,000	20,500,000	20,500,000	20,500,000	20,500,000
9	Net Cumulative Fund Balance	\$ 38,500,000	\$ 20,500,000	\$ 20,500,000	\$ 20,500,000	\$ 20,500,000	\$ 20,500,000

City of San Diego
Water Financial Planning & Rate Design
Reserves

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Secondary Purchase Reserve							
Source of Funds							
1	Water Operating Fund	0	431,400	115,300	90,900	91,800	92,700
2	Earnings from Investments	37,600	38,200	97,800	197,900	300,100	438,700
3	Total Sources	\$ 37,600	\$ 469,600	\$ 213,100	\$ 288,800	\$ 391,900	\$ 531,400
Use of Funds							
4	Water Operating Fund						
5	Interest to Operating Fund	37,600	38,200	97,800	197,900	300,100	438,700
6	Total Uses	\$ 37,600	\$ 38,200	\$ 97,800	\$ 197,900	\$ 300,100	\$ 438,700
7	Net Annual Cash Balance	0	431,400	115,300	90,900	91,800	92,700
8	Beginning Cash Balance	12,503,900	12,503,900	12,935,300	13,050,600	13,141,500	13,233,300
9	Net Cumulative Fund Balance	\$ 12,503,900	\$ 12,935,300	\$ 13,050,600	\$ 13,141,500	\$ 13,233,300	\$ 13,326,000
10	Target % per Reserve Policy	6%	6%	6%	6%	6%	6%
11	Target Balance per Reserve Policy	12,167,800	12,935,300	13,050,600	13,141,500	13,233,300	13,326,000
DRES Reserve							
Source of Funds							
1	Water Operating Fund						
2	Earnings from Investments	64,300	0	0	0	0	0
3	Total Sources	\$ 64,300	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Use of Funds							
4	Water Operating Fund						
5	Water Capital Fund	21,392,900					
6	Interest to Capital Fund	64,300	0	0	0	0	0
7	Total Uses	\$ 21,457,200	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
8	Net Annual Cash Balance	(21,392,900)	0	0	0	0	0
9	Beginning Cash Balance	21,392,900	0	0	0	0	0
10	Net Cumulative Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

City of San Diego
Water Financial Planning & Rate Design
Reserves

Line No.	Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Bond Debt Service Reserve							
Source of Funds							
1	Debt Issuance	0	0	14,416,700	0	18,172,000	0
2	Earnings from Investments	1,721,500	1,334,600	1,771,500	1,917,100	2,467,800	2,651,300
3	Total Sources	\$ 1,721,500	\$ 1,334,600	\$ 16,188,200	\$ 1,917,100	\$ 20,639,800	\$ 2,651,300
Use of Funds							
4	Water Operating Fund						
5	Water Capital Fund						
6	Year End Adjustment	19,152,622					
7	Interest to Operating Fund	1,721,500	1,334,600	1,771,500	1,917,100	2,467,800	2,651,300
8	Total Uses	\$ 20,874,122	\$ 1,334,600	\$ 1,771,500	\$ 1,917,100	\$ 2,467,800	\$ 2,651,300
9	Net Annual Cash Balance	(19,152,622)	0	14,416,700	0	18,172,000	0
10	Beginning Cash Balance	85,215,200	66,062,578	80,479,278	94,895,978	113,067,978	131,239,978
11	Net Cumulative Fund Balance	\$ 66,062,578	\$ 66,062,578	\$ 94,895,978	\$ 94,895,978	\$ 131,239,978	\$ 131,239,978
12	Interest Rate (1)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
SRF Debt Service Reserve							
Source of Funds							
1	SRF Issuance						
2	SRF Reserve Requirement (2)	2,259,658					
3	Earnings from Investments	9,500	16,300	40,800	81,800	123,200	178,900
4	Total Sources	\$ 2,269,158	\$ 16,300	\$ 40,800	\$ 81,800	\$ 123,200	\$ 178,900
Use of Funds							
5	Water Operating Fund						
6	Water Capital Fund						
7	Interest to Operating Fund	9,500	16,300	40,800	81,800	123,200	178,900
8	Total Uses	\$ 9,500	\$ 16,300	\$ 40,800	\$ 81,800	\$ 123,200	\$ 178,900
9	Net Annual Cash Balance	2,259,658	0	0	0	0	0
10	Beginning Cash Balance	3,155,800	5,415,458	5,415,458	5,415,458	5,415,458	5,415,458
11	Net Cumulative Fund Balance	\$ 5,415,458	\$ 5,415,458	\$ 5,415,458	\$ 5,415,458	\$ 5,415,458	\$ 5,415,458

City of San Diego
Water Financial Planning & Rate Design
Debt Service Coverage

Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Debt Service Coverage Summary						
Cashflow						
Total Revenue	454,889,400	447,307,200	430,119,800	434,329,800	438,494,800	442,977,100
Total Operating Expenses	356,584,800	386,457,700	383,459,200	384,795,600	386,136,900	388,940,800
Net Revenue Available For Debt Service	\$ 98,304,600	\$ 60,849,500	\$ 46,660,600	\$ 49,534,200	\$ 52,357,900	\$ 54,036,300
Debt Service						
Total Parity Debt Service	36,723,500	36,725,200	36,728,100	37,603,400	50,013,300	50,008,800
Total Subordinate Debt Service	23,127,360	25,394,350	25,395,725	25,019,625	11,833,850	11,831,000
Parity Debt Service Coverage (Requires 1.2x)	2.75	1.69	1.31	1.36	1.08	1.12
Aggregate Debt Service Coverage (Requires 1.1x)	1.66	0.99	0.77	0.81	0.87	0.90
Operating Revenue						
Water Sales	399,968,400	399,837,900	401,613,800	404,933,100	408,156,300	411,409,700
Service Charges	1,267,000	1,267,000	1,267,000	1,267,000	1,267,000	1,267,000
New Water Services	750,000	750,000	750,000	750,000	750,000	750,000
Land and Building Rentals	6,244,500	6,253,000	6,306,600	6,370,000	6,433,000	6,497,000
Services Rendered Other Funds	6,016,000	6,043,000	6,218,000	6,398,000	6,581,000	6,771,000
Other Revenue	17,414,900	4,495,000	2,182,000	2,183,000	2,184,000	2,185,000
Total Operating Revenue	\$ 431,660,800	\$ 418,645,900	\$ 418,337,400	\$ 421,901,100	\$ 425,371,300	\$ 428,879,700
Operating Expenses						
Department Expenses	153,788,600	170,868,900	165,949,200	165,770,600	165,581,900	166,840,800
Water Purchase	202,796,200	215,588,800	217,510,000	219,025,000	220,555,000	222,100,000
Total Operating Expenses	\$ 356,584,800	\$ 386,457,700	\$ 383,459,200	\$ 384,795,600	\$ 386,136,900	\$ 388,940,800

City of San Diego
Water Financial Planning & Rate Design
Debt Service Coverage

Description	Budget FY 2013	Budget FY 2014	Forecast FY 2015	Forecast FY 2016	Forecast FY 2017	Forecast FY 2018
Net Operating Revenue	\$ 75,076,000	\$ 32,188,200	\$ 34,878,200	\$ 37,105,500	\$ 39,234,400	\$ 39,938,900
Transfer (to)/from RSF	11,800,000	18,000,000	0	0	0	0
Interest Income on Operating Funds	2,730,900	2,140,000	3,125,900	3,682,200	4,217,100	5,194,000
Interest Income on Debt Service Reserve Fund	1,721,500	1,334,600	1,771,500	1,917,100	2,467,800	2,651,300
Capacity Fee Proceeds	7,932,600	7,952,300	7,972,000	7,962,800	8,002,500	8,042,400
Less: Senior Debt Service Reserve Fund Interest	956,400	765,600	1,087,000	1,133,400	1,563,900	1,790,300
Total Adjusted Net System Revenues	\$ 98,304,600	\$ 60,849,500	\$ 46,660,600	\$ 49,534,200	\$ 52,357,900	\$ 54,036,300

Senior Debt Service Coverage

Projected Senior Debt Service	36,723,500	36,725,200	36,728,100	37,603,400	50,013,300	50,008,800
Less: Senior Debt Service Reserve Fund Interest	956,400	765,600	1,087,000	1,133,400	1,563,900	1,790,300
Adjusted Debt Service	\$ 35,767,100	\$ 35,959,600	\$ 35,641,100	\$ 36,470,000	\$ 48,449,400	\$ 48,218,500
Senior Debt Service Coverage	2.75	1.69	1.31	1.36	1.08	1.12

Aggregate Debt Service Coverage

Net Operating Revenues	75,076,000	32,188,200	34,878,200	37,105,500	39,234,400	39,938,900
Transfer (to)/from RSF	11,800,000	18,000,000	0	0	0	0
Interest Income on Operating Funds	2,730,900	2,140,000	3,125,900	3,682,200	4,217,100	5,194,000
Interest Income on Debt Service Reserve Fund	1,721,500	1,334,600	1,771,500	1,917,100	2,467,800	2,651,300
Capacity Fee Proceeds	7,932,600	7,952,300	7,972,000	7,962,800	8,002,500	8,042,400
Total Net System Revenues	\$ 99,261,000	\$ 61,615,100	\$ 47,747,600	\$ 50,667,600	\$ 53,921,800	\$ 55,826,600
Projected Senior Debt Service	36,723,500	36,725,200	36,728,100	37,603,400	50,013,300	50,008,800
Projected Subordinate Debt Service	23,127,360	25,394,350	25,395,725	25,019,625	11,833,850	11,831,000
Aggregate Debt Service	\$ 59,850,860	\$ 62,119,550	\$ 62,123,825	\$ 62,623,025	\$ 61,847,150	\$ 61,839,800
Aggregate Debt Coverage	1.66	0.99	0.77	0.81	0.87	0.90