

**CITY OF FOLSOM**  
**WATER EXHIBIT 1**  
**SUMMARY OF REVENUE REQUIREMENT**  
**REVENUE REQUIREMENT ANALYSIS**

	Budget		Projected			
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	
REVENUES						
Rate Revenue	\$12,095,566	\$12,095,570	\$12,095,570	\$12,095,570	\$12,095,570	
Other Revenue	900,000	795,790	698,490	600,835	503,545	
Total Revenue	\$12,995,566	\$12,891,360	\$12,794,060	\$12,696,405	\$12,599,115	
EXPENSES						
O&M Expenses	\$8,993,287	\$9,104,600	\$9,211,110	\$9,323,930	\$9,443,280	
Net CIP from Rates	\$2,000,000	\$2,250,000	\$2,500,000	\$2,750,000	\$3,000,000	
Debt Service	\$2,050,354	\$2,391,648	\$2,396,963	\$3,119,412	\$3,118,100	
Transfers	\$1,097,264	\$1,124,696	\$1,152,813	\$1,181,633	\$1,211,174	
Change in Working Capital	500,000	500,000	500,000	500,000	500,000	
Total Expenses	\$14,640,905	\$15,370,943	\$15,760,886	\$16,874,975	\$17,272,554	
Balance/(Deficiency) of Funds	(\$1,645,338)	(\$2,479,583)	(\$2,966,826)	(\$4,178,571)	(\$4,673,439)	
RATE ADJUSTMENT REQUIRED (cumulative)	13.6%	20.5%	24.5%	34.5%	38.6%	
PROPOSED ANNUAL RATE ADJUSTMENT	12.6%	6.1%	4.4%	6.0%	4.0%	
Additional Revenue From Rate Increase	\$1,524,041	\$2,354,838	\$2,990,656	\$3,895,830	\$4,535,486	
Balance/(Deficiency) of Funds	(\$121,297)	(\$124,745)	\$23,830	(\$282,741)	(\$137,953)	
ADDITIONAL RATE ADJUSTMENT REQUIRED	1.0%	1.0%	0.0%	2.3%	1.1%	
Plus: Use of Reserves	\$0	\$0	\$0	\$0	\$0	
Total Balance/(Deficiency) of Funds	(\$121,297)	(\$124,745)	\$23,830	(\$282,741)	(\$137,953)	
Additional Rate Increase Needed	1.0%	1.0%	0.0%	2.3%	1.1%	
Current Residential Rate (Flat Rate)	\$33.55	\$37.78	\$40.08	\$41.85	\$44.36	Cumulative dollar change = \$12.58
Rate Impact with Proposed Adjustment	4.23	2.30	1.76	2.51	1.77	
Residential Rate with Annual Adjustment	\$37.78	\$40.08	\$41.85	\$44.36	\$46.13	
Debt Service Coverage						
Before Rate Increase	2.02	1.64	1.55	1.12	1.06	
After Required Rate Increase	2.82	2.67	2.79	2.46	2.55	
After Proposed Rate Increase	2.76	2.62	2.80	2.37	2.51	

CITY OF FOLSOM  
WATER EXHIBIT 2  
REVENUE REQUIREMENT ANALYSIS

	Budget	Projected				
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	
SOURCES OF FUNDS						
Rate Revenue						
Residential	\$7,702,539	\$7,702,540	\$7,702,540	\$7,702,540	\$7,702,540	Growth - Residential
Nonresidential	4,393,027	4,393,030	4,393,030	4,393,030	4,393,030	Growth - Nonresidential
Total Rate Revenue	\$12,095,566	\$12,095,570	\$12,095,570	\$12,095,570	\$12,095,570	
Other Revenue						
Federal Grant / Other Federal Grants	\$0	\$0	\$0	\$0	\$0	Other Revenues
State Grants / Other State Grants	0	0	0	0	0	Other Revenues
Gen Gov't / Recovery Of Labor & Benefits	75,000	75,000	75,000	75,000	75,000	Flat
Gen Gov't / Sale Of Documents	0	0	0	0	0	Other Revenues
Gen Gov't / Recovery Of Damages	0	0	0	0	0	Other Revenues
Gen Gov't / Other Reimbursements	20,000	20,000	20,000	20,000	20,000	Flat
Water / Equity Buy In	90,000	90,000	90,000	90,000	90,000	Flat
Delinquent Fees / Turn On-Off	0	0	0	0	0	Other Revenues
Delinquent Fees / Penalties	25,000	25,000	25,000	25,000	25,000	Flat
Water / Backflow Testing	0	0	0	0	0	Other Revenues
Temporary / Water Service	0	0	0	0	0	Other Revenues
Temporary / Water Use	163,000	163,000	163,000	163,000	163,000	Flat
Fines / Penalty		0	0	0	0	Other Revenues
Interest / Interest Earned	7,000	2,590	5,090	7,235	9,735	Calculated Interest
Gains On Investments / Unrealized Gain/Loss	0	0	0	0	0	Other Revenues
Other Revenue / Sundry Revenue	20,000	20,200	20,400	20,600	20,810	Other Revenues
Capital / Contributions	0	0	0	0	0	Other Revenues
Transfers In (Dry Year Fund 456)	500,000	400,000	300,000	200,000	100,000	
Proceeds Of Financing	0	0	0	0	0	Other Revenues
Total Other Revenue	\$900,000	\$795,790	\$698,490	\$600,835	\$503,545	
TOTAL SOURCES OF FUNDS	\$12,995,566	\$12,891,360	\$12,794,060	\$12,696,405	\$12,599,115	

CITY OF FOLSOM  
WATER EXHIBIT 2  
REVENUE REQUIREMENT ANALYSIS

Page 2 of 8

		Budget	Projected				
		2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	
APPLICATIONS OF FUNDS							
Engineering							
10-01	Permanent Salaries	\$610,334	\$625,590	\$641,230	\$657,260	\$673,690	Labor
10-02	Temporary Salaries	45,000	46,130	47,280	48,460	49,670	Labor
10-03	Overtime	0	0	0	0	0	Labor
10-14	Annual Leave Account	17,784	18,230	18,690	19,160	19,640	Labor
10-25	Uniform Allowance	0	0	0	0	0	Materials & Supplies
15-02	FICA	47,490	48,680	49,900	51,150	52,430	Labor
15-04	Group Insurance	0	0	0	0	0	Benefits - Medical
15-05	Uniform Allowance	1,000	1,010	1,020	1,030	1,040	Materials & Supplies
15-06	PERS	123,010	126,090	129,240	132,470	135,780	Labor
15-07	HRA	0	0	0	0	0	Benefits - Other
15-08	Worker's Compensation	0	0	0	0	0	Benefits - Other
15-09	Deferred Compensation	22,436	23,000	23,580	24,170	24,770	Labor
15-11	Accrued Leave Current	0	0	0	0	0	Labor
15-15	Auto Allowance	6,198	6,510	6,840	7,180	7,540	Benefits - Other
15-20	Employee Assistance Program	0	0	0	0	0	Miscellaneous
15-21	Post Employment Benefits	0	0	0	0	0	Benefits - Other
15-22	Combined Benefits	92,919	97,560	102,440	107,560	112,940	Benefits - Other
20-01	Printing	0	0	0	0	0	Materials & Supplies
20-02	Dues & Publication	0	0	0	0	0	Materials & Supplies
20-03	Advertising	0	0	0	0	0	Miscellaneous
20-04	Rents	0	0	0	0	0	Miscellaneous
20-05	Training & Education	0	0	0	0	0	Miscellaneous
20-06	Postage	0	0	0	0	0	Materials & Supplies
20-11	Disposal Permit	0	0	0	0	0	Miscellaneous
20-12	Finance Charges	0	0	0	0	0	Miscellaneous
21-01	Telephone	0	0	0	0	0	Utilities
21-02	Cellular	0	0	0	0	0	Utilities
21-03	Internet	0	0	0	0	0	Utilities
21-04	Radios	0	0	0	0	0	Equipment
22-00	Travel & Meetings	0	0	0	0	0	Miscellaneous
23-00	Utilities	0	0	0	0	0	Utilities
24-00	Contracts	10,000	10,000	10,000	10,000	10,000	Contracts
24-01	Contracts - Dry Year	500,000	400,000	300,000	200,000	100,000	
24-06	Contracts - Temporary Services	0	0	0	0	0	Labor
24-11	Contracts - Legal	50,500	50,500	50,500	50,500	50,500	Contracts
24-16	Contracts - Pre-Employment	0	0	0	0	0	Contracts
24-18	Contracts - Licensing Requirements	0	0	0	0	0	Contracts
25-01	Maintenance - Building	0	0	0	0	0	Miscellaneous
25-02	Maintenance - Vehicle	0	0	0	0	0	Miscellaneous
25-03	Maintenance - Equipment	0	0	0	0	0	Miscellaneous
27-01	Computer - Hardware	0	0	0	0	0	Equipment
27-02	Computer - Software	0	0	0	0	0	Equipment
30-01	Office Supplies	0	0	0	0	0	Materials & Supplies
30-02	Departmental Supplies	0	0	0	0	0	Materials & Supplies
30-03	Petroleum Products	0	0	0	0	0	Miscellaneous
30-04	Chemicals	0	0	0	0	0	Chemicals
30-12	Small Equipment	0	0	0	0	0	Equipment
31-00	Taxes & In Lieu	0	0	0	0	0	Miscellaneous
50-07	Unemployment Insurance	0	0	0	0	0	Benefits - Other
50-16	Liability	20,078	21,280	22,560	23,910	25,340	Insurance
50-17	Retiree's Insurance	0	0	0	0	0	Benefits - Other
80-01		0	0	0	0	0	Miscellaneous
	Total Engineering	\$1,546,749	\$1,474,580	\$1,403,280	\$1,332,850	\$1,263,340	

**CITY OF FOLSOM**  
**WATER EXHIBIT 2**  
**REVENUE REQUIREMENT ANALYSIS**

Page 3 of 8

	Budget		Projected			
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	
3301 <i>Distribution</i>						
10-01 Permanent Salaries	\$389,053	\$398,780	\$408,750	\$418,970	\$429,440	Labor
10-02 Temporary Salaries	29,430	30,170	30,920	31,690	32,480	Labor
10-03 Overtime	40,000	41,000	42,030	43,080	44,160	Labor
10-14 Annual Leave Account	11,425	11,710	12,000	12,300	12,610	Labor
10-25 Uniform Allowance	3,750	3,790	3,830	3,870	3,910	Materials & Supplies
15-02 FICA	29,635	30,380	31,140	31,920	32,720	Labor
15-04 Group Insurance	0	0	0	0	0	Benefits - Medical
15-05 Uniform Expense	0	0	0	0	0	Materials & Supplies
15-06 PERS	79,768	81,760	83,800	85,900	88,050	Labor
15-07 HRA	0	0	0	0	0	Benefits - Other
15-08 Worker's Compensation	0	0	0	0	0	Benefits - Other
15-09 Deferred Compensation	2,100	2,150	2,200	2,260	2,320	Labor
15-11 Accrued Leave Current	0	0	0	0	0	Labor
15-15 Auto Allowance	0	0	0	0	0	Benefits - Other
15-20 Employee Assistance Program	0	0	0	0	0	Miscellaneous
15-21 Post Employment Benefits	0	0	0	0	0	Benefits - Other
15-22 Combined Benefits	131,802	138,390	145,310	152,580	160,210	Benefits - Other
20-01 Printing	1,500	1,520	1,540	1,560	1,580	Materials & Supplies
20-02 Dues & Publication	2,900	2,930	2,960	2,990	3,020	Materials & Supplies
20-03 Advertising	3,225	3,320	3,420	3,520	3,630	Miscellaneous
20-04 Rents	17,000	17,510	18,040	18,580	19,140	Miscellaneous
20-05 Training & Education	13,900	14,320	14,750	15,190	15,650	Miscellaneous
20-06 Postage	28,200	28,480	28,760	29,050	29,340	Materials & Supplies
20-11 Disposal Permit	0	0	0	0	0	Miscellaneous
20-12 Finance Charges	10,000	10,300	10,610	10,930	11,260	Miscellaneous
21-01 Telephone	2,400	2,480	2,530	2,580	2,630	Utilities
21-02 Cellular	4,800	4,970	5,070	5,170	5,270	Utilities
21-03 Internet	0	0	0	0	0	Utilities
21-04 Radios	1,000	1,010	1,020	1,030	1,040	Equipment
22-00 Travel & Meetings	10,000	10,300	10,610	10,930	11,260	Miscellaneous
23-00 Utilities	2,000	2,070	2,110	2,150	2,190	Utilities
24-00 Contracts	76,400	76,400	76,400	76,400	76,400	Contracts
24-01 Contracts - Project Construct	36,310	36,310	36,310	36,310	36,310	Contracts
24-06 Contracts - Temporary Services	0	0	0	0	0	Contracts
24-11 Contracts - Legal	0	0	0	0	0	Contracts
24-16 Contracts - Pre-Employment	1,200	1,200	1,200	1,200	1,200	Contracts
24-18 Contracts - Licensing Requirements	1,500	1,500	1,500	1,500	1,500	Contracts
25-01 Maintenance - Building	7,400	7,620	7,850	8,090	8,330	Miscellaneous
25-02 Maintenance - Vehicle	20,000	20,600	21,220	21,860	22,520	Miscellaneous
25-03 Maintenance - Equipment	15,000	15,450	15,910	16,390	16,880	Miscellaneous
27-01 Computer - Hardware	6,000	6,060	6,120	6,180	6,240	Equipment
27-02 Computer - Software	10,000	10,100	10,200	10,300	10,400	Equipment
30-01 Office Supplies	2,500	2,530	2,560	2,590	2,620	Materials & Supplies
30-02 Departmental Supplies	84,000	84,840	85,690	86,550	87,420	Materials & Supplies
30-03 Petroleum Products	34,000	35,020	36,070	37,150	38,260	Miscellaneous
30-04 Chemicals	0	0	0	0	0	Chemicals
30-12 Small Equipment	0	0	0	0	0	Equipment
31-00 Taxes & In Lieu	2,000	2,060	2,120	2,180	2,250	Miscellaneous
50-07 Unemployment Insurance	0	0	0	0	0	Benefits - Other
50-16 Liability	14,835	15,730	16,670	17,670	18,730	Insurance
50-17 Retiree's Insurance	81,507	85,580	89,860	94,350	99,070	Benefits - Other
80-01 Other Expense	0	0	0	0	0	Miscellaneous
Total Distribution	\$1,206,540	\$1,238,340	\$1,271,080	\$1,304,970	\$1,340,040	

**CITY OF FOLSOM**  
**WATER EXHIBIT 2**  
**REVENUE REQUIREMENT ANALYSIS**

Page 4 of 8

	Budget		Projected			
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	
3302 <b>Water Treatment Plant</b>						
10-01 Permanent Salaries	\$646,869	\$663,040	\$679,620	\$696,610	\$714,030	Labor
10-02 Temporary Salaries	0	0	0	0	0	Labor
10-03 Overtime	65,000	66,630	68,300	70,010	71,760	Labor
10-14 Annual Leave Account	18,966	19,440	19,930	20,430	20,940	Labor
10-25 Uniform Allowance	6,200	6,260	6,320	6,380	6,440	Materials & Supplies
15-02 FICA	50,169	51,420	52,710	54,030	55,380	Labor
15-04 Group Insurance	0	0	0	0	0	Benefits - Medical
15-05 Uniform Expense	2,500	2,530	2,560	2,590	2,620	Materials & Supplies
15-06 PERS	132,773	136,090	139,490	142,980	146,550	Labor
15-07 HRA	0	0	0	0	0	Benefits - Other
15-08 Worker's Compensation	0	0	0	0	0	Benefits - Other
15-09 Deferred Compensation	6,000	6,150	6,300	6,460	6,620	Labor
15-11 Accrued Leave Current	0	0	0	0	0	Labor
15-15 Auto Allowance	0	0	0	0	0	Benefits - Other
15-20 Employee Assistance Program	0	0	0	0	0	Miscellaneous
15-21 Post Employment Benefits	0	0	0	0	0	Benefits - Other
15-22 Combined Benefits	196,032	205,830	216,120	226,930	238,280	Benefits - Other
20-01 Printing	200	200	200	200	200	Materials & Supplies
20-02 Dues & Publication	600	610	620	630	640	Materials & Supplies
20-03 Advertising	250	260	270	280	290	Miscellaneous
20-04 Rents	10,000	10,300	10,610	10,930	11,260	Miscellaneous
20-05 Training & Education	4,000	4,120	4,240	4,370	4,500	Miscellaneous
20-06 Postage	1,800	1,820	1,840	1,860	1,880	Materials & Supplies
20-11 Disposal Permit	0	0	0	0	0	Miscellaneous
20-12 Finance Charges	0	0	0	0	0	Miscellaneous
21-01 Telephone	7,000	7,250	7,400	7,550	7,700	Utilities
21-02 Cellular	7,000	7,250	7,400	7,550	7,700	Utilities
21-03 Internet	0	0	0	0	0	Utilities
21-04 Radios	0	0	0	0	0	Equipment
22-00 Travel & Meetings	2,000	2,060	2,120	2,180	2,250	Miscellaneous
23-00 Utilities	676,000	699,660	713,650	727,920	742,480	Utilities
24-00 Contracts (San Juan Purchases)	440,000	453,200	466,800	480,800	495,220	Miscellaneous
24-01 Contracts - Project Construct	160,000	160,000	160,000	160,000	160,000	Contracts
24-06 Contracts - Temporary Services	0	0	0	0	0	Contracts
24-11 Contracts - Legal	0	0	0	0	0	Contracts
24-16 Contracts - Pre-Employment	0	0	0	0	0	Contracts
24-18 Contracts - Licensing Requirements	0	0	0	0	0	Contracts
24-20 Contracts - Lab Services	60,000	60,000	60,000	60,000	60,000	Contracts
25-01 Maintenance - Building	12,995	13,380	13,780	14,190	14,620	Miscellaneous
25-02 Maintenance - Vehicle	5,917	6,090	6,270	6,460	6,650	Miscellaneous
25-03 Maintenance - Equipment	117,000	120,510	124,130	127,850	131,690	Miscellaneous
27-01 Computer - Hardware	0	0	0	0	0	Equipment
27-02 Computer - Software	0	0	0	0	0	Equipment
30-01 Office Supplies	500	510	520	530	540	Materials & Supplies
30-02 Departmental Supplies	70,000	70,700	71,410	72,120	72,840	Materials & Supplies
30-03 Petroleum Products	16,000	16,480	16,970	17,480	18,000	Miscellaneous
30-04 Chemicals	465,000	469,650	474,350	479,090	483,880	Chemicals
30-12 Small Equipment	0	0	0	0	0	Equipment
31-00 Taxes & In Lieu	40,000	41,200	42,440	43,710	45,020	Miscellaneous
50-07 Unemployment Insurance	0	0	0	0	0	Benefits - Other
50-16 Liability	14,827	15,720	16,660	17,660	18,720	Insurance
50-17 Retiree's Insurance	0	0	0	0	0	Benefits - Other
80-01 Other Expense	0	0	0	0	0	Miscellaneous
Total Water Treatment Plant	\$3,235,598	\$3,318,360	\$3,393,030	\$3,469,780	\$3,548,700	

**CITY OF FOLSOM**  
**WATER EXHIBIT 2**  
**REVENUE REQUIREMENT ANALYSIS**

Page 5 of 8

	Budget		Projected			
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	
3303 <b>Water Quality</b>						
10-01 Permanent Salaries	\$382,145	\$391,700	\$401,490	\$411,530	\$421,820	Labor
10-02 Temporary Salaries	18,000	18,450	18,910	19,380	19,860	Labor
10-03 Overtime	40,000	41,000	42,030	43,080	44,160	Labor
10-14 Annual Leave Account	11,253	11,530	11,820	12,120	12,420	Labor
10-25 Uniform Allowance	3,000	3,030	3,060	3,090	3,120	Materials & Supplies
15-02 FICA	29,621	30,360	31,120	31,900	32,700	Labor
15-04 Group Insurance	0	0	0	0	0	Benefits - Medical
15-05 Uniform Allowance	1,800	1,820	1,840	1,860	1,880	Materials & Supplies
15-06 PERS	78,302	80,260	82,270	84,330	86,440	Labor
15-07 HRA	0	0	0	0	0	Benefits - Other
15-08 Worker's Compensation	0	0	0	0	0	Benefits - Other
15-09 Deferred Compensation	3,600	3,690	3,780	3,870	3,970	Labor
15-11 Accrued Leave Current	0	0	0	0	0	Labor
15-15 Auto Allowance	0	0	0	0	0	Benefits - Other
15-20 Employee Assistance Program	0	0	0	0	0	Miscellaneous
15-21 Post Employment Benefits	0	0	0	0	0	Benefits - Other
15-22 Combined Benefits	118,404	124,320	130,540	137,070	143,920	Benefits - Other
20-01 Printing	4,800	4,850	4,900	4,950	5,000	Materials & Supplies
20-02 Dues & Publication	3,250	3,280	3,310	3,340	3,370	Materials & Supplies
20-03 Advertising	100	100	100	100	100	Miscellaneous
20-04 Rents	2,000	2,060	2,120	2,180	2,250	Miscellaneous
20-05 Training & Education	6,000	6,180	6,370	6,560	6,760	Miscellaneous
20-06 Postage	1,000	1,010	1,020	1,030	1,040	Materials & Supplies
20-11 Disposal Permit	0	0	0	0	0	Miscellaneous
20-12 Finance Charges	0	0	0	0	0	Miscellaneous
21-01 Telephone	500	520	530	540	550	Utilities
21-02 Cellular	4,500	4,660	4,750	4,850	4,950	Utilities
21-03 Internet	0	0	0	0	0	Utilities
21-04 Radios	0	0	0	0	0	Equipment
22-00 Travel & Meetings	1,500	1,550	1,600	1,650	1,700	Miscellaneous
23-00 Utilities	0	0	0	0	0	Utilities
24-00 Contracts	66,700	66,700	66,700	66,700	66,700	Contracts
24-01 Contracts - Project Construct	0	0	0	0	0	Contracts
24-06 Contracts - Temporary Services	0	0	0	0	0	Contracts
24-11 Contracts - Legal	0	0	0	0	0	Contracts
24-16 Contracts - Pre-Employment	0	0	0	0	0	Contracts
24-18 Contracts - Licensing Requirements	0	0	0	0	0	Contracts
25-01 Maintenance - Building	3,000	3,090	3,180	3,280	3,380	Miscellaneous
25-02 Maintenance - Vehicle	8,000	8,240	8,490	8,740	9,000	Miscellaneous
25-03 Maintenance - Equipment	70,000	72,100	74,260	76,490	78,780	Miscellaneous
27-01 Computer - Hardware	2,000	2,020	2,040	2,060	2,080	Equipment
27-02 Computer - Software	0	0	0	0	0	Equipment
30-01 Office Supplies	1,500	1,520	1,540	1,560	1,580	Materials & Supplies
30-02 Departmental Supplies	25,000	25,250	25,500	25,760	26,020	Materials & Supplies
30-03 Petroleum Products	26,500	27,300	28,120	28,960	29,830	Miscellaneous
30-04 Chemicals	0	0	0	0	0	Chemicals
30-12 Small Equipment	0	0	0	0	0	Equipment
31-00 Taxes & In Lieu	0	0	0	0	0	Miscellaneous
50-07 Unemployment Insurance	0	0	0	0	0	Benefits - Other
50-16 Liability	10,652	11,290	11,970	12,690	13,450	Insurance
50-17 Retiree's Insurance	0	0	0	0	0	Benefits - Other
Total Water Quality	\$923,127	\$947,880	\$973,360	\$999,670	\$1,026,830	

**CITY OF FOLSOM**  
**WATER EXHIBIT 2**  
**REVENUE REQUIREMENT ANALYSIS**

Page 6 of 8

	Budget		Projected			
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	
3304 <i>Metering</i>						
10-01 Permanent Salaries	\$210,265	\$215,520	\$220,910	\$226,430	\$232,090	Labor
10-02 Temporary Salaries	25,000	25,630	26,270	26,930	27,600	Labor
10-03 Overtime	7,000	7,180	7,360	7,540	7,730	Labor
10-14 Annual Leave Account	5,972	6,120	6,270	6,430	6,590	Labor
10-25 Uniform Allowance	1,200	1,210	1,220	1,230	1,240	Materials & Supplies
15-02 FICA	16,050	16,450	16,860	17,280	17,710	Labor
15-04 Group Insurance	0	0	0	0	0	Benefits - Medical
15-05 Uniform Allowance	1,800	1,820	1,840	1,860	1,880	Materials & Supplies
15-06 PERS	42,992	44,070	45,170	46,300	47,460	Labor
15-07 HRA	0	0	0	0	0	Benefits - Other
15-08 Worker's Compensation	0	0	0	0	0	Benefits - Other
15-09 Deferred Compensation	4,200	4,310	4,420	4,530	4,640	Labor
15-11 Accrued Leave Current	0	0	0	0	0	Labor
15-15 Auto Allowance	0	0	0	0	0	Benefits - Other
15-20 Employee Assistance Program	0	0	0	0	0	Miscellaneous
15-21 Post Employment Benefits	0	0	0	0	0	Benefits - Other
15-22 Combined Benefits	61,029	64,080	67,280	70,640	74,170	Benefits - Other
20-01 Printing	600	610	620	630	640	Materials & Supplies
20-02 Dues & Publication	1,100	1,110	1,120	1,130	1,140	Materials & Supplies
20-03 Advertising	0	0	0	0	0	Miscellaneous
20-04 Rents	19,600	20,190	20,800	21,420	22,060	Miscellaneous
20-05 Training & Education	5,000	5,150	5,300	5,460	5,620	Miscellaneous
20-06 Postage	0	0	0	0	0	Materials & Supplies
20-11 Disposal Permit	0	0	0	0	0	Miscellaneous
20-12 Finance Charges	0	0	0	0	0	Miscellaneous
21-01 Telephone	1,000	1,040	1,060	1,080	1,100	Utilities
21-02 Cellular	9,800	10,140	10,340	10,550	10,760	Utilities
21-03 Internet	0	0	0	0	0	Utilities
21-04 Radios	0	0	0	0	0	Equipment
22-00 Travel & Meetings	1,000	1,030	1,060	1,090	1,120	Miscellaneous
23-00 Utilities	21,600	22,360	22,810	23,270	23,740	Utilities
24-00 Contracts	383,000	383,000	383,000	383,000	383,000	Contracts
24-01 Contracts - Project Construct	0	0	0	0	0	Contracts
24-06 Contracts - Temporary Services	0	0	0	0	0	Contracts
24-11 Contracts - Legal	0	0	0	0	0	Contracts
24-16 Contracts - Pre-Employment	0	0	0	0	0	Contracts
24-18 Contracts - Licensing Requirements	0	0	0	0	0	Contracts
25-01 Maintenance - Building	50,000	51,500	53,050	54,640	56,280	Miscellaneous
25-02 Maintenance - Vehicle	10,000	10,300	10,610	10,930	11,260	Miscellaneous
25-03 Maintenance - Equipment	605,000	623,150	641,840	661,100	680,930	Miscellaneous
27-01 Computer - Hardware	7,500	7,580	7,660	7,740	7,820	Equipment
27-02 Computer - Software	1,000	1,010	1,020	1,030	1,040	Equipment
30-01 Office Supplies	1,000	1,010	1,020	1,030	1,040	Materials & Supplies
30-02 Departmental Supplies	20,000	20,200	20,400	20,600	20,810	Materials & Supplies
30-03 Petroleum Products	20,000	20,600	21,220	21,860	22,520	Miscellaneous
30-04 Chemicals	0	0	0	0	0	Chemicals
30-12 Small Equipment	0	0	0	0	0	Equipment
31-00 Taxes & In Lieu	1,200	1,240	1,280	1,320	1,360	Miscellaneous
50-07 Unemployment Insurance	0	0	0	0	0	Benefits - Other
50-16 Liability	2,293	2,430	2,580	2,730	2,890	Insurance
50-17 Retiree's Insurance	0	0	0	0	0	Benefits - Other
80-01 Other Expense	0	0	0	0	0	Miscellaneous
Total Metering	\$1,536,201	\$1,570,040	\$1,604,390	\$1,639,780	\$1,676,240	

**CITY OF FOLSOM**  
**WATER EXHIBIT 2**  
**REVENUE REQUIREMENT ANALYSIS**

Page 7 of 8

	Budget		Projected			
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	
3305 <b>Conservation</b>						
10-01 Permanent Salaries	\$159,356	\$163,340	\$167,420	\$171,610	\$175,900	Labor
10-02 Temporary Salaries	30,000	30,750	31,520	32,310	33,120	Labor
10-03 Overtime	5,000	5,130	5,260	5,390	5,520	Labor
10-14 Annual Leave Account	4,846	4,970	5,090	5,220	5,350	Labor
10-25 Uniform Allowance	900	910	920	930	940	Materials & Supplies
15-02 FICA	12,192	12,500	12,810	13,130	13,460	Labor
15-04 Group Insurance	0	0	0	0	0	Benefits - Medical
15-05 Uniform Allowance	1,000	1,010	1,020	1,030	1,040	Materials & Supplies
15-06 PERS	32,581	33,400	34,240	35,100	35,980	Labor
15-07 HRA	0	0	0	0	0	Benefits - Other
15-08 Worker's Compensation	0	0	0	0	0	Benefits - Other
15-09 Deferred Compensation	0	0	0	0	0	Labor
15-11 Accrued Leave Current	0	0	0	0	0	Labor
15-15 Auto Allowance	0	0	0	0	0	Benefits - Other
15-20 Employee Assistance Program	0	0	0	0	0	Miscellaneous
15-21 Post Employment Benefits	0	0	0	0	0	Benefits - Other
15-22 Combined Benefits	54,204	56,910	59,760	62,750	65,890	Benefits - Other
20-01 Printing	4,700	4,750	4,800	4,850	4,900	Materials & Supplies
20-02 Dues & Publication	24,600	24,850	25,100	25,350	25,600	Materials & Supplies
20-03 Advertising	0	0	0	0	0	Miscellaneous
20-04 Rents	15,600	16,070	16,550	17,050	17,560	Miscellaneous
20-05 Training & Education	2,000	2,060	2,120	2,180	2,250	Miscellaneous
20-06 Postage	500	510	520	530	540	Materials & Supplies
20-11 Disposal Permit	0	0	0	0	0	Miscellaneous
20-12 Finance Charges	0	0	0	0	0	Miscellaneous
21-01 Telephone	2,400	2,480	2,530	2,580	2,630	Utilities
21-02 Cellular	1,700	1,760	1,800	1,840	1,880	Utilities
21-03 Internet	0	0	0	0	0	Utilities
21-04 Radios	0	0	0	0	0	Equipment
22-00 Travel & Meetings	2,000	2,060	2,120	2,180	2,250	Miscellaneous
23-00 Utilities	600	620	630	640	650	Utilities
24-00 Contracts	173,100	173,100	173,100	173,100	173,100	Contracts
24-01 Contracts - Project Construct	0	0	0	0	0	Contracts
24-06 Contracts - Temporary Services	0	0	0	0	0	Contracts
24-11 Contracts - Legal	0	0	0	0	0	Contracts
24-16 Contracts - Pre-Employment	0	0	0	0	0	Contracts
24-18 Contracts - Licensing Requirements	0	0	0	0	0	Contracts
25-01 Maintenance - Building	0	0	0	0	0	Miscellaneous
25-02 Maintenance - Vehicle	1,000	1,030	1,060	1,090	1,120	Miscellaneous
25-03 Maintenance - Equipment	0	0	0	0	0	Miscellaneous
27-01 Computer - Hardware	1,500	1,520	1,540	1,560	1,580	Equipment
27-02 Computer - Software	500	510	520	530	540	Equipment
30-01 Office Supplies	5,000	5,050	5,100	5,150	5,200	Materials & Supplies
30-02 Departmental Supplies	2,500	2,530	2,560	2,590	2,620	Materials & Supplies
30-03 Petroleum Products	5,000	5,150	5,300	5,460	5,620	Miscellaneous
30-04 Chemicals	0	0	0	0	0	Chemicals
30-12 Small Equipment	0	0	0	0	0	Equipment
31-00 Taxes & In Lieu	0	0	0	0	0	Miscellaneous
50-07 Unemployment Insurance	0	0	0	0	0	Benefits - Other
50-16 Liability	2,293	2,430	2,580	2,730	2,890	Insurance
50-17 Retiree's Insurance	0	0	0	0	0	Benefits - Other
80-01 Other Expense	0	0	0	0	0	Miscellaneous
Total Conservation	\$545,072	\$555,400	\$565,970	\$576,880	\$588,130	



CITY OF FOLSOM  
WATER EXHIBIT 2  
REVENUE REQUIREMENT ANALYSIS

Page 8 of 8

		Budget		Projected			
		2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	
<b>Water Projects</b>							
24-00	Contracts	\$0	\$0	\$0	\$0	\$0	Contracts
30-02	Departmental Supplies	0	0	0	0	0	Materials & Supplies
90-10	Capital Outlay - Construction	0	0	0	0	0	Equipment
Total Water Projects		0	0	0	0	0	
<b>TOTAL O&amp;M EXPENSE</b>		<b>8,993,287</b>	<b>9,104,600</b>	<b>9,211,110</b>	<b>9,323,930</b>	<b>9,443,280</b>	
<b>Capital Improvements from Rates (See Exhibit 5)</b>		<b>\$2,000,000</b>	<b>\$2,250,000</b>	<b>\$2,500,000</b>	<b>\$2,750,000</b>	<b>\$3,000,000</b>	2010 Depr. Exp. \$3,678,669
<b>Debt Service</b>							
40-01	2005 Water Revenue Bonds (\$13 mill/2034)	\$960,000	\$985,000	\$1,015,000	\$1,035,000	\$1,065,000	Principle & Interest
	2009 Water Revenue Refunding (\$15.8 mill/2028)	1,089,154	1,064,579	1,039,894	1,013,198	981,885	Principle & Interest
40-03	Debt Service - Fiscal Services	1,200	0	0	0	0	
40-04	Debt Service - Cost of Issuance	0	0	0	0	0	
	New Debt - Low Interest Loan	0	342,069	342,069	1,071,215	1,071,215	20 years @ 5.25%
	Total Debt Service Payment	\$2,050,354	\$2,391,648	\$2,396,963	\$3,119,412	\$3,118,100	
	Less: From Water Impact Fee (Fund 456)	0	0	0	0	0	Total Fees at 25%
	Total Net Debt Service	\$2,050,354	\$2,391,648	\$2,396,963	\$3,119,412	\$3,118,100	Rate Funded 75%
<b>Transfers</b>							
	Transfers - Cost Allocation	\$1,097,264	\$1,124,696	\$1,152,813	\$1,181,633	\$1,211,174	As Labor
	Total Transfers	\$1,097,264	\$1,124,696	\$1,152,813	\$1,181,633	\$1,211,174	
<b>Change in Working Capital (To Reserves)</b>		<b>\$500,000</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$500,000</b>	
<b>TOTAL REVENUE REQUIREMENTS</b>		<b>\$14,640,905</b>	<b>\$15,370,943</b>	<b>\$15,760,886</b>	<b>\$16,874,975</b>	<b>\$17,272,554</b>	
<b>Balance/(Deficiency) of Funds</b>		<b>(\$1,645,338)</b>	<b>(\$2,479,583)</b>	<b>(\$2,966,826)</b>	<b>(\$4,178,571)</b>	<b>(\$4,673,439)</b>	
<b>Rate Adjustment as % of Rate Rev. (Cumm.)</b>		<b>13.6%</b>	<b>20.5%</b>	<b>24.5%</b>	<b>34.5%</b>	<b>38.6%</b>	
<b>PROPOSED ANNUAL RATE ADJUSTMENT</b>		<b>12.6%</b>	<b>6.1%</b>	<b>4.4%</b>	<b>6.0%</b>	<b>4.0%</b>	
			<b>19.5%</b>	<b>24.7%</b>	<b>32.2%</b>	<b>37.5%</b>	
	Current Residential Rate (Flat Rate)	\$33.55	\$37.78	\$40.08	\$41.85	\$44.36	Cumulative dollar change = \$12.58
	Rate Impact with Required Increase (Cumm.)	4.23	2.30	1.76	2.51	1.77	
	New Proposed Rate	\$37.78	\$40.08	\$41.85	\$44.36	\$46.13	
<b>Debt Service Coverage</b>							
	Before Rate Increase	2.02	1.64	1.55	1.12	1.06	
	After Required Rate Increase	2.82	2.67	2.79	2.46	2.55	
	After Proposed Rate Increase	2.76	2.62	2.80	2.37	2.51	

**CITY OF FOLSOM**  
**WATER EXHIBIT 3**  
**SUMMARY OF RESERVES**

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	Notes
<b>Operating Reserve (Fund 520)</b>	6/10 Balances					
<b>Beginning Reserve Fund Balance</b>	<b>(\$488,055)</b>	<b>\$517,945</b>	<b>\$1,017,945</b>	<b>\$1,446,945</b>	<b>\$1,946,945</b>	
Plus: CIP from Rates	2,000,000	2,250,000	2,500,000	2,750,000	3,000,000	
From Operations (Change in WC)	500,000	500,000	500,000	500,000	500,000	
Grants	0	0	0	0	0	
Federal Aid	0	0	0	0	0	
State Aid	0	0	0	0	0	
New Revenue Bonds	0	4,174,000	0	8,897,200	0	
Less: R&R Capital Improvements	1,494,000	6,424,000	2,571,000	11,647,200	2,111,000	
<b>Ending Fund Balance</b>	<b>\$517,945</b>	<b>\$1,017,945</b>	<b>\$1,446,945</b>	<b>\$1,946,945</b>	<b>\$3,335,945</b>	
<b>Target Minimum</b>						
Operating Minimum 75 Days O&M	\$1,847,936	\$1,870,808	\$1,892,694	\$1,915,876	\$1,940,400	
Catastrophe Minimum 30 Days O&M	739,174	748,323	757,078	766,350	776,160	
Rate Stabilization Minimum 10% Operating Revenues	1,209,557	1,209,557	1,209,557	1,209,557	1,209,557	
<b>Total Operating Minimum</b>	<b>\$3,796,667</b>	<b>\$3,828,689</b>	<b>\$3,859,328</b>	<b>\$3,891,783</b>	<b>\$3,926,117</b>	
<b>Capital Fund Reserve (Fund 521)</b>						
<b>Beginning Reserve Fund Balance</b>	<b>\$795,200</b>	<b>\$1,145,200</b>	<b>\$1,504,426</b>	<b>\$1,868,988</b>	<b>\$2,238,943</b>	
Plus: Connection Fees	350,000	353,500	357,040	360,610	364,220	Connection Growth
Interest	0	5,726	7,522	9,345	11,195	Interest Earnings
Less: Growth Capital Improvements	0	0	0	0	0	
<b>Ending Capital Fund Reserve</b>	<b>\$1,145,200</b>	<b>\$1,504,426</b>	<b>\$1,868,988</b>	<b>\$2,238,943</b>	<b>\$2,614,358</b>	
<i>* This fund is only used to expand system to accommodate growth.</i>						
Capital Minimum Annual Depreciation	\$3,678,669	\$3,789,029	\$3,902,700	\$4,019,781	\$4,140,374	2010 Amount + 3%
<b>Water Impact Fee (Fund 456)</b>						
<b>Beginning Fund Balance</b>	<b>\$1,334,174</b>	<b>\$1,464,174</b>	<b>\$1,602,795</b>	<b>\$1,743,419</b>	<b>\$1,886,076</b>	incl. water meter 522
Plus: Impact Fees	130,000	131,300	132,610	133,940	135,280	Connection Growth
Interest	0	7,321	8,014	8,717	9,430	Interest Earnings
Less: Debt Service	0	0	0	0	0	
Dry Year Water Management	0	0	0	0	0	
<b>Ending Fund Balance</b>	<b>\$1,464,174</b>	<b>\$1,602,795</b>	<b>\$1,743,419</b>	<b>\$1,886,076</b>	<b>\$2,030,786</b>	
<i>* This fund is only used for dry year and metering.</i>						

**CITY OF FOLSOM**  
**WATER EXHIBIT 4**  
**SUMMARY OF CAPITAL IMPROVEMENT PLAN**

Page 1 of 2

Capital Improvement Projects	2011/2012	2012/2013	2013/2014	2014/2015	2014/2015	FUTURE	Notes:
<b>Pipeline Water Master Plan</b>							
Zone 2 Transmission Main Parallel Pipe/W.H. Pipeline Lining DESIGN	\$50,000	\$0	\$0	\$0	\$0	\$0	
Zone 2 Transmission Main Parallel Pipe/W.H. Pipeline Lining CONSTR.	0	4,500,000	0	0	0	0	
Rambling Drive Fire Flow Improvement Project DESIGN	0	0	0	40,000	0	0	
Flower Drive Fire Flow Improvement Project DESIGN	0	0	0	27,000	0	0	
Mormon Street (from Stafford to Mill to Natoma) DESIGN	0	0	0	21,000	0	0	
Rambling Drive Fire Flow Improvement Project CONSTRUCTION & CM	0	0	0		354,000	0	
Flower Drive Fire Flow Improvement Project CONSTRUCTION & CM	0	0	0		236,000	0	
Mormon Street (from Stafford to Mill to Natoma) CONSTRUCTION & CM	0	0	0		181,000	0	
Total Pipeline Water Master Plan	\$50,000	\$4,500,000	\$0	\$88,000	\$771,000	\$0	
<b>Tank System Improvements</b>							
WTP Reservoir #1 (1978) Recoat Design	\$0	\$100,000	\$0	\$0	\$0	\$0	
WTP Reservoir #1 (1978) Recoat Construction	0	0	750,000	0	0	0	
East Tank No. 1 (1983) Recoat Design	0	0	0	100,000	0	0	
East Tank No. 1 (1983) Recoat Construction	0	0	0	0	750,000	0	
Cimarron (1990) Recoat Design	0	0	0	0	100,000	0	
Cimarron (1990) Recoat Construction	0	0	0	0	0	750,000	
Total Tank System Improvements	\$0	\$100,000	\$750,000	\$100,000	\$850,000	\$750,000	
<b>Water Main Replacement Program</b>							
9821 Inwood Road Design	\$0	\$30,000	\$0	\$0	\$0	\$0	
9821 Inwood Road Construction	0	0	250,000	0	0	0	
Ballou Drive (Zone 3 Inter-tie fix) Design	0	0	0	25,000	0	0	
Ballou Drive (Zone 3 Inter-tie fix) Construction	0	0	0	0	150,000	0	
Figeroa (Reading to Decater) & Wales Condo Design	0	0	45,000	0	0	0	
Figeroa (Reading to Decater) & Wales Condo Design	0	0	0	400,000	0	0	
Valley Pines Drive DESIGN & CM	0	0	126,000	0	0	0	
Valley Pines Drive CONSTRUCTION	0	0	0	544,200	0	0	
Persifer Street (from Reading to Riley) DESIGN	29,000	0	0	0	0	0	
Persifer Street (from Reading to Riley) CONSTRUCTION & CM	0	254,000	0	0	0	0	
Rehabilitation and Renewal Pipeline Projects	0	0	0	0	0	750,000	
Total Water Main Replacement Program	\$29,000	\$284,000	\$421,000	\$969,200	\$150,000	\$750,000	
<b>Water Service Replacement</b>							
WSO Water Loss Program	\$1,000,000	\$1,000,000	\$200,000	\$200,000	\$200,000	\$200,000	
Streets Paving for UM	100,000	100,000	100,000	100,000	100,000	100,000	
Total Water Service Replacement	\$1,100,000	\$1,100,000	\$300,000	\$300,000	\$300,000	\$300,000	
<b>Master Plan Storage Projects</b>							
Redundant Water Supply - USBR or FSC	\$250,000	\$250,000	\$0	\$10,000,000	\$0	\$0	
Zone 2 Reservoir (3 MG)	0	0	0	0	0	4,000,000	
Total Master Plan Storage Projects	\$250,000	\$250,000	\$0	\$10,000,000	\$0	\$4,000,000	
<b>Water System Flow Control Facilities</b>							
Hillswood Circle PRV	\$25,000	\$0	\$0	\$0	\$0	\$0	
South Folsom Control Valve Upgrades & Zone 2/1 PRV	0	0	0	0	0	100,000	
Zone 3/2 PRV (Clarksville and Broadstone Pkwy) (SCADA)	0	0	0	0	0	0	
Zone 5/4 PRV (Serpa and Iron Point) (Changing Pilot/Orifice)	0	0	0	15,000	0	0	
Zone 4/3 PRV (Cavitt and Iron Point) (Changing Pilot/Orifice)	0	0	0	15,000	0	0	
Meters Install at Each PRV	40,000	40,000	40,000	0	0	0	
Del Norte Vista PRV	0	0	0	0	40,000	0	
Grasswood Court - Ashland	0	0	0	100,000	0	0	
Rainbow Bridge FCS Telemetry and Control	0	0	0	0	0	60,000	
Total Water System Flow Control Facilities	\$65,000	\$40,000	\$40,000	\$130,000	\$40,000	\$160,000	

CITY OF FOLSOM  
WATER EXHIBIT 4  
SUMMARY OF CAPITAL IMPROVEMENT PLAN

Page 2 of 2

Capital Improvement Projects	2011/2012	2012/2013	2013/2014	2014/2015	2014/2015	FUTURE	Notes:
<b>Willow Hill Raw Waterline Relocation</b>							
Willow Hill Water Line Lining - Reservoir Lining	\$0	\$0	\$1,000,000	\$0	\$0	\$0	
Total Willow Hill Raw Waterline Relocation	\$0	\$0	\$1,000,000	\$0	\$0	\$0	
<b>WTP Improvement Projects</b>							
WTP ActiFLO Modifications	\$0	\$0	\$0	\$60,000	\$0	\$0	
WTP Flow Metering Modifications	0	150,000	0	0	0	0	
WTP ABW Modification-Storage Facility	0	0	0	0	0	250,000	
Total WTP Improvement Projects	\$0	\$150,000	\$0	\$60,000	\$0	\$250,000	
<b>Water Rates and Fees</b>							
Water Rates and Fees Study	\$0	\$0	\$60,000	\$0	\$0	\$0	
Total Water Rates and Fees	\$0	\$0	\$60,000	\$0	\$0	\$0	
Transfer to Operating Reserve for Repair and Replacement	\$506,000	\$0	\$250,000	\$0	\$889,000	\$0	
<b>Total Capital Improvement Projects</b>	<b>\$2,000,000</b>	<b>\$6,424,000</b>	<b>\$2,821,000</b>	<b>\$11,647,200</b>	<b>\$3,000,000</b>	<b>\$6,210,000</b>	
<i>Less: Outside Funding Sources</i>							
Operating Reserve Fund	\$0	\$0	\$321,000	\$0	\$0	Input	
Capital Fund Reserve (Fund 521)	0	0	0	0	0	Calc. based on growth projects	
Grants	0	0	0	0	0	Input	
Federal Aid	0	0	0	0	0	Input	
State Aid	0	0	0	0	0	Input	
New Revenue Bonds	0	4,174,000	0	8,897,200	0	Calc. based on balance	
<i>Total Funding Sources</i>	\$0	\$4,174,000	\$321,000	\$8,897,200	\$0		
<b>NET CIP FROM RATES</b>	<b>\$2,000,000</b>	<b>\$2,250,000</b>	<b>\$2,500,000</b>	<b>\$2,750,000</b>	<b>\$3,000,000</b>		2010 Depr. Exp. \$3,678,669

Depreciation Analysis [1]	Total					
Total Improvement Project	\$1,494,000	\$6,424,000	\$2,571,000	\$11,647,200	\$2,111,000	\$24,247,200
Average years of Depreciation	50	50	50	50	50	
Annual Increase in Depreciation	\$29,880	\$128,480	\$51,420	\$232,944	\$42,220	\$484,944
Cumulative Increase in Depreciation	\$29,880	\$158,360	\$209,780	\$442,724	\$484,944	
<b>Projected Depreciation</b>	<b>\$3,710,000</b>	<b>\$3,840,000</b>	<b>\$3,890,000</b>	<b>\$4,120,000</b>	<b>\$4,160,000</b>	
Plant Replacement Costs (Plant Original Cost x 3%)	\$135,147,273					
3% of Original Cost	\$4,050,000					
<b>3% of Original Cost Method</b>	<b>\$4,090,000</b>	<b>\$4,240,000</b>	<b>\$4,130,000</b>	<b>\$4,400,000</b>	<b>\$4,110,000</b>	

[1] The depreciation analysis is only used as a guideline for CIP from rate funding. The utility should try to fund greater then or equal to annual depreciation expense each year.

CITY OF FOLSOM  
WATER EXHIBIT 5  
PROJECTION OF REVENUES AT PRESENT RATES

PRESENT RATES		2010			2011			2012		
					0.00%			0.00%		
RESIDENTIAL										
Monthly Meter Charge										
	Cust. No.	Rate	Revenue	Cust. No.	Rate	Revenue	Cust. No.	Rate	Revenue	
Single-Family Residential	16,559	\$33.55	\$6,666,648	16,559	\$33.55	\$6,666,648	16,559	\$33.55	\$6,666,648	
Single-Family Low Income	8	19.70	1,891	8	19.70	1,891	8	19.70	1,891	
Condo	420	23.50	118,440	420	23.50	118,440	420	23.50	118,440	
Condo Low Income	1	14.10	169	1	14.10	169	1	14.10	169	
Manufactured Home	457	14.40	78,970	457	14.40	78,970	457	14.40	78,970	
Manufactured Home - L.I.	11	9.00	1,188	11	9.00	1,188	11	9.00	1,188	
Additional Residences	31	18.50	6,882	31	18.50	6,882	31	18.50	6,882	
Additional Lot	30	7.50	2,700	30	7.50	2,700	30	7.50	2,700	
Swimming Pool w/ filter	2,910	4.20	146,664	2,910	4.20	146,664	2,910	4.20	146,664	
	20,427		\$7,023,552	20,427		\$7,023,552	20,427		\$7,023,552	
Folsom Non-Metered Water	24	\$406.92	\$117,192	24	\$406.92	\$117,192	24	\$406.92	\$117,192	
Ashland Residential Meters										
Single-Family	886	\$23.50	\$249,852	886	\$23.50	\$249,852	886	\$23.50	\$249,852	
Single-Family L.I.	4	14.80	710	4	14.80	710	4	14.80	710	
Manufactured Home	6	10.70	770	6	10.70	770	6	10.70	770	
Manufactured Home L.I.	1	6.70	80	1	6.70	80	1	6.70	80	
	897		\$251,413	897		\$251,413	897		\$251,413	
East Area Surcharges										
East Area Charges	4,787	\$12.00	\$689,328	4,787	\$12.00	\$689,328	4,787	\$12.00	\$689,328	
East Area Pool	761	4.20	38,354	761	4.20	38,354	761	4.20	38,354	
	5,548		\$727,682	5,548		\$727,682	5,548		\$727,682	
Commodity (CCF)										
	Consum.	Rate	Revenue	Consum.	Rate	Revenue	Consum.	Rate	Revenue	
Ashland 0 - 20 CF	173,343	\$0.000	\$0	173,343	\$0.000	\$0	173,343	\$0.000	\$0	
Ashland Over 20 CF	352,707	0.880	310,382	352,707	0.880	310,382	352,707	0.880	310,382	
	526,050		\$310,382	526,050		\$310,382	526,050		\$310,382	
Total Residential Revenue			\$8,430,222	Total Residential Revenue			\$8,430,222	Total Residential Revenue		
			Without East Area Surcharge				Without East Area Surcharge			
			\$7,702,539				\$7,702,539			
NON-RESIDENTIAL										
Monthly Meter Charge										
	Cust. No.	Rate	Revenue	Cust. No.	Rate	Revenue	Cust. No.	Rate	Revenue	
5/8"	37	\$10.70	\$4,751	37	\$10.70	\$4,751	37	\$10.70	\$4,751	
3/4"	136	14.10	23,011	136	14.10	23,011	136	14.10	23,011	
1"	231	22.80	63,202	231	22.80	63,202	231	22.80	63,202	
1.5"	188	44.70	100,843	188	44.70	100,843	188	44.70	100,843	
2"	454	71.50	389,532	454	71.50	389,532	454	71.50	389,532	
3"	64	132.60	101,837	64	132.60	101,837	64	132.60	101,837	
4"	43	220.40	113,726	43	220.40	113,726	43	220.40	113,726	
6"	13	439.60	68,578	13	439.60	68,578	13	439.60	68,578	
8"	3	703.10	25,312	3	703.10	25,312	3	703.10	25,312	
10"	4	1,010.90	48,523	4	1,010.90	48,523	4	1,010.90	48,523	
12"	1	1,453.10	17,437	1	1,453.10	17,437	1	1,453.10	17,437	
	1,174		\$956,752	1,174		\$956,752	1,174		\$956,752	
Commodity (CCF)										
	Consum.	Rate	Revenue	Consum.	Rate	Revenue	Consum.	Rate	Revenue	
All Consumption	3,605,745	\$0.953	\$3,436,275	3,605,745	\$0.953	\$3,436,275	3,605,745	\$0.953	\$3,436,275	
Total Non-Residential Revenue			\$4,393,027	Total Non-Residential Revenue			\$4,393,027	Total Non-Residential Revenue		
Total Revenue			\$12,823,249	Total Revenue			\$12,823,249	Total Revenue		
Less: East Area Surcharges			(\$727,682)	Less: East Area Surcharges			(\$727,682)	Less: East Area Surcharges		
Net Revenue			\$12,095,566	Net Revenue			\$12,095,566	Net Revenue		