

**SANITARY DISTRICT  
of MARIN COUNTY**



# SANITARY DISTRICT No. 5 OF MARIN COUNTY

## FY 2023-24 Sewer Service Charge Study

April 21, 2023 – Final Report



**HF&H Consultants, LLC**

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# **SANITARY DISTRICT NO. 5 OF MARIN COUNTY**

2001 Paradise Drive

Tiburon, California 94920



## **SEWER SERVICE CHARGE STUDY**

April 21 2023

### **HF&H CONSULTANTS, LLC**

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April 21, 2023

Tony Rubio  
General Manager  
Sanitary District No. 5 of Marin County  
2001 Paradise Drive  
Tiburon, California 94920

**Subject: Sewer Service Charge Study – Final Report**

Dear Tony Rubio:

HF&H Consultants, LLC, is pleased to submit this Final Report of the Sewer Service Charge Study. The report summarizes the projected revenue requirements over the next five fiscal years, updates the annual sewer service charges, and provides a detailed schedule of the recommended sewer service charges for the next five years.

We appreciate your assistance in developing the recommended rates. Thank you for the opportunity to continue to support the District.

Sincerely,

HF&H CONSULTANTS, LLC



Rick Simonson  
Senior Vice President

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## APPENDIX A. RATE MODEL

### ACRONYMS

|            |   |
|------------|---|
| CIP        | Capital Improvement Plan  |
| EDU        | Equivalent Dwelling Unit; A standard unit measure of wastewater utility service, based on the volume and strength of wastewater flow. |
| FY         | Fiscal Year   |
| HCF or CCF | Hundred Cubic Feet of metered water; 748 gallons; a cube of water 4.6 feet on edge  |
| MMWD       | Marin Municipal Water District  |
| O&M        | Operations and Maintenance  |
| PAYGo      | Pay-As-You-Go, in reference to funding capital improvements from cash rather than from borrowed sources of revenue.                   |
| SASM       | Sewerage Agency of Southern Marin   |



## **ACKNOWLEDGEMENTS**

### **Board of Directors**

Tod Moody, President  
Omar Arias-Montez, Vice President  
John Carapiet, Director  
Catharine Benediktsson, Director  
Richard Snyder, Director

### **District Staff**

Tony Rubio, General Manager  
Robin Dohrmann, Office Manager

### **HF&H Consultants, LLC**

Rick Simonson, Senior Vice President  
Gabe Sasser, Project Manager

## **LIMITATIONS**

This study was prepared solely for Sanitary District No. 5 of Marin County (District) in accordance with the contract between the District and HF&H and is not intended for use by any other party for any other purpose.

In preparing this study, HF&H relied on information from the District, which we consider to be accurate and reliable and did not independently verify.

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

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

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## 1. EXECUTIVE SUMMARY

### 1.1 Findings and Recommendations

- A. **Summary of Services.** The District provides sewer collection and treatment services to the Town of Tiburon, to the City of Belvedere, and to the unincorporated Paradise Cove area.
- B. **Current Rates.** The District has not increased sewer service charges since 2014. All customers within the District's boundaries are provided collection and treatment services. **Figure 1-1** summarizes the current charges by customer class. Residential customers are charged per dwelling unit (DU). Non-residential customers are charged based on their metered flow and wastewater strength. Further details on how the non-residential equivalent dwelling units (EDUs) are calculated can be found in **Section 4.3** of this report.

**Figure 1-1. Current Sewer Service Charges**

| Customer Class               | Current Charge           |
|------------------------------|--------------------------|
| <b>Tiburon/Paradise Cove</b> |                          |
| Residential                  | \$1,034 per year per DU  |
| Non-Residential              | \$1,034 per year per EDU |
| <b>Belvedere</b>             |                          |
| Residential                  | \$1,985 per year per DU  |
| Non-Residential              | \$1,985 per year per EDU |

- C. **Revenue Requirement Projections.** The annual net revenue requirement projections to support the District's operation and capital improvement program (CIP) to provide collection and treatment services are shown in **Figure 1-2**.

**Figure 1-2. Annual Net Revenue Requirements**

| Net Revenue Requirement        | Budget             |                    | Projected           |                    |                    |                    |
|--------------------------------|--------------------|--------------------|---------------------|--------------------|--------------------|--------------------|
|                                | FY 2022-23         | FY 2023-24         | FY 2024-25          | FY 2025-26         | FY 2026-27         | FY 2027-28         |
| Operating Expenses             | \$4,574,629        | \$5,122,414        | \$5,298,402         | \$5,480,775        | \$5,669,781        | \$5,865,676        |
| Debt Service                   | 760,168            | 760,412            | 760,284             | 759,784            | 758,912            | 757,668            |
| Capital Improvements           | 2,869,500          | 2,046,774          | 4,217,340           | 3,003,894          | 1,908,824          | 2,378,152          |
| (Less) Non-Operating Revenue   | (\$155,800)        | (\$158,800)        | (\$158,800)         | (\$158,800)        | (\$158,800)        | (\$158,800)        |
| <b>Net Revenue Requirement</b> | <b>\$8,048,497</b> | <b>\$7,770,800</b> | <b>\$10,117,226</b> | <b>\$9,085,654</b> | <b>\$8,178,717</b> | <b>\$8,842,695</b> |
| <i>Annual Change</i>           |                    | -3.5%              | 30.2%               | -10.2%             | -10.0%             | 8.1%               |

- D. **Combining Zones.** Historically, the District has allocated costs among the two zones to assist with ratemaking, Tiburon, which includes Paradise Cove customers, and Belvedere. Through conversations with the Board of Directors, the proposed adjustments include consolidation to one combined zone. One zone will simplify and create both cost and operational efficiencies for the District, as the District will no longer have to distinguish expenses, reserves, and budgets by separate service areas.

- E. **Recommended Rates – Collection and Treatment.** Figure 1-3 summarizes the recommended annual rates through the five-year financial planning period (FY 2023-24 through FY 2027-28), by customer class, to cover the increases in the District’s net revenue requirements (summarized in Figure 1-2) to provide sewer collection and treatment services during the five-year planning period. The proposed rates reflect the District’s preference to move to one combined zone. However, there are two rates to recognize the contributions from Ad-Valorem revenues received from Tiburon customers.<sup>1</sup>

Figure 1-3. Recommended Annual Sewer Service Charges

| Sewer Service Charges                     | Adopted    |            | Proposed   |            |            |            |
|---|------------|------------|------------|------------|------------|------------|
|   | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 |
| <b>1 Base Rate Parcel</b>                 |            |            |            |            |            |            |
| 2 Annual sewer service charge per EDU     | \$1,985    | \$1,848    | \$2,033    | \$2,237    | \$2,460    | \$2,706    |
| 3 % Rate Adjustment                       |            | -7%        | 10%        | 10%        | 10%        | 10%        |
| <b>4 Ad-Valorem Credited Parcel</b>       |            |            |            |            |            |            |
| 5 Calculated sewer service charge per EDU |            | \$1,848    | \$2,033    | \$2,237    | \$2,460    | \$2,706    |
| 6 (Less) ad valorem credit per EDU        |            | (\$491)    | (\$500)    | (\$509)    | (\$518)    | (\$528)    |
| 7 Annual sewer service charge per EDU     | \$1,034    | \$1,358    | \$1,534    | \$1,728    | \$1,942    | \$2,179    |
| 8 % Rate Adjustment                       |            | 31%        | 13%        | 13%        | 12%        | 12%        |

Regardless of location, all parcels are assessed the same charge for service on a per EDU basis. Parcels which contribute Ad-Valorem tax revenue to the District are assessed the same charge per EDU through the combination of the sewer service charge and a portion of the Ad-Valorem revenues the District receives.

This principle of equal annual sewer service payments is reflected in Figure 1-4. In FY 2023-24 through FY 2027-28, the sum of rows 3 and 4, shown as row 5, are equal to the sum of rows 8 and 9, shown as row 10.

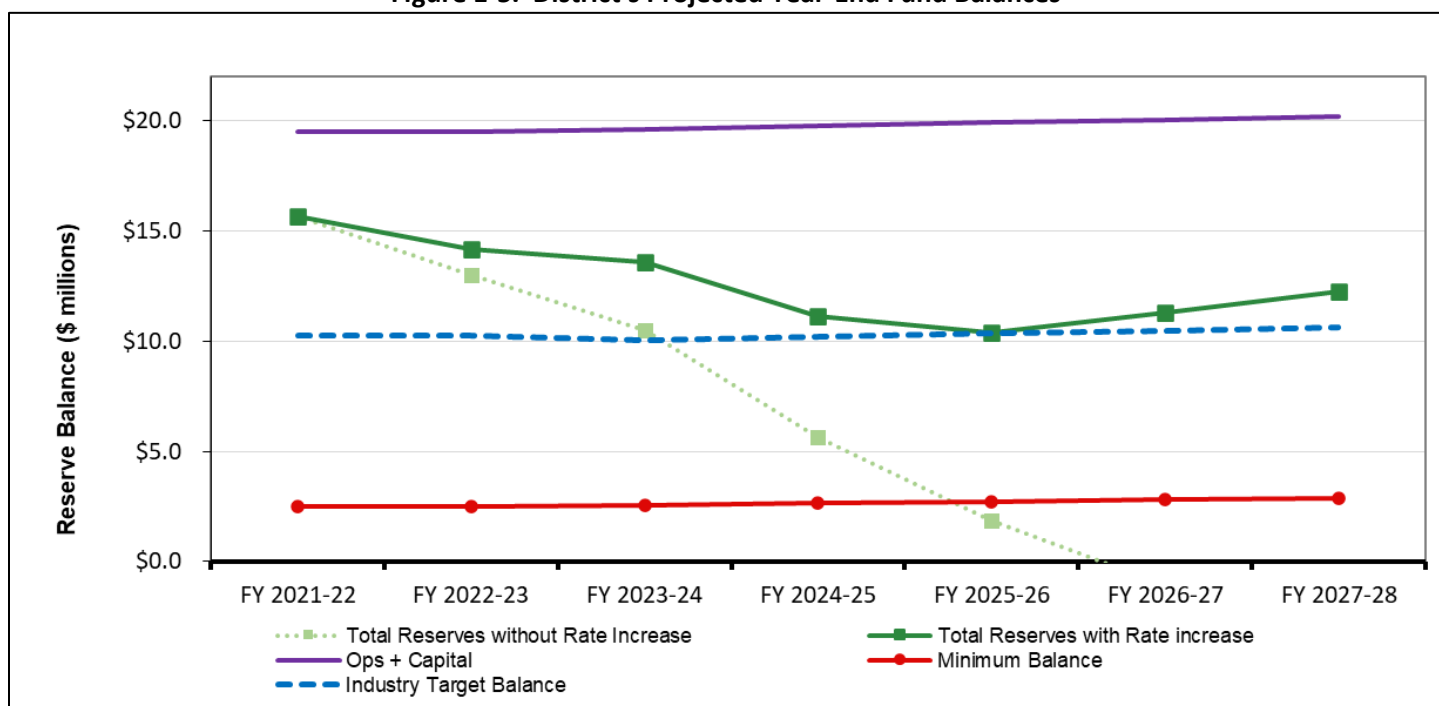
Figure 1-4. Combined Annual Sewer Service Payments per EDU

| Annual Sewer Service Payments         | Adopted    |            | Projected  |            |            |            |
|---------------------------------------|------------|------------|------------|------------|------------|------------|
|                                       | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 |
| <b>1 Base Rate Parcel</b>             |            |            |            |            |            |            |
| 2 Annual change                       | \$0        | (\$137)    | \$185      | \$203      | \$224      | \$246      |
| 3 Annual sewer service charge per EDU | \$1,985    | \$1,848    | \$2,033    | \$2,237    | \$2,460    | \$2,706    |
| 4 Property tax payment per EDU        | \$0        | \$0        | \$0        | \$0        | \$0        | \$0        |
| 5 Combined payment per EDU            | \$1,985    | \$1,848    | \$2,033    | \$2,237    | \$2,460    | \$2,706    |
| <b>6 Ad-Valorem Credited Parcel</b>   |            |            |            |            |            |            |
| 7 Annual change                       | \$0        | \$324      | \$176      | \$194      | \$214      | \$237      |
| 8 Annual sewer service charge per EDU | \$1,034    | \$1,358    | \$1,534    | \$1,728    | \$1,942    | \$2,179    |
| 9 Property tax payment per EDU        | \$457      | \$491      | \$500      | \$509      | \$518      | \$528      |
| 10 Combined payment per EDU           | \$1,491    | \$1,848    | \$2,033    | \$2,237    | \$2,460    | \$2,706    |

<sup>1</sup> All but two Tiburon customers/parcels contribute Ad-Valorem tax revenue provided by the Marin County Tax Assessor’s Office. The District has documentation of which two do not contribute and will be charged at the Base Rate with no Ad-Valorem Credit.

- F. **District's Reserve Fund Balance.** As shown in **Figure 1-5**, with the recommended rates in **Figure 1-3**, the District's reserve fund balance (solid green line with squares) will remain at, or slightly above, the Industry Target balance (dashed blue line) during the five-year planning period. The Industry Target addresses annual operating, cash-funded capital, and other reserve requirements. A description of the District's reserve funds and target balances is included in this report, beginning with **Section 3.8**. Without the recommended increases, the District's reserve fund balance (dotted green line with squares) quickly approaches the minimum balance (solid red line with circles). The minimum fund balance is necessary for the District to achieve its annual cash flow for its basic level of operations but does not allow for capital spending or emergency reserves.

**Figure 1-5. District's Projected Year-End Fund Balances**



## 1.2 Implementation

- A. **General.** This report documents the rates proposed for adoption by the District, as shown previously in **Figure 1-3**. The proposed rate plan should maintain adequate reserves for cash flow and emergency purposes. Actual revenues and expenses may differ from the projections included in the five-year financial model (included in **Appendix A**), which is the basis for these proposed rate increases. Each year, as part of the annual budget process, the District should confirm the need for the next incremental rate change. The District can implement a lower rate increase, if supported by the financial forecast, without going through the Proposition 218 notification process.

## 2. INTRODUCTION

### 2.1 Study Purpose

The purpose of this study is to update the District's rates to ensure that they generate sufficient revenue and that the rate structure reflects the District's current rate-making objectives. The study was commissioned by the District to evaluate the effect of certain rate structure modifications in response to input from its customers.

### 2.2 Rate-Making Objectives

The District's current rate-making objectives include the following:

- Provide revenue sufficiency and financial stability to fund the projected capital and operating and maintenance (O&M) costs of the District.
- Reflect the proportional impact to the cost of service.
- Meet the District's operations and capital funds reserve targets.
- Reflect equity of costs in proportion to the level of service in ratemaking.
- Provide for efficient administration and execution of utility billing.
- Minimize "rate shock" overall and to any specific customer class.
- Develop clear rates that customers can understand.
- Ensure rates comply with Proposition 218 and applicable State codes.

### 2.3 Background

The District provides wastewater collection and treatment services to the Town of Tiburon, to the City of Belvedere, and to the unincorporated Paradise Cove area. In 2005, the Town of Belvedere's collection system was annexed to the District. The collection systems in Tiburon and Belvedere comprise pipelines and pump stations that are hydraulically separate. However, flows from each collection system converge at the District's main treatment plant. In 2007, the parcels located along Paradise Drive and the corresponding collection system were annexed to the District. Paradise Cove's collection system and treatment plant are separate from the rest of the District's facilities.

### 2.4 Report Organization

The report contains five sections:

1. **Executive Summary** – Summarizes our findings and recommendations.
2. **Introduction** – Provides context for the study.
3. **Projected Revenue Requirements** – Documents the annual revenue requirements and increases in rate revenue for the five-year planning period from fiscal year (FY) 2023-24 through FY 2027-28.
4. **Rate Design** – Describes the recommended updates to the existing rate structure and the rationale for these updates.

5. **Cost of Service and Rate Analysis** – Documents the derivation of the rates.
6. **Five-year Rate Plan Recommendations** – Summarizes the recommended rates for the five-year planning period.

### 3. REVENUE REQUIREMENT PROJECTIONS

Rate analysis begins by determining the net revenue that must be provided from the sewer service charge rates to cover the cost of service to provide collection and treatment services to the District's entire service area. For purposes of this study, a five-year rate projection period was developed using a spreadsheet model (see **Appendix A**). With this model, the net revenue requirements were projected for FY 2023-24 through FY 2027-28. **Figure 3-1** summarizes the net revenue requirements used to develop the annual sewer service charges and indicate the annual change in revenue.

**Figure 3-1. Net Revenue Requirement**

| Net Revenue Requirement            | Budget             |                    |                    | Projected          |                    |                    |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                    | FY 2022-23         | FY 2023-24         | FY 2024-25         | FY 2025-26         | FY 2026-27         | FY 2027-28         |
| 1 Personnel                        | \$2,930,839        | \$2,947,024        | \$3,051,084        | \$3,159,049        | \$3,271,074        | \$3,387,322        |
| 2 Operations & Maintenance         | 1,229,500          | 1,704,000          | 1,761,786          | 1,821,629          | 1,883,607          | 1,947,800          |
| 3 Administrative                   | 414,290            | 471,390            | 485,532            | 500,098            | 515,101            | 530,554            |
| 4 Debt Service                     | 760,168            | 760,412            | 760,284            | 759,784            | 758,912            | 757,668            |
| 5 Avg. Annual Capital Improvements | 2,869,500          | 2,710,997          | 2,710,997          | 2,710,997          | 2,710,997          | 2,710,997          |
| 6 Ad-Valorem Revenue               | (1,185,133)        | (1,206,814)        | (1,228,892)        | (1,251,374)        | (1,274,266)        | (1,297,578)        |
| 7 Other Non-Operating Revenue      | (155,800)          | (158,800)          | (158,800)          | (158,800)          | (158,800)          | (158,800)          |
| 8 <b>Net Revenue Requirement</b>   | <b>\$6,863,364</b> | <b>\$7,228,209</b> | <b>\$7,381,991</b> | <b>\$7,541,383</b> | <b>\$7,706,623</b> | <b>\$7,877,962</b> |
| 9 <i>Annual Change</i>             |                    | 5.3%               | 2.1%               | 2.2%               | 2.2%               | 2.2%               |

The operating and capital components of the revenue requirements are based on projections prepared by the District and presented in the District's adopted FY 2022-23 budget and the District's draft FY 2023-24 budget. Factors driving future cost trends (and related revenue requirements) for each of these components are summarized here.

#### 3.1 Personnel Expenses

This cost category includes salaries and benefits. From FY 2024-25 to FY 2027-28, salaries and salary-related expenses have been escalated 3% annually. Pension and benefits have been escalated 5% annually. No staff headcount increases are anticipated.

#### 3.2 Operations & Maintenance

This cost category includes electrical utility costs, fuel, permitting fees, non-capital materials, and equipment. Expenses increased significantly between FY 2022-23 and FY 2023-24 due to material and product shortages, as well as inflation. Utility costs have been escalated 5% annually while all other expenses have been increased 3% annually for FY 2024-25 to FY 2027-28.

#### 3.3 Administrative Expenses

Costs within this category account for office, legal, and insurance expenses. Assessor tax roll preparation fees are also included. The District's administrative costs are projected to increase gradually by 3% annually for the five-year planning period.

#### 3.4 Debt Service

In 2012, the District issued \$12 million in revenue bonds to fund the Main Plant Rehabilitation Project. The District refinanced in 2020 and kept the same maturity date of 2031. The District's annual obligation



ranges between \$760,000 and \$749,000 for the planning period of FY 2022-23 through FY 2027-28. Additional details are included in Table 6 of **Appendix A**.

### 3.5 Capital Improvements

In addition to the major capital improvements funded with debt, the District maintains a capital improvement program (CIP) for replacement and rehabilitation of its system, which is funded through sewer service charge rates on a pay-as-you go (PAYGo) basis. The District's capital improvement plan is detailed in the model (see **Appendix A**). Under the proposed rate structure, all capital costs will be shared equally among the District's customers.

**Figure 3-2. PAYGo Capital Projects Summary**

| CIP Project Summary           | Budget   |                    | Projected          |                    |                    |                    |
|-------------------------------|--|--------------------|--------------------|--------------------|--------------------|--------------------|
|                               | FY 2022-23   | FY 2023-24         | FY 2024-25         | FY 2025-26         | FY 2026-27         | FY 2027-28         |
| Main Treatment Plant          | \$925,000  | \$675,000          | \$850,000          | \$835,000          | \$525,000          | \$350,000          |
| Paradise Cove Treatment Plant | \$75,000   | \$125,000          | \$295,000          | \$375,000          | \$125,000          | \$150,000          |
| Tiburon Pumps and Lines       | \$1,095,000  | \$325,000          | \$1,525,000        | \$675,000          | \$625,000          | \$1,100,000        |
| Belvedere Pumps and Lines     | \$774,500  | \$825,000          | \$1,200,000        | \$770,000          | \$350,000          | \$350,000          |
| Subtotal                      | \$2,869,500  | \$1,950,000        | \$3,870,000        | \$2,655,000        | \$1,625,000        | \$1,950,000        |
| Construction Cost Index       | 1.00   | 1.05               | 1.09               | 1.13               | 1.17               | 1.22               |
| <b>Escalated CIP Total</b>    | <b>\$2,869,500</b>   | <b>\$2,046,774</b> | <b>\$4,217,340</b> | <b>\$3,003,894</b> | <b>\$1,908,824</b> | <b>\$2,378,152</b> |
|                               | <i>Average Annual Capital Improvements (FY 2023-24 - FY 2027-28)</i> |                    |                    |                    |                    | <b>\$2,710,997</b> |

The project costs summarized in **Figure 3-2** include a 5.0% cost escalation in FY 2023-24 and a 3.8% annual inflation factor for future years. The former assumption is based on the five-year compound annual growth rate of the Construction Cost Index of San Francisco between 2017 and 2022, published by Engineering News Record. The latter assumption is based on the ten-year compound annual growth rate between 2012 and 2022.

The anticipated cost of the capital improvement projects from FY 2023-24 to FY 2027-28 fluctuates each year between \$1.9 million to \$4.2 million. However, rates are not set to match these annual variations, which would lead to rate volatility, by increasing rates one year and decreasing the next. Instead, rates are based on multi-year averages. The average annual revenue requirement for capital improvement projects in this study assumes annually recurring costs of \$2,710,997. This value is reflected in **Figure 3-1** and used in the calculation of rates for FY 2023-24, discussed later in **Section 4**.

### 3.6 Ad-Valorem Revenue

This revenue category includes the revenue from the Ad-Valorem taxes (i.e., property taxes) received from Marin County. During this rate study period, the Ad-Valorem revenues are assumed to increase by 1.8% annually, based on the actual average annual increase in Ad-Valorem revenues received between FY 2018-19 through FY 2020-21. Marin County does not reimburse the District for unincorporated parcels or Tiburon parcels added to the County register after 2014. In addition, the District does not receive Ad-Valorem revenues from the County for Belvedere parcels, as a condition of Belvedere's annexation to the District in 2005. Therefore, growth does not contribute to an increase in Ad-Valorem revenues.

### 3.7 Non-Operating Revenue

This revenue category includes the revenue received from other user fees and inspection fees. The District shares an outfall with Sewerage Agency of Southern Marin (SASM). The District is responsible for

dechlorinating the effluent from SASM prior to discharging it. In return, SASM pays the District an annual reimbursement of \$100,000. During this rate study period, all revenues in this category were assumed to remain flat.

### **3.8 Reserves**

In addition to covering annual expenses, rates need to generate revenue to maintain adequate operations and capital reserves. To determine what constitutes adequate reserve amounts, the District's reserve balance was subdivided into the General Operating Fund, Capital Replacement Reserve, Disaster Recovery Reserve, and Retirement Reserve. In this way, it is possible to set recommended target balances for each purpose. On an annual basis, funds will be transferred to and from the reserves to allow the District to pay operating and capital expenses in a timely manner. The following provides a description of the separate reserve funds and the recommended target balances.

#### **3.8.1 General Operating Reserve**

Because of the lag between collection and transfer of sewer service charge payments from the County tax assessor to the District, the Operations Reserve balance is set equal to \$2.5 million to provide adequate cash flow. If this minimum balance is maintained, the District should be able to fund its monthly operations cash flow over a period of six months without relying on the use of a short-term loan. This six-month period matches the gap in property tax payments received. Maintaining the minimum balance for the Operations Reserve is recommended as the highest priority for the District.

#### **3.8.2 Capital Replacement Reserve**

The Capital Replacement Reserve provides liquidity to fund construction for projects that are funded on a PAYGo basis (as opposed to those that are funded from debt). The capital allowance provides working capital to maintain sufficient funds in order to pay contractors so that work can proceed without delay. The Capital Reserve target is set at \$15 million. This target provides more than 2 times the average annual cash-funded capital project expenditures over the five-year planning period (~\$4.4 million). Achieving this level of capital reserves would allow the District to meet its goal to fund all projects, planned or unplanned, on a PAYGO basis.

#### **3.8.3 Disaster Recovery Reserve**

The target balances for the Operations and Capital Reserves are sufficient to provide working capital on an ongoing basis, but do not provide for unforeseen contingencies such as emergencies. Should an emergency strike (e.g., earthquake), the District cannot suddenly raise rates to generate additional funds due to state law requirements for such rate increases (e.g., Proposition 218). Moreover, the District bills annually on the tax rolls. Therefore, the District has set a target for the Disaster Recovery reserve equal to \$1 million. With such a reserve, the District would have funds on hand to take immediate remedial steps without waiting to procure a loan or issue bonds. This reserve is fully funded and remains funded through the planning period.

#### **3.8.4 Retirement Reserve**

The District's Retirement Reserve provides for the funding of employees' pension obligations. The target balance for this reserve is \$1 million. This reserve is fully funded and remains funded through the planning period.

### 3.9 Projected Rate Revenue Increases

The District has not increased rates since 2014. As a result, larger revenue increases are needed over the next five years to eliminate the current operating shortfall, as shown in **Figure 3-3**.

**Figure 3-3. Projected Rate Revenue Increases**

|  | FY 2022-23           | FY 2023-24           | FY 2024-25           | FY 2025-26         | FY 2026-27         | FY 2027-28       |
|--|----------------------|----------------------|----------------------|--------------------|--------------------|------------------|
| <i>Annual Revenue Increases</i>        |                      | 13.0%                | 10.0%                | 10.0%              | 10.0%              | 10.0%            |
| Rate Revenue with Increases            | \$5,030,902          | \$5,542,909          | \$6,107,923          | \$6,730,511        | \$7,416,537        | \$8,172,463      |
| Revenue Requirement                    | (\$8,204,297)        | (\$8,593,823)        | (\$8,769,683)        | (\$8,951,556)      | (\$9,139,690)      | (\$9,334,341)    |
| Operating Surplus/(Shortfall)          | (\$3,173,395)        | (\$3,050,914)        | (\$2,661,760)        | (\$2,221,046)      | (\$1,723,153)      | (\$1,161,878)    |
| Ad-Valorem Revenue                     | 1,185,133            | 1,206,814            | 1,228,892            | 1,251,374          | 1,274,266          | 1,297,578        |
| Other Non-Operating Revenue            | 155,800              | 158,800              | 158,800              | 158,800            | 158,800            | 158,800          |
| <b>Net Operating Surplus/Shortfall</b> | <b>(\$1,832,462)</b> | <b>(\$1,685,300)</b> | <b>(\$1,274,068)</b> | <b>(\$810,872)</b> | <b>(\$290,087)</b> | <b>\$294,500</b> |

### 3.10 Reserve Fund Balance

**Figure 3-4** shows the projected annual fund balances with the rate revenue increases recommended in **Figure 3-3** (solid green line with squares) and without the rate increases (dotted green line with squares). Although the projections show straight lines between years, the fund balance will be drawn down substantially during each year. In other words, the reserves are actively drawn from throughout the year, but only periodically added to when payments are received from the County. The reserves are not simply accumulated without being used. The recommended revenue increases would ensure the reserve fund balance meets the industry target balance (blue dashed line). Discussion for each of these target balances follows.

#### 3.10.1 Minimum Balance

The minimum balance (red line) is the balance that is required to meet the District's O&M expenses during the year. The minimum fund balance is necessary for the District to achieve its annual cash flow needs and because the District bills annually on the tax rolls and receives reimbursement from the County only twice each year. As a result, there are several months over which the District must rely on its operating reserve to meet its monthly cash flow requirements. Because of the lag between payments from the County, the minimum Operations Reserve balance is set equal to \$2.5 million, and is assumed to increase 3% annually, to keep up with inflation.

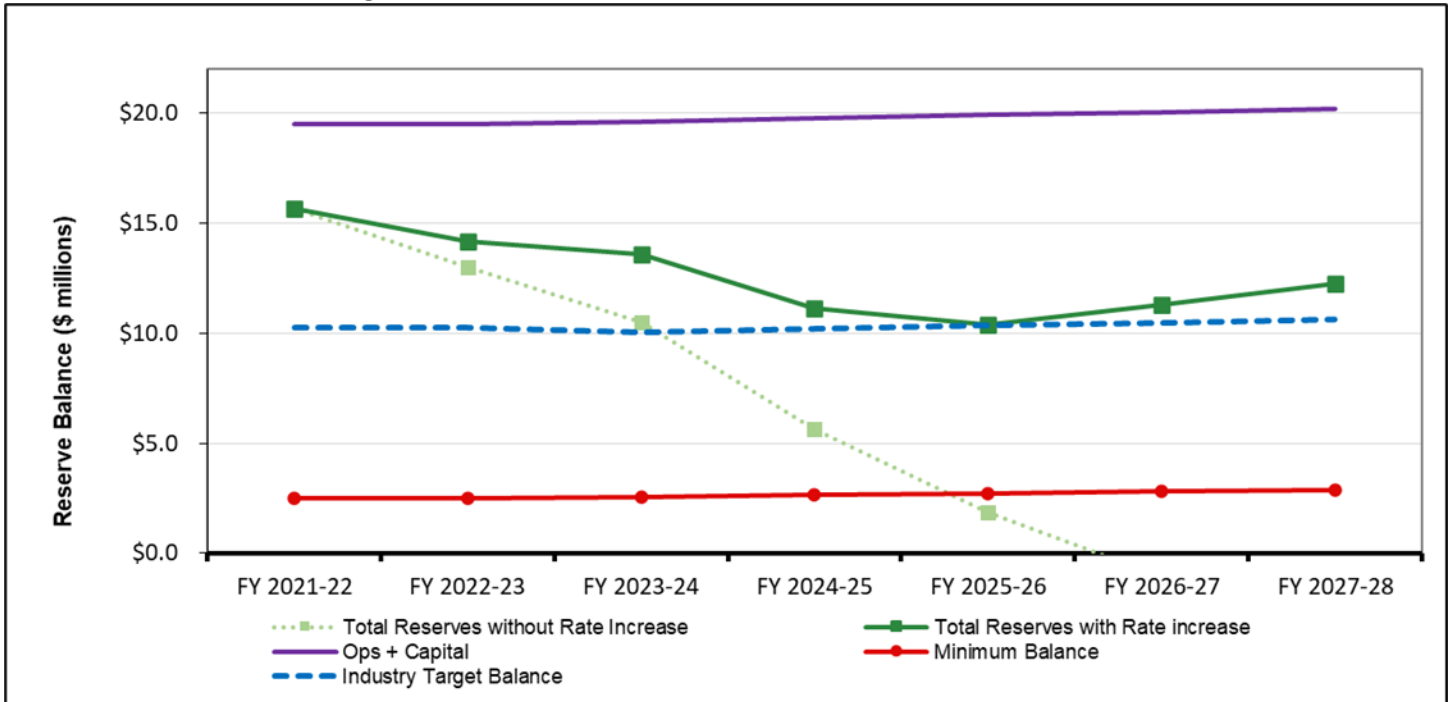
#### 3.10.2 Industry Target Balance

The proposed revenue increases maintain the fund balance (solid green line) above the industry target balance (blue dashed line) by Fiscal Year 2027-28. This target balance is the sum of the minimum balance for operations (red line), plus an allowance for the District's other reserves: Disaster Recovery and Retirement, and two times the average, annual, cash-funded capital improvements (\$2.7 million). The threshold of capital funding included within this target balance aligns with other sewer agencies, who commonly set a goal of maintaining one to two times the annual capital project funding in reserves. This practice provides most sewer agencies the opportunity to utilize reserves, rather than debt issuance, to fund all but the most extraordinary capital improvements. The target is assumed to grow by 3% annually due to inflation, beginning at a value of \$10.0 million in FY 2023-24.

### 3.10.3 Target Fund Balance

The proposed revenue increases over the five-year period increase the fund balance, bringing it closer to the District’s target balance (solid purple line). The District’s current policy, which establishes this target includes the minimum balance for operations, allowances for the District’s other reserves: Disaster Recovery and Retirement, and a capital improvements target of \$15 million. Holding this level of reserves allows the District to continue cash-funding larger improvement projects, without future debt issuance. Collectively, this target balance is \$19.6 million in FY 2023-24.

Figure 3-4. Fund Balance With and Without Revenue Increases



## 4. RATE DESIGN

### 4.1 Introduction

The District's current rate structure charges customers per equivalent dwelling unit (EDU). An EDU is the basic unit of wastewater utility service and reflects the average concentration and strength of flows from a single dwelling unit, which make up most of the District's customer base.

### 4.2 Residential Customer Rate Design

The District provides collection and treatment services to one residential customer class. All residential customers pay a fixed sewer service charge per EDU. In other words, multi-family parcel bills correspond to the number of living units associated with the property. The residential rate structure is recommended to remain the same during this five-year planning period.

### 4.3 Non-Residential Customer Rate Design

Non-residential customers have different impacts on the sewer system, and therefore have individual rates based on the strength (cost to treat) and amount of flow (determined by annual water use). For instance, a restaurant pays more than an office because the grease and food from cooking in a restaurant is a higher strength and thus more costly to treat than wastewater from an office. Historically, non-residential customers have been charged based on their annual water use relative to the average water use of residential customers within the District. As a result, non-residential customer bills have fluctuated based on residential customer's level of conservation, even when a non-residential customer's flow remains the same.

All non-residential customers are subject to a minimum charge equal to one EDU per parcel. This minimum charge matches the sewer service charge billed to a residential customer. This charge allows the District to be reimbursed for fixed costs, even when wastewater flows are minimal.

The District currently uses residential water use data from the prior calendar year to calculate commercial charges. Instead of utilizing a standard that fluctuates annually, it is recommended the District assume a constant value of 75 hundred cubic feet (HCF) per EDU each year. This volume of water use represents the median value of average annual residential flow over the last five years. Establishing a fixed flow standard reduces the volatility in non-residential customer bills, as these customers would not be affected by annual fluctuations in residential water use patterns. Based on FY 2022-23 bills, which used 71 HCF as the annual residential flow standard, this change from 71 to 75 HCF per EDU would result in a reduction in the number of non-residential EDUs, and consequently, the revenue from non-residential customers for FY 2023-24.

Non-residential customers pay per EDU based on a formula that determines each commercial customer's number of EDUs. Each non-residential customer's flow and strength is considered in the determination of their individual sewer bills as shown in the proposed formula below:

- Non-residential EDUs =  $(\text{Annual Flow}^2 \div 75 \text{ HCF}) \times \text{Strength Factor}^3$
- Annual Non-Residential Sewer Service Charge = Non-residential EDUs x Annual Rate

$$\text{Non-Residential Charge} = (\text{Charge per EDU}) \times (\text{flow factor}) \times (\text{strength factor})$$

The study did not evaluate the strength factors used to assess non-residential sewer service charges and these are assumed to remain the same for the five-year period.

#### 4.4 Zone Consolidation

The District requested that future rates be consolidated from two zones into one. Instead of allocating costs separately, based on share of wastewater volumes, or capacity, all expenses and reserves will be shared among all customers. One zone will simplify and create both cost and operational efficiencies for the District, as the District will no longer have to distinguish expenses, reserves, and budgets by separate service areas. Staff time required to account for work and budgets across multiple zones will be reduced. The proposed rates were determined using this combined zone approach.

#### 4.5 Ad-Valorem Allocation

One reason the current rates are divided is to account for the District receiving Ad-Valorem (property tax) revenues from Tiburon customers, but not from Belvedere customers or some unincorporated parcels within Tiburon. While consolidating to one zone, the District would like to continue to provide credit to parcels that contribute Ad-Valorem revenues. The proposed rates recognize this differential between the Tiburon customers who contribute ad-valorem revenues and all other parcels whose property taxes are not captured by the District. The District anticipates receiving \$1.2 million in Ad-Valorem revenues for FY 2023-24.

#### 4.6 Calculation of the Sewer Service Charges

To revise the sewer service charges, the analysis must calculate the unit charge. The FY 2023-24 revenue requirement is divided by the units of service to determine a unit charge. The total billed sanitary units are the summation of all residential and non-residential EDUs and represent the units of service in the analysis. For non-residential customers, this value accounts for wastewater strength and assigns a minimum value of one EDU to each parcel. Billed sanitary units for FY 2022-23 were adjusted to account for the proposed flow standard, 75 HCF per EDU. As stated previously, this change reduced the number of calculated non-residential EDUs due to the increased assumption in flow standard from 71 to 75 HCF. For reference, **Figure 4-1** calculates the billed sanitary units.

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<sup>2</sup> Annual flow is defined in the District's current ordinances, Ordinance No. 2010-03 and Ordinance No. 2010-04, as the total volume of water utilized by a commercial property in a previous calendar year as calculated by Marin Municipal Water District (MMWD) meter reading for the property, excluding any MMWED meters designated, or proven to be, only for irrigation purposes or other uses not resulting in water entering the SD No. 5 collection system.

<sup>3</sup> Strength factors are as follows: 1.00 for Non-Residential, Miscellaneous, 1.7 for Hotels, Inns with Dining, 2.0 for Delis, 2.2 for Grocery stores with grinder systems, 2.4 for Restaurants.

**Figure 4-1. FY 2023-24 Billed Sanitary Units**

| FY 2023-24<br>Sanitary Units       |                 |
|------------------------------------|-----------------|
| Residential                        |                 |
| Base Rate                          | 1,065.00        |
| Ad-Valorem Credited                | 1,985.50        |
|                                    | <u>3,050.50</u> |
| Non-Residential                    |                 |
| Base Rate                          | 127.30          |
| Ad-Valorem Credited                | 473.92          |
|                                    | <u>601.22</u>   |
| <b>Total Billed Sanitary Units</b> | <b>3,651.72</b> |

With the total units of service computed, **Figure 4-2** shows how the FY 2023-24 sewer service charges are determined. The total revenue requirement is obtained from **Figure 3-1**, rows 1-5, which is then added to non-operating revenues from **Figure 3-1**, row 7. The operating shortfall from **Figure 3-3** is added to the net revenue requirement to determine the amount of rate revenues that will be generated from the total billed sanitary units. The base sewer service charge represents the unit cost of service, \$1,848 per EDU. There are 2,463.42 sanitary units that will receive credit for Ad-Valorem revenues contributed to the District. In exchange, a unit of credit per EDU is calculated by dividing the Ad-Valorem revenue from **Figure 3-1**, row 6, \$1,206,814, by the number of sanitary units to be credited. This results in a unit of credit per EDU of approximately \$491. When the unit credit is applied to the base sewer service charge, the ad-valorem credited sewer service charge is adjusted to \$1,358 per EDU.

**Figure 4-2. FY 2023-24 Billed Sanitary Units**

| FY 2023-24 Units of Service Calculation                            |                    |
|--|--------------------|
| Total Revenue Requirement  | \$8,593,823        |
| (Less) Miscellaneous Fee Revenues <sup>1</sup>                     | <u>(158,800)</u>   |
| Net Revenue Requirement  | 8,435,023          |
| (Less) Reserves to address shortfall after rate increase           | <u>(1,685,300)</u> |
| Revised Net Revenue Requirement                                    | \$6,749,723        |
| Units of Service (EDUs)  | <u>3,651.72</u>    |
| <b>FY 2023-24 Base Sewer Service Charge per EDU</b>                | <b>\$1,848</b>     |
| (Less) Ad-Valorem Revenue per EDU                                  | <u>(\$491)</u>     |
| <b>FY 2023-24 Ad-Valorem Credited Sewer Service Charge per EDU</b> | <b>\$1,358</b>     |

<sup>1</sup>Includes SASM reimbursement, inspection fees, and other user fees.

All current Belvedere customers would be charged the base sewer service charge. Based on County records, all but two parcels, or three billed sanitary units, currently assessed as Tiburon customers, would be charged using the ad-valorem credited sewer service charge.

## 5. FIVE-YEAR RATE PLAN RECOMMENDATION

### 5.1 Recommended Annual Sewer Service Charges

A five-year rate plan was prepared based on the District's net revenue requirements. The rates distinguish the parcels that do and do not contribute Ad-Valorem revenues to the District. The proposed five-year rate plan is shown in **Figure 5-1**. FY 2023-24 rates not only reflect an increase in rate revenues, but three additional adjustments: 1) the consolidation of all customers into one zone, 2) the change in annual water use attributed to each non-residential EDU, and 3) the Ad-Valorem revenues contributed from Tiburon parcels. In FY 2024-25 through FY 2027-28, the annual base sewer service charge is increased according to the revenue increases shown previously in **Figure 3-3**. However, the Ad-Valorem credit is assumed to increase more gradually at a rate of 1.8% versus the 10% annual increases to the base sewer service charge, as increases in assessed property values are limited by Proposition 13. The 1.8% increase is based on the average annual increase seen between FY 2018-19 to FY 2020-21. Therefore, over time the base sewer service charge and ad-valorem credited sewer service charge will grow proportionately closer together. This is apparent in the proportional difference in recommended sewer service charges between FY 2023-24 and FY 2027-28. During the five-year period, the difference in sewer service charges decreases from 27% to 20% of that of the base service charge.

**Figure 5-1. Recommended Annual Sewer Service Charges**

| Sewer Service Charges                            | Adopted    |            | Proposed   |            |            |            |
|--|------------|------------|------------|------------|------------|------------|
|  | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 |
| <b>1 Base Rate Parcel</b>                        |            |            |            |            |            |            |
| <b>2 Annual sewer service charge per EDU</b>     | \$1,985    | \$1,848    | \$2,033    | \$2,237    | \$2,460    | \$2,706    |
| <b>3 % Rate Adjustment</b>                       |            | -7%        | 10%        | 10%        | 10%        | 10%        |
| <b>4 Ad-Valorem Credited Parcel</b>              |            |            |            |            |            |            |
| <b>5 Calculated sewer service charge per EDU</b> |            | \$1,848    | \$2,033    | \$2,237    | \$2,460    | \$2,706    |
| <b>6 (Less) ad valorem credit per EDU</b>        |            | (\$491)    | (\$500)    | (\$509)    | (\$518)    | (\$528)    |
| <b>7 Annual sewer service charge per EDU</b>     | \$1,034    | \$1,358    | \$1,534    | \$1,728    | \$1,942    | \$2,179    |
| <b>8 % Rate Adjustment</b>                       |            | 31%        | 13%        | 13%        | 12%        | 12%        |

Regardless of location, all parcels are assessed the same charge for service on a per EDU basis. Parcels which contribute Ad-Valorem tax revenue to the District are assessed the same charge per EDU through the combination of the sewer service charge and a portion of the Ad-Valorem revenues the District receives.

This principle of equal annual sewer service payments is reflected in **Figure 5-2**. In FY 2023-24 through FY 2027-28, the sum of rows 3 and 4, shown as row 5, are equal to the sum of rows 8 and 9, shown as row 10.



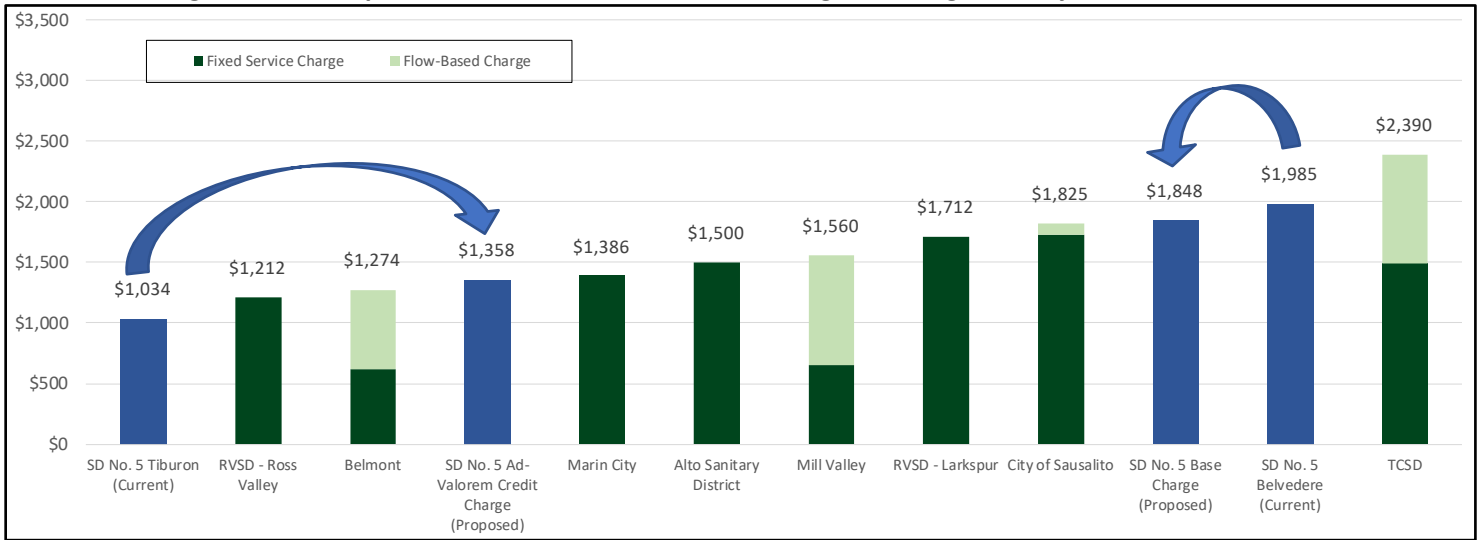
**Figure 5-2. Combined Annual Sewer Service Payments per EDU**

| Annual Sewer Service Payments                | Adopted        |                | Projected      |                |                |                |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
|  | FY 2022-23     | FY 2023-24     | FY 2024-25     | FY 2025-26     | FY 2026-27     | FY 2027-28     |
| <b>1 Base Rate Parcel</b>                    |                |                |                |                |                |                |
| 2 Annual change                              | \$0            | (\$137)        | \$185          | \$203          | \$224          | \$246          |
| <b>3 Annual sewer service charge per EDU</b> | <b>\$1,985</b> | <b>\$1,848</b> | <b>\$2,033</b> | <b>\$2,237</b> | <b>\$2,460</b> | <b>\$2,706</b> |
| 4 Property tax payment per EDU               | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| <b>5 Combined payment per EDU</b>            | <b>\$1,985</b> | <b>\$1,848</b> | <b>\$2,033</b> | <b>\$2,237</b> | <b>\$2,460</b> | <b>\$2,706</b> |
| <b>6 Ad-Valorem Credited Parcel</b>          |                |                |                |                |                |                |
| 7 Annual change                              | \$0            | \$324          | \$176          | \$194          | \$214          | \$237          |
| <b>8 Annual sewer service charge per EDU</b> | <b>\$1,034</b> | <b>\$1,358</b> | <b>\$1,534</b> | <b>\$1,728</b> | <b>\$1,942</b> | <b>\$2,179</b> |
| 9 Property tax payment per EDU               | \$457          | \$491          | \$500          | \$509          | \$518          | \$528          |
| <b>10 Combined payment per EDU</b>           | <b>\$1,491</b> | <b>\$1,848</b> | <b>\$2,033</b> | <b>\$2,237</b> | <b>\$2,460</b> | <b>\$2,706</b> |

## 5.2 Sewer Service Charge Comparison

Based on available sources, **Figure 5-3** shows the recent charges for sewer service to single-family customers among various representative agencies. Rate structures vary among agencies. For purposes of comparison, flow-based charges assume an annual flow volume of 75 HCF, based on the flow standard per EDU proposed by this study. All current Belvedere customers can expect a decrease in FY 2023-24 from current rates. However, this adjustment does not change the overall position of these customers' rates relative to comparable jurisdictions. The increase to the Tiburon customers from \$1,034 to \$1,358 per EDU moves these customers' rates closer to the median value of the rate comparison. While the District's rates are recommended to increase, not all other agencies included in the comparison reflect recent rate increases. For example, Alto Sanitary District has not increased rates since 2018 and may be due to a series of rate increases, like the District. Other customers benefit from economies of scale that allow larger jurisdictions to spread fixed costs over a larger customer base than the District's estimated service population of 10,000. Finally, the comparison excludes any Ad-Valorem revenues contributed by the customer to each jurisdiction. Therefore, it is plausible that customers in other jurisdictions may pay more in annual sewer service charges, through the combination of sewer bills and property tax payments, than what is reflected as a jurisdiction's adopted rates.

**Figure 5-3. Comparison of Annual Sewer Service Charges for Single-Family Customers**



Note: This comparison excludes any Ad-Valorem revenues contributed by the customer to a jurisdiction.

# Appendix A: Rate Model



|    | A  | B | C | D | E | F | G | H | I | J |
|----|--|---|---|---|---|---|---|---|---|---|
| 1  | <b>Sanitary District No. 5 of Marin County</b>       |   |   |   |   |   |   |   |   |   |
| 2  | <b>2023-24 Cost of Service Wastewater Rate Study</b> |   |   |   |   |   |   |   |   |   |
| 3  | <b>Table 1A. 1 Zone Summary</b>                      |   |   |   |   |   |   |   |   |   |
| 4  |  |   |   |   |   |   |   |   |   |   |
| 5  |  |   |   |   |   |   |   |   |   |   |
| 6  |  |   |   |   |   |   |   |   |   |   |
| 7  |  |   |   |   |   |   |   |   |   |   |
| 8  |  |   |   |   |   |   |   |   |   |   |
| 9  |  |   |   |   |   |   |   |   |   |   |
| 10 |  |   |   |   |   |   |   |   |   |   |
| 11 |  |   |   |   |   |   |   |   |   |   |
| 12 |  |   |   |   |   |   |   |   |   |   |
| 13 |  |   |   |   |   |   |   |   |   |   |
| 14 |  |   |   |   |   |   |   |   |   |   |
| 15 |  |   |   |   |   |   |   |   |   |   |
| 16 |  |   |   |   |   |   |   |   |   |   |
| 17 |  |   |   |   |   |   |   |   |   |   |
| 18 |  |   |   |   |   |   |   |   |   |   |
| 19 |  |   |   |   |   |   |   |   |   |   |
| 20 |  |   |   |   |   |   |   |   |   |   |
| 21 |  |   |   |   |   |   |   |   |   |   |
| 22 |  |   |   |   |   |   |   |   |   |   |
| 23 |  |   |   |   |   |   |   |   |   |   |
| 24 |  |   |   |   |   |   |   |   |   |   |
| 25 |  |   |   |   |   |   |   |   |   |   |
| 26 |  |   |   |   |   |   |   |   |   |   |
| 27 |  |   |   |   |   |   |   |   |   |   |
| 28 |  |   |   |   |   |   |   |   |   |   |
| 29 |  |   |   |   |   |   |   |   |   |   |
| 30 |  |   |   |   |   |   |   |   |   |   |
| 31 |  |   |   |   |   |   |   |   |   |   |
| 32 |  |   |   |   |   |   |   |   |   |   |
| 33 |  |   |   |   |   |   |   |   |   |   |
| 34 |  |   |   |   |   |   |   |   |   |   |
| 35 |  |   |   |   |   |   |   |   |   |   |
| 36 |  |   |   |   |   |   |   |   |   |   |
| 37 |  |   |   |   |   |   |   |   |   |   |
| 38 |  |   |   |   |   |   |   |   |   |   |
| 39 |  |   |   |   |   |   |   |   |   |   |
| 40 |  |   |   |   |   |   |   |   |   |   |
| 41 |  |   |   |   |   |   |   |   |   |   |
| 42 |  |   |   |   |   |   |   |   |   |   |
| 43 |  |   |   |   |   |   |   |   |   |   |
| 44 |  |   |   |   |   |   |   |   |   |   |
| 45 |  |   |   |   |   |   |   |   |   |   |
| 46 |  |   |   |   |   |   |   |   |   |   |
| 47 |  |   |   |   |   |   |   |   |   |   |
| 48 |  |   |   |   |   |   |   |   |   |   |
| 49 |  |   |   |   |   |   |   |   |   |   |
| 50 |  |   |   |   |   |   |   |   |   |   |
| 51 |  |   |   |   |   |   |   |   |   |   |
| 52 |  |   |   |   |   |   |   |   |   |   |

|                                 |            | Budgeted   | Projected  |            |            |            |            |
|---------------------------------|------------|------------|------------|------------|------------|------------|------------|
|                                 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 |
| <b>Increases (SD5 Combined)</b> |            |            |            |            |            |            |            |
| Annual revenue increase         |            | 0.0%       | 13.0%      | 10.0%      | 10.0%      | 10.0%      | 10.0%      |
| Cumulative increase             |            | 0.0%       | 13.0%      | 24.4%      | 36.8%      | 50.5%      | 65.5%      |
| Base Rate                       | \$1,985    | \$1,848    | \$2,033    | \$2,237    | \$2,460    | \$2,706    |            |
| Ad-Valorem Credited Rate        | \$1,034    | \$1,358    | \$1,534    | \$1,728    | \$1,942    | \$2,179    |            |

|   | Adopted    | Proposed   |            |            |            |            |
|---|------------|------------|------------|------------|------------|------------|
|   | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 |
| <b>Sewer Service Charges</b>              |            |            |            |            |            |            |
| <b>1 Base Rate Parcel</b>                 |            |            |            |            |            |            |
| 2 Annual sewer service charge per EDU     | \$1,985    | \$1,848    | \$2,033    | \$2,237    | \$2,460    | \$2,706    |
| 3 % Rate Adjustment <sup>1</sup>          |            | -7%        | 10%        | 10%        | 10%        | 10%        |
| <b>4 Ad-Valorem Credited Parcel</b>       |            |            |            |            |            |            |
| 5 Calculated sewer service charge per EDU |            | \$1,848    | \$2,033    | \$2,237    | \$2,460    | \$2,706    |
| 6 (Less) ad valorem credit per EDU        |            | (\$491)    | (\$500)    | (\$509)    | (\$518)    | (\$528)    |
| 7 Annual sewer service charge per EDU     | \$1,034    | \$1,358    | \$1,534    | \$1,728    | \$1,942    | \$2,179    |
| 8 % Rate Adjustment                       |            | 31%        | 13%        | 13%        | 12%        | 12%        |

|    | A  | B                                      | C  | D                 | E                 | F                 | G                 | H                 | I  | J |
|----|--|--|--|-------------------|-------------------|-------------------|-------------------|-------------------|--|---|
| 1  | Sanitary District No. 5 of Marin County                                      |  |  |                   |                   |                   |                   |                   |  |   |
| 2  | 2023-24 Cost of Service Wastewater Rate Study                                |  |  |                   |                   |                   |                   |                   |  |   |
| 3  | Table 1B. Assumptions  |  |  |                   |                   |                   |                   |                   |  |   |
| 4  |  |  |  |                   |                   |                   |                   |                   |  |   |
| 5  |  |  |  |                   |                   |                   |                   |                   |  |   |
| 6  |  |  |  |                   |                   |                   |                   |                   |  |   |
| 7  |  |  | <b>Budgeted</b>  | <b>Projected</b>  |                   |                   |                   |                   |  |   |
| 8  |  |  | <b>FY 2022-23</b>  | <b>FY 2023-24</b> | <b>FY 2024-25</b> | <b>FY 2025-26</b> | <b>FY 2026-27</b> | <b>FY 2027-28</b> | <b>Notes</b>   |   |
| 8  | a  | Interest on Fund Balance               | 1.0%   | 1.0%              | 1.0%              | 1.0%              | 1.0%              | 1.0%              | To Table 4A  |   |
| 9  | b  | General inflation                      | Per Budget   | Per Budget        | 3.0%              | 3.0%              | 3.0%              | 3.0%              | To Table 2A  |   |
| 10 | c  | Labor Increases                        | Per Budget   | Per Budget        | 3.0%              | 3.0%              | 3.0%              | 3.0%              | To Table 2A  |   |
| 11 | d  | Pension & benefit increases            | Per Budget   | Per Budget        | 5.0%              | 5.0%              | 5.0%              | 5.0%              | To Table 2A  |   |
| 12 | e  | Power                                  | Per Budget   | Per Budget        | 5.0%              | 5.0%              | 5.0%              | 5.0%              | To Table 2A  |   |
| 13 | f  | Construction Cost Index                | Per Budget   | 4.96%             | 3.82%             | 3.8%              | 3.8%              | 3.8%              | To Table 5; 5-yr CAGR for SF CCI or FY 2023-24, 10-year CAGR for future years. |   |
| 14 | g  | Plant, parts, services                 | Per Budget   | Per Budget        | 3.0%              | 3.0%              | 3.0%              | 3.0%              | To Table 2A  |   |
| 15 | h  | Pumps & Lines                          | Per Budget   | Per Budget        | 3.0%              | 3.0%              | 3.0%              | 3.0%              | To Table 2A  |   |
| 16 | i  | Growth in Total EDU's                  |  | -3.37%            | 0.18%             | 0.18%             | 0.18%             | 0.18%             | From Table 3B, to Table 2A   |   |
| 17 | j  | Growth in EDU's - Tiburon              |  | 0.00%             | 0.17%             | 0.17%             | 0.17%             | 0.17%             | To Tables 2A, 3D   |   |
| 18 | k  | Tiburon Residential EDUs               | 1,857.50   | 1,857.50          | 1,860.68          | 1,863.86          | 1,867.04          | 1,870.23          | To Table 3B; FY 2023-24 assumes same as FY 2022-23                             |   |
| 19 | l  | Tiburon Commercial/Mixed Use EDUs      | 609.68   | 473.92            | 474.73            | 475.55            | 476.36            | 477.17            | To Table 3B; FY 2023-24 assumes same as FY 2022-23                             |   |
| 20 | m  | Tiburon Additional EDUs                | 0.00   | 4.00              | 4.00              | 4.00              | 4.00              | 4.00              | To Table 3B; Approximate number of EDUs based on FY 2022-23 budget             |   |
| 21 | o  | Growth in EDU's - Belvedere            |  | 0.00%             | 0.17%             | 0.17%             | 0.17%             | 0.17%             | To Tables 2A, 3B   |   |
| 22 | p  | Belvedere Residential EDUs             | 1,056.00   | 1,056.00          | 1,057.79          | 1,059.58          | 1,061.36          | 1,063.15          | To Table 3B; FY 2023-24 assumes same as FY 2022-23                             |   |
| 23 | q  | Belvedere Commercial/Mixed Use EDUs    | 125.05   | 125.05            | 125.26            | 125.47            | 125.69            | 125.90            | To Table 3B; FY 2023-24 assumes same as FY 2022-23                             |   |
| 24 | r  | Belvedere Additional EDUs              | 0.00   | 2.00              | 2.00              | 2.00              | 2.00              | 2.00              | To Table 3D; Approximate number of EDUs based on FY 2022-23 budget             |   |
| 25 | t  | Growth in EDU's - Paradise Cove        |  | 0.00%             | 0.38%             | 0.38%             | 0.38%             | 0.38%             | To Tables 2A, 3B   |   |
| 26 | u  | Paradise Cove Residential EDUs         | 131.0  | 131.0             | 131.5             | 132.0             | 132.5             | 133.0             | To Table 3B; FY 2023-24 assumes same as FY 2022-23                             |   |
| 27 | v  | Paradise Cove Additional EDUs          | 0.00   | 0.50              | 0.50              | 0.50              | 0.50              | 0.50              | To Table 3B; Approximate number of EDUs based on FY 2022-23 budget             |   |
| 28 | x  | Cumulative Growth - PC & Tiburon       |  | 0.00%             | 0.18%             | 0.18%             | 0.18%             | 0.18%             | To Tables 2A, 3B   |   |
| 29 | y  | Tiburon/PC tax revenue increase        | Per Budget   | 1.8%              | 1.8%              | 1.8%              | 1.8%              | 1.8%              | Average increase from FYE 2019-2021  |   |
| 30 | z  | Annual Tax revenue                     | \$1,185,133  | \$1,206,814       | \$1,228,892       | \$1,251,374       | \$1,274,266       | \$1,297,578       | To Tables 2A, 3B   |   |
| 31 | aa   | Proportion of ad valorem revenue to PC | 4.93%  | 4.93%             | 4.93%             | 4.93%             | 4.93%             | 4.93%             | From Table 3B  |   |
| 32 |  |  |  |                   |                   |                   |                   |                   |  |   |
| 33 |  |  |  |                   |                   |                   |                   |                   |  |   |
| 34 | <b>Reserve Policies for Each Area (Tiburon, Belvedere and Paradise Cove)</b> |  |  |                   |                   |                   |                   |                   |  |   |
| 35 | <u>General Operating Reserve</u>   |  |  |                   |                   |                   |                   |                   |  |   |
| 36 |  | Purpose                                | For O&M cash flow during the year  |                   |                   |                   |                   |                   |  |   |
| 37 |  | Funding priority                       | Highest. If not maintained, interfund loans are needed.  |                   |                   |                   |                   |                   |  |   |
| 38 |  | Minimum balance                        | One year's operating expenses  |                   |                   |                   |                   |                   |  |   |
| 39 |  | Target balance                         | \$2,500,000  |                   |                   |                   |                   |                   |  |   |
| 40 |  |  |  |                   |                   |                   |                   |                   |  |   |
| 41 | <u>Capital Improvements Reserve</u>  |  |  |                   |                   |                   |                   |                   |  |   |
| 42 |  | Purpose                                | To be used for replacement of existing equipment and facilities previously purchased   |                   |                   |                   |                   |                   |  |   |
| 43 |  | Funding priority                       | 2nd Highest  |                   |                   |                   |                   |                   |  |   |
| 44 |  | Minimum balance                        | Zero   |                   |                   |                   |                   |                   |  |   |
| 45 |  | Target balance                         | \$15,000,000   |                   |                   |                   |                   |                   |  |   |
| 46 |  |  |  |                   |                   |                   |                   |                   |  |   |
| 47 | <u>CalPERS Retirement Reserve</u>  |  |  |                   |                   |                   |                   |                   |  |   |
| 48 |  | Purpose                                | To provide sufficient annual funding of CalPERS potential losses, as described in the CalPERS Annual Actuarial Valuation Reports under the Misc. |                   |                   |                   |                   |                   |  |   |
| 49 |  |  | Plan's Share of Pool's Investment,s Assets & Non-Assets.   |                   |                   |                   |                   |                   |  |   |
| 50 |  | Funding priority                       | 3rd Highest  |                   |                   |                   |                   |                   |  |   |
| 51 |  | Minimum balance                        | Zero   |                   |                   |                   |                   |                   |  |   |
| 52 |  | Target balance                         | \$1,000,000  |                   |                   |                   |                   |                   |  |   |
| 53 |  |  |  |                   |                   |                   |                   |                   |  |   |
| 54 | <u>Disaster Recovery Reserve</u>   |  |  |                   |                   |                   |                   |                   |  |   |
| 55 |  | Purpose                                | To provide a level of emergency capital for disaster recovery efforts until long-term financing is established                                   |                   |                   |                   |                   |                   |  |   |
| 56 |  | Funding priority                       | Lowest   |                   |                   |                   |                   |                   |  |   |
| 57 |  | Minimum balance                        | Zero   |                   |                   |                   |                   |                   |  |   |
| 58 |  | Target balance                         | \$1,000,000  |                   |                   |                   |                   |                   |  |   |

| A  | B  | C | D          | E   | F                         | G                         | H                         | I                         | J                         | K                         |   |
|----|--|---|------------|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---|
| 1  | Sanitary District No. 5 of Marin County              |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 2  | 2023-24 Cost of Service Wastewater Rate Study        |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 3  | Table 2A. Revenue Requirements                       |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 4  |  |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 5  |  |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 6  | Table 1B   |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 7  |  |   | Escalation |   |                           | Budget                    |                           |                           | Projected                 |                           |   |
| 8  |  |   | Factor     | Factor                                    | FY 2022-23                | FY 2023-24                | FY 2024-25                | FY 2025-26                | FY 2026-27                | FY 2027-28                | Notes   |
| 9  | <b>One combined zone</b>                             |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 10 | <b>Personnel</b>                                     |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 11 | Salaries, Overtime, Standby Pay, Deferred Comp Match | c |            |   | \$1,787,000               | \$1,843,548               | \$1,898,854               | \$1,955,820               | \$2,014,495               | \$2,074,930               | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 12 | Employee Incentives                                  | c |            |   | \$60,000                  | \$60,000                  | \$61,800                  | \$63,654                  | \$65,564                  | \$67,531                  | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 13 | Vacation Buyout                                      | c |            |   | \$65,000                  | \$80,000                  | \$82,400                  | \$84,872                  | \$87,418                  | \$90,041                  | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 14 | Payroll Taxes  | c |            |   | \$155,965                 | \$110,000                 | \$113,300                 | \$116,699                 | \$120,200                 | \$123,806                 | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 15 | Payroll Bank Fees                                    | b |            |   | \$7,000                   | \$7,000                   | \$7,210                   | \$7,426                   | \$7,649                   | \$7,879                   | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 16 | Car Allowance  | b |            |   | \$6,000                   | \$6,000                   | \$6,180                   | \$6,365                   | \$6,556                   | \$6,753                   | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 17 | PERS Retirement                                      | d |            |   | \$263,342                 | \$272,332                 | \$285,949                 | \$300,246                 | \$315,258                 | \$331,021                 | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 18 | Employee Benefits                                    | d |            |   | \$319,272                 | \$290,000                 | \$304,500                 | \$319,725                 | \$335,711                 | \$352,497                 | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 19 | Retiree Health, CERBT/OPEB Current Employee          | d |            |   | \$209,992                 | \$220,144                 | \$231,151                 | \$242,709                 | \$254,844                 | \$267,586                 | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 20 | Workers Compensation Insurance                       | c |            |   | \$57,268                  | \$58,000                  | \$59,740                  | \$61,532                  | \$63,378                  | \$65,280                  | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 21 |  |   |            | <i>Subtotal, Personnel</i>                | <u>\$2,930,839</u>        | <u>\$2,947,024</u>        | <u>\$3,051,084</u>        | <u>\$3,159,049</u>        | <u>\$3,271,074</u>        | <u>\$3,387,322</u>        |   |
| 22 | <b>Operations</b>                                    |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 23 | Supplies (Alarms, IT Support, Safety, PPE)           | b | i          |   | \$155,000                 | \$175,000                 | \$180,571                 | \$186,318                 | \$192,248                 | \$198,366                 | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 24 | Utilities  | e |            |   | \$293,000                 | \$309,000                 | \$324,450                 | \$340,673                 | \$357,706                 | \$375,591                 | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 25 | Telephones   | b |            |   | \$18,500                  | \$18,500                  | \$19,055                  | \$19,627                  | \$20,215                  | \$20,822                  | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 26 |  |   |            | <i>Subtotal, Operations</i>               | <u>\$466,500</u>          | <u>\$502,500</u>          | <u>\$524,076</u>          | <u>\$546,618</u>          | <u>\$570,170</u>          | <u>\$594,780</u>          |   |
| 27 | <b>Maintenance &amp; Repair</b>                      |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 28 | Pumps & Lines Maintenance                            | h |            |   | \$150,000                 | \$300,000                 | \$309,000                 | \$318,270                 | \$327,818                 | \$337,653                 | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 29 | Main Plant Maintenance                               | g |            |   | \$397,000                 | \$673,000                 | \$693,190                 | \$713,986                 | \$735,405                 | \$757,467                 | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 30 | Paradise Plant Maintenance                           | g |            |   | \$24,500                  | \$29,500                  | \$30,385                  | \$31,297                  | \$32,235                  | \$33,203                  | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 31 | Monitoring   | b | i          |   | \$57,500                  | \$90,000                  | \$92,865                  | \$95,821                  | \$98,871                  | \$102,017                 | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 32 | Permits and Fees                                     | b |            |   | \$99,000                  | \$59,000                  | \$60,770                  | \$62,593                  | \$64,471                  | \$66,405                  | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 33 | Truck Maintenance                                    | b |            |   | \$35,000                  | \$50,000                  | \$51,500                  | \$53,045                  | \$54,636                  | \$56,275                  | Table 2B for FY 2022-23, Table 2C for FY 2023-24. |
| 34 |  |   |            | <i>Subtotal, Maintenance &amp; Repair</i> | <u>\$763,000</u>          | <u>\$1,201,500</u>        | <u>\$1,237,710</u>        | <u>\$1,275,011</u>        | <u>\$1,313,437</u>        | <u>\$1,353,020</u>        |   |
| 35 | <b>Administrative Expenses</b>                       |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 36 |  | b |            |   | \$414,290                 | \$471,390                 | \$485,532                 | \$500,098                 | \$515,101                 | \$530,554                 | Table 2D FY 2022-23, Table 1D                     |
| 37 | <b>Total Operating Expenses</b>                      |   |            |   | <b><u>\$4,574,629</u></b> | <b><u>\$5,122,414</u></b> | <b><u>\$5,298,402</u></b> | <b><u>\$5,480,775</u></b> | <b><u>\$5,669,781</u></b> | <b><u>\$5,865,676</u></b> |   |
| 38 |  |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 39 | <b>Non-Operating Revenue</b>                         |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 40 | Property taxes                                       | y |            |   | \$0                       | \$0                       | \$0                       | \$0                       | \$0                       | \$0                       | From Table 3D, Table 1D                           |
| 41 | Other User Fees                                      |   |            |   | (\$38,700)                | (\$38,700)                | (\$38,700)                | (\$38,700)                | (\$38,700)                | (\$38,700)                | District Budget                                   |
| 42 | Inspection Fees                                      |   |            |   | (\$17,000)                | (\$20,000)                | (\$20,000)                | (\$20,000)                | (\$20,000)                | (\$20,000)                | District Budget                                   |
| 43 | SASM Expense Reimbursement                           |   |            |   | (\$100,000)               | (\$100,000)               | (\$100,000)               | (\$100,000)               | (\$100,000)               | (\$100,000)               | District Budget                                   |
| 44 | Other Income   |   |            |   | (\$100)                   | (\$100)                   | (\$100)                   | (\$100)                   | (\$100)                   | (\$100)                   | District Budget                                   |
| 45 |  |   |            | <i>Subtotal, Non-Operating Revenue</i>    | <u>(\$155,800)</u>        | <u>(\$158,800)</u>        | <u>(\$158,800)</u>        | <u>(\$158,800)</u>        | <u>(\$158,800)</u>        | <u>(\$158,800)</u>        |   |
| 46 | <b>Debt Service</b>                                  |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 47 | 2022 Bond  |   |            |   | \$760,168                 | \$760,412                 | \$760,284                 | \$759,784                 | \$758,912                 | \$757,668                 | From Table 6                                      |
| 48 | <b>Transfers To/(From) Reserves</b>                  |   |            |   |                           |                           |                           |                           |                           |                           |   |
| 49 | Capital Replacement                                  |   |            |   | \$2,869,500               | \$2,710,997               | \$2,710,997               | \$2,710,997               | \$2,710,997               | \$2,710,997               | From Table 5                                      |
| 50 | Disaster Recovery                                    |   |            |   | \$0                       | \$0                       | \$0                       | \$0                       | \$0                       | \$0                       | From Table 4                                      |
| 51 | Retirement   |   |            |   | \$0                       | \$0                       | \$0                       | \$0                       | \$0                       | \$0                       | From Table 4                                      |
| 52 |  |   |            | <i>Subtotal, Transfers</i>                | <u>\$2,869,500</u>        | <u>\$2,710,997</u>        | <u>\$2,710,997</u>        | <u>\$2,710,997</u>        | <u>\$2,710,997</u>        | <u>\$2,710,997</u>        |   |
| 53 | <b>Net Revenue Requirement</b>                       |   |            |   | <b><u>\$8,048,497</u></b> | <b><u>\$8,435,023</u></b> | <b><u>\$8,610,883</u></b> | <b><u>\$8,792,756</u></b> | <b><u>\$8,980,890</u></b> | <b><u>\$9,175,541</u></b> | To Tables 3A                                      |

|    | A  | B                                    | C | D                    | E |
|----|--|--------------------------------------|---|----------------------|---|
| 1  | <b>Sanitary District No. 5 of Marin County</b>       |                                      |   |                      |   |
| 2  | <b>2023-24 Cost of Service Wastewater Rate Study</b> |                                      |   |                      |   |
| 3  | <b>Table 2B. FY 2022-23 Revenue Requirement</b>      |                                      |   |                      |   |
| 4  |  |                                      |   |                      |   |
| 5  |  | <b>FY 2022-23 Operating Expenses</b> |   | <b>Total Expense</b> |   |
| 6  |  | Admin                                |   |                      |   |
| 7  |  | Advertising                          |   | \$1,000              |   |
| 8  |  | Audit & Accounting                   |   | \$40,000             |   |
| 9  |  | Consulting Fees                      |   | \$100,000            |   |
| 10 |  | Travel & Meetings                    |   | \$17,000             |   |
| 11 |  | Continuing Education                 |   | \$10,000             |   |
| 12 |  | County Fees                          |   | \$16,590             |   |
| 13 |  | Director Fees                        |   | \$9,000              |   |
| 14 |  | Dues & Subscriptions                 |   | \$31,000             |   |
| 15 |  | Elections                            |   | \$9,000              |   |
| 16 |  | Insurance PLP General Liability      |   | \$85,000             |   |
| 17 |  | Insurance APIP (Real) Property       |   | \$25,000             |   |
| 18 |  | Insurance Damage - Auto              |   | \$4,500              |   |
| 19 |  | Legal                                |   | \$50,000             |   |
| 20 |  | Office Supplies                      |   | \$10,000             |   |
| 21 |  | Postage                              |   | \$1,200              |   |
| 22 |  | Pollution Prevention                 |   | \$5,000              |   |
| 23 |  | Miscellaneous                        |   | \$0                  |   |
| 24 |  | <b>Subtotal Admin</b>                |   | <b>\$414,290</b>     |   |
| 25 |  |                                      |   |                      |   |
| 26 |  | Pumps & Lines                        |   |                      |   |
| 27 |  | Pumps & Lines Maint.                 |   | \$100,000            |   |
| 28 |  | Emergency Line Repairs               |   | \$50,000             |   |
| 29 |  | <b>Subtotal Pumps &amp; Lines</b>    |   | <b>\$150,000</b>     |   |
| 30 |  |                                      |   |                      |   |
| 31 |  | Main Plant Maint                     |   |                      |   |
| 32 |  | Plant Maint Supplies                 |   | \$27,000             |   |
| 33 |  | Plant Maint. Parts & Service         |   | \$150,000            |   |
| 34 |  | Janitorial Supplies & Service        |   | \$9,000              |   |
| 35 |  | Main Plant Chemicals                 |   | \$120,000            |   |
| 36 |  | Lab Supplies & Chemicals             |   | \$21,000             |   |
| 37 |  | Electrical & Instrument              |   | \$15,000             |   |
| 38 |  | Grounds Maintenance                  |   | \$5,000              |   |
| 39 |  | Main Plant Sludge Disposal           |   | \$50,000             |   |
| 40 |  | <b>Subtotal Plant Maint</b>          |   | <b>\$397,000</b>     |   |
| 41 |  |                                      |   |                      |   |
| 42 |  | Paradise Cove Maint                  |   |                      |   |
| 43 |  | PC Parts & Service                   |   | \$15,000             |   |
| 44 |  | PC Supplies & Chemicals              |   | \$6,500              |   |
| 45 |  | PC Sludge Disposal                   |   | \$3,000              |   |
| 46 |  | <b>Subtotal Paradise Cove Maint</b>  |   | <b>\$24,500</b>      |   |
| 47 |  |                                      |   |                      |   |
| 48 |  | Monitoring                           |   |                      |   |
| 49 |  | Main Plant Lab Monitoring            |   | \$45,000             |   |
| 50 |  | PC Monitoring                        |   | \$12,500             |   |
| 51 |  | Main Plant Outfall SASM              |   | \$0                  |   |
| 52 |  | <b>Subtotal Monitoring</b>           |   | <b>\$57,500</b>      |   |



|    | A | B  | C                  | D | E |
|----|---|--|--------------------|---|---|
| 1  |   | <b>Sanitary District No. 5 of Marin County</b>       |                    |   |   |
| 2  |   | <b>2023-24 Cost of Service Wastewater Rate Study</b> |                    |   |   |
| 3  |   | <b>Table 2B. FY 2022-23 Revenue Requirement</b>      |                    |   |   |
| 53 |   |  |                    |   |   |
| 54 |   | Permits/Fees   |                    |   |   |
| 55 |   | Main Plant NPDES Renewal                             | \$40,000           |   |   |
| 56 |   | Permits/Fees - General                               | \$50,000           |   |   |
| 57 |   | PC Permits/Fees                                      | \$9,000            |   |   |
| 58 |   | <b>Subtotal Permits/Fees</b>                         | \$99,000           |   |   |
| 59 |   |  |                    |   |   |
| 60 |   | Truck Maintenance                                    |                    |   |   |
| 61 |   | Fuel   | \$15,000           |   |   |
| 62 |   | Truck Maintenance                                    | \$20,000           |   |   |
| 63 |   | <b>Subtotal Truck Maintenance</b>                    | \$35,000           |   |   |
| 64 |   |  |                    |   |   |
| 65 |   | Salaries & Benefits                                  |                    |   |   |
| 66 |   | Salaries   | \$1,504,000        |   |   |
| 67 |   | Overtime   | \$125,000          |   |   |
| 68 |   | Standby Pay  | \$80,000           |   |   |
| 69 |   | Employee Incentives                                  | \$60,000           |   |   |
| 70 |   | Vacation Buyout                                      | \$65,000           |   |   |
| 71 |   | Payroll Taxes  | \$155,965          |   |   |
| 72 |   | Deferred Comp Match                                  | \$78,000           |   |   |
| 73 |   | Payroll fees   | \$7,000            |   |   |
| 74 |   | Car Allowance  | \$6,000            |   |   |
| 75 |   | PERS Monthly Contributions                           | \$262,992          |   |   |
| 76 |   | PERS Replacement Benefit Fund                        | \$350              |   |   |
| 77 |   | Employee Health, Dental, Vision, Etc.                | \$319,272          |   |   |
| 78 |   | Retiree Health                                       | \$91,592           |   |   |
| 79 |   | Worker's Comp Insurance                              | \$57,268           |   |   |
| 80 |   | <b>Subtotal Salaries &amp; Benefits</b>              | \$2,812,439        |   |   |
| 81 |   |  |                    |   |   |
| 82 |   | Other Operating Expenses                             |                    |   |   |
| 83 |   | Data/Alarms/IT Support & Licensing                   | \$80,000           |   |   |
| 84 |   | Safety   | \$60,000           |   |   |
| 85 |   | Personal Protective Equipment/Uniforms               | \$15,000           |   |   |
| 86 |   | Main Plant Telephone                                 | \$11,000           |   |   |
| 87 |   | Paradise Cove Telephone                              | \$500              |   |   |
| 88 |   | Pumps & Lines Telephone                              | \$7,000            |   |   |
| 89 |   | <b>Subtotal Other Operating Expenses</b>             | \$173,500          |   |   |
| 90 |   |  |                    |   |   |
| 91 |   | Utilities  |                    |   |   |
| 92 |   | Water  | \$8,000            |   |   |
| 93 |   | Main Plant Utilities                                 | \$220,000          |   |   |
| 94 |   | Paradise Cove Utilities                              | \$20,000           |   |   |
| 95 |   | Pump Station Utilities                               | \$45,000           |   |   |
| 96 |   | <b>Subtotal Utilities</b>                            | \$293,000          |   |   |
| 97 |   |  |                    |   |   |
| 98 |   | <b>Total Op Expenses</b>                             | <b>\$4,456,229</b> |   |   |
| 99 |   |  |                    |   |   |

|    | A | B  | C | D                    | E |
|----|---|--|---|----------------------|---|
| 1  |   | <b>Sanitary District No. 5 of Marin County</b>       |   |                      |   |
| 2  |   | <b>2023-24 Cost of Service Wastewater Rate Study</b> |   |                      |   |
| 3  |   | <b>Table 2C. FY 2023-24 Revenue Requirement</b>      |   |                      |   |
| 4  |   |  |   |                      |   |
| 5  |   | <b>FY 2023-24 Operating Expenses</b>                 |   | <b>Total Expense</b> |   |
| 6  |   | Admin  |   |                      |   |
| 7  |   | Advertising  |   | \$2,000              |   |
| 8  |   | Audit & Accounting                                   |   | \$40,000             |   |
| 9  |   | Consulting Fees                                      |   | \$100,000            |   |
| 10 |   | Travel & Meetings                                    |   | \$23,000             |   |
| 11 |   | Continuing Education                                 |   | \$10,000             |   |
| 12 |   | County Fees  |   | \$16,590             |   |
| 13 |   | Director Fees  |   | \$9,000              |   |
| 14 |   | Dues & Subscriptions                                 |   | \$33,000             |   |
| 15 |   | Elections  |   | \$0                  |   |
| 16 |   | Insurance PLP General Liability                      |   | \$60,000             |   |
| 17 |   | Insurance APIP (Real) Property                       |   | \$100,000            |   |
| 18 |   | Insurance Damage - Auto                              |   | \$10,000             |   |
| 19 |   | Legal  |   | \$50,000             |   |
| 20 |   | Office Supplies                                      |   | \$11,000             |   |
| 21 |   | Postage  |   | \$1,300              |   |
| 22 |   | Pollution Prevention                                 |   | \$5,500              |   |
| 23 |   | Miscellaneous  |   | \$0                  |   |
| 24 |   | <b>Subtotal Admin</b>                                |   | <b>\$471,390</b>     |   |
| 25 |   |  |   |                      |   |
| 26 |   | Pumps & Lines  |   |                      |   |
| 27 |   | Pumps & Lines Maint.                                 |   | \$200,000            |   |
| 28 |   | Emergency Line Repairs                               |   | \$100,000            |   |
| 29 |   | <b>Subtotal Pumps &amp; Lines</b>                    |   | <b>\$300,000</b>     |   |
| 30 |   |  |   |                      |   |
| 31 |   | Main Plant Maint                                     |   |                      |   |
| 32 |   | Plant Maint Supplies                                 |   | \$80,000             |   |
| 33 |   | Plant Maint. Parts & Service                         |   | \$300,000            |   |
| 34 |   | Janitorial Supplies & Service                        |   | \$10,000             |   |
| 35 |   | Main Plant Chemicals                                 |   | \$165,000            |   |
| 36 |   | Lab Supplies & Chemicals                             |   | \$25,000             |   |
| 37 |   | Electrical & Instrument                              |   | \$30,000             |   |
| 38 |   | Grounds Maintenance                                  |   | \$8,000              |   |
| 39 |   | Main Plant Sludge Disposal                           |   | \$55,000             |   |
| 40 |   | <b>Subtotal Plant Maint</b>                          |   | <b>\$673,000</b>     |   |
| 41 |   |  |   |                      |   |
| 42 |   | Paradise Cove Maint                                  |   |                      |   |
| 43 |   | PC Parts & Service                                   |   | \$20,000             |   |
| 44 |   | PC Supplies & Chemicals                              |   | \$6,500              |   |
| 45 |   | PC Sludge Disposal                                   |   | \$3,000              |   |
| 46 |   | <b>Subtotal Paradise Cove Maint</b>                  |   | <b>\$29,500</b>      |   |
| 47 |   |  |   |                      |   |
| 48 |   | Monitoring   |   |                      |   |
| 49 |   | Main Plant Lab Monitoring                            |   | \$50,000             |   |
| 50 |   | Main Plant Chronic Tox Screening                     |   | \$15,000             |   |
| 51 |   | PC Monitoring  |   | \$10,000             |   |
| 52 |   | Main Plant Outfall SASM                              |   | \$0                  |   |
| 53 |   | <b>Subtotal Monitoring</b>                           |   | <b>\$75,000</b>      |   |
| 54 |   |  |   |                      |   |

|     | A | B  | C                  | D | E |
|-----|---|--|--------------------|---|---|
| 1   |   | <b>Sanitary District No. 5 of Marin County</b>       |                    |   |   |
| 2   |   | <b>2023-24 Cost of Service Wastewater Rate Study</b> |                    |   |   |
| 3   |   | <b>Table 2C. FY 2023-24 Revenue Requirement</b>      |                    |   |   |
| 55  |   | Permits/Fees   |                    |   |   |
| 56  |   | Main Plant NPDES Renewal                             | \$0                |   |   |
| 57  |   | Permits/Fees - General                               | \$50,000           |   |   |
| 58  |   | PC Permits/Fees                                      | \$9,000            |   |   |
| 59  |   | <b>Subtotal Permits/Fees</b>                         | <b>\$59,000</b>    |   |   |
| 60  |   |  |                    |   |   |
| 61  |   | Truck Maintenance                                    |                    |   |   |
| 62  |   | Fuel   | \$20,000           |   |   |
| 63  |   | Truck Maintenance                                    | \$30,000           |   |   |
| 64  |   | <b>Subtotal Truck Maintenance</b>                    | <b>\$50,000</b>    |   |   |
| 65  |   |  |                    |   |   |
| 66  |   | Salaries & Benefits                                  |                    |   |   |
| 67  |   | Salaries   | \$1,598,548        |   |   |
| 68  |   | Overtime   | \$100,000          |   |   |
| 69  |   | Standby Pay  | \$80,000           |   |   |
| 70  |   | Employee Incentives                                  | \$60,000           |   |   |
| 71  |   | Vacation Buyout                                      | \$80,000           |   |   |
| 72  |   | Payroll Taxes  | \$110,000          |   |   |
| 73  |   | Deferred Comp Match                                  | \$65,000           |   |   |
| 74  |   | Payroll fees   | \$7,000            |   |   |
| 75  |   | Car Allowance  | \$6,000            |   |   |
| 76  |   | PERS Monthly Contributions                           | \$272,332          |   |   |
| 77  |   | PERS Replacement Benefit Fund                        | \$0                |   |   |
| 78  |   | Employee Health, Dental, Vision, Etc.                | \$290,000          |   |   |
| 79  |   | Retiree Health                                       | \$80,144           |   |   |
| 80  |   | CERBT/OPEB Current Employer Contributi               | \$140,000          |   |   |
| 81  |   | Worker's Comp Insurance                              | \$58,000           |   |   |
| 82  |   | <b>Subtotal Salaries &amp; Benefits</b>              | <b>\$2,947,024</b> |   |   |
| 83  |   |  |                    |   |   |
| 84  |   | Other Operating Expenses                             |                    |   |   |
| 85  |   | Data/Alarms/IT Support & Licensing                   | \$100,000          |   |   |
| 86  |   | Safety   | \$60,000           |   |   |
| 87  |   | Personal Protective Equipment/Uniforms               | \$15,000           |   |   |
| 88  |   | Main Plant Telephone                                 | \$11,000           |   |   |
| 89  |   | Paradise Cove Telephone                              | \$500              |   |   |
| 90  |   | Pumps & Lines Telephone                              | \$7,000            |   |   |
| 91  |   | <b>Subtotal Other Operating Expenses</b>             | <b>\$193,500</b>   |   |   |
| 92  |   |  |                    |   |   |
| 93  |   | Utilities  |                    |   |   |
| 94  |   | Water  | \$9,000            |   |   |
| 95  |   | Main Plant Utilities                                 | \$230,000          |   |   |
| 96  |   | Paradise Cove Utilities                              | \$22,000           |   |   |
| 97  |   | Pump Station Utilities                               | \$48,000           |   |   |
| 98  |   | <b>Subtotal Utilities</b>                            | <b>\$309,000</b>   |   |   |
| 99  |   |  |                    |   |   |
| 100 |   | <b>Total Op Expenses</b>                             | <b>\$5,107,414</b> |   |   |
| 101 |   |  |                    |   |   |

|    | A | B  | C                    | D                    | E                    | F                    | G                    | H                    | I             |
|----|---|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------|
| 1  |   | <b>Sanitary District No. 5 of Marin County</b>               |                      |                      |                      |                      |                      |                      |               |
| 2  |   | <b>2023-24 Cost of Service Wastewater Rate Study</b>         |                      |                      |                      |                      |                      |                      |               |
| 3  |   | <b>Table 3A. Revenue Increases</b>                           |                      |                      |                      |                      |                      |                      |               |
| 4  |   |  |                      |                      |                      |                      |                      |                      |               |
| 5  |   |  |                      |                      |                      |                      |                      |                      |               |
| 6  |   |  | <b>Budgeted</b>      |                      | <b>Projected</b>     |                      |                      |                      |               |
| 7  |   |  | <b>FY 2022-23</b>    | <b>FY 2023-24</b>    | <b>FY 2024-25</b>    | <b>FY 2025-26</b>    | <b>FY 2026-27</b>    | <b>FY 2027-28</b>    | <b>Notes</b>  |
| 8  |   | <b>One combined zone</b>                                     |                      |                      |                      |                      |                      |                      |               |
| 9  |   | <b>Revenue Without Rate Increases</b>                        |                      |                      |                      |                      |                      |                      |               |
| 10 |   | Revenue from current rates                                   | \$5,030,902          | \$4,903,101          | \$4,911,724          | \$4,920,347          | \$4,928,970          | \$4,937,593          | From Table 3B |
| 11 |   | Net Revenue Requirement                                      | (\$8,048,497)        | (\$8,435,023)        | (\$8,610,883)        | (\$8,792,756)        | (\$8,980,890)        | (\$9,175,541)        | From Table 2A |
| 12 |   | Surplus/(Deficit) before rate increase                       | (\$3,017,595)        | (\$3,531,922)        | (\$3,699,159)        | (\$3,872,409)        | (\$4,051,920)        | (\$4,237,948)        | To Table 4    |
| 13 |   |  |                      |                      |                      |                      |                      |                      |               |
| 14 |   | <b>Revenue With Rate Increases</b>                           |                      |                      |                      |                      |                      |                      |               |
| 15 |   | Revenue from current rates                                   | \$5,030,902          | \$4,903,101          | \$4,911,724          | \$4,920,347          | \$4,928,970          | \$4,937,593          | From above    |
| 16 |   |  |                      |                      |                      |                      |                      |                      |               |
| 17 |   | Rate Increase  | <b>0.0%</b>          | <b>13.0%</b>         | <b>10.0%</b>         | <b>10.0%</b>         | <b>10.0%</b>         | <b>10.0%</b>         | From Table 1A |
| 18 |   | Cumulative rate increase                                     | 0.0%                 | 13.0%                | 24.4%                | 36.8%                | 50.5%                | 65.5%                | To Table 1A   |
| 19 |   |  |                      |                      |                      |                      |                      |                      |               |
| 20 |   | Revenue from rate increases                                  |                      |                      |                      |                      |                      |                      |               |
| 21 |   | FY 22-23 (effective 7/1/22)                                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  |               |
| 22 |   | FY 23-24 (effective 7/1/23)                                  |                      | \$639,808            | \$640,933            | \$642,058            | \$643,184            | \$644,309            |               |
| 23 |   | FY 24-25 (effective 7/1/24)                                  |                      |                      | \$555,266            | \$556,241            | \$557,215            | \$558,190            |               |
| 24 |   | FY 25-26 (effective 7/1/25)                                  |                      |                      |                      | \$611,865            | \$612,937            | \$614,009            |               |
| 25 |   | FY 26-27 (effective 7/1/26)                                  |                      |                      |                      |                      | \$674,231            | \$675,410            |               |
| 26 |   | FY 27-28 (effective 7/1/27)                                  |                      |                      |                      |                      |                      | \$742,951            |               |
| 32 |   | <i>Subtotal of rate increases</i>                            | \$0                  | \$639,808            | \$1,196,199          | \$1,810,164          | \$2,487,567          | \$3,234,870          |               |
| 33 |   | <b>Total Rate Revenue</b>                                    | \$5,030,902          | \$5,542,909          | \$6,107,923          | \$6,730,511          | \$7,416,537          | \$8,172,463          |               |
| 34 |   | Net Revenue Requirement                                      | (\$8,048,497)        | (\$8,435,023)        | (\$8,610,883)        | (\$8,792,756)        | (\$8,980,890)        | (\$9,175,541)        | From above    |
| 35 |   | <b>Surplus/(Deficit) transferred to Consolidated Reserve</b> | <b>(\$3,017,595)</b> | <b>(\$2,892,114)</b> | <b>(\$2,502,960)</b> | <b>(\$2,062,246)</b> | <b>(\$1,564,353)</b> | <b>(\$1,003,078)</b> | To Table 4    |
| 36 |   |  |                      |                      |                      |                      |                      |                      |               |
| 37 |   |  |                      |                      |                      |                      |                      |                      |               |

|    | A   | B | C             | D           | E           | F           | G           | H           | I           | J  |
|----|---|---|---------------|-------------|-------------|-------------|-------------|-------------|-------------|--|
| 1  | Sanitary District No. 5 of Marin County       |   |               |             |             |             |             |             |             |  |
| 2  | 2023-24 Cost of Service Wastewater Rate Study |   |               |             |             |             |             |             |             |  |
| 3  | Table 3B. Revenues at Current Rates           |   |               |             |             |             |             |             |             |  |
| 4  |   |   | Table 1D      |             |             |             |             |             |             |  |
| 5  |   |   | Escalation    | Estimated   |             |             | Projected   |             |             |  |
| 6  |   |   | Factor        | FY 2022-23  | FY 2023-24  | FY 2024-25  | FY 2025-26  | FY 2026-27  | FY 2027-28  | Notes  |
| 7  | <b>Equivalent Dwelling Units</b>              |   |               |             |             |             |             |             |             |  |
| 8  | Tiburon                                       |   |               |             |             |             |             |             |             |  |
| 9  |   |   | j             | 1,857.50    | 1,861.50    | 1,864.69    | 1,867.88    | 1,871.06    | 1,874.25    |  |
| 10 |   |   | j             | 609.68      | 473.92      | 474.73      | 475.55      | 476.36      | 477.17      | FY 2023-24 EDUs adjusted to reflect 75 hcf = 1 EDU |
| 11 |   |   |               | 2,467.18    | 2,335.42    | 2,339.42    | 2,343.42    | 2,347.42    | 2,351.42    |  |
| 12 | Paradise Cove - Residential                   |   |               |             |             |             |             |             |             |  |
| 13 |   |   | t             | 131.00      | 131.00      | 131.50      | 132.00      | 132.50      | 133.00      |  |
| 14 | Belvedere                                     |   |               |             |             |             |             |             |             |  |
| 15 |   |   | o             | 1,056.00    | 1,058.00    | 1,060.00    | 1,062.00    | 1,064.00    | 1,066.00    |  |
| 16 |   |   | o             | 125.05      | 127.30      | 127.30      | 127.30      | 127.30      | 127.30      | FY 2023-24 EDUs adjusted to reflect 75 hcf = 1 EDU |
| 17 |   |   |               | 1,181.05    | 1,185.30    | 1,187.30    | 1,189.30    | 1,191.30    | 1,193.30    |  |
| 18 |   |   |               | 3,779.23    | 3,651.72    | 3,658.22    | 3,664.72    | 3,671.22    | 3,677.72    | Rows 11, 13, and 18                                |
| 19 |   |   | Total EDUs    |             |             |             |             |             |             |  |
| 20 |   |   | Annual change |             | -3.37%      | 0.18%       | 0.18%       | 0.18%       | 0.18%       | Compared to prior year                             |
| 21 | Percent of total EDUs                         |   |               |             |             |             |             |             |             |  |
| 22 |   |   |               | 65.28%      | 63.95%      | 63.95%      | 63.95%      | 63.94%      | 63.94%      |  |
| 23 |   |   |               | 3.47%       | 3.59%       | 3.59%       | 3.60%       | 3.61%       | 3.62%       |  |
| 24 |   |   |               | 31.25%      | 32.46%      | 32.46%      | 32.45%      | 32.45%      | 32.45%      |  |
| 25 |   |   |               | 100.00%     | 100.00%     | 100.00%     | 100.00%     | 100.00%     | 100.00%     |  |
| 26 | <b>Current Sewer Service Charges</b>          |   |               |             |             |             |             |             |             |  |
| 27 |   |   |               | \$1,034     | \$1,034     | \$1,034     | \$1,034     | \$1,034     | \$1,034     |  |
| 28 |   |   |               | \$1,034     | \$1,034     | \$1,034     | \$1,034     | \$1,034     | \$1,034     |  |
| 29 |   |   |               | \$1,985     | \$1,985     | \$1,985     | \$1,985     | \$1,985     | \$1,985     |  |
| 30 | <b>Revenue From Current Rates</b>             |   |               |             |             |             |             |             |             |  |
| 31 |   |   |               | \$2,551,064 | \$2,414,826 | \$2,418,962 | \$2,423,098 | \$2,427,235 | \$2,431,371 |  |
| 32 |   |   |               | \$135,454   | \$135,454   | \$135,971   | \$136,488   | \$137,005   | \$137,522   |  |
| 33 |   |   |               | \$2,344,384 | \$2,352,821 | \$2,356,791 | \$2,360,761 | \$2,364,731 | \$2,368,701 |  |
| 34 |   |   |               | \$5,030,902 | \$4,903,101 | \$4,911,724 | \$4,920,347 | \$4,928,970 | \$4,937,593 | To Table 3A  |
| 35 | <b>Tax Revenue/EDU</b>                        |   |               |             |             |             |             |             |             |  |
| 36 |   |   |               | \$1,185,133 | \$1,206,814 | \$1,228,892 | \$1,251,374 | \$1,274,266 | \$1,297,578 | To Table 2A  |
| 37 |   |   |               | 2,467.18    | 2,331.42    | 2,331.42    | 2,331.42    | 2,331.42    | 2,331.42    |  |
| 38 |   |   |               | \$457       | \$491       | \$500       | \$509       | \$518       | \$528       |  |
| 39 |   |   |               | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         |  |
| 40 |   |   |               | 128.00      | 128.00      | 128.00      | 128.00      | 128.00      | 128.00      | From above less 3 sanitary units, per County       |
| 41 |   |   |               | \$457       | \$491       | \$500       | \$509       | \$518       | \$528       |  |

|    | A | B  | C                  | D                  | E                  | F                  | G                  | H                  | I                  | J  |
|----|---|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|
| 1  |   | Sanitary District No. 5 of Marin County                |                    |                    |                    |                    |                    |                    |                    |  |
| 2  |   | 2023-24 Cost of Service Wastewater Rate Study          |                    |                    |                    |                    |                    |                    |                    |  |
| 3  |   | Table 4. Reserves                                      |                    |                    |                    |                    |                    |                    |                    |  |
| 4  |   |  |                    |                    |                    |                    |                    |                    |                    |  |
| 5  |   |  |                    |                    |                    |                    |                    |                    |                    |  |
| 6  |   |  |                    |                    |                    |                    |                    |                    |                    |  |
| 7  |   |  |                    |                    |                    |                    |                    |                    |                    |  |
| 8  |   | <b>General Operating Fund</b>                          |                    |                    |                    |                    |                    |                    |                    |  |
| 9  |   | <b>Revenue Increase</b>                                |                    |                    |                    |                    |                    |                    |                    |  |
| 10 |   | Annual increases                                       |                    | 0.0%               | 13.0%              | 10.0%              | 10.0%              | 10.0%              | 10.0%              | From Table 1A                                  |
| 11 |   | <b>Beginning Balance</b>                               |                    | \$6,142,954        | \$4,362,760        | \$2,712,661        | \$1,459,350        | \$659,017          | \$374,070          |  |
| 12 |   |  |                    |                    |                    |                    |                    |                    |                    |  |
| 13 |   | Operating Surplus/(Deficit)                            |                    | (\$3,017,595)      | (\$2,892,114)      | (\$2,502,960)      | (\$2,062,246)      | (\$1,564,353)      | (\$1,003,078)      | From Table 3A                                  |
| 14 |   | Ad-Valorem Revenue                                     |                    | \$1,185,133        | \$1,206,814        | \$1,228,892        | \$1,251,374        | \$1,274,266        | \$1,297,578        | Table 1B Factor z.                             |
| 15 |   | Subtotal   |                    | (\$1,832,462)      | (\$1,685,300)      | (\$1,274,068)      | (\$810,872)        | (\$290,087)        | \$294,500          |  |
| 16 |   | <b>Transfers (To)/From</b>                             |                    |                    |                    |                    |                    |                    |                    |  |
| 17 |   | Capital Replacement Reserve                            |                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |  |
| 18 |   | Capital Expansion Reserve                              |                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |  |
| 19 |   | Fund Balance Subtotal                                  |                    | \$4,310,493        | \$2,677,460        | \$1,438,593        | \$648,478          | \$368,930          | \$668,570          |  |
| 20 |   | Interest Earnings                                      |                    | \$52,267           | \$35,201           | \$20,756           | \$10,539           | \$5,140            | \$5,213            | Table 1B Factor a.                             |
| 21 |   | <b>Ending Balance</b>                                  | <b>\$6,142,954</b> | <b>\$4,362,760</b> | <b>\$2,712,661</b> | <b>\$1,459,350</b> | <b>\$659,017</b>   | <b>\$374,070</b>   | <b>\$673,783</b>   |  |
| 22 |   | Minimum Balance  | \$2,500,000        | \$2,500,000        | \$2,575,000        | \$2,652,250        | \$2,731,818        | \$2,813,772        | \$2,898,185        | Current District Policy, escalated 3% annually |
| 23 |   |  |                    |                    |                    |                    |                    |                    |                    |  |
| 24 |   | <b>Consolidated Capital Replacement Reserve</b>        |                    |                    |                    |                    |                    |                    |                    |  |
| 25 |   | <b>Beginning Balance</b>                               |                    | \$7,542,858        | \$7,819,286        | \$8,816,273        | \$7,641,811        | \$7,675,117        | \$8,809,302        |  |
| 26 |   | Capital Replacement Projects                           |                    | (\$2,869,500)      | (\$2,046,774)      | (\$4,217,340)      | (\$3,003,894)      | (\$1,908,824)      | (\$2,378,152)      |  |
| 27 |   | Consolidated Connection Fees                           |                    | \$200,000          | \$250,000          | \$250,000          | \$250,000          | \$250,000          | \$250,000          | Per District Budget FY 2023-24                 |
| 28 |   | <b>Transfers (To)/From</b>                             |                    |                    |                    |                    |                    |                    |                    |  |
| 29 |   | Disaster Recovery Reserve                              |                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |  |
| 30 |   | Revenue Requirements                                   |                    | \$2,869,500        | \$2,710,997        | \$2,710,997        | \$2,710,997        | \$2,710,997        | \$2,710,997        | To Table 2A                                    |
| 31 |   | General Operating Fund                                 |                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |  |
| 32 |   | Subtotal, Transfers                                    |                    | \$2,869,500        | \$2,710,997        | \$2,710,997        | \$2,710,997        | \$2,710,997        | \$2,710,997        |  |
| 33 |   | Fund Balance Subtotal                                  |                    | \$7,742,858        | \$8,733,509        | \$7,559,930        | \$7,598,913        | \$8,727,290        | \$9,392,147        |  |
| 34 |   | Interest Earnings                                      |                    | \$76,429           | \$82,764           | \$81,881           | \$76,204           | \$82,012           | \$91,007           | Table 1B Factor a.                             |
| 35 |   | <b>Ending Balance</b>                                  | <b>\$7,542,858</b> | <b>\$7,819,286</b> | <b>\$8,816,273</b> | <b>\$7,641,811</b> | <b>\$7,675,117</b> | <b>\$8,809,302</b> | <b>\$9,483,154</b> |  |
| 36 |   | Target Balance   | \$15,000,000       | \$15,000,000       | \$15,000,000       | \$15,000,000       | \$15,000,000       | \$15,000,000       | \$15,000,000       | Current District Policy                        |
| 37 |   |  |                    |                    |                    |                    |                    |                    |                    |  |
| 38 |   | <b>Disaster Recovery Fund</b>                          |                    |                    |                    |                    |                    |                    |                    |  |
| 39 |   | <b>Beginning Balance</b>                               |                    | \$1,000,000        | \$1,010,000        | \$1,020,100        | \$1,030,301        | \$1,040,604        | \$1,051,010        |  |
| 40 |   | <b>Transfers (To)/From</b>                             |                    |                    |                    |                    |                    |                    |                    |  |
| 41 |   | Capital Replacement Reserve                            |                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |  |
| 42 |   | Revenue Requirements                                   |                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |  |
| 43 |   | Fund Balance Subtotal                                  |                    | \$1,000,000        | \$1,010,000        | \$1,020,100        | \$1,030,301        | \$1,040,604        | \$1,051,010        |  |
| 44 |   | Interest Earnings                                      |                    | \$10,000           | \$10,100           | \$10,201           | \$10,303           | \$10,406           | \$10,510           | Table 1B Factor a.                             |
| 45 |   | <b>Ending Balance</b>                                  | <b>\$1,000,000</b> | <b>\$1,010,000</b> | <b>\$1,020,100</b> | <b>\$1,030,301</b> | <b>\$1,040,604</b> | <b>\$1,051,010</b> | <b>\$1,061,520</b> |  |
| 46 |   | Target Balance   | \$1,000,000        | \$1,000,000        | \$1,030,000        | \$1,060,900        | \$1,092,727        | \$1,125,509        | \$1,159,274        | Current District Policy, escalated 3% annually |
| 47 |   |  |                    |                    |                    |                    |                    |                    |                    |  |
| 48 |   | <b>Consolidated Retirement Reserve (Pay-As-You-Go)</b> |                    |                    |                    |                    |                    |                    |                    | From North Bay Pensions Exh 2a                 |
| 49 |   | <b>Beginning Balance</b>                               |                    | \$1,000,000        | \$1,010,000        | \$1,020,100        | \$1,030,301        | \$1,040,604        | \$1,051,010        |  |
| 50 |   | Benefits Paid  |                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |  |
| 51 |   | <b>Transfers (To)/From</b>                             |                    |                    |                    |                    |                    |                    |                    |  |
| 52 |   | Revenue Requirements                                   |                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | To Table 2A                                    |
| 53 |   | Fund Balance Subtotal                                  |                    | \$1,000,000        | \$1,010,000        | \$1,020,100        | \$1,030,301        | \$1,040,604        | \$1,051,010        |  |
| 54 |   | Interest Earnings                                      |                    | \$10,000           | \$10,100           | \$10,201           | \$10,303           | \$10,406           | \$10,510           | Table 1B Factor a.                             |
| 55 |   | <b>Ending Balance</b>                                  | <b>\$1,000,000</b> | <b>\$1,010,000</b> | <b>\$1,020,100</b> | <b>\$1,030,301</b> | <b>\$1,040,604</b> | <b>\$1,051,010</b> | <b>\$1,061,520</b> |  |
| 56 |   | Target Balance   | \$1,000,000        | \$1,000,000        | \$1,030,000        | \$1,060,900        | \$1,092,727        | \$1,125,509        | \$1,159,274        | Current District Policy, escalated 3% annually |
| 57 |   |  |                    |                    |                    |                    |                    |                    |                    |  |

| A  | B  | C | D | E | F | G | H | I | J | K |
|----|--|---|---|---|---|---|---|---|---|---|
| 1  | <b>Sanitary District No. 5 of Marin County</b>       |   |   |   |   |   |   |   |   |   |
| 2  | <b>2023-24 Cost of Service Wastewater Rate Study</b> |   |   |   |   |   |   |   |   |   |
| 3  | <b>Table 5. Capital Improvements</b>                 |   |   |   |   |   |   |   |   |   |
| 4  |  |   |   |   |   |   |   |   |   |   |
| 5  |  |   |   |   |   |   |   |   |   |   |
| 6  |  |   |   |   |   |   |   |   |   |   |
| 7  |  |   |   |   |   |   |   |   |   |   |
| 8  |  |   |   |   |   |   |   |   |   |   |
| 9  |  |   |   |   |   |   |   |   |   |   |
| 10 |  |   |   |   |   |   |   |   |   |   |
| 11 |  |   |   |   |   |   |   |   |   |   |
| 12 |  |   |   |   |   |   |   |   |   |   |
| 13 |  |   |   |   |   |   |   |   |   |   |
| 14 |  |   |   |   |   |   |   |   |   |   |
| 15 |  |   |   |   |   |   |   |   |   |   |
| 16 |  |   |   |   |   |   |   |   |   |   |
| 17 |  |   |   |   |   |   |   |   |   |   |
| 18 |  |   |   |   |   |   |   |   |   |   |
| 19 |  |   |   |   |   |   |   |   |   |   |
| 20 |  |   |   |   |   |   |   |   |   |   |
| 21 |  |   |   |   |   |   |   |   |   |   |
| 22 |  |   |   |   |   |   |   |   |   |   |
| 23 |  |   |   |   |   |   |   |   |   |   |
| 24 |  |   |   |   |   |   |   |   |   |   |
| 25 |  |   |   |   |   |   |   |   |   |   |
| 26 |  |   |   |   |   |   |   |   |   |   |
| 27 |  |   |   |   |   |   |   |   |   |   |
| 28 |  |   |   |   |   |   |   |   |   |   |
| 29 |  |   |   |   |   |   |   |   |   |   |
| 30 |  |   |   |   |   |   |   |   |   |   |
| 31 |  |   |   |   |   |   |   |   |   |   |
| 32 |  |   |   |   |   |   |   |   |   |   |
| 33 |  |   |   |   |   |   |   |   |   |   |
| 34 |  |   |   |   |   |   |   |   |   |   |
| 35 |  |   |   |   |   |   |   |   |   |   |
| 36 |  |   |   |   |   |   |   |   |   |   |
| 37 |  |   |   |   |   |   |   |   |   |   |
| 38 |  |   |   |   |   |   |   |   |   |   |
| 39 |  |   |   |   |   |   |   |   |   |   |
| 40 |  |   |   |   |   |   |   |   |   |   |
| 41 |  |   |   |   |   |   |   |   |   |   |
| 42 |  |   |   |   |   |   |   |   |   |   |
| 43 |  |   |   |   |   |   |   |   |   |   |
| 44 |  |   |   |   |   |   |   |   |   |   |
| 45 |  |   |   |   |   |   |   |   |   |   |
| 46 |  |   |   |   |   |   |   |   |   |   |
| 47 |  |   |   |   |   |   |   |   |   |   |
| 48 |  |   |   |   |   |   |   |   |   |   |

|    | A | B  | C                  | D                  | E                  | F                  | G                  | H                  | I                   | J                  | K                       |
|----|---|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|--------------------|-------------------------|
| 1  |   | <b>Sanitary District No. 5 of Marin County</b>       |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 2  |   | <b>2023-24 Cost of Service Wastewater Rate Study</b> |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 3  |   | <b>Table 5. Capital Improvements</b>                 |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 4  |   |  |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 5  |   |  |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 6  |   |  |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 7  |   |  |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 49 |   | <b>Tiburon Zone Pumps &amp; Lines CIP</b>            |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 50 |   | Sewer Line Rehabilitation Program                    | \$1,000,000        | \$0                | \$1,000,000        | \$500,000          | \$500,000          | \$500,000          | \$500,000           | \$2,500,000        |                         |
| 51 |   | CCTV and I&I Investigation Project                   |                    | \$150,000          | \$0                | \$0                | \$0                | \$0                | \$0                 | \$150,000          |                         |
| 52 |   | Pump & Valve Replacement Program                     | \$20,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000            | \$250,000          |                         |
| 53 |   | Force Main Rehabilitation - Multiple sites           | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 54 |   | Force Main Rehabilitation TPS #2 - 357lf-6"          | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 55 |   | Force Main Rehabilitation TPS #4 - 3"                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 56 |   | Force Main Rehabilitation TPS #3 - 379lf-6"          | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 57 |   | Force Main Rehabilitation TPS #5 - 1303lf-8"         | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 58 |   | Force Main Rehabilitation TPS #7 - 903lf-6"          | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 59 |   | Force Main Rehabilitation TPS #6                     |                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$75,000            | \$75,000           |                         |
| 60 |   | Force Main Rehabilitation TPS #9                     |                    | \$0                | \$50,000           | \$0                | \$0                | \$0                | \$0                 | \$50,000           |                         |
| 61 |   | Man Hole Rehabilitation                              | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000            | \$250,000          |                         |
| 62 |   | TPS #2 Wet Well Rehab                                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 63 |   | TPS #3 Wet Well Rehab                                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 64 |   | TPS #4 Wet Well Rehab                                | \$0                | \$50,000           | \$0                | \$0                | \$0                | \$0                | \$0                 | \$50,000           |                         |
| 65 |   | TPS #6 Wet Well Rehab                                | \$0                | \$0                | \$0                | \$0                | \$0                | \$400,000          | \$400,000           | \$400,000          |                         |
| 66 |   | TPS #7 Wet Well Rehab                                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 67 |   | TPS #8 Wet Well Rehab                                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 68 |   | TPS #9 Wet Well Rehab                                | \$0                | \$0                | \$350,000          | \$0                | \$0                | \$0                | \$0                 | \$350,000          |                         |
| 69 |   | Portable Pump Replacement                            | \$0                | \$0                | \$0                | \$50,000           | \$0                | \$0                | \$0                 | \$50,000           |                         |
| 70 |   | Undesignated Capital Projects                        | \$25,000           | \$25,000           | \$25,000           | \$25,000           | \$25,000           | \$25,000           | \$25,000            | \$125,000          |                         |
| 71 |   | <b>Subtotal, Tiburon Lines</b>                       | <b>\$1,095,000</b> | <b>\$325,000</b>   | <b>\$1,525,000</b> | <b>\$675,000</b>   | <b>\$625,000</b>   | <b>\$1,100,000</b> | <b>\$4,250,000</b>  |                    |                         |
| 72 |   |  |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 73 |   | <b>Belvedere Zone Pumps &amp; Lines CIP</b>          |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 74 |   | Sewer Line Rehabilitation Program                    | \$100,000          | \$0                | \$500,000          | \$250,000          | \$250,000          | \$250,000          | \$250,000           | \$1,250,000        |                         |
| 75 |   | Pump & Valve Replacement Program                     | \$20,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000            | \$250,000          |                         |
| 76 |   | Force Main Rehabilitation - Multiple sites           | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 77 |   | BPS#1 Control Panel Replacement                      | \$500,000          | \$600,000          | \$600,000          | \$0                | \$0                | \$0                | \$0                 | \$1,200,000        |                         |
| 78 |   | CCTV and I&I Inspection                              |                    | \$100,000          | \$0                | \$0                | \$0                | \$0                | \$0                 | \$100,000          |                         |
| 79 |   | BPS#2 Force Main&Wet Well Rehab                      | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 80 |   | BPS#3 Force Main&Wet Well Rehab                      | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 81 |   | BPS#7 Wet Well Rehab                                 | \$75,000           | \$0                | \$0                | \$420,000          | \$0                | \$0                | \$0                 | \$420,000          |                         |
| 82 |   | BPS#9, 10, 11 Wet Well Rehab                         | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 83 |   | BPS#5, 8, 12 Wet Well Rehab                          | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 84 |   | BPS#13 Force Main&Wet Well Rehab                     | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 85 |   | BPS#14 Force Main&Wet Well Rehab                     | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 86 |   | Power Feed Improvement Project (BPS#9, 10, 11)       | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                |                         |
| 87 |   | San Rafael Ave Diverter Line Install                 | \$0                | \$25,000           | \$0                | \$0                | \$0                | \$0                | \$0                 | \$25,000           |                         |
| 88 |   | Man Hole Rehabilitation                              | \$11,000           | \$25,000           | \$25,000           | \$25,000           | \$25,000           | \$25,000           | \$25,000            | \$125,000          |                         |
| 89 |   | Undesignated Cap Projects                            | \$68,500           | \$25,000           | \$25,000           | \$25,000           | \$25,000           | \$25,000           | \$25,000            | \$125,000          |                         |
| 90 |   | <b>Subtotal, Belvedere</b>                           | <b>\$774,500</b>   | <b>\$825,000</b>   | <b>\$1,200,000</b> | <b>\$770,000</b>   | <b>\$350,000</b>   | <b>\$350,000</b>   | <b>\$350,000</b>    | <b>\$3,495,000</b> |                         |
| 91 |   |  |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 92 |   | <b>Total Planned Capital Spending</b>                | <b>\$2,869,500</b> | <b>\$1,950,000</b> | <b>\$3,870,000</b> | <b>\$2,655,000</b> | <b>\$1,625,000</b> | <b>\$1,950,000</b> | <b>\$12,050,000</b> |                    |                         |
| 93 |   |  |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 94 |   | Construction Cost Index                              | 1.00               | 1.05               | 1.09               | 1.13               | 1.17               | 1.22               |                     |                    | From Table 1B Factor f. |
| 95 |   |  |                    |                    |                    |                    |                    |                    |                     |                    |                         |
| 96 |   | <b>Escalated Total Planned Capital Spending</b>      | <b>\$2,869,500</b> | <b>\$2,046,774</b> | <b>\$4,217,340</b> | <b>\$3,003,894</b> | <b>\$1,908,824</b> | <b>\$2,378,152</b> | <b>\$13,554,985</b> |                    |                         |



|    | A   | B           | C           | D           | E           | F           | G           | H  | I |  |
|----|---|-------------|-------------|-------------|-------------|-------------|-------------|--|---|--|
| 1  | Sanitary District No. 5 of Marin County         |             |             |             |             |             |             |  |   |  |
| 2  | 2023-24 Cost of Service Wastewater Rate Study   |             |             |             |             |             |             |  |   |  |
| 3  | Table 6. Debt Service                           |             |             |             |             |             |             |  |   |  |
| 4  |   |             |             |             |             |             |             |  |   |  |
| 5  | Projected                                       |             |             |             |             |             |             |  |   |  |
| 6  |   | FY 2022-23  | FY 2023-24  | FY 2024-25  | FY 2025-26  | FY 2026-27  | FY 2027-28  | Notes  |   |  |
| 7  |   |             |             |             |             |             |             |  |   |  |
| 8  | <b>Bond - Existing</b>                          |             |             |             |             |             |             |  |   |  |
| 9  | Total P&I                                       | 760,168     | 760,412     | 760,284     | 759,784     | 758,912     | 757,668     | From District CIP plan FY 2023-24 budget, email from 3/10/2023 |   |  |
| 10 |   |             |             |             |             |             |             |  |   |  |
| 11 | <b>New Financing #1</b>                         |             |             |             |             |             |             |  |   |  |
| 12 | Principal                                       |             |             |             |             |             |             | No plans for new issuance                                      |   |  |
| 13 | Interest  |             |             |             |             |             |             |  |   |  |
| 14 | Total   | -           | -           | -           | -           | -           | -           |  |   |  |
| 15 |   |             |             |             |             |             |             |  |   |  |
| 16 | <b>Subtotal: Debt Service</b>                   | 760,168     | 760,412     | 760,284     | 759,784     | 758,912     | 757,668     |  |   |  |
| 17 | <b>Other Costs</b>                              |             |             |             |             |             |             |  |   |  |
| 18 | <b>Total Debt Service Payments</b>              | \$760,168   | \$760,412   | \$760,284   | \$759,784   | \$758,912   | \$757,668   | To Table 5   |   |  |
| 19 |   |             |             |             |             |             |             |  |   |  |
| 20 | <b>DEBT COVERAGE RATIO - with Rate Increase</b> |             |             |             |             |             |             |  |   |  |
| 21 |   |             |             |             |             |             |             |  |   |  |
| 22 | <b>Gross Revenue</b>                            |             |             |             |             |             |             |  |   |  |
| 23 | Service Charges                                 | \$5,030,902 | \$5,542,909 | \$6,107,923 | \$6,730,511 | \$7,416,537 | \$8,172,463 |  |   |  |
| 24 | Non-Operating Revenue                           | \$155,800   | \$158,800   | \$158,800   | \$158,800   | \$158,800   | \$158,800   |  |   |  |
| 25 | Connection Fees                                 | \$200,000   | \$250,000   | \$250,000   | \$250,000   | \$250,000   | \$250,000   |  |   |  |
| 26 | Total Gross Revenue                             | \$5,386,702 | \$5,951,709 | \$6,516,723 | \$7,139,311 | \$7,825,337 | \$8,581,263 |  |   |  |
| 27 | Less: Total O&M Expenses                        | (4,574,629) | (5,122,414) | (5,298,402) | (5,480,775) | (5,669,781) | (5,865,676) |  |   |  |
| 28 | <b>Net Available Revenues</b>                   | 812,073     | 829,295     | 1,218,321   | 1,658,535   | 2,155,556   | 2,715,587   |  |   |  |
| 29 |   |             |             |             |             |             |             |  |   |  |
| 30 | <b>Total Debt Service Payments</b>              |             |             |             |             |             |             |  |   |  |
| 31 | Debt Coverage Ratio                             | 1.07        | 1.09        | 1.60        | 2.18        | 2.84        | 3.58        |  |   |  |
| 32 | Target  | 1.25        | 1.25        | 1.25        | 1.25        | 1.25        | 1.25        |  |   |  |
| 33 |   |             |             |             |             |             |             |  |   |  |
| 34 |   |             |             |             |             |             |             |  |   |  |
| 35 | <b>DEBT COVERAGE RATIO - NO Rate Increase</b>   |             |             |             |             |             |             |  |   |  |
| 36 |   |             |             |             |             |             |             |  |   |  |
| 37 | <b>Gross Revenue</b>                            |             |             |             |             |             |             |  |   |  |
| 38 | Service Charges                                 | \$5,030,902 | \$4,903,101 | \$4,911,724 | \$4,920,347 | \$4,928,970 | \$4,937,593 |  |   |  |
| 39 | Non-Operating Revenue                           | 155,800     | 158,800     | 158,800     | 158,800     | 158,800     | 158,800     |  |   |  |
| 40 | Total Gross Revenue                             | 5,186,702   | 5,061,901   | 5,070,524   | 5,079,147   | 5,087,770   | 5,096,393   |  |   |  |
| 41 | Less: Total O&M Expenses                        | (4,574,629) | (5,122,414) | (5,298,402) | (5,480,775) | (5,669,781) | (5,865,676) |  |   |  |
| 42 | <b>Net Available Revenues</b>                   | 612,073     | (60,513)    | (227,878)   | (401,628)   | (582,011)   | (769,283)   |  |   |  |
| 43 |   |             |             |             |             |             |             |  |   |  |
| 44 | <b>Total Debt Service Payments</b>              |             |             |             |             |             |             |  |   |  |
| 45 | Debt Coverage Ratio                             | 0.81        | -0.08       | -0.30       | -0.53       | -0.77       | -1.02       |  |   |  |
| 46 | Target  | 1.25        | 1.25        | 1.25        | 1.25        | 1.25        | 1.25        |  |   |  |

|  | A   | B                                     | C                                   | D                  | E           | F                                 | G       | H             | I         | J     | K                  | L | M |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
|--|---|---------------------------------------|-------------------------------------|--------------------|-------------|-----------------------------------|---------|---------------|-----------|-------|--------------------|---|---|---|--|---------------|----------|---------------------------|----------------|---|---------------------------------------|--|-------|-----------|-----------|-------------------------|---|--|-----------|--|------|----------|-------------|---------------------------------|--------|-----------------------------|-------------|-------------------------|--|----------|----------|---|------|-----------------------|----------------|-----------------------------------|-----------------|---------------|-----------------|--|--|-------------|----------------|--------------------|--|--|--|-------------|----------------------|---------------------------|------------|-----------------|--------------------|------------|--------------------|--|--|--|--|--|-----------|----------|--|---------|-------------|--|---------------------|----------|--|---------|-------------|--|--|----------|-----|--|-------------|-----|------------------------|--|--|--|--|--|-----------|--------|--|---------|-----------|--|---------------------|--------|--|---------|-----------|--|--|--------|-----|--|-----------|-----|------------------------------------|-----------------|-------------|--|--------------------|-------------|
| 1  | <b>Sanitary District No. 5 of Marin County</b>  |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 2  | <b>2023-24 Cost of Service Wastewater Rate Study</b>  |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 3  | <b>Table 7. Cost of Service</b>   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 4  |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 5  |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 6  |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 7  |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 8  | <table border="1"> <thead> <tr> <th>Sanitary Billing Units FY 2023-24</th> <th>Tiburon</th> <th>Paradise Cove</th> <th>Belvedere</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td colspan="5"><b>Residential</b></td> </tr> <tr> <td>Single family</td> <td>1,272.50</td> <td>131.00</td> <td>881.00</td> <td>2,284.50</td> </tr> <tr> <td>Multi-Family</td> <td>585.00</td> <td>0.00</td> <td>175.00</td> <td>760.00</td> </tr> <tr> <td colspan="5"><b>Non-Residential</b></td> </tr> <tr> <td></td> <td>473.92</td> <td>0.00</td> <td>127.30</td> <td>601.22</td> </tr> <tr> <td colspan="5"><b>Growth (Residential)</b></td> </tr> <tr> <td></td> <td>4.00</td> <td>0.00</td> <td>2.00</td> <td>6.00</td> </tr> <tr> <td><b>Total Billing Units</b></td> <td><b>2,335.42</b></td> <td><b>131.00</b></td> <td><b>1,185.30</b></td> <td><b>3,651.72</b></td> </tr> </tbody> </table>   |                                       |                                     |                    |             | Sanitary Billing Units FY 2023-24 | Tiburon | Paradise Cove | Belvedere | Total | <b>Residential</b> |   |   |   |  | Single family | 1,272.50 | 131.00                    | 881.00         | 2,284.50                                      | Multi-Family                          | 585.00   | 0.00  | 175.00    | 760.00    | <b>Non-Residential</b>  |   |  |           |  |      | 473.92   | 0.00        | 127.30                          | 601.22 | <b>Growth (Residential)</b> |             |                         |  |          |          | 4.00  | 0.00 | 2.00                  | 6.00           | <b>Total Billing Units</b>        | <b>2,335.42</b> | <b>131.00</b> | <b>1,185.30</b> | <b>3,651.72</b>  | <table border="1"> <thead> <tr> <th></th> <th>FY 2023-24 Sanitary Units</th> <th>% of Total</th> <th>Charge (\$/EDU)</th> <th>FY 2023-24 Revenue</th> <th>% of Total</th> </tr> </thead> <tbody> <tr> <td colspan="6"><b>Residential</b></td> </tr> <tr> <td>Base Rate</td> <td>1,065.00</td> <td></td> <td>\$1,848</td> <td>\$1,968,511</td> <td></td> </tr> <tr> <td>Ad-Valorem Credited</td> <td>1,985.50</td> <td></td> <td>\$1,358</td> <td>\$2,695,668</td> <td></td> </tr> <tr> <td></td> <td>3,050.50</td> <td>84%</td> <td></td> <td>\$4,664,179</td> <td>84%</td> </tr> <tr> <td colspan="6"><b>Non-Residential</b></td> </tr> <tr> <td>Base Rate</td> <td>127.30</td> <td></td> <td>\$1,848</td> <td>\$235,297</td> <td></td> </tr> <tr> <td>Ad-Valorem Credited</td> <td>473.92</td> <td></td> <td>\$1,358</td> <td>\$643,433</td> <td></td> </tr> <tr> <td></td> <td>601.22</td> <td>16%</td> <td></td> <td>\$878,730</td> <td>16%</td> </tr> <tr> <td><b>Total Billed Sanitary Units</b></td> <td><b>3,651.72</b></td> <td><b>100%</b></td> <td></td> <td><b>\$5,542,909</b></td> <td><b>100%</b></td> </tr> </tbody> </table> |             |                |                    |  |  |  |             |                      | FY 2023-24 Sanitary Units | % of Total | Charge (\$/EDU) | FY 2023-24 Revenue | % of Total | <b>Residential</b> |  |  |  |  |  | Base Rate | 1,065.00 |  | \$1,848 | \$1,968,511 |  | Ad-Valorem Credited | 1,985.50 |  | \$1,358 | \$2,695,668 |  |  | 3,050.50 | 84% |  | \$4,664,179 | 84% | <b>Non-Residential</b> |  |  |  |  |  | Base Rate | 127.30 |  | \$1,848 | \$235,297 |  | Ad-Valorem Credited | 473.92 |  | \$1,358 | \$643,433 |  |  | 601.22 | 16% |  | \$878,730 | 16% | <b>Total Billed Sanitary Units</b> | <b>3,651.72</b> | <b>100%</b> |  | <b>\$5,542,909</b> | <b>100%</b> |
| Sanitary Billing Units FY 2023-24                                  | Tiburon   | Paradise Cove                         | Belvedere                           | Total              |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| <b>Residential</b>   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Single family  | 1,272.50  | 131.00                                | 881.00                              | 2,284.50           |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Multi-Family   | 585.00  | 0.00                                  | 175.00                              | 760.00             |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| <b>Non-Residential</b>   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
|  | 473.92  | 0.00                                  | 127.30                              | 601.22             |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| <b>Growth (Residential)</b>  |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
|  | 4.00  | 0.00                                  | 2.00                                | 6.00               |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| <b>Total Billing Units</b>   | <b>2,335.42</b>   | <b>131.00</b>                         | <b>1,185.30</b>                     | <b>3,651.72</b>    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
|  | FY 2023-24 Sanitary Units   | % of Total                            | Charge (\$/EDU)                     | FY 2023-24 Revenue | % of Total  |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| <b>Residential</b>   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Base Rate  | 1,065.00  |                                       | \$1,848                             | \$1,968,511        |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Ad-Valorem Credited  | 1,985.50  |                                       | \$1,358                             | \$2,695,668        |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
|  | 3,050.50  | 84%                                   |                                     | \$4,664,179        | 84%         |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| <b>Non-Residential</b>   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Base Rate  | 127.30  |                                       | \$1,848                             | \$235,297          |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Ad-Valorem Credited  | 473.92  |                                       | \$1,358                             | \$643,433          |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
|  | 601.22  | 16%                                   |                                     | \$878,730          | 16%         |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| <b>Total Billed Sanitary Units</b>                                 | <b>3,651.72</b>   | <b>100%</b>                           |                                     | <b>\$5,542,909</b> | <b>100%</b> |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 9  |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 10   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 11   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 12   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 13   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 14   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 15   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 16   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 17   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 18   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 19   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 20   | <table border="1"> <thead> <tr> <th colspan="4">FY 2023-24 Units of Service Calculation</th> </tr> </thead> <tbody> <tr> <td>Total Revenue Requirement</td> <td></td> <td></td> <td>\$8,593,823</td> </tr> <tr> <td>(Less) Miscellaneous Fee Revenues<sup>1</sup></td> <td></td> <td></td> <td>(158,800)</td> </tr> <tr> <td>Net Revenue Requirement</td> <td></td> <td></td> <td>8,435,023</td> </tr> <tr> <td>(Less) Reserves to address shortfall after rate increase</td> <td></td> <td></td> <td>(1,685,300)</td> </tr> <tr> <td>Revised Net Revenue Requirement</td> <td></td> <td></td> <td>\$6,749,723</td> </tr> <tr> <td>Units of Service (EDUs)</td> <td></td> <td></td> <td>3,651.72</td> </tr> <tr> <td><b>FY 2023-24 Base Sewer Service Charge per EDU</b></td> <td></td> <td></td> <td><b>\$1,848</b></td> </tr> <tr> <td>(Less) Ad-Valorem Revenue per EDU</td> <td></td> <td></td> <td>(\$491)</td> </tr> <tr> <td><b>FY 2023-24 Ad-Valorem Credited Sewer Service Charge per EDU</b></td> <td></td> <td></td> <td><b>\$1,358</b></td> </tr> </tbody> </table>       |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   | FY 2023-24 Units of Service Calculation |  |               |          | Total Revenue Requirement |                |   | \$8,593,823                           | (Less) Miscellaneous Fee Revenues <sup>1</sup> |       |           | (158,800) | Net Revenue Requirement |   |  | 8,435,023 | (Less) Reserves to address shortfall after rate increase |      |          | (1,685,300) | Revised Net Revenue Requirement |        |                             | \$6,749,723 | Units of Service (EDUs) |  |          | 3,651.72 | <b>FY 2023-24 Base Sewer Service Charge per EDU</b> |      |                       | <b>\$1,848</b> | (Less) Ad-Valorem Revenue per EDU |                 |               | (\$491)         | <b>FY 2023-24 Ad-Valorem Credited Sewer Service Charge per EDU</b> |  |             | <b>\$1,358</b> |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| FY 2023-24 Units of Service Calculation                            |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Total Revenue Requirement  |   |                                       | \$8,593,823                         |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| (Less) Miscellaneous Fee Revenues <sup>1</sup>                     |   |                                       | (158,800)                           |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Net Revenue Requirement  |   |                                       | 8,435,023                           |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| (Less) Reserves to address shortfall after rate increase           |   |                                       | (1,685,300)                         |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Revised Net Revenue Requirement                                    |   |                                       | \$6,749,723                         |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Units of Service (EDUs)  |   |                                       | 3,651.72                            |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| <b>FY 2023-24 Base Sewer Service Charge per EDU</b>                |   |                                       | <b>\$1,848</b>                      |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| (Less) Ad-Valorem Revenue per EDU                                  |   |                                       | (\$491)                             |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| <b>FY 2023-24 Ad-Valorem Credited Sewer Service Charge per EDU</b> |   |                                       | <b>\$1,358</b>                      |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 21   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 22   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 23   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 24   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 25   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 26   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 27   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 28   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 29   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 30   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 31   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 32   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 33   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 34   | <table border="1"> <thead> <tr> <th colspan="5">Revenue Proof</th> </tr> <tr> <th>Customer Areas</th> <th>FY 2023-24 Total Sanitary Units (from tab 3B)</th> <th>Sanitary units charged non-ad valorem</th> <th>Sanitary units w/ ad-valorem credit</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Belvedere</td> <td>1,185.30</td> <td>1,185.30</td> <td>-</td> <td></td> </tr> <tr> <td>Tiburon</td> <td>2,335.42</td> <td>4.00</td> <td>2,331.42</td> <td></td> </tr> <tr> <td>Paradise Cove</td> <td>131.00</td> <td>3.00</td> <td>128.00</td> <td></td> </tr> <tr> <td></td> <td>3,651.72</td> <td>1,192.30</td> <td>2,459.42</td> <td></td> </tr> <tr> <td>Proposed Rate per EDU</td> <td></td> <td>\$1,848</td> <td>\$1,358</td> <td></td> </tr> <tr> <td>Rate Revenue</td> <td></td> <td>\$2,203,808</td> <td>\$3,339,101</td> <td>\$5,542,909</td> </tr> <tr> <td>Ad-Valorem Revenue</td> <td></td> <td></td> <td></td> <td>\$1,206,814</td> </tr> <tr> <td><b>Total Revenue</b></td> <td></td> <td></td> <td></td> <td><b>\$6,749,723</b></td> </tr> </tbody> </table> |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   | Revenue Proof                           |  |               |          |                           | Customer Areas | FY 2023-24 Total Sanitary Units (from tab 3B) | Sanitary units charged non-ad valorem | Sanitary units w/ ad-valorem credit            | Total | Belvedere | 1,185.30  | 1,185.30                | - |  | Tiburon   | 2,335.42   | 4.00 | 2,331.42 |             | Paradise Cove                   | 131.00 | 3.00                        | 128.00      |                         |  | 3,651.72 | 1,192.30 | 2,459.42  |      | Proposed Rate per EDU |                | \$1,848                           | \$1,358         |               | Rate Revenue    |  | \$2,203,808  | \$3,339,101 | \$5,542,909    | Ad-Valorem Revenue |  |  |  | \$1,206,814 | <b>Total Revenue</b> |                           |            |                 | <b>\$6,749,723</b> |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Revenue Proof  |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Customer Areas   | FY 2023-24 Total Sanitary Units (from tab 3B)   | Sanitary units charged non-ad valorem | Sanitary units w/ ad-valorem credit | Total              |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Belvedere  | 1,185.30  | 1,185.30                              | -                                   |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Tiburon  | 2,335.42  | 4.00                                  | 2,331.42                            |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Paradise Cove  | 131.00  | 3.00                                  | 128.00                              |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
|  | 3,651.72  | 1,192.30                              | 2,459.42                            |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Proposed Rate per EDU  |   | \$1,848                               | \$1,358                             |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Rate Revenue   |   | \$2,203,808                           | \$3,339,101                         | \$5,542,909        |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| Ad-Valorem Revenue   |   |                                       |                                     | \$1,206,814        |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| <b>Total Revenue</b>   |   |                                       |                                     | <b>\$6,749,723</b> |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 35   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 36   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 37   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 38   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 39   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 40   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 41   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 42   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 43   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 44   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 45   | County confirmed via email on 3/10/2023 that only (2) parcels within the current Tiburon zone do not contribute ad-valorem revenue to the District. The two parcels account for 3.00 sanitary units.  |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 46   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |
| 47   |   |                                       |                                     |                    |             |                                   |         |               |           |       |                    |   |   |   |  |               |          |                           |                |   |                                       |  |       |           |           |                         |   |  |           |  |      |          |             |                                 |        |                             |             |                         |  |          |          |   |      |                       |                |                                   |                 |               |                 |  |  |             |                |                    |  |  |  |             |                      |                           |            |                 |                    |            |                    |  |  |  |  |  |           |          |  |         |             |  |                     |          |  |         |             |  |  |          |     |  |             |     |                        |  |  |  |  |  |           |        |  |         |           |  |                     |        |  |         |           |  |  |        |     |  |           |     |                                    |                 |             |  |                    |             |