



● **Board of Directors**  
**Budget and Finance Committee**

December 14, 1999 Board Meeting

---

9-5

**Subject**

---

Determination of water revenue requirements for fiscal year 2000-01.

---

**Description**

---

Water revenue requirements are used as the basis to set water rates and charges to be effective January 1, 2001.

Estimates have been prepared of the total revenues required to fund all expenditures not financed from debt proceeds and the revenues to be derived from water sales required during fiscal year 2000-01. The estimates are based on the latest information available and have been made in accordance with all applicable Board policies. Total revenues required during 2000-01 are estimated to be \$925.4 million. This is a decrease of \$3.4 million from the annual budget for the current fiscal year of \$928.8 million. Revenues required from water sales are projected to be \$694.0 million.

Projected expenditures and revenues from all sources (debt proceeds are not defined as revenues for these purposes) are shown on [Attachment 1](#). Projected water rates and charges are shown on [Attachment 2](#). Assumptions used to determine these projections are contained in this letter.

Changes from the “Pending” board letter ([Attachment 3](#)) presented to the Board in November 1999 include the following: Capital financing costs were revised to reflect the actual debt service payments for the \$100 million fixed rate revenue bond sale priced on November 2, 1999, and the \$100 million variable rate revenue bond sale priced on November 17, 1999. MWD O&M costs were revised to reflect anticipated power costs for the Eastside Reservoir Project fill. Water sales for 1999-00 were revised to incorporate actual sales during October 1999, thereby increasing 1999-00 projections to 1.7 MAF. Other revisions included changes to interest income, adjustments in reserves and use of stabilization funds. All revisions and changes were minor.

**Board Options/Fiscal Impacts**

---

Authorize the General Manager to determine water revenue requirements for 2000-01 and make a determination that revenues required from water sales during fiscal year 2000-01 should not be less than \$694.0 million.

**Fiscal Impact:** Water revenue requirements are used in the Board’s decision making process in consideration of water rates and charges to be effective January 1, 2001.

**Staff Recommendation**

---

It is recommended that the Budget and Finance Committee:

1. Make a determination that revenues required from water sales during fiscal year 2000-01 should not be less than \$694.0 million; and
2. Use this determination for consideration at its January 2000 meeting in establishing water rates and charges to be effective January 1, 2001.

**MAJOR ASSUMPTIONS**

Water sales are projected to increase from 1.81 MAF in 2000-01 (an increase of 103,000 acre-feet over current year estimates) to 2.05 MAF in 2004-05. Cost estimates and changes in reserve balances contained in this letter are based on these water sales projections through 2004-05. Based on the latest information available, no increase in basic water rates is needed in fiscal year 2000-01. As agreed to in the rate refinement process, and approved by the Board

in July 1996, an \$8 million increase in the Readiness-to-Serve Charge is scheduled for January 2001 (\$4 million of this increase will be collected during fiscal year 2000-01).

However, variations in water sales from 2000-01 to 2004-05 will greatly impact reserve levels and changes in rates and charges. Should water sales be less than anticipated from 2000-01 to 2004-05, then the use of reserves over the period may accelerate, and reductions in costs and/or increases in rates and charges may be needed sooner than currently anticipated.

For 2000-01, sales are estimated to be 1.81 MAF. However, based on weather conditions this estimate could range from a low of about 1.60 MAF to high of about 2.00 MAF. Depending on the level of actual sales this variability could result in a draw on the reserves of about \$70 million, or an increase in the reserves of about \$100 million respectively.

The following are the major assumptions on which the expenditure and revenue requirements for fiscal year 2000-01 are based:

Water Sales Estimate	1.81 MAF	
Water to Storage, Exchanges, and Losses	0.63 MAF	
Supplies -- Colorado River	1.29 MAF	
State Water Project	1.15 MAF	
Capital Improvement Program Expenditures:		
Total Expenditures		\$402.4 million
Major Components:		
Eastside Reservoir Project		\$ 44.3 million
Inland Feeder Pipeline		\$202.9 million
<b>PROJECTED COSTS FOR FISCAL YEAR 2000-01</b>		<b>Total = \$925.4 million</b>
<b>State Water Project</b>		<b>\$288.0 million</b>

Total costs for 2000-01 under the State Water Project (SWP) are estimated to be approximately \$288.0 million (net of projected credits and based on projected water deliveries of about 1.15 MAF). This is an increase of \$17.5 million over projected SWP costs for the current year. Most of the increase is for power to deliver water to storage in the Eastside Reservoir Project (ESRP). However, these delivery costs will be paid from the Water Transfer Fund and will not impact the water revenue requirement for 2000-01.

The remaining increase is mainly due to higher power costs to meet projected increases in demands. The deregulation of the electrical power industry creates additional uncertainty about the cost of imported SWP water. Current estimates are the best available at this time and the situation will continue to be monitored closely.

**Colorado River Supplies** **\$60.1 million**

Colorado River Aqueduct deliveries to the member agencies are expected to total 1.29 MAF. Power costs for pumping are estimated to be \$29.6 million. The estimates also include \$30.5 million for CRA programs to secure additional water supplies. This includes \$5.5 million for the existing conservation agreement between MWD and IID, and \$25.0 million for additional groundwater conjunctive use projects.

**Withdrawal from the Water Transfer Fund for ESRP Fill Costs** **(\$28.2) million**

The Water Transfer Fund was created to provide funds for the purchase of water transfers and to accrue funds to pay for the initial fill of the Eastside Reservoir Project. There will be no deposits to the Water Transfer Fund during fiscal year 2000-01. It is estimated that \$28.2 million will be expended from the fund during 2000-01 to begin filling the ESRP. The total cost of filling the Eastside Reservoir Project, which will be paid from the Water Transfer Fund, is estimated to be approximately \$40 million to \$70 million. Depending on hydrologic conditions, it is projected that the initial fill will take from two to four years. The Water Transfer Fund is scheduled to sunset in the year 2004.

**Water Management Programs****\$33.2 million**

Total funding in 2000-01, for water management programs are expected to total \$33.2 million. The estimate is based on increases in Metropolitan's conservation credits program and to higher yields from current local reclamation projects and groundwater recovery projects. Projected expenditures reflect the District's ongoing commitment to water conservation, local recycling projects, and groundwater cleanup. These estimates are consistent with efforts to develop local water supplies in cooperation with the member agencies and other local agencies through the Integrated Resources Planning (IRP) process.

**MWD Capital Financing Program****\$335.8 million**

Costs include \$180.8 million in revenue bond debt service, \$51.3 million in general obligation bond debt service, and \$13.1 million in interest payments on outstanding commercial paper. Projected revenue bond debt service payments include debt service payments for the \$100 million fixed rate water revenue bond issue that was priced on November 2, 1999, and estimates of interest payments for a \$100 million variable rate water revenue bond issue sold on November 17, 1999. The Board, in August 1999, authorized up to \$300 million of debt financing. Due to lower cash requirements to fund the capital improvement program (CIP), and rising interest rates in the municipal bond market, the fixed rate revenue bond sale was downsized from \$200 million to \$100 million.

An issue has been raised regarding the use of existing funds to finance the CIP on an interim basis with a subsequent reimbursement of the funds through a future debt financing. The majority of Metropolitan's funds are restricted as to use and would not be readily available to provide additional funding of the CIP. The Water Rate Stabilization Fund although unrestricted as to use, was established by the Board to mitigate future increases in water rates, and to provide funding in periods when decreases in water revenues put pressure on the finances of the District. Based on the 1999 update of the Long Range Finance Plan, as approved by the Board, it is the policy of Metropolitan to fund the CIP with a combination of debt and pay-as-you-go (PAYG) funding. The November 1999 revenue bond sales are consistent with this policy.

Estimates to finance the CIP for 2000-01 also include \$90.6 million of PAYG expenditures, which is a decrease of \$24.7 million of PAYG expenditures in the current fiscal year. Projected PAYG expenditures for 2000-01 are consistent with the PAYG policy approved by the Board through the adoption of the 1999 update to the Long Range Finance Plan. Total 2000-01 capital program expenditures for Metropolitan's CIP (which include payments from debt proceeds held in construction funds and payments from the PAYG Fund) are estimated to be \$402.4 million.

**MWD O&M and Operating Equipment****\$213.1 million**

Projected Operation and Maintenance (O&M) and operating equipment expenditures of \$213.1 million are at approximately the same level as estimates for the current fiscal year. The flat departmental O&M estimate for 2000-01 is a result of the re-organization, unfilled staffing vacancies, an anticipated decrease in the use of consultants, and a reduction in operating equipment purchases. Based on actual results of various cost reduction efforts, future O&M costs may be lower than projected in [Attachment 1](#). A detailed breakdown of projected O&M expenditures will be provided during the development of the 2000-01 annual budget. The \$213.1 million also includes \$4.6 million of power costs for the ESRP fill.

**Adjustments in Reserves****\$23.4 million**

During fiscal year 2000-01, an increase in reserve balances of \$23.4 million will be required in accordance with revenue bond covenants and Board policies contained in Metropolitan's Administrative Code. An increase of approximately \$15.8 million will be needed in the various revenue bond payment funds mainly due to the additional debt Metropolitan plans to issue over the next ten months. Ample funds need to be on hand (on July 1) to make interest and principal payments for outstanding and projected debt obligations due July 1, 2001, and to meet revenue bond covenant requirements for debt payments after July 2001. In addition, the minimum reserve balance will need to be increased by \$4.1 million (funds transferred from the Water Rate Stabilization Fund to the Revenue Remainder Fund) in accordance with reserve policies outlined in Metropolitan's Administrative Code. Other changes in fund balances for June 30, 2001 are projected to increase by \$3.5 million (includes State Water Contract Fund, Operations and Maintenance Fund, PAYG Fund, and other funds).

**PROJECTED REVENUES FOR FISCAL YEAR 2000-01****Total = \$925.4 million**

Total revenues for Fiscal Year 2000-01 are projected to be \$925.4 million. Revenue from ad valorem property taxes, levied at the same rate as in 1999-00, is estimated to be \$91.8 million. Power recoveries, interest on investments, and miscellaneous revenues are projected to produce \$52.8 million.

Revenues from the Readiness-to-Serve Charge are projected to be \$84.0 million, an increase of \$4.0 million over the current fiscal year, in accordance with the recommendations agreed to in the rate refinement process and approved by the Board in July 1996. In addition, approximately \$2.9 million will be collected from the Connection Maintenance Charge.

Based on the projected expenditure estimates described above, total revenues required in 2000-01 are projected to be \$925.4 million. After accounting for the revenues projected from all other sources, required revenues from water sales are projected to be \$694.0 million. The projected use of \$0.1 million from rate stabilization funds (and projected water revenues of \$693.9 million) assumes no increase in basic water rates or the treatment surcharge in fiscal year 2000-01. As shown on [Attachment 2](#), the full service treated water rate is not expected to increase until 2003.

**MINIMUM/MAXIMUM RESERVE POLICY**

At June 30, 2001, reserve balances are projected to be within the minimum/maximum reserve levels established and approved by the Board during the adoption of the 1999 update to the Long Range Finance Plan. At the end of fiscal year 2000-01, reserves are estimated to total \$274 million, which is anticipated to be between the minimum reserve level of \$133 million and the maximum reserve level of \$315 million. If this winter is extremely wet, sales for the current year and 2000-01 could decrease by over 430,000 acre-feet from projected levels. This situation would reduce expected reserve levels by about \$142 million by the end of next year. Reserves would then be below the minimum reserve level by about \$1 million. If reserves fall below the minimum level the Board would need to take action to replenish reserves by reducing costs and/or increasing rates.

**Policy**

As per section 4304(a) of the Administrative Code, the General Manager presents his recommendation of the total revenues required to fund all expenditures not financed by debt proceeds and the revenues to be derived from water sales, for the following fiscal year, to the Budget and Finance Committee. The Budget and Finance Committee makes a determination of revenue requirements for the following fiscal year at its December meeting and uses that determination for consideration of water rates and charges at its January meeting.



Lambertus H. Becker  
Chief Financial Officer

Date



General Manager

11/30/99

Date

**Attachment 1: Projected 2000-01 Revenue Requirements**

**Attachment 2: Projected Rates and Charges (Effective January 1)**

**Attachment 3: Pending Board Letter 11-2, dated November 16, 1999**

**PROJECTED 2000-2001 WATER REVENUE REQUIREMENTS**

(Cash Basis: \$ in thousands)

	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>
<b>Expenditures</b>						
State Water Contract	\$ 265,800	\$ 287,995	\$ 304,549	\$ 298,518	\$ 297,216	\$ 292,134
Colorado River Aqueduct	33,600	60,126	60,069	59,690	55,383	56,554
Deposit to Transfer Fund	10,000	-	-	-	-	-
Withdrawal from Transfer Fund for ESRP Fill	(2,246)	(28,216)	(19,210)	(3,633)	-	-
Water Management Programs	29,797	33,231	38,502	45,676	47,571	50,177
Capital Program Financing	354,700	335,825	347,587	364,453	364,774	373,963
O&M and Operating Equipment	<u>209,028</u>	<u>213,051</u>	<u>217,191</u>	<u>217,425</u>	<u>227,215</u>	<u>231,630</u>
Sub-Total Costs	\$ 900,679	\$ 902,011	\$ 948,689	\$ 982,129	\$ 992,159	\$ 1,004,459
<b>Adjustments</b>						
Increase/(Decrease) in Required Reserves	<u>(19,229)</u>	<u>23,427</u>	<u>8,648</u>	<u>4,063</u>	<u>11,725</u>	<u>15,576</u>
Total Obligations	\$ 881,450	\$ 925,438	\$ 957,338	\$ 986,193	\$ 1,003,884	\$ 1,020,035
<b>Less Other Revenues</b>						
Property Taxes	\$ (90,000)	\$ (91,800)	\$ (93,636)	\$ (93,430)	\$ (93,543)	\$ (93,547)
Interest Income	(36,700)	(39,072)	(39,976)	(40,350)	(42,470)	(45,731)
Power and Miscellaneous Revenue	(13,400)	(13,753)	(14,062)	(14,186)	(14,513)	(14,938)
Contracts	-	-	-	-	(658)	(2,673)
Readiness to Serve Charge	(80,000)	(84,000)	(92,000)	(100,000)	(104,000)	(104,000)
Connection Maintenance Charge	<u>(2,849)</u>	<u>(2,849)</u>	<u>(2,849)</u>	<u>(2,849)</u>	<u>(2,849)</u>	<u>(2,849)</u>
Sub-Total Other Revenues	\$ (222,949)	\$ (231,473)	\$ (242,522)	\$ (250,814)	\$ (258,032)	\$ (263,737)
Total Water Revenue Requirement	\$ 658,501	\$ 693,964	\$ 714,815	\$ 735,379	\$ 745,852	\$ 756,298
Water Sales Revenue	\$ 667,990	\$ 693,899	\$ 718,005	\$ 753,260	\$ 783,074	\$ 798,813
Increase (Decrease) in Reserve Balances	\$ 9,489	\$ (66)	\$ 3,190	\$ 17,881	\$ 37,222	\$ 42,515
<b>Water Sales (Cash Year TAF)</b>						
Basic Treated	1,021	1,084	1,106	1,153	1,187	1,216
Basic Untreated	342	387	395	410	426	420
Seasonal Treated	156	98	146	158	168	168
Seasonal Untreated	88	128	130	142	155	157
Agricultural Treated	83	92	81	80	81	79
Agricultural Untreated	<u>14</u>	<u>17</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>
Total	1,704	1,807	1,870	1,955	2,029	2,052
<b>Reserve Levels</b>						
Maximum Reserve Level	\$ 307,565	\$ 314,595	\$ 318,792	\$ 321,398	\$ 329,063	\$ 346,890
Projected Reserve Level	\$ 268,692	\$ 274,113	\$ 281,415	\$ 297,499	\$ 336,645	\$ 383,841
Minimum Reserve Level	\$ 127,503	\$ 132,990	\$ 137,102	\$ 135,305	\$ 137,230	\$ 141,910

**PROJECTED RATES AND CHARGES (Effective January 1)**

(Cash Basis: \$ in thousands)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Readiness to Serve Charge	\$ 80,000	\$ 88,000	\$ 96,000	\$ 104,000	\$ 104,000	\$ 104,000
Connection Maintenance Charge	\$ 2,849	\$ 2,849	\$ 2,849	\$ 2,849	\$ 2,849	\$ 2,849
<b><u>WATER RATES (\$/AF)</u></b>						
Basic Treated	\$431	\$431	\$431	\$433	\$435	\$437
Basic Untreated	\$349	\$349	\$349	\$349	\$349	\$354
Seasonal Long-Term Treated	\$290	\$290	\$292	\$294	\$296	\$302
Seasonal Shift Treated	\$323	\$334	\$348	\$350	\$352	\$359
Seasonal Long-Term Untreated	\$233	\$233	\$233	\$233	\$233	\$237
Seasonal Shift Untreated	\$266	\$277	\$289	\$289	\$289	\$294
Agricultural Treated	\$294	\$294	\$296	\$298	\$300	\$307
Agricultural Untreated	\$236	\$236	\$236	\$236	\$236	\$241

**Note:**

Rates are based on current cost projections and projections of increasing water sales. Variations in these projections could occur, but it is expected that future rates will remain within the objectives of Phase I of the Rate Refinement Process.



● **Board of Directors**  
**Budget and Finance Committee**

November 16, 1999 Board Meeting

**11-2**

**Subject**

Determination of water revenue requirements for fiscal year 2000-01.

**Description**

Water revenue requirements are used as the basis to set water rates and charges to be effective January 1, 2001. This is a pending letter for information. An action letter will be provided to the Board in December 1999.

In accordance with Administrative Code Section 4304(a), estimates have been prepared of the total revenues required to fund all expenditures not financed from debt proceeds and the revenues to be derived from water sales required during fiscal year 2000-01. The estimates are based on the latest information available and have been made in accordance with all applicable Board policies. Total revenues required during 2000-01 are estimated to be \$925.2 million. This is a decrease of \$3.6 million from the annual budget for the current fiscal year of \$928.8 million. Revenues required from water sales are projected to be \$694.8 million.

Projected expenditures and revenues from all sources (debt proceeds are not defined as revenues for these purposes) are shown on Attachment 1. Projected water rates and charges are shown on Attachment 2. Assumptions used to determine these projections are contained in this letter.

Water sales are projected to increase from 1.81 MAF in 2000-01 (an increase of 121,000 acre-feet over current year estimates) to 2.05 MAF in 2004-05. Cost estimates and changes in reserve balances contained in this letter are based on these water sales projections through 2004-05. Based on the latest information available, no increase in water rates is needed in fiscal year 2000-01. As agreed to in the rate refinement process, and approved by the Board in July 1996, an \$8 million increase in the Readiness-to-Serve Charge is scheduled for January 2001 (\$4 million of this increase will be collected during fiscal year 2000-01).

However, variations in water sales from 2000-01 to 2004-05 will greatly impact reserve levels and changes in rates and charges. Should water sales be less than anticipated from 2000-01 to 2004-05, then the use of reserves over the period may accelerate, and reductions in costs and/or increases in rates and charges may be needed sooner than currently anticipated.

For 2000-01, sales are estimated to be 1.81 MAF. However, based on weather conditions this estimate could range from a low of about 1.60 MAF to high of about 2.00 MAF. Depending on the level of actual sales this variability could result in a draw on the reserves of about \$70 million, or an increase in the reserves of about \$100 million respectively.

**MAJOR ASSUMPTIONS**

The following are the major assumptions on which the expenditure and revenue requirements for fiscal year 2000-01 are based:

Water Sales Estimate	1.81 MAF
Water to Storage, Exchanges, and Losses	0.63 MAF
Supplies -- Colorado River	1.29 MAF
State Water Project	1.15 MAF



use and would not be readily available to provide additional funding of the CIP. The Water Rate Stabilization Fund although unrestricted as to use, was established by the Board to mitigate future increases in water rates, and to provide funding in periods when decreases in water revenues put pressure on the finances of the District. Based on the 1999 update of the Long Range Finance Plan, as approved by the Board, it is the policy of Metropolitan to fund the CIP with a combination of debt and pay-as-you-go (PAYG) funding. The revenue bond sales scheduled for November 1999 are consistent with this policy.

Estimates to finance the CIP for 2000-01 also include \$90.6 million of PAYG expenditures, which is a decrease of \$24.7 million of PAYG expenditures in the current fiscal year. PAYG expenditures for 2000-01 will be consistent with the PAYG policy approved by the Board through the adoption of the 1999 update to the Long Range Finance Plan. Total 2000-01 capital program expenditures for Metropolitan's CIP (which include payments from debt proceeds held in construction funds and payments from the PAYG Fund) are estimated to be \$402.4 million.

#### **MWD O&M and Operating Equipment**

**\$212.5 million**

Projected Operation and Maintenance (O&M) and operating equipment expenditures of \$212.5 million are at approximately the same level as estimates for the current fiscal year. The flat O&M estimate for 2000-01 is a result of the re-organization, unfilled staffing vacancies, an anticipated decrease in the use of consultants, and a reduction in operating equipment purchases. Based on actual results of various cost reduction efforts, future O&M costs may be lower than projected in Attachment 1. A detailed breakdown of projected O&M expenditures will be provided during the development of the 2000-01 annual budget.

#### **Adjustments in Reserves**

**\$24.5 million**

During fiscal year 2000-01, an increase in reserve balances of \$24.5 million will be required in accordance with revenue bond covenants and Board policies contained in Metropolitan's Administrative Code. An increase of approximately \$15.9 million will be needed in the various revenue bond payment funds mainly due to the additional debt Metropolitan plans to issue over the next ten months. Ample funds need to be on hand (on July 1) to make interest and principal payments for outstanding and projected debt obligations due July 1, 2001, and to meet revenue bond covenant requirements for debt payments after July 2001. In addition, the minimum reserve balance will need to be increased by \$6.1 million (funds transferred from the Water Rate Stabilization Fund to the Revenue Remainder Fund) in accordance with reserve policies outlined in Metropolitan's Administrative Code. Other changes in fund balances for June 30, 2001 are projected to increase by \$2.5 million (includes State Water Contract Fund, Operations and Maintenance Fund, PAYG Fund, and other funds).

#### **PROJECTED REVENUES FOR FISCAL YEAR 2000-01**

**Total = \$924.3 million**

Total revenues for Fiscal Year 2000-01 are projected to be \$924.3 million. Revenue from ad valorem property taxes, levied at the same rate as in 1999-00, is estimated to be \$91.8 million. Power recoveries, interest on investments, and miscellaneous revenues are projected to produce \$51.8 million.

Revenues from the Readiness-to-Serve Charge are projected to be \$84.0 million, an increase of \$4.0 million over the current fiscal year, in accordance with the recommendations agreed to in the rate refinement process and approved by the Board in July 1996. In addition, approximately \$3.0 million will be collected from the Connection Maintenance Charge.

Based on the projected expenditure estimates described above, total revenues required in 2000-01 are projected to be \$925.2 million. After accounting for the revenues projected from all other sources, required revenues from water sales are projected to be \$694.8 million. The projected use of \$0.9 million from rate stabilization funds (and actual water revenues of \$693.9 million) assumes no increase in water rates or the treatment surcharge in fiscal year 2000-01. As shown on Attachment 2, the full service treated water rate is not expected to increase until 2003.

#### **MINIMUM/MAXIMUM RESERVE POLICY**

At June 30, 2001, reserve balances are projected to be within the minimum/maximum reserve levels established and approved by the Board during the adoption of the 1999 update to the Long Range Finance Plan. At the end of fiscal year 2000-01, reserves are estimated to total \$250 million, which is anticipated to be between the minimum reserve level of \$133 million and the maximum reserve level of \$316 million. If this winter is extremely wet, sales for the current year and 2000-01 could decrease by over 430,000 acre-feet from projected levels. This situation would reduce

expected reserve levels by about \$142 million by the end of next year. Reserves would then be below the minimum reserve level by about \$20 million. Once reserves fall below the minimum level the Board would need to take action to replenish reserves by reducing costs and/or increasing rates.

### **Policy**

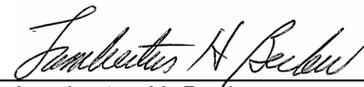
---

As per section 4304(a) of the Administrative Code, the General Manager presents his recommendation of the total revenues required to fund all expenditures not financed by debt proceeds and the revenues to be derived from water sales, for the following fiscal year, to the Budget and Finance Committee. The Budget and Finance Committee makes a determination of revenue requirements for the following fiscal year at its December meeting and uses that determination for consideration of water rates and charges at its January meeting.

### **Fiscal Impact**

---

The determination of water revenue requirements for 2000-01 impacts the Board's decision making process in consideration of water rates and charges to be effective January 1, 2001.



10/28/99

Lambertus H. Becker  
Chief Financial Officer

Date



11/3/99

General Manager

Date

Attachment 1: Projected 2000-01 Revenue Requirements

Attachment 2: Projected Rates and Charges (Effective January 1)