

Appendix L
FINANCIAL ANALYSIS

**WOODINVILLE WATER DISTRICT
KING COUNTY, WASHINGTON
RESOLUTION NO. 3856**

A RESOLUTION of the Board of Commissioners of Woodinville Water District, King County, Washington, relating to the system development fees imposed as a condition of connecting to the water supply system of the District and repealing Resolution No. 3817

WHEREAS, the Board of Commissioners of Woodinville Water District ("the District") is authorized to charge property owners seeking to connect to the water supply system of the District, as a condition to granting the right to so connect, in addition to the actual cost of connection, a reasonable connection charge so that property owners seeking to connect to the District system shall bear their equitable share of the costs of that system; and

WHEREAS, it has been determined by the Board of Commissioners of the District that the cost of the water supply system of the District is most equitable when distributed among the customers of the District through the imposition of the connection charges and fees provided in this resolution; and

WHEREAS, the Board of Commissioners previously determined to periodically adjust the District's water system development charges based on the percentage of change in the Engineering News Record (ENR) construction cost index, and the Board of Commissioners has determined it is necessary and appropriate to adjust such charges; **NOW THEREFORE**,

BE IT RESOLVED by the Board of Commissioners of the District that effective January 1, 2017, the following charges and fees be imposed and paid as a condition of connecting to the water supply system of the District.

1. SYSTEM DEVELOPMENT FEES

Section 1.1 In addition to any other charge or fee imposed by the District, a system development fee shall be payable for all connections made to the water supply system of the District, provided that property presently receiving temporary water service pursuant to an extended water service agreement shall be deemed to have paid the system development fee.

Section 1.2 The system development fee shall include the Seattle Facility Charge and shall be imposed according to the size of the meter serving the property as follows:

METER SIZE	WOODINVILLE SDC	SEATTLE FACILITIES CHARGE	TOTAL
3/4"	\$4,819.00	\$936.00	\$5,755.00
1"	\$8,049.00	\$936.00	\$8,985.00
1 1/2"	\$16,049.00	\$4,180.00	\$20,229.00
2"	\$25,688.00	\$6,688.00	\$32,376.00
3"	\$48,195.00	\$18,392.00	\$66,587.00
4"	\$80,341.00	\$25,916.00	\$106,257.00
6"	\$160,632.00	\$55,176.00	\$215,808.00
8"	\$257,021.00	\$93,632.00	\$350,653.00

Section 1.3 Whenever a property owner shall exchange a meter of one size for a meter of a larger size, that property owner shall pay the system development fee for the new meter less the system development fee for the existing meter.

Section 1.4 The water system development charge shall be adjusted semi-annually (indexed, on January 1st of every "odd" year) based on the percentage change in the Engineering News Record (ENR) construction cost index.

2. OTHER CONNECTION CHARGES

The District shall also charge the property owner all actual costs incurred directly or indirectly by the District as a result of a requested connection, including, but not limited to, all engineering, legal, administrative, and inspection costs.

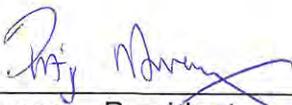
3. REPEALER/EFFECTIVE DATE

Resolution No. 3817 is repealed as of December 31, 2016, and Resolution No. 3856 shall be effective January 1, 2017.

ADOPTED by the Board of Commissioners of Woodinville Water District, King County, Washington, at a regular meeting thereof on the 6th day of December, 2016.

ATTEST:

Pamela J. Maloney – Secretary

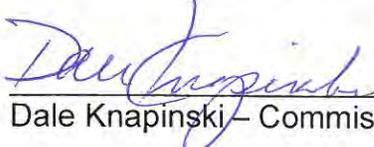


Paj Hwang – President

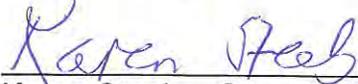


Ed Cebron – Vice President

Pamela J. Maloney – Secretary



Dale Knapinski – Commissioner



Karen Steeb – Commissioner

Woodinville Water District

Financial Policies and Guidelines

The following financial policies and guidelines have been developed to provide guidance and consistency in decision-making for the District’s management team and Commissioners. These policies and guidelines will assist the District in achieving overall financial planning and rate setting processes from year-to-year for their water and wastewater utilities. The proposed policies and guidelines should be reviewed at the beginning of each fiscal period to determine if they are still relevant and appropriate. The financial policies framework is shown below:

Financial Policies and Guidelines Framework

- 1. Financial Reporting Policies**
 - 1.1 Accounting, Auditing, and Financial Reporting
 - 1.2 Cash Management
 - 1.3 Investment Policies
- 2. Financial Planning Policies**
 - 2.1 Balanced Budget
 - 2.2 Long Range Planning
 - 2.3 Asset Inventory
- 3. Revenue Policies**
 - 3.1 Fees and Charges
 - 3.2 Reserve Withdrawals
 - 3.3 Revenues that are Unpredictable
- 4. Expenditure Policies**
 - 4.1 Debt Capacities, Issuance, and Management
 - 4.2 Reserve or Stabilization Accounts
 - 4.3 Operating/Capital Expenditure Accountability
- 5. Rate Setting Policies**
 - 5.1 Rate Setting Methodology
 - 5.2 Financial Stability
 - 5.3 Rate Stability
 - 5.4 System Growth/Expansion
 - 5.5 Rate Impacts
- 6. Billing Data**
 - 6.1 Collection of Billing Data

1.0 FINANCIAL REPORTING POLICIES

Accounting practices shall conform to state law and to Generally Accepted Accounting Principles (GAAP). The District should apply all current standards issued by the Financial Accounting Standards Board (FASB) not in conflict with standards issued by the Governmental Accounting Standards Board.

1.1 Accounting, Auditing and Financial Reporting

1.1.1

The District will maintain a uniform system of accounts that conforms to state auditor requirements and recommended accounting/reporting standards in use by other municipal water and sewer jurisdictions.

1.1.2

An audit of District accounting records and policies, and financial reporting will be conducted on an annual basis by the State Auditor's Office.

1.1.3

The District is to account for the water and wastewater utilities as separate entities that are intended to be primarily self-supporting through user charges.

1.1.4

All funds shall be segregated in separate accounts and utilized in accordance with the legal requirements stated in state law, resolutions, bond covenants and other legal requirements.

1.1.5

Full disclosure will be provided in all financial and budgetary documents.

1.1.6

Procedures will be followed that will ensure that proper authorization as been obtained for all transactions of a financial nature.

1.1.7

Capital contributions from rates, grants, loans and other financing mechanisms will be accounted for separately in a capital fund, such that funds dedicated to capital purposes are expended only for capital purposes.

1.2 Cash Management

1.2.1

Idle cash in all accounts and funds will be kept invested to the benefit of the fund in amounts varying in their term to maturity, which will maximize return on investment consistent with the need for liquidity and the investment policy of the District along with any arbitrage limitations.

1.2.2

Procedures will be followed that will ensure that proper authorization has been obtained for all cash and investment transactions.

1.2.3

Cash reserves should be maintained and monitored as outlined in the operating cash reserves policies.

1.2.4

Cash reserves for bond reserve accounts shall be fully funded in the time line reflected in current and future bond covenants. Cash reserves shall be formally transferred and restricted in accordance with all legal requirements.

1.2.5

A five-year cash forecast with annual updates will be maintained for each fund. This will provide the District with insight to unanticipated shortages of cash for operations, capital maintenance and debt requirements.

1.3 Investment Policies

As required by state law, all deposits and investments of the District's funds will either be obligations of the U.S. Government, U.S. agency issues, obligations of the state of Washington, general obligations of Washington's State municipalities, the State Treasurer's Investment Pool, The King County Treasurer's Investment Pool, bankers' acceptances or deposits with Washington State banks and savings and loan institutions.

2.0 FINANCIAL PLANNING POLICIES

Woodinville Water District, like any other business, should strive to maintain financial stability over time, as it has done in the past. Financial stability is not only a prudent financial management goal; it can also minimize financial costs in the long-term (e.g. unnecessary borrowing). Above all, financial stability will provide the community with the confidence of knowing a strong, consistent management team is managing the utility.

2.1 Balanced Budget

2.1.1

Beginning with 2011 and 2012 Budget preparation, biannual budgets will be developed according to instructions provided by the Finance Department for the specified budget period.

2.1.2

All current budget expenditures will be balanced with current year budget revenues. Annual budget proposals, which exceed "net available resources" after minimum cash reserve requirements, should be accompanied by a prioritized listing of program cuts required to support the costs of that proposal.

2.1.3

Beginning with the 2011 & 2012 Budgets, the District will adopt the biannual budget on or before December 31 of alternate years. The budget will be adopted at the fund level. All modifications in staff, salary and wages must be approved by the Board.

Prior to commencement of the second year of the two-year process, District management and Finance staff shall review the implementation and performance of the budget during the first year of that budget cycle and advise the Board of Commissioners regarding: 1) any budgeted revenues or expenses expected to vary significantly from adopted budget amounts; or 2) any unanticipated revenues or expenses which may require an amendment to the adopted budget amounts or customer rates for the second year of the two-year budget period. The Board will review the information provided through this process and may determine to affirm or amend the second year budget or the rates for the second year as the Board deems appropriate.

2.1.4

The General Manager shall have final approval authority for all material line item modifications, except as otherwise provided herein.

2.1.5

All new operating programs or initiatives submitted for policy decision should include a five-year estimate of estimated annual operating costs, revenues and their associated impacts on rates.

2.1.6

Any request for additional resources or transfers of resources exceeding \$100,000 within or between programs or operating divisions must be approved by the Board. An analysis of long-term financial impacts on rates and program operations along with a discussion of alternatives and probable program impacts, if not approved, must be included in the requests.

2.1.7

Joint/common costs of the District shall be allocated between utilities based upon an "equitable" methodology that utilizes labor ratios, number of customers, revenue, usage, etc. The specific allocation method for specific costs should be the method that the utility deems to be most appropriate and equitable. This joint/common cost allocation should be reviewed during the annual budget process.

2.1.8

An overhead rate should be used to apply indirect costs to all direct labor hours to reflect the true cost of that particular items or services. To recover indirect costs associated with the provision of outside services, the District, on an annual basis, will calculate an overhead rate that will be applied to charges for any direct services billed to outside parties.

2.2 Long Range Planning

2.2.1

At a minimum, a five-year Capital Improvement Program should be separately developed for the Water and Wastewater utilities. Forecasted capital improvement needs for up to a ten-year horizon shall be utilized in computing System Development Charges for both utilities, as allowed under state law. The adopted budget

for the capital improvement programs should be updated annually in accordance with instructions and direction given by the General Manager and the Board.

2.2.2

Grants should only be accepted for projects or programs that are consistent with approved goals and objectives of the District.

2.2.3

All significant changes or deviations from the approved Capital Improvement Program (see 2.21) should be accounted for and reported directly to the Board before proceeding on the project. The report should include an analysis of long-term financial costs and the overall impact to the current Capital Improvement Program due to the change or deviation.

2.3 Asset Inventory

2.3.1

The Finance Department shall be accountable for all District assets and be responsible for ensuring all such assets are used only for District purposes.

2.3.2

Fixed assets should be maintained in good operating condition and should be systematically replaced as they become obsolete or if the cost of repair is more than replacement value.

2.3.3

The Finance Department, on a yearly basis, will physically count and maintain asset records for all additions, replacements or misuse of assets. This will be reported to the General Manager in a yearly asset record report. Appropriate actions will be taken to assure assets are safeguarded and maintained.

3.0 REVENUE POLICIES

3.1 Fees and Charges

All fees and charges for services shall be routinely reviewed to ensure that rates are equitable and will cover the total cost of providing the particular service.

3.2 Reserve Withdrawals

All expenditures drawn from reserve accounts will require prior Board approval unless previously authorized by the approved budget document. Withdrawals from the Rate Stabilization Reserve require unanimous Board approval. (Note: when the existing bond issue that contains this stipulation is retired, the need for unanimous approval of withdrawals from the Rate Stabilization Reserve should be revisited). When a request to withdraw reserve funds is submitted, a report shall be provided outlining the reasons for that withdrawal and any impacts to programs or rates expected to result from withdrawing those funds.

3.3 Revenues that are Unpredictable

To the extent that revenues are of a limited or indefinite term, the District needs to be mindful of potential impacts on rates when those revenues are no longer available.

4.0 EXPENDITURE POLICIES

The approved annual budget document provides the spending limits by fund for the fiscal year. The District will follow administrative policy and state regulations on all expenditure line items. Management and staff will follow the philosophy of cost control and responsible financial management. The annual expenditures will be balanced with the annual revenues. The District will not use short-term borrowing to finance current operating needs without a financial analysis showing rate impacts to the District as a whole.

4.1 Debt Capacities, Issuance, and Management

4.1.1

Issuance of revenue bonds and other debt instruments will only be used to finance assets and capital projects expected to yield future benefits. Debt refinancing will be undertaken in conformance with restrictions outlined in outstanding revenue bond covenants. In addition, refinancing will only be undertaken with Board approval, when it is deemed to be in the best interest of the District.

4.1.2

In preparing the annual budget, the District will review the status of all outstanding and potential debt obligations and incorporate this information into their financial planning efforts.

4.1.3

The District shall limit its dependency on debt financing capital projects. Annual renewal and replacement capital projects should be adequately funded from rates. Funding levels for capital investments should be sufficient to meet capital improvement projections needed as outlined in the current capital improvement plan. The Water and Wastewater utilities shall be managed to assure that target debt service coverage (DSC) requirements are met. The District should not issue long-term debt to support operating costs.

4.1.3.1

Renewal and Replacement Capital Projects – On-going renewal and replacement capital projects should primarily be funded from rates. The use of long-term debt issues to fund renewal and replacement projects should be minimized whenever possible. In order to adequately support this funding method, each utility shall budget and fund a reasonable amount of the cost for renewal and replacement of capital assets within the utility's rates. A simple measure of the minimum suggested funding is an amount equal to or greater than the annual depreciation of those assets.

4.1.3.2

Use of Long-Term Debt As a Funding Mechanism – The Water or Wastewater utility may consider the use of long-term debt financing when it appears that a capital project or plan is of such a magnitude that it will negatively impact the utility's rates in the short-term. The benefit of long-term debt financing is that it

will help to minimize rates over the long-term, but it will also spread the costs of that asset over the useful life of asset and over time charge those customers that benefit from that asset.

4.1.3.3

Types of Long-Term Debt – The Water and Wastewater utilities may have different types of long-term debt available to them. Each utility should strive to utilize the type of debt that has the lowest costs, while not imposing any burdensome covenants or reporting requirements.

4.1.3.4

Bond (Legal) Covenants - The District shall manage the utilities to meet any bond covenants associated with the long-term debt. Bond covenants are legal obligations of the borrower (District/utility).

4.1.3.5

Debt Service Coverage Ratios – The debt service coverage ratio is an important financial measure of the utility’s ability to repay the outstanding debt obligation. It is reviewed for adequacy by banks and rating agencies. Generically, this ratio is the utility’s net operating income divided by the total annual debt service payment. If a long-term debt issue contains a legal covenant, which states a specific required level of debt service coverage, the district shall, at a minimum, maintain the coverage level needed to satisfy that requirement.

In addition, however, the following target debt service coverage ratios will be used for District financial planning purposes,

- For all outstanding debt that carries a legal bond covenant, the target debt coverage ratio used for financial planning purposes will be 1.50.
- For the total outstanding debt for each utility, the target debt coverage ratio used for financial planning purposes will be equal to or greater than 1.30.

4.1.3.6

Reporting Standards - The District shall fully adhere to all applicable Government Accounting Standards Board (GASB) requirements and recognized best practices for the accounting treatment and disclosure of debt obligation transactions in its audited financial statements and other relevant publications.

4.2 Reserve and Stabilization Accounts

4.2.1

Operating Reserves – Operating reserves are composed of active working capital cash that supports ongoing utility operations. The need for these reserves is based on timing differences between billing for revenues and payment of expenses. The operating reserve can also be used to cover unanticipated cash operating expenses or lower than expected revenue collections. The basis used for setting the minimum target operating reserve level will be 60 days of O&M expenses including water supply and regional sewer treatment costs. Each utility should have a designated operating reserve that is sufficiently above the target minimum level. The purpose of the target minimum level is to help management gauge when action needs to be taken to ensure that the operating reserve balance does not continue to decline.

4.2.2

Capital Reserves – Capital reserves are used to fund the cash flow requirements of capital infrastructure construction. These reserves can increase and decrease significantly depending on funding sources available and the capital projects that are planned during the year. Minimum funding for the capital reserve for the water utility should be approximately equal to the average annual capital expenditures for renewal and

replacement of existing District water facilities. Minimum funding for the capital reserve for the sewer utility should be approximately equal to four times the average annual capital expenditures for renewal and replacement of existing District sewer facilities. Under these guidelines, the minimum capital reserve balance in each utility should be based on the utility's total annual depreciation (excluding depreciation for transportation equipment).

4.2.3

Vehicle Replacement Reserves – The District's Water and Sewer Construction Funds provide funding for the replacement of vehicles. The level of funding is identified in the equipment replacement plan of the District. When replacement is designated and scheduled, the purchases will be listed as purchases in the Water and Sewer Construction Funds.

4.2.4

Bond Reserves – Bond reserves may be legally required for specific debt issues. Bond reserves will be established in accordance with the legal covenants of the debt issue.

4.2.5

Rate Stabilization Account - The District's Rate Stabilization Fund (RSF) was established in conjunction with the issuance of the 1994 Refunding Bond Issue. The RSF resolution requires any withdrawals must be authorized by a unanimous vote of the Board. Total withdrawals in any fiscal year may not exceed the total debt service of the system in that year.

There are no minimum or maximum levels required for this reserve. The General Manager shall annually recommend to the Board a level of funding and proposed funding sources that are appropriate given the current financial condition of the District.

For the Water utility, it is recommended that the target minimum reserve level should be 10% of annual operating revenues. If a large rate increase is required in any year, rate stabilization funds may be used to phase-in a graduated increase in rates over time. This reserve is more applicable to the Water utility due to the variability of potential future rate changes by Seattle Public Utilities, and the more significant effect that weather and behavior changes such as conservation typically have on annual water sales and related revenue collections.

It has been determined that no Rate Stabilization Reserve is necessary in Sewer due to the greater stability of annual sewer revenues and reduced uncertainty that typically exists regarding the level of future King County Metro rate increases.

4.2.6

Maintenance of minimum reserves should not, on its own, trigger the need for a rate adjustment.

4.3 Operating/Capital Expenditure Accountability

On a quarterly basis, staff will review and compare, by line item and fund, actual revenues and expenses to budgeted amounts and a summary report outlining current budget status through that quarter will be provided to the Board.

5.0 RATE SETTING POLICIES

When setting rates, it is important to use a methodology that is “generally accepted” in the financial and rate setting community as well as the Water and Wastewater utility industry.

5.1 Rate Setting Methodology

5.1.1 Revenue Requirements Analysis:

5.1.1.1

Revenue requirements will be established on a “cash basis” approach. The “cash basis” approach includes operation & maintenance (O&M) expenses, taxes/transfer payments, debt service (P&I) and capital improvements funded from rates. The revenue requirements, as defined herein, are the basic components. Revenue requirements should also include any other cost items requiring funding (e.g. bond reserves) or needed to operate the utility on a financially stable basis (e.g. accumulation or reduction in working capital).

5.1.1.2

At a minimum, revenues and costs will be projected for a five-year projected test period.

5.1.1.3

Costs associated with mandated program requirements will be identified and included within the “cash basis” approach.

5.1.1.4

Any wholesale cost increases imposed upon the District’s utilities by a supplier should be equitably passed through to District ratepayers.

5.1.2 Cost of Service Analysis:

5.1.2.1

A cost of service study will be utilized to assist in establishing appropriate rates for individual customer classes. The cost allocation methodology will utilize techniques that are “generally accepted” by the industry (e.g. American Water Works Association, American Public Works Association, etc.).

5.1.2.2

The cost of service for each utility will consider the specific circumstances and unique characteristics of the District in the cost allocation methodology.

5.1.3 Rate Design Analysis:

5.1.3.1

Rate designs will be reflective of utility needs and also reflect the specific goals and objectives of the District. Meeting District goals at a reasonable cost to the customer should also be an important consideration in utility rate design.

5.1.3.2

Rates will recognize and attempt to incorporate a fixed charge for the up-front fixed costs associated with serving customers and a usage or volumetric charge that attempts to recover the variable costs of operating the utility.

5.1.3.3

Rates will be set at a level that recovers necessary costs, by classification, yet flexible enough to accomplish the District's objectives (e.g. public purpose programs).

5.1.3.4

Rates should be designed to be equitable, and detailed to a sufficient level to reflect the service provided (e.g., private fire protection, multi-family services, etc.).

5.2 Financial Stability

5.2.1 Cash Flow

The District should strive to have annual revenue for each utility less O&M, taxes, debt service and capital projects funded from rates be greater than or equal to zero (\$).

5.2.2 Target Debt Service Coverage

Because Debt Service Coverage is used by banks, bond rating agencies and potential bond buyers to evaluate the District's ability to make its committed debt service payments, and is also a specific legal requirement under covenants in the District's outstanding bond issues, District water and sewer rates will be established at a level sufficient to meet coverage requirements for any existing or future bond issues under methods outlined in the District's outstanding bond resolutions.

5.2.3 Capital Improvement Funding From Rates

On an annual basis, the District should adequately fund, through its rates, an amount to adequately maintain the existing utility infrastructure of the District. To achieve this policy, the District should be funding capital projects from rates in an amount equal to or greater than each utility's annual depreciation expense.

As new large capital facilities are added in the future, consideration may be given to phasing-in the rate impacts of depreciation for those facilities under terms of this policy.

5.3 Rate Stability

Financial stability of a utility also provides rate stability. Rate stability reinforces that costs are being managed and controlled, thereby gaining customers' confidence regarding the management team's credibility. To the extent the District is able to control and predict its annual operating costs including wholesale rate increases, the District should attempt to keep customer rates and/or rate increases as stable as possible.

5.3.1

The District should review rates, on an annual basis, to assure that they provide sufficient revenues. This does not imply that rates must be adjusted each year, simply that the rates are reviewed in the context of these policies to assure that they are adequately funding each utility.

5.3.2

Small annual rate adjustments are preferable when compared to large single adjustments for multi-year periods.

5.3.3

Annual rate reviews will consider a five-year projected period to attempt to stabilize and minimize rates over time.

5.3.4

A comprehensive rate study will be conducted by an outside party at least every five years in order to assess the fairness of the rates to the District's ratepayers and to ensure that the necessary revenue is available for the District's operating and capital needs.

5.4 System Growth/Expansion

Customer growth and system expansion as a result of new development has direct impacts upon a utility's infrastructure requirements, the financing of "growth related" infrastructure, and customer rates. Through the establishment of specific financial/rate policies, the District will attempt to shelter the District's existing customers, as much as reasonably possible, from the financial/rate impacts of growth and system expansion.

5.4.1

Growth-related capital projects shall be clearly identified in the District's capital improvement plans and rate studies.

5.4.2

The financing of growth-related capital projects may be funded from any available funding resources of the utility. However, use of long-term debt to finance growth-related projects will allow the District to better match the financing of new facilities with the timing of when those facilities will be needed to allow new customers to connect to the water or sewer system.

5.4.3

The District shall analyze and determine cost-based system development charges (SDC). The District Board will establish and maintain a system development charge to help shelter existing customers from the cost of growth.

5.4.4

Under provisions of state law, calculation of the District's system development charges will consider the cost of capacity provided by existing infrastructure already in place and the cost of new facilities that will be needed in the future to meet increased service demand from customer growth.

5.4.5

If the decision is made in the future to use system development charge revenues to pay for growth-related debt service, that amount shall be limited in any year, for planning/rate purposes, to 50% of the annual SDC revenue projected to be collected. On this basis, if growth and the corresponding SDC revenue is less than projected, the District should still have sufficient SDC revenue to make the annual debt service payments associated with the growth-related capital projects.

5.4.6

The District's system development charges will be adjusted annually (indexed) based upon the Engineering News Record (ENR) construction cost index.

5.4.7

Whenever the comprehensive master plan for the Water or Wastewater utility is updated, the SDCs for the utility should also be completely updated to reflect changes in planning, infrastructure, and capital financing outlined in that plan.

5.5 Rate Impacts

Utility rates are the primary communication the District has with its customers. Whenever possible, the District's rates should be easy to understand, stable from year-to-year and should minimize the overall impacts to customers.

5.5.1

Rates will be easy to understand and the District will attempt to keep rate increases to a minimum.

5.5.1.1

Rates for each utility will be structured to promote understanding by the District's customers.

5.5.1.2

Rate adjustments will be phased-in over time, when large financial impacts to customers are anticipated.

5.5.2

In establishing utility rates, the District will balance the needs of the utility and the policies established therein, with the varying impacts those rates may have on District customers.

6.0 Billing Data

It is important for the District, for both the Water and Wastewater utilities, to track billed units and revenue by class, month, and year. The billing data collected should be formulated into the District's current Water and

Wastewater rate structures. Revenues at present rates should be easily calculated based on the billing data collected and the District's current Water and Wastewater rate structure. The collection of billing data ensures the rate structure currently in place is collecting the appropriate amount of revenues.

6.1 Collection of Billing Data

The collection of billing data provides the ability to reconcile with water production data and to track the District's annual quantity of unaccounted for water.

6.1.1

The collection of billing data provides the District the ability to track revenue billed against total budget revenues for both utilities.

6.1.2

Billing data should be collected by rate structure and customer class

- Number of meters, by size, by class
- Amount of water billed, by block, by class
- Volume of sewer flows, by class

6.1.3

Collection of billing data provides information for rate design analysis

