

# Water Forecast Assumptions

Adopted Budget FY22-23

A	B	C	G	H	I	J	K
1	<b>Assumptions in Income Statement</b>	Line	Adopted FY 22-23	Forecast FY 23-24	Forecast FY 24-25	Forecast FY 25-26	Forecast FY 26-27
2							
3							
5	Potable water Gallon per Capita		119	129	130	130	130
6	Population from the 2020 Urban Water Master Plan		109,593	112,264	114,934	117,605	120,967
7	Potable water sales (in CCF)		6,005,169	6,685,581	6,890,786	7,050,900	7,252,471
	Potable water sales decrease per year due to conservation		-9.5%	11.3%	3.1%	2.3%	2.9%
8	Recycled water sales (in CCF)		1,383,466	1,374,754	1,387,822	1,392,178	1,392,178
9	Recycled water as % of total water sales		18.7%	17.1%	16.8%	16.5%	16.1%
10	Burbank Operable Unit (BOU) operating capacity		76%	76%	75%	75%	75%
11	Water delivery to LADWP (in CCF)		322,344	322,344	322,344	322,344	322,344
12	BOU as % of total water supply	10	72%	65%	63%	61%	59%
13	Water loss	10	6.0%	6.0%	6.0%	6.0%	6.0%
13	Chemical	10	60.0%	15.0%	15.0%	2.0%	2.0%
14	Potable and recycled water rate increase effective July 1	10	9.0%	9.0%	8.0%	6.0%	6.0%
15	MWD's Full Service Treated Water Tier 1 rates, Jan 1 *	10	\$ 1,209	\$ 1,256	\$ 1,344	\$ 1,425	\$ 1,510
16	MWD's Full Service Treated Water Tier 1, rate increases effective Jan 1	10	5.8%	3.9%	7.0%	6.0%	6.0%
17	MWD's Untreated Water Tier 1 rates, Jan 1 *	10	\$ 855	\$ 903	\$ 966	\$ 1,024	\$ 1,086
18	MWD's Untreated Water Tier 1, rate increases effective Jan 1	10	7.0%	5.6%	7.0%	6.0%	6.0%
19	MWD fixed charges *	10	\$ 1,333,123	\$ 1,451,373	\$ 1,579,388	\$ 1,697,722	\$ 1,814,340
20	LA Recycled Water Exchange - Volume in A.F.		200	260	260	260	260
21	Average MWD untreated volumetric rate/ A.F.		\$ 827	\$ 879	\$ 935	\$ 995	\$ 1,055
22	LA Water Exchange - value in \$, used to offset WCAC expense	10	\$ 165,400	\$ 228,540	\$ 242,997	\$ 258,751	\$ 274,276
23							
24	Water fund shared services	19	11.5%	11.5%	11.5%	11.5%	11.5%
25							
26	Water public benefits spending as % potable sales (approximate)	19	2.00%	2.00%	2.00%	2.00%	2.00%
27	Interest income	28	1.30%	1.75%	2.00%	2.00%	2.00%
28	General inflation	10, 17-22	7.1%	2.2%	2.1%	2.10%	2.10%
29	Staffing Full time equivalent (FTE)	17-18	54.0	54.0	54.0	54.0	54.0
30	Other Income:						
31	Recycled water credits from MWD up to \$250/AF. LRP1 expires August 2020	6	96,000	96,000	96,000	96,000	96,000
32	Water Pipefitter Apprentice training program	6	233,358	238,025	242,786	247,641	252,594
33	Hydro gen at VPP 308 MWh @ \$75/MWh	6	23,100	23,100	23,100	23,100	23,100
34	Connection fees	6	40,000	40,000	40,000	40,000	40,000
35	Other	6	156,000	156,000	156,000	156,000	156,000
36	Front footage fees	6	100,000	100,000	100,000	100,000	100,000
37	Fire protection services	6	640,000	640,000	640,000	640,000	640,000
38	Reimbursement for water delivery to LADWP	6	62,382	63,834	66,281	67,769	68,767
39			1,350,840	1,356,959	1,364,167	1,370,511	1,376,461
40	<b>Assumptions in Cash Statement</b>						
41							
42	Capital spending: 90% of budget or forecast		\$15,307,452	\$16,262,791	\$10,656,032	\$7,715,178	\$6,491,522
43							
44	Annual untreated water purchases from MWD in AF					6,700	6,700
45	Physical solution water purchases from LADWP in AF		4,200	4,200	4,200		
45	Use of cyclic water in AF		3,750	3,783			
46	Water groundwater inventory, ending balance in AF		21,762	19,255	17,076	17,501	18,007
47							
	* Based on MWD proposed biennial budget FY2022-23 and FY2023-24 budget including ten-year financial forecast published in February 2022.						
	<u>Future costs not included in the budget forecast:</u>						
	MWD rate projections exclude water supply investments for the Delta conveyance project, desalination, direct potable re-use and alternative water supply by moving water from east to west						
	Financial reserves policy is due for an update by June 2023						
	Additional revenue loss due to drought mandate extension						
	Cash balances post FY22-23 assume no additional pension liability payments						