

# Projected Cost Increases

COSTS	Water	Sewer	SW	DRN
Labor, S&S Major Cost Drivers	5.73%	4.71%	6.77%	4.85%
Other	2.25%	0.41%	4.00%	0.27%
Debt Service	✓		✓	
SMUD Back-bill	✓			
Emissions	✓	✓		✓
Fuel Surcharge			✓	
Projected Cost Increase	7.98%	5.12%	10.77%	5.13%

# Projected Offsets

COSTS	Water	Sewer	SW	DRN
Cost Increase	7.98%	5.12%	10.77%	5.13%
Offset (Revenue, Efficiencies, Reserves)	-4.23%	-5.12%	-1.54%	-5.13%
Net Increase	3.75%	0.00%	9.23%	0.00%*

## Offsets:

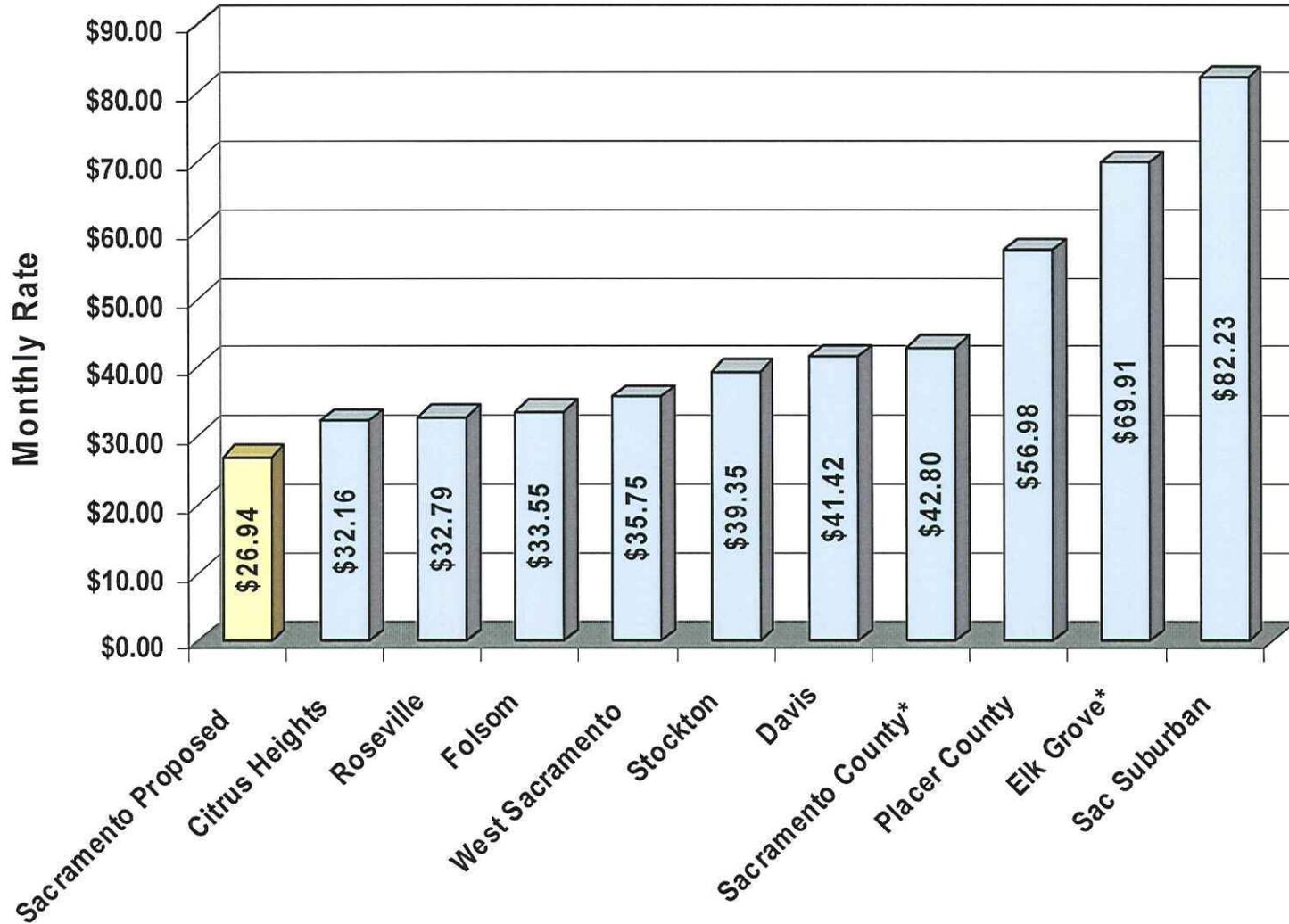
- Wholesale water revenues
- Solid Waste recycling revenues
- Operational efficiencies
- Defer Capital Improvement Program projects
- Use of Fund Reserves

*\*No increase in Drainage Fund due to Prop 218 Limitations*

## Proposed FY2008/09 Average Residential Bill

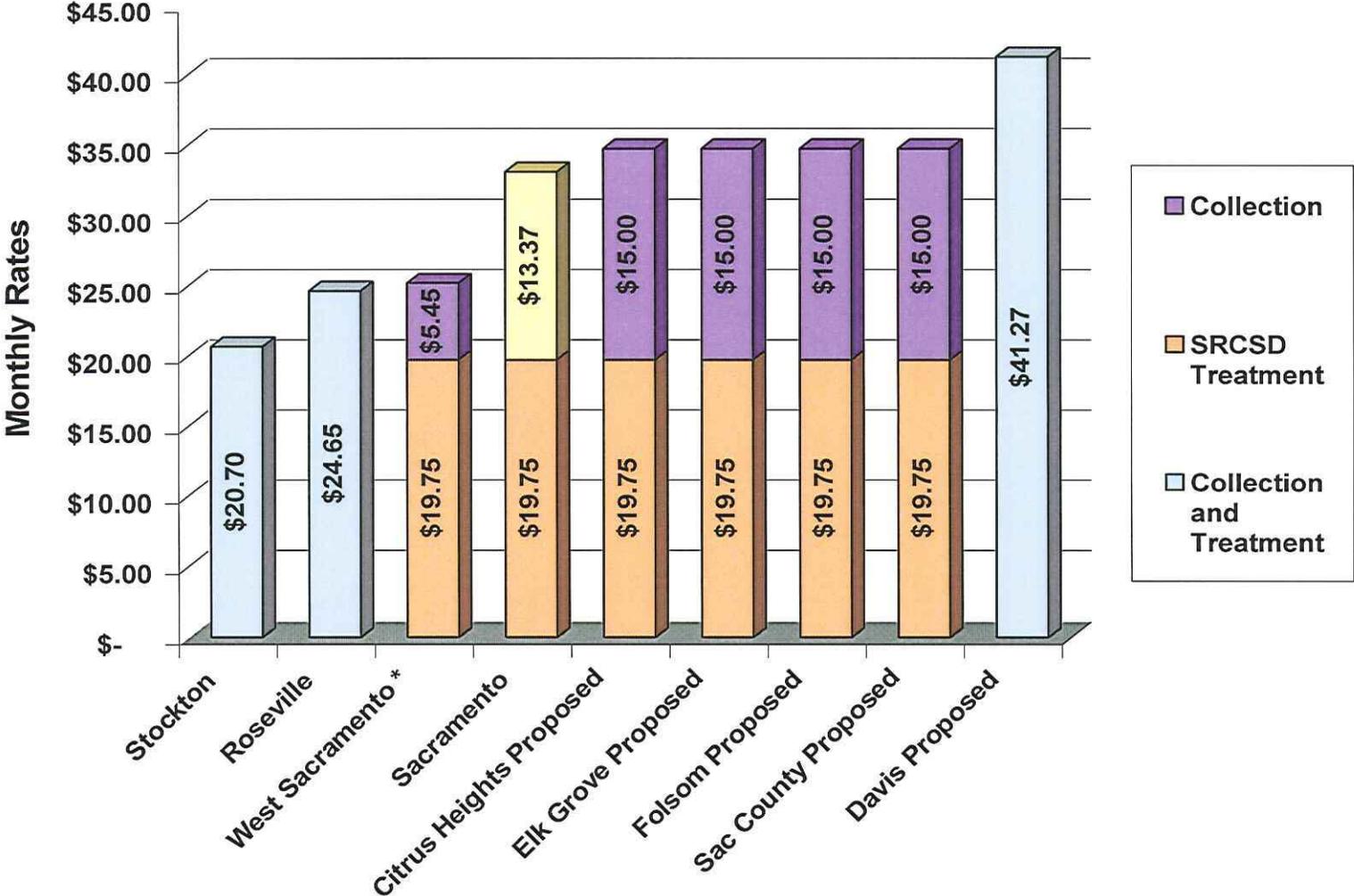
<b>Service</b>	<b>Current FY08 Charge</b>	<b>Prop. FY09 Charge</b>	<b>Total Change</b>	<b>Percent Change</b>
Water	\$25.97	\$26.94	\$0.97	3.75%
Sewer	\$13.37	\$13.37	\$0.00	0.00%
Storm Drain	\$11.31	\$11.31	\$0.00	0.00%
Solid Waste	\$32.12	\$35.08	\$2.97	9.23%
<b>TOTAL</b>	<b>\$82.77</b>	<b>\$86.71</b>	<b>\$3.94</b>	<b>4.76%</b>

# Water Rate Comparison



\*Effective 7/1/08 – all other rates are current

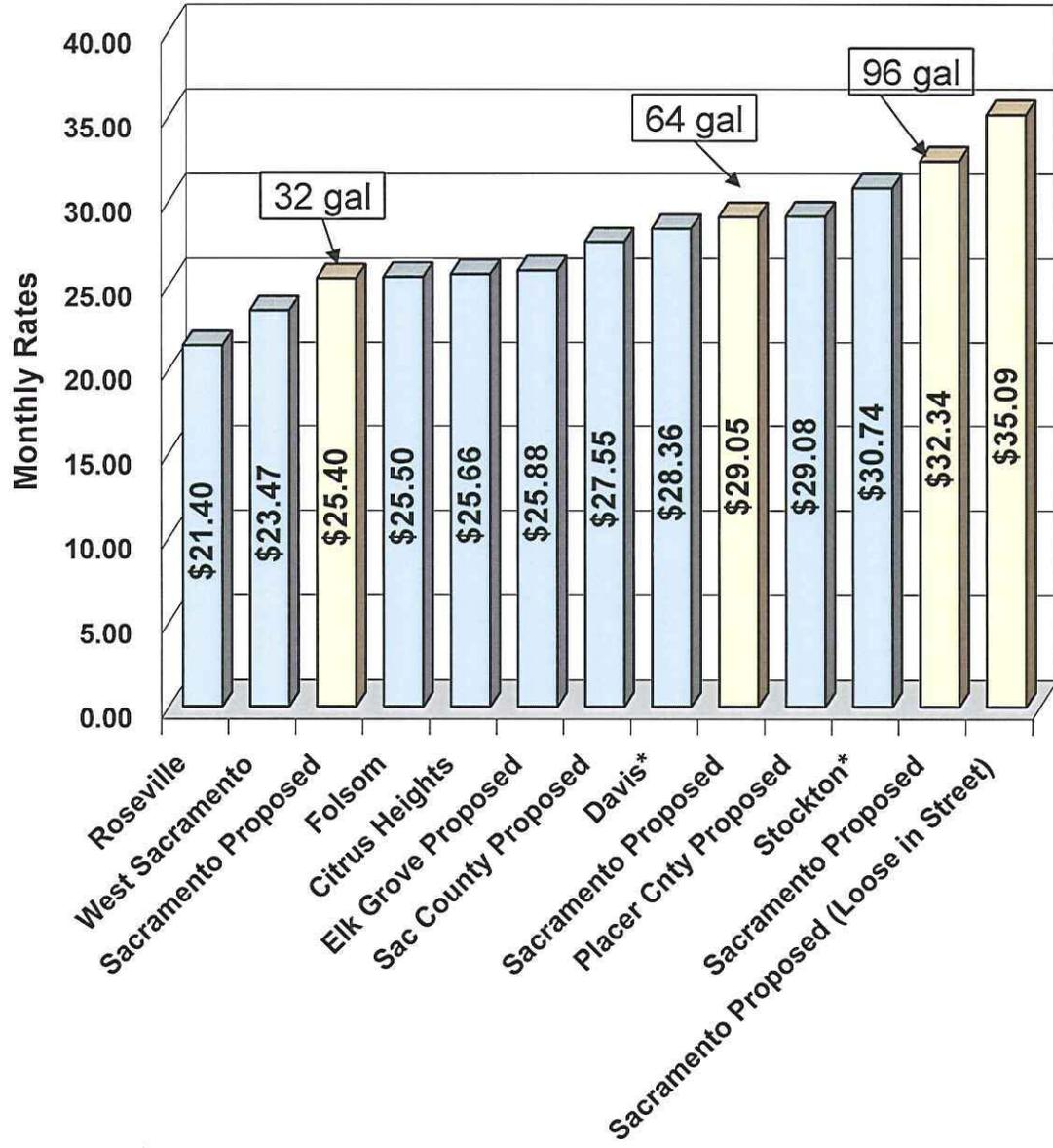
# Sewer Rate Comparison



\*Effective 7/1/08 – all other rates are current

SRCSD Rate of \$19.75 effective 7/1/08

# Solid Waste Rate Comparison



\*Effective 7/1/08 – all other rates are current

# Proposition 218 Notification

Proposition 218 Summary – Results as of 5/21/08		
Total Notices Mailed*	158,333	
Written Protest Summary:		
- No Specific Comment	30	<1%
- Increase is Excessive or Unjustified	15	<1%
- Causes a Financial Hardship	15	<1%
- Quality/Level of Service Does Not Warrant Increase	11	<1%
<b>Total Written Protests Received</b>	<b>71</b>	<b>&lt;1%</b>

\*Undeliverable Notices 8,750

# THANK YOU



CITY OF SACRAMENTO  
**DEPARTMENT  
OF UTILITIES**