

# EXHIBIT F



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**MEMORANDUM**

**To:** Richard Rudnansky

**From:** John Farnkopf  
Kathleen Catton

**Subject:** City of Modesto Water Revenue Peer Review

**Date:** October 12, 2006

The purpose of this memorandum is to report on our review of the revenue projections in the September 3, 2004 water rate study prepared for the City of Modesto by Foresight Consulting. The objectives of this memorandum are (1) to describe the derivation of the revenue projections by Foresight, (2) to present projections that correct Foresight's analysis by using the best available data, and (3) to explain the differences between the Foresight and corrected projections. The memorandum focuses on the revenue projection for FY 2004-05, which was the year in which rates were restructured and was the first year of the projected revenues. The revenue projections for FY 2005-06 through FY 2008-09 are then described.

The scope of our review did not include revenue requirement or expense projections. Because we did not review revenue requirement projections, we did not review or verify the projected rate increases. Although we reviewed portions of the cost of service that were related to calculating revenue from rates, we did not review or verify the cost of service methodology and rate design.

**INTRODUCTION**

Compared to a typical water rate study, the City's study was comparatively complex. A number of factors that are rarely present in a single rate study needed to be addressed in the City's study:

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- The three service area zones were consolidated into one zone.
- Flat rate customer classes were consolidated into five classes.
- The rate increase was timed for mid-year implementation.
- Meter retrofitting was underway. Metering inevitably reduces future water consumption per account.
- More aggressive water conservation and leak detection programs were underway.
- Hydraulic modeling was proceeding in parallel with the rate study, which required coordination between the engineering and rate consultant.
- Debt financing deadlines were approaching.
- Significant rate increases would lead to uncertain price elastic reductions in short-term and long-term water use per account.
- Certain customers replaced their City water supply with their own well water.

In anticipation of this complexity, the City formed a Water Rates Task Force that was closely involved in providing guidance in dealing with these factors during the rate study.

### I. FY 2004-05 REVENUE PROJECTIONS

Foresight's revenue projections are included in Table 7-1.<sup>1</sup>

Foresight Table 7-1

Table 7-1 Financial Plan - Projected Rate Increases and Revenue City of Modesto						
	Current		Projected Revenue Requirements and Rate Increases			
	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09
<b>Annual Net Revenue Req'ts. (a)</b>	\$30,668,000	\$33,493,944	\$37,913,564	\$38,330,590	\$48,027,000	\$51,806,657
<b>Revenue from Rates</b>						
Revenue from Current Rates (b)	\$27,366,000	\$28,322,000	\$28,775,000	\$29,235,000	\$29,703,000	\$30,178,000
Revenue from previous year rate incr.	\$0	\$0	\$10,071,250	\$18,125,700	\$25,633,689	\$28,854,695
Subtotal	\$27,366,000	\$28,322,000	\$38,846,250	\$47,360,700	\$55,336,689	\$59,032,695
<b>Current Year Surplus/(Deficit)</b>	(\$3,302,000)	(\$5,171,944)	\$932,686	\$9,030,110	\$7,309,689	\$7,226,038
Surplus/(Deficit) (No Rate Increases)	(\$3,302,000)	(\$5,171,944)	(\$9,138,564)	(\$9,095,590)	(\$18,324,000)	(\$21,628,657)
<b>Annual Rate Increase</b>	0.0%	35.0%	20.0%	15.0%	5.0%	5.0%
Cumulative Increase	0.0%	35%	62%	86%	96%	105%
<b>REVENUE FROM INCREASES (c)</b>						
Effective Dec 1: FY 04-05 (d)		\$3,855,305	\$10,071,250	\$10,232,250	\$10,396,050	\$10,562,300
Effective July 1: FY 05-06			\$7,769,250	\$7,893,450	\$8,019,810	\$8,148,060
Effective July 1: FY 06-07				\$7,104,105	\$7,217,829	\$7,333,254
Effective July 1: FY 07-08					\$2,766,834	\$2,811,081
Effective July 1: FY 08-09						\$2,951,635
Subtotal - Revenue from Increases	\$0	\$3,855,305	\$17,840,500	\$25,229,805	\$28,400,523	\$31,806,329
<b>Total Annual Rate Revenue</b>	\$27,366,000	\$32,177,305	\$46,615,500	\$54,464,805	\$58,103,523	\$61,984,329
<b>Annual Avail. to Cash-fund CIP Projects (e)</b>	(\$3,302,000)	(\$1,316,639)	\$8,701,936	\$16,134,215	\$10,076,524	\$10,177,673
<b>Cumulative Surplus/(Deficit) after Increase</b>	(\$3,302,000)	(\$4,618,639)	\$4,083,297	\$20,217,512	\$30,294,035	\$40,471,708
Assumed Growth Rate: (From Table 3-1)		1.6%	1.6%	1.6%	1.6%	1.6%

- a. From Table 4-1, Projected Water Utility Budgets. Includes Total Operating Expenses, Debt Service Payments, and Non-Rate Revenues.  
 b. Current rate revenue for FY03-04 is from Table 7-2, FY04-05 is based on actual revenue from City billing records (see Appendix E, Table 7A-2). Projections after FY04-05 reflect the annual growth rate.  
 c. Revenue increases calculated from the Annual Rate Increase. FY04-05 assumes an effective date of January 1, 2005.  
 d. Revenue from rate increases in FY04-05 are the estimated total revenue from Appendix E Table 7A-1 less the FY04-05 revenue from Current Rates.  
 e. The difference between Total Annual Rate Revenue and Annual Net Revenue Requirements.

<sup>1</sup> All table references are to tables in the Foresight report.

## IA. Foresight Projection for FY 2004-05

**Revenue from current rates.** The \$27,366,000<sup>2</sup> in billed revenue from rates for FY 2003-04 may not have been available to Foresight when it could have served as the basis for projecting revenue from current rates for FY 2004-05. The \$27,366,000 preliminary audit amount was very close to the final audited amount.

Based on recent communications with Foresight and City Staff, the \$27,366,000 was added to Table 7-1 after the projections were prepared. The \$27,366,000 was not used for making projections or for validating the projections that were made using data from the billing system (e.g., in Rate Table 1). According to Foresight, billing system data were preferred because the revenue was itemized by zone and customer class.

**Growth from FY 2003-04 to FY 2004-05.** The Task Force directed using a 1.6% annual growth factor for all accounts except industrial accounts.<sup>3</sup> Calculating the revenue from growth needs to reflect the fact that growth does not all occur at the beginning of the year; growth occurs during the year. The amount of revenue paid by growth over the course of a year is roughly equivalent to half of the growth paying revenue all year. Hence, if the growth from the beginning to the end of the year were 1.6%, the average effective growth paying revenue all year would be 0.8%.

Table 7-1 indicates that a 1.6%<sup>4</sup> growth factor was used for projecting revenue from current rates.<sup>4</sup> This is not the case in FY 2004-05. The \$28,322,000<sup>5</sup> in revenue from current rates for FY 2004-05 is 3.5% greater than the \$27,366,000 preliminary audit amount for FY 2003-04.

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<sup>2</sup> Each numeric symbol in the text has a corresponding symbol in a table to assist the reader in cross-referencing key numbers between the text and tables.

<sup>3</sup> An effective 1.2% growth factor was applied by Foresight to industrial revenue in Rate Table 1, which overestimated revenue by approximately \$220,000 for the period from FY 2004-05 through FY 2008-09. We are unaware of whether the Task Force directed Foresight not to use a growth factor on industrial revenue, although one could infer that the Task Force intended for industrial accounts and consumption not to grow.

<sup>4</sup> The "Assumed Growth Rate" in Table 7-1 was taken from Table 3-1, which shows the current and projected accounts. Footnote (f) in Table 3-1 states that the "Growth rate is reflect [sic] in residential metered customers only . . ." All of the accounts in Table 3-1 except industrial accounts show growth. The 1.6% growth factor was not applied to industrial accounts. Slightly different growth factors were applied to all the other classes, with the net affect being a 1.6% overall increase.

The derivation of the \$28,322,000 is summarized in Table 7A-2. The derivation divided FY 2004-05 into two halves. The \$14,104,435<sup>5</sup> for the July-December period equals one-half of the \$27,984,990<sup>5</sup> in revenue from Rate Table 1,<sup>6</sup> escalated by 0.8%. The \$14,217,270<sup>6</sup> for the January-June half was increased an additional 0.8% more than the July-December period.<sup>7</sup>

**Foresight Table 7A-2**

Table 7A-2 Estimated Water Utility Revenues from Current Rates - July 1 through June 30, 2005			
Customer Class	July 1 '04 to Dec. 31 '04 (a)	Jan. 1 '04 June 30 '05 (a)	Total from Current Rates
<b>Metered Customers</b>			
Zone 1	\$3,441,373	\$3,468,904	\$6,910,276
Zone 2	\$1,512,504	\$1,524,604	\$3,037,108
Zone 3	\$487,022	\$490,918	\$977,939
Subtotal	\$5,440,898	\$5,484,425	\$10,925,324
<b>Flat Rate Customers</b>			
Zone 1	\$5,861,864	\$5,908,759	\$11,770,623
Zone 2	\$1,784,882	\$1,799,162	\$3,584,044
Zone 3	\$1,016,790	\$1,024,925	\$2,041,715
Subtotal	\$8,663,537	\$8,732,845	\$17,396,382
<b>Total</b>	<b>\$14,104,435<sup>5</sup></b>	<b>\$14,217,270<sup>6</sup></b>	<b>\$28,321,705</b>

Source: Estimated using 2003 revenues from Rate Table 1 - Summary of Water Utility Revenues for 2002 & 2003, from City billing records, plus 0.8% growth.

a. Revenues thru Nov. 30 were inflated by 0.8% over 2003 revenues to account for growth in accounts. Revenues thru June 30 are also inflated by 0.8% for growth.

<sup>5</sup> \$27,984,990 is not the total of the numbers in the sixth column of Rate Table 1. It excludes the fire service revenue in Zone 2 but not in Zone 3 and excludes some multi-family revenue in Zone 2. If, instead, fire service revenue were excluded from Zones 2 and 3 and all of the multi-family revenue in Zone 2 were included, the corrected amount would be \$27,898,065, which, when carried through Table 7A-2, results in a corrected value of \$28,233,735, instead of \$28,321,705, a \$87,970 reduction.

<sup>6</sup> It is not clear whether the data in Rate Table 1 are calendar or fiscal year data. We assumed they were calendar year data.

<sup>7</sup> In Modesto, the January-June half of a fiscal year typically has much less irrigation and food processor water demand compared with the July-December half. Revenue projected from volume charges should reflect this seasonal difference by not projecting an increase in water consumption in January-June compared to the July-December period unless special conditions are present. No such conditions were present in Modesto. Hence, Foresight should not have increased the consumption portion of the revenue during the January-June period; a decrease would have been appropriate.

### Foresight Rate Table 1

Rate Table 1 - Summary of Water Utility Revenues for 2003					
City of Modesto					
Jurisdiction	No. in Class	Zone Changes			Total 2003
		From	To		
<b>Zone 1</b>					
MORERE	57,189	W1	1	1	\$11,585,750
MOMFAC	3,603	W4	1	2	\$2,189,578
MOCOAC	2,551	W4	1	2	\$2,916,140
MOLSAC	283	W4	1	2	\$716,584
MOREAC	217	W4	1	2	\$28,663
MOMFRE	191	W1	1	1	\$26,361
MOCHAC	100	W4	1	2	\$169,017
MOCHRE/CH	28	W1	1	1	\$16,450
MOINAC	21	W4	1	2	\$657,673
MOSCAC	12	W4	1	2	\$150,466
MOCORE/RECO	15	W1	1	1	\$2,122
Subtotal	64,210				\$18,458,803
<b>Zone 2</b>					
MORERE	11,538	W2	2	1	\$3,339,841
MOMFAC	1,163	W5	2	2	\$583,272
MOREAC	1,117	W5	2	2	\$243,970
MOCOAC	689	W5	2	2	\$675,941
MOUNRE	313	W2	2	1	\$90,154
MOFSCO	184	W2	2	elim.	\$76,679
MOMFRE	161	W2	2	1	\$33,414
MOINAC	38	W5	2	2	\$1,288,395
MOLSAC	30	W5	2	2	\$42,039
MOCHAC	34	W5	2	2	\$29,593
MOSCAC	21	W5	2	2	\$137,790
MOCORE	22	W5	2	1	\$1,346
Subtotal	15,310				\$6,542,433
<b>Zone 3</b>					
WAMORERE	10,570	W3	3	1	\$2,002,385
WAMOREAC	1,407	W6	3	2	\$347,580
WAMOCOAC	429	W6	3	2	\$283,561
WAMOMFAC	414	W6	3	2	\$151,910
MOLSAC	30	W6	3	2	\$71,942
MOCHAC	40	W6	3	2	\$15,673
MOMFRE	24	W3	3	1	\$3,674
MOSCAC	16	W6	3	2	\$85,868
MOCORE	27	W3	3	1	\$1,137
WAMOFSCO	24	W3	3	elim.	\$10,246
MOINAC	2	W6	3	2	\$9,779
Subtotal	12,983				\$2,983,754
Total Transactions	92,503				\$27,984,990

The resulting projected revenue from current rates for FY 2004-05, \$28,322,000, was 1.2% greater than the \$27,984,990 in Rate Table 1. There is no explanation in the report for using a revenue projection that was 1.2% higher (rather than 1.6% higher, as directed by the Task Force) than the billing system data in Rate Table 1.

The fact that the \$28,322,000 was 3.5% greater than the \$27,366,000 preliminary audit amount may have been disregarded (if it was noticed) because the billing system data were regarded as being more reliable. Moreover, there may have been no basis at the time for determining how close the \$27,366,000 preliminary audit value was to the final value. As it turns out, the preliminary audit value was within \$7,000 of the preliminary

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audit value. Again, there is no explanation in the report for using a revenue projection that was 3.5% higher than the preliminary audit value.

In effect, the \$28,322,000 was derived using billing system data but was not validated against another source of data or compared with FY 2003-04. The \$27,984,990 from the billing system for CY 2003 was accepted over the \$27,366,000 preliminary audit amount without explanation and then was escalated for growth, the result of which was a 1.2% increase over billing system data and 3.5% over the preliminary audit value, neither of which is noted in the report. To add to matters, Table 7-1 indicates that a 1.6% growth factor was used for FY 2004-05.<sup>8</sup> This is an example of how certain numbers that appear to have been derived in Table 7-1 are derived from other sources and were not linked to formulas in Table 7-1.

**Revenue increase.** The Foresight report indicates that the unmetered residential customers in Zone 1 with lots in the 5,000 to 7,000 sq. ft. range<sup>9</sup> would receive a 35% revenue increase, with the other classes receiving something more or less "... due to the cost of service adjustments."<sup>10</sup> It also appears that an overall 35% revenue increase from all customers was intended. Table 7-1 indicates a 35% revenue increase effective January 1, 2005.<sup>11</sup> This is not the case. The \$3,855,305 increase in revenue is an effective 27.2% increase (\$3,855,305 times two divided by \$28,322,000).

The \$3,855,305 was derived using Tables 7A-2 and 7A-3. Table 7A-3 calculated \$18,072,870 in revenue for the January-June portion of FY 2004-05<sup>12</sup> by multiplying the proposed rates times the numbers of accounts, services, and volumes of water sales. The \$3,855,305 revenue from rate increases shown in Table 7-1 is the difference between the \$18,072,870 in Table 7A-3 and the \$14,217,270 in Table 7A-2. The \$3,855,305 was not derived by multiplying the revenue from current rates (\$28,322,000) by 35% and dividing by two, which would have yielded \$4,956,350 in additional revenue for half the year. This is another example of how certain numbers in Table 7-1 originated from another source but appear to be derived in Table 7-1.

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<sup>8</sup> Footnote (b) in Table 7-1 also says that actual billing data were the source of the \$28,322,000, which is not accurate.

<sup>9</sup> For ease of discussion, this customer class will be referred to as the "target customer class."

<sup>10</sup> Page 19 of the Foresight report.

<sup>11</sup> The reference in Table 7-1 to an effective date of "Dec 1" is a typo and is an indication of the state of flux in which rates were being set. At one time, a rate increase had been planned for December 1, 2004, but was delayed one month.

<sup>12</sup> The reference in the title of Table 7A-3 to "Dec. 1, 2004 Thru June 30, 2005" is, again, a typo.

**Foresight Table 7A-3**

Table 7A-3 Estimated Water Utility Revenues from Projected New Rates - Dec. 1, 2004 Thru June 30, 2005						Replace w/ Actuals	Total Revenues Jan-June '05
<b>Flat Rate Customers</b>							
Customer Classes (Sq. Ft.)	No. of Customers (a)	COS Mo. Srv. Charge (e)	Adjustment for 35% Incr. (b)	Max. Charge @ 35% Incr.	6 Mo. Of Revenues (c)		
0-5,000 sq. ft. lot	7,390	\$22.65	108.0%	\$24.47	\$1,084,879		
5,001-7,000 sq. ft. lot	30,336	\$25.74	108.0%	\$27.81	\$5,061,825		
7,001-11,000 sq. ft. lot	19,933	\$30.55	108.0%	\$33.00	\$3,947,041		
11,001-17,000 sq. ft. lot	2,554	\$32.42	108.0%	\$35.03	\$536,869		
Over 17,000 sq. ft. lot	1,532	\$38.12	108.0%	\$41.19	\$378,613		
<b>Total</b>	<b>61,745</b> (5)				<b>\$11,009,226</b>		<b>\$11,009,226</b>
<b>Metered Customers</b>							
<b>Monthly Metered Service Charges</b>							
Meter Size	No. of Customers (a)	COS Mo. Srv. Charge (e)	Adjustment for 35% Incr. (b)	Max. Charge @ 35% Incr.	6 Mo. Of Revenues (c)		
5/8"-3/4"	3,513	\$8.34	108.0%	\$9.01	\$190,018		
1"	6,701	\$11.83	108.0%	\$12.78	\$513,988		
1 1/2"	1,046	\$20.48	108.0%	\$22.13	\$138,911		
2"	1,915	\$30.90	108.0%	\$33.38	\$383,605		
3"	103	\$58.71	108.0%	\$63.43	\$39,263		
4"	249	\$89.96	108.0%	\$97.19	\$145,399		
6"	130	\$176.73	108.0%	\$190.95	\$148,808		
8"	48	\$280.90	108.0%	\$303.49	\$88,305		
10"	11	\$402.46	108.0%	\$434.84	\$28,921		
12"	1	\$749.65	108.0%	\$809.95	\$4,982		
<b>Total</b>	<b>13,719</b> (5)				<b>\$1,682,200</b>		<b>\$1,682,200</b>
<b>Volume-Based Charges</b>							
Vol-Based Rates	Mtr'd. Consumption (% of Total) (d)	Mtr. Rate (\$/hcf) (e)			6 Mo. Of Revenues (b)		
Zone 1	64%	4,069,482	\$0.779	108.0%	\$0.842	\$3,426,542	
Zone 2	27%	1,712,655	\$0.779	108.0%	\$0.842	\$1,442,072	
Zone 3	10%	609,054	\$0.779	108.0%	\$0.842	\$512,829	
<b>Total</b>	<b>6,391,192</b> (e) (6)				<b>\$5,381,444</b>		<b>\$5,381,444</b>
<b>Total Revenue (Dec-June 30 '05)</b>						<b>\$18,072,870</b> (7)	

a. From Table MSC-2, Monthly Service Charge Calculations - 2004-05. Rates reflect full cost-of-service revenue requirements. See Proforma (Table 7-2) and Financial Plan (Table 7-1).  
 b. Rate adjustment to the COS rate to reflect a 35% increase rather than the full 2004-05 revenue requirements.  
 c. No. of Customers times Mo. Service Charge times 6 months.  
 d. "% of Total" is from Table 1a - Summary of Water Consumption for 2002 & 2003 and reflects consumption from the City's billing system.  
 e. From Table 6-4, Total Volume-Based Charges Recovered from Flat- and Metered-Customers. Consumption by Zone reflects 50% of the 2004-05 consumption of Metered Customers.  
 f. From most current City billing data, Mark Roberts, 6-15-04.

In Table 7-1, the sum of the revenue from current rates plus the rate increase for FY 2004-05 was \$32,177,305. (8) The audited revenue for FY 2004-05 was \$29,963,983. Foresight overestimated the revenue by \$2,213,322 or 7.4% compared to the audited amount.

**IB. Corrected Projection for FY 2004-05**

**Revenue from current rates.** A corrected projection for FY 2004-05 was prepared in Schedule A1 using updated data. The revenue from current rates was calculated by

using the \$27,372,941<sup>ⓐ</sup> final audited amount for FY 2003-04 (which was not available to Foresight) and increasing it by 0.8% for average growth during the year, which is an effective 1.6% growth rate from the beginning until the end of the year. The resulting \$27,591,925<sup>ⓑ</sup> is \$730,075 less than the Foresight projection.

**Schedule A1.  
 Foresight Compared With Corrected Projections - FY 2004-05**

	FY 03-04			FY 04-05		
	Foresight (a.)	Corrected Proj.	Difference	Foresight (a.)	Corrected Proj.	Difference
<b>Annual Growth Rate</b>				3.5% g.	1.60%	
<b>Cumulative growth since 2003-04</b>				3.5% g.	0.80% k.	2.69%
<b>Revenue from Rates</b>						
Revenue from Current Rates	\$27,366,000 <sup>ⓐ</sup>	\$27,372,941 e.	(\$6,941)	\$28,322,000 b.)	\$27,591,925 f.	\$730,075 <sup>ⓑ</sup>
<b>Annual Rate (Revenue) Increase</b>				27.2% d.	21.2% m.	6.0%
<b>REVENUE FROM INCREASES</b>						
Effective Jan. 1: FY 04-05				\$3,855,305 c.	\$2,930,262 h.	\$925,043
Effective July 1: FY 05-06						
Effective July 1: FY 06-07						
Effective July 1: FY 07-08						
Effective July 1: FY 08-09						
Subtotal - Revenue from Rate Increases	\$0	\$0	\$0	\$3,855,305 a.	\$2,930,262 i.	\$925,043
<b>Total Rate Revenue</b>	<b>\$27,366,000</b>	<b>\$27,372,941 e.</b>	<b>(\$6,941)</b>	<b>\$32,177,305</b>	<b>\$30,522,187 j.</b>	<b>\$1,655,118</b>
<b>Actual (e.)</b>	<b>\$27,372,941</b>	<b>\$27,372,941</b>		<b>\$29,963,983</b>	<b>\$29,963,983</b>	
<b>Difference</b>	<b>(\$6,941)</b>	<b>\$0</b>		<b>\$2,213,322</b>	<b>\$558,204</b>	
<b>Sources:</b>						
a.	Foresight Table 7-1.					
b.	Foresight Table 7A-2, 7-1					
c.	Foresight Table 1 minus FY 2004-05 revenue on Table 7A-2; 7-1.					
d.	Calculated effect of rate increase in revenue - Foresight used 35%					
e.	City of Modesto - Actual revenue with accrual - audited numbers excluding FY 2005-06					
f.	Revenue from increasing 2003-04 revenue by cumulative growth					
g.	Foresight Table 7-1 indicates 1.6% - 3.5% is calculated difference					
h.	Revenue from increase - multiplies revenue from current rates times rate increase % for one half year.					
i.	Total rate revenue - adding all revenue from rate increases					
j.	Total rate revenue - adding revenue from increases and current rate revenue					
k.	Cumulative growth from 2003-04; 2004-05 would have only 0.8% effective growth rate					
l.	Current rate revenue multiplied times corresponding year's rate increase					
m.	Estimated percentage increase generated from proposed Foresight rates					
o.	Foresight used .35% for rate increase times current rate increase					

Growth from FY 2003-04 to FY 2004-05. The FY 2004-05 revenue from the rate increase in the corrected projection, \$2,930,262<sup>ⓑ</sup>, was derived using data for customer accounts,

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service connections, and consumption data from Shibumi as of 6/30/05,<sup>13</sup> which was not available to Foresight. With the Shibumi data, revenue from current rates was calculated by multiplying the number of accounts, service connections, and volume by the current rates. The same data were then used to calculate the revenue using Foresight's rates. Foresight's rates yielded only 21.2%<sup>④</sup> more revenue.<sup>14</sup>

**Revenue increase.** The 21.2% revenue increase multiplied times the \$27,591,925 in current revenue produced \$2,930,262 in revenue for six months from the rate increase, which is \$925,043 less than the \$3,855,305 calculated by Foresight.

The difference between the 21.2% in the corrected version and the 27.2% derived by Foresight is due to differences in data. Foresight's rates generated 21.2%<sup>15</sup> more revenue using the recent Shibumi data, as opposed to 27.2%<sup>16</sup> using the previous, unfiltered Shibumi data. Foresight had 75,464 accounts<sup>⑤</sup><sup>17</sup> and 6,391,192 hcf<sup>⑥</sup> (for one-half of a year's consumption) in Table 7A-3. Based on the recent Shibumi data, there were 74,396 accounts<sup>18</sup> (presumably excluding duplicate and non-revenue accounts) and 3,720,342 hcf<sup>19</sup> (the metered water sales for January through June 2005, which was unseasonably cool and wet).

The total calculated revenue is \$30,522,187<sup>⑦</sup>, which is \$1,655,118 less than the \$32,177,305 calculated by Foresight and \$558,204 or 1.9% more than the \$29,963,983 audited amount. This latter 1.9% variance falls within the normal tolerance for this type of rate calculation particularly because of the unusually low consumption and growth in accounts in January through June 2005. As it turns out, the \$29,963,983 final audit amount was only 17.2% more than the estimated \$27,591,925 revenue from current rates.

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<sup>13</sup> Source: Shibumi data were provided by email from Greg Baird in August 2006 (data extract dated March 2006). This extract is in a pivot table format from Mark Roberts of Shibumi Consulting and contains counts, consumption, etc starting in 2000 and ending on Feb 2006.

<sup>14</sup> See Schedule B-1 attached.

<sup>15</sup> \$2,930,262 times two divided by \$27,591,925.

<sup>16</sup> \$3,855,305 times two divided by \$28,322,000.

<sup>17</sup> Foresight projected 76,124 accounts for FY 2004-05 in Table 3-1, which was apparently used in the cost of service analysis for calculating rates but not in Table 7A-3. The source and date of the data used in 7A-3 is not clear from the footnotes.

<sup>18</sup> See Schedule D attached.

<sup>19</sup> See Schedule C attached. Note that the volume used by Foresight for the January-June period is almost twice as much as the actual amount and is almost equal to the July-December volume.

II. FY 2005-06 THROUGH FY 2008-09 REVENUE PROJECTIONS

Schedule A2 summarizes the revenue from the Foresight and the corrected projections and shows the differences for FY 2003-04 through FY 2005-06.

Schedule A2.  
 Foresight Compared With Corrected Projections - FY 2003-04 through FY 2005-06

	FY 03-04			FY 04-05			FY 05-06		
	Foresight (a.)	Corrected Proj.	Difference	Foresight (a.)	Corrected Proj.	Difference	Foresight (a.)	Corrected Proj.	Difference
Annual Growth Rate				3.5% g.	1.60%		1.60% a.	1.60%	
Cumulative growth since 2003-04				3.5% g.	0.80% k.	2.69%	5.15%	2.41% k.	2.68%
Revenue from Rates									
Revenue from Current Rates	\$27,366,000	\$27,372,941 e.	(\$6,941)	\$28,322,000 b.	\$27,591,925 f.	\$730,075	\$28,775,000 a.	\$28,033,395 f.	\$741,605
Annual Rate (Revenue) Increase				27.2% d.	21.2% m.	6.0%	20.0% a.	20.0% a.	0.0%
REVENUE FROM INCREASES									
Effective Jan 1: FY 04-05				\$3,855,305 c.	\$2,930,262 h.	\$925,043	\$10,071,250 b.	\$5,954,293 i.	\$4,116,957
Effective July 1: FY 05-06							\$7,769,250 l.	\$6,797,538 i.	\$971,712
Effective July 1: FY 06-07									
Effective July 1: FY 07-08									
Effective July 1: FY 08-09									
Subtotal - Revenue from Rate Increases	\$0	\$0	\$0	\$3,855,305 a.	\$2,930,262 i.	\$925,043	\$17,840,500	\$12,751,831 i.	\$5,088,669
Total Rate Revenue	\$27,366,000	\$27,372,941 e.	(\$6,941)	\$32,177,305 a.	\$30,522,187 j.	\$1,655,118	\$46,615,500	\$40,785,226 i.	\$5,830,274
Actual (e.)	\$27,372,941	\$27,372,941		\$29,963,983	\$29,963,983		\$41,107,414	\$41,107,414	
Difference	(\$6,941)	\$0		\$2,213,322	\$558,204		\$5,508,086	(\$322,188)	

Sources:

- a. Foresight Table 7-1.
- b. Foresight Table 7A-2, 7-1
- c. Foresight Table 1 minus FY 2004-05 revenue on Table 7A-2; 7-1.
- d. Calculated effect of rate increase in revenue - Foresight used 35%
- e. City of Modesto - Actual revenue with accrual - audited numbers excluding FY 2005-06
- f. Revenue from increasing 2003-04 revenue by cumulative growth
- g. Foresight Table 7-1 indicates 1.6% - 3.5% is calculated difference
- h. Revenue from increase - multiplies revenue from current rates times rate increase % for one half year.
- i. Total rate revenue - adding all revenue from rate increases
- j. Total rate revenue - adding revenue from increases and current rate revenue
- k. Cumulative growth from 2003-04; 2004-05 would have only 0.8% effective growth rate
- l. Current rate revenue multiplied times corresponding year's rate increase
- m. Estimated percentage increase generated from proposed Foresight rates
- o. Foresight used 35% for rate increase times current rate increase

## IIA. Foresight Projection for FY 2005-06

The \$28,775,000<sup>20</sup> in current revenue builds on the \$28,322,000 for FY 2004-05 using a 1.6% growth factor.

The \$10,071,250 in revenue from the prior year's rate increase reflects a full twelve months with a 35% revenue increase (\$10,071,250 divided by \$28,775,000 is 35%). As mentioned, however, the overall revenue increases from January 1, 2005 to June 30, 2005 were variously 27.2% (using earlier, unfiltered data), 21.2% (using recent, filtered data), or 17.2% based on the final audit (which reflects unusually low water use). In any case, the rates were not set high enough to generate 35% more revenue.

The \$7,769,250 in revenue from the 20% in FY 2005-06 increase was derived by multiplying the sum of the revenue from current rates (\$28,775,000) and the revenue from prior increases (\$10,071,250) by 20%. Hence, the overestimation in both the \$28,775,000 and \$10,071,250 was compounded by the 20% increase, which cumulated in future years.

## IIB. Corrected Projection for 2005-06

The \$28,033,395 in revenue from current rates was derived by increasing FY 2004-05's \$27,591,925 in revenue from current rates by 1.6%<sup>21</sup> (which is a 2.41% cumulative increase since FY 2003-04, as compared with Foresight's 5.15%). The \$5,954,293 in revenue from the prior year's rate increase is 21.2% of the \$27,812,660 in revenue from current rates, which is less than Foresight's \$10,071,250 because Foresight applied 35%.

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<sup>20</sup> Compared with the previous set of blackened circles, the numbers in this set of blackened circles are sans serif.

<sup>21</sup> As previously mentioned, in deriving revenue from current rates for FY 2004-05, 0.8% growth was added to FY 2003-04 instead of 1.6% so that the revenue was based on the average annual growth. In subsequent years, each year's incremental percentage growth in revenue is determined by adding half of the prior year's growth to half of the next year's growth. Using FY 2005-06 as an example, the incremental percentage growth in FY 2004-05's revenue is 1.6% (i.e., 0.8% for half of FY 2004-05 and 0.8% for half of FY 2005-06). Hence, the 1.6% incremental growth in revenue from FY 2004-05 to FY 2005-06 is the same as the 1.6% annual growth in accounts and consumption. If the annual growth in FY 2004-05 had been 1.6% and 1.2% in FY 2005-06, the growth in revenue from FY 2004-05 to FY 2005-06 would have been 1.4% (half of 1.6% plus half of 1.2%).

The revenue from the 20% rate increase is \$6,797,538<sup>Ⓞ</sup>, which is 20% of the sum of \$28,033,395 and \$5,954,293. The total revenue is \$40,785,226<sup>Ⓞ</sup>, which is \$5,830,274<sup>Ⓢ</sup> less than Foresight's revenue and \$322,188 or 0.8% less than the \$41,107,414 in audited revenue.

The \$5,830,274 difference in FY 2005-06 between the Foresight and corrected projections is a combination of the compounding of the problems in FY 2004-05 and the use of 35% instead of 21.2% for the revenue from the FY 2004-05 rate increase. Schedule A3 shows that the differences continue to grow from FY 2006-07 through FY 2008-09.

**Schedule A3.**  
**Foresight Compared With Corrected Projections - FY 2006-07 through FY 2008-09**

	FY 06-07			FY 07-08			FY 08-09		
	Foresight (a.)	Corrected Proj.	Difference	Foresight (a.)	Corrected Proj.	Difference	Foresight (a.)	Corrected Proj.	Difference
Annual Growth Rate	1.60% a.	1.60%	0.00%	1.60% a.	1.60%	0.00%	1.60% a.	1.60%	0.00%
Cumulative Growth from 2003-04	6.83%	4.05% k.	2.78%	8.54%	5.72% k.	2.82%	10.28%	7.41% k.	2.87%
Revenue from Rates									
Revenue from Current Rates	\$29,235,000 a.	\$28,481,930 e.	\$753,070	\$29,703,000 a.	\$28,937,641 f.	\$765,359	\$30,178,000 a.	\$29,400,643 f.	\$777,357
Annual Rate (Revenue) Increase	15.0% a.	15.0% a.	0.0%	5.0%	5.0% a.	0.0%	5.0%	5.0% a.	0.0%
<b>REVENUE FROM INCREASES</b>									
Effective Jan 1: FY 04-05	\$10,232,250 a.	\$6,049,562 l.	\$4,182,688	\$10,396,050 a.	\$6,146,355 l.	\$4,249,695	\$10,562,300 a.	\$6,244,697 l.	\$4,317,603
Effective July 1: FY 05-06	\$7,893,450 a.	\$6,906,298 l.	\$987,152	\$8,019,810 a.	\$7,016,799 l.	\$1,003,011	\$8,148,060 a.	\$7,129,068 l.	\$1,018,992
Effective July 1: FY 06-07	\$7,104,105 a.	\$6,215,668 l.	\$888,437	\$7,217,829 a.	\$6,315,119 l.	\$902,710	\$7,333,254 a.	\$6,416,161 l.	\$917,093
Effective July 1: FY 07-08				\$2,766,834 a.	\$2,420,796 l.	\$346,039	\$2,811,081 a.	\$2,459,528 l.	\$351,552
Effective July 1: FY 08-09							\$2,951,635 a.	\$2,582,505 l.	\$369,130
Subtotal - Revenue from Rate Increases	\$25,229,805 a.	\$19,171,529 i.	\$6,058,276	\$28,400,523 a.	\$21,899,069 j.	\$6,501,455	\$31,806,329 a.	\$24,831,959 l.	\$6,974,371
<b>Total Rate Revenue</b>	<b>\$54,464,805 a.</b>	<b>\$47,653,458 j.</b>	<b>\$6,811,347</b>	<b>\$58,103,523 a.</b>	<b>\$50,836,709 j.</b>	<b>\$7,266,814</b>	<b>\$61,984,329 a.</b>	<b>\$54,232,601 l.</b>	<b>\$7,751,728</b>

**Sources:**

- a. Foresight Table 7-1.
- e. City of Modesto - Actual revenue with accrual from FY 2005-06.
- f. Revenue from increasing 2003-04 by cumulative growth
- i. Total rate revenue - adding all revenue from rate increases
- j. Total rate revenue - adding revenue from increases and current rate revenue
- k. Cumulative growth from 2003-04; 2004-05 would have only 0.8% effective growth
- l. Current rate revenue multiplied times corresponding year's rate increase

A corrected version of Table 7-1 was prepared that incorporates the corrections previously discussed. The cumulative difference between the Foresight and corrected projections is \$29,308,340<sup>Ⓢ</sup> by FY 2008-09. In FY 2008-09, \$54,232,601<sup>Ⓢ</sup> in revenue was calculated, which ties to Schedule A3<sup>Ⓢ</sup>. We note that when the revenue projections are corrected, the corrected Table 7-1 shows a deficit of \$156,560<sup>Ⓢ</sup> in FY 2008-09.

Revised Foresight Table 7-1

Table 7-1  
**Financial Plan - Projected Rate Increases and Revenue (CORRECTED)**  
 City of Modesto

	Current		Projected Revenue Requirements and Rate Increases				Corrected Cumulative	Cumulative Table 7-1	Difference
	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09			
Annual Net Revenue Req'ts. (a)	\$30,658,000	\$33,493,944	\$37,913,564	\$38,330,590	\$48,027,000	\$51,806,657	\$240,239,755	\$240,239,755	\$0
Revenue from Rates									
Revenue from Current Rates	\$27,372,941	\$27,591,925	\$28,033,395	\$28,481,930	\$28,937,641	\$29,400,643	\$169,818,474	\$173,579,000	\$3,760,526
Revenue from previous year rate incr.	\$0	\$0	\$5,854,293	\$12,955,860	\$19,478,273	\$22,249,454	\$60,637,880	\$82,685,334	\$22,047,453
Subtotal	\$27,372,941	\$27,591,925	\$33,987,688	\$41,437,790	\$48,415,914	\$51,650,097	\$230,456,354	\$256,264,334	\$25,807,980
Current Year Surplus/(Deficit)	(\$3,285,059)	(\$5,902,019)	(\$3,925,876)	\$3,107,200	\$388,914	(\$156,560)	(\$9,783,401)	\$16,024,579	\$25,807,980
Surplus/(Deficit) (No Rate Increases)	(\$3,285,059)	(\$5,902,019)	(\$3,880,169)	(\$3,848,880)	(\$19,089,359)	(\$22,406,014)	(\$70,421,281)	(\$66,660,755)	\$3,760,526
Annual Rate Increase	0.0%	21.2%	20.0%	15.0%	5.0%	5.0%			
<b>REVENUE FROM INCREASES (b)</b>									
Effective Jan 1: FY 04-05 (c)		\$2,930,262	\$5,954,293	\$6,049,562	\$6,146,355	\$6,244,697	\$27,325,169	\$45,117,155	\$17,791,986
Effective July 1: FY 05-06			\$6,797,538	\$6,906,298	\$7,016,799	\$7,129,068	\$27,849,703	\$31,830,570	\$3,980,867
Effective July 1: FY 06-07				\$8,215,668	\$6,315,119	\$6,416,161	\$18,946,949	\$21,855,188	\$2,708,239
Effective July 1: FY 07-08					\$2,420,796	\$2,459,528	\$4,880,324	\$5,577,915	\$697,591
Effective July 1: FY 08-09						\$2,582,505	\$2,582,505	\$2,582,505	\$369,130
Subtotal - Revenue from Increases	\$0	\$2,930,262	\$12,751,831	\$19,171,529	\$21,899,069	\$24,631,959	\$81,584,649	\$107,132,463	\$25,547,813
Total Annual Rate Revenue	\$27,372,941	\$30,522,187	\$40,739,519	\$47,653,458	\$50,836,709	\$54,232,001	\$251,403,123	\$280,711,463	\$29,308,340
Annual Avail. to Cash-fund CIP Projects (d)	(\$3,285,059)	(\$2,971,757)	\$2,871,662	\$9,322,868	\$2,899,709	\$2,428,945	\$11,163,368	\$40,471,708	\$29,308,340
Cumulative Surplus/(Deficit) after Increase	(\$3,302,000)	(\$6,273,757)	(\$3,402,095)	\$5,920,773	\$9,730,483	\$11,156,427	\$12,829,832	\$87,145,913	\$74,316,081
Corrected Growth Rate (50% 1.6%)		0.8%	1.6%	1.6%	1.6%	1.6%			

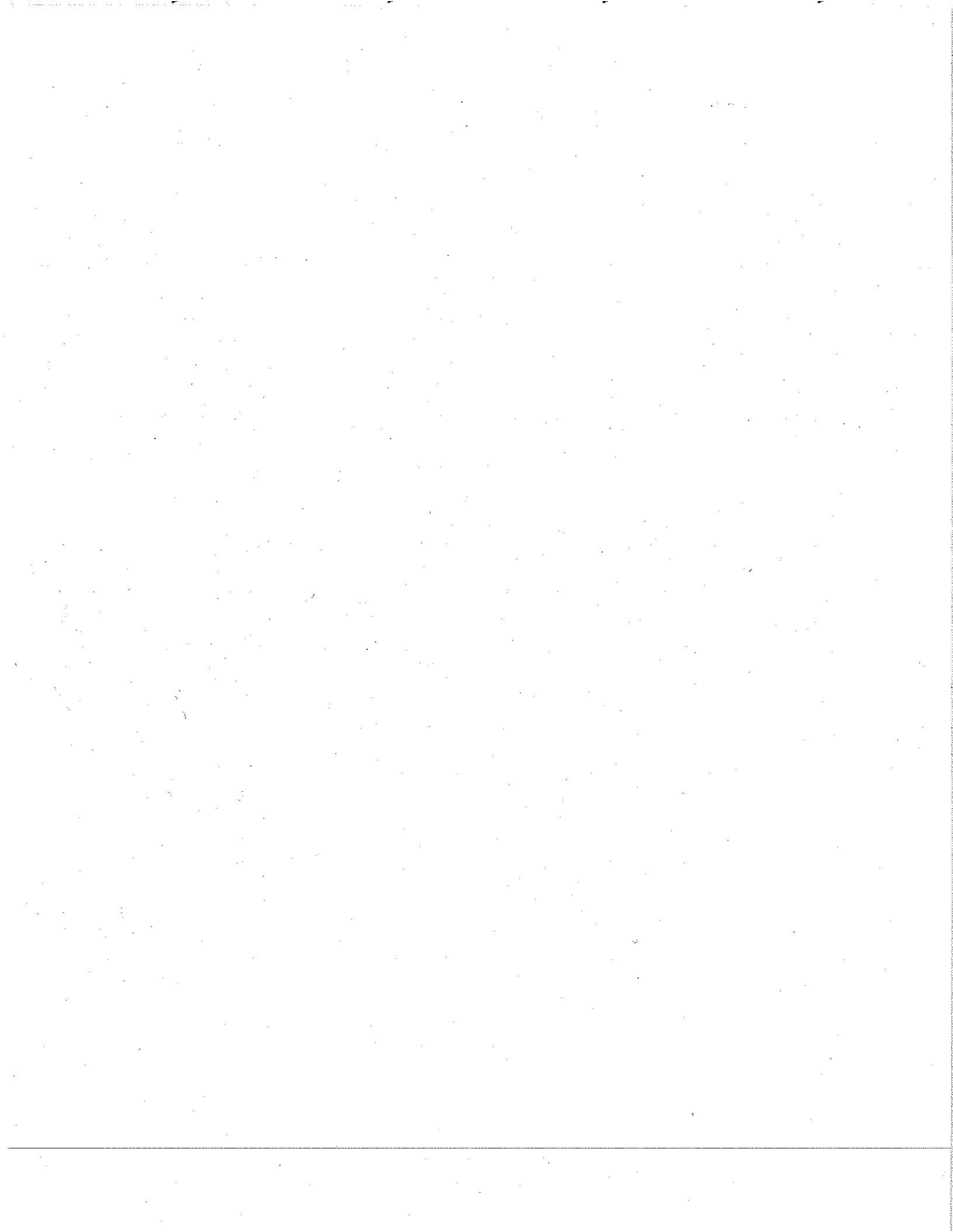
a. From Table 4-1, Projected Water Utility Budgets, includes Total Operating Expenses, Debt Service Payments, and Non-Rate Revenues.  
 b. Revenue increases calculated from the Annual Rate Increase. FY04-05 assumes an effective date of January 1, 2005.  
 c. Revenue from rate increases in FY04-05 are the estimated total revenue from Appendix E Table 7A-1 less the FY04-05 revenue from Current Rates.  
 d. The difference between Total Annual Rate Revenue and Annual Net Revenue Requirements.

III. CONCLUSION

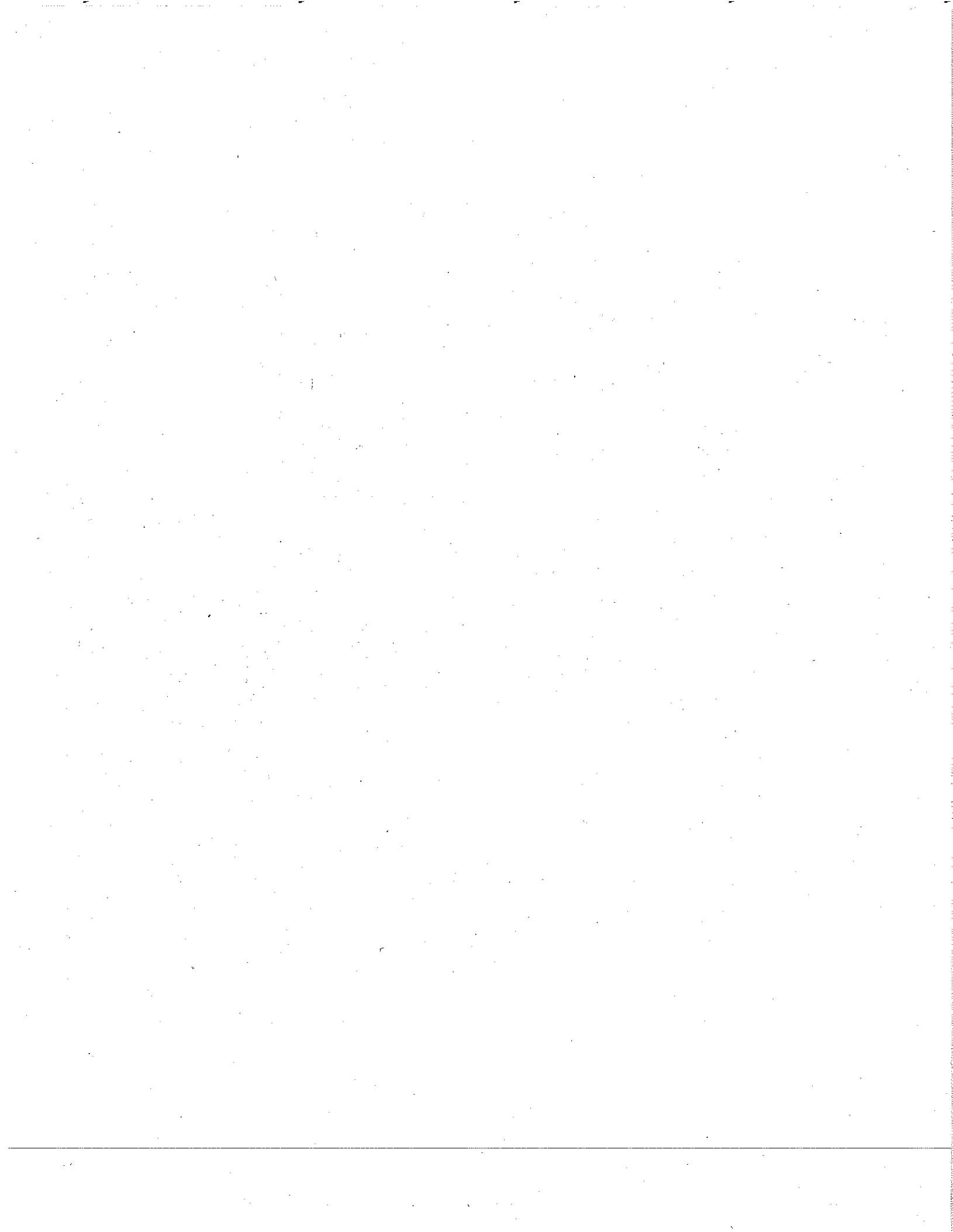
The nature of the problems that led to the variances is symptomatic of a comparatively complex rate study that (1) resulted in a complete overhaul of the rate structure, (2) relied on significant amounts of data from the billing system, accounting reports, and engineering analyses, (3) involved numerous parties, and (4) was conducted under time constraints. The corrected projections, like the Foresight projections, are simply projections. They don't determine the future.

Some of the assumptions that led to the variances in Foresight's projections are present in the corrected projections and may lead to future variances. For example, the corrected analysis also uses the 1.6% growth factor. Recent annual growth has been closer to 1.2%. A reduction in growth from 1.6% to 1.2% would amount to a reduction in revenue of about \$2.4 million or 1% from FY 2004-05 to FY 2008-09. Hence, it is important for the City to continue to closely monitor the Water Fund's financial position because even slight variances will justify the effort.

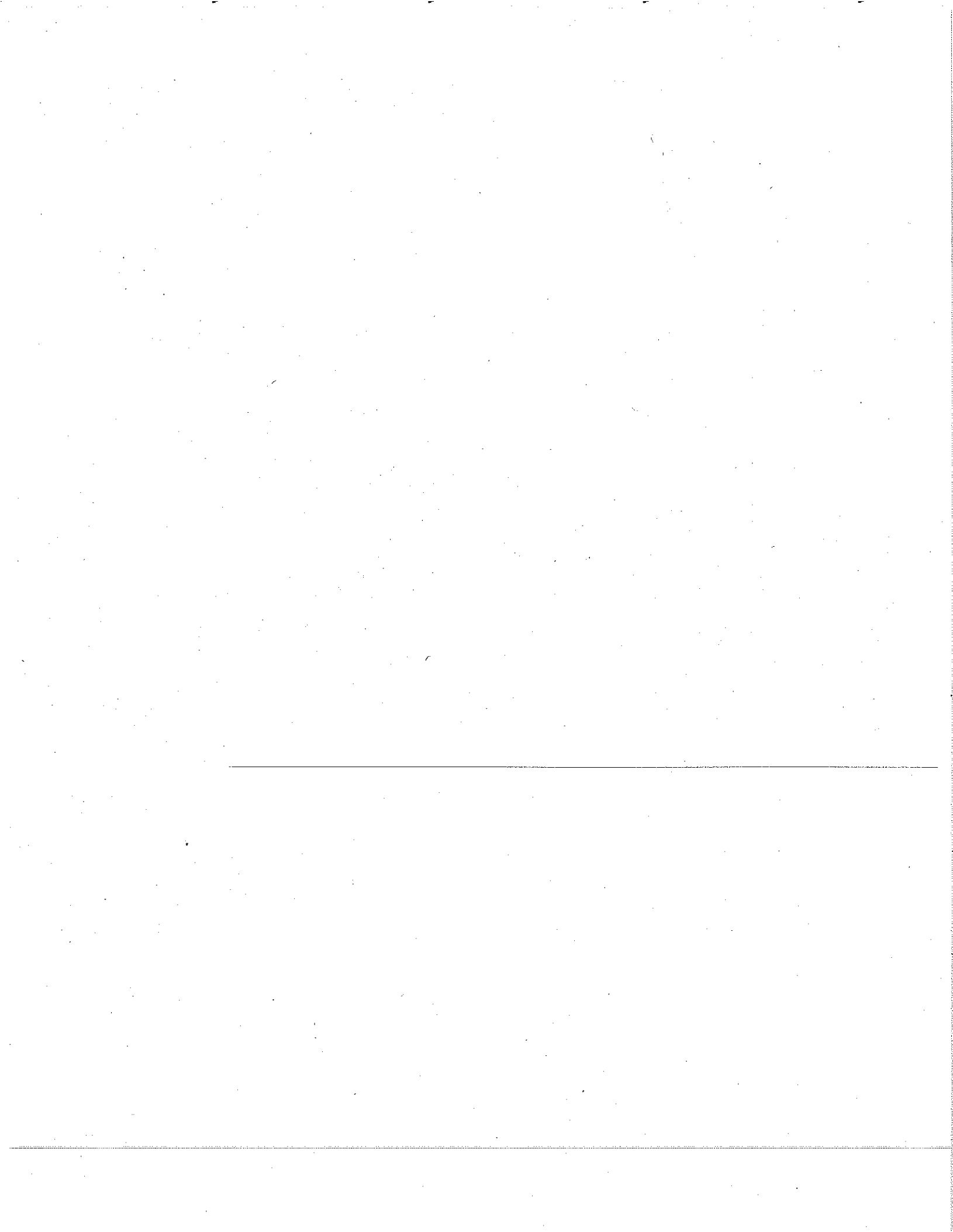
















City of Modesto		A		B		C		D		E		F		G		H		I		J		K		L		M		N							
Schedule C Consumption		Fiscal Year		Zone		2003-04		2004-05		2003-04 Total		2004-05 Total		2004-05 Total		2006		2006 Total		2006 Total		2006 Total		2006 Total		2006 Total		2006 Total							
Net Cons		Fiscal Year		Zone		2003-04		2004-05		2003-04 Total		2004-05 Total		2004-05 Total		2006		2006 Total		2006 Total		2006 Total		2006 Total		2006 Total		2006 Total							
17		2003-04		2004-05		2003-04		2004-05		2003-04		2004-05		2004-05		2006		2006 Total		2006 Total		2006 Total		2006 Total		2006 Total		2006 Total							
18		W1		W2		W3		W1		W2		W3		W1		W2		W3		W1		W2		W3		W1		W2		W3					
1	72,583,900	32,706,800	11,457,600	93,930,300	44,241,200	18,289,200	116,748,300	93,930,300	44,241,200	18,289,200	156,460,700	75,180,427	28,694,900	14,730,700	118,606,027																				
2	103,125,500	59,263,400	15,826,700	85,872,900	52,406,400	16,164,800	178,215,600	85,872,900	52,406,400	16,164,800	154,444,100	95,024,200	46,526,100	16,928,700	158,479,000																				
3	74,988,200	40,627,700	11,569,000	96,664,400	34,609,700	17,016,600	127,184,900	96,664,400	34,609,700	17,016,600	148,290,700	24,521,500	40,914,200	17,928,800	83,364,500																				
4	77,577,900	26,235,000	12,169,400	56,636,900	15,114,300	10,921,900	115,982,300	56,636,900	15,114,300	10,921,900	82,673,100	156,485,000	15,060,100	11,675,000	183,220,100																				
5	60,274,300	10,985,500	7,451,000	41,161,000	18,439,900	6,831,400	78,710,800	41,161,000	18,439,900	6,831,400	68,432,300	51,743,000	15,307,700	9,640,500	76,691,200																				
6	24,002,700	13,053,800	4,325,300	39,659,300	1,398,500	5,597,900	46,655,700	39,659,300	1,398,500	5,597,900	46,655,700	53,657,900	10,536,900	7,508,800	71,703,600																				
7	36,969,400	10,250,400	4,531,900	56,083,500	8,340,300	4,452,000	68,875,800	56,083,500	8,340,300	4,452,000	68,875,800	27,799,400	10,815,700	43,526,200																					
8	29,999,800	8,488,600	3,741,300	31,808,900	8,196,600	3,780,300	44,588,300	31,808,900	8,196,600	3,780,300	44,588,300	38,834,000	10,749,500	5,212,100	54,795,600																				
9	30,395,200	14,009,800	8,592,000	42,975,900	84,009,700	6,368,800	133,354,400	42,975,900	84,009,700	6,368,800	133,354,400																								
10	51,951,300	15,014,100	9,779,600	43,787,000	59,815,000	8,243,900	115,404,500	43,787,000	59,815,000	8,243,900	115,404,500																								
11	61,520,700	15,014,100	9,779,600	74,771,000	25,644,000	14,989,500	115,404,500	74,771,000	25,644,000	14,989,500	115,404,500																								
12	48,741,400	23,862,600	13,079,500	85,683,500	74,771,000	14,989,500	115,404,500	85,683,500	74,771,000	14,989,500	115,404,500																								
32	672,130,300	263,716,900	106,571,000	1,042,418,200	668,967,700	241,193,200	1,168,229,900	668,967,700	241,193,200	241,193,200	1,026,990,800	523,245,427	178,605,100	88,535,700	790,386,227																				
33	672,130,300	263,716,900	106,571,000	1,042,418,200	668,967,700	241,193,200	1,168,229,900	668,967,700	241,193,200	241,193,200	1,026,990,800	523,245,427	178,605,100	88,535,700	790,386,227																				
34	63%	412,552,500	182,872,200	62,799,000	638,223,700	413,924,800	74,821,800	654,956,600	74,821,800	74,821,800	654,956,600	July-Dec																							
35	37%	259,577,800	80,844,700	43,772,000	384,194,500	255,042,900	74,983,200	42,008,100	372,034,200	372,034,200	Jan - June																								
36		672,130,300	263,716,900	106,571,000	1,042,418,200	668,967,700	241,193,200	1,168,229,900	668,967,700	241,193,200	1,026,990,800																								
37																																			
38	Full Year	Old Rate/HCF	\$ 0.82	\$ 1.01	\$ 0.60	\$ 0.82	\$ 1.01	\$ 0.60	\$ 0.82	\$ 1.01	\$ 0.60																								
39		Revenue	\$ 5,511,468	\$ 2,650,355	\$ 640,492	\$ 8,802,315	\$ 5,485,535	\$ 2,423,992	\$ 702,148	\$ 8,611,674																									
40		New Rate/HCF	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84																									
41		Revenue	\$ 5,645,895	\$ 2,215,222	\$ 895,196	\$ 8,756,313	\$ 5,619,329	\$ 2,026,023	\$ 981,371	\$ 8,626,723																									
42																																			
43	Partial Yr.	Old Rate/HCF	\$ 0.82	\$ 1.01	\$ 0.60	\$ 0.82	\$ 1.01	\$ 0.60	\$ 0.82	\$ 1.01	\$ 0.60																								
44		Revenue	\$ 3,394,183	\$ 1,670,411	\$ 449,679	\$ 5,514,273	\$ 3,394,183	\$ 1,670,411	\$ 449,679	\$ 5,514,273																									
45		New Rate/HCF	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84																									
46		Revenue	\$ 2,142,360	\$ 629,859	\$ 352,868	\$ 3,125,087	\$ 2,142,360	\$ 629,859	\$ 352,868	\$ 3,125,087																									
47		Total Revenue	\$ 5,536,544	\$ 2,300,269	\$ 802,547	\$ 8,639,360	\$ 5,536,544	\$ 2,300,269	\$ 802,547	\$ 8,639,360																									
48	Percentage Change in Consumption 2003-04 and 2004-05																																		
49		W1	W2	W3	Total	W1	W2	W3	Total	W1	W2	W3	Total	W1	W2	W3	Total	W1	W2	W3	Total	W1	W2	W3	Total	W1	W2	W3	Total	W1	W2	W3	Total		
50	July	29%	35%	60%	34%	29%	35%	60%	34%	29%	35%	60%	34%	29%	35%	60%	34%	29%	35%	60%	34%	29%	35%	60%	34%	29%	35%	60%	34%	29%	35%	60%	34%		
51	Aug	-17%	-12%	2%	-13%	-17%	-12%	2%	-13%	-17%	-12%	2%	-13%	-17%	-12%	2%	-13%	-17%	-12%	2%	-13%	-17%	-12%	2%	-13%	-17%	-12%	2%	-13%	-17%	-12%	2%	-13%		
52	Sept	29%	47%	17%	17%	29%	47%	17%	17%	29%	47%	17%	17%	29%	47%	17%	17%	29%	47%	17%	17%	29%	47%	17%	17%	29%	47%	17%	17%	29%	47%	17%	17%		
53	Oct	-27%	-42%	-10%	-29%	-27%	-42%	-10%	-29%	-27%	-42%	-10%	-29%	-27%	-42%	-10%	-29%	-27%	-42%	-10%	-29%	-27%	-42%	-10%	-29%	-27%	-42%	-10%	-29%	-27%	-42%	-10%	-29%		
54	Nov	-32%	68%	-8%	-16%	-32%	68%	-8%	-16%	-32%	68%	-8%	-16%	-32%	68%	-8%	-16%	-32%	68%	-8%	-16%	-32%	68%	-8%	-16%	-32%	68%	-8%	-16%	-32%	68%	-8%	-16%		
55	Dec	65%	-89%	29%	13%	65%	-89%	29%	13%	65%	-89%	29%	13%	65%	-89%	29%	13%	65%	-89%	29%	13%	65%	-89%	29%	13%	65%	-89%	29%	13%	65%	-89%	29%	13%		
56	Jan	52%	-19%	-2%	33%	52%	-19%	-2%	33%	52%	-19%	-2%	33%	52%	-19%	-2%	33%	52%	-19%	-2%	33%	52%	-19%	-2%	33%	52%	-19%	-2%	33%	52%	-19%	-2%	33%		
57	Feb	-81%	-3%	1%	-58%	-81%	-3%	1%	-58%	-81%	-3%	1%	-58%	-81%	-3%	1%	-58%	-81%	-3%	1%	-58%	-81%	-3%	1%	-58%	-81%	-3%	1%	-58%	-81%	-3%	1%	-58%		
58	Mar	5%	-7%	3%	2%	5%	-7%	3%	2%	5%	-7%	3%	2%	5%	-7%	3%	2%	5%	-7%	3%	2%	5%	-7%	3%	2%	5%	-7%	3%	2%	5%	-7%	3%	2%		
59	Apr	-17%	500%	-26%	79%	-17%	500%	-26%	79%	-17%	500%	-26%	79%	-17%	500%	-26%	79%	-17%	500%	-26%</															





