

Fiscal Year 2017-2018

Budget Executive Summary

General Manager

Clemens Heldmaier

Staff

Julian Martinez
Judy Gromm
Nicholas Carrington
Reeson Blevins
Clyde Bradshaw

Board of Directors

Dwight Wilson, *President*
Scott Boyd, *President Pro Tem*
Kathryn Slater-Carter, *Secretary*
Bill Huber, *Treasurer*
Jim Harvey, *Director*

The Mission of Montara Water and Sanitary District

To sensitively manage the natural resources entrusted to our care, to provide the people of Montara and Moss Beach with reliable, high-quality water, wastewater, and trash disposal services at an equitable price, and to ensure the fiscal and environmental vitality of the district for future generations.

District Overview

The Montara Water & Sanitary District, formed in 1958 as a public agency, is responsible for maintaining approximately twenty-five miles of sewer line and thirteen pump stations. The District is a member of the JPA, Sewer Authority-Mid Coastside (SAM), which operates the sewage treatment plant and inter-tie pipeline connecting the member agencies.

In addition, the District manages a solid waste franchise with Recology of the Coast which collects all trash and disposes of it properly, as well as recycles the material placed in the recycling bins by each household.

Through special State legislation, was granted the powers of a county water district. This was done in an effort to improve the water supply and service provided by the private water company serving the area. On August 5, 2003, the district acquired, and began operating, the water system to serve the unincorporated areas of Montara and Moss Beach. Since then the District has successfully improved water quality and source reliability.

Fiscal Year 2017-2018

Budget Executive Summary

Fiscal year 2016-17 Accomplishments

1. Zero Water Operator turnover
2. Increase in Connections sold in both the Water and Sewer enterprise
3. Successful Financial Audit and Single Audit
 - a. No note of material weaknesses or significant deficiencies in the Financial Statement Audit

Fiscal Year 2017-18 Budget Overview

This budget continues the District's tradition of meeting all regulatory requirements in planning, designing, operating, and maintaining its facilities. We also continue a tradition of fiscal responsibility, recognizing the cost of the District services impacts the community, balanced with the need to maintain prudent reserves to sustain our capital assets. With the resources provided in this budget, the District can continue to focus on customers, work in an environmentally friendly manner, establish and maintain partnerships with other organizations, and foster a positive environment for employees.

Projections used in this budget are the result of multi-levels of review by management, staff, finance committee and the Board of Directors. Cost increases have been limited as much as possible to essential projects or services. As shown in the following Budgeted Cash Flow for both Sewer and Water, the budget presents a projection of revenues by funding source, operating expenses, debt service costs and capital expenditures planned for fiscal year 2017-18. Capital project cost estimates are based on the Capital Improvement Program (CIP) and related water master plan.

Sewer Enterprise:

Sewer service charge:

The budget model has been set using a dollar value growth factor of 2.88%. The actual dollar percentage increased by 1.70% due to slightly un-favorable flow distribution in the prior wet weather period. Due to this decrease in flow of 1.57%, the District is expecting to take in \$30,445 more revenue than prior fiscal year. The current residential occupancy rate charge is \$41.73 per hundred cubic feet (HCF). The District is proposing a rate of \$42.93 HCF, which is the maximum prop 218 limit. The District will be going out for a rate study in fiscal year 2017-18, this expense has been budgeted for.

Sewer Authority Mid-Coastside:

The major factors impacting the Sewer enterprise are the overall costs of being a part of the SAM JPA. The SAM budget is comprised of two separate assessments:

1. Operations & Maintenance, which includes a capital infrastructure component
2. Collection Services

Fiscal Year 2017-2018

Budget Executive Summary

Current year differences as compared to last fiscal year are as follows:

	FY 2016-17	FY 2017-18		
	Adopted Budget	Proposed Budget	\$ (Decrease)	% (Decrease)
Operations & Maintenance	\$ 694,531	\$ 1,259,320	\$ 564,789	81.32%
Collection Services	\$ 321,608	\$ 285,934	\$ (35,674)	-11.09%
Infrastructure	\$ 153,710	\$ -	\$ (153,710)	-100.00%
	<u>\$ 1,169,849</u>	<u>\$ 1,545,254</u>		

Labor:

The District has the equivalent of two full time equivalents that are paid through Sewer operations. Overall, benefits and labor in comparison to fiscal year 2016-17 are budgeted to increase \$5,768 or 1.92%. This fiscal year includes a 3.79% cost of living increase as well as a 2.5% merit increase. The District will welcome a new District Clerk at the beginning of the new fiscal year, taking over for Judy Gromm who is planning on leaving in the Summer of 2017.

Connection Fees:

Revenue from new residential construction has been budgeted to increase slightly by \$4,320 or 3.08%. For fiscal year 2016-17 the District has issued four new connections. Based on the unexpected nature of new connection issuances, the District is remaining conservative and budgeting for a total of six new connections issued for fiscal year 2017-18. The revenue from these connections is used for MWSD capital expenditures and the SAM assessment for capital infrastructure improvements

Capital Improvement:

Fiscal year 2016-17 Sewer CIP budget was set at \$1,745,750. The planned high priority projects included the Cabrillo Highway Phase 1 A & B sewer main replacement as well as other mechanical system repairs & replacements that were deemed to be high priority. A number of issues have plagued the ability to proceed on a number of these planned projects. Through April 2017, Sewer CIP is 49.07% through its total budget for a total of \$856,689 in capital costs.

Fiscal year 2017-2018 budget model currently includes the majority of these high priority projects as well as others. For this reason, the budget set for fiscal year 2016-17 is \$1,640,000. The District expects to have to use a good portion of reserves to fund these projects which have been in the works for many years.

Water Enterprise:

Water Sales:

In fiscal year 2014-2015 the District's Water enterprise went through a comprehensive Rate Study prepared by Bartle Wells. The rate study was the culmination of many months of work. Bartle Wells

Fiscal Year 2017-2018

Budget Executive Summary

drafted various financial models in order to decide the long term rate structure for the District. The specific assumptions made included the *cost escalation factor*, *interest earnings rate*, *growth in customer base*, and *price elasticity*. These assumptions are used in order to account for the known cost drivers. The largest portion being the Water enterprise's debt service responsibilities for the next 10-15 years and the District's long term capital improvement program set forth by the District's master plan. After careful consideration of three proposed financial models put in place by Bartle Wells, the decision of a 3% water rate increase and 10 new connections per year was deemed appropriate.

Whereas the Bartle Wells model is used as a guide for the District's budget, it is not followed to the dollar. For fiscal year 2017-18, water rates have been budgeted for a 3% rate increase, which compared to our projected revenues for the fiscal year would translate to an additional \$54,000 of revenue. An additional \$50,000 is expected from increased consumption. This brings the District's overall expectation of revenue from water sales to be \$1,915,496; an increase of \$115,496 or 6.42%.

Labor:

The District has the equivalent of 5 full time equivalents that are paid through Water operations. Overall, benefits and labor in comparison to fiscal year 2016-17 are budgeted to increase \$45,738 or 6.32%. This fiscal year includes a 3.79% cost of living increase as well as a 2.5% merit increase. The District will welcome a new billing specialist at the beginning of the fiscal year, taking over for Joanne Andreotti, who left in March 2017.

Connection Fees:

Connection fees revenue for new construction has been set to increase by \$47,020 with the estimate that 10 connections will be issued in fiscal year 2017-18. Thus far through April the District has issued seven new connections. The District is aware that the possibility of many more connections being issued related to the Big Wave project. However, with the current uncertainty regarding the project, it would not be prudent to include the additional revenue for fiscal year 2017-18.

Fiscal Year 2017-2018

Budget Executive Summary

Capital Improvement:

The current year CIP budget of \$713,500 is an increase of \$94,500 or 15.27%. This increase was to be expected as the District is back to continually maintaining and improving the current system through the traditional sense of replacing water main, laterals, and meters. The Pillar Ridge Rehab project is currently on-going and is expected to continue for the next five years.

Conclusion:

The District strives to keep its rate increases and overall costs as low as possible while meeting or exceeding regulatory standards and maintaining a focus on environmental stewardship. Rate increases for services remain below the average in the region, while the District has been recognized for excellence at the local and state levels.



Montara Water & Sanitary

Budgeted Cash Flow - Sewer

Fiscal year 2017-2018

Cash flow summary

Operating cash flow

Operating income		
Sewer Service Charges	\$	1,999,171
Cell Tower Lease	\$	34,300
Fees & Other	\$	17,000
Property Tax	\$	235,000
Waste Collection Revenues	\$	22,000
Total operating income	\$	2,307,471
Operating expenses		
Personnel	\$	(306,639)
Professional Services	\$	(114,950)
Facilities & Administration	\$	(46,100)
Engineering	\$	(52,000)
Pumping	\$	(32,000)
Sewer Authority Mid-Coastside	\$	(1,635,254)
All other Accounts	\$	(53,860)
Total operating expenses	\$	(2,240,803)
Net Cash Flow Provided by Operations	\$	66,668

Investment cash flow

Investment income		
Interest Revenue	\$	15,000
Total investment income	\$	15,000
Investment expenses		
Capital Improvement Program	\$	(1,640,000)
SAM Capital Assessment	\$	-
Total investment expenses	\$	(1,640,000)
Net Cash Flow Used by Investments	\$	(1,625,000)

Financing cash flow

Financing income		
Connection Fees	\$	194,576
Total financing income	\$	194,576
Financing expenses		
Loan Interest Expense	\$	(42,634)
Loan Principal Payment	\$	(75,179)
Total financing expenses	\$	(117,813)
Net Cash Flow Provided by Financing Activities	\$	76,763
Overall projected cash flow	\$	(1,481,568)
Transfer from Sewer Reserves	\$	1,481,568
Net cash flow	\$	-



Montara Water & Sanitary

Budgeted Cash Flow - Water

Fiscal year 2017-2018

Cash flow summary

Operating cash flow

Operating income		
Water Sales	\$	1,912,496
Cell Tower Lease	\$	34,300
Fees & Other	\$	12,050
Property Tax	\$	235,000
Backflow Testing & Other	\$	13,000
Total operating income	\$	2,206,846
Operating expenses		
Personnel	\$	(769,260)
Professional Services	\$	(139,700)
Facilities & Administration	\$	(57,380)
Engineering	\$	(87,000)
Pumping	\$	(109,000)
Supply	\$	(52,000)
Collection/Transmission	\$	(94,500)
Treatment	\$	(64,000)
All Other Accounts	\$	(130,600)
Total operating expenses	\$	(1,503,440)
Net Cash Flow Provided by Operations	\$	703,406

Investment cash flow

Investment income		
GO Bonds, Assessment Receipts	\$	1,150,436
Total investment income	\$	1,150,436
Investment expenses		
Capital Improvement Program	\$	(713,500)
Total investment expenses	\$	(713,500)
Net Cash Flow Used by Investments	\$	436,936

Financing cash flow

Financing income		
Connection Fees	\$	253,020
Total financing income	\$	253,020
Financing expenses		
Long Term Debt - Interest Expense	\$	(326,530)
Long Term Debt - Principal Payment	\$	(1,062,675)
Total financing expenses	\$	(1,389,205)
Net Cash Flow Provided by Financing Activities	\$	(1,136,185)
Overall projected cash flow	\$	4,157
Transfer to Water Reserves	\$	4,157
Net cash flow	\$	-



MWSD — Fiscal Year 2017-18 Operations Budget - SEWER ENTERPRISE

Operating Revenue	GL Codes	2014-15		Approved		Income/Expenditure		Projected as		Budgeted amounts	Increase/(Decrease)	Increase/(decrease)
		Actual	2015-16 Actual	Budget 2016-17	s as of April 30,	% To date	Projected	% of Budget	2017-18	from 2016-2017 \$	%	
Cell Tower Lease:	4220	32,422	33,500	33,500	28,573	85.29%	34,288	102.35%	34,300	800	2.39%	
Administrative Fees (New Construction):	4410	1,852	3,318	3,000	3,409	113.63%	4,091	136.36%	3,500	500	16.67%	
Administrative Fees (Remodel):	4420	3,241	1,422	1,500	1,448	96.53%	1,738	115.84%	2,000	500	33.33%	
Inspection Fees (New Construction):	4430	1,748	3,136	2,500	3,220	128.80%	3,864	154.56%	3,500	1,000	40.00%	
Inspection Fees (Remodel):	4440	4,969	3,219	3,500	3,748	107.09%	4,498	128.50%	4,000	500	14.29%	
Remodel Fees:	4460	19,777	2,222	7,000	3,396	48.51%	4,075	58.22%	4,000	(3,000)	-42.86%	
Property Tax Receipts:	4610	214,220	325,926	235,000	312,876	133.14%	327,000	139.15%	235,000			
Sewer Service Charges:	4710	2,203,383	2,063,335	1,969,726	1,802,159	91.49%	1,969,726	100.00%	2,003,171	33,445	1.70%	
Sewer Service Refunds, Customer:	4720	(6,915)	(8,386)	(4,000)	(10,530)	263.25%	(12,636)	315.90%	(4,000)			
Waste Collection Revenues:	4760	17,844	19,350	21,000	19,208	91.47%	23,050	109.76%	22,000	1,000	4.76%	
Other Revenue:	4990		154		280	100.00%	336	100.00%				
Total Operating Revenue:		2,492,171	2,447,196	2,272,726	2,167,787	95.38%	2,360,029	103.84%	2,307,471	34,745	1.53%	
Operating Expenses												
Bank Fees:	5190	6,709	3,363	5,500	5,732	104.22%	6,400	116.36%	6,500	1,000	18.18%	
Board Meetings:	5210	4,850	3,282	3,000	2,986	99.53%	3,583	119.44%	4,000	1,000	33.33%	
Director Fees:	5220	1,269	2,363	3,300	2,290	69.39%	3,053	92.53%	3,300			
Election Expenses:	5230			4,000	4,860	121.50%	4,860	121.50%		(4,000)		
Conference Attendance:	5250			2,000	147	7.33%	1,000	50.00%	2,000			
Information Systems:	5270	3,069	3,888	6,000	1,057	17.62%	1,409	23.49%	6,000			
Fidelity Bond:	5310	438		500					500			
Property & Liability Insurance:	5320	1,667	1,688	1,700	1,918	112.85%	1,918	112.82%	2,000	300	17.65%	
LAFCO Assessment:	5350	1,754	1,718	2,000	1,526	76.30%	1,526	76.30%	2,000			
Meeting Attendance, Legal:	5420	6,770	7,139	9,500	5,670	59.68%	7,560	79.58%	9,500			
General Legal:	5430	9,375	31,865	20,000	24,235	121.18%	32,313	161.57%	25,000	5,000	25.00%	
Maintenance, Office:	5510	5,337	7,619	8,000	6,363	79.54%	8,484	106.05%	8,000			
Meetings, Local:	5520											
Memberships:	5530				708	100.00%						
Office Supplies:	5540	9,319	7,366	8,000	5,950	74.38%	7,933	99.17%	8,000			
Postage:	5550	1,214	2,668	2,500	1,034	41.36%	1,379	55.15%	2,500			
Printing & Publishing:	5560	2,786	3,478	3,000	577	19.23%	769	25.64%	3,000			
Accounting:	5610	24,483	38,555	30,000	16,550	55.17%	22,067	73.56%	30,000			
Audit:	5620	10,050	12,050	13,000	13,000	100.00%	13,000	100.00%	13,000			
Consulting:	5630	18,979	16,886	28,000	11,947	42.67%	15,929	56.89%	28,000			
Data Services:	5640	5,792	5,504	6,000	2,125	35.42%	2,833	47.22%	6,000			
Labor & HR Support:	5650	4,286	1,875	2,250	1,875	83.33%	2,500	111.11%	2,500	250	11.11%	
Payroll Services:	5660	753	839	800	803	100.38%	1,071	133.83%	950	150	18.75%	
Other Professional Services:	5690	10	375		102	100.00%	135	100.00%				
San Mateo County Tax Roll Charges:	5710		116	2,500	119	4.76%	159	6.35%	2,500			
Telephone & Internet:	5720	9,812	13,742	11,000	12,317	111.97%	16,423	149.30%	16,500	5,500	50.00%	
Mileage Reimbursement:	5730	1,137	682	1,500	617	41.13%	823	54.84%	1,500			
Reference Materials:	5740			200	23	11.50%	31	15.33%	200			
Other Administrative:	5790											
CalPERS 457 Deferred Plan:	5810	13,303	13,954	15,117	12,899	85.33%	15,479	102.39%	15,445	328	2.17%	
Employee Benefits:	5820	34,993	47,890	34,382	26,511	77.11%	31,813	92.53%	35,635	1,253	3.64%	
Disability Insurance:	5830	1,206	1,397	1,479	1,020	68.97%	1,224	82.76%	1,534	55	3.72%	
Payroll Taxes:	5840	12,920	14,577	16,521	11,559	69.97%	13,871	83.96%	16,879	358	2.17%	
Worker's Compensation Insurance:	5960	2,558	491	3,649	1,135	31.12%	1,363	37.35%	2,447	(1,202)	-32.93%	
Management:	5910	71,501	92,434	93,373	83,311	89.22%	99,973	107.07%	103,725	10,352	11.09%	
Staff :	5920	100,302	112,648	118,444	97,071	81.96%	116,485	98.35%	112,599	(5,845)	-4.93%	
Staff Certification:	5930	1,800	1,800	1,800	1,500	83.33%	1,800	100.00%	1,800			
Staff Overtime:	5940	3,480	2,888	2,339	3,533	151.04%	4,240	181.25%	2,514	175	7.49%	
Staff Standby:	5950	928	29									
PARS:	5850		13,495	13,768	11,724	85.15%	14,069		14,061	293	2.13%	
Claims, Property Damage:	6170	2,139		10,000					10,000			
Education & Training:	6195			1,000					1,000			
Meeting Attendance, Engineering:	6210			2,000					2,000			
General Engineering:	6220	61,309	31,924	50,000	34,522	69.04%	46,029	92.06%	50,000			
Equipment & Tools, Expensed:	6320			1,000					1,000			



MWSD — Fiscal Year 2017-18 Operations Budget - SEWER ENTERPRISE

Operating Revenue	GL Codes	2014-15	Approved		Income/Expenditure		Projected	Projected as	Budgeted amounts	Increase/(Decrease)	Increase/(decrease)
		Actual	2015-16 Actual	Budget 2016-17	s as of April 30,	% To date		% of Budget			
Alarm Services:	6335	4,701	5,896	5,340	4,267	79.91%	5,689	106.54%	5,700	360	6.74%
Landscaping:	6337	2,280	3,512	2,400	3,510	146.25%	4,080	170.00%	2,400		
Pumping Fuel & Electricity:	6410	26,888	25,454	27,000	23,486	86.99%	31,315	115.98%	32,000	5,000	18.52%
Pumping Maintenance, General:	6430		3,525								
Maintenance, Collection System:	6660			10,000					10,000		
Fuel:	6810	511	792	800	584	72.98%	778	97.31%	800		
Truck Equipment, Expensed:	6820	87	89	160	34	21.29%	45	28.38%	160		
Truck Repairs:	6830	51	153	400	143	35.81%	191	47.75%	400		
Total Other Operations:	6890	119			550	100.00%	733	100.00%			
SAM Collections:	6910	305,856	360,504	321,608	268,007	83.33%	321,608	100.00%	285,934	(35,674)	-11.09%
SAM Operations:	6920	624,024	707,892	694,531	562,149	80.94%	674,579	97.13%	1,259,320	564,789	81.32%
SAM Prior-Year Adjustment:	6930	(3,190)									
SAM Maintenance, Collection System:	6940	15,550	27,649	40,000	55,257	138.14%	55,257	138.14%	40,000		
SAM Maintenance, Pumping:	6950	46,632		50,000	19,180	38.36%	19,180	38.36%	50,000		
Total Operations Expense:		1,399,540	1,636,054	1,691,360	1,346,483	79.61%	1,616,961	95.60%	2,240,803	549,443	32.49%
Net Change in position from Operations:		1,092,630	811,142	581,366	821,305	141.27%	743,068	127.81%	66,668	(514,698)	-88.53%



MWSD — Fiscal Year 2017-2018 Non-Operating Budget - SEWER ENTERPRISE

	GL Codes	2014-15 Actual	2015-16 Actual	Approved Budget 2016-17	Income/Expenditure s as of April 30_	% To date	Projected	Projected as % of Budget	Budgeted amounts 2017-18	Increase/(Decrease) from 2016-17 \$	Increase/(decrease) %
Non Operating Revenue											
Connection Fees, Residential New Const:	7110	142,923	53,363	140,256	109,242	77.89%	131,091	93.47%	144,576	4,320	3.08%
Connection Fees, Residential Remodel:	7120	23,432	47,234	50,000	29,851	59.70%	35,821	71.64%	50,000		
LAIF, Interest:	7200	11,938	18,184	10,000	13,851	138.51%	16,621	166.21%	15,000	5,000	50.00%
Total Non Operating Revenue:		182,362	119,676	200,256	152,944	76.37%	183,533	91.65%	209,576	9,320	4.65%
Non Operating Expense											
PNC Equipment Lease:	9125	21,819	20,743	19,598	15,579	79.49%	18,695	95.39%	18,280	(1,318)	-6.73%
Capital Assessment, SAM:	9175	63,360	160,668	153,710	87,814	57.13%	105,377	68.56%		(153,710)	-100.00%
I-Bank Loan:	9200	26,493	28,484	25,201	2,135	8.47%	2,562	10.17%	24,354	(847)	-3.36%
Total Non Operating Expense:		111,671	209,895	198,508	105,528	53.16%	126,633	63.79%	42,634	(155,875)	-78.52%
Net Change in position from Non Operating		70,691	(90,219)	1,748	47,416		56,900		166,942	165,195	



MWSD — Fiscal Year 2017-2018 Operations Budget - WATER ENTERPRISE

Operating Revenue	GL Codes	2014-15	2015-16	Approved Budget	Income/Expenditures	% To date	Projected	Projected as %	Budgeted amounts	Increase/(Decrease)	Increase/(decrease)
		Actual	Actual	2016-17	as of April 30, 2017			of Budget	2017-18	from 2016-17 \$	%
Cell Tower Lease:	4220	32,422	33,500	33,500	28,573	85.29%	34,288	102.35%	34,300	800	2.39%
Administrative Fees (New Construction):	4410	5,067	6,349	4,500	6,805	151.22%	8,166	181.47%	5,500	1,000	22.22%
Administrative Fees (Remodel):	4420	985	0	900	0	0.00%	0	0.00%	900	0	0.00%
Inspection Fees (New Construction):	4430	4,833	5,813	4,250	6,428	151.25%	7,714	181.50%	5,000	750	17.65%
Inspection Fees (Remodel):	4440	929	0	800	460	57.50%	552	69.00%	650	(150)	-18.75%
Mainline Extension Fees:	4450	10,290	46,459		0	0.00%	0	0.00%	0	0	
Remodel Fees:	4460	324	0		106	100.00%	127	100.00%	0		
Property Tax Receipts:	4610	424,451	325,926	235,000	312,876	133.14%	327,000	139.15%	235,000	0	0.00%
Testing, Backflow:	4740	9,589	16,377	13,000	12,166	93.59%	14,599	112.30%	13,000	0	0.00%
Water Sales:	4810	1,667,369	1,739,389	1,800,000	1,509,301	83.85%	1,811,161	100.62%	1,915,496	115,496	6.42%
Water Sales Refunds, Customer:	4850	(395)	(1,488)	(3,000)	(2,333)	77.77%	(2,800)	93.32%	(3,000)	0	0.00%
Other Revenue:	4990	2,855	8,793		9,221	100.00%	11,065	100.00%		0	
Total Operating Revenue:		2,158,720	2,181,118	2,088,950	1,883,603	90.17%	2,211,872	105.88%	2,206,846	117,896	5.64%
Operating Expenses											
Bank Fees:	5190	5,874	9,607	10,000	5,534	55.34%	7,379	73.79%	7,000	(3,000)	-30.00%
Board Meetings:	5210	2,931	3,282	3,000	2,986	99.53%	3,981	132.71%	4,000	1,000	33.33%
Director Fees:	5220	3,188	2,363	3,300	2,290	69.39%	3,053	92.53%	3,300	0	0.00%
Election Expenses:	5230		0	4,000	4,860	121.50%	6,480	162.00%	0	(4,000)	
CDPH Fees:	5240	14,535	18,086	15,500	0	0.00%	0	0.00%	15,500	0	0.00%
Conference Attendance:	5250	3,442	5,267	4,000	850	21.25%	1,133	28.34%	4,000	0	0.00%
Information Systems:	5270	3,069	3,888	1,500	2,363	157.53%	2,363	157.53%	3,000	1,500	100.00%
Fidelity Bond:	5310	438		500	0	0.00%	0	0.00%	500	0	0.00%
Property & Liability Insurance:	5320	1,667	1,688	2,700	1,918	71.05%	2,558	94.74%	2,700	0	0.00%
LAFCO Assessment:	5350	2,376	2,328	2,500	2,048	81.92%	2,731	109.23%	2,500	0	0.00%
Meeting Attendance, Legal:	5420	6,768	7,700	8,500	5,668	66.68%	7,557	88.91%	8,500	0	0.00%
General Legal:	5430	58,623	43,625	60,000	40,578	67.63%	54,104	90.17%	60,000	0	0.00%
Maintenance, Office:	5510	5,337	8,122	8,000	8,108	101.35%	10,811	135.13%	8,000	0	0.00%
Meetings, Local:	5520	298	0	0	0	0.00%	0	0.00%	0	0	
Memberships:	5530	16,945	17,225	18,000	17,679	98.22%	17,679	98.22%	18,000	0	0.00%
Office Supplies:	5540	9,319	7,366	8,000	5,949	74.36%	7,932	99.15%	8,000	0	0.00%
Postage:	5550	9,909	7,578	6,000	5,589	93.15%	7,452	124.20%	7,500	1,500	25.00%
Printing & Publishing:	5560	2,681	1,650	2,000	797	39.85%	1,063	53.13%	2,000	0	0.00%
Accounting:	5610	24,483	38,555	30,000	16,550	55.17%	22,067	73.56%	30,000	0	0.00%
Audit:	5620	10,050	20,950	20,500	13,000	63.42%	17,333	84.55%	13,000	(7,500)	-36.59%
Consulting:	5630	50,273	28,650	25,000	20,987	83.95%	27,983	111.93%	25,000	0	0.00%
Data Services:	5640	9,044	18,773		2,125	100.00%	0	0.00%	0	0	
Labor & HR Support:	5650	4,661	2,651	2,000	1,875	93.75%	2,500	125.00%	2,250	250	12.50%
Payroll Services:	5660	1,017	839	850	803	94.47%	1,071	125.96%	950	100	11.76%
Other Professional Services:	5690	19,425	227		2,974	100.00%	3,965	100.00%		0	
San Mateo County Tax Roll Charges:	5710		122		119	100.00%	159	100.00%			
Telephone & Internet:	5720	13,491	19,391	17,000	16,811	98.89%	22,415	131.85%	22,380	5,380	31.65%
Mileage Reimbursement:	5730	2,326	2,157	2,000	1,202	60.10%	1,603	80.13%	2,000	0	0.00%
Reference Materials:	5740	0	0	800	23	2.88%	31	3.83%	800	0	0.00%
Other Administrative:	5790	248	127		1,452	100.00%	1,936	100.00%	0	0	
CalPERS 457 Deferred Plan:	5810	29,503	31,571	33,970	28,043	82.55%	33,652	99.06%	35,513	1,543	4.54%
Employee Benefits:	5820	55,586	75,196	69,368	52,579	75.80%	63,095	90.96%	86,856	17,488	25.21%
Disability Insurance:	5830	2,605	3,329	2,921	2,525	86.44%	3,030	103.73%	3,637	716	24.51%
Payroll Taxes:	5840	32,426	36,932	40,574	31,391	77.37%	37,669	92.84%	42,294	1,720	4.24%
Worker's Compensation Insurance:	5960	12,461	4,788	19,312	10,174	52.68%	12,208	63.22%	19,948	636	3.30%
Management:	5910	93,691	92,434	93,373	83,313	89.23%	99,976	107.07%	103,725	10,352	11.09%
Staff :	5920	286,814	329,764	350,791	290,033	82.68%	348,040	99.22%	358,357	7,566	2.16%
Staff Certification:	5930	9,000	9,440	9,000	7,525	83.61%	9,030	100.33%	9,000	0	0.00%
Staff Overtime:	5940	47,530	48,214	52,353	44,017	84.08%	52,820	100.89%	55,831	3,478	6.44%
Staff Standby:	5950	17,742	22,621	24,857	19,796	79.64%	23,755	95.57%	25,947	1,091	4.39%
PARS:	5850			27,005	22,282	82.51%	26,738		28,152	1,147	4.25%
Backflow Prevention:	6160	4,682	800	1,000	892	89.23%	1,190	118.97%	1,000	0	0.00%



MWSD — Fiscal Year 2017-2018 Operations Budget - WATER ENTERPRISE

Operating Revenue	GL Codes	2014-15	2015-16	Approved Budget	Income/Expenditures	% To date	Projected	Projected as %	Budgeted amounts	Increase/(Decrease)	Increase/(decrease)
		Actual	Actual	2016-17	as of April 30, 2017			of Budget	2017-18	from 2016-17 \$	%
Claims, Property Damage:	6170	0	0	10,000	175	1.75%	233	2.33%	10,000	0	0.00%
SCADA Maintenance:	6185	11,177	28,817	15,000	19,456	129.71%	25,941	172.94%	20,000	5,000	33.33%
Internet & Telephone, Communications:	6187		0		0	0.00%	0	0.00%	0	0	
Education & Training:	6195	4,278	2,574	6,000	5,877	97.95%	7,836	130.60%	7,000	1,000	16.67%
Meeting Attendance, Engineering:	6210	0	0	2,000	0	0.00%	0	0.00%	2,000	0	0.00%
General Engineering:	6220	3,780	15,406	20,000	6,121	30.61%	8,161	40.81%	20,000	0	0.00%
Water Quality Engineering:	6230	77,001	82,864	65,000	71,112	109.40%	94,816	145.87%	65,000	0	0.00%
Equipment & Tools, Expensed:	6320	5,186	4,008	5,000	2,164	43.28%	2,885	57.71%	5,000	0	0.00%
Alarm Services:	6335	715	640	750	597	79.60%	796	106.13%	800	50	6.67%
Landscaping:	6337	3,746	6,226	6,000	5,664	94.40%	7,552	125.87%	6,000	0	0.00%
Lab Supplies & Equipment:	6370	39	818	1,000	178	17.80%	237	23.73%	1,000	0	0.00%
Meter Reading:	6380	0	0	0	119	100.00%	159	100.00%	0	0	
Pumping Fuel & Electricity:	6410	72,500	89,652	100,000	62,830	62.83%	83,773	83.77%	90,000	(10,000)	-10.00%
Pumping Maintenance, Generators:	6420	9,581	4,771	8,000	7,501	93.76%	10,001	125.01%	10,000	2,000	25.00%
Pumping Maintenance, General:	6430	4,297	6,284	2,500	4,951	198.05%	6,602	264.07%	7,000	4,500	
Pumping Equipment, Expensed:	6440	0	1,786	2,000	0	0.00%	0	0.00%	2,000	0	0.00%
Maintenance, Raw Water Mains:	6510	0	2,478		1,363	100.00%	1,817	100.00%	2,000	2,000	
Maintenance, Wells:	6520	4,853	20,657	10,000	1,421	14.21%	1,894	18.94%	10,000	0	0.00%
Water Purchases:	6530	35,443	38,009	40,000	14,083	35.21%	18,777	46.94%	40,000	0	0.00%
Hydrants:	6610	0	0	1,000	3,819	381.90%	5,092	509.19%	1,000	0	0.00%
Maintenance, Water Mains:	6620	68,976	71,575	55,000	102,313	186.02%	136,417	248.03%	55,000	0	0.00%
Maintenance, Water Service Lines:	6630	16,458	33,705	25,000	4,166	16.66%	5,555	22.22%	25,000	0	0.00%
Maintenance, Tanks:	6640	690	8,741	1,000	71	7.06%	94	9.41%	1,000	0	0.00%
Maintenance, Distribution General:	6650	10,656	2,406	10,000	1,175	11.75%	1,567	15.67%	10,000	0	0.00%
Maintenance, Collection System:	6660		0		24	100.00%	32	100.00%			
Meters:	6670	4,805	5,382	2,500	9,930	397.22%	13,241	529.62%	2,500	0	0.00%
Chemicals & Filtering:	6710	27,289	40,896	30,000	10,360	34.53%	13,813	46.04%	30,000	0	0.00%
Maintenance, Treatment Equipment:	6720	2,949	11,965	4,000	3,798	94.95%	5,064	126.60%	4,000	0	0.00%
Treatment Analysis:	6730	22,355	28,890	30,000	20,524	68.41%	27,365	91.22%	30,000	0	0.00%
Uniforms:	6770	10,435	14,530	9,000	8,578	95.31%	11,437	127.08%	12,000	3,000	33.33%
Fuel:	6810	7,129	6,117	8,000	4,730	59.13%	6,307	78.83%	8,000	0	0.00%
Truck Equipment, Expensed:	6820	1,098	651	1,000	328	32.80%	437	43.73%	1,000	0	0.00%
Truck Repairs:	6830	5,752	1,074	5,000	1,033	20.66%	1,377	27.55%	5,000	0	0.00%
Other Operations:	6890	2,702	2,811		10,058	100.00%	13,411	100.00%		0	
Total Operations Expense:		1,288,342	1,461,040	1,454,922	1,162,227	79.88%	1,461,232	100.43%	1,503,440	48,518	3.33%
Net Change in position from Operations:		870,377	720,078	634,028	721,376	113.78%	750,640	118.39%	703,406	69,378	10.94%



MWSD — Fiscal Year 2017-2018 Non-Operating Budget - WATER ENTERPRISE

	GL Codes	2014-15 Actual	2015-16 Actual	Approved Budget 2016-17	Income/Expenditures as of April 30, 2017	% To date	Projected	Projected as % of Budget	Budgeted amounts 2017-18	Increase/(Decrease) from 2015-2016 \$	Increase/(decrease) %
Non Operating Revenue											
Connection Fees, Residential New Const:	7110	104,344	77,695	128,000	130,171	101.70%	156,205	122.04%	173,020	45,020	35.17%
Connection Fees, Residential Remodel:	7120	2,757	0	3,000	106	3.53%	127	4.24%		(3,000)	-100.00%
Connection Fees, Residential Fire:	7130	65,392	61,724	65,000	78,508	120.78%	94,210	144.94%	80,000	15,000	23.08%
Connection Fees, Residential Remodel Fire:	7140	0				0.00%	0	0.00%		0	
Connection Fees, Well Conversion:	7150					0.00%	0	0.00%		0	
General Obligation Bonds, Assessment Receipts:	7600	1,265,893	1,215,941	1,150,436	1,115,611	96.97%	1,338,733	116.37%	1,150,436	0	0.00%
Total Non Operating Revenue:		1,438,385	1,355,360	1,346,436	1,324,396	98.36%	1,589,275	118.04%	1,403,456	57,020	4.23%
Non Operating Expense											
General Obligation Bonds:	9100	327,105	307,634	295,734	171,022	57.83%	205,226	69.40%	273,978	(21,757)	-7.36%
PNC Equipment Lease:	9125	21,819	20,743	19,598	15,579	79.49%	18,695	95.39%	18,280	(1,318)	-6.73%
State Revolving Fund Loan:	9150	7,469	60,239	37,247	46,180	123.98%	55,416	148.78%	34,273	(2,975)	-7.99%
Water Rebates :	9210		6,018		700	100.00%	840	100.00%	500	500	
Total Non Operating Expense:		356,393	394,634		233,481	100.00%	280,177	100.00%	327,030	(26,049)	
Net Change in position from Non Operating activities:		1,081,992	960,726	1,346,436	1,090,915		1,309,098		1,076,426	83,069	6.17%

Montara Water and Sanitary District

Revenue By Grouping - Sewer Enterprise

<u>Grouped Categories</u>	<u>Actual FY 2016-17</u>	<u>FY 2016-17</u>	<u>FY 2016-17</u>	<u>% To date</u>	<u>FY 2016-17</u>	<u>Difference between</u>	<u>Budgeted amounts</u>	<u>Increase/(Decrease)</u>	<u>Increase/(decrease)</u>
		<u>Budgeted Revenues</u>	<u>Revenues as of</u>		<u>Projected</u>	<u>Budgeted vs.</u>	<u>2017-18</u>	<u>from 2016-2017 \$</u>	<u>%</u>
Sewer Service Charges	2,054,949	1,965,726	1,791,629	91.14%	1,957,090	(8,636)	1,999,171	33,445	1.70%
Cell Tower Lease	33,500	33,500	28,573	85.29%	34,288	788	34,300	800	2.39%
Fees & Other	13,471	17,500	15,501	88.58%	18,601	1,101	17,000	(500)	-2.86%
Property Tax	325,926	235,000	312,876	133.14%	327,000	92,000	235,000	0	0.00%
Waste Collection Revenues	19,350	21,000	19,208	91.47%	23,050	2,050	22,000	1,000	4.76%
Total	2,447,196	2,272,726	2,167,787	95.38%	2,360,029	87,303	2,307,471	34,745	1.53%

Expenditures by Grouping

General Operating Budget - Cost Center Roll-up

<u>Grouped Categories</u>	<u>Actual FY 2016-17</u>	<u>FY 2016-17</u>	<u>FY 2016-17</u>	<u>% To date</u>	<u>FY 2016-17</u>	<u>Difference between</u>	<u>Budgeted amounts</u>	<u>Increase/(Decrease)</u>	<u>Increase/(decrease)</u>
		<u>Budgeted</u>	<u>Revenues as of</u>		<u>Projected</u>	<u>Budgeted vs.</u>	<u>2017-18</u>	<u>from 2016-2017 \$</u>	<u>%</u>
Personnel	301,602	300,871	250,263	83.18%	300,316	(555)	306,639	5,768	1.92%
Professional Services	115,087	109,550	76,307	69.65%	97,409	(12,141)	114,950	5,400	4.93%
Facilities & Administration	44,281	40,240	34,018	84.54%	44,757	4,517	46,100	5,860	14.56%
Engineering	31,924	52,000	34,522	66.39%	46,029	(5,971)	52,000	0	0.00%
Pumping	28,979	27,000	23,486	86.99%	31,315	4,315	32,000	5,000	18.52%
Sewer Authority Mid-Coastside	1,096,045	1,106,139	904,592	81.78%	1,070,624	(35,515)	1,635,254	529,115	47.83%
All other Accounts	18,135	55,560	23,294	41.93%	26,510	(29,050)	53,860	(1,700)	-3.06%
Total	1,636,054	1,691,360	1,346,483	79.61%	1,616,961	(74,399)	2,240,803	549,443	32.49%

Montara Water and Sanitary District

Revenue By Grouping - Water Enterprise

Grouped Categories	FY 2016-17		FY 2016-17		FY 2016-17 Projected Revenues	Difference between Budgeted vs. Projected	Budgeted amounts 2017-18	Increase/(Decrease) from 2016-2017 \$	Increase/(decrease) %
	Actual FY 2016-17	Budgeted Revenues	Revenues as of March 31, 2017	% To date					
Water Sales	1,737,901	1,797,000	1,506,968	83.86%	1,808,362	11,362	1,912,496	115,496	6.43%
Cell Tower Lease	33,500	33,500	28,573	85.29%	34,288	788	34,300	800	2.39%
Fees & Other	58,621	10,450	13,799	132.05%	16,559	6,109	12,050	1,600	15.31%
Property Tax	325,926	235,000	312,876	133.14%	327,000	92,000	235,000	0	0.00%
Backflow Testing & Other	25,170	13,000	21,387	164.52%	25,664	12,664	13,000	0	0.00%
Total	2,181,118	2,088,950	1,883,603	90.17%	2,211,872	122,922	2,206,846	117,896	5.64%

Expenditures by Grouping

General Operating Budget - Cost Center Roll-up

Grouped Categories	FY 2016-17		FY 2016-17		FY 2016-17 Projected Expenditures	Difference between Budgeted vs. Projected	Budgeted amounts 2017-18	Increase/(Decrease) from 2016-2017 \$	Increase/(decrease) %
	Actual FY 2016-17	Budgeted Expenditures	Revenues as of March 31, 2017	% To date					
Personnel	654,290	723,522	591,678	81.78%	710,013	(13,509)	769,260	45,738	6.32%
Professional Services	162,091	146,850	104,560	71.20%	136,580	(10,270)	139,700	(7,150)	-4.87%
Facilities & Administration	52,788	50,450	46,886	92.94%	62,514	12,064	57,380	6,930	13.74%
Engineering	98,270	87,000	77,233	88.77%	102,977	15,977	87,000	0	0.00%
Pumping	102,493	112,500	75,282	66.92%	100,376	(12,124)	109,000	(3,500)	-3.11%
Supply	61,144	50,000	16,866	33.73%	22,489	(27,511)	52,000	2,000	4.00%
Collection/Transmission	121,810	94,500	121,498	128.57%	161,997	67,497	94,500	0	0.00%
Treatment	81,751	64,000	34,682	54.19%	46,243	(17,757)	64,000	0	0.00%
All other Accounts	126,403	126,100	93,542	74.18%	118,043	(8,057)	130,600	4,500	3.57%
Total	1,461,040	1,454,922	1,162,227	79.88%	1,461,232	6,310	1,503,440	48,518	3.33%

**MWSD SEWER Capital Improvement Program
2017-18
SEWER SYSTEM**

PROJECT	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22
MWSD CAPITAL PROJECTS					
Mechanical System Repairs & Replacements	\$ 30,000	\$ 75,000	\$ 50,000	\$ 50,000	\$ 25,000
Inflow & Infiltration Testing / Televising	\$ 10,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Seal Cove Area Repair and Maint. Project	\$ 35,000	\$ 20,000	\$ 15,000	\$ 15,000	\$ 15,000
Replace Pump Station Pumps	\$ 20,000	\$ 20,000	\$ 150,000	\$ 50,000	\$ 20,000
Replace Medium High Priority Sewer Mains	\$ 575,000	\$ 450,000	\$ 1,300,000	\$ 1,300,000	\$ 1,500,000
Spot Repairs Program	\$ 25,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Replace Distillery Pump Station		\$ 5,000	\$ 15,000	\$ 120,000	\$ 80,000
Cabrillo Hwy Express Sewer	\$ 945,000	\$ 900,000		\$ 400,000	\$ 500,000
Pump Station Communication Upgrades		\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
MWSD CAPITAL PROJECTS TOTAL:	\$ 1,640,000	\$ 1,502,500	\$ 1,562,500	1,967,500	2,172,500
TOTAL ANNUAL COST	1,640,000	1,502,500	1,562,500	1,967,500	2,172,500

MWSD
Five Year Capital Improvement Program
WATER SYSTEM

Existing Customer CIP - WATER	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	5-Year CIP Total
Distribution System Renewal and Replacement Pro	\$ 180,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 980,000
Water Conservation Program	\$ 8,500	\$ 8,755	\$ 9,018	\$ 9,288	\$ 9,567	\$ 45,128
Storage Tank Rehabilitation Program	\$ 150,000	\$ 100,000		\$ -	\$ -	\$ 250,000
Emergency Generator Replacement Program	\$ 75,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 235,000
Vehicle Replacement Fund	\$ -	\$ 25,000	\$ 27,000	\$ 29,000	\$ -	\$ 81,000
Pillar Ridge Rehabilitation Program	\$ 20,000	\$ 50,000	\$ 300,000	\$ 25,000	\$ 50,000	\$ 445,000
EXISTING CUSTOMER CIP TOTAL	\$ 433,500	\$ 423,755	\$ 576,018	\$ 303,288	\$ 299,567	\$ 2,036,128
New Customer CIP - WATER	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	5-Year CIP Total
Water Main Upgrade Program	\$ 180,000	\$ 309,000	\$ 318,270	\$ 327,818	\$ 337,653	\$ 1,472,741
Existing Well Upgrade Program	\$ 100,000		\$ 280,000	\$ 288,400	\$ 297,052	\$ 965,452
New and Upgraded PRV Stations' Program	\$ -	\$ 250,000	\$ 257,500	\$ 265,225	\$ 273,182	\$ 1,045,907
Emergency Generator Upgrade Program	\$ -	\$ 150,000	\$ 154,500	\$ 159,135	\$ 163,909	\$ 627,544
Schoolhouse Booster Pump Station Upgrade	\$ -	\$ -	\$ -	\$ -	\$ 350,000	\$ 350,000
Portola Tank Telemetry Upgrade	\$ -	\$ 150,000	\$ 100,000	\$ -	\$ -	\$ 250,000
Develop Additional Supply Reliability	\$ -	\$ -	\$ -	\$ 450,000	\$ 1,000,000	\$ 1,450,000
Big Wave NPA Water Main Extension		\$ 2,030,000	\$ -	\$ -	\$ -	\$ 2,030,000
NEW CUSTOMER CIP TOTAL	\$ 280,000	\$ 2,889,000	\$ 1,110,270	\$ 1,490,578	\$ 2,421,795	\$ 8,191,644
Total Annual Capital Cost	\$ 713,500	\$ 3,312,755	\$ 1,686,288	\$ 1,793,866	\$ 2,721,362	\$ 10,227,772