

Fiscal Year 2016-2017

Budget Executive Summary

General Manager

Clemens Heldmaier

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Joanne Andreotti
Nicholas Carrington
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Board of Directors

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

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Fiscal year 2015-16 Accomplishments

1. Completion of the Alta Vista Tank
2. Implementation of a District Sponsored Pension program through PARS
3. Successful Financial Audit and Single Audit
 - a. No note of material weaknesses or significant deficiencies in the Financial Statement Audit
 - b. No findings or questioned costs in the Single Audit

Fiscal Year 2016/17 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 2016-17. 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 3%. The actual dollar percentage shrank by -3.44% due to un-favorable flow distribution in the prior wet weather period. Due to this decrease in flow of nearly 11%, the District is expecting to take in \$70,217 less revenue than prior fiscal year. The current residential occupancy rate charge is \$40.51 per hundred cubic feet (HCF). The District is proposing a rate of \$41.73 HCF. The current prop 218 limit is set at \$42.93.

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 three separate assessments:

1. Operations & Maintenance
2. Collection Services
3. Infrastructure

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As can be seen in the pie chart displayed further on in the budget, SAM expenses represent approximately 65% of the District's operating expenditures. Current year differences as compared to last fiscal year are as follows:

	FY 2015-16	FY 2016-17		
	Adopted Budget	Adopted Budget	\$ (Decrease)	% (Decrease)
Operations & Maintenance	\$ 707,892	\$ 694,531	\$ (13,361)	-1.89%
Collection Services	\$ 360,504	\$ 321,608	\$ (38,896)	-10.79%
Infrastructure	\$ 160,666	\$ 153,710	\$ (6,956)	-4.33%

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 2015-16 are budgeted to decrease \$10,795 or 3.46%. The biggest factor contributing to the decrease in personnel costs is the reduction in budget expenditures as it relates to the District Sponsored Retirement plan, PARS, which are expected to decrease by \$84,791. During prior year's budget process the District was unsure of the overall budgetary impact of the plan and budgeted for the expenditures at a level above and beyond what was necessary.

Outside of the PARS plan, District wages and benefits are expected to increase by \$20,721. The reason for this is due to prior year's budget not including the 8.25% pay increase provided to employees to cover their employee required contribution to the PARS plan. This fiscal year includes a 2.7% cost of living increase as well as a 2.5% merit increase.

Connection Fees:

Revenue from new residential construction has been budgeted to decrease \$135,348 or 49.11%. For fiscal year 2015-16 the District is expected to issue five 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 2016-17. The revenue from these connections is used for MWSD capital expenditures and the SAM assessment for capital infrastructure improvements

Capital Improvement:

Fiscal year 2015-16 Sewer CIP budget was set at \$685,483. 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 2016, Sewer CIP is only 11% through its total budget for a total of \$72,828 in capital costs.

Fiscal year 2016-2017 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 \$1,745,750. 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.

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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 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 2016-17, 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 \$50,000 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 \$1,797,000; an increase of \$117,266 or 6.98%.

Labor:

Overall, benefits and labor in comparison to fiscal year 2015-16 are budgeted to decrease \$45,897 or 5.97%. The biggest factor contributing to the decrease in personnel costs is the reduction in budget expenditures as it relates to the District Sponsored Retirement plan, PARS, which are expected to decrease by \$84,791. During prior year's budget process the District was unsure of the overall budgetary impact of the plan and budgeted for the expenditures at a level above and beyond what was necessary.

Outside of the PARS plan, District wages and benefits are expected to increase by \$20,721. The reason for this is due to prior year's budget not including the 8.25% pay increase provided to employees to cover their employee required contribution to the PARS plan. This fiscal year includes a 2.7% cost of living increase as well as a 2.5% merit increase.

Connection Fees:

Connection fees revenue for new construction has been set to increase by \$27,000 with the estimate that 10 connections will be issued in fiscal year 2016-17. Thus far through April the District has issued five new connections and another three have been requested, and are currently going through the authorization process. 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 2016-17.

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Capital Improvement:

As stated earlier in the District's 2015-16 accomplishments, the Alta Vista Tank project was completed. This was by far the largest project ever undertaken by the District. By all measurements the project has been an absolute success. The District's engineers managed the project and experienced a nearly \$0 cost over-run. In addition, the project went through a rigorous Single Audit, of which there were no findings or questioned costs.

The current year CIP budget of \$619,000 is a reduction of \$1.1 million or 64.20%. This reduction 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 2016-2017

Cash flow summary

Operating cash flow

Operating income		
Sewer Service Charges	\$	1,965,726
Cell Tower Lease	\$	33,500
Fees & Other	\$	17,500
Property Tax	\$	235,000
Waste Collection Revenues	\$	21,000
Total operating income	\$	2,272,726
Operating expenses		
Personnel	\$	(300,871)
Professional Services	\$	(109,550)
Facilities & Administration	\$	(40,240)
Engineering	\$	(52,000)
Pumping	\$	(27,000)
Sewer Authority Mid-Coastside	\$	(1,106,139)
All other Accounts	\$	(55,560)
Total operating expenses	\$	(1,691,360)
Net Cash Flow Provided by Operations	\$	581,366

Investment cash flow

Investment income		
Interest Revenue	\$	10,000
Total investment income	\$	10,000
Investment expenses		
Capital Improvement Program	\$	(1,745,750)
SAM Capital Assessment	\$	(153,710)
Total investment expenses	\$	(1,899,460)
Net Cash Flow Used by Investments	\$	(1,889,460)

Financing cash flow

Financing income		
Connection Fees	\$	190,256
Total financing income	\$	190,256
Financing expenses		
Loan Interest Expense	\$	(44,798)
Loan Principal Payment	\$	(70,077)
Total financing expenses	\$	(114,875)
Net Cash Flow Provided by Financing Activities	\$	75,381
Overall projected cash flow	\$	(1,232,713)
Transfer from Sewer Reserves	\$	1,232,713
Net cash flow	\$	-



Montara Water & Sanitary

Budgeted Cash Flow - Water

Fiscal year 2016-2017

Cash flow summary

Operating cash flow

Operating income		
Water Sales	\$	1,797,000
Cell Tower Lease	\$	33,500
Fees & Other	\$	10,450
Property Tax	\$	235,000
Backflow Testing & Other	\$	13,000
Total operating income	\$	2,088,950
Operating expenses		
Personnel	\$	(723,522)
Professional Services	\$	(146,850)
Facilities & Administration	\$	(50,450)
Engineering	\$	(87,000)
Pumping	\$	(112,500)
Supply	\$	(50,000)
Collection/Transmission	\$	(94,500)
Treatment	\$	(64,000)
All Other Accounts	\$	(126,100)
Total operating expenses	\$	(1,454,922)
Net Cash Flow Provided by Operations	\$	634,028

Investment cash flow

Investment income		
GO Bonds, Assessment Receipts	\$	1,150,436
Total investment income	\$	1,150,436
Investment expenses		
Capital Improvement Program	\$	(619,000)
Total investment expenses	\$	(619,000)
Net Cash Flow Used by Investments	\$	531,436

Financing cash flow

Financing income		
Connection Fees	\$	196,000
Total financing income	\$	196,000
Financing expenses		
Long Term Debt - Interest Expense	\$	(352,580)
Long Term Debt - Principal Payment	\$	(1,033,676)
Total financing expenses	\$	(1,386,255)
Net Cash Flow Provided by Financing Activities	\$	(1,190,255)
Overall projected cash flow	\$	(24,791)
Transfer from Water Reserves	\$	24,791
Net cash flow	\$	-



MWSD — Fiscal Year 2016-2017 Operations Budget - SEWER ENTERPRISE

Operating Revenue	GL Codes	2013-14		Approved		Income/Expenditure		Projected as		Budgeted amounts	Increase/(Decrease)	Increase/(decrease)
		Actual	2014-15 Actual	Budget 2015-16	s as of April, 2016	% To date	Projected	% of Budget	2016-17	from 2015-2016 \$	%	
Cell Tower Lease:	4220	32,270	32,422	32,000	27,823	86.95%	33,388	104.34%	33,500	1,500	4.69%	
Administrative Fees (New Construction):	4410	1,800	1,852	2,500	2,370	94.80%	2,844	113.76%	3,000	500	20.00%	
Administrative Fees (Remodel):	4420	2,250	3,241	3,000	1,422	47.40%	1,706	56.88%	1,500	(1,500)	-50.00%	
Inspection Fees (New Construction):	4430	1,700	1,748	2,000	2,240	112.00%	2,688	134.40%	2,500	500	25.00%	
Inspection Fees (Remodel):	4440	5,060	4,969	4,500	3,116	69.24%	3,739	83.09%	3,500	(1,000)	-22.22%	
Remodel Fees:	4460	3,667	19,777	7,000	1,775	25.36%	2,130	30.43%	7,000			
Property Tax Receipts:	4610	301,852	213,850	230,000	300,352	130.59%	230,000	100.00%	235,000	5,000	2.17%	
Sewer Service Charges:	4710	2,018,016	2,203,383	2,039,943	1,899,906	93.14%	2,039,943	100.00%	1,969,726	(70,217)	-3.44%	
Sewer Service Refunds, Customer:	4720	(344)	(6,915)	(4,000)	(8,386)	209.65%	(10,063)	251.58%	(4,000)			
Waste Collection Revenues:	4760	13,191	17,844	15,000	14,917	99.45%	17,901	119.34%	21,000	6,000	40.00%	
Other Revenue:	4990				152	100.00%	152	100.00%			#DIV/0!	
Total Operating Revenue:		2,379,462	2,492,171	2,331,943	2,245,687	96.30%	2,324,428	99.68%	2,272,726	(59,217)	-2.54%	
Operating Expenses												
Bank Fees:	5190	4,022	6,709	4,000	2,824	70.60%	3,389	84.72%	5,500	1,500	37.50%	
Board Meetings:	5210	2,586	4,850	2,500	2,446	97.85%	2,935	117.42%	3,000	500	20.00%	
Director Fees:	5220	3,788	3,188	3,300	1,913	57.96%	2,295	69.55%	3,300			
Election Expenses:	5230	3,897							4,000	4,000		
Conference Attendance:	5250	397		2,000					2,000			
Information Systems:	5270	2,786	3,069	6,000	3,743	62.38%	4,491	74.86%	6,000			
Fidelity Bond:	5310		438						500	500	#DIV/0!	
Property & Liability Insurance:	5320	1,583	1,667	1,755	1,688	96.19%	1,688	96.18%	1,700	(55)	-3.13%	
LAFCO Assessment:	5350	1,548	1,754	1,987	1,718	86.46%	1,718	86.46%	2,000	13	0.65%	
Meeting Attendance, Legal:	5420	11,350	6,770	9,500	6,564	69.09%	7,876	82.91%	9,500			
General Legal:	5430	18,077	9,375	15,000	27,550	183.67%	33,060	220.40%	20,000	5,000	33.33%	
Maintenance, Office:	5510	4,283	5,337	6,000	6,944	115.74%	7,500	125.00%	8,000	2,000	33.33%	
Meetings, Local:	5520	189										
Memberships:	5530										#DIV/0!	
Office Supplies:	5540	6,872	9,319	9,000	5,697	63.30%	6,836	75.96%	8,000	(1,000)	-11.11%	
Postage:	5550	2,366	1,214	2,000	2,220	110.99%	2,664	133.19%	2,500	500	25.00%	
Printing & Publishing:	5560	1,538	2,786	3,000	2,632	87.74%	3,159	105.29%	3,000			
Accounting:	5610	35,955	24,483	30,000	27,443	91.48%	32,931	109.77%	30,000			
Audit:	5620	12,050	10,050	13,000	12,050	92.69%	13,000	100.00%	13,000			
Consulting:	5630	2,962	18,979	13,000	13,749	105.77%	16,499	126.92%	28,000	15,000	115.38%	
Data Services:	5640	5,533	5,792	6,000	5,504	91.74%	6,605	110.09%	6,000			
Labor & HR Support:	5650		4,286	2,250	1,500	66.67%	1,800	80.00%	2,250	2,000	88.89%	
Payroll Services:	5660	279	753	800	692	86.47%	830	103.76%	800			
Other Professional Services:	5690	30	10									
San Mateo County Tax Roll Charges:	5710	2,453		2,500	116	4.62%	139	5.54%	2,500			
Telephone & Internet:	5720	10,557	9,812	9,000	9,552	106.13%	11,462	127.36%	11,000	2,000	22.22%	
Mileage Reimbursement:	5730	1,426	1,137	1,500	413	27.55%	496	33.06%	1,500			
Reference Materials:	5740			200					200			
Other Administrative:	5790	143										
CalPERS 457 Deferred Plan:	5810	11,993	13,303	13,709	11,532	84.12%	13,839	100.94%	15,117	1,407	10.27%	
Employee Benefits:	5820	38,540	34,993	36,497	29,095	79.72%	34,914	95.66%	34,382	(2,115)	-5.80%	
Disability Insurance:	5830	1,177	1,206	1,451	1,020	70.30%	1,224	84.36%	1,479	28	1.91%	
Payroll Taxes:	5840	13,276	12,920	14,983	11,930	79.63%	14,316	95.55%	16,521	1,538	10.27%	
Worker's Compensation Insurance:	5960	6,322	2,558	3,891	491	12.61%	589	15.13%	3,649	(243)	-6.24%	
Management:	5910	78,465	71,501	86,041	77,651	90.25%	93,181	108.30%	93,373	7,332	8.52%	
Staff :	5920	95,376	100,302	103,090	93,495	90.69%	112,194	108.83%	118,444	15,354	14.89%	
Staff Certification:	5930	1,800	1,800	1,854	1,500	80.91%	1,800	97.09%	1,800	(54)	-2.91%	
Staff Overtime:	5940	3,225	3,480	3,718	2,560	68.86%	3,072	82.63%	2,339	(1,379)	-37.09%	
Staff Standby:	5950	830	928	1,147						(1,147)	-100.00%	
District sponsored Defined Benefit Plan:	5850			45,285	13,427	29.65%	16,113		13,768	(31,517)	-69.60%	
Claims, Property Damage:	6170	9,944	2,139	10,000					10,000			
Education & Training:	6195			1,000					1,000			
Meeting Attendance, Engineering:	6210			2,000					2,000			
General Engineering:	6220	47,743	61,309	50,000	15,426	30.85%	18,511	37.02%	50,000			
Equipment & Tools, Expensed:	6320			1,000					1,000			



MWSD — Fiscal Year 2016-2017 Operations Budget - SEWER ENTERPRISE

Operating Revenue	GL Codes	2013-14	2014-15 Actual	Approved	Income/Expenditure	% To date	Projected	Projected as	Budgeted amounts	Increase/(Decrease)	Increase/(decrease)
		Actual		Budget 2015-16	s as of April, 2016			% of Budget	2016-17	from 2015-2016 \$	%
Alarm Services:	6335	5,431	4,701	5,000	4,992	99.83%	5,990	119.80%	5,340	340	6.80%
Landscaping:	6337	2,280	2,280	2,400	3,132	130.50%	3,758	156.60%	2,400		
Pumping Fuel & Electricity:	6410	27,293	26,888	27,000	18,265	67.65%	21,918	81.18%	27,000		
Pumping Maintenance, General:	6430				3,525		4,230				
Maintenance, Collection System:	6660			10,000					10,000		
Fuel:	6810		511	800	648	81.01%	778	97.22%	800		
Truck Equipment, Expensed:	6820		87	160	54	34.03%	65	40.83%	160		
Truck Repairs:	6830		51	400	153	38.37%	184	46.05%	400		
Total Other Operations:	6890		119								
SAM Collections:	6910	332,868	305,856	360,500	300,420	83.33%	360,504	100.00%	321,608	(38,892)	-10.79%
SAM Operations:	6920	657,192	624,024	707,892	589,910	83.33%	707,892	100.00%	694,531	(13,361)	-1.89%
SAM Prior-Year Adjustment:	6930		(3,190)								
SAM Maintenance, Collection System:	6940	15,550		40,000	41,060	102.65%	49,272	123.18%	40,000		
SAM Maintenance, Pumping:	6950	46,632		50,000					50,000		
Total Operations Expense:		1,532,607	1,399,540	1,724,110	1,357,245	78.72%	1,625,719	94.29%	1,691,360	(30,750)	-1.78%
Net Change in position from Operations:		846,855	1,092,630	607,833	888,443	146.17%	698,709	114.95%	581,366	(28,467)	-4.68%



MWSD — Fiscal Year 2016-2017 Non-Operating Budget - SEWER ENTERPRISE

	GL Codes	2013-14 Actual	2014-15 Actual	Approved Budget 2015-16	Income/Expenditure s as of April, 2016	% To date	Projected	Projected as % of Budget	Budgeted amounts 2016-17	Increase/(Decrease) from 2015-2016 \$	Increase/(decrease) %
Non Operating Revenue											
Connection Fees, Residential New Const:	7110		142,923	275,604	53,363	19.36%	116,880	42.41%	140,256	(135,348)	-49.11%
Connection Fees, Residential Remodel:	7120	66,970	23,432	50,000	47,234	94.47%	56,680	113.36%	50,000		
Employee Loans:	7700	8,995	4,070	3,281	895	27.29%	1,075	32.75%		(3,281)	-100.00%
LAIF, Interest:	7200	4,828	11,938	8,000	7,404	92.55%	8,885	111.06%	10,000	2,000	25.00%
Total Non Operating Revenue:		80,793	182,362	336,885	108,896	32.32%	183,520	54.48%	200,256	(136,629)	-40.56%
Non Operating Expense											
PNC Equipment Lease:	9125	23,747	21,819	20,790	16,517	79.45%	20,790	100.00%	19,598	(1,192)	-5.73%
Capital Assessment, SAM:	9175		63,360	160,666	133,890	83.33%	160,668	100.00%	153,710	(6,956)	-4.33%
I-Bank Loan:	9200	38,933	26,493	26,022	4,802	18.45%	26,022	100.00%	25,201	(821)	-3.16%
Total Non Operating Expense:		62,680	111,671	207,478	155,208	74.81%	207,480	100.00%	198,508	(8,970)	-4.32%
Net Change in position from Non Operating		18,113	70,691	129,407	(46,312)		(23,960)		1,748	(127,660)	



MWSD — Fiscal Year 2016-2017 Operations Budget - WATER ENTERPRISE

Operating Revenue	GL Codes	2013-14	2014-15	Approved Budget	Income/Expenditures	% To date	Projected	Projected as %	Budgeted amounts	Increase/(Decrease)	Increase/(decrease)
		Actual	Actual	2015-16	as of April, 2016			of Budget	2016-17	from 2015-2016 \$	%
Cell Tower Lease:	4220	32,270	32,422	32,000	27,823	86.95%	33,388	104.34%	33,500	1,500	4.69%
Administrative Fees (New Construction):	4410	4,050	5,067	4,500	4,453	98.96%	5,344	118.75%	4,500	0	0.00%
Administrative Fees (Remodel):	4420	450	985	900	0	0.00%	0	0.00%	900	0	0.00%
Inspection Fees (New Construction):	4430	3,825	4,833	4,250	4,021	94.61%	4,825	113.53%	4,250	0	0.00%
Inspection Fees (Remodel):	4440	425	929	800	0	0.00%	0	0.00%	800	0	0.00%
Mainline Extension Fees:	4450				46,459	100.00%	55,751	100.00%		0	#DIV/0!
Remodel Fees:	4460		324			0.00%	0	0.00%			
Property Tax Receipts:	4610	301,852	424,451	230,000	300,352	130.59%	360,422	156.71%	235,000	5,000	2.17%
Testing, Backflow:	4740	14,001	9,589	13,000	14,420	110.92%	17,304	133.11%	13,000	0	0.00%
Water Sales:	4810	1,614,283	1,667,369	1,682,734	1,416,174	84.16%	1,699,409	100.99%	1,800,000	117,266	6.97%
Water Sales Refunds, Customer:	4850	(1,855)	(395)	(3,000)	(1,488)	49.61%	(1,786)	59.53%	(3,000)	0	0.00%
Other Revenue:	4990	2,501	2,855		3,344	100.00%	4,013	100.00%		0	
Total Operating Revenue:		1,971,802	2,148,430	1,965,184	1,815,558	92.39%	2,178,669	110.86%	2,088,950	123,766	6.30%
Operating Expenses											
Bank Fees:	5190	5,864	5,874	9,000	5,060	56.22%	6,072	67.47%	10,000	1,000	11.11%
Board Meetings:	5210	2,586	2,931	2,500	2,446	97.85%	2,935	117.42%	3,000	500	20.00%
Director Fees:	5220	3,788	3,188	3,300	1,913	57.96%	2,295	69.55%	3,300	0	0.00%
Election Expenses:	5230	3,897				0.00%	0	0.00%	4,000	4,000	
CDPH Fees:	5240	7,191	14,535	15,000	15,229	101.53%	15,229	101.53%	15,500	500	3.33%
Conference Attendance:	5250	1,852	3,442	4,000	3,468	86.70%	4,161	104.04%	4,000	0	0.00%
Information Systems:	5270	2,786	3,069	3,200	3,854	120.43%	4,625	144.52%	1,500	(1,700)	-53.13%
Fidelity Bond:	5310		438			0.00%	0	0.00%	500	500	#DIV/0!
Property & Liability Insurance:	5320	1,583	1,667	1,755	1,688	96.19%	1,688	96.18%	2,700	945	53.85%
LAFCO Assessment:	5350	2,026	2,376	2,800	2,328	83.14%	2,328	83.14%	2,500	(300)	-10.71%
Meeting Attendance, Legal:	5420	9,955	6,768	8,500	7,125	83.82%	8,549	100.58%	8,500	0	0.00%
General Legal:	5430	60,840	58,623	60,000	35,190	58.65%	42,227	70.38%	60,000	0	0.00%
Maintenance, Office:	5510	4,333	5,337	6,000	6,944	115.74%	8,333	138.88%	8,000	2,000	33.33%
Meetings, Local:	5520	189	298			0.00%	0	0.00%	0	0	
Memberships:	5530	18,050	16,945	18,000	17,225	95.70%	17,225	95.69%	18,000	0	0.00%
Office Supplies:	5540	6,872	9,319	9,000	5,697	63.30%	6,836	75.96%	8,000	(1,000)	-11.11%
Postage:	5550	5,876	9,909	6,000	5,546	92.44%	6,655	110.92%	6,000	0	0.00%
Printing & Publishing:	5560	1,538	2,681	2,000	1,009	50.45%	1,211	60.54%	2,000	0	0.00%
Accounting:	5610	35,955	24,483	30,000	27,443	91.48%	32,931	109.77%	30,000	0	0.00%
Audit:	5620	12,050	10,050	13,000	12,050	92.69%	20,500	157.69%	20,500	7,500	57.69%
Consulting:	5630	16,055	50,273	25,000	20,982	83.93%	25,179	100.72%	25,000	0	0.00%
Data Services:	5640	2,410	9,044			0.00%	0	0.00%		0	
Labor & HR Support:	5650	9,750	4,661		2,250	100.00%	2,700	100.00%	2,000	2,000	#DIV/0!
Payroll Services:	5660	471	1,017	850	692	81.38%	830	97.65%	850	0	0.00%
Other Professional Services:	5690	30	19,425		227	100.00%	272	100.00%		0	
San Mateo County Tax Roll Charges:	5710				123	100.00%	148	100.00%			
Telephone & Internet:	5720	7,050	13,491	9,000	13,994	155.48%	16,792	186.58%	17,000	8,000	88.89%
Mileage Reimbursement:	5730	1,592	2,326	2,000	1,691	84.54%	2,029	101.45%	2,000	0	0.00%
Reference Materials:	5740		0	800	0	0.00%	0	0.00%	800	0	0.00%
Other Administrative:	5790	1,340	248			0.00%	0	0.00%		0	
CalPERS 457 Deferred Plan:	5810	27,351	29,503	35,154	25,978	73.90%	31,174	88.68%	33,970	(1,185)	-3.37%
Employee Benefits:	5820	68,114	55,586	61,277	66,395	108.35%	79,674	130.02%	69,368	8,091	13.20%
Disability Insurance:	5830	2,371	2,605	3,549	2,525	71.13%	3,030	85.36%	2,921	(628)	-17.70%
Payroll Taxes:	5840	31,704	32,426	38,419	30,307	78.89%	36,368	94.66%	40,574	2,155	5.61%
Worker's Compensation Insurance:	5960	23,902	12,461	17,019	4,788	28.13%	5,745	33.76%	19,312	2,293	13.47%
Management:	5910	80,855	93,691	86,041	77,651	90.25%	93,181	108.30%	93,373	7,332	8.52%
Staff :	5920	280,425	286,814	338,785	270,929	79.97%	325,115	95.97%	350,791	12,006	3.54%
Staff Certification:	5930	8,815	9,000	9,167	7,560	82.47%	9,072	98.96%	9,000	(167)	-1.82%
Staff Overtime:	5940	29,202	47,530	49,918	40,643	81.42%	48,772	97.70%	52,353	2,436	4.88%
Staff Standby:	5950	10,739	17,742	18,295	18,702	102.23%	22,442	122.67%	24,857	6,562	35.87%
District sponsored Defined Benefit Plan:	5850			111,796	24,591	22.00%	29,509		27,005	(84,791)	-75.84%
Backflow Prevention:	6160	3,635	4,682	4,000	727	18.18%	872	21.81%	1,000	(3,000)	-75.00%



MWSD — Fiscal Year 2016-2017 Operations Budget - WATER ENTERPRISE

Operating Revenue	GL Codes	2013-14	2014-15	Approved Budget	Income/Expenditures		Projected	Projected as %	Budgeted amounts	Increase/(Decrease)	Increase/(decrease)
		Actual	Actual	2015-16	as of April, 2016	% To date		of Budget	2016-17	from 2015-2016 \$	%
Claims, Property Damage:	6170		0	10,000	0	0.00%	0	0.00%	10,000	0	0.00%
SCADA Maintenance:	6185	395	11,177	15,000	11,839	78.93%	14,207	94.71%	15,000	0	0.00%
Internet & Telephone, Communications:	6187	1,693				0.00%	0	0.00%		0	
Education & Training:	6195	7,422	4,278	6,000	1,260	21.00%	1,512	25.20%	6,000	0	0.00%
Meeting Attendance, Engineering:	6210	1,716	0	2,000	0	0.00%	0	0.00%	2,000	0	0.00%
General Engineering:	6220	30,145	3,780	30,000	16,196	53.99%	19,436	64.79%	20,000	(10,000)	-33.33%
Water Quality Engineering:	6230	25,653	77,001	35,000	61,008	174.31%	73,209	209.17%	65,000	30,000	85.71%
Equipment & Tools, Expensed:	6320	6,527	5,186	6,000	3,695	61.58%	4,434	73.90%	5,000	(1,000)	-16.67%
Alarm Services:	6335	758	715	750	519	69.16%	622	82.99%	750	0	0.00%
Landscaping:	6337	3,600	3,600	4,500	4,966	110.36%	5,959	132.43%	6,000	1,500	33.33%
Lab Supplies & Equipment:	6370	842	39	1,000	502	50.17%	602	60.21%	1,000	0	0.00%
Meter Reading:	6380	5,787	0			0.00%	0	0.00%	0	0	#DIV/0!
Pumping Fuel & Electricity:	6410	55,704	72,500	65,000	74,420	114.49%	89,304	137.39%	100,000	35,000	53.85%
Pumping Maintenance, Generators:	6420	8,624	9,581	13,000	4,771	36.70%	5,726	44.04%	8,000	(5,000)	-38.46%
Pumping Maintenance, General:	6430		4,297	2,500	2,263	90.52%	2,716	108.62%	2,500	0	
Pumping Equipment, Expensed:	6440	3,386	0	2,000	1,682	84.08%	2,018	100.89%	2,000	0	0.00%
Maintenance, Raw Water Mains:	6510	1,164	0			0.00%	0	0.00%		0	#DIV/0!
Maintenance, Wells:	6520	5,295	4,853	5,000	19,997	399.94%	23,997	479.93%	10,000	5,000	100.00%
Water Purchases:	6530	25,949	35,443	40,000	20,264	50.66%	24,317	60.79%	40,000	0	0.00%
Hydrants:	6610	438	0	1,000	0	0.00%	0	0.00%	1,000	0	0.00%
Maintenance, Water Mains:	6620	51,771	68,976	55,000	78,197	142.18%	93,836	170.61%	55,000	0	0.00%
Maintenance, Water Service Lines:	6630	12,582	16,458	25,000	4,115	16.46%	4,938	19.75%	25,000	0	0.00%
Maintenance, Tanks:	6640	769	690	1,000	307	30.71%	368	36.85%	1,000	0	0.00%
Maintenance, Distribution General:	6650	12,114	10,036	10,000	2,406	24.06%	2,888	28.88%	10,000	0	0.00%
Maintenance, Collection System:	6660		620			0.00%	0	0.00%			
Meters:	6670		4,805	2,500	1,811	72.43%	2,173	86.92%	2,500	0	0.00%
Chemicals & Filtering:	6710	7,013	27,289	30,000	16,818	56.06%	20,181	67.27%	30,000	0	0.00%
Maintenance, Treatment Equipment:	6720	5,640	2,949	4,000	7,220	180.50%	8,664	216.59%	4,000	0	0.00%
Treatment Analysis:	6730	20,628	22,355	25,000	25,862	103.45%	31,034	124.14%	30,000	5,000	20.00%
Uniforms:	6770	10,421	10,435	9,000	9,472	105.25%	11,367	126.30%	9,000	0	0.00%
Fuel:	6810	9,006	7,129	8,500	4,537	53.37%	5,444	64.05%	8,000	(500)	-5.88%
Truck Equipment, Expensed:	6820	3,553	1,098	2,000	381	19.05%	457	22.86%	1,000	(1,000)	-50.00%
Truck Repairs:	6830	10,071	5,752	5,000	1,074	21.49%	1,289	25.79%	5,000	0	0.00%
Other Operations:	6890	1,468	2,702		2,343	100.00%	2,812	100.00%		0	
Total Operations Expense:		1,123,176	1,288,196	1,420,874	1,142,891	80.44%	1,370,215	96.44%	1,454,922	34,048	2.40%
Net Change in position from Operations:		848,626	860,234	544,310	672,667	123.58%	808,455	148.53%	634,028	89,718	16.48%



MWSD — Fiscal Year 2016-2017 Non-Operating Budget - WATER ENTERPRISE

	GL Codes	2013-14 Actual	2014-15 Actual	Approved Budget 2015-16	Income/Expenditures as of April, 2016	% To date	Projected	Projected as % of Budget	Budgeted amounts 2016-17	Increase/(Decrease) from 2015-2016 \$	Increase/(decrease) %
Non Operating Revenue											
Connection Fees, Residential New Const:	7110	92,038	104,344	101,000	65,710	65.06%	134,280	132.95%	128,000	27,000	26.73%
Connection Fees, Residential Remodel:	7120		2,757	3,000		0.00%	0	0.00%	3,000	0	0.00%
Connection Fees, Residential Fire:	7130	15,632	65,392	53,000	58,513	110.40%	70,216	132.48%	65,000	12,000	22.64%
Connection Fees, Residential Remodel Fire:	7140	(150)	0	0		0.00%	0	0.00%		0	#DIV/0!
Connection Fees, Well Conversion:	7150					0.00%	0	0.00%		0	
General Obligation Bonds, Assessment Receipts:	7600	1,239,066	1,265,893	1,150,436	1,075,906	93.52%	1,150,436	100.00%	1,150,436	0	0.00%
Total Non Operating Revenue:		1,346,586	1,438,385	1,307,436	1,200,129	91.79%	1,354,932	103.63%	1,346,436	39,000	2.98%
Non Operating Expense											
General Obligation Bonds:	9100	413,602	327,105	315,346	182,922	58.01%	335,302	106.33%	295,734	(19,612)	-6.22%
PNC Equipment Lease:	9125	23,747	21,819	20,790	16,517	79.45%	21,861	105.15%	19,598	(1,192)	-5.73%
State Revolving Fund Loan:	9150	9,975	46,531		26,433	100.00%	31,719	100.00%	37,247	37,247	#DIV/0!
Water Rebates :	9210				5,418	100.00%	6,501	100.00%		0	#DIV/0!
Total Non Operating Expense:		447,324	395,454	336,136	231,288	68.81%	388,882	115.69%		16,444	4.89%
Net Change in position from Non Operating activities:		899,262	1,042,931	971,300	968,840		966,049		1,346,436	22,556	2.32%

Montara Water and Sanitary District

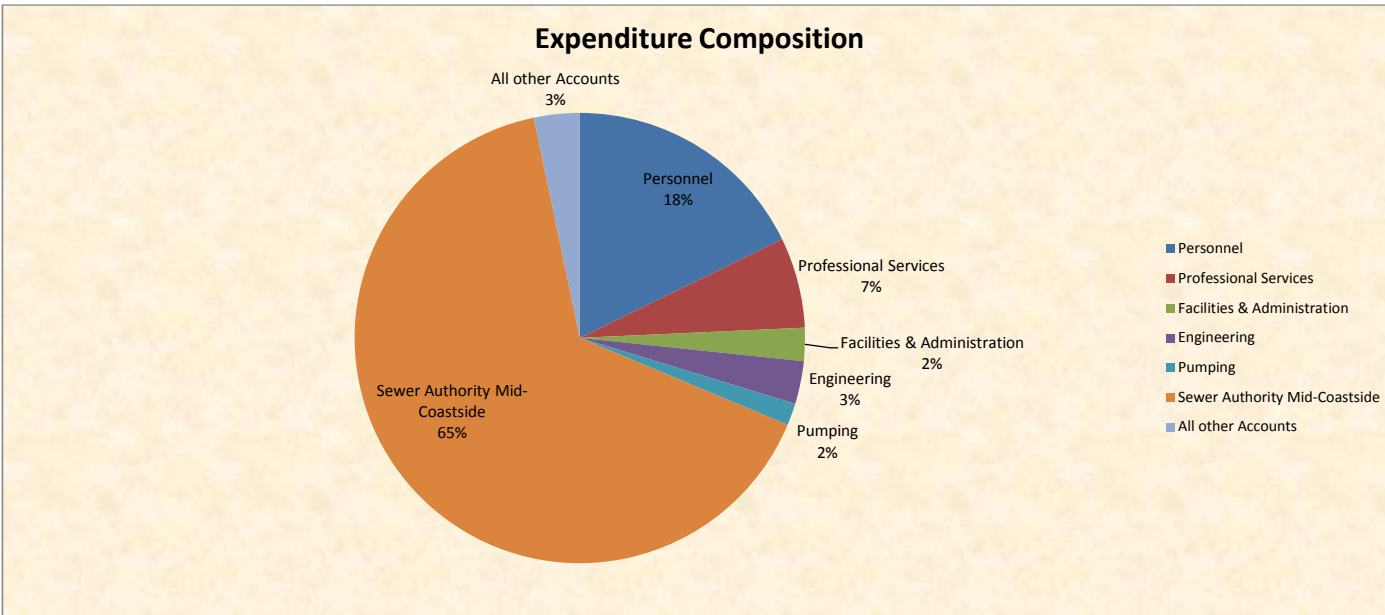
Revenue By Grouping - Sewer Enterprise

Grouped Categories	Actual FY 2014-15	FY 2015-16		% To date	FY 2015-16 Projected Revenues	Difference between Budgeted vs. Projected	Budgeted amounts 2016-17	Increase/(Decrease) from 2015-2016 \$	Increase/(decrease) %
		Budgeted Revenues	Revenues as of April 30, 2016						
Sewer Service Charges	2,196,467	2,035,943	1,891,520	92.91%	2,029,880	(6,063)	1,965,726	(70,217)	-3.45%
Cell Tower Lease	32,422	32,000	27,823	86.95%	33,388	1,388	33,500	1,500	4.69%
Fees & Other	31,587	19,000	11,075	58.29%	13,260	(5,740)	17,500	(1,500)	-7.89%
Property Tax	213,850	230,000	300,352	130.59%	230,000	0	235,000	5,000	2.17%
Waste Collection Revenues	17,844	15,000	14,917	99.45%	17,901	2,901	21,000	6,000	40.00%
Total	2,492,171	2,331,943	2,245,687	96.30%	2,324,428	(7,515)	2,272,726	(59,217)	-2.54%

Expenditures by Grouping

General Operating Budget - Cost Center Roll-up

Grouped Categories	Actual FY 2014-15	FY 2015-16		% To date	FY 2015-16 Projected Expenditures	Difference between Budgeted vs. Projected	Budgeted amounts 2016-17	Increase/(Decrease) from 2015-2016 \$	Increase/(decrease) %
		Budgeted Expenditures	Revenues as of April 30, 2016						
Personnel	242,991	311,666	242,702	77.87%	291,242	(20,424)	300,871	(10,795)	-3.46%
Professional Services	80,497	89,550	95,051	106.14%	112,602	23,052	109,550	20,000	22.33%
Facilities & Administration	35,447	36,400	35,168	96.62%	41,369	4,969	40,240	3,840	10.55%
Engineering	61,309	52,000	15,426	29.67%	18,511	(33,489)	52,000	0	0.00%
Pumping	26,888	27,000	21,790	80.70%	26,148	(852)	27,000	0	0.00%
Sewer Authority Mid-Coastside	926,690	1,158,392	931,390	80.40%	1,117,668	(40,724)	1,106,139	(52,253)	-4.51%
All other Accounts	25,718	49,102	15,717	32.01%	18,178	(30,924)	55,560	6,458	13.15%
Total	1,399,540	1,724,110	1,357,245	78.72%	1,625,719	(98,391)	1,691,360	(32,750)	-1.90%



Montara Water and Sanitary District

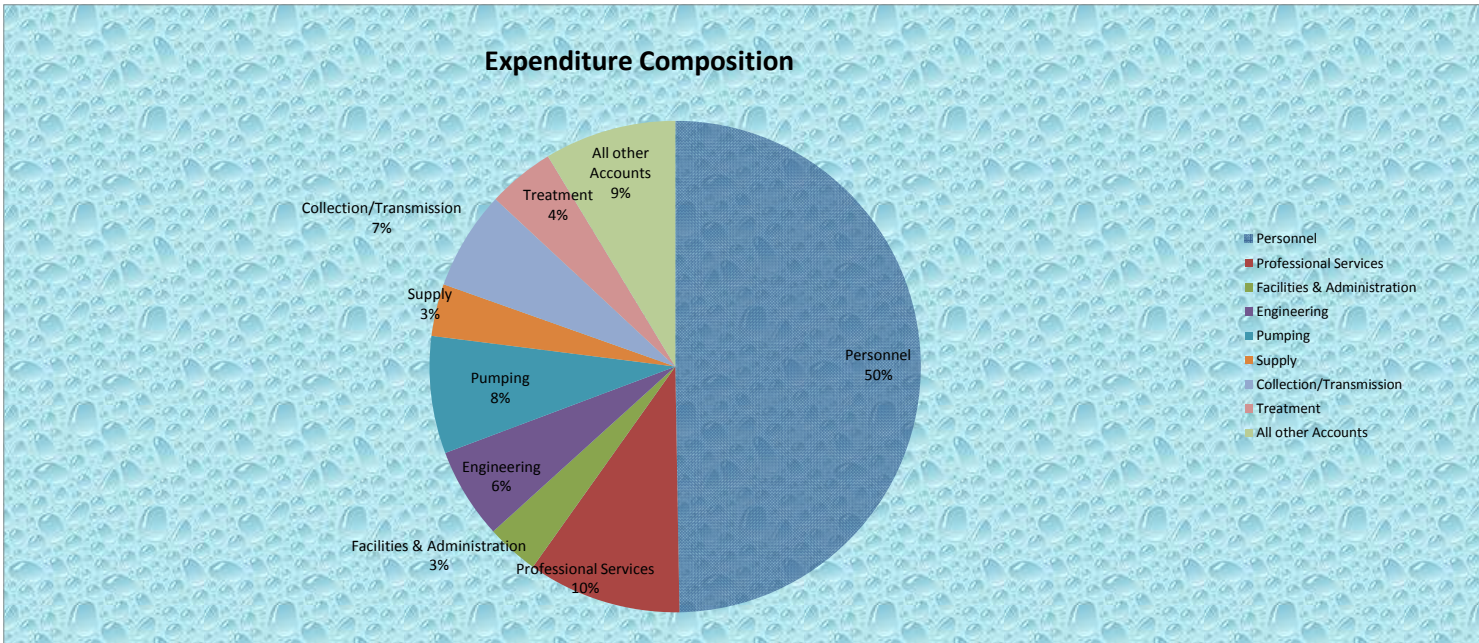
Revenue By Grouping - Water Enterprise

Grouped Categories	Actual FY 2014-15	FY 2015-16		FY 2015-16 Projected		Difference between Budgeted vs. Projected	Budgeted amounts 2016-17	Increase/(Decrease) from 2015-2016 \$	Increase/(decrease) %
		Budgeted Revenues	Revenues as of April 30, 2016	% To date	Revenues				
Water Sales	1,666,974	1,679,734	1,414,686	84.22%	1,697,623	17,889	1,797,000	117,266	6.98%
Cell Tower Lease	32,422	32,000	27,823	86.95%	33,388	1,388	33,500	1,500	4.69%
Fees & Other	12,138	10,450	54,933	525.68%	65,920	55,470	10,450	0	0.00%
Property Tax	424,451	230,000	300,352	130.59%	360,422	130,422	235,000	5,000	2.17%
Backflow Testing & Other	12,444	13,000	17,764	136.65%	21,317	8,317	13,000	0	0.00%
Total	2,148,430	1,965,184	1,815,558	92.39%	2,178,669	213,485	2,088,950	123,766	6.30%

Expenditures by Grouping

General Operating Budget - Cost Center Roll-up

Grouped Categories	Actual FY 2014-15	FY 2015-16		FY 2015-16 Projected		Difference between Budgeted vs. Projected	Budgeted amounts 2016-17	Increase/(Decrease) from 2015-2016 \$	Increase/(decrease) %
		Budgeted Expenditures	Revenues as of April 30, 2016	% To date	Expenditures				
Personnel	587,359	769,419	570,068	74.09%	684,081	(85,338)	723,522	(45,897)	-5.97%
Professional Services	184,342	137,350	105,958	77.14%	133,189	(4,161)	146,850	9,500	6.92%
Facilities & Administration	46,965	39,005	40,362	103.48%	48,097	9,092	50,450	11,445	29.34%
Engineering	80,780	67,000	77,204	115.23%	92,645	25,645	87,000	20,000	29.85%
Pumping	86,377	82,500	83,136	100.77%	99,764	17,264	112,500	30,000	36.36%
Supply	40,296	45,000	40,261	89.47%	48,314	3,314	50,000	5,000	11.11%
Collection/Transmission	101,585	94,500	86,836	91.89%	104,203	9,703	94,500	0	0.00%
Treatment	52,592	59,000	49,899	84.58%	59,879	879	64,000	5,000	8.47%
All other Accounts	107,899	127,100	89,167	70.16%	100,043	(27,057)	126,100	(1,000)	-0.79%
Total	1,288,196	1,420,874	1,142,891	80.44%	1,370,215	(50,659)	1,454,922	34,048	2.40%



MWSD SEWER Capital Improvement Program
2016-17
SEWER SYSTEM

PROJECT	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
MWSD CAPITAL PROJECTS					
Mechanical System Repairs & Replacements	\$ 35,000	\$ 74,250	\$ 85,000	\$ 20,000	\$ 15,000
Inflow & Infiltration Testing / Televising	\$ 10,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Seal Cove Area Repair and Maint. Project	\$ 7,500	\$ 20,000	\$ 15,000	\$ 15,000	\$ 10,000
Replace Pump Station Pumps	\$ 20,000	\$ 20,000	\$ 50,000	\$ 50,000	\$ 20,000
Replace High Priority Sewer Mains+Cabrillo Phase 1A	\$ 1,655,750	\$ 297,390	\$ 350,000	\$ 850,000	\$ 1,980,000
Spot Repairs Program	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 5,000
Replace Distillery Pump Station		\$ 5,000	\$ 15,000	\$ 120,000	\$ 80,000
Pump Station Communication Upgrades	\$ 2,500	\$ 2,500	\$ 15,000	\$ 5,000	
MWSD CAPITAL PROJECTS TOTAL:	\$ 1,745,750	\$ 449,140	\$ 560,000	1,090,000	2,125,000
MWSD ALTERNATE - ADDITIONAL PROJECT					
(Alt) Phase 1B of Cabrillo Hwy Express Sewer		\$ 635,580			
(future) Cabrillo Hwy Express Sewer Phases 2 and 3			\$ 400,000	\$ 850,000	
(Alt) Mechanical System Repairs & Replacements		\$ 13,500			
MWSD ALT. CAPITAL PROJECTS TOTAL:	\$1,745,750	\$1,098,220	\$960,000	\$1,940,000	\$2,125,000
TOTAL ANNUAL COST: Less alt. Projects	1,745,750	449,140	560,000	1,090,000	2,125,000

MWSD
Five Year Capital Improvement Program
WATER SYSTEM

Existing Customer CIP - WATER	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	5-Year CIP Total
<i>Misc. Repair&Replacements</i>	\$ 10,000	\$ 10,200	\$ 10,404	\$ 10,612	\$ 10,824	\$ 52,040
<i>Water Meters</i>	\$ 25,000	\$ 25,500	\$ 26,010	\$ 26,530	\$ 27,061	\$ 130,101
<i>Water Lateral Services</i>	\$ 25,000	\$ 25,500	\$ 26,010	\$ 26,530	\$ 27,061	\$ 130,101
<i>Water Main Replacements</i>	\$ 350,000	\$ 50,000	\$ 51,000	\$ 52,020	\$ 53,060	\$ 556,080
<i>Replace Fire Hydrants</i>	\$ 5,500	\$ 5,610	\$ 5,722	\$ 5,837	\$ 5,953	\$ 28,622
Distribution System Renewal and Replacement Program	\$ 415,500	\$ 116,810	\$ 119,146	\$ 121,529	\$ 123,960	\$ 896,945
Water Conservation Program	\$ 8,500	\$ 8,670	\$ 8,843	\$ 9,020	\$ 9,201	\$ 44,234
Storage Tank Rehabilitation Program	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Vehicle Replacement Fund	\$ 25,000	\$ 25,500	\$ 26,010	\$ 26,530	\$ -	\$ 103,040
Pillar Ridge Rehabilitation Program	\$ 20,000	\$ 20,000	\$ 300,000	\$ 25,000	\$ 25,500	\$ 390,500
EXISTING CUSTOMER CIP TOTAL	\$ 469,000	\$ 170,980	\$ 454,000	\$ 182,080	\$ 158,660	\$ 1,434,720
New Customer CIP - WATER	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	5-Year CIP Total
Develop Additional Supply Reliability	\$ -	\$ 100,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 700,000
Portola Tank Telemetry Upgrade	\$ -	\$ 20,000	\$ 30,000	\$ -	\$ -	\$ 50,000
New and Upgraded PRV Stations	\$ -	\$ 25,000	\$ 25,500	\$ 26,010	\$ 26,530	\$ 103,040
Emergency Generator Upgrades	\$ 50,000	\$ 53,000	\$ 56,000	\$ 60,000	\$ -	\$ 219,000
Schoolhouse Booster Pump Station Upgrade	\$ -	\$ -	\$ 20,000	\$ 80,000	\$ -	\$ 100,000
Wagner Well Upgrade and Rehabilitation	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Water Main Upgrades	\$ -	\$ 100,000	\$ 102,000	\$ 104,040	\$ 106,121	\$ 412,161
NEW CUSTOMER CIP TOTAL	\$ 150,000	\$ 298,000	\$ 433,500	\$ 470,050	\$ 332,651	\$ 1,684,201
Total Annual Capital Cost	\$ 619,000	\$ 468,980	\$ 887,500	\$ 652,130	\$ 491,311	\$ 3,118,921