

Fiscal Year 2015-2016

Budget Executive Summary

General Manager

Clemens Heldmaier

Staff

Julian Martinez
Judy Gromm
Joanne Andreotti
Nicholas Carrington
Gabriel Aguilar
Reeson Blevins
Paul Bowman
Clyde Bradshaw

Board of Directors

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Jim Harvey, *President pro tem, SAM representative*
Kathryn Slater-Carter, *Treasurer*
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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 2015/16 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,

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Budget Executive Summary

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. Capital project cost estimates are based on the Capital Improvement Program (CIP) and related water master plan. In addition, the water enterprise went through a comprehensive water rate study performed by the District's financial consulting firm, Bartle Wells. The study was the culmination of months of work between Bartle Wells and District staff. The results were reviewed and accepted by the board on the March 19, 2015 meeting and have been incorporated into the fiscal year 2015-2016 budget.

Sewer Enterprise:

Sewer service charges have been budgeted using a dollar value growth factor of 3%. The actual dollar percentage shrank by -10.72% due to un-favorable flow distribution in the prior wet weather period. Due to this decrease in flow of nearly 15%, the District is expecting to take in \$234,058 less revenue than prior fiscal year. The current residential occupancy rate charge is \$39.33 per hundred cubic feet (HCF). The District is proposing a rate of \$40.51 HCF. The current prop 218 limit is set at \$42.93.

The major factors impacting the Sewer enterprise are the rising SAM costs. For fiscal year 2015-2016 the District has seen increases in SAM's Collections Budget (17.87%) and Operations Budget (13.44%). SAM's Capital Maintenance Budget has increased by 153.58% to \$160,666. As can be seen in the pie chart displayed further on in the budget, SAM expenses represent approximately 68% of the District's operating expenditures.

Connection Fee revenue from new residential construction has been budgeted to increase \$97,116 or 54.41%. The past fiscal year the District has experienced roughly one new connection permit issued per month. District management expects this trend to continue and an additional twelve (12) new connections are expected to be sold in fiscal year 2015-2016. The revenue from these connections is used for MWSD capital expenditures and the SAM assessment for capital improvements

Water Enterprise:

In fiscal year 2014-2015 the District's Water enterprise also 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

Fiscal Year 2015-2016

Budget Executive Summary

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 was deemed appropriate.

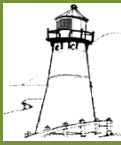
The rate study was accepted by the Board of Directors before Governor Brown's office released its emergency water conservation directives to State agencies in April 2015. The directives entailed a strategy of urban users to reduce consumption by nearly 25%. The directives put in place by the Governor's office do not impact the District, due to District being considered a "small" District. Instead we implemented a state approved restriction on exterior watering to two days per week. We expect water sales to diminish due to this and other exemplary conservation measures by our rate payers.

Operational expenditures for the Water enterprise are being budgeted with an overall increase of 3%. To minimize the effects of the expected revenue shortfall, we have tried to reduce expenditures wherever possible and have done so in six out of the nine expenditure categories. There is one area in which we are budgeting a significant increase; personnel with a 20% increase.

In fiscal year 2014-15, the District's Water enterprise experienced unexpected turnover in personnel. The remaining staff saw a sharp increase in workload and in turn, the need for increased overtime. To retain experienced, skilled, and certified employees and to lessen overtime, the District is taking steps to become more competitive in the arena of employee benefits. We recognize that a capable stable workforce is the foundation of a well-run District.

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 2015-2016

Cash flow summary

Operating cash flow

Operating income		
Sewer Service Charges	\$	2,035,943
Cell Tower Lease	\$	32,000
Fees	\$	19,000
Property Tax	\$	230,000
Waste Collection Revenues	\$	15,000
Total operating income	\$	2,331,943
Operating expenses		
Personnel	\$	(311,666)
Professional Services	\$	(89,550)
Facilities & Administration	\$	(36,400)
Engineering	\$	(52,000)
Pumping	\$	(27,000)
Sewer Authority Mid-Coastside	\$	(1,158,392)
All other Accounts	\$	(49,102)
Total operating expenses	\$	(1,724,110)
Net Cash Flow Provided by Operations	\$	607,833

Investment cash flow

Investment income		
Interest Revenue	\$	11,281
Total investment income	\$	11,281
Investment expenses		
Capital Improvement Program	\$	(685,483)
SAM Capital Assessment	\$	(160,666)
Total investment expenses	\$	(846,149)
Net Cash Flow Used by Investments	\$	(834,868)

Financing cash flow

Financing income		
Connection Fees	\$	325,604
Employee Loan Program - Principal Received	\$	20,692
Total financing income	\$	346,296
Financing expenses		
Loan Interest Expense	\$	(46,812)
Loan Principal Payment	\$	(65,025)
Total financing expenses	\$	(111,838)
Net Cash Flow Provided by Financing Activities	\$	234,459
Overall projected cash flow	\$	7,423
Transfer to Sewer Reserves	\$	(7,423)
Net cash flow	\$	-



Montara Water & Sanitary

Budgeted Cash Flow - Water

Fiscal year 2015-2016

Cash flow summary

Operating cash flow

Operating income		
Water Sales	\$	1,679,734
Cell Tower Lease	\$	32,000
Fees	\$	10,450
Property Tax	\$	230,000
Backflow Testing & Other	\$	13,000
Total operating income	\$	1,965,184
Operating expenses		
Personnel	\$	(769,419)
Professional Services	\$	(137,350)
Facilities & Administration	\$	(39,005)
Engineering	\$	(67,000)
Pumping	\$	(82,500)
Supply	\$	(45,000)
Collection/Transmission	\$	(94,500)
Treatment	\$	(59,000)
All Other Accounts	\$	(127,100)
Total operating expenses	\$	(1,420,874)
Net Cash Flow Provided by Operations	\$	544,310

Investment cash flow

Investment income		
GO Bonds, Assessment Receipts	\$	1,150,436
Total investment income	\$	1,150,436
Investment expenses		
Capital Improvement Program	\$	(1,729,000)
Total investment expenses	\$	(1,729,000)
Net Cash Flow Used by Investments	\$	(578,564)

Financing cash flow

Financing income		
Connection Fees	\$	157,000
SRF Loan 022	\$	1,200,000
Total financing income	\$	1,357,000
Financing expenses		
Long Term Debt - Interest Expense	\$	(336,136)
Long Term Debt - Principal Payment	\$	(873,575)
Total financing expenses	\$	(1,209,711)
Net Cash Flow Provided by Financing Activities	\$	147,289
Overall projected cash flow	\$	113,035
Transfer to Water Reserves	\$	(113,035)
Net cash flow	\$	-



MWSD — Fiscal Year 2015-2016 Operations Budget - SEWER ENTERPRISE

Operating Revenue	GL Codes	2012-13		Approved		Income/Expenditure		Projected as		Budgeted	Increase/(Decrease)	Increase/(decrease)
		Actual	2013-14 Actual	Budget 2014-15	s as of April 30,	% To date	Projected	% of Budget	amounts 2015-	from 2014-2015 \$	%	
Cell Tower Lease:	4220	28,909	32,270	31,500	26,677	84.69%	32,012	101.63%	32,000	500	1.59%	
Administrative Fees (New Construction):	4410		1,800	3,600	1,852	51.44%	2,222	61.73%	2,500	(1,100)	-30.56%	
Administrative Fees (Remodel):	4420	1,320	2,250	1,000	2,315	231.50%	2,778	277.80%	3,000	2,000	200.00%	
Inspection Fees (New Construction):	4430	830	1,700	3,400	1,748	51.41%	2,098	61.69%	2,000	(1,400)	-41.18%	
Inspection Fees (Remodel):	4440	830	5,060	2,000	3,792	189.60%	4,550	227.52%	4,500	2,500	125.00%	
Remodel Fees:	4460	7,331	3,667	4,000	7,082	177.05%	8,498	212.46%	7,000	3,000	75.00%	
Property Tax Receipts:	4610	304,550	301,852	225,000	190,360	84.60%	253,813	112.81%	230,000	5,000	2.22%	
Sewer Service Charges:	4710	1,952,513	2,018,016	2,183,853	1,981,264	90.72%	2,183,853	100.00%	2,039,943	(143,910)	-6.59%	
Sewer Service Refunds, Customer:	4720	12,980	(344)	(2,000)	(6,915)	345.75%	(7,000)	350.00%	(4,000)	(2,000)	100.00%	
Waste Collection Revenues:	4760		13,191	14,500	15,399	106.20%	18,479	127.44%	15,000	500	3.45%	
Total Operating Revenue:		2,309,277	2,379,462	2,466,853	2,223,574	90.14%	2,501,304	101.40%	2,331,943	(134,910)	-5.47%	
Operating Expenses												
Bank Fees:	5190	3,074	4,022	3,100	3,306	106.65%	3,967	127.97%	4,000	900	29.03%	
Board Meetings:	5210	2,135	2,586	2,500	1,806	72.24%	2,167	86.69%	2,500			
Director Fees:	5220	3,450	3,788	2,500	2,438	97.52%	2,926	117.02%	3,300	800	32.00%	
Election Expenses:	5230		3,897									
Conference Attendance:	5250	431	397	2,000					2,000			
Information Systems:	5270	1,300	2,786	6,000	2,787	46.45%	3,344	55.74%	6,000			
Fidelity Bond:	5310			900						(900)	-100.00%	
Property & Liability Insurance:	5320	1,425	1,583	1,500	1,667	111.13%	2,000	133.36%	1,755	255	17.00%	
LAFCO Assessment:	5350	1,107	1,548	1,600	1,754	109.63%	2,105	131.55%	1,987	387	24.19%	
Meeting Attendance, Legal:	5420	7,376	11,350	11,000	4,562	41.47%	5,474	49.77%	9,500	(1,500)	-13.64%	
General Legal:	5430	14,057	18,077	20,000	6,605	33.03%	7,926	39.63%	15,000	(5,000)	-25.00%	
Litigation:	5440											
Maintenance, Office:	5510	2,780	4,283	3,000	3,246	108.20%	3,895	129.84%	6,000	3,000	100.00%	
Meetings, Local:	5520		189									
Office Supplies:	5540	3,404	6,872	9,000	8,167	90.74%	9,800	108.89%	9,000			
Postage:	5550	2,887	2,366	4,000	993	24.83%	1,192	29.79%	2,000	(2,000)	-50.00%	
Printing & Publishing:	5560	2,441	1,538	4,000	1,171	29.28%	1,405	35.13%	3,000	(1,000)	-25.00%	
Accounting:	5610	72,944	35,955	30,000	17,152	57.17%	20,582	68.61%	30,000			
Audit:	5620	12,550	12,050	13,000	10,050	77.31%	12,060	92.77%	13,000			
Consulting:	5630	11,287	2,962	11,500	11,606	100.92%	13,927	121.11%	13,000	1,500	13.04%	
Data Services:	5640	5,092	5,533	5,500	5,792	105.31%	6,950	126.37%	6,000	500	9.09%	
Labor & HR Support:	5650			2,250	1,703	75.69%	2,044	90.83%	2,250			
Payroll Services:	5660	172	279	900	633	70.33%	760	84.40%	800	(100)	-11.11%	
Other Professional Services:	5690		30		10	100.00%	12	100.00%				
San Mateo County Tax Roll Charges:	5710		2,453	3,000					2,500	(500)	-16.67%	
Telephone & Internet:	5720	6,402	10,557	9,000	7,190	79.89%	8,628	95.87%	9,000			
Mileage Reimbursement:	5730	1,290	1,426	1,500	1,113	74.20%	1,336	89.04%	1,500			
Reference Materials:	5740	35		200					200			
Other Administrative:	5790	100	143									
CalPERS 457 Deferred Plan:	5810	11,248	11,993	13,065	11,180	85.57%	13,310	101.88%	13,709	644	4.93%	
Employee Benefits:	5820	35,678	38,540	41,298	26,436	64.01%	35,434	85.80%	36,497	(4,801)	-11.63%	
Disability Insurance:	5830	844	1,177	1,139	879	77.17%	1,409	123.71%	1,451	312	27.42%	
Payroll Taxes:	5840	11,361	13,276	13,052	10,600	81.21%	14,566	111.60%	14,983	1,931	14.79%	
Worker's Compensation Insurance:	5960	4,986	6,322	7,856	2,558	32.56%	3,778	48.09%	3,891	(3,965)	-50.47%	
Management:	5910	102,902	78,465	79,129	70,284	88.82%	83,535	105.57%	86,041	6,912	8.74%	
Staff :	5920	63,843	95,376	97,777	83,748	85.65%	100,087	102.36%	103,090	5,313	5.43%	
Staff Certification:	5930		1,800	1,890	1,500	79.37%	1,800	95.24%	1,854	(36)	-1.90%	
Staff Overtime:	5940		3,225	2,382	3,258	136.78%	3,610	151.55%	3,718	1,336	56.10%	
Staff Standby:	5950		830		928	100.00%	1,114	100.00%	1,147	1,147		
District sponsored Defined Benefit Plan:									45,285	45,285		
Claims, Property Damage:	6170		9,944	10,000	814	8.14%	977	9.77%	10,000			
Education & Training:	6195	219		1,000					1,000			
Meeting Attendance, Engineering:	6210			5,000					2,000	(3,000)	-60.00%	
General Engineering:	6220	30,013	47,743	25,000	58,682	234.73%	70,418	281.67%	50,000	25,000	100.00%	
Equipment & Tools, Expensed:	6320			1,000					1,000			
Alarm Services:	6335	10,430	5,431	5,000	3,780	75.60%	4,536	90.72%	5,000			



MWSD — Fiscal Year 2015-2016 Operations Budget - SEWER ENTERPRISE

Operating Revenue	GL Codes	2012-13 Actual	2013-14 Actual	Approved Budget 2014-15	Income/Expenditure s as of April 30...	% To date	Projected	Projected as % of Budget	Budgeted amounts 2015-	Increase/(Decrease) from 2014-2015 \$	Increase/(decrease) %
Landscaping:	6337	2,280	2,280	2,400	1,710	71.25%	2,052	85.50%	2,400		
Pumping Fuel & Electricity:	6410	27,179	27,293	35,000	20,984	59.95%	25,181	71.95%	27,000	(8,000)	-22.86%
Maintenance, Collection System:	6660	2,013		20,000					10,000	(10,000)	-50.00%
Fuel:	6810			800	459	57.38%	551	68.85%	800		
Truck Equipment, Expensed:	6820			160	56	35.00%	67	42.00%	160		
Truck Repairs:	6830			400	50	12.50%	60	15.00%	400		
Total Other Operations:	6890	6,690			119	100.00%	143	100.00%			
SAM Collections:	6910	281,340	332,868	305,853	254,880	83.33%	305,856	100.00%	360,500	54,647	17.87%
SAM Operations:	6920	655,776	657,192	624,021	520,020	83.33%	624,024	100.00%	707,892	83,871	13.44%
SAM Prior-Year Adjustment:	6930	(39,958)									
SAM Maintenance, Collection System:	6940	75,640	15,550	40,000	54,371	135.93%	65,245	163.11%	40,000		
SAM Maintenance, Pumping:	6950		46,632	50,000					50,000		
Total Operations Expense:		1,438,223	1,532,607	1,531,172	1,221,047	79.75%	1,470,254	96.02%	1,724,110	192,938	12.60%
Net Change in position from Operations:		871,054	846,855	935,681	1,002,527	107.14%	1,031,051	110.19%	607,833	(327,848)	-35.04%



MWSD — Fiscal Year 2015-2016 Non-Operating Budget - SEWER ENTERPRISE

	GL Codes	2012-13 Actual	2013-14 Actual	Approved Budget 2014-15	Income/Expenditure s as of April 30_	% To date	Projected	Projected as % of Budget	Budgeted amounts 2015-	Increase/(Decrease) from 2014-2015 \$	Increase/(decrease) %
Non Operating Revenue											
Connection Fees, Residential New Const:	7110	22,215		178,488	142,923	80.07%	171,508	96.09%	275,604	97,116	54.41%
Connection Fees, Residential Remodel:	7120	14,110	66,970	50,000	21,270	42.54%	25,524	51.05%	50,000		
Employee Loans:	7700	7,918	8,995	23,974	3,445	14.37%	4,070	16.98%	3,281	(20,692)	-86.31%
LAIF, Interest:	7200	6,289	4,828	8,000	5,958	74.48%	7,150	89.37%	8,000		
Total Non Operating Revenue:		50,532	80,793	260,462	173,596	66.65%	208,251	79.96%	336,885	76,424	29.34%
Non Operating Expense											
PNC Equipment Lease:	9125	12,342	23,747	56,340	18,289	32.46%	21,861	38.80%	20,790	(35,550)	-63.10%
Capital Assessment, SAM:	9175			63,360	52,800	83.33%	63,360	100.00%	160,666	97,306	153.58%
I-Bank Loan:	9200	28,345	38,933	52,575	29,497	56.11%	29,497	56.11%	26,022	(26,553)	-50.50%
Total Non Operating Expense:		40,687	62,680	172,275	100,586	58.39%	114,718	66.59%	207,478	35,203	20.43%
Net Change in position from Non Operating		9,845	18,113	88,187	73,010		93,533		129,407	41,221	



MWSD — Fiscal Year 2015-2016 Operations Budget - WATER ENTERPRISE

Operating Revenue	GL Codes	2012-13	2013-14	Approved Budget	Income/Expenditures	% To date	Projected	Projected as %	Budgeted	Increase/(Decrease)	Increase/(decrease)
		Actual	Actual	2014-15	as of April 30, 2015			of Budget	amounts 2015-	from 2014-2015 \$	%
Cell Tower Lease:	4220	28,909	32,270	31,500	26,676	84.69%	32,011	101.62%	32,000	500	1.59%
Administrative Fees (New Construction):	4410	1,000	4,050	4,500	4,500	3,678	81.73%	4,414	98.08%	4,500	0.00%
Administrative Fees (Remodel):	4420	2,158	450	1,000	985	98.50%	1,182	118.20%	900	(100)	-10.00%
Inspection Fees (New Construction):	4430		3,825	4,250	3,522	82.87%	4,226	99.45%	4,250	0	0.00%
Inspection Fees (Remodel):	4440	407	425	850	929	109.29%	1,115	131.15%	800	(50)	-5.88%
Remodel Fees:	4460				324	100.00%	389	100.00%			
Property Tax Receipts:	4610	304,550	301,852	225,000	400,591	178.04%	480,709	213.65%	230,000	5,000	2.22%
Testing, Backflow:	4740	9,098	14,001	13,000	9,589	73.76%	11,507	88.51%	13,000	0	0.00%
Water Sales:	4810	1,557,945	1,614,283	1,846,473	1,402,278	75.94%	1,682,734	91.13%	1,682,734	(163,739)	-8.87%
Water Sales, Fire Protection:	4820	(3,945)				0.00%	0	0.00%		0	
Water Sales Refunds, Customer:	4850	548	(1,855)	(6,000)	(395)	6.58%	(474)	7.90%	(3,000)	3,000	-50.00%
Other Revenue:	4990		2,501		572	100.00%	686	100.00%		0	
Total Operating Revenue:		1,900,670	1,971,802	2,120,573	1,848,749	87.18%	2,218,499	104.62%	1,965,184	(155,389)	-7.33%
Operating Expenses											
Bank Fees:	5190	9,075	5,864	9,000	4,018	44.64%	4,822	53.57%	9,000	0	0.00%
Board Meetings:	5210	2,135	2,586	2,500	1,806	72.24%	2,167	86.69%	2,500	0	0.00%
Director Fees:	5220	3,450	3,788	2,500	2,437	97.48%	2,924	116.98%	3,300	800	32.00%
Election Expenses:	5230		3,897			0.00%	0	0.00%		0	
CDPH Fees:	5240	14,152	7,191	15,000	12,098	80.65%	11,417	76.11%	15,000	0	0.00%
Conference Attendance:	5250	4,274	1,852	5,000	2,858	57.16%	3,430	68.59%	4,000	(1,000)	-20.00%
Information Systems:	5270	1,300	2,786	6,000	2,787	46.45%	3,344	55.74%	3,200	(2,800)	-46.67%
Fidelity Bond:	5310			900		0.00%	0	0.00%		(900)	-100.00%
Property & Liability Insurance:	5320	1,425	1,583	1,700	1,667	98.06%	2,000	117.67%	1,755	55	3.24%
LAFCO Assessment:	5350	1,544	2,026	2,200	2,376	108.00%	2,376	108.00%	2,800	600	27.27%
Meeting Attendance, Legal:	5420	9,218	9,955	10,000	4,562	45.62%	5,474	54.74%	8,500	(1,500)	-15.00%
General Legal:	5430	57,912	60,840	70,000	43,130	61.61%	51,756	73.94%	60,000	(10,000)	-14.29%
Litigation:	5440	19,770				0.00%	0	0.00%		0	
Maintenance, Office:	5510		4,333	3,000	3,247	108.23%	3,896	129.88%	6,000	3,000	100.00%
Meetings, Local:	5520	314	189		147	100.00%	176	100.00%		0	
Memberships:	5530	17,175	18,050	18,000	16,630	92.39%	16,630	92.39%	18,000	0	0.00%
Office Supplies:	5540	14,533	6,872	9,000	8,166	90.73%	9,799	108.88%	9,000	0	0.00%
Postage:	5550	4,561	5,876	8,000	5,256	65.70%	6,307	78.84%	6,000	(2,000)	-25.00%
Printing & Publishing:	5560	378	1,538	4,000	1,171	29.28%	1,405	35.13%	2,000	(2,000)	-50.00%
Accounting:	5610	70,634	35,955	30,000	17,152	57.17%	20,582	68.61%	30,000	0	0.00%
Audit:	5620	12,550	12,050	13,000	10,050	77.31%	13,000	100.00%	13,000	0	0.00%
Consulting:	5630	10,938	16,055	31,500	26,579	84.38%	31,895	101.25%	25,000	(6,500)	-20.63%
Data Services:	5640		2,410		1,894	100.00%	2,273	100.00%		0	
Labor & HR Support:	5650	8,250	9,750	2,250	1,703	75.69%	2,044	90.83%		(2,250)	-100.00%
Payroll Services:	5660	220	471	900	897	99.67%	1,076	119.60%	850	(50)	-5.56%
Other Professional Services:	5690	1,953	30		19,425	100.00%	23,310	100.00%		0	
Telephone & Internet:	5720	7,321	7,050	8,000	9,706	121.33%	11,647	145.59%	9,000	1,000	12.50%
Mileage Reimbursement:	5730	1,236	1,592	2,000	2,137	106.85%	2,564	128.22%	2,000	0	0.00%
Reference Materials:	5740	380		800	0	0.00%	0	0.00%	800	0	0.00%
Other Administrative:	5790	884	1,340			0.00%	0	0.00%		0	
CalPERS 457 Deferred Plan:	5810	28,318	27,351	29,971	24,652	82.25%	30,284	101.04%	35,154	5,183	17.29%
Employee Benefits:	5820	76,848	68,114	75,902	30,991	40.83%	59,492	78.38%	61,277	(14,625)	-19.27%
Disability Insurance:	5830	1,923	2,371	2,510	1,866	74.34%	3,446	137.29%	3,549	1,039	41.41%
Payroll Taxes:	5840	29,587	31,704	31,600	26,800	84.81%	34,868	110.34%	38,419	6,819	21.58%
Worker's Compensation Insurance:	5960	39,080	23,902	26,853	12,461	46.40%	16,523	61.53%	17,019	(9,834)	-36.62%
Management:	5910	72,719	80,855	79,129	70,285	88.82%	83,535	105.57%	86,041	6,912	8.74%
Staff :	5920	322,672	280,425	328,917	238,547	72.53%	296,907	90.27%	338,785	9,868	3.00%
Staff Certification:	5930	9,975	8,815	10,710	7,500	70.03%	8,900	83.10%	9,167	(1,543)	-14.41%
Staff Overtime:	5940	3,721	29,202	43,468	41,042	94.42%	48,464	111.49%	49,918	6,450	14.84%
Staff Standby:	5950	832	10,739	8,120	14,105	173.71%	17,762	218.74%	18,295	10,175	125.31%
District sponsored Defined Benefit Plan:									111,796		
Backflow Prevention:	6160	2,120	3,635	2,100	3,396	161.71%	4,075	194.06%	4,000	1,900	90.48%



MWSD — Fiscal Year 2015-2016 Operations Budget - WATER ENTERPRISE

Operating Revenue	GL Codes	2012-13	2013-14	Approved Budget	Income/Expenditures	% To date	Projected	Projected as %	Budgeted	Increase/(Decrease)	Increase/(decrease)
		Actual	Actual	2014-15	as of April 30, 2015			of Budget	amounts 2015-	from 2014-2015 \$	%
Claims, Property Damage:	6170			10,000		0.00%	0	0.00%	10,000	0	0.00%
SCADA Maintenance:	6185	17,402	395	17,500	11,177	63.87%	13,412	76.64%	15,000	(2,500)	-14.29%
Internet & Telephone, Communications:	6187	3,279	1,693	0		0.00%	0	0.00%		0	
Education & Training:	6195	1,840	7,422	6,000	3,261	54.35%	3,913	65.22%	6,000	0	0.00%
Meeting Attendance, Engineering:	6210	9,851	1,716	5,000		0.00%	0	0.00%	2,000	(3,000)	-60.00%
General Engineering:	6220	32,536	30,145	45,000	8,924	19.83%	10,709	23.80%	30,000	(15,000)	-33.33%
Water Quality Engineering:	6230	178,667	25,653	25,000	42,593	170.37%	51,112	204.45%	35,000	10,000	40.00%
Equipment & Tools, Expensed:	6320	12,627	6,527	13,000	2,573	19.79%	3,088	23.75%	6,000	(7,000)	-53.85%
Alarm Services:	6335		758	450	545	121.11%	654	145.33%	750	300	66.67%
Landscaping:	6337	3,600	3,600	3,600	2,700	75.00%	3,240	90.00%	4,500	900	25.00%
Lab Supplies & Equipment:	6370	198	842	1,000		0.00%	0	0.00%	1,000	0	0.00%
Meter Reading:	6380	1,421	5,787	10,000		0.00%	0	0.00%		(10,000)	-100.00%
Pumping Fuel & Electricity:	6410	43,957	55,704	60,000	58,827	98.05%	70,592	117.65%	65,000	5,000	8.33%
Pumping Maintenance, Generators:	6420	1,671	8,624	15,000	9,581	63.87%	11,497	76.65%	13,000	(2,000)	-13.33%
Pumping Maintenance, General:	6430			0	4,297	100.00%	5,156	100.00%	2,500	2,500	
Pumping Equipment, Expensed:	6440	483	3,386	10,000		0.00%	0	0.00%	2,000	(8,000)	-80.00%
Maintenance, Raw Water Mains:	6510	1,888	1,164	2,000		0.00%	0	0.00%		(2,000)	-100.00%
Maintenance, Wells:	6520	457	5,295	5,000	4,572	91.44%	5,486	109.73%	5,000	0	0.00%
Water Purchases:	6530	225,851	25,949	50,000	35,443	70.89%	42,532	85.06%	40,000	(10,000)	-20.00%
Hydrants:	6610	2,091	438	2,000		0.00%	0	0.00%	1,000	(1,000)	-50.00%
Maintenance, Water Mains:	6620	36,123	51,771	50,000	44,571	89.14%	53,485	106.97%	55,000	5,000	10.00%
Maintenance, Water Service Lines:	6630	15,361	12,582	30,000	9,881	32.94%	11,857	39.52%	25,000	(5,000)	-16.67%
Maintenance, Tanks:	6640	6,318	769	6,500	690	10.62%	828	12.74%	1,000	(5,500)	-84.62%
Maintenance, Distribution General:	6650	6,189	12,114	6,500	4,853	74.66%	5,824	89.59%	10,000	3,500	53.85%
Maintenance, Collection System:	6660				620	100.00%	744	100.00%			
Meters:	6670	3,186		5,000	3,455	69.10%	4,146	82.92%	2,500	(2,500)	-50.00%
Chemicals & Filtering:	6710	20,623	7,013	21,000	26,428	125.85%	31,714	151.02%	30,000	9,000	42.86%
Maintenance, Treatment Equipment:	6720	4,779	5,640	7,500	1,487	19.83%	1,784	23.79%	4,000	(3,500)	-46.67%
Treatment Analysis:	6730	21,066	20,628	23,000	15,944	69.32%	19,133	83.19%	25,000	2,000	8.70%
Uniforms:	6770	8,473	10,421	8,500	8,008	94.21%	9,610	113.05%	9,000	500	5.88%
Fuel:	6810	8,737	9,006	9,000	5,271	58.57%	6,325	70.28%	8,500	(500)	-5.56%
Truck Equipment, Expensed:	6820	20	3,553	2,000	648	32.40%	778	38.88%	2,000	0	0.00%
Truck Repairs:	6830	861	10,071	4,500	585	13.00%	702	15.60%	5,000	500	11.11%
Other Operations:	6890	1,665	1,468		2,004	100.00%	2,405	100.00%		0	
Total Operations Expense:		1,534,597	1,123,176	1,348,580	982,482	72.85%	1,211,299	89.82%	1,420,874	(39,502)	-2.93%
Net Change in position from Operations:		366,073	848,626	771,993	866,267	112.21%	1,007,200	130.47%	544,310	(115,888)	-15.01%



MWSD — Fiscal Year 2015-2016 Non-Operating Budget - WATER ENTERPRISE

GL Codes	2012-13 Actual	2013-14 Actual	Approved Budget 2014-15	Income/Expenditures as of April 30, 2015	% To date	Projected	Projected as % of Budget	Budgeted amounts 2015-16	Increase/(Decrease) from 2014-2015 \$	Increase/(decrease) %	
Non Operating Revenue											
Connection Fees, Residential New Const:	7110	1,444	92,038	72,800	84,827	116.52%	101,792	139.83%	101,000	28,200	38.74%
Connection Fees, Residential Remodel:	7120			2,900	2,757	95.07%	3,308	114.08%	3,000	100	3.45%
Connection Fees, Residential Fire:	7130	72,871	15,632	38,100	40,022	105.05%	48,026	126.05%	53,000	14,900	39.11%
Connection Fees, Residential Remodel Fire:	7140		(150)	9,100		0.00%	0	0.00%		(9,100)	-100.00%
Connection Fees, Well Conversion:	7150					0.00%	0	0.00%		0	
General Obligation Bonds, Assessment Receipts:	7600	1,230,365	1,239,066	1,150,436	1,121,369	97.47%	1,150,436	100.00%	1,150,436	0	0.00%
Total Non Operating Revenue:		1,304,680	1,346,586	1,273,336	1,248,975	98.09%	1,303,563	102.37%	1,307,436	34,100	2.68%
Non Operating Expense											
PFP Connection Expenses:	9075				22,122	100.00%	26,546	100.00%		0	
General Obligation Bonds:	9100	1,150,436	413,602	1,150,436	335,302	29.15%	335,302	29.15%	315,346	(835,090)	-72.59%
PNC Equipment Lease:	9125	90,964	23,747	56,340	18,289	32.46%	21,861	38.80%	20,790	(35,550)	-63.10%
State Revolving Fund Loan:	9150	3,082	9,975	102,090		0.00%	0	0.00%		(102,090)	-100.00%
Total Non Operating Expense:		1,244,482	447,324	1,308,866	375,713	28.71%	383,709	29.32%	336,136	(972,730)	-74.32%
Net Change in position from Non Operating activities:		60,198	899,262	(35,530)	873,262		919,854		971,300	1,006,830	-2833.75%

Montara Water and Sanitary District

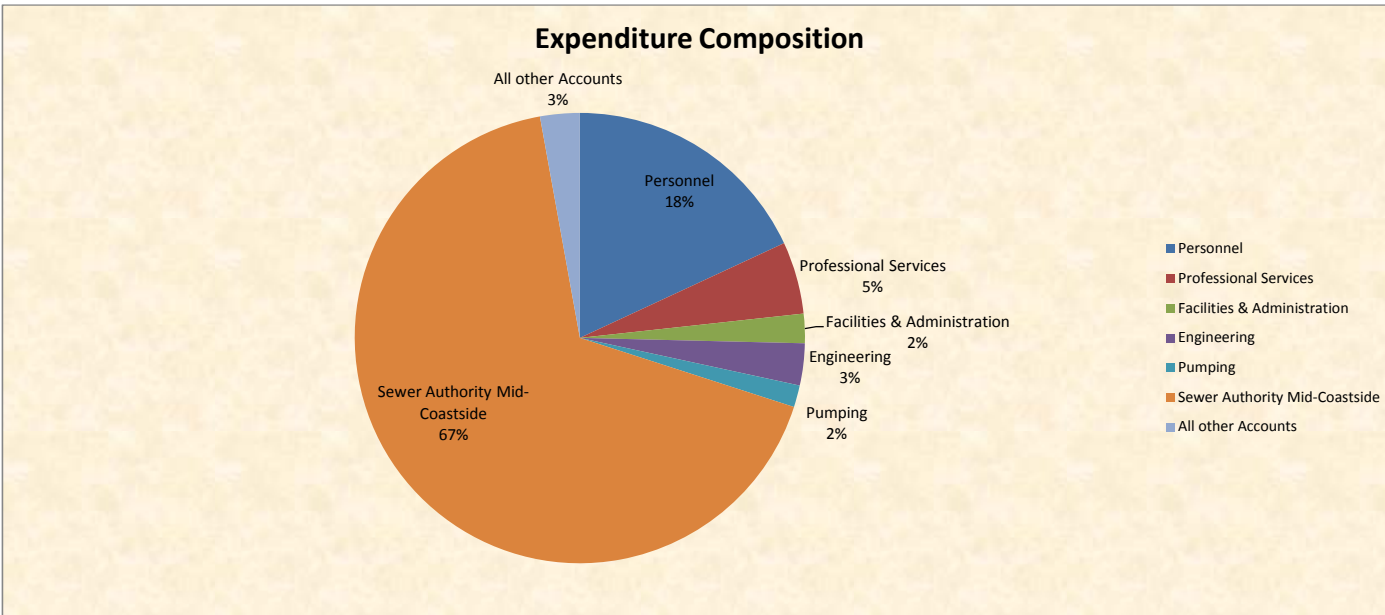
Revenue By Grouping - Sewer Enterprise

Grouped Categories	Actual FY 2013-14	FY 2014-15		FY 2014-15		Difference between Budgeted vs. Projected	Budgeted amounts 2015-16	Increase/(Decrease) from 2014-2015 \$	Increase/(decrease) %
		Budgeted Revenues	Revenues as of April 30, 2015	% To date	Projected Revenues				
Sewer Service Charges	2,017,672	2,181,853	1,974,349	90.49%	2,176,853	(5,000)	2,035,943	(145,910)	-6.69%
Cell Tower Lease	32,270	31,500	26,677	84.69%	32,012	512	32,000	500	1.59%
Fees	14,477	14,000	16,789	119.92%	20,147	6,147	19,000	5,000	35.71%
Property Tax	301,852	225,000	190,360	84.60%	253,813	28,813	230,000	5,000	2.22%
Waste Collection Revenues	13,191	14,500	15,399	106.20%	18,479	3,979	15,000	500	3.45%
Total	2,379,462	2,466,853	2,223,574	90.14%	2,501,304	34,451	2,331,943	(134,910)	-5.47%

Expenditures by Grouping

General Operating Budget - Cost Center Roll-up

Grouped Categories	Actual FY 2013-14	FY 2014-15		FY 2014-15		Difference between Budgeted vs. Projected	Budgeted amounts 2015-16	Increase/(Decrease) from 2014-2015 \$	Increase/(decrease) %
		Budgeted Expenditures	Expenditures as of April 30, 2015	% To date	Projected Expenditures				
Personnel	251,004	257,588	211,371	82.06%	258,643	1,055	311,666	54,078	20.99%
Professional Services	86,236	94,150	58,113	61.72%	69,736	(24,414)	89,550	(4,600)	-4.89%
Facilities & Administration	33,470	36,400	26,257	72.14%	31,508	(4,892)	36,400	0	0.00%
Engineering	47,743	30,000	58,682	195.61%	70,418	40,418	52,000	22,000	73.33%
Pumping	27,293	35,000	20,984	59.95%	25,181	(9,819)	27,000	(8,000)	-22.86%
Sewer Authority Mid-Coastside	1,052,242	1,019,874	829,271	81.31%	995,125	(24,749)	1,158,392	138,518	13.58%
All other Accounts	34,619	58,160	16,369	28.15%	19,643	(38,517)	49,102	(9,058)	-15.57%
Total	1,532,607	1,531,172	1,221,047	79.75%	1,470,254	(60,918)	1,724,110	192,938	12.60%



Montara Water and Sanitary District

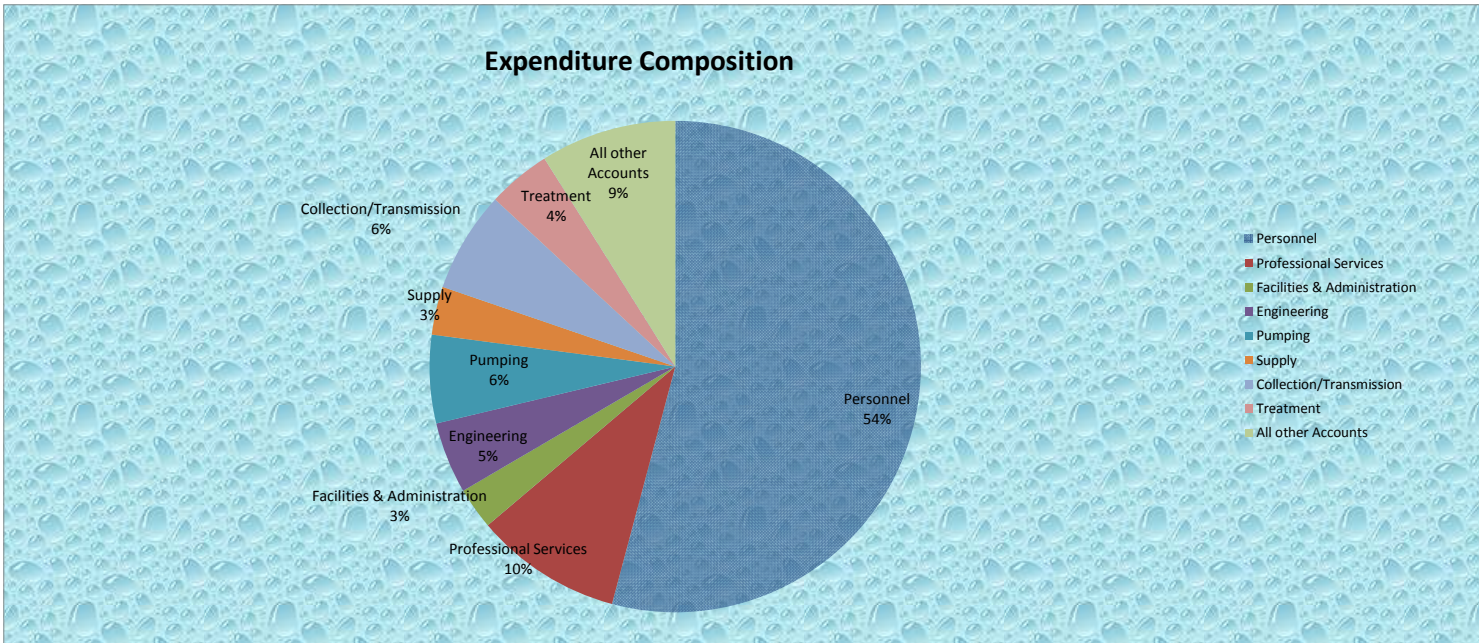
Revenue By Grouping - Water Enterprise

Grouped Categories	Actual FY 2013-14	FY 2014-15		FY 2014-15 Projected		Difference between Budgeted vs. Projected	Budgeted amounts 2015-16	Increase/(Decrease) from 2014-2015 \$	Increase/(decrease) %
		Budgeted Revenues	Revenues as of April 30, 2015	% To date	Revenues				
Water Sales	1,612,428	1,840,473	1,401,883	76.17%	1,682,260	(158,214)	1,679,734	(160,739)	-8.73%
Cell Tower Lease	32,270	31,500	26,676	84.69%	32,011	511	32,000	500	1.59%
Fees	8,750	10,600	9,114	85.98%	10,937	337	10,450	(150)	-1.42%
Property Tax	301,852	225,000	400,591	178.04%	480,709	255,709	230,000	5,000	2.22%
Backflow Testing & Other	16,502	13,000	10,161	78.16%	12,193	(807)	13,000	0	0.00%
Total	1,971,802	2,120,573	1,848,425	87.17%	2,218,110	97,537	1,965,184	(155,389)	-7.33%

Expenditures by Grouping

General Operating Budget - Cost Center Roll-up

Grouped Categories	Actual FY 2013-14	FY 2014-15		FY 2014-15 Projected		Difference between Budgeted vs. Projected	Budgeted amounts 2015-16	Increase/(Decrease) from 2014-2015 \$	Increase/(decrease) %
		Budgeted Expenditures	Expenditures as of April 30, 2015	% To date	Expenditures				
Personnel	563,478	637,180	468,249	73.49%	600,181	(36,999)	769,419	132,239	20.75%
Professional Services	147,516	157,650	125,392	79.54%	151,410	(6,240)	137,350	(20,300)	-12.88%
Facilities & Administration	32,950	37,750	32,458	85.98%	38,950	1,200	39,005	1,255	3.32%
Engineering	57,514	75,000	51,517	68.69%	61,820	(13,180)	67,000	(8,000)	-10.67%
Pumping	67,714	85,000	72,705	85.54%	87,246	2,246	82,500	(2,500)	-2.94%
Supply	32,408	57,000	40,015	70.20%	48,018	(8,982)	45,000	(12,000)	-21.05%
Collection/Transmission	77,674	100,000	64,070	64.07%	76,884	(23,116)	94,500	(5,500)	-5.50%
Treatment	33,281	51,500	43,859	85.16%	52,631	1,131	59,000	7,500	14.56%
All other Accounts	110,641	147,500	84,217	57.10%	94,159	(53,341)	127,100	(20,400)	-13.83%
Total	1,123,176	1,348,580	982,482	72.85%	1,211,299	(137,281)	1,420,874	72,294	5.36%



MWSD SEWER Capital Improvement Program
2015-16
SEWER SYSTEM

PROJECT	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
MWSD CAPITAL PROJECTS					
Mechanical System Repairs & Replacement	\$ 74,250	\$ 75,000	\$ 50,000	\$ 50,000	\$ 25,000
Inflow & Infiltration Testing / Televising	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Seal Cove Area Repair and Maint. Project	\$ 15,000	\$ 20,000	\$ 15,000	\$ 15,000	\$ 15,000
Replace Pump Station Pumps	\$ 20,000	\$ 20,000	\$ 50,000	\$ 50,000	\$ 20,000
Replace Medium High Priority Sewer Mains	\$ 541,233	\$ 939,225	\$ 1,021,300	\$ 1,954,200	\$ 2,300,250
Spot Repairs Program	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Replace Distillery Pump Station		\$ 5,000	\$ 15,000	\$ 120,000	\$ 80,000
Pump Station Communication Upgrades	\$ 5,000	\$ 25,000	\$ 25,000	\$ 25,000	
MWSD CAPITAL PROJECTS TOTAL:	\$ 685,483	\$ 1,114,225	\$ 1,206,300	2,244,200	2,470,250
(Alt) Cabrillo Hwy Express Sewer	\$ 887,963	\$ 810,000	\$ 729,000		
TOTAL ANNUAL COST	1,573,446	1,924,225	1,935,300	2,244,200	2,470,250

MWSD
Five Year Capital Improvement Program
Water System

Existing Customer CIP	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Distribution System Renewal and Replacement Program	\$ 115,500	\$ 117,810	\$ 120,166	\$ 122,570	\$ 125,021
Water Conservation Program	\$ 8,500	\$ 8,670	\$ 8,843	\$ 9,020	\$ 9,201
Well Rehabilitation Program	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Storage Tank Rehabilitation Program	\$ -	\$ -	\$ 150,000	\$ -	\$ -
Vehicle Replacement Fund	\$ -	\$ 25,000	\$ 25,500	\$ 26,010	\$ 26,530
PWP Phase I Projects	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -
Pillar Ridge Rehabilitation Program	\$ 10,000	\$ 20,000	\$ 20,400	\$ 20,808	\$ 21,224
EXISTING CUSTOMER CIP TOTAL	\$ 1,334,000	\$ 171,480	\$ 324,910	\$ 178,408	\$ 281,976
New Customer CIP	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Develop Additional Supply Reliability	\$ -	\$ 100,000	\$ 200,000	\$ 200,000	\$ 200,000
Portola Tank Telemetry Upgrade	\$ 20,000	\$ 30,000	\$ -	\$ -	\$ -
New and Upgraded PRV Stations	\$ 35,000	\$ 35,700	\$ 36,414	\$ 37,142	\$ 37,885
Emergency Generator Upgrades	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ -
Schoolhouse Booster Pump Station Upgrade	\$ 20,000	\$ -	\$ -	\$ -	\$ 80,000
Valve Installation Program	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Wagner Well Upgrade	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Water Main Upgrades	\$ -	\$ 100,000	\$ 102,000	\$ 104,040	\$ 106,121
Groundwater Exploration Project	\$ 150,000	\$ -	\$ -	\$ -	\$ -
NEW CUSTOMER CIP TOTAL	\$ 395,000	\$ 285,700	\$ 408,414	\$ 411,182	\$ 444,006
Total Annual Capital Cost	\$ 1,729,000	\$ 457,180	\$ 733,324	\$ 589,590	\$ 725,982
CAPITAL FUND BALANCE					
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Fees	\$ 157,000	\$ -	\$ -	\$ -	\$ -
Appropriation from Operations to Existing Customers	\$ 372,000	\$ -	\$ -	\$ -	\$ -
SRF Loan 022	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -
Annual Capital Fund TOTAL:	\$ 1,729,000	\$ -	\$ -	\$ -	\$ -
Less CIP	\$ (1,729,000)	\$ (457,180)	\$ (733,324)	\$ (589,590)	\$ (725,982)
Total	\$ -	\$ (457,180)	\$ (733,324)	\$ (589,590)	\$ (725,982)