



# MID-PENINSULA WATER DISTRICT

## OPERATING AND CAPITAL BUDGETS FISCAL YEAR 2018-2019





# MID-PENINSULA WATER DISTRICT

OPERATING AND CAPITAL BUDGETS  
FISCAL YEAR 2018-2019



## **Board of Directors**

Dave Warden – President  
Louis J. Vella – Vice President  
Betty Linvill – Director  
Al Stuebing – Director  
Matthew P. Zucca – Director

## **Officers**

Tammy Rudock – General Manager  
Candy Pina – Administrative Services Manager/District Secretary  
Rene Ramirez – Operations Manager  
Joan L. Cassman/Julie Sherman, Hanson Bridgett LLP, District Counsel  
Joubin Pakpour, PE, Pakpour Consulting Group, District Engineer  
Jeff Ira, CPA, District Treasurer



### **ABOUT MID-PENINSULA WATER DISTRICT**

**The Mid-Peninsula Water District (MPWD)**, formerly Belmont County Water District, was formed as a California special district in 1929 from seven (7) independent water distribution systems (including the Spring Valley Water Company), which were united and began functioning as a public utility in 1930. Since its inception, the MPWD has been served by the San Francisco Regional Water System and purchased its entire water supply from San Francisco Water, a service of the San Francisco Public Utilities Commission (SFPUC). Reference [www.sfwater.org](http://www.sfwater.org).

The MPWD supplies water to consumers in an area slightly larger than the city limits of Belmont. Small portions of the service area are within the city limits of San Carlos, Redwood City, and parts of the unincorporated County of San Mateo. The MPWD's service territory covers approximately five (5) square miles and serves approximately 30,000 people. In the event of an emergency the MPWD can serve or be served with inter-ties between neighboring utilities. Presently, the MPWD has one (1) inter-tie with Foster City, two (2) with San Carlos, one (1) with Redwood City and three (3) with San Mateo.

The MPWD is a member of the Bay Area Water Supply and Conservation Agency (BAWSCA), which represents the interests of 26 cities and water districts, and two private utilities that purchase water wholesale from the SFPUC. For complete information about BAWSCA: [www.bawasca.org](http://www.bawasca.org).

### **GOVERNANCE**

Policy development and rates for service are established by five (5) Directors, elected by MPWD ratepayers to serve staggered four-year terms on its governing board.

Officers of the MPWD include the General Manager, District Secretary, District Counsel, District Engineer and District Treasurer.

### **ORGANIZATIONAL STRUCTURE**

The General Manager is appointed by and reports directly to the Board of Directors. Along with the General Manager, the Administrative Services Manager and the new Operations Manager oversee the day-to-day operations of the MPWD.

The Administrative Services Manager serves as the District Secretary and leads the following operations: Administration, Finance and Accounting, Human Resources, and Customer Services. The Operations Manager leads the water system operations, maintenance, and capital project management.

There are a total of 18 permanent positions within the MPWD. Three (3) Water Service Operators were added to the organization in FY 2018/2019 for succession planning and as a result of upcoming employee retirements. One Accountant position was also added and will be a part-time non-benefitted position. For FY 2018/2019 a total of 22 FTEs and 1 PTE positions are funded for MPWD operations. Through attrition the goal is to staff 18 FTEs and 1 PTE positions within the MPWD organization.

The Operations staff totals 16 employees, including the Manager, Field Operations Supervisors, Lead Operators, Water Treatment Operators, and Maintenance Technicians.

The Administrative and Customer Services staff totals four (4) full-time employees and one (1) part-time (non-benefitted) employee, including the Administrative Services Manager, Administrative Specialists, Administrative Assistant, and Accountant.

The MPWD Mission Statement, Vision Statement, and Strategic Goals are reviewed annually in January by the Board of Directors, together with the development of annual Strategic Plan and Board assignments.

### **MPWD MISSION STATEMENT**

The mission of the MPWD is to deliver a safe, high quality, reliable supply of water for current and future generations in a cost effective, environmentally sensitive and efficient manner.

### **MPWD VISION STATEMENT**

The MPWD strives to be recognized by our ratepayers, the community we serve, and other agencies for our outstanding service and enlightened water conservation programs. We will employ innovative approaches to water and energy sustainability to achieve cutting edge environmental efficiency and a competitive rate structure. We will commit ourselves to provide community information and water education.

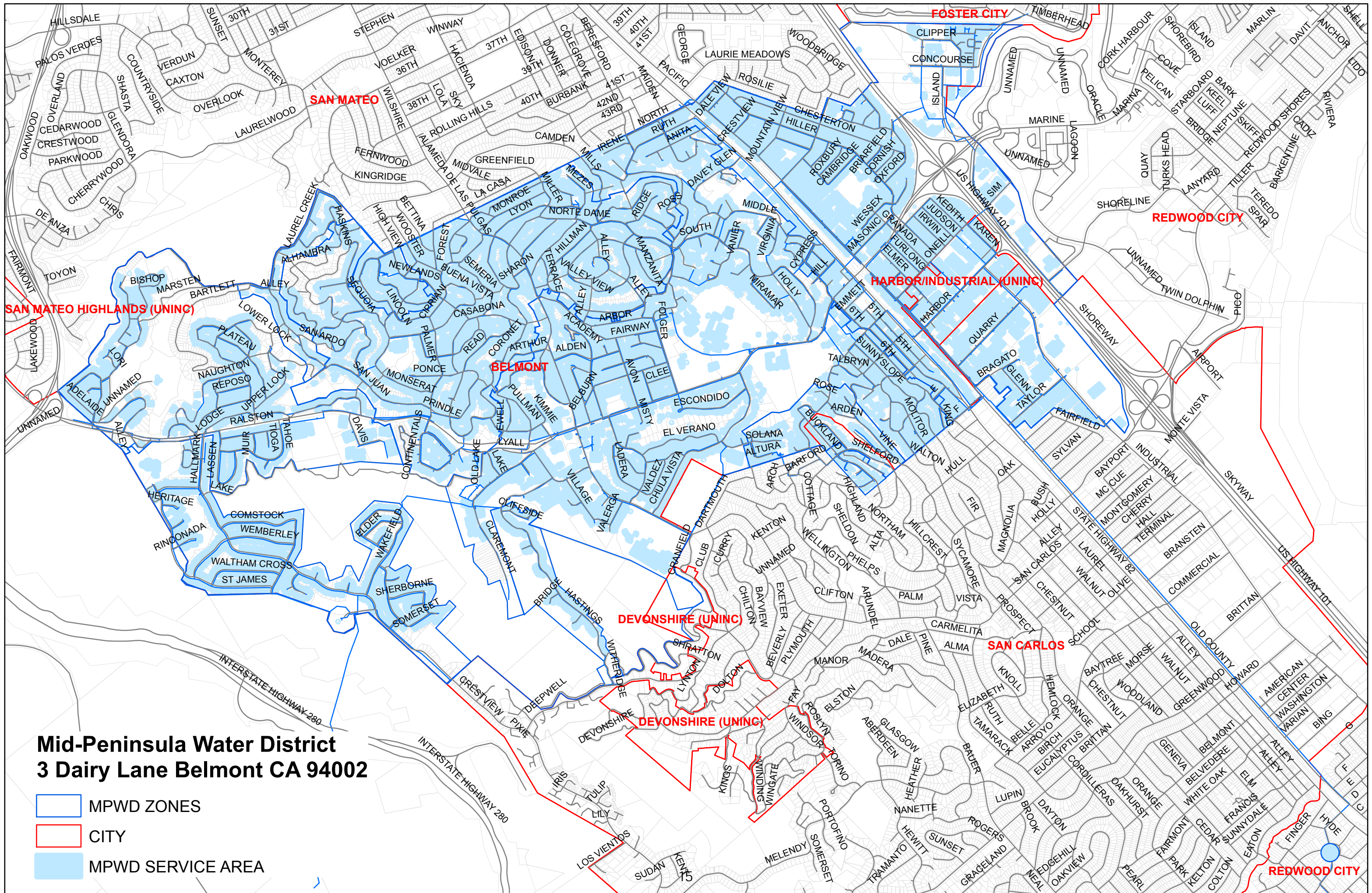
### **MPWD STRATEGIC GOALS**

1. To effectively manage the water resources, demands, and infrastructure for the MPWD.
2. To operate the MPWD at the highest level of service to customers at the lowest expense.
3. To develop an environment that fosters open and candid communications with the community, customers, staff, and directors.
4. To keep current with water issues and industry best management standards.



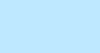
For further information about the MPWD: [www.midpeninsulawater.org](http://www.midpeninsulawater.org).

The MPWD Service Map and Organizational Chart to follow:





**Mid-Peninsula Water District  
3 Dairy Lane Belmont CA 94002**

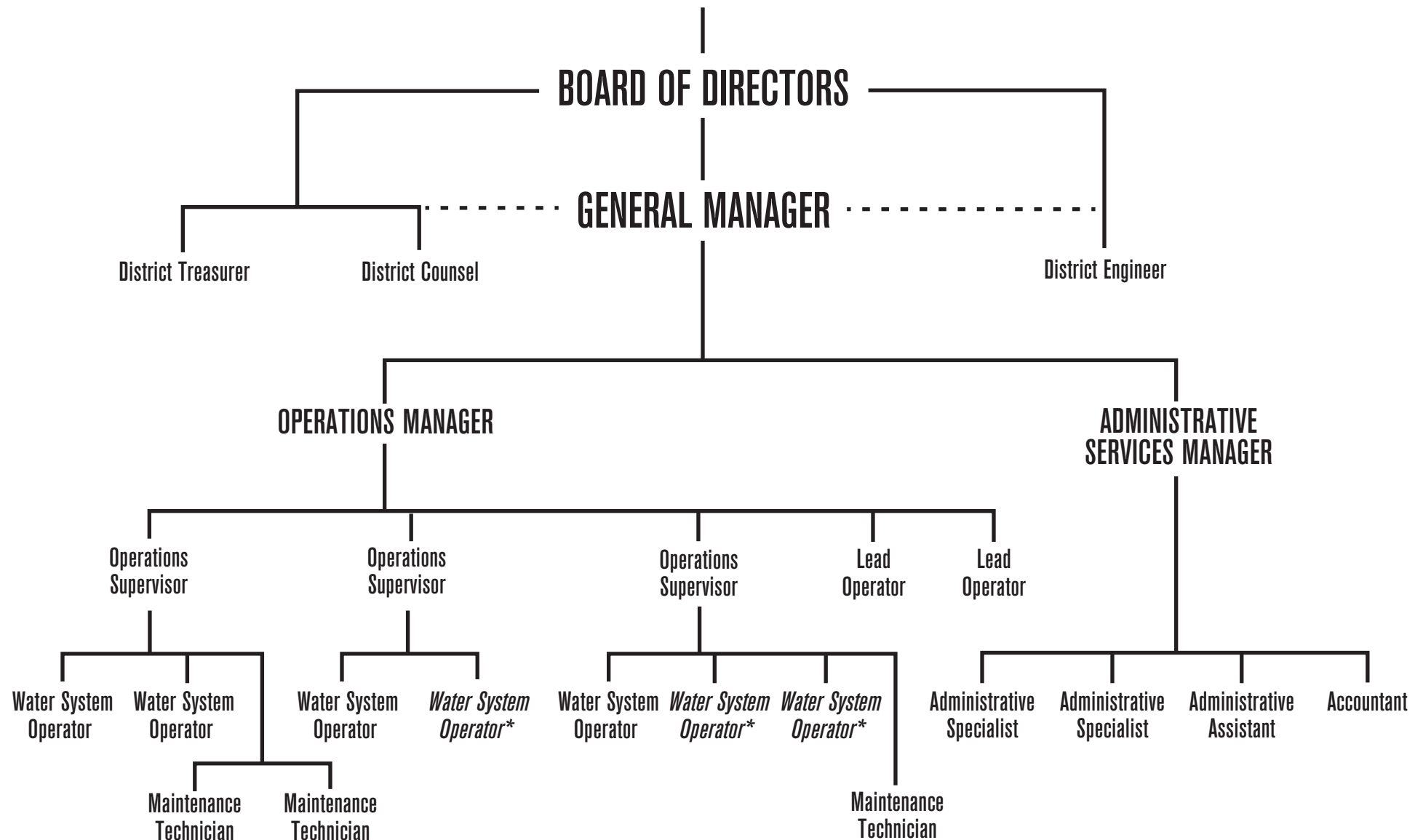
-  MPWD ZONES
-  CITY
-  MPWD SERVICE AREA





# MPWD ORGANIZATIONAL CHART

## CUSTOMERS



\* These positions are for succession planning.

## **MPWD BUDGET PROCESS**

### **BUDGET ADMINISTRATION**

The MPWD operates on a July 1<sup>st</sup> to June 30<sup>th</sup> fiscal year. Each fiscal year, two (2) budgets are developed, an Operating Budget and a Capital Budget.

The Board of Directors begins the budget development process in February or March of each year for a June adoption. The budget documents are discussed during regular Board meetings each month from February through June. Public comment is welcome.

The Operating Budget includes the revenues and expenditures for the day-to-day operations of the MPWD. The Capital Budget includes the capital infrastructure and system projects and outlays.

A mid-year budget review is typically scheduled each year. This process allows for an updated report on the previous 6-month operational and capital activities, and revenue collections and expenditures. Any proposed budgetary adjustments for the remainder of the fiscal year are also considered at this time.

The MPWD's budget format was significantly improved in Fiscal Year (FY) 2012/2013. The Board of Directors and staff wanted a high level of transparency and more user friendly budget documents. A line-by-line operating budget accounting for MPWD revenue and expenditure account items was developed. A capital budget was enhanced to present not only the proposed projects and outlay items but also the revenue sources for them.

Budget documents are posted at the MPWD website: [www.midpeninsulawater.org](http://www.midpeninsulawater.org).

### **CAPITAL IMPROVEMENTS**

A Comprehensive System Analysis was completed in 2015, and a total of \$52 million in system capital improvements was prioritized. After a year of discussion during 2016, the Board approved debt financing as the option to expedite approximately \$20 million in deferred and much needed capital improvements.

A 5-year Capital Improvement Program (CIP) for FYs 2016-2021 totaling \$20,045,000 was approved by the Board on May 26, 2016 (per Resolution 2016-06).

The MPWD secured debt financing totaling \$19 million (2016 COP - Certificates of Participation) on December 7, 2016. Quarterly reports on the expenditures have been provided at regular MPWD Board Meetings.

The MPWD also continues to operate on a "pay go" basis for capital outlays and improvements that would not otherwise be funded with the 2016 COP dollars. These outlays and projects are presented to the Board for "pay-go" funding consideration annually during the budget process or on a case-by-case basis as needed.

The MPWD launched its newly redesigned website on August 16, 2017, and has extensively updated the CIP page, including the 2016 COP documents and quarterly reports.

#### MPWD TIERED RATE STRUCTURE

In June 2015, following completion of a comprehensive water rate study, the MPWD approved new water rates for FYs 2015 through 2019 that provided for a phased approach to raising rates to keep pace with increasing wholesale water and operational costs. The tiered rate model also encourages conservation by increasing unit rates for higher consumption.

The MPWD relies solely on water from the SFPUC, which is in process of completing a \$4.8 billion seismic Water System Improvement Program in 2019 on the Hetch Hetchy regional distribution system. Costs for the capital improvements are passed on through wholesale water prices and the MPWD water rates must be adjusted accordingly. Other factors affecting water rates include conservation impacts and cost of MPWD operations.

The MPWD engages in an array of water conservation programs including Lawn-Be-Gone, HET (High Energy Toilet), and Rain Barrel rebate programs, school conservation programs, and landscape audit programs. More information is available about these programs at the MPWD's website: [www.midpeninsulawater.org](http://www.midpeninsulawater.org).

#### **FY 2017/2018 OPERATING BUDGET**

<b>BUDGET CATEGORY</b>	<b>ACTUAL FY 2018/2019 BUDGET</b>	<b>ACTUAL FY 2017/2018 BUDGET</b>	<b>ACTUAL FY 2016/2017 BUDGET</b>
Total Operating Revenues	\$ 12,992,000	\$ 12,228,920	\$ 11,488,120
Total Operating Expenditures	\$ 12,992,000	\$ 12,710,419	\$ 10,856,950
Net Transfer to Capital	\$ -	\$ (481,499)	\$ 631,170



Here are FY 2018/2019 budget assumptions:

### **REVENUES**

- FY 2018/2019 Water Commodity Charges and Fixed System Charges reflect the approved water rate adjustments (2.8% increase to commodity charges and increases to monthly fixed system charges). The overall rate adjustment was 4.1%, which was less than the 6.0% approved during the Proposition 218 process in 2015. Rates notices were mailing to customers and property owners during the week of May 14<sup>th</sup>.
- Total Operating Revenues are projected to increase by \$724,280 (6.2%). Besides the projected increases from the water rate adjustments, actual FY 2017/2018 fiscal year water sales indicate that revenues will be higher than projected and nearer the water sales projections reflected in the BWA 2018 Water Rate Update. Also property taxes are likely to increase.
- Development revenues (Water System Capacity Charges and Water Demand Offset Charges) have already been collected by the MPWD and are expected to be recognized next fiscal year.
- Total Non-Operating Revenues are projected to increase by \$38,800 (6.8%) when compared with the projected Total Operating Revenues for FY 2016/2017.

### **EXPENDITURES**

- A 3.5% inflationary factor and 1.5% for potential classification adjustment was applied to Salaries & Wages and Payroll Taxes & Benefits and is projected to cover any wage adjustments that might be needed after the completion of the MPWD's 2018 Total Compensation Study, employee annual merit increases, and the hiring of new employees. The annual average CPI for Urban Wage Earners and Clerical Workers in 2017 was 3.1% per the U.S. Department of Labor, Bureau of Labor Statistics, for the San Francisco-Oakland-Hayward area. For the first two months of 2018, it was 3.8%.
- Salaries & Wages, and Payroll Taxes and Benefits, were increased to cover new hires, including three (3) Water System Operators and a proposed Finance Manager (using mid-salary range as maximum hiring point). Since the budget was approved, staff has recommended an Accountant position not only for added front line accounting responsibilities but for succession planning.
- The SFPUC Treated Water projected expenditure was held steady at the FY 2017/2018 projected expense level since there will be no wholesale customer rate adjustments in FY 2018/2019.
- The majority of operating expenses were held at the budgeted amounts for FY 2017/2018, and a 3.5% inflationary factor was applied to them in FY 2018/2019. The annual average CPI for All Urban Consumers in 2017 was 3.2% per the U.S. Department of Labor, Bureau of Labor Statistics, for the San Francisco-Oakland-Hayward area. For the first two months of 2018, it was 3.6%.
- The MPWD's debt service coverage requirement for the 2016 COPs is 1.3, and per the proposed Operating Budget, it is projected to be 1.89 for FY 2018/2019.

## **FY 2017/2018 CAPITAL PAY-GO BUDGET**

### **FY 2018/2019 CAPITAL BUDGET**

The cash-funded Capital Budget for FY 2018/2019 totals \$1,526,500 and includes the following items:

- Capital Improvement Projects
  - 2017 Joint WMR and Belmont Sewer Rehab (Pay-Go Portion) - \$500,000; and
  - AMI meter change-out program - \$778,500.
- Capital Outlay
  - Replacement Mini-Excavator for Operations - \$50,000;
  - Replacement Service Truck for Operations - \$148,000; and
  - Miscellaneous Capital Outlay (placeholder for unknown outlay items or capitalized adjustments) - \$50,000.

The capital projects were identified as priorities within the MPWD 2017-2018 Strategic Plan.

A total of \$595,000 is projected to be transferred from MPWD cash reserves. During the Board's consideration of the MPWD Cash Reserve Policy at its February 22, 2018, regular meeting, \$500,000 of cash reserves was committed for the approved 2017 Joint WMR and Belmont Sewer Rehabilitation project (pay-go portion). The remainder of \$95,000 to be transferred from MPWD cash reserves is represented by proceeds from the sale of surplus vehicles, equipment, and materials during the fiscal year. A total of approximately \$95,000 was collected in auction proceeds and not used in operations, and therefore, reserved. The proposed mini-excavator replaces a large backhoe sold at auction. It would be much more functional and easier to use in tight project areas with limited space within the MPWD system. The same goes for the proposed service truck. A large 2005 Peterbilt was sold at auction and a different truck model would be much more useful for Operations staff and easier to maneuver around town. One other service truck from the MPWD fleet would be proposed for surplus and auction next fiscal year with the purchase of a new service truck.

When considering the MPWD's FY 2018/2019 debt service payment in the amount of \$1,051,500 plus the proposed Capital budget totaling \$1,526,500, a total amount of \$2,578,000 is proposed for Capital expenditures, which is greater than what has been spent in past years (\$1.0 million to \$1.5 million) and responsive to the needs within the system and MPWD operations.

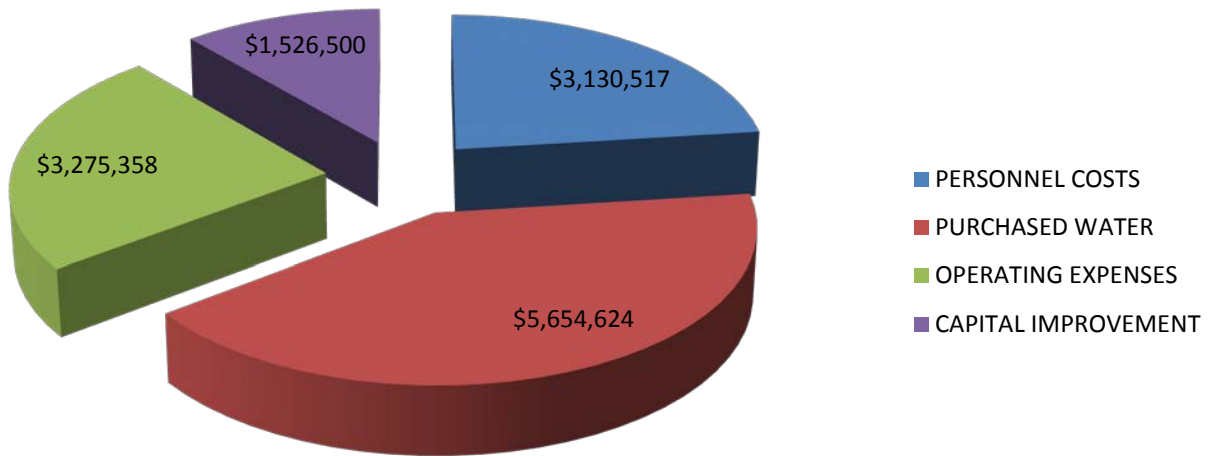


# MID-PENINSULA WATER DISTRICT

**OPERATING AND CAPITAL BUDGET**  
FISCAL YEAR 2018-2019



## PROPOSED FY 2018-2019 BUDGET EXPENDITURES



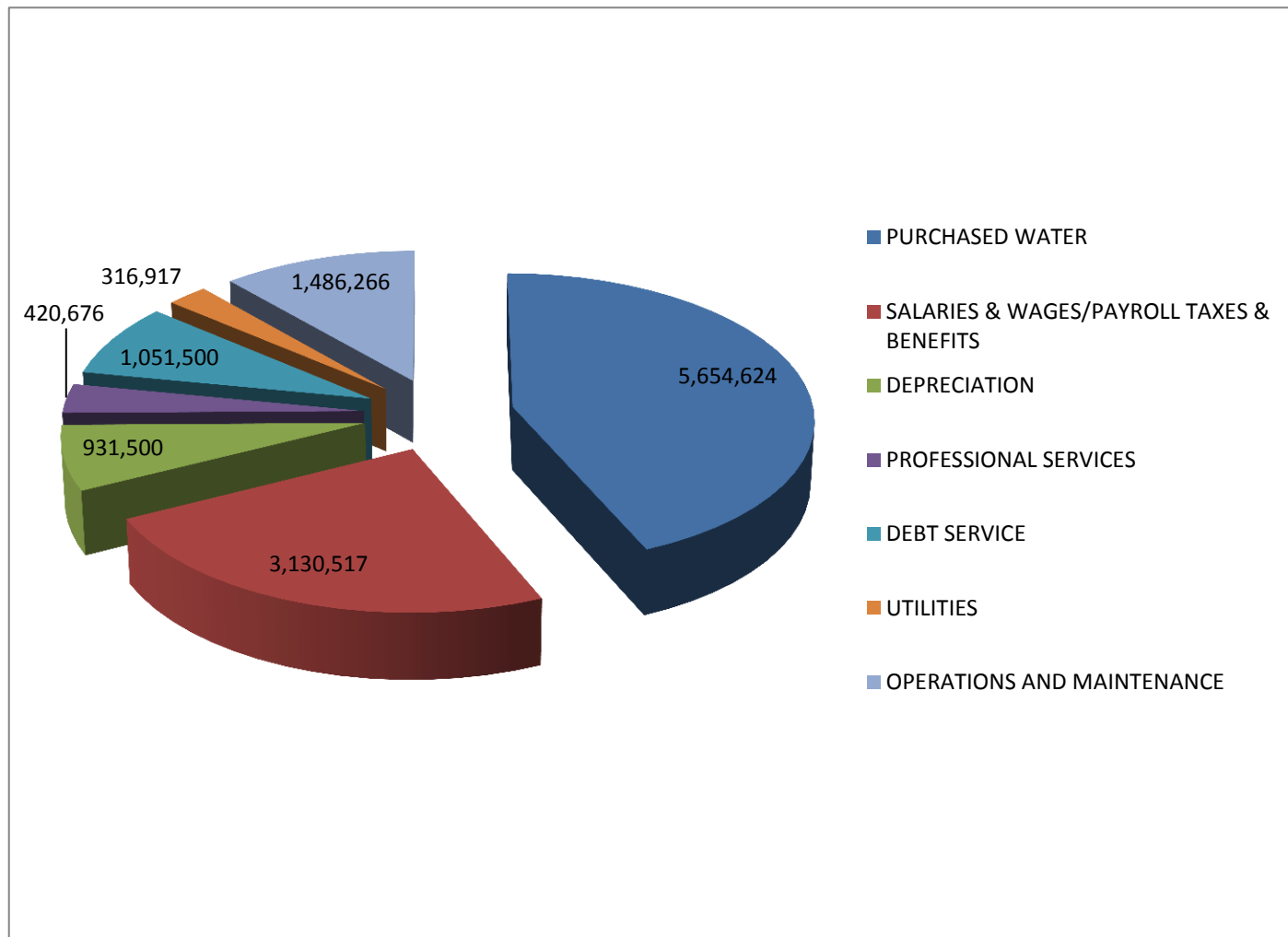
	PROPOSED FY 18/19 BUDGETED	% OF TOTAL	APPROVED FY 17/18 BUDGETED	% OF TOTAL
<b>TOTAL EXPENDITURES</b>				
PERSONNEL COSTS	\$ 3,130,517	23%	\$ 2,923,117	22%
PURCHASED WATER	\$ 5,654,624	42%	\$ 5,234,856	40%
OPERATING EXPENSES	\$ 3,275,358	24%	\$ 4,184,939	32%
CAPITAL IMPROVEMENT	\$ 1,526,500	11%	\$ 751,930	6%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 13,587,000</b>	<b>100%</b>	<b>\$ 13,094,842</b>	<b>100%</b>
	\$ -		\$ -	

**FINAL**  
**MID-PENINSULA WATER DISTRICT**  
**BUDGET FOR YEAR 2018-2019**  
**SUMMARY**

DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUALS 7/1/2017 3/31/18	FINAL FY 2018-2019 BUDGET \$	Increase (Decrease)	Y-T-D % OF BUDGET
<b>OPERATING REVENUE</b>					
WATER COMMODITY CHARGES	8,700,000	7,334,037	9,200,000	500,000	5.7%
FIXED SYSTEM CHARGES	2,663,720	1,993,918	2,880,000	216,280	8.1%
FIRE SERVICE CHARGES	14,000	11,417	14,000	-	0.0%
SERVICE LINE & INSTALLATION CHGS	10,000	76,762	10,000	-	0.0%
MISCELLANEOUS OPERATING	10,000	63,364	10,000	-	0.0%
PROPERTY TAX REVENUE	260,000	242,262	268,000	8,000	3.1%
<b>TOTAL OPERATING REVENUE</b>	<b>11,657,720</b>	<b>9,721,760</b>	<b>12,382,000</b>	<b>724,280</b>	6.2%
WATER SYSTEM CAPACITY CHARGES	200,000	283,109	250,000	50,000	25.0%
WATER DEMAND OFFSET CHARGES	10,000	33,899	65,000	55,000	550.0%
MISCELLANEOUS NON-OPERATING	10,000	(2,260)	10,000	-	0.0%
INTEREST REVENUE - LAIF (RESTRICTED)	40,000	52,036	25,000	(15,000)	-37.5%
INTEREST REVENUE - COP (RESTRICTED)	150,000	134,118	100,000	(50,000)	-33.3%
LEASE OF PHYSICAL PROPERTY	150,000	121,995	155,000	5,000	3.3%
LANDSCAPE PERMIT REVENUE	11,200	12,000	5,000	(6,200)	-55.4%
<b>TOTAL NON-OPERATING REVENUE</b>	<b>571,200</b>	<b>634,897</b>	<b>610,000</b>	<b>38,800</b>	6.8%
<b>TOTAL REVENUE</b>	<b>12,228,920</b>	<b>10,356,658</b>	<b>12,992,000</b>	<b>763,080</b>	6.2%
<b>OPERATING EXPENDITURES (OP EXP)</b>					
SALARIES & WAGES	1,893,566	1,210,912	2,096,385	202,819	10.7%
PAYROLL TAXES & BENEFITS	1,084,880	731,209	1,034,132	(50,748)	-4.7%
PURCHASED WATER	5,554,624	4,222,208	5,654,624	100,000	1.8%
OUTREACH & EDUCATION	92,400	37,479	95,634	3,234	3.5%
M&R - OPS SYSTEM	486,598	282,126	474,775	(11,823)	-2.4%
M&R - FACILITIES & EQUIPMENT	166,860	103,756	172,700	5,840	3.5%
MAJOR MAINTENANCE	30,000	12,376	31,050	1,050	3.5%
OFFICE SUPPLIES & EQUIPMENT	317,278	197,011	292,022	(25,256)	-8.0%
MEMBERSHIP & GOV FEES	208,613	155,517	215,914	7,301	3.5%
BAD DEBT & CLAIMS	17,000	(2,662)	17,595	595	3.5%
UTILITIES	306,200	187,402	316,917	10,717	3.5%
PROFESSIONAL SERVICES	406,450	297,864	420,676	14,226	3.5%
TRAINING/TRAVEL & RECRUITMENT	45,000	21,983	61,575	16,575	36.8%
RESTRICTED EARNINGS	216,000	186,154	125,000	(91,000)	-42.1%
DEBT SERVICE TRUSTEE FEES & EXP	-	1,700	-	-	0.0%
DEBT SERVICE 2016 COPs	984,950	844,823	1,051,500	66,550	6.8%
<b>TOTAL OP EXP LESS DEPRECIATION</b>	<b>11,810,419</b>	<b>8,489,857</b>	<b>12,060,500</b>	<b>250,081</b>	2.1%
<b>TOTAL OP REV LESS OP EXP &amp; DEPR</b>	<b>418,501</b>	<b>1,866,800</b>	<b>931,500</b>	<b>512,999</b>	122.6%
DEPRECIATION	900,000	654,614	931,500	31,500	3.5%
<b>TOTAL OP REVENUE LESS OP EXP</b>	<b>(481,499)</b>	<b>1,212,186</b>	<b>0</b>	<b>481,499</b>	-100.0%
<b>NET TRANSFERS TO CAPITAL</b>	<b>481,499</b>	<b>(1,212,186)</b>	<b>(0)</b>	<b>(481,499)</b>	-100.0%
<b>NET RESULTS OF OPERATIONS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

**MID-PENINSULA WATER DISTRICT  
BUDGET FOR YEAR 2018-2019  
SUMMARY**

<b>OPERATING EXPENDITURES</b>	<b>BUDGET \$</b>	<b>% OF TOTAL</b>
PURCHASED WATER	5,654,624	43.5%
SALARIES & WAGES/PAYROLL TAXES & BENEFITS	3,130,517	24.1%
DEPRECIATION	931,500	7.2%
PROFESSIONAL SERVICES	420,676	3.2%
DEBT SERVICE	1,051,500	8.1%
UTILITIES	316,917	2.4%
OPERATIONS AND MAINTENANCE	1,486,266	11.4%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>12,992,000</b>	<b>100%</b>



**NOTE: Operating Expenditures under \$100k are not reflected in the above chart.**



**FINAL**  
**MID-PENINSULA WATER DISTRICT**  
**OPERATIONS BUDGET FOR YEAR 2018-2019**  
**DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	FINAL FY 2018-2019 BUDGET \$	Increase (Decrease)	% OF BUDGET
4010	Water Commodity Charges	8,700,000	7,334,037	9,200,000	500,000	5.7%
4020	Fixed System Charges	2,663,720	1,993,918	2,880,000	216,280	8.1%
4030	Fire Service Charges	14,000	11,417	14,000	-	0.0%
4050	Service Line & Installation Charges	10,000	76,762	10,000	-	0.0%
4080	Miscellaneous Operating	10,000	63,364	10,000	-	0.0%
<b>4000</b>	<b>TOTAL WATER CHARGES</b>	<b>11,397,720</b>	<b>9,479,498</b>	<b>12,114,000</b>	<b>716,280</b>	<b>6.3%</b>
4202	Property Tax Revenue	260,000	242,262	268,000	8,000	3.1%
<b>4200</b>	<b>OTHER OPERATING REVENUE</b>	<b>260,000</b>	<b>242,262</b>	<b>268,000</b>	<b>8,000</b>	<b>3.1%</b>
	<b>TOTAL OPERATING REVENUE</b>	<b>11,657,720</b>	<b>9,721,760</b>	<b>12,382,000</b>	<b>724,280</b>	<b>6.2%</b>
4060	Water System Capacity Charges	200,000	283,109	250,000	50,000	25.0%
4070	Water Demand Offset Charges	10,000	33,899	65,000	55,000	550.0%
4090	Miscellaneous - Non Operating	10,000	(2,260)	10,000	-	0.0%
4102	Interest Revenue- LAIF (Restricted)	40,000	52,036	25,000	(15,000)	-37.5%
4103	Interest Revenue-COP Funds (Restricted)	150,000	134,118	100,000	(50,000)	-33.3%
<b>4100</b>	<b>INTEREST REVENUE</b>	<b>190,000</b>	<b>186,154</b>	<b>125,000</b>	<b>(65,000)</b>	<b>-34.2%</b>
4201	Lease of Physical Property	150,000	121,995	155,000	5,000	3.3%
4208	Landscape Plan Permit Review	11,200	12,000	5,000	(6,200)	-55.4%
<b>4200</b>	<b>OTHER NON-OPERATING REVENUE</b>	<b>161,200</b>	<b>133,995</b>	<b>160,000</b>	<b>(1,200)</b>	<b>-0.7%</b>
<b>4000</b>	<b>TOTAL NON-OPERATING REVENUE</b>	<b>571,200</b>	<b>634,897</b>	<b>610,000</b>	<b>38,800</b>	<b>6.8%</b>
	<b>TOTAL OPERATING &amp; NON-OP REVENUE</b>	<b>12,228,920</b>	<b>10,356,658</b>	<b>12,992,000</b>	<b>763,080</b>	<b>6.2%</b>
6011	Salaries & Wages	1,822,566	1,150,556	2,000,000	177,434	9.7%
6012	Director Compensation	11,000	6,000	11,385	385	3.5%
<b>6010</b>	<b>GROSS REGULAR WAGES</b>	<b>1,833,566</b>	<b>1,156,556</b>	<b>2,011,385</b>	<b>177,819</b>	<b>9.7%</b>
6017	CAPITAL SALARY & WAGES reversed					
6021	Overtime Labor	30,000	26,309	45,000	15,000	50.0%
6022	Standby Labor	30,000	28,047	40,000	10,000	33.3%
<b>6020</b>	<b>SUB-TOTAL SALARY &amp; WAGES</b>	<b>1,893,566</b>	<b>1,210,912</b>	<b>2,096,385</b>	<b>202,819</b>	<b>63.9%</b>
6031	FICA/Medicare PR Tax	125,000	92,560	159,849	34,849	27.9%
6038	ACWA Health Care	329,600	284,194	430,723	101,123	30.7%
6039	ACWA Dental	25,000	22,433	32,179	7,179	28.7%
6040	ACWA Vision	4,481	3,907	4,638	157	3.5%
6041	ACWA Life/AD&D	4,326	3,671	4,577	251	5.8%
6042	Standard LDL/SDL Disability	10,000	8,696	18,000	8,000	80.0%
6043	Workers' Comp Insurance	40,000	28,855	41,400	1,400	3.5%

**MID-PENINSULA WATER DISTRICT**  
**OPERATIONS BUDGET FOR YEAR 2018-2019**  
**DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	FINAL FY 2018-2019 BUDGET \$	Increase (Decrease)	% OF BUDGET
6044	Unemployment	1,030	-	1,066	36	3.5%
6045	CALPERS Retirement - ER 2%@55	275,000	181,410	164,625	(110,375)	-40.1%
6046	Retirees' ACWA Health Care	57,680	48,003	-	(57,680)	-100.0%
6047	Directors' ACWA Health Care	111,240	88,287	115,133	3,893	3.5%
6049	Medical Reimbursement	1,030	410	1,066	36	3.5%
6050	Employee Service Recognition	10,000	7,118	10,350	350	3.5%
6051	Safety Incentive Program	15,000	4,577	15,525	525	3.5%
6052	Uniforms	25,493	20,528	35,000	9,507	37.3%
6053	PARS OPEB Expense	50,000	98,212	-	(50,000)	-100.0%
6030	<b>TOTAL PAYROLL TAXES &amp; BENEFITS</b>	<b>1,084,880</b>	<b>892,860</b>	<b>1,034,132</b>	<b>(50,748)</b>	<b>-4.7%</b>
6054	<b>CAPITAL PAYROLL, TAXES &amp; BENEFITS</b>		(161,651)			
6000	<b>PERSONNEL COSTS</b>	<b>2,978,446</b>	<b>1,942,120</b>	<b>3,130,517</b>	<b>152,071</b>	<b>5.1%</b>
6101	SFPUC Treated Water	5,000,000	3,796,670	5,100,000	100,000	2.0%
6102	BAWSCA (Debt Service Surcharges)	476,000	366,840	476,000	-	0.0%
6103	Rates Stabilization	-	-	-	-	N/A
6104	SFPUC Water Service Charge	78,624	58,698	78,624	-	0.0%
6100	<b>PURCHASED WATER</b>	<b>5,554,624</b>	<b>4,222,208</b>	<b>5,654,624</b>	<b>100,000</b>	<b>1.8%</b>
6301	Water Conservation Program	7,200	4,281	7,452	252	3.5%
6302	School Conservation Program	7,200	22,827	7,452	252	3.5%
6303	Public Outreach & Education	15,000	5,046	15,525	525	3.5%
6305	HET Rebates	19,750	1,932	20,441	691	3.5%
6306	Washing Machine Rebates	-	-	-	-	N/A
6307	Lawn-Be-Gone Rebates	38,100	3,177	39,434	1,334	3.5%
6308	Rain Barrel Rebates	5,150	215	5,330	180	3.5%
6304	<b>TOTAL WATER CONSERVATION REBATES</b>	<b>63,000</b>	<b>5,324</b>	<b>65,205</b>	<b>2,205</b>	<b>3.5%</b>
6300	<b>OUTREACH/EDUCATION</b>	<b>92,400</b>	<b>37,479</b>	<b>95,634</b>	<b>3,234</b>	<b>3.5%</b>
6401	Water Quality	69,010	18,811	60,000	(9,010)	-13.1%
6402	Pumping	65,148	3,767	50,000	(15,148)	-23.3%
6403	Storage Tanks	10,300	744	10,661	361	3.5%
6404	Mains/Distribution	200,000	191,542	207,000	7,000	3.5%
6405	Meters & Service	30,900	11,237	31,982	1,082	3.5%
6406	Fire Hydrants	31,930	28,398	33,048	1,118	3.5%
6407	Regulator Stations	6,180	2,812	6,396	216	3.5%
6408	Safety	32,960	12,780	34,114	1,154	3.5%
6409	SCADA Maintenance	15,450	10,182	15,991	541	3.5%
6410	Generator Maintenance	24,720	1,853	25,585	865	3.5%
6400	<b>M&amp;R - OPS SYSTEMS</b>	<b>486,598</b>	<b>282,126</b>	<b>474,775</b>	<b>(11,823)</b>	<b>-2.4%</b>
6501	M&R-Buildings&Grounds	95,790	61,286	99,143	3,353	3.5%
6502	M&R- Equipment&Tools	21,630	8,674	22,387	757	3.5%
6503	M&R- Vehicles & Large Equipment	19,570	16,742	20,255	685	3.5%
6504	M&R - Fuel	29,870	17,054	30,915	1,045	3.5%
6500	<b>M&amp;R - FACILITIES &amp; EQUIPMENT</b>	<b>166,860</b>	<b>103,756</b>	<b>172,700</b>	<b>5,840</b>	<b>3.5%</b>

**MID-PENINSULA WATER DISTRICT**  
**OPERATIONS BUDGET FOR YEAR 2018-2019**  
**DETAILED**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	FINAL FY 2018-2019 BUDGET \$	Increase (Decrease)	% OF BUDGET
6601	Cathodic Protection Survey	-	(1,424)	-	-	N/A
6602	Leak Detection Survey	30,000	13,800	31,050	1,050	3.5%
6600	<b>MAJOR MAINTENANCE</b>	<b>30,000</b>	<b>12,376</b>	<b>31,050</b>	<b>1,050</b>	<b>3.5%</b>
6701	Office Supplies	15,450	5,105	15,991	541	3.5%
6702	Insurance- Liability/Vehicles	80,000	54,542	82,800	2,800	3.5%
6703	Postage	8,240	1,399	8,528	288	3.5%
6704	Printing/Printing Supplies	10,000	6,916	10,350	350	3.5%
6705	Equipment Services/Maintenance	20,000	9,221	20,700	700	3.5%
6706	Computer Supplies & Upgrades	32,000	13,633	33,120	1,120	3.5%
6707	Security & Safety	11,073	3,881	11,461	388	3.5%
6708	Other Fees	515	-	533	18	3.5%
6709	Customer Credit Card Svs Fees	140,000	102,313	108,539	(31,461)	-22.5%
6700	<b>OFFICE SUPPLIES &amp; EQUIP</b>	<b>317,278</b>	<b>197,011</b>	<b>292,022</b>	<b>(25,256)</b>	<b>-8.0%</b>
6801	Dues & Publications	30,685	25,445	31,759	1,074	3.5%
6802	Gov't Fees & Licenses	29,848	19,394	30,893	1,045	3.5%
6803	BAWSCA Membership Assessments	76,000	36,302	78,660	2,660	3.5%
6804	Env Health - Cross Connection Inspection	31,930	24,525	33,048	1,118	3.5%
6805	Software License	40,150	49,851	41,555	1,405	3.5%
6800	<b>MEMBERSHIP &amp; GOV FEES</b>	<b>208,613</b>	<b>155,517</b>	<b>215,914</b>	<b>7,301</b>	<b>3.5%</b>
6901	<b>Bad Debt</b>	7,000	(2,089)	7,245	245	3.5%
6902	Claims	10,000	(573)	10,350	350	3.5%
6900	<b>BAD DEBT &amp; CLAIMS</b>	<b>17,000</b>	<b>(2,662)</b>	<b>17,595</b>	<b>595</b>	<b>3.5%</b>
7001	Utilities-Internet/Cable	10,000	5,552	10,350	350	3.5%
7002	Utilities-Cellular Telephones	12,206	8,255	12,633	427	3.5%
7003	Utilities-Electric-Pumping	226,600	133,925	234,531	7,931	3.5%
7004	Utilities-Electric-Bldgs&Grounds	24,720	17,331	25,585	865	3.5%
7005	Utilities-Telephones	25,000	17,637	25,875	875	3.5%
7006	Utilities-Sewer - NPDES	7,674	4,702	7,943	269	3.5%
7000	<b>UTILITIES</b>	<b>306,200</b>	<b>187,402</b>	<b>316,917</b>	<b>10,717</b>	<b>3.5%</b>
7101	Prof Serv - District Counsel	75,000	48,934	77,625	2,625	3.5%
7102	Prof Serv - District Engineer	65,000	49,533	67,275	2,275	3.5%
7103	Prof Serv - IT	19,750	15,150	20,441	691	3.5%
7104	Prof Serv- Annual Finance Audit	19,000	19,050	19,665	665	3.5%
7105	Prof Serv - Mngmt Consult	-	-	-	-	N/A
7106	Prof Serv- Accounting & Payroll	21,750	13,464	22,511	761	3.5%
7107	Prof Serv- Customer Billing	72,250	46,726	74,779	2,529	3.5%
7109	Prof Serv - Answering Svs	5,000	2,529	5,175	175	3.5%
7110	Prof Serv - Miscellaneous	125,000	100,679	129,375	4,375	3.5%
7111	Prof Serv - District Treasurer	3,700	1,800	3,830	130	3.5%
7100	<b>PROFESSIONAL SERVICES</b>	<b>27 406,450</b>	<b>297,864</b>	<b>420,676</b>	<b>14,226</b>	<b>3.5%</b>



**MID-PENINSULA WATER DISTRICT**  
**OPERATIONS BUDGET FOR YEAR 2018-2019**  
**DETAILED**

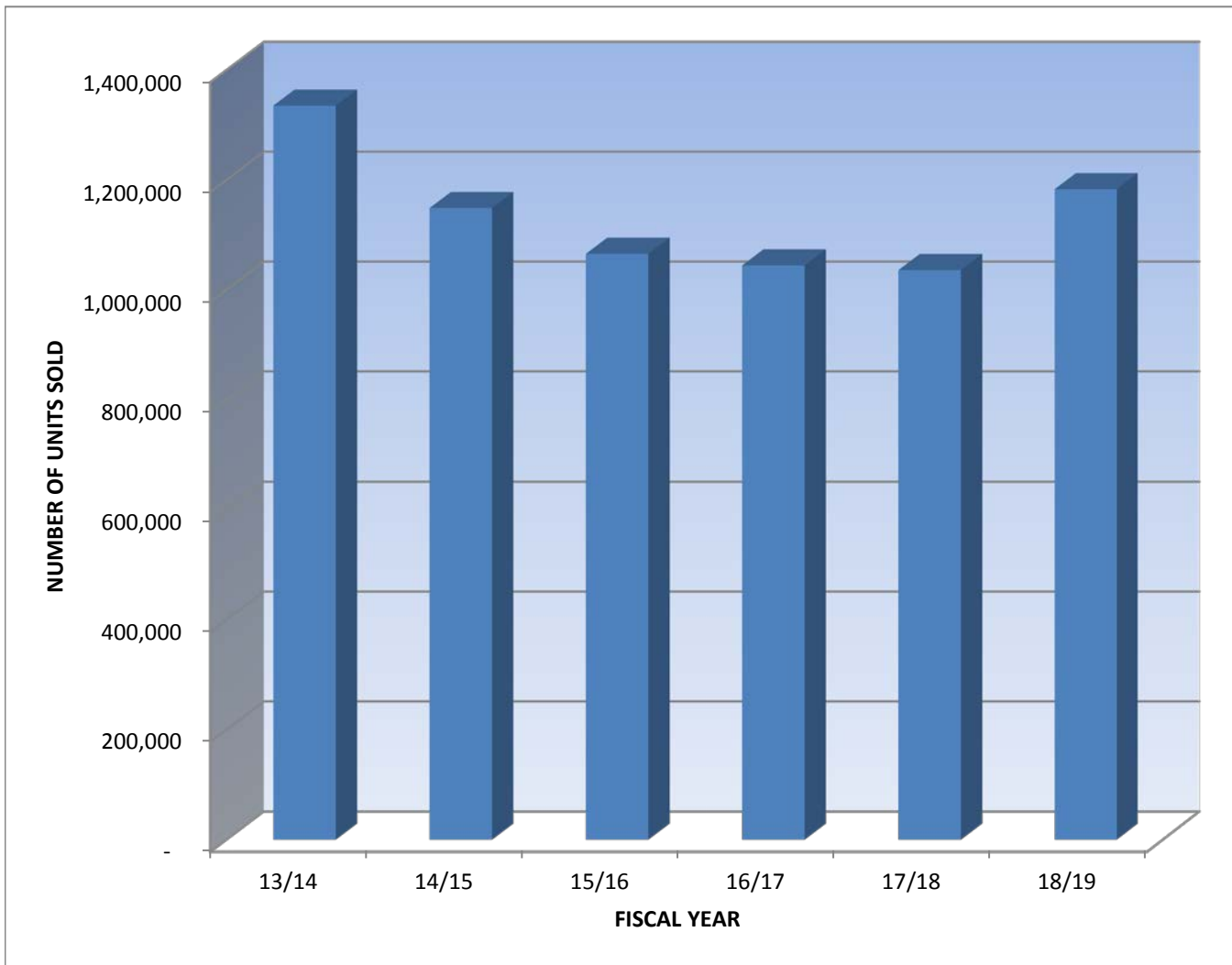
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	FINAL FY 2018-2019 BUDGET \$	Increase (Decrease)	% OF BUDGET
7201	Director Travel	5,000	2,733	5,175	175	3.5%
7202	Director Expense	1,000	-	1,035	35	3.5%
7203	Elections	-	-	15,000	15,000	100.0%
7204	Employee Travel/Training	32,000	17,121	33,120	1,120	3.5%
7205	Meetings Expense	7,000	2,129	7,245	245	3.5%
7200	<b>TRAINING &amp; TRAVEL</b>	<b>45,000</b>	<b>21,983</b>	<b>61,575</b>	<b>16,575</b>	<b>36.8%</b>
7302	Restricted Earnings Expense - Interest LAIF & COP	216,000	186,154	125,000	(91,000)	-42.1%
7300	<b>RESTRICTED EARNINGS EXPENSE</b>	<b>216,000</b>	<b>186,154</b>	<b>125,000</b>	<b>(91,000)</b>	<b>-42.1%</b>
8001	Working Reserves: Capital	-	-	-	-	N/A
8002	Working Reserves: Operating	-	-	-	-	N/A
8000	<b>RESERVES</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>N/A</b>
9010	<b>DEPRECIATION</b>	<b>900,000</b>	<b>654,614</b>	<b>931,500</b>	<b>31,500</b>	<b>3.5%</b>
9011	<b>DEBT SERVICE TRUSTEE FEES &amp; EXPENSES</b>	<b>-</b>	<b>1,700</b>	<b>-</b>	<b>-</b>	<b>N/A</b>
9012	<b>DEBT SERVICE 2017-2018 COPs</b>	<b>984,950</b>	<b>844,823</b>	<b>1,051,500</b>	<b>66,550</b>	<b>6.8%</b>
<b>SUB-TOTAL - OPERATING EXPENSES</b>		<b>9,731,973</b>	<b>7,202,351</b>	<b>9,861,482</b>	<b>129,509</b>	<b>1.3%</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>12,710,419</b>	<b>9,144,472</b>	<b>12,992,000</b>	<b>281,581</b>	<b>2.2%</b>
<b>NET OPERATING SURPLUS/(LOSS)</b>						
<b>TRANSFER TO CAPITAL</b>		<b>(481,499)</b>	<b>1,212,186</b>	<b>0</b>	<b>481,499</b>	
<b>Debt Service Coverage Ratio (DSCR)</b>				<b>1.89</b>		

**FINAL  
MID-PENINSULA WATER DISTRICT  
BUDGET FOR FY 2018-2019  
Capital Projects**

DESCRIPTION	APPROVED MID-YEAR FY 2017-2018 BUDGET \$	ACTUAL 7/1/2017 3/31/2018	FINAL FY 2018-2019 BUDGET \$
CAPITAL IMPROVEMENTS - WORK IN PROCESS (WIP)			
2017 Joint WMR and Belmont Sewer Rehab Project (Pay-Go Portion)	375,000	13,672	500,000
AMI Meter Change Out Program	-	-	778,500
<b>CAPITAL IMPROVEMENTS - WIP TOTAL</b>	<b>375,000</b>	<b>13,672</b>	<b>1,278,500</b>
<b>CAPITAL OUTLAY</b>			
Replacement Mini-Excavator for Operations	-	-	50,000
Replacement Service Truck for Operations			148,000
Replacement Priinter/Scanner/Copier	18,504	18,504	-
Miscellaneous Capital Outlay/Projects	25,000	-	50,000
<b>CAPITAL OUTLAY TOTAL</b>	<b>43,504</b>	<b>18,504</b>	<b>248,000</b>
<b>CAPITAL IMPROVEMENTS &amp; CAPITAL OUTLAY TOTAL</b>	<b>418,504</b>	<b>32,176</b>	<b>1,526,500</b>
DEPRECIATION	900,000	654,614	931,500
TRANSFER FROM OPS	(481,496)	1,212,186	0
TRANSFER FROM CAPITAL RESERVES (PRIOR YEAR)	-	-	595,000
TRANSFER (TO)/FROM CAPITAL RESERVES	-	(1,834,624)	-
CAPITAL OUTLAY/CAPITAL PROJECTS	(418,504)	(32,176)	(1,526,500)
<b>NET RESULTS OF CAPITAL</b>	<b>-</b>	<b>0</b>	<b>0</b>

**WATER SALES ANALYSIS  
MID-PENINSULA WATER DISTRICT  
APPROVED BUDGET - FISCAL YEAR 2018/2019**

<b>Fiscal Year</b>	<b>Actual Number of Units Sold</b>
13/14	1,335,319
14/15	1,148,813
15/16	1,065,517
16/17	1,044,423
17/18	1,035,916
18/19	1,183,295



**WATER SALES ANALYSIS**  
**MID-PENINSULA WATER DISTRICT**  
**Operating Revenue vs Operating Expenses**

Fiscal Year	Revenues	Expenses
08/09	7,469,669	6,615,611
09/10	7,082,219	6,995,624
10/11	7,793,618	7,487,137
11/12	9,028,136	9,014,267
12/13	9,875,689	8,934,651
13/14	10,360,026	8,981,349
14/15	9,922,334	9,293,119
15/16	11,623,320	10,923,320
16/17	11,263,802	10,856,950
17/18	11,407,720	12,342,912
18/19	12,992,000	12,992,000

