

# MPWD Cash Flow Projections for Budget Year 2010/2011

Beginning Fund Balance FY Ending 2008/2009  
Beginning Fund Balance FY Ending 2009/2010

	09/10 as of 5/31/10	09/10 Projected	10/11 Budget with 6.68% reduction
<b>REVENUES</b>			
Monthly Service Charges	764,238	837,000	1,467,000
Water Sales	4,899,276	5,424,000	6,106,000
Facilities Maintenance Charges	385,329	434,000	14,000
<i>Subtotal</i>	<i>6,048,843</i>	<i>6,695,000</i>	<i>7,587,000</i>
Property Taxes	181,136	187,000	140,000
Interest Income on Reserves	19,326	20,000	18,000
Other Income (Lease of Physical Property & AOC Shut Off Penalties)	194,343	218,000	193,000
<b>Total Revenues</b>	<b>6,443,648</b>	<b>7,120,000</b>	<b>7,938,000</b>

<b>EXPENSES</b>			
<u>Operating &amp; Maintenance</u>			
Labor	1,674,437	1,830,000	1,967,000
Water Purchases	2,142,456	2,362,000	2,605,000
SFWD Contract Maint	56,073	56,000	57,000
Purchase Power	208,764	231,000	226,000
Customer Billing	80,726	90,000	85,000
Maintenance and General	411,128	495,000	550,000
Insurance	112,699	113,000	120,000
Legal Services	48,804	58,000	75,000
Directors Fees and Benefits	102,427	114,000	151,000
Other	387,621	411,000	501,000
<i>Subtotal</i>	<i>5,225,135</i>	<i>5,760,000</i>	<i>6,337,000</i>

<u>Non Operating</u>			
Debt Service, Dairy lane Note	140,000	153,000	160,000
Capital Improvements & Maint	2,170,762	2,500,000	1,100,000
<i>Subtotal</i>	<i>2,310,762</i>	<i>2,653,000</i>	<i>1,260,000</i>
<b>Total Expenses</b>	<b>7,535,897</b>	<b>8,413,000</b>	<b>7,597,000</b>

Revenues Less Expenses	(1,092,249)	(1,293,000)	341,000
Petty Cash and Checking Balance	92,151	100,400	100,400
Reserves	2,307,751	2,107,000	2,448,000
Ending Fund Balance	<b>2,399,902</b>	<b>2,207,400</b>	<b>2,548,400</b>
Fund Reserve Target	5,000,000	5,000,000	5,000,000

\*\* Ending Fund Balance does not include restricted OPEB of 160,000

# RATE CHARGE SUMMARY

## MID-PENINSULA WATER DISTRICT

### APPROVED BUDGET - FISCAL YEAR 2010/2011

RATE BLOCK CHARGES	RATE PER UNIT	NUMBER OF UNITS	RATE * UNITS
<i>Residential -</i>			
Rate Block 1: 0 to 2 units	\$2.40	162,715	\$ 391,000
Rate Block 2: 3 to 10 units	\$4.60	388,341	\$ 1,786,000
Rate Block 3: 11 to 25 units	\$5.45	193,976	\$ 1,057,000
Rate Block 4: 26+ units	\$6.15	42,225	\$ 260,000
<i>Non-residential -</i>			
Rate Block 2: 0 to 5 units	\$4.52	37,137	\$ 168,000
Rate Block 1: 6 + units	\$4.84	504,988	\$ 2,444,000
<b>TOTAL RATE BLOCK CHARGES</b>			<b>\$6,106,000</b>

PROJECTED SALES (UNITS):

**1,329,383**

### 2009/2010 PROJECTED SALES

RATE BLOCK CHARGES	RATE PER UNIT	NUMBER OF UNITS	RATE * UNITS
<i>Residential -</i>			
Rate Block 1: 0 to 2 units	\$1.62	166,707	\$ 270,000
Rate Block 2: 3 to 15 units	\$4.19	442,200	\$ 1,853,000
Rate Block 3: 16 to 30 units	\$4.84	179,916	\$ 871,000
Rate Block 4: 31+ units	\$5.27	41,111	\$ 217,000
<i>Non-residential -</i>			
Rate Block 1: 0 to 5 units	\$4.52	38,758	\$ 175,000
Rate Block 2: 6 +units	\$4.84	535,119	\$ 2,590,000
<b>TOTAL RATE BLOCK CHARGES</b>			<b>\$ 5,976,000</b>

PROJECTED SALES (UNITS):

**1,403,811**



**SUMMARY OF REVENUES, EXPENDITURES AND RESERVES**

**MID-PENINSULA WATER DISTRICT**

**APPROVED BUDGET - FISCAL YEAR 2010/2011**

**REVENUES**

Water Charge	6,106,000
Service Charge	\$ 1,467,000
Fire Charge	14,000
Contribution in Aid of Construction	-
Property Tax	140,000
Buckland (COB)	9,000
T-Mobile	69,000
JMP/Wolfpak	26,000
Metro	33,000
Sprint	26,000
Global Signal	30,000
LAIF	18,000
<b>Total Revenues:</b>	<b>\$ 7,938,000</b>

**EXPENDITURES**

Purchased Water	2,605,000
Employee Labor and Related Costs	\$ 1,967,000
Depreciation	860,000
Maintenance and General	607,000
Miscellaneous	394,000
Purchased Power	226,000
Customer Accounts	190,000
Outside Services	197,000
Directors	151,000
Dairy Note	160,000
<b>Total Expenditures:</b>	<b>\$ 7,357,000</b>

**REVENUES LESS EXPENDITURES**

**\$ 581,000**

**CAPITAL EXPENDITURES**

Total Capital Improvement	\$ 850,000
Total Facility Maintenance	250,000
<b>Total Capital Expenditures</b>	<b>\$ 1,100,000</b>

Funds from Reserves	\$ (341,000)
Depreciation	860,000
Revenues Less Expenditures	581,000
<b>Total</b>	<b>\$ 1,100,000</b>

**RESERVES**

LAIF Reserves, as of May 31, 2010	\$ 2,307,751
Reserves for Retirement	\$ 80,000
Remaining Capital Expenditures 2009/2010:	689,266
Projected LAIF Reserves, as of June 30, 2009	2,107,000
Funds to Reserves for 2010/2011	341,000
<b>Projected LAIF Reserves, as of June 30, 2011</b>	<b>\$ 2,448,000</b>

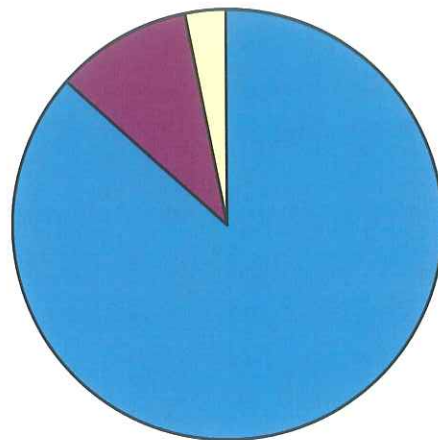
# EXPENDITURES ANALYSIS

## MID-PENINSULA WATER DISTRICT

### APPROVED BUDGET - FISCAL YEAR 2010/2011

Total Operating Expenditures:		10/11	09/10
Operating 87%	\$7,197,000	87%	\$ 7,339,460
Capital Improvement 10%	\$850,000	10%	\$ 1,119,000
Facility Maintenance 3%	\$250,000	3%	\$ 392,000
Total	<u>\$8,297,000</u>	<u>100%</u>	<u>\$ 8,850,460</u>

**Total Expenditures**

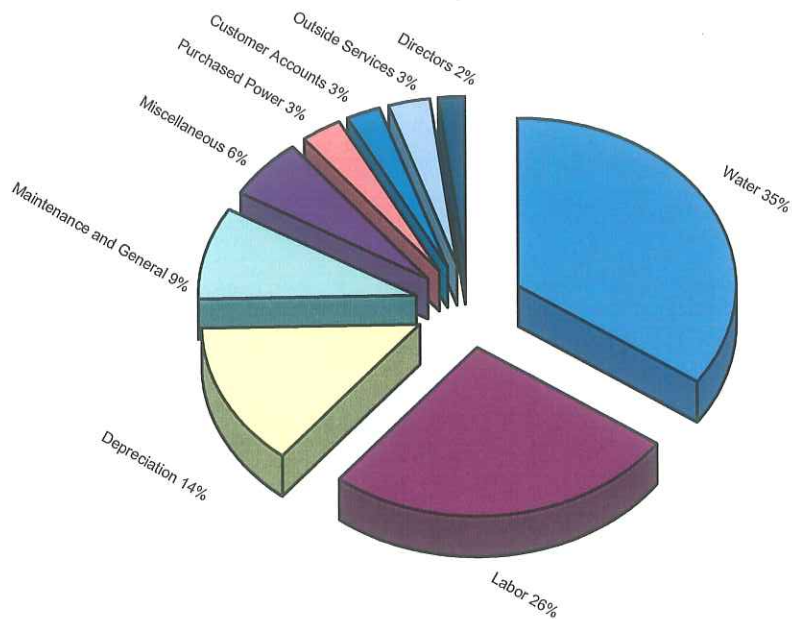


## OPERATING EXPENDITURES ANALYSIS

### MID-PENINSULA WATER DISTRICT

#### APPROVED BUDGET - FISCAL YEAR 2010/2011

Operating Expenditures:		
Purchased Water	2,605,000	35%
Labor	1,967,000	26%
Depreciation	860,000	13%
Maintenance and General	607,000	9%
Miscellaneous	394,000 *	6%
Purchased Power	226,000	3%
Customer Accounts	190,000 **	3%
Outside Services	197,000 ***	3%
Directors	151,000	2%
Total	<u>7,197,000</u>	100%



\* Includes maps, mains, hydrants, regulators, meter readings, non-pumping PG&E, telephones, answering service, maintenance, and office supplies, and unemployment.

\*\* Includes customer billing services, records/accounts/supplies, and postage.

\*\*\* Includes accounting, IT, legal and annual audit services.

**SOURCE AND APPLICATION OF FUNDS**

**MID-PENINSULA WATER DISTRICT**

**APPROVED BUDGET - FISCAL YEAR 2010/2011**

**FUNDS PROVIDED**

Net Income	\$ 732,000
Contribution in Aid of Construction	-
Depreciation	860,000
To Reserves	(341,000)
<b>Total Funds Provided:</b>	<b>\$ 1,251,000</b>

**FUNDS APPLIED**

Capital Improvements	\$ 850,000
Facility Improvements	250,000
Debt Service	151,000
<b>Total Funds Applied:</b>	<b>\$ 1,251,000</b>



# REVENUES AND NET INCOME

## MID-PENINSULA WATER DISTRICT

### APPROVED BUDGET - FISCAL YEAR 2010/2011

REVENUES	2010/2011
Service Charge	\$ 1,467,000
Fire Charge	\$ 14,000
Water Charge	\$ 6,106,000
<b>TOTAL REVENUES</b>	<b>\$ 7,587,000</b>

RATE BLOCK CHARGES	RATE PER UNIT	NUMBER OF UNITS	RATE * UNITS
<i>Residential -</i>			
Rate Block 1: 0 to 2 units	\$2.40	162,715	\$ 391,000
Rate Block 2: 3 to 10 units	\$4.60	388,341	\$ 1,786,000
Rate Block 3: 11 to 25 units	\$5.45	193,976	\$ 1,057,000
Rate Block 4: 26+ units	\$6.15	42,225	\$ 260,000
<i>Non-residential -</i>			
Rate Block 1: 0 to 5 units	\$4.52	37,137	\$ 168,000
Rate Block 2: 6 + units	\$4.84	504,988	\$ 2,444,000
<b>TOTAL RATE BLOCK CHARGES</b>			<b>\$ 6,106,000</b>

PROJECTED SALES (UNITS):

**1,329,383**

NET INCOME	2010/2011
REVENUES	
Operating	\$ 7,587,000
EXPENDITURES	
Operating	\$ 7,197,000
<b>OPERATING INCOME</b>	<b>\$ 390,000</b>
NON-OPERATING INCOME	\$ 342,000
<b>NET INCOME</b>	<b>\$ 732,000</b>

## WATER SALES ANALYSIS

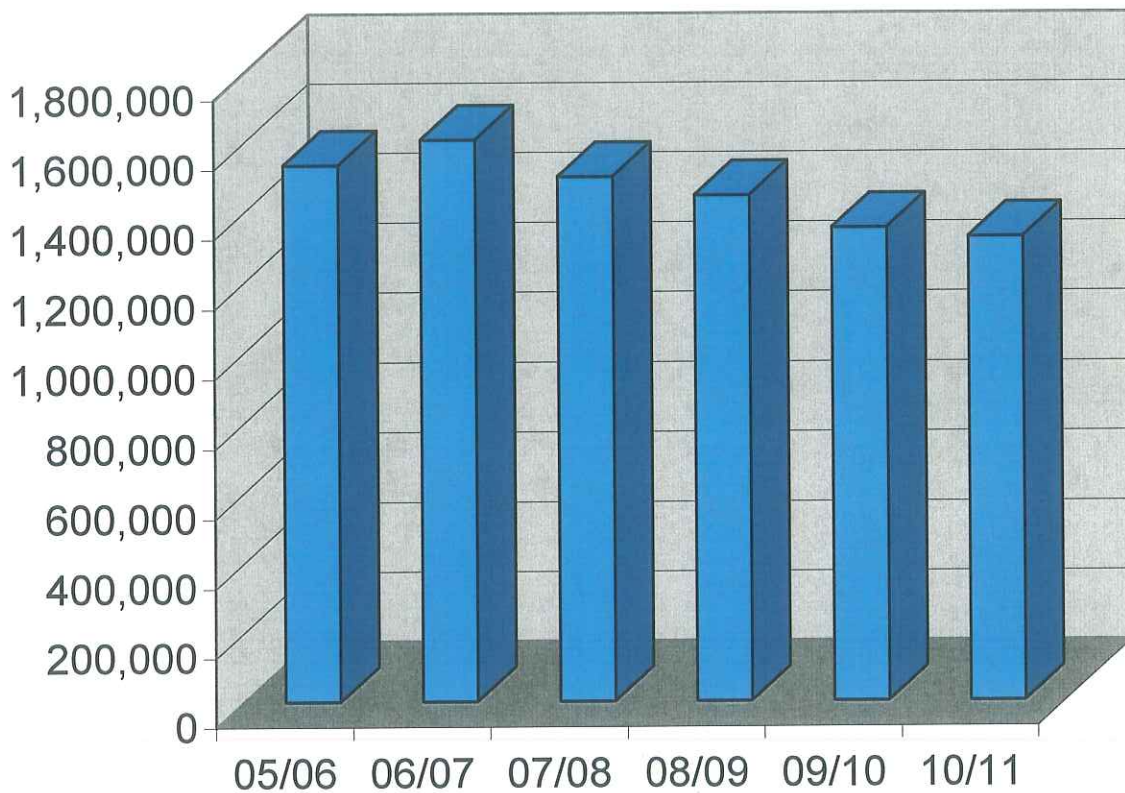
### MID-PENINSULA WATER DISTRICT

#### APPROVED BUDGET - FISCAL YEAR 2010/2011

Fiscal Year	Actual Number of Units Sold
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05/06	1,539,568
06/07	1,611,007
07/08	1,504,009
08/09	1,449,672
09/10	1,356,513
10/11	1,329,383

Actual from April 2009 - March 2010  
Projected





**COMPARE REVENUES & NET INCOME**

**MID-PENINSULA WATER DISTRICT**

**APPROVED BUDGET - FISCAL YEAR 2010/2011**

<b>RATE BLOCK CHARGES PER UNIT</b>		<b>2010/2011</b>
<i>Residential -</i>		
Rate Block 1: 0 to 2 units		\$2.40
Rate Block 2: 3 to 10 units		\$4.60
Rate Block 3: 11 to 25 units		\$5.45
Rate Block 4: 26+ units		\$6.15
<i>Non-residential -</i>		
Rate Block 1: 0 to 5 units		\$4.52
Rate Block 2: 6 + units		\$4.84

<b>RATE BLOCK SALE UNITS</b>	<b>2009/2010</b>	<b>2010/2011</b>	<b>% CHANGE</b>
<i>Residential -</i>			
Rate Block 1: 0 to 2 units	166,911	162,715	-2.5%
Rate Block 2: 3 to 10 units	556,499	388,341	-30.2%
Rate Block 3: 11 to 25 units	118,851	193,976	63.2%
Rate Block 4: 26+ units	34,613	42,225	22.0%
<i>Non-residential -</i>			
Rate Block 1: 0 to 5 units	39,194	37,137	-5.2%
Rate Block 2: 6 + units	578,227	504,988	-12.7%
<b>TOTAL SALES:</b>	<b>1,494,295</b>	<b>1,329,383</b>	<b>-11.0%</b>

<b>REVENUES</b>	<b>2009/2010</b>	<b>2010/2011</b>	<b>% CHANGE</b>
Service Charge	\$ 879,000	\$ 1,467,000	66.9%
Fire Charge	\$ 14,000	\$ 14,000	0.0%
Water Charge	\$ 6,337,000	\$ 6,106,000	-3.6%
Capital Expense Charge	\$ 636,000		-100.0%
<b>TOTAL WATER SALES REVENUES</b>	<b>\$ 7,866,000</b>	<b>\$ 7,587,000</b>	<b>-3.5%</b>

<b>NET INCOME</b>	<b>2009/2010</b>	<b>2010/2011</b>	<b>% CHANGE</b>
<b>REVENUES</b>			
Operating	\$ 7,866,000	\$ 7,587,000	-3.5%
<b>EXPENDITURES</b>			
Operating	\$ 7,339,460	\$ 7,197,000	-1.9%
<b>OPERATING INCOME</b>	<b>\$ 526,540</b>	<b>\$ 390,000</b>	
<b>NON-OPERATING INCOME</b>	<b>\$ 425,553</b>	<b>\$ 342,000</b>	<b>-19.6%</b>
<b>NET INCOME</b>	<b>\$ 952,093</b>	<b>\$ 732,000</b>	

OPERATING BUDGET

**MID-PENINSULA WATER DISTRICT**

**APPROVED BUDGET - FISCAL YEAR 2010/2011**

<b>EXPENDITURES</b>	
<i>Source of Supply:</i>	
Labor	\$ 135,000
Purchased Water	2,605,000
SFWD/BAWSCA/LAFCO Dues	57,000
<b>Total Source of Supply</b>	<b>\$ 2,797,000</b>
<i>Pumping:</i>	
Labor	\$ 135,000
Purchase Power	226,000
Maintenance and General	135,000
<b>Total Pumping</b>	<b>\$ 496,000</b>
<i>Transmission and Distribution:</i>	
Labor	\$ 922,000
Meters and Services	85,000
State/Cross Connection Fees	38,000
Water Quality Testing	30,000
Maintenance and General	350,000
<b>Total Trans. &amp; Dist.</b>	<b>\$ 1,425,000</b>
<i>Customer Accounts:</i>	
Labor	\$ 464,000
Customer Billing Services	85,000
Records/Accounts/Supplies	45,000
Public Education	60,000
Postage	60,000
Maintenance and General	65,000
<b>Total Customer Accounts</b>	<b>\$ 779,000</b>
<i>General and Administrative:</i>	
Labor	\$ 311,000
Insurance	120,000
Office Supplies	21,000
Accounting & Payroll Services	25,000
IT Services	50,000
Legal Services	75,000
Annual Audit	17,000
Outside Service	30,000
Election Fees	25,000
Directors Expense	12,000
Directors Fees & Benefits	114,000
Manager Expense	5,000
Employee Training	20,000
Unemployment	15,000
<b>Total General &amp; Admin.</b>	<b>\$ 840,000</b>
<b>Depreciation</b>	<b>\$ 860,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 7,197,000</b>



COMPARE OPERATING BUDGETS

**MID-PENINSULA WATER DISTRICT**

**APPROVED OPERATING BUDGET 2009/2010 VS. 2010/2011**

EXPENDITURES	2009/2010	2010/2011	% Change
<i>Source of Supply:</i>			
Labor	\$ 112,000	\$ 135,000	20.5%
Purchased Water	2,559,000	2,605,000	1.8%
SFWD/BAWSCA/LAFCO Dues	56,960	57,000	0.1%
<b>Total Source of Supply</b>	<b>\$ 2,727,960</b>	<b>\$ 2,797,000</b>	<b>2.5%</b>
<i>Pumping:</i>			
Labor	\$ 112,000	\$ 135,000	20.5%
Purchase Power	225,000	226,000	0.4%
Maintenance and General	162,000	135,000	-16.7%
<b>Total Pumping</b>	<b>\$ 499,000</b>	<b>\$ 496,000</b>	<b>-0.6%</b>
<i>Transmission and Distribution:</i>			
Labor	\$ 987,000	\$ 922,000	-6.6%
Meters and Services	100,000	85,000	-15.0%
State/Cross Connection Fees	38,000	38,000	0.0%
Water Quality Testing	38,000	30,000	-21.1%
Maintenance and General	380,000	350,000	-7.9%
<b>Total Trans. &amp; Dist.</b>	<b>\$ 1,543,000</b>	<b>\$ 1,425,000</b>	<b>-7.6%</b>
<i>Customer Accounts:</i>			
Labor	\$ 430,000	\$ 464,000	7.9%
Customer Billing Services	85,000	85,000	0.0%
Records/Accounts/Supplies	50,000	45,000	-10.0%
Public Education	60,000	60,000	0.0%
Postage	65,000	60,000	-7.7%
Maintenance and General	70,000	65,000	-7.1%
<b>Total Customer Accounts</b>	<b>\$ 760,000</b>	<b>\$ 779,000</b>	<b>2.5%</b>
<i>General and Administrative:</i>			
Labor	\$ 301,000	\$ 311,000	3.3%
Insurance	120,000	120,000	0.0%
Office Supplies	26,500	21,000	-20.8%
Accounting & Payroll Services	25,000	25,000	0.0%
IT Services	50,000	50,000	0.0%
Legal Services	75,000	75,000	0.0%
Annual Audit	15,000	17,000	13.3%
Outside Services	50,000	35,000	-30.0%
Election Fees	25,000	25,000	0.0%
Directors Expense	12,000	12,000	0.0%
Directors Fees	105,000	114,000	8.6%
Manager Expense	5,000	5,000	0.0%
Employee Training	25,000	20,000	-20.0%
Unemployment	15,000	15,000	0.0%
<b>Total General &amp; Admin.</b>	<b>\$ 849,500</b>	<b>\$ 840,000</b>	<b>-1.1%</b>
<b>Depreciation</b>	<b>\$ 960,000</b>	<b>\$ 860,000</b>	<b>-10.4%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 7,339,460</b>	<b>\$ 7,197,000</b>	<b>-1.9%</b>

LABOR: \$ 2,047,000 \$ 2,081,000 1.7%



## MID-PENINSULA WATER DISTRICT

## APPROVED BUDGET - FISCAL YEAR 2010/2011

## EXPENDITURES

**Source of Supply:****Purchased Water**

SF Water will increase water charges by 15.2% as of July 1, 2010.

**Pumping:****Purchase Power**

No Significant Rate Change Expected in Fiscal Year 2010/2011

**Maintenance and General\***

Includes Estimated Costs of Pump/Tank Maintenance; and 20% of Estimated Costs of Safety Equipment, Uniforms

**Transmission and Distribution:****Maintenance and General\***

Includes Estimated Additional Costs of Regulator Maintenance and Hydrants; and 70% of Estimated Costs of Safety Equipment, Uniforms

**Customer Accounts:****Maintenance and General\***

Includes 10% of Estimated Costs of Safety Equipment, Uniforms

**General and Administrative:**

At this time ACWA cannot give a forecast for increase to Medical. Figured at 10%

At this time ACWA cannot give a forecast for increase to Dental and Vision. Figured at 5% for Vision 8% for Dental

\* Includes maps, mains, hydrants, regulators, meter readings, non-pumping PG&E, telephones, answering service, maintenance, safety equipment, uniforms, and miscellaneous

# CAPITAL & FACILITY BUDGET

## MID-PENINSULA WATER DISTRICT

### APPROVED CAPITAL IMPROVEMENT & FACILITY MAINTENANCE BUDGET FISCAL YEAR 2010/2011

PROJECT ID	PROJECT DESCRIPTION	TOTAL AMOUNT
	<u>CAPITAL IMPROVEMENT</u>	
	Buckland Tank Project	\$500,000
	Meter Change Out Program	\$350,000
	<b>Total Capital Improvement:</b>	<b>\$ 850,000</b>
	<u>FACILITY MAINTENANCE</u>	
	Main Replacement	100,000
	State Smog Vehicles	80,000
	Hydrant	25,000
	Pumps and Regulators	25,000
	Valves	20,000
	<b>Total Facility Maintenance:</b>	<b>\$ 250,000</b>
	<b>Total Capital Improvement</b>	<b>\$ 850,000</b>
	<b>Total Facility Maintenance</b>	<b>250,000</b>
	<b>Total</b>	<b>\$ 1,100,000</b>

### SUMMARY OF PROJECTS

#### Summary of Project – 2010/2011

**Buckland Tank Project:** These funds are requested to allow for both tanks at our Buckland Tank Site to be repaired. The tanks will each receive a new roof and floor, conform to current seismic standards and be painted. These tanks were constructed in 1955 and 1966 respectively. This work will extend the service life of the tanks.

□

**Meter Change Out Program:** These funds are requested to begin the Meter Change Out Program. Many of the District's water meters are nearing the end of their service life. As meters age, their accuracy decreases and they under register the amount of water passing through them. The Meter Change Out Program is designed to replace aging water meters with new Advanced Metering Infrastructure. These advanced water meters will allow District staff to provide better customer service and alert customers when they have an undetected water leak on their service line.

#### FACILITY MAINTENANCE

**Main Replacement:** These funds will allow District staff to replace water main in the District's distribution system. The projects that are scheduled for this upcoming fiscal year are:

1. San Juan Blvd from Bartlett Way to Monte Cresta Drive
2. Ewell Road from Coronet Blvd to Pullman Ave
3. Semeria Ave from Casa Bona Ave to Cipriani Blvd

Projects are picked based on priority given in the District's Master Plan, leak history and project cost.



## **CAPITAL & FACILITY BUDGET**

**State Smog Vehicles:** These funds will allow the District's vehicle fleet to be smog and smoke checked in compliance with California state law.

**Hydrant:** The funds will allow the Hydrant Maintenance Program to continue. Currently staff replaces fire hydrants the leak or otherwise do not function properly. Staff also adds fire hydrants to the distribution system as needed. Fire hydrants are essential to fire fighting and need to be maintained with that in mind.

**Pumps and Regulators:** These funds are requested to maintain the District's pumps & regulators. District pumps are used to move water from lower elevations to customers and storage tanks in high elevation areas. Regulators in the distribution system reduce water pressure. High water pressure stresses District water mains and customers plumbing. By regulating the water pressure the District can extend the service life of water mains and reduce the amount of water main breaks.

**Valves:** These funds will allow District staff to maintain valves throughout the water district. Valves are exercised to ensure that they can be accessed and that they function properly. Valves are called upon to shut down smaller sections of water main thus disrupting smaller amounts of customers when District staff needs to perform work on a section of water main.