

**RATE CHARGE SUMMARY**

**MID-PENINSULA WATER DISTRICT**

**APPROVED BUDGET - FISCAL YEAR 2012/2013**

<b>RATE BLOCK CHARGES</b>	<b>RATE PER UNIT</b>	<b>NUMBER OF UNITS</b>	<b>RATE * UNITS</b>
<i>Residential -</i>			
Rate Block 1: 0 to 2 units	\$3.53	169,673	\$ 599,000
Rate Block 2: 3 to 10 units	\$5.44	405,303	\$ 2,205,000
Rate Block 3: 11 to 25 units	\$6.53	181,252	\$ 1,184,000
Rate Block 4: 26+ units	\$7.61	35,651	\$ 272,000
<i>Non-residential -</i>			
Rate Block 2: 0 to 5 units	\$4.89	35,982	\$ 176,000
Rate Block 1: 6+ units	\$5.71	480,473	\$ 2,744,000
<b>TOTAL RATE BLOCK CHARGES</b>			<b>\$7,180,000</b>

**PROJECTED SALES (UNITS):**

**1,308,334**

**2011/2012 PROJECTED SALES**

<b>RATE BLOCK CHARGES</b>	<b>RATE PER UNIT</b>	<b>NUMBER OF UNITS</b>	<b>RATE * UNITS</b>
<i>Residential -</i>			
Rate Block 1: 0 to 2 units	\$3.25	166,346	\$ 541,000
Rate Block 2: 3 to 10 units	\$5.00	397,356	\$ 1,987,000
Rate Block 3: 11 to 25 units	\$6.00	177,698	\$ 1,066,000
Rate Block 4: 26+ units	\$7.00	34,952	\$ 245,000
<i>Non-residential -</i>			
Rate Block 1: 0 to 5 units	\$4.52	35,276	\$ 159,000
Rate Block 2: 6 +units	\$5.25	471,052	\$ 2,473,000
<b>TOTAL RATE BLOCK CHARGES</b>			<b>\$ 6,471,000</b>

**PROJECTED SALES (UNITS):**

**1,282,680**

**SUMMARY OF REVENUES, EXPENDITURES AND RESERVES**

**MID-PENINSULA WATER DISTRICT**

**APPROVED BUDGET - FISCAL YEAR 2012/2013**

<b>REVENUES</b>	
Water Charge	\$ 7,180,000
Service Charge	\$ 1,760,000
Fire Charge	\$ 15,000
Property Tax	\$ 180,000
Buckland (COB)	\$ 9,000
T-Mobile	\$ 49,323
Folger Properties	\$ 25,500
Metro	\$ 35,986
Sprint	\$ 27,706
Crown Castle	\$ 31,908
LAIF	\$ 10,000
<b>Total Revenues:</b>	<b>\$ 9,324,422</b>

<b>EXPENDITURES</b>	
Purchased Water	\$ 3,912,000
Employee Labor and Related Costs	\$ 2,164,000
Depreciation	\$ 830,000
Maintenance and General	\$ 625,600
Miscellaneous	\$ 355,000
Purchased Power	\$ 262,000
Customer Accounts	\$ 180,000
Outside Services	\$ 227,000
Directors	\$ 136,000
<b>Total Expenditures:</b>	<b>\$ 8,691,600</b>

<b>REVENUES LESS EXPENDITURES</b>	<b>\$ 632,822</b>
-----------------------------------	-------------------

<b>CAPITAL EXPENDITURES</b>	
Total Capital Improvement	\$ 950,000
Total Facility Maintenance	\$ 188,000
<b>Total Capital Expenditures</b>	<b>\$ 1,138,000</b>

Funds to Reserves	\$ (324,822)
Depreciation	\$ 830,000
Revenues Less Expenditures	\$ 632,822
<b>Total</b>	<b>\$ 1,138,000</b>

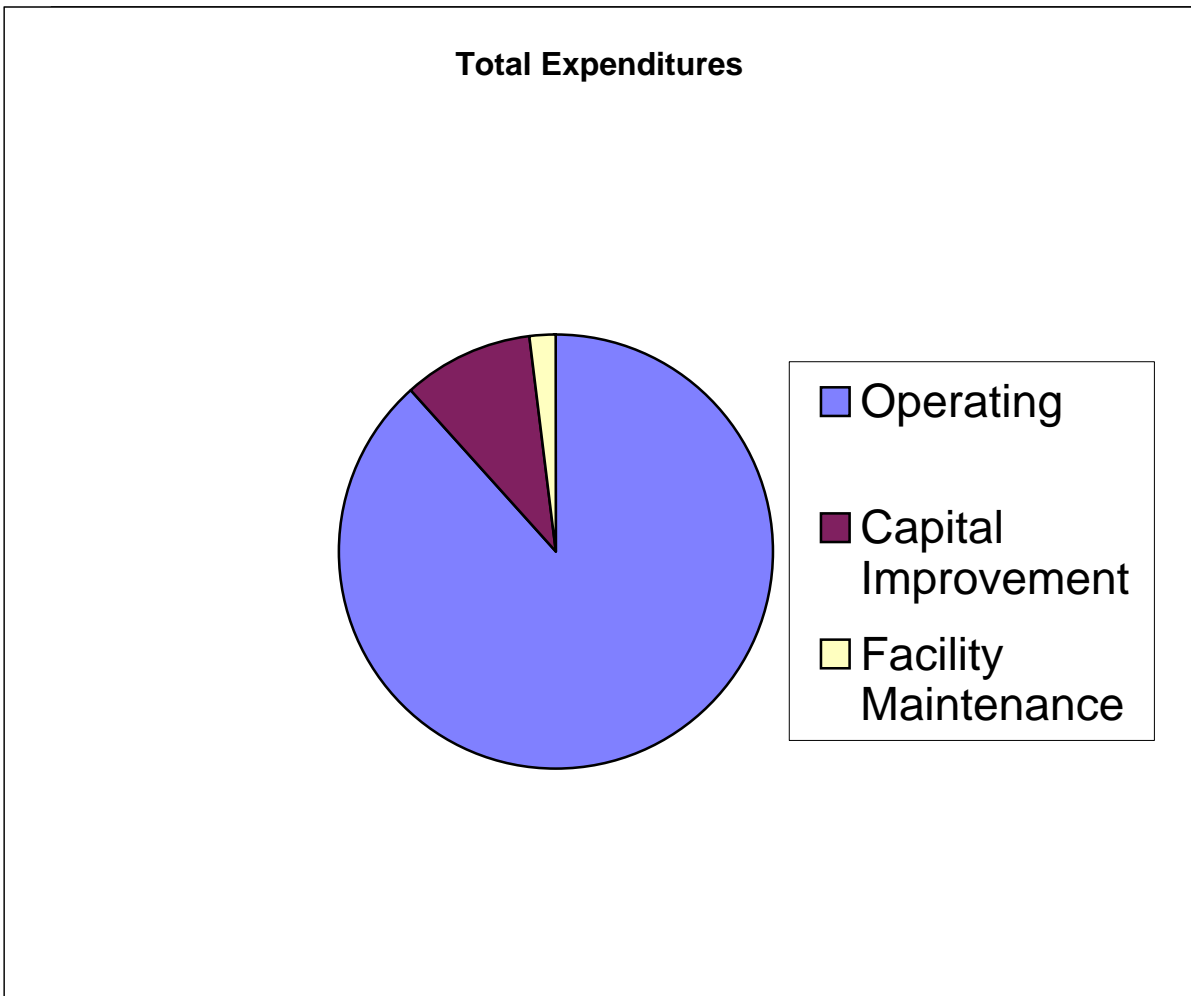
<b>RESERVES</b>	
LAIF Reserves, as of April 1, 2012	\$ 2,506,795
Reserves for Retirement (OPEB Trust)	\$ 242,000
Projected LAIF Reserves, as of June 30, 2012	\$ 2,507,000
Funds to Reserves for 2012/2013	\$ 324,822
<b>Projected LAIF Reserves, as of June 30, 2013</b>	<b>\$ 3,073,822</b>

**EXPENDITURES ANALYSIS**

**MID-PENINSULA WATER DISTRICT**

**APPROVED BUDGET - FISCAL YEAR 2012/2013**

Total Operating Expenditures:		12/13	11/12
Operating	\$8,691,600	88%	\$ 8,281,600
Capital Improvement	\$950,000	10%	\$ 800,000
Facility Maintenance	<u>\$188,000</u>	<u>2%</u>	\$ 224,600
Total	\$9,829,600	100%	\$ 9,306,200

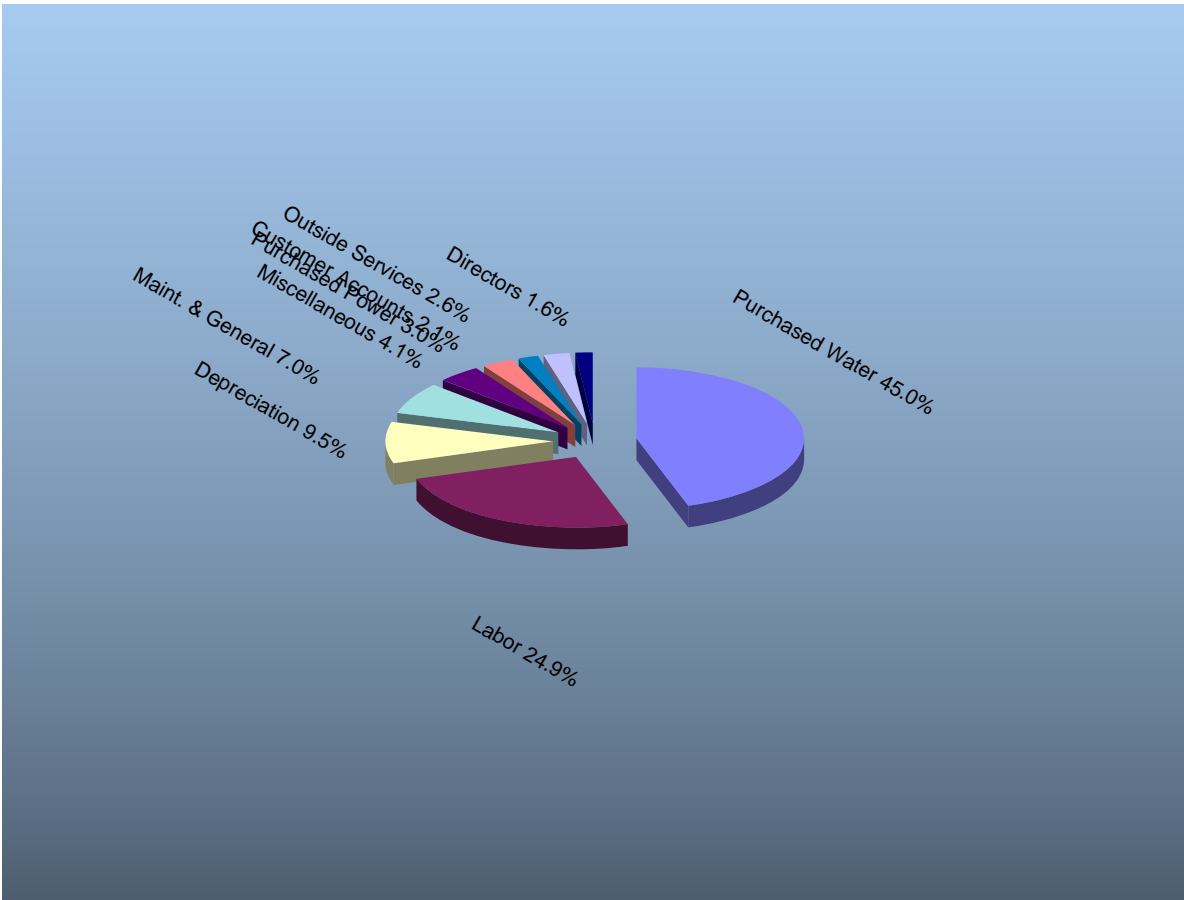


**OPERATING EXPENDITURES ANALYSIS**

**MID-PENINSULA WATER DISTRICT**

**APPROVED BUDGET - FISCAL YEAR 2012/2013**

Operating Expenditures:		
Purchased Water	3,912,000	45.0%
Labor	2,164,000	24.9%
Depreciation	830,000	9.5%
Maintenance and General	625,600	7.2%
Miscellaneous	355,000 *	4.1%
Purchased Power	262,000	3.0%
Customer Accounts	180,000 **	2.1%
Outside Services	227,000 ***	2.6%
Directors	136,000	1.6%
<b>Total</b>	<b><u>8,691,600</u></b>	<b>100%</b>



\* 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 2012/2013**

**FUNDS PROVIDED**

Net Income	\$	632,822
Depreciation		830,000
To Reserves		(324,822)

**Total Funds Provided: \$ 1,138,000**

**FUNDS APPLIED**

Capital Improvements	\$	950,000
Facility Improvements		188,000
		-

**Total Funds Applied: \$ 1,138,000**

**REVENUES AND NET INCOME**

**MID-PENINSULA WATER DISTRICT**

**APPROVED BUDGET - FISCAL YEAR 2012/2013**

<b>REVENUES</b>	<b>2011/2012</b>
Service Charge	\$ 1,760,000
Fire Charge	\$ 15,000
Water Charge	\$ 7,180,000
<b>TOTAL REVENUES</b>	<b>\$ 8,955,000</b>

<b>RATE BLOCK CHARGES</b>	<b>RATE PER UNIT</b>	<b>NUMBER OF UNITS</b>	<b>RATE * UNITS</b>
<i>Residential -</i>			
Rate Block 1: 0 to 2 units	\$3.53	169,673	\$ 599,000
Rate Block 2: 3 to 10 units	\$5.44	405,303	\$ 2,205,000
Rate Block 3: 11 to 25 units	\$6.53	181,252	\$ 1,184,000
Rate Block 4: 26+ units	\$7.61	35,651	\$ 272,000
<i>Non-residential -</i>			
Rate Block 1: 0 to 5 units	\$4.89	35,982	\$ 176,000
Rate Block 2: 6 + units	\$5.71	480,473	\$ 2,744,000
<b>TOTAL RATE BLOCK CHARGES</b>			<b>\$ 7,180,000</b>

**PROJECTED SALES (UNITS):**

**1,308,334**

<b>NET INCOME</b>	<b>2012/2013</b>
<b>REVENUES</b>	
Operating	\$ 8,955,000
<b>EXPENDITURES</b>	
Operating	\$ 8,691,600
<b>OPERATING INCOME</b>	<b>\$ 263,400</b>
<b>NON-OPERATING INCOME</b>	<b>\$ 369,422</b>
<b>NET INCOME</b>	<b>\$ 632,822</b>

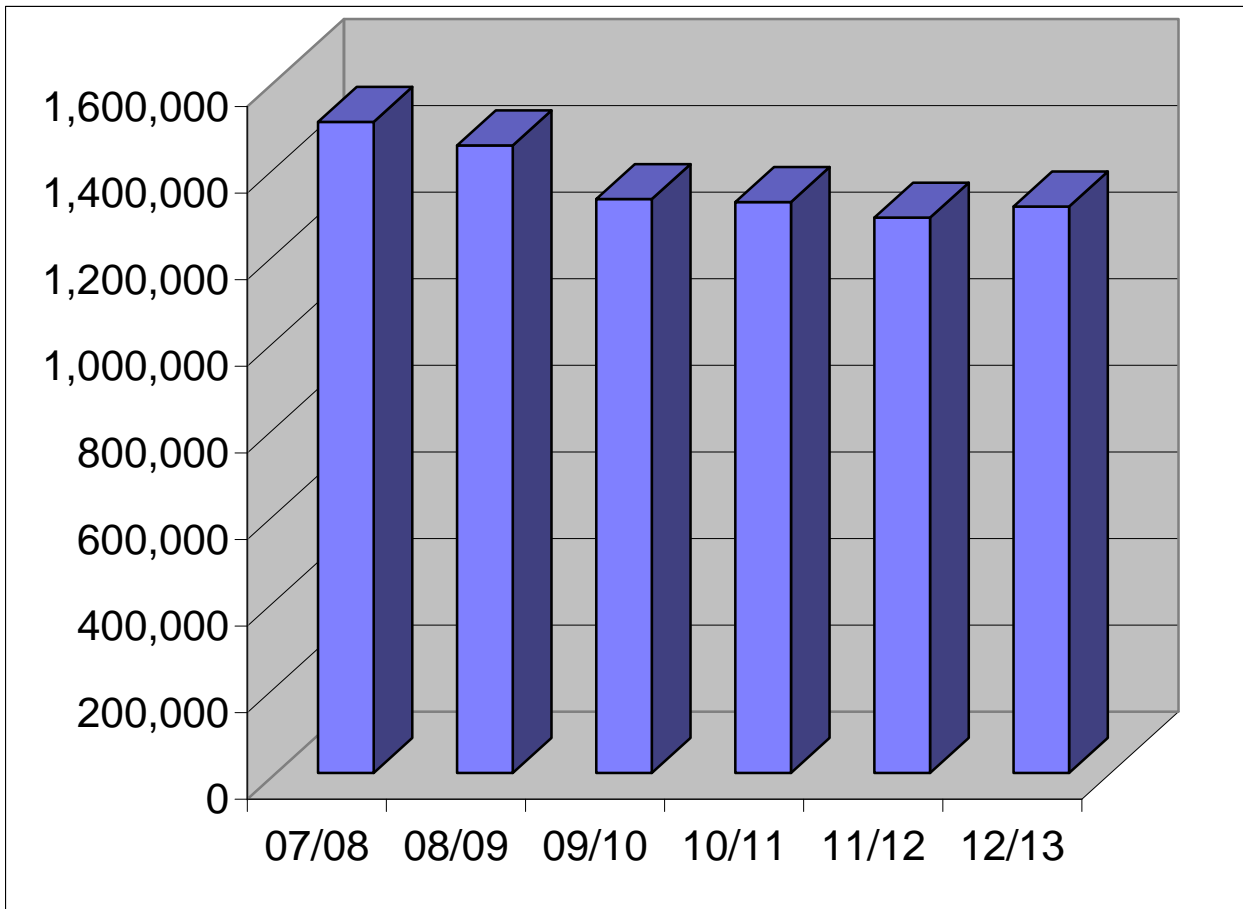
WATER SALES ANALYSIS

MID-PENINSULA WATER DISTRICT

APPROVED BUDGET - FISCAL YEAR 2012/2013

Fiscal Year	Actual Number of Units Sold
-------------	-----------------------------

07/08	1,504,009	
08/09	1,449,672	
09/10	1,325,547	
10/11	1,318,795	
11/12	1,282,680	Actual from April 2011 - March 2012
12/13	1,308,334	Projected



**COMPARE REVENUES & NET INCOME**

**MID-PENINSULA WATER DISTRICT**

**APPROVED BUDGET - FISCAL YEAR 2012/2013**

<b>RATE BLOCK CHARGES PER UNIT</b>	<b>2012/2013</b>
<i>Residential -</i>	
Rate Block 1: 0 to 2 units	\$3.53
Rate Block 2: 3 to 10 units	\$5.44
Rate Block 3: 11 to 25 units	\$6.53
Rate Block 4: 26+ units	\$7.61
<i>Non-residential -</i>	
Rate Block 1: 0 to 5 units	\$4.89
Rate Block 2: 6 + units	\$5.71

<b>RATE BLOCK SALE UNITS</b>	<b>2011/2012</b>	<b>2012/2013</b>	<b>% CHANGE</b>
<i>Residential -</i>			
Rate Block 1: 0 to 2 units	166,346	169,673	2.0%
Rate Block 2: 3 to 10 units	397,356	405,303	2.0%
Rate Block 3: 11 to 25 units	177,698	181,252	2.0%
Rate Block 4: 26+ units	34,952	35,651	2.0%
<i>Non-residential -</i>			
Rate Block 1: 0 to 5 units	35,276	35,982	2.0%
Rate Block 2: 6 + units	471,052	480,473	2.0%
<b>TOTAL SALES:</b>	<b>1,282,680</b>	<b>1,308,334</b>	<b>2.0%</b>

<b>REVENUES</b>	<b>2011/2012</b>	<b>2012/2013</b>	<b>% CHANGE</b>
Service Charge	\$ 1,419,969	\$ 1,760,000	23.9%
Fire Charge	\$ 14,824	\$ 15,000	1.2%
Water Charge	\$ 6,491,126	\$ 7,180,000	10.6%
<b>TOTAL WATER SALES REVENUES</b>	<b>\$ 7,925,919</b>	<b>\$ 8,955,000</b>	<b>13.0%</b>

<b>NET INCOME</b>	<b>2011/2012</b>	<b>2012/2013</b>	<b>% CHANGE</b>
<b>REVENUES</b>			
Operating	\$ 7,925,919	\$ 8,955,000	13.0%
<b>EXPENDITURES</b>			
Operating	\$ 8,306,600	\$ 8,691,600	4.6%
<b>OPERATING INCOME</b>	<b>\$ (380,681)</b>	<b>\$ 263,400</b>	
<b>NON-OPERATING INCOME</b>	<b>\$ 364,550</b>	<b>\$ 369,422</b>	<b>1.3%</b>
<b>NET INCOME</b>	<b>\$ (16,131)</b>	<b>\$ 632,822</b>	



OPERATING BUDGET

MID-PENINSULA WATER DISTRICT

APPROVED BUDGET - FISCAL YEAR 2012/2013

<b>EXPENDITURES</b>	
<i>Source of Supply:</i>	
Labor	\$ 146,000
Purchased Water	3,912,000
BAWSCA/LAFCO Dues	90,600
<b>Total Source of Supply</b>	<b>\$ 4,148,600</b>
<i>Pumping:</i>	
Labor	\$ 146,000
Purchase Power	262,000
Maintenance and General	135,000
<b>Total Pumping</b>	<b>\$ 543,000</b>
<i>Transmission and Distribution:</i>	
Labor	\$ 984,000
Meters and Services	80,000
State/Cross Connection Fees	38,000
Water Quality Testing	20,000
Maintenance and General	340,000
<b>Total Trans. &amp; Dist.</b>	<b>\$ 1,462,000</b>
<i>Customer Accounts:</i>	
Labor	\$ 552,000
Customer Billing Services	70,000
Records/Accounts/Supplies	50,000
Public Education	40,000
Postage	60,000
Maintenance and General	60,000
<b>Total Customer Accounts</b>	<b>\$ 832,000</b>
<i>General and Administrative:</i>	
Labor	\$ 336,000
Insurance	130,000
Office Supplies	25,000
Accounting & Payroll Services	25,000
IT Services	45,000
Legal Services	85,000
Annual Audit	17,000
Outside Service	55,000
Election Fees	10,000
Directors Expense	7,000
Directors Fees & Benefits	119,000
Manager Expense	3,000
Employee Training	12,000
Unemployment	7,000
<b>Total General &amp; Admin.</b>	<b>\$ 876,000</b>
<b>Depreciation</b>	<b>\$ 830,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 8,691,600</b>

**COMPARE OPERATING BUDGETS**

**MID-PENINSULA WATER DISTRICT**

**APPROVED OPERATING BUDGET 2011/2012 VS. 2012/2013**

<b>EXPENDITURES</b>	<b>2011/2012</b>	<b>2012/2013</b>	<b>% Change</b>
<i>Source of Supply:</i>			
Labor	\$ 140,000	\$ 146,000	4.3%
Purchased Water	3,559,000	3,912,000	9.9%
SFWD/BAWSCA/LAFCO Dues	90,600	90,600	0.0%
<b>Total Source of Supply</b>	<b>\$ 3,789,600</b>	<b>\$ 4,148,600</b>	<b>9.5%</b>
<i>Pumping:</i>			
Labor	\$ 140,000	\$ 146,000	4.3%
Purchase Power	225,000	262,000	16.4%
Maintenance and General	110,000	135,000	22.7%
<b>Total Pumping</b>	<b>\$ 475,000</b>	<b>\$ 543,000</b>	<b>14.3%</b>
<i>Transmission and Distribution:</i>			
Labor	\$ 932,000	\$ 984,000	5.6%
Meters and Services	70,000	80,000	14.3%
State/Cross Connection Fees	38,000	38,000	0.0%
Water Quality Testing	20,000	20,000	0.0%
Maintenance and General	340,000	340,000	0.0%
<b>Total Trans. &amp; Dist.</b>	<b>\$ 1,400,000</b>	<b>\$ 1,462,000</b>	<b>4.4%</b>
<i>Customer Accounts:</i>			
Labor	\$ 509,000	\$ 552,000	8.4%
Customer Billing Services	70,000	70,000	0.0%
Records/Accounts/Supplies	45,000	50,000	11.1%
Public Education	60,000	60,000	0.0%
Postage	60,000	60,000	0.0%
Maintenance and General	60,000	60,000	0.0%
<b>Total Customer Accounts</b>	<b>\$ 804,000</b>	<b>\$ 832,000</b>	<b>3.5%</b>
<i>General and Administrative:</i>			
Labor	\$ 321,000	\$ 336,000	4.7%
Insurance	120,000	130,000	8.3%
Office Supplies	21,000	25,000	19.0%
Accounting & Payroll Services	25,000	25,000	0.0%
IT Services	45,000	45,000	0.0%
Legal Services	65,000	85,000	30.8%
Annual Audit	17,000	17,000	0.0%
Outside Services	35,000	35,000	0.0%
Election Fees	25,000	10,000	-60.0%
Directors Expense	7,000	7,000	0.0%
Directors Fees	119,000	119,000	0.0%
Manager Expense	3,000	3,000	0.0%
Employee Training	8,000	12,000	50.0%
Unemployment	7,000	7,000	0.0%
<b>Total General &amp; Admin.</b>	<b>\$ 818,000</b>	<b>\$ 876,000</b>	<b>7.1%</b>
<b>Depreciation</b>	<b>\$ 1,020,000</b>	<b>\$ 830,000</b>	<b>-18.6%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 8,306,600</b>	<b>\$ 8,691,600</b>	<b>4.6%</b>

**LABOR: \$ 2,161,000 \$ 2,283,000 5.6%**

**MID-PENINSULA WATER DISTRICT**

**APPROVED BUDGET - FISCAL YEAR 2012/2013**

**EXPENDITURES**

***Source of Supply:***

**Purchased Water**

SF Water will increase water charges to \$2.93 per unit as of July 1, 2012.

***Pumping:***

**Purchase Power**

No Significant Rate Change Expected in Fiscal Year 2012/2013

**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 has given the following forecast for increase to Medical 10-12%, Dental 6-7% and Vision 3%

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

## Summary of Projects

### Buckland Tank Project

The District owns and maintains two 100,000 gallon steel water tanks on Buckland Ave in San Carlos. The two Buckland Tanks have been inspected and it has been determined that they are in need of major repairs or replacement. District staff and the District Engineer recommend the replacement of both tanks. The estimated cost to replace both tanks is \$650,000.

### Meter Change-out Program

This project consists of the installation of new water meters equipped to deliver water usage to the District remotely. This is a continuation of the program that is due to conclude in 2015. The budgeted funds will be used to purchase and install meters in District pressure zone 7.

### Equipment Replacement

Due to increasing vehicle & equipment exhaust regulations the District needs to replace some of it's heavy equipment. The District will trade-in three pieces of equipment that can no longer be operated in California. In return for that equipment and with the funds allocated in this budget the District will obtain an excavator. These funds will also be used to provide our mechanic with a truck better equipped to work on equipment in the field.

### Computer System Upgrades

The District upgraded its networking and PC equipment in FY 11/12. While transitioning to the new equipment there was a compatibility issue with the Districts SCADA system. Funds budgeted for FY 12/13 will allow for this issue to be resolved.

### Radio Technology

These funds will be used to install two-way radios in the District's fleet. This will complete the project that began in FY 11/12.

### Telephone System Upgrade

The District's current phone system is obsolete. Replacement phones are no longer available so as they break they can not be replaced. The budgeted funds will be used to purchase new telephones and transition to a new telephone system.

**CAPITAL & FACILITY BUDGET**

**MID-PENINSULA WATER DISTRICT**

**APPROVED CAPITAL IMPROVEMENT & FACILITY MAINTENANCE BUDGET  
FISCAL YEAR 2012/2013**

<b>PROJECT ID</b>	<b>PROJECT DESCRIPTION</b>	<b>TOTAL AMOUNT</b>
	<u>CAPITAL IMPROVEMENT</u>	
	Buckland Tank Project	\$650,000
	Meter Change Out Program	\$300,000
	<b>Total Capital Improvement:</b>	<b>\$950,000</b>
	<u>FACILITY MAINTENANCE</u>	
	Equipment Replacement	\$98,000
	Computer System Upgrades	\$45,000
	Radio Technology	\$25,000
	Telephone System Upgrade	\$20,000
	<b>Total Facility Maintenance:</b>	<b>\$188,000</b>
	<b>Total Capital Improvement</b>	<b>\$950,000</b>
	<b>Total Facility Maintenance</b>	<b>\$188,000</b>
	<b>Total</b>	<b>\$1,138,000</b>

**SUMMARY OF PROJECTS**

**NON-OPERATING INCOME**

**MID-PENINSULA WATER DISTRICT**

**APPROVED BUDGET - FISCAL YEAR 2012/2013**

<b>NON-OPERATING INCOME</b>		
Property Tax	180,000	
Buckland (COB)	9,000	
T-Mobile	49,323	
Folger Properties	25,500	1513 Folger
Metro	35,986	
Sprint	27,706	
Crown Castle	31,908	
LAIF	10,000	
<b>Sub-total</b>	<b>369,422</b>	
<b>Total</b>	<b>369,422</b>	