



Mid-Peninsula Water District, San Mateo County, California
Annual Report for Certificates of Participation
(2016 Financing Project)
\$18,570,000

59541PAA4	59541PAD8	59541PAG1	59541PAK2	59541PAN6	59541PAR7
59541PAB2	59541PAE6	59541PAH9	59541PAL0	59541PAP1	59541PAS5
59541PAC0	59541PAF3	59541PAJ5	59541PAM8	59541PAQ9	59541PAT3

Fiscal Year Ending June 30, 2019

The following data and attachments are submitted by Mid-Peninsula Water District (MPWD) consistent with Appendix D, “Form of Continuing Disclosure Certificate,” from the Official Statement (OS) for the Certificates of Participation. Reference letters below correspond with the reference letters of the Appendix D.

Section 4. Audited Financial Report for Fiscal Year Ending June 30, 2019

The audited financial reports for the fiscal year ending June 30, 2019, have been uploaded separately to the Electronic Municipal Market Access (EMMA) website.

Section 4. Tables

The requested tables are shown on the following pages, updated from the original tables in the OS.

- Ten Largest Customers by Consumption
- Water Rates
- Revenue and Expense Showing Debt Service Coverage Ratio

Section 5. Reporting of Listed Events

There are no listed events to report.

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Mid-Peninsula Water District		
Ten Largest Customers Based on Volume¹		
Fiscal Year ending June 30, 2019		
	Customer	Type of Customer
1	City of Belmont	Public Parks and Facilities
2	Redwood Shores Schools	Schools
3	Crestview Apartments	Apartments
4	Sutter Health	Medical
5	Novartis	Pharmaceutical Manufacturing
6	Sequoia High School District	Schools
7	Belmont Homeowners Association	Apartments
8	Notre Dame de Namur	College
9	Rui Quan	Office Buildings
10	Motel 6	Motel

These ten customers collectively account for ten percent of revenue from water sales. The largest contribution for any one customer is less than two percent.

¹ MPWD has adopted a policy of confidentiality with respect to account information on individual water use; therefore, the table shows the ten largest customers based on volume and states the percentage of total revenue they represent.

Mid-Peninsula Water District Rate Table				
Rates Effective July 1, 2018 ^{2,3}				
		Mid Base Rate	SFPUC Wholesale Rate Pass Through⁴	Total Rate
Fixed Monthly Charges				
Meter Size	Meter Ratio	\$ / Month		
5/8"	1.00	\$26.00	n/a	\$26.00
1"	1.50	39.00	n/a	39.00
1 1/2"	2.50	65.00	n/a	65.00
2"	4.00	104.00	n/a	104.00
3"	6.00	156.00	n/a	156.00
4"	10.00	260.00	n/a	260.00
6"	25.00	650.00	n/a	650.00
Water Consumption Charges				
Residential Rates		\$ / HCF ⁵		
Tier 1	0 – 2 units	\$5.69	\$0.00	\$5.69
Tier 2	3 – 8	8.44	0.00	8.44
Tier 3	9 - 20	10.29	0.00	10.29
Tier 4	21+	12.14	0.00	12.14
Commercial Rates				
Tier 1	0 – 5 units	\$7.57	0.00	\$7.57
Tier 2	6+	8.89	0.00	8.89

² Source is MPWD Ordinance No. 120, dated April 25, 2019.

³ Rates were increased July 1, 2018 (and July 1, 2019).

⁴ Pursuant to the Government Code, MPWD reserves the right to increase its water consumption charges to recover any additional unanticipated SFPUC water rate increases.

⁵ One hundred cubic feet (HCF) equals approximately 748 gallons.

Mid-Peninsula Water District						
Revenues, Expenditures and Debt Service Coverage						
		2014-15	2015-16	2016-17	2017-18	2018-19
		Audited	Audited	Audited	Audited	Audited
Operating Revenues						
	Water service charges	\$9,269,172	\$10,103,976	\$11,346,781	\$12,630,636	\$13,170,928
	Other revenue	70,931	26,107	107,130	223,061	271,202
	Total	9,340,103	10,130,083	11,453,911	12,853,697	13,442,130
Operating Expenses						
	Salaries and benefits	\$2,258,983	\$2,293,425	\$2,742,823	\$2,371,885	\$2,722,423
	Maintenance & rehab	529,883	528,314	392,800	684,956	412,829
	Purchased water	4,160,810	4,491,156	5,192,951	5,579,589	5,581,289
	Utilities	312,784	267,479	269,238	252,124	304,832
	Professional services	461,682	539,376	391,818	416,562	522,511
	Admin & other	665,813	647,516	690,950	692,452	760,373
	Depreciation	n/a	n/a	n/a	n/a	n/a
	Total	8,389,955	8,767,266	9,680,580	9,997,568	10,304,257
	Operating Income/(Loss)	\$950,148	\$1,362,817	\$1,773,331	\$2,856,129	\$3,137,873
Non-Operating Revenues						
	Rent	\$194,681	\$170,763	\$141,949	\$151,714	\$152,926
	Property taxes	259,597	266,341	301,119	327,313	380,509
	Interest income	9,751	14,847	73,205	289,386	438,076
	Total	464,029	451,951	516,273	768,413	971,511
	Net Revenues Available for Debt Service	\$1,414,177	\$1,814,768	\$2,289,604	\$3,624,542	\$4,109,384
2016 COP Funding						
	Interest	-	-	\$330,133	\$735,834	\$722,150
	Principal	-	-	0	315,000	345,000
	Total Debt Service¹			\$330,133	\$1,050,834	\$1,067,150
	Debt Service Coverage Ratio²			6.94	3.45	3.85
	Revenues Remaining after Debt Service			\$1,959,471	\$2,573,708	\$3,042,234
Notes:						
	1. For FY17, Total Debt Service includes only one interest payment (instead of two for a full year) and does not include a principal payment, causing the debt service coverage ratio to calculate relatively high. Further, the interest value for debt service in in the audited statement is \$391,649, higher than the amount actually paid (\$330,133) because of accrual accounting used in the audited statement.					
	2. The miniumum debt service coverage ratio is 1.30 pursuant to page 7 of the Installment Sale Agreement dated December 1, 2016.					