



MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **June 3, 2021**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

**SUBJECT: Review and Possible Action Concerning
2021/2022 Draft Water and Sewer Budget and
CIP.**

The Board reviewed a draft version of next fiscal year's budget in April this year. The finance committee further reviewed and commented on the draft budget and recommended to bring the document for approval to the MWSD board. At this time associated board items, the revised Master Fee Schedule, the completed tax roll document for sewer service and delinquent charge collection, and a job description for a senior operator position, are in preparation. Staff anticipates bringing the budget and associated documents to the board for approval at the June 17 meeting.

Peter Medina with Maze & Associates is available to present the draft budget. The District's Water and Sewer Engineers will be available to present the capital improvement sections of the document.

RECOMMENDATION:

This item is for Board discussion and direction to staff. The final budget version will be presented for adoption at a subsequent meeting.

Attachments



Montara Water & Sanitary

Budgeted Cash Flow - Sewer

Fiscal year 2021-2022

Cash flow summary

Operating cash flow

Operating income	FY 2020-2021	FY 2021-2022	Variance (%)	Variance (\$)
Sewer Service Charges	\$ 3,242,487	\$ 3,479,472	7.31%	\$ 236,985
Cell Tower Lease	\$ 37,500	\$ 77,220	105.92%	\$ 39,720
Fees & Other	\$ 13,100	\$ 13,100	0.00%	\$ -
Property Tax	\$ 275,000	\$ 277,750	1.00%	\$ 2,750
Waste Collection Revenues	\$ 24,000	\$ 25,000	4.17%	\$ 1,000
Total operating income	\$ 3,592,087	\$ 3,872,542		
Operating expenses				
Personnel	\$ (362,039)	\$ (365,798)	1.04%	\$ 3,759
Professional Services	\$ (189,700)	\$ (312,500)	64.73%	\$ 122,800
Facilities & Administration	\$ (57,000)	\$ (47,400)	-16.84%	\$ (9,600)
Engineering	\$ (60,000)	\$ (30,000)	-50.00%	\$ (30,000)
Pumping	\$ (45,000)	\$ (45,200)	0.44%	\$ 200
Sewer Authority Mid-Coastside	\$ (1,948,790)	\$ (1,974,581)	1.32%	\$ 25,791
All other Accounts	\$ (71,110)	\$ (142,060)	99.77%	\$ 70,950
Total operating expenses	\$ (2,733,639)	\$ (2,917,539)		
Net Cash Flow Provided by Operations	\$ 858,448	\$ 955,003		
Investment cash flow				
Investment income				
Interest Revenue	\$ 60,000	\$ 40,000	-33.33%	\$ (20,000)
Total investment income	\$ 60,000	\$ 40,000		
Investment expenses				
Capital Improvement Program	\$ (1,985,272)	\$ (1,906,335)	-3.98%	\$ (78,937)
Total investment expenses	\$ (1,985,272)	\$ (1,906,335)		
Net Cash Flow Used by Investments	\$ (1,925,272)	\$ (1,866,335)		
Financing cash flow				
Financing income				
Connection Fees	\$ 150,000	\$ 150,000	0.00%	\$ -
Total financing income	\$ 150,000	\$ 150,000		
Financing expenses				
Loan Interest Expense	\$ (35,116)	\$ (32,235)	-8.20%	\$ (2,880)
Loan Principal Payment	\$ (93,512)	\$ (100,153)	7.10%	\$ 6,641
Total financing expenses	\$ (128,627)	\$ (132,388)		
Net Cash Flow Provided by Financing Activities	\$ 21,373	\$ 17,612		
Overall projected cash flow	\$ (1,045,451)	\$ (893,720)		
Transfer from Sewer Reserves	\$ 1,045,451	\$ 893,720 *		
Net cash flow	\$ -	\$ -		

* Please see discussion of Sewer operating reserve funds on page 15. In addition, please review the Sewer CIP project summary list on page 11.



Montara Water & Sanitary

Budgeted Cash Flow - Water

Fiscal year 2021-2022

Cash flow summary

Operating cash flow

Operating income		FY 2020-2021		FY 2021-2022	Variance (%)	Variance (\$)
Water Sales	\$	1,893,000	\$	1,897,000	0.21%	\$ 4,000
Cell Tower Lease	\$	37,500	\$	-	-100.00%	\$ (37,500)
Fees & Other	\$	15,000	\$	13,000	-13.33%	\$ (2,000)
Property Tax	\$	275,000	\$	277,750	1.00%	\$ 2,750
Backflow Testing & Other	\$	18,000	\$	18,000	0.00%	\$ -
Total operating income	\$	2,238,500	\$	2,205,750		
Operating expenses						
Personnel	\$	(939,877)	\$	(1,006,770)	7.12%	\$ 66,893
Professional Services	\$	(206,500)	\$	(257,000)	24.46%	\$ 50,500
Facilities & Administration	\$	(71,000)	\$	(75,500)	6.34%	\$ 4,500
Engineering	\$	(220,000)	\$	(120,000)	-45.45%	\$ (100,000)
Pumping	\$	(110,700)	\$	(105,700)	-4.52%	\$ (5,000)
Supply	\$	(37,500)	\$	(52,500)	40.00%	\$ 15,000
Collection/Transmission	\$	(80,500)	\$	(94,000)	16.77%	\$ 13,500
Treatment	\$	(85,000)	\$	(65,000)	-23.53%	\$ (20,000)
All Other Accounts	\$	(134,300)	\$	(202,300)	50.63%	\$ 68,000
Total operating expenses	\$	(1,885,377)	\$	(1,978,770)		
Net Cash Flow Provided by Operations	\$	353,123	\$	226,980		
Investment cash flow						
Investment income						
GO Bonds, Assessment Receipts	\$	1,150,436	\$	905,740	-21.27%	\$ (244,696)
Water System Reliability Charge	\$	1,000,000	\$	1,000,000	0.00%	\$ -
Total investment income	\$	2,150,436	\$	1,905,740		
Investment expenses						
Capital Improvement Program	\$	(1,108,750)	\$	(1,198,750)	8.12%	\$ 90,000
Total investment expenses	\$	(1,108,750)	\$	(1,198,750)		
Net Cash Flow Used by Investments	\$	1,041,686	\$	706,990		
Financing cash flow						
Financing income						
Connection Fees	\$	150,000	\$	150,000	0.00%	\$ -
Total financing income	\$	150,000	\$	150,000		
Financing expenses						
Long Term Debt - Interest Expense	\$	(292,561)	\$	(155,987)	-46.68%	\$ (136,574)
Long Term Debt - Principal Payment	\$	(1,175,875)	\$	(1,148,574)	-2.32%	\$ (27,301)
Total financing expenses	\$	(1,468,436)	\$	(1,304,562)		
Net Cash Flow Provided by Financing Activities	\$	(1,318,436)	\$	(1,154,562)		
Overall projected cash flow	\$	76,372	\$	(220,592)		
Transfer to Water Reserves	\$	76,372	\$	(220,592)		*
Net cash flow	\$	-	\$	-		

* Please see discussion of Water operating reserve funds on page 14. In addition, please review the Water CIP project summary list on page 12.

MWSD — Fiscal Year 2021-22 Operations Budget - SEWER ENTERPRISE

Operating Revenue	GL Codes	2018-19	2019-20	Approved	Income/Expenditures		Projected as		Budgeted amounts	Increase/(Decrease)		
		Actual	Actual	Budget 2020-21	as of April 30, 2021	% To date	Projected	% of Budget	2021-22	from 2019-2020 \$	Increase/(decrease) %	
Cell Tower Lease:	4220	36,752	42,687	37,500	27,439	73.17%	32,927	87.81%	77,220	39,720	105.92%	
Administrative Fees (New Construction):	4410	3,647	3,794	3,600	4,932	137.00%	5,918	164.40%	3,600	0	0.00%	
Administrative Fees (Remodel):	4420	0	542	1,000	548	54.80%	658	65.76%	1,000	0	0.00%	
Inspection Fees (New Construction):	4430	3,448	3,584	3,500	3,626	103.60%	4,351	124.32%	3,500	0	0.00%	
Inspection Fees (Remodel):	4440		512	1,000	518	51.80%	622	62.16%	1,000	0	0.00%	
Mainline Extension Fees:	4450					0.00%	0	0.00%	0	0	0.00%	
Remodel Fees:	4460	5,376	2,999	4,000	9,145	228.63%	10,974	274.35%	4,000	0	0.00%	
Grants:	4510		112		136	100.00%	163	100.00%	0	0	0.00%	
Property Tax Receipts:	4610	404,079	407,337	275,000	423,532	154.01%	508,239	184.81%	277,750	2,750	1.00%	
Sewer Service Charges:	4710	2,610,244	3,086,734	3,246,487	2,497,373	76.93%	3,246,487	100.00%	3,484,472	237,985	7.33%	
Sewer Service Refunds, Customer:	4720	496	(7,751)	(4,000)	(33,717)	842.92%	(40,460)	1011.50%	(5,000)	(1,000)	25.00%	
Waste Collection Revenues:	4760	23,172	24,353	24,000	22,780	94.92%	27,336	113.90%	25,000	1,000	4.17%	
Other Revenue:	4990	2,825	2,018		12,462	100.00%	14,954	100.00%				
Total Operating Revenue:		3,090,039	3,566,921	3,592,087	2,968,775	82.65%	3,812,169	106.13%	3,872,542	280,455	7.81%	
Operating Expenses												
Bank Fees:	5190	6,875	6,592	6,750	7,280	107.86%	8,736	129.43%	7,000	250	3.70%	
Board Meetings:	5210	3,928	3,861	3,000	2,550	85.00%	3,060	102.00%	3,000	0	0.00%	
Director Fees:	5220	2,288	4,125	2,000	2,513	125.63%	3,015	150.75%	7,500	5,500	275.00%	
Election Expenses:	5230	4,265	0	5,000	0	0.00%	0	0.00%	75,000	70,000	1400.00%	
Conference Attendance:	5250	2,467	35	2,500	0	0.00%	0	0.00%	2,500	0	0.00%	
Information Systems:	5270	1,725	9,746	4,000	3,616	90.39%	4,339	108.47%	4,000	0	0.00%	
Fidelity Bond:	5310	438	0	500	438	87.50%	525	105.00%	500	0	0.00%	
Property & Liability Insurance:	5320	7,737	1,394	8,000	9,851	123.14%	9,851	123.14%	5,000	(3,000)	-37.50%	
LAFCO Assessment:	5350	1,794	2,060	2,500	2,460	98.40%	2,460	98.40%	2,500	0	0.00%	
Meeting Attendance, Legal:	5420	14	0	0	0	0.00%	0	0.00%	0	0	0.00%	
General Legal:	5430	183,515	89,445	100,000	43,486	43.49%	52,184	52.18%	200,000	100,000	100.00%	
Litigation:	5440		49,445		99,349	100.00%	119,219	100.00%				
Maintenance, Office:	5510	7,230	4,614	8,000	2,944	36.80%	3,533	44.16%	8,000	0	0.00%	
Meetings, Local:	5520	0				0.00%	0	0.00%		0		
Memberships:	5530		600		600	100.00%	720	100.00%		0		
Office Supplies:	5540	5,681	6,387	6,000	3,690	61.50%	4,428	73.80%	6,500	500	8.33%	
Postage:	5550	2,043	654	2,000	347	17.33%	416	20.79%	400	(1,600)	-80.00%	
Printing & Publishing:	5560	2,490	980	5,000	1,171	23.42%	1,405	28.10%	1,500	(3,500)	-70.00%	
Accounting:	5610	26,503	37,875	32,000	27,328	85.40%	32,793	102.48%	39,000	7,000	21.88%	
Audit:	5620	13,000	8,150	13,000	13,150	101.15%	13,150	101.15%	13,500	500	3.85%	
Consulting:	5630	25,261	50,500	35,000	57,827	165.22%	69,393	198.27%	50,000	15,000	42.86%	
Data Services:	5640	6,079	7,173	6,200	6,386	103.01%	6,386	103.00%	6,500	300	4.84%	
Labor & HR Support:	5650	2,442	2,562	2,500	2,135	85.40%	2,562	102.48%	2,500	0	0.00%	
Payroll Services:	5660	949	967	1,000	818	81.77%	981	98.12%	1,000	0	0.00%	
Other Professional Services:	5690	0				0.00%	0	0.00%		0		
San Mateo County Tax Roll Charges:	5710	119	119	1,000	119	11.90%	143	14.28%	200	(800)	-80.00%	
Telephone & Internet:	5720	25,300	31,129	20,000		0.00%	0	0.00%	20,000	0	0.00%	
Mileage Reimbursement:	5730	1,570	327	1,500	26,553	1770.17%	31,863	2124.21%	1,500	0	0.00%	
Reference Materials:	5740	87	0	200		0.00%	0	0.00%	200	0	0.00%	
Other Administrative:	5790	448	608		94	100.00%	113	100.00%		0		
CalPERS 457 Deferred Plan:	5810	18,955	20,180	17,508	15,646	89.37%	18,776	107.24%	18,363	854	4.88%	
Employee Benefits:	5820	52,115	50,680	49,096	36,929	75.22%	44,315	90.26%	43,823	(5,273)	-10.74%	
Disability Insurance:	5830	1,360	1,709	1,876	1,452	77.39%	1,742	92.87%	1,941	65	3.48%	
Payroll Taxes:	5840	15,610	16,217	19,134	14,018	73.27%	16,822	87.92%	20,068	934	4.88%	
Worker's Compensation Insurance:	5960	2,622	2,837	3,688	2,054	55.71%	2,465	66.85%	2,355	(1,333)	-36.14%	
Management:	5910	112,113	114,041	116,211	109,654	94.36%	131,585	113.23%	118,537	2,326	2.00%	
Staff :	5920	125,760	132,421	133,905	110,048	82.18%	132,057	98.62%	140,637	6,732	5.03%	
Staff Certification:	5930	1,800	2,225	1,800	1,563	86.81%	1,875	104.17%	1,800	0	0.00%	

MWSD — Fiscal Year 2021-22 Operations Budget - SEWER ENTERPRISE

Operating Revenue	GL Codes	2018-19	2019-20	Approved	Income/Expenditures	% To date	Projected	Projected as	Budgeted amounts	Increase/(Decrease)	Increase/(decrease)
		Actual	Actual	Budget 2020-21	as of April 30, 2021			% of Budget	2021-22	from 2019-2020 \$	%
Staff Overtime:	5940	1,435	1,888	1,760	2,457	139.61%	2,949	167.53%	339	(1,421)	-80.71%
Staff Standby:	5950					0.00%	0	0.00%	0	0	
PARS:	5850	19,459	20,480	17,062	15,310	89.74%	18,372	107.68%	17,935	873	5.12%
Claims, Property Damage:	6170	20,514	632	20,000		0.00%	0	0.00%	20,000	0	0.00%
Education & Training:	6195	559	0	1,000		0.00%	0	0.00%	1,000	0	0.00%
Meeting Attendance, Engineering:	6210		0	0		0.00%	0	0.00%	0	0	0.00%
General Engineering:	6220	33,584	35,060	60,000	21,754	36.26%	26,105	43.51%	30,000	(30,000)	-50.00%
Equipment & Tools, Expensed:	6320		0	1,000		0.00%	0	0.00%		(1,000)	-100.00%
Alarm Services:	6335	5,028	6,133	10,000	5,057	50.57%	6,068	60.68%	5,000	(5,000)	-50.00%
Landscaping:	6337	2,588	4,468	6,000	4,875	81.25%	5,850	97.50%	6,000	0	0.00%
Pumping Fuel & Electricity:	6410	44,881	39,587	45,000	40,292	89.54%	48,351	107.45%	45,000	0	0.00%
Uniforms:	6770	0	126	0		0.00%	0	0.00%	200	200	0.00%
Maintenance, Collection System:	6660	550		10,000		0.00%	0	0.00%	10,000	0	0.00%
Fuel:	6810	1,021	848	1,000	687	68.69%	824	82.43%	1,000	0	0.00%
Truck Equipment, Expensed:	6820	27	439	160	38	23.90%	46	28.68%	160	0	0.00%
Truck Repairs:	6830	423	622	1,000	88	8.79%	106	10.55%	1,000	0	0.00%
Total Other Operations:	6890	0	(29,919)		270	100.00%	324	100.00%		0	
SAM Collections:	6910	329,965	341,549	254,153	211,794	83.33%	254,153	100.00%	331,973	77,820	30.62%
SAM Operations:	6920	1,316,715	1,529,139	1,584,637	1,320,531	83.33%	1,584,637	100.00%	1,532,608	(52,029)	-3.28%
Depreciation:	5260	408,078	474,270			0.00%	0	0.00%		0	
SAM Maintenance, Collection System:	6940	0	0	40,000	50,696	126.74%	60,836	152.09%	40,000	0	0.00%
SAM Maintenance, Pumping:	6950	82,999	0	70,000	62,808	89.73%	75,370	107.67%	70,000	0	0.00%
Total Operations Expense:		2,932,411	3,084,978	2,733,639	2,342,727	85.70%	2,811,272	102.84%	2,917,539	183,900	6.73%
Net Change in position from Operations:		157,629	481,943	858,448	626,048	72.93%	1,000,896	116.59%	955,003	96,555	11.25%



MWSD — Fiscal Year 2021-22 Non-Operating Budget - SEWER ENTERPRISE

	GL Codes	2018-19 Actual	2019-20 Actual	Approved		% To date	Projected	Projected as		Increase/(Decrease) from 2020-2021 \$	Increase/(decrease) %
				Budget 2020-21	Income/Expenditures as of April 30, 2021			% of Budget	Budgeted amounts 2021-22		
Non Operating Revenue											
Connection Fees, Residential New Const:	7110	246,161	225,264	100,000	97,247	97.25%	116,696	116.70%	100,000	0	0.00%
Connection Fees, Residential Remodel:	7120	66,218	55,708	50,000	36,344	72.69%	43,613	87.23%	50,000	0	0.00%
LAIF, Interest:	7200	99,073	105,107	60,000	38,726	64.54%	46,471	77.45%	40,000	(20,000)	-33.33%
Total Non Operating Revenue:		411,451	386,079	210,000	172,317	82.06%	206,781	98.47%	190,000	(20,000)	-9.52%
Non Operating Expense											
PNC Equipment Lease:	9125	17,492	15,151	13,461	9,559	71.01%	11,535	85.69%	11,535	(1,925)	-14.30%
Capital Assessment, SAM:	9175	0			0	0.00%	0	0.00%	0	0	0.00%
I-Bank Loan:	9200	22,382	23,801	21,655	12,436	57.43%	20,700	95.59%	20,700	(955)	-4.41%
Total Non Operating Expense:		39,874		35,116	21,995	62.64%	26,394	75.16%	32,235	(2,880)	-8.20%
Net Change in position from Non Operating activities:		371,577	386,079	174,884	150,322		180,387		157,765	(17,120)	

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MWSD — Fiscal Year 2021-22 Operations Budget - WATER ENTERPRISE

Operating Revenue	GL Codes	2018-19	2019-20	Approved Budget	Income/Expenditures	% To date	Projected	Projected as %	Budgeted amounts	Increase/(Decrease)	Increase/(decrease)	
		Actual	Actual	2020-21	as of April 30, 2021			of Budget	2021-22	from 2020-2021 \$	%	
Cell Tower Lease:	4220	36,752	42,687	37,500	27,393	73.05%	32,871	87.66%	0	(37,500)	-100.00%	
Administrative Fees (New Construction):	4410	3,126	4,336	5,000	5,480	109.60%	6,576	131.52%	5,000	0	0.00%	
Administrative Fees (Remodel):	4420	0	1,084	0	548	100.00%	658	100.00%	0	0	0.00%	
Inspection Fees (New Construction):	4430	2,956	4,096	4,000	5,180	129.50%	6,216	155.40%	4,000	0	0.00%	
Inspection Fees (Remodel):	4440	0	1,536	1,000	518	51.80%	622	62.16%	1,000	0	0.00%	
Mainline Extension Fees:	4450	3,119	0	3,000	85,905	2863.50%	103,086	3436.20%	3,000	0	0.00%	
Grants:	4510		112		136	100.00%	163	100.00%	0	0	0.00%	
Remodel Fees:	4460	5,561	1,421	2,000		0.00%	0	0.00%	0			
Property Tax Receipts:	4610	404,079	407,337	275,000	423,532	154.01%	508,239	184.81%	277,750	2,750	1.00%	
Testing, Backflow:	4740	18,420	25,761	18,000	15,228	84.60%	18,274	101.52%	18,000	0	0.00%	
Water Sales:	4810	1,892,091	1,973,134	1,896,000	1,649,491	87.00%	1,979,389	104.40%	1,900,000	4,000	0.21%	
Water Sales Refunds, Customer:	4850	(4,670)	(1,338)	(3,000)	(2,817)	93.90%	(3,380)	112.68%	(3,000)	0	0.00%	
Other Revenue:	4990	3,936	60,825		6,879	100.00%	8,254	100.00%	0	0	0.00%	
Total Operating Revenue:		2,365,369	2,520,990	2,238,500	2,217,473	99.06%	2,660,967	118.87%	2,205,750	(30,750)	-1.37%	
Operating Expenses												
Bank Fees:	5190	3,495	1,434	1,500	1,627	108.46%	1,952	130.15%	1,500	0	0.00%	
Board Meetings:	5210	3,928	3,861	3,000	2,550	85.00%	3,060	102.00%	3,000	0	0.00%	
Director Fees:	5220	2,288	4,125	2,000	2,513	125.63%	3,015	150.75%	7,500	5,500	275.00%	
Election Expenses:	5230	4,265		5,000		0.00%	0	0.00%	75,000	70,000	1400.00%	
CDPH Fees:	5240	10,530	12,405	11,000	12,004	109.13%	14,405	130.96%	13,000	2,000	18.18%	
Conference Attendance:	5250	2,467	243	3,000		0.00%	0	0.00%	3,000	0	0.00%	
Information Systems:	5270	10,185	18,631	5,000	3,616	72.32%	4,339	86.78%	5,000	0	0.00%	
Fidelity Bond:	5310	438	0	500	438	87.50%	525	105.00%	500	0	0.00%	
Property & Liability Insurance:	5320	2,215	1,173	5,000		0.00%	0	0.00%	5,000	0	0.00%	
LAFCO Assessment:	5350	2,520	2,759	2,500	2,716	108.64%	2,716	108.64%	3,000	500	20.00%	
Meeting Attendance, Legal:	5420	14		0	12,320	100.00%	14,784	100.00%	0	0	0.00%	
General Legal:	5430	24,250	123,406	100,000	83,069	83.07%	99,683	99.68%	140,000	40,000	40.00%	
Maintenance, Office:	5510	11,015	6,414	8,000	5,494	68.67%	6,592	82.41%	8,000	0	0.00%	
Meetings, Local:	5520	41	(142)			0.00%	0	0.00%	0	0	0.00%	
Memberships:	5530	22,236	23,026	27,000	24,081	89.19%	24,081	89.19%	27,000	0	0.00%	
Office Supplies:	5540	7,244	6,525	6,000	5,876	97.93%	7,051	117.52%	6,500	500	8.33%	
Postage:	5550	9,318	11,567	4,000	10,110	252.74%	12,131	303.29%	9,000	5,000	125.00%	
Printing & Publishing:	5560	3,213	2,171	7,000	1,171	16.73%	1,405	20.07%	5,000	(2,000)	-28.57%	
Accounting:	5610	26,503	37,875	32,000	27,328	85.40%	32,793	102.48%	39,000	7,000	21.88%	
Audit:	5620	13,000	8,150	13,000	13,150	101.15%	15,780	121.39%	13,500	500	3.85%	
Consulting:	5630	28,471	56,893	55,000	56,242	102.26%	67,490	122.71%	55,000	0	0.00%	
Data Services:	5640		900	3,000	6,386	212.88%	6,386	212.87%	6,500	3,500		
Labor & HR Support:	5650	2,442	2,641	2,500	2,135	85.40%	2,562	102.48%	2,000	(500)	-20.00%	
Payroll Services:	5660	949	967	1,000	818	81.77%	981	98.12%	1,000	0	0.00%	
Other Professional Services:	5690	480				0.00%	0	0.00%	0	0	0.00%	
San Mateo County Tax Roll Charges:	5710	119	119	3,000	119	3.97%	143	4.76%				
Telephone & Internet:	5720	31,642	36,093	20,000	33,122	165.61%	39,747	198.74%	25,000	5,000	25.00%	
Mileage Reimbursement:	5730	2,188	623	2,000	36	1.80%	43	2.16%	1,500	(500)	-25.00%	
Reference Materials:	5740	0	0	800		0.00%	0	0.00%	800	0	0.00%	
Other Administrative:	5790	791	500	1,000	668	66.76%	801	80.11%	0	(1,000)		
CalPERS 457 Deferred Plan:	5810	38,266	42,604	44,948	38,149	84.87%	45,778	101.85%	44,056	(892)	-1.98%	
Employee Benefits:	5820	84,851	85,042	107,614	87,285	81.11%	104,742	97.33%	107,276	(337)	-0.31%	
Disability Insurance:	5830	3,366	3,564	4,752	3,353	70.56%	4,023	84.67%	4,657	(94)	-1.98%	
Payroll Taxes:	5840	39,124	43,195	51,267	39,847	77.73%	47,817	93.27%	50,446	(821)	-1.60%	
Worker's Compensation Insurance:	5960	12,579	14,274	22,444	10,998	49.00%	13,198	58.81%	19,806	(2,637)	-11.75%	
Management:	5910	112,113	114,042	116,211	109,655	94.36%	131,586	113.23%	118,537	2,326	2.00%	
Staff :	5920	356,877	407,112	464,762	380,563	81.88%	456,675	98.26%	526,838	62,077	13.36%	
Staff Certification:	5930	9,275	10,625	11,400	9,263	81.25%	11,115	97.50%	11,400	0	0.00%	

MWSD — Fiscal Year 2021-22 Operations Budget - WATER ENTERPRISE

Operating Revenue	GL Codes	2018-19	2019-20	Approved Budget	Income/Expenditures	% To date	Projected	Projected as %	Budgeted amounts	Increase/(Decrease)	Increase/(decrease)
		Actual	Actual	2020-21	as of April 30, 2021			of Budget	2021-22	from 2020-2021 \$	%
Staff Overtime:	5940	45,516	45,849	54,781	39,695	72.46%	47,634	86.95%	57,656	2,875	5.25%
Staff Standby:	5950	24,705	25,485	23,003	22,190	96.47%	26,628	115.76%	27,719	4,715	20.50%
PARS:	5850	37,916	42,031	38,695	33,651	86.97%	40,382	104.36%	38,377	(318)	-0.82%
Backflow Prevention:	6160	764	326	1,000	1,515	151.50%	1,818	181.80%	1,000	0	0.00%
Claims, Property Damage:	6170	22	392	10,000		0.00%	0	0.00%	10,000	0	0.00%
SCADA Maintenance:	6185	12,061	2,468	13,000	4,816	37.04%	5,779	44.45%	13,000	0	0.00%
Education & Training:	6195	5,098	4,372	9,000	639	7.10%	767	8.52%	9,000	0	0.00%
General Engineering:	6220	1,467	12,390	20,000	1,325	6.63%	1,590	7.95%	20,000	0	0.00%
Water Quality Engineering:	6230	420,284	116,823	200,000	55,541	27.77%	66,649	33.32%	100,000	(100,000)	-50.00%
Equipment & Tools, Expensed:	6320	11,867	17,500	12,000	4,475	37.30%	5,371	44.76%	8,000	(4,000)	-33.33%
Alarm Services:	6335	718	1,040	5,000	1,139	22.78%	1,367	27.34%	2,000	(3,000)	-60.00%
Landscaping:	6337	5,811	6,950	15,000	12,032	80.21%	14,438	96.25%	15,000	0	0.00%
Lab Supplies & Equipment:	6370	2,251	9,432	4,000	721	18.03%	866	21.64%	4,000	0	0.00%
Meter Reading:	6380	0	10		121	100.00%	145	100.00%	500	500	
Pumping Fuel & Electricity:	6410	77,011	75,074	90,000	65,149	72.39%	78,178	86.87%	90,000	0	0.00%
Pumping Maintenance, Generators:	6420	21,339	20,908	15,000	8,014	53.43%	9,617	64.11%	10,000	(5,000)	-33.33%
Pumping Maintenance, General:	6430	3,448	17	5,000	38	0.76%	46	0.92%	5,000	0	0.00%
Pumping Equipment, Expensed:	6440	478	8,562	700	13	1.85%	16	2.22%	700	0	0.00%
Maintenance, Raw Water Mains:	6510	1,857	27	2,500		0.00%	0	0.00%	2,500	0	
Maintenance, Wells:	6520	8,635	13,281	5,000	8,241	164.81%	9,889	197.78%	15,000	10,000	200.00%
Water Purchases:	6530	26,826	33,976	30,000	14,586	48.62%	43,758	145.86%	35,000	5,000	16.67%
Hydrants:	6610	0	6,841	1,000	3,351	335.11%	4,021	402.13%	5,000	4,000	400.00%
Maintenance, Water Mains:	6620	46,952	40,201	50,000	25,246	50.49%	30,295	60.59%	50,000	0	0.00%
Maintenance, Water Service Lines:	6630	3,506	6,384	15,000	34,787	231.91%	41,744	278.30%	20,000	5,000	33.33%
Maintenance, Tanks:	6640	1,593	5,141	4,000	4,130	103.24%	4,956	123.89%	5,000	1,000	25.00%
Maintenance, Distribution General:	6650	7,341	10,890	8,000	3,429	42.86%	4,115	51.43%	10,000	2,000	25.00%
Maintenance, Collection System:	6660	414			830	100.00%	996	100.00%			
Meters:	6670	8,177	6,253	2,500	5,061	202.44%	6,073	242.93%	4,000	1,500	60.00%
Chemicals & Filtering:	6710	20,233	39,914	20,000	19,901	99.51%	23,882	119.41%	20,000	0	0.00%
Maintenance, Treatment Equipment:	6720	28,456	13,805	20,000	4,712	23.56%	5,654	28.27%	15,000	(5,000)	-25.00%
Treatment Analysis:	6730	45,055	18,718	45,000	26,511	58.91%	31,813	70.70%	30,000	(15,000)	-33.33%
Uniforms:	6770	11,459	3,702	2,000		0.00%	0	0.00%	2,000	0	0.00%
Fuel:	6810	6,541	6,237	10,000	4,504	45.04%	5,405	54.05%	7,000	(3,000)	-30.00%
Truck Equipment, Expensed:	6820	309	3,433	2,000	217	10.84%	260	13.00%	2,000	0	0.00%
Truck Repairs:	6830	2,411	3,694	5,000	498	9.97%	598	11.96%	5,000	0	0.00%
Other Operations:	6890		4,265	0	4,277	100.00%	5,133	100.00%		0	
Total Operations Expense:		1,773,218	1,689,207	1,885,377	1,398,052	74.15%	1,697,281	90.02%	1,978,770	96,393	5.11%
Net Change in position from Operations:		592,152	831,784	353,123	819,420	232.05%	963,686	272.90%	226,980	(127,143)	-36.01%

MWSD — Fiscal Year 2021-2022 Non-Operating Budget - WATER ENTERPRISE

	<u>GL Codes</u>	<u>2018-19</u> <u>Actual</u>	<u>2019-20</u> <u>Actual</u>	<u>Approved Budget</u> <u>2020-21</u>	<u>Income/Expenditures</u> <u>as of April 30, 2021</u>	<u>% To date</u>	<u>Projected</u>	<u>Projected as %</u> <u>of Budget</u>	<u>Budgeted amounts</u> <u>2021-22</u>	<u>Increase/(Decrease)</u> <u>from 2020-21 \$</u>	<u>Increase/(decrease)</u> <u>%</u>
Non Operating Revenue											
Connection Fees, Residential New Const:	7110	151,098	223,718	100,000	71,067	71.07%	85,280	85.28%	100,000	0	0.00%
Connection Fees, Residential Remodel:	7120					0.00%	0	0.00%		0	0.00%
Connection Fees, Residential Fire:	7130	164,056	85,517	50,000	143,818	287.64%	172,581	345.16%	50,000	0	0.00%
Connection Fees, Residential Remodel Fire:	7140	2,032			16,131	100.00%	19,357	100.00%		0	
Connection Fees, Well Conversion:	7150					0.00%	0	0.00%		0	
General Obligation Bonds, Assessment Receipts:	7600	1,182,939	1,191,631	1,150,436	653,579	56.81%		0.00%	983,546	(166,890)	-14.51%
Water System Reliability:	7650			1,000,000	1,443,736	144.37%	1,000,000	100.00%	1,000,000	0	0.00%
Total Non Operating Revenue:		1,500,125	1,500,867	1,300,436	2,328,330	179.04%	277,218	21.32%	1,133,546	(166,890)	-12.83%
Non Operating Expense											
General Obligation Bonds:	9100	242,762	221,777	208,611	93,457	44.80%	77,805	37.30%	77,805	(130,806)	-62.70%
PNC Equipment Lease:	9125	17,492	15,151	13,461	9,559	71.01%	11,535	85.70%	11,535	(1,925)	-14.30%
State Revolving Fund Loan:	9150	78,501	72,938	68,616	34,798	50.71%	66,647	97.13%	66,647	(1,970)	-2.87%
Water Rebates :	9210	1,500	1,350	3,000	550	18.33%	3,000	100.00%		(3,000)	-100.00%
Total Non Operating Expense:		383,970	311,216	293,688	138,364	47.11%	158,987	54.14%	155,987	(134,701)	-45.87%
Net Change in position from Non Operating activities:		1,116,155	1,189,651	1,006,748	2,189,966		118,231		977,559	(32,189)	-3.20%

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SALARY RANGE
MONTARA WATER AND SANITARY DISTRICT
July 1, 2020

Position	Salary Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
Operations Manager	\$159,150										
	\$127,436	\$127,436 \$61.27	\$130,622 \$62.80	\$133,888 \$64.37	\$137,235 \$65.98	\$140,666 \$67.63	\$144,182 \$69.32	\$147,787 \$71.05	\$151,481 \$72.83	\$155,268 \$74.65	\$159,150 \$76.51
Superintendent	\$149,152										
	\$119,430	\$119,430 \$57.42	\$122,416 \$58.85	\$125,476 \$60.33	\$128,613 \$61.83	\$131,828 \$63.38	\$135,124 \$64.96	\$138,502 \$66.59	\$141,965 \$68.25	\$145,514 \$69.96	\$149,152 \$71.71
Lead Operator	\$116,447										
	\$93,242	\$93,242 \$44.83	\$95,573 \$45.95	\$97,963 \$47.10	\$100,412 \$48.27	\$102,922 \$49.48	\$105,495 \$50.72	\$108,132 \$51.99	\$110,836 \$53.29	\$113,606 \$54.62	\$116,447 \$55.98
Water System Operator	\$90,968										
	\$72,841	\$72,841 \$35.02	\$74,662 \$35.90	\$76,528 \$36.79	\$78,441 \$37.71	\$80,402 \$38.65	\$82,412 \$39.62	\$84,473 \$40.61	\$86,585 \$41.63	\$88,749 \$42.67	\$90,968 \$43.73
Maintenance Worker I	\$78,982										
	\$63,243	\$63,243 \$30.41	\$64,824 \$31.17	\$66,444 \$31.94	\$68,106 \$32.74	\$69,808 \$33.56	\$71,553 \$34.40	\$73,342 \$35.26	\$75,176 \$36.14	\$77,055 \$37.05	\$78,982 \$37.97
Account Specialist	\$75,514										
	\$60,466	\$60,466 \$29.07	\$61,978 \$29.80	\$63,527 \$30.54	\$65,115 \$31.31	\$66,743 \$32.09	\$68,412 \$32.89	\$70,122 \$33.71	\$71,875 \$34.56	\$73,672 \$35.42	\$75,514 \$36.30
District Clerk	\$75,514										
	\$60,466	\$60,466 \$29.07	\$61,978 \$29.80	\$63,527 \$30.54	\$65,115 \$31.31	\$66,743 \$32.09	\$68,412 \$32.89	\$70,122 \$33.71	\$71,875 \$34.56	\$73,672 \$35.42	\$75,514 \$36.30

2.5 % step increases

	Increase 3.79%	1-Jul-17	Increase 2.83%	1-Jul-18	Increase 4.01%	1-Jul-19	Increase 1.11%	1-Jul-20	Increase 3.80%	1-Jul-21
Operations Manager	1.0379	\$113,540	1.0283	\$121,178	1.0401	\$121,435	1.011	\$122,771	1.0380	\$127,436
Superintendent	1.0379	\$106,407	1.0283	\$113,565	1.0401	\$113,806	1.011	\$115,058	1.0380	\$119,430
Lead Operator	-	-	-	-	-	-	-	-	-	\$93,242
Water System Operator	1.0379	\$64,898	1.0283	\$69,264	1.0401	\$69,410	1.011	\$70,174	1.0380	\$72,841
Maintenance Worker	1.0379	\$56,347	1.0283	\$60,137	1.0401	\$60,265	1.011	\$60,927	1.0380	\$63,243
Account Specialist	1.0379	\$53,873	1.0283	\$57,497	1.0401	\$57,619	1.011	\$58,252	1.0380	\$60,466
District Clerk	1.0379	\$53,873	1.0283	\$57,497	1.0401	\$57,619	1.011	\$58,252	1.0380	\$60,466

Operator in Training \$19 per hour
Temporary Worker \$19 per hour

Payroll	Water	Overtime	Doubletime	On Call	Cert Pay	Total	Health	Disability	WC	CalPERS	PARS	Medicare	SS	F/Y Total Water
GM	\$ 118,537.10					\$ 118,537.10	\$ 15,169.12	\$ 877.17	\$ 1,114.25	\$ 8,297.60	\$ 8,202.77	\$ 1,718.79	\$ 7,349.30	\$ 161,266.09
Superintendent	\$ 75,521.62	\$ 844.17	\$ 504.69		\$ 1,800.00	\$ 78,670.48	\$ 7,169.17	\$ 582.16	\$ 3,194.02	\$ 5,506.93	\$ 5,226.10	\$ 1,140.72	\$ 4,877.57	\$ 106,367.15
Account Specialist	\$ 69,279.49					\$ 69,279.49	\$ 30,338.24	\$ 512.67	\$ 533.45	\$ 4,849.56	\$ 4,794.14	\$ 1,004.55	\$ 4,295.33	\$ 115,607.44
Lead Operator	\$ 49,602.48	\$ 4,615.32	\$ 4,585.90	\$ 3,096.89	\$ 1,200.00	\$ 63,100.59	\$ 5,519.17	\$ 233.47	\$ 1,280.94	\$ 2,208.52	\$ 1,716.25	\$ 457.48	\$ 1,956.12	\$ 76,472.54
Water Operator	\$ 48,392.66	\$ 4,790.70	\$ 4,760.16	\$ 3,214.58	\$ 1,200.00	\$ 62,358.10	\$ 5,519.17	\$ 230.72	\$ 1,265.87	\$ 2,182.53	\$ 1,674.39	\$ 452.10	\$ 1,933.10	\$ 75,615.98
Water Operator	\$ 92,121.66	\$ 6,457.37	\$ 8,144.80	\$ 5,786.13	\$ 2,400.00	\$ 114,909.96	\$ 11,038.35	\$ 850.33	\$ 4,665.34	\$ 8,043.70	\$ 6,374.82	\$ 1,666.19	\$ 7,124.42	\$ 154,673.11
Water Operator	\$ 70,693.53	\$ 4,621.42	\$ 6,151.70	\$ 3,990.79	\$ 2,400.00	\$ 87,857.43	\$ 11,038.35	\$ 650.14	\$ 3,567.01	\$ 6,150.02	\$ 4,891.99	\$ 1,273.93	\$ 5,447.16	\$ 120,876.04
Water Operator	\$ 79,436.22	\$ 5,089.84	\$ 6,110.48	\$ 4,353.72	\$ 2,400.00	\$ 97,390.26	\$ 21,484.77	\$ 720.69	\$ 3,954.04	\$ 6,817.32	\$ 5,496.99	\$ 1,412.16	\$ 6,038.20	\$ 143,314.42
Temp. Operator	\$ 20,000.00	\$ 920.14	\$ 59.68	\$ 7,276.59		\$ 28,256.42			\$ 217.57			\$ 409.72	\$ 1,751.90	\$ 30,635.61
Part Time Admin	\$ 1,790.75					\$ 1,790.75			\$ 13.79			\$ 25.97	\$ 111.03	\$ 1,941.53
Totals	\$ 625,375.51	\$ 27,338.96	\$ 30,317.40	\$ 27,718.69	\$ 11,400.00	\$ 722,150.57	\$ 107,276.33	\$ 4,657.37	\$ 19,806.30	\$ 44,056.18	\$ 38,377.43	\$ 9,561.61	\$ 40,884.12	\$ 986,769.91
Payroll	Sewer	Overtime	Doubletime	On Call	Cert Pay	Total	Health	Disability	WC	CalPERS	PARS	Medicare	SS	F/Y Total Sewer
GM	\$ 118,537.10					\$ 118,537.10	\$ 15,169.12	\$ 877.17	\$ 1,114.25	\$ 8,297.60	\$ 8,202.77	\$ 1,718.79	\$ 7,349.30	\$ 161,266.09
Superintendent	\$ 75,521.62	\$ 844.17	\$ 504.69		\$ 1,800.00	\$ 78,670.48	\$ 7,169.17	\$ 582.16	\$ 739.50	\$ 5,506.93	\$ 5,226.10	\$ 1,140.72	\$ 4,877.57	\$ 103,912.63
District Clerk	\$ 65,115.36					\$ 65,115.36	\$ 21,484.77	\$ 481.85	\$ 501.39	\$ 4,558.08	\$ 4,505.98	\$ 944.17	\$ 4,037.15	\$ 101,628.76
Totals	\$ 259,174.08	\$ 844.17	\$ 504.69	\$ -	\$ 1,800.00	\$ 262,322.94	\$ 43,823.06	\$ 1,941.19	\$ 2,355.14	\$ 18,362.61	\$ 17,934.85	\$ 3,803.68	\$ 16,264.02	\$ 366,807.49

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MWSD SEWER Capital Improvement Program
2021-22
SEWER SYSTEM

PROJECT	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
MWSD CAPITAL PROJECTS					
Mechanical System Repairs & Replacements	\$ 75,000	\$ 50,000	\$ 50,000	\$ 974,500	\$ 810,000
Inflow & Infiltration Testing / Televising	\$ 25,000	\$ 30,000	\$ 15,000	\$ 15,000	\$ 15,000
Seal Cove Area Repair and Maint. Project	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Replace Pump Station Pumps	\$ 20,000	\$ 5,000	\$ 50,000	\$ 20,000	\$ 20,000
Replace Medium High Priority Sewer Mains	\$ 633,250	\$ 1,169,350	\$ 1,211,150	\$ 681,875	\$ 681,875
Spot Repairs Program	\$ 35,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Replace Distillery Pump Station	\$ 5,000	\$ 15,000	\$ 10,000	\$ 80,000	\$ 80,000
Cabrillo Hwy Express Sewer	\$ 1,092,960				
Pump Station Communication Upgrades	\$ 5,125	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
MWSD CAPITAL PROJECTS TOTAL:	\$ 1,906,335	\$ 1,311,850	\$ 1,378,650	1,813,875	1,649,375
Alternative Budget Items					
Express Sewer					
Cabrillo Hwy Phase 1B	\$ -	\$ 526,975	\$ 1,015,300	\$ 668,250	\$ 668,250
Pump Station MCC and Coatings					\$ 675,000
TOTAL ANNUAL COST	1,906,335	1,838,825	2,393,950	2,482,125	2,992,625

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MWSD
Five Year Capital Improvement Program
WATER SYSTEM

Existing Customer CIP - WATER						
	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	5-Year CIP Total
Distribution System Renewal and Replacement Program (1)	\$ 195,000	\$ 198,900	\$ 202,878	\$ 206,936	\$ 211,074	\$ 1,014,788
Water Conservation Program	\$ 8,750	\$ 9,013	\$ 9,018	\$ 9,288	\$ 9,567	\$ 45,636
Storage Tank Rehabilitation Program (2)		\$ 350,000	\$ 1,000,000			\$ 1,350,000
Pillar Ridge Water Treatment Plan Rehabilitation	\$ 350,000	\$ 150,000				\$ 500,000
Emergency Generator Replacement Program	\$ 45,000	\$ 45,900	\$ 46,818	\$ 47,754	\$ 48,709	\$ 234,181
Vehicle Replacement Fund		\$ 40,000	\$ 41,200	\$ 42,436		\$ 123,636
EXISTING CUSTOMER CIP TOTAL	\$ 598,750	\$ 793,813	\$ 1,299,914	\$ 306,414	\$ 269,350	\$ 3,268,241
New Customer CIP - WATER						
	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	5-Year CIP Total
Water Main Upgrade Program (1)	\$ 525,000	\$ 1,000,000	\$ 1,030,000	\$ 1,060,900	\$ 1,092,727	\$ 4,708,627
Existing Well Upgrade Program (3)		\$ 320,000	\$ 329,600	\$ 339,488		\$ 989,088
New and Upgraded PRV Stations' Program (4)		\$ 250,000	\$ 257,500	\$ 265,225	\$ 273,182	\$ 1,045,907
Emergency Generator Upgrade Program	\$ 75,000	\$ 77,250	\$ 79,568	\$ 81,955	\$ 84,414	\$ 398,187
Portola Tank Telemetry Upgrade				\$ 250,000		\$ 250,000
Develop Additional Supply Reliability			\$ 100,000	\$ 350,000	\$ 1,000,000	\$ 1,450,000
NEW CUSTOMER CIP TOTAL	\$ 600,000	\$ 1,647,250	\$ 1,796,668	\$ 2,347,568	\$ 2,450,323	\$ 8,841,809
Total Annual Capital Cost	\$ 1,198,750	\$ 2,441,063	\$ 3,096,582	\$ 2,653,982	\$ 2,719,673	\$ 12,110,050
CAPITAL FUND BALANCE						
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Capital Fund TOTAL:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less CIP	\$ (1,198,750)	\$ (2,441,063)	\$ (3,096,582)	\$ (2,653,982)	\$ (2,719,673)	\$ (12,110,050)
Total	\$ (1,198,750)	\$ (2,441,063)	\$ (3,096,582)	\$ (2,653,982)	\$ (2,719,673)	\$ (12,110,050)
Notes:						
(1) These programs include a project to merge the Alta Vista and Portola Zones to improve system reliability and to provide service to new customers. Proposed split is 50/50						
Additionally, in the following years of the CIP, these programs include a replacement of a failed main under and along Hwy 1						
(2) This project includes urgent repairs needed to the Portola Tank and is coupled with the above project (1) for cost efficiency						
(3) This project is for the Pillar Ridge wells' rehabilitation and upgrades						
(4) This project would add new PRV stations, sampling stations, valves, and upgrade existing						

Fiscal year 2021-2022

Budget Debt Service

	Original Issue Amount	Balance June 30, 2021	Additions	Retirements	Balance June 30, 2022	Interest Expense
Sewer						
CIEDB Loan (I Bank)	\$ 1,010,000	\$ 694,586		\$ 31,783	\$ 662,803	\$ 20,700
PNCEF Lease Obligation	\$ 927,222	\$ 422,014		\$ 68,370	\$ 353,644	\$ 11,535
Subtotal - Sewer		<u>\$ 1,116,600</u>	<u>\$ -</u>	<u>\$ 100,153</u>	<u>\$ 1,016,447</u>	<u>\$ 32,235</u>
Water						
General Obligation Bonds - 2020 Series	\$ 7,524,000	\$ 7,050,811		\$ 905,740	\$ 6,145,071	\$ 77,805
PNCEF Lease Obligation	\$ 927,222	\$ 422,014		\$ 68,370	\$ 353,644	\$ 11,535
SRF Loan	\$ 4,248,354	\$ 2,875,132		\$ 174,464	\$ 2,700,668	\$ 66,647
Subtotal - Water		<u>11,140,552</u>	<u>-</u>	<u>1,148,574</u>	<u>9,199,383</u>	<u>155,987</u>
Total Debt Service		<u>\$ 12,257,152</u>	<u>\$ -</u>	<u>\$ 1,248,727</u>	<u>\$ 10,215,830</u>	<u>\$ 188,223</u>

PNCEF lease obligation is split evenly between Sewer and Water.

The District entered into an agreement with the State of California Department of health under the Safe Drinking Water State Revolving Fund Law of 1947. This agreement constitutes funding in the form of a loan and a grant made by the State to the District to assist in financing the cost of studies, planning and other preliminary activities for a project which will enable the district to meet safe drinking water standards.

The 2012 General Obligation Bonds were refunded in November 2020 with the issuance of the 2020 General Obligation Bonds.

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Fiscal year 2020-2021 Budget Impact Area Operating Reserves

WATER

Water Operating Account as of April 30, 2021

Wells Fargo Checking: \$ 861,909

Current Operating Reserves as of April 30, 2021

Operating: \$ 46,009

Operating Reserve:

The District's Water Operating Reserve target is two months of operating expenses.
Based on fiscal year 2021-22 budget the amount of operating reserves is as follows:

Target calculation

\$	1,978,770	Budgeted fiscal year 2021-22
	<u>12</u>	Months
\$	164,897	Monthly budgeted operating expenses
	<u>x 2</u>	Two months expenditures
<u>\$</u>	<u>329,795</u>	Target Reserve

Conclusion:

Currently, the District has sufficient Operating Water Reserves for Fiscal Year 2021-2022

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Fiscal year 2020-2021 Budget Impact Area Operating Reserves

SEWER

Sewer Operating Account as of April 30, 2020

Wells Fargo Checking \$ 4,788,940

Current Reserves as of April 30, 2020

Operating: \$ 406,882

Operating Reserve:

For the District's Sewer Operating Reserve, the maximum target amount shall equal ten months' of operating expenses and the minimum target amount shall equal two months' of operating expenses.

Based on fiscal year 2021-22 budget the amount of operating reserves is as follows:

Minimum Target		
\$	2,917,539	Budgeted fiscal year 2020-21
	12	Months
<hr/>		
\$	243,128	Monthly budgeted operating expenses
	x 2	Monthly budgeted operating expenses
<hr/>		
\$	486,257	Minimum Target Reserve
<hr/>		

Maximum Target		
\$	2,917,539	Budgeted fiscal year 2020-21
	12	Months
<hr/>		
\$	243,128	Monthly budgeted operating expenses
	x 10	Monthly budgeted operating expenses
<hr/>		
\$	1,945,026	Maximum Target Reserve
<hr/>		

Conclusion: Year

Currently, the District has insufficient dedicated operating Sewer Reserves for Fiscal Year 2021-22

Beginning in Fiscal Year 2020-21 the minimum target reserve amount will be set aside in the District's LAIF account and displayed on the balance sheet.

Fiscal year 2020-2021 Budget Impact Area Capital and Connection Reserves

CAPITAL RESERVE

Capital Reserve:

For the Water and Sewer capital reserves, the target amounts are based on district engineers' estimates of the annual costs to replace water and sewer facilities and the five year capital improvement plans (CIP). Each Utility enterprise shall have a separate capital reserve. The maximum target amount shall equal the highest total annual amount shown in the CIP applicable to existing customers plus the district engineer's estimate of annual replacement capital project costs. The minimum target amount shall equal the lowest total annual amount shown in the CIP applicable to existing customers plus the district engineers' estimate of annual replacement capital project costs.

WATER

Current Capital Reserves as of April 30, 2021

Capital: \$ 398,249

Minimum Target

\$ 1,198,750	Lowest year CIP existing customers (fiscal year 2021-22)
\$ 750,000	Engineer estimate
<u>\$ 1,948,750</u>	Minimum target

Maximum Target

\$ 3,096,582	Highest year CIP existing customers (fiscal year 2023-24)
\$ 750,000	Engineer estimate
<u>\$ 3,846,582</u>	Maximum target

Conclusion:

Based on the above, the District does not have sufficient reserves for the minimum target Capital reserve.

Fiscal year 2020-2021 Budget Impact Area Capital and Connection Reserves

SEWER

Current Capital Reserves as of April 30, 2020

Capital: \$ 4,008,979

Minimum Target

\$ 1,838,825 Lowest year CIP existing customers (fiscal year 2022-23)

\$ 1,177,000 Engineer estimate

\$ 3,015,825 Minimum target

Maximum Target

\$ 2,992,625 Highest year CIP existing customers (fiscal year 2025-26)

\$ 1,177,000 Engineer estimate

\$ 4,169,625 Maximum target

Conclusion:

Based on the above, the District has sufficient reserves for Capital minimum & maximum target.

CONNECTION FEE RESERVE

Connection Fees:

Provides funds for expansion-related capital projects caused by increases in new water and sewer customers. The connection fee reserves are restricted pursuant to Government Code Section 66013.

The water and sewer connection fee reserves shall equal one year's revenue.

WATER

At the beginning of the fiscal year, the budgeted amounts will be set aside as a reserve.

Fiscal year 2021-22 amount to be reserved is \$150,000.

SEWER

At the beginning of the fiscal year, the budgeted amounts will be set aside as a reserve.

Fiscal year 2021-22 amount to be reserved is \$150,000.

Sewer

Personnel

CalPERS 457 Deferred Plan:	5810
Employee Benefits:	5820
Disability Benefits:	5830
Payroll Taxes:	5840
Worker's Compensation Insurance:	5960
Management:	5910
Staff :	5920
Staff Certification:	5930
Staff Overtime:	5940
Staff Standby:	5950

Professional Services

Accounting:	5610
Audit:	5620
Consulting:	5630
Data Services:	5640
Labor & HR Support:	5650
Payroll Services:	5660
Other Professional Services:	5690
Meeting Attendance, Legal:	5420
General Legal:	5430
Litigation:	5440

Facilities & Administration

Alarm Services:	6335
Landscaping:	6337
Office Supplies:	5540
Postage:	5550
Printing & Publishing:	5560
Telephone & Internet:	5720
Other Administrative:	5790
Maintenance, Office:	5510

Engineering

Meeting Attendance, Engineering:	6210
General Engineering:	6220

Pumping

Pumping Fuel & Electricity:	6410
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Sewer Authority Mid-Coastside

SAM Collections:	6910
SAM Operations:	6920
SAM Prior-Year Adjustment:	6930
SAM Maintenance, Collection System:	6940
SAM Maintenance, Pumping:	6950

All other Accounts

Bank Fees:	5190
Board Meetings:	5210
Director Fees:	5220
Election Expenses:	5230
Conference Attendance:	5250
Information Systems:	5270
Fidelity Bond:	5310
Property & Liability Insurance:	5320
LAFCO Assessment:	5350
Meetings, Local:	5520
San Mateo County Tax Roll Charges:	5710
Mileage Reimbursement:	5730
Reference Materials:	5740
Claims, Property Damage:	6170
Education & Training:	6195
Equipment & Tools, Expensed:	6320
Pumping Fuel & Electricity:	6410
Maintenance, Collection System:	6660
Fuel:	6810
Truck Equipment, Expensed:	6820
Truck Repairs:	6830
Total Other Operations:	6890

Water

Personnel

CalPERS 457 Deferred Plan:	5810
Employee Benefits:	5820
Disability Benefits:	5830
Payroll Taxes:	5840
Worker's Compensation Insurance:	5960
Management:	5910
Staff :	5920
Staff Certification:	5930
Staff Overtime:	5940
Staff Standby:	5950

Professional Services

Accounting:	5610
Audit:	5620
Consulting:	5630
Data Services:	5640
Labor & HR Support:	5650
Payroll Services:	5660
Other Professional Services:	5690
Meeting Attendance, Legal:	5420
General Legal:	5430
Litigation:	5440

Facilities & Administration

Alarm Services:	6335
Landscaping:	6337
Office Supplies:	5540
Postage:	5550
Printing & Publishing:	5560
Fidelity Bond:	5310
Maintenance, Office:	5510
Telephone & Internet:	5720
Other Administrative:	5790

Engineering

Meeting Attendance, Engineering:	6210
General Engineering:	6220
Water Quality Engineering:	6230

Pumping

Pumping Fuel & Electricity:	6410
Pumping Maintenance, Generators:	6420
Pumping Maintenance, General:	6430
Pumping Equipment, Expensed:	6440

Supply

Maintenance, Raw Water Mains:	6510
Maintenance, Wells:	6520
Water Purchases:	6530

Collection/Transmission

Hydrants:	6610
Maintenance, Water Mains:	6620
Maintenance, Water Service Lines:	6630
Maintenance, Tanks:	6640
Maintenance, Distribution General:	6650
Meters:	6670

Treatment

Chemicals & Filtering:	6710
Maintenance, Treatment Equipment:	6720
Treatment Analysis:	6730

All other Accounts

Bank Fees:	5190
Board Meetings:	5210
Director Fees:	5220
Election Expenses:	5230
CDPH Fees:	5240
Conference Attendance:	5250
Information Systems:	5270
Property & Liability Insurance:	5320
LAFCO Assessment:	5350
Meetings, Local:	5520
Memberships:	5530
Mileage Reimbursement:	5730
Reference Materials:	5740
Backflow Prevention:	6160
Claims, Property Damage:	6170
SCADA Maintenance:	6185
Internet & Telephone, Communications:	6187
Education & Training:	6195
Equipment & Tools, Expensed:	6320
Lab Supplies & Equipment:	6370
Meter Reading:	6380
Uniforms:	6770
Fuel:	6810
Truck Equipment, Expensed:	6820
Truck Repairs:	6830
Other Operations:	6890