



**Montara Water  
and Sanitary District**  
*Serving the Community of Montara and Moss Beach*

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*To sensitively manage the natural resources entrusted to our care, to provide the people of Montara - Moss Beach with reliable, high – quality water, wastewater, and trash disposal at an equitable price, and to ensure the fiscal and environmental vitality of the district for future generations. Be open to providing other services desired by our community.*

# AGENDA

**District Board of Directors**

**May 7, 2020 at 7:30 p.m.**

**DUE TO COVID-19, THIS MEETING WILL BE CONDUCTED REMOTELY PURSUANT TO THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20 TEMPORARILY SUSPENDING AND MODIFYING CERTAIN TELECONFERENCE REQUIREMENTS UNDER THE RALPH M. BROWN ACT. MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON.**

Directors, staff and the public may participate remotely via the application ZOOM:

**ZOOM MEETING INFORMATION:**

WEBSITE: <https://us02web.zoom.us/j/82499192316?pwd=RVVtb2QrK21CbGpFY3ptaTVDQVFTZz09>

MEETING ID: 824 9919 2316

Password: 605446

CALL IN PHONE NUMBER: +1 669 900 9128

INSTRUCTIONS for remote access are available at <https://support.zoom.us/hc/en-us/articles/201362193-Joining-a-Meeting>. You also may view video during the meeting via live stream or after the meeting at <https://videoplayer.telvue.com/player/wuZKb9gwEY7sMAClIsr7VSJglB35kNZA/stream/159?fullscreen=true&sho>

[wtabssearch=false&autostart=false](#) . If you experience technical difficulties or have technical questions prior to or during the meeting, please contact MWSD's IT support at (650) 728-7843.

Note: Public participation is not permitted during closed session discussion items.

### **Public Comment**

In accordance with the Government Code, members of the public may address the Board on specific agenda items when the matter is announced by the Board President. Any other item of interest that is within the subject matter jurisdiction of the District may be addressed during the Oral Comments portion of the meeting. A "raise hand" button available for every Zoom user can be used to alert the President of the intent to comment.

Public comment also may be submitted in writing (in accordance with the three-minute per speaker limit) via email to [info@mwsd.net](mailto:info@mwsd.net) up to one-hour prior to the scheduled meeting time. Please indicate in your email the agenda item to which your comment applies. The District Clerk will read all comments into the record. Comments and materials related to an item on this Agenda submitted after distribution of the Agenda Packet are available in the District Clerk's office during normal business hours and may also be available on the District's web site ([www.mwsd.montara.org](http://www.mwsd.montara.org)) subject to staff's ability to post the documents before the meeting.

Upon request, this Agenda and written agenda materials will be made available in appropriate alternative formats to persons with a disability. Request for a disability-related modification or accommodation in order to participate in the public meeting should be emailed to [info@mwsd.net](mailto:info@mwsd.net) or submitted by phone at 650-728-3545 at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, and local orders, the format of this meeting may be altered, or the meeting may be canceled. You may check on the status of the meeting by visiting the District's website at: <http://mwsd.montara.org> .

## **CALL TO ORDER**

## **ROLL CALL**

## **PRESIDENT'S STATEMENT**

## **ORAL COMMENTS** (Items other than those on the agenda)

## **PUBLIC HEARING**

## **CONSENT AGENDA**

1. [Approve Minutes for Regular Scheduled Board Meetings April 2, and April 16, 2020.](#)
2. [Approve Financial Statements for March 2020.](#)

3. [Approve Warrants for May 1, 2020.](#)
4. [SAM Flow Report for March 2020.](#)
5. [Monthly Review of Current Investment Portfolio.](#)
6. [Connection Permit Applications Received.](#)
7. [Monthly Water Production Report.](#)
8. [Rain Report.](#)
9. [Solar Energy Report.](#)
10. [Monthly Public Agency Retirement Service Report for February 2020.](#)

## **OLD BUSINESS (none)**

## **NEW BUSINESS**

1. [Review and Possible Action Concerning Draft MWSD Budget.](#)
2. [Review and Possible Action Concerning Sewer Authority Mid-Coastside FY 17-18 Audited Financial Statements.](#)
3. [Review and Possible Action Concerning Remote Location for June 4, 2020 Public Hearing re: Proposition 218 Rate Increases \(COVID-19\).](#)

## **REPORTS**

1. Sewer Authority Mid-Coastside Meetings (Slater-Carter).
2. MidCoast Community Council Meeting (Slater-Carter).
3. CSDA Report (Lohman).
4. LAFCo Report (Lohman).
5. Attorney's Report (Fitzgerald).
6. Directors' Reports.
7. [General Manager's Report \(Heldmaier\).](#)

## **FUTURE AGENDAS**

1. District Water and Sewer Budgets.
2. District Water and Sewer Capital Improvement Programs.
3. June 4 Public Hearing for Water System Reliability Charge and Sewer Service Charge Increase.
4. June 4 Public Hearing for Master Fee Schedule Adjustment.
5. MWSD District General Obligation Bonds Refinancing.
6. SAM Budget.
7. MWSD Defined Benefit Plan Actuarial Evaluation.

## **CONVENE IN CLOSED SESSION**

## **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

(Government Code §54956.9(d)(1))

Case Name: *City of Half Moon Bay v. Granada Community Services District, et al.*  
(Santa Clara County Super. Ct. No. 17CV316927)

## **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

(Government Code §54956.9(d)(4))

Initiation of Litigation

Number of cases: 1

## **REPORT OF ACTION TAKEN IN CLOSED SESSION, IF ANY**

## **ADJOURNMENT**

The District has a curfew of 10:30 p.m. for all meetings. The meeting may be extended for one hour by vote of the Board.



**MONTARA WATER & SANITARY**  
**DISTRICT**

**BOARD OF DIRECTORS MEETING**  
**April 2, 2020**

**MINUTES**

Due to COVID-19, this meeting was conducted remotely pursuant to the provisions of the Governor's Executive orders N-25-20 and N-29-20 temporarily suspending and modifying certain teleconference requirements under the Ralph M. Brown Act. Directors, staff, and the public participated remotely via the application ZOOM.

**REGULAR SESSION BEGAN AT 7:30 p.m.**  
**CALL TO ORDER**  
**ROLL CALL**

Directors Present: Boyd, Dekker, Harvey, Lohman, and Slater-Carter

Directors Absent: None

Staff Present: General Manager, Clemens Heldmaier  
District Clerk, Tracy Beardsley

Others Present: District Counsel, Christine Fitzgerald

**PRESIDENT'S STATEMENT –**

Director Slater-Carter reminded everyone that flushable wipes should not be flushed, as they are very destructive to the sewer system. Anything other than toilet paper and human waste should be thrown in the trash. Also, there has been significantly less rain and snow pack this year, and we all need to be mindful to conserve water.

Director Lohman commented about the sandwich boards at the post office informing people to dispose all wipes and not flush them.

General Manager Heldmaier expressed his concern about the two pump failures that have occurred due to flushing of wipes and rags. He reiterated the importance of getting the message out to educate people to throw wipes in the trash, and he hopes this will alleviate some of the problems.

Director Slater-Carter interjected that all of these costs are very expensive.

General Manager Heldmaier replied that while they have not tallied all the damages yet, just for the first pump repair, estimated repairs are \$50,000+ and if it can't be repaired and needs to be replaced, it will cost much more.

Director Slater-Carter wanted to point out how expensive all the parts and pieces are for both water and sewer. Costs have increased significantly over the last few years. And for people that received notices for the proposed Water System Reliability Charge, they are making an effort to consistently inform the public of all these costs. These are things that need to be updated to comply with State and Federal requirements and to ensure that everyone receives good, clean water when they turn the tap on.

## **ORAL COMMENTS**

Director Slater-Carter asked for any public comments.

General Manager Heldmaier stated there was one written comment in the form of an email received from Ann Rothman, and the District Clerk read the statement (attached) to the Board.

Director Slater-Carter said that the Board doesn't usually address comments, but asked if the General Manager wanted to reply.

General Manager Heldmaier replied that in references to meetings, the District adheres to the law, particularly the Brown Act in meeting protocol and the strict guidelines of Proposition 218. Due to the current situation, the Governor amended the Brown Act to allow for on-line meeting formats to take place. If further amendments were to be made, the District would abide by it. Right now, the District has two drop-off boxes at the office where protest letters can be submitted that are within adherence to the social distancing guidelines and they can also be mailed. He also wants to make it clear that the circumstances of events were completely unexpected and that the Water System Reliability charge was not planned to occur in the midst of the pandemic. While there has been a change in the situation, there has not been a change in the District's financial needs.

District Counsel Fitzgerald confirmed that the overriding purpose of the Brown Act is to permit public participation in meetings. However, during this State of Emergency, the Governor has permitted some deviations from the requirements that allow local agencies to conduct their meetings and business to ensure compliance to the Federal and State ordinances. Tonight's meeting has agendaized an item, declaring a State of Emergency, which would grant the Board and the General Manager permission to deviate from certain rules and regulations pertaining to how the Montara Water and Sanitary District (MWSD) conducts its business. They can discuss the comment further when that item comes up.

Director Boyd pointed out that the Prop 218 notice and protest provisions are explicitly detailed on how it is done and the District does not have any latitude for variation, the point size of text on the notice is specified for example. He stated that he appreciates the cogent thoughts from the email, and stressed the importance of hearing from their constituents. He also felt, that with the Governor modifying some of the restrictions of the Brown Act in light of the emergency, perhaps modifications will be made to the Prop 218 restrictions as well.

Director Slater-Carter commented that going to the post office later in the evening was a good time to avoid people.

**PUBLIC HEARING – none**

#### **CONSENT AGENDA**

- 1. Approve Minutes for Special Meeting January 23, Special meeting January 30, and Regular Scheduled Board meeting March 5, 2020**
- 2. Approve Financial Statements for February 2020**
- 3. Approve Warrants for April 1, 2020**
- 4. SAM Flow Report for February 2020**
- 5. Monthly Review of Current Investment Portfolio**
- 6. Connection Permit Applications Received**
- 7. Monthly Water Production Report**
- 8. Rain Report**
- 9. Solar Energy Report**
- 10. Monthly Public Agency Retirement Service Report for January 2020**

Director Slater-Carter asked to pull the Sewer Authority MidCoastside (SAM) flow report for comment and approve the other items. Director Boyd made a motion to pull the SAM flow report and approve all other items, and Director Lohman seconded the motion. A roll call vote was taken, all were in favor, and the motion passed unanimously 5-0.

Director Slater pointed out that on the SAM flow report, Half Moon Bay's flow was 58.6%. Director Boyd made a motion to approve the SAM Flow report, and

Director Lohman seconded the motion. A roll call vote was taken, all were in favor, and the motion passed unanimously 5-0.

Director Lohman commented that Half Moon Bay pays 50% of the types of fees based on flow. So, they are using more than 50%, but only have to pay for 50%. They got a good deal, and Montara and El Granada are left to pay the balance.

#### **OLD BUSINESS - none**

#### **NEW BUSINESS-**

##### **1. Review and Possible Action Establishing Temporary Location for Board Meetings During COVID-19 Pandemic**

Director Slater-Carter added that the Governor has extended that to May 3<sup>rd</sup>.

General Manager Heldmaier stated that the Governor as well as the San Mateo Health Officer requires everyone to shelter in place and limit public gatherings. The Governor amended the Brown Act to allow for the continuance of Board meetings, and it will continue as needed. He felt it prudent that the Board authorize meetings to be held remotely for the duration of the COVID-19 emergency, and recommended to approve and adopt a Resolution of the Board of Directors of the Montara Water and Sanitary District Setting a Temporary Location for the Holding of Public Meetings of the Board During a Declared State of Emergency. He also noted that he would like this approved in concept, as there has been some amendments (dates) since the publication of the Board packet that needs to be revised.

Director Boyd commented that this was a prudent move as they won't be able to gather for some time.

Director Lohman made a motion to approve and adopt Resolution 1669 of the Board of Directors of the Montara Water and Sanitary District Setting a Temporary Location for the Holding of Public Meetings of the Board During a Declared State of Emergency, in concept. Director Harvey seconded the motion. A roll call vote was taken, all were in favor, and the motion passed unanimously 5 -0.

##### **2. Review and Possible Action Concerning San Mateo County Midcoast Comprehensive Transportation Management Plan.**

General Manager Heldmaier stated that San Mateo County is reaching out to the communities to raise awareness of the proposed plans and get feedback from the community. They have released a draft of the Connect the Coastside San Mateo Midcoast Comprehensive Transportation Management Plan, and Katie Faulkner, of the San Mateo County Planning and Building Department,

will be presenting the key points of the plan. The full document can be viewed here:

[https://planning.smcgov.org/sites/planning.smcgov.org/files/Connect%20the%20Coastside%20Public%20Draft%201-15-20\\_0.pdf](https://planning.smcgov.org/sites/planning.smcgov.org/files/Connect%20the%20Coastside%20Public%20Draft%201-15-20_0.pdf)

Katie Faulkner introduced the Connect the Coastside San Mateo Midcoast Comprehensive Transportation Management Plan or “Connect the Coastside” or just the “plan.” They have released a public working draft of the plan for review and are reaching out to the communities to get as much feedback as possible before finalizing the plan. The project area includes the grey area on the map surrounding Highway One and State Route 92, focusing on the unincorporated Midcoast communities of Montara, Moss Beach, El Granada, Princeton, and Miramar. It is a comprehensive transportation plan, which covers walking, biking, public transit, driving and land use and it makes recommendations in all these categories. The initial requirement for Connect the Coastside came out of the Midcoast Local Coastal Program Update in 2012. This update required the development of a comprehensive transportation management plan to address traffic impacts of development on roads and highways on the Midcoast. Connect the Coastside was officially kicked-off in 2014, and the project team produced several contributing reports that projected the future development on the Midcoast, analyzed the future transportation efficiencies, and made recommendations to address those issues. This work included extensive outreach and feedback, which included several workshops (virtual and in person), meetings with the Board of Supervisors, Planning Commissions, Midcoast Community Council, Technical Advisory Committee meetings, etc. All of that feedback helped to shape what Connect the Coastside is today and the draft plan presented today. Connect the Coastside experienced a hiatus in 2017-2018, and restarted in 2019, and in January 2020, the public draft of the plan was released which what is being presented. They are trying to reach out to the communities. Their initial plan had to be adjusted, and they are now planning on-line meetings. Connect the Coastside is recommending multiple projects in different modal areas. This plan was shaped by previous planning efforts, and some of these projects originated in other plans, such as the Highway One Safety Mobility Study. The benefit of Connect the Coastside is that it creates an overall vision for transportation on the Midcoast and it lays out priorities for funding and puts it all one place. One of the big projects is the multi-modal parallel trail on the east side of Highway One separate from Highway One, and would connect all the communities together, so people could travel to each community without driving. The plan also recommends adding safe crossings on Highway One, adding sidewalks where missing, and repairing existing sidewalks to create continuous pathways to allow people to walk, and also completing the Coastal Trail throughout the study area. The plan also recommends a bike lane along Highway One and Airport Street, widening the shoulders of Capistrano Road for a bike route, and installing bicycle parking throughout the study area along the multi-modal trail in different communities. Additionally, the plan

recommends adding turn lanes and acceleration lanes at Grey Whale Cove, left turn lanes at major businesses on Highway 92, and extending passing lanes on Highway 92, adding stop signs where missing, adding either a roundabout or signals at certain sections where there is heavy traffic on Highway One and State Route 92, adding traffic calming projects on Main Street in Montara and Carlos Street in Moss Beach. On Highway One shoulder improvements are planned to make it easier to navigate and improve safety, focusing in community areas. The plan also recommends public transit improvements by adding benches and shelters at bus stops, making sure people can walk to these bus stops (by adding crosswalks/sidewalks), working with SamTrans to improve bus service to the Midcoast, and developing a Park-n-Ride lot for commuters and visitors. This plan also recommends several land use programs and policies that could reduce development on the Coast and offset some traffic impacts from development. The Lot Merger Program will reduce the number of lots and homes built on the Midcoast, resulting in larger lots with more on-site private open space. The Lot Retirement Program would require a 1-1 retirement of development rights on existing lots in exchange for the creation of new subdivisions, and this could potentially reduce development on the Coast and traffic impacts. The plan recommends a Transportation Impact Mitigation Fee that would collect fees from new development projects. These fees would help pay for projects in Connect the Coastside and serve as a potential check on development. Connect the Coastside is in the phase of collecting feedback on these recommendations, and they plan to use the feedback to update the plan. These could include refining existing recommendations, adding new recommendations, or adding new information to the plan. They have already received some good feedback for integrating safe routes to schools, address emergency evacuations, address sea level rise and erosion, and explore programs to reduce transportation demand. So, these things could potentially be updated in the plan. The reason she made the presentation is because they want to know what the community thinks, what the highest priority projects are, what changes could be made to incentivize people to drive less. Is there anything else that should be considered, or added? They are considering releasing a survey surrounding mobility and communications with the Midcoast. Is this a good time? Are people open to this? She asked for feedback on this as well. She reminded everyone that she and Joe LaClair can be contacted via email with any comments at [kfaulkner@smc.gov](mailto:kfaulkner@smc.gov) or [jlaclair@smcgov.org](mailto:jlaclair@smcgov.org).

Director Slater-Carter thanked Katie for including the special districts in addition to what they have done with the Mid Coast Community Council. It is fabulous.

Director Dekker commented that he liked the idea of the survey and needed more time to think about the projects.

Director Harvey commented that while he likes the roundabouts, the traffic flow needs to be considered and the complications that come with it. He will email his comments to Katie.

Director Boyd said he is a big fan of roundabouts when they are appropriately placed and sized. He expressed serious reservations about the proposed placement of the roundabout at Carlos. One tangible safety concern he has is that it is on a bend, and there is no decent line of sight coming from either direction and for an area that is very heavily traveled by tourists here for the first time, that placement is not well considered using traditional highway safety design guidance. In looking through the materials, he didn't see the safety case to support that placement. If there needs to be one, let's find a good place to put it. And that goes to the question of the justification for the placement which stands at odds with the Lot Merger program, and the Lot Retirement program. If it is there to serve as yet unpermitted high-density development it seems to be running in two directions at once. He wants to make sure they are not putting the cart before the horse and committing to a multi-million dollar roundabout. This agency is used to doing multi-million-dollar projects, but he feels that they have a solution in search of a problem, and the problem is happily waiting for the solution in order to uncork some of the things that are going to block it. Level of service F on Highway One at key points is something that high-density developments have often faced as concerns. Having this proposal being advocated by the County and the other proposal advocated by the County, we know we are not allowed to piecemeal in the way that we do our work, so we are very attentive to what appears to be a piecemealing on this part. He wants to make it clear, having studied Highway One and 92 level of service issues dating back to before the tunnel, and having studied traffic safety, the Carlos site of the roundabout is the singular most problematic element in what he has seen in the plan so far. As an agency, if they have a project that has merit, what tends to work out best is when they sit with the stakeholders and find a way to help it work, rather than try to shoe horn it into a footing that is very challenging. They are interested in seeing traffic flow on Highway One improved, but he doesn't see how the kind of uphill battle of that particular site for that particular improvement will bring any relief, and he would rather work on something that is going to bring us relief. He thanked Kathie Faulkner for the presentation, and thought in terms of the survey, it will benefit everyone if it is easier for people to visualize the improvements that they are talking about. The slides look fine, but when you see the site plans and some proposed visualizations it takes on a much deeper visceral sense. The people in this community are very eager to support the things that they can see and get behind, and very eager to stymie things when it is hard to visualize it—because there is usually a reason for that.

Katie Faulkner agreed with Director Boyd's point that people need to see what they are talking about, and they are working on some more visualizations, especially since they are moving more on-line.

Director Lohman liked all the walking and biking parts. He was concerned about the crossings of Highway One. Those are always controversial here. They need to be looked at, because as soon as you put up a stoplight or some kind of stoppage, Highway One shuts down. When we had a recent study years ago for the Moss Beach area, Caltrans proposed 75 signs and lights along a two-mile stretch, the community freaked out. The Coastal trail and the multi-use are a great idea. Traffic calming on Main Street in Montara was mentioned. There is no traffic on Main Street in Montara that needs to be calmed down.

Katie Faulkner said that some of the improvements on Main Street would potentially route the multi-modal trail down Main Street, filling out sidewalks, making sure there are safe crossings, and things that slow traffic down and make it more pedestrian friendly. She thought that was the idea behind the traffic calming on Main Street.

Director Lohman said that he is concerned about the Lot Retirement program. He has seen in other cases where the way to get a subdivision in would be to pick up a bunch of worthless minor lots that have no potential for building, and wipe those out as an excuse to put in a big subdivision. Subdivisions are always an issue here. He would like to see more information on that. On the transportation mitigation fees, historically, when projects, like Big Wave came in, the EIRs for those projects were so inadequate they ignored the problem. There are other proposals coming in now on the Coast, in Half Moon Bay, and our Coastside also, and having a good traffic study is the basis for all of these. As Director Boyd said, often they talk about category F transportation, and then that is just ignored. If it is going to be 500 more car journeys per day, the key thing is traffic is already shut down. Those are the key things, and the better the County can mitigate those and present them to the public, the better chance of getting a better response. This is a good start. He liked the idea of the survey.

Director Slater-Carter noted that the project area is huge—from Highway 280 to Highway One. She wanted clarification on the dotted lines and the grey area in the presentation map. Will the County put trails through there? She suggested that the map for the survey should be corrected to only show where the changes are being considered. MWSD has had issues with Public Works in the past when work is being done in the street without having coordinating with MWSD when they have work planned on water and sewer lines. She requested that for this and all future projects, that the County Public Works, coordinate and work with the special districts that have lines under the proposed projects and roads throughout the community. For the proposed parking lots, please use pervious surfaces so that there isn't increased runoff going into the streams and the ocean. A multi-modal trail on Main doesn't cover the problem area. The area that really needs consideration is by the

bridge on 18<sup>th</sup> Street between Montara and Moss Beach. We finally got a left turn lane for north bound traffic, but there is no place that people can safely walk, bicycle, or cross there. She feels that if a multi-modal trail is put on Main Street, no one will use it, and continue to use Highway One. Although she acknowledges some people may drive a little fast on Main Street, she feels that they need to re-examine the area, and look more closely at the area by the creek. She agreed with Director Lohman about the Lot Merger and Retirement programs. The Coastside has many unbuildable lots. She feels that any developments that are allowed as a result of these programs, should be in the immediate community. So, if there is a lot retirement in Moss Beach, the new subdivision should be in Moss Beach, and not in Montara or El Granada. She added that maybe it could be specific to the zoning area too. She spent many years looking at substandard lots and lot retirement programs in Montara, Moss Beach and El Granada, and thinks it may work, but they have to be very careful of the specific community. She asked Katie Faulkner what the time line was.

Katie Faulkner replied that before the pandemic they were planning the outreach for March, April and finalize the plan, then take it to the Planning Commission, Mid-Coast Community Council, the Board of Supervisors over the next few months. However, due to the current situation the outreach has shifted on-line, which may shift the time line a month or two. But they may have to also consider doing additional in-person outreach depending on the situation. They were originally hoping for approval in the Summer/Fall, but they will need to listen to the community, and adjust as necessary.

Director Slater-Carter said that she would like to see incorporated in the project and the plan a commitment to review and update the Local Coastal program every five years or so, as knowledge and the situation changes. She added her support for roundabouts, and described the roundabouts in Kings Beach being flat, allowing big trucks and emergency vehicles to take a gentle turn. She asked if this plan will go before the Coastal Commission.

Katie Faulkner replied that she didn't think that the plan right now is to have it certified by the Coastal Commission. Any project recommended by the plan will have to go through its own permitting process.

Director Slater-Carter requested that the presentation and information be posted on the website, along with the contact information, and that Ms. Faulkner and General Manager Heldmaier keep the Board updated as things go along.

Debbie Schechter introduced herself as the consultant likely to be working with Katie and the County team to help plan and run the on-line and in-person community meetings to get input on this project.

General Manager Heldmaier liked the idea of the roundabout. He echoed Director Boyd's concern about the location of the roundabout at Carlos Street. A lot of MWSD's facilities are underground, and MWSD just paid over one million dollars to relocate a sewer manhole that was in the traveled right of way. The proposed location is going to place that manhole in the traveled right of way, and they will not be able to access it to service it. He also said the bridge that Director Slater-Carter mentioned-he is calling it a dam-is very narrow, and there is very little space left for biking after the improvements right now. It is very dangerous for bikes. It also doesn't leave any room for utilities. MWSD has water and sewer lines that have separation requirements in that area. And there is a hydrant there as well. He also added that he has a similar concern about any roundabout that is going to be implemented in Moss Beach, as the pressurized sewer pipeline that transport the sewage down to the centralized treatment plant in Half Moon Bay, runs very close to the western shoulder of the highway and on the eastern side there are pressurized water lines. With careful placement in Moss Beach, there may be a solution. For Carlos Street, he doesn't think the location at Carlos will work. He also reiterated that it cost over one million dollars for the relocation, and that is a lot of money for a small agency. MWSD has to raise rates to keep their infrastructure in place. It was a very important project for the District and he can't have the sewer manhole in the traveled right of way again. He also noted that bicycling along Highway One was relatively safe, but thought perhaps a physical or visual barrier between cars and bikes would be an improvement. He also pointed out that the bike lanes built in Half Moon Bay require cyclist to stop at each street, as cars have the right of way. This is extremely dangerous. Even though cars have priority due to traffic flow, in other countries you will not find a situation where a bike has to stop in this situation. It is counter intuitive to stop at that intersection, and there has already been an accident in Half Moon Bay. People lost their lives. He reiterated this is very dangerous, and he does not want this repeated up here.

Director Lohman said that he has seen many projects, and the community is very involved but people are very busy. He suggested the more advertising, doing surveys, etc. the better so that people have ample time to comment. Many times, the projects are approved, and the community starts screaming "why didn't you talk to me?" So, the more you get this information out to people, the more chance for success and getting feedback when it is appropriate and not when the bulldozers hit the road.

Director Slater Carter commented about the construction of the trail through the woods at Fitzgerald Marine Reserve. It was advertised as a trail, and people thought nothing of it. Then when work began, they were bringing in loads of dirt, scraping, and the "trail" was about 12 ft wide, and the community was outraged at the lack of specificity of what a trail was to the Parks as opposed to what a trail was to our community. In the Local Coastal Program there is a very important section in the development about preserving the rural

community character, and it is also in the community plan. Community character is very important to a lot of people here. They don't want another El Camino. Community character is something the community will be looking for, and dimensions and specifics are things that should be mentioned early on in the plan, so people understand what you are talking about. She reiterated that MWSD will put the materials on the website and encouraged the public to comment about it and tell others to comment.

### **3. Review and Possible Action Declaring a Local Emergency**

General Manager Heldmaier stated that the State and County have declared a public health emergency in reference to the COVID-19 pandemic, and this declaration of Emergency allows the District to work with OES, particularly for financial assistance to recover some of the costs associated with the pandemic. MWSD is considered first responders, and they have to think about best practices in the event they are directly impacted. He recommended approval and adoption of the Resolution Declaring a Local Emergency Related to COVID-19 Pandemic and authorizing the General Manager to take Necessary Actions and adopting the Designation of Applicant's Agent Resolution for Non-State Agencies, which is a resolution for assigning designated agents for all matters pertaining to State disaster assistance. Since the events surrounding the pandemic have been unfolding very quickly, some of the dates on the resolution already need to be amended. He requested that the Resolution 1670 be approved in concept so that the text can be revised accordingly to reflect the new order that was just issued two days ago by the San Mateo Health officer.

The directors had no comments.

Director Dekker made a motion to approve and adopt Resolution 1670 of the Montara Water and Sanitary District Declaring a Local Emergency Related to COVID-19 Pandemic and authorizing the General Manager to take Necessary Actions as well as the Designation of Applicant's Agent Resolution for Non-State Agencies. Director Boyd seconded the motion, a roll call vote was taken, all were in favor, and the motion passed unanimously 5-0.

### **4. Review and Possible Action Concerning MWSD's COVID-19 Pandemic Preparedness**

General Manager Heldmaier stated this item was agenized primarily to give the Board an update in reference to MWSD. They have focused on protecting the health of the employees and continuing essential operations and maintenance. Guidelines were provided to all employees, and they are allowing employees to work remotely. Social distancing and the closure of the office to the public is still in place. Team work projects are handled differently. Tomorrow they have an emergency leak repair, and it requires a lot of

planning and coordination, and will be tricky. While construction has ceased, planning and permitting is still in process in the background. Administratively, MWSD is waiving late fees as of March, and are encouraging people to call for a payment plan if needed. A work force contingency plan has also been formulated, and the District has been working with the vendors so there are no interruptions in delivery and service. The other agencies and the regulators have been very supportive so far.

Director Boyd said he appreciated the deliberate forethought put into maintaining operations while keeping everyone safe.

The other directors also thanked General Manager Heldmaier for his excellent work.

General Manager Heldmaier reminded everyone that any correspondence in reference the Prop 218 protest letters could be mailed, or brought to the office and dropped in any of the two boxes available. These boxes are locked and checked each day. One box is outside the gate for letters brought to the office after hours.

## **5. Review and Possible Action Appointing District Counsel.**

General Manager Heldmaier stated that David Schricker has been MWSD's District Counsel since 1986. However, he is currently unavailable, with no return date at this time. He pointed out that Mr. Schricker sends his regards to the Board and staff. Right now, MWSD is working with Christine Fitzgerald, and she has worked with the District in an advisory function for the District on various matters through Mr. Schricker's office for the last 20 years. She was appointed as acting Counsel in October 2019, and now the District would like to make this permanent. A contract was previously approved and will continue to stand. He recommended approving and adopting the Resolution 1671 of the Montara Water and Sanitary District Appointing Christine Fitzgerald, of the Fitzgerald Law Offices, as District Counsel.

Director Harvey commended Ms. Fitzgerald for her excellent work through difficult times and said he thought it a good idea.

Director Boyd said she was instrumental in this agency acquiring the water system, working closely with Fitzgerald Law, and has been a great collaborator with General Manager Heldmaier and David Schricker for many years. He supports the appointment.

Director Lohman made a motion to adopt Resolution 1671 of the Montara Water and Sanitary District Appointing Christine Fitzgerald, of Fitzgerald Law Offices, as District Counsel. Director Harvey seconded the motion. A roll call vote was taken, all were in favor, and the motion passed unanimously 5-0.

Director Slater-Carter thanked Ms. Fitzgerald and said they look forward to working with her.

All the Directors were in agreement.

**6. Review and Possible Action Concerning Substantial Completion of the Cabrillo Highway Sewer Improvements Phase 1A Project.**

General Manager Heldmaier stated this was the project that was discussed earlier. It is the project that involves moving the manhole on 16<sup>th</sup> Street out of the traveled way and creating a better grade through the section just north all the sewage coming from Montara. To date, MWSD has spent 1.26 million dollars on this project, which has already been authorized and approved by the Board. Although this project has essentially been completed, MWSD would like to keep it open, as there are two components missing: the hydroseeding of anything that is on District property, which was done once but was unsuccessful, and has to be done again, and there is some work needed on the road leading to the Sewer Authority Midcoast (SAM) Montara pump station. There was some substantial work done already, through a change order, on the upper section of the road on District property leading to the SAM Montara pump station. The road was damaged (and in the plans) that this had to be completed, but the difference now is there are significant drainage improvements in the upper section. There is significant erosion along the cliffside due to the run-off from this road and it needs to be addressed. The upper section has been fixed, and the plan is to extend the improvements on the entire road to the pump station. SAM has agreed to pay 50% of the road improvements and this will be done through a change order with the existing contractor. He is requesting authorization to make a progress payment, as well as return some of the deposit that is being held. During this difficult time, it is also important to support the contractor that did the work. The final project close-out will be presented at a future meeting.

Director Boyd made a motion to authorize the General Manager to make progress payments to the contractor as recommended by the District Engineer, and Director Harvey seconded the motion. A roll call vote was taken, all were in favor, and the motioned passed unanimously 5-0.

## **REPORTS**

**1. Sewer Authority Mid-Coastside Meeting (Slater-Carter)**

Director Slater-Carter stated that the last meeting March 23rd was mostly routine business.

Director Lohman interjected that one item discussed referenced the stop work order from Half Moon Bay on the big pipeline project, due to a problem with the contractor removing some willow trees. Half Moon Bay picked their biologist and got a quote for almost \$50,000 for ten days to monitor the willow trees. That is a lot of money, and the damage was already done. Although he protested about the costs, they were out-voted.

Director Slater-Carter added that they have yet to receive the written notice that the stop work order has been lifted. This has been going on for approximately 19 days, and there is only 6 days before serious charges will need to be resolved because of this stop work order. The project was short 200 ft from completion before Half Moon Bay came out and applied the stop work order.

Director Lohman replied that it was a 100% unilateral action. They never called the other general managers and there is a General Managers Committee to discuss things before action is taken. That action was not taken. So, we are all going to pay for Half Moon Bay's unilateral action. He thinks it will be on the agenda for the next meeting to discuss this.

Director Slater-Carter said there was a special meeting on March 30th in reference to appointing an attorney to replace the existing SAM attorney, who decided he wanted to spend more time with his family. They interviewed two candidates, chose one, and it will be announced at the next Board meeting in April.

**2. Mid-Coast Community Council Meeting (Slater-Carter) –**

Director Slater-Carter said she hadn't had a chance to see the meeting and encouraged all to watch it on-line.

**3. CSDA Report (Lohman) – nothing**

**4. LAFCo Report (Lohman) – nothing**

**5. Attorney's Report (Fitzgerald) –**

District Counsel Fitzgerald stated that the Governor has approved another executive order that places a moratorium on water shut-offs due to non-payment of fees during the pandemic.

General Manager Heldmaier replied that the District does not shut off the water to customers for non-payment. They work with the customers to arrange a payment plan to accommodate their needs.

**6. Directors' Report – nothing**

## **7. General Manager's Report (Heldmaier)**

General Manager Heldmaier said by a suggestion from Director Dekker, that they are considering implementing a hardship rate effective July 1st. There is a list of participants from the PG&E Care that would be used as a basis to credit \$100 for those customers that qualify. There are currently around 24 or 25 people, and he expects the number to increase a bit. MWSD may have to look at other measures down the road, but this is a concession that the District can make right now. He asked for support or a straw poll and suggested bringing it up at the next meeting and make it official.

Director Dekker said that this idea came from the San Mateo Daily News where it was reported that PG&E will credit customers in their plan a \$100 credit that would be applied to their April bill, and he thought the District could match that.

Director Boyd said this crisis affords them the opportunity to help those in need, and thanked them for bringing it to their attention.

Director Harvey and Lohman agreed.

Director Slater-Carter also concurred and said that she would like to see a discussion on this to make it official on our records. She thanked General Manager Heldmaier and Director Dekker for bringing this up, and said that this is a small community and we take of each other. She looks forward to having it on the next agenda.

## **FUTURE AGENDAS**

1. District Water and Sewer Budgets
2. District Water and Sewer Capital Improvement Programs
3. June 4<sup>th</sup> Public Hearing for Water System Reliability Charge and Sewer Service Charges Increase
4. June 4<sup>th</sup> Public Hearing for Master Fee Schedule Adjustment
5. MWSD District General Obligation Bonds Refinancing
6. SAM Budget
7. MWSD Defined Benefit Plan Actuarial Evaluation

## **BRIEF RECESS**

## **REGULAR MEETING ENDED at 9:30 P.M.**

Director Slater-Carter announced the conclusion of the open session and requested those not authorized for the closed session to sign off.

District Counsel Fitzgerald stated that unauthorized persons are not allowed to attend the Closed Session, as it is the intent of the Board of Directors to preserve the confidentiality of the closed session.

**CONVENE IN CLOSED SESSION**

**CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

(Government Code §54956.9(d)(4))

Initiation of litigation

Number of cases: 1

**CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

(Government Code § 54956.9(d)(1))

Case Names: *City of Half Moon Bay v. Granada Community Services District, et al. (Santa Clara County Super, Crt. No. 17CV316927)*

**REPORT OF ACTION TAKEN IN CLOSED SESSION**

**ADJOURNMENT**

The District has a curfew of 10:30 pm for all meetings. The meeting may be extending for one hour by vote of the Board.

Respectfully Submitted,

Signed \_\_\_\_\_  
Secretary

Approved on the 7th, May 2020

Signed \_\_\_\_\_  
President

## Tracy Beardsley

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**From:** Ann Rothman [REDACTED]  
**Sent:** Thursday, April 2, 2020 4:26 PM  
**To:** Info\_MWSD  
**Cc:** Ann Rothman   
**Subject:** Public Comment to be entered into record

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

April 2, 2020

Good Evening,

I am writing regarding the COVID 19 response and need for modification of meeting settings. I would like to see a modification to the protest process for proposed rate increases which are to go in to effect July 1. As people are encouraged to shelter in place it may not be possible to mail in a letter of protest prior to the June 4th deadline. I am requesting that protests of proposed rate increases be accepted by email as well as physical mail. Residents who do not have postage to submit a letter of protest may not feel comfortable leaving their homes to go to the post office to mail their letters. They should be allowed to email in a protest from the safety of their homes as the shelter in place asks people to do.

It is unbelievable that in this state of emergency where people are struggling financially just to hold on to their homes, that MWSD is asking for such huge increases in rates and property tax assessments after just instituting sewer assessments and rate increase in May of 2018. Your February budget does not reflect the dire need for another influx of cash. Your rationale for the increase in rates is the exact one you used two years ago. Ideally you would reconsider the rate hikes altogether. However if you choose to go ahead with this proposal you should do so in a fair manner. Requiring mailed submissions of protest is not fair particularly in light of the dire situation our country is in right now. Thank you for your consideration of my request.

Sincerely,

Ann R

Moss Beach Resident (27years)

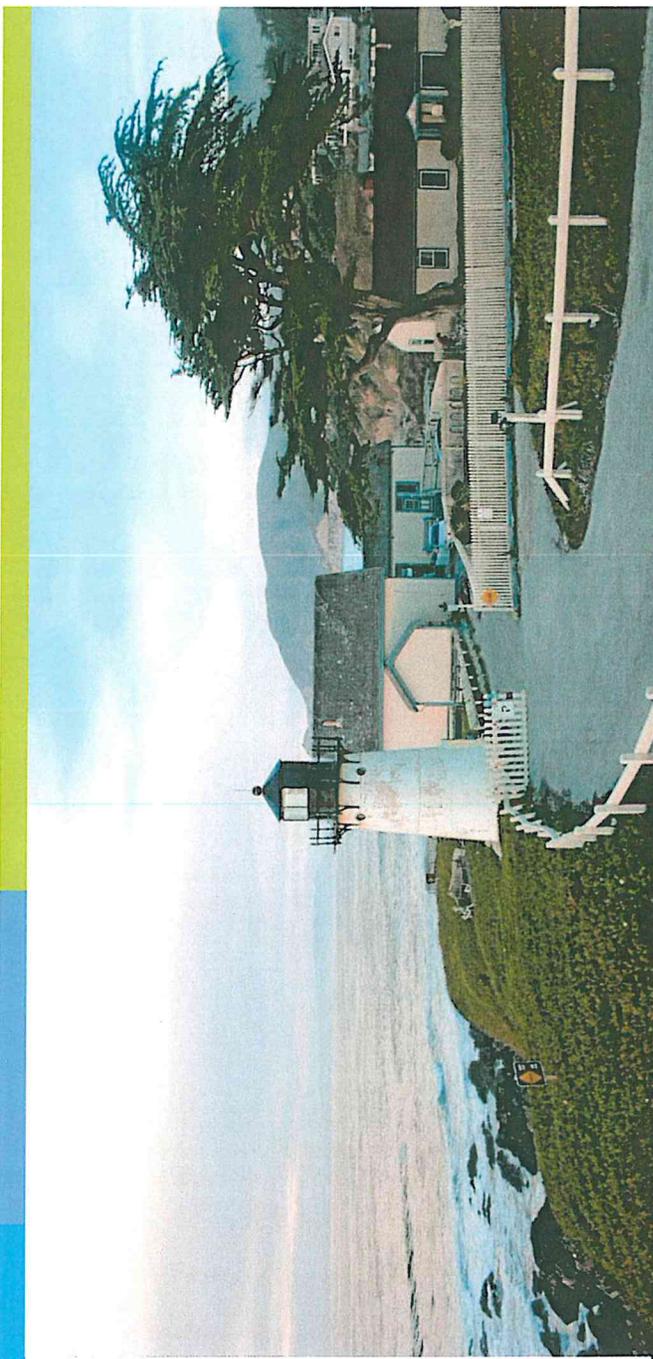
Sent from my iPhone



**CONNECT**  
THE COASTSIDE



**COUNTY OF**  
**SAN MATEO**



# Connect the Coastside

San Mateo County Midcoast Comprehensive Transportation Management Plan

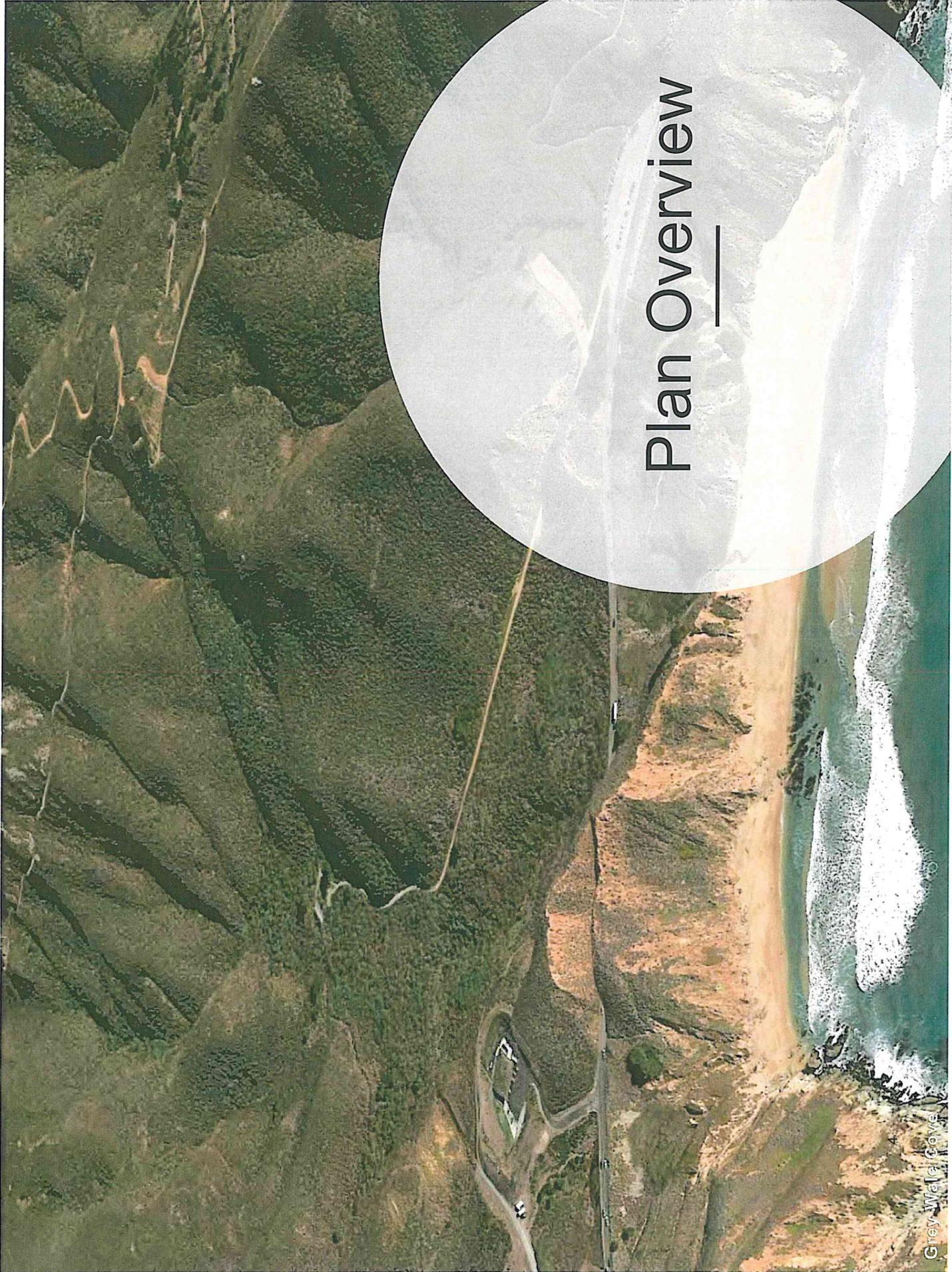
April 2, 2020

# Presentation Outline

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- Plan Overview
- Plan History
- Recommended Projects
- Feedback





# Plan Overview

## Project Area

The plan focuses on the areas surrounding Highway 1 and State Route 92, and includes the unincorporated Midcoast communities of Montara, Moss Beach, El Granada, Princeton and Miramar.



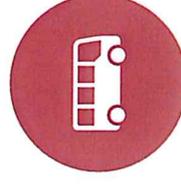
What topics  
does the  
plan cover?



WALKING



BIKING



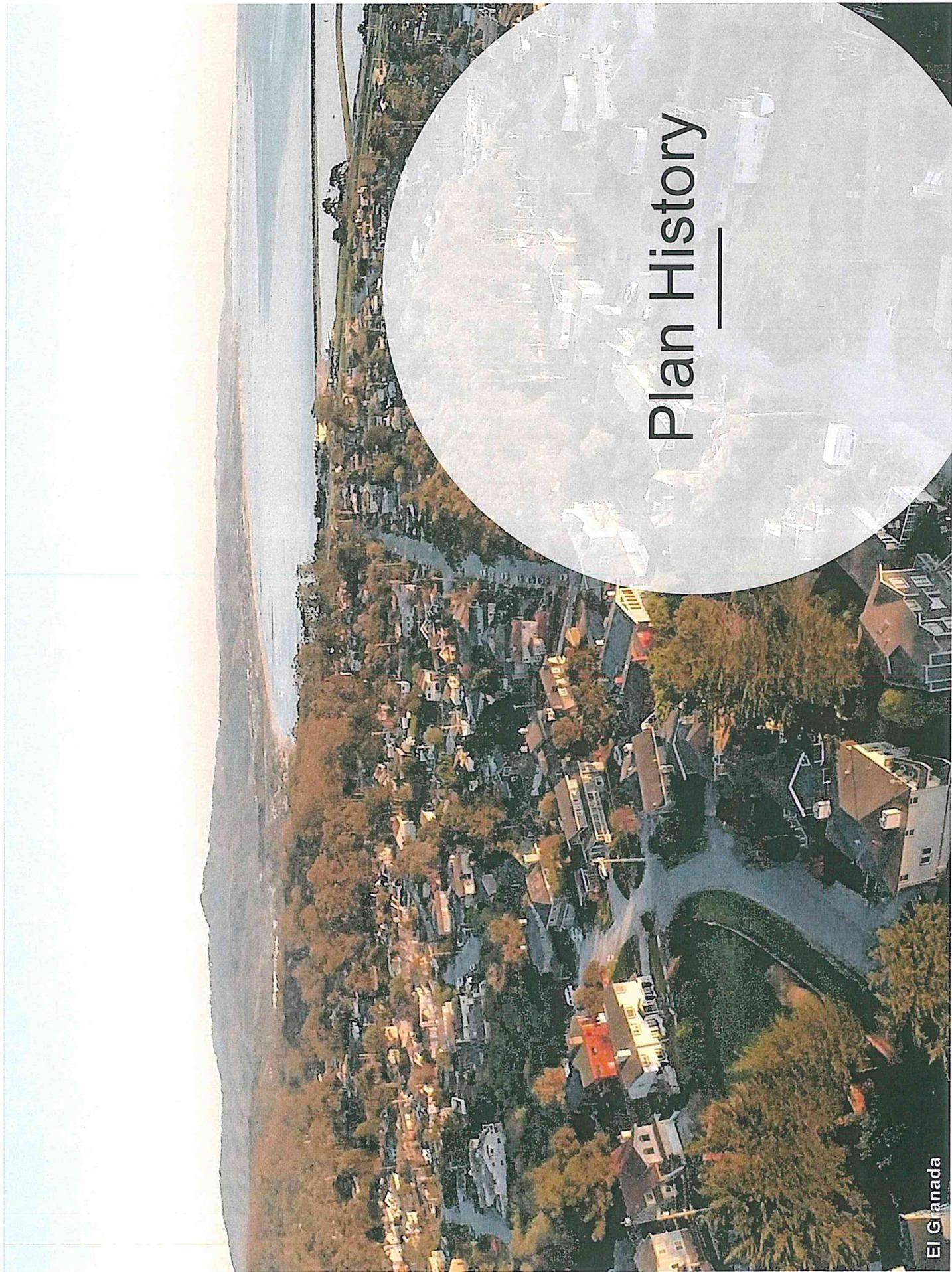
PUBLIC  
TRANSIT



DRIVING



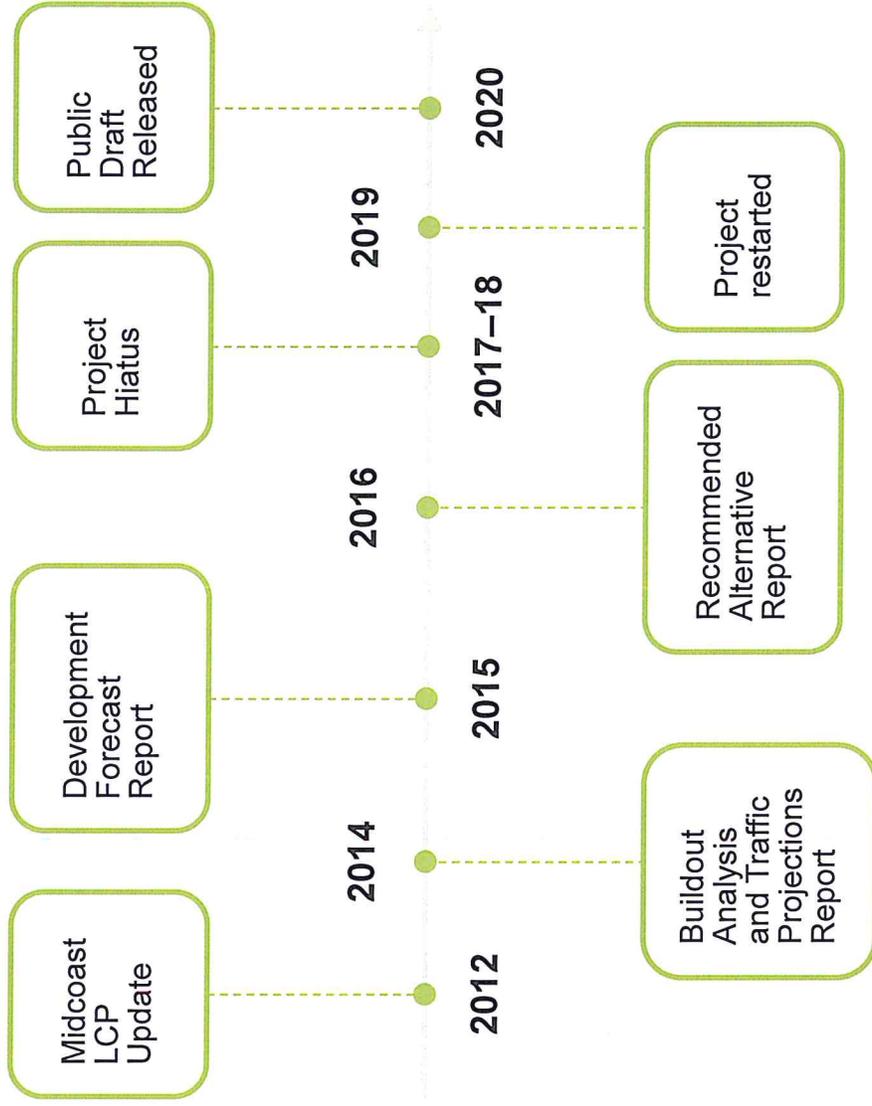
LAND USE



# Plan History

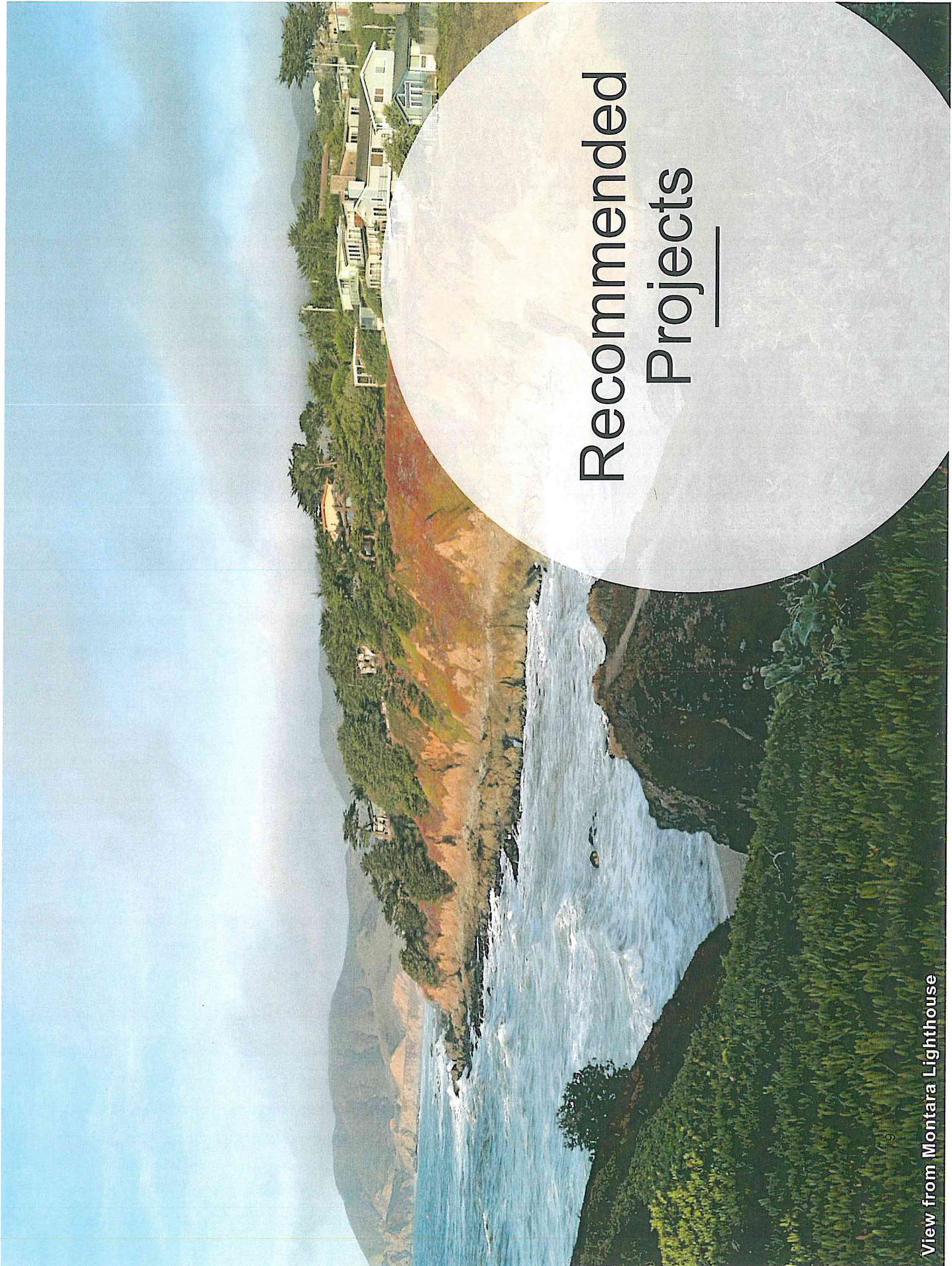
# How Did We Get Here?

- Virtual Workshop
- Public Workshops
- Board of Supervisor Meetings
- Planning Commission Meetings
- Midcoast Community Council Meetings
- Technical Advisory Committee Meetings



# Recommended Projects

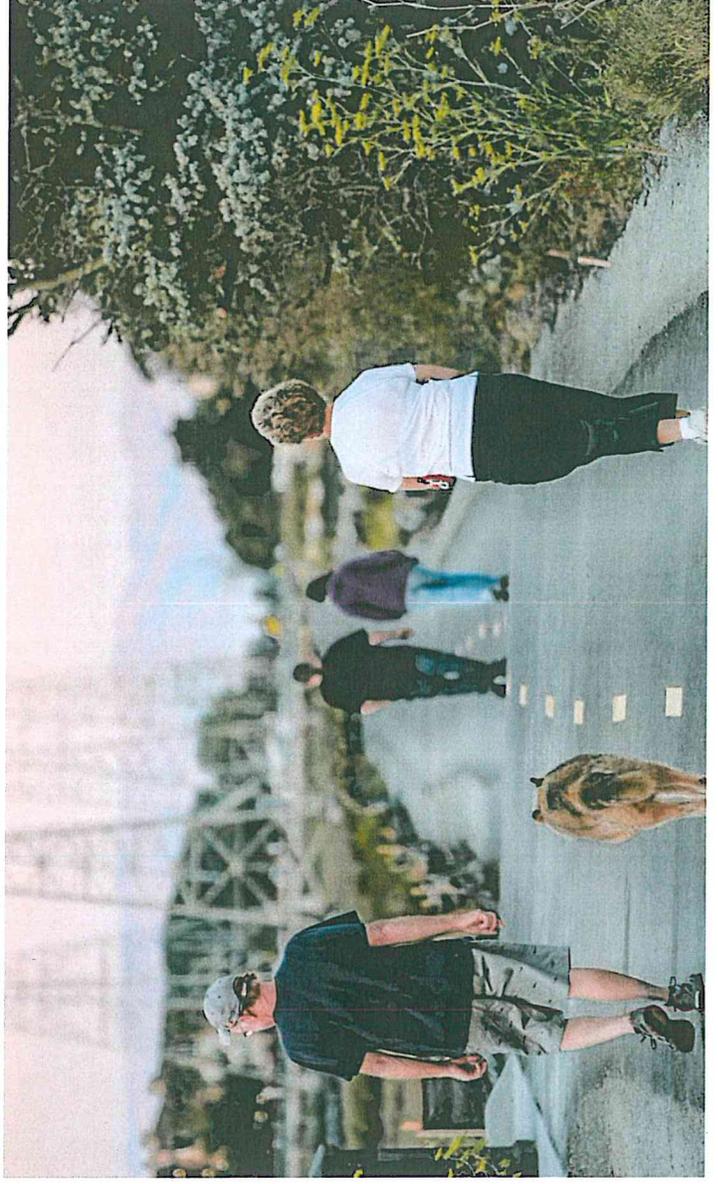
View from Montara Lighthouse





# Walk

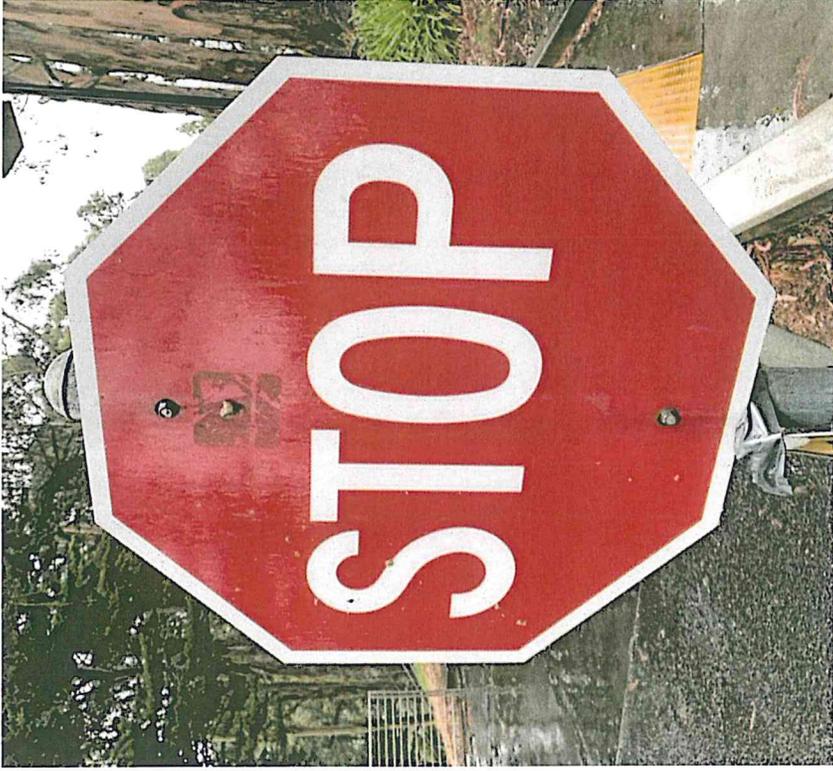
- A multi-modal trail parallel to Highway 1
- Safe crosswalks across Highway 1
- Add sidewalks where missing and where people walk
- Complete Coastal Trail





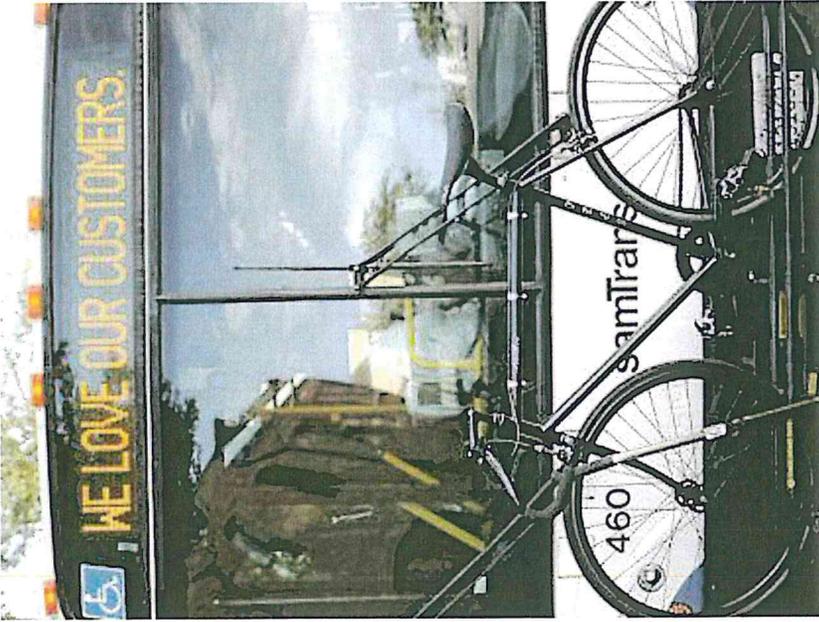
## Bike

- Multi-modal trail
- Bike lanes along Highway 1
- Bike route along Airport Street
- Widen the shoulders of Capistrano Road for bike route
- Install bicycle parking



## Drive

- Add turn lanes, acceleration lanes, & passing lanes
- Add stop signs where missing
- Add roundabout or signals at intersections with heavy traffic
- Street calming projects
- Parking Improvements
- Highway 1 shoulder improvements

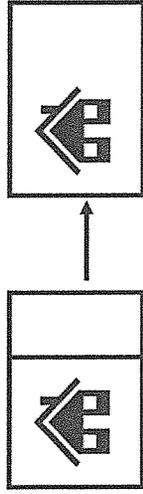


## Public Transit

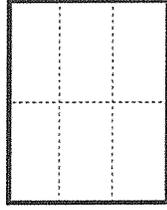
- Bus stop improvements
- Increased Weekend and Commute SamTrans Service
- Park and Ride lots



# Land Use Programs

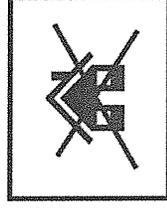


Lot Merger  
Program

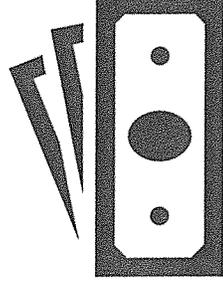


Lot Retirement  
Program

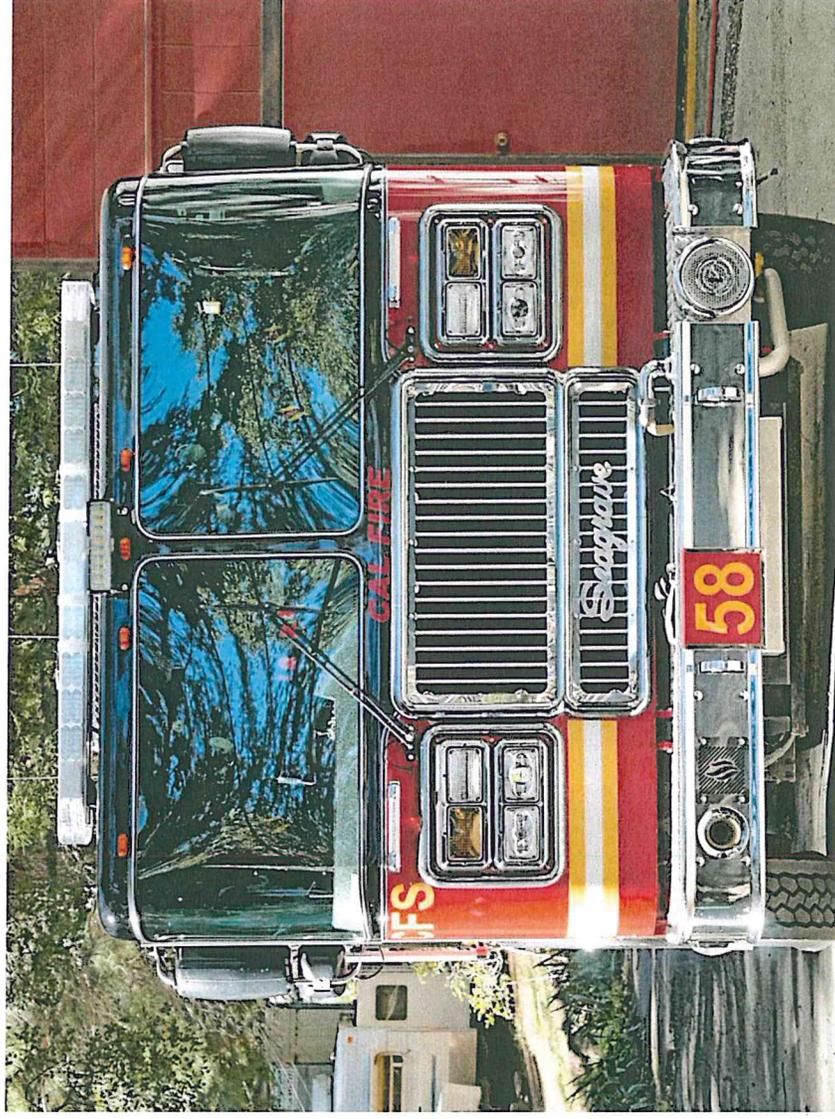
for



Transportation  
Impact  
Mitigation Fee



# Feedback



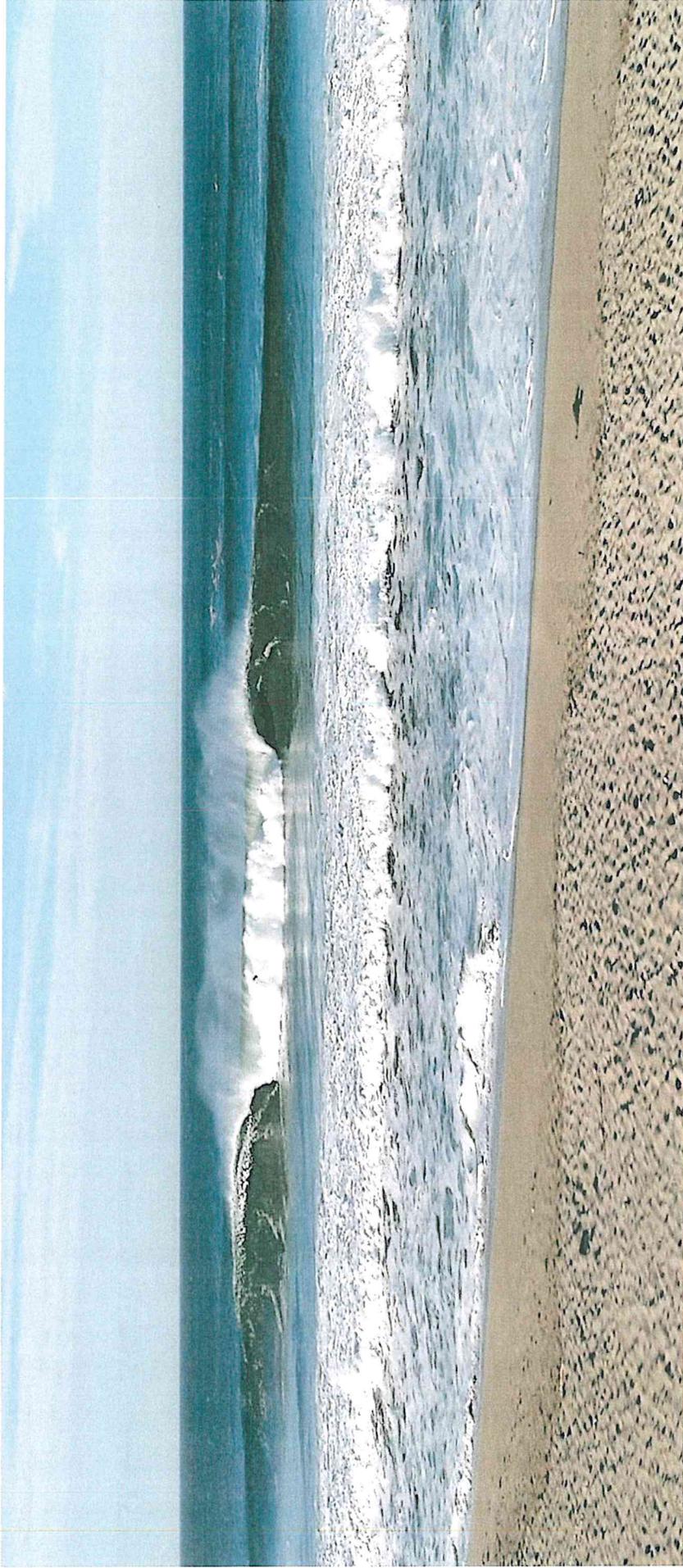
## What We've Heard So Far

- Include Safe Routes to Schools
- Address emergency evacuations
- Address sea level rise and erosion
- Explore programs to reduced transportation demand

# Your Feedback

- Please let us know what you think!
- What projects are you excited for?
- What projects are lower priority?
- What did we miss?





## Thank You

For questions or comments please contact:

Joe LaClair

[jlaclair@smcgov.org](mailto:jlaclair@smcgov.org)

Katie Faulkner

[kfaulkner@smc.gov](mailto:kfaulkner@smc.gov)

For additional resources please visit:

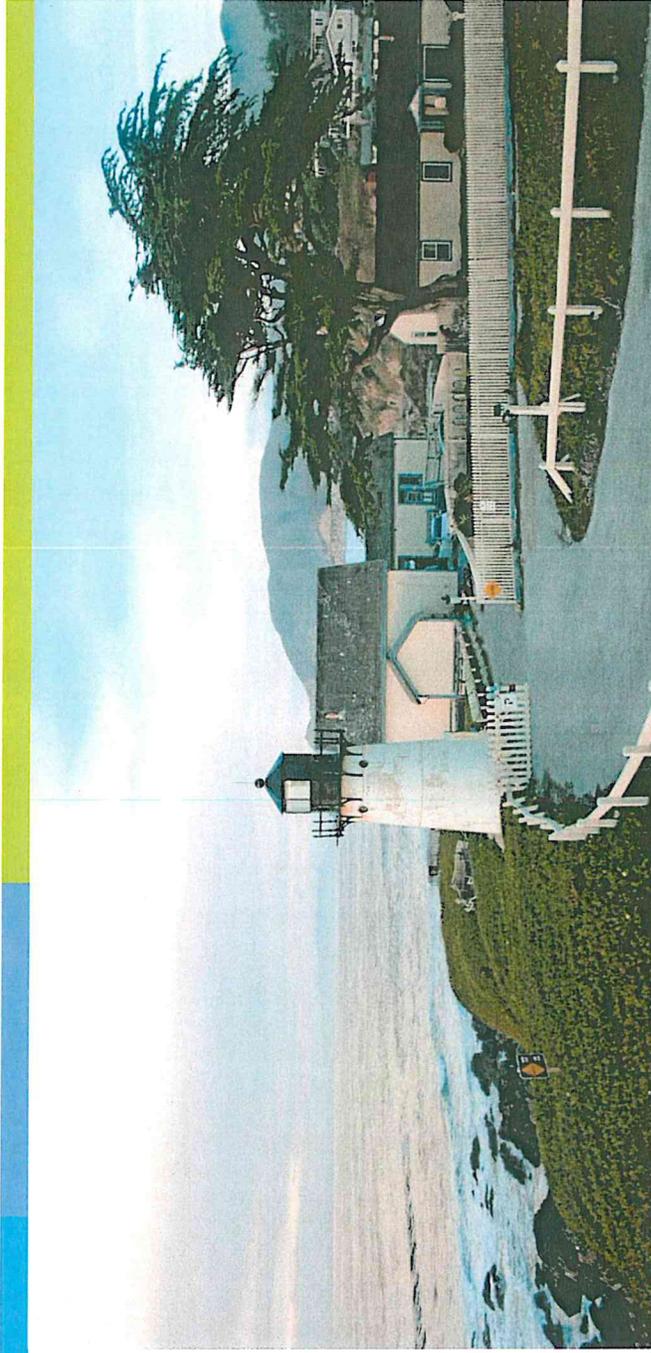
<https://planning.smcgov.org/connect-coastside>



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**SAN MATEO**



# Connect the Coastside

San Mateo County Midcoast Comprehensive Transportation Management Plan

April 2, 2020



**MONTARA WATER & SANITARY**  
**DISTRICT**

**BOARD OF DIRECTORS MEETING**  
**April 16, 2020**

**MINUTES**

Due to COVID-19, this meeting was conducted remotely pursuant to the provisions of the Governor's Executive orders N-25-20 and N-29-20 temporarily suspending and modifying certain teleconference requirements under the Ralph M. Brown Act. Directors, staff, and the public participated remotely via the application ZOOM.

**REGULAR SESSION BEGAN AT 7:30 p.m.**

**CALL TO ORDER**

**ROLL CALL**

Directors Present: Boyd, Dekker, Harvey, Lohman, and Slater-Carter

Directors Absent: None

Staff Present: General Manager, Clemens Heldmaier  
District Clerk, Tracy Beardsley

Others Present: District Counsel, Christine Fitzgerald

**PRESIDENT'S STATEMENT –**

Director Slater-Carter stated that General Manager Heldmaier sent her an article from *San Francisco Gate*, and she followed up and found it on the *Sacramento Bee*, about a study that shows California and the west of the Rockies is in a megadrought. It is important that we pay attention to this for a number of reasons. Where it is most relevant right now is in the District's request for infrastructure funding as an annual charge because they need to keep the system functional. This is a very good article, and she requested that either the *San Francisco Gate*

or the Sacramento Bee to be included as an annotation in the minutes. Also, for those of us who have been under lock down, we have had the luxury of power, water, and sewer. Just think what it would be like without that and how terrible that could be. It just goes to show the importance of our water and sanitation systems—that includes trash and recycling--and the power needed to make everything run.

## **ORAL COMMENTS**

Gregg Dieguez, Montara Resident said he sent the Montara Water and Sanitary District (MWSD) an email informing the General Manager that he intends to write two articles in the coming weeks: one on the drought which Director Slater-Carter spoke to, and the fee increase after he gathers more data and can analysis the justification and so forth. He will share that with General Manager Heldmaier, Director Slater-Carter, Director Dekker, before publication, and any other Board member who wants to provide input.

**PUBLIC HEARING – none**

**CONSENT AGENDA - none**

**OLD BUSINESS - none**

**NEW BUSINESS - none**

## **REPORTS**

### **1. Sewer Authority Mid-Coastside Meeting (Slater-Carter)**

Director Lohman said he was going to talk about the main points. One item discussed was the new bids for the wet weather project. Directors Penrose and Ruddick were trying to block even going out for bids since they stalled and all the bids expired. They talked about “Dan’s project” which is putting in the new super high-pressure pumps.

Director Slater-Carter interjected that she would call it parallel force main amended number two.

Director Lohman continued and said Half Moon Bay almost did not want to go out for bids, and demanded that Dan be able to make a presentation at the next SAM meeting. They also said they are not going to go for the double expansion to add 400,000 gallons.

Director Slater-Carter interjected that it is being included as an option in the bid documents.

Director Lohman said that they are going forward with getting bids for the 200 and the 400 expansion. Then it moved on to the bidding for the expansion of the flow study and General Manager Prathivadi obtained three bids: SRT was the lowest bid at \$2,500 because they did the first one, and the other two were \$35,000-\$45,000-dollar range. Half Moon Bay tried to shut that down by saying they were going to do their own study. The other Directors said that was fine and suggested that the other consultant do their full study, and Half Moon Bay can compare notes. After a lot of discussion, they finally approved SRT to do the study, and all those things are moving forward. He feels that they will be pushing Dan's project hard to get approved, and MWSD needs to decide how they want to handle this--either have our engineers come to the meeting or write a letter, or provide some kind of information.

Director Harvey asked if the bids expired for the wet weather project.

Director Lohman replied that this was correct, and they all agreed to get new bids.

Director Slater-Carter said that the thought was that they might get a better deal. Half Moon Bay took too long, and the bids expired March 31<sup>st</sup>. So, they are going for new bids.

Director Harvey replied that this will be a third round of bids.

Director Lohman said that there is a hope that with construction shut down, and this has been declared an emergency project, contractors will bid on this, whereas they may not be able to bid on other things.

Director Boyd asked how this is going over with the regulator that they are in a consent decree with.

Director Slater-Carter replied that they are giving everyone an extension on the project because of this shut-down.

Director Boyd asked if they have feedback.

Director Slater-Carter replied that they do, and it has been discussed.

Director Lohman said if they bid and go forward, it should be able to get done by the end of the year as scheduled.

Director Boyd said whenever an agency wants to do its own study, it can't possibly be used as a work product for the JPA itself to work from because of the obvious conflict of interest. It could be informative, but for a work product to be usable by the agency, he urged that it be something paid for by the agency. MWSD used to have an arrangement where some analysis had to be

done by people applying for a water or sewer connection, and policy was changed sometime back so when this analysis needs to be done, Montara will contract for it and the applicant will pay for it. So, consideration doesn't have to be made if there was some deal between the people doing the analytical work and the people with the financial interest. In the same way, in a three-way partnership, if one partner wants to get their best counsel, that is no different from talking to our engineer, but it is not work product that the JPA can make decisions on. It has an in-built conflict of interest and if they want to contribute to the process, they should be contributing to the joint process.

Director Slater Carter said that was a good point. Half Moon Bay was doing their flow study for their system separate from SAM but they had wanted to have the flows for the wet weather project—she calls it the “Flow Management Project (because it is useful year round)”—and they decided that the initial study had only been for the north of SAM and wanted Half Moon Bay's flows included. That is what this project is. It is a tabletop flow study and that is why it only needs a little updating from SRT. She is interested to see how SRTs numbers turn out compared to the other.

General Manager Heldmaier said there is currently funding available for shovel ready infrastructure projects through FEMA. Maybe some of the money that wasn't budgeted for can be funded through this program. Perhaps SAM can look into this to see if they can get some assistance. He will talk to General Manager Prathivadi to discuss this.

Director Slater-Carter suggested to update the bid to include the 400,000 additional gallons instead of just the 200,000 gallons and see if we can get that done.

Director Lohman said if they can get a grant that would be great.

Director Slater-Carter said she has questions about this project that Dan has put forward. So, as a Board member at SAM, she wants to put them all in writing, and encouraged the public to submit their questions as well. She will request that the questions and answers be submitted in a staff report so that it is on record. She has been talking to her friends who are engineers, and they said that upgrading the existing line to a dual duty force main is a waste of money. She wants to get all of these questions submitted. They are going to have this presentation at the next SAM Board meeting, and she is going to submit them in writing and request full explanations to be put in the record.

Director Boyd said that this would be third or fourth run that Half Moon Bay has made at getting a parallel force main. What an incredible waste of time, money and opportunity to pursue something that they have spent so much energy exploring and choosing uniformly time and again to set aside as not the right project for the Coastside. The litany of reasons is long. Half Moon

Bay talks a lot about being efficient, using resources well, the environment, and playing nice with Coastal and other nice things. It is really hard to believe they are going after it again unless all of those words are generally meaningless. This is an idiotic pursuit. It is a waste of time and energy. The agency should speak with the confidence that this is an improper use of time and resources for the people working to keep the Coastside working with utilities that the people here and the environment can count on. Going back to this is not a proper use of our abilities and resources to go after something that has been so thoroughly examined over the years and soundly rejected time and again.

Director Slater-Carter: Particularly reversing a policy that was adopted by SAM and each of the member agencies 20 years ago. Apparently, it won't go away, and we need to get as much information on the record once again as to why it is bad.

Director Harvey: When the City of Half Moon Bay takes over the Coastside, a double force main will serve the new larger City of Half Moon Bay for larger build-out.

Director Slater-Carter: Particularly in Princeton, where many political donors have money and land.

Gregg Dieguez, Montara Resident stated that he has been doing some research and is concluding that Half Moon Bay is under significant financial stress. As a citizen, he is worried about our partner in the Joint Powers Authority going broke. He wants to register concern, and is prepared to present an analysis that show they are in serious financial trouble.

Director Slater-Carter said to feel free to bring it to the SAM Board meeting during the public comment.

Director Dekker expressed his concern about the proposed budget. He looked at it, and there are reasons for concern that they should all be aware of.

Director Slater-Carter said the SAM meeting had two items on the agenda pertaining to that. One was receiving the SAM Financial audit for 2017-2018 and the other was the SAM budget.

Director Dekker replied that he has read it and that is why he is concerned. It shows for seven years in a row, SAM has had a loss, and presently they have a \$700,000+ shortage in working capital. So, by all means, SAM should be bust. This is especially concerning, because we have been told in this budget for 2020, MWSD is supposed to contribute \$204,000 dollars more, which is the highest contribution of any of the partners.

Director Lohman stated that they pulled the budget back and will be re-doing it. It will be presented at the next meeting.

Director Slater-Carter said SAM has removed some positions that were funded. She talked to General Manager Prathivadi about this and he said if the budget is cut too much, he will come to the member agencies for a mid-year adjustment. She replied that was a problem.

Director Dekker said if we implement a 9% increase for the next three years in our sewage rates, and half of that or more is being taken away by increasing contributions, then what we are doing is forgetting about future capital projects or at least reduced them by 50% the way it is now.

Director Slater-Carter replied that the problem is that SAM has no real reserves—that is how we got into so much trouble years back. There was a general manager years back that used the reserves to fund his pet projects, instead of coming to the Board. One of the things that she has asked for as Chair and on the Finance Committee, is that they develop policies and procedures so that can't happen again, and so SAM, as an independent agency can fund its own reserves, so it doesn't have to come to the member agencies for mid-year adjustments when something breaks. And this year, SAM has no Treasurer/Controller, so there is no Board oversight over the budget.

Director Dekker replied that this is a big concern, and would like to talk about the details in the Finance Committee meeting.

District Counsel Fitzgerald interjected that this discussion should stop. They are still in Reports.

Director Boyd suggested that perhaps they can identify an item or two to be picked up at a subsequent meeting as action items.

Director Slater-Carter suggested the SAM audit and budget should be discussed at the next Board meeting, and the SAM budget will be discussed at the next SAM Board meeting. It has been reviewed by the general managers, their concerns were taken into account, and changes were made.

General Manager Heldmaier said that he understood that the changes to the budget were not made at the time it came to the Board.

Director Slater-Carter replied that they are incorporated in the new one, which will be coming.

## **2. Mid-Coast Community Council Meeting (Slater-Carter) – none**

3. **CSDA Report (Lohman) – none**
4. **LAFCo Report (Lohman) – none**
5. **Attorney’s Report (Fitzgerald) – none**
6. **Directors’ Report –**

Director Boyd said that one of the joys of living here, even during the shelter-in-place—it’s okay to exercise—is the beauty of the Coastside. He hiked up Alta Vista Road, past our water tank, and GGNRA has done a wonderful job working on the trail up above that tank. It is really nice to see our facilities safely operating, even though life in the world is crazy. We own some property up there on behalf of the public that is on the path to the GGNRA trail and it is magnificent.

Director Lohman said that the internet in his specific region is very unreliable and any emails may be delayed. If anyone needs to contact him, please text him.

Director Slater-Carter stated that she received a notice from the Water Reuse Association about a webcast “America’s Water Infrastructure Act: Implications for Water Reuse and COVID-19,” on April 21, 2020 at 11:00 am (pst). The America’s Water Infrastructure Act requires utilities to complete a Risk and Resilience Assessment (RRA) for their water system, followed by the completion of an Emergency Response plan. She asked if District Counsel Fitzgerald knew anything about this.

District Counsel Fitzgerald said she wasn’t aware of it.

Director Slater-Carter said she will send General Manager Heldmaier and District Counsel Fitzgerald the information to review and research. See reminded everyone that this is one of many requirements implemented by the government that we have to pay for through rates.

7. **General Manager’s Report (Heldmaier) - none**

## **FUTURE AGENDAS**

1. District Water and Sewer Budgets
2. District Water and Sewer Capital Improvement Programs
3. June 4<sup>th</sup> Public Hearing for Water System Reliability Charge and Sewer Service Charges Increase
4. June 4<sup>th</sup> Public Hearing for Master Fee Schedule Adjustment
5. MWSD District General Obligation Bonds Refinancing
6. SAM Budget
7. MWSD Defined Benefit Plan Actuarial Evaluation

Director Slater-Carter added the SAM audit and SAM budget to the list.

**BRIEF RECESS**

**REGULAR MEETING ENDED at 8:10 P.M.**

Director Slater-Carter announced the conclusion of the open session and requested those not authorized for the closed session to sign off.

**CONVENE IN CLOSED SESSION**

**CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

(Government Code §54956.9(d)(4))

Initiation of litigation

Number of cases: 1

**CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

(Government Code § 54956.9(d)(1))

Case Names: *City of Half Moon Bay v. Granada Community Services District, et al. (Santa Clara County Super, Crt. No. 17CV316927)*

**REPORT OF ACTION TAKEN IN CLOSED SESSION**

**ADJOURNMENT**

The District has a curfew of 10:30 pm for all meetings. The meeting may be extending for one hour by vote of the Board.

Respectfully Submitted,

Signed \_\_\_\_\_  
Secretary

Approved on the 7th, May 2020

Signed \_\_\_\_\_  
President

SFGATEWebsite:

<https://www.sfgate.com/news/article/Study-Warming-makes-US-West-megadrought-worst-in-15205571.php>

## Study: US West's megadrought turning into the worst in 1,200 years

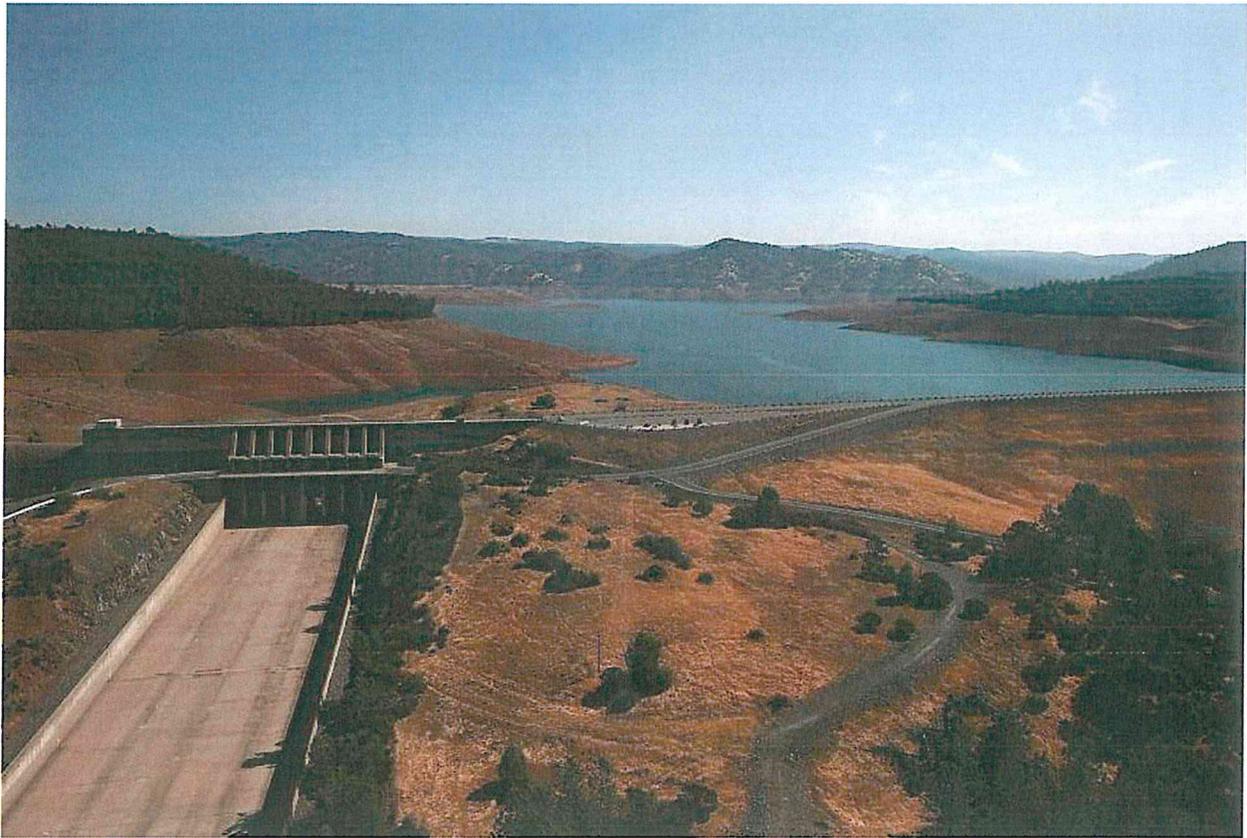
Seth Borenstein, Ap Science Writer

Updated 4:55 pm PDT, Thursday, April 16, 2020



FILE - In this Wednesday, July 18, 2018 file photo, a fast-moving fire continues to burn across Wasco County southeast of The Dalles, Ore., with drought conditions in many areas of the region. two-decade-long dry spell that has parched much of the western United States is turning into one of the deepest megadroughts in the region in more than 1,200 years, and about half of this historic drought can be blamed on man-made global warming, according

to a study released Thursday, April 16, 2020 in the journal Science. (Mark Graves/The Oregonian via AP).



FILE: The Oroville Dam spillway stands dry at Lake Oroville on August 19, 2014 in Oroville, California. As the severe drought in California continues for a third straight year, water levels in the State's lakes and reservoirs is reaching historic lows. Lake Oroville is currently at 32 percent of its total 3,537,577 acre feet. (Photo by Justin Sullivan/Getty Images)

Photo: Justin Sullivan, Getty Images

## Before-and-after photos of California reservoirs show the drought's impact



KENSINGTON, Maryland (AP) — A two-decade-long dry spell that has parched much of the western United States is turning into one of the deepest megadroughts in the region in more than 1,200 years, a new study found.

And about half of this historic drought can be blamed on man-made global warming, according to a study in Thursday's journal *Science*.

Scientists looked at a nine-state area from Oregon and Wyoming down through California and New Mexico, plus a sliver of southwestern Montana and parts of northern Mexico. They used thousands of tree rings to compare a drought that started in 2000 and is still going — despite a wet 2019 — to four past megadroughts since the year 800.

With soil moisture as the key measurement, they found only one other drought that was as big and was likely slightly bigger. That one started in 1575, just 10 years after St. Augustine, the first European city in the United States, was founded, and that drought ended before the Pilgrims landed on Plymouth Rock in 1620.

What's happening now is “a drought bigger than what modern society has seen,” said study lead author A. Park Williams, a bioclimatologist at Columbia University.

Daniel Swain, a UCLA climate scientist who wasn't part of the study, called the research important because it provides evidence “that human-caused climate change transformed what might have otherwise been a moderate long-term drought into a severe event comparable to the ‘megadroughts’ of centuries past.”

What's happening is that a natural but moderate drought is being worsened by temperatures that are 2.9 degrees Fahrenheit (1.6 degrees Celsius) hotter than the past and that suck moisture out of the ground, Williams said. It's much like how clothes and plants dry faster in the warmth of indoors than they do outside, he said.

To quantify the role of global warming, researchers used 31 computer models to compare what's happening now to what would happen in a mythical world without the burning of fossil fuels that spews billions of tons of heat-trapping gases. They found on average that 47% of the drought could be blamed on human-caused climate change.

"We've been increasingly drifting into a world that's getting dryer," Williams said.

There's debate among scientists over whether this current drought warrants the title "megadrought" because so far it has only lasted two decades and others are at least 28 years long.

Climate scientist Clara Deser at the National Center for Atmospheric Research, who wasn't part of the study, said while the research is good, she thinks the deep drought has to last another decade or so to qualify as a "megadrought."

Williams said he understands the concern and that's why the study calls it "an emerging megadrought."

"It's still going on and it's 21 years long," Williams said. "This drought looks like one of the worst ones of the last millennium except for the fact that it hasn't lasted as long."

University of Michigan environment dean Jonathan Overpeck, who studies southwestern climate and was not part of the study, calls it "the first observed multidecadal megadrought in recorded U.S. history."

Although last year was wet, past megadroughts have had wet years and the recent rain and snow was not nearly enough to make up for the deep drought years before, Williams said.

The U.S. drought monitor puts much of Oregon, California, Colorado, Utah and Nevada and good chunks of New Mexico, Arizona and Idaho in abnormally dry, moderate or severe drought conditions. Wyoming is the only state Williams studied that doesn't have large areas of drought.

This week, water managers warned that the Rio Grande is forecast to have water flows less than half of normal, while New Mexico's largest reservoir is expected to top out at about one-third of its 30-year average.

This is "what we can expect going forward in a world with continued global warming," said Stanford University climate scientist Noah Diffenbaugh, who wasn't part of the study.

Read more stories on climate issues by The Associated Press at <https://www.apnews.com/Climate>

The Sacramento Bee website: <https://www.sacbee.com/news/california/water-and-drought/article242063336.html>

# California and West suffering worst 'megadrought' in centuries, study of tree rings shows

[BY DALE KASLER](#)

April 16, 2020 02:58 PM, Updated April 16, 2020 02:59 PM

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Officially, California's most recent drought lasted five painful years and [ended in 2017](#). But a new study released Thursday says California and the rest of the West are enduring a continuing megadrought that ranks [among the worst on record](#).

Despite the occasional wet year, researchers at Columbia University said the period starting in 2000 has been about as bad as any of four lengthy droughts recorded since the late 800s. While the study period ended in 2018, researchers said the West remains trapped in what they called a historic megadrought.

"We now have enough observations of current drought and tree-ring records of past drought to say that we're on the same trajectory as the worst prehistoric droughts," said Park Williams, a bioclimatologist at Columbia's Lamont-Doherty Earth Observatory, in a prepared statement.

While the Columbia research data contains some uncertainty, the study said the current drought might be the second-worst of the past 1,200 years. The worst spanned from 1575 to 1603, nearly three decades.

The study added that the prolonged dry spell has been intensified by climate change. Hotter weather, combined with the lack of rain and snow, put additional stress on trees and plants.

The latest megadrought "has been made much worse than it would have been because of climate change," said scientist Benjamin Cook, one of the study's co-authors. The researchers noted that the current drought has affected a much wider area than previous droughts, "a fingerprint of global warming."

## **Analysis of tree rings**

The dismal report comes as California winds up a [drier-than-usual winter](#). About 35 percent of the state is experiencing [moderate to severe drought conditions](#), according to a federal research project called the U.S. Drought Monitor. However, the state's overall water supply is still fairly healthy — as measured by storage in Shasta, Folsom and other major reservoirs — thanks to a relatively wet winter in 2019.

The study, published in the journal *Science*, was based on an analysis of thousands of tree rings in nine Western states and Mexico. Other scientists who've studied historic droughts said the findings appear plausible.

“There is no doubt we're in a drought; this is an extended drought,” said water policy expert Jeff Mount of the Public Policy Institute of California. “People tend to think year to year, which is a mistake.”

Jay Lund, of the UC Davis Center for Watershed Sciences, agreed that global warming is intensifying the effect of droughts. “The dryness from climate change will make even moderate droughts worse,” Lund said.

Lund added that a megadrought that last 20 years or longer would severely strain California's — and test the state's ability to augment its water supplies. “You don't build infrastructure for these types of droughts,” he said. “You curtail water use.”

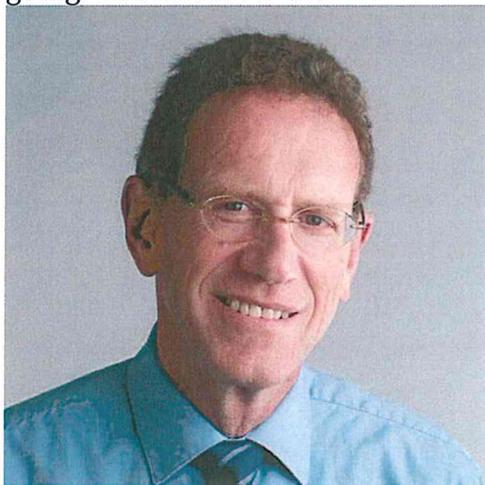
Besides endangering plant life — California's last five-year drought wiped out millions of trees — prolonged droughts and climate change are believed to be worsening the West's wildfire risk.

At its worst, the five-year drought dried up thousands of acres of California farmland and forced cities to cut back water consumption by an average of 25 percent. It forced farmers to draw down aquifers to keep their crops going, which exacerbated the [literal sinking of parts of the Central Valley floor](#). The Legislature responded by passing a law that [restricts groundwater pumping](#).

It wasn't until the winter of 2017, one of the wettest on record, that former Gov. Jerry Brown declared an official end to the drought.



Signs like this one dot the landscape around farms near Huron, CA in western Fresno County. Dan Errotabere grows almonds, tomatoes and other crops in the Westlands Water District west of Fresno. At times he has relied on pumping groundwater to keep his crops going. RANDALL BENTON SACRAMENTO BEE FILE



[DALE KASLER](#)  
[916-321-1066](tel:916-321-1066)

Dale Kasler covers climate change, the environment, economics and the convoluted world of California water. He also covers major enterprise stories for McClatchy's Western newspapers. He joined The Bee in 1996 from the Des Moines Register and graduated from Northwestern University.

Read more here: <https://www.sacbee.com/news/california/water-and-drought/article242063336.html#storylink=cpy>



# MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: May 7, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager 

**SUBJECT: Unaudited Financial Statements – Executive  
Summary**

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## **Budget vs. Actual – Sewer July 2019 thru March 2020 Variances over \$2,000:**

- 4400 Fees, \$5,154 below budget – overall reduced activity, especially in inspection and remodel fees.
- 4610 Property Tax Receipts, \$152,629 above Budget – ERAF collections totals \$139,294 for the current fiscal year.
- 4710 Sewer Service Charges, \$529,416 below Budget – One apportionment received in February, additional to be caught up later in fiscal year.
- 4720 Sewer Service Refunds, customer, \$3,245 above Budget – Sewer service adjustments posted to various accounts.
- **Overall Total Operating Income for the period ending March 31, 2020 was \$382,401 below budget. Total income received to date is \$2,070,582.**
- 5200 Board of Directors, \$3,315 below Budget – Election expense budgeted for, but, due to timing, expense is not expected in current fiscal year.
- 5250 Conference Attendance, \$3,512 below Budget – No activity in March.
- 5270 Information Systems, \$12,396 above Budget – Variance is currently being investigated.
- 5400 Legal, \$216,852 below Budget – Expense line item expected to grow as on-going legal matters move forward.
- 5510 Maintenance, office, \$2,662 below Budget – Larger maintenance projects expected during the fiscal year.
- 5560 Printing & Publishing, \$3,130 below Budget – Minimal activity in March.
- 5610 Accounting, \$4,725 above Budget – increased costs associated with the preparation of the FY 20-21 budget.
- 5630 Consulting, \$8,282 above Budget – Increase due to increase in public relations costs.
- 5640 Data Services, \$4,650 below Budget – No activity in current fiscal year.
- 5730 Telephone & Internet, \$5,653 above Budget – Service provider's continually raise rates after initial promotion ends. GM to re-evaluate.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: May 7, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

- 5800 Labor, \$2,875 above Budget – Payroll costs are constantly managed to reduce OT and on-call pay.
- 6170 Claims, Property Damage, \$15,000 below Budget – No claims paid in current fiscal year.
- 6200 Engineering, \$21,166 below Budget – Minimal activity in the current fiscal year, due to the timing of billing.
- 6400 Pumping, \$2,633 below Budget – Catch up bill paid in March in the amount of \$10,284.
- 6600 Collection/Transmission, \$7,500 below Budget – No activity to date.
- 6940 SAM Maintenance, Collection Sys, \$30,000 below Budget – No activity to date.
- 6950 SAM Maintenance, Pumping, \$45,760 above Budget – Payment made to SAM for pump and lift station repairs. Costs to be capitalized at fiscal year end.
- **Overall Total Operating Expenses for the period ending March 31, 2020 were \$31,721 below Budget.**
- **Total overall Expenses for the period ending March 31, 2020 were \$237,615 below budget. For a net ordinary income of \$144,787, budget vs. actual. Actual net ordinary income is \$24,575.**
- 7100 Connection Fees, \$15,157 below Budget – Three new construction issue and one remodel connection issued in March.
- 7200 Interest Income, LAIF, \$44,714 above budget – LAIF has been outperforming projections.
- 8000 CIP, \$936,448 below Budget – additional construction projects to begin later in fiscal year.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: **May 7, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

## **Budget vs. Actual – Water July 2019 thru March 2020 Variances over \$2,000:**

- 4400 Fees, \$16,581 above budget – Over-budget due to \$10K deposit received for Big Wave. Amount is to be re-classified to the balance sheet.
- 4610 Property Tax Receipts, \$152,629 above Budget – ERAF collections totals \$139,294 for the current fiscal year.
- 4740 Testing, Backflow, \$4,764 above Budget – Difference due to timing.
- 4990 Other Revenue, \$54,439 – revenue is from Big Wave for application cost reimbursement (\$44K) & an insurance reimbursement (\$10K).
- **Overall Total Operating Income for the period ending March 31, 2020 was \$231,499 above budget. Total revenue received to date is \$1,878,749.**
- 5240 CDPH Fees, \$2,656 below Budget – CA SWRCB annual fee was less than anticipated.
- 5250 Conference Attendance, \$3,354 below Budget – One activity in March.
- 5270 Information Systems, \$6,873 above Budget – Variance is currently being investigated.
- 5400 Legal, \$92,784 below Budget – Expense line item expected to grow as on-going legal matters move forward.
- 5530 Membership, \$8,275 above Budget – ACWA & CA rural memberships paid in December. Variance to decrease as fiscal year moves forward.
- 5610 Accounting, \$4,725 above budget – increased costs associated with the preparation of the FY 20-21 budget.
- 5630 Consulting, \$34,074 below Budget – Sewer rate study is currently underway and will run concurrently with the Water rate study. Bills will be paid when deliverables have been accepted by the board.
- 5720 Telephone & Internet, \$6,989 above Budget – Service provider's continually raise rates after initial promotion ends. GM to re-evaluate.
- 5800 Labor, \$67,179 below Budget – The District budgeted to have a 4<sup>th</sup> water operator in the current fiscal year. This has occurred as of March 2020.
- 6170 Claims, Property Damage, \$6,805 – One claim paid in March for Truck accident.
- 6180 Communications, \$9,586 below Budget – Minimal activity in current fiscal year. SCADA maintenance costs expected later in fiscal year.
- 6195 Education & training, \$3,453 below Budget – Under budget due to District not having 4<sup>th</sup> operator to send to cert training.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

Prepared for the Meeting Of: May 7, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens H. Heldmaier, General Manager

- 6200 Engineering, \$145,697 below Budget – Water Quality engineering expenses have been held in check.
- 6320 Equipment & tools, Expensed, \$9,846 above Budget – Expenses to be investigated further for possible capitalization.
- 6330 Facilities, \$36,934 below Budget – Maintenance & landscaping tree projects have not yet taken place.
- 6370 Lab supplies & equipment, \$5,321 above Budget – Large bill paid in September, variance expected to decrease as fiscal year moves forward.
- 6400 Pumping, \$7,274 above Budget – PG&E “catch-up” bill paid in March.
- 6500 Supply, \$3,377 below Budget – One payment made to the County for water purchases at Airport Well.
- 6700 Treatment, \$4,510 above Budget – More chemical purchases than anticipated through December.
- **Overall Total Operating Expenses for the period ending March 31, 2020 were \$177,077 below Budget.**
- **Total overall Expenses for the period ending March 31, 2020 were \$350,375 below budget. For a net ordinary income of \$581,874, budgeted vs. actual. Actual net ordinary income is \$574,241.**
- 7100 Connection Fees, \$51,961 below Budget – Three new Construction sold, three PFP connections or new full connections sold in March.
- 7600 Bond Revenues, GO Bond, \$204,219 below Budget – One apportionment received in March.
- 8000 CIP, \$414,932 above Budget – \$45,425 in capital improvements paid for in March which included \$11,122 for February.
- 9100 Interest Expense-GO Bonds, \$57,634 below Budget – Difference due to timing.
- 9150 SRF Loan, \$109,250 below Budget – Difference due to timing.

## RECOMMENDATION:

This is for Board information only

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Sewer

July 2019 through March 2020

|  | Jul '19 - Mar 20 | Sewer<br>Budget |  | \$ Over Budget |
|--|------------------|-----------------|--|----------------|
| <b>Ordinary Income/Expense</b>         |                  |                 |  |                |
| <b>Income</b>                          |                  |                 |  |                |
| 4220 · Cell Tower Lease                | 28,379.34        | 27,749.97       |  | 629.37         |
| 4400 · Fees                            |                  |                 |  |                |
| 4410 · Administrative Fee (New Constr) | 3,794.00         | 2,700.00        |  | 1,094.00       |
| 4420 · Administrative Fee (Remodel)    | 542.00           | 1,500.03        |  | -958.03        |
| 4430 · Inspection Fee (New Constr)     | 3,584.00         | 2,625.03        |  | 958.97         |
| 4440 · Inspection Fee (Remodel)        | 512.00           | 2,999.97        |  | -2,487.97      |
| 4460 · Remodel Fees                    | 2,239.00         | 6,000.03        |  | -3,761.03      |
| <b>Total 4400 · Fees</b>               | 10,671.00        | 15,825.06       |  | -5,154.06      |
| 4510 · Grants                          | 112.00           |                 |  |                |
| 4610 · Property Tax Receipts           | 290,129.39       | 137,500.00      |  | 152,629.39     |
| 4710 · Sewer Service Charges           | 1,728,242.83     | 2,257,659.00    |  | -529,416.17    |
| 4720 · Sewer Service Refunds, Customer | -6,244.71        | -2,999.97       |  | -3,244.74      |
| 4760 · Waste Collection Revenues       | 17,302.24        | 17,250.03       |  | 52.21          |
| 4990 · Other Revenue                   | 1,990.06         |                 |  |                |
| <b>Total Income</b>                    | 2,070,582.15     | 2,452,984.09    |  | -382,401.94    |
| <b>Gross Profit</b>                    | 2,070,582.15     | 2,452,984.09    |  | -382,401.94    |
| <b>Expense</b>                         |                  |                 |  |                |
| 5000 · Administrative                  |                  |                 |  |                |
| 5190 · Bank Fees                       | 4,318.81         | 5,625.00        |  | -1,306.19      |
| 5200 · Board of Directors              |                  |                 |  |                |
| 5210 · Board Meetings                  | 2,610.48         | 2,250.00        |  | 360.48         |
| 5220 · Director Fees                   | 3,075.00         | 2,999.97        |  | 75.03          |
| 5230 · Election Expenses               | 0.00             | 3,750.03        |  | -3,750.03      |
| <b>Total 5200 · Board of Directors</b> | 5,685.48         | 9,000.00        |  | -3,314.52      |
| 5250 · Conference Attendance           | 238.30           | 3,750.03        |  | -3,511.73      |
| 5270 · Information Systems             | 15,396.05        | 2,999.97        |  | 12,396.08      |
| 5300 · Insurance                       |                  |                 |  |                |
| 5310 · Fidelity Bond                   | 0.00             | 375.03          |  | -375.03        |
| 5320 · Property & Liability Insurance  | 0.00             | 1,500.03        |  | -1,500.03      |
| <b>Total 5300 · Insurance</b>          | 0.00             | 1,875.06        |  | -1,875.06      |
| 5350 · LAFCO Assessment                | 1,766.00         | 1,500.03        |  | 265.97         |
| 5400 · Legal                           |                  |                 |  |                |
| 5430 · General Legal                   | 49,152.71        | 309,375.00      |  | -260,222.29    |
| 5440 · Litigation                      | 43,370.20        |                 |  |                |
| <b>Total 5400 · Legal</b>              | 92,522.91        | 309,375.00      |  | -216,852.09    |
| 5510 · Maintenance, Office             | 3,337.71         | 6,000.03        |  | -2,662.32      |
| 5540 · Office Supplies                 | 4,231.28         | 6,000.03        |  | -1,768.75      |
| 5550 · Postage                         | 543.78           | 1,987.47        |  | -1,443.69      |
| 5560 · Printing & Publishing           | 619.85           | 3,750.03        |  | -3,130.18      |

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Sewer

July 2019 through March 2020

|  | Jul '19 - Mar 20  | Sewer<br>Budget   | \$ Over Budget     |
|--|-------------------|-------------------|--------------------|
| <b>5600 · Professional Services</b>          |                   |                   |                    |
| 5610 · Accounting                            | 27,225.00         | 22,500.00         | 4,725.00           |
| 5620 · Audit                                 | 8,150.00          | 9,749.97          | -1,599.97          |
| 5630 · Consulting                            | 34,532.12         | 26,250.03         | 8,282.09           |
| 5640 · Data Services                         | 0.00              | 4,650.03          | -4,650.03          |
| 5650 · Labor & HR Support                    | 2,135.00          | 1,874.97          | 260.03             |
| 5660 · Payroll Services                      | 749.71            | 749.97            | -0.26              |
| 5690 · Other Professional Services           | 3,350.00          |                   |                    |
| <b>Total 5600 · Professional Services</b>    | <b>76,141.83</b>  | <b>65,774.97</b>  | <b>10,366.86</b>   |
| <b>5710 · San Mateo Co. Tax Roll Charges</b> | <b>119.00</b>     | <b>749.97</b>     | <b>-630.97</b>     |
| 5720 · Telephone & Internet                  | 23,653.10         | 18,000.00         | 5,653.10           |
| 5730 · Mileage Reimbursement                 | 327.48            | 1,125.00          | -797.52            |
| 5740 · Reference Materials                   | 0.00              | 150.03            | -150.03            |
| 5790 · Other Administrative                  | -6.94             |                   |                    |
| <b>5800 · Labor</b>                          |                   |                   |                    |
| 5810 · CalPERS 457 Deferred Plan             | 16,009.56         | 12,751.47         | 3,258.09           |
| 5820 · Employee Benefits                     | 31,521.84         | 36,230.22         | -4,708.38          |
| 5830 · Disability Insurance                  | 1,274.94          | 1,050.75          | 224.19             |
| 5840 · Payroll Taxes                         | 11,656.46         | 13,934.97         | -2,278.51          |
| 5850 · PARS                                  | 12,642.06         | 12,365.28         | 276.78             |
| <b>5900 · Wages</b>                          |                   |                   |                    |
| 5910 · Management                            | 87,009.43         | 83,799.72         | 3,209.71           |
| 5920 · Staff                                 | 100,792.06        | 94,894.47         | 5,897.59           |
| 5930 · Staff Certification                   | 1,625.00          | 1,350.00          | 275.00             |
| 5940 · Staff Overtime                        | 1,538.68          | 2,115.72          | -577.04            |
| <b>Total 5900 · Wages</b>                    | <b>190,965.17</b> | <b>182,159.91</b> | <b>8,805.26</b>    |
| 5960 · Worker's Comp Insurance               | 1,402.20          | 4,104.72          | -2,702.52          |
| <b>Total 5800 · Labor</b>                    | <b>265,472.23</b> | <b>262,597.32</b> | <b>2,874.91</b>    |
| <b>Total 5000 · Administrative</b>           | <b>494,366.87</b> | <b>700,259.94</b> | <b>-205,893.07</b> |
| <b>6000 · Operations</b>                     |                   |                   |                    |
| 6170 · Claims, Property Damage               | 0.00              | 15,000.03         | -15,000.03         |
| 6195 · Education & Training                  | 0.00              | 749.97            | -749.97            |
| <b>6200 · Engineering</b>                    |                   |                   |                    |
| 6210 · Meeting Attendance, Engineering       | 0.00              | 1,500.03          | -1,500.03          |
| 6220 · General Engineering                   | 25,334.05         | 45,000.00         | -19,665.95         |
| <b>Total 6200 · Engineering</b>              | <b>25,334.05</b>  | <b>46,500.03</b>  | <b>-21,165.98</b>  |
| 6320 · Equipment & Tools, Expensed           | 0.00              | 749.97            | -749.97            |
| <b>6330 · Facilities</b>                     |                   |                   |                    |
| 6335 · Alarm Services                        | 4,456.56          | 4,275.00          | 181.56             |
| 6337 · Landscaping                           | 2,468.00          | 2,700.00          | -232.00            |
| <b>Total 6330 · Facilities</b>               | <b>6,924.56</b>   | <b>6,975.00</b>   | <b>-50.44</b>      |
| <b>6400 · Pumping</b>                        |                   |                   |                    |
| 6410 · Pumping Fuel & Electricity            | 31,116.67         | 33,750.00         | -2,633.33          |
| <b>Total 6400 · Pumping</b>                  | <b>31,116.67</b>  | <b>33,750.00</b>  | <b>-2,633.33</b>   |

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Sewer

July 2019 through March 2020

|  | Jul '19 - Mar 20 | Sewer<br>Budget | \$ Over Budget |
|--|------------------|-----------------|----------------|
| <b>6600 · Collection/Transmission</b>            |                  |                 |                |
| 6660 · Maintenance, Collection System            | 0.00             | 7,499.97        | -7,499.97      |
| <b>Total 6600 · Collection/Transmission</b>      | 0.00             | 7,499.97        | -7,499.97      |
| <b>6770 · Uniforms</b>                           | 125.80           |                 |                |
| <b>6800 · Vehicles</b>                           |                  |                 |                |
| 6810 · Fuel                                      | 800.82           | 749.97          | 50.85          |
| 6820 · Truck Equipment, Expensed                 | 439.03           | 119.97          | 319.06         |
| 6830 · Truck Repairs                             | 621.96           | 749.97          | -128.01        |
| <b>Total 6800 · Vehicles</b>                     | 1,861.81         | 1,619.91        | 241.90         |
| <b>6900 · Sewer Authority Midcoastside</b>       |                  |                 |                |
| 6910 · SAM Collections                           | 256,161.78       | 256,161.78      | 0.00           |
| 6920 · SAM Operations                            | 1,146,854.52     | 1,146,854.25    | 0.27           |
| 6940 · SAM Maintenance, Collection Sys           | 0.00             | 29,999.97       | -29,999.97     |
| 6950 · SAM Maintenance, Pumping                  | 83,260.22        | 37,500.03       | 45,760.19      |
| <b>Total 6900 · Sewer Authority Midcoastside</b> | 1,486,276.52     | 1,470,516.03    | 15,760.49      |
| <b>Total 6000 · Operations</b>                   | 1,551,639.41     | 1,583,360.91    | -31,721.50     |
| <b>Total Expense</b>                             | 2,046,006.28     | 2,283,620.85    | -237,614.57    |
| <b>Net Ordinary Income</b>                       | 24,575.87        | 169,363.24      | -144,787.37    |
| <b>Other Income/Expense</b>                      |                  |                 |                |
| <b>Other Income</b>                              |                  |                 |                |
| <b>7000 · Capital Account Revenues</b>           |                  |                 |                |
| <b>7100 · Connection Fees</b>                    |                  |                 |                |
| 7110 · Connection Fees (New Constr)              | 87,483.00        | 112,500.00      | -25,017.00     |
| 7120 · Connection Fees (Remodel)                 | 47,359.36        | 37,500.03       | 9,859.33       |
| <b>Total 7100 · Connection Fees</b>              | 134,842.36       | 150,000.03      | -15,157.67     |
| <b>7200 · Interest Income - LAIF</b>             | 82,213.62        | 37,500.03       | 44,713.59      |
| <b>Total 7000 · Capital Account Revenues</b>     | 217,055.98       | 187,500.06      | 29,555.92      |
| <b>Total Other Income</b>                        | 217,055.98       | 187,500.06      | 29,555.92      |
| <b>Other Expense</b>                             |                  |                 |                |
| <b>8000 · Capital Improvement Program</b>        |                  |                 |                |
| 8075 · Sewer                                     | 178,115.59       | 1,114,563.78    | -936,448.19    |
| <b>Total 8000 · Capital Improvement Program</b>  | 178,115.59       | 1,114,563.78    | -936,448.19    |

**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Sewer**  
 July 2019 through March 2020

|  | Jul '19 - Mar 20  | Sewer<br>Budget     | \$ Over Budget     |
|--|-------------------|---------------------|--------------------|
| 9000 · Capital Account Expenses              |                   |                     |                    |
| 9125 · PNC Equipment Lease Interest          | 12,802.44         | 11,415.78           | 1,386.66           |
| 9200 · I-Bank Loan                           | 0.00              | 16,936.47           | -16,936.47         |
| <b>Total 9000 · Capital Account Expenses</b> | <b>12,802.44</b>  | <b>28,352.25</b>    | <b>-15,549.81</b>  |
| <b>Total Other Expense</b>                   | <b>190,918.03</b> | <b>1,142,916.03</b> | <b>-951,998.00</b> |
| <b>Net Other Income</b>                      | <b>26,137.95</b>  | <b>-955,415.97</b>  | <b>981,553.92</b>  |
| <b>Net Income</b>                            | <b>50,713.82</b>  | <b>-786,052.73</b>  | <b>836,766.55</b>  |

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Water

July 2019 through March 2020

|  | Jul '19 - Mar 20    | Water<br>Budget     | \$ Over Budget    |
|--|---------------------|---------------------|-------------------|
| <b>Ordinary Income/Expense</b>         |                     |                     |                   |
| <b>Income</b>                          |                     |                     |                   |
| 4220 · Cell Tower Lease                | 28,379.34           | 27,749.97           | 629.37            |
| 4400 · Fees                            |                     |                     |                   |
| 4410 · Administrative Fee (New Constr) | 4,336.00            | 3,750.03            | 585.97            |
| 4420 · Administrative Fee (Remodel)    | 542.00              |                     |                   |
| 4430 · Inspection Fee (New Constr)     | 14,096.00           | 2,999.97            | 11,096.03         |
| 4440 · Inspection Fee (Remodel)        | 1,024.00            |                     |                   |
| 4450 · Mainline Extension Fees         | 0.00                | 2,250.00            | -2,250.00         |
| 4460 · Remodel Fees                    | 2,682.38            | 1,500.03            | 1,182.35          |
| 4470 · Other Fees                      | 4,400.40            |                     |                   |
| <b>Total 4400 · Fees</b>               | <b>27,080.78</b>    | <b>10,500.03</b>    | <b>16,580.75</b>  |
| 4510 · Grants                          | 112.00              |                     |                   |
| 4610 · Property Tax Receipts           | 290,129.33          | 137,500.00          | 152,629.33        |
| 4740 · Testing, Backflow               | 18,264.00           | 13,500.00           | 4,764.00          |
| 4810 · Water Sales, Domestic           | 1,460,645.38        | 1,460,250.00        | 395.38            |
| 4850 · Water Sales Refunds, Customer   | -2,258.33           | -2,250.00           | -8.33             |
| 4990 · Other Revenue                   | 56,396.30           |                     |                   |
| <b>Total Income</b>                    | <b>1,878,748.80</b> | <b>1,647,250.00</b> | <b>231,498.80</b> |
| <b>Gross Profit</b>                    | <b>1,878,748.80</b> | <b>1,647,250.00</b> | <b>231,498.80</b> |
| <b>Expense</b>                         |                     |                     |                   |
| 5000 · Administrative                  |                     |                     |                   |
| 5190 · Bank Fees                       | 833.69              | 2,812.50            | -1,978.81         |
| 5200 · Board of Directors              |                     |                     |                   |
| 5210 · Board Meetings                  | 2,610.46            | 2,999.97            | -389.51           |
| 5220 · Director Fees                   | 3,075.00            | 2,475.00            | 600.00            |
| <b>Total 5200 · Board of Directors</b> | <b>5,685.46</b>     | <b>5,474.97</b>     | <b>210.49</b>     |
| 5240 · CDPH Fees                       | 9,156.40            | 11,812.50           | -2,656.10         |
| 5250 · Conference Attendance           | 1,146.31            | 4,500.00            | -3,353.69         |
| 5270 · Information Systems             | 9,122.50            | 2,250.00            | 6,872.50          |
| 5300 · Insurance                       |                     |                     |                   |
| 5310 · Fidelity Bond                   | 0.00                | 375.03              | -375.03           |
| 5320 · Property & Liability Insurance  | 1,173.00            | 1,874.97            | -701.97           |
| <b>Total 5300 · Insurance</b>          | <b>1,173.00</b>     | <b>2,250.00</b>     | <b>-1,077.00</b>  |
| 5350 · LAFCO Assessment                | 2,465.00            | 2,062.53            | 402.47            |
| 5400 · Legal                           |                     |                     |                   |
| 5430 · General Legal                   | 80,465.97           | 173,250.00          | -92,784.03        |
| <b>Total 5400 · Legal</b>              | <b>80,465.97</b>    | <b>173,250.00</b>   | <b>-92,784.03</b> |
| 5510 · Maintenance, Office             | 5,137.45            | 6,000.03            | -862.58           |
| 5530 · Memberships                     | 26,275.16           | 18,000.00           | 8,275.16          |
| 5540 · Office Supplies                 | 4,231.11            | 6,000.03            | -1,768.92         |
| 5550 · Postage                         | 7,170.41            | 6,750.00            | 420.41            |
| 5560 · Printing & Publishing           | 1,474.47            | 2,250.00            | -775.53           |

**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Water**  
 July 2019 through March 2020

|  | Jul '19 - Mar 20  | Water<br>Budget     | \$ Over Budget     |
|--|-------------------|---------------------|--------------------|
| <b>5600 · Professional Services</b>          |                   |                     |                    |
| 5610 · Accounting                            | 27,225.00         | 22,500.00           | 4,725.00           |
| 5620 · Audit                                 | 8,150.00          | 9,749.97            | -1,599.97          |
| 5630 · Consulting                            | 40,925.51         | 74,999.97           | -34,074.46         |
| 5650 · Labor & HR Support                    | 2,135.00          | 1,874.97            | 260.03             |
| 5660 · Payroll Services                      | 749.60            | 749.97              | -0.37              |
| 5690 · Other Professional Services           | 2,750.00          |                     |                    |
| <b>Total 5600 · Professional Services</b>    | <b>81,935.11</b>  | <b>109,874.88</b>   | <b>-27,939.77</b>  |
| <b>5710 · San Mateo Co. Tax Roll Charges</b> | <b>119.00</b>     |                     |                    |
| 5720 · Telephone & Internet                  | 27,239.18         | 20,250.00           | 6,989.18           |
| 5730 · Mileage Reimbursement                 | 622.63            | 1,500.03            | -877.40            |
| 5740 · Reference Materials                   | 0.00              | 600.03              | -600.03            |
| 5790 · Other Administrative                  | 5,265.12          |                     |                    |
| <b>5800 · Labor</b>                          |                   |                     |                    |
| 5810 · CalPERS 457 Deferred Plan             | 32,065.32         | 32,426.28           | -360.96            |
| 5820 · Employee Benefits                     | 51,077.80         | 66,082.50           | -15,004.70         |
| 5830 · Disability Insurance                  | 2,564.82          | 2,600.28            | -35.46             |
| 5840 · Payroll Taxes                         | 31,344.05         | 36,796.50           | -5,452.45          |
| 5850 · PARS                                  | 24,879.51         | 28,226.97           | -3,347.46          |
| <b>5900 · Wages</b>                          |                   |                     |                    |
| 5910 · Management                            | 87,009.48         | 83,799.72           | 3,209.76           |
| 5920 · Staff                                 | 296,943.79        | 335,130.03          | -38,186.24         |
| 5930 · Staff Certification                   | 8,283.13          | 8,550.00            | -266.87            |
| 5940 · Staff Overtime                        | 37,110.20         | 36,078.75           | 1,031.45           |
| 5950 · Staff Standby                         | 19,210.56         | 17,436.78           | 1,773.78           |
| <b>Total 5900 · Wages</b>                    | <b>448,557.16</b> | <b>480,995.28</b>   | <b>-32,438.12</b>  |
| 5960 · Worker's Comp Insurance               | 6,953.68          | 17,493.03           | -10,539.35         |
| <b>Total 5800 · Labor</b>                    | <b>597,442.34</b> | <b>664,620.84</b>   | <b>-67,178.50</b>  |
| <b>Total 5000 · Administrative</b>           | <b>866,960.31</b> | <b>1,040,258.34</b> | <b>-173,298.03</b> |
| <b>6000 · Operations</b>                     |                   |                     |                    |
| 6160 · Backflow Prevention                   | 325.93            | 749.97              | -424.04            |
| 6170 · Claims, Property Damage               | 695.00            | 7,499.97            | -6,804.97          |
| 6180 · Communications                        |                   |                     |                    |
| 6185 · SCADA Maintenance                     | 163.85            | 9,749.97            | -9,586.12          |
| <b>Total 6180 · Communications</b>           | <b>163.85</b>     | <b>9,749.97</b>     | <b>-9,586.12</b>   |
| 6195 · Education & Training                  | 3,297.49          | 6,750.00            | -3,452.51          |
| <b>6200 · Engineering</b>                    |                   |                     |                    |
| 6210 · Meeting Attendance, Engineering       | 0.00              | 375.03              | -375.03            |
| 6220 · General Engineering                   | 21,562.36         | 22,500.00           | -937.64            |
| 6230 · Water Quality Engineering             | 118,115.31        | 262,500.03          | -144,384.72        |
| <b>Total 6200 · Engineering</b>              | <b>139,677.67</b> | <b>285,375.06</b>   | <b>-145,697.39</b> |
| 6320 · Equipment & Tools, Expensed           | 15,846.32         | 6,000.03            | 9,846.29           |

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Water

July 2019 through March 2020

|   | Water            |              |                |
|---|------------------|--------------|----------------|
|   | Jul '19 - Mar 20 | Budget       | \$ Over Budget |
| <b>6330 · Facilities</b>                    |                  |              |                |
| 6335 · Alarm Services                       | 538.56           | 600.03       | -61.47         |
| 6337 · Landscaping                          | 5,127.90         | 42,000.03    | -36,872.13     |
| <b>Total 6330 · Facilities</b>              | 5,666.46         | 42,600.06    | -36,933.60     |
| <b>6370 · Lab Supplies &amp; Equipment</b>  | 7,196.21         | 1,874.97     | 5,321.24       |
| 6380 · Meter Reading                        | 9.95             |              |                |
| <b>6400 · Pumping</b>                       |                  |              |                |
| 6410 · Pumping Fuel & Electricity           | 57,061.89        | 67,500.00    | -10,438.11     |
| 6420 · Pumping Maintenance, Generators      | 20,908.20        | 7,499.97     | 13,408.23      |
| 6430 · Pumping Maintenance, General         | 17.24            | 3,750.03     | -3,732.79      |
| 6440 · Pumping Equipment, Expensed          | 8,562.13         | 524.97       | 8,037.16       |
| <b>Total 6400 · Pumping</b>                 | 86,549.46        | 79,274.97    | 7,274.49       |
| <b>6500 · Supply</b>                        |                  |              |                |
| 6510 · Maintenance, Raw Water Mains         | 27.48            | 1,874.97     | -1,847.49      |
| 6520 · Maintenance, Wells                   | 10,635.88        | 3,750.03     | 6,885.85       |
| 6530 · Water Purchases                      | 21,585.05        | 29,999.97    | -8,414.92      |
| <b>Total 6500 · Supply</b>                  | 32,248.41        | 35,624.97    | -3,376.56      |
| <b>6600 · Collection/Transmission</b>       |                  |              |                |
| 6610 · Hydrants                             | 6,481.17         | 749.97       | 5,731.20       |
| 6620 · Maintenance, Water Mains             | 32,349.63        | 37,500.03    | -5,150.40      |
| 6630 · Maintenance, Water Svc Lines         | 3,519.11         | 15,000.03    | -11,480.92     |
| 6640 · Maintenance, Tanks                   | 4,146.03         | 749.97       | 3,396.06       |
| 6650 · Maint., Distribution General         | 10,828.95        | 6,000.03     | 4,828.92       |
| 6670 · Meters                               | 6,253.45         | 1,874.97     | 4,378.48       |
| <b>Total 6600 · Collection/Transmission</b> | 63,578.34        | 61,875.00    | 1,703.34       |
| <b>6700 · Treatment</b>                     |                  |              |                |
| 6710 · Chemicals & Filtering                | 38,989.15        | 15,000.03    | 23,989.12      |
| 6720 · Maintenance, Treatment Equip.        | 12,611.19        | 15,000.03    | -2,388.84      |
| 6730 · Treatment Analysis                   | 16,659.76        | 33,750.00    | -17,090.24     |
| <b>Total 6700 · Treatment</b>               | 68,260.10        | 63,750.06    | 4,510.04       |
| <b>6770 · Uniforms</b>                      | 3,482.54         | 1,500.03     | 1,982.51       |
| <b>6800 · Vehicles</b>                      |                  |              |                |
| 6810 · Fuel                                 | 4,537.97         | 7,499.97     | -2,962.00      |
| 6820 · Truck Equipment, Expensed            | 2,487.82         | 749.97       | 1,737.85       |
| 6830 · Truck Repairs                        | 3,524.44         | 3,750.03     | -225.59        |
| <b>Total 6800 · Vehicles</b>                | 10,550.23        | 11,999.97    | -1,449.74      |
| <b>Total 6000 · Operations</b>              | 437,547.96       | 614,625.03   | -177,077.07    |
| <b>Total Expense</b>                        | 1,304,508.27     | 1,654,883.37 | -350,375.10    |
| <b>Net Ordinary Income</b>                  | 574,240.53       | -7,633.37    | 581,873.90     |

## Montara Water & Sanitary District Revenue & Expenditures Budget vs. Actual - Water

July 2019 through March 2020

|   | Jul '19 - Mar 20  | Water<br>Budget   | \$ Over Budget     |
|---|-------------------|-------------------|--------------------|
| <b>Other Income/Expense</b>                     |                   |                   |                    |
| <b>Other Income</b>                             |                   |                   |                    |
| <b>7000 · Capital Account Revenues</b>          |                   |                   |                    |
| <b>7100 · Connection Fees</b>                   |                   |                   |                    |
| 7110 · Connection Fees (New Constr)             | 100,608.44        | 112,500.00        | -11,891.56         |
| 7130 · Conn. Fees, PFP (New Constr)             | 57,430.11         | 97,499.97         | -40,069.86         |
| <b>Total 7100 · Connection Fees</b>             | 158,038.55        | 209,999.97        | -51,961.42         |
| <b>7600 · Bond Revenues, G.O.</b>               | 658,608.53        | 862,827.03        | -204,218.50        |
| <b>Total 7000 · Capital Account Revenues</b>    | 816,647.08        | 1,072,827.00      | -256,179.92        |
| <b>Total Other Income</b>                       | 816,647.08        | 1,072,827.00      | -256,179.92        |
| <b>Other Expense</b>                            |                   |                   |                    |
| <b>8000 · Capital Improvement Program</b>       |                   |                   |                    |
| 8100 · Water                                    | 827,057.64        | 412,125.03        | 414,932.61         |
| <b>Total 8000 · Capital Improvement Program</b> | 827,057.64        | 412,125.03        | 414,932.61         |
| <b>9000 · Capital Account Expenses</b>          |                   |                   |                    |
| 9100 · Interest Expense - GO Bonds              | 230,538.67        | 172,904.22        | 57,634.45          |
| 9125 · PNC Equipment Lease Interest             | 12,802.47         | 11,415.78         | 1,386.69           |
| 9150 · SRF Loan                                 | 163,905.22        | 54,654.75         | 109,250.47         |
| 9200 · I-Bank Loan                              | 11,062.63         |                   |                    |
| 9210 · Conservation Program/Rebates             | 1,350.00          | 2,250.00          | -900.00            |
| <b>Total 9000 · Capital Account Expenses</b>    | 419,658.99        | 241,224.75        | 178,434.24         |
| <b>Total Other Expense</b>                      | 1,246,716.63      | 653,349.78        | 593,366.85         |
| <b>Net Other Income</b>                         | -430,069.55       | 419,477.22        | -849,546.77        |
| <b>Net Income</b>                               | <b>144,170.98</b> | <b>411,843.85</b> | <b>-267,672.87</b> |

## Montara Water &amp; Sanitary District

## Balance Sheet

04/12/20

As of March 31, 2020

Accrual Basis

|  | Mar 31, 20          |
|--|---------------------|
| <b>ASSETS</b>                            |                     |
| <b>Current Assets</b>                    |                     |
| <b>Checking/Savings</b>                  |                     |
| <b>Sewer - Bank Accounts</b>             |                     |
| Wells Fargo Operating - Sewer            | 1,046,480.62        |
| <b>LAIF Investment Fund</b>              |                     |
| Capital Reserve                          | 3,947,359.67        |
| Connection Fees Reserve                  | 194,600.00          |
| Operating Reserve                        | 406,882.00          |
| <b>Total LAIF Investment Fund</b>        | <b>4,548,841.67</b> |
| <b>Total Sewer - Bank Accounts</b>       | <b>5,595,322.29</b> |
| <b>Water - Bank Accounts</b>             |                     |
| Wells Fargo Operating - Water            | 668,495.08          |
| Capital Reserve                          | 398,249.00          |
| Operating Reserve                        | 46,009.00           |
| SRF Reserve                              | 48,222.00           |
| <b>Restricted Cash</b>                   |                     |
| Connection Fees Reserve                  | 253,020.00          |
| GO Bonds Fund                            | 955,681.63          |
| <b>Total Restricted Cash</b>             | <b>1,208,701.63</b> |
| <b>Total Water - Bank Accounts</b>       | <b>2,369,676.71</b> |
| <b>Total Checking/Savings</b>            | <b>7,964,999.00</b> |
| <b>Accounts Receivable</b>               |                     |
| <b>Sewer - Accounts Receivable</b>       |                     |
| Accounts Receivable                      | -1,785.11           |
| Sewer - Accounts Receivable - Other      | -10,061.79          |
| <b>Total Sewer - Accounts Receivable</b> | <b>-11,846.90</b>   |
| <b>Water - Accounts Receivable</b>       |                     |
| Accounts Receivable                      | 4,836.93            |
| Accounts Rec. - Backflow                 | 16,820.11           |
| Accounts Rec. - Water Residents          | 171,748.89          |
| Unbilled Water Receivables               | 258,319.70          |
| <b>Total Water - Accounts Receivable</b> | <b>451,725.63</b>   |
| <b>Total Accounts Receivable</b>         | <b>439,878.73</b>   |
| <b>Other Current Assets</b>              |                     |
| Due from Kathryn Slater-Carter           | 614.62              |
| Maint/Parts Inventory                    | 42,656.32           |
| <b>Total Other Current Assets</b>        | <b>43,270.94</b>    |
| <b>Total Current Assets</b>              | <b>8,448,148.67</b> |
| <b>Fixed Assets</b>                      |                     |
| <b>Sewer - Fixed Assets</b>              |                     |
| General Plant                            | 6,161,441.87        |
| Land                                     | 5,000.00            |
| <b>Other Capital Improv.</b>             |                     |
| Sewer-Original Cost                      | 685,599.18          |
| Other Cap. Improv.                       | 2,564,810.39        |
| <b>Total Other Capital Improv.</b>       | <b>3,250,409.57</b> |
| Seal Cove Collection System              | 995,505.00          |
| <b>Sewage Collection Facility</b>        |                     |
| Collection Facility - Org. Cost          | 1,349,064.00        |
| Collection Facility - Other              | 3,991,243.33        |
| <b>Total Sewage Collection Facility</b>  | <b>5,340,307.33</b> |

## Montara Water &amp; Sanitary District

## Balance Sheet

As of March 31, 2020

|  | <u>Mar 31, 20</u>    |
|--|----------------------|
| Treatment Facility                       | 244,539.84           |
| Accumulated Depreciation                 | -8,871,583.00        |
| <b>Total Sewer - Fixed Assets</b>        | <b>7,125,620.61</b>  |
| <b>Water - Fixed Assets</b>              |                      |
| General Plant                            | 27,314,280.48        |
| Land & Easements                         | 734,500.00           |
| Surface Water Rights                     | 300,000.00           |
| Water Meters                             | 1,058,985.00         |
| Fixed Assets - Other                     | 48,171.78            |
| Accumulated Depreciation                 | -11,800,511.00       |
| <b>Total Water - Fixed Assets</b>        | <b>17,655,426.26</b> |
| <b>Total Fixed Assets</b>                | <b>24,781,046.87</b> |
| <b>Other Assets</b>                      |                      |
| <b>Sewer - Other Assets</b>              |                      |
| Def'd Amts Related to Pensions           | 92,939.00            |
| Joint Power Authority                    |                      |
| SAM - Orig Collection Facility           | 981,592.00           |
| SAM - Expansion                          | 1,705,955.08         |
| <b>Total Joint Power Authority</b>       | <b>2,687,547.08</b>  |
| <b>Total Sewer - Other Assets</b>        | <b>2,780,486.08</b>  |
| <b>Water - Other Assets</b>              |                      |
| Def'd Amts Related to Pensions           | 174,114.00           |
| Due from Sewer                           | 290,312.00           |
| Bond Acquisition Cost OID                | 42,978.40            |
| Bond Issue Cost                          | 46,268.60            |
| <b>Total Water - Other Assets</b>        | <b>553,673.00</b>    |
| <b>Total Other Assets</b>                | <b>3,334,159.08</b>  |
| <b>TOTAL ASSETS</b>                      | <b>36,563,354.62</b> |
| <b>LIABILITIES &amp; EQUITY</b>          |                      |
| <b>Liabilities</b>                       |                      |
| <b>Current Liabilities</b>               |                      |
| <b>Accounts Payable</b>                  |                      |
| Accounts Payable - Sewer                 | 95,188.34            |
| Accounts Payable - Water                 | 166,969.06           |
| <b>Total Accounts Payable</b>            | <b>262,157.40</b>    |
| <b>Other Current Liabilities</b>         |                      |
| Water - Net Pension Liability            | -60,375.00           |
| Sewer - Net Pension Liability            | -32,045.00           |
| <b>Sewer - Current Liabilities</b>       |                      |
| Accrued Vacations                        | 5,943.33             |
| Deposits Payable                         | 27,592.13            |
| I-Bank Loan - Current                    | 29,929.31            |
| Interest Payable                         | 10,265.32            |
| PNC Equip. Loan - S/T                    | 9,701.02             |
| <b>Total Sewer - Current Liabilities</b> | <b>83,431.11</b>     |

## Montara Water &amp; Sanitary District

## Balance Sheet

04/12/20

As of March 31, 2020

Accrual Basis

|  | Mar 31, 20    |
|--|---------------|
| <b>Water - Current Liabilities</b>         |               |
| Accrued Vacations                          | 15,964.24     |
| Deposits Payable                           | 2,309.09      |
| Interest Payable                           | 98,256.59     |
| PFP Water Deposits                         | 4,302.50      |
| PNC Equip. Loan - S/T                      | 9,700.98      |
| SRF Loan Payable X102 - Current            | 42,901.29     |
| SRF Loan Payable X109 - Current            | 168,622.04    |
| Temporary Construction Meter               | 14,180.52     |
| <b>Total Water - Current Liabilities</b>   | 356,237.25    |
| <b>Payroll Liabilities</b>                 |               |
| Employee Benefits Payable                  | 6,801.00      |
| <b>Total Payroll Liabilities</b>           | 6,801.00      |
| <b>Total Other Current Liabilities</b>     | 354,049.36    |
| <b>Total Current Liabilities</b>           | 616,206.76    |
| <b>Long Term Liabilities</b>               |               |
| <b>Sewer - Long Term Liabilities</b>       |               |
| Due to Water Fund                          | 290,312.00    |
| Accrued Vacations                          | 10,294.06     |
| I-Bank Loan                                | 725,417.82    |
| PNC Equip. Loan - L/T                      | 484,682.77    |
| <b>Total Sewer - Long Term Liabilities</b> | 1,510,706.65  |
| <b>Water - Long Term Liabilities</b>       |               |
| Accrued Vacations                          | 11,967.24     |
| Deferred on Refunding                      | -169,190.00   |
| GO Bonds - L/T                             | 8,785,232.11  |
| PNC Equip. Loan - L/T                      | 484,682.83    |
| SRF Loan Payable - X102                    | -0.66         |
| SRF Loan Payable - X109                    | 3,047,628.79  |
| <b>Total Water - Long Term Liabilities</b> | 12,160,320.31 |
| <b>Deferred Inflows (Pensions)</b>         |               |
| Sewer                                      | 20,838.00     |
| Water                                      | 39,012.00     |
| <b>Total Deferred Inflows (Pensions)</b>   | 59,850.00     |
| <b>Total Long Term Liabilities</b>         | 13,730,876.96 |
| <b>Total Liabilities</b>                   | 14,347,083.72 |
| <b>Equity</b>                              |               |
| <b>Sewer - Equity Accounts</b>             |               |
| Capital Assets Net                         | 3,408,252.20  |
| Fund Balance - Unrestricted                | 8,646,292.87  |
| Retained Earnings                          | 42,547.87     |
| <b>Total Sewer - Equity Accounts</b>       | 12,097,092.94 |
| <b>Water - Equity Accounts</b>             |               |
| Capital Assets Net                         | 2,868,858.70  |
| Restricted Debt Service                    | 1,384,997.90  |
| Unrestricted                               | -1,562,801.59 |
| Retained Earnings                          | -42,547.87    |
| <b>Total Water - Equity Accounts</b>       | 2,648,507.14  |

**Montara Water & Sanitary District**  
**Balance Sheet**  
As of March 31, 2020

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|                                       | <u>Mar 31, 20</u>           |
|---------------------------------------|-----------------------------|
| Equity Adjustment Account             | 7,275,786.02                |
| Net Income                            | 194,884.80                  |
| <b>Total Equity</b>                   | <u>22,216,270.90</u>        |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <u><u>36,563,354.62</u></u> |

**Montara Water & Sanitary District**  
**Restricted and Non Restricted Cash Assets**  
**July 2019 through June 2020**

**Assets and Reserves Information**

| Year to Date Cash Information      | July                | August              | September           | October             | November            | December            | January             | February            | March               | April | May | June | Target Reserves | \$ Over/(Under) Targets | % Over/Under Targets |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------|-----|------|-----------------|-------------------------|----------------------|
| <b>Sewer - Operations</b>          |                     |                     |                     |                     |                     |                     |                     |                     |                     |       |     |      |                 |                         |                      |
| Wells Fargo Operating - Sewer      | 1,187,446.23        | 958,547.87          | 731,831.78          | 410,053.97          | 498,542.18          | 2,286,080.52        | 1,531,279.28        | 1,555,409.43        | 1,046,480.62        |       |     |      |                 |                         |                      |
| <b>Sewer - Reserve Accounts</b>    |                     |                     |                     |                     |                     |                     |                     |                     |                     |       |     |      |                 |                         |                      |
| LAIF -                             |                     |                     |                     |                     |                     |                     |                     |                     |                     |       |     |      |                 |                         |                      |
| Capital Reserve                    | 3,893,688.18        | 3,893,688.18        | 3,893,688.18        | 3,921,377.10        | 3,921,377.10        | 3,921,377.10        | 3,947,359.67        | 3,947,359.67        | 3,947,359.67        |       |     |      | 2,589,500.00    | 1,304,188.18            | 150%                 |
| Connection Fees Reserve            | 194,600.00          | 194,600.00          | 194,600.00          | 194,600.00          | 194,600.00          | 194,600.00          | 194,600.00          | 194,600.00          | 194,600.00          |       |     |      | 194,600.00      | -                       | 100%                 |
| Operating Reserve                  | 406,882.00          | 406,882.00          | 406,882.00          | 406,882.00          | 406,882.00          | 406,882.00          | 406,882.00          | 406,882.00          | 406,882.00          |       |     |      | 406,882.00      | -                       | 100%                 |
| Sub-total                          | 4,495,170.18        | 4,495,170.18        | 4,495,170.18        | 4,522,859.10        | 4,522,859.10        | 4,522,859.10        | 4,548,841.67        | 4,548,841.67        | 4,548,841.67        | -     | -   | -    |                 |                         |                      |
| <b>Water - Operations</b>          |                     |                     |                     |                     |                     |                     |                     |                     |                     |       |     |      |                 |                         |                      |
| Wells Fargo Operating - Water      | 1,053,121.02        | 1,067,125.08        | 1,082,273.73        | 1,097,201.83        | 612,797.42          | 627,029.30          | 642,109.43          | 655,072.36          | 668,495.08          |       |     |      |                 |                         |                      |
| <b>Water - Reserve Accounts</b>    |                     |                     |                     |                     |                     |                     |                     |                     |                     |       |     |      |                 |                         |                      |
| Wells Fargo Bank-                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |       |     |      |                 |                         |                      |
| Capital Reserve                    | 398,249.00          | 398,249.00          | 398,249.00          | 398,249.00          | 398,249.00          | 398,249.00          | 398,249.00          | 398,249.00          | 398,249.00          |       |     |      | 945,817.00      | (547,568.00)            | 42%                  |
| Connection Fees Reserve            | 253,020.00          | 253,020.00          | 253,020.00          | 253,020.00          | 253,020.00          | 253,020.00          | 253,020.00          | 253,020.00          | 253,020.00          |       |     |      | 253,020.00      | -                       | 100%                 |
| SRF Reserve                        | 48,222.00           | 48,222.00           | 48,222.00           | 48,222.00           | 48,222.00           | 48,222.00           | 48,222.00           | 48,222.00           | 48,222.00           |       |     |      | 48,222.00       | -                       | 100%                 |
| Operating Reserve                  | 46,009.00           | 46,009.00           | 46,009.00           | 46,009.00           | 46,009.00           | 46,009.00           | 46,009.00           | 46,009.00           | 46,009.00           |       |     |      | 277,745.00      | (231,736.00)            | 17%                  |
| Sub-total                          | 745,500.00          | 745,500.00          | 745,500.00          | 745,500.00          | 745,500.00          | 745,500.00          | 745,500.00          | 745,500.00          | 745,500.00          | -     | -   | -    |                 |                         |                      |
| <b>Water - Restricted accounts</b> |                     |                     |                     |                     |                     |                     |                     |                     |                     |       |     |      |                 |                         |                      |
| First Republic Bank - Water        |                     |                     |                     |                     |                     |                     |                     |                     |                     |       |     |      |                 |                         |                      |
| Acquisition & Improvement Fund     | -                   |                     |                     |                     |                     |                     |                     |                     |                     |       |     |      |                 |                         |                      |
| Cost of issuance                   | -                   |                     |                     |                     |                     |                     |                     |                     |                     |       |     |      |                 |                         |                      |
| GO Bonds Fund                      | 1,406,233.55        | 1,447,509.18        | 874,341.24          | 874,341.24          | 875,737.43          | 896,853.63          | 1,457,563.78        | 1,459,915.79        | 955,681.63          |       |     |      |                 |                         |                      |
| Sub-total                          | 1,406,233.55        | 1,447,509.18        | 874,341.24          | 874,341.24          | 875,737.43          | 896,853.63          | 1,457,563.78        | 1,459,915.79        | 955,681.63          | -     | -   | -    |                 |                         |                      |
| Total Cash and equivalents         | <b>8,887,470.98</b> | <b>8,713,852.31</b> | <b>7,929,116.93</b> | <b>7,649,956.14</b> | <b>7,255,436.13</b> | <b>9,078,322.55</b> | <b>8,925,294.16</b> | <b>8,964,739.25</b> | <b>7,964,999.00</b> | -     | -   | -    |                 |                         |                      |

**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Sewer**  
July 2019 through June 2020

|  |           |          |           |           |           |              |           |            |           |        |        |        | TOTAL            |              |                |             |
|--|-----------|----------|-----------|-----------|-----------|--------------|-----------|------------|-----------|--------|--------|--------|------------------|--------------|----------------|-------------|
|  | Jul 19    | Aug 19   | Sep 19    | Oct 19    | Nov 19    | Dec 19       | Jan 20    | Feb 20     | Mar 20    | Apr 20 | May 20 | Jun 20 | Jul '19 - Jun 20 | Budget       | \$ Over Budget | % of Budget |
| <b>Ordinary Income/Expense</b>         |           |          |           |           |           |              |           |            |           |        |        |        |                  |              |                |             |
| <b>Income</b>                          |           |          |           |           |           |              |           |            |           |        |        |        |                  |              |                |             |
| 4220 · Cell Tower Lease                | 3,153.26  | 3,153.26 | 3,153.26  | 3,153.26  | 3,153.26  | 3,153.26     | 3,153.26  | 3,153.26   | 3,153.26  |        |        |        | 28,379.34        | 30,833.34    | -2,454.00      | 92.04%      |
| 4400 · Fees                            |           |          |           |           |           |              |           |            |           |        |        |        |                  |              |                |             |
| 4410 · Administrative Fee (New Constr) |           | 1,084.00 | 1,084.00  |           | 542.00    |              | 542.00    |            | 542.00    |        |        |        | 3,794.00         | 3,000.00     | 794.00         | 126.47%     |
| 4420 · Administrative Fee (Remodel)    |           |          |           |           | 542.00    |              |           |            |           |        |        |        | 542.00           | 1,666.66     | -1,124.66      | 32.52%      |
| 4430 · Inspection Fee (New Constr)     |           | 1,024.00 | 1,024.00  |           | 512.00    |              | 512.00    |            | 512.00    |        |        |        | 3,584.00         | 2,916.66     | 667.34         | 122.88%     |
| 4440 · Inspection Fee (Remodel)        |           |          |           |           | 512.00    |              |           |            |           |        |        |        | 512.00           | 3,333.34     | -2,821.34      | 15.36%      |
| 4460 · Remodel Fees                    |           | 114.00   | 542.00    |           |           |              | 271.00    | 651.00     | 661.00    |        |        |        | 2,239.00         | 6,666.66     | -4,427.66      | 33.59%      |
| <b>Total 4400 · Fees</b>               |           | 2,222.00 | 2,650.00  |           | 2,108.00  |              | 1,325.00  | 651.00     | 1,715.00  |        |        |        | 10,671.00        | 17,583.32    | -6,912.32      | 60.69%      |
| 4510 · Grants                          | 112.00    |          |           |           |           |              |           |            |           |        |        |        | 112.00           |              |                |             |
| 4610 · Property Tax Receipts           |           | 853.45   | 61,790.13 | 330.21    | 10,325.04 | 117,962.78   | 78,150.07 | 20,095.38  | 622.33    |        |        |        | 290,129.39       | 137,500.00   | 152,629.39     | 211.0%      |
| 4710 · Sewer Service Charges           | 496.20    |          |           |           |           | 1,544,087.78 |           | 183,658.85 |           |        |        |        | 1,728,242.83     | 2,508,510.00 | -780,267.17    | 68.9%       |
| 4720 · Sewer Service Refunds, Customer | -5,729.85 | -367.36  |           |           |           | -147.50      |           |            |           |        |        |        | -6,244.71        | -3,333.34    | -2,911.37      | 187.34%     |
| 4760 · Waste Collection Revenues       | 1,416.21  | 2,888.11 | 997.86    | 2,852.02  | 979.34    | 2,710.71     | 1,261.90  | 3,052.26   | 1,143.83  |        |        |        | 17,302.24        | 19,166.66    | -1,864.42      | 90.27%      |
| 4990 · Other Revenue                   |           | 16.75    |           |           | 16.07     |              |           |            | 1,957.24  |        |        |        | 1,990.06         |              |                |             |
| <b>Total Income</b>                    | -552.18   | 8,766.21 | 68,591.25 | 6,335.49  | 16,581.71 | 1,667,767.03 | 83,890.23 | 210,610.75 | 8,591.66  |        |        |        | 2,070,582.15     | 2,710,259.98 | -639,677.83    | 76.4%       |
| <b>Gross Profit</b>                    | -552.18   | 8,766.21 | 68,591.25 | 6,335.49  | 16,581.71 | 1,667,767.03 | 83,890.23 | 210,610.75 | 8,591.66  |        |        |        | 2,070,582.15     | 2,710,259.98 | -639,677.83    | 76.4%       |
| <b>Expense</b>                         |           |          |           |           |           |              |           |            |           |        |        |        |                  |              |                |             |
| 5000 · Administrative                  |           |          |           |           |           |              |           |            |           |        |        |        |                  |              |                |             |
| 5190 · Bank Fees                       | 406.59    | 390.24   | 481.27    | 382.98    | 585.56    | 432.25       | 430.49    | 517.24     | 692.19    |        |        |        | 4,318.81         | 6,250.00     | -1,931.19      | 69.1%       |
| 5200 · Board of Directors              |           |          |           |           |           |              |           |            |           |        |        |        |                  |              |                |             |
| 5210 · Board Meetings                  |           | 670.96   | 296.48    | 490.32    | 14.97     | 461.98       | 322.46    | 15.64      | 337.67    |        |        |        | 2,610.48         | 2,500.00     | 110.48         | 104.42%     |
| 5220 · Director Fees                   |           | 225.00   | 337.50    | 337.50    | 562.50    | 187.50       | 450.00    | 637.50     | 337.50    |        |        |        | 3,075.00         | 3,333.34     | -258.34        | 92.25%      |
| 5230 · Election Expenses               |           |          |           |           |           |              |           |            |           |        |        |        |                  | 4,166.66     | -4,166.66      |             |
| <b>Total 5200 · Board of Directors</b> |           | 895.96   | 633.98    | 827.82    | 577.47    | 649.48       | 772.46    | 653.14     | 675.17    |        |        |        | 5,685.48         | 10,000.00    | -4,314.52      | 56.86%      |
| 5250 · Conference Attendance           |           |          | 35.00     |           |           |              | 203.30    |            |           |        |        |        | 238.30           | 4,166.66     | -3,928.36      | 5.72%       |
| 5270 · Information Systems             |           | 974.50   | 6,273.55  | 639.00    |           | 300.00       |           |            | 7,209.00  |        |        |        | 15,396.05        | 3,333.34     | 12,062.71      | 461.88%     |
| 5300 · Insurance                       |           |          |           |           |           |              |           |            |           |        |        |        |                  |              |                |             |
| 5310 · Fidelity Bond                   |           |          |           |           |           |              |           |            |           |        |        |        |                  | 416.66       | -416.66        |             |
| 5320 · Property & Liability Insurance  |           |          |           |           |           |              |           |            |           |        |        |        |                  | 1,666.66     | -1,666.66      |             |
| <b>Total 5300 · Insurance</b>          |           |          |           |           |           |              |           |            |           |        |        |        |                  | 2,083.32     | -2,083.32      |             |
| 5350 · LAFCO Assessment                |           |          |           |           |           |              |           |            | 1,766.00  |        |        |        | 1,766.00         | 1,666.66     | 99.34          | 105.96%     |
| 5400 · Legal                           |           |          |           |           |           |              |           |            |           |        |        |        |                  |              |                |             |
| 5420 · Meeting Attendance, Legal       |           |          |           |           |           |              |           |            |           |        |        |        |                  |              |                |             |
| 5430 · General Legal                   |           |          |           | 5,882.50  | 4,514.00  |              | 8,965.26  | 8,386.88   | 21,404.07 |        |        |        | 49,152.71        | 343,750.00   | -294,597.29    | 14.3%       |
| 5440 · Litigation                      |           | 80.00    | 13,178.95 | 5,100.00  | 3,295.00  | 16,181.25    |           | 2,985.00   | 2,550.00  |        |        |        | 43,370.20        |              |                |             |
| <b>Total 5400 · Legal</b>              |           | 80.00    | 13,178.95 | 10,982.50 | 7,809.00  | 16,181.25    | 8,965.26  | 11,371.88  | 23,954.07 |        |        |        | 92,522.91        | 343,750.00   | -251,227.09    | 26.92%      |
| 5510 · Maintenance, Office             |           | 260.00   | 284.23    | 160.00    | 379.25    | 447.03       | 100.00    | 1,297.20   | 410.00    |        |        |        | 3,337.71         | 6,666.66     | -3,328.95      | 50.07%      |
| 5540 · Office Supplies                 |           | 870.19   | 391.66    | 26.52     | 439.29    | 224.73       | 457.47    | 706.55     | 1,114.87  |        |        |        | 4,231.28         | 6,666.66     | -2,435.38      | 63.47%      |
| 5550 · Postage                         |           |          | 78.03     | 154.85    | 154.85    | 78.02        |           |            | 78.03     |        |        |        | 543.78           | 2,208.34     | -1,664.56      | 24.62%      |
| 5560 · Printing & Publishing           |           | 36.97    | 56.86     | 34.97     | 25.30     | 89.32        | 50.24     | 119.51     | 206.68    |        |        |        | 619.85           | 4,166.66     | -3,546.81      | 14.88%      |
| 5600 · Professional Services           |           |          |           |           |           |              |           |            |           |        |        |        |                  |              |                |             |

**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Sewer**  
July 2019 through June 2020

|   |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        | TOTAL             |                   |                    |                |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------|--------|--------|-------------------|-------------------|--------------------|----------------|
|   | Jul 19           | Aug 19           | Sep 19           | Oct 19           | Nov 19           | Dec 19           | Jan 20           | Feb 20           | Mar 20           | Apr 20 | May 20 | Jun 20 | Jul '19 - Jun 20  | Budget            | \$ Over Budget     | % of Budget    |
| 5610 · Accounting                         |                  | 5,150.00         | 4,750.00         |                  | 4,450.00         | 1,850.00         | 3,250.00         | 3,525.00         | 4,250.00         |        |        |        | 27,225.00         | 25,000.00         | 2,225.00           | 108.9%         |
| 5620 · Audit                              |                  |                  |                  |                  |                  |                  | 8,150.00         |                  |                  |        |        |        | 8,150.00          | 10,833.34         | -2,683.34          | 75.23%         |
| 5630 · Consulting                         |                  | 1,093.75         | 806.59           |                  | 3,669.58         | 5,996.90         | 3,456.63         | 5,386.72         | 14,121.95        |        |        |        | 34,532.12         | 29,166.66         | 5,365.46           | 118.4%         |
| 5640 · Data Services                      |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                   | 5,166.66          | -5,166.66          |                |
| 5650 · Labor & HR Support                 | 213.50           | 213.50           | 213.50           | 213.50           | 213.50           | 213.50           | 213.50           | 213.50           | 427.00           |        |        |        | 2,135.00          | 2,083.34          | 51.66              | 102.48%        |
| 5660 · Payroll Services                   | 76.98            | 75.82            | 76.98            | 76.98            | 74.66            | 74.66            | 144.31           | 74.66            | 74.66            |        |        |        | 749.71            | 833.34            | -83.63             | 89.96%         |
| 5690 · Other Professional Services        |                  |                  |                  |                  |                  |                  |                  |                  | 3,350.00         |        |        |        | 3,350.00          |                   |                    |                |
| <b>Total 5600 · Professional Services</b> | <b>290.48</b>    | <b>6,533.07</b>  | <b>5,847.07</b>  | <b>290.48</b>    | <b>8,407.74</b>  | <b>8,135.06</b>  | <b>15,214.44</b> | <b>9,199.88</b>  | <b>22,223.61</b> |        |        |        | <b>76,141.83</b>  | <b>73,083.34</b>  | <b>3,058.49</b>    | <b>104.19%</b> |
| 5710 · San Mateo Co. Tax Roll Charges     |                  |                  |                  |                  | 119.00           |                  |                  |                  |                  |        |        |        | 119.00            | 833.34            | -714.34            | 14.28%         |
| 5720 · Telephone & Internet               |                  | 2,371.37         | 2,543.97         | 2,564.49         | 2,695.90         | 2,834.20         | 2,678.71         | 2,708.89         | 5,255.57         |        |        |        | 23,653.10         | 20,000.00         | 3,653.10           | 118.27%        |
| 5730 · Mileage Reimbursement              |                  |                  |                  | 127.99           |                  |                  |                  | 199.49           |                  |        |        |        | 327.48            | 1,250.00          | -922.52            | 26.2%          |
| 5740 · Reference Materials                |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                   | 166.66            | -166.66            |                |
| 5790 · Other Administrative               |                  |                  |                  |                  |                  | 7.85             |                  |                  | -14.79           |        |        |        | -6.94             |                   |                    |                |
| 5800 · Labor                              |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                   |                   |                    |                |
| 5810 · CalPERS 457 Deferred Plan          | 1,400.50         | 1,381.21         | 1,377.12         | 1,427.01         | 1,365.08         | 1,381.38         | 1,408.77         | 4,875.27         | 1,393.22         |        |        |        | 16,009.56         | 14,168.34         | 1,841.22           | 113.0%         |
| 5820 · Employee Benefits                  |                  | 3,908.30         | 3,908.30         | 3,908.30         | 3,908.30         | 3,972.16         | 3,972.16         | 3,972.16         | 3,972.16         |        |        |        | 31,521.84         | 40,255.84         | -8,734.00          | 78.3%          |
| 5830 · Disability Insurance               |                  | 141.66           | 283.32           |                  | 283.32           |                  | 141.66           | 141.66           | 283.32           |        |        |        | 1,274.94          | 1,167.50          | 107.44             | 109.2%         |
| 5840 · Payroll Taxes                      | 1,445.79         | 1,008.14         | 1,005.49         | 1,065.47         | 995.25           | 907.73           | 1,587.05         | 2,094.71         | 1,546.83         |        |        |        | 11,656.46         | 15,483.34         | -3,826.88          | 75.28%         |
| 5850 · PARS                               | 1,374.15         | 1,345.19         | 1,311.49         | 1,378.85         | 1,311.51         | 1,345.16         | 1,378.83         | 1,833.42         | 1,363.46         |        |        |        | 12,642.06         | 13,739.16         | -1,097.10          | 92.02%         |
| 5900 · Wages                              |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                   |                   |                    |                |
| 5910 · Management                         | 8,746.24         | 8,746.24         | 8,746.24         | 8,746.24         | 8,746.24         | 8,746.24         | 8,746.24         | 16,775.09        | 9,010.66         |        |        |        | 87,009.43         | 93,110.84         | -6,101.41          | 93.45%         |
| 5920 · Staff                              | 11,845.60        | 11,287.71        | 10,764.86        | 11,809.30        | 10,802.86        | 11,161.20        | 11,799.80        | 10,311.51        | 11,009.22        |        |        |        | 100,792.06        | 105,438.34        | -4,646.28          | 95.59%         |
| 5930 · Staff Certification                | 150.00           | 150.00           | 150.00           | 175.00           | 200.00           | 200.00           | 200.00           | 200.00           | 200.00           |        |        |        | 1,625.00          | 1,500.00          | 125.00             | 108.33%        |
| 5940 · Staff Overtime                     |                  | 142.77           | 571.05           | 285.53           | 348.98           | 95.17            |                  | 95.18            |                  |        |        |        | 1,538.68          | 2,350.84          | -812.16            | 65.45%         |
| <b>Total 5900 · Wages</b>                 | <b>20,741.84</b> | <b>20,326.72</b> | <b>20,232.15</b> | <b>21,016.07</b> | <b>20,098.08</b> | <b>20,202.61</b> | <b>20,746.04</b> | <b>27,381.78</b> | <b>20,219.88</b> |        |        |        | <b>190,965.17</b> | <b>202,400.02</b> | <b>-11,434.85</b>  | <b>94.35%</b>  |
| 5960 · Worker's Comp Insurance            |                  |                  |                  | 701.92           |                  |                  |                  | 700.28           |                  |        |        |        | 1,402.20          | 4,560.84          | -3,158.64          | 30.74%         |
| <b>Total 5800 · Labor</b>                 | <b>24,962.28</b> | <b>28,111.22</b> | <b>28,117.87</b> | <b>29,497.62</b> | <b>27,961.54</b> | <b>27,809.04</b> | <b>29,234.51</b> | <b>40,999.28</b> | <b>28,778.87</b> |        |        |        | <b>265,472.23</b> | <b>291,775.04</b> | <b>-26,302.81</b>  | <b>90.99%</b>  |
| <b>Total 5000 · Administrative</b>        | <b>25,659.35</b> | <b>40,523.52</b> | <b>57,922.44</b> | <b>45,689.22</b> | <b>49,154.90</b> | <b>57,188.23</b> | <b>58,106.88</b> | <b>67,773.06</b> | <b>92,349.27</b> |        |        |        | <b>494,366.87</b> | <b>778,066.68</b> | <b>-283,699.81</b> | <b>63.54%</b>  |
| 6000 · Operations                         |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                   |                   |                    |                |
| 6170 · Claims, Property Damage            |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                   | 16,666.66         | -16,666.66         |                |
| 6195 · Education & Training               |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                   | 833.34            | -833.34            |                |
| 6200 · Engineering                        |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                   |                   |                    |                |
| 6210 · Meeting Attendance, Engineering    |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                   | 1,666.66          | -1,666.66          |                |
| 6220 · General Engineering                |                  | 3,621.50         | 4,836.00         |                  | 3,255.00         |                  | 1,860.00         | 2,331.25         | 9,430.30         |        |        |        | 25,334.05         | 50,000.00         | -24,665.95         | 50.67%         |
| <b>Total 6200 · Engineering</b>           |                  | <b>3,621.50</b>  | <b>4,836.00</b>  |                  | <b>3,255.00</b>  |                  | <b>1,860.00</b>  | <b>2,331.25</b>  | <b>9,430.30</b>  |        |        |        | <b>25,334.05</b>  | <b>51,666.66</b>  | <b>-26,332.61</b>  | <b>49.03%</b>  |
| 6320 · Equipment & Tools, Expensed        |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                   | 833.34            | -833.34            |                |
| 6330 · Facilities                         |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                   |                   |                    |                |
| 6335 · Alarm Services                     | 391.80           | 518.82           | 836.10           |                  | 518.82           | 391.80           | 444.30           | 518.82           | 836.10           |        |        |        | 4,456.56          | 4,750.00          | -293.44            | 93.82%         |
| 6337 · Landscaping                        |                  | 218.00           |                  | 250.00           | 500.00           |                  | 500.00           | 500.00           | 500.00           |        |        |        | 2,468.00          | 3,000.00          | -532.00            | 82.27%         |
| <b>Total 6330 · Facilities</b>            | <b>391.80</b>    | <b>736.82</b>    | <b>836.10</b>    | <b>250.00</b>    | <b>1,018.82</b>  | <b>391.80</b>    | <b>944.30</b>    | <b>1,018.82</b>  | <b>1,336.10</b>  |        |        |        | <b>6,924.56</b>   | <b>7,750.00</b>   | <b>-825.44</b>     | <b>89.35%</b>  |
| 6400 · Pumping                            |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                   |                   |                    |                |
| 6410 · Pumping Fuel & Electricity         |                  | 3,379.03         | 6,154.63         | 2,774.62         |                  |                  | 2,984.05         | 3,002.67         | 12,821.67        |        |        |        | 31,116.67         | 37,500.00         | -6,383.33          | 82.98%         |
| <b>Total 6400 · Pumping</b>               |                  | <b>3,379.03</b>  | <b>6,154.63</b>  | <b>2,774.62</b>  |                  |                  | <b>2,984.05</b>  | <b>3,002.67</b>  | <b>12,821.67</b> |        |        |        | <b>31,116.67</b>  | <b>37,500.00</b>  | <b>-6,383.33</b>   | <b>82.98%</b>  |

**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Sewer**  
July 2019 through June 2020

|  |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        | TOTAL            |                    |                   |               |
|--|-----------------|--------------------|--------------------|------------------|--------------------|---------------------|--------------------|-------------------|--------------------|--------|--------|--------|------------------|--------------------|-------------------|---------------|
|  | Jul 19          | Aug 19             | Sep 19             | Oct 19           | Nov 19             | Dec 19              | Jan 20             | Feb 20            | Mar 20             | Apr 20 | May 20 | Jun 20 | Jul '19 - Jun 20 | Budget             | \$ Over Budget    | % of Budget   |
| 6600 · Collection/Transmission                   |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  |                    |                   |               |
| 6660 · Maintenance, Collection System            |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  | 8,333.34           | -8,333.34         |               |
| <b>Total 6600 · Collection/Transmission</b>      |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  | 8,333.34           | -8,333.34         |               |
| 6770 · Uniforms                                  |                 |                    |                    | 125.80           |                    |                     |                    |                   |                    |        |        |        | 125.80           |                    |                   |               |
| 6800 · Vehicles                                  |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  |                    |                   |               |
| 6810 · Fuel                                      |                 |                    |                    |                  |                    |                     |                    |                   | 800.82             |        |        |        | 800.82           | 833.34             | -32.52            | 96.1%         |
| 6820 · Truck Equipment, Expensed                 |                 |                    |                    |                  |                    |                     |                    |                   | 439.03             |        |        |        | 439.03           | 133.34             | 305.69            | 329.26%       |
| 6830 · Truck Repairs                             |                 |                    |                    |                  |                    |                     |                    |                   | 621.96             |        |        |        | 621.96           | 833.34             | -211.38           | 74.64%        |
| <b>Total 6800 · Vehicles</b>                     |                 |                    |                    |                  |                    |                     |                    |                   | 1,861.81           |        |        |        | 1,861.81         | 1,800.02           | 61.79             | 103.43%       |
| 6900 · Sewer Authority Midcoastside              |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  |                    |                   |               |
| 6910 · SAM Collections                           |                 | 28,462.42          | 56,924.84          |                  | 28,462.42          | 28,462.42           | 28,462.42          | 28,462.42         | 56,924.84          |        |        |        | 256,161.78       | 284,624.16         | -28,462.38        | 90.0%         |
| 6920 · SAM Operations                            |                 | 127,428.28         | 254,856.56         |                  | 127,428.28         | 127,428.28          | 127,428.28         | 127,428.28        | 254,856.56         |        |        |        | 1,146,854.52     | 1,274,282.50       | -127,427.98       | 90.0%         |
| 6940 · SAM Maintenance, Collection Sys           |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  | 33,333.34          | -33,333.34        |               |
| 6950 · SAM Maintenance, Pumping                  |                 | 4,341.08           | 23,883.47          |                  | 27,191.82          |                     | 1,984.82           | 5,485.51          | 20,373.52          |        |        |        | 83,260.22        | 41,666.66          | 41,593.56         | 199.83%       |
| <b>Total 6900 · Sewer Authority Midcoastside</b> |                 | 160,231.78         | 335,664.87         |                  | 183,082.52         | 155,890.70          | 157,875.52         | 161,376.21        | 332,154.92         |        |        |        | 1,486,276.52     | 1,633,906.66       | -147,630.14       | 90.97%        |
| <b>Total 6000 · Operations</b>                   | 391.80          | 167,969.13         | 347,491.60         | 3,150.42         | 187,356.34         | 156,282.50          | 163,663.87         | 167,728.95        | 357,604.80         |        |        |        | 1,551,639.41     | 1,759,290.02       | -207,650.61       | 88.2%         |
| <b>Total Expense</b>                             | 26,051.15       | 208,492.65         | 405,414.04         | 48,839.64        | 236,511.24         | 213,470.73          | 221,770.75         | 235,502.01        | 449,954.07         |        |        |        | 2,046,006.28     | 2,537,356.70       | -491,350.42       | 80.64%        |
| <b>Net Ordinary Income</b>                       | -26,603.33      | -199,726.44        | -336,822.79        | -42,504.15       | -219,929.53        | 1,454,296.30        | -137,880.52        | -24,891.26        | -441,362.41        |        |        |        | 24,575.87        | 172,903.28         | -148,327.41       | 14.21%        |
| <b>Other Income/Expense</b>                      |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  |                    |                   |               |
| <b>Other Income</b>                              |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  |                    |                   |               |
| 7000 · Capital Account Revenues                  |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  |                    |                   |               |
| 7100 · Connection Fees                           |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  |                    |                   |               |
| 7110 · Connection Fees (New Constr)              | 964.00          |                    |                    | 26,378.00        |                    |                     |                    |                   | 60,141.00          |        |        |        | 87,483.00        | 125,000.00         | -37,517.00        | 69.99%        |
| 7120 · Connection Fees (Remodel)                 | 4,220.00        | 2,637.50           | 10,050.00          | 2,100.36         | 4,647.50           |                     | 10,959.00          | 7,385.00          | 5,360.00           |        |        |        | 47,359.36        | 41,666.66          | 5,692.70          | 113.66%       |
| <b>Total 7100 · Connection Fees</b>              | 5,184.00        | 2,637.50           | 10,050.00          | 28,478.36        | 4,647.50           |                     | 10,959.00          | 7,385.00          | 65,501.00          |        |        |        | 134,842.36       | 166,666.66         | -31,824.30        | 80.91%        |
| 7200 · Interest Income - LAIF                    | 28,542.13       |                    |                    | 27,688.92        |                    |                     | 25,982.57          |                   |                    |        |        |        | 82,213.62        | 41,666.66          | 40,546.96         | 197.31%       |
| <b>Total 7000 · Capital Account Revenues</b>     | 33,726.13       | 2,637.50           | 10,050.00          | 56,167.28        | 4,647.50           |                     | 36,941.57          | 7,385.00          | 65,501.00          |        |        |        | 217,055.98       | 208,333.32         | 8,722.66          | 104.19%       |
| <b>Total Other Income</b>                        | 33,726.13       | 2,637.50           | 10,050.00          | 56,167.28        | 4,647.50           |                     | 36,941.57          | 7,385.00          | 65,501.00          |        |        |        | 217,055.98       | 208,333.32         | 8,722.66          | 104.19%       |
| <b>Other Expense</b>                             |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  |                    |                   |               |
| 8000 · Capital Improvement Program               |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  |                    |                   |               |
| 8075 · Sewer                                     |                 | 25,087.21          | 142,368.91         |                  | 7,016.97           |                     | 1,674.00           | 93.00             | 1,875.50           |        |        |        | 178,115.59       | 1,238,404.16       | -1,060,288.57     | 14.38%        |
| <b>Total 8000 · Capital Improvement Program</b>  |                 | 25,087.21          | 142,368.91         |                  | 7,016.97           |                     | 1,674.00           | 93.00             | 1,875.50           |        |        |        | 178,115.59       | 1,238,404.16       | -1,060,288.57     | 14.38%        |
| 9000 · Capital Account Expenses                  |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  |                    |                   |               |
| 9125 · PNC Equipment Lease Interest              | 1,332.23        | 1,321.34           | 1,309.68           | 1,298.01         | 1,286.30           | 1,274.56            | 1,262.80           | 1,251.01          | 2,466.51           |        |        |        | 12,802.44        | 12,684.16          | 118.28            | 100.93%       |
| 9200 · I-Bank Loan                               |                 |                    |                    |                  |                    |                     |                    |                   |                    |        |        |        |                  | 18,818.34          | -18,818.34        |               |
| <b>Total 9000 · Capital Account Expenses</b>     | 1,332.23        | 1,321.34           | 1,309.68           | 1,298.01         | 1,286.30           | 1,274.56            | 1,262.80           | 1,251.01          | 2,466.51           |        |        |        | 12,802.44        | 31,502.50          | -18,700.06        | 40.64%        |
| <b>Total Other Expense</b>                       | 1,332.23        | 26,408.55          | 143,678.59         | 1,298.01         | 8,303.27           | 1,274.56            | 2,936.80           | 1,344.01          | 4,342.01           |        |        |        | 190,918.03       | 1,269,906.66       | -1,078,988.63     | 15.03%        |
| <b>Net Other Income</b>                          | 32,393.90       | -23,771.05         | -133,628.59        | 54,869.27        | -3,655.77          | -1,274.56           | 34,004.77          | 6,040.99          | 61,158.99          |        |        |        | 26,137.95        | -1,061,573.34      | 1,087,711.29      | -2.46%        |
| <b>Net Income</b>                                | <b>5,790.57</b> | <b>-223,497.49</b> | <b>-470,451.38</b> | <b>12,365.12</b> | <b>-223,585.30</b> | <b>1,453,021.74</b> | <b>-103,875.75</b> | <b>-18,850.27</b> | <b>-380,203.42</b> |        |        |        | <b>50,713.82</b> | <b>-888,670.06</b> | <b>939,383.88</b> | <b>-5.71%</b> |

**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Water**  
July 2019 through June 2020

|  | Jul 19     | Aug 19     | Sep 19     | Oct 19     | Nov 19     | Dec 19     | Jan 20     | Feb 20     | Mar 20     | Apr 20 | May 20 | Jun 20 | Budget     | \$ Over Budget | % of Budget | Jul '19 - Jun 20 | Budget       | \$ Over Budget | % of Budget |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------|--------|--------|------------|----------------|-------------|------------------|--------------|----------------|-------------|
| <b>ry Income/Expense</b>                         |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>Income</b>                                    |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>4220 · Cell Tower Lease</b>                   | 3,153.26   | 3,153.26   | 3,153.26   | 3,153.26   | 3,153.26   | 3,153.26   | 3,153.26   | 3,153.26   | 3,153.26   |        |        |        | 3,083.37   | -3,083.37      |             | 28,379.34        | 30,833.34    | -2,454.00      | 92.04%      |
| <b>4400 · Fees</b>                               |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>4410 · Administrative Fee (New Constr)</b>    |            | 1,084.00   | 1,084.00   |            | 542.00     |            | 542.00     |            | 1,084.00   |        |        |        | 416.63     | -416.63        |             | 4,336.00         | 4,166.66     | 169.34         | 104.06%     |
| <b>4420 · Administrative Fee (Remodel)</b>       |            |            |            |            |            | 542.00     |            |            |            |        |        |        |            |                |             | 542.00           |              | 542.00         | 100.00%     |
| <b>4430 · Inspection Fee (New Constr)</b>        |            | 1,024.00   | 1,024.00   |            | 10,512.00  |            | 512.00     |            | 1,024.00   |        |        |        | 333.37     | -333.37        |             | 14,096.00        | 3,333.34     | 10,762.66      | 422.88%     |
| <b>4440 · Inspection Fee (Remodel)</b>           |            |            |            |            |            | 512.00     | 512.00     |            |            |        |        |        |            |                |             | 1,024.00         |              | 1,024.00       | 100.00%     |
| <b>4450 · Mainline Extension Fees</b>            |            |            |            |            |            |            |            |            |            |        |        |        | 250.00     | -250.00        |             |                  | 2,500.00     | -2,500.00      |             |
| <b>4460 · Remodel Fees</b>                       | 380.00     | 380.00     |            | 119.00     | 1,261.38   |            | 542.00     |            |            |        |        |        | 166.63     | -166.63        |             | 2,682.38         | 1,666.66     | 1,015.72       | 160.94%     |
| <b>4470 · Other Fees</b>                         | 692.40     | 130.00     |            |            |            |            | 3,578.00   |            |            |        |        |        |            |                |             | 4,400.40         |              |                |             |
| <b>Total 4400 · Fees</b>                         | 1,072.40   | 2,618.00   | 2,108.00   | 119.00     | 12,315.38  | 1,054.00   | 5,686.00   |            | 2,108.00   |        |        |        | 1,166.63   | -1,166.63      |             | 27,080.78        | 11,666.66    | 15,414.12      | 232.12%     |
| <b>4510 · Grants</b>                             | 112.00     |            |            |            |            |            |            |            |            |        |        |        |            |                |             | 112.00           |              |                |             |
| <b>4610 · Property Tax Receipts</b>              |            | 853.44     | 61,790.12  | 330.21     | 10,325.02  | 117,962.79 | 78,150.06  | 20,095.37  | 622.32     |        |        |        |            |                |             | 290,129.33       | 137,500.00   | 152,629.33     | 211.00%     |
| <b>4740 · Testing, Backflow</b>                  | 114.00     |            |            | 13,990.00  | 2,975.00   |            | 947.00     | 238.00     |            |        |        |        | 1,500.00   | -1,500.00      |             | 18,264.00        | 15,000.00    | 3,264.00       | 121.76%     |
| <b>4810 · Water Sales, Domestic</b>              | 182,045.53 | 177,480.27 | 174,333.84 | 154,144.69 | 164,576.43 | 142,233.39 | 173,506.11 | 139,971.95 | 152,353.17 |        |        |        | 162,250.00 | -162,250.00    |             | 1,460,645.38     | 1,622,500.00 | -161,854.62    | 90.02%      |
| <b>4850 · Water Sales Refunds, Customer</b>      | -1,061.41  |            |            |            |            | -53.85     | -222.93    | -920.14    |            |        |        |        | -250.00    | 250.00         |             | -2,258.33        | -2,500.00    | 241.67         | 90.33%      |
| <b>4990 · Other Revenue</b>                      |            | 54,423.00  |            |            | 16.07      |            |            | 1,957.23   |            |        |        |        |            |                |             | 56,396.30        |              |                |             |
| <b>Total Income</b>                              | 185,435.78 | 238,527.97 | 241,385.22 | 171,737.16 | 193,361.16 | 264,349.59 | 261,219.50 | 162,538.44 | 160,193.98 |        |        |        | 167,750.00 | -167,750.00    |             | 1,878,748.80     | 1,815,000.00 | 63,748.80      | 103.51%     |
| <b>Gross Profit</b>                              | 185,435.78 | 238,527.97 | 241,385.22 | 171,737.16 | 193,361.16 | 264,349.59 | 261,219.50 | 162,538.44 | 160,193.98 |        |        |        | 167,750.00 | -167,750.00    |             | 1,878,748.80     | 1,815,000.00 | 63,748.80      | 103.51%     |
| <b>Expense</b>                                   |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>5000 · Administrative</b>                     |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>5190 · Bank Fees</b>                          |            |            | 44.53      |            | 54.03      | 218.22     | 209.40     | 117.80     | 189.71     |        |        |        | 312.50     | -312.50        |             | 833.69           | 3,125.00     | -2,291.31      | 26.68%      |
| <b>5200 · Board of Directors</b>                 |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>5210 · Board Meetings</b>                     |            | 670.96     | 296.48     | 490.32     | 14.97      | 461.97     | 322.46     | 15.64      | 337.66     |        |        |        | 333.37     | -333.37        |             | 2,610.46         | 3,333.34     | -722.88        | 78.31%      |
| <b>5220 · Director Fees</b>                      |            | 225.00     | 337.50     | 337.50     | 562.50     | 187.50     | 450.00     | 637.50     | 337.50     |        |        |        | 275.00     | -275.00        |             | 3,075.00         | 2,750.00     | 325.00         | 111.82%     |
| <b>Total 5200 · Board of Directors</b>           |            | 895.96     | 633.98     | 827.82     | 577.47     | 649.47     | 772.46     | 653.14     | 675.16     |        |        |        | 608.37     | -608.37        |             | 5,685.46         | 6,083.34     | -397.88        | 93.46%      |
| <b>5240 · CDPH Fees</b>                          |            |            |            |            |            |            | 9,156.40   |            |            |        |        |        | 1,312.50   | -1,312.50      |             | 9,156.40         | 13,125.00    | -3,968.60      | 69.76%      |
| <b>5250 · Conference Attendance</b>              |            |            | 35.00      | 185.01     | 23.00      |            | 203.30     |            | 700.00     |        |        |        | 500.00     | -500.00        |             | 1,146.31         | 5,000.00     | -3,853.69      | 22.93%      |
| <b>5270 · Information Systems</b>                |            | 974.50     |            | 639.00     |            | 300.00     |            |            | 7,209.00   |        |        |        | 250.00     | -250.00        |             | 9,122.50         | 2,500.00     | 6,622.50       | 364.9%      |
| <b>5300 · Insurance</b>                          |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>5310 · Fidelity Bond</b>                      |            |            |            |            |            |            |            |            |            |        |        |        | 41.63      | -41.63         |             |                  | 416.66       | -416.66        |             |
| <b>5320 · Property &amp; Liability Insurance</b> |            |            | 1,173.00   |            |            |            |            |            |            |        |        |        | 208.37     | -208.37        |             | 1,173.00         | 2,083.34     | -910.34        | 56.3%       |
| <b>Total 5300 · Insurance</b>                    |            |            | 1,173.00   |            |            |            |            |            |            |        |        |        | 250.00     | -250.00        |             | 1,173.00         | 2,500.00     | -1,327.00      | 46.92%      |
| <b>5350 · LAFCO Assessment</b>                   |            |            |            |            |            |            | 2,465.00   |            |            |        |        |        | 229.13     | -229.13        |             | 2,465.00         | 2,291.66     | 173.34         | 107.56%     |
| <b>5400 · Legal</b>                              |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>5420 · Meeting Attendance, Legal</b>          |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>5430 · General Legal</b>                      |            |            |            | 10,637.50  | 20,591.25  |            | 9,562.26   | 12,663.87  | 27,011.09  |        |        |        | 19,250.00  | -19,250.00     |             | 80,465.97        | 192,500.00   | -112,034.03    | 41.8%       |
| <b>Total 5400 · Legal</b>                        |            |            |            | 10,637.50  | 20,591.25  |            | 9,562.26   | 12,663.87  | 27,011.09  |        |        |        | 19,250.00  | -19,250.00     |             | 80,465.97        | 192,500.00   | -112,034.03    | 41.8%       |
| <b>5510 · Maintenance, Office</b>                |            | 319.46     | 284.22     | 160.00     | 379.25     | 447.03     | 668.06     | 1,961.97   | 917.46     |        |        |        | 666.63     | -666.63        |             | 5,137.45         | 6,666.66     | -1,529.21      | 77.06%      |
| <b>5530 · Memberships</b>                        |            | 277.00     |            |            | 10,732.16  | 15,266.00  |            |            |            |        |        |        | 2,000.00   | -2,000.00      |             | 26,275.16        | 20,000.00    | 6,275.16       | 131.38%     |
| <b>5540 · Office Supplies</b>                    |            | 870.14     | 391.64     | 26.51      | 439.27     | 224.73     | 457.42     | 706.56     | 1,114.84   |        |        |        | 666.63     | -666.63        |             | 4,231.11         | 6,666.66     | -2,435.55      | 63.47%      |
| <b>5550 · Postage</b>                            |            | 567.75     | 856.47     | 708.90     | 780.54     | 946.26     | 1,057.84   | 1,068.78   | 1,183.87   |        |        |        | 750.00     | -750.00        |             | 7,170.41         | 7,500.00     | -329.59        | 95.61%      |
| <b>5560 · Printing &amp; Publishing</b>          | 854.62     | 36.97      | 56.86      | 34.96      | 25.30      | 89.33      | 50.25      | 119.51     | 206.67     |        |        |        | 250.00     | -250.00        |             | 1,474.47         | 2,500.00     | -1,025.53      | 58.98%      |
| <b>5600 · Professional Services</b>              |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>5610 · Accounting</b>                         |            | 5,150.00   | 4,750.00   |            | 4,450.00   | 1,850.00   | 3,250.00   | 3,525.00   | 4,250.00   |        |        |        | 2,500.00   | -2,500.00      |             | 27,225.00        | 25,000.00    | 2,225.00       | 108.9%      |
| <b>5620 · Audit</b>                              |            |            |            |            |            |            | 8,150.00   |            |            |        |        |        | 1,083.37   | -1,083.37      |             | 8,150.00         | 10,833.34    | -2,683.34      | 75.23%      |
| <b>5630 · Consulting</b>                         |            | 1,093.75   | 806.59     |            | 10,063.02  | 5,996.89   | 3,456.62   | 5,386.71   | 14,121.93  |        |        |        | 8,333.37   | -8,333.37      |             | 40,925.51        | 83,333.34    | -42,407.83     | 49.11%      |
| <b>5650 · Labor &amp; HR Support</b>             | 213.50     | 213.50     | 213.50     | 213.50     | 213.50     | 213.50     | 213.50     | 213.50     | 427.00     |        |        |        | 208.37     | -208.37        |             | 2,135.00         | 2,083.34     | 51.66          | 102.48%     |

**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Water**  
July 2019 through June 2020

|   | Jul 19           | Aug 19           | Sep 19           | Oct 19           | Nov 19            | Dec 19           | Jan 20            | Feb 20            | Mar 20            | Apr 20 | May 20 | Jun 20 | Budget            | \$ Over Budget     | % of Budget | Jul '19 - Jun 20  | Budget              | \$ Over Budget     | % of Budget   |
|---|------------------|------------------|------------------|------------------|-------------------|------------------|-------------------|-------------------|-------------------|--------|--------|--------|-------------------|--------------------|-------------|-------------------|---------------------|--------------------|---------------|
| 5660 · Payroll Services                   | 76.98            | 75.81            | 76.98            | 76.98            | 74.64             | 74.64            | 144.29            | 74.64             | 74.64             |        |        |        | 83.37             | -83.37             |             | 749.60            | 833.34              | -83.74             | 89.95%        |
| 5690 · Other Professional Services        |                  |                  |                  |                  |                   |                  |                   |                   | 2,750.00          |        |        |        |                   |                    |             | 2,750.00          |                     |                    |               |
| <b>Total 5600 · Professional Services</b> | <b>290.48</b>    | <b>6,533.06</b>  | <b>5,847.07</b>  | <b>290.48</b>    | <b>14,801.16</b>  | <b>8,135.03</b>  | <b>15,214.41</b>  | <b>9,199.85</b>   | <b>21,623.57</b>  |        |        |        | <b>12,208.48</b>  | <b>-12,208.48</b>  |             | <b>81,935.11</b>  | <b>122,083.36</b>   | <b>-40,148.25</b>  | <b>67.11%</b> |
| 5710 · San Mateo Co. Tax Roll Charges     |                  |                  |                  |                  | 119.00            |                  |                   |                   |                   |        |        |        |                   |                    |             | 119.00            |                     |                    |               |
| 5720 · Telephone & Internet               |                  | 2,958.80         | 3,076.06         | 2,958.32         | 3,085.97          | 3,074.29         | 3,000.15          | 3,075.68          | 6,009.91          |        |        |        | 2,250.00          | -2,250.00          |             | 27,239.18         | 22,500.00           | 4,739.18           | 121.06%       |
| 5730 · Mileage Reimbursement              |                  |                  |                  | 127.99           |                   | 295.14           |                   | 199.50            |                   |        |        |        | 166.63            | -166.63            |             | 622.63            | 1,666.66            | -1,044.03          | 37.36%        |
| 5740 · Reference Materials                |                  |                  |                  |                  |                   |                  |                   |                   |                   |        |        |        | 66.63             | -66.63             |             |                   | 666.66              | -666.66            |               |
| 5790 · Other Administrative               |                  |                  |                  |                  |                   | 1,853.12         | 79.10             |                   | 3,332.90          |        |        |        |                   |                    |             | 5,265.12          |                     |                    |               |
| 5800 · Labor                              |                  |                  |                  |                  |                   |                  |                   |                   |                   |        |        |        |                   |                    |             |                   |                     |                    |               |
| 5810 · CalPERS 457 Deferred Plan          | 3,200.51         | 3,181.17         | 3,131.46         | 3,338.98         | 3,200.65          | 3,192.48         | 3,275.40          | 6,426.36          | 3,118.31          |        |        |        | 3,602.88          | -3,602.88          |             | 32,065.32         | 36,029.16           | -3,963.84          | 89.0%         |
| 5820 · Employee Benefits                  |                  | 6,323.56         | 6,323.56         | 6,323.56         | 6,323.56          | 6,445.89         | 6,445.89          | 6,445.89          | 6,445.89          |        |        |        | 7,342.50          | -7,342.50          |             | 51,077.80         | 73,425.00           | -22,347.20         | 69.57%        |
| 5830 · Disability Insurance               |                  | 284.98           | 569.96           |                  | 569.96            |                  | 284.98            | 284.98            | 569.96            |        |        |        | 288.88            | -288.88            |             | 2,564.82          | 2,889.16            | -324.34            | 88.77%        |
| 5840 · Payroll Taxes                      | 3,656.75         | 3,241.27         | 3,128.18         | 3,369.98         | 3,190.85          | 3,134.09         | 3,870.36          | 4,027.19          | 3,725.38          |        |        |        | 4,088.50          | -4,088.50          |             | 31,344.05         | 40,885.00           | -9,540.95          | 76.66%        |
| 5850 · PARS                               | 2,796.87         | 2,706.07         | 2,610.56         | 2,801.61         | 2,615.13          | 2,716.20         | 2,812.20          | 3,079.80          | 2,741.07          |        |        |        | 3,136.37          | -3,136.37          |             | 24,879.51         | 31,363.34           | -6,483.83          | 79.33%        |
| 5900 · Wages                              |                  |                  |                  |                  |                   |                  |                   |                   |                   |        |        |        |                   |                    |             |                   |                     |                    |               |
| 5910 · Management                         | 8,746.24         | 8,746.24         | 8,746.25         | 8,746.24         | 8,746.24          | 8,746.24         | 8,746.24          | 16,775.11         | 9,010.68          |        |        |        | 9,311.12          | -9,311.12          |             | 87,009.48         | 93,110.84           | -6,101.36          | 93.45%        |
| 5920 · Staff                              | 34,653.88        | 33,263.83        | 31,291.05        | 34,255.36        | 31,150.01         | 32,996.60        | 34,879.00         | 30,529.43         | 33,924.63         |        |        |        | 37,236.63         | -37,236.63         |             | 296,943.79        | 372,366.66          | -75,422.87         | 79.75%        |
| 5930 · Staff Certification                | 911.25           | 850.00           | 850.00           | 875.00           | 1,196.88          | 900.00           | 900.00            | 900.00            | 900.00            |        |        |        | 950.00            | -950.00            |             | 8,283.13          | 9,500.00            | -1,216.87          | 87.19%        |
| 5940 · Staff Overtime                     | 3,350.67         | 4,318.60         | 5,030.69         | 5,034.33         | 5,919.48          | 4,461.83         | 4,019.64          | 2,406.92          | 2,568.04          |        |        |        | 4,008.75          | -4,008.75          |             | 37,110.20         | 40,087.50           | -2,977.30          | 92.57%        |
| 5950 · Staff Standby                      | 2,042.74         | 2,219.34         | 2,061.71         | 2,229.61         | 2,082.68          | 2,200.35         | 2,048.39          | 2,031.30          | 2,294.44          |        |        |        | 1,937.38          | -1,937.38          |             | 19,210.56         | 19,374.16           | -163.60            | 99.16%        |
| <b>Total 5900 · Wages</b>                 | <b>49,704.78</b> | <b>49,398.01</b> | <b>47,979.70</b> | <b>51,140.54</b> | <b>49,095.29</b>  | <b>49,305.02</b> | <b>50,593.27</b>  | <b>52,642.76</b>  | <b>48,697.79</b>  |        |        |        | <b>53,443.88</b>  | <b>-53,443.88</b>  |             | <b>448,557.16</b> | <b>534,439.16</b>   | <b>-85,882.00</b>  | <b>83.93%</b> |
| 5960 · Worker's Comp Insurance            |                  |                  |                  | 3,450.24         |                   |                  |                   | 3,503.44          |                   |        |        |        | 1,943.63          | -1,943.63          |             | 6,953.68          | 19,436.66           | -12,482.98         | 35.78%        |
| <b>Total 5800 · Labor</b>                 | <b>59,358.91</b> | <b>65,135.06</b> | <b>63,743.42</b> | <b>70,424.91</b> | <b>64,995.44</b>  | <b>64,793.68</b> | <b>67,282.10</b>  | <b>76,410.42</b>  | <b>65,298.40</b>  |        |        |        | <b>73,846.64</b>  | <b>-73,846.64</b>  |             | <b>597,442.34</b> | <b>738,467.48</b>   | <b>-141,025.14</b> | <b>80.9%</b>  |
| <b>Total 5000 · Administrative</b>        | <b>60,504.01</b> | <b>78,568.70</b> | <b>76,142.25</b> | <b>87,021.40</b> | <b>116,603.84</b> | <b>96,292.30</b> | <b>110,178.15</b> | <b>106,177.08</b> | <b>135,472.58</b> |        |        |        | <b>115,584.14</b> | <b>-115,584.14</b> |             | <b>866,960.31</b> | <b>1,155,842.48</b> | <b>-288,882.17</b> | <b>75.01%</b> |
| 6000 · Operations                         |                  |                  |                  |                  |                   |                  |                   |                   |                   |        |        |        |                   |                    |             |                   |                     |                    |               |
| 6160 · Backflow Prevention                |                  |                  |                  |                  |                   |                  |                   |                   | 325.93            |        |        |        | 83.37             | -83.37             |             | 325.93            | 833.34              | -507.41            | 39.11%        |
| 6170 · Claims, Property Damage            |                  |                  |                  |                  |                   |                  |                   |                   | 695.00            |        |        |        | 833.37            | -833.37            |             | 695.00            | 8,333.34            | -7,638.34          | 8.34%         |
| 6180 · Communications                     |                  |                  |                  |                  |                   |                  |                   |                   |                   |        |        |        |                   |                    |             |                   |                     |                    |               |
| 6185 · SCADA Maintenance                  |                  |                  |                  |                  |                   | 48.06            |                   | 115.79            |                   |        |        |        | 1,083.37          | -1,083.37          |             | 163.85            | 10,833.34           | -10,669.49         | 1.51%         |
| <b>Total 6180 · Communications</b>        |                  |                  |                  |                  |                   | 48.06            |                   | 115.79            |                   |        |        |        | 1,083.37          | -1,083.37          |             | 163.85            | 10,833.34           | -10,669.49         | 1.51%         |
| 6195 · Education & Training               |                  |                  | 2,195.00         | 566.24           |                   |                  | 336.25            |                   | 200.00            |        |        |        | 750.00            | -750.00            |             | 3,297.49          | 7,500.00            | -4,202.51          | 43.97%        |
| 6200 · Engineering                        |                  |                  |                  |                  |                   |                  |                   |                   |                   |        |        |        |                   |                    |             |                   |                     |                    |               |
| 6210 · Meeting Attendance, Engineering    |                  |                  |                  |                  |                   |                  |                   |                   |                   |        |        |        | 41.63             | -41.63             |             |                   | 416.66              | -416.66            |               |
| 6220 · General Engineering                |                  | 12,389.54        |                  |                  |                   |                  |                   |                   | 9,172.82          |        |        |        | 2,500.00          | -2,500.00          |             | 21,562.36         | 25,000.00           | -3,437.64          | 86.25%        |
| 6230 · Water Quality Engineering          |                  | 7,712.50         | 27,556.25        | 9,455.67         | 2,615.00          | 4,176.25         | 9,347.76          | 36,469.38         | 20,782.50         |        |        |        | 29,166.63         | -29,166.63         |             | 118,115.31        | 291,666.66          | -173,551.35        | 40.5%         |
| <b>Total 6200 · Engineering</b>           |                  | <b>20,102.04</b> | <b>27,556.25</b> | <b>9,455.67</b>  | <b>2,615.00</b>   | <b>4,176.25</b>  | <b>9,347.76</b>   | <b>36,469.38</b>  | <b>29,955.32</b>  |        |        |        | <b>31,708.26</b>  | <b>-31,708.26</b>  |             | <b>139,677.67</b> | <b>317,083.32</b>   | <b>-177,405.65</b> | <b>44.05%</b> |
| 6320 · Equipment & Tools, Expensed        |                  | 204.96           | 1,168.25         | 1,946.98         | 8,577.25          | 790.02           | 1,043.81          | 1,690.05          | 425.00            |        |        |        | 666.63            | -666.63            |             | 15,846.32         | 6,666.66            | 9,179.66           | 237.7%        |
| 6330 · Facilities                         |                  |                  |                  |                  |                   |                  |                   |                   |                   |        |        |        |                   |                    |             |                   |                     |                    |               |
| 6335 · Alarm Services                     |                  | 127.02           | 52.50            |                  | 127.02            |                  | 52.50             | 127.02            | 52.50             |        |        |        | 66.63             | -66.63             |             | 538.56            | 666.66              | -128.10            | 80.79%        |
| 6337 · Landscaping                        |                  | 483.00           | 1,050.00         | 691.28           | 550.00            | 850.00           | 603.62            | 350.00            | 550.00            |        |        |        | 4,666.63          | -4,666.63          |             | 5,127.90          | 46,666.66           | -41,538.76         | 10.99%        |
| 6330 · Facilities - Other                 |                  |                  |                  |                  |                   |                  |                   |                   |                   |        |        |        |                   |                    |             |                   |                     |                    |               |
| <b>Total 6330 · Facilities</b>            |                  | <b>610.02</b>    | <b>1,102.50</b>  | <b>691.28</b>    | <b>677.02</b>     | <b>850.00</b>    | <b>656.12</b>     | <b>477.02</b>     | <b>602.50</b>     |        |        |        | <b>4,733.26</b>   | <b>-4,733.26</b>   |             | <b>5,666.46</b>   | <b>47,333.32</b>    | <b>-41,666.86</b>  | <b>11.97%</b> |
| 6370 · Lab Supplies & Equipment           |                  |                  | 4,095.97         |                  | 1,909.32          | 308.09           | 719.37            |                   | 163.46            |        |        |        | 208.37            | -208.37            |             | 7,196.21          | 2,083.34            | 5,112.87           | 345.42%       |
| 6380 · Meter Reading                      |                  |                  |                  |                  | 9.95              |                  |                   |                   |                   |        |        |        |                   |                    |             | 9.95              |                     |                    |               |
| 6400 · Pumping                            |                  |                  |                  |                  |                   |                  |                   |                   |                   |        |        |        |                   |                    |             |                   |                     |                    |               |
| 6410 · Pumping Fuel & Electricity         |                  | 6,536.56         | 8,790.51         | 5,901.37         | 2,267.57          | 6,190.55         | 5,320.22          | 5,698.59          | 16,356.52         |        |        |        | 7,500.00          | -7,500.00          |             | 57,061.89         | 75,000.00           | -17,938.11         | 76.08%        |
| 6420 · Pumping Maintenance, Generators    |                  | 7,631.82         | 3,815.91         | 44.02            | 1,183.22          | 1,173.00         |                   | 4,136.12          | 2,924.11          |        |        |        | 833.37            | -833.37            |             | 20,908.20         | 8,333.34            | 12,574.86          | 250.9%        |
| 6430 · Pumping Maintenance, General       |                  |                  |                  |                  |                   |                  | 17.24             |                   |                   |        |        |        | 416.63            | -416.63            |             | 17.24             | 4,166.66            | -4,149.42          | 0.41%         |
| 6440 · Pumping Equipment, Expensed        |                  |                  |                  |                  | 5,312.57          | 453.91           | 2,795.65          |                   |                   |        |        |        | 58.37             | -58.37             |             | 8,562.13          | 583.34              | 7,978.79           | 1,467.78%     |

**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Water**  
July 2019 through June 2020

|   | Jul 19     | Aug 19     | Sep 19     | Oct 19     | Nov 19     | Dec 19     | Jan 20     | Feb 20     | Mar 20     | Apr 20 | May 20 | Jun 20 | Budget     | \$ Over Budget | % of Budget | Jul '19 - Jun 20 | Budget       | \$ Over Budget | % of Budget |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------|--------|--------|------------|----------------|-------------|------------------|--------------|----------------|-------------|
| <b>Total 6400 · Pumping</b>                     |            | 14,168.38  | 12,606.42  | 5,945.39   | 8,763.36   | 7,817.46   | 8,133.11   | 9,834.71   | 19,280.63  |        |        |        | 8,808.37   | -8,808.37      |             | 86,549.46        | 88,083.34    | -1,533.88      | 98.26%      |
| <b>6500 · Supply</b>                            |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>6510 · Maintenance, Raw Water Mains</b>      |            |            |            |            |            |            |            | 27.48      |            |        |        |        | 208.37     | -208.37        |             | 27.48            | 2,083.34     | -2,055.86      | 1.32%       |
| <b>6520 · Maintenance, Wells</b>                | -815.00    |            |            |            |            |            |            | 36.76      | 11,414.12  |        |        |        | 416.63     | -416.63        |             | 10,635.88        | 4,166.66     | 6,469.22       | 255.26%     |
| <b>6530 · Water Purchases</b>                   |            |            |            |            | 10,606.31  |            |            | 10,978.74  |            |        |        |        | 3,333.37   | -3,333.37      |             | 21,585.05        | 33,333.34    | -11,748.29     | 64.76%      |
| <b>Total 6500 · Supply</b>                      | -815.00    |            |            |            | 10,606.31  |            |            | 11,042.98  | 11,414.12  |        |        |        | 3,958.37   | -3,958.37      |             | 32,248.41        | 39,583.34    | -7,334.93      | 81.47%      |
| <b>6600 · Collection/Transmission</b>           |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>6610 · Hydrants</b>                          |            |            |            |            |            |            |            |            | 6,481.17   |        |        |        | 83.37      | -83.37         |             | 6,481.17         | 833.34       | 5,647.83       | 777.73%     |
| <b>6620 · Maintenance, Water Mains</b>          |            |            | 2,587.50   |            | 16,308.94  |            | 6,407.56   |            | 7,045.63   |        |        |        | 4,166.63   | -4,166.63      |             | 32,349.63        | 41,666.66    | -9,317.03      | 77.64%      |
| <b>6630 · Maintenance, Water Svc Lines</b>      |            |            |            |            | 3,519.11   |            |            |            |            |        |        |        | 1,666.63   | -1,666.63      |             | 3,519.11         | 16,666.66    | -13,147.55     | 21.12%      |
| <b>6640 · Maintenance, Tanks</b>                |            |            | 4,146.03   |            |            |            |            |            |            |        |        |        | 83.37      | -83.37         |             | 4,146.03         | 833.34       | 3,312.69       | 497.52%     |
| <b>6650 · Maint., Distribution General</b>      |            |            | 223.81     |            | 7,203.14   |            |            |            | 3,402.00   |        |        |        | 666.63     | -666.63        |             | 10,828.95        | 6,666.66     | 4,162.29       | 162.43%     |
| <b>6670 · Meters</b>                            |            | 1,599.42   |            |            |            |            | 4,654.03   |            |            |        |        |        | 208.37     | -208.37        |             | 6,253.45         | 2,083.34     | 4,170.11       | 300.17%     |
| <b>Total 6600 · Collection/Transmission</b>     |            | 1,599.42   | 6,957.34   |            | 27,031.19  |            | 11,061.59  |            | 16,928.80  |        |        |        | 6,875.00   | -6,875.00      |             | 63,578.34        | 68,750.00    | -5,171.66      | 92.48%      |
| <b>6700 · Treatment</b>                         |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>6710 · Chemicals &amp; Filtering</b>         | 2,537.58   | 628.31     | 2,825.45   | 3,155.21   | 10,841.50  | 14,646.00  | 680.50     | 1,943.89   | 1,730.71   |        |        |        | 1,666.63   | -1,666.63      |             | 38,989.15        | 16,666.66    | 22,322.49      | 233.94%     |
| <b>6720 · Maintenance, Treatment Equip.</b>     |            | 574.99     |            | 30.72      | 11,659.11  | 7.10       | 137.89     | 201.38     |            |        |        |        | 1,666.63   | -1,666.63      |             | 12,611.19        | 16,666.66    | -4,055.47      | 75.67%      |
| <b>6730 · Treatment Analysis</b>                |            | 937.80     | 7,518.32   | 600.05     | 1,646.35   | 1,039.92   | 1,218.75   | 1,056.98   | 2,641.59   |        |        |        | 3,750.00   | -3,750.00      |             | 16,659.76        | 37,500.00    | -20,840.24     | 44.43%      |
| <b>Total 6700 · Treatment</b>                   | 2,537.58   | 2,141.10   | 10,343.77  | 3,785.98   | 24,146.96  | 15,693.02  | 2,037.14   | 3,202.25   | 4,372.30   |        |        |        | 7,083.26   | -7,083.26      |             | 68,260.10        | 70,833.32    | -2,573.22      | 96.37%      |
| <b>6770 · Uniforms</b>                          |            | 761.41     | 1,407.57   | 151.93     | 487.62     | 225.84     | 400.62     |            | 47.55      |        |        |        | 166.63     | -166.63        |             | 3,482.54         | 1,666.66     | 1,815.88       | 208.95%     |
| <b>6800 · Vehicles</b>                          |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>6810 · Fuel</b>                              |            | 539.98     | 536.34     | 747.59     | 935.61     | 816.56     | 575.95     | 468.17     | -82.23     |        |        |        | 833.37     | -833.37        |             | 4,537.97         | 8,333.34     | -3,795.37      | 54.46%      |
| <b>6820 · Truck Equipment, Expensed</b>         | 2,926.85   |            |            |            |            |            |            |            | -439.03    |        |        |        | 83.37      | -83.37         |             | 2,487.82         | 833.34       | 1,654.48       | 298.54%     |
| <b>6830 · Truck Repairs</b>                     |            | 919.99     | 175.14     | 2,887.91   |            | 101.45     |            |            | -560.05    |        |        |        | 416.63     | -416.63        |             | 3,524.44         | 4,166.66     | -642.22        | 84.59%      |
| <b>Total 6800 · Vehicles</b>                    | 2,926.85   | 1,459.97   | 711.48     | 3,635.50   | 935.61     | 918.01     | 575.95     | 468.17     | -1,081.31  |        |        |        | 1,333.37   | -1,333.37      |             | 10,550.23        | 13,333.34    | -2,783.11      | 79.13%      |
| <b>Total 6000 · Operations</b>                  | 4,649.43   | 41,047.30  | 68,144.55  | 26,178.97  | 85,759.59  | 30,826.75  | 34,311.72  | 63,300.35  | 83,329.30  |        |        |        | 68,291.63  | -68,291.63     |             | 437,547.96       | 682,916.66   | -245,368.70    | 64.07%      |
| <b>Total Expense</b>                            | 65,153.44  | 119,616.00 | 144,286.80 | 113,200.37 | 202,363.43 | 127,119.05 | 144,489.87 | 169,477.43 | 218,801.88 |        |        |        | 183,875.77 | -183,875.77    |             | 1,304,508.27     | 1,838,759.14 | -534,250.87    | 70.95%      |
| <b>Net Ordinary Income</b>                      | 120,282.34 | 118,911.97 | 97,098.42  | 58,536.79  | -9,002.27  | 137,230.54 | 116,729.63 | -6,938.99  | -58,607.90 |        |        |        | -16,125.77 | 16,125.77      |             | 574,240.53       | -23,759.14   | 597,999.67     | -2,416.93%  |
| <b>Other Income/Expense</b>                     |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>Other Income</b>                             |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>7000 · Capital Account Revenues</b>          |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>7100 · Connection Fees</b>                   |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>7110 · Connection Fees (New Constr)</b>      | 4,072.72   |            |            | 18,105.00  |            |            | 4,200.72   | 18,105.00  | 56,125.00  |        |        |        | 12,500.00  | -12,500.00     |             | 100,608.44       | 125,000.00   | -24,391.56     | 80.49%      |
| <b>7130 · Conn. Fees, PFP (New Constr)</b>      | 6,879.11   | 9,029.00   |            | 5,406.00   |            |            |            | 9,029.00   | 27,087.00  |        |        |        | 10,833.37  | -10,833.37     |             | 57,430.11        | 108,333.34   | -50,903.23     | 53.01%      |
| <b>Total 7100 · Connection Fees</b>             | 10,951.83  | 9,029.00   |            | 23,511.00  |            |            | 4,200.72   | 27,134.00  | 83,212.00  |        |        |        | 23,333.37  | -23,333.37     |             | 158,038.55       | 233,333.34   | -75,294.79     | 67.73%      |
| <b>7600 · Bond Revenues, G.O.</b>               |            | 2,050.10   |            | 1,396.19   | 21,116.20  | 560,710.15 | 2,352.01   | 69,880.54  | 1,103.34   |        |        |        | 95,869.63  | -95,869.63     |             | 658,608.53       | 958,696.66   | -300,088.13    | 68.7%       |
| <b>Total 7000 · Capital Account Revenues</b>    | 10,951.83  | 11,079.10  |            | 24,907.19  | 21,116.20  | 560,710.15 | 6,552.73   | 97,014.54  | 84,315.34  |        |        |        | 119,203.00 | -119,203.00    |             | 816,647.08       | 1,192,030.00 | -375,382.92    | 68.51%      |
| <b>Total Other Income</b>                       | 10,951.83  | 11,079.10  |            | 24,907.19  | 21,116.20  | 560,710.15 | 6,552.73   | 97,014.54  | 84,315.34  |        |        |        | 119,203.00 | -119,203.00    |             | 816,647.08       | 1,192,030.00 | -375,382.92    | 68.51%      |
| <b>Other Expense</b>                            |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>8000 · Capital Improvement Program</b>       |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>8100 · Water</b>                             |            | 52,240.72  | 57,197.72  | 118,127.12 | 213,799.88 | 166,380.61 | 173,886.45 |            | 45,425.14  |        |        |        | 45,791.63  | -45,791.63     |             | 827,057.64       | 457,916.66   | 369,140.98     | 180.61%     |
| <b>Total 8000 · Capital Improvement Program</b> |            | 52,240.72  | 57,197.72  | 118,127.12 | 213,799.88 | 166,380.61 | 173,886.45 |            | 45,425.14  |        |        |        | 45,791.63  | -45,791.63     |             | 827,057.64       | 457,916.66   | 369,140.98     | 180.61%     |
| <b>9000 · Capital Account Expenses</b>          |            |            |            |            |            |            |            |            |            |        |        |        |            |                |             |                  |              |                |             |
| <b>9100 · Interest Expense - GO Bonds</b>       |            | 117,108.56 |            |            |            |            |            | 113,430.11 |            |        |        |        | 19,211.62  | -19,211.62     |             | 230,538.67       | 192,115.84   | 38,422.83      | 120.0%      |
| <b>9125 · PNC Equipment Lease Interest</b>      | 1,332.23   | 1,321.33   | 1,309.69   | 1,298.01   | 1,286.30   | 1,274.57   | 1,262.80   | 1,251.01   | 2,466.53   |        |        |        | 1,268.38   | -1,268.38      |             | 12,802.47        | 12,684.16    | 118.31         | 100.93%     |
| <b>9150 · SRF Loan</b>                          |            |            |            |            |            | 163,905.22 |            |            |            |        |        |        | 6,072.75   | -6,072.75      |             | 163,905.22       | 60,727.50    | 103,177.72     | 269.9%      |
| <b>9200 · I-Bank Loan</b>                       |            |            |            |            |            |            | 11,062.63  |            |            |        |        |        |            |                |             | 11,062.63        |              |                |             |
| <b>9210 · Conservation Program/Rebates</b>      |            |            | 350.00     |            | 150.00     |            | 450.00     | 200.00     | 200.00     |        |        |        | 250.00     | -250.00        |             | 1,350.00         | 2,500.00     | -1,150.00      | 54.0%       |

**Montara Water & Sanitary District**  
**Revenue & Expenditures Budget vs. Actual - Water**  
 July 2019 through June 2020

|                                       | Jul 19            | Aug 19            | Sep 19           | Oct 19            | Nov 19             | Dec 19            | Jan 20            | Feb 20            | Mar 20            | Apr 20 | May 20 | Jun 20 | Budget           | \$ Over Budget    | % of Budget | Jul '19 - Jun 20  | Budget            | \$ Over Budget     | % of Budget   |
|---------------------------------------|-------------------|-------------------|------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|--------|--------|--------|------------------|-------------------|-------------|-------------------|-------------------|--------------------|---------------|
| Total 9000 - Capital Account Expenses | 1,332.23          | 118,429.89        | 1,659.69         | 1,298.01          | 1,436.30           | 165,179.79        | 12,775.43         | 114,881.12        | 2,666.53          |        |        |        | 26,802.75        | -26,802.75        |             | 419,658.99        | 268,027.50        | 151,631.49         | 156.57%       |
| Total Other Expense                   | 1,332.23          | 170,670.61        | 58,857.41        | 119,425.13        | 215,236.18         | 331,560.40        | 186,661.88        | 114,881.12        | 48,091.67         |        |        |        | 72,594.38        | -72,594.38        |             | 1,246,716.63      | 725,944.16        | 520,772.47         | 171.74%       |
| Net Other Income                      | 9,619.60          | -159,591.51       | -58,857.41       | -94,517.94        | -194,119.98        | 229,149.75        | -180,109.15       | -17,866.58        | 36,223.67         |        |        |        | 46,608.62        | -46,608.62        |             | -430,069.55       | 466,085.84        | -896,155.39        | -92.27%       |
| <b>Net Income</b>                     | <b>129,901.94</b> | <b>-40,679.54</b> | <b>38,241.01</b> | <b>-35,981.15</b> | <b>-203,122.25</b> | <b>366,380.29</b> | <b>-63,379.52</b> | <b>-24,805.57</b> | <b>-22,384.23</b> |        |        |        | <b>30,482.85</b> | <b>-30,482.85</b> |             | <b>144,170.98</b> | <b>442,326.70</b> | <b>-298,155.72</b> | <b>32.59%</b> |

| <u>Date</u>   | <u>Num</u> | <u>Name</u>                   | <u>Paid Amount</u> |      |
|---------------|------------|-------------------------------|--------------------|------|
| <b>SPLITS</b> |            |                               |                    |      |
| 03/27/2020    | 11401      | AT&T                          | -265.46            | PAID |
| 03/27/2020    | 11402      | AT&T                          | -142.59            | PAID |
| 03/27/2020    | 11403      | AT&T                          | -66.56             | PAID |
| 03/27/2020    | 11404      | AT&T                          | -3,684.51          | PAID |
| 03/27/2020    | 11405      | AT&T                          | -277.99            | PAID |
| 03/27/2020    | 11412      | CoastsideNet, Inc.            | -64.95             | PAID |
| 04/02/2020    | 11419      | Comcast                       | -272.40            | PAID |
| 04/02/2020    | 11420      | IEDA                          | -427.00            | PAID |
| 03/27/2020    | 11413      | Kastama Strategic Consulting  | -8,751.35          | PAID |
| 03/27/2020    | 11414      | Office Depot                  | -346.42            | PAID |
| 03/27/2020    | 11408      | PNC Equipment Finance, LLC    | -12,120.00         | PAID |
| 03/27/2020    | 11417      | White Glove Housekeeping      | -500.00            | PAID |
| 04/09/2020    | 11421      | ACWA/JPIA Insurance Authority | -10,418.05         | PAID |
| 04/09/2020    | 11425      | U.S. Bank PARS                | -8,701.38          | PAID |
| 05/03/2020    | 11426      | A-B Communications            | -163.35            |      |
| 05/03/2020    | 11427      | ACWA/JPIA Insurance Authority | -4,233.02          |      |
| 05/03/2020    | 11431      | AT&T                          | -265.64            |      |
| 05/03/2020    | 11432      | AT&T                          | -158.00            |      |
| 05/03/2020    | 11433      | AT&T                          | -72.30             |      |
| 05/03/2020    | 11434      | AT&T                          | -268.98            |      |
| 05/03/2020    | 11435      | AT&T                          | -3,684.79          |      |
| 05/03/2020    | 11437      | Aztec Gardens                 | -850.00            |      |
| 05/03/2020    | 11438      | Aztec Gardens                 | -1,050.00          |      |
| 05/03/2020    | 11439      | Bay Alarm Company             | -3,200.00          |      |
| 05/03/2020    | 11440      | Bay Alarm Company             | -100.00            |      |
| 05/03/2020    | 11441      | Bay Alarm Company             | -254.04            |      |
| 05/03/2020    | 11446      | CalPERS 457 Plan              | -5,845.71          |      |
| 05/03/2020    | 11447      | CoastsideNet, Inc.            | -64.95             |      |
| 05/03/2020    | 11448      | Comcast                       | -272.08            |      |
| 05/03/2020    | 11449      | County of San Mateo-          | -588.00            |      |
| 05/03/2020    | 11452      | Fitzgerald Law Offices        | -21,493.75         |      |
| 05/03/2020    | 11453      | Half Moon Bay Review          | -100.00            |      |
| 05/03/2020    | 11454      | Jim Harvey                    | -150.00            |      |
| 05/03/2020    | 11457      | Kastama Strategic Consulting  | -4,725.00          |      |
| 05/03/2020    | 11458      | Kathryn Slater-Carter         | -150.00            |      |
| 05/03/2020    | 11459      | KBA Document Solutions        | -49.23             |      |
| 05/03/2020    | 11460      | KBA Document Solutions        | -122.29            |      |
| 05/03/2020    | 11461      | Maze & Associates             | -4,100.00          |      |
| 05/03/2020    | 11464      | Pacific Gas & Electric        | -5,135.27          |      |
| 05/03/2020    | 11465      | PARS                          | -795.68            |      |
| 05/03/2020    | 11466      | Peter Dekker                  | -150.00            |      |
| 05/03/2020    | 11467      | PNC Equipment Finance, LLC    | -12,120.00         |      |
| 05/03/2020    | 11468      | Recology of the Coastside     | -488.95            |      |
| 05/03/2020    | 11469      | Ric Lohman                    | -150.00            |      |

|            |       |                        |           |  |
|------------|-------|------------------------|-----------|--|
| 05/03/2020 | 11470 | Scott Boyd             | -150.00   |  |
| 05/03/2020 | 11474 | Standard Insurance Co. | -477.69   |  |
| 05/03/2020 | 11475 | Tech Solutions         | -2,145.00 |  |
| 05/03/2020 | 11476 | U.S. Bank PARS         | -9,652.94 |  |
| 05/01/2020 | 11478 | Max Williams           | -3,266.25 |  |
| 05/01/2020 | 11479 | Amber Forke            | -814.01   |  |
| 05/01/2020 | 11480 | Peter Willhoite        | -2,281.80 |  |
| 05/01/2020 | 11481 | 193 Reef Point LLC     | -145.90   |  |

**WATER**

|            |       |                               |             |      |
|------------|-------|-------------------------------|-------------|------|
| 03/27/2020 | 11406 | AT&T Mobility                 | -368.70     | PAID |
| 03/27/2020 | 11411 | Balance Hydrologics, Inc.     | -8,685.99   | PAID |
| 03/27/2020 | 11410 | CSRMA                         | -392.00     | PAID |
| 03/27/2020 | 11418 | Michels Pacific Energy        | -854.17     | PAID |
| 03/27/2020 | 11407 | Pacific Gas & Electric        | -928.43     | PAID |
| 03/27/2020 | 11409 | SRT Consultants               | -25,302.82  | PAID |
| 04/09/2020 | 11422 | Hassette Ace Hardware         | -392.22     | PAID |
| 04/09/2020 | 11423 | Pacific Gas & Electric        | -1,300.93   | PAID |
| 04/09/2020 | 11424 | Pump Repair Service Co.       | -9,446.25   | PAID |
| 05/03/2020 | 11428 | Andreini Brothers, Inc.       | -3,014.76   |      |
| 05/03/2020 | 11429 | Andreini Brothers, Inc.       | -12,191.40  |      |
| 05/03/2020 | 11430 | Andreini Brothers, Inc.       | -10,838.22  |      |
| 05/03/2020 | 11436 | AT&T Mobility                 | -308.28     |      |
| 05/03/2020 | 11442 | BSK Lab                       | -52.00      |      |
| 05/03/2020 | 11443 | Calcon Systems, Inc.          | -1,920.00   |      |
| 05/03/2020 | 11444 | Calcon Systems, Inc.          | -5,148.75   |      |
| 05/03/2020 | 11445 | Calcon Systems, Inc.          | -540.00     |      |
| 05/03/2020 | 11450 | First Republic Bank           | -336,054.90 |      |
| 05/03/2020 | 11451 | First Republic Bank           | -52,452.61  |      |
| 05/03/2020 | 11463 | Pacific Gas & Electric        | -952.44     |      |
| 05/03/2020 | 11477 | Wells Fargo Remittance Center | -4,908.80   |      |

## SEWER

|            |       |                               |             |      |
|------------|-------|-------------------------------|-------------|------|
| 03/27/2020 | 11416 | The Graphicworks              | -336.53     | PAID |
| 05/03/2020 | 11455 | JMB Construction              | -61,533.50  |      |
| 05/03/2020 | 11456 | JMB Construction              | -5,102.45   |      |
| 05/03/2020 | 11462 | Nute Engineering              | -8,632.00   |      |
| 05/03/2020 | 11471 | Sewer Authority Mid-Coastside | -16,248.87  |      |
| 05/03/2020 | 11472 | Sewer Authority Mid-Coastside | -28,462.42  |      |
| 05/03/2020 | 11473 | Sewer Authority Mid-Coastside | -127,428.28 |      |
| 05/01/2020 | 11482 | Tom and Sue Richards          | -1,506.28   |      |



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **May 7, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: SAM Flow Report for March 2020**

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The Sewer Authority Mid-Coastside (SAM) has prepared the following attached reports for the SAM Board of Directors and the California Regional Water Quality Control Board:

- Flow Report for March 2020.
- Collection System Monthly Overflow Report – March 2020.

The Average Daily Flow for Montara was 0.283 MGD in March 2020. There was no reportable overflow in March in the Montara System. SAM indicates there were 2.23 inches of rain in March 2020.

## RECOMMENDATION:

Review and file.

Attachments

# Sewer Authority Mid-Coastside

## Monthly Collection System Activity/SSO Distribution Report, March 2020

**March 2020**

|              | <b>Total</b> | <i>Number of S.S.O's</i> |            |            |            |
|--------------|--------------|--------------------------|------------|------------|------------|
|              |              | <b>HMB</b>               | <b>GCS</b> | <b>MSD</b> | <b>SAM</b> |
| Roots        | 0            | 0                        | 0          | 0          | 0          |
| Grease       | 0            | 0                        | 0          | 0          | 0          |
| Mechanical   | 0            | 0                        | 0          | 0          | 0          |
| Wet Weather  | 0            | 0                        | 0          | 0          | 0          |
| Other        | 0            | 0                        | 0          | 0          | 0          |
| <b>Total</b> | <b>0</b>     | <b>0</b>                 | <b>0</b>   | <b>0</b>   | <b>0</b>   |

**12 Month Moving Total**

|              | <b>Total</b> | <i>12 month rolling Number</i> |            |            |            |
|--------------|--------------|--------------------------------|------------|------------|------------|
|              |              | <b>HMB</b>                     | <b>GCS</b> | <b>MSD</b> | <b>SAM</b> |
| Roots        | 0            | 0                              | 0          | 0          | 0          |
| Grease       | 0            | 0                              | 0          | 0          | 0          |
| Mechanical   | 1            | 1                              | 0          | 0          | 0          |
| Wet Weather  | 0            | 0                              | 0          | 0          | 0          |
| Other        | 1            | 0                              | 0          | 0          | 1          |
| <b>Total</b> | <b>2</b>     | <b>1</b>                       | <b>0</b>   | <b>0</b>   | <b>1</b>   |
|              |              | <b>50%</b>                     | <b>0%</b>  | <b>0%</b>  | <b>50%</b> |

**Reportable SSOs**

|                       | <b>Total</b> | <i>Reportable Number of S.S.O.'s</i> |            |            |            |
|-----------------------|--------------|--------------------------------------|------------|------------|------------|
|                       |              | <b>HMB</b>                           | <b>GCS</b> | <b>MSD</b> | <b>SAM</b> |
| March 2020            | 0            | 0                                    | 0          | 0          | 0          |
| 12 Month Moving Total | 2            | 1                                    | 0          | 0          | 1          |

**SSOs / Year / 100 Miles**

|                        | <b>Total</b> | <i>Number of S.S.O.'s /Year/100 Miles</i> |              |              |             |
|------------------------|--------------|---|--------------|--------------|-------------|
|                        |              | <b>HMB</b>                                | <b>GCS</b>   | <b>MSD</b>   | <b>SAM</b>  |
| March 2020             | 0.0          | 0.0                                       | 0.0          | 0.0          | 0.0         |
| 12 Month Moving Total  | 1.9          | 2.7                                       | 0.0          | 0.0          | 13.7        |
| Category 1             | 0.0          | 0.0                                       | 0.0          | 0.0          | 0.0         |
| Category 2             | 0.0          | 0.0                                       | 0.0          | 0.0          | 0.0         |
| Category 3             | 1.9          | 2.7                                       | 0.0          | 0.0          | 13.7        |
| <b>Miles of Sewers</b> | <b>104.5</b> | <b>37.0</b>                               | <b>33.2</b>  | <b>27.0</b>  | <b>7.3</b>  |
|                        |              | <b>35.4%</b>                              | <b>31.8%</b> | <b>25.8%</b> | <b>7.0%</b> |

**12 Month Rolling Total Sewer Cleaning Summary**

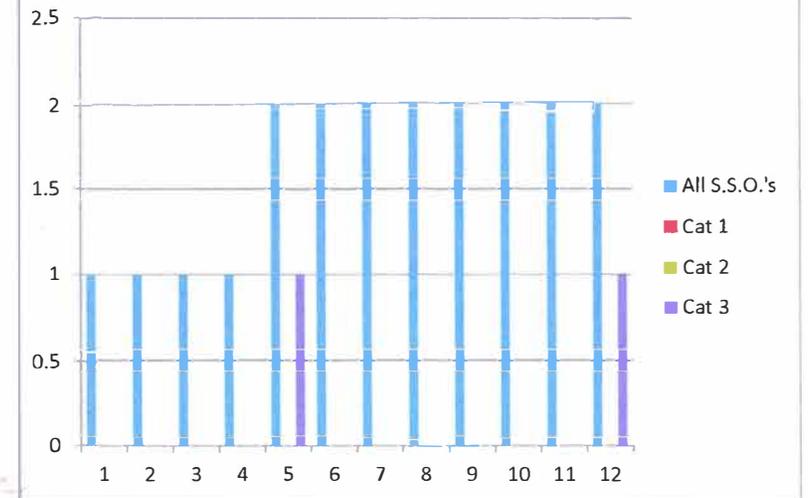
| <b>Month</b> | <b>HMB</b> | <b>GCS</b> | <b>MSD</b> | <b>Total Feet</b> | <b>Total Miles</b> |
|--------------|------------|------------|------------|-------------------|--------------------|
| Apr - 19     | 12,934     | 10,801     | 11,247     | 34,982            | 6.6                |
| May - 19     | 11,193     | 12,786     | 10,094     | 34,073            | 6.5                |
| June - 19    | 14,529     | 18,431     | 10,419     | 43,379            | 8.2                |
| July - 19    | 8,754      | 18,560     | 9,511      | 36,825            | 7.0                |
| Aug - 19     | 8,042      | 22,405     | 15,720     | 46,167            | 8.7                |
| Sept - 19    | 7,292      | 18,063     | 11,618     | 36,973            | 7.0                |
| Oct - 19     | 16,104     | 14,144     | 13,611     | 43,859            | 8.3                |
| Nov - 19     | 6,171      | 23,308     | 10,135     | 39,614            | 7.5                |
| Dec - 19     | 6,660      | 18,277     | 9,422      | 34,359            | 6.5                |
| Jan - 20     | 6,947      | 11,809     | 11,218     | 29,974            | 5.7                |
| Feb - 20     | 7,403      | 7,463      | 10,503     | 25,369            | 4.8                |
| Mar - 20     | 10,957     | 11,948     | 10,023     | 32,928            | 6.2                |

|                  |         |         |         |         |  |
|------------------|---------|---------|---------|---------|--|
| <b>Annual ft</b> | 116,986 | 187,995 | 133,521 | 438,502 |  |
|------------------|---------|---------|---------|---------|--|

|                   |      |      |      |  |      |
|-------------------|------|------|------|--|------|
| <b>Annual Mi.</b> | 22.2 | 35.6 | 25.3 |  | 83.0 |
|-------------------|------|------|------|--|------|

Attachment C

**12 Month Moving SSO Totals Through March 2020**



Attachment A

Flow Distribution Report Summary for March 2020

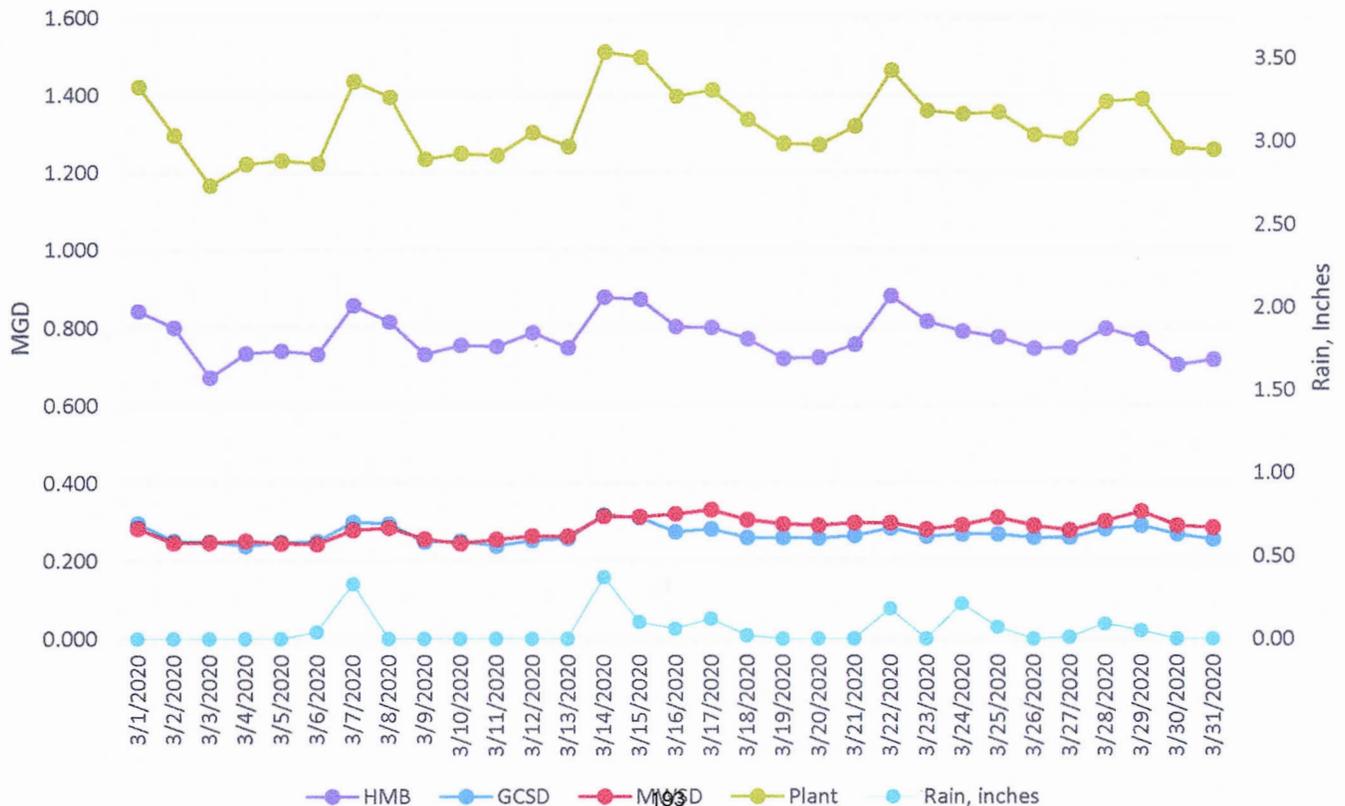
The daily flow report figures for the month of March 2020 have been converted to an Average

Daily Flow (ADF) for each Member Agency.  
The results are attached for your review.

The summary of the ADF information is as follows:

|                                     | <u>MGD</u>   | <u>%</u>     |
|-------------------------------------|--------------|--------------|
| The City of Half Moon Bay           | 0.776        | 58.5%        |
| Granada Community Services District | 0.267        | 20.2%        |
| Montara Water and Sanitary District | <u>0.283</u> | <u>21.3%</u> |
| Total                               | 1.326        | 100.0%       |

Sewer Authority Mid-Coastside  
Monthly Flow Distribution Report, March 2020



# Sewer Authority Mid-Coastside

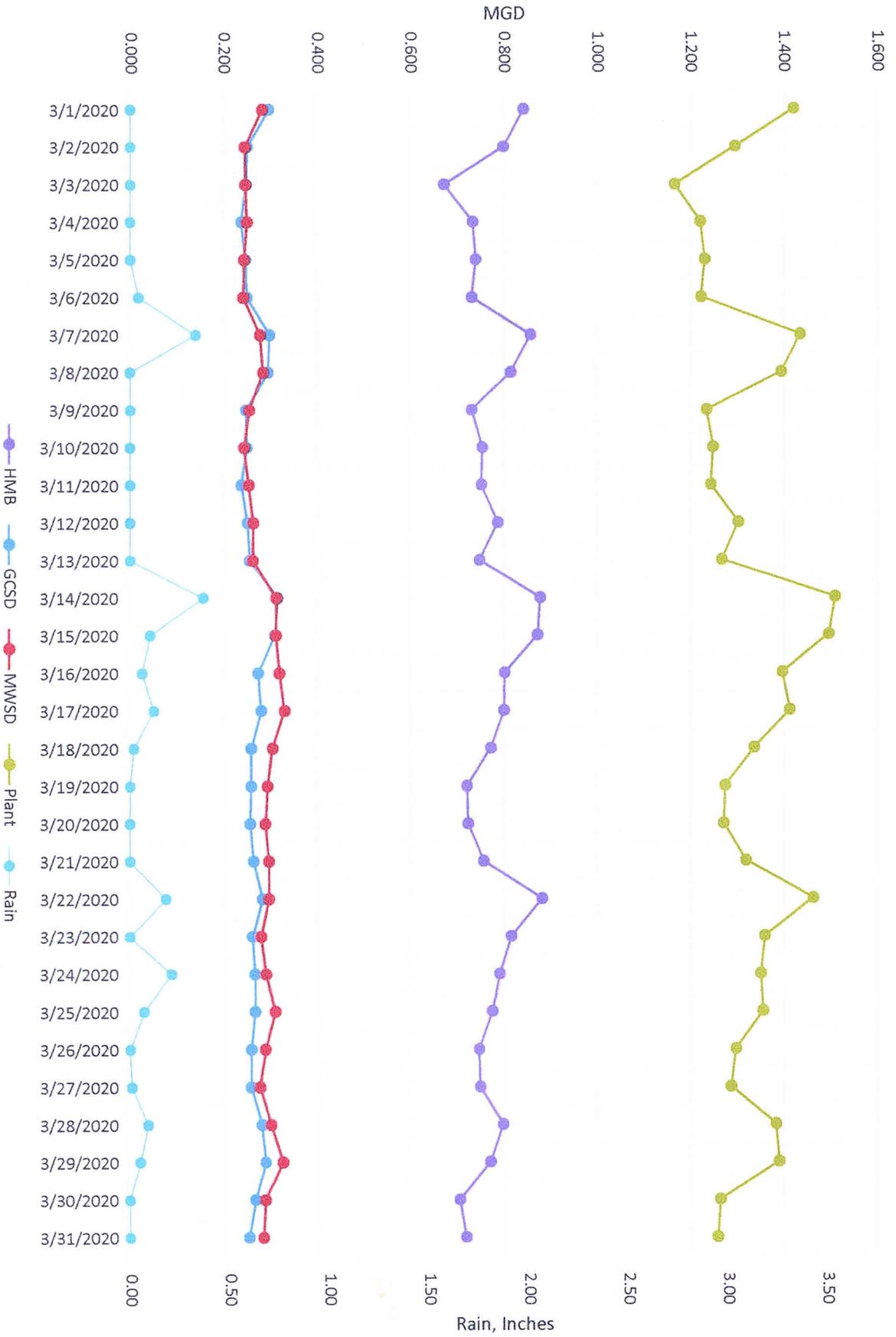
## Monthly Flow Distribution Report for March 2020

| <u>Date</u>   | <u>HMB</u>    | <u>GCSD</u>  | <u>MWSD</u>  | <u>Plant</u>  | <u>Rain Plant</u> | <u>Rain Portola</u> | <u>Rain Montara</u> |
|---------------|---------------|--------------|--------------|---------------|-------------------|---------------------|---------------------|
| 3/1/2020      | 0.842         | 0.296        | 0.282        | 1.421         | 0.00              | 0.00                | 0.00                |
| 3/2/2020      | 0.800         | 0.250        | 0.245        | 1.295         | 0.00              | 0.00                | 0.00                |
| 3/3/2020      | 0.672         | 0.248        | 0.246        | 1.166         | 0.00              | 0.00                | 0.00                |
| 3/4/2020      | 0.734         | 0.238        | 0.250        | 1.222         | 0.00              | 0.00                | 0.00                |
| 3/5/2020      | 0.740         | 0.247        | 0.244        | 1.231         | 0.00              | 0.00                | 0.00                |
| 3/6/2020      | 0.731         | 0.250        | 0.242        | 1.223         | 0.04              | 0.00                | 0.00                |
| 3/7/2020      | 0.858         | 0.299        | 0.278        | 1.435         | 0.33              | 0.11                | 0.42                |
| 3/8/2020      | 0.815         | 0.295        | 0.284        | 1.394         | 0.00              | 0.00                | 0.00                |
| 3/9/2020      | 0.731         | 0.248        | 0.255        | 1.234         | 0.00              | 0.00                | 0.00                |
| 3/10/2020     | 0.755         | 0.250        | 0.244        | 1.249         | 0.00              | 0.00                | 0.00                |
| 3/11/2020     | 0.752         | 0.238        | 0.254        | 1.244         | 0.00              | 0.00                | 0.00                |
| 3/12/2020     | 0.788         | 0.252        | 0.263        | 1.302         | 0.00              | 0.00                | 0.00                |
| 3/13/2020     | 0.748         | 0.257        | 0.262        | 1.267         | 0.00              | 0.00                | 0.00                |
| 3/14/2020     | 0.879         | 0.317        | 0.314        | 1.510         | 0.37              | 0.40                | 0.55                |
| 3/15/2020     | 0.873         | 0.311        | 0.313        | 1.496         | 0.10              | 0.14                | 0.15                |
| 3/16/2020     | 0.802         | 0.274        | 0.320        | 1.397         | 0.06              | 0.07                | 0.08                |
| 3/17/2020     | 0.801         | 0.281        | 0.331        | 1.413         | 0.12              | 0.15                | 0.24                |
| 3/18/2020     | 0.772         | 0.259        | 0.305        | 1.336         | 0.02              | 0.02                | 0.02                |
| 3/19/2020     | 0.721         | 0.259        | 0.294        | 1.274         | 0.00              | 0.00                | 0.01                |
| 3/20/2020     | 0.723         | 0.258        | 0.290        | 1.271         | 0.00              | 0.00                | 0.00                |
| 3/21/2020     | 0.757         | 0.264        | 0.297        | 1.318         | 0.00              | 0.00                | 0.00                |
| 3/22/2020     | 0.882         | 0.284        | 0.297        | 1.462         | 0.18              | 0.12                | 0.01                |
| 3/23/2020     | 0.816         | 0.262        | 0.280        | 1.358         | 0.00              | 0.00                | 0.00                |
| 3/24/2020     | 0.791         | 0.268        | 0.291        | 1.350         | 0.21              | 0.25                | 0.18                |
| 3/25/2020     | 0.776         | 0.268        | 0.311        | 1.355         | 0.07              | 0.02                | 0.10                |
| 3/26/2020     | 0.747         | 0.260        | 0.290        | 1.297         | 0.00              | 0.00                | 0.00                |
| 3/27/2020     | 0.749         | 0.260        | 0.278        | 1.287         | 0.01              | 0.01                | 0.01                |
| 3/28/2020     | 0.798         | 0.282        | 0.302        | 1.382         | 0.09              | 0.10                | 0.29                |
| 3/29/2020     | 0.772         | 0.290        | 0.327        | 1.389         | 0.05              | 0.10                | 0.17                |
| 3/30/2020     | 0.705         | 0.268        | 0.290        | 1.263         | 0.00              | 0.00                | 0.00                |
| 3/31/2020     | 0.718         | 0.255        | 0.285        | 1.258         | 0.00              | 0.00                | 0.00                |
| <b>Totals</b> | <b>24.046</b> | <b>8.289</b> | <b>8.764</b> | <b>41.099</b> | <b>1.65</b>       | <b>1.49</b>         | <b>2.23</b>         |

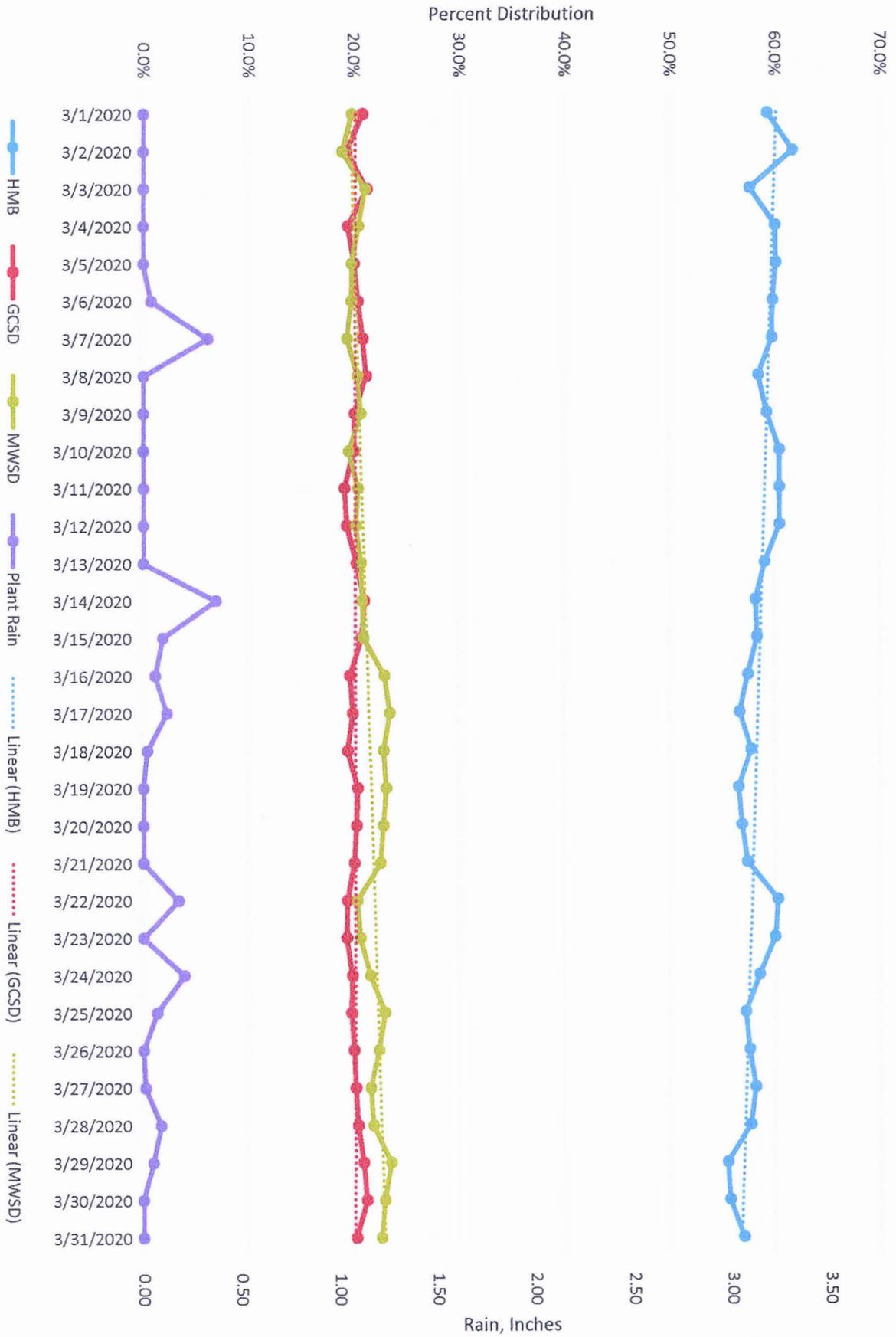
### Summary

|                     | <u>HMB</u>   | <u>GCSD</u>  | <u>MWSD</u>  | <u>Plant</u>  |
|---------------------|--------------|--------------|--------------|---------------|
| Minimum             | 0.672        | 0.238        | 0.242        | 1.166         |
| <b>Average</b>      | <b>0.776</b> | <b>0.267</b> | <b>0.283</b> | <b>1.326</b>  |
| Maximum             | 0.882        | 0.317        | 0.331        | 1.510         |
| <b>Distribution</b> | <b>58.5%</b> | <b>20.2%</b> | <b>21.3%</b> | <b>100.0%</b> |

## Sewer Authority Mid-Coastside Monthly Flow Distribution Report, March 2020

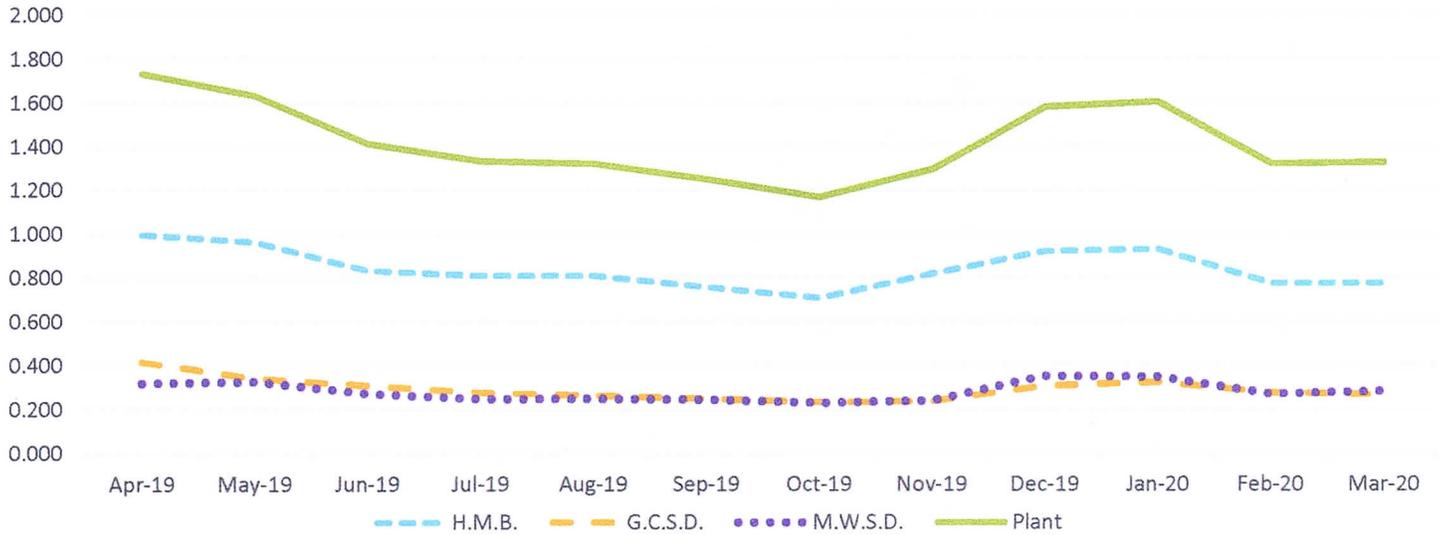


## Percent Distribution March 2020

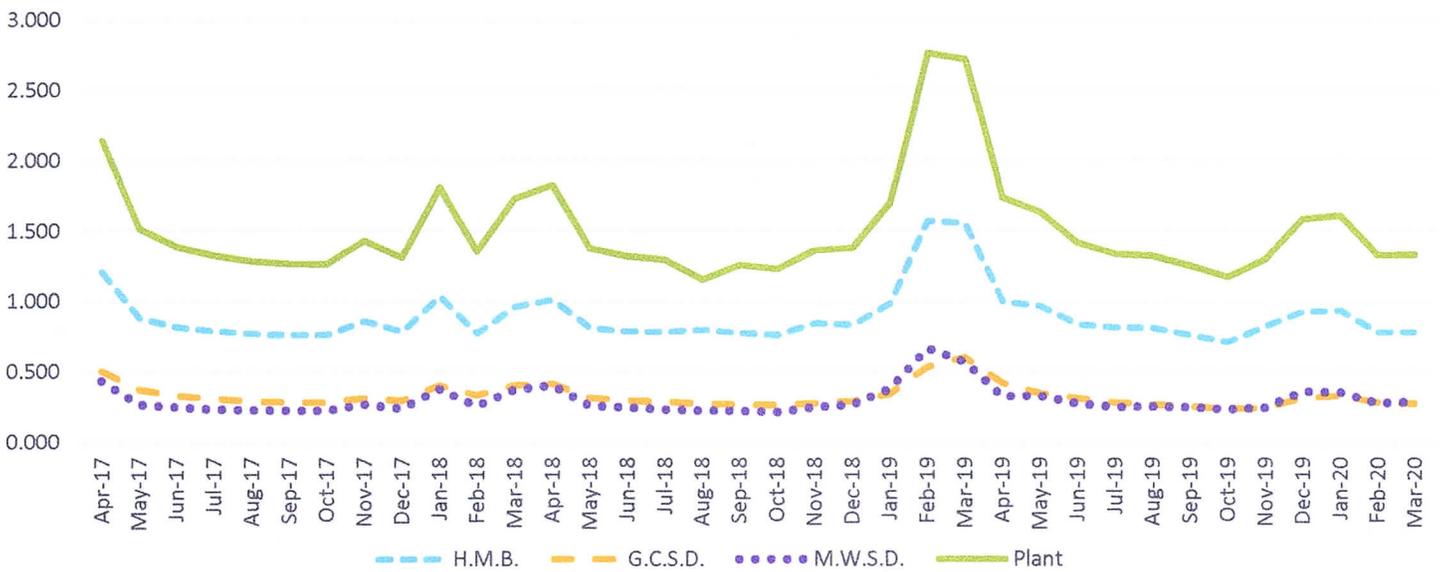


Most recent flow calibration September 2019 PS, September 2019 Plant

One Year Flow Chgart  
April 2019 - March2020

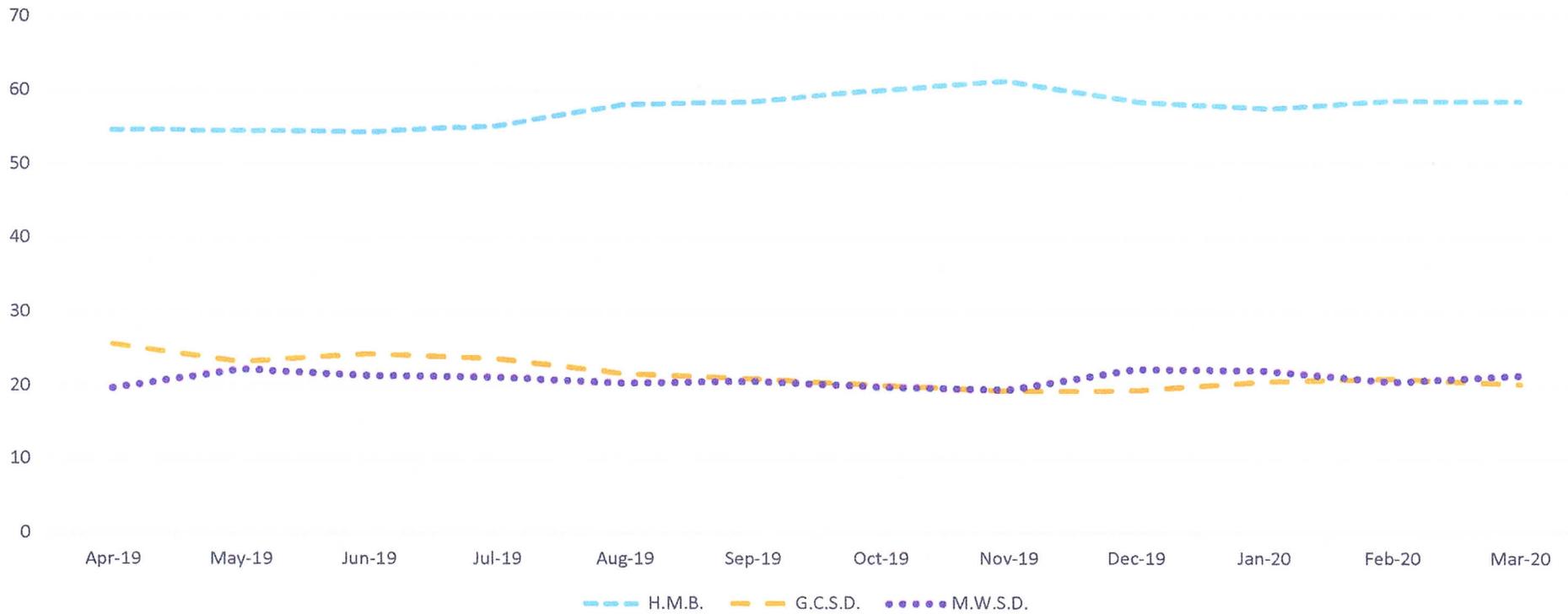


Three Year Flow Chart  
April 2017 - March 2020



# Flow based percent distribution based for past year

1 year Distribution by %  
April 2019 - March 2020





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: May 7, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

**SUBJECT: Review of Current Investment Portfolio**

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The District's Investment Policy and Guidelines requires that the Board review the status of the current investment portfolio. The following summarizes the status of these accounts:

- The District has most of its idle sewer funds deposited in the State of California's Local Agency Investment Fund (LAIF). The Monthly Average interest rate for March 2020 the rate was 1.787.
- The District has one checking account with Wells Fargo Bank for Water and Sewer Funds that is largely backed by Federal securities.

## RECOMMENDATION:

District staff attempts to cash manage idle funds in LAIF as long as possible before transferring to the Wells Fargo checking accounts for disbursements.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **May 7, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager 

## **SUBJECT: Connection Permit Applications Received**

As of May 7, 2020 the following new **Sewer Connection Permit** application was received since the last report:

| Date of Application | Property Owner | Site Address | Home Size |
|---------------------|----------------|--------------|-----------|
|                     |                |              |           |

As of May 7, 2020 the following new **Water (Private Fire Sprinkler) Connection Permit** application was received since the last report:

| Date of Application | Property Owner | Site Address              | Home Size |
|---------------------|----------------|---------------------------|-----------|
| 04-20-20            | Chester White  | 615 Lancaster, Moss Beach | SFD       |

As of May 7, 2020 the following new **Water Connection Permit** application was received since the last report:

| Date of App. | Property Owner   | Site Address            | Home Size  | Type of Connection   |
|--------------|------------------|-------------------------|------------|----------------------|
| 03-27-20     | Randy Dardenelle | 323 Cypress, Moss Beach | SFD & Comm | Domestic/ Commercial |

### RECOMMENDATION:

No action is required. This is for Board information only.



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: May 7th, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager 

**SUBJECT: Monthly Water Production Report**

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The attached two charts summarize the monthly water production for the District.

The first shows a consolidated from all sources by month. The second shows each water source the District uses, both wells and surface water. The production is shown in gallons of water produced.

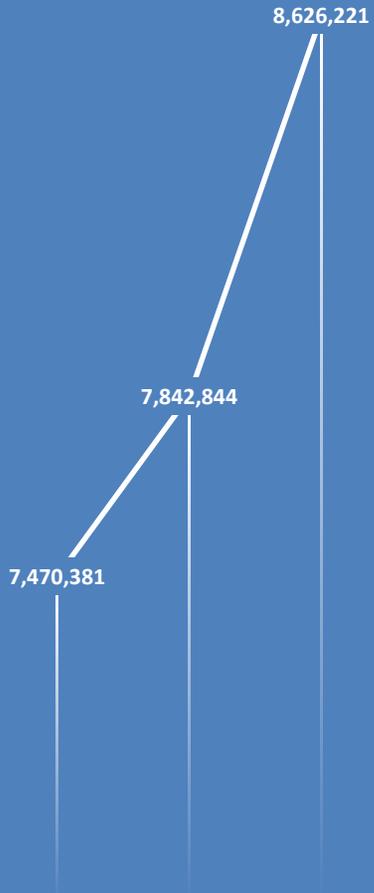
## RECOMMENDATION:

No action is required. These reports are provided for the Board's information only.

Attachments: 2

# TOTAL PRODUCTION 2020 (GALLONS)

GALLONS



|                            | January   | February  | March     | April | May | June | July | August | September | October | November | December |
|----------------------------|-----------|-----------|-----------|-------|-----|------|------|--------|-----------|---------|----------|----------|
| Total Production (Gallons) | 7,470,381 | 7,842,844 | 8,626,221 |       |     |      |      |        |           |         |          |          |

MONTH





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting of: May 7th, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

A handwritten signature in blue ink, appearing to be 'C Heldmaier'.

**SUBJECT: Rain Report**

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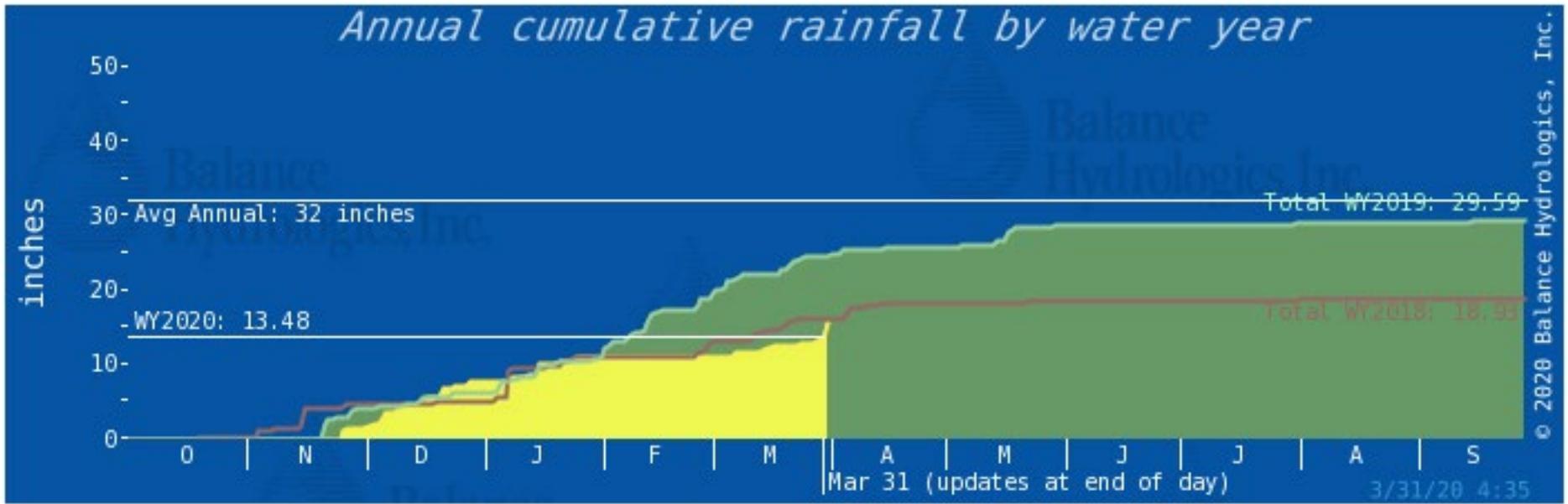
The attached chart shows the monthly rainfall at Alta Vista Treatment Plant for the current and prior water years along with seven-year average rain fall.

## RECOMMENDATION:

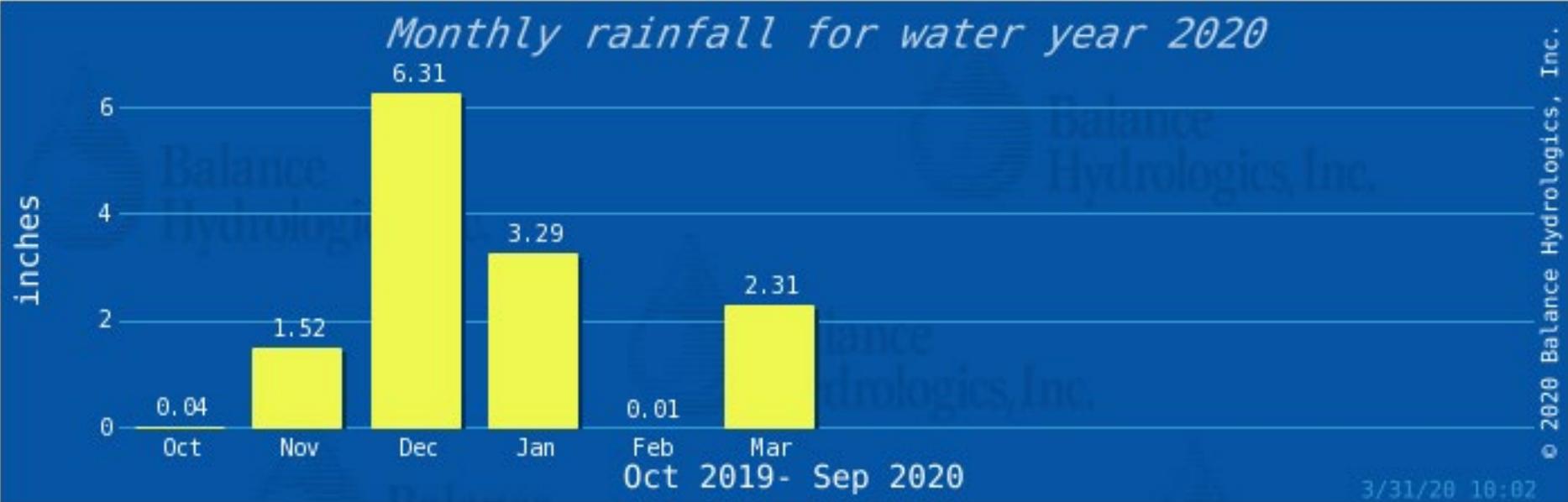
No action is required. These reports are provided for the Board's information only.

Attachments: 2

# Annual Cumulative Rainfall



# Monthly Cumulative Rainfall





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: May 7th, 2020

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Monthly Solar Energy Report**

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The attached chart summarizes the monthly solar production at the Alta Vista Array. Since the installation of the solar panels the District produced 44,349 kWh and saved 75,393 lbs of CO<sub>2</sub>.

## RECOMMENDATION:

No action is required. This information is provided for the Board's information only.

Attachments: 1





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **May 7, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

A handwritten signature in black ink, appearing to be 'Clemens'.

**SUBJECT: Monthly Public Agency Retirement Service  
Report for February 2020.**

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The District has received the monthly PARS report for February 2020.

Contributions are calculated on a bi-weekly basis, and contributions are made on a monthly basis.

The following monthly reports are submitted as consent agenda items on a monthly basis.

RECOMMENDATION:

This is for Board information only.

Attachment



**Montara Water and San  
Retirement Enhancement Plan**

**Monthly Account Report for the Period  
2/1/2020 to 2/29/2020**

Clemens H. Heldmaier  
General Manager  
Montara Water and San  
P.O. Box 370131  
Montara, CA 94037

Plan ID: P7-REP15A

**Account Summary**

| Source        | Beginning Balance as of 2/1/2020 | Contributions     | Earnings             | Expenses        | Distributions     | Transfers     | Ending Balance as of 2/29/2020 |
|---------------|----------------------------------|-------------------|----------------------|-----------------|-------------------|---------------|--------------------------------|
| Contributions | \$851,884.34                     | \$8,884.74        | (\$47,215.27)        | \$392.25        | \$1,084.63        | \$0.00        | \$812,076.93                   |
| <b>TOTAL</b>  | <b>\$851,884.34</b>              | <b>\$8,884.74</b> | <b>(\$47,215.27)</b> | <b>\$392.25</b> | <b>\$1,084.63</b> | <b>\$0.00</b> | <b>\$812,076.93</b>            |

**Investment Selection**

**PARS Capital Appreciation INDEX PLUS**

**Investment Objective**

The primary goal of the Capital Appreciation objective is growth of principal. The major portion of the assets are invested in equity securities and market fluctuations are expected.

**Investment Return**

| Source  | 1-Month | 3-Months | 1-Year | Annualized Return |         |          | Plan's Inception Date |
|---------|---------|----------|--------|-------------------|---------|----------|-----------------------|
|         |         |          |        | 3-Years           | 5-Years | 10-Years |                       |
| GENERAL | -5.51%  | -3.91%   | 5.12%  | 6.52%             | -       | -        | 03/08/16              |

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value.

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

Account balances are inclusive of Trust Administration, Trustee and Investment Management fees.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.





# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **May 7, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

A handwritten signature in black ink, appearing to read 'Clemens'.

**SUBJECT: Review and Possible Action Concerning Draft  
Water and Sewer Budget.**

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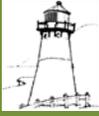
Every year the Board reviews MWSD's budgets in draft form to provide input to staff . At this time sewer flows are still being assessed by the consultant and sewer revenue unknown. Water and sewer CIP's are also in need to be refined and are still reviewed by staff.

Peter Medina with Maze & Associates is available to present the draft budget.

## RECOMMENDATION:

This item is for Board discussion and direction to staff, as well as referral to the finance committee. The finalized budgets will be presented for adoption at a subsequent meeting.

Attachments



# Montara Water & Sanitary

## Budgeted Cash Flow - Sewer

### Fiscal year 2020-2021

Cash flow summary  
Operating cash flow

| Operating income                                      | FY 2019-2020          | FY 2020-2021          | Variance (%) | Variance (\$) |
|---|-----------------------|-----------------------|--------------|---------------|
| Sewer Service Charges                                 | \$ 3,006,212          | \$ 3,276,000          | 8.97%        | \$ 269,788    |
| Cell Tower Lease                                      | \$ 37,000             | \$ 37,500             | 1.35%        | \$ 500        |
| Fees & Other  | \$ 21,100             | \$ 13,100             | -37.91%      | \$ (8,000)    |
| Property Tax  | \$ 275,000            | \$ 275,000            | 0.00%        | \$ -          |
| Waste Collection Revenues                             | \$ 23,000             | \$ 24,000             | 4.35%        | \$ 1,000      |
| <b>Total operating income</b>                         | <b>\$ 3,362,312</b>   | <b>\$ 3,625,600</b>   |              |               |
| <b>Operating expenses</b>                             |                       |                       |              |               |
| Personnel   | \$ (350,129)          | \$ (363,409)          | 3.79%        | \$ 13,280     |
| Professional Services                                 | \$ (500,200)          | \$ (289,700)          | -42.08%      | \$ (210,500)  |
| Facilities & Administration                           | \$ (56,950)           | \$ (57,000)           | 0.09%        | \$ 50         |
| Engineering   | \$ (62,000)           | \$ (60,000)           | -3.23%       | \$ (2,000)    |
| Pumping   | \$ (45,000)           | \$ (45,000)           | 0.00%        | \$ -          |
| Sewer Authority Mid-Coastside                         | \$ (1,960,688)        | \$ (1,948,790)        | -0.61%       | \$ (11,898)   |
| All other Accounts                                    | \$ (69,860)           | \$ (75,610)           | 8.23%        | \$ 5,750      |
| <b>Total operating expenses</b>                       | <b>\$ (3,044,827)</b> | <b>\$ (2,839,509)</b> |              |               |
| <b>Net Cash Flow Provided by Operations</b>           | <b>\$ 317,485</b>     | <b>\$ 786,091</b>     |              |               |
| <b>Investment cash flow</b>                           |                       |                       |              |               |
| <b>Investment income</b>                              |                       |                       |              |               |
| Interest Revenue                                      | \$ 50,000             | \$ 60,000             | 20.00%       | \$ 10,000     |
| <b>Total investment income</b>                        | <b>\$ 50,000</b>      | <b>\$ 60,000</b>      |              |               |
| <b>Investment expenses</b>                            |                       |                       |              |               |
| Capital Improvement Program                           | \$ (1,486,085)        | \$ (1,985,272)        | 33.59%       | \$ 499,187    |
| <b>Total investment expenses</b>                      | <b>\$ (1,486,085)</b> | <b>\$ (1,985,272)</b> |              |               |
| <b>Net Cash Flow Used by Investments</b>              | <b>\$ (1,436,085)</b> | <b>\$ (1,925,272)</b> |              |               |
| <b>Financing cash flow</b>                            |                       |                       |              |               |
| <b>Financing income</b>                               |                       |                       |              |               |
| Connection Fees                                       | \$ 200,000            | \$ 150,000            | -25.00%      | \$ (50,000)   |
| <b>Total financing income</b>                         | <b>\$ 200,000</b>     | <b>\$ 150,000</b>     |              |               |
| <b>Financing expenses</b>                             |                       |                       |              |               |
| Loan Interest Expense                                 | \$ (37,803)           | \$ (35,116)           | -7.11%       | \$ (2,688)    |
| Loan Principal Payment                                | \$ (87,133)           | \$ (93,512)           | 7.32%        | \$ 6,379      |
| <b>Total financing expenses</b>                       | <b>\$ (124,936)</b>   | <b>\$ (128,627)</b>   |              |               |
| <b>Net Cash Flow Provided by Financing Activities</b> | <b>\$ 75,064</b>      | <b>\$ 21,373</b>      |              |               |
| <b>Overall projected cash flow</b>                    | <b>\$ (1,043,536)</b> | <b>\$ (1,117,808)</b> |              |               |
| <b>Transfer from Sewer Reserves</b>                   | <b>\$ 1,043,536</b>   | <b>\$ 1,117,808 *</b> |              |               |
| <b>Net cash flow</b>                                  | <b>\$ -</b>           | <b>\$ -</b>           |              |               |

\* Please see discussion of Sewer reserve funds on page 23. In addition, please review the Sewer CIP project summary list on page 17.



# Montara Water & Sanitary

## Budgeted Cash Flow - Water

### Fiscal year 2020-2021

Cash flow summary  
Operating cash flow

| Operating income                                      | FY 2019-2020          | FY 2020-2021          | Variance (%) | Variance (\$) |
|---|-----------------------|-----------------------|--------------|---------------|
| Water Sales   | \$ 1,944,000          | \$ 1,897,000          | -2.42%       | \$ (47,000)   |
| Cell Tower Lease                                      | \$ 37,000             | \$ 37,500             | 1.35%        | \$ 500        |
| Fees & Other  | \$ 14,000             | \$ 15,000             | 7.14%        | \$ 1,000      |
| Property Tax  | \$ 275,000            | \$ 275,000            | 0.00%        | \$ -          |
| Backflow Testing & Other                              | \$ 18,000             | \$ 18,000             | 0.00%        | \$ -          |
| <b>Total operating income</b>                         | <b>\$ 2,288,000</b>   | <b>\$ 2,242,500</b>   |              |               |
| <b>Operating expenses</b>                             |                       |                       |              |               |
| Personnel   | \$ (886,161)          | \$ (947,044)          | 6.87%        | \$ 60,882     |
| Professional Services                                 | \$ (377,500)          | \$ (226,500)          | -40.00%      | \$ (151,000)  |
| Facilities & Administration                           | \$ (114,300)          | \$ (71,000)           | -37.88%      | \$ (43,300)   |
| Engineering   | \$ (380,500)          | \$ (220,000)          | -42.18%      | \$ (160,500)  |
| Pumping   | \$ (105,700)          | \$ (110,700)          | 4.73%        | \$ 5,000      |
| Supply  | \$ (47,500)           | \$ (37,500)           | -21.05%      | \$ (10,000)   |
| Collection/Transmission                               | \$ (82,500)           | \$ (80,500)           | -2.42%       | \$ (2,000)    |
| Treatment   | \$ (85,000)           | \$ (85,000)           | 0.00%        | \$ -          |
| All Other Accounts                                    | \$ (127,350)          | \$ (139,300)          | 9.38%        | \$ 11,950     |
| <b>Total operating expenses</b>                       | <b>\$ (2,206,511)</b> | <b>\$ (1,917,544)</b> |              |               |
| <b>Net Cash Flow Provided by Operations</b>           | <b>\$ 81,489</b>      | <b>\$ 324,956</b>     |              |               |
| <b>Investment cash flow</b>                           |                       |                       |              |               |
| <b>Investment income</b>                              |                       |                       |              |               |
| GO Bonds, Assessment Receipts                         | \$ 1,150,436          | \$ 1,150,436          | 0.00%        | \$ -          |
| Water System Reliability Charge                       | \$ -                  | \$ 1,000,000          |              |               |
| <b>Total investment income</b>                        | <b>\$ 1,150,436</b>   | <b>\$ 2,150,436</b>   |              |               |
| <b>Investment expenses</b>                            |                       |                       |              |               |
| Capital Improvement Program                           | \$ (549,500)          | \$ (1,108,750)        | 101.77%      | \$ 559,250    |
| <b>Total investment expenses</b>                      | <b>\$ (549,500)</b>   | <b>\$ (1,108,750)</b> |              |               |
| <b>Net Cash Flow Used by Investments</b>              | <b>\$ 600,936</b>     | <b>\$ 1,041,686</b>   |              |               |
| <b>Financing cash flow</b>                            |                       |                       |              |               |
| <b>Financing income</b>                               |                       |                       |              |               |
| Connection Fees                                       | \$ 280,000            | \$ 150,000            | -46.43%      | \$ (130,000)  |
| <b>Total financing income</b>                         | <b>\$ 280,000</b>     | <b>\$ 150,000</b>     |              |               |
| <b>Financing expenses</b>                             |                       |                       |              |               |
| Long Term Debt - Interest Expense                     | \$ (318,633)          | \$ (292,561)          | -8.18%       | \$ (26,072)   |
| Long Term Debt - Principal Payment                    | \$ (1,189,448)        | \$ (1,175,875)        | -1.14%       | \$ (13,573)   |
| <b>Total financing expenses</b>                       | <b>\$ (1,508,081)</b> | <b>\$ (1,468,436)</b> |              |               |
| <b>Net Cash Flow Provided by Financing Activities</b> | <b>\$ (1,228,081)</b> | <b>\$ (1,318,436)</b> |              |               |
| <b>Overall projected cash flow</b>                    | <b>\$ (545,656)</b>   | <b>\$ 48,206</b>      |              |               |
| <b>Transfer to Water Reserves</b>                     | <b>\$ (545,656)</b>   | <b>\$ 48,206</b>      |              | *             |
| <b>Net cash flow</b>                                  | <b>\$ -</b>           | <b>\$ -</b>           |              |               |

\* Please see discussion of Water reserve funds on page 22.



## MWSD — Fiscal Year 2020-21 Operations Budget - SEWER ENTERPRISE

| Operating Revenue                       | GL Codes | 2017-18          | 2018-19          | Approved         | Income/Expenditures  | % To date     | Projected        | Projected as   | Proposed Budgeted | Increase/(Decrease) | Increase/(decrease) |
|---|----------|------------------|------------------|------------------|----------------------|---------------|------------------|----------------|-------------------|---------------------|---------------------|
|   |          | Actual           | Actual           | Budget 2019-     | as of March 31, 2020 |               |                  | % of Budget    | amounts 2020-21   | from 2019-2020 \$   | %                   |
| Cell Tower Lease:                       | 4220     | 35,632           | 36,752           | 37,000           | 28,379               | 76.70%        | 37,839           | 102.27%        | 37,500            | 500                 | 1.35%               |
| Administrative Fees (New Construction): | 4410     | 4,040            | 3,647            | 3,600            | 3,794                | 105.39%       | 5,059            | 140.52%        | 3,600             | 0                   | 0.00%               |
| Administrative Fees (Remodel):          | 4420     | 0                | 0                | 2,000            | 542                  | 27.10%        | 723              | 36.13%         | 1,000             | (1,000)             | -50.00%             |
| Inspection Fees (New Construction):     | 4430     | 3,339            | 3,448            | 3,500            | 3,584                | 102.40%       | 4,779            | 136.53%        | 3,500             | 0                   | 0.00%               |
| Inspection Fees (Remodel):              | 4440     | 0                |                  | 4,000            | 512                  | 12.80%        | 683              | 17.07%         | 1,000             | (3,000)             | -75.00%             |
| Mainline Extension Fees:                | 4450     | 1,500            |                  |                  |                      | 0.00%         | 0                | 0.00%          |                   | 0                   | #DIV/0!             |
| Remodel Fees:                           | 4460     | 10,278           | 5,376            | 8,000            | 2,239                | 27.99%        | 2,985            | 37.32%         | 4,000             | (4,000)             | -50.00%             |
| Grants:                                 | 4510     | 0                |                  |                  | 112                  | 100.00%       | 149              | 100.00%        |                   | 0                   | #DIV/0!             |
| Property Tax Receipts:                  | 4610     | 367,805          | 404,079          | 275,000          | 290,129              | 105.50%       | 410,000          | 149.09%        | 275,000           | 0                   | 0.00%               |
| Sewer Service Charges:                  | 4710     | 2,053,963        | 2,610,244        | 3,010,212        | 1,728,243            | 57.41%        | 3,010,212        | 100.00%        | 3,280,000         | 269,788             | 8.96%               |
| Sewer Service Refunds, Customer:        | 4720     | (2,343)          | 496              | (4,000)          | (6,245)              | 156.12%       | (8,326)          | 208.16%        | (4,000)           | 0                   | 0.00%               |
| Waste Collection Revenues:              | 4760     | 21,677           | 23,172           | 23,000           | 17,302               | 75.23%        | 23,069           | 100.30%        | 24,000            | 1,000               | 4.35%               |
| Other Revenue:                          | 4990     | 3,378            | 2,825            |                  | 1,991                | 100.00%       | 2,655            | 100.00%        |                   |                     |                     |
| <b>Total Operating Revenue:</b>         |          | <b>2,499,269</b> | <b>3,090,039</b> | <b>3,362,312</b> | <b>2,070,582</b>     | <b>61.58%</b> | <b>3,489,826</b> | <b>103.79%</b> | <b>3,625,600</b>  | <b>263,288</b>      | <b>7.83%</b>        |
| <b>Operating Expenses</b>               |          |                  |                  |                  |                      |               |                  |                |                   |                     |                     |
| Bank Fees:                              | 5190     | 6,654            | 6,875            | 7,500            | 4,319                | 57.59%        | 5,759            | 76.78%         | 6,750             | (750)               | -10.00%             |
| Board Meetings:                         | 5210     | 1,836            | 3,928            | 3,000            | 2,610                | 87.00%        | 3,480            | 116.00%        | 3,000             | 0                   | 0.00%               |
| Director Fees:                          | 5220     | 3,900            | 2,288            | 4,000            | 3,075                | 76.88%        | 4,100            | 102.50%        | 4,000             | 0                   | 0.00%               |
| Election Expenses:                      | 5230     | 0                | 4,265            | 5,000            | 0                    | 0.00%         | 0                | 0.00%          | 5,000             | 0                   | 0.00%               |
| Conference Attendance:                  | 5250     | 3,131            | 2,467            | 5,000            | 238                  | 4.76%         | 317              | 6.35%          | 5,000             | 0                   | 0.00%               |
| Information Systems:                    | 5270     | 1,224            | 1,725            | 4,000            | 15,396               | 384.90%       | 20,528           | 513.20%        | 4,000             | 0                   | 0.00%               |
| Fidelity Bond:                          | 5310     | 0                | 438              | 500              | 0                    | 0.00%         | 0                | 0.00%          | 500               | 0                   | 0.00%               |
| Property & Liability Insurance:         | 5320     | 2,161            | 7,737            | 2,000            | 0                    | 0.00%         | 0                | 0.00%          | 8,000             | 6,000               | 300.00%             |
| LAFCO Assessment:                       | 5350     | 1,601            | 1,794            | 2,000            | 1,766                | 88.30%        | 2,355            | 117.73%        | 2,500             | 500                 | 25.00%              |
| Meeting Attendance, Legal:              | 5420     | 6,951            | 14               | 0                | 0                    | 0.00%         | 0                | 0.00%          | 0                 | 0                   | #DIV/0!             |
| General Legal:                          | 5430     | 209,412          | 183,515          | 412,500          | 92,523               | 22.43%        | 123,364          | 29.91%         | 200,000           | (212,500)           | -51.52%             |
| Maintenance, Office:                    | 5510     | 4,020            | 7,230            | 8,000            | 3,338                | 41.73%        | 4,451            | 55.63%         | 8,000             | 0                   | 0.00%               |
| Meetings, Local:                        | 5520     | 0                | 0                |                  | 0                    | 0.00%         | 0                | 0.00%          |                   | 0                   |                     |
| Memberships:                            | 5530     | 0                |                  |                  | 0                    | 0.00%         | 0                | 0.00%          |                   | 0                   |                     |
| Office Supplies:                        | 5540     | 6,243            | 5,681            | 8,000            | 4,231                | 52.89%        | 5,641            | 70.52%         | 6,000             | (2,000)             | -25.00%             |
| Postage:                                | 5550     | 277              | 2,043            | 2,650            | 544                  | 20.53%        | 725              | 27.37%         | 2,000             | (650)               | -24.53%             |
| Printing & Publishing:                  | 5560     | 2,909            | 2,490            | 5,000            | 620                  | 12.40%        | 827              | 16.53%         | 5,000             | 0                   | 0.00%               |
| Accounting:                             | 5610     | 31,276           | 26,503           | 30,000           | 27,225               | 90.75%        | 36,300           | 121.00%        | 32,000            | 2,000               | 6.67%               |
| Audit:                                  | 5620     | 18,000           | 13,000           | 13,000           | 8,150                | 62.69%        | 10,867           | 83.59%         | 13,000            | 0                   | 0.00%               |
| Consulting:                             | 5630     | 35,859           | 25,261           | 35,000           | 34,532               | 98.66%        | 46,043           | 131.55%        | 35,000            | 0                   | 0.00%               |
| Data Services:                          | 5640     | 5,851            | 6,079            | 6,200            | 0                    | 0.00%         | 0                | 0.00%          | 6,200             | 0                   | 0.00%               |
| Labor & HR Support:                     | 5650     | 2,484            | 2,442            | 2,500            | 2,135                | 85.40%        | 2,847            | 113.87%        | 2,500             | 0                   | 0.00%               |
| Payroll Services:                       | 5660     | 940              | 949              | 1,000            | 750                  | 75.00%        | 1,000            | 100.00%        | 1,000             | 0                   | 0.00%               |
| Other Professional Services:            | 5690     | 0                | 0                |                  | 3,350                | 100.00%       | 4,467            | 100.00%        |                   | 0                   |                     |
| San Mateo County Tax Roll Charges:      | 5710     | 0                | 119              | 1,000            | 119                  | 11.90%        | 159              | 15.87%         | 1,000             | 0                   | 0.00%               |
| Telephone & Internet:                   | 5720     | 18,961           | 25,300           | 24,000           | 23,653               | 98.55%        | 31,537           | 131.41%        | 20,000            | (4,000)             | -16.67%             |
| Mileage Reimbursement:                  | 5730     | 564              | 1,570            | 1,500            | 327                  | 21.83%        | 437              | 29.11%         | 1,500             | 0                   | 0.00%               |
| Reference Materials:                    | 5740     | 0                | 87               | 200              | 0                    | 0.00%         | 0                | 0.00%          | 200               | 0                   | 0.00%               |
| Other Administrative:                   | 5790     | 0                | 448              |                  | (7)                  | 100.00%       | (9)              | 100.00%        |                   | 0                   |                     |
| CalPERS 457 Deferred Plan:              | 5810     | 18,386           | 18,955           | 17,002           | 16,010               | 94.17%        | 21,347           | 125.56%        | 17,585            | 584                 | 3.43%               |
| Employee Benefits:                      | 5820     | 39,107           | 52,115           | 48,307           | 31,522               | 65.25%        | 42,029           | 87.01%         | 49,096            | 789                 | 1.63%               |
| Disability Insurance:                   | 5830     | 1,360            | 1,360            | 1,401            | 1,275                | 91.00%        | 1,700            | 121.33%        | 1,884             | 483                 | 34.47%              |
| Payroll Taxes:                          | 5840     | 16,063           | 15,610           | 18,580           | 11,656               | 62.73%        | 15,541           | 83.64%         | 19,218            | 638                 | 3.43%               |
| Worker's Compensation Insurance:        | 5960     | 4,082            | 2,622            | 5,473            | 1,402                | 25.62%        | 1,869            | 34.16%         | 3,712             | (1,761)             | -32.18%             |
| Management:                             | 5910     | 114,908          | 112,113          | 111,733          | 87,009               | 77.87%        | 116,012          | 103.83%        | 116,211           | 4,479               | 4.01%               |
| Staff:                                  | 5920     | 127,015          | 125,760          | 126,526          | 100,792              | 79.66%        | 134,389          | 106.22%        | 135,005           | 8,479               | 6.70%               |
| Staff Certification:                    | 5930     | 1,800            | 1,800            | 1,800            | 1,625                | 90.28%        | 2,167            | 120.37%        | 1,800             | 0                   | 0.00%               |
| Staff Overtime:                         | 5940     | 918              | 1,435            | 2,821            | 1,539                | 54.56%        | 2,052            | 72.74%         | 1,760             | (1,061)             | -37.60%             |
| Staff Standby:                          | 5950     | 32               |                  |                  |                      | 0.00%         | 0                | 0.00%          |                   | 0                   |                     |
| PARS:                                   | 5850     | 16,909           | 19,459           | 16,487           | 12,642               | 76.68%        | 16,856           | 102.24%        | 17,138            | 650                 | 3.94%               |
| Claims, Property Damage:                | 6170     | 12,811           | 20,514           | 20,000           |                      | 0.00%         | 0                | 0.00%          | 20,000            | 0                   | 0.00%               |
| Education & Training:                   | 6195     | 717              | 559              | 1,000            |                      | 0.00%         | 0                | 0.00%          | 1,000             | 0                   | 0.00%               |
| Meeting Attendance, Engineering:        | 6210     | 0                |                  | 2,000            |                      | 0.00%         | 0                | 0.00%          | 0                 | (2,000)             | -100.00%            |

## MWSD — Fiscal Year 2020-21 Operations Budget - SEWER ENTERPRISE

| Operating Revenue                              | GL Codes | 2017-18<br>Actual | 2018-19<br>Actual | Approved<br>Budget 2019- | Income/Expenditures<br>as of March 31, 2020 | % To date     | Projected        | Projected as<br>% of Budget | Proposed Budgeted<br>amounts 2020-21 | Increase/(Decrease)<br>from 2019-2020 \$ | Increase/(decrease)<br>% |
|--|----------|-------------------|-------------------|--------------------------|---|---------------|------------------|-----------------------------|--------------------------------------|--|--------------------------|
| General Engineering:                           | 6220     | 68,682            | 33,584            | 60,000                   | 25,334                                      | 42.22%        | 33,779           | 56.30%                      | 60,000                               | 0  | 0.00%                    |
| Equipment & Tools, Expensed:                   | 6320     | 0                 |                   | 1,000                    |   | 0.00%         | 0                | 0.00%                       | 1,000                                | 0  | 0.00%                    |
| Alarm Services:                                | 6335     | 5,146             | 5,028             | 5,700                    | 4,457                                       | 78.19%        | 5,943            | 104.26%                     | 10,000                               | 4,300                                    | 75.44%                   |
| Landscaping:                                   | 6337     | 2,280             | 2,588             | 3,600                    | 2,468                                       | 68.56%        | 3,291            | 91.41%                      | 6,000                                | 2,400                                    | 66.67%                   |
| Pumping Fuel & Electricity:                    | 6410     | 39,312            | 44,881            | 45,000                   | 31,117                                      | 69.15%        | 41,489           | 92.20%                      | 45,000                               | 0  | 0.00%                    |
| Uniforms:                                      | 6770     | 0                 | 0                 | 0                        | 126   | 100.00%       | 168              | 100.00%                     | 0                                    | 0  | #DIV/0!                  |
| Maintenance, Collection System:                | 6660     |                   | 550               | 10,000                   |   | 0.00%         | 0                | 0.00%                       | 10,000                               | 0  | 0.00%                    |
| Fuel:  | 6810     | 988               | 1,021             | 1,000                    | 801   | 80.10%        | 1,068            | 106.80%                     | 1,000                                | 0  | 0.00%                    |
| Truck Equipment, Expensed:                     | 6820     | 2                 | 27                | 160                      | 439   | 274.38%       | 585              | 365.83%                     | 160                                  | 0  | 0.00%                    |
| Truck Repairs:                                 | 6830     | 780               | 423               | 1,000                    | 622   | 62.20%        | 829              | 82.93%                      | 1,000                                | 0  | 0.00%                    |
| Total Other Operations:                        | 6890     | 0                 | 0                 |                          |   | 0.00%         | 0                | 0.00%                       |                                      | 0  |                          |
| SAM Collections:                               | 6910     | 232,841           | 329,965           | 341,549                  | 256,162                                     | 75.00%        | 341,549          | 100.00%                     | 254,153                              | (87,396)                                 | -25.59%                  |
| SAM Operations:                                | 6920     | 1,625,331         | 1,316,715         | 1,529,139                | 1,146,855                                   | 75.00%        | 1,529,140        | 100.00%                     | 1,584,637                            | 55,498                                   | 3.63%                    |
| Depreciation:                                  | 5260     | 555,756           | 408,078           |                          |   | 0.00%         | 0                | 0.00%                       |                                      | 0  |                          |
| SAM Maintenance, Collection System:            | 6940     | 0                 | 0                 | 40,000                   |   | 0.00%         | 0                | 0.00%                       | 40,000                               | 0  | 0.00%                    |
| SAM Maintenance, Pumping:                      | 6950     | 0                 | 82,999            | 50,000                   | 83,260                                      | 166.52%       | 111,013          | 222.03%                     | 70,000                               | 20,000                                   | 40.00%                   |
| <b>Total Operations Expense:</b>               |          | <b>3,249,479</b>  | <b>2,932,411</b>  | <b>3,044,827</b>         | <b>2,046,007</b>                            | <b>67.20%</b> | <b>2,728,010</b> | <b>89.60%</b>               | <b>2,839,509</b>                     | <b>(205,318)</b>                         | <b>-6.74%</b>            |
| <b>Net Change in position from Operations:</b> |          | <b>(750,211)</b>  | <b>157,629</b>    | <b>317,485</b>           | <b>24,575</b>                               | <b>7.74%</b>  | <b>761,816</b>   | <b>239.95%</b>              | <b>786,091</b>                       | <b>468,606</b>                           | <b>147.60%</b>           |



## MWSD — Fiscal Year 2020-21 Non-Operating Budget - SEWER ENTERPRISE

|  | GL Codes | 2017-18<br>Actual | 2018-19<br>Actual | Approved<br>Budget 2019-20 | Income/Expenditure<br>s as of March 31,<br>2020 | % To date     | Projected      | Projected as<br>% of Budget | Proposed Budgeted<br>amounts 2020-21 | Increase/(Decrease)<br>from 2019-2020 \$ | Increase/(decrease)<br>% |
|--|----------|-------------------|-------------------|----------------------------|---|---------------|----------------|-----------------------------|--------------------------------------|--|--------------------------|
| <b>Non Operating Revenue</b>                     |          |                   |                   |                            |   |               |                |                             |                                      |  |                          |
| Connection Fees, Residential New Const:          | 7110     | 221,658           | 246,161           | 150,000                    | 87,483  | 58.32%        | 116,644        | 77.76%                      | 100,000                              | (50,000)                                 | -33.33%                  |
| Connection Fees, Residential Remodel:            | 7120     | 7,605             | 66,218            | 50,000                     | 47,359  | 94.72%        | 63,145         | 126.29%                     | 50,000                               | 0  | 0.00%                    |
| LAIF, Interest:                                  | 7200     | 41,070            | 99,073            | 50,000                     | 82,214  | 164.43%       | 109,619        | 219.24%                     | 60,000                               | 10,000                                   | 20.00%                   |
| <b>Total Non Operating Revenue:</b>              |          | <b>270,333</b>    | <b>411,451</b>    | <b>250,000</b>             | <b>217,056</b>                                  | <b>86.82%</b> | <b>289,408</b> | <b>115.76%</b>              | <b>210,000</b>                       | <b>(40,000)</b>                          | <b>-16.00%</b>           |
| <b>Non Operating Expense</b>                     |          |                   |                   |                            |   |               |                |                             |                                      |  |                          |
| PNC Equipment Lease:                             | 9125     | 18,222            | 17,492            | 15,221                     | 12,802  | 84.11%        | 15,221         | 100.00%                     | 13,461                               | (1,760)                                  | -11.57%                  |
| Capital Assessment, SAM:                         | 9175     | 121,345           | 0                 |                            | 0   | 0.00%         | 0              | 0.00%                       |                                      | 0  | #DIV/0!                  |
| I-Bank Loan:                                     | 9200     | 23,996            | 22,382            | 22,582                     | 11,063  | 48.99%        | 22,582         | 100.00%                     | 21,655                               | (927)                                    | -4.11%                   |
| <b>Total Non Operating Expense:</b>              |          | <b>163,563</b>    | <b>39,874</b>     | <b>37,803</b>              | <b>23,865</b>                                   | <b>63.13%</b> | <b>28,638</b>  | <b>75.76%</b>               | <b>35,116</b>                        | <b>(2,687)</b>                           | <b>-7.11%</b>            |
| <b>Net Change in position from Non Operating</b> |          | <b>106,770</b>    | <b>371,577</b>    | <b>212,197</b>             | <b>193,191</b>                                  |               | <b>260,770</b> |                             | <b>174,884</b>                       | <b>(37,313)</b>                          |                          |

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## MWSD — Fiscal Year 2020-21 Operations Budget - WATER ENTERPRISE

| Operating Revenue                       | GL Codes | 2017-18          | 2018-19          | Approved Budget  | Income/Expenditures  | % To date     | Projected        | Projected as % | Proposed Budgeted | Increase/(Decrease) | Increase/(decrease) |
|---|----------|------------------|------------------|------------------|----------------------|---------------|------------------|----------------|-------------------|---------------------|---------------------|
|   |          | Actual           | Actual           | 2019-20          | as of March 31, 2020 |               |                  | of Budget      | amounts 2020-21   | from 2019-2020 \$   | %                   |
| Cell Tower Lease:                       | 4220     | 35,632           | 36,752           | 37,000           | 28,379               | 76.70%        | 37,839           | 102.27%        | 37,500            | 500                 | 1.35%               |
| Administrative Fees (New Construction): | 4410     | 4,545            | 3,126            | 5,000            | 4,336                | 86.72%        | 5,781            | 115.63%        | 5,000             | 0                   | 0.00%               |
| Administrative Fees (Remodel):          | 4420     | 1,679            | 0                | 0                | 542                  | 100.00%       | 723              | 100.00%        | 0                 | 0                   | #DIV/0!             |
| Inspection Fees (New Construction):     | 4430     | 4,293            | 2,956            | 4,000            | 4,096                | 102.40%       | 5,461            | 136.53%        | 4,000             | 0                   | 0.00%               |
| Inspection Fees (Remodel):              | 4440     | 1,908            | 0                | 0                | 1,024                | 100.00%       | 1,365            | 100.00%        | 1,000             | 1,000               | #DIV/0!             |
| Mainline Extension Fees:                | 4450     | 0                | 3,119            | 3,000            | 4,400                | 146.67%       | 5,867            | 195.56%        | 3,000             | 0                   |                     |
| Remodel Fees:                           | 4460     | 4,425            | 5,561            | 2,000            | 2,682                | 134.12%       | 3,577            | 178.83%        | 2,000             |                     |                     |
| Property Tax Receipts:                  | 4610     | 367,805          | 404,079          | 275,000          | 290,129              | 105.50%       | 386,839          | 140.67%        | 275,000           | 0                   | 0.00%               |
| Testing, Backflow:                      | 4740     | 17,858           | 18,420           | 18,000           | 18,264               | 101.47%       | 24,352           | 135.29%        | 18,000            | 0                   | 0.00%               |
| Water Sales:                            | 4810     | 1,922,677        | 1,892,091        | 1,947,000        | 1,460,645            | 75.02%        | 1,947,527        | 100.03%        | 1,900,000         | (47,000)            | -2.41%              |
| Water Sales Refunds, Customer:          | 4850     | (1,488)          | (4,670)          | (3,000)          | (2,258)              | 75.28%        | (3,011)          | 100.37%        | (3,000)           | 0                   | 0.00%               |
| Other Revenue:                          | 4990     | 1,180            | 3,936            |                  | 56,508               | 100.00%       | 75,344           | 100.00%        | 0                 | 0                   |                     |
| <b>Total Operating Revenue:</b>         |          | <b>2,360,513</b> | <b>2,365,369</b> | <b>2,288,000</b> | <b>1,868,747</b>     | <b>81.68%</b> | <b>2,491,663</b> | <b>108.90%</b> | <b>2,242,500</b>  | <b>(45,500)</b>     | <b>-1.99%</b>       |
| <b>Operating Expenses</b>               |          |                  |                  |                  |                      |               |                  |                |                   |                     |                     |
| Bank Fees:                              | 5190     | 1,618            | 3,495            | 3,750            | 834                  | 22.24%        | 1,112            | 29.65%         | 1,500             | (2,250)             | -60.00%             |
| Board Meetings:                         | 5210     | 1,836            | 3,928            | 4,000            | 2,610                | 65.25%        | 3,480            | 87.00%         | 3,000             | (1,000)             | -25.00%             |
| Director Fees:                          | 5220     | 3,900            | 2,288            | 3,300            | 3,075                | 93.18%        | 4,100            | 124.24%        | 4,000             | 700                 | 21.21%              |
| Election Expenses:                      | 5230     | 0                | 4,265            |                  |                      | 0.00%         | 0                | 0.00%          | 5,000             | 5,000               | #DIV/0!             |
| CDPH Fees:                              | 5240     | 10,832           | 10,530           | 15,750           | 9,156                | 58.14%        | 9,156            | 58.13%         | 11,000            | (4,750)             | -30.16%             |
| Conference Attendance:                  | 5250     | 5,697            | 2,467            | 6,000            | 1,146                | 19.10%        | 1,528            | 25.47%         | 6,000             | 0                   | 0.00%               |
| Information Systems:                    | 5270     | 9,488            | 10,185           | 3,000            | 9,123                | 304.10%       | 12,164           | 405.47%        | 5,000             | 2,000               | 66.67%              |
| Fidelity Bond:                          | 5310     | 0                | 438              | 500              |                      | 0.00%         | 0                | 0.00%          | 500               | 0                   | 0.00%               |
| Property & Liability Insurance:         | 5320     | 0                | 2,215            | 2,500            | 1,173                | 46.92%        | 1,564            | 62.56%         | 5,000             | 2,500               | 100.00%             |
| LAFCO Assessment:                       | 5350     | 2,208            | 2,520            | 2,750            | 2,465                | 89.64%        | 2,465            | 89.64%         | 2,500             | (250)               | -9.09%              |
| Meeting Attendance, Legal:              | 5420     | 3,211            | 14               | 0                |                      | 0.00%         | 0                | 0.00%          | 0                 | 0                   | #DIV/0!             |
| General Legal:                          | 5430     | 24,643           | 24,250           | 231,000          | 80,466               | 34.83%        | 107,288          | 46.45%         | 100,000           | (131,000)           | -56.71%             |
| Maintenance, Office:                    | 5510     | 5,561            | 11,015           | 8,000            | 5,137                | 64.21%        | 6,849            | 85.62%         | 8,000             | 0                   | 0.00%               |
| Meetings, Local:                        | 5520     | 0                | 41               |                  | 0                    | 0.00%         | 0                | 0.00%          | 0                 | 0                   |                     |
| Memberships:                            | 5530     | 20,298           | 22,236           | 24,000           | 26,275               | 109.48%       | 26,275           | 109.48%        | 27,000            | 3,000               | 12.50%              |
| Office Supplies:                        | 5540     | 8,452            | 7,244            | 8,000            | 4,231                | 52.89%        | 5,641            | 70.52%         | 6,000             | (2,000)             | -25.00%             |
| Postage:                                | 5550     | 6,379            | 9,318            | 9,000            | 7,170                | 79.67%        | 9,560            | 106.22%        | 4,000             | (5,000)             | -55.56%             |
| Printing & Publishing:                  | 5560     | 1,739            | 3,213            | 3,000            | 1,474                | 49.13%        | 1,965            | 65.51%         | 7,000             | 4,000               | 133.33%             |
| Accounting:                             | 5610     | 31,276           | 26,503           | 30,000           | 27,225               | 90.75%        | 36,300           | 121.00%        | 32,000            | 2,000               | 6.27%               |
| Audit:                                  | 5620     | 18,000           | 13,000           | 13,000           | 8,150                | 62.69%        | 10,867           | 83.59%         | 13,000            | 0                   | 0.00%               |
| Consulting:                             | 5630     | 19,678           | 28,471           | 100,000          | 40,926               | 40.93%        | 54,568           | 54.57%         | 75,000            | (25,000)            | -25.00%             |
| Data Services:                          | 5640     | 0                |                  |                  |                      | 0.00%         | 0                | 0.00%          | 3,000             | 3,000               |                     |
| Labor & HR Support:                     | 5650     | 2,484            | 2,442            | 2,500            | 2,135                | 85.40%        | 2,847            | 113.87%        | 2,500             | 0                   | 0.00%               |
| Payroll Services:                       | 5660     | 940              | 949              | 1,000            | 750                  | 75.00%        | 1,000            | 100.00%        | 1,000             | 0                   | 0.00%               |
| Other Professional Services:            | 5690     | 0                | 480              |                  | 2,750                | 100.00%       | 3,667            | 100.00%        | 0                 | 0                   |                     |
| San Mateo County Tax Roll Charges:      | 5710     | 0                | 119              |                  | 119                  | 100.00%       | 159              | 100.00%        | 3,000             |                     |                     |
| Telephone & Internet:                   | 5720     | 22,460           | 31,642           | 27,000           | 27,239               | 100.89%       | 36,319           | 134.51%        | 20,000            | (7,000)             | -25.93%             |
| Mileage Reimbursement:                  | 5730     | 564              | 2,188            | 2,000            | 623                  | 31.13%        | 830              | 41.51%         | 2,000             | 0                   | 0.00%               |
| Reference Materials:                    | 5740     | 0                | 0                | 800              | 0                    | 0.00%         | 0                | 0.00%          | 800               | 0                   | 0.00%               |
| Other Administrative:                   | 5790     | 615              | 791              |                  | 5,265                | 100.00%       | 7,020            | 100.00%        | 1,000             | 1,000               |                     |
| CalPERS 457 Deferred Plan:              | 5810     | 37,021           | 38,266           | 43,235           | 32,065               | 74.16%        | 42,753           | 98.89%         | 45,344            | 2,109               | 4.88%               |
| Employee Benefits:                      | 5820     | 74,878           | 84,851           | 88,110           | 51,078               | 57.97%        | 68,104           | 77.29%         | 107,614           | 19,504              | 22.14%              |
| Disability Insurance:                   | 5830     | 3,366            | 3,366            | 3,467            | 2,565                | 73.98%        | 3,420            | 98.64%         | 4,794             | 1,326               | 38.26%              |
| Payroll Taxes:                          | 5840     | 39,499           | 39,124           | 49,062           | 31,344               | 63.89%        | 41,792           | 85.18%         | 51,706            | 2,644               | 5.39%               |
| Worker's Compensation Insurance:        | 5960     | 19,208           | 12,579           | 23,324           | 6,954                | 29.82%        | 9,272            | 39.75%         | 22,663            | (661)               | -2.83%              |
| Management:                             | 5910     | 114,908          | 112,113          | 111,733          | 87,009               | 77.87%        | 116,012          | 103.83%        | 116,211           | 4,479               | 4.01%               |
| Staff :                                 | 5920     | 360,388          | 356,877          | 446,840          | 296,944              | 66.45%        | 395,925          | 88.61%         | 469,638           | 22,799              | 5.10%               |
| Staff Certification:                    | 5930     | 10,042           | 9,275            | 11,400           | 8,283                | 72.66%        | 11,044           | 96.88%         | 11,400            | 0                   | 0.00%               |
| Staff Overtime:                         | 5940     | 42,425           | 45,516           | 48,105           | 37,110               | 77.14%        | 49,480           | 102.86%        | 55,385            | 7,280               | 15.13%              |
| Staff Standby:                          | 5950     | 25,125           | 24,705           | 23,249           | 19,211               | 82.63%        | 25,615           | 110.17%        | 23,257            | 7                   | 0.03%               |
| PARS:                                   | 5850     | 31,691           | 37,916           | 37,636           | 24,880               | 66.11%        | 33,173           | 88.14%         | 39,033            | 1,396               | 3.71%               |
| Backflow Prevention:                    | 6160     | 473              | 764              | 1,000            | 326                  | 32.60%        | 435              | 43.47%         | 1,000             | 0                   | 0.00%               |



## MWSD — Fiscal Year 2020-21 Operations Budget - WATER ENTERPRISE

| Operating Revenue                              | GL Codes | 2017-18          | 2018-19          | Approved Budget  | Income/Expenditures  | % To date      | Projected        | Projected as % | Proposed Budgeted | Increase/(Decrease) | Increase/(decrease) |
|--|----------|------------------|------------------|------------------|----------------------|----------------|------------------|----------------|-------------------|---------------------|---------------------|
|  |          | Actual           | Actual           | 2019-20          | as of March 31, 2020 |                |                  | of Budget      | amounts 2020-21   | from 2019-2020 \$   | %                   |
| Claims, Property Damage:                       | 6170     | 0                | 22               | 10,000           | 695                  | 6.95%          | 927              | 9.27%          | 10,000            | 0                   | 0.00%               |
| SCADA Maintenance:                             | 6185     | 9,802            | 12,061           | 13,000           | 164                  | 1.26%          | 218              | 1.68%          | 13,000            | 0                   | 0.00%               |
| Education & Training:                          | 6195     | 9,911            | 5,098            | 9,000            | 3,297                | 36.63%         | 4,396            | 48.84%         | 9,000             | 0                   | 0.00%               |
| Meeting Attendance, Engineering:               | 6210     | 16               |                  | 500              | 0                    | 0.00%          | 0                | 0.00%          | 0                 | (500)               | -100.00%            |
| General Engineering:                           | 6220     | 8,503            | 1,467            | 30,000           | 21,562               | 71.87%         | 28,749           | 95.83%         | 20,000            | (10,000)            | -33.33%             |
| Water Quality Engineering:                     | 6230     | 178,764          | 420,284          | 350,000          | 118,115              | 33.75%         | 157,487          | 45.00%         | 200,000           | (150,000)           | -42.86%             |
| Equipment & Tools, Expensed:                   | 6320     | 7,441            | 11,867           | 8,000            | 15,846               | 198.08%        | 21,128           | 264.10%        | 12,000            | 4,000               | 50.00%              |
| Alarm Services:                                | 6335     | 671              | 718              | 800              | 539                  | 67.38%         | 719              | 89.83%         | 5,000             | 4,200               | 525.00%             |
| Landscaping:                                   | 6337     | 5,947            | 5,811            | 56,000           | 5,128                | 9.16%          | 6,837            | 12.21%         | 15,000            | (41,000)            | -73.21%             |
| Lab Supplies & Equipment:                      | 6370     | 3,698            | 2,251            | 2,500            | 7,196                | 287.84%        | 9,595            | 383.79%        | 4,000             | 1,500               | 60.00%              |
| Meter Reading:                                 | 6380     | 21               | 0                |                  | 10                   | 100.00%        | 13               | 100.00%        |                   | 0                   |                     |
| Pumping Fuel & Electricity:                    | 6410     | 68,177           | 77,011           | 90,000           | 57,062               | 63.40%         | 76,083           | 84.54%         | 90,000            | 0                   | 0.00%               |
| Pumping Maintenance, Generators:               | 6420     | 7,777            | 21,339           | 10,000           | 20,908               | 209.08%        | 27,877           | 278.77%        | 15,000            | 5,000               | 50.00%              |
| Pumping Maintenance, General:                  | 6430     | 4,137            | 3,448            | 5,000            | 17                   | 0.35%          | 23               | 0.46%          | 5,000             | 0                   |                     |
| Pumping Equipment, Expensed:                   | 6440     | 210              | 478              | 700              | 8,562                | 1223.16%       | 11,416           | 1630.88%       | 700               | 0                   | 0.00%               |
| Maintenance, Raw Water Mains:                  | 6510     | 1,474            | 1,857            | 2,500            | 27                   | 1.10%          | 37               | 1.47%          | 2,500             | 0                   |                     |
| Maintenance, Wells:                            | 6520     | 16,851           | 8,635            | 5,000            | 10,636               | 212.72%        | 14,181           | 283.63%        | 5,000             | 0                   | 0.00%               |
| Water Purchases:                               | 6530     | 25,508           | 26,826           | 40,000           | 21,585               | 53.96%         | 28,780           | 71.95%         | 30,000            | (10,000)            | -25.00%             |
| Hydrants:                                      | 6610     | 375              | 0                | 1,000            | 6,481                | 648.10%        | 8,641            | 864.13%        | 1,000             | 0                   | 0.00%               |
| Maintenance, Water Mains:                      | 6620     | 39,633           | 46,952           | 50,000           | 32,350               | 64.70%         | 43,133           | 86.27%         | 50,000            | 0                   | 0.00%               |
| Maintenance, Water Service Lines:              | 6630     | 12,389           | 3,506            | 20,000           | 3,519                | 17.60%         | 4,692            | 23.46%         | 15,000            | (5,000)             | -25.00%             |
| Maintenance, Tanks:                            | 6640     | 741              | 1,593            | 1,000            | 4,146                | 414.60%        | 5,528            | 552.80%        | 4,000             | 3,000               | 300.00%             |
| Maintenance, Distribution General:             | 6650     | 273              | 7,341            | 8,000            | 10,829               | 135.36%        | 14,439           | 180.48%        | 8,000             | 0                   | 0.00%               |
| Maintenance, Collection System:                | 6660     | 33               | 414              |                  |                      | 0.00%          | 0                | 0.00%          |                   |                     |                     |
| Meters:  | 6670     | 2,373            | 8,177            | 2,500            | 6,253                | 250.14%        | 8,338            | 333.52%        | 2,500             | 0                   | 0.00%               |
| Chemicals & Filtering:                         | 6710     | 18,681           | 20,233           | 20,000           | 38,989               | 194.95%        | 51,985           | 259.93%        | 20,000            | 0                   | 0.00%               |
| Maintenance, Treatment Equipment:              | 6720     | 10,508           | 28,456           | 20,000           | 12,611               | 63.06%         | 16,815           | 84.08%         | 20,000            | 0                   | 0.00%               |
| Treatment Analysis:                            | 6730     | 35,504           | 45,055           | 45,000           | 16,660               | 37.02%         | 22,213           | 49.36%         | 45,000            | 0                   | 0.00%               |
| Uniforms:                                      | 6770     | 11,166           | 11,459           | 2,000            | 3,483                | 174.15%        | 4,644            | 232.20%        | 2,000             | 0                   | 0.00%               |
| Fuel:  | 6810     | 5,598            | 6,541            | 10,000           | 4,538                | 45.38%         | 6,051            | 60.51%         | 10,000            | 0                   | 0.00%               |
| Truck Equipment, Expensed:                     | 6820     | 12               | 309              | 1,000            | 2,488                | 248.80%        | 3,317            | 331.73%        | 2,000             | 1,000               | 100.00%             |
| Truck Repairs:                                 | 6830     | 4,422            | 2,411            | 5,000            | 3,524                | 70.48%         | 4,699            | 93.97%         | 5,000             | 0                   | 0.00%               |
| Other Operations:                              | 6890     | 238              |                  | 0                |                      | 0.00%          | 0                | 0.00%          | 0                 | 0                   |                     |
| <b>Total Operations Expense:</b>               |          | <b>1,451,758</b> | <b>1,773,218</b> | <b>2,206,511</b> | <b>1,304,508</b>     | <b>59.12%</b>  | <b>1,726,711</b> | <b>78.26%</b>  | <b>1,917,544</b>  | <b>(291,968)</b>    | <b>-13.23%</b>      |
| <b>Net Change in position from Operations:</b> |          | <b>908,754</b>   | <b>592,152</b>   | <b>81,489</b>    | <b>564,239</b>       | <b>692.41%</b> | <b>764,952</b>   | <b>938.72%</b> | <b>324,956</b>    | <b>246,468</b>      | <b>302.46%</b>      |

**MWSD — Fiscal Year 2020-2021 Non-Operating Budget - WATER ENTERPRISE**

|  | GL Codes | 2017-18<br>Actual | 2018-19<br>Actual | Approved Budget<br>2019-20 | Income/Expenditures<br>as of March 31, 2020 | % To date | Projected        | Projected as %<br>of Budget | Proposed Budgeted<br>amounts 2020-21 | Increase/(Decrease)<br>from 2019-20 \$ | Increase/(decrease)<br>% |
|--|----------|-------------------|-------------------|----------------------------|---|-----------|------------------|-----------------------------|--------------------------------------|--|--------------------------|
| <b>Non Operating Revenue</b>                                 |          |                   |                   |                            |   |           |                  |                             |                                      |  |                          |
| Connection Fees, Residential New Const:                      | 7110     | 145,168           | 151,098           | 150,000                    | 100,608                                     | 67.07%    | 134,144          | 89.43%                      | 100,000                              | (50,000)                               | -33.33%                  |
| Connection Fees, Residential Remodel:                        | 7120     |                   |                   |                            |   | 0.00%     | 0                | 0.00%                       |                                      | 0                                      | #DIV/0!                  |
| Connection Fees, Residential Fire:                           | 7130     | 118,691           | 164,056           | 130,000                    | 57,430                                      | 44.18%    | 76,573           | 58.90%                      | 50,000                               | (80,000)                               | -61.54%                  |
| Connection Fees, Residential Remodel Fire:                   | 7140     | 12,893            | 2,032             |                            |   | 0.00%     | 0                | 0.00%                       |                                      | 0                                      |                          |
| Connection Fees, Well Conversion:                            | 7150     | 7,800             |                   |                            |   | 0.00%     | 0                | 0.00%                       |                                      | 0                                      |                          |
| General Obligation Bonds, Assessment Receipts:               | 7600     | 1,226,216         | 1,182,939         | 1,150,436                  | 658,609                                     | 57.25%    | 1,150,436        | 100.00%                     | 1,150,436                            | 0                                      | 0.00%                    |
| Water System Reliability:                                    |          |                   |                   |                            |   |           |                  |                             | 1,000,000                            | 1,000,000                              | #DIV/0!                  |
| <b>Total Non Operating Revenue:</b>                          |          | <b>1,510,768</b>  | <b>1,500,125</b>  | <b>1,430,436</b>           | <b>816,647</b>                              | 57.09%    | <b>1,361,153</b> | 95.16%                      | <b>1,300,436</b>                     | <b>(130,000)</b>                       | -9.09%                   |
| <b>Non Operating Expense</b>                                 |          |                   |                   |                            |   |           |                  |                             |                                      |  |                          |
| General Obligation Bonds:                                    | 9100     | 265,164           | 242,762           | 230,539                    | 230,539                                     | 100.00%   | 230,539          | 100.00%                     | 208,611                              | (21,928)                               | -9.51%                   |
| PNC Equipment Lease:   | 9125     | 18,222            | 17,492            | 15,221                     | 12,802                                      | 84.11%    | 15,221           | 100.00%                     | 13,461                               | (1,760)                                | -11.57%                  |
| State Revolving Fund Loan:                                   | 9150     | 83,943            | 78,501            | 72,873                     | 163,905                                     | 224.92%   | 163,905          | 224.92%                     | 70,489                               | (2,384)                                | -3.27%                   |
| Water Rebates :  | 9210     | 1,400             | 1,500             | 3,000                      | 1,350                                       | 45.00%    | 2,025            | 67.50%                      | 3,000                                | 0                                      | 0.00%                    |
| <b>Total Non Operating Expense:</b>                          |          | <b>368,729</b>    | <b>383,970</b>    | <b>321,633</b>             | <b>408,596</b>                              | 127.04%   | <b>411,690</b>   | 128.00%                     | <b>295,561</b>                       | <b>(26,072)</b>                        | -8.11%                   |
| <b>Net Change in position from Non Operating activities:</b> |          | <b>1,142,039</b>  | <b>1,116,155</b>  | <b>1,108,803</b>           | <b>408,051</b>                              |           | <b>949,463</b>   |                             | <b>1,004,875</b>                     | <b>(103,928)</b>                       | -9.37%                   |

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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              |
|------------------------------|------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Operations Manager</b>    | \$154,173<br>\$123,451 | \$123,451<br>\$59.35 | \$126,537<br>\$60.84 | \$129,701<br>\$62.36 | \$132,943<br>\$63.91 | \$136,267<br>\$65.51 | \$139,673<br>\$67.15 | \$143,165<br>\$68.83 | \$146,744<br>\$70.55 | \$150,413<br>\$72.31 | \$154,173<br>\$74.12 |
| <b>Superintendent</b>        | \$144,487<br>\$115,695 | \$115,695<br>\$55.62 | \$118,587<br>\$57.01 | \$121,552<br>\$58.44 | \$124,591<br>\$59.90 | \$127,706<br>\$61.40 | \$130,898<br>\$62.93 | \$134,171<br>\$64.51 | \$137,525<br>\$66.12 | \$140,963<br>\$67.77 | \$144,487<br>\$69.47 |
| <b>Water System Operator</b> | \$88,123<br>\$70,563   | \$70,563<br>\$33.92  | \$72,327<br>\$34.77  | \$74,135<br>\$35.64  | \$75,988<br>\$36.53  | \$77,888<br>\$37.45  | \$79,835<br>\$38.38  | \$81,831<br>\$39.34  | \$83,877<br>\$40.33  | \$85,974<br>\$41.33  | \$88,123<br>\$42.37  |
| <b>Maintenance Worker I</b>  | \$76,512<br>\$61,265   | \$61,265<br>\$29.45  | \$62,797<br>\$30.19  | \$64,367<br>\$30.95  | \$65,976<br>\$31.72  | \$67,625<br>\$32.51  | \$69,316<br>\$33.32  | \$71,049<br>\$34.16  | \$72,825<br>\$35.01  | \$74,645<br>\$35.89  | \$76,512<br>\$36.78  |
| <b>Account Specialist</b>    | \$73,152<br>\$58,575   | \$58,575<br>\$28.16  | \$60,040<br>\$28.87  | \$61,541<br>\$29.59  | \$63,079<br>\$30.33  | \$64,656<br>\$31.08  | \$66,272<br>\$31.86  | \$67,929<br>\$32.66  | \$69,627<br>\$33.47  | \$71,368<br>\$34.31  | \$73,152<br>\$35.17  |
| <b>District Clerk</b>        | \$73,152<br>\$58,575   | \$58,575<br>\$28.16  | \$60,040<br>\$28.87  | \$61,541<br>\$29.59  | \$63,079<br>\$30.33  | \$64,656<br>\$31.08  | \$66,272<br>\$31.86  | \$67,929<br>\$32.66  | \$69,627<br>\$33.47  | \$71,368<br>\$34.31  | \$73,152<br>\$35.17  |

**2.5 % step increases**

|                       | Increase<br>2.70% | 1-Jul-16         | Increase<br>3.79% | 1-Jul-17         | Increase<br>2.83% | 1-Jul-18         | Increase<br>4.01% | 1-Jul-19         | Increase<br>1.66% | 1-Jul-20         |
|-----------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|
| Operations Manager    | 1.027             | <b>\$109,394</b> | 1.0379            | <b>\$113,540</b> | 1.0283            | <b>\$121,178</b> | 1.0401            | <b>\$121,435</b> | 1.0166            | <b>\$123,451</b> |
| Superintendent        | 1.027             | <b>\$102,521</b> | 1.0379            | <b>\$106,407</b> | 1.0283            | <b>\$113,565</b> | 1.0401            | <b>\$113,806</b> | 1.0166            | <b>\$115,695</b> |
| Water System Operator | 1.027             | <b>\$62,528</b>  | 1.0379            | <b>\$64,898</b>  | 1.0283            | <b>\$69,264</b>  | 1.0401            | <b>\$69,410</b>  | 1.0166            | <b>\$70,563</b>  |
| Maintenance Worker    | 1.027             | <b>\$54,289</b>  | 1.0379            | <b>\$56,347</b>  | 1.0283            | <b>\$60,137</b>  | 1.0401            | <b>\$60,265</b>  | 1.0166            | <b>\$61,265</b>  |
| Account Specialist    | 1.027             | <b>\$51,905</b>  | 1.0379            | <b>\$53,873</b>  | 1.0283            | <b>\$57,497</b>  | 1.0401            | <b>\$57,619</b>  | 1.0166            | <b>\$58,575</b>  |
| District Clerk        | 1.027             | <b>\$51,905</b>  | 1.0379            | <b>\$53,873</b>  | 1.0283            | <b>\$57,497</b>  | 1.0401            | <b>\$57,619</b>  | 1.0166            | <b>\$58,575</b>  |

**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                 | \$ 116,211.37        |                     |                     |                     |                     | \$ 116,211.37        | \$ 13,971.25         | \$ 859.96          | \$ 1,162.11         | \$ 8,134.80         | \$ 8,041.83         | \$ 1,685.06        | \$ 7,205.10         | \$ 157,271.48        |
| Superintendent     | \$ 69,903.96         | \$ 1,020.83         | \$ 739.37           |                     | \$ 1,800.00         | \$ 73,464.16         | \$ 7,182.09          | \$ 543.63          | \$ 2,020.26         | \$ 5,142.49         | \$ 4,837.35         | \$ 1,065.23        | \$ 4,554.78         | \$ 98,810.00         |
| Account Specialist | \$ 64,126.15         |                     |                     |                     |                     | \$ 64,126.15         | \$ 27,942.50         | \$ 474.53          | \$ 551.48           | \$ 4,488.83         | \$ 4,437.53         | \$ 929.83          | \$ 3,975.82         | \$ 106,926.68        |
| Water Operator     | \$ 89,585.97         | \$ 7,096.89         | \$ 9,798.47         | \$ 6,284.80         | \$ 2,400.00         | \$ 115,166.12        | \$ 10,191.81         | \$ 852.23          | \$ 5,182.48         | \$ 8,061.63         | \$ 6,199.35         | \$ 1,669.91        | \$ 7,140.30         | \$ 154,463.82        |
| Water Operator     | \$ 85,269.21         | \$ 6,479.74         | \$ 8,219.46         | \$ 5,795.03         | \$ 2,400.00         | \$ 108,163.44        | \$ 10,191.81         | \$ 800.41          | \$ 4,867.35         | \$ 7,571.44         | \$ 5,900.63         | \$ 1,568.37        | \$ 6,706.13         | \$ 145,769.59        |
| Water Operator     | \$ 65,435.00         | \$ 4,453.43         | \$ 6,087.34         | \$ 3,962.91         | \$ 2,400.00         | \$ 82,338.69         | \$ 10,191.81         | \$ 609.31          | \$ 3,705.24         | \$ 5,763.71         | \$ 4,528.10         | \$ 1,193.91        | \$ 5,105.00         | \$ 113,435.77        |
| Water Operator     | \$ 73,527.38         | \$ 2,691.00         | \$ 5,655.95         | \$ 4,029.87         | \$ 2,400.00         | \$ 88,304.19         | \$ 27,942.50         | \$ 653.45          | \$ 3,973.69         | \$ 6,181.29         | \$ 5,088.09         | \$ 1,280.41        | \$ 5,474.86         | \$ 138,898.49        |
| Temp. Operator     | \$ 20,000.00         | \$ 1,668.87         | \$ 1,473.21         | \$ 3,183.97         | \$ -                | \$ 26,326.05         |                      |                    | \$ 1,184.67         |                     |                     | \$ 381.73          | \$ 1,632.22         | \$ 29,524.66         |
| Part Time Admin    | \$ 1,790.75          |                     |                     |                     |                     | \$ 1,790.75          |                      |                    | \$ 15.40            |                     |                     | \$ 25.97           | \$ 111.03           | \$ 1,943.14          |
| <b>Totals</b>      | <b>\$ 585,849.79</b> | <b>\$ 23,410.76</b> | <b>\$ 31,973.80</b> | <b>\$ 23,256.57</b> | <b>\$ 11,400.00</b> | <b>\$ 675,890.92</b> | <b>\$ 107,613.76</b> | <b>\$ 4,793.53</b> | <b>\$ 22,662.70</b> | <b>\$ 45,344.19</b> | <b>\$ 39,032.89</b> | <b>\$ 9,800.42</b> | <b>\$ 41,905.24</b> | <b>\$ 947,043.64</b> |
| Payroll            | Sewer                | Overtime            | Doubletime          | On Call             | Cert Pay            | Total                | Health               | Disability         | WC                  | CalPERS             | PARS                | Medicare           | SS                  | F/Y Total Sewer      |
|                    |                      |                     |                     |                     |                     |                      |                      |                    |                     |                     |                     |                    |                     |                      |
| GM                 | \$ 116,211.37        |                     |                     |                     |                     | \$ 116,211.37        | \$ 13,971.25         | \$ 871.59          | \$ 1,162.11         | \$ 8,134.80         | \$ 8,041.83         | \$ 1,685.06        | \$ 7,205.10         | \$ 157,283.11        |
| Superintendent     | \$ 69,903.96         | \$ 1,020.83         | \$ 739.37           |                     | \$ 1,800.00         | \$ 73,464.16         | \$ 7,182.09          | \$ 550.98          | \$ 2,020.26         | \$ 5,142.49         | \$ 4,837.35         | \$ 1,065.23        | \$ 4,554.78         | \$ 98,817.34         |
| District Clerk     | \$ 61,540.53         |                     |                     |                     |                     | \$ 61,540.53         | \$ 27,942.50         | \$ 461.55          | \$ 529.25           | \$ 4,307.84         | \$ 4,258.60         | \$ 892.34          | \$ 3,815.51         | \$ 103,748.12        |
| <b>Totals</b>      | <b>\$ 247,655.85</b> | <b>\$ 1,020.83</b>  | <b>\$ 739.37</b>    | <b>\$ -</b>         | <b>\$ 1,800.00</b>  | <b>\$ 251,216.05</b> | <b>\$ 49,095.84</b>  | <b>\$ 1,884.12</b> | <b>\$ 3,711.63</b>  | <b>\$ 17,585.12</b> | <b>\$ 17,137.78</b> | <b>\$ 3,642.63</b> | <b>\$ 15,575.40</b> | <b>\$ 359,848.57</b> |

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| PROJECT                                      | FY 19/20            | FY 20/21            | FY 21/22            | FY 22/23         | FY 23/24         |
|--|---------------------|---------------------|---------------------|------------------|------------------|
| <b>MWSD CAPITAL PROJECTS</b>                 |                     |                     |                     |                  |                  |
| Mechanical System Repairs & Replacements     | \$ 95,000           | \$ 75,000           | \$ 70,500           | \$ 50,000        | \$ 50,000        |
| Inflow & Infiltration Testing / Televising   | \$ 25,000           | \$ 15,000           | \$ 30,000           | \$ 30,000        | \$ 30,000        |
| Seal Cove Area Repair and Maint. Project     | \$ 15,000           | \$ 25,000           | \$ 16,000           | \$ 10,000        | \$ 10,000        |
| Replace Pump Station Pumps                   | \$ 37,875           | \$ 708,875          | \$ 50,525           | \$ 121,500       | \$ 1,167,500     |
| Replace Medium High Priority Sewer Mains     | \$ 630,710          | \$ 895,815          | \$ 1,984,750        | \$ 1,210,000     | \$ 2,172,000     |
| Spot Repairs Program                         | \$ 100,000          | \$ 25,000           | \$ 60,000           | \$ 60,000        | \$ 60,000        |
| Replace/Maintain Distillery Pump Station     | \$ 5,000            | \$ 5,000            | \$ 50,000           | \$ 5,000         | \$ 5,000         |
| Cabrillo Hwy Express Sewer (Planned 2021**)  | \$ 50,000           |                     | \$ 526,975          | \$ 668,250       |                  |
|  |                     |                     |                     |                  |                  |
| Pump Station Communication Upgrades          | \$ 80,000           | \$ 40,000           | \$ 9,000            | \$ 2,500         | \$ 2,500         |
| <b>MWSD CAPITAL PROJECTS TOTAL:</b>          | <b>\$ 1,038,585</b> | <b>\$ 1,789,690</b> | <b>\$ 2,797,750</b> | <b>2,157,250</b> | <b>3,497,000</b> |
| <b>Rollover from FY 18/19 Budget:</b>        |                     |                     |                     |                  |                  |
| Cabrillo Hwy Express Sewer, Phase 1A         | \$ 110,000          |                     |                     |                  |                  |
| Next Phase:                                  |                     |                     |                     |                  |                  |
| Cabrillo Hwy Express Sewer, Phase 1B         |                     | \$ 1,158,300        |                     |                  |                  |
| (**) Phase 4: \$1.82M schedule for year 2025 |                     |                     |                     |                  |                  |
| <i>Critical facility improvements:</i>       |                     |                     |                     |                  |                  |
| Valleamar System Upgrades                    | \$337,500           |                     |                     |                  |                  |
| * Included in Pump Stations above.           |                     |                     |                     |                  |                  |
|  |                     |                     |                     |                  |                  |
|  |                     |                     |                     |                  |                  |
| <b>TOTAL ANNUAL COST</b>                     | <b>1,486,085</b>    | <b>2,947,990</b>    | <b>2,797,750</b>    | <b>2,157,250</b> | <b>3,497,000</b> |

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 5/1/2022

**MWSD**  
**Five Year Capital Improvement Program**  
**WATER SYSTEM**

| <b>Existing Customer CIP - WATER</b>  |                       |                       |                       |                       |                       |                         |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
|   | <b>FY 20/21</b>       | <b>FY 21/22</b>       | <b>FY 22/23</b>       | <b>FY 23/24</b>       | <b>FY 24/25</b>       | <b>5-Year CIP Total</b> |
| Distribution System Renewal and Replacement Program (1)   | \$ 455,000            | \$ 464,100            | \$ 473,382            | \$ 482,850            | \$ 492,507            | \$ 2,367,838            |
| 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            |
| Emergency Generator Replacement Program   | \$ 45,000             | \$ 45,900             | \$ 46,818             | \$ 47,754             | \$ 48,709             | \$ 234,182              |
| Vehicle Replacement Fund  |                       | \$ 40,000             | \$ 41,200             | \$ 42,436             |                       | \$ 123,636              |
| <b>EXISTING CUSTOMER CIP TOTAL</b>  | <b>\$ 508,750</b>     | <b>\$ 909,013</b>     | <b>\$ 1,570,418</b>   | <b>\$ 582,328</b>     | <b>\$ 550,783</b>     | <b>\$ 4,121,292</b>     |
| <b>New Customer CIP - WATER</b>   |                       |                       |                       |                       |                       |                         |
|   | <b>FY 20/21</b>       | <b>FY 21/22</b>       | <b>FY 22/23</b>       | <b>FY 23/24</b>       | <b>FY 24/25</b>       | <b>5-Year CIP Total</b> |
| 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             | \$ 84,413             | \$ 398,185              |
| Portola Tank Telemetry Upgrade  |                       |                       |                       | \$ 250,000            |                       | \$ 250,000              |
| Develop Additional Supply Reliability   |                       |                       | \$ 100,000            | \$ 350,000            | \$ 1,000,000          | \$ 1,450,000            |
| <b>NEW CUSTOMER CIP TOTAL</b>   | <b>\$ 600,000</b>     | <b>\$ 1,647,250</b>   | <b>\$ 1,796,668</b>   | <b>\$ 2,347,568</b>   | <b>\$ 2,450,322</b>   | <b>\$ 8,841,807</b>     |
| <b>Total Annual Capital Cost</b>  | <b>\$ 1,108,750</b>   | <b>\$ 2,556,263</b>   | <b>\$ 3,367,086</b>   | <b>\$ 2,929,896</b>   | <b>\$ 3,001,105</b>   | <b>\$ 12,963,099</b>    |
| <b>CAPITAL FUND BALANCE</b>   |                       |                       |                       |                       |                       |                         |
| Beginning Balance   | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                    |
| Connection Fees   | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                    |
| <b>Annual Capital Fund TOTAL:</b>   | <b>\$ -</b>             |
| <b>Less CIP</b>   | <b>\$ (1,108,750)</b> | <b>\$ (2,556,263)</b> | <b>\$ (3,367,086)</b> | <b>\$ (2,929,896)</b> | <b>\$ (3,001,105)</b> | <b>\$ (12,963,099)</b>  |
| <b>Total</b>  | <b>\$ (1,108,750)</b> | <b>\$ (2,556,263)</b> | <b>\$ (3,367,086)</b> | <b>\$ (2,929,896)</b> | <b>\$ (3,001,105)</b> | <b>\$ (12,963,099)</b>  |
| 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 2020-2021 Budget Debt Service

|                          | Original Issue<br>Amount | Balance<br>June 30, 2020 | Additions   | Retirements         | Balance<br>June 30, 2021 | Interest Expense  |
|--------------------------|--------------------------|--------------------------|-------------|---------------------|--------------------------|-------------------|
| <b>Sewer</b>             |                          |                          |             |                     |                          |                   |
| CIEDB Loan (I Bank)      | \$ 1,010,000             | \$ 753,602               |             | \$ 30,842           | \$ 722,760               | \$ 21,655         |
| PNCEF Lease Obligation   | \$ 927,222               | \$ 531,678               |             | \$ 62,669           | \$ 469,008               | \$ 13,461         |
| Subtotal - Sewer         |                          | <u>\$ 1,285,280</u>      | <u>\$ -</u> | <u>\$ 93,512</u>    | <u>\$ 1,191,768</u>      | <u>\$ 35,116</u>  |
| <b>Water</b>             |                          |                          |             |                     |                          |                   |
| General Obligation Bonds | \$ 15,635,000            | \$ 9,661,690             |             | \$ 941,825          | \$ 8,719,866             | \$ 208,611        |
| PNCEF Lease Obligation   | \$ 927,222               | \$ 531,678               |             | \$ 62,669           | \$ 469,008               | \$ 13,461         |
| SRF Loan                 | \$ 4,248,354             | \$ 3,289,866             |             | \$ 171,381          | \$ 3,118,485             | \$ 70,489         |
| Subtotal - Water         |                          | <u>13,483,234</u>        | <u>-</u>    | <u>1,175,875</u>    | <u>12,307,359</u>        | <u>292,561</u>    |
| Total Debt Service       |                          | <u>\$ 14,768,514</u>     | <u>\$ -</u> | <u>\$ 1,269,387</u> | <u>\$ 13,499,127</u>     | <u>\$ 327,677</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.

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# Fiscal year 2020-2021 Budget Impact Area

## Operating Reserves

### WATER

#### Water Operating Account as of March 31, 2020

Wells Fargo Checking:       \$    668,495

#### Current Operating Reserves as of March 31, 2020

Operating:                       \$     46,009

#### Operating Reserve:

The District's Water Operating Reserve target is two months of operating expenses. Based on fiscal year 2020-21 budget the amount of operating reserves is as follows:

#### Target calculation

|             |           |                                     |
|-------------|-----------|-------------------------------------|
| \$          | 1,917,544 | Budgeted fiscal year 2020-21        |
|             | 12        | Months                              |
| <hr/>       |           |                                     |
| \$          | 159,795   | Monthly budgeted operating expenses |
|             | x 2       | Two months expenditures             |
| <hr/>       |           |                                     |
| \$          | 319,591   | Target Reserve                      |
| <hr/> <hr/> |           |                                     |

#### Conclusion:

Currently, the District has sufficient Operating Water Reserves for Fiscal Year 2020-2021

# Fiscal year 2020-2021 Budget Impact Area

## Operating Reserves

### SEWER

**Sewer Operating Account as of March 31, 2020**

Wells Fargo Checking           \$   1,046,481

**Current Reserves as of March 31, 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 2020-21 budget the amount of operating reserves is as follows:

| <b>Minimum Target</b> |           |                                     |
|-----------------------|-----------|-------------------------------------|
| \$                    | 2,839,509 | Budgeted fiscal year 2020-21        |
|                       | 12        | Months                              |
| <hr/>                 |           |                                     |
| \$                    | 236,626   | Monthly budgeted operating expenses |
|                       | x 2       | Monthly budgeted operating expenses |
| <hr/>                 |           |                                     |
| \$                    | 473,251   | Minimum Target Reserve              |
| <hr/> <hr/>           |           |                                     |
| <b>Maximum Target</b> |           |                                     |
| \$                    | 2,839,509 | Budgeted fiscal year 2020-21        |
|                       | 12        | Months                              |
| <hr/>                 |           |                                     |
| \$                    | 236,626   | Monthly budgeted operating expenses |
|                       | x 10      | Monthly budgeted operating expenses |
| <hr/>                 |           |                                     |
| \$                    | 1,893,006 | Maximum Target Reserve              |
| <hr/> <hr/>           |           |                                     |

**Conclusion: Year**

Currently, the District has insufficient dedicated operating Sewer Reserves for Fiscal Year 2019-20

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

## Operating Reserves

### WATER

#### Water Operating Account as of March 31, 2020

Wells Fargo Checking:       \$    668,495

#### Current Operating Reserves as of March 31, 2020

Operating:                       \$    46,009

#### Operating Reserve:

The District's Water Operating Reserve target is two months of operating expenses. Based on fiscal year 2020-21 budget the amount of operating reserves is as follows:

#### Target calculation

|             |           |                                     |
|-------------|-----------|-------------------------------------|
| \$          | 1,917,544 | Budgeted fiscal year 2020-21        |
|             | 12        | Months                              |
| <hr/>       |           |                                     |
| \$          | 159,795   | Monthly budgeted operating expenses |
|             | x 2       | Two months expenditures             |
| <hr/>       |           |                                     |
| \$          | 319,591   | Target Reserve                      |
| <hr/> <hr/> |           |                                     |

#### Conclusion:

Currently, the District has sufficient Operating Water Reserves for Fiscal Year 2020-2021

# Fiscal year 2020-2021 Budget Impact Area

## Operating Reserves

### SEWER

**Sewer Operating Account as of March 31, 2020**

Wells Fargo Checking           \$   1,046,481

**Current Reserves as of March 31, 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 2020-21 budget the amount of operating reserves is as follows:

|                       |           |                                     |
|-----------------------|-----------|-------------------------------------|
| <b>Minimum Target</b> |           |                                     |
| \$                    | 2,839,509 | Budgeted fiscal year 2020-21        |
|                       | 12        | Months                              |
| <hr/>                 |           |                                     |
| \$                    | 236,626   | Monthly budgeted operating expenses |
|                       | x 2       | Monthly budgeted operating expenses |
| \$                    | 473,251   | Minimum Target Reserve              |
| <hr/> <hr/>           |           |                                     |
| <b>Maximum Target</b> |           |                                     |
| \$                    | 2,839,509 | Budgeted fiscal year 2020-21        |
|                       | 12        | Months                              |
| <hr/>                 |           |                                     |
| \$                    | 236,626   | Monthly budgeted operating expenses |
|                       | x 10      | Monthly budgeted operating expenses |
| \$                    | 1,893,006 | Maximum Target Reserve              |
| <hr/> <hr/>           |           |                                     |

**Conclusion: Year**

Currently, the District has insufficient dedicated operating Sewer Reserves for Fiscal Year 2019-20

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 March 31, 2020

Capital: \$ 398,249

#### Minimum Target

|                     |  |
|---------------------|--|
| \$ 1,108,750        | Lowest year CIP existing customers (fiscal year 2020-21) |
| \$ 750,000          | Engineer estimate  |
| <u>\$ 1,858,750</u> | Minimum target   |

#### Maximum Target

|                     |   |
|---------------------|---|
| \$ 3,367,086        | Highest year CIP existing customers (fiscal year 2022-23) |
| \$ 750,000          | Engineer estimate   |
| <u>\$ 4,117,086</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 March 31, 2020

Capital: \$ 3,947,360

#### Minimum Target

|                     |  |
|---------------------|--|
| \$ 2,157,250        | Lowest year CIP existing customers (fiscal year 2022-23) |
| \$ 1,177,000        | Engineer estimate  |
| <u>\$ 3,334,250</u> | Minimum target   |

#### Maximum Target

|                     |   |
|---------------------|---|
| \$ 3,497,000        | Highest year CIP existing customers (fiscal year 2023-24) |
| \$ 1,177,000        | Engineer estimate   |
| <u>\$ 4,674,000</u> | Maximum target  |

#### Conclusion:

Based on the above, the District has sufficient reserves for Capital minimum 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 2020-21 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 2020-21 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 |
|-----------------------------|------|

## **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 |

## MWSD 2020-21 Budget Prep Schedule of changes

- 1 reduced SAM general expense
- 2 reduced temp. operator to \$20K
- 3 Updated Water CIP - \$1,108,750
- 4 Inclusion of Water system reliability program \$1M
- 5 Updated SAM collections, reduced \$83,983.
- 6 Updated SAM operations, increased \$39,035.
- 7 Updated sewer CIP, based on Nute Engineering 10 year plan. \$1,985,272.
- 8
- 9
- 10
- 11
- 12
- 13
- 14

DRAFT  
5/1/2020



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **May 7, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager

**SUBJECT: Review and Possible Action Concerning Sewer Authority Mid-Coastside FY 17-18 Audited Financial Statements.**

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At the April 16 meeting the MWSD board requested that the newest SAM audit be brought to the MWSD board for discussion.

The Sewer Authority Mid-Coastside's (SAM) FY 17-18 financial statement audit was issued and accepted by the SAM board during their April 13th full board meeting. The FY 17-18 SAM audit was significantly delayed and received a disclaimed audit opinion due to two material weaknesses; 2018-01 – Accounting Personnel & Journal Entries & 2018-02 – Computer Systems. SAM's auditor also noted three significant deficiencies: 2018-03 Unrestricted net position, 2018-04 – Long-term emergency reserves & 2018-05 Other post-Employment Benefits.

SAM's prior FY 16-17 audited financials also noted related significant deficiencies and material weakness.

SAM's General Manager and MWSD Accountant will be present at the meeting to answer questions related the outcome of the FY 17-18 financial statement audit to the board of MWSD.

Recommendation: This is for board discussion and direction to staff



**SEWER AUTHORITY MID-COASTSIDE  
FINANCIAL STATEMENTS WITH  
AUDITORS' REPORT THEREON  
  
FOR THE YEAR ENDED JUNE 30, 2018**

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**SEWER AUTHORITY MID-COASTSIDE  
FINANCIAL STATEMENTS**

**For the Year Ended June 30, 2018**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Sewer Authority Mid-Coastside

We have audited the accompanying financial statements of the business-type activities of Sewer Authority Mid-Coastside (the Authority), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

### **Basis for Disclaimer of Opinion**

New accounting software implemented in July 2017, combined with personnel issues and limited training resulted in the posting of unsupported and unnecessary journal entries to the general ledger. The trial balance provided at the beginning of audit fieldwork contained multiple material misstatements. As of the date of our audit report, management was in the process of training new accounting staff and correcting misstatements. While some of the misstatements have been corrected, we were unable to satisfy ourselves, through confirmations or alternate procedures, that revenues and expenses were fairly stated.

## **Disclaimer of Opinion**

Because of the pervasiveness and material significance of the matter described in the “Basis for Disclaimer of Opinion” paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of Sewer Authority Mid-Coastside. Accordingly, we do not express an opinion on these financial statements.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 3 – 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated March 6, 2020 on our consideration of Sewer Authority Mid-Coastside’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sewer Authority Mid-Coastside’s internal control over financial reporting and compliance.

  
CROPPER ACCOUNTANCY CORPORATION  
Walnut Creek, California  
March 6, 2020

**Sewer Authority Mid-Coastside  
Management's Discussion and Analysis  
For the Fiscal Year Ending June 30, 2018**

This section of the Authority's Independent Audit Report presents management's discussion and analysis (MD&A) of the Authority's financial performance for the fiscal year ended June 30, 2018. It is intended to serve as an overview to the Authority's required financial statements. It should be read in conjunction with the Authority's financial statements and accompanying notes, which follow this section.

**Organization and Business**

The City of Half Moon Bay (HMB), the Granada Sanitary District, and the Montara Sanitary District entered into a joint powers agreement (JPA) in February 1976 to create a separate public entity, the Sewer Authority Mid-Coastside (Authority), commonly referred to as SAM, to develop a joint waste collection, transmission, treatment disposal and management plan and operate the related facilities. The Granada Sanitary District and the Montara Sanitary District have since changed their names to the Granada Community Services District (GCSD) and the Montara Water & Sanitary District (MWSD).

The Authority's governing body, a Board of Directors (Board), comprises of two individuals appointed by each of the JPA member agencies. Each director from HMB has two votes and each director from GCSD and MWSD each have one vote. The six-member Board sets policy for the Authority and appoints the SAM General Manager, who serves at the pleasure of the Board. The General Manager is the chief administrative officer responsible for Authority operations and long-term planning in accordance with the Board's policies and approved budget.

**Financial Highlights**

- The Authority had a net position balance of \$14.294 million at June 30, 2018. Total net position was comprised of unrestricted assets of \$(797,716) and amounts invested in capital assets of \$15.092 million. The net position *increased* by \$2.519 million.
- The Authority's operating revenues were \$4.679 million and total operating expenses of \$6.459 million, resulting in an operating *loss* of \$1.780 million for the fiscal year. This compares to an operating *loss* of \$1.313 million for the prior fiscal year.

**Using the Annual Report**

The annual report consists of this MD&A, a series of basic financial statements (described below) and notes to those statements. These statements are organized so that the reader can understand the Authority as a financial whole. The statements provide an increasingly detailed look at specific financial activities. The basic financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

## Basic Financial Statements

The Authority consists exclusively of one Enterprise (Business) Fund. Enterprise funds utilize the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by private sector accounting. The *Statement of Net Position* is designed to represent the net available (non-liquid) assets, net of liabilities, for the Authority (see Table 1).

All of the current year's revenues and expenses are accounted for in the *Statement of Revenues, Expenses, and Changes in Net Position*. This statement measures the success of the Authority's operations over the past year and can be used to determine the Authority's credit worthiness and whether the Authority has successfully recovered all its costs through the member assessments and other charges (see Table 2).

The final required financial statement is the *Statement of Cash Flows*. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations and investments (see Table 3).

|                               | <u>FYE 6/30/18</u> | <u>FYE 6/30/17</u> | <u>Variance</u> | <u>% Change</u> |
|-------------------------------|--------------------|--------------------|-----------------|-----------------|
| Capital Assets                | \$ 15,092          | \$ 12,250          | \$ 2,842        | 23.2%           |
| Other Assets                  | <u>\$ 2,729</u>    | <u>\$ 2,735</u>    | <u>\$ (6)</u>   | <u>(0.2)%</u>   |
| Total Assets                  | \$ 17,821          | \$ 14,985          | \$ 2,836        | 18.9%           |
| Deferred Outflow of Resources | <u>\$ 939</u>      | <u>\$ 808</u>      | <u>\$ 131</u>   | <u>16.2%</u>    |
| Current Liabilities           | \$ 1,019           | \$ 1,027           | \$ (8)          | (0.8)%          |
| Non-current Liabilities       | <u>\$ 3,247</u>    | <u>\$ 2,814</u>    | <u>\$ 433</u>   | <u>15.4%</u>    |
| Total Liabilities             | \$ 4,266           | \$ 3,841           | \$ 425          | 11.1%           |
| Deferred Inflow of Resources  | <u>\$ 199</u>      | <u>\$ 178</u>      | <u>\$ 21</u>    | <u>11.8%</u>    |
| Net Position                  |                    |                    |                 |                 |
| Investment in Capital Assets  | \$ 15,092          | \$ 12,250          | \$ 2,842        | 23.2%           |
| Unrestricted                  | <u>\$ (798)</u>    | <u>\$ (475)</u>    | <u>\$ (323)</u> | <u>(68.0)%</u>  |
| Total Net Position            | \$ 14,294          | \$ 11,775          | \$ 2,519        | 21.4%           |

Table 2  
Condensed Revenues, Expenses and Changes Net Position (in 1,000s)

|                             | <u>FYE 6/30/18</u> | <u>FYE 6/30/17</u> | <u>Variance</u> | <u>% Change</u> |
|-----------------------------|--------------------|--------------------|-----------------|-----------------|
| O & M Assessments           | \$ 2,563           | \$ 3,310           | \$ (747)        | (22.6)%         |
| Collection Services Fees    | \$ 977             | \$ 977             | \$ 0            | 0.0%            |
| Service Fees                | \$ 1,025           | \$ 5               | \$ 1,020        | 20,400%         |
| Other Income                | \$ 114             | \$ 65              | \$ 49           | 75.4%           |
| Total Operating Revenue     | \$ 4,679           | \$ 4,357           | \$ 322          | 7.4%            |
| Treatment                   | \$ 2,555           | \$ 2,224           | \$ 331          | 14.9%           |
| Collection Services         | \$ 737             | \$ 974             | \$ (237)        | (24.3)%         |
| Laboratory                  | \$ 152             | \$ 155             | \$ (3)          | (1.9)%          |
| Administration              | \$ 1,459           | \$ 877             | \$ 581          | 66.4%           |
| Infrastructure              | \$ 223             | \$ 348             | \$ (125)        | (35.9)%         |
| Depreciation                | \$ 1,334           | \$ 1,091           | \$ 243          | 22.3%           |
| Total Operating Expenses    | \$ 6,459           | \$ 5,669           | \$ 790          | 13.9%           |
| Net Non-operating Rev (Exp) | \$ 39              | \$ (164)           | \$ 203          | 123.8%          |
| Capital Contributions       | \$ 2,685           | \$ 746             | \$ 1,939        | 259.9%          |
| Change in Net Position      | \$ 944             | \$ (730)           | \$ 1,674        | 229.3%          |
| Total Net Position – Begin  | \$ 11,775          | \$ 12,505          | \$ (730)        | (5.8)%          |
| Prior Period Adjustment     | \$ 1,575           | \$ -               | \$ 1,575        | #DIV/0!         |
| Total Net Position – End    | \$ 14,294          | \$ 11,775          | \$ 2,519        | 21.4%           |

Table 3  
Condensed Statements of Cash Flows (in 1,000s)

|                                 | <u>FYE 6/30/18</u> | <u>FYE 6/30/17</u> | <u>Variance</u> | <u>% Change</u> |
|---------------------------------|--------------------|--------------------|-----------------|-----------------|
| Net Cash Used in O&M Activities | \$ 153.2%          | \$ 264             | \$ (496)        | \$ 760          |
| Net Cash by Capital Activities  | \$ (517)           | \$ 537             | \$ (1,054)      | (196.3)%        |
| Net Cash from Investments       | \$ 44              | \$ 53              | \$ (9)          | (17.0)%         |
| Net Increase (Decrease) in Cash | \$ (208)           | \$ 94              | \$ (302)        | (321.3)%        |
| Cash & Cash Equivalents July 1  | \$ 2,300           | \$ 2,205           | \$ 95           | 4.3%            |
| Cash & Cash Equivalents June 30 | \$ 2,091           | \$ 2,300           | \$ (209)        | (9.1)%          |

### Other Information

In addition to the basic financial statements and accompanying notes, this report represents certain required supplementary information including schedule of proportionate share of the net pension liability, contributions, funding progress for the Authority's obligation to provide other post-employment benefits to its employees.

**Economic Factors**

The Authority is governed in part by provisions of the State Water Resources Control Board, which specifies that rate-based revenues must at a minimum cover the costs of operation, maintenance, and recurring capital replacement (OM&R). The Authority is not directly subject to general economic conditions as the main source of its sewer service revenues is received directly from the three JPA member agencies and not directly from rate payers within the service area served. The Authority does not receive property tax revenue. Accordingly, the Authority sets its charges each year, as part of the budget process, to cover the costs of OM&R and any increments for known or anticipated changes in program costs.

The Authority Board adopts an annual budget, which serves as the Authority's approved financial plan. The Board sets all fees and charges required to fund the Authority's operations and capital programs. The approved budget is used as a key control device that 1) establishes amounts by program type (OM&R, contract services, special projects outside of the JPA) and identifies projects for operations and capital activities, and 2) monitors expenses to ensure that approved spending levels have not been exceeded.

**Conclusion**

The Sewer Authority Mid-Coastside financial audit was prepared by Cropper Accountancy for the consecutive year. Sewer Authority Mid-Coastside implemented a new accounting software system (Incode by Tyler Technologies) as of July 1, 2016. Financial practices were reviewed and recommendations made for improvements in efficiency and transparency.

**Financial Contact**

This financial report is designed to provide our JPA member agencies and creditors with a general overview of the Authority's finances and demonstrate the Authority's accountability for the money it receives. If you have any questions about this report, please contact:

Supervisor of Administrative Services  
Sewer Authority Mid-Coastside  
1000 Cabrillo Hwy N.  
Half Moon Bay, CA 94019  
(650) 726-0124

## **FINANCIAL STATEMENTS**

**SEWER AUTHORITY MID-COASTSIDE**  
**Statement of Net Position**  
**June 30, 2018**

|   | 2018          |
|---|---------------|
| <b>ASSETS</b>                                     |               |
| Current Assets:                                   |               |
| Cash and investments                              | \$ 2,090,562  |
| Accounts receivable                               | 499,919       |
| Interest receivable                               | 6,323         |
| Prepaid expense                                   | 96,199        |
| Total Current Assets                              | 2,693,003     |
| Non-Current Assets:                               |               |
| Advances  | 36,000        |
| Capital assets, non-depreciable                   | 4,443,533     |
| Capital assets, net of accumulated depreciation   | 10,648,152    |
| Total Non-Current Assets                          | 15,127,685    |
| Total Assets                                      | 17,820,688    |
| <b>DEFERRED OUTFLOWS</b>                          |               |
| Deferred outflows of resources                    | 939,053       |
| <b>LIABILITIES</b>                                |               |
| Current Liabilities:                              |               |
| Accounts payable                                  | 328,645       |
| Accrued expenses                                  | 600,541       |
| Accrued payroll                                   | 19,863        |
| Accrued compensated absences- current portion     | 70,265        |
| Total Current Liabilities                         | 1,019,314     |
| Non-Current Liabilities:                          |               |
| Net pension liability                             | 2,734,282     |
| Accrued compensated absences- non-current portion | 47,258        |
| Other post employment benefits                    | 465,531       |
| Total Non-Current Liabilities                     | 3,247,071     |
| Total Liabilities                                 | 4,266,385     |
| <b>DEFERRED INFLOWS</b>                           |               |
| Deferred inflows of resources                     | 199,387       |
| <b>NET POSITION</b>                               |               |
| Invested in capital assets, net of related debt   | 15,091,685    |
| Unrestricted                                      | (797,716)     |
| Total Net Position                                | \$ 14,293,969 |

**SEWER AUTHORITY MID-COASTSIDE**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Year Ended June 30, 2018**

|  | 2018            |
|--|-----------------|
| <b>OPERATING REVENUE</b>                                 |                 |
| Operating and maintenance assessments                    | \$ 2,563,296    |
| Collection assessments                                   | 977,186         |
| Service fees   | 1,024,747       |
| Other income   | 113,831         |
| Total Operating Revenue                                  | 4,679,060       |
| <br><b>OPERATING EXPENSES</b>                            |                 |
| Treatment  | 2,555,204       |
| Collection system  | 737,226         |
| Laboratory   | 151,640         |
| Administration   | 1,458,804       |
| Infrastructure   | 222,588         |
| Depreciation   | 1,333,676       |
| Total Operating Expenses                                 | 6,459,138       |
| <br><b>OPERATING LOSS</b>                                | <br>(1,780,078) |
| <br><b>NON-OPERATING REVENUES (EXPENSES)</b>             |                 |
| Interest and dividend income                             | 44,145          |
| Bad debts  | (4,821)         |
| Total Non-Operating Revenues (Expenses)                  | 39,324          |
| Increase before contributions                            | (1,740,754)     |
| Capital contributions                                    | 2,685,221       |
| <br><b>CHANGE IN NET POSITION</b>                        | <br>944,467     |
| Total Net Position - Beginning, as previously reported   | 11,774,714      |
| Prior period Adjustment - change in accounting principle | (30,036)        |
| Prior period Adjustment - correction of an error         | 1,604,824       |
| Total Net Position - Beginning, as restated              | 13,349,502      |
| Total Net Position - Ending                              | \$ 14,293,969   |

The accompanying notes are an integral part of the financial statements

**SEWER AUTHORITY MID-COASTSIDE**

**Statement of Cash Flows  
Year Ended June 30, 2018**

---

|  | <u>2018</u>         |
|--|---------------------|
| <b>Cash Flows From Operating Activities:</b>   |                     |
| Receipts from service charges and fees   | \$ 4,498,560        |
| Cash paid for goods and services   | (2,669,178)         |
| Cash paid for employee services  | (1,565,136)         |
| Net cash provided by operating activities  | <u>264,246</u>      |
| <b>Cash Flows From Capital And Related Financing Activities:</b>                             |                     |
| Acquisition of capital assets  | (3,202,152)         |
| Capital assessments received   | 2,685,221           |
| Net cash used in capital and related financing activities                                    | <u>(516,931)</u>    |
| <b>Cash Flows From Investing Activities</b>  |                     |
| Interest received  | 44,145              |
| Net cash provided by investing activities  | <u>44,145</u>       |
| Net decrease in cash and cash equivalents  | (208,540)           |
| Cash and cash equivalents, July 1, 2017  | <u>2,299,102</u>    |
| Cash and cash equivalents, June 30, 2018   | <u>\$ 2,090,562</u> |
| <b>Reconciliation of operating loss to net cash provided (used in) operating activities:</b> |                     |
| Operating loss   | \$ (1,780,078)      |
| Depreciation expense   | 1,333,676           |
| (Increase) decrease in:  |                     |
| Accounts receivable  | (180,500)           |
| Interest receivable  | (3,114)             |
| Prepaid expenses   | (34,314)            |
| Advances receivable  | 12,000              |
| Deferred outflows  | (130,191)           |
| Increase (decrease) in:  |                     |
| Accounts payable and accrued expenses  | 636,686             |
| Accrued payroll  | (22,077)            |
| Accrued compensated absences   | (12,863)            |
| Net pension liability  | 366,723             |
| OPEB liability   | 57,288              |
| Deferred inflows   | 21,010              |
| Net cash provided by operating activities  | <u>\$ 264,246</u>   |

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Reporting Entity

Sewer Authority Mid-Coastside (the "Authority") is a public entity created on February 3, 1976 by a Joint Exercise of Powers Agreements between the City of Half Moon Bay, the Montara Water and Sanitary District, and the Granada Community Services District (collectively, the "Member Agencies"). The Authority was formed pursuant to the provisions of Title 1, Division 7, and Chapter 5 of the California Government Code. Under this agreement, the Authority has the power to construct, maintain, and operate facilities for the collection, transmission, treatment, and disposal of wastewater for the benefit of the land and the residents within the respective boundaries of the Member Agencies. Authority revenue is derived primarily from assessments for operations, maintenance, and collections made on the Member Agencies.

The Authority is a legally separate governmental entity and is not a component unit of another governmental entity. In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. Criteria used in evaluating the inclusion of a potential component unit includes, but is not limited to, financial interdependency, oversight responsibility, ability to significantly influence operations, scope of public service, and the existence of special financing relationships. Based upon the application of those criteria, no potential component units were identified that would be required to be included in the financial statements of the Authority.

### B. Measurement Focus and Basis of Accounting

The Authority reports its activities as a proprietary fund. A proprietary fund is accounted for on a cost of service or "economic resources" measurement focus. This means that all assets and liabilities (whether current or non-current) associated with the activity are included on the balance sheet. The reported fund equity presents total net position. Proprietary fund operating statements present increases (revenues) and decreases (expenses) in total net position. Revenues and expenses are recognized on the accrual basis. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenue for the Authority is charges to customers for services. Operating expenses include personnel services, employee benefits, repairs and maintenance, professional services, transportation, materials and supplies, claims and judgments, rent, insurance, utilities, communications, general administration and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

***Statement of Net Position*** - The statement of net position is designed to display the financial position of the Authority.

- Invested in capital assets, net of related debt - This component consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted - This component consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or law or regulations of other governments. It also pertains to constraints imposed by law or constitutional provisions or enabling legislation.
- Unrestricted - This component consists of net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt." At June 30, 2018, this portion of the Authority's net position is a deficit.

***Statement of Revenues, Expenses, and Changes in Net Position*** - The statement of revenues, expenses, and changes in net position is the operating statement for proprietary funds. Revenues are reported by major source. This statement distinguishes between operating and non-operating revenues and expenses and presents a separate subtotal for operating revenues, operating expenses, and net operating income/loss.

The Authority applies all applicable GASB pronouncements for certain accounting and financial reporting guidance. In December of 2010, GASB issued GASBS No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. This statement incorporates pronouncements issued on or before November 30, 1989 into GASB authoritative literature. This includes pronouncements by the Financial Accounting Standards Board (FASB), Accounting Principles Board Opinions (APB), and the Accounting Research Bulletins of the American Institute of Certified Public Accountants (AICPA) Committee on Accounting Procedure, unless those pronouncements conflict with or contradict with GASB pronouncements.

## C. Assets and Liabilities

### (1) Cash and Cash Equivalents

For purpose of the statements of cash flows, the Authority considers cash equivalents to be all highly liquid investments with maturity of three months or less when purchased.

### (2) Investments

Short-term investments include investments with remaining maturities of one year or less at the time of acquisition and are stated at fair market values. Long-term investments made by fiscal agents and deferred compensation plan agents are made under the investment policies of those fiduciaries.

The Authority's financial assets carried at fair market value. All of the Authority's financial assets are classified as Level 1, meaning that values are unadjusted quoted prices for identical assets in active markets accessible at the measurement date. All Authority investments are liquid, and fair market values are easily determined.

(3) Receivables

Accounts receivable represents revenue from member agencies and other income.

(4) Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

(5) Capital Assets

Capital assets are those purchased or acquired with an original cost of \$5,000 or more and are reported at historical cost or estimated historical cost. Additions and replacements of property, plant and equipment are stated at historical cost or at fair market value in the case of properties acquired by contribution.

Expenditures that add to the value of the asset or materially extend asset lives are capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets as applicable.

When property and equipment are disposed of or retired, the related costs and accumulated depreciation are eliminated and gains or losses arising from the disposition are reflected as income or expense. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, which range from three to fifty years as follows:

|                             |              |
|-----------------------------|--------------|
| Sewage treatment facilities | 3 – 50 years |
| General plant facility      | 3 – 25 years |
| Collection system           | 3 – 10 years |

(6) Net Pension Liability

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Sewer Authority Mid-Coastside's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

(7) Compensated Absences

The Authority has a policy whereby an employee can accumulate up to, but not more than, twice their yearly allowance of vacation time. Vacation which has been earned but not used by employees is accrued and is included in accrued compensation and benefits. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

(8) Operating income and expense

Operating income and operating expense are defined as activities that result directly from the Authority's operations as a sewer service provider to its member agencies. Non-operating income and expense are defined as ancillary activities such as interest income on funds invested, and other costs not directly attributable to operating activities.

(9) Accounting Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. In addition, estimates affect the reported amount of expenses. Actual results could differ from these estimates and assumptions.

D. Budgetary Information

The Authority is not legally required to budget any of its funds. Budgets are adopted on a basis consistent with generally accepted accounting principles to enhance the Authority management's effectiveness in their financial planning efforts and to enhance control over the Authority's operations.

Once the annual budget is approved, the Board of Directors can legally amend the budget at any time.

All annual operating appropriations lapse at fiscal year end, except for amounts legally encumbered at year end. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in governmental fund types. Encumbrances outstanding at year-end are reported as reservation of fund balances since they do not constitute expenditures or liabilities, and re-appropriations in the subsequent year provide authority to complete these transactions as expenditures. At June 30, 2018, the Authority had \$8,608 reserved to complete projects in progress.

In addition, project-length (or non-lapsing) budgets are adopted for capital improvements and other projects, and grant-funded projects or programs that may not be completed within the fiscal year during which the budget appropriation for the project or program originates. Under these circumstances, the appropriation continues until project or program completion, or unless the appropriation is subsequently amended or rescinded by the Authority Board. Budgets are adopted each year for the General Fund. This budget is prepared on a basis consistent with GAAP.

## E. New Pronouncements

The following Governmental Accounting Standards Board Statements (GASBS) have been implemented for the current fiscal year:

- GASBS No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*

This Statement, issued in June of 2015, replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

The consistency, comparability, and transparency of the information reported by employers and governmental non-employer contributing entities about OPEB transactions will be improved by requiring:

- The use of a discount rate that considers the availability of the OPEB plan's fiduciary net position associated with the OPEB of current active and inactive employees and the investment horizon of those resources, rather than utilizing only the long-term expected rate of return regardless of whether the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and is expected to be invested using a strategy to achieve that return.
- A single method of attributing the actuarial present value of projected benefit payments to periods of employee service, rather than allowing a choice among six methods with additional variations.
- Immediate recognition in OPEB expense, rather than a choice of recognition periods, of the effects of changes of benefit terms.

This Statement will improve the decision-usefulness of information in employer and governmental non-employer contributing entity financial reports and will enhance its value for assessing accountability and inter-period equity by requiring recognition of the entire OPEB liability and a more comprehensive measure of OPEB expense. Decision-usefulness and accountability also will be enhanced through new note disclosures and required supplementary information, as follows:

- More robust disclosures of assumptions will allow for better informed assessments of the reasonableness of OPEB measurements.
- Explanations of how and why the OPEB liability changed from year to year will improve transparency.
- The summary OPEB liability information, including ratios, will offer an indication of the extent to which the total liability is covered by resources held by the OPEB plan, if any.

- For employers that provide benefits through OPEB plans that are administered through trusts that meet the specified criteria, the contribution schedules will provide measures to evaluate decisions related to contributions.

The implementation of this pronouncement resulted in a prior period adjustment of \$30,036. See Note 12 for additional detail.

- GASBS No. 81- *Irrevocable Split-Interest Agreements*

The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement enhances the comparability of financial statements by providing accounting and financial reporting guidance for irrevocable split-interest agreements in which a government is a beneficiary.

The implementation of this pronouncement did not have a significant impact on the financial statements.

- GASBS No. 82 - *Pension Issues-an Amendment of GASB Statements No. 67, No. 68, and No. 73*

The objective of this Statement, issued in March 2016, is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

The implementation of this pronouncement did not have a significant impact on the financial statements.

- GASBS No. 85 - *"Omnibus 2017"*

The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]).

The requirements of this Statement will enhance consistency in the application of accounting and financial reporting requirements. Consistent reporting will improve the usefulness of information for users of state and local government financial statements.

The implementation of this pronouncement did not have a significant impact on the financial statements.

- *GASBS No. 86 - Certain Debt Extinguishment Issues*

The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources - resources other than the proceeds of refunding debt - are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

The requirements of this Statement will enhance consistency in accounting and financial reporting for debt extinguishments by establishing uniform guidance for derecognizing debt that is defeased in substance, regardless of how cash and other monetary assets placed in an irrevocable trust for the purpose of extinguishing that debt were acquired. The requirements of this Statement also will enhance consistency in financial reporting of prepaid insurance related to debt that has been extinguished. In addition, this Statement will enhance the decision-usefulness of information in notes to financial statements regarding debt that has been defeased in substance.

The implementation of this pronouncement did not have a significant impact on the financial statements.

#### F. Future Pronouncements

The following Governmental Accounting Standards Board Statements (GASBS) are effective in future years subsequent to the current financial reporting period:

- *GASBS No. 83 - Certain Asset Retirement Obligations*

This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

The objective of this Statement is to improve comparability of financial statements among governments by establishing uniform criteria for governments to recognize and measure certain AROs, including obligations that may not have been previously reported.

This statement will enhance the decision-usefulness of the information provided to financial statement users by requiring disclosures related to those AROs.

The Authority is required to implement the provisions of this Statement for the fiscal year ending June 30, 2019 (effective for periods beginning after June 15, 2018). The Authority has not yet determined the impact of this Statement of the financial statements.

- GASBS No. 84 - *Fiduciary Activities*

The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhance the value provided by the information reported in financial statements for assessing government accountability and stewardship.

The Authority is required to implement the provisions of this Statement for the fiscal year ending June 30, 2020 (effective for periods beginning after December 15, 2018). This Statement may result in a change in current practice and have a material effect on the financial statements of the Authority.

- GASBS Statement No. 87 - *Leases*

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

This Statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring notes to financial statements related to the timing, significance, and purpose of a government's leasing arrangements.

The Authority is required to implement the provisions of this Statement for the fiscal year ending June 30, 2021 (effective for periods beginning after December 15, 2019). The Authority has not yet determined the impact of this Statement of the financial statements.

- GASB Statement No. 88 - *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*

The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established.

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistently provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms associated with debt will be disclosed. As a result, users will have better information to understand the effects of debt on a government's future resource flows. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018 (fiscal 2019). The Authority has not yet determined the impact of this Statement of the financial statements.

- GASBS Statement No. 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*

The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

The requirements of this Statement will improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019 (fiscal 2021). Earlier application is encouraged. The requirements of this Statement should be applied prospectively. The Authority has not yet determined the impact of this Statement of the financial statements.

- GASBS Statement No. 90 - *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*

The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment.

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information related to presentation of majority equity interests in legally separate organizations that previously was reported inconsistently. In addition, requiring reporting of information about component units if the government acquires a 100 percent equity interest provides information about the cost of services to be provided by the component unit in relation to the consideration provided to acquire the component unit.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018 (fiscal 2020). Earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis. The Authority has not yet determined the impact of this Statement of the financial statements.

**NOTE 2: CASH AND INVESTMENTS**

A summary of cash, deposits and investments as of June 30, 2018, is as follows:

|                              |                  |
|------------------------------|------------------|
| <u>Deposit or Investment</u> |                  |
| Petty cash                   | \$ 500           |
| Demand deposits              | 829,936          |
| Local Agency Investment Fund | <u>1,260,126</u> |
| Total Cash and Investments   | \$2,090,562      |

**A. Cash Deposits**

The carrying amount of the Authority's cash and deposits (restricted and unrestricted) was \$830,436 at June 30, 2018. Bank balances, before reconciling items, were \$932,904 at June 30, 2018 of which \$250,000 was fully insured for the fiscal year and there was no money collateralized with securities held by the pledging financial institutions in the Authority's name. The Authority has waived the collateral requirements for cash deposits which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC).

The California Government Code requires California banks and savings and loan associations to secure a district's deposits by pledging government securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash is considered to be held by the third party bank or institution-owned trust department in the Authority's name. The market value of pledged securities must equal at least 110% of a district's deposits. California law also allows financial institutions to secure a district's deposits by pledging first trust deed mortgage notes having a value of at least 150% of a district's total deposits.

**B. Investments**

Cash balances are invested to the extent possible pursuant to the Authority's approved Investment Policy and Guidelines and State Government Code. Investments are stated at the current fair value. Fair value information is provided as quoted on June 30, 2018.

The California Government Code authorizes a district to invest in their own bonds, certain time deposits, commercial paper, obligations of the U.S. Treasury, agencies and instrumentalities, bankers' acceptances with maturities not to exceed 270 days, medium-term notes issued by corporations operating within the U.S., commercial paper rated P-1 or higher by Moody's or A-1 by Standard & Poor's commercial paper record, repurchase agreements of obligations of the U.S. Government or its agencies for a term of one year or less and the Local Agency Investment Fund.

The Authority invests in Local Agency Investment Fund (LAIF), a State of California external investment pool. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. The Authority's investments with LAIF at June 30, 2018, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments may include the following:

Structured Notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

As of June 30, 2018, the fair market value of funds invested in LAIF was \$1,260,126. The LAIF fair value factor of 0.998126869 was used to calculate the fair value of the investments in LAIF. The fair value of the Authority's position in the pool was the same as the value of the pool shares. A portion of the pooled funds were invested in structured notes and asset backed securities and there were no investments in derivative products.

C. Risk Disclosures

GASB Statement No. 40 requires that deposit and investment risks be disclosed.

*Interest Rate Risk* - the risk of loss of value of an investment due to rising interest rates. In order to limit loss exposure due to Interest Rate Risk, the investment policy limits the length of maturity of investments.

*Credit Risk* - the risk of loss of value of an investment due to a downgrade of its rating or the failure or impairment of its issuer. State law limits investments in commercial paper with an A-1 rating and all other investments with an investment grade rating issued by nationally recognized statistical rating organizations (NSROs). The investment policy limits the Authority's investments in these investment types to the top rating issued by NSROs including raters Standard and Poor's, Fitch Ratings and Moody's Investor Service.

*Custodial Credit Risk* - the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. There are no investments in the Authority's name in which the securities are held by the investment's counterparty.

Based upon the aforementioned criteria, the Authority's deposits and investments were categorized as follows at June 30, 2018:

| <u>Deposit or Investment</u> | <u>Credit Quality Rating</u> | <u>Maturities</u> | <u>Fair Value</u> |
|------------------------------|------------------------------|-------------------|-------------------|
| Cash on-hand or in banks     | N/A                          | Current           | \$ 830,436        |
| Local Agency Investment Fund | Not Rated                    | Current           | <u>1,260,126</u>  |
| Total Cash and Investments   |                              |                   | \$ 2,090,562      |

**NOTE 3: ACCOUNTS RECEIVABLE**

At June 30, 2018, accounts receivable are comprised primarily of amounts due from member agencies. See Note 5 for more detail.

**NOTE 4: ADVANCES**

The Authority and the General Manager entered into an employment agreement effective November 9, 2015, which included an advance of \$60,000 for a down payment, for the General Manager to reside within Authority boundaries. This advance will be forgiven in 20% increments upon each year the General Manager is employed with the Authority, until the full advance is forgiven upon 5 full years of employment. Should the General Manager leave the Authority before five years have elapsed, the balance of the advance becomes due to the Authority. The balance at June 30, 2018 was \$36,000.

**NOTE 5: RELATED PARTY TRANSACTIONS**

| <u>Name of Related Parties</u>             | <u>Relationship</u> |
|--|---------------------|
| City of Half Moon Bay (HMB)                | Member agency       |
| Granada Community Services District (GCSD) | Member agency       |
| Montara Water and Sanitary District (MWSD) | Member agency       |

Related party transactions for the year ended June 30, 2018 are summarized as follows:

|      | <u>Operation and Maintenance Assessments</u> | <u>Collection Assessments</u> | <u>Capital Assessments</u> | <u>Accounts Receivable</u> |
|------|--|-------------------------------|----------------------------|----------------------------|
| HMB  | \$ 1,987,543                                 | \$ 303,060                    | \$ 1,428,669               | \$ 253,257                 |
| GCSD | 769,277                                      | 251,813                       | 736,571                    | 27,994                     |
| MWSD | 783,662                                      | 447,199                       | 519,981                    | 166,691                    |
|      | <u>\$ 3,540,482</u>                          | <u>\$ 1,002,072</u>           | <u>\$ 2,685,221</u>        | <u>\$ 447,942</u>          |

## NOTE 6: CAPITAL ASSETS

A summary of changes in capital assets and depreciation is as follows:

|  | Balance<br>July 1,<br>2017 | Additions    | Prior Period<br>Adjustment | Transfers | Balance<br>June 30,<br>2018 |
|--|----------------------------|--------------|----------------------------|-----------|-----------------------------|
| Capital assets not being depreciated:      |                            |              |                            |           |                             |
| Easement                                   | \$ 24,950                  | \$ -         | \$ -                       | \$ -      | \$ 24,950                   |
| Land                                       | 569,740                    | -            | -                          | -         | 569,740                     |
| Construction in progress                   | 1,286,952                  | 2,561,891    | -                          | -         | 3,848,843                   |
| Total capital assets not being depreciated | 1,881,642                  | 2,561,891    | -                          | -         | 4,443,533                   |
| Capital assets being depreciated:          |                            |              |                            |           |                             |
| Vehicles                                   | -                          | 7,001        | -                          | -         | 7,001                       |
| Sewage treatment facilities                | 43,476,051                 | 317,587      | -                          | (862,899) | 42,930,739                  |
| General plant facility                     | 308,130                    | 53,083       | -                          | 862,899   | 1,224,112                   |
| Collection system                          | 625,134                    | 166,051      | -                          | -         | 791,185                     |
| Pump stations                              | -                          | 96,540       | -                          | -         | 96,540                      |
| Total capital assets being depreciated     | 44,409,315                 | 640,262      | -                          | -         | 45,049,577                  |
| Less accumulated depreciation:             |                            |              |                            |           |                             |
| Vehicles                                   | -                          | -            | -                          | -         | -                           |
| Sewage treatment facilities                | (33,490,379)               | (1,292,475)  | 972,974                    | 862,899   | (32,946,981)                |
| General plant facility                     | (223,613)                  | (12,938)     | -                          | (862,899) | (1,099,450)                 |
| Collection system                          | (326,731)                  | (28,263)     | -                          | -         | (354,994)                   |
| Pump stations                              | -                          | -            | -                          | -         | -                           |
| Total accumulated depreciation             | (34,040,723)               | (1,333,676)  | 972,974                    | -         | (34,401,425)                |
| Capital assets – net of depreciation       | \$ 12,250,234              | \$ 1,868,477 | \$ 972,974                 | \$ -      | \$ 15,091,685               |

Depreciation expense was \$1,333,676 for the year ended June 30, 2018.

## NOTE 7: ACCRUED COMPENSATED ABSENCES

The accrued liabilities for compensated absences for the fiscal year ending June 30, 2018 were as follows:

| Balance at<br>7/1/17 | Additions<br>(Reductions) | Balance at<br>6/30/18 | Estimated<br>Current<br>Portion |
|----------------------|---------------------------|-----------------------|---------------------------------|
| \$ 130,386           | \$ (12,863)               | \$ 117,523            | \$ 70,265                       |

## **NOTE 8: DEFERRED COMPENSATION PLANS**

The Authority maintains two deferred compensation plans, qualified under Section 457 of the Internal Revenue Code, in which substantially all employees may participate. Generally, deferred compensation is payable upon retirement, termination of employment, disability or death. The Authority made contributions to the deferred compensation plans of \$13,485 for the fiscal year ended June 30, 2018. The plan assets are held in trust for the exclusive benefit of the participants and are not included in the Authority's financial statements.

## **NOTE 9: RETIREMENT PLAN**

### ***A. General Information about the Pension Plan***

#### *Plan Description*

The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes and membership information is listed in the June 30, 2013 Annual Actuarial Valuation Report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications. All qualified permanent and probationary employees are eligible to participate in the Authority's separate Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Authority resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

#### *Benefits Provided*

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2018, are summarized as follows:

|   | Miscellaneous               |                                |
|---|-----------------------------|--------------------------------|
|   | Prior to<br>January 1, 2013 | On or after<br>January 1, 2013 |
| Hire Date                                       |                             |                                |
| Benefit formula                                 | 2% @ 55                     | 2% @ 62                        |
| Benefit vesting schedule                        | 5 years of service          | 5 years of service             |
| Benefit payments                                | monthly for life            | monthly for life               |
| Retirement age                                  | 50 – 67                     | 52 - 67                        |
| Monthly benefits, as % of eligible compensation | 1.4% to 2.4%                | 1.0% to 2.5%                   |
| Required employee contribution rates            | 7.0%                        | 6.5%                           |
| Required employer contribution rates            | 9.599%                      | 6.908%                         |

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS’ annual actuarial valuation process. The Plan’s actuarially determined rate is based on the estimated amount necessary to pay the costs of benefits earned by employees during the year, with an additional amount to pay any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2018, the contributions recognized as part of pension expense for each Plan were as follows:

|                                       | Miscellaneous Plan |
|---------------------------------------|--------------------|
| Employer Contributions – Classic Plan | \$ 228,730         |
| Employer Contributions - PEPR         | 42,558             |
|                                       | \$ 271,288         |

***B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions***

The following table shows the Plan’s proportionate share of the risk pool collective net pension liability over the measurement period.

|  | Proportionate Share<br>of Net Pension Liability | Miscellaneous |
|--|---|---------------|
| Balance at: 6/30/16 - Measurement date | \$ 2,367,559                                    | .027361%      |
| Balance at: 6/30/17 – Measurement date | 2,734,282                                       | .027571%      |
| Total Net Change 2016 – 2017           | \$ 366,723                                      |               |

The Authority's net pension liability of \$2,734,282 is measured as the proportionate share of the net pension liability of \$9,917,252,956 (or .027571%). The net pension liability is measured as of June 30, 2017, and the total pension liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

For the year ended June 30, 2018, the Authority recognized pension expense of \$257,542 for the Plan. At June 30, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows<br>of Resources | Deferred<br>Inflows<br>of Resources |
|--|--------------------------------------|-------------------------------------|
| Pension contributions subsequent to measurement date   | \$ 271,288                           | \$ -                                |
| Differences between actual and expected experience   | 3,705                                | (53,079)                            |
| Changes in assumptions   | 459,681                              | (35,051)                            |
| Net differences between projected and actual earnings on<br>pension plan investments             | 103,961                              | -                                   |
| Differences between employer contributions and employer's<br>proportionate share of contribution | -                                    | (111,257)                           |
| Adjustment due to differences in proportions   | 100,418                              | -                                   |
| Total  | <u>\$ 939,053</u>                    | <u>\$ (199,387)</u>                 |

Of the \$939,053 reported as deferred outflows of resources, \$271,288 is related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019 (measurement period ended June 30, 2018). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| Year Ended<br>June 30 | Deferred Outflows<br>(Inflows)<br>of Resources |
|-----------------------|--|
| 2019                  | 132,098  |
| 2020                  | 250,637  |
| 2021                  | 147,367  |
| 2022                  | (61,724)                                       |
| Thereafter            | -  |

The amounts above are the net of outflows and inflows recognized in the fiscal 2017 measurement period.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2017 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2016 total pension liability. The June 30, 2017 total pension liability was determined using the following actuarial methods and assumptions:

|                                  | Miscellaneous   |
|----------------------------------|---|
| Valuation Date                   | June 30, 2016   |
| Measurement Date                 | June 30, 2017   |
| Actuarial Cost Method            | Entry Age Normal  |
| Actuarial Assumptions:           |   |
| Discount Rate                    | 7.15%   |
| Inflation                        | 2.75%   |
| Projected Salary Increase        | Varies by entry age and service   |
| Mortality Rate Table             | Derived using CalPERS' membership data for all funds.   |
| Post Retirement Benefit Increase | Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies. 2.75% thereafter |

The underlying mortality table used was developed based on CalPERS-specific data. The table includes 20 years of mortality improvements using the Society of Actuaries Scale BB. For more details on this table, please refer to the April 2014 CalPERS Experience Study and Review of Actuarial Assumptions report (based on CalPERS demographic data from 1997 to 2011) available on the CalPERS website at <https://www.calpers.ca.gov/docs/forms-publications/calpers-experience-study-2014.pdf>.

Change of Assumptions

In the fiscal year 2016-17, the financial reporting discount rate for the PERF C was lowered from 7.65 percent to 7.15 percent. Deferred outflows of resources for changes of assumptions presented in the Schedule of Collective Pension Amounts represent the unamortized portion of this assumption change.

### Discount Rate

The discount rate used to measure the total pension liability was 7.15% and reflects the long-term expected rate of return for the Plan, net of investment expenses and without reduction for administrative expenses. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS the amortization and smoothing methods adopted by the CalPERS board in 2013 were used. For the Plan, the crossover test was performed for a miscellaneous agent plan and a safety agent plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for PERF C. The crossover test results can be found on the CalPERS' website at: <https://www.calpers.ca.gov/page/employers/actuarial-services/gasb>.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

| <u>Allocation by Asset Class</u> | <u>New Strategic Allocation</u> | <u>Real Return Years 1 – 10 (a)</u> | <u>Real Return Years 11+ (b)</u> |
|----------------------------------|---------------------------------|-------------------------------------|----------------------------------|
| Global Equity                    | 47.0%                           | 4.90%                               | 5.38%                            |
| Global Fixed Income              | 19.0%                           | 0.80%                               | 2.27%                            |
| Inflation Assets                 | 6.0%                            | 0.60%                               | 1.39%                            |
| Private Equity                   | 12.0%                           | 6.60%                               | 6.63%                            |
| Real Estate                      | 11.0%                           | 2.80%                               | 5.21%                            |
| Infrastructure and Forestland    | 3.0%                            | 3.90%                               | 5.36%                            |
| Liquidity                        | 2.0%                            | -0.40%                              | -0.90%                           |
| Total                            | <u>100.00%</u>                  |                                     |                                  |

- (a) An expected inflation of 2.5% was used for this period.
- (b) An expected inflation of 3.0% was used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Authority's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

| Discount Rate –<br>1%<br>(6.15%) | Current Discount<br>Rate<br>(7.15%) | Discount Rate +1%<br>(8.15%) |
|----------------------------------|-------------------------------------|------------------------------|
| \$ 17,276,437                    | \$ 2,734,282                        | \$ 1,479,332                 |

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

## **NOTE 10: OTHER POST-EMPLOYMENT BENEFITS**

### ***A. Plan Description***

The Authority sponsors healthcare coverage for active employees through a Health Reimbursement Arrangement (HRA) plan managed by the OE3 Health and Welfare Trust. The Authority contributes up to \$1,955 each month for medical, dental, and vision coverage. Employees may increase coverage and pay the excess of the Authority's contribution. Dental and vision coverages are also offered to active employees.

The Authority also offers a contribution for medical coverage to its retirees in accordance with the qualifications for Public Employment Retirement Law (PERL). Retirees may retire at age 50 with 5 years of service. The Authority's contribution for retirees remains frozen at the 2013 PEMHCA statutory minimum of \$115 per month, payable for the lifetime of the retiree. This monthly contribution is deposited to an HRA account in accordance with IRS requirements. Employees hired on or after January 1, 2013 are not eligible to receive the \$115 benefit; they are covered under a defined contribution plan.

### ***B. Employees Covered***

As of the July 1, 2016 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

|   |    |
|---|----|
| Active employees  | 7  |
| Inactive employees or beneficiaries currently receiving | 6  |
| Total   | 13 |

**C. Contributions**

The Authority’s currently finances benefits on a pay-as-you-go basis.

**D. Net OPEB Liability**

The Authority’s Net OPEB Liability was measured as of June 30, 2018 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of July 1, 2016. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

|                            |  |
|----------------------------|--|
| Salary increases           | 3.00%  |
| Healthcare cost trend rate | 6.00% for 2016; 5.00% for 2017 and later years |

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males for Females, as appropriate, without projection.

Actuarial assumptions used in the July 1, 2016 valuation were based on a review of plan experience during the period June 30, 2013 to June 30, 2016.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.62 percent. To determine this single (blended) rate, the amount of the plan’s projected fiduciary net position (if any) and the amount of projected benefit payments was compared in each period of projected benefit payments and the following information:

| Reporting Date | Measurement Date | Long-Term Expected Return of Plan Investments | Municipal Bond 20-Year High Grade Rate Index | Discount Rate |
|----------------|------------------|---|--|---------------|
| June 30, 2018  | June 30, 2018    | 4.00%   | 3.62%  | 3.62%         |

Changes in the OPEB Liability

|   | Increase (Decrease)      |                                 |   |
|---|--------------------------|---------------------------------|---|
|   | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net OPEB Obligation (Asset) = (a) – (b) |
| Balance at June 30, 2017<br>(Valuation date July 1, 2016) | \$ 447,940               | \$ -                            | \$ 447,940                              |
| Changes recognized for the measurement period             |                          |                                 |   |
| Service cost  | 11,209                   | -                               | 11,209                                  |
| Interest  | 16,042                   | -                               | 16,042                                  |
| Employer contributions                                    | -                        | 9,660                           | (9,660)                                 |
| Net investment income                                     | -                        | -                               | -                                       |
| Benefit payments to retirees                              | (9,660)                  | (9,660)                         | -                                       |
| Administrative expense                                    | -                        | -                               | -                                       |
| Net changes   | 17,591                   | -                               | 17,591                                  |
| Balance at June 30, 2018<br>(Valuation date July 1, 2016) | \$ 465,531               | \$ -                            | \$ 465,531                              |

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Net OPEB Liability of the Authority if it were calculated using a discount rate that is one percentage point higher or lower than the current discount rate, for the measurement period ended June 30, 2018:

| Discount Rate<br>– 1%<br>(2.62%) | Current Discount Rate<br>(3.62%) | Discount Rate<br>+1%<br>(4.62%) |
|----------------------------------|----------------------------------|---------------------------------|
| \$ 531,026                       | \$ 465,531                       | \$ 411,609                      |

Sensitivity of the Net OPEB Liability to the Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the Authority if it were calculated using health care cost trend rates that are one percentage point higher or lower than the current rate, for the measurement period ended June 30, 2018:

| Discount Rate<br>– 1%<br>(5.00% decreasing to 4.00%) | Current Discount Rate<br>(6.00% decreasing to 5.00%) | Discount Rate<br>+1%<br>(7.00% decreasing to 6.00%) |
|--|--|---|
| \$ 397,280   | \$ 465,531   | \$ 550,818  |

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the Authority recognized OPEB expense of \$27,251. At June 30, 2018, the Authority did not report any deferred outflows of resources and deferred inflows of resources related to OPEB.

**NOTE 11: PRIOR PERIOD ADJUSTMENT**

As a result of implementing GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB)*, the Authority is restating beginning net position in the Statement of Net Position, effectively decreasing the net position by \$30,036 as of July 1, 2017. The decrease resulted from recognizing the net other postemployment benefits liability, a noncurrent liability. See Note 11 for additional disclosures regarding this presentation.

At June 30, 2018, the Authority did a detailed review of the capital asset listing. It was discovered that some assets were over-depreciated while others were under-depreciated. The Authority reviewed the beginning net book value of all assets and determined that the net book value was understated by \$972,974 in 2017.

During the year, the judgment payment was revised so that 50% could be spent on Wet Weather Expansion Projects. This reduced the expense from last year and resulted in an increase in net position of \$300,000.

Additionally, during software implementation, adjustments of \$331,850 were made by the client to increase net position.

The net impact of these adjustments was an increase to net position in the amount of \$1,574,788 as follows:

|  |                      |
|--|----------------------|
| Beginning net position, as previously stated | \$11,774,714         |
| Prior period adjustments:                    |                      |
| Implementation of GASB No. 75                | (30,036)             |
| Fixed assets                                 | 972,974              |
| Judgment capitalized to CIP                  | 300,000              |
| Client entries                               | 331,850              |
| Total prior period adjustments               | <u>1,574,788</u>     |
| Beginning net position, as restated          | <u>\$ 13,349,502</u> |

**NOTE 12: RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; and natural disaster. The Authority mitigates its risk of liability, workers' compensation, and property losses by being a member of the California Sanitation Risk Management Authority (CSRMA) and participating in their risk sharing and insurance purchasing pools.

CSRMA is a public entity risk pool currently operating as a common risk management and insurance program for member agencies located throughout California. The purpose of CSRMA is to spread the adverse effects of losses among the members entities and to purchase excess insurance as a group. Although CSRMA may assess additional premiums to a member agency in the event of losses in excess of reserves, no additional assessments have occurred nor are they contemplated.

The financial statements of CSRMA are available upon request from: The California Sanitation Risk Management Authority, c/o Alliant Insurance Services, Inc., 100 Pine Street, 11<sup>th</sup> Floor, San Francisco, California 96111-5101.

**NOTE 13: MANAGEMENT'S PLAN**

The Authority has an operating loss of \$1,780,078 in the current year. The Authority had an unrestricted net position deficit of \$797,716 at June 30, 2018. This financial trend has become a pattern which calls into question the ability of the Authority to operate over the next 12 months from the date on which these financial statements were issued.

Potential vendors, including contractors on major Authority projects may see the operating deficit as a deterrent to doing business with the Authority.

Consistent with Authority policy, management and the Board plan to alleviate any substantial doubt by having member agencies fund the \$1.25 million reserve for the repairs and replacements as well as a 2-month operating reserve.

**NOTE 14: SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date of the audit opinion, the date on which the financial statements were available to be issued.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**SEWER AUTHORITY MID-COASTSIDE**  
**Required Supplementary Information**  
**For the Year Ended June 30, 2018**

**Schedule of Proportionate Share of Net Pension Liability**  
**Last 10 Years\***

|   | <u>2018</u>  | <u>2017</u>  | <u>2016</u>  | <u>2015</u>  |
|---|--------------|--------------|--------------|--------------|
| Measurement date  | 6/30/2017    | 6/30/2016    | 6/30/2015    | 6/30/2014    |
| Plan's Proportion of the Net Pension Liability (Asset)  | 0.02757%     | 0.02736%     | 0.02612%     | 0.02000%     |
| Plan's Proportionate Share of the Net Pension Liability (Asset)   | \$ 2,734,282 | \$ 2,367,559 | \$ 1,793,061 | \$ 1,724,305 |
| Plan's Covered-Employee Payroll   | \$ 1,453,070 | \$ 1,453,070 | \$ 1,173,195 | \$ 1,048,193 |
| Plan's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll | 188.17%      | 162.93%      | 152.83572%   | 164.50%      |
| Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability  | 73.31%       | 74.06%       | 78.40%       | 80.84%       |

\*Fiscal year ending June 30, 2015 was the first year of implementation, therefore only three years are shown.

**SEWER AUTHORITY MID-COASTSIDE**  
**Required Supplementary Information**  
**For the Year Ended June 30, 2018**

**Schedule of Pension Plan Contributions**  
**Last 10 Years\***

|   | <u>2018</u>    | <u>2017</u>    | <u>2016</u>    | <u>2015</u>    |
|---|----------------|----------------|----------------|----------------|
| Actuarially determined contributions**                                | \$ 271,288     | \$ 240,951     | \$ 107,752     | \$ 137,242     |
| Contributions in relation to the actuarially determined contributions | <u>271,288</u> | <u>240,951</u> | <u>107,752</u> | <u>137,242</u> |
| Contribution deficiency (excess)                                      | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    |
| Covered-employee payroll***   | \$ 1,562,458   | \$ 1,453,070   | \$ 1,173,195   | \$ 1,048,193   |
| Contributions as a percentage of covered-employee payroll             | 17.36%         | 16.58%         | 9.18%          | 13.09%         |

\*Fiscal year ending June 30, 2015 was the first year of implementation, therefore only three years are shown.

\*\*Excludes employer-paid member contributions (EPMC)

\*\*\* For the fiscal year ending on the date shown

**SEWER AUTHORITY MID-COASTSIDE**  
**Required Supplementary Information**  
**For the Year Ended June 30, 2018**

**Schedule of Changes in the Net OPEB Liability and Related Ratios**  
**for the Measurement Periods Ended June 30**

|   | <b>2018</b>                 |
|---|-----------------------------|
| <b>Total OPEB Liability</b>   |                             |
| Service cost  | \$ 11,209                   |
| Interest on the OPEB liability  | 16,042                      |
| Benefits paid to retirees   | (9,660)                     |
| <b>Net change in total OPEB liability</b>                                   | 17,591                      |
| <b>Total OPEB Liability - beginning</b>                                     | 447,940                     |
| <b>Total OPEB Liability - ending</b>  | <b>(a) \$ 465,531</b>       |
| <br><b>Plan Fiduciary Net Position</b>                                      |                             |
| Employer contributions  | \$ 9,660                    |
| Net investment income   | -                           |
| Benefits paid to retirees   | (9,660)                     |
| Administrative expense  | -                           |
| <b>Net change in plan fiduciary position</b>                                | -                           |
| <b>Plan fiduciary net position- beginning</b>                               | -                           |
| <b>Plan fiduciary net position- ending</b>                                  | <b>(b) \$ -</b>             |
| <b>Net OPEB liability- ending</b>   | <b>(a) - (b) \$ 465,531</b> |
| <br>Plan fiduciary net position as a percentage of the total OPEB liability | 0.00%                       |
| Covered payroll   | \$ 1,566,360                |
| <br>Net OPEB liability as a percentage of covered payroll                   | 29.72%                      |

**Notes to Schedule:**

Historical information is required only for measurement periods for which GASB No. 75 is applicable. Future years' information will be displayed, up to 10 years, as information becomes available

**SEWER AUTHORITY MID-COASTSIDE**  
**Required Supplementary Information**  
**Schedule of OPEB Contributions**  
**Last Ten Fiscal Years\***

| Fiscal Year Ended June 30,                                | <u>2018</u>    |
|---|----------------|
| Actuarially determined contributions (ADC)                | \$ 9,660       |
| Contributions in relation to the ADC                      | <u>(9,660)</u> |
| Contribution deficiency (excess)                          | <u>\$ -</u>    |
| Covered payroll   | 1,566,360      |
| Contributions as a percentage of covered-employee payroll | 0.62%          |

**Notes to Schedule:**

The actuarial valuation was performed in accordance with generally accepted actuarial principles and practices. The actuaries relied on census data for active employees and retirees as well as claims, premium, expense and enrollment data, and copies of relevant sections of healthcare documents provided by the Authority, and when applicable, trust statements prepared by the trustee.

**Actuarial Assumptions:**

The assumptions used in performing the valuation and the results based thereupon represent the actuaries' best estimate of the actuarial costs of the program under GASB 75 and the existing and proposed Actuarial Standards of Practice for measuring post-retirement healthcare benefits.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors  
Sewer Authority Mid-Coastside

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, of Sewer Authority Mid-Coastside, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Sewer Authority Mid-Coastside's basic financial statements and have issued our report thereon dated March 6, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Sewer Authority Mid-Coastside's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sewer Authority Mid-Coastside's internal control. Accordingly, we do not express an opinion on the effectiveness of Sewer Authority Mid-Coastside's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the letter titled "*Communication of Significant Deficiencies and Material Weaknesses*" as items 2018-01 and 2018-02 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the letter titled "*Communication of Significant Deficiencies and Material Weaknesses*", specifically identified as items 2018-03, 2018-04, and 2018-05 to be significant deficiencies.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Sewer Authority Mid-Coastside's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Sewer Authority Mid-Coastside's Response to Findings**

Sewer Authority Mid-Coastside's management response to the findings identified in our audit is described in the letter titled "*Communication of Significant Deficiencies and Material Weaknesses*". Sewer Authority Mid-Coastside's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CROPPER ACCOUNTANCY CORPORATION  
Walnut Creek, California  
March 6, 2020

# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **May 7, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager 

**SUBJECT: Review and Possible Action Concerning Remote  
Location for June 4, 2020 Public Hearing re:  
Proposition 218 Rate Increases (COVID-19)**

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In accordance with Proposition 218, on March 5, 2020 this Board authorized staff to prepare and mail to all affected property owners notice of the date, time and place of a public hearing to consider a new water system reliability charge and sewer rate increases, to be held on June 4, 2020 at 7:30 p.m. at the District's Administrative Offices located at 8888 Cabrillo Hwy, Montara ("Public Hearing").

Since the date of mailing of the Public Hearing notice, and due to state and local emergency shelter-in-place orders resulting from the threat of COVID-19, this Board determined to temporarily hold its regular meetings remotely, in accordance with Governor Newsom's Executive Order N-33-20, for the duration of the COVID-19 emergency.

Because of the uncertainty of the shelter-in-place orders as of the date of the Public Hearing, staff recommends that remote access to the hearing also be permitted for those individuals who do not wish to attend in person. This remote location will be in addition to the location of the Public Hearing at the District's Administrative Offices (in compliance with social distancing requirements) as set forth in the notice of Public Hearing.

## RECOMMENDATION:

Adopt a Resolution establishing a remote place for the District's Proposition 218 Public Hearing, in addition to the hearing place at the District's Administrative Offices.

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTARA WATER AND SANITARY DISTRICT ESTABLISHING ADDITIONAL REMOTE LOCATION FOR A PUBLIC HEARING OF THE BOARD DURING A DECLARED STATE OF EMERGENCY**

**WHEREAS**, on March 4, 2020, Governor Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19. On March 19, 2020, the Governor issued Executive Order N-33-20 which, among other things, directs all California residents to immediately heed current State public health directives, including the March 19, 2020 directive of the State Public Health Officer to all State residents to stay home or at their place of residence, subject to certain exceptions; and

**WHEREAS**, on March 12, 2020 and March 18, 2020, Governor Newsom issued Executive Order N-25-20 and Executive Order N-29-20 mandating compliance with state and local public health measures to control the spread of COVID-19 and temporarily suspending portions of the Brown Act which address the conduct of public meetings; and

**WHEREAS**, on March 3, 2020, the San Mateo County Health Officer and the San Mateo County Director of Emergency Services proclaimed a local emergency throughout San Mateo County related to COVID-19; and

**WHEREAS** on March 16, 2020, as amended on March 31, 2020 and as may be further amended, the San Mateo County Health Officer issued a Shelter-in-Place Order directing all individuals to self-isolate in their places of residence and prohibiting non-essential public and private gatherings, in order to slow the spread of COVID-19; and

**WHEREAS**, as a result of the above referenced orders, this Board previously authorized a temporary remote meeting place to hold its regular and special meetings for the duration of the declared emergency, as well as to allow for adjustments to the procedures for the conduct of meetings as deemed necessary; and

**WHEREAS**, pursuant to direction of Board, a notice of date, time and place of a public hearing to consider a new water system reliability charge and sewer rate increases was mailed to all affected property owners, to be held June 4, 2020 at the District's Administrative Offices located at 8888 Cabrillo Hwy, Montara ("Public Hearing"); and

**WHEREAS**, due to the COVID-19 emergency, the Board of Directors desires to adopt this resolution to provide an additional remote meeting place to hold the Public Hearing, as well as to allow for adjustments to the procedures for the conduct of the Public Hearing as deemed necessary.

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
MONTARA WATER AND SANITARY DISTRICT ESTABLISHING  
ADDITIONAL REMOTE LOCATION FOR A PUBLIC HEARING  
OF THE BOARD DURING A DECLARED STATE OF  
EMERGENCY**

**NOW, THEREFORE**, be it resolved by the Board of the Montara Water and Sanitary District, a public agency in the County of San Mateo, California, as follows:

1. The above recitals are true and correct and incorporated as though fully set forth herein.
2. The Public Hearing set for June 4, 2020 to be held at the District's Administrative Offices shall also be held remotely in conformance with state and local emergency Orders.
3. The Chair or District Manager is permitted to ensure compliance with social distancing requirements in conformance with state and local emergency Orders for the Public hearing to ensure the health and safety of employees, staff and residents while attending the hearing.
4. This resolution is effective immediately for the Public Hearing as set forth herein.

\_\_\_\_\_  
President, Montara Water and Sanitary District

COUNTERSIGNED:

\_\_\_\_\_  
Secretary, Montara Water and Sanitary District

\* \* \* \*

I HEREBY CERTIFY that the foregoing Resolution No. \_\_\_\_\_ duly and regularly adopted and passed by the Board of the Montara Water and Sanitary District, County of San Mateo, California, at a Regular Adjourned Meeting thereof held on the 7th day of May 2020, by the following vote:

AYES, Directors:

ABSTENTION:

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
MONTARA WATER AND SANITARY DISTRICT ESTABLISHING  
ADDITIONAL REMOTE LOCATION FOR A PUBLIC HEARING  
OF THE BOARD DURING A DECLARED STATE OF  
EMERGENCY**

NOES, Directors:

ABSENT, Directors:

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Secretary, Montara Water and Sanitary District



# MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **May 7, 2020**

TO: BOARD OF DIRECTORS

FROM: Clemens Heldmaier, General Manager *CH*

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**SUBJECT: General Manager's Report**

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**Operations:** MWSD Operations staff repaired 1 water distribution leak at Los Banos, investigated 1 customer leak, replaced a sample fixture at the Drake Well, responded to 15 Underground Service Alerts, verified and calibrated all AVTP turbidimeters, repaired a chlorine pump, maintained the AVTP diversion structure, assisted Farallone View School with a shutdown for repairs, took all second quarter water samples, took and delivered four bact samples, tested 35 backflow devices, maintained the Portola and Schoolhouse tanks.

**Projects:** The Highway 1 crossing Sewer Project is also close to completion. Hydroseeding on MWSD property is still outstanding. A possible change order to further improve the MWSD access road runoff may be brought to the MWSD board soon.

**Meetings:** On April 6, 22, 27, 28, and 30 the General Manager attended SAM staff and/or member agency managers meetings to discuss the SAM draft General Budget and draft SAM Collections Budget.

**Collections:** "Flushable" wipes introduced into Moss Beach collection system resulted in the failure of the second pump within the Covid-19 SIP. One of the airport lift station pumps contained clothing material.

**Covid-19:** MWSD offices remain closed to the public since March 16. SOP's for Covid-19 office and employee safety were updated since new health orders were issued. Since May 1 non-essential construction and permitting is allowed in SMC and MWSD operations is working at full capacity always adhering to social distancing guidelines.

**RECOMMENDATION:**

This is for Board information only.