

# The Marina Coast Water District

Proposed Operating and Capital Improvement Budget  
Fiscal Year 22/23



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# MEMORANDUM

On behalf of the District staff, it is an honor to present the Fiscal Year 2022-2023 Proposed Budget. This budget was developed with a focus on cost containment of system operations and infrastructure needs and is designed to assist in meeting the strategic elements of the Board's 2020 strategic plan which are:

**Water Sources** – manage and protect our current water sources and find alternative water sources

**Infrastructure** – provide high-quality water distribution systems and efficiently operating wastewater systems to serve existing and future customer

**Fiscal Planning** – manage public funds to assure financial stability, prudent rate management, and demonstrate responsible stewardship

**Strategic Partners and Public Affairs** – build our relationships with the State, Federal, Regional, SVBGSA, and local public and non-profit agencies

**Organization Health/Personnel** – recruit and retain a highly qualified, diverse, and inspired workforce that delivers the essential services of the District while providing outstanding customer service

**Administrative Management** – create, maintain, update and implement policies and procedures to ensure sound management of the District



# ABOUT THE DISTRICT



In 1958, a local group of dedicated citizens, known as the Marina Community Service Corporation, proposed the formation of a municipal-owned water system with boundaries to coincide with the existing Marina Fire District (approximately 1,600 acres). Two years later, the Marina County Water District was formed by a vote of the 766 registered voters of the then unincorporated city of Marina. In 1966, voters authorized the sale of water bonds totaling \$950,000 to acquire a privately owned water company serving the area.

Long before the District was formed, studies revealed that seawater had been intruding into the area's groundwater supply, because more water was being pumped from the aquifers each year than was being replenished naturally. In 1983, the District abandoned pumping from the 180-foot well because of saltwater intrusion, and, from 1983 to 1989, drilled three deep wells in the 900-foot aquifer. These wells provide Marina with its current source of water. In 1997, the District began operating a desalination plant, capable of producing 13

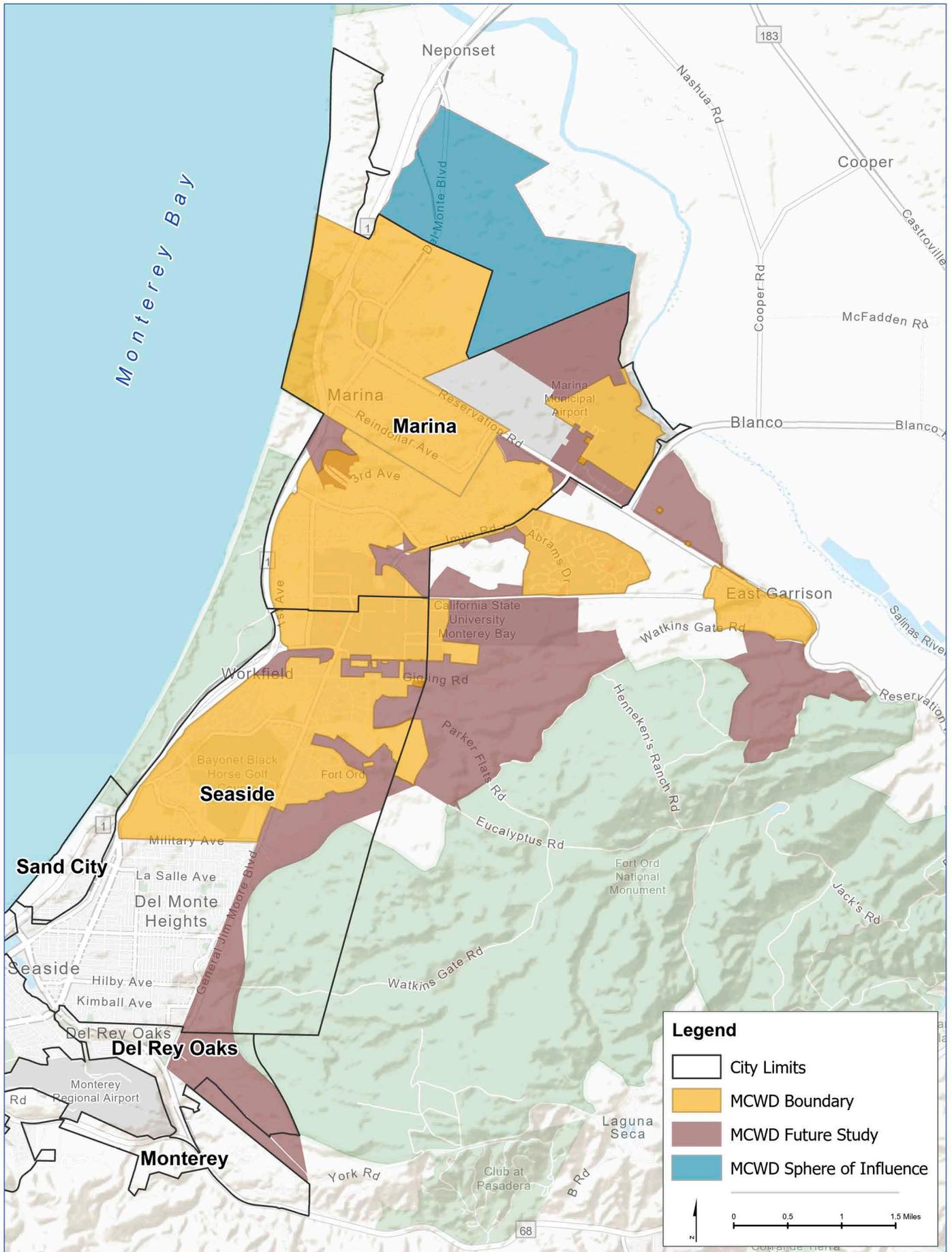
percent of its water supply, to supplement well water. The plant remained in service for several years before a sudden rise in electricity costs made it uneconomical to continue operating. Because of its diminishing water supply, the District continues to seek new water sources and expand its conservation programs.

In 1970, Marina voters responded to an increasing number of septic system failures and requests to meet the community's growing sanitation needs by constructing a sewage treatment plant and disposal system, which was financed by the sale of \$1.3 million in sewer bonds. The District operated the plant until 1993 when an agreement with the Monterey Regional Water Pollution Control Agency made it possible for Marina's wastewater to be treated at the regional treatment plant. Though the District ceased treating wastewater, it continued to operate and maintain Marina's sewer system.

For its first 35 years of operation, the District was known as the Marina County Water District. But in 1994, its name was changed to Marina "Coast" Water District to avoid possible confusion of being an adjunct to the Monterey County government.

With the closure of the Fort Ord military base in 1997, the Army contracted the District to operate its water and wastewater systems and, in 2001, officially transferred the systems to the District. Since combining services and resources, the District improved its water distribution and storage efficiency while decreasing operating costs.

The District is governed by a five-member Board of Directors who are elected by the voters to serve four-year terms. Eleven candidates, interested in serving their community's needs, vied for the five Board seats in the first election. These dedicated directors, who were instrumental in the formation of the District, were Raymond S. Isakson, William Williams, George E. Boutonnet, Augusta J. Briley and Robert Workman.



**Legend**

- City Limits
- MCWD Boundary
- MCWD Future Study
- MCWD Sphere of Influence

0 0.5 1 1.5 Miles

# COST CENTERS

MCWD operates as a single enterprise fund with 6 separate cost centers. Under District Ordinance No. 43, the District maintains separate cost centers to ensure that revenues and expenses are appropriately segregated and maintained for the Marina systems, the Ord Community systems, the Recycled Water system, and the MCWD Groundwater Sustainability Agency (GSA).

**Water Cost Centers** – account for their operations through all Departments of the District.

**Marina Water** – generates its revenue from potable water sales through water connections within Central Marina and other sources. Other sources include capacity fees and bond proceeds to fund capital projects.

**Ord Community Water** – generates its revenue from potable water sales through water connections within the Ord Community, comprised of several land-use jurisdictions, and other sources. Other sources include capacity fees and bond proceeds to fund capital projects

**Wastewater Collection (Sewer) Cost Centers** – account for their operations through the Administration, Operations & Maintenance, and Engineering Departments of the District.

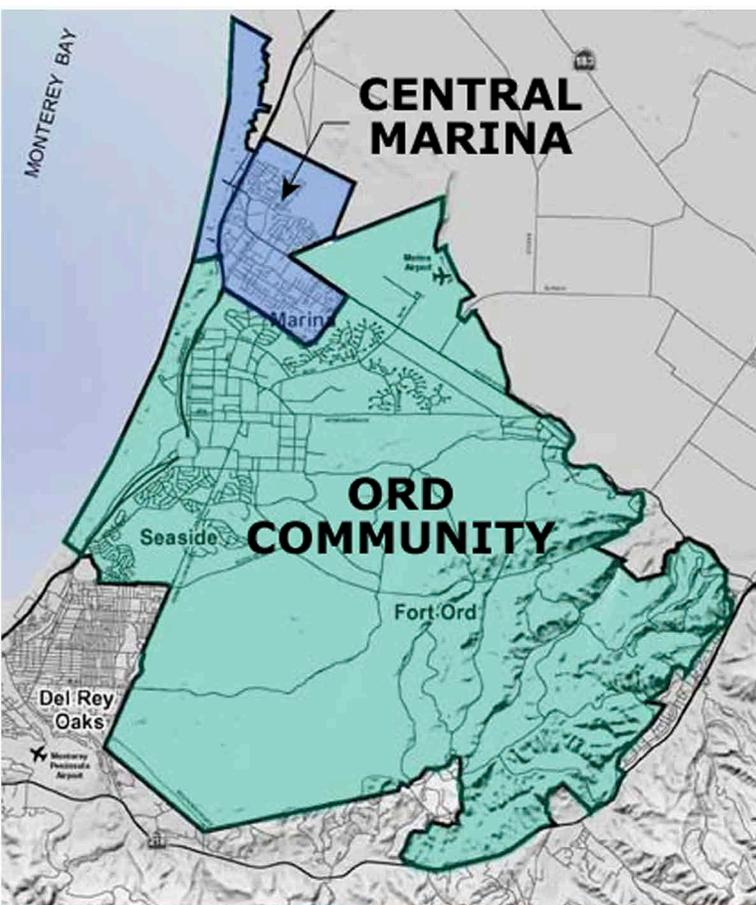
**Marina Sewer** – generates its revenue from sewer collection fees through sewer connections within Central Marina and other sources which include capacity fees and bond proceeds to fund capital projects.

**Ord Community Sewer** – generates its revenue from sewer collection fees through sewer connections within the Ord Community, comprised of several land-use jurisdictions, and other sources. Other sources include capacity fees and bond proceeds to fund capital projects.

**Recycled Water Cost Center** – accounts for its operations through the Administration, Operations & Maintenance, and Engineering Departments of the District and generates its revenue from recycled water sales and other sources which include capacity fees and loan proceeds.

**Groundwater Sustainability Agency Cost Center** – accounts for its operations through the Administration and Water Resources Departments of the District. It generates its revenue through water source fees from the Monterey subbasin and other sources such as grants. Currently, the District is the only entity that pumps groundwater from the Monterey subbasin.

Map showing area jurisdictions for both Central Marina and the Ord Community.



# COST ALLOCATION

Direct costs are allocated to the appropriate cost centers. Other costs associated with specific functions are allocated among the four primary cost centers – Marina Water, Marina Sewer, Ord Community Water, and Ord Community Sewer using various allocations that are based on factors such as water rights, miles of pipeline, number of customers, etc.

District costs that are not dedicated to a specific cost center are shared among the four primary cost centers. The sharing of these expenses, in turn, creates efficiencies and cost savings for administrative functions for the two service areas that would otherwise not be realized. The District uses the expense ratio method to allocate these shared expenses which represent approximately 15% of the District's Operating Expenses. This approach is also referred to "as all others" – essentially general benefit functions mirror how the first 85% of the District's costs are accrued. These costs include a major portion of Administration salaries and benefits costs, Board-related costs, information technology-related costs, accounting services, rate study costs, etc. These functions serve the District as a whole and cannot be reasonably allocated on a direct basis or by one of the above metrics. The District contracted with Carollo Engineers in 2017 to review the

District's cost allocation methods and provide a Cost Allocation Plan that can be found on the District's website at the following link:

[http://www.mcwd.org/docs/financials/MCWD%20Cost%20Allocation%20Plan%20\(f\)%2026Feb.pdf](http://www.mcwd.org/docs/financials/MCWD%20Cost%20Allocation%20Plan%20(f)%2026Feb.pdf)

For FY 2022-2023, the assigned percentages are as follows:

- Marina Water 26%
- Marina Sewer 5%
- Ord Community Water 57%
- Ord Community Sewer 12%

Over the past several years, direct operating expenses throughout the Ord Community have increased causing its allocation percentages of shared expenses to increase which stands to reason as it correlates with the additional administrative effort to process, monitor, and report the costs. However, for FY 2022-2023, the Ord Community allocation percentages each dropped 1% from the previous fiscal year's allocation.



Scan the QR Code to visit the link:

[http://www.mcwd.org/docs/financials/MCWD%20Cost%20Allocation%20Plan%20\(f\)%2026Feb.pdf](http://www.mcwd.org/docs/financials/MCWD%20Cost%20Allocation%20Plan%20(f)%2026Feb.pdf)

# DISTRICT RESERVES

A key element of prudent financial planning is to ensure that sufficient funding is available for current and future operating, capital, and debt service needs. Under the District's Reserve Funds Policy, the District has established and maintains both Restricted Reserve Funds and Board Designated Reserve Funds with target levels to work towards to ensure that it provides reliable service and maintains overall financial strength. The following are the projected balances of the Reserve Funds for FY 2022-23 and the funding status of each fund based on the target levels established in the Reserve Funds Policy:

Reserve Funds Restricted Reserve Funds	Target Level	Minimum	Maximum	Minimum	Maximum	Estimated balance at 6/30/2023	Over/Under Funded of Minimum	Over/Under Funded of Maximum	Notes
a. Bond/Debt Reserve Fund	Established by funding source			\$171,828	\$171,828	\$ 171,828	-	-	Represents the Debt Service requirement for the SRF Loan C-06-8184-110
b. Capital Reserve Fund	N/A			-	-	-	-	-	
c. Capacity Change Reserve Fund	Development Driven			\$17,419,263	\$17,419,263	\$17,419,263	-	-	
<b>Designated Reserve Funds</b>									
a. Capital Replacement & Improvement Fund	40% 20% prior depreciation			\$ 15,382,868	\$ 15,382,868	\$ 4,602,642	(\$ 10,780,226)	(\$ 10,780,226)	Target level based on 40% 20% prior year accumulated depreciation
b. Admin. & General Fund	N/A	\$ 50,000	\$ 250,000	\$ 50,000	\$ 250,000	\$ 200,000	\$ 150,000	(\$ 50,000)	Funding may adjust based on inflation
c. Emergency Fund	N/A	1/2% of Net Capital Assets	2% of Net Capital Assets	\$ 1,083,155	\$ 4,332,621	-	(\$ 1,083,155)	(\$ 4,332,621)	The District has not funded to date
d. Rate Stabilization Fund	N/A	-	25% annual Aggregate DS	-	\$ 434,491	-	-	(\$ 437,491)	The District has not funded to date
e. Operating Reserve Fund	N/A	25% operating expenses	50% operating expenses	\$ 5,523,007	\$ 11,046,014	\$ 5,979,365	\$ 456,358	(\$ 5,066,649)	
<b>Totals</b>				<b>\$ 39,630,121</b>	<b>\$ 49,040,084</b>	<b>\$ 28,873,098</b>	<b>(\$ 11,257,023)</b>	<b>(\$ 20,666,986)</b>	

# KEY ASSUMPTIONS

## Revenues

Projected revenues in Marina and Ord Systems are based on current customer accounts and projected development activity at the service rates approved by the Board in January 2018.

- Includes a 3% growth rate in the Ord Community for residential accounts (single-family & multi-family) and no growth factor for Central Marina
- 4% rate increases for water and sewer rates for Central Marina and a 4% rate increase for water and a 3% rate increase for sewer in the Ord Community based on the 5-year rate study conducted in 2017-2018 and approved by the Board on January 22, 2018. Water rates consist of a fixed charge and commodity rates.
  - The fixed charge generates the needed revenue to cover the District's fixed costs which include:
    - Base Costs – operating and capital costs incurred by the water system to provide a basic level of service to each customer.
    - Peak Costs – those operating costs incurred to meet peak demands above base demand which include basic water supply and distribution costs.
    - Customer Costs – Fixed expenditures that relate to operational support such as accounting, billing, customer service, administrative and technical support.
    - Service Costs – Meter maintenance costs and capacity-related costs including debt service.
  - The commodity rates generate revenue to cover the base, peak, and customer costs directly related to the production and distribution of water production. The rate study included the change from a 3-tier system to a 2-tier system for commodity rates. The rate study can be accessed on the District's website by clicking on the following link:

<http://www.mcwd.org/docs/financials/MCWD%202018%20CoS%20Rate%20Study%20Final%20Report.pdf>



Scan the QR Code to visit the link:

<http://www.mcwd.org/docs/financials/MCWD%202018%20CoS%20Rate%20Study%20Final%20Report.pdf>

- Wastewater collection rates consist of fixed costs to collect and transmit to the Monterey One Water Agency (M1W). The rate is calculated based on the total projected costs of the collection system (Base Costs and Customer Costs) divided by the projected equivalent dwelling units (EDU) of the District.
- Monthly rates with the rate increases for the Marina customers and Ord Community customers are as follows:

<b>Effective January 1, 2023</b>		
<b>Water Rate (monthly)</b>	<b>Marina</b>	<b>Ord Community</b>
Meter Service Charge	\$28.34	\$48.94
Tier 1 (0 - 10 HCF)	\$3.80	\$4.90
Tier 2 (10+ HCF)	\$5.790	\$9.55
Flat Rate Billing	N/A	194.4
Average monthly bill (10 HCF)	\$66.34	\$97.94
<b>Wastewater Collection Rate (monthly)</b>	<b>Marina</b>	<b>Ord Community</b>
Flat Rate (per edu)	\$17.98	\$38.15

- Wheeling Charges increased from \$2,000 per month to \$2,997.67 per month based on the cumulative Engineering News Record (ENR) 20-City average Construction Cost Index (CCI) from 2009 to 2022 of 40.98%.
- Per District Ordinance 6.089.090 Section B, each July 1st, Capacity Charges will be adjusted by an increment based on the change in the ENR-CCI over the prior year, using the index published for the first quarter of the calendar year, and rounding to the nearest \$25. The CCI for 1st Quarter 2022 is 8.87%.
- Proposed revenue for the Recycled Water System is based on the 2022 rate study conducted by Raftelis and approved by the Board on March 29, 2022.
- MCWD Groundwater Sustainability Agency revenues are generated from its customers, currently the MCWD Marina water and Ord Community water cost centers.
- Board waiver of Section 6.08.070 of the District Codes provides that twenty-five percent of all monthly water charges collected by the District shall be used for long-term water supply projects.

## Expenses

- Salaries adjusted by the February 2022 Consumer Price Index 5.2% per MOU Agreements with the District employee groups
- Increased healthcare costs based on information received as of February 2022 (a 5% increase has been included)
- The Recycled Water Cost Center will be providing recycled water to District customers and staffed by the Operations and Maintenance (O&M) department:
  - Includes 1 additional FTE to the O&M department
    - A Cross Connection Control Specialist
- Groundwater Sustainability Agency (GSA) Cost Center was established and staffed by the Water Resources (WR) department
  - Includes 2 additional FTE to the WR department :
    - An Associate Engineer and a Water Resources Analyst
- Electrical costs increase by 5% per PG&E and an additional 3% for 100% renewable energy
- Principal Debt Service of \$1,749,963 comprised of:

Debt Issuance	Principal
2015 Series A Revenue Refunding Bonds	\$1,130,000
Santa Cruz County Bank Loan (Holman Capital)	102,887
2019 Series Certificates of Participation	340,000
State Revolving Fund Loan C-06-8184-110	177,076

- Capital Improvement Program of \$15,350,283 as follows:

Cost Center	Totals
Marina Water	\$3,419,898
Marina Sewer	29,750
Ord Community Water	4,387,839
Ord Community Sewer	4,302,900
Recycled Water	3,209,896

- Capital replacement reserve funding for Marina and Ord Systems per District practice of \$200,000 for Water cost center funds and \$100,000 for the Sewer cost center funds



## Prior Year Accomplishments

In FY 2021-2022 the District recognized the following accomplishments:

- MCWD's 2020 Annual Financial Report was awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting. This marks the thirteenth consecutive award for MCWD, indicative of our efforts to be transparent and prudent with our financial reporting. The District is confident that the 2021 Annual Report, submitted to the GFOA in December 2021, will also receive the award.
- In February 2022, the District received an Honor award recognizing MCWD for Engineering Excellence from the American Council of Engineering Companies as a project partner in Pure Water Monterey(PWM). The Pure Water Monterey Project was one of 16 projects throughout the nation recognized by the Council.
- In March 2021, the District approved a critical project to replace aging Army equipment with two 1.6-million-gallon potable water storage tanks (reservoirs) and a new booster pump station (BPS). The project will increase the water storage capacity for MCWD customers by approximately 3 million gallons and replace a 70-year-old storage tank and BPS built by the Army. Funding for the A1/A2 Reservoirs and B/C BPS project is provided through the 2019 Certificates of Participation (COPs) bond proceeds and Capacity Fees. Work began in July 2021 and is estimated to be complete in FY 2022-2023.
- On April 19, 2021, the Board approved two capital projects for immediate procurement: the Interior Reconditioning of the Intermediate Reservoir and the Valve replacement project at the Intermediate Reservoir. The urgency for the projects was that there is no second reservoir at that elevation to provide redundancy during maintenance and rehabilitation. O&M staff devised an alternate method to isolate the reservoir for the duration needed to recondition it. Both projects were completed successfully and timely.
- In January 2022, the MCWD Groundwater Sustainability Agency (GSA) completed its Groundwater Sustainability Plan (Plan) and submitted it to the Department of Drinking Water. The purpose of the Groundwater Sustainability Plan (GSP) is to meet the regulatory requirements outlined in the three-bill legislative package consisting of Assembly Bill (AB) 1739 (Dickinson), Senate Bill (SB) 1168 (Pavley), and SB 1319 (Pavley), collectively known as the Sustainable Groundwater Management Act (SGMA). The Plan provides a path to achieve and document sustainable groundwater management within 20 years following Plan adoption and preserves the long-term sustainability of locally-managed groundwater resources now and into the future.
- In February 2022, the District embarked on the process of shifting from an Automated Meter Reading (AMR) System to an Advanced Metering Infrastructure (AMI) system by replacing AMR meters and registers with AMI. The District has applied for Federal Grant funding that will assist in funding the necessary AMI infrastructure.
- Operations and maintenance of the District's water and wastewater systems which included 5,890 inspections, repairs to 56 feet of main and service lines, 103 miles of pipe cleared, and 300 valves exercised.

## Conclusion

We would like to thank our staff for their efforts in developing a budget that reflects the values, goals, and strategic direction of the District and express our appreciation to the Board of Directors for their leadership and support of sound fiscal management. And most importantly, thank you to our valued customers, for whom it is an honor to serve.

Respectfully submitted,

**Remleh Scherzinger**  
General Manager

**Kelly M . Cadiente**  
Director of Administrative Services

# MCWD BOARD OF DIRECTORS

**Jan Shriner**  
President  
directorshriner@mcwd.org

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# 22/23 MARINA RATES, FEES & CHARGES

<b>Water Consumption Charge</b>	<b>July 1, 2022 (per hcf)</b>	<b>Rates Effective January 1, 2023 (per hcf)</b>
0 - 10 hcf (Tier 1)	3.65	3.80
10+ hcf (Tier 2)	5.57	5.79
<b>Monthly Minimum Water Charges</b>		
<b>Meter Size</b>	<b>Fee (Per Month)</b>	<b>Fee (per month)</b>
5/8" or 3/4"	27.26	28.34
1"	36.77	38.22
1 1/2"	60.52	62.91
2"	89.02	92.55
3"	165.03	171.56
4"	250.55	260.46
6"	488.08	507.39
8"	963.15	1,001.26
<b>Monthly Minimum Sewer Charges</b>		
	<b>per EDU per month</b>	<b>per EDU per month</b>
Monthly Wastewater Charge	17.29	17.98
<b>Temporary Water Service</b>		
Meter Deposit Fee	763.00	794.00
Hydrant Meter Fee (Set/Remove Fee)	166.00 one time fee	173.00 one time fee
Hydrant Meter Fee (Relocate Fee)	166.00 per occurrence	173.00 per occurrence
Minimum Monthly Service Charge	115.10 per month	119.75 per month
Estimated Water Consumption Deposit	1,288.00 minimum	1,340.00 minimum
<b>Private Fire Meter Charge</b>		
<b>Size</b>	<b>Fee per month</b>	<b>Fee per month</b>
1"	1.94	2.02
1 1/2"	5.65	5.87
2"	12.04	12.52
2 1/2"	21.65	22.51
3"	34.97	36.37
4"	74.52	77.50
6"	216.46	225.12
8"	461.28	479.73
<b>Capacity Charges</b>		
	<b>per EDU</b>	
Water	*\$6,425.00	
Recycled Water Only	*\$1,025.00	
Sewer	*\$2,500.00	

\*Per District Ordinance 6.089.090 Section B, each July 1st, Capacity Charges will be adjusted by an increment based on the change in the Engineering News Record 20-City Average Construction Cost Index (CCI) over the prior year, using the index published for the first quarter of the calendar year, and rounding to the nearest \$25. The CCI for 1st Quarter 2022 is 8.87%.

# 22/23 ORD RATES, FEES & CHARGES

<b>Water Consumption Charge</b>	<b>July 1, 2022 (per hcf)</b>	<b>Rates Effective January 1, 2023 (per hcf)</b>
0 - 10 hcf (Tier 1)	4.72	4.90
10+ hcf (Tier 2)	9.19	9.55
Monthly Capital Surcharge*	20.00 per EDU	20.00 per EDU
Flat Rate	186.90 per unit	194.40 per unit
<b>Monthly Minimum Water Charges</b>		
<b>Meter Size</b>	<b>Fee (Per Month)</b>	<b>Fee (per month)</b>
5/8" or 3/4"	47.09	48.94
1"	66.16	68.76
1 1/2"	113.82	118.29
2"	171.02	177.74
3"	323.55	336.26
4"	495.14	514.60
6"	971.80	1,003.98
8"	1,925.11	2,000.75
<b>Monthly Minimum Sewer Charges</b>		
	<b>per EDU per month</b>	<b>per EDU per month</b>
Monthly Wastewater Charge	16.63	38.15
Monthly Capital Surcharge*	5.00	5.00
<b>Temporary Water Service</b>		
Meter Deposit Fee	806.00	839.00
Hydrant Meter Fee (Set/Remove Fee)	176.00 one time fee	184.00 one time fee
Hydrant Meter Fee (Relocate Fee)	176.00 per occurrence	184.00 per occurrence
Minimum Monthly Service Charge	187.75 per month	195.30 per month
Estimated Water Consumption Deposit	1,364.00 minimum	1,419.00 minimum
<b>Private Fire Meter Charge</b>		
<b>Size</b>	<b>Fee per month</b>	<b>Fee per month</b>
1"	2.79	2.90
1 1/2"	8.12	8.45
2"	17.32	18.02
2 1/2"	31.14	32.39
3"	50.31	52.32
4"	107.20	111.49
6"	311.40	323.85
8"	663.61	690.15
<b>Wheeling Charges</b>	2,000.00 per month	2,997.67 per month

# 22/23 ORD RECYCLED WATER RATES, FEES & CHARGES

July 1, 2022

<b>Recycled Water Consumption Charge</b>	6.53 per hcf	
<b>Monthly Min. Recycled Water Charges</b>		
<b>Size</b>	<b>Fee (Per Month)</b>	
5/8" or 3/4"	50.72	
1"	71.92	
1 1/2"	124.93	
2"	188.53	
3"	389.95	
4"	686.78	
6"	1,394.04	
8"	2,987.19	
<b>Capacity Charges</b>		
	<b>Per EDU</b>	
Water	*\$13,125.00	
Recycled Water Only	*\$5,175.00	
Sewer	*\$3,375.00	

\*Per District Ordinance 6.089.090 Section B, each July 1st, Capacity Charges will be adjusted by an increment based on the change in the Engineering News Record 20-City Average Construction Cost Index (CCI) over the prior year, using the index published for the first quarter of the calendar year, and rounding to the nearest \$25. The CCI for 1st Quarter 2022 is 8.87%.

# 22/23 BUDGET SUMMARY

REVENUES & OTHER SOURCES	WATER	SEWER	WATER	SEWER	RUWAP	GSA	TOTAL
WATER SALES	4,692,419	-	10,652,534	-	-	-	15,344,952
SEWER SALES	-	1,583,341	-	3,638,763	-	-	5,222,104
RECYCLED WATER SALES	-	-	-	-	1,636,556	-	1,636,556
DEVELOPER FEES	30,000	4,000	200,000	100,000	-	-	334,000
WATER SOURCE FEES	-	-	-	-	-	874,969	874,969
OTHER FEES & CHARGES	166,874	2,000	1,015,295	10,000	-	-	1,194,169
<b>OPERATING REVENUE</b>	<b>4,889,293</b>	<b>1,589,341</b>	<b>11,867,829</b>	<b>3,748,763</b>	<b>1,636,556</b>	<b>874,969</b>	<b>24,606,750</b>
CAP. FEES/CAP. SURCHARGE	424,050	147,500	6,753,750	1,659,900	-	-	8,985,200
INTEREST	43,800	17,699	102,359	32,437	-	-	196,296
LOAN PROC. - STATE REV. FUND	-	-	-	-	2,809,896	-	2,809,896
2019 COPS PROCEEDS	3,030,198	12,500	2,256,189	3,406,500	-	-	8,705,387
BUILDING REM. BOND FUND PROC.	-	-	485,000	485,000	-	-	970,000
OTHER REVENUES	408,197	40,853	681,236	93,863	31,355	-	1,255,504
<b>NON-OPERATING REVENUE</b>	<b>3,906,245</b>	<b>218,552</b>	<b>10,278,534</b>	<b>5,677,700</b>	<b>2,841,251</b>	<b>-</b>	<b>22,922,283</b>
<b>TOTAL REV. &amp; OTHER SOURCES</b>	<b>8,795,538</b>	<b>1,807,893</b>	<b>22,146,363</b>	<b>9,426,463</b>	<b>4,477,807</b>	<b>874,969</b>	<b>47,529,033</b>
<b>EXPENSES AND OTHER USES</b>							
SALARIES & BENEFITS	2,070,781	603,005	4,073,367	1,147,164	143,099	304,969	8,342,385
DEPT. EXPENSE	2,524,112	376,299	5,517,059	785,956	2,594,751	570,000	12,368,177
INTEREST EXPENSE	297,319	132,129	793,437	440,145	412,702	-	2,075,732
FRANCHISE & ADMIN FEES	-	-	133,543	47,159	-	-	180,702
TOTAL C I P/CAPEQUIPMENT	3,659,058	162,300	4,984,959	4,730,070	3,209,896	-	16,746,283
PRINCIPAL DEBT SERVICE	207,608	98,731	689,044	317,604	436,976	-	1,749,963
TRANS. TO CAP REPL. FUND	200,000	100,000	200,000	100,000	-	-	600,000
TRANSFER TO/(FROM) RES., NET	(163,340)	335,430	5,754,954	1,858,365	(2,319,617)	-	5,465,792
<b>TOTAL EXPENSES &amp; OTHER USES</b>	<b>8,795,538</b>	<b>1,807,893</b>	<b>22,146,363</b>	<b>9,426,463</b>	<b>4,477,807</b>	<b>874,969</b>	<b>47,529,033</b>
<b>BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# 22/23 BUDGET COMPARISON

	2020-2021 ACTUALS	2021-2022 EST. ACTUALS	2021-2022 ADOPTED	2022-2023 PROPOSED	BUD vs. BUD % CHANGE
<b>REVENUE</b>					
WATER SALES	12,371,108	13,706,811	13,076,840	15,760,481	15.0%
SEWER SALES	4,626,453	6,082,323	4,771,272	5,222,104	-14.1%
RECYCLED WATER SALES	-	-	449,787	1,636,556	-
DEVELOPER FEES	386,135	759,468	334,000	334,000	-56.0%
WATER SOURCE FEES	-	-	-	874,969	-
OTHER FEES & CHARGES	503,344	560,746	639,303	778,641	38.9%
OTHER REVENUES	2,876,422	1,397,113	1,325,292	1,321,225	-5.4%
DONATIONS FROM OTHER AGENCIES	1,911,749	-	-	-	-
2019 COPS PROCEEDS	660,179	6,463,038	10,043,186	8,705,387	34.7%
BUILDING REMOVAL BOND PROCEEDS	-	-	-	970,000	-
CAPACITY FEES/CAPITAL SURCHARGE	1,209,530	3,550,499	4,228,625	8,985,200	153.1%
LOAN PROCEEDS - ST REV FUND	2,461,210	6,168,476	2,947,226	2,809,896	-54.4%
INTEREST	107,313	54,497	130,776	130,575	139.6%
<b>TOTAL REVENUE</b>	<b>27,113,443</b>	<b>38,742,971</b>	<b>37,946,307</b>	<b>47,529,033</b>	<b>25.3%</b>
<b>EXPENSES</b>					
SALARIES & BENEFITS	6,796,948	6,471,819	7,308,498	8,342,385	14.1%
DEPT. EXPENSE	7,010,498	8,061,200	9,057,491	12,368,177	36.6%
INTEREST EXPENSE	2,046,857	2,036,571	2,032,671	2,075,732	2.1%
FRANCHISE & ADMIN FEES	154,012	173,752	162,838	180,702	11.0%
TOTAL C IP/CAPITALIZED EQUIPMENT	5,684,151	13,408,930	19,999,819	16,746,283	-16.3%
PRINCIPAL DEBT SERVICE	1,441,859	1,512,217	1,512,217	1,749,963	15.7%
TRANSFER TO CAP REP. FUND	600,000	600,000	600,000	600,000	100.0%
TRANSFER (FROM)/TO RESERVES	3,379,118	6,478,483	(2,727,226)	5,465,792	-300.4%
<b>TOTAL EXPENSES</b>	<b>27,113,443</b>	<b>38,742,971</b>	<b>37,946,309</b>	<b>47,529,033</b>	<b>25.3%</b>
<b>BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# 22/23 REVENUE BUDGET DISTRICT WIDE

<b>ACCOUNT NAME</b>	<b>2020-2021 ACTUAL</b>	<b>2021-2022 ADOPTED</b>	<b>2021-2022 ESTIMATED</b>	<b>2022-2023 PROPOSED</b>	<b>BUD vs BUD % CHANGE</b>
WATER SALES	12,024,505	12,748,938	12,848,163	15,344,952	20.4%
SEWER SALES	4,626,453	4,771,272	6,082,323	5,222,104	9.4%
RECYCLED WATER SALES	-	449,787	-	1,636,556	263.9%
DEVELOPER FEES	386,135	334,000	759,468	334,000	-
WATER SOURCE FEES	-	-	-	874,969	-
OTHER FEES & CHARGES	849,946	1,005,094	1,419,394	1,231,190	22.5%
<b>OPERATING REVENUES</b>	<b>17,887,040</b>	<b>19,309,091</b>	<b>21,109,348</b>	<b>24,643,771</b>	<b>27.6%</b>
CAP. FEES/CAP. SURCHARGE	1,209,530	4,228,625	3,550,499	8,985,200	112.5%
INTEREST	107,313	138,676	54,497	135,275	-2.5%
LOAN PROC. - STATE REV. FUND	2,461,210	2,947,226	6,168,476	2,809,896	-4.7%
2019 COPS PROCEEDS	660,179	6,373,988	6,463,038	8,705,387	36.6%
BUILDING REM. BOND PROC.	-	-	-	970,000	-
OTHER REVENUES	4,788,171	1,279,505	1,397,113	1,279,504	-
<b>NON OPERATING REVENUES</b>	<b>9,226,403</b>	<b>14,968,020</b>	<b>17,633,623</b>	<b>22,885,262</b>	<b>52.9%</b>
<b>TOTAL REV. &amp; OTHER SOURCES</b>	<b>27,113,443</b>	<b>34,277,111</b>	<b>38,742,971</b>	<b>47,529,033</b>	<b>38.7%</b>

# 22/23 REVENUE BUDGET

## MARINA WATER

<b>ACCOUNT NAME</b>	<b>2020-2021 ACTUAL</b>	<b>2021-2022 ADOPTED</b>	<b>2021-2022 ESTIMATED</b>	<b>2022-2023 PROPOSED</b>	<b>BUD vs BUD % CHANGE</b>
WATER SALES	14,080,127	4,597,936	4,394,999	4,692,419	2.05%
SEWER SALES	-	-	-	-	-
RECYCLED WATER SALES	-	-	-	-	-
DEVELOPER FEES	34,774	30,000	318,677	30,000	-
WATER SOURCE FEES	-	-	-	-	-
OTHER FEES & CHARGES	132,690	162,015	150,354	179,914	11.05%
<b>OPERATING REVENUES</b>	<b>4,247,590</b>	<b>4,789,951</b>	<b>4,864,030</b>	<b>4,902,333</b>	<b>2.35%</b>
CAP. FEES/CAP. SURCHARGE	104,288	489,700	247,991	424,050	-13.41%
INTEREST	20,996	28,201	9,002	25,000	-11.35%
LOAN PROC. - STATE REV. FUND	-	-	-	-	-
2019 COPS PROCEEDS	147,531	2,540,807	1,056,427	3,030,198	19.26%
BUILDING REM. BOND PROC.	-	-	-	-	-
OTHER REVENUES	477,864	413,957	492,596	413,957	-
<b>NON OPERATING REVENUES</b>	<b>750,678</b>	<b>3,472,665</b>	<b>1,806,016</b>	<b>3,893,205</b>	<b>12.11%</b>
<b>TOTAL REV. &amp; OTHER SOURCES</b>	<b>4,998,269</b>	<b>8,262,616</b>	<b>6,670,047</b>	<b>8,795,538</b>	<b>6.45%</b>

# 22/23 REVENUE BUDGET

## MARINA SEWER

ACCOUNT NAME	2020-2021 ACTUAL	2021-2022 ADOPTED	2021-2022 ESTIMATED	2022-2023 PROPOSED	BUD vs BUD % CHANGE
WATER SALES	-	-	-	-	-
SEWER SALES	1,439,168	1,493,834	1,520,273	1,583,341	5.99%
RECYCLED WATER SALES	-	-	-	-	-
DEVELOPER FEES	5,234	4,000	3,872	4,000	-
WATER SOURCE FEES	-	-	-	-	-
OTHER FEES & CHARGES	11,464	5,759	6,084	6,019	4.51%
<b>OPERATING REVENUES</b>	<b>1,455,866</b>	<b>1,503,593</b>	<b>1,530,229</b>	<b>1,593,360</b>	<b>5.97%</b>
CAP. FEES/CAP. SURCHARGE	49,536	197,925	84,394	147,500	-25.48%
INTEREST	4,863	12,240	10,049	12,240	-
LOAN PROC. - STATE REV. FUND	-	-	-	-	-
2019 COPS PROCEEDS	65,237	31,500	-	12,500	-60.32%
BUILDING REM. BOND PROC.	-	-	-	-	-
OTHER REVENUES	43,198	42,294	39,842	42,293	-
<b>NON OPERATING REVENUES</b>	<b>162,835</b>	<b>283,959</b>	<b>134,285</b>	<b>214,533</b>	<b>-24.45%</b>
<b>TOTAL REV. &amp; OTHER SOURCES</b>	<b>1,618,701</b>	<b>1,787,552</b>	<b>1,664,514</b>	<b>1,807,893</b>	<b>1.14%</b>

# 22/23 REVENUE BUDGET

## ORD WATER

ACCOUNT NAME	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD %
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	CHANGE
WATER SALES	7,944,379	8,151,002	8,453,164	10,652,534	30.69%
SEWER SALES	-	-	-	-	-
RECYCLED WATER SALES	-	-	-	-	-
DEVELOPER FEES	170,196	200,000	233,624	200,000	-
WATER SOURCE FEES	-	-	-	-	-
OTHER FEES & CHARGES	701,748	822,391	1,250,784	1,030,315	25.28%
<b>OPERATING REVENUES</b>	<b>8,816,322</b>	<b>9,173,393</b>	<b>9,937,571</b>	<b>11,882,848</b>	<b>29.54%</b>
CAP. FEES/CAP. SURCHARGE	728,867	2,816,000	2,844,096	6,753,750	139.83%
INTEREST	58,364	73,900	25,652	73,900	-
LOAN PROC. - STATE REV. FUND	-	-	-	-	-
2019 COPS PROCEEDS	156,906	1,691,800	1,918,630	2,256,189	33.36%
BUILDING REM. BOND PROC.	-	-	-	485,000	-
OTHER REVENUES	1,668,476	694,676	731,060	694,676	-
<b>NON OPERATING REVENUES</b>	<b>2,612,614</b>	<b>5,276,376</b>	<b>5,519,438</b>	<b>10,263,515</b>	<b>94.52%</b>
<b>TOTAL REV. &amp; OTHER SOURCES</b>	<b>11,428,935</b>	<b>14,449,769</b>	<b>15,457,010</b>	<b>22,146,363</b>	<b>53.26%</b>

# 22/23 REVENUE BUDGET

## ORD SEWER

ACCOUNT NAME	2020-2021 ACTUAL	2021-2022 ADOPTED	2021-2022 ESTIMATED	2022-2023 PROPOSED	BUD vs BUD % CHANGE
WATER SALES	-	-	-	-	-
SEWER SALES	3,187,285	3,277,438	4,562,050	3,638,763	11.02%
RECYCLED WATER SALES	-	-	-	-	-
DEVELOPER FEES	175,932	100,000	200,403	100,000	0.00%
WATER SOURCE FEES	-	-	-	-	-
OTHER FEES & CHARGES	4,045	14,929	12,172	14,942	0.09%
<b>OPERATING REVENUES</b>	<b>3,367,262</b>	<b>3,392,367</b>	<b>4,774,625</b>	<b>3,753,705</b>	<b>10.65%</b>
CAP. FEES/CAP. SURCHARGE	326,838	725,000	374,018	1,659,900	128.95%
INTEREST	23,086	24,135	9,793	24,135	0.00%
LOAN PROC. - STATE REV. FUND	-	-	-	-	-
2019 COPS PROCEEDS	290,505	2,109,881	3,487,981	3,406,500	61.45%
BUILDING REM. BOND PROC.	-	-	-	485,000	-
OTHER REVENUES	961,001	97,223	102,259	97,223	-
<b>NON OPERATING REVENUES</b>	<b>1,601,431</b>	<b>2,956,239</b>	<b>3,974,051</b>	<b>5,672,758</b>	<b>91.89%</b>
<b>TOTAL REV. &amp; OTHER SOURCES</b>	<b>4,968,692</b>	<b>6,348,606</b>	<b>8,748,677</b>	<b>9,426,463</b>	<b>48.48%</b>

# 22/23 REVENUE BUDGET

## RECYCLED WATER

ACCOUNT NAME	2020-2021 ACTUAL	2021-2022 ADOPTED	2021-2022 ESTIMATED	2022-2023 PROPOSED	BUD vs BUD % CHANGE
WATER SALES	-	-	-	-	-
SEWER SALES	-	-	-	-	-
RECYCLED WATER SALES	-	449,787	-	1,636,556	263.85%
DEVELOPER FEES	-	-	2,892	-	-
WATER SOURCE FEES	-	-	-	-	-
OTHER FEES & CHARGES	-	-	-	-	-
<b>OPERATING REVENUES</b>	<b>-</b>	<b>449,787</b>	<b>2,892</b>	<b>1,636,556</b>	<b>263.85%</b>
CAP. FEES/CAP. SURCHARGE	-	-	-	-	-
INTEREST	4	200	1	-	-100.00%
LOAN PROC. - STATE REV. FUND	2,461,210	2,947,226	6,168,476	2,809,896	-4.66%
2019 COPS PROCEEDS	-	-	-	-	-
BUILDING REM. BOND PROC.	-	-	-	-	-
OTHER REVENUES	1,637,632	31,355	31,355	31,355	-
<b>NON OPERATING REVENUES</b>	<b>4,098,846</b>	<b>2,978,781</b>	<b>6,199,832</b>	<b>2,841,251</b>	<b>-4.62%</b>
<b>TOTAL REV. &amp; OTHER SOURCES</b>	<b>4,098,846</b>	<b>3,428,568</b>	<b>6,202,724</b>	<b>4,477,807</b>	<b>30.60%</b>

# 22/23 REVENUE BUDGET

## GROUND SUSTAINABILITY AGENCY

<b>ACCOUNT NAME</b>	<b>2020-2021 ACTUAL</b>	<b>2021-2022 ADOPTED</b>	<b>2021-2022 ESTIMATED</b>	<b>2022-2023 PROPOSED</b>	<b>BUD vs BUD % CHANGE</b>
WATER SALES	-	-	-	-	-
SEWER SALES	-	-	-	-	-
RECYCLED WATER SALES	-	-	-	-	-
DEVELOPER FEES	-	-	-	-	-
WATER SOURCE FEES	-	-	-	874,969	-
OTHER FEES & CHARGES	-	-	-	-	-
<b>OPERATING REVENUES</b>	-	-	-	<b>874,969</b>	-
CAP. FEES/CAP. SURCHARGE	-	-	-	-	-
INTEREST	-	-	-	-	-
LOAN PROC. - STATE REV. FUND	-	-	-	-	-
2019 COPS PROCEEDS	-	-	-	-	-
BUILDING REM. BOND PROC.	-	-	-	-	-
OTHER REVENUES	-	-	-	-	-
<b>NON OPERATING REVENUES</b>	-	-	-	-	-
<b>TOTAL REV. &amp; OTHER SOURCES</b>	-	-	-	<b>874,969</b>	-

# 22/23 EXPENSE BUDGET

## District Wide

	2020-2021 ACTUALS	2021-2022 EST. ACTUALS	2021-2022 ADOPTED	2022-2023 PROPOSED	BUD vs. BUD % CHANGE
<b>EXPENSES</b>					
SALARIES & BENEFITS	6,796,948	6,274,549	7,308,498	8,342,385	14.1%
DEPT. EXPENSE	7,010,498	7,088,646	9,057,491	12,368,177	36.6%
INTEREST EXPENSE	2,046,857	2,036,571	2,032,671	2,075,732	2.1%
FRANCHISE & ADMIN FEES	154,012	173,752	162,838	180,702	11.0%
TOTAL C IP/CAPITALIZED EQUIPMENT	3,772,402	13,408,930	19,999,819	16,746,283	-16.3%
PRINCIPAL DEBT SERVICE	1,441,859	1,512,217	1,512,217	1,749,963	15.7%
TRANSFER TO CAP REPLACEMENT FUND	600,000	600,000	600,000	600,000	100.0%
TRANSFER (FROM)/TO RESERVES	3,391,034	7,539,022	(2,727,226)	5,465,792	-300.4%
<b>TOTAL EXPENSES</b>	<b>25,213,610</b>	<b>38,633,686</b>	<b>37,946,309</b>	<b>47,529,033</b>	<b>25.3%</b>

# ADMINISTRATION

The Administration department includes the overall management functions of the District and support to the Board.

Customer Service is the “face” of the District as they are the first to assist customers and address their needs. They are responsible for reading and installing meters, and the District’s accounts receivable function which includes the monthly billing to customers and processing their payments.

The Finance department is responsible for compiling the annual budget, the accounts payable function (paying the bills), processing

payroll, managing cash flow, and all financial reporting of the District. They ensure that all fiscal policies and procedures of the District comply with General Accepted Accounting Principles (GAAP).

The HR department oversees all responsibilities for providing administrative and operational human resources support to District employees, retirees, directors, and all eligible dependents through HR services, benefits administration, and safety mitigation. Duties include managing the District’s workforce and employee development, conflict resolution, recruitment, training,

*MCWD’s Customer Service/Billing department.*



and negotiating MOUs with District bargaining units.

The IT department administers and provides technical support to staff on the various applications of the District to ensure that the applications are fully utilized and integrated

where possible. IT monitors the security of the District's IT systems to prevent cyber breaches and manages the District's IT equipment including repair, replacement, and maintenance contracts.

## Strategic Plan

Our objective is to create, maintain, update and implement policies and procedures to ensure sound management of the District. We will manage public funds to assure financial stability and use appropriate technology to maintain efficiency and redundancy. We will also recruit and retain highly qualified and diverse workforce to continue to provide outstanding customer service. The following is a summary of the 5-Year strategic goals for this strategic element:

### Customer Service

Will continue to provide excellent customer service through reviewing and updating customer database as needed

Budget includes resources for:

- Meter and register change-outs with AMI meters and registers

- District has applied for a grant that would help fund the eventual conversion from AMR meters to AMI meters.

- In-house meter testing

### Finance

Finance will continue with its ongoing efforts to:

- Close and audit financial statements in a timely manner

- Obtain the Certificate of Achievement in Financial Reporting from GFOA for the 15th consecutive year

Resources in the FY 2022-2023 Proposed Budget include:

- Five-year Financial Plan and Rate Study which will assist in reserves management

### Human Resources

Human Resource's ongoing:

- Recruiting efforts

- Revisions and updates to the Employee Handbook

Resources in the FY 2022-2023 Proposed Budget include:

- Classification and Compensation Study in compliance with the District's MOUs with employee groups

### Information Technology

IT will continue with its ongoing efforts to:

- Reviewing and updating District policies and procedures as they relate to cybersecurity

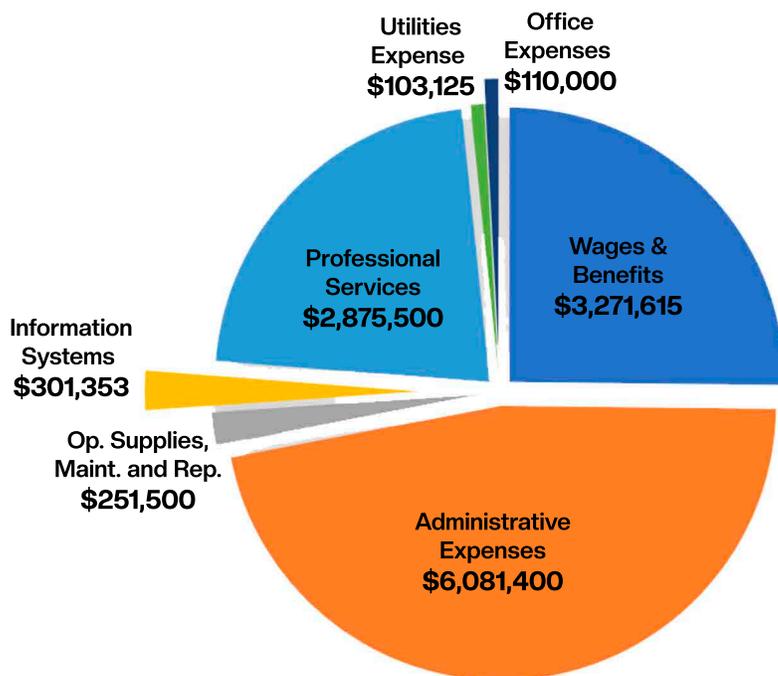
- Continuous acquisition and staff training of available technology

Resources in the FY 2022-2023 Proposed Budget include:

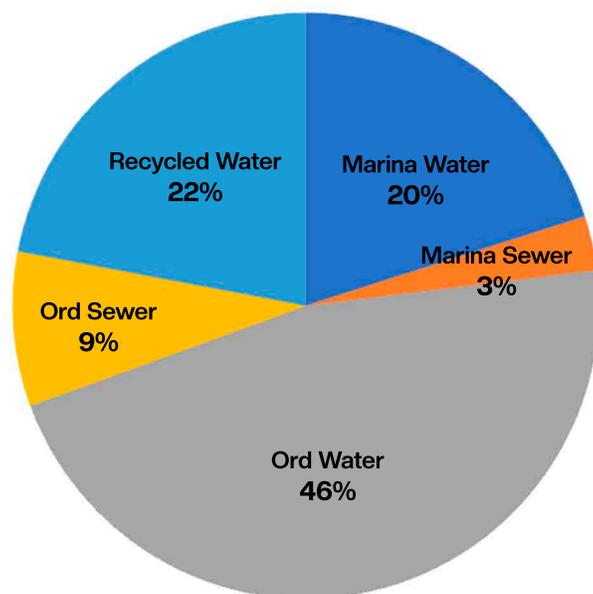
- System vulnerability testing

	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
Administration	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	3,012,476	2,883,737	2,922,520	3,271,615	13.45%
Administrative Expense	2,651,738	3,565,212	3,385,481	6,081,400	70.58%
Op. Supplies, Maint. and Rep.	261,811	284,700	277,018	251,200	-11.77%
Information Systems	140,408	170,863	102,360	301,353	76.37%
Professional Services	2,655,250	3,061,500	2,525,308	2,875,500	-6.08%
Utilities Expense	90,311	92,000	93,669	103,125	12.09%
Office Expenses	97,374	107,000	98,147	110,000	2.80%
<b>Total - Admin Exp</b>	<b>8,909,367</b>	<b>10,165,012</b>	<b>9,404,503</b>	<b>12,994,192</b>	<b>27.83%</b>

**Expenses by Category**



**Expenses by Cost Center**



# ADMINISTRATION EXPENSES BY COST CENTER

## Marina Water

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	755,796	692,115	715,025	850,640	22.9%
Administrative Expense	426,753	434,086	438,760	798,072	83.9%
Op. Supplies, Maint. and Rep.	50,315	80,420	57,910	75,280	-6.4%
Information Systems	33,616	40,671	23,930	78,175	92.2%
Professional Services	676,376	856,880	656,991	750,280	-12.4%
Utilities Expense	21,845	22,080	22,509	26,813	21.4%
Office Expenses	24,076	25,680	24,109	28,600	11.4%
<b>Total Expense</b>	<b>1,988,777</b>	<b>2,151,932</b>	<b>1,939,233</b>	<b>2,607,860</b>	<b>21.2%</b>

## Marina Sewer

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	169,571	144,167	141,603	163,561	13.5%
Administrative Expense	163,400	163,784	165,169	161,433	-1.4%
Op. Supplies, Maint. and Rep.	6,564	6,425	5,163	5,650	-12.1%
Information Systems	8,899	10,374	5,755	15,230	46.8%
Professional Services	17,353	16,350	14,298	33,400	104.3%
Utilities Expense	5,354	4,600	4,709	5,156	12.1%
Office Expenses	16,280	5,350	10,761	5,500	2.8%
<b>Total Expense</b>	<b>387,421</b>	<b>351,050</b>	<b>347,457</b>	<b>389,930</b>	<b>11.1%</b>

# ADMINISTRATION EXPENSES BY COST CENTER

## Ord Water

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	1,690,776	1,672,620	1,697,739	1,864,868	11.5%
Administrative Expense	1,187,634	1,236,468	1,255,689	1,780,367	44.0%
Op. Supplies, Maint. and Rep.	192,183	186,550	203,999	160,810	-13.8%
Information Systems	77,001	95,299	57,887	171,425	79.9%
Professional Services	1,873,658	2,137,460	1,738,283	1,929,460	-9.7%
Utilities Expense	50,590	53,360	54,229	58,781	10.2%
Office Expenses	37,816	62,060	47,421	62,700	1.0%
<b>Total Expense</b>	<b>5,109,658</b>	<b>5,443,817</b>	<b>5,055,246</b>	<b>6,028,412</b>	<b>10.7%</b>

## Ord Sewer

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	396,332	374,835	368,153	392,546	4.7%
Administrative Expense	553,968	559,123	565,682	557,924	-0.2%
Op. Supplies, Maint. and Rep.	12,749	11,305	9,947	9,460	-16.3%
Information Systems	20,892	24,519	14,788	36,523	49.0%
Professional Services	51,134	50,810	47,930	84,360	66.0%
Utilities Expense	12,521	11,960	12,223	12,375	3.5%
Office Expenses	19,203	13,910	15,857	13,200	-5.1%
<b>Total Expense</b>	<b>1,066,800</b>	<b>1,046,462</b>	<b>1,034,581</b>	<b>1,106,388</b>	<b>5.7%</b>

# ADMINISTRATION EXPENSES BY COST CENTER

## Recycled Water

<b>Account Name</b>	<b>2020-2021 ACTUAL</b>	<b>2021-2022 ADOPTED</b>	<b>2021-2022 ESTIMATED</b>	<b>2022-2023 PROPOSED</b>	<b>BUD vs BUD % CHANGE</b>
Wages and Benefits	-	-	-	-	-
Administrative Expense	319,983	1,171,751	960,181	2,783,603	138%
Op. Supplies, Maint. and Rep.	-	-	-	-	-
Information Systems	-	-	-	-	-
Professional Services	36,729	-	67,805	78,000	-
Utilities Expense	-	-	-	-	-
Office Expenses	-	-	-	-	-
<b>Total Expense</b>	<b>356,711</b>	<b>1,171,751</b>	<b>1,027,986</b>	<b>2,861,603</b>	<b>144%</b>

# OPERATIONS & MAINTENANCE

The Operations and Maintenance department is responsible for operating and maintaining the District's water, wastewater, and recycle water systems and maintaining the District's fleet and buildings. The Department is staffed with 1.9 full-time employees (FTE) positions, which handles all aspects of the District's conveyance systems. The Department performs installation, repair, or replacement of water, sewer, or recycle mains and service lines and operates and maintains 20 sewer lift stations, 7 water

wells, 9 water storage reservoirs, over 40 pressure reducing valves, and 6 water booster pump stations. The Department is also responsible for all regulatory compliance and reporting for the State Waterboards Division of Drinking Water, Central Coast Waterboards, State and Regional Airboards, Monterey County Environmental Health, and the Department of Transportation. The O & M department has standby personnel ready to respond to any situation 24 hours a day, seven days a week.

*MCWD System operator performing checks and maintenance on both water and sewer infrastructures.*



## Strategic Plan

Improvements and expansions plans for existing water (potable water and recycle water) delivery and wastewater collections systems.

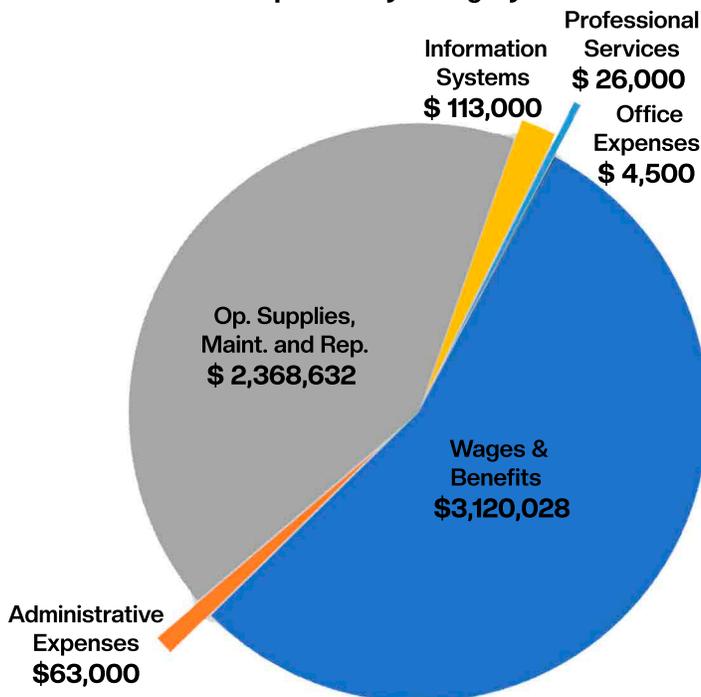
Several projects for Operations and Maintenance are planned for FY 2022-2023:

- Replacement of standby generator at D Booster site
- Installation of portable plug receptacle and MTS at Gigling, Schoonover, and Wittenmyer Lift Station

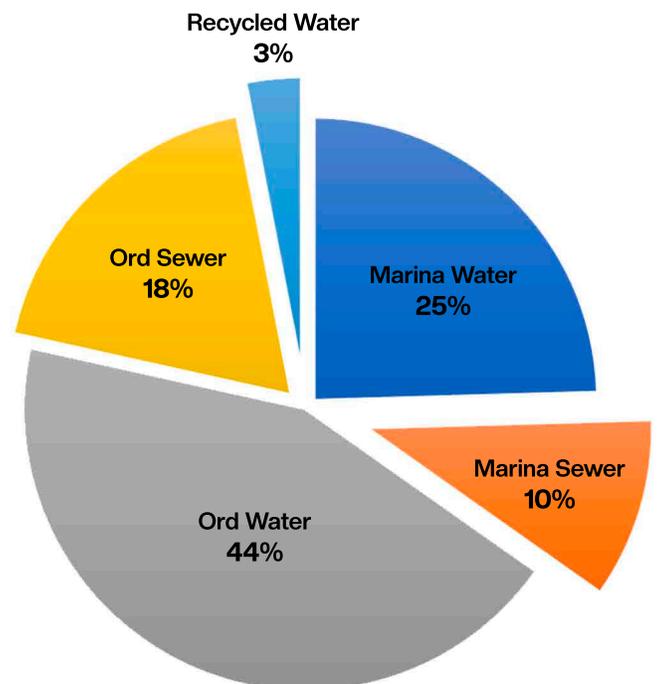
- Rehab of Hatten Lift station-complete new wetwell, pumps and integrating it into SCADA (last site not on SCADA).
- Replacement of motors at wells 29 and 11
- Replacement of Motor Control Centers at Wittenmyer and Hodges sewer lift station
- Large valve replacement/installation project at CSUMB to reduce impacted areas when shutdowns/emergencies happen  
18 valves in total

	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
<b>Operations &amp; Maintenance</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ESTIMATED</b>	<b>PROPOSED</b>	<b>% CHANGE</b>
Wages and Benefits	2,412,629	2,817,188	2,472,712	3,120,028	10.7%
Administrative Expense	42,415	59,850	53,636	63,000	5.3%
Op. Supplies, Maint. and Rep.	1,563,050	1,930,376	1,729,458	2,368,632	22.7%
Information Systems	55,476	74,750	126,350	113,000	51.2%
Professional Services	9,191	17,250	6,485	26,000	50.7%
Utilities Expense	-	-	-	-	-
Office Expenses	396	2,300	414	4,500	95.7%
<b>Total - O&amp;M Exp</b>	<b>4,083,156</b>	<b>4,901,714</b>	<b>4,389,056</b>	<b>5,695,160</b>	<b>16.2%</b>

**Expenses by Category**



**Expenses by Cost Center**



# OPERATION & MAINTENANCE EXPENSES BY COST CENTER

## Marina Water

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	598,712	676,124	648,409	744,232	10.1%
Administrative Expense	7,107	8,780	8,401	9,180	4.6%
Op. Supplies, Maint. and Rep.	403,486	510,618	421,909	612,363	19.9%
Information Systems	13,526	17,280	31,917	25,680	48.6%
Professional Services	2,779	5,000	2,102	5,500	10.0%
Utilities Expense	-	-	-	-	-
Office Expenses	95	288	99	840	191.7%
<b>Total Expense</b>	<b>1,025,705</b>	<b>1,218,090</b>	<b>1,112,837</b>	<b>1,397,795</b>	<b>14.8%</b>

## Marina Sewer

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	329,487	450,751	374,715	387,001	-14.1%
Administrative Expense	3,952	5,400	6,258	6,800	25.9%
Op. Supplies, Maint. and Rep.	48,763	78,575	54,457	180,459	129.7%
Information Systems	2,535	3,600	3,534	5,350	48.6%
Professional Services	-	2,000	1,021	3,000	50.0%
Utilities Expense	-	-	-	-	-
Office Expenses	24	60	24	175	191.7%
<b>Total Expense</b>	<b>384,761</b>	<b>540,386</b>	<b>440,010</b>	<b>582,784</b>	<b>7.8%</b>

# OPERATION & MAINTENANCE EXPENSES BY COST CENTER

## Ord Water

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	978,329	1,074,464	1,012,567	1,220,541	13.6%
Administrative Expense	15,241	19,560	21,455	24,160	23.5%
Op. Supplies, Maint. and Rep.	888,530	1,046,150	1,013,827	1,169,927	11.8%
Information Systems	33,278	41,760	79,164	62,060	48.6%
Professional Services	6,205	5,000	2,557	10,000	100.0%
Utilities Expense	-	-	-	-	-
Office Expenses	222	696	233	2,030	191.7%
<b>Total Expense</b>	<b>1,921,806</b>	<b>2,187,630</b>	<b>2,129,803</b>	<b>2,488,718</b>	<b>13.8%</b>

## Ord Sewer

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	506,100	507,095	437,021	625,155	23.3%
Administrative Expense	16,114	20,260	17,322	19,760	-2.5%
Op. Supplies, Maint. and Rep.	222,271	267,040	234,498	388,133	45.3%
Information Systems	6,137	9,360	8,985	13,910	48.6%
Professional Services	207	2,500	805	4,500	80.0%
Utilities Expense	-	-	-	-	-
Office Expenses	55	156	57	455	191.7%
<b>Total Expense</b>	<b>750,885</b>	<b>806,411</b>	<b>698,689</b>	<b>1,051,913</b>	<b>30.4%</b>

# OPERATION & MAINTENANCE EXPENSES BY COST CENTER

## Recycled Water

<b>Account Name</b>	<b>2020-2021 ACTUAL</b>	<b>2021-2022 ADOPTED</b>	<b>2021-2022 ESTIMATED</b>	<b>2022-2023 PROPOSED</b>	<b>BUD vs BUD % CHANGE</b>
Wages and Benefits	-	108,754	-	143,099	31.6%
Administrative Expense	-	5,850	200	3,100	-47.0%
Op. Supplies, Maint. and Rep.	-	27,993	4,767	17,750	-36.6%
Information Systems	-	2,750	2,750	6,000	118.2%
Professional Services	-	2,750	-	3,000	9.1%
Utilities Expense	-	-	-	-	-
Office Expenses	-	1,100	-	1,000	-9.1%
<b>Total Expense</b>	<b>-</b>	<b>149,197</b>	<b>7,717</b>	<b>173,949</b>	<b>16.6%</b>

# LABORATORY

## Strategic Plan

Our objective is to provide high-quality water (potable and recycle water) and efficiently operate wastewater collection system to serve existing and future customers.

Laboratory analysis for upcoming FY-2022-2023:

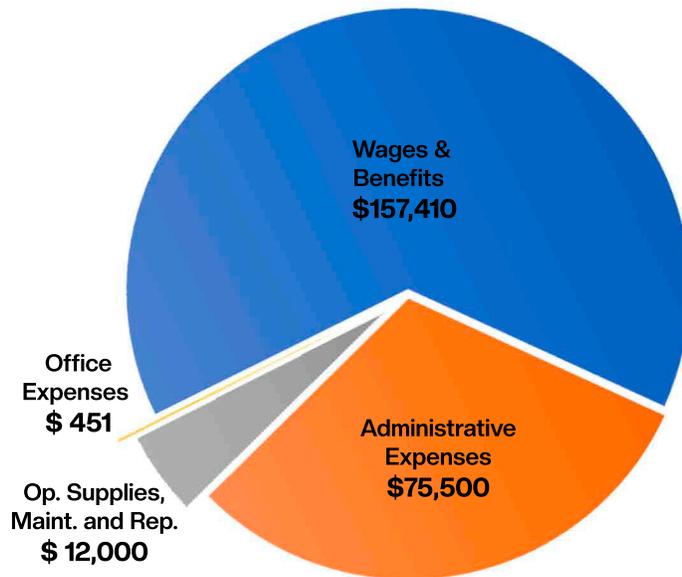
- District will perform 520 distribution bacteriological samples
- 28 raw well source bacteriological samples
- General/Physical sampling at the District's wells and storage reservoirs
- PFAS sampling on well 29 to monitor for PFHxA, and voluntary sampling at all other wells.
- VOC sampling to monitor for TCE, CT, Vinyl Chloride and other constituents.
- Two consecutive quarters of SOC sampling
- Radiological sampling
- Lead and Copper Sampling

*MCWD Team member collecting water samples.*

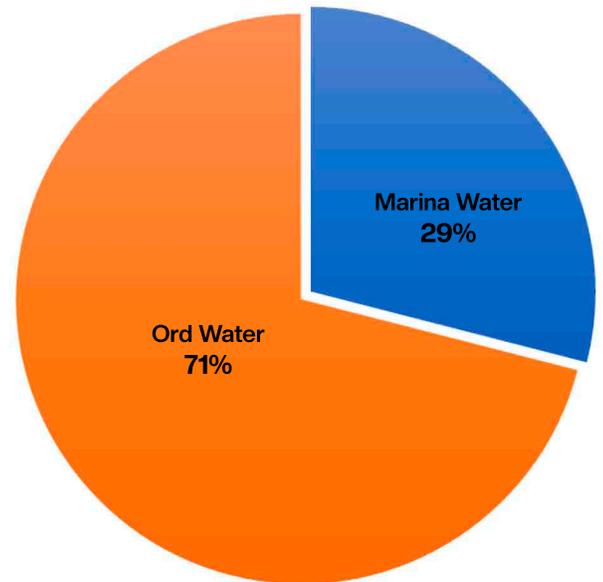


<b>Laboratory</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>BUD vs BUD</b>
	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ESTIMATED</b>	<b>PROPOSED</b>	<b>% CHANGE</b>
Wages and Benefits	22,792	141,994	24,594	157,410	10.9%
Administrative Expense	53,248	74,000	66,364	75,500	2.0%
Op. Supplies, Maint. and Rep.	10,977	9,500	9,800	12,000	26.3%
Office Expenses	276	-	199	451	-
<b>Total - Laboratory Exp</b>	<b>87,294</b>	<b>225,494</b>	<b>100,957</b>	<b>245,361</b>	<b>8.8%</b>

**Expenses by Category**



**Expenses by Cost Center**



# LABORATORY EXPENSES BY COST CENTER

## Marina Water

<b>Account Name</b>	<b>2020-2021 ACTUAL</b>	<b>2021-2022 ADOPTED</b>	<b>2021-2022 ESTIMATED</b>	<b>2022-2023 PROPOSED</b>	<b>BUD vs BUD % CHANGE</b>
Wages and Benefits	6,837	41,179	7,232	45,650	10.9%
Administrative Expense	17,016	21,460	20,662	21,895	2.0%
Op. Supplies, Maint. and Rep.	2,888	2,755	2,842	3,480	26.3%
Office Expenses	80	-	58	131	-
<b>Total Expense</b>	<b>26,821</b>	<b>65,394</b>	<b>30,794</b>	<b>71,156</b>	<b>8.8%</b>

## Ord Water

<b>Account Name</b>	<b>2020-2021 ACTUAL</b>	<b>2021-2022 ADOPTED</b>	<b>2021-2022 ESTIMATED</b>	<b>2022-2023 PROPOSED</b>	<b>BUD vs BUD % CHANGE</b>
Wages and Benefits	15,955	100,815	17,361	111,760	10.9%
Administrative Expense	36,233	52,540	45,702	53,605	2.0%
Op. Supplies, Maint. and Rep.	8,089	6,745	6,958	8,520	26.3%
Office Expenses	196	-	141	320	-
<b>Total Expense</b>	<b>60,473</b>	<b>160,100</b>	<b>70,163</b>	<b>174,205</b>	<b>8.8%</b>

# CONSERVATION

Conservation offers free visits to homes and businesses to help customers use water more efficiently and to lower monthly water bills. They offer water efficiency tips, look for leaks, install water saving devices, and provide irrigation advice.

MCWD has free water-saving devices for all district customers. Available are 1.5 gallon per minute water-efficient showerheads, low-flow faucet aerators, hose end shut-off nozzles, and toilet leak detection tablets.

*MCWD sees education and community outreach as a very important tool in communicating the importance of conserving water.*

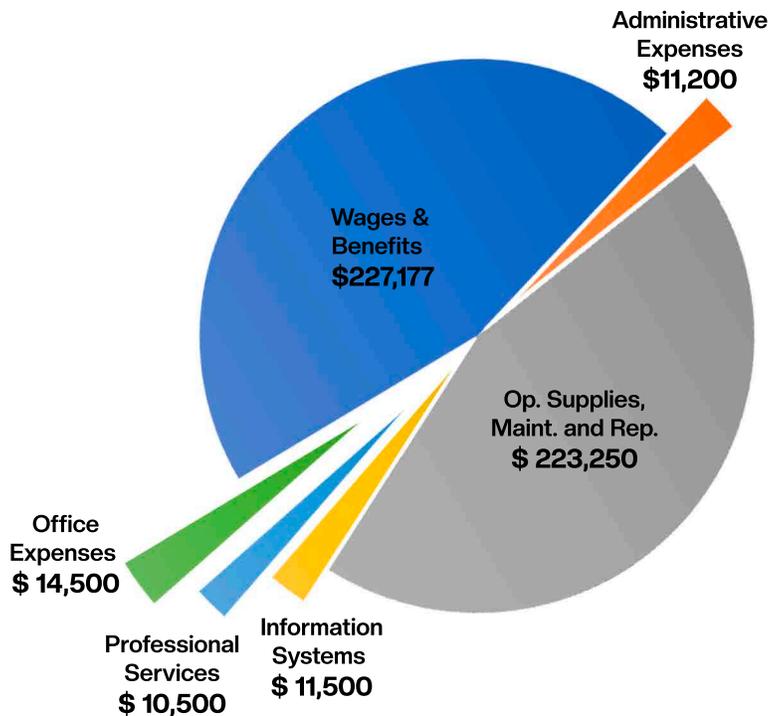


## Strategic Plan

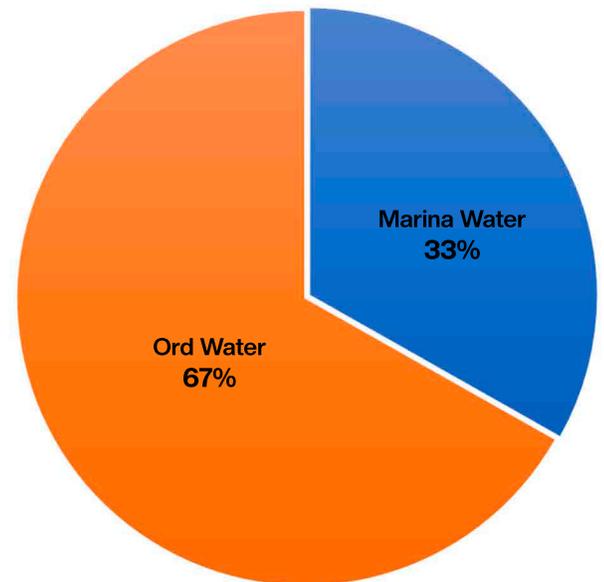
- Increased Data Processing budget to obtain Landscape Area Measurements and GIS mapping of accounts
- Continue printing for more billing inserts
- \$25K for Demonstration Landscape improvements
- Develop alternative conservation projects

	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
Conservation	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	181,834	208,086	195,402	227,177	9.2%
Administrative Expense	5,527	11,200	11,201	11,200	0.0%
Op. Supplies, Maint. and Rep.	83,922	195,300	138,885	223,250	14.3%
Information Systems	1,195	1,500	1,500	11,500	666.7%
Professional Services	4,800	5,500	6,555	10,500	90.9%
Office Expenses	8,844	16,500	14,000	14,500	-12.1%
<b>Total - Conservation Exp</b>	<b>286,123</b>	<b>438,086</b>	<b>367,543</b>	<b>498,127</b>	<b>13.7%</b>

Expenses by Category



Expenses by Cost Center



# CONSERVATION EXPENSES BY COST CENTER

## Marina Water

<b>Account Name</b>	<b>2020-2021 ACTUAL</b>	<b>2021-2022 ADOPTED</b>	<b>2021-2022 ESTIMATED</b>	<b>2022-2023 PROPOSED</b>	<b>BUD vs BUD % CHANGE</b>
Wages and Benefits	52,960	60,344	56,769	70,425	16.7%
Administrative Expense	1,759	4,298	4,298	4,422	2.9%
Op. Supplies, Maint. and Rep.	26,986	74,085	57,390	78,905	6.5%
Information Systems	347	435	435	3,565	719.5%
Professional Services	2,352	1,595	2,336	3,045	90.9%
Office Expenses	3,443	6,225	5,500	4,975	-20.1%
<b>Total Expense</b>	<b>87,846</b>	<b>146,982</b>	<b>126,728</b>	<b>165,337</b>	<b>12.5%</b>

## Ord Water

<b>Account Name</b>	<b>2020-2021 ACTUAL</b>	<b>2021-2022 ADOPTED</b>	<b>2021-2022 ESTIMATED</b>	<b>2022-2023 PROPOSED</b>	<b>BUD vs BUD % CHANGE</b>
Wages and Benefits	128,874	147,742	138,633	156,752	6.1%
Administrative Expense	3,768	6,902	6,902	6,778	-1.8%
Op. Supplies, Maint. and Rep.	56,936	121,215	81,495	144,345	19.1%
Information Systems	849	1,065	1,065	7,935	645.1%
Professional Services	2,448	3,905	4,219	7,455	90.9%
Office Expenses	5,402	10,275	8,500	9,525	-7.3%
<b>Total Expense</b>	<b>198,277</b>	<b>291,104</b>	<b>240,815</b>	<b>332,790</b>	<b>14.3%</b>

# ENGINEERING

The Engineering Department is responsible for the planning, design, and construction of the District's infrastructure to provide safe affordable potable water, recycled water, and wastewater collection. The Department formulates the District's Master Plans for each service to accommodate the necessary capacity for residential and commercial development demands. The Master Plans are implemented through the District's Five-Year Capital Improvement Plan and annual Capital Improvement Plans.

The Department is responsible for the review of development plans to verify they are compliant with current District ordinances and specifications. Once development plans have been approved the department is entrusted with the inspection of the infrastructure installed by the developer contractors.

Along with developer-sponsored projects, the Engineering Department is charged with managing the District's own Capital Improvement projects. The Department is



responsible for the planning, bidding, and construction management of District-sponsored projects ensuring they are constructed pursuant to the District plans, specifications, processes, and procedures. The Engineering Department also manages the District's system maps, models, and GIS systems updating them as the District continues to grow.

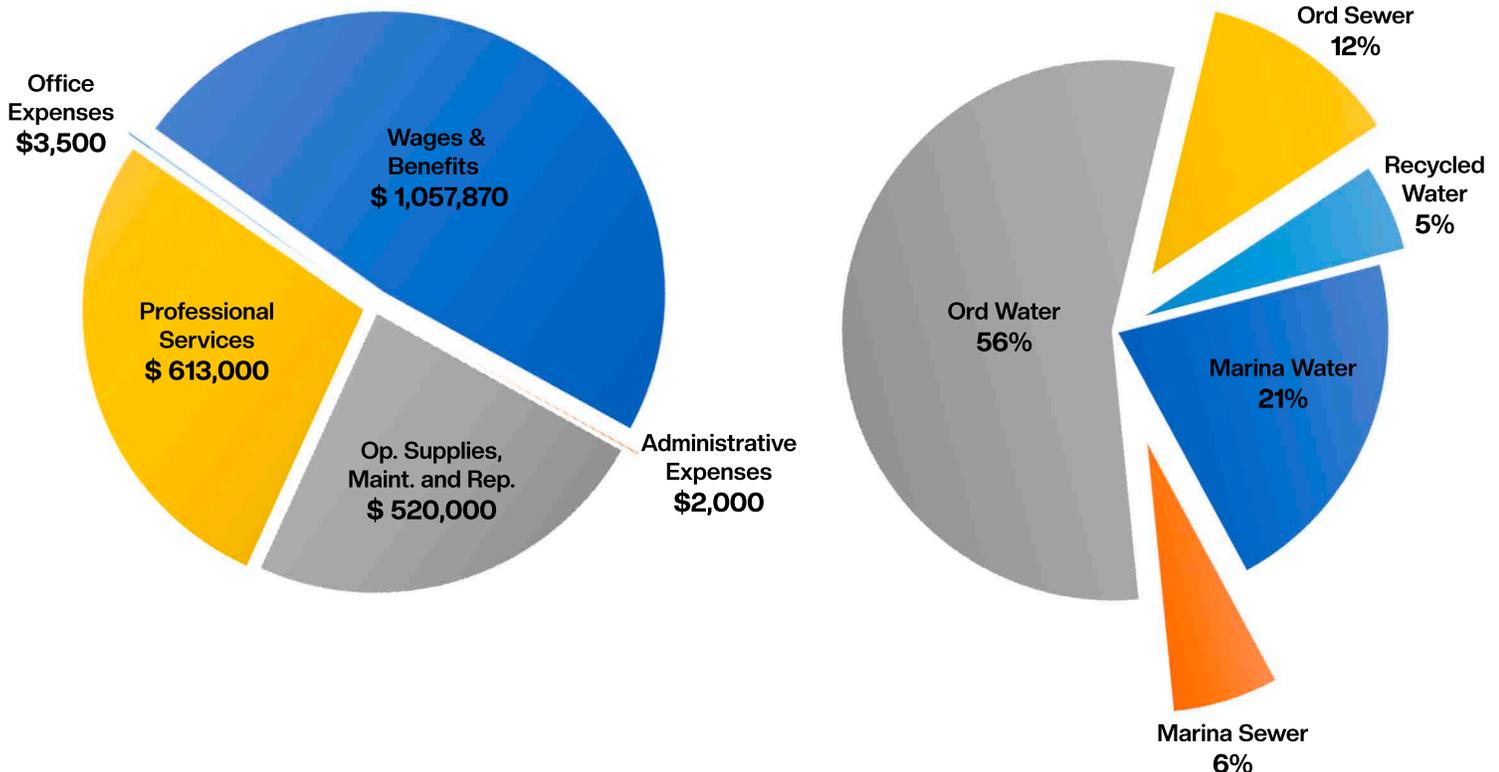
District systems are operating appropriately and manage the replacement of the existing infrastructure to maintain service in accordance with current law, codes, or permits.

Engineering will address improvements and expansion plans for water delivery and waste water collections.

Finally, the Department works closely with the Operations Department to keep the current

	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
Engineering	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	947,082	1,047,390	659,321	1,057,870	1.0%
Administrative Expense	2,003	2,000	540	2,000	0.0%
Op. Supplies, Maint. and Rep.	315,160	455,500	592,688	520,000	14.2%
Professional Services	72,085	226,200	63,779	613,000	171.0%
Office Expenses	-	3,000	-	3,500	16.7%
<b>Total - Engineering Exp</b>	<b>1,336,329</b>	<b>1,734,090</b>	<b>1,316,327</b>	<b>2,196,370</b>	<b>26.7%</b>

**Expenses by Category**



# ENGINEERING EXPENSES BY COST CENTER

## Marina Water

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	227,982	251,375	148,532	278,507	10.8%
Administrative Expense	534	480	130	520	8.3%
Op. Supplies, Maint. and Rep.	20,977	53,500	342,273	65,000	21.5%
Professional Services	17,537	34,100	12,924	120,000	251.9%
Office Expenses	-	720	-	910	26.4%
<b>Total Expense</b>	<b>267,030</b>	<b>340,175</b>	<b>503,858</b>	<b>464,937</b>	<b>36.7%</b>

## Marina Sewer

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	56,613	52,368	28,748	52,443	0.1%
Administrative Expense	56	100	27	100	0.0%
Op. Supplies, Maint. and Rep.	1,908	10,000	5,490	25,000	150.0%
Professional Services	5,726	6,750	2,321	61,000	803.7%
Office Expenses	-	150	-	175	16.7%
<b>Total Expense</b>	<b>64,303</b>	<b>69,368</b>	<b>36,587</b>	<b>138,718</b>	<b>100.0%</b>

# ENGINEERING EXPENSES BY COST CENTER

## Ord Water

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	530,137	607,490	356,349	597,457	-1.7%
Administrative Expense	1,282	1,160	313	1,140	-1.7%
Op. Supplies, Maint. and Rep.	160,053	358,000	113,493	375,000	4.7%
Professional Services	39,300	69,300	34,430	240,000	246.3%
Office Expenses	-	1,740	-	1,995	14.7%
<b>Total Expense</b>	<b>730,773</b>	<b>1,037,690</b>	<b>504,585</b>	<b>1,215,592</b>	<b>17.1%</b>

## Ord Sewer

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	132,350	136,157	125,692	129,463	-4.9%
Administrative Expense	131	260	70	240	-7.7%
Op. Supplies, Maint. and Rep.	132,221	34,000	129,261	50,000	47.1%
Professional Services	9,521	21,050	11,405	82,000	289.5%
Office Expenses	-	390	-	420	7.7%
<b>Total Expense</b>	<b>274,223</b>	<b>191,857</b>	<b>266,428</b>	<b>262,123</b>	<b>36.6%</b>

# ENGINEERING EXPENSES BY COST CENTER

## Recycled Water

<b>Account Name</b>	<b>2020-2021 ACTUAL</b>	<b>2021-2022 ADOPTED</b>	<b>2021-2022 ESTIMATED</b>	<b>2022-2023 PROPOSED</b>	<b>BUD vs BUD % CHANGE</b>
Wages and Benefits	-	-	-	-	-
Administrative Expense	-	-	-	-	-
Op. Supplies, Maint. and Rep.	-	-	2,171	5,000	-
Professional Services	-	95,000	2,698	110,000	16%
Office Expenses	-	-	-	-	-
<b>Total Expense</b>	<b>-</b>	<b>95,000</b>	<b>4,869</b>	<b>115,000</b>	<b>21%</b>

# WATER RESOURCES

The Water Resources Department is responsible for managing the District's Groundwater Sustainability Agency that is implementing the Monterey Sub-basin Groundwater Sustainability Plan adopted by the MCWD Board in January of 2022. The sustainability plan is a 50-year plan that contemplates becoming sustainable within 20 years and remaining sustainable for the next 30 years. Sustainability is defined as reaching sustainability across these six sustainability indicators; lowering of groundwater levels, reduction of groundwater storage, seawater intrusion, degradation of water quality; land subsidence, and surface water depletion.

The Water Resources Department is also responsible for the District's Conservation program implementation which includes; data collection and reporting, water conservation incentive programs, water use surveys, Conservation Certification program for property transfers, public outreach for conservation, and the water conservation and science in-school education program. Finally, the Water Resources Department is managing the District's Climate Action Plan development and the implementation of the District's Imjin Office Park office improvements.

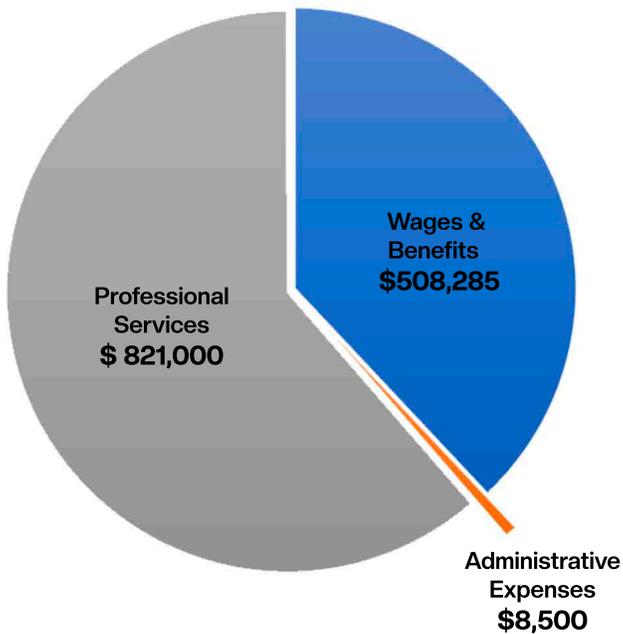


## Strategic Plan

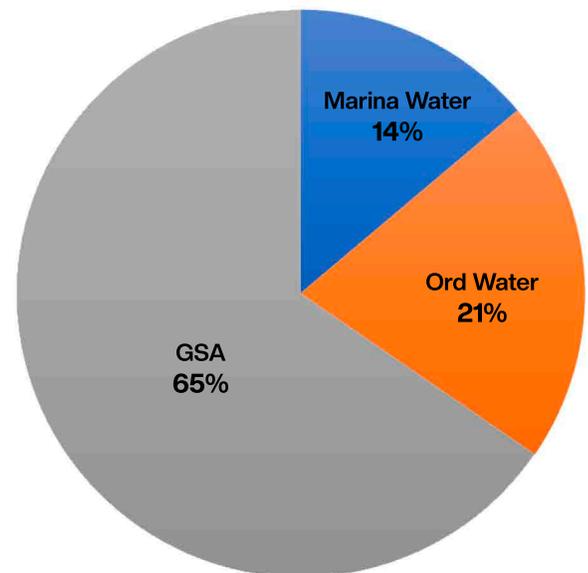
- Implementation of the Monterey Sub-Basin Groundwater Sustainability Plan Efforts & Studies
- GSP Implementation/Annual Reporting/Seawater Intrusion Monitoring & Regional Participation
- Groundwater Monitoring/Induction Logging
- Indirect Potable & Reuse Source Water Study & Scoping Efforts(Future Grant Opportunity)
- On-going consulting services through June

	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
<b>Water Resources</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ESTIMATED</b>	<b>PROPOSED</b>	<b>% CHANGE</b>
Wages and Benefits	220,136	210,102	197,270	508,285	141.9%
Administrative Expense	72,370	7,000	556,256	8,500	21.4%
Professional Services	799,371	880,000	416,298	821,000	-6.7%
<b>Total Expenses</b>	<b>1,091,877</b>	<b>1,097,102</b>	<b>1,169,824</b>	<b>1,337,785</b>	<b>21.9%</b>

Expenses by Category



Expenses by Cost Center



# WATER RESOURCES EXPENSES BY COST CENTER

## Marina Water

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	87,784	84,041	79,088	81,327	-3.2%
Administrative Expense	28,948	2,800	216,832	1,800	-35.7%
Professional Services	319,450	352,000	172,189	102,000	-71.0%
<b>Total Expense</b>	<b>436,182</b>	<b>438,841</b>	<b>468,109</b>	<b>185,127</b>	<b>-57.8%</b>

## Ord Water

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	132,351	126,061	118,182	121,989	-3.2%
Administrative Expense	43,422	4,200	325,249	2,700	-35.7%
Professional Services	479,921	528,000	258,284	153,000	-71.0%
<b>Total Expense</b>	<b>655,694</b>	<b>658,261</b>	<b>701,715</b>	<b>277,689</b>	<b>-57.8%</b>

## Groundwater Sustainability Agency

Account Name	2020-2021	2021-2022	2021-2022	2022-2023	BUD vs BUD
	ACTUAL	ADOPTED	ESTIMATED	PROPOSED	% CHANGE
Wages and Benefits	-	-	-	304,969	-
Administrative Expense	-	-	-	4,000	-
Professional Services	-	-	-	566,000	-
<b>Total Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>874,969</b>	<b>-</b>

# 22/23 CAPITALIZED EQUIPMENT BUDGET

## DISTRICT WIDE

Account Name	20/21 Actual	21/22 Adopted	21/22 Estimated	22/23 Proposed	BUD vs BUD % Change
Laboratory	-	-	-	-	0.0%
Network Computer System	-	20,000	20,000	300,000	1400.0%
Vehicles	-	100,000	-	200,000	0.0%
O&M Equipment	331,397	520,000	340,000	896,000	72.3%
<b>Total Expense</b>	<b>331,397</b>	<b>640,000</b>	<b>360,000</b>	<b>1,396,000</b>	<b>118.1%</b>

### Network Computer System

Security and Monitoring Improvements Server  
Network Infrastructure

Itemized	Total
300,000	
-	300,000
-	

### Vehicles

(2) Replacement Fleet Trucks (F150) ordered in FY 2022 but not rec'd  
Board Vehicle Replacement Policy @ \$100,000/year\*

100,000	
100,000	200,000

### O&M Equipment

(3) Replacement Generators ordered in FY 2022 but not rec'd  
(1) Replacement Generators ordered in FY 2022 but not rec'd  
D Booster Generator Replacement  
Water Service Truck  
Sewer Service Truck  
Mini Excavator  
Well 11 Motor  
Well 29 Motor  
Motor Control Center replacement Weitenmyer  
Motor Control Center replacement Hodges  
Ground Penetration Radar Unit  
POSM Server

140,000	
40,000	
80,000	
180,000	
180,000	
69,000	
38,000	
41,000	
29,000	
29,000	
35,000	
35,000	896,000

### Total

**1,396,000**

# 22/23 CAPITALIZED EQUIPMENT BUDGET COST CENTER

## Marina Water

Account Name	20/21 Actual	21/22 Adopted	21/22 Estimated	22/23 Proposed
Laboratory	-	-	-	-
Network Computer System	-	4,800	4,800	72,000
Vehicles	-	24,000	-	52,000
O&M Equipment	71,897	86,000	86,000	115,160
<b>Total Expense</b>	<b>71,897</b>	<b>114,800</b>	<b>90,800</b>	<b>239,160</b>

## Marina Sewer

Account Name	20/21 Actual	21/22 Adopted	21/22 Estimated	22/23 Proposed
Laboratory	-	-	-	-
Network Computer System	-	1,000	1,000	15,000
Vehicles	-	5,000	-	10,000
O&M Equipment	36,997	141,350	102,850	107,550
<b>Total Expense</b>	<b>36,997</b>	<b>147,350</b>	<b>103,850</b>	<b>132,550</b>

## Ord Water

Account Name	20/21 Actual	21/22 Adopted	21/22 Estimated	22/23 Proposed
Laboratory	-	-	-	-
Network Computer System	-	11,600	11,600	174,000
Vehicles	-	58,000	-	114,000
O&M Equipment	64,037	87,000	84,000	309,120
<b>Total Expense</b>	<b>64,037</b>	<b>156,600</b>	<b>95,600</b>	<b>597,120</b>

## Ord Sewer

Account Name	20/21 Actual	21/22 Adopted	21/22 Estimated	22/23 Proposed
Laboratory	-	-	-	-
Network Computer System	-	2,600	2,600	39,000
Vehicles	-	13,000	-	24,000
O&M Equipment	158,466	205,650	67,150	364,170
<b>Total Expense</b>	<b>158,466</b>	<b>221,250</b>	<b>69,750</b>	<b>427,170</b>

# 22/23 CAPITAL IMPROVEMENT PROJECT BUDGET

## BY FUNDING SOURCE

Project No.	Project Name	Bond Funded	Capacity Fee Funded	SRF	Other Source Funded	Capital Replacement Reserves	Amount
OS-2301	CIPP Lining of 1st St. Sewer Lines (550')	-	-	-	-	\$70,000	\$70,000
OW-0306	D-Zone Booster Pump Replacemet	\$100,000	-	-	-	-	\$100,000
OW-2302	East Garrison 2nd supply via Watkins Gate and F Reservoir	-	\$1,250,000	-	-	-	\$1,250,000
OS-0218	Gigling Lift Station Renovation	\$1,000,000	-	-	-	-	\$1,000,000
OW-0201	Gigling Road Water Pipeline Replacement	\$99,000	-	-	-	-	\$99,000
OS-2303	Hatten LS improvements	\$100,000	-	-	-	-	\$100,000
OS-2304	Hodges Lift Station pump and discharge replacement to Flygt	-	-	-	-	\$150,000	\$150,000
OS-2305	Manhole rehab and lining Lightfighter 21 Manholes	-	-	-	-	\$150,000	\$150,000
OS-0147	Ord Village LS and FM improvements	\$500,000	-	-	-	-	\$500,000
OS-0348	Odor Control Program	\$100,000	-	-	-	-	\$100,000
OS-0153	Misc. Lift Station Improvements	\$1,066,000	-	-	-	-	\$1,066,000
OS-0152	Booker Lift Station Replcement	\$610,500	-	-	-	-	\$610,500
OW-0193	Imjin parkway Pipeline, Reservation Rd to Abrams Drive	\$318,044	-	-	-	-	\$318,044
WD-0106	Corp Yard Demolition & Rehab	\$250,000	-	-	-	-	\$250,000
GW-0378	Well 12 Rehab	-	-	-	-	\$100,000	\$100,000
WD-0379	Beach Office Corrosion improvements	-	-	-	-	\$70,000	\$70,000
OW-2306	Ord blight removal, demolotion	-	-	-	\$970,000	-	\$970,000
RW-2307	RUWAP	-	-	-	\$400,000	-	\$400,000
RW-0174	RUWAP - Distribution System	-	-	\$2,809,896	-	-	\$2,809,896
WD-2308	SCADA Improvements	-	-	-	-	\$400,000	\$400,000
WD-2309	water/sewer pipeline replacement program R/R	-	-	-	-	\$275,000	\$275,000
GW-0112	A1/A2 BC booster improvements	\$4,561,843	-	-	-	-	\$4,561,843
<b>Totals:</b>		<b>\$8,705,387</b>	<b>\$1,250,000</b>	<b>\$2,809,896</b>	<b>\$1,370,000</b>	<b>\$1,215,000</b>	<b>\$15,350,283</b>

# 22/23 CAPITAL IMPROVEMENT PROJECT BUDGET

## BY COST CENTER

Project No.	Project Name	Marina Water	Marina Sewer	Ord Water	Ord Sewer	Recycled Water	Amount
OS-2301	CIPP Lining of 1st St. Sewer Lines (550')	-	-	-	\$70,000	-	\$70,000
OW-0306	D-Zone Booster Pump Replacemet	-	-	\$100,000	-	-	\$100,000
OW-2302	East Garrison 2nd supply via Watkins Gate and F Reservoir	-	-	\$1,250,000	-	-	\$1,250,000
OS-0218	Gigling Lift Station Renovation	-	-	-	\$1,000,000	-	\$1,000,000
OW-0201	Gigling Road Water Pipeline Replacement	-	-	\$99,000	-	-	\$99,000
OS-2303	Hatten LS improvements	-	-	-	\$100,000	-	\$100,000
OS-2304	Hodges Lift Station pump and discharge replacement to Flygt	-	-	-	\$150,000	-	\$150,000
OS-2305	Manhole rehab and lining	-	-	-	\$150,000	-	\$150,000
OS-0147	Lightfighter 21 Manholes	-	-	-	\$150,000	-	\$150,000
OS-0147	Ord Village LS and FM improvements	-	-	-	\$500,000	-	\$500,000
OS-0348	Odor Control Program	-	-	-	\$100,000	-	\$100,000
OS-0153	Misc. Lift Station Improvements	-	-	-	\$1,066,000	-	\$1,066,000
OS-0152	Booker Lift Station Replacemet	-	-	-	\$610,500	-	\$610,500
OW-0193	Imjin parkway Pipeline, Reservation Rd to Abrams Drive	-	-	\$318,044	-	-	\$318,044
WD-0106	Corp Yard Demolition & Rehab	\$65,000	\$12,500	\$142,500	\$30,000	-	\$250,000
GW-0378	Well 12 Rehab	\$100,000	-	-	-	-	\$100,000
WD-0379	Beach Office Corrosion improvements	\$18,200	\$3,500	\$39,900	\$8,400	-	\$70,000
OW-2306	Ord blight removal, demolotion	-	-	\$485,000	\$485,000	-	\$970,000
RW-2307	RUWAP	-	-	-	-	\$400,000	\$400,000
RW-0174	RUWAP - Distribution System	-	-	-	-	\$2,809,896	\$2,809,896
WD-2308	SCADA Improvements	\$200,000	-	\$200,000	-	-	\$400,000
WD-2309	water/sewer pipeline replacement program R/R	\$71,500	\$13,750	\$156,750	\$33,000	-	\$275,000
GW-0112	A1/A2 BC booster improvements	\$2,965,198	-	\$1,596,645	-	-	\$4,561,843
<b>Totals:</b>		<b>\$3,419,898</b>	<b>\$29,750</b>	<b>\$4,387,839</b>	<b>\$4,302,900</b>	<b>\$3,209,896</b>	<b>\$15,350,283</b>

# 22/23 DISTRICT INVESTMENTS

Per the District’s Investment Policy, “the District invests prudently in order to safeguard the invested principal and accrued interest and to produce an acceptable rate of return after first considering safety and liquidity”. Currently, all District investments are fully liquid with the majority invested in the State of California’s Local Agency Investment Fund (“LAIF”) and the remaining in several demand deposit accounts with Mechanics Bank. The District’s total estimated investments as of June 30, 2022, are \$22,292,288.

LAIF is part of the State’s Pooled Money Investment Account (“PMIA”) and is managed by the California State Treasurer’s Office. LAIF is the most popular investment option among California local public agencies due to its convenience, low cost, and its emphasis on safety (by investing in U.S. Treasury securities) and liquidity (by investing primarily in short-term securities). The District’s estimated balance in LAIF as of June 30, 2022, is \$19,409,411.

Mechanics Bank demand deposit accounts are comprised of three (3) money market accounts and two (2) checking accounts. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. The District’s estimated balances of the five deposit accounts with Mechanics Bank as of June 30, 2022, are as follows:

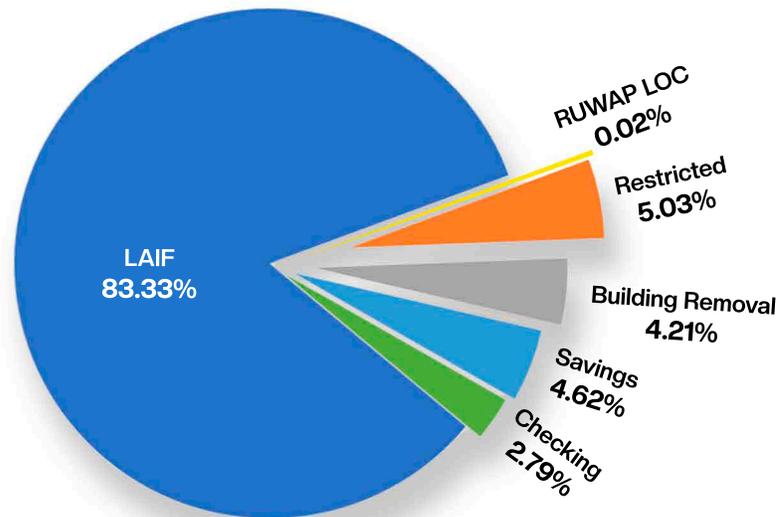
### MCWD Balances at Mechanics Bank

Account	Account Type	Estimated Balance
Savings	Money Market	\$ 1,076,611
Building Removal Fund	Money Market	\$ 980,603
Restricted Funds	Money Market	\$ 1,170,535
RUWAP LOC Proceeds	Checking	\$ 4,380
Checking Account	Checking	\$ 650,748

## LAIF

Bank		Balance as of 12/31/2021 Amount	Projected Balance as of 12/31/2021 Amount
Local Agency Investment Fund (LAIF)		\$16,898,966	\$19,409,411
Marina Capital Repl Reserve Fund	1,675,599		
Marina Capacity Fee	1,538,489		
Marina General Reserve	819,927		
Ord Community Capital Repl Reserve Fund	529,442		
Ord Community Capacity Fee	9,547,973		
Ord Community General Reserve	2,615,708		
RUWAP Debt Reserve	171,828		
<b>Mechanics Bank</b>			
<b>Restricted Funds</b>		1,081,402	1,170,535
Marina Capacity Fees	-		
Ord Capacity Fees	1,081,402		
Building Removal Fund		978,060	980,603
RUWAP LOC Proceeds		4,380	4,380
Savings Account		1,075,214	650,748
Checking Account		2,201,690	2,201,690
<b>Total - District Investment</b>		<b>\$22,239,711</b>	<b>\$23,292,288</b>

**Marina Coast Water District Projected Reserve  
Investment Summary as of June 30, 2022  
Budget FY 2022/2023**



# 22/23 DISTRICT DEBT OBLIGATIONS

In accordance with the District’s Debt Management Policy, the District issues debt for the purpose of financing the cost of design, acquisition, and/or construction of water, wastewater and recycled water system improvements in furtherance of the District’s Capital Improvement Program (CIP). The District’s debt obligations consist of the following debt instruments:

Description	Amount	Loan Date	Final Payment	Remaining Principal	Principal Amount	Total
2015 Series A Revenue Refunding Bonds	29,840,000	7/15/2015	6/1/2037	23,925,000	1,130,000	22,795,000
Santa Cruz County Bank Loan (Through Holman Capital - BLM Building)	2,799,880	1/20/2017	1/20/2037	2,364,501	102,887	2,261,614
2019 Series Certifictes Of Participation	17,725,000	12/18/2019	6/1/2051	16,945,000	340,000	16,605,000
State Revolving Fund Loan C-06-8184-110 Ruwa{P Transmission Pipeline	6,962,884	1/25/2018	3/30/2052	6,962,884	177,076	6,785,808
<b>Current Loan</b>	<b>57,327,764</b>			<b>50,197,385</b>	<b>1,749,963</b>	<b>48,447,422</b>

### Santa Cruz Bank Installment Loan (Holman Capital)

On January 20, 2017, the District converted a construction loan that financed the construction of an office building at 940 2nd Avenue within Imjin Office Park in Marina which is currently leased to the Bureau of Land Management to a 20-year fixed rate loan. The installment loan in the amount of \$2,799,880 has a fixed all-in rate of 5.75%. Commercial loan rates were at 5.00% - 7.00% for loan above \$250,000+ at time of offer. There is no prepayment penalty on the installment loan, so the District has the ability to refinance it. Debt service payments are as follows:

Year	Principal	Interest	Total
2022	97,217	\$140,171	237,388
2023	102,887	134,501	237,388
2024	108,888	128,500	237,388
2025	115,240	122,148	237,388
2026	121,961	115,427	237,388
2027 - 2031	725,179	461,762	1,186,941
2032 - 2036	962,816	224,124	1,186,940
2037	227,530	9,859	237,389

### State Revolving Fund (SRF) Loan

On January 28, 2018, the District entered into a construction installment sale agreement and grant (the "Agreement") with the California State Revolving Fund Loan Program for the construction of the Reginal Urban Water Augmentation Project ("RUWAP") transmission pipeline with a maximum amount of \$10,513,217 at an interest rate of 1.8% per annum and a completion date of September 30, 2020. However, the State amended the contract completion date to coincide with the completion date of the distribution system of March 30, 2022. Per the Agreement, there is no interest during construction and has a maximum grant component of \$3,595,789. The first debt service payment will be due March 30, 2023. Debt service payments are as follows:

Year	Principal	Interest	Total
2022	\$177,076	\$125,332	\$302,408
2023	180,263	122,145	302,408
2024	183,508	118,900	302,408
2025	186,811	115,597	302,408
2026	190,174	112,234	302,408
2027	1,003,466	508,574	1,512,040
2028 - 2032	1,097,088	414,952	1,512,040
2033 - 2037	1,199,445	312,595	1,512,040
2043 - 2047	1,311,352	200,688	1,512,040
2048 - 2052	1,433,700	70,269	1,503,969

# DEBT SERVICE COVERAGE

	Marina		Ord		RUWAP	TOTAL
	Water	Sewer	Water	Sewer		
<b>GROSS REVENUES</b>						
Water sales	\$4,692,419	\$-	\$10,652,534	\$-	\$-	\$15,344,952
Sewer sales	-	1,583,341	-	3,638,763	-	5,222,104
Other water sales	-	-	-	-	-	-
Recycled Water sales	-	-	-	-	1,636,556	1,636,556
Capacity/capital fee	424,050	147,500	6,753,750	1,659,900	-	8,985,200
Interest revenue	25,000	11,040	70,400	24,135	-	130,575
Other revenue	183,174	8,659	631,726	18,302	-	841,861
Grant revenue	284,234	-	426,350	-	-	710,584
Revenue adjustment	-	-	-	-	-	-
<b>Total gross revenues</b>	<b>\$5,608,877</b>	<b>\$1,750,540</b>	<b>\$18,534,760</b>	<b>\$5,341,100</b>	<b>\$1,636,556</b>	<b>\$32,871,833</b>
<b>OPERATING EXPENSES</b>						
Salaries	2,070,781	603,005	4,073,367	1,147,164	143,099	8,037,416
Dept. expenses	2,524,112	376,299	5,517,059	785,956	2,594,751	11,798,177
Franchise & admin fees	-	-	133,543	47,159	-	180,702
Expense adjustment	-	-	-	-	-	-
<b>Total operating expenses</b>	<b>4,594,893</b>	<b>979,303</b>	<b>9,723,969</b>	<b>1,980,279</b>	<b>2,737,850</b>	<b>20,016,295</b>
<b>NET AVAILABLE REVENUES</b>	<b>1,013,984</b>	<b>771,236</b>	<b>8,810,791</b>	<b>3,360,821</b>	<b>(1,101,294)</b>	<b>12,855,538</b>
<b>DEBT SERVICE</b>						
2015 Revenue Refunding Bonds	179,920	112,450	1,079,520	359,840	517,270	2,249,000
Santa Cruz County Bank Loan	66,468	18,991	118,694	33,234	-	237,387
2019 Certificates of Participation	258,487	99,409	284,153	364,651	-	1,006,700
State Revolving Fund Loan	-	-	-	-	302,408	302,408
#C-06-8184-110 (RUWAP Transmission Pipeline)	-	-	-	-	-	-
	<b>504,875</b>	<b>230,850</b>	<b>1,482,367</b>	<b>757,725</b>	<b>819,678</b>	<b>3,795,495</b>
<b>TOTAL DEBT SERVICE</b>						
<b>DEBT COVERAGE RATIO</b>	<b>2.01</b>	<b>3.34</b>	<b>5.94</b>	<b>4.44</b>	<b>-1.34</b>	<b>3.39</b>
<b>MINI. COV. RATIO FOR ALL DEBT SERV.</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>

### 2015 Enterprise Refunding Revenue Bonds

On June 30, 2015, the District issued 2015 Senior Lien Enterprise Revenue Refunding Bonds, Tax-Exempt Series A in the amount of \$29,840,000 and Federally Taxable Series B in the amount of \$1,115,000 (the “Bonds”). The Bonds were issued to refinance the District’s outstanding 2006 Certificates of Participation (COPs) which were issued for the purpose of financing improvements to the District’s water and wastewater systems and to refinance prior obligations. The Bonds, which closed on July 15, 2015, were an advance refunding of the 2006 COPs as the COPs were not callable until June 1, 2016. An escrow account, funded with treasury securities, was set up and used to pay the 2006 COPs. A portion of the 2006 COPs were utilized to refinance prior obligations on an advance basis. As a result, the Taxable Series B were required to refund a portion of the 2006 COPs. The true interest cost, which includes all annualized costs, is 3.712% for the Series A Bonds and 1.544% for the Series B Bonds.

Year	Principal	Interest	Total
2022	\$1,090,000	\$1,162,600	\$2,252,600
2023	1,130,000	1,119,000	2,249,000
2024	1,190,000	1,062,500	2,252,500
2025	1,235,000	1,014,900	2,249,900
2026	1,300,000	953,150	2,253,150
2027 - 2031	7,525,000	3,724,500	11,249,500
2032 - 2036	9,400,000	1,853,263	11,253,263
2037	2,145,000	107,250	2,252,250

### 2019 Enterprise Revenue Certificates of Participation (COPs)

On December 19, 2019, the District issued COPs in the amount of \$17,725,000. The COPs were issued to finance \$19,500,000 of required capital improvement projects including, but not limited to, the construction of pipeline improvements, replacement of booster pumps, lift station enhancements, construction of reservoir tanks, acquisition of emergency generators at key well sites, booster stations, and sewer pumping facilities to maintain operation during power outages. The true cost for the transaction, which included all annualized costs, is 2.99% over a thirty-year period.

Year	Principal	Interest	Total
2022	\$325,000	\$679,700	\$1,004,700
2023	340,000	666,700	1,006,700
2024	355,000	653,100	1,008,100
2025	365,000	638,900	1,003,900
2026	385,000	620,650	1,005,650
2027-2031	2,235,000	2,794,250	5,029,250
2032-2036	2,815,000	2,211,850	5,026,850
2037-2041	3,435,000	1,595,300	5,030,300
2042-2046	\$4,170,000	860,400	5,030,400
2047-2049	\$2,845,000	172,350	3,017,350

# 22/23 DISTRICT RESERVE FUNDS

Adequate reserves ensure that the District will at all times have sufficient funding available to meet its operating, capital, and debt service cost obligations, together with the ability to fund future debt or capital obligations, as well as any unfunded mandates, including regulatory requirements. While budgeted reserves for FY 2022-2023, do not meet all the District’s target levels per its Reserve Policy, a cost of service and rate study is budgeted for FY 2022-2023 in which reserve levels will be a major consideration.

MCWD maintains both restricted reserve funds and Board-designated reserve funds.

Restricted reserve funds are comprised of proceeds from the sale of bonds, or any form of debt as governed by the corresponding financing documentation, monies from other agencies, and capacity charges. The District’s restricted reserve funds include:

## **RUWAP-110 Debt Reserve Fund**

This reserve fund was set up in March 2022 per the loan agreement with the State Revolving Fund which funded the construction of the recycled water transmission pipeline. The balance and earnings are to remain in the fund for the life of the loan and will be used to pay the final debt service payment of the loan in March 2052. The target level for this fund was predetermined by the loan agreement and is fully funded.

<b>Description</b>	<b>MW</b>	<b>MS</b>	<b>OW</b>	<b>OS</b>	<b>RUWAP</b>	<b>GSA</b>	<b>TOTAL</b>
<b>FY 2022-2023 RUWAP-110</b>	-	-	-	-	<b>171,828</b>	-	<b>171,828</b>
<b>Debt Reserve Fund</b>							

**Capacity Charge/Capital Surcharge Fund**

The monies in this fund are collected from developers and are restricted to pay for the new new facilities necessary to deliver water and wastewater service to the newly developed property. The reserve fund is drawn upon as capital expenditures are made. The balance in this account fluctuates depending on the number and timing of development projects and therefore, no minimum or maximum target levels have been established.

Description	MW	MS	OW	OS	RUWAP	GSA	TOTAL
<b>FY 2022-2023 Cap.Charge/Cap. Sur.Fund</b>							
Beginning Balance	1,347,870	277,013	8,612,117	2,118,804	-	-	12,355,804
Proposed Cap. Fees/Cap. Sur.	262,911	35,400	3,241,800	1,377,717	2,701,810	-	7,619,638
Proposed Capital Costs	-	-	(1,250,000)	-	(400,000)	-	(1,650,000)
Annual Debt Service Share	-	-	(241,311)	(148,952)	(641,247)	-	(1,031,510)
Intrafund Transfers	-	-	-	-	-	-	-
Due to/(Due From) Interfund Transfers	-	-	-	-	-	-	-
<b>Proposed Ending Balance as of 06-30-2023</b>	<b>1,610,781</b>	<b>312,413</b>	<b>10,362,606</b>	<b>3,347,569</b>	<b>1,660,563</b>	<b>-</b>	<b>17,293,931</b>

The Board-designated reserve funds are comprised of the Rate Stabilization Fund, the Capital Replacement and Improvement Fund, the Emergency Fund, the Administrative & General Fund, and the Operating Reserve Fund. Currently, MCWD's Board-designated reserve funds include:

**Capital Replacement & Improvement Reserve Fund** - The Capital Replacement and Improvement Fund shall be used for the funding of the replacement of capital assets when they reach the end of their useful lives or improvements to any Component System. Each fiscal year, MCWD will strive to fund the Capital Replacement and Improvement Fund, based on the availability of funds, with an amount equal to the result of multiplying (a) the depreciation amount for the prior Fiscal Year by (b) an amount equal to up to 40% for the Marina Community and 20% for the Fort Ord Community. There shall be no minimum or maximum balance for the Capital Replacement and Improvement Fund.

Description	MW	MS	OW	OS	RUWAP	GSA	TOTAL
<b>FY 22-23 Cap. Repl. &amp; Improvement Fund</b>							
Beginning Balance	1,363,935	302,542	367,303	162,827	-	-	2,196,607
Prop. trans. from op. per Board Policy	200,000	100,000	200,000	100,000	-	-	600,000
Prop. trans. from op.	-	205,180	889,166	758,817	-	-	1,853,163
Prop. trans. to op.	(197,690)	-	-	-	-	-	(197,690)
Prop. Cap. Fees/Cap. Surcharges	93,291	112,100	877,988	282,183	-	-	1,365,562
Prop. Cap. Costs	(3,419,898)	(29,750)	(3,137,839)	(4,302,900)	(2,809,896)	-	(13,700,283)
2019 Debt Proceeds	3,030,198	12,500	2,256,189	3,406,500	-	-	8,705,387
SRF Loan Proceeds	-	-	-	-	2,809,896	-	2,809,896
Building Removal Bond Proceeds	-	-	485,000	485,000	-	-	970,000
Intrafund Transfers	-	-	-	-	-	-	-
Due to/(Due From) Interfund Transfers	-	-	-	-	-	-	-
<b>Proposed Ending Balance as of 06-30-2023</b>	<b>1,069,836</b>	<b>702,572</b>	<b>1,937,807</b>	<b>892,427</b>	<b>-</b>	<b>-</b>	<b>4,602,642</b>

**Administrative & General Fund** - The Administrative & General Fund can be used to fund certain general, administration, and overhead projects. It is intended to fund, or partially fund offices, fixtures, furnishings, vehicles, and equipment on a pay-as-you-go basis. This fund shall have a minimum balance of \$50,000 and a maximum balance of \$250,000.

Description	MW	MS	OW	OS	RUWAP	GSA	TOTAL
<b>FY 2022-2023 Administrative Reserve Fund</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	-	-	<b>200,000</b>

**Operating Reserve Fund-** The Operating Reserve Fund is used for unanticipated operating expenses and is designated to be utilized for current operations and to meet routine cash flow needs. This fund may be routinely utilized by staff to cover temporary cash flow deficiencies caused by (i) timing differences between revenue and expenses; (ii) unexpected decreases in revenues; or (iii) unexpected increases in expenses. The target levels for this Fund shall have a minimum balance equal to 25% of the District's currently budgeted total operating expenses excluding depreciation and the maximum amount shall not exceed 50% of the currently budgeted total operating expenses excluding depreciation.

Description	MW	MS	OW	OS	RUWAP	GSA	TOTAL
<b>FY 2022-2023 Operating Reserve</b>							
Beginning Balance	12,892,904	3,841,902	(11,919,038)	13,412,697	(10,845,398)	-	7,383,067
Prop. trans. from operations	-	-	-	-	-	-	-
Prop. trans. to operations	-	-	-	-	(1,278,370)	-	(1,278,370)
Intrafund Transfers	-	-	-	-	-	-	-
Due to/(Due From) Interfund Transfers	(10,000,000)	(2,125,000)	12,000,000	(12,000,000)	12,125,000	-	-
<b>Prop. Ending Balance as of 06-30-2023</b>	<b>2,892,904</b>	<b>1,716,902</b>	<b>80,962</b>	<b>1,412,697</b>	<b>1,232</b>	-	<b>6,104,697</b>

# 22/23 STAFF POSITIONS

Job Title	Department	21/22 Position(s)	22/23 Prop. Position(s)	Approved Salary Range
General Manager	Administration	1	1	Contract
Director of Administrative Services	Administration	1	1	Range T41
Human Resources/Risk Administrator	Administration	1	1	Range U32
Executive Assistant to GM/Board	Administration	1	1	Range T21
IT Administrator	Administration	1	1	Range T29
Accounting Supervisor	Administration	1	1	Range 31
Accountant	Administration	1	1	Range 21
Accounting Technician	Administration	2	2	Range 15
Customer Service/Billing Supervisor	Administration	1	1	Range 28
Customer Service/Billing Technician I/II	Administration	5	5	Range 10
Meter Reader	Administration	2	2	Range 8
Water Conservation Specialist III	Administration	1	1	Range 23
District Engineer	Conservation	1	1	Range T44
Senior Civil Engineer	Engineering	2	2	Range T33
Associate Engineer	Engineering	2	2	Range T29
Engineering Technician	Engineering	1	1	Range 15
Administrative Assistant	Engineering	1	1	Range 14
O&M Manager	Engineering	1	1	Range T37
O&M Supervisor	Oper & Maint	1	1	Range 30
Operations & Maintenance Administrative Analyst	Oper & Maint	1	1	Range 18
Electrical/Mechanical Technician	Oper & Maint	1	1	Range 21
System Operator Lead	Oper & Maint	2	2	Range 23
System Operator II - Cross Conn. Control Specialist	Oper & Maint	0	1	Range 21
System Operator I/II	Oper & Maint	12	12	Range 19
Maintenance Worker	Oper & Maint	1	1	Range 15
Water Resources Manager	Oper & Maint	1	1	Range T34
Associate Engineer	Water Resources	0	1	Range T29
Water Resources Analyst II	Water Resources	0	1	Range 14
<b>Totals</b>		<b>45</b>	<b>48</b>	

# MCWD GENERAL RATES, FEES, & CHARGES

Job Title	Rate (per hour)
General Manager	\$202.00
District Engineer	\$160.00
Director of Administrative Services	\$149.00
Senior Engineer	\$129.00
Associate Engineer	\$96.00
Engineering Administrative Assistant	\$84.00
Engineering Technician	\$64.00
O&M Manager	\$146.00
O&M Supervisor	\$125.00
O&M Electrical/Mechanical Field Technician	\$106.00
Operations & Maintenance System Lead Operator	\$92.00
Operations & Maintenance System Operator 2	\$97.00
Operations & Maintenance System Operator 1	\$71.00
Conservation Specialist III	\$97.00
Water Resources Manager	\$132.00

All labor costs include 20% administrative Fee

District equipment rates based on the California State Transportation Agency's Labor Surcharge and Equipment Rental Rates  
<https://dot.ca.gov/programs/construction/equipment-rental-rates-and-labor-surcharge>

<b>Task</b>	<b>Cost</b>
<b>Photocopy Charges</b>	\$ 0.20 / copy
<b>Meter Installtion (by size)</b>	
5/8" or 3/4"	\$ 350
1"	\$ 400
1 1/2"	\$ 450
2"	\$ 700
3" or Larger	Actual direct and indirect cost to district. Advance payment to be based on estimated cost.
Preliminary Project Review Fee (large projects)	\$500
<b>Plan Review Fees:</b>	
Existing Residential Modifications	\$200 per unit plus additional fees
Existing Commercial Modifications	\$400 per unit plus additional fees
Plan Review	\$500 per unit plus additional fees
Water/Sewer Permit Fee	\$30 each
Small Project Inspection Fee (single lot)	\$400 per unit
Large Project Inspection Fee (large projects)	\$500 per unit plus 3% of water & sewer construction cost
Building Modification/Addition Fee	\$200 per unit
Deposit for a Meter Relocation	\$200 deposit, plus actual costs
Mark and Locate Fee (USA Markings)	\$100 first mark & locate at no-charge, each additional for \$100
Backflow/Cross Connection Control Fee	\$45 per device
Additional Backflow/Cross Connection Device	\$30 per device
Deposit for New Account/Re-Establish Account	\$35 per edu
Meter Test Fee	\$15 for 3/4" meter, actual cost for 1" and larger
Returned Check Fee	\$15 per returned item
Penalty	10% of the delinquent amount