



Moulton Niguel Water

Leading the Way in Service

OPERATING AND CAPITAL IMPROVEMENT PROGRAM BUDGET



FISCAL YEARS 2014-15 & 2015-16

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Budget Overview for FY 2014-15 & 2015-16 O&M and FY 2014-15 CIP Budgets

Honorable President and Members of the Board of Directors:

On behalf of District staff, the proposed Fiscal Year (FY) 2014-15 and FY 2015-16 Operations & Maintenance (O&M) and Capital Improvement Project (CIP) budgets are being presented for your consideration. This budget will provide you with a review of the FY 2013-14 adopted budget; projected expenditures for FY 2013-14; proposed budget for FY 2014-15; and proposed budget for FY 2015-16.

The budget is a financial summary of anticipated revenues and expenses for on-going activities or expected actions during the upcoming fiscal years. The District prepares a “performance budget” that provides an overview of the organizational structure and how each aspect of the organization contributes to the execution of the District’s overall mission and goal through their various activities and objectives. While identified through three separate Divisions; Administration, Finance and Engineering & Operations, the District works collectively through teamwork and collaboration to provide the best quality service to our customers. Recognizing that the budget is a public document, every effort is made to ensure transparency and promote understanding by disclosing the financial management of the District. As a planning tool, the budget is built to anticipate future needs, prioritize those needs and make appropriate fiscal allocations of public funds.

Financial awareness and understanding continues to be a focus for the District. The District strives to engage with the public to ensure a good understanding of the District’s current financial position and future outlook. Regular financial updates to the Board of Directors and staff are critical to enable fully-informed decisions based on defined and prioritized objectives ensuring financial responsibility and accountability. As the District enters the new fiscal year, the District is in a financially sound position with a ‘AAA’ rating from Fitch and ‘AA+’ from Standard and Poors. In the midst of several significant challenges, including the current state-wide drought, infrastructure investments, water supply and system reliability, long-term financial planning will be necessary to maintain the District’s strong financial position.

The District is one hundred percent dependent on imported water from the Colorado River and the Northern California Bay-Delta systems via the Metropolitan Water District of Southern California. As the State continues to experience the most impactful drought on record, available potable water supplies from those sources will continue to be limited, or potentially reduced, requiring the District to take appropriate actions. Recently, the District requested its customers to further reduce water consumption in response to the Governor’s drought declaration. The District continues to invest in water-use efficiency programs, including rebates for water-saving devices and recycled water conversions, to reduce potable water demands, and is proposing to double the available funding for those programs in this budget. However, additional actions may become necessary should the drought continue through the upcoming year.

Investment in the District’s infrastructure, which has a replacement value of more than \$2 billion dollars, is a critical focus for the District in the upcoming years. An extensive Capital Improvement Program has been developed with the current budget that includes approximately \$243 million dollars in capital projects over the next ten years. These capital projects include infrastructure replacement,

planning tools for future infrastructure needs, rehabilitation programs, and investments in water system reliability projects. The District is finalizing a Long-Range Financial Plan that will identify funding sources, such as debt financing and water and sewer rates and fees, for the on-going operating and maintenance expenses along with the necessary infrastructure investments. The proposed budget assumes no increase in rates and fees at this time. However, the District has initiated a Cost of Service and Rate Design Analysis to identify any needs for rate adjustments and should be available for review by the Board of Directors in the fall of 2014.

Summary of Factors Affecting the Proposed Budget

There are a number of factors that affect the proposed budget, many of which cannot be seen in a single department or division, but rather affect the District as a whole. Some of the key factors are listed here:

- Water supply challenges and concerns in the midst of the current drought. The budget proposes to double the funding for water efficiency programs, such as rebates for water-saving devices, turf removal programs, and recycled water conversions.
- Asset Management Planning for the District's infrastructure, which are estimated at \$2 billion in assets.
- Water reliability investment and planning needs.
- Review and proposed adjustments to the Water Budget Based Rate Structure (WBBRS) based on the on-going Cost of Service and Rate Design analysis, as well as impacts from the current drought.
- Terms of the 4-year Memorandum of Understanding with the employees. This budget covers years two and three of the agreement.
- Reorganization to maximize staffing effectiveness and efficiency, and needs for additional staffing.

Summary of Budget Assumptions

There are a number of assumptions that affect the proposed budget, many in which cannot be seen in a single department or division. Some of the key assumptions are listed here:

- Water purchased from MWDOC is budgeted at 29,469 acre-feet.
- Recycled water is budgeted at 6,317 acre-feet.
- Based on property tax data from the Orange County Tax Assessors' office and the District's tax consultant, property tax revenue is assumed to increase over 2% for FY 2014-15 and an additional 1% for FY 2015-16. Property taxes continue to be a significant source of revenue to supplement water and sewer rates.
- Water and sewer rates are budgeted at the same rates as last year. The District will review the results of the Cost of Service and Rate Design Analysis in the fall of 2014 and may consider recommendations to adjust the water and sewer rates based on output and the Long Range Financial Plan.
- Increase of three full time positions and three intern positions for FY 2014-15, and an additional two full time positions in FY 2015-16.
- Terms and conditions of the labor terms.

- Sixteen capital purchase requests including large equipment, utility vehicles and office equipment.

The following is a summary of the General Fund and Water Efficiency Fund.

GENERAL FUND:	FY 2014-15 Proposed Budget	FY 2015-16 Proposed Budget
Revenue	\$76,313,207	\$76,001,672
Expenditure	\$63,991,102	\$66,143,816
WATER EFFICIENCY FUND:	FY 2014-15 Proposed Budget	FY 2015-16 Proposed Budget
Revenue	\$3,470,000	\$3,470,000
Expenditure	\$3,662,450	\$3,682,660

As stated before, planning responsibly and executing effectively through challenging times requires the best people. I appreciate working with our Board of Directors that represent the public with the highest degree of integrity and with a thorough understanding of the efforts and resources necessary to provide the best quality of service. I would also like to commend the staff for their hard work and thoughtful attention, not only in development of this budget, but also in execution of the daily tasks and long-term activities necessary to accomplish the goals of the District. Through these challenging times, regular engagement and communication with the customers we serve will remain critical to develop an understanding of the actions the District takes and solicit feedback on ways to improve service. With every decision and action, all members of this organization remain committed to providing reliable, cost-effective and high quality water and wastewater service that meets the needs of our customers, protects public health and promotes water-use efficiency.

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Moulton Niguel Water District
FY 2014-15
All Fund Summary of Revenues, Expenditures, and Transfers

Fund	Estimated Cash/Fund Balance 6/30/14	Increases		Total Available	Decreases			Total Decreases	Estimated Balance 6/30/15 ⁴
		Revenue	Transfer		Expense ²	Transfer	Designated / Reserved ³		
General	58,109,508	76,313,207		134,422,715	63,991,102	19,251,876	15,300,000	83,242,978	51,179,737
<i>Capital Improvement Funds</i>									
R & R	25,023,008	451,156	6,716,339	32,190,503	24,005,596		9,037,000	24,005,596	8,184,907
Water Supply Reliability ¹	4,027,764		15,452,106	19,479,870	15,452,106		1,455,000	15,452,106	4,027,764
2009 COPs Project Fund	13,195,505			13,195,505		13,195,505		13,195,505	-
Planning and Construction	29,627,647	862,715		30,490,362	7,987,168		783,000	7,987,168	22,503,194
	71,873,924	1,313,871	22,168,445	95,356,240	47,444,870	13,195,505	11,275,000	60,640,375	34,715,865
<i>Debt Service Funds</i>									
1995 DWR	615,715		307,854	923,569	307,854		612,710	307,854	615,715
SRF	-		2,001,158	2,001,158	2,001,158			2,001,158	-
CIEDB	-		194,624	194,624	194,624			194,624	-
2014 GOB Consolidated Refund	8,205,977	6,227,747		14,433,724	6,227,747			6,227,747	8,205,977
2009 COPS (BABs) Refunding reserve	6,035,627	-	4,098,976	10,134,603	4,098,976		6,024,700	4,098,976	6,035,627
2003 COPS Reserve	2,515,934		726,000	3,241,934	726,000		2,496,899	2,496,899	2,515,934
2010 COPs (93 COP Refunding)	896,219	425	1,971,700	2,868,344	1,971,700		896,058	1,971,700	896,644
	18,269,472	6,228,172	9,300,312	33,797,956	15,528,059	-	10,030,367	14,802,059	18,269,897
<i>Miscellaneous Funds</i>									
Self Insurance	1,286,411	-	-	1,286,411	2,896		250,000	2,896	1,283,515
WBBRS	6,293,829	3,470,000	-	9,763,829	3,662,450			3,662,450	6,101,379
Capital Facilities	896,219	9,852	978,624	1,884,695	978,624			978,624	906,071
Rate Stabilization	9,761,682	280,388	-	10,042,070			10,000,000	-	10,042,070
	18,238,141	3,760,240	978,624	22,977,005	4,643,970	-	10,250,000	4,643,970	18,333,035
All Fund Total	166,491,045	87,615,490	32,447,381	286,553,916	131,608,001	32,447,381	46,855,367	163,329,382	122,498,534

Notes:

- 1) Transfers include all bond proceeds
- 2) The expense column summarizes the expenditure budgets that will be appropriated by the Board of Director's for FY 2014/15 and 2015/16
- 3) Designated reserves per reserve policy
- 4) Designated reserves are included in ending balance.

Moulton Niguel Water District
FY 2015-16

All Fund Summary of Revenues, Expenditures, and Transfers

Fund	Estimated Cash/Fund Balance 6/30/15	Increases		Total Available	Decreases			Total Decreases	Estimated Balance 6/30/16 ⁴
		Revenue	Transfer		Expense ²	Transfer	Designated / Reserved ³		
General	51,179,737	76,001,672		127,181,409	66,143,816	42,518,568	15,300,000	108,662,384	18,519,025
<i>Capital Improvement Funds</i>									
R & R	8,184,907		21,272,000	29,456,907	25,299,194		9,037,000	25,299,194	4,157,713
Water Supply Reliability ¹	4,027,764		11,500,000	15,527,764	11,548,567		1,455,000	11,548,567	3,979,197
2009 COPs Project Fund	-			-	-		-	-	-
Planning and Construction	22,503,194			22,503,194	9,314,189		783,000	9,314,189	13,189,005
	34,715,865	-	32,772,000	67,487,865	46,161,950	-	11,275,000	46,161,950	21,325,915
<i>Debt Service Funds</i>									
1995 DWR	615,715		153,927	769,642	153,927		612,710	153,927	615,715
SRF	-		2,001,156	2,001,156	2,001,156		-	2,001,156	-
CIEDB	-		194,624	194,624	194,624		-	194,624	-
2014 GOB Consolidated Refund	8,205,977	6,240,500		14,446,477	6,240,500		-	6,240,500	8,205,977
2009 COPS (BABs) Refunding reserve	6,035,627		4,098,976	10,134,603	4,098,976		6,024,700	4,098,976	6,035,627
2003 COPS Reserve	2,515,934		726,000	3,241,934	726,000		2,496,899	726,000	2,515,934
2010 COPS (93 COP Refunding)	896,644		2,036,700	2,933,344	2,036,700		896,058	2,036,700	896,644
	18,269,897	6,240,500	9,211,383	33,721,780	15,451,883	-	10,030,367	15,451,883	18,269,897
<i>Miscellaneous Funds</i>									
Self Insurance	1,283,515			1,283,515			250,000	-	1,283,515
WBBRS	6,101,379	3,470,000		9,571,379	3,682,660		-	3,682,660	5,888,719
Capital Facilities	906,071		535,185	1,441,256	535,185		-	535,185	906,071
Rate Stabilization	10,042,070	150,631		10,192,701			10,000,000	-	10,192,701
	18,333,035	3,620,631	535,185	22,488,851	4,217,845	-	10,250,000	4,217,845	18,271,006
All Fund Total	122,498,534	85,862,803	42,518,568	250,879,905	131,975,494	42,518,568	46,855,367	174,494,062	76,385,843

Notes:

- 1) Transfers include all bond proceeds
- 2) The expense column summarizes the expenditure budgets that will be appropriated by the Board of Director's for FY 2014/15 and 2015/16
- 3) Designated reserves per reserve policy
- 4) Designated reserves are included in ending balance.

**Moulton Niguel Water District
FY 2014-15 and 2015-16
General Fund Summary of Revenues and Expenses**

Description	FY 2013-14 Budget	FY 2013-14 Projected Actuals	FY 2014-15 Budget	FY 2015-16 Budget
<u>Operating Revenue</u>				
Water Sales	\$ 26,950,000	\$ 26,757,589	\$ 27,325,000	\$ 27,325,000
Recycled Water Sales	4,547,715	4,634,383	4,725,000	4,820,000
Sanitation Sales	16,920,000	17,150,000	17,150,000	17,150,000
Other Operating Income	443,900	637,791	483,500	483,500
Subtotal Operating Income	\$ 48,861,615	\$ 49,179,762	\$ 49,683,500	\$ 49,778,500
<u>Operating Expenses</u>				
Salaries	\$ 8,536,016	\$ 8,381,119	\$ 9,550,315	\$ 10,177,137
Retirement Program	1,291,234	1,231,094	1,401,939	1,498,987
Educational Courses	47,380	22,108	51,720	44,270
Travel & Meetings	245,623	199,504	251,034	238,644
Prehire Employment Expenses	13,000	13,000	14,800	15,000
General Services	512,475	454,541	402,776	438,775
Annual Audit	45,000	31,820	40,000	45,000
Member Agencies O&M	1,140,100	1,032,753	1,231,370	1,415,000
Dues & Memberships	84,214	90,696	93,968	98,310
Election Expenses	-	-	150,000	-
Consulting Services ¹	1,085,974	795,146	1,602,900	1,140,000
Equipment Rental	89,300	57,953	65,000	65,000
District Fuel	346,000	294,700	340,000	340,000
Insurance - District	585,330	524,359	576,151	632,275
Insurance - Personnel	320,196	350,466	468,098	498,832
Insurance - Benefits	2,493,501	2,245,684	2,360,334	2,491,716
Legal Services ¹	219,000	138,500	220,000	180,000
District Office Supplies	563,300	346,142	499,900	470,800
District Operating Supplies	244,095	309,526	315,850	302,150
Repairs & Maintenance - Equipment	1,858,101	689,200	867,287	803,509
Repairs & Maintenance - Facilities	3,314,624	3,495,613	3,550,995	3,513,070
Safety Program	134,985	137,057	285,250	165,700
SOCWA	8,702,195	7,835,574	8,450,820	8,630,000
Special Outside Assessment	173,500	188,008	230,300	237,800
Utilities	1,839,205	2,029,500	2,126,000	2,218,000
Water Purchases	26,790,439	27,133,330	27,976,295	29,577,841
Meter/Vault Purchase	807,000	797,000	868,000	906,000
Subtotal Operating Expenses	\$ 61,481,787	\$ 58,824,393	\$ 63,991,102	\$ 66,143,816
Net Operating Revenues / Expenses	\$ (12,620,172)	\$ (9,644,631)	\$ (14,307,602)	\$ (16,365,316)
<u>Non-Operating Revenue</u>				
Property Tax Revenue	\$ 21,327,990	\$ 21,560,432	\$ 21,848,500	\$ 22,063,500
Investment Income	1,347,155	643,394	2,973,207	2,301,672
Cellular Lease Revenue	1,650,085	1,685,978	1,740,000	1,790,000
Misc. Non-Operating Income	47,750	117,000	68,000	68,000
Subtotal Non-Operating Revenue	\$ 24,372,980	\$ 24,006,804	\$ 26,629,707	\$ 26,223,172
Net Revenues / Expenses	\$ 11,752,808	\$ 14,362,173	\$ 12,322,105	\$ 9,857,856

1) Adopted FY 2013-14 Budget data reflects reallocation of \$44,000 from Consulting Services to Legal Services approved by the Board of Directors during FY 2013-14.

**Moulton Niguel Water District
FY 2014-15 and 2015-16
Water Efficiency Fund Summary of Revenues and Expenses**

Description	FY 2013-14 Budget	FY 2013-14 Projected Actuals	FY 2014-15 Budget	FY 2015-16 Budget
<u>Operating Revenue</u>				
WBBS Efficiency Fund	\$ 3,750,000	\$ 3,950,000	\$ 3,350,000	\$ 3,350,000
Subtotal Operating Income	\$ 3,750,000	\$ 3,950,000	\$ 3,350,000	\$ 3,350,000
<u>Operating Expenses</u>				
Salaries	\$ 411,903	\$ 329,903	\$ 326,918	\$ 344,449
Retirement Program	55,471	41,926	41,866	43,911
Educational Courses	500	500	500	500
Travel & Meetings	3,800	750	2,700	2,700
Dues & Memberships	500	-	500	500
Consulting Services	20,000	-	-	-
Insurance - Personnel	4,064	-	4,131	4,342
Insurance - Benefits	100,369	61,415	75,900	78,824
District Office Supplies	76,500	300	77,810	77,810
District Operating Supplies	500	-	-	-
Repairs & Maintenance - Equipment	2,000	-	-	-
Water Efficiency	1,583,000	1,095,000	3,132,124	3,129,624
Subtotal Operating Expenses	\$ 2,258,607	\$ 1,529,794	\$ 3,662,450	\$ 3,682,660
Net Operating Revenues / Expenses	\$ 1,491,393	\$ 2,420,206	\$ (312,450)	\$ (332,660)
<u>Non-Operating Revenue</u>				
Investment Income	\$ 118,312	\$ 84,980	\$ 120,000	\$ 120,000
Subtotal Non-Operating Revenue	\$ 118,312	\$ 84,980	\$ 120,000	\$ 120,000
Net Revenues / Expenses	\$ 1,609,705	\$ 2,505,186	\$ (192,450)	\$ (212,660)

**Moulton Niguel Water District
Scheduled Debt Repayment
For Fiscal Year 2014-15 and 2015-16**

Description	FY 2014-15			FY 2015-16		
	Principal	Interest	Total P & I	Principal	Interest	Total P & I
2009 Certificate of Participation (Build America Bonds)	\$ -	\$ 4,098,976	\$ 4,098,976	\$ -	\$ 4,098,976	\$ 4,098,976
Department of Water Resources	298,441	9,413	307,854	152,022	1,905	153,927
State Water Resources Control Board	1,012,301	172,294	1,184,595	1,030,135	154,460	1,184,595
State Water Resources Control Board	464,177	33,165	497,342	472,255	25,087	497,342
State Water Resources Control Board	291,610	27,611	319,221	296,935	22,287	319,221
	1,768,088	233,070	2,001,158	1,799,324	201,834	2,001,158
California Infrastructure Economic Development Bank	93,406	22,459	115,865	95,956	19,909	115,865
California Infrastructure Economic Development Bank	61,358	17,401	78,759	63,303	15,456	78,759
	154,764	39,860	194,624	159,259	35,365	194,624
GOB Debt ID 6	4,395,000	469,256	4,864,256	4,580,000	304,400	4,884,400
GOB Debt ID 7	1,070,000	293,490	1,363,490	1,105,000	251,100	1,356,100
GOB Debt ID 8	-	-	-	-	-	-
	5,465,000	762,747	6,227,747	5,685,000	555,500	6,240,500
2003 Refunding Certificate of Participation	-	726,000	726,000	-	726,000	726,000
2010 Refunding Certificate of Participation	1,715,000	256,700	1,971,700	1,780,000	256,700	2,036,700
Total of Scheduled Debt Repayments	\$ 9,401,293	\$ 6,126,765	\$ 15,528,059	\$ 9,575,605	\$ 5,876,280	\$ 15,451,885

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**Moulton Niguel Water District
Proposed Fiscal Year 2014-15 and 2015-16 Budget
Staffing Plan**

Division, Department and Position Title	FY 2013-14 Adopted ¹	FY 2014-15 Proposed	FY 2015-16 Proposed	Notes
<u>Board of Directors</u>				
BOARD MEMBERS	7	7	7	
	7	7	7	
Board of Directors Total	7	7	7	
<u>Administration</u>				
<i>General Manager</i>				
ADMINISTRATIVE ANALYST	0	1	1	
ADMINISTRATIVE ASSISTANT	1	0	0	
ASSISTANT TO THE GENERAL MANAGER	1	1	1	
ASSISTANT GENERAL MANAGER	1	1	1	
BOARD SECRETARY/EXECUTIVE ASSISTANT	1	1	1	
GENERAL MANAGER	1	1	1	
LEGISLATIVE/OUTREACH ACTIVITIES (TITLE TBD)	1	1	1	
	6	6	6	
<i>Human Resources</i>				
DIRECTOR OF HUMAN RESOURCES	1	1	1	
SENIOR HUMAN RESOURCES ANALYST	1	1	1	
	2	2	2	
<i>Information Technology</i>				
INFORMATION TECHNOLOGY MANAGER	1	1	1	
MANAGEMENT ANALYST	0	0	1	Position Proposed in FY 15-16
SYSTEMS ANALYST	2	2	2	
	3	3	4	
PART TIME/INTERN/TEMPORARY EMPLOYEE(S) ²	0	1	1	IT Intern
Administration Total	11	11	12	
<u>Engineering and Operations</u>				
<i>Administrative Services</i>				
ADMINISTRATIVE ANALYST	0	1	1	
ADMINISTRATIVE ASSISTANT	2	1	1	
ASSISTANT DIRECTOR OF ENGINEERING	1	1	1	
ASSISTANT DIRECTOR OF OPERATIONS	1	1	1	
DIRECTOR OF ENGINEERING & OPERATIONS	1	1	1	
REGULATORY COMPLIANCE OFFICER	0	0	1	Position Proposed in FY 15-16
SAFETY AND RISK MANAGER	0	1	1	Position Proposed in FY 14-15
	5	6	7	
<i>Engineering Services</i>				
CONTRACTS & PROCUREMENT MANAGER	1	1	1	
CROSS CONNECTION INSPECTOR	5	5	5	
CROSS CONNECTION SUPERVISOR	1	1	1	
ENGINEERING/GIS TECHNICIAN	2	2	2	
INSPECTION SUPERVISOR	1	1	1	
INSPECTOR	4	4	4	
INVENTORY CONTROL WORKER	1	1	1	
PERMIT COORDINATOR	0	1	1	Position Proposed in FY 14-15
PRINCIPAL ENGINEER	2	2	2	
PURCHASING AGENT	1	1	1	
RECORDS AND MAPPING COORDINATOR	1	1	1	
SENIOR ENGINEER	1	1	1	
SENIOR GIS ANALYST	1	1	1	
SUPERINTENDENT OF ENGINEERING	1	1	1	
	22	23	23	

**Moulton Niguel Water District
Proposed Fiscal Year 2014-15 and 2015-16 Budget
Staffing Plan**

Division, Department and Position Title	FY 2013-14 Adopted ¹	FY 2014-15 Proposed	FY 2015-16 Proposed	Notes
<i>Facilities Maintenance</i>				
ELECTRICAL/INSTRUMENTATION SERVICES SUPERVISOR	1	1	1	
ELECTRICAL/INSTRUMENTATION SYSTEMS PROGRAMMER	1	1	1	
ELECTRICAL/INSTRUMENTATION TECHNICIAN	1	1	1	
MAINTENANCE WORKER - FACILITIES	6	6	6	
MECHANIC	2	2	2	
STATION MAINTENANCE SUPERVISOR	1	1	1	
SUPERINTENDENT FACILITIES OPERATION	1	1	1	
SUPPORT SERVICES SUPERVISOR	1	1	1	
WATER DISTRIBUTION SUPERVISOR	1	1	1	
WATER SYSTEMS OPERATOR	3	3	3	
	<hr/>	<hr/>	<hr/>	
	18	18	18	
<i>Utilities Maintenance</i>				
COLLECTION SYSTEM SUPERVISOR	1	1	1	
MAINTENANCE WORKER - COLLECTION SYSTEM	8	8	8	
MAINTENANCE WORKER - STREETS	8	8	8	
STREET CREW SUPERVISOR	1	1	1	
SUPERINTENDENT UTILITIES MAINTENANCE	1	1	1	
	<hr/>	<hr/>	<hr/>	
	19	19	19	
<i>Customer Service</i>				
BILLING REPRESENTATIVE	6	6	6	
CUSTOMER ACCOUNT SUPERVISOR	1	1	1	
CUSTOMER SERVICE REPRESENTATIVE - Field	14	14	14	
CUSTOMER SERVICE REPRESENTATIVE - Office	3	4	4	Proposed 1 Position in FY 14-15
CUSTOMER SERVICE REPRESENTATIVE - Water Eff.	2	2	2	
CUSTOMER SERVICE SUPERVISOR	2	2	2	
SUPERINTENDENT OF CUSTOMER SERVICE	1	1	1	
WATER CONSERVATION COORDINATOR	1	1	1	
WATER RESOURCES PLANNER	1	1	1	
	<hr/>	<hr/>	<hr/>	
	31	32	32	
PART TIME/INTERN/TEMPORARY EMPLOYEE(S) ²	3	4	4	2-P/T Eng & WH; 2 Interns in E&O
Engineering and Operations Total	95	98	99	
Finance				
<i>Administrative Services</i>				
DIRECTOR OF FINANCE & TREASURER	1	1	1	
FINANCE MANAGER	1	1	1	
SENIOR FINANCIAL ANALYST	1	1	1	
	<hr/>	<hr/>	<hr/>	
	3	3	3	
<i>Accounting</i>				
ACCOUNTANT	4	4	4	
ACCOUNTING SUPERVISOR	1	1	1	
CONTROLLER	1	1	1	
	<hr/>	<hr/>	<hr/>	
	6	6	6	
PART TIME/INTERN/TEMPORARY EMPLOYEE(S) ²	0	0	0	
Finance Total	9	9	9	
<hr/>				
Board Members	7	7	7	
Full Time Total	115	118	120	
Part Time Total	3	2	2	
Intern Total	0	3	3	
Grand Total	125	130	132	

Notes:

1) Adopted FY 2013-2014 Budget data reflects changes approved by the Board of Directors throughout FY 2013-2014.

2) Part Time/Intern/Temp employees are not tied to a Board approved authorization list. Part Time/Intern/Temp employees are at the discretion of staff and available funding.

**Moulton Niguel Water District
Fiscal Year 2014-15 and 2015-16
Capital Outlay Requests**

Category	Item	Fiscal Year		Comments
		2014-15	2015-16	
Vehicle	Street Crew HydroExcavator	\$ 425,147	\$ -	Approved by Board (December 2013); Expected Delivery in FY 2014/15.
Vehicle	Replace Unit #90 Truck	45,360	-	This vehicle will replace 1 vehicle that has reached its useful life.
Vehicle	Cross Connection Vehicle	45,360	-	This vehicle will be added to service a recently filled Cross Connection Inspector position that had been vacant.
Equipment	Portable Diesel Generator	125,766	-	The District currently utilizes a 450kW Generator set to handle all back-up power needs when a stationary unit is unavailable or out of service. The proposed 200kW Generator Set would allow for additional redundancy and sized to provide appropriate back-up power coverage.
Equipment	Meter Reading Unit	21,346	-	The proposed equipment is intended to replace one of the two existing reading units. One unit is no longer functioning and is in need of replacement.
Equipment	High Pressure Discharge Pump	144,056	-	The District has one back-up pump that can be utilized in emergencies. A second pump is required for planned bypass operations and provides critical redundancy during emergency bypass activities.
Equipment	4" Submersible Pump	9,946	-	The submersible pump would enable the District to drain various wet well, dry well, or vault structures within the District as necessary.
Equipment	Backhoe	136,841	-	Replacement of 20-year old backhoe that has exceeded its useful life.
Equipment	Lift Station Bypass Trailer	24,802	-	The proposed bypass trailer would store and deliver the necessary equipment to connect and operate the bypass pump(s) to District lift stations during planned or emergency bypass operations.
Vehicle	Replace Unit #93, Boom Truck	-	208,874	This vehicle will replace 1 existing Boom Truck that does not satisfy the needs of the District.
Vehicle	Replace Unit #91 Truck	-	45,360	The vehicle will replace 1 vehicle that has reached its useful life.
Vehicle	Replace Unit #14 Truck	-	45,360	The vehicle will replace 1 hybrid vehicle that has experienced high levels of maintenance requirements.
Vehicle	Replace Unit #41 Truck	-	45,360	The vehicle will replace 1 vehicle that has reached its useful life.
Equipment	Portable Diesel Generator	-	66,575	The proposed 100kW Generator Set would be the third portable generator set capable of operating smaller facilities and utilized whenever possible during replacement or maintenance on existing stationary engines/generators.
Equipment	Skid Steer Loader replacmnt	-	103,533	Replacement of 20-year old bobcat loader with a compact zero-turn mini excavator that would could be towed by smaller vehicles and allow system repairs in tighter conditions.
Equipment	42" Color Scanner	-	20,123	Replacement of existing color scanner that has reached its useful life.
		\$ 978,624	\$ 535,185	

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**Moulton Niguel Water District
Account Category Breakdown**

Account Category	Category Breakdown
<u>Operating Revenue</u>	
Water Sales	Potable Usage, Potable Service
Recycled Water Sales	Recycleed Usage, Recycled Service
Sanitation Sales	Sewer Usage, Sewer Service
Water Efficiency	WBBRS Penalties
	Meter sales, meter sales - miscellaneous parts, Rconnect fees, Tag fees, Reconnect after hour fees, Back flow notice, Service installation charges, Site visit charge, Recycleed sur charge, Meter removal/re-set, Water conservation penalties, Fog fees, Plan check & inspection, Miscellaneous
Other Operating Income	
<u>Operating Expenses</u>	
Salaries	Full time, Part time, Overtime, Comp time expense, Sick Expense, Director's Fees, Merit expense, Promotional expense, Standby
Retirement Program	PERs side fund, PERs employer contributions, PERs employee contributions, 401A employer contributions
Educational Courses	Educational coures, Certificates
Travels & Meetings	Travel costs, Seminar fees, Conference registration
Prehire Employment Expenses	Pre-employment costs, Employees Awards, Events
General Services	Billing services, Accounting services, Tax collection charges, Bad debt expense, Asset management fees, Principal, Interest, Community relations, project sponsorship, Mapping-sectional updates, Uniform services, Employee relations
Annual Audit	Financial audit
Member Agencies O&M	Pipeline O & M, Importation system O & M
Dues & Memberships	District dues & Memberships, Staff dues & memberships
Election Expenses	Registrar of voters expense
Consulting Services	Overall consulting services
Equipment Rental	Vehicle leasing, Office equipment rentals, System rentals, Overall tools & equipment
District Fuel	Unleaded fuel, Diesel fuel - vehicles, Diesel fuel - generators, natural gas & propane, vehicle oil
Insurance - District	Property insurance, Automobile & general liability, UST pollution liability, Pollution and Remediation, Employee Dishonesty, Misc. insurance
Insurance/Disability - Personnel	State unemployment insurance, Workers compensation, Medicare, FICA

**Moulton Niguel Water District
Account Category Breakdown**

Account Category	Category Breakdown
Insurance - Benefits	Life & Health insurance, Dental, Vision, Disability, Flexible spending, OPEB costs, OPEB costs rate subsidy, Auto allowance
Legal Services	General services, Personnel services
District Office Supplies	General office supplies, Billing supplies, Community relations supplies, Conservation supplies, Postage - billing, Shipping & postage - general, Freight expense, Sales tax expense
District Operating Supplies	Operating supplies, Chemicals, Laboratory supplies
Repairs & Maintenance - Equipment	Office equipment, Support services equipment, Hardware/software equipment, field equipment, AutoCad/drafting equipment, Mainframe, Server/network/PCs, SCADA, Vehicle corrective maintenance, Vehicle preventative maintenance, Vehicle diagnostic equipment, Vector vehicles, Vector equipment maintenance
Repairs & Maintenance - Facilities	System maintenance, System repairs, trash pick-up & tipping fees, Janitorial services, Landscape maintenance, Tree maintenance, Hazardous materials removal, USA's, Contract & maintenance agreements, Pest control & algaecide, Paving, Instrumentation, Raising manholes, Permits
Safety Program & Compliance Requirements	Safety equipment & supplies, Safety shoes, Safety training, Regulatory compliance
SOCWA	General fund, PC 2 JB Latham, PC 3A Plant 3A, PC 5 San Juan, (SO) 2 RW permitting, PC 15, PC 17, PC 21, PC 24, Pretreatment program, Use audit refund
Special Outside Assessments	DOHS fees, LAFCO fees, OC property tax admin fees, Other fees
Utilities	Electric utility, Gas utility, Overall telephone utility, Mobile communication, Internet/wireless communication
Water Purchases	Domestic water (MWD, SCWD, ETWD, IRWD), MWDOC (RTS, Annual connection, Capacity charge), Recycled water - SCWD, Reclaimed water rebate
Meter / Vault Purchases	Meters & vaults
Water Efficiency	Efficiency rebates, WBBRs costs

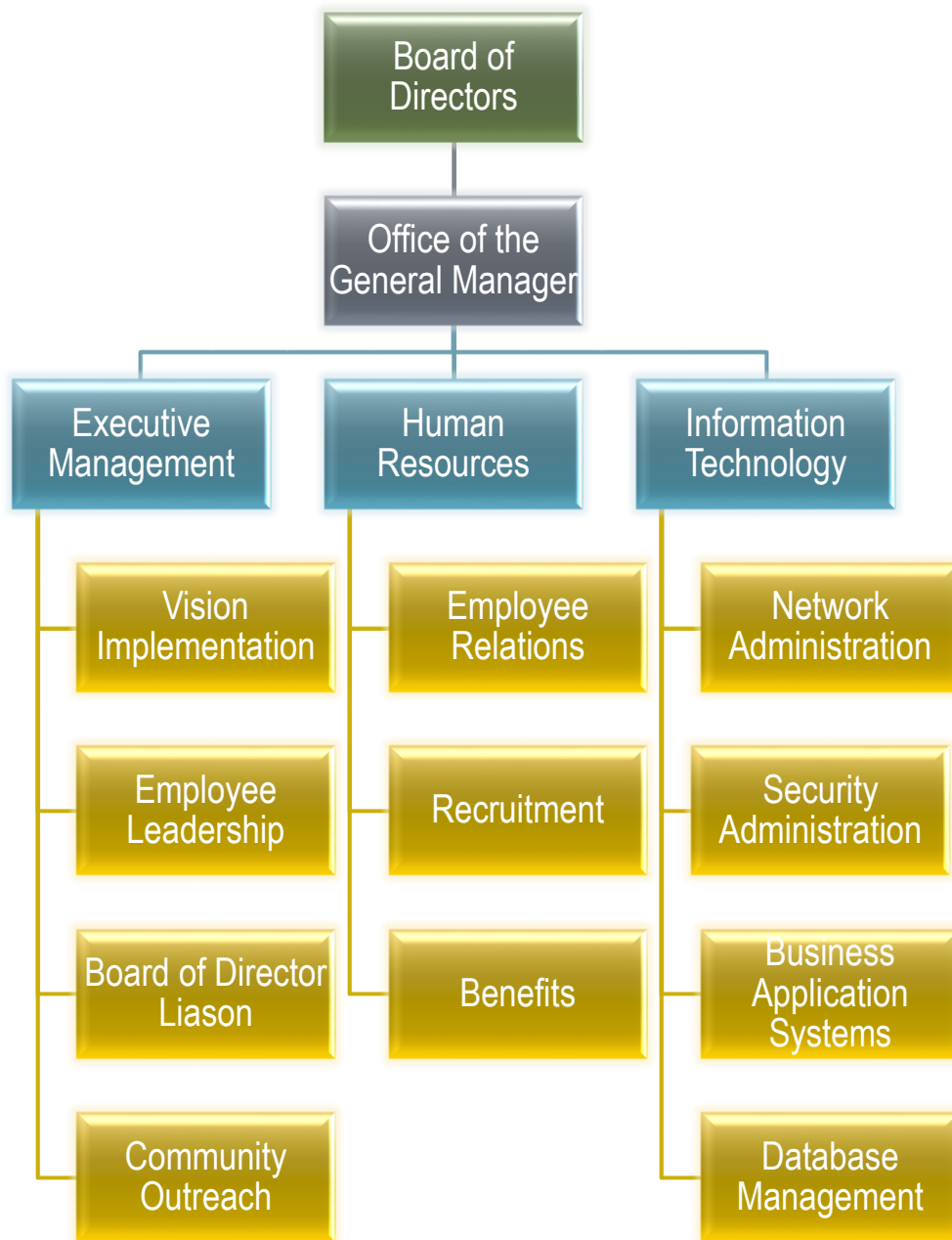
Non-Operating Revenue

Property Tax Revenue	Secured taxes, Secured taxes paid to SCWD, Supplemental taxes, Unsecured taxes, Miscellaneous taxes
Investment Income	Interest earned, accrued interest, gains/losses, unrealized gains/losses
Cellular Lease Income	Cell towers

**Moulton Niguel Water District
Account Category Breakdown**

Account Category	Category Breakdown
Misc Non-Operating Income	Returned check fees, SCWD sewer facility fees, Borard room rental fees, Sale of scrap, Medical FSA, Gain (loss) on sale of assets, miscellaneous non-operating income

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Note: This flowchart represents the departmental functions within the division.

Mission: "The purpose of the Board of Directors and Administration Division is to provide leadership and oversight for the organization with integrity in line with the policies set by the Board of Directors to execute the District's vision while working collaboratively with our communities and regional partners to facilitate continuous improvement."

ABOUT THE DIVISION

The Division is responsible for the overall management of the District, strategic planning and building a cooperative relationship for the organization, community and regional partners. The Director of Human Resources guides employee relations, recruitment and benefits administration. The Information Technology department provides network and security administration along with user support throughout the organization. The Board of Directors consists of seven Directors elected by the public by voting decision who are supported by the Board Secretary/Executive Assistant.

TOP ACCOMPLISHMENTS FOR FY 2013-2014

- Continued to make significant progress on the District-wide priorities identified for FY 2013-14, including the specific accomplishments discussed below.
- Successful implementation of the four-year Memorandum of Understanding with the employees.
- Completed a Needs Assessment to review the District's operations and administrative facilities for current and future needs.
- Provided on-going coordination and facilitation of the South Orange County Agencies working group and the South Orange County Operations Managers Group. Created the Reliability Planning Group to collaborate on developing/improving water reliability projects.
- Implemented the annual focal-point performance appraisal process, revised performance appraisal forms and coordinated performance appraisal training for all supervisors.
- Successfully implemented the second phase of the Enterprise Resource Planning system with the JD Edwards Human Resources/Payroll module and secured on-going system support.
- Conducted Board workshops and participated in regional speaking engagements to provide information on the District's financial planning, water reliability planning, and the drought and conservation efforts.

FOCUS FOR FY 2014-2015

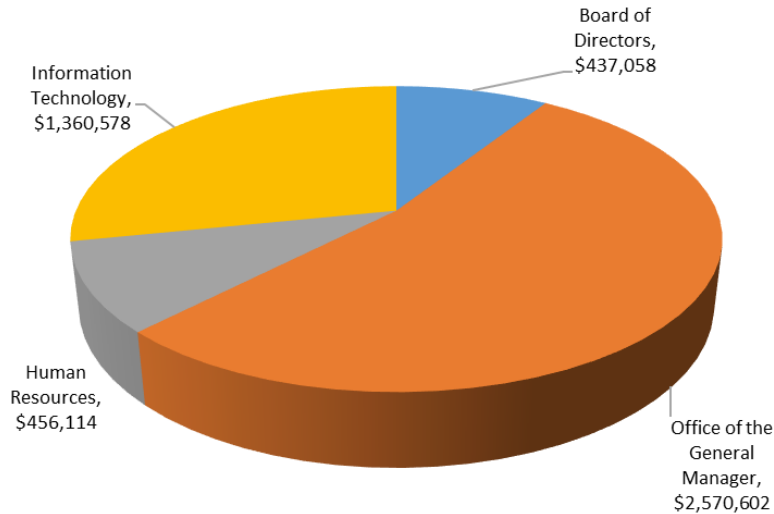
- Continue implementation of the District-wide priorities identified for FY 2014-15.
- Continue tracking and updates related to drought and water supply concerns, water-use efficiency programs, and conservation policy updates.
- Continue assessment and implementation of the Operations Facilities' Assessment Study.
- Fill critical vacancies within the District, including vacancies in the Finance department, water-use efficiency program, and legislative/outreach activities.
- Complete implementation of the District's utility billing system replacement to the Utiligy360 solution to support the Customer Service Department.

- Continue participation in regional organizations and partnerships that support the District's mission and continue evaluation of the District's role and level of involvement in various regional organizations.
- Oversee completion of the Long Range Financial Plan and Cost of Service/Rate Design Analysis.
- Expand outreach function to have a greater presence in the community and to engage our customers to promote District's services.
- Work with employees to mitigate rising healthcare costs.

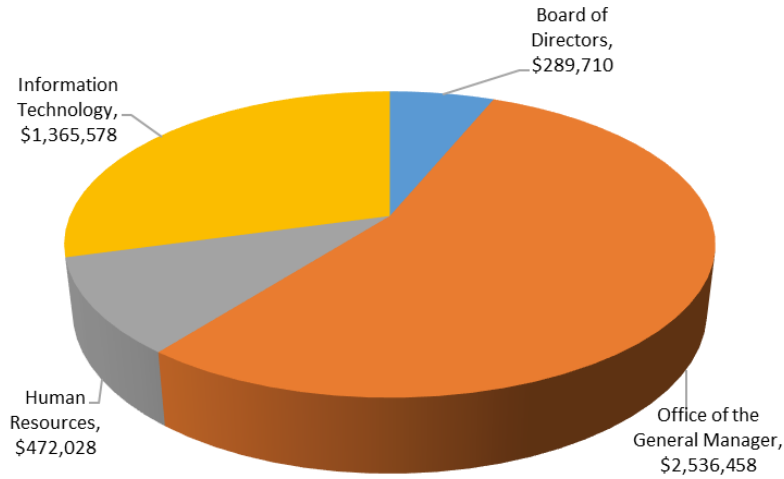
DIVISION FINANCIAL SUMMARY

Expenses by Department	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Board of Directors	\$ 320,061	\$ 262,978	\$ 437,058	\$ 289,710
Office of the General Manager	1,860,920	1,788,211	2,570,602	2,536,458
Human Resources	685,965	410,428	456,114	472,028
Information Technology	-	-	1,360,578	1,365,578
Total	\$ 2,866,946	\$ 2,461,617	\$ 3,463,774	\$ 3,298,196

FY 2014-2015 Division Budget



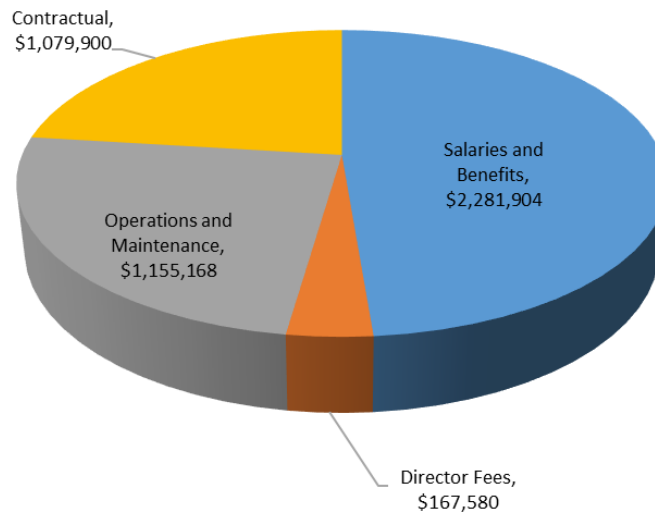
FY 2015-2016 Division Budget



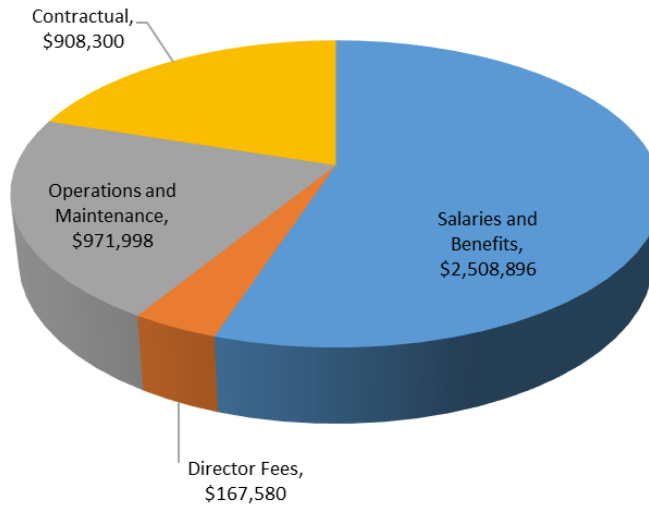
DIVISION FINANCIAL SUMMARY

Division Expenses by Category	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries and Benefits	\$ 1,439,550	\$ 1,415,950	\$ 2,281,904	\$ 2,508,896
Director Fees	167,580	123,285	167,580	167,580
Operations and Maintenance	466,800	293,968	1,155,168	971,998
Contractual	793,016	628,414	1,079,900	908,300
Total	\$ 2,866,946	\$ 2,461,617	\$ 4,684,552	\$ 4,556,774

FY 2014-2015 Category Budget



FY 2015-2016 Category Budget



DIVISION FINANCIAL DETAIL

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 776,278	\$ 763,061	\$ 1,402,018	\$ 1,558,973
Directors Fees	167,580	123,285	167,580	167,580
Retirement Program	95,612	93,344	207,064	227,349
Educational Courses	8,000	5,115	11,320	12,270
Travel & Meetings	49,966	49,329	76,694	78,324
Employee Relations	13,000	13,000	14,800	15,000
General Services	55,000	46,066	51,776	53,200
Dues & Memberships	69,754	77,412	76,040	79,680
Election Expenses	-	-	150,000	-
Consulting Expenses	25,000	-	320,400	135,000
Insurance - District	585,246	524,359	576,151	632,275
Insurance - Personnel	238,308	276,270	366,795	391,065
Insurance - Benefits	329,352	283,274	306,027	331,509
Legal - Services	219,000	138,500	220,000	180,000
District Office Supplies	233,900	68,601	199,700	166,200
Repairs and Maintenance - Equipment	700	-	448,987	409,599
Safety Program & Compliance	250	-	1,000	750
Total	\$ 2,866,946	\$ 2,461,617	\$ 4,596,352	\$ 4,438,774

BOARD OF DIRECTORS

PURPOSE: The Board of Directors is responsible for establishing the policies, approving a budget and governing the affairs of the District. The Board shall establish policies that ensure fiscal stability and the effective use of funds. The Board sets rates and fee levels, approves and adopts a two-year Budget, approves and adopts water management plans, awards contracts, receives the Annual Audit, approves periodic updates of the Ten-Year Cash Flow Forecast, reviews the Long Range Plan, and conducts environmental reviews of capital improvement projects. Board meetings are held on the third Thursday of each month at the District office. Pursuant to Government Code Section 54956 the President may call special meetings of the Board.

A Board Member is committed to serve the best interests of the community, provide services that are essential to the community, and represent both the ratepayers and the employees. The Board members work together to achieve the goals of the Board.

FINANCIAL SUMMARY

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Directors Fees	\$ 167,580	\$ 123,285	\$ 167,580	\$ 167,580
Retirement Program	-	-	765	811
Travel & Meetings	8,000	12,280	10,000	10,000
Election	-	-	150,000	-
Insurance - Personnel	7,581	8,493	12,126	12,126
Insurance - Benefits	134,800	117,473	94,587	97,193
District Office Supplies	2,100	1,447	2,000	2,000
Total	\$ 320,061	\$ 262,978	\$ 437,058	\$ 289,710

CHANGES

- Budget for FY 2014/2015 includes potential expenses associated with the 2014 November elections.

OBJECTIVES

- Monitor regional issues that impact the District and provide policy-level direction to staff.
- Assure appropriate management of public funds and promote transparency in all aspects of District operations.
- Oversee the update of District policies.
- Update the Legislative Priorities and Policy Statements.
- Make decisions regarding water reliability goals and regional participation.
- Continued participation in regional organizations and activities that support the District's mission.

OFFICE OF THE GENERAL MANAGER

PURPOSE: Under the direction of the Board of Directors, the General Manager is responsible for providing leadership and support to the organization and ensuring successful management of overall operations. The General Manager facilitates an environment that encourages responsibility, accountability and teamwork through all levels of the organization and sets the example with daily actions. The General Manager guides public outreach efforts to engage the customers and advocate for the needs of the communities. Through communication and collaboration, the General Manager works with the Board of Directors and staff to create a strategic vision for the District, align goals and promote trust.

FINANCIAL SUMMARY

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 568,210	\$ 558,536	\$ 838,635	\$ 881,406
Retirement Program	67,308	65,711	109,266	117,351
Educational Courses	2,000	115	3,850	5,200
Travel & Meetings	34,766	31,000	37,194	38,194
Dues & Memberships	68,499	77,412	74,545	78,165
Consulting Services	25,000	-	150,000	50,000
Insurance - District	585,246	524,359	576,151	632,275
Insurance - Personnel	6,710	242,233	321,160	343,780
Insurance - Benefits	103,931	92,993	110,901	114,437
Legal Services	169,000	130,000	170,000	130,000
District Office Supplies	230,000	65,852	178,400	145,400
Safety Program & Compliance	250	-	500	250
Total	\$ 1,860,920	\$ 1,788,211	\$ 2,570,602	\$ 2,536,458

CHANGES

- Filled the vacant Assistant General Manager position.
- Addressed need for legislative and outreach activities.
- Expected increase outside professional services associated with the ongoing financial and rate analysis as well as operational facility review.

OBJECTIVES

- Continue implementation of the District-wide priorities.
- Continue to increase involvement and assessment of regional activities and organizations.
- Identify and begin implementation of cost-effective solutions for the Administration/Operations facilities.
- Improve working relationships and continue to expand partnerships with local cities and agencies.
- Expand the current outreach program.

HUMAN RESOURCES DEPARTMENT

PURPOSE: The Human Resources Department is responsible for personnel administration activities including recruitment, salary and benefits administration, employee relations and communications, performance management, training and development, and program coordination.

The District’s Human Resources functions are important for a number of reasons. The District’s successful achievement of its mission depends upon its employees. The effectiveness of the organization will determine the District’s future ability to continue fulfilling its community obligations and responsibilities.

The Board of Directors has identified its employees as its most valuable resource, and has provided a consistent and long-term commitment to the development and well-being of its workforce. This commitment includes employee education and training, development, certification programs, and safety and health programs. As a result of the District’s commitment to its people, the District has been able to maintain a stable, productive, highly-trained, safety-conscious, and customer service-oriented workforce.

FINANCIAL SUMMARY

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 208,068	\$ 204,526	\$ 214,427	\$ 225,363
Retirement Program	28,304	27,633	36,438	39,505
Educational Courses	6,000	5,000	7,470	7,070
Travel & Meetings	7,200	6,049	13,000	13,630
Employee Relations	13,000	13,000	14,800	15,000
General Services	55,000	46,066	51,776	53,200
Dues & Memberships	1,255	-	960	980
Insurance - Personnel	224,017	25,544	28,109	28,268
Insurance - Benefits	90,621	72,808	36,834	38,212
Legal Services	50,000	8,500	50,000	50,000
District Office Supplies	1,800	1,302	1,300	800
Repairs & Maintenance	700	-	1,000	-
Total	\$ 685,965	\$ 410,428	\$ 456,114	\$ 472,028

CHANGES

- None to report.

OBJECTIVES

- Conduct recruitments for positions identified as critical to accomplish the District’s mission.
- Continue to implement the terms of the Memorandum of Understanding with the employees association.
- Leverage the functionality of the JD Edwards Human Resources/Payroll Module by customizing reports and developing a customized handbook for data entry into the system.
- Work with employees to mitigate rising healthcare costs.

Information Technology Department

Purpose: The Information Technology (IT) Department purpose is to provide technology leadership in support of the District strategic business requirements and technology services to District staff in assisting them to perform their duties.

The department is responsible for managing and supporting all technology assets including network and security infrastructure, telecommunications, wireless technology, Supervisory Control and Data Acquisition (SCADA) system, Business Application Systems, data management and user support.

FINANCIAL SUMMARY

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ -	\$ -	\$ 348,956	\$ 452,204
Retirement Program	-	-	60,595	69,682
Travel & Meetings	-	-	16,500	16,500
Dues & Memberships	-	-	535	535
Consulting Services	-	-	170,400	85,000
Insurance - Personnel	-	-	5,400	6,891
Insurance - Benefits	-	-	63,705	81,667
District Office Supplies	-	-	18,000	18,000
District Operating Supplies	-	-	1,000	1,000
Repairs & Maintenance - Equipment	-	-	447,987	409,599
Equipment Rentals	-	-	32,000	32,000
Safety Program & Compliance	-	-	500	500
Utilities	-	-	195,000	192,000
Total	\$ -	\$ -	\$ 1,360,578	\$ 1,365,578

CHANGES

- The Information Technology Department reported to the Engineering and Operation Division in FY 2013-2014 and for FY 2014-2015 and 2015-2016 has been moved to the Administration Division.

OBJECTIVES

- Continue the department’s core activities to support the District mission and purpose.
- Prepare a disaster recovery hot site for mission critical data.
- Complete the replacement of the District’s Utility Billing system as part of the Enterprise Resource Planning project.
- Continue to configure and setup stations on radios for the wireless network.
- Continue to implement key IT projects in the IT strategic plan’s recommendation.

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Note: This flowchart represents the departmental functions within the division.

Mission: "To provide responsible management of the District's public funds in a transparent and conservative manner while ensuring the highest level of service to both external and internal customers."

ABOUT THE DIVISION

The Finance Division manages the fiscal operations of the District and maintains financial records in conformance with generally accepted accounting principles and in compliance with state and federal laws. The Division's primary functions include: maintaining effective systems for financial planning & reporting, capital project tracking, bi-annual budget, disbursement control, investment management, asset tracking and cash monitoring.

TOP ACCOMPLISHMENTS FOR FY 2013-2014

- Initiated a Long Range Financial Plan, including an update of the 10-Year cash flow.
- Completed and submitted the District's Comprehensive Annual Financial Report to Government Finance Officers Association for the Excellence in Financial Reporting Awards Program.
- Developed monthly financial statements and reports for presentation to the Board of Directors.
- Initiated a Cost of Service Analysis and Rate Design review.
- Successfully implemented the second phase of the Enterprise Resource Planning system with the JD Edwards Human Resources/Payroll module and secured on-going system support.
- Saved District taxpayers in Improvement District Nos. 6 and 7 approximately 1.7 million dollars through a consolidated bond refinancing.

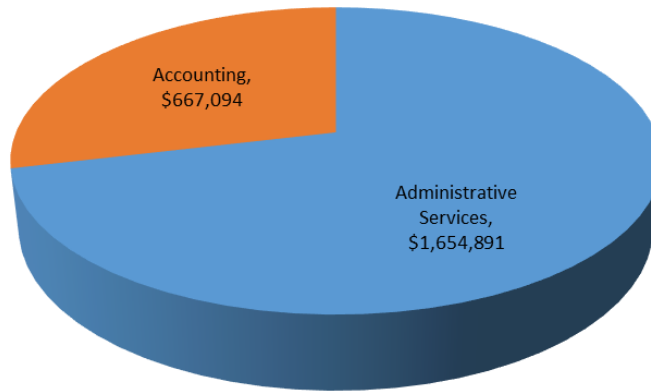
Focus for FY 2014-2015

- Complete the Long Range Financial Plan, including a 10-year financial strategy based on the projected revenues and expenses within the 10-year cash flow model.
- Complete the Cost of Service Analysis and present recommendations for potential adjustments to the existing rate structure based on the Long Range Financial Plan and Cost of Service.
- Continue to provide monthly financial statements and budget comparison reports to the Board of Directors.
- Provide regular updates of the District's 10-year cash flow model.
- Continue to leverage and enhance the JD Edwards EnterpriseOne system to improve business processes for better efficiency.
- Continue to manage the District's investments with its investment advisor to ensure available funds for expenses while maximizing the return on investments in a manner consistent with the investment policy.

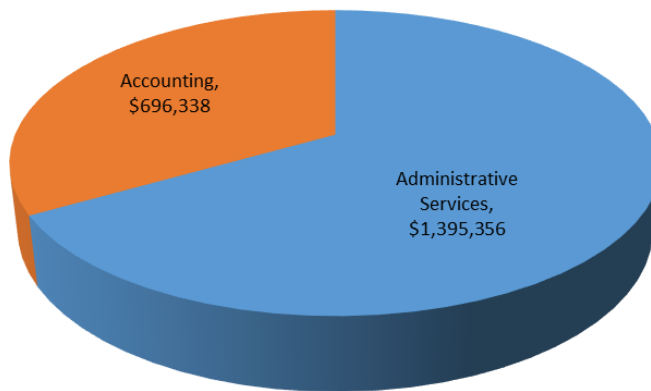
DIVISION FINANCIAL SUMMARY

Expenses by Department	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Administrative Services	\$ 1,491,238	\$ 1,628,254	\$ 1,654,891	\$ 1,395,356
Accounting	686,262	650,897	667,094	696,338
Total	\$ 2,177,500	\$ 2,279,151	\$ 2,321,985	\$ 2,091,694

FY 2014-2015 Division Budget



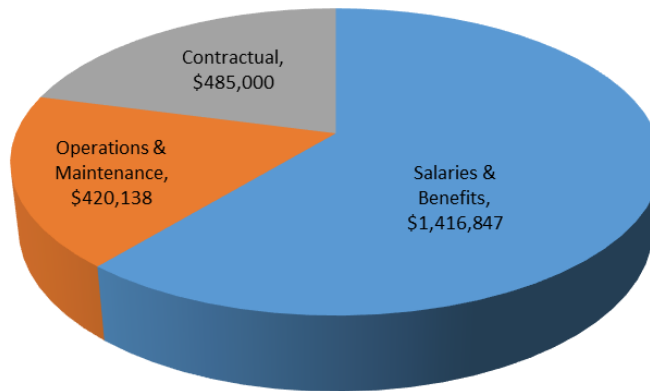
FY 2015-2016 Division Budget



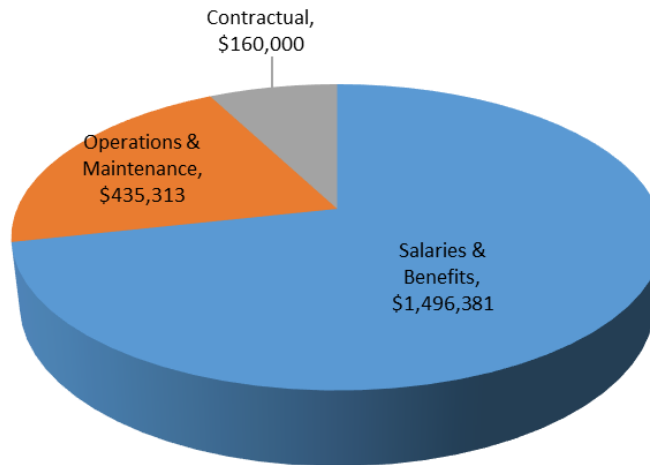
DIVISION FINANCIAL SUMMARY

Division Expenses by Category	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries & Benefits	\$ 1,673,180	\$ 1,611,373	\$ 1,416,847	\$ 1,496,381
Operations & Maintenance	391,370	364,532	420,138	435,313
Contractual	112,950	303,246	485,000	160,000
Total	\$ 2,177,500	\$ 2,279,151	\$ 2,321,985	\$ 2,091,694

FY 2014-2015 Category Budget



FY 2015-2016 Category Budget



DIVISION FINANCIAL DETAIL

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 662,912	\$ 651,684	\$ 771,875	\$ 810,323
Retirement Program	282,022	246,099	135,748	144,087
Educational Courses	2,500	-	1,900	1,900
Travel & Meetings	8,000	2,211	6,000	6,000
General Services	165,000	140,000	142,500	145,175
Annual Audit	45,000	31,820	40,000	45,000
Dues & Memberships	870	1,331	2,438	2,438
Consulting Expenses	112,950	303,246	485,000	160,000
Insurance - Personnel	9,583	11,258	10,931	11,489
Insurance - Benefits	718,663	702,332	498,293	530,482
District Office Supplies	3,000	2,170	2,000	2,000
Special Outside Assessments	167,000	187,000	225,300	232,800
Total	\$ 2,177,500	\$ 2,279,151	\$ 2,321,985	\$ 2,091,694

ADMINISTRATIVE SERVICES DEPARTMENT

PURPOSE: The appointed Treasurer (Director of Finance) is responsible for the District’s investment portfolio and is currently supported by an outside professional portfolio manager. The Finance Manager and Senior Financial Analyst assist the Director of Finance in the operation of the Division by providing support for complex accounting and financial analysis duties. Responsibilities include the bi-annual budget preparation, Long Range Financial Plan, financial reports to the Board of Directors and operating divisions, 10 year cash flow forecast, cost of services & rate analysis and assistance with bond issuance.

FINANCIAL SUMMARY

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 228,408	\$ 224,519	\$ 351,104	\$ 369,010
Retirement Program	230,656	195,954	81,754	87,404
Educational Courses	-	-	900	900
Travel & Meetings	4,500	1,911	3,000	3,000
General Services	70,000	55,000	55,500	56,000
Annual Audit	45,000	31,820	40,000	45,000
Dues & Memberships	570	1,031	2,138	2,138
Consulting Services	112,950	303,246	485,000	160,000
Insurance - Personnel	3,312	3,891	5,091	5,351
Insurance - Benefits	627,842	623,159	405,104	433,753
District Office Supplies	1,000	723	-	-
Special Outside Assessments	167,000	187,000	225,300	232,800
Total	\$ 1,491,238	\$ 1,628,254	\$ 1,654,891	\$ 1,395,356

CHANGES

- Reorganized a vacant accountant position to Finance Manager within the Administrative Services Department.
- Consulting services increased in FY 2014-15 for increased professional support.

OBJECTIVES

- Complete the Long Range Financial Plan, including a 10-year financial strategy based on the projected revenues and expenses within the 10-year cash flow model.
- Complete the Cost of Service Analysis and present recommendations for potential adjustments to the existing rate structure based on the Long Range Financial Plan and Cost of Service.
- Continue to provide monthly financial statements and budget comparison reports to the Board of Directors.
- Provide regular updates of the District’s 10-year cash flow model.

ACCOUNTING DEPARTMENT

Purpose: To develop, enhance and manage a sound financial structure, enabling the District to provide quality services to the community while effectively controlling and monitoring the receipt and disbursement of public funds. The Department is also responsible for oversight, monitoring and processing payroll, accounts payable, accounts receivable and cash management.

FINANCIAL SUMMARY

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 434,504	\$ 427,165	\$ 420,771	\$ 441,313
Retirement Program	51,366	50,144	53,994	56,683
Educational Courses	2,500	-	1,000	1,000
Travel & Meetings	3,500	300	3,000	3,000
General Services	95,000	85,000	87,000	89,175
Dues & Memberships	300	300	300	300
Insurance - Personnel	6,271	7,367	5,840	6,138
Insurance - Benefits	90,821	79,174	93,189	96,729
District Office Supplies	2,000	1,447	2,000	2,000
Total	\$ 686,262	\$ 650,897	\$ 667,094	\$ 696,338

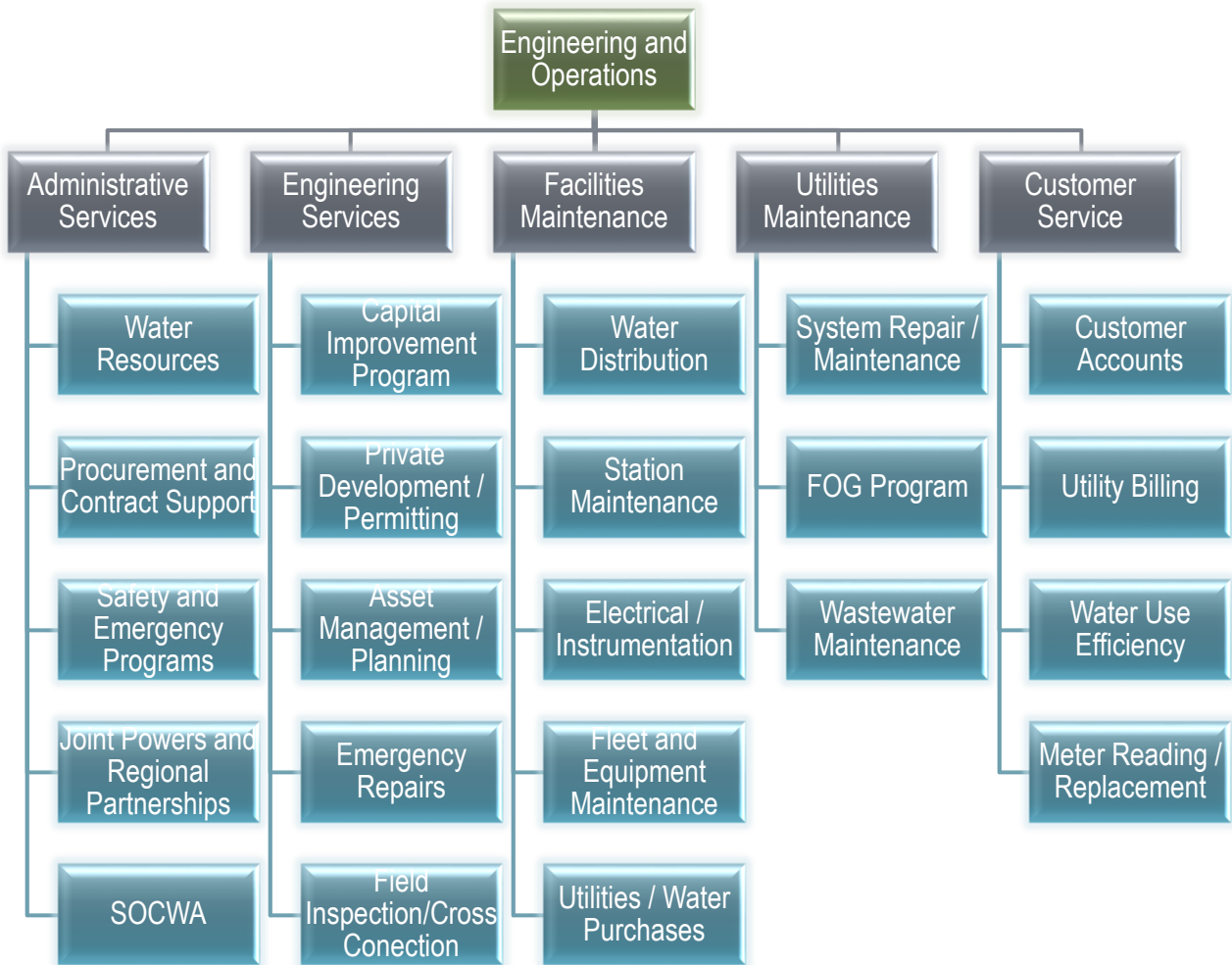
CHANGES

- None to report.

OBJECTIVES

- Timely completion of the District's Audit and Comprehensive Annual Financial Report and submittal to GFOA for the annual Excellence in Financial Reporting Awards Program
- Implement best business practices through the new financial software, allowing staff to be more efficient and effective.
- Timely completion of the annual audit.
- Continue documentation of internal financial standard operating procedures.
- Implement any new GASB updates and standards.
- Practice responsible stewardship of the Districts resources. Maintain accounting records and related systems of internal control in accordance with generally accepted accounting principles, policies of the District and requirements of the government.

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Note: This flowchart represents the departmental functions within the division.

Mission Statement: “To plan, construct, operate, and maintain the necessary infrastructure for the reliable delivery of high-quality potable and recycled water and safe collection and treatment of wastewater in an efficient and regulatory compliant manner while providing a high level of customer service and ensuring future needs.

ABOUT THE DIVISION

The Engineering and Operations Division is responsible for the operation of the District’s potable water, recycled water, and wastewater systems to meet the current and future service needs of the District’s customers in conformance with state and federal laws. Successful operation of the three systems requires technical expertise to support asset-management based operation, maintenance, planning, engineering, and construction. The Division is also responsible to provide customer account services for the appropriate billing and collection of water and wastewater charges, and the day-to-day interface with District customers. The Division’s primary functions include: distribution of potable and recycled water, collection of wastewater, maintenance and repair of the District’s infrastructure, billing and revenue collection for water and wastewater charges, fleet management, development of asset-management programs to track and plan for the sustained performance of the systems, development and execution of the Capital Improvement Program, and participation and collaboration in regional activities impacting the Division’s mission.

TOP ACCOMPLISHMENTS FOR FY 2013-2014

- Executed cooperative agreements for the construction and future operation of the Baker Water Treatment Plant.
- Continued development of the Long Range Water Resources Plan, including successful workshops on demand forecasting, reliability scenarios and demand gaps.
- Began implementation of the District’s Utility Billing system replacement as part of the Enterprise Resource Planning project.
- Updated the District’s Emergency Response Plan and Hazardous Material Response Plan.
- Continued participation in the Certified Occupational Safety Specialist (COSS) program for supervisors.
- Received delivery of the District’s new enterprise geodatabase that serves both GIS and Asset Management functions, which allowed for in-house editing of assets from the District’s capital improvement projects, private development, and operational maintenance activities.
- Completed a prioritization of the District’s 10-year Capital Improvement Program to maximize the use of available resources in executing the program.

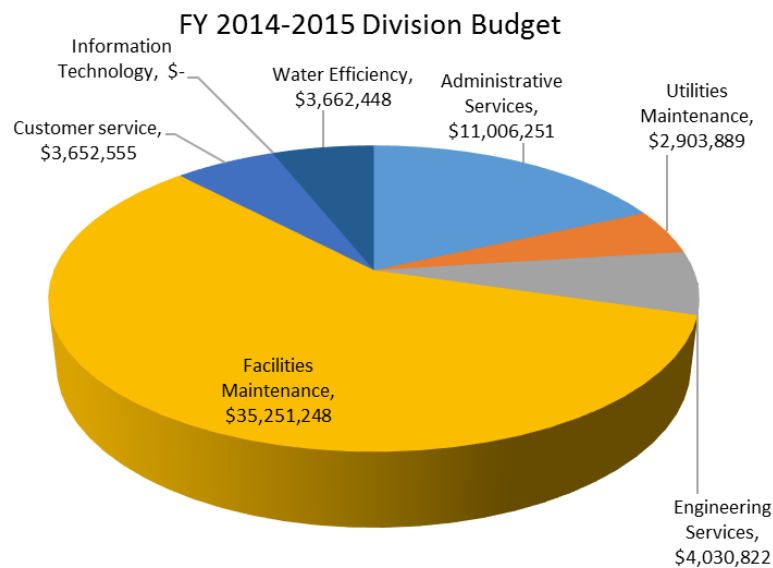
FOCUS FOR FY 2014-2015

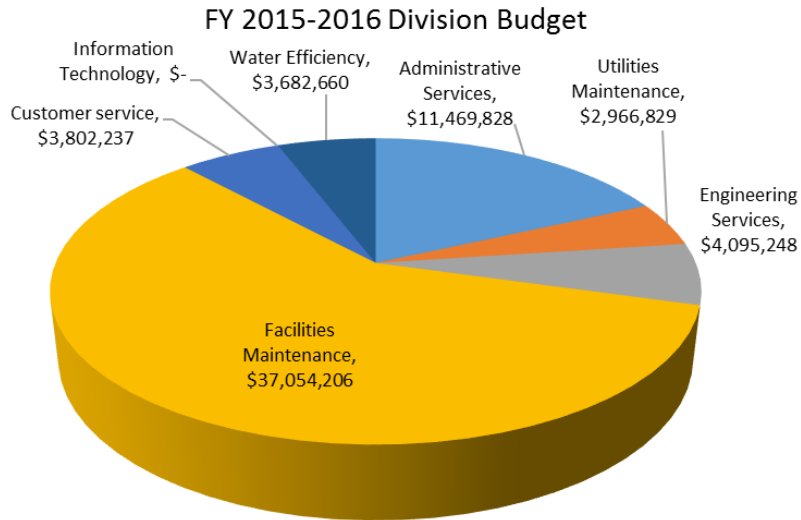
- Continue the Division’s core activities to support the organization’s mission and purpose.
- Finalize development of the District’s Long Range Water Resources Plan to support the District’s reliability goals as additional system and supply reliability projects are evaluated.
- Develop a strategic plan for the implementation of effective Asset Management programs, including initiating the replacement of the District’s Computerized Maintenance and Management System (CMMS) to support integrated asset management in conjunction with the GIS.

- Execute the District’s Capital Improvement Program, including utilization of the recently executed on-call engineering contracts.
- Complete the replacement of the District’s Utility Billing system as part of the Enterprise Resource Planning project.
- Review existing customer water use trends as provided by the Water Budget Based Rate Structure and review and develop effective Water Use Efficiency programs to support customer needs.
- Continue development of the GIS for field-based maintenance activities to improve operational efficiencies and streamline data collection.
- Update of existing District programs and policies including:
 - The Purchasing Policy.
 - The Fats, Oils, and Grease (FOG) Program Policy and Procedures.
 - The District’s Standard Specifications for Construction of Domestic Water, Sewer and Recycled Water Facilities.

DIVISION FINANCIAL SUMMARY

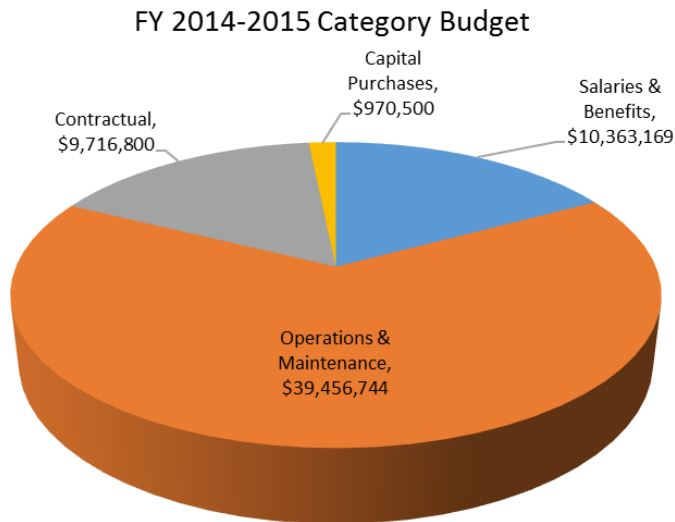
Expenses by Department	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Administrative Services	\$ 10,767,449	\$ 9,593,145	\$ 11,006,251	\$ 11,469,828
Utilities Maintenance	3,255,011	2,876,652	2,903,889	2,966,829
Engineering Services	3,653,618	3,516,745	4,030,822	4,095,248
Facilities Maintenance	33,942,419	33,516,074	35,251,248	37,054,206
Customer service	3,583,046	3,459,919	3,652,555	3,802,237
Information Technology	1,235,715	1,143,001	-	-
Water Efficiency	2,258,607	1,527,957	3,662,448	3,682,660
Total	\$ 58,695,865	\$ 55,633,493	\$ 60,507,213	\$ 63,071,008



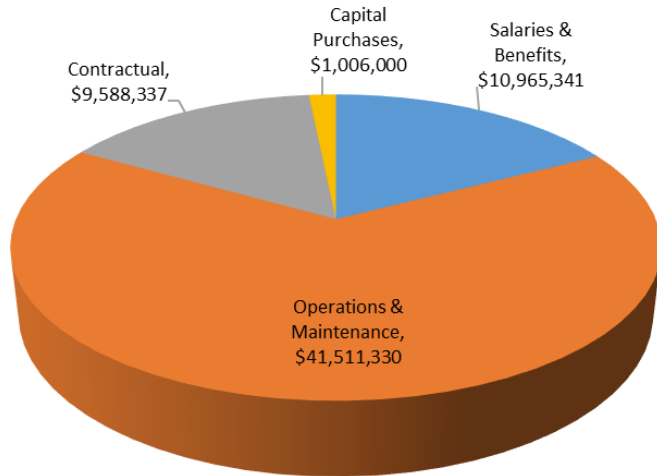


DIVISION FINANCIAL SUMMARY

Division Expenses by Category	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries & Benefits	\$ 9,932,445	\$ 9,511,075	\$ 10,363,169	\$ 10,965,341
Operations & Maintenance	38,158,801	37,704,956	39,456,744	41,511,330
Contractual	9,721,619	7,545,461	9,716,800	9,588,337
Capital Purchases	883,000	872,000	970,500	1,006,000
Total	\$ 58,695,865	\$ 55,633,493	\$ 60,507,213	\$ 63,071,008



FY 2015-2016 Category Budget



DIVISION FINANCIAL DETAIL

General Fund Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 6,929,246	\$ 7,172,991	\$ 7,535,760	\$ 7,984,710
Retirement Program	913,600	931,740	1,100,993	1,171,462
Educational Courses	36,880	17,492	39,000	30,600
Travel & Meetings	187,657	148,713	171,040	157,020
General Services	292,475	268,475	208,500	240,400
Member Agency O+M	1,140,100	1,032,753	1,231,370	1,415,000
Dues & Memberships	13,590	11,953	15,490	16,192
Consulting	948,024	491,900	797,500	845,000
Equipment Rentals	89,300	57,953	33,000	33,000
District Fuel	346,000	294,700	340,000	340,000
Insurance - Personnel	72,306	84,876	90,372	96,278
Insurance - Benefits	1,445,486	1,260,053	1,556,014	1,629,725
District Office Supplies	326,400	275,670	376,010	380,410
District Operating Supplies	244,095	309,526	314,850	301,150
Repairs & Maintenance - Equipment	1,857,401	689,200	418,300	393,910
Repairs & Maintenance - Facilities	3,314,624	3,495,613	3,550,995	3,513,070
Safety Program & Compliance	134,735	137,057	284,250	164,950
SOCWA	8,702,195	7,835,574	8,450,820	8,630,000
Special Outside Assessments	6,500	1,008	5,000	5,000
Utilities	1,839,205	2,029,500	1,931,000	2,026,000
Water Purchases	26,790,439	27,133,330	27,976,295	29,577,841
Meter Purchase	807,000	797,000	868,000	906,000
Subtotal	\$ 56,437,258	\$ 54,477,078	\$ 57,294,559	\$ 59,857,718

FY 2014-15 & 2015-16 Budget

Engineering and Operations Division

Water Efficiency Fund Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 411,903	\$ 329,903	\$ 326,918	\$ 344,449
Retirement Program	55,471	40,089	41,866	43,911
Educational Courses	500	500	500	500
Travel & Meetings	3,800	750	2,700	2,700
Dues & Membership	500	-	500	500
Consulting Services	20,000	-	-	-
Insurance - Personnel	4,064	61,415	4,131	4,342
Insurance - Benefits	100,369	-	75,899	78,824
District Office Supplies	76,500	300	77,810	77,810
District Operating Supplies	500	-	-	-
Repairs & Maintenance	2,000	-	-	-
Water Efficiency	1,583,000	1,095,000	3,132,124	3,129,624
Subtotal	\$ 2,258,607	\$ 1,527,957	\$ 3,662,448	\$ 3,682,660
Division Total	\$ 58,695,865	\$ 56,005,035	\$ 60,957,007	\$ 63,540,378

Administrative Services Department

Purpose: The Administrative Services Department is primarily responsible for administration, oversight, and reporting of all Division functions. The Department’s purpose is to provide direction to staff to execute the Division’s mission and to train and equip staff to perform their necessary job functions. The Department supports staff through Contracts and Procurement services, which may include development of contracts and agreements, procurement of materials, equipment, and services, and warehouse management. Additional responsibilities include implementing the District’s policies within the Division, water resources planning for future system and supply reliability needs, developing staff for future succession planning, recommending changes within the Division as necessary to support changing business needs, and implementing the District’s Safety Program and Emergency Response Program. The Department is responsible for reporting Division activities and progress to the District’s Executive Management and Board of Directors. Operational and technical participation in Joint Powers Authorities and regional partnerships and/or collaborations, i.e. SOCWA, JRWSS, SJBA, are also generally accomplished within the Administrative Services Department.

FINANCIAL SUMMARY

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 742,352	\$ 729,772	\$ 1,058,683	\$ 1,207,680
Retirement Program	104,655	102,142	129,030	144,811
Educational Courses	2,200	-	1,450	-
Travel & Meetings	11,600	8,000	18,490	19,320
General Services	40,000	23,000	25,000	40,000
Dues & Memberships	9,880	9,750	15,340	16,042
Consulting	156,000	100,000	470,000	540,000
Equipment Rentals	26,500	23,953	27,000	27,000
District Fuel	346,000	294,700	340,000	340,000
Personnel Insurance	8,705	10,226	17,703	19,900
Benefits Insurance	137,362	119,756	188,135	210,465
District Office Supplies	123,000	88,335	96,500	101,400
Repairs & Maintenance - Equipment	500	-	2,700	2,810
Repairs & Maintenance - Facilities	279,500	157,540	136,900	141,900
Safety Program & Compliance	75,500	90,396	28,500	28,500
SOCWA	8,702,195	7,835,574	8,450,820	8,630,000
Special Outside Assessments	1,500	-	-	-
Total	\$ 10,767,449	\$ 9,593,145	\$ 11,006,251	\$ 11,469,828

CHANGES

- The proposed budget for FY 2014/2015 includes the addition of a Safety and Risk Manager to assume oversight of the District’s safety program and claim management.
- The proposed budget for FY 2015/2016 includes the addition of a Regulatory Compliance Officer to monitor and track regulated operational activities, interact with various regulatory agencies, and monitor and report on proposed regulation changes that may impact District operations.
- Increased utilization of consulting services to conduct assessments of various engineering and operation programs, i.e. manhole rehabilitation, corrosion control and water loss control.

OBJECTIVES

- Complete the Long Range Water Resources Plan to support District water supply and system reliability efforts.
- Develop a strategic plan for the implementation of effective Asset Management programs, including initiating the replacement of the District's Computerized Maintenance and Management System (CMMS) to support integrated asset management in conjunction with the GIS.
- Enhance the District's cross-training program and develop a staff education series to provide high-level overview of the District's various areas of responsibility to all District staff.
- Continue to be an active participant in all of the District's Joint Power Authorities and regional partnership, including a review of the District's role based on current agreements and past practices, and provide effective and appropriate reports to the Executive Management and Board of Directors.
- Continue the development of District contracting instruments for consultants, contractors, and other service providers.

Engineering Services Department

Purpose: The Engineering Services Department performs six main functions: capital improvement, private development/permitting, planning and asset management, emergency repair coordination, field inspection, and cross connection prevention. The department’s purpose is to implement the District’s Capital Improvement Program (facilities planned, designed, constructed, and funded by the District), provide review, inspection and acceptance of developer-initiated facilities, manage District assets through the Replacement and Refurbishment (R&R) Program and implementation of the Geographic Information System (GIS) with other records and document management activities, manage the Communication Facilities License Program, manage the Recycled Water Program, manage the cross connection prevention program, coordinate the repair of facilities through Contractor services, and perform other support functions as needed for the reliable and safe delivery of potable and recycled water and collection of wastewater. The department achieves its purpose with engineers, technicians and field inspectors through such tasks as: planning studies and reports, design, plan check, preparation of budgets, consulting contracts, construction contracts, construction inspection, cross connection inspection, recycled water system testing and inspection, mark-outs for the DigAlert Program, development and maintenance of District asset information in the GIS, and maintenance of electronic and paper records and documents.

FINANCIAL SUMMARY

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 1,456,316	\$ 1,434,587	\$ 1,623,164	\$ 1,702,851
Retirement Program	183,794	179,394	245,353	260,503
Educational Courses	5,900	4,005	9,600	5,800
Travel & Meetings	51,332	36,045	62,300	49,700
General Services	51,400	50,400	7,400	7,400
Dues & Memberships	1,050	544	150	150
Consulting Services	692,000	301,900	327,500	305,000
Insurance - Personnel	15,851	18,621	19,389	20,378
Insurance - Benefits	270,515	235,801	319,016	330,916
District Office Supplies	3,300	2,387	6,700	7,200
District Operating Supplies	25,500	31,024	47,900	42,000
Repairs & Maintenance - Equipment	95,000	20,900	35,600	35,600
Repairs & Maintenance - Facilities	792,160	1,196,401	1,317,000	1,317,000
Safety Program & Compliance	4,500	3,728	4,750	5,750
Special Outside Assessments	5,000	1,008	5,000	5,000
Total	\$ 3,653,618	\$ 3,516,745	\$ 4,030,822	\$ 4,095,248

CHANGES

- Assumed the responsibility for the cross connection program with the transfer of three inspector positions into the Department.
- Recruited two engineers, principal and senior, and ended the contract with Project Partners, Inc. for contract engineering support.

OBJECTIVES

- Continue the development of the Asset Management and GIS, including integration with the Enterprise Resource Planning system, positioning of the District's systems for future integration with the Computerized Maintenance and Management System, and the deployment of field-based applications to support maintenance activities, improve operational efficiencies, and streamline data collection.
- Administer private development permitting to incorporate consistent processing and closure of projects, and to upgrade existing facility connections to current District standards.
- Update the District's Standard Specifications for Construction of Domestic Water, Sewer and Recycled Water Facilities.
- Update the District's Recycled Water Rules and Regulations.
- Review of the District's existing document management systems and alternatives for replacement systems to support the District's business needs.
- Focus on the execution of the Capital Improvement Program.

Facilities Maintenance Department

Purpose: The Facilities Maintenance Department consists of four crews: Water Distribution, Station Maintenance, Electrical/Instrumentation, and Support Services. Working together, the four crews are primarily responsible for the operation of the District's facilities for storage and distribution of potable and recycled water to our customers, while also operating the facilities needed to pump wastewater as it passes through the District. The crews utilize a Supervisory Control and Data Acquisition System (SCADA) to monitor and remotely operate facilities. The crews are responsible for planning and scheduling preventative maintenance programs to ensure effective operation of the facilities. Additionally, the Water Distribution, Station Maintenance, and Electrical/Instrumentation crews are responsible for staffing an off-hours standby program to maintain continuous operation of all facilities and emergency response, as necessary. The Support Services crew is responsible for management and maintenance of the District's fleet and support equipment, such as back-up generators and auxiliary engines. The Facilities Maintenance Department budgets and manages the various utility supplies, i.e. imported water, electricity, fuel, gas, etc, that support District operations.

FINANCIAL SUMMARY

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 1,513,902	\$ 1,500,516	\$ 1,591,987	\$ 1,667,906
Retirement Program	196,028	191,314	240,777	254,570
Educational Courses	8,625	4,925	10,650	7,700
Travel & Meetings	44,750	35,810	48,600	46,800
Member Agencies O&M	1,140,100	1,032,753	1,231,370	1,415,000
Dues & Memberships	1,000	-	-	-
Equipment Rentals	7,300	6,000	6,000	6,000
Insurance - Personnel	14,234	16,721	17,596	18,494
Insurance - Benefits	234,740	204,628	338,553	351,275
District Operating Supplies	134,500	185,000	174,500	177,500
Repairs & Maintenance - Equipment	1,319,000	298,500	379,500	355,000
Repairs & Maintenance - Facilities	823,356	1,021,956	1,047,920	1,013,920
Safety Program & Compliance	12,400	16,121	216,500	96,200
Utilities	1,662,045	1,838,500	1,931,000	2,026,000
Water Purchases	26,790,439	27,133,330	27,976,295	29,577,841
Meter/Vault Purchase	40,000	30,000	40,000	40,000
Total	\$ 33,942,419	\$ 33,516,074	\$ 35,251,248	\$ 37,054,206

CHANGES

- Increases in water purchase costs a result of higher costs for treated water from the Metropolitan Water District of Southern California.
- Utility cost increases assume a 5% increase in electrical rates.
- Assumed responsibility for the District's landscape and tree maintenance programs.

OBJECTIVES

- Replace the existing reservoir cycling system at the East Aliso Creek Reservoir and evaluate the effectiveness and applicability for other District facilities.

- In conjunction with the Engineering Services Department, develop an auxiliary generator replacement / refurbishment program for inclusion in the 10-year Capital Improvement Program and Asset Management Programs.
- Continue upgrade of the District's Programmable Logic Control devices in preparation for Ethernet communications at all District facilities via the wireless network.
- Develop a fuel management plan to support on-going District operation and emergency response planning.
- Initiate the review and replacement of the fleet management program to support fleet maintenance services.

Utilities Maintenance Department

Purpose: The Utilities Maintenance Department consists of two crews: Street Crew and Collections Crew. Collectively, they are responsible for the maintenance and operation of the District’s underground utilities, such as potable and recycled water pipelines, valves, and appurtenances, and wastewater pipelines and manholes. The Collections Crew’s primarily focuses on the annual cleaning of the District’s network of wastewater collection facilities and implementing the five-year program to video inspect the entire system in accordance with the Sewer System Management Plan. The Street Crew is responsible for repairing system leaks associated with smaller diameter pipelines, as well as system appurtenances, i.e. fire hydrants and system valves. The Street Crew is also responsible for execution of the valve and hydrant exercise program to ensure the operation of those critical assets. Additionally, the two crews are responsible for staffing an off-hours standby program to maintain continuous operation of all facilities and emergency response, as necessary. The Utilities Superintendent is also responsible for implementation of the Fats, Oils, and Grease (FOG) Program.

FINANCIAL SUMMARY

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 1,222,732	\$ 1,209,815	\$ 1,240,229	\$ 1,295,668
Retirement Program	165,337	161,359	193,168	203,437
Educational Courses	9,755	1,950	8,200	7,700
Travel & Meetings	29,675	19,300	19,150	18,700
Dues & Memberships	1,560	1,124	-	-
Consulting Services	24	-	-	-
Equipment Rentals	7,500	-	-	-
Insurance - Personnel	12,244	14,318	13,970	14,683
Insurance - Benefits	325,724	283,925	298,422	309,891
District Operating Supplies	60,800	72,500	77,500	72,500
Repairs & Maintenance - Facilities	1,396,800	1,097,200	1,032,000	1,023,000
Safety Program & Compliance	22,860	15,162	21,250	21,250
Total	\$ 3,255,011	\$ 2,876,652	\$ 2,903,889	\$ 2,966,829

CHANGES

- None to report.

OBJECTIVES

- Develop field-based programs using available off-the-shelf GIS extensions for valve exercising, hydrant flushing, and sewer cleaning operational activities to improve efficiencies and streamline data collection.
- Continue to train and develop staff through the PACP to enhance condition assessment capabilities.
- Complete the update of the District’s FOG Policy and Procedures.

Customer Service Department

Purpose: The Customer Service Department performs four main functions: meter reading and replacement, utility billing and payment processing, customer account support, and development and implementation of the District’s Water Use Efficiency programs. Working together, the various crews within the Department are the primary interface for the District’s customers and are primarily responsible for the District’s 55,000 service connections. The Department provides both office and field support to the District’s customers, including billing and payment inquiries, water meter services, in-home water efficiency surveys, customer account history, and emergency response. The crews are responsible for planning and scheduling meter calibration and replacement programs to ensure accurate billing information. Additionally, the Customer Service Department is responsible for staffing an off-hours standby program to provide the first point of contact for any emergency calls, as necessary.

The staff within Water Use Efficiency supports the District’s conservation programs and goals and is responsible for the development of additional water use efficiency programs. The District utilizes a combination of staff, totaling approximately 4 full-time employees managed by the Customer Service Superintendent, to execute water allocation variances, process rebates, support home audits, and execute other water use efficiency programs. These functions and associated staff time are funded by revenues collected associated with the Water Efficiency Fund.

FINANCIAL SUMMARY

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 1,670,604	\$ 1,648,350	\$ 1,694,779	\$ 1,766,156
Retirement Program	214,773	209,614	250,799	264,230
Educational Courses	10,400	6,112	8,600	8,900
Travel & Meetings	23,800	12,308	19,800	19,800
General Services	201,075	195,075	176,100	193,000
Dues & Memberships	100	-	-	-
Insurance - Personnel	18,419	21,638	21,714	22,823
Insurance - Benefits	416,047	362,694	411,888	427,178
District Office Supplies	192,100	178,860	195,000	194,000
District Operating Supplies	22,295	20,002	14,950	9,150
Repairs & Maintenance - Equipment	4,650	4,600	500	500
Repairs & Maintenance - Facilities	22,808	22,516	17,175	17,250
Safety Program & Compliance	18,975	11,150	13,250	13,250
Meter/Vault Purchase	767,000	767,000	828,000	866,000
Total	\$ 3,583,046	\$ 3,459,919	\$ 3,652,555	\$ 3,802,237

FINANCIAL SUMMARY CONT.

Water Efficiency Fund Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 411,903	\$ 329,903	\$ 326,918	\$ 344,449
Retirement Program	55,471	40,089	41,866	43,911
Educational Courses	500	500	500	500
Travel & Meetings	3,800	750	2,700	2,700
Dues & Membership	500	-	500	500
Consulting Services	20,000	-	-	-
Insurance - Personnel	4,064	61,415	4,131	4,342
Insurance - Benefits	100,369	-	75,899	78,824
District Office Supplies	76,500	300	77,810	77,810
District Operating Supplies	500	-	-	-
Repairs & Maintenance	2,000	-	-	-
Water Efficiency	1,583,000	1,095,000	3,132,124	3,129,624
Total	\$ 2,258,607	\$ 1,527,957	\$ 3,662,448	\$ 3,682,660

CHANGES

- Cross-Connection Prevention program, including three inspectors, were moved to the Engineering Services Department.
- The proposed FY 2014-15 budget includes conversion of an existing part-time position into a full-time Customer Service Representative to support customer accounts.
- The proposed budget for water efficiency programs, including rebate funding, was doubled to support increased efforts at reducing potable water demands through various water efficiency programs in response to the current drought.

OBJECTIVES

- Complete the implementation of the Enterprise Resource Planning system with the replacement of the Utility Billing and Customer Information System programs.
- Integrate the business processes of the Utility Billing staff, customer reception staff, and water use efficiency staff to provide a more efficient and effective process for supporting the District's customers.
- Continue to review and expand water-use efficiency programs in response to the current statewide drought.
- Continue to review water use data for customer trends to identify programs that will assist the District's customers in meeting their water budgets.
- Continue execution of the District's meter replacement program, including replacement of all compound meters in commercial applications and implementation of Automated Meter Reading (AMR) meters throughout the District.

Information Technology Department

Purpose: The Information Technology (IT) Department purpose is to provide technology leadership in support of the District strategic business requirements and technology services to District staff in assisting them to perform their duties.

The department is responsible for managing and supporting all technology assets including network and security infrastructure, telecommunications, wireless technology, Supervisory Control and Data Acquisition (SCADA) system, Business Application Systems, data management and user support.

FINANCIAL SUMMARY

Account Description	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	Budget	Projected	Budget	Budget
Salaries	\$ 323,340	\$ 320,049	\$ -	\$ -
Retirement Program	49,013	47,828	-	-
Travel & Meetings	26,500	36,500	-	-
Dues & Memberships	-	535	-	-
Consulting Services	100,000	90,000	-	-
Insurance - Personnel	2,853	3,352	-	-
Insurance - Benefits	61,098	53,249	-	-
District Office Supplies	8,000	5,788	-	-
District Operating Supplies	1,000	1,000	-	-
Repairs & Maintenance - Equipment	438,251	365,200	-	-
Equipment Rentals	48,000	28,000	-	-
Safety Program & Compliance	500	500	-	-
Utilities	177,160	191,000	-	-
Total	\$ 1,235,715	\$ 1,143,001	\$ -	\$ -

Note: The Information Technology Department reports to the Administration Division in the FY 2014-2015 and 2015-2016 Budget (see page 20).



MOULTON NIGUEL WATER DISTRICT

CAPITAL IMPROVEMENT PROGRAM

AND

CAPITAL IMPROVEMENT BUDGET

FOR

FISCAL YEAR 2014-15

June 2014

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Overview

The Moulton Niguel Water District (MNWD) Capital Improvement Program (CIP) is a document that outlines the expenditure plan for future capital projects for the next decade and provides a CIP budget for the upcoming Fiscal Year (FY). The 10-year look-ahead should best be reviewed as a financial planning document. Project costs are planning estimates and are reviewed and further refined each year. Spending authorization is given only at the time the MNWD Board of Directors formally adopts the proposed FY budget, and, at that time, funds are only appropriated for the FY. Information is shown in subsequent years to provide the most comprehensive snapshot of all the known future facilities the MNWD plans to construct or existing infrastructure requiring replacement or refurbishment. MNWD uses an additional expenditure check through various contracting instruments. The MNWD Board of Directors authorized the General Manager to approve contractual expenses up to \$45,000. Contracts and agreements above that level require specific Board of Directors action on a contract by contract basis.

The FY 2014-15 CIP outlines approximately \$47.4 million in appropriations to continue funding of existing projects and provide funding for new projects. Projects carried forward from FY2013-14 account for about \$24.5 million or about 52% of the FY 2014-15 CIP budget. Appropriations for new projects are about \$22.9 million, which includes \$12.7 million for Joint Power Authority (JPA) projects. The JPA Projects include projects proposed by South Coast Water District (SCWD) for the Joint Regional Water Supply System (JRWSS) and by the South Orange County Wastewater Authority (SOCWA).

The projects will be funded from three sources: (1) Replacement and Refurbishment (R&R) Fund 7, (2) Water Supply Reliability (WSR) Fund 12, and (3) Planning and Construction (P&C) Fund 14.

10-Year Capital Improvement Program

The FY 2014-15 CIP budget is based on the 10-year Capital Improvement Program. The 10-year CIP presents potable, recycled, and waste water and district-wide projects that are required to maintain and operate the District's infrastructure. Appendix A shows all the projects in the 10-year CIP and potential capital expenditure types identified through various planning efforts throughout the District. The budgets for these projects are budgetary level costs based on similar completed projects and engineering estimates. These costs are identified as projects and are refined as new information becomes available. The planning efforts that contributed to the list of projects include the MNWD 2010 Long Range Plan, 2010 Urban Water Management Plan, staff knowledge of replacement, repair and improvement needs, and the District's current Asset Management Model.

The 10-year CIP contains proposed expenditures totaling \$257 million of which \$14 million has been expanded to date. About 30% (\$78 million) of these expenditures are associated with the District's participation in JPA projects (JRWSS & SOCWA) with another 13% IS allocated to regional water supply projects. Figure 1 shows the breakdown of costs for the 10-year CIP between the various systems:

- Potable – projects associated with repair, maintenance, and improvement of the potable water system

2014-15 Capital Improvement Program

- Recycled – projects associated with repair, maintenance, and improvement of the recycled water system
- Wastewater – projects associated with repair, maintenance, and improvement of the wastewater collection system and wastewater treatment plants operated by SOCWA
- Districtwide – projects associated with facilities that provide benefits to all of the District such as office space, geographic information systems, and any project that covers more than one system
- Regional Projects – projects in which there is more than one agency participating, such as: JPA Projects (JRWSS), Baker Water Treatment Plant, South Orange Coastal Ocean Desalination, ETWD/MNWD Intertie.
- Unanticipated – unforeseen projects that come up during the year.

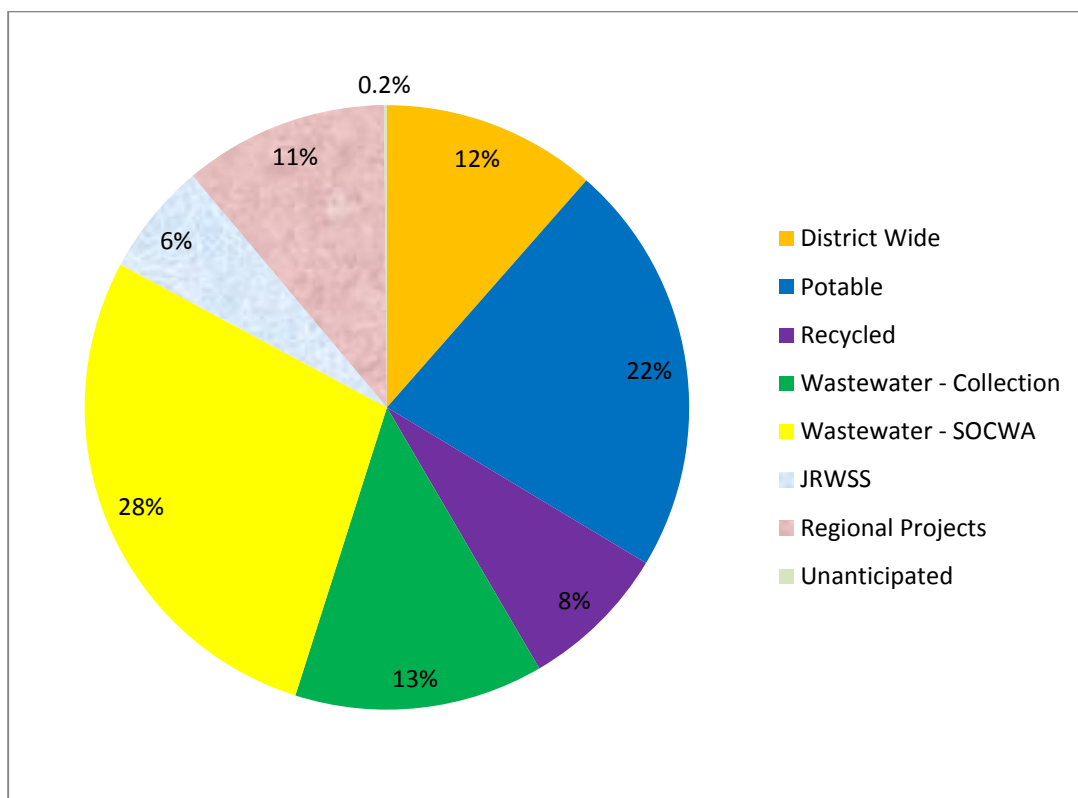


Figure 1. Distribution of the 10-Year Capital Improvement Program

Chart 1 shows the distribution of the budget over the next 10 years.

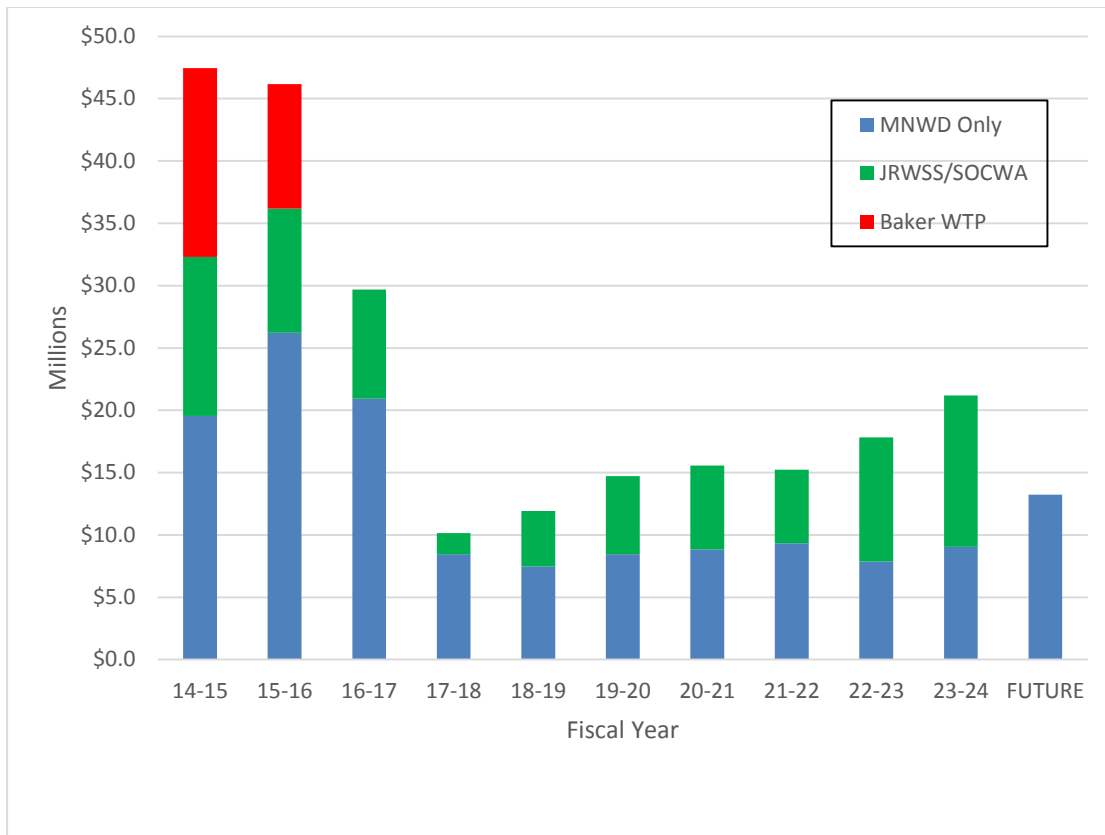


Chart 1. Proposed Budget Distribution over 10-Year Planning Horizon

Previous Year Budget

The CIP for the FY 2013-14 as adopted by the Board of Directors in June of 2013 had a budget of \$23.9 million. The FY 2013-14 budget contained 83 individual projects and two unanticipated projects line items. At the end of the fiscal year, 28 projects will be closed and 57 projects will be carried forward in the CIP. However, not all carried-forward projects will be funded in the FY 2014-15. Eight projects will be moved to subsequent years.

Table 1 summarizes the FY2013-14 budget. Appendix B Table B-1 lists the projects in the 2013-14 budget while Table B-2 lists the projects that will be closed by the end of the FY 2013-14 and Table B-3 lists the projects that will be carried forward in the budget.

2014-15 Capital Improvement Program

Table 1	
Summary of FY 2013-14 Capital Improvement Program Budget	
Item/Fund	FY 2013-14 Approved Budget
Replacement and Refurbishment Project - Fund 7	\$10,041,740
JPA Projects - Fund 7	\$7,306,852
Water Supply Reliability Projects - Fund 12	\$5,624,123
Planning and Construction - Fund 14	\$881,578
CIP Budget Approved June 2012	\$23,854,292
Projected Expenditure for FY2013-14 ⁽¹⁾	\$7,616,628

Note 1. Projected expenditures based on data through April 25, 2014

Proposed Budget

The proposed CIP budget for FY 2014-15 is \$47.4 million and is listed in Table 2 by Fund and Table 3 by system and shown in Figures 2 and 3, respectively. This budget is based in the 10-year Capital Improvement Program. Appendix C Table C-1 lists the projects in the 2014-15 budget. The projects proposed for the FY 2014-15 budget are described individually in Appendix D.

Table 2	
Proposed Budget for FY 2014-15 by Fund	
Item/Fund	FY 2014-15 Proposed Budget
Replacement and Refurbishment Project - Fund 07	\$11,259,664
SOCWA & JRWSS - Fund 07	\$12,745,932
Water Supply Reliability Projects - Fund 12	\$15,452,106
Planning and Construction - Fund 14	\$7,987,168
Total FY 2014-15 Proposed Budget	\$47,444,870

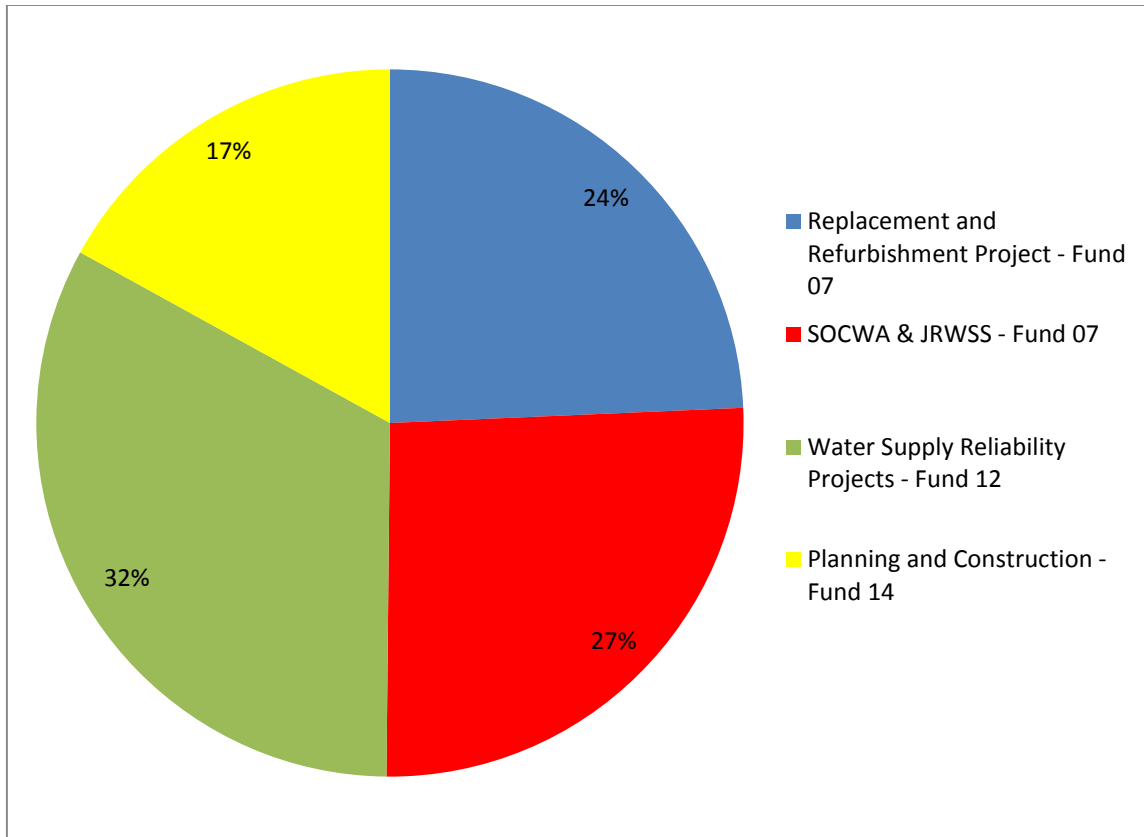


Figure 2. Percent Distribution of Proposed Budget for FY 2014-15 by Fund

System	FY 2014-15 Proposed Budget
District Wide	\$9,128,242
Potable Water	\$5,860,966
Recycled Water	\$1,422,320
Wastewater	
Collection	\$2,785,304
Treatment (SOCWA)	\$11,339,595
JRWSS	\$1,406,337
Regional (i.e. Baker, Desalination, intertie)	\$15,152,106
Unanticipated	\$350,000
Total	\$47,444,870

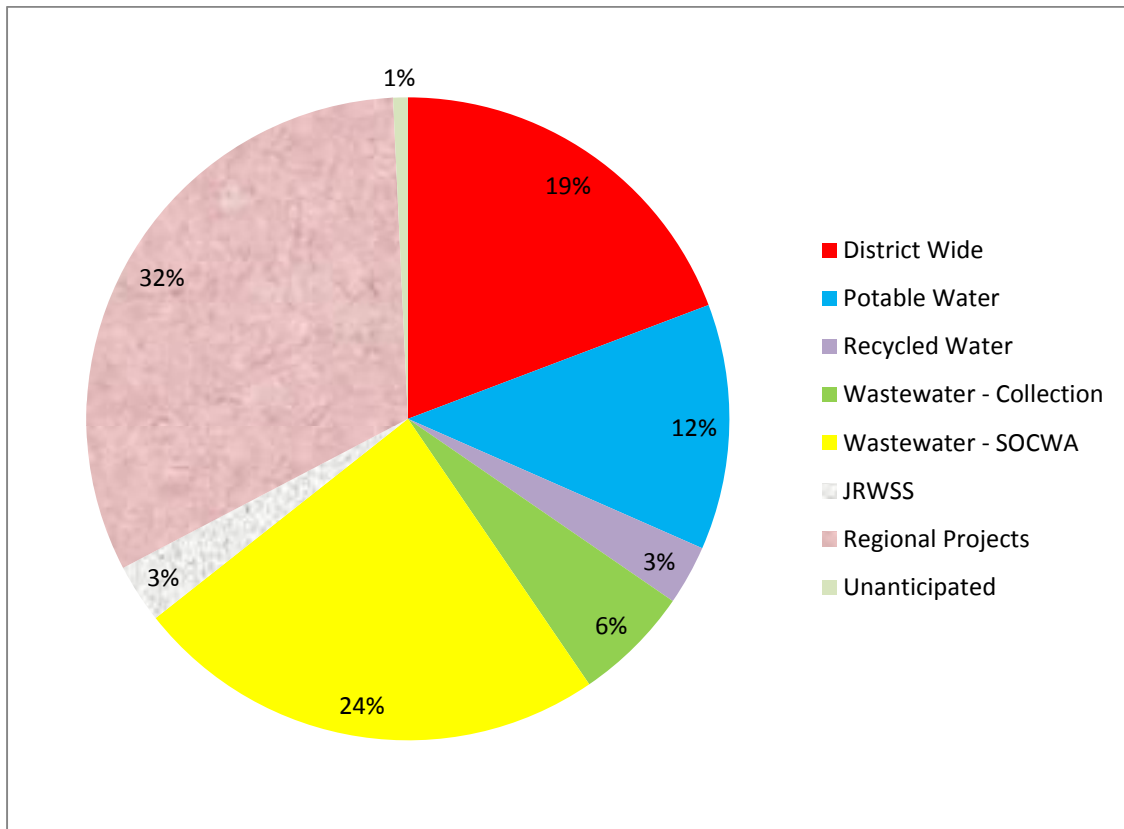


Figure 3. Percent Distribution of Proposed Budget for FY 2014-15 by System

Almost 60% of the District’s FY 2014-15 capital budget is committed to regional projects, with a large portion going to SOCWA, JRWSS and the Baker WTP. A significant portion of the District’s budget is allocated to replacement and refurbishment of existing facilities. This is in line with the age of the District and its transition from growth to maintenance. Staff expects that replacement and refurbishment activities of the District will increase as the District assets reach their useful-life expectancies and/or annual operating costs dictate replacement.

Appendix A
10-year Capital Improvement Program

10-YEAR CAPITAL IMPROVEMENT PROGRAM

Project No.	Fund	Type	Project Name	Status/ Priority	Estimated Project Cost	Expended to Date	Fiscal Years									
							14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24
DISTRICTWIDE																
2009167	7	DW	GEODATABASE REDEVELOPMENT	Construction	\$150,000	\$81,662	\$68,338									
2010033	7	DW	NEW DISTRICT ENTERPRISE SOFTWARE	Construction	\$3,375,000	\$2,066,232	\$1,308,768									
2011016	7	DW	PLC PANEL REPLACEMENT	Construction	\$632,000	\$410,864	\$221,136									
	14	DW	DISTRICT HEADQUARTERS	83%	\$23,000,000		\$7,000,000	\$8,000,000	\$8,000,000							
	7	DW	CORROSION CONTROL PROGRAM	81%	\$150,000			\$150,000								
2006038	7	DW	REPLACE DIGITAL LINES W/WIRELESS NETWORK	75%	\$2,100,781	\$1,500,781	\$400,000	\$200,000								
2011033	7	DW	ASSET MANAGEMENT PROGRAM/CMMS	75%	\$350,000	\$0	\$70,000	\$40,000	\$240,000							
2011077	14	DW	MOULTON PEAK RADIO TOWER IMPROVEME	60%	\$115,000	\$0				\$115,000						
2011034	7	DW	GIS VIEWER AND CONFIGURATION	55%	\$60,000	\$0	\$60,000									
2011024	7	DW	DOCUMENT MANAGEMENT	46%	\$389,000	\$110,931					\$278,069					
2011040	14	DW	RES&PUMP LS SITE ACCESS	44%	\$170,000	\$0						\$170,000				
	14	DW	SECURITY ENHANCEMENTS	39%	\$1,000,000											\$1,000,000
POTABLE																
2010003	14	PW	KITE HILL P.R. RELOCATION	Construction	\$400,000	\$293,746	\$106,254									
2011038	14	PW	E ALISO CRK RES RECIRCULATION SYST	Construction	\$141,000	\$89,019	\$51,981									
2013001	7	PW	EAST ALISO CREEK RES RECOAT & IMPROV	Construction	\$2,550,000	\$11,685	\$2,538,315									
2013011	7	PW	WOOD CANYON POTABLE RES RECOAT & IMPR	Construction	\$800,000	\$0	\$800,000									
2010018	7	PW	MATHIS-OSO BY-PASS	Design	\$400,000	\$28,740	\$371,260									
2011010	7	PW	HILLARY PRS REPLACEMENT	Design	\$350,000	\$22,946	\$100,000	\$227,054								
2011011	7	PW	INSPECT 54 CIP LINE ANTONIA-BRIDL	Design	\$268,788	\$248,788	\$20,000									
2011012	7	PW	LARGO PRS REPLACEMENT	Design	\$350,000	\$22,946	\$100,000	\$227,054								
2011014	7	PW	SEISMIC & STRUCTURAL ASSESS STEEL	Design	\$217,192	\$182,969	\$34,223									
2011015	7	PW	WILKES PRS REPLACEMENT	Design	\$350,000	\$22,946	\$100,000	\$227,054								
2012009	7	PW	BEACON HILL PS PUMP/GENERATOR REPLACEMENT	Design	\$611,098	\$36,098	\$75,000	\$500,000								
2012028	14	PW	GENERATOR AT BEAR BRAND RESERVOIR	Design	\$40,000	\$4,453	\$35,547									
2012029	14	PW	GENERATOR AT BRIDLEWOOD TAKEOUT	Design	\$40,000	\$4,153	\$35,847									
2012030	14	PW	GENERATOR AT MARGUERITE RESERVOIR	Design	\$40,000	\$4,153	\$35,847									
2012031	14	PW	GENERATOR AT MATHIS RES PS	Design	\$40,000	\$4,153	\$35,847									
2012033	14	PW	GENERATOR AT SEVILLE RESERVOIR	Design	\$40,000	\$4,153	\$35,847									
2012034	14	PW	LA PAZ/MOLTON PW SYSTEM RECONFIGURATION	Design	\$500,000	\$15,811	\$300,000	\$184,189								
	7	PW	PW PROJECTS PER ASSET MANAGEMENT MODEL	Program	\$11,996,000			\$1,752,000	\$2,538,000	\$759,000	\$998,000	\$2,409,000	\$540,000	\$1,000,000	\$1,000,000	\$1,000,000
	7	PW	RESERVOIR RECOATING PROGRAM	Program	\$4,400,000				\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000
	7	PW	VALVE REPLACEMENT PROGRAM	Program	\$2,700,000				\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
	7	PW	BEAR BRAND RES RECOATING & SAFETY	93%	\$770,000		\$20,000	\$750,000								
	7	PW	RESERVOIR WQ MANAGEMENT REFURBISHMENT	81%	\$6,200,000			\$200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000		
2012013	7	PW	FIELD GIS - VALVE TURNING DATA SOFTWARE	76%	\$40,000	\$0	\$40,000									
	7	PW	ENCANTAMAR 16" ABANDONMENT	74%	\$75,000		\$75,000									
	7	PW	2014-15 VALVE REPLACEMENT	74%	\$600,000		\$600,000									
2009010	14	PW	MISSION HOSPITAL SECONDARY FEED	73%	\$380,000	\$0				\$380,000						
	7	PW	SADDLEBACK PS AUXILIARY ENGINE REPLACEMENT	70%	\$800,000					\$800,000						
	14	PW	WATER MASTER PLAN	70%	\$700,000				\$350,000	\$350,000						

10-YEAR CAPITAL IMPROVEMENT PROGRAM

Project No.	Fund	Type	Project Name	Status/ Priority	Estimated Project Cost	Expended to Date	Fiscal Years										
							14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	FUTURE
	7	PW	54-INCH CIP IMPROVEMENTS	65%	\$500,000			\$100,000	\$400,000								
	14	PW	TESSIER WATER LOOP	64%	\$240,000		\$50,000	\$190,000									
	7	PW	I.D. 1 MASTER METER RELOCATION	63%	\$400,000					\$400,000							
	7	PW	LA SIENA MAINLINE REPLACEMENT	62%	\$250,000		\$250,000										
	12	PW	SOUTH COUNTY PIPELINE TAKEOUT FACILITY	61%	\$2,200,000												\$2,200,000
	7	PW	STEEL TANKS SEISMIC & STRUCT RETROFITS - PW	58%	\$1,800,000			\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	
2012011	7	PW	EASEMENT REHABILITATION PROGRAM - Phase 1	58%	\$7,850,000	\$0					\$190,000	\$1,532,000	\$1,532,000	\$1,532,000	\$1,532,000	\$1,532,000	
	7	PW	EASEMENT REHABILITATION PROGRAM - Phase 2	58%	\$6,000,000												\$6,000,000
2011037	7	PW	MISSION VIEJO HS LINE/VAULT REFURB	56%	\$160,000	\$0					\$160,000						
	14	PW	SADDLEBACK PS GENERATOR EMERGENCY CONNECTION	55%	\$35,000						\$35,000						
	14	PW	PRADERA 850 ZONE LOOP	53%	\$240,000		\$50,000	\$190,000									
	7	PW	PACIFIC PARK PS ENGINE REPLACEMENT	53%	\$505,000				\$65,000	\$440,000							
	7	PW	ROLLING HILLS PS ENGINE & PUMP REPLACEMENT	53%	\$565,000				\$75,000	\$490,000							
	7	PW	SHEEP HILL PS ENGINE& PUMP REPLACEMENT	53%	\$565,000			\$75,000	\$490,000								
	14	PW	SECONDARY FEED FOR 1050 ZONE	50%	\$600,000						\$600,000						
2012010	7	PW	CVP 16-INCH PW LINE REHABILITATION	47%	\$650,000	\$0					\$50,000	\$600,000					
2010001	14	PW	650-ZONE NIGUEL ROAD INTERTIE	45%	\$640,000	\$0					\$100,000	\$540,000					
	14	PW	MARGUERITE/OSO CIP TAKEOUT	44%	\$2,500,000												\$2,500,000
2012016	7	PW	LITTLE NIGUEL PS ROOF REPLACEMENT	43%	\$20,000	\$0								\$20,000			
	7	PW	BEAR BRAND PS PUMP REPLACEMENT	43%	\$130,000						\$130,000						
	7	PW	LITTLE NIGUEL PS PUMP REPLACEMENT	38%	\$50,000								\$50,000				
	7	PW	CASA DE OSO PS VFD REPLACEMENT	37%	\$50,000								\$50,000				
	14	PW	920 ZONE LOOP PIPELINE	36%	\$150,000						\$150,000						
2011026	7	PW	RANCHO UNDERGROUND PWPS REFURBISHM	33%	\$250,000	\$4,815							\$245,185				
2011032	7	PW	OLD RANCH ROAD EASEMENT REFURBISHM	31%	\$100,000	\$0							\$25,000	\$75,000			
	7	PW	HIGHLAND PUMP PRESSURE RELIEF TO 650 ZONE	31%	\$150,000									\$150,000			
	7	PW	PZ450 ALISO CREEK POTABLE LINE RELOCATION	31%	\$255,000								\$60,000	\$195,000			
	7	PW	VAULT REMOVAL (11 SITES)	26%	\$400,000				\$50,000	\$350,000							
	7	PW	RESERVOIR SITE OVERFLOW AND DRAINAGE IMPROVEMENTS	25%	\$400,000								\$100,000	\$300,000			
	7	PW	MATHIS PUMP IMPROVEMENTS	20%	\$400,000					\$100,000	\$300,000						
RECYCLED																	
2011031	7	RW	EL NIGUEL RW LINE REHABILITATION	Construction	\$400,000	\$257,041	\$142,959										
2013003	7	RW	SOUTH RIDGE RW RES RECOAT & IMPROV	Construction	\$600,000	\$12,639	\$587,361										
2010013	12	RW	LA PAZ BRIDGE CROSSING RW PIPELINE	Design	\$370,000	\$56,736			\$313,264								
2012037	7	RW	OSO PKWY 12"RW MAIN RELOCT	Design	\$192,000	\$0	\$192,000										
	12	RW	RECYCLED WATER RETROFITS	Program	\$450,000			\$100,000	\$75,000	\$75,000	\$50,000	\$50,000	\$25,000	\$25,000	\$25,000	\$25,000	
	7	RW	RESERVOIR RECOATING - RW PROGRAM	Program	\$3,312,000			\$664,000	\$331,000	\$331,000	\$331,000	\$331,000	\$331,000	\$331,000	\$331,000	\$331,000	
	7	RW	RW PROJECT PER ASSET MANAGEMENT MODEL	Program	\$7,536,000			\$564,000	\$719,000	\$563,000	\$466,000	\$799,000	\$1,425,000	\$1,000,000	\$1,000,000	\$1,000,000	
2013002	7	RW	MATHIS RW RES RECOAT & IMPROVE	82%	\$800,000	\$0	\$50,000	\$750,000									
	12	RW	FY 2014-15 RW RETROFITS	74%	\$150,000		\$150,000										
	14	RW	RECYCLED MASTER PLAN	64%	\$300,000		\$150,000	\$150,000									
	12	RW	RECYCLED WATER SYSTEM EXTENSION		\$3,080,000		\$150,000	\$1,465,000	\$1,465,000								

10-YEAR CAPITAL IMPROVEMENT PROGRAM

Project No.	Fund	Type	Project Name	Status/ Priority	Estimated Project Cost	Expended to Date	Fiscal Years										
							14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	FUTURE
7		RW	STEEL TANKS SEISMIC & STRUCT RETROFITS - RW	58%	\$1,200,000									\$200,000	\$500,000	\$500,000	
12		RW	ALISO VILLAGE RW EXTENSION	55%	\$50,000							\$50,000					
12		RW	PRESSURE REDUCING STATION AT SADDLEBACK RW RES	38%	\$200,000										\$200,000		
WASTEWATER																	
2012004	7	WW	STONEHILL MH REHAB PROGRAM	Construction	\$190,925	\$39,818	\$151,107										
2012021	7	WW	REGIONAL LIFT STATION PUMPS 2&4 REPLACEMENT	Construction	\$358,640	\$38,640	\$320,000										
2013007	7	WW	3A ETM REPLACEMENT - COUNTY OF ORANGE PHASE VII	Construction	\$450,000		\$450,000										
2009115	7	WW	SAN JUAN CREEK 30 EFFLUENT TM	Design	\$2,900,000	\$205,305	\$760,695	\$592,000	\$1,342,000								
2009115	7	WW	SAN JUAN CREEK 30 EFFLUENT TM - SMWD REIMBURSEMENT	Reimbursement	-\$550,000		-\$275,000	-\$275,000									
2012007	7	WW	LOWER SALADA LS VENTILATION UNIT REPLACEMENT	Design	\$50,000	\$3,249	\$46,751										
2012008	7	WW	REGIONAL LS VENTILATION UNIT REPLACEMENT	Design	\$50,000	\$3,249	\$46,751										
2012024	7	WW	UPPER SALADA LF AUX. GENERATOR REPLACEMENT	Design	\$401,102	\$26,102	\$375,000										
2013004	7	WW	REGIONAL LS FORCE MAIN REPLACEMENT	Design	\$2,500,000		\$100,000	\$2,400,000									
2013005	7	WW	LOWER SALADA LS FORCE MAIN REPLACEMENT	Design	\$2,500,000		\$100,000	\$2,400,000									
7		WW	MH REHABILITATION PROGRAM	Program	\$3,150,000			\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000
7		WW	SEWER LINING PROGRAM	Program	\$2,100,000				\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
7		WW	WW PROJECT PER ASSET MANAGEMENT MODEL	Program	\$5,962,000			\$505,000	\$784,000	\$548,000	\$190,000	\$254,000	\$681,000	\$1,000,000	\$1,000,000	\$1,000,000	
7		WW	DEL AVION LS WET WELL COATING REHAB	85%	\$70,000		\$70,000										
7		WW	UTILITY MAIN BREAKERS REPLACEMENTS	83%	\$100,000		\$100,000										
7		WW	UPPER SALADA LS HEADER REPLACEMENT	82%	\$100,000		\$100,000										
7		WW	2014-15 MH REHABILITATION	80%	\$350,000		\$350,000										
2012012	7	WW	FIELD GIS - SEWER LINE CLEANING & MH	76%	\$40,000	\$0	\$40,000										
7		WW	NORTH ALISO CREEK LS BYPASS REPLACEMENT	73%	\$160,000		\$160,000										
2011028	7	WW	VALENCIA LS REFURBISHMENT	70%	\$200,000	\$0		\$200,000									
2013010	7	WW	GALLUP SEWER REPLACEMENT	67%	\$340,000	\$3,475	\$40,000	\$296,525									
7		WW	ALISO CREEK LS AUXILIARY GENERATOR REPLACEMENT	65%	\$530,000		\$530,000										
7		WW	LINDA VISTA DR SEWER LINING	65%	\$302,000		\$302,000										
7		WW	NATIONAL PARK SEWER LINING	65%	\$253,000		\$253,000										
14		WW	WASTEWATER MASTER PLAN	64%	\$500,000		\$250,000	\$250,000									
7		WW	LOWER BOUNDARY OAK LS UPGRADE	64%	\$400,000		\$400,000										
7		WW	DEL AVION LS AUXILIARY GENERATOR REPLACEMENT	64%	\$630,000		\$50,000	\$580,000									
7		WW	SOUTHWING LS AUXILIARY ENGINE REPLACEMENT	59%	\$580,000		\$580,000										
7		WW	3A ETM CREEK BANK STABILIZATION	58%	\$2,000,000								\$2,000,000				
7		WW	3A ETM REPLACEMENT - AVE DE LA VISTA	58%	\$2,100,000							\$200,000	\$1,900,000				
7		WW	3A ETM REPLACEMENT - CAMINO CAPO	58%	\$3,300,000				\$300,000	\$3,000,000							
7		WW	3A ETM SJ CREEK-COUNTY OF ORANGE PHASE VIII	58%	\$900,000												\$900,000
7		WW	3A ETM IMPROVEMENTS - SMWD REIMBURSEMENT	Reimbursement	-\$4,150,000		\$0	\$0	\$0	-\$150,000	-\$1,500,000	-\$100,000	-\$950,000	-\$1,000,000	\$0	-\$450,000	\$0
14		WW	LS GENERATOR EMERGENCY CONNECTIONS	55%	\$300,000							\$300,000					
2011043	14	WW	3A OUTFALL LINE VALVES	53%	\$410,000	\$0	\$410,000										
2011043	14	WW	3A OUTFALL LINE VALVES - REIMBURSEMENT	Reimbursement	-\$205,000				-\$205,000								
14		WW	OSO CREEK SEWER PARALLEL PIPELINE	44%	\$1,200,000								\$200,000	\$1,000,000			
2011045	14	WW	N ALISO LS SITE IMPROVEM	42%	\$199,990	\$9,990	\$50,000	\$140,000									

10-YEAR CAPITAL IMPROVEMENT PROGRAM

Project No.	Fund	Type	Project Name	Status/ Priority	Estimated Project Cost	Expended to Date	Fiscal Years												
							14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	FUTURE		
7	WW		ALISO CREEK LS REHABILITATION	40%	\$200,000		\$200,000												
REGIONAL																			
2006071	12		BAKER PIPELINE REGIONAL TREATMENT PLANT	Construction	\$32,598,645	\$7,462,972	\$15,152,106	\$9,983,567											
2006099	12		ETWD/MNWD INTERTIE W/30 DIEMER PI	Design	\$456,000	\$1,956	\$454,044												
2006099	12		ETWD/MNWD INTERTIE W/30 DIEMER PI REIMBURSEMENT	Reimbursement	-\$456,000	-\$1,956	-\$454,044												
2008049	12		SOUTH ORANGE COASTAL OCEAN DESAL	Design	\$700,000	\$690,640													
JRWSS15	7		SCWD/JRWSS CAPITAL PROJECT	Program	\$13,912,287		\$1,406,337	\$2,330,790	\$2,090,480	\$309,330	\$294,640					\$3,910,610	\$3,570,100		
SOCWA112	7		2014/2015 SOCWA CAPITAL PC 2(R)	Program	\$12,455,658		\$2,401,827	\$2,388,418	\$919,910	\$201,419	\$667,241	\$971,802	\$984,882	\$1,021,335	\$1,350,550	\$1,548,274			
SOCWA114	7		2014/2015 SOCWA PC 3A(R)	Program	\$13,268,471		\$2,646,525	\$916,343	\$1,222,871	\$311,649	\$860,738	\$1,477,730	\$1,890,462	\$1,523,668	\$1,153,044	\$1,265,442			
SOCWA113	7		2014/2015 SOCWA PC 5	Program	\$165,125			\$42,653	\$77,550	\$0	\$44,922	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
SOCWA115	7		2014/2015 SOCWA CAPITAL PC 15(R)	Program	\$6,438,826		\$695,344	\$1,011,758	\$463,945	\$147,509	\$467,189	\$711,881	\$777,035	\$762,081	\$716,886	\$685,198			
SOCWA116	7		2014/2015 SOCWA CAPITAL PC 17(R)	Program	\$29,152,127		\$5,595,899	\$3,271,546	\$3,224,959	\$666,045	\$2,108,639	\$3,103,092	\$3,080,681	\$2,612,619	\$2,597,555	\$2,891,094			
SOCWA117	7		2014/2015 SOCWA CAPITAL PC 21	Program	\$750,000		\$0	\$0	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
SOCWA118	7		2014/2015 SOCWA CAPITAL PC 24	Program	\$2,458,026		\$0	\$0	\$0	\$46,276	\$0	\$0	\$0	\$0	\$0	\$219,250	\$2,192,500		
UNANTICIPATED																			
UP1415RR	7		UNANTICIPATED PROJECTS FUND 7	Program	\$250,000		\$250,000												
UP1415PC	14		UNANTICIPATED PROJECTS FUND 14	Program	\$100,000		\$100,000												
TOTAL					\$257,107,680	\$13,981,902	\$47,444,870	\$46,161,950	\$29,675,714	\$10,141,491	\$11,928,368	\$14,720,573	\$15,567,061	\$15,237,887	\$17,820,895	\$21,185,609	\$13,232,000		
BY SYSTEM						#####													
DISTRICTWIDE					\$31,491,781	\$4,170,470	\$9,128,242												
POTABLE					\$63,854,078	\$1,001,575	\$5,860,966												
RECYCLED					\$18,640,000	\$326,417	\$1,422,320												
WASTEWATER					\$30,872,657	\$329,828	\$2,785,304												
REGIONAL - SOCWA/JRWSS					\$78,600,519	\$0	\$12,745,932												
REGIONAL PROJECTS					\$33,298,645	\$8,153,612	\$15,152,106												
UNANTICIPATED					\$350,000	\$0	\$350,000												
TOTAL					\$257,107,680	\$13,981,902	\$47,444,870												

Appendix B

Adopted 2013-14 Budget

Table B-1 Adopted 2013-14 Projects

Table B-2 Closed Projects

Table B-3 Carry-forward Projects

**TABLE B-1
MOULTON NIGUEL WATER DISTRICT
FISCAL YEAR 2014-2015 BUDGET**

ADOPTED FY 2013-14 PROJECTS

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT BUDGET	APPROVED EXPENSE AUTHORIZATION	EXPENDED FROM INCEPTION TO DATE	FY 2013-2014 ADOPTED BUDGET	ESTIMATED PROJECT COSTS FOR FYE2014	ESTIMATED COMPLETION DATE
REPLACEMENT & REFURBISHMENT FUND (R&R) (FUND 07)								
2006038	07	REPLACE DIGITAL LINES W/WIRELESS NETWORK	\$2,315,267	\$1,900,000	\$1,500,781	\$100,000	\$25,538	12/31/15
2007030	07	RANCHO RESERVOIR IRRIGATION SYSTEM	\$150,000	\$35,430	\$27,614	\$123,509	\$0	6/30/14
2009107	07	CROWN VALLEY WIDENING RELOCATION	\$210,000	\$210,000	\$178,146	\$149,600	\$0	6/30/14
2009115	07	SAN JUAN CREEK 30 EFFLUENT TM	\$2,900,000	\$216,000	\$205,305	\$79,072	\$53,937	6/30/15
2009167	07	GEODATABASE REDEVELOPMENT	\$150,000	\$50,000	\$81,662	\$109,000	\$38,925	6/30/14
2010017	07	OPERATIONS FACILITY DRAINAGE IMPROVEMENT	\$1,301,236	\$150,000	\$105,526	\$0	\$0	6/30/14
2010018	07	MATHIS-OSO BY-PASS	\$200,000	\$40,000	\$28,740	\$181,818	\$2,162	6/30/14
2010021	07	MOULTON PEAK IRRIGATION PUMP REPLACEMENT	\$20,000	\$20,000	\$12,307	\$8,193	\$0	6/30/14
2010033	07	NEW DISTRICT ENTERPRISE SOFTWARE	\$3,375,000	\$3,000,000	\$2,066,232	\$2,263,283	\$352,884	6/30/14
2011010	07	HILLARY PRS REPLACEMENT	\$350,000	\$30,000	\$22,946	\$335,388	\$662	6/30/14
2011011	07	INSPECT 54 CIP LINE ANTONIA-BRIDL	\$258,674	\$285,806	\$248,788	\$20,000	\$0	6/30/14
2011012	07	LARGO PRS REPLACEMENT	\$350,000	\$30,000	\$22,946	\$335,388	\$662	6/30/14
2011014	07	SEISMIC & STRUCTURAL ASSESS STEEL	\$217,192	\$217,192	\$182,969	\$83,082	\$43,176	6/30/14
2011015	07	WILKES PRS REPLACEMENT	\$350,000	\$30,000	\$22,946	\$335,388	\$662	6/30/14
2011016	07	PLC PANEL REPLACEMENT	\$532,000	\$0	\$216,154	\$346,193	\$56,168	6/30/14
2011024	07	BOARDROOM ENHANCEMENTS	\$389,000	\$179,000	\$110,931	\$282,579	\$0	6/30/14
2011026	07	RANCHO UNDERGROUND PWPS REFURBISHMENT	\$250,000	\$0	\$4,815	\$0	\$0	6/30/14
2011028	07	VALENCIA LS REFURBISHMENT	\$200,000	\$15,000	\$0	\$0	\$0	6/30/14
2011031	07	NIGUEL ROAD RW LINE REHABILITATION	\$400,000	\$0	\$257,041	\$382,178	\$235,630	6/30/14
2011032	07	OLD RANCH ROAD EASEMENT REFURBISHMENT	\$100,000	\$0	\$0	\$0	\$0	12/31/14
2011033	07	ASSET MANAGEMENT PROGRAM	\$350,000	\$0	\$0	\$70,000	\$0	12/31/14
2011034	07	GIS VIEWER AND CONFIGURATION	\$60,000	\$0	\$0	\$60,000	\$0	6/30/14
2011037	07	MISSION VIEJO HS LINE/VAULT REFURBISHMENT	\$160,000	\$0	\$0	\$0	\$0	6/30/14
2011109	07	PLC PANEL REPLACEMENT-RANCHO PS	\$0	\$23,000	\$20,025	\$23,000	\$20,025	6/30/14
2012009	7	BEACON HILL PS PUMP/GENERATOR REPLACEMENT	\$575,000	\$0	\$36,098	\$75,000	\$36,098	6/30/14
2012010	7	CVP 16-INCH PW LINE REHABILITATION	\$650,000	\$0	\$0	\$50,000	\$0	6/30/14
2012011	7	EASEMENT REHABILITATION PROGRAM - Phase 1	\$7,850,000	\$0	\$0	\$190,000	\$0	6/30/18
2012012	7	FIELD GIS - SEWER LINE CLEANING & MH	\$40,000	\$0	\$0	\$40,000	\$0	6/30/14
2012013	7	FIELD GIS - VALVE TURNING DATA SOFTWARE	\$40,000	\$0	\$0	\$40,000	\$0	6/30/14
2012016	7	LITTLE NIGUEL PS ROOF REPLACEMENT	\$20,000	\$0	\$0	\$0	\$0	6/30/14
2012007	7	LOWER SALADA LS VENTILATION UNIT REPLACEMENT	\$110,000	\$0	\$3,249	\$106,883	\$0	6/30/14
2012004	7	STONEHILL MH REHABILITATION PROGRAM	\$190,925	\$0	\$39,818	\$185,871	\$0	12/31/13
2012018	7	MOULTON LF ROOF REPLACEMENT	\$20,000	\$0	\$11,120	\$20,000	\$11,120	6/30/14

**TABLE B-1
MOULTON NIGUEL WATER DISTRICT
FISCAL YEAR 2014-2015 BUDGET**

ADOPTED FY 2013-14 PROJECTS

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT BUDGET	APPROVED EXPENSE AUTHORIZATION	EXPENDED FROM INCEPTION TO DATE	FY 2013-2014 ADOPTED BUDGET	ESTIMATED PROJECT COSTS FOR FYE2014	ESTIMATED COMPLETION DATE
2012019	7	NORTH ALISO LS ROOF REPLACEMENT	\$20,000	\$0	\$0	\$20,000	\$0	6/30/14
2012037	7	OSO PKWY 12"RW MAIN RELOCATION	\$192,000	\$20,660	\$0	\$192,000	\$0	6/30/14
2012005	7	PLANT 3A EFFLUENT TM ANALYSIS/REHAB	\$150,000	\$0	\$123,136	\$62,433	\$0	6/30/14
2012021	7	REGIONAL LIFT STATION PUMPS 4&5 REPLACEMENT	\$320,000	\$0	\$38,640	\$320,000	\$38,640	6/30/14
2012008	7	REGIONAL LS VENTILATION UNIT REPLACEMENT	\$110,000	\$0	\$3,249	\$106,883	\$0	6/30/14
2012024	7	UPPER SALADA LF AUX. GENERATOR REPLACEMENT	\$375,000	\$0	\$26,102	\$375,000	\$26,102	6/30/14
2012025	7	UPPER SALADA LS ROOF REPLACEMENT	\$20,000	\$0	\$0	\$20,000	\$0	6/30/14
2013001	7	EAST ALISO CREEK RES RECOAT & IMPROV	\$1,500,000	\$0	\$11,685	\$50,000	\$11,685	6/30/15
2013002	7	MATHIS RW RES RECOAT & IMPROVE	\$800,000	\$0	\$0	\$800,000	\$0	6/30/14
2013003	7	SOUTH RIDGE RW RES RECOAT & IMPROV	\$600,000	\$0	\$12,639	\$600,000	\$12,639	6/30/14
2013004	7	REGIONAL LS FORCE MAIN REPLACEMENT	\$1,100,000	\$0	\$7,840	\$100,000	\$7,840	6/30/15
2013005	7	LOWER SALADA LS FORCE MAIN REPLACEMENT	\$1,100,000	\$0	\$4,390	\$100,000	\$4,390	6/30/15
2013006	7	FY 2013-14 MH REHABILITATION	\$350,000	\$0	\$0	\$350,000	\$0	6/30/14
2013007	7	3A ETM REPLACEMENT - COUNTY OF ORANGE PHASE VII	\$450,000	\$0	\$22,600	\$450,000	\$22,600	6/30/15
UP1314RR	7	UNANTICIPATED PROJECTS FUND 7	\$20,500,000	\$0	\$0	\$500,000	\$290,000	6/30/23
JRWSS14	7	SCWD/JRWSS CAPITAL PROJECT	\$12,606,901	\$0	\$145,569	\$2,605,331	\$145,569	6/30/23
SOCWA112	7	2013/2014 SOCWA CAPITAL PC 2(R)	\$9,952,725	\$0	\$252,418	\$171,131	\$252,418	6/30/23
SOCWA113	7	2013/2014 SOCWA PC 5	\$13,777,784	\$0	\$0	\$280,313	\$0	6/30/23
SOCWA114	7	2013/2014 SOCWA PC 3A(R)	\$96,614	\$0	\$187,917	\$11,633	\$187,917	6/30/23
SOCWA115	7	2013/2014 SOCWA CAPITAL PC 15(R)	\$6,878,955	\$0	\$938,864	\$819,000	\$938,864	6/30/23
SOCWA116	7	2013/2014 SOCWA CAPITAL PC 17(R)	\$25,841,606	\$0	\$302,540	\$2,826,556	\$302,540	6/30/23
SOCWA117	7	2013/2014 SOCWA PC 21	\$723,909	\$0	\$0	\$560,000	\$0	6/30/23
SOCWA118	7	2013/2014 SOCWA PC 24	\$69,903	\$0	\$0	\$32,888	\$0	6/30/23
<i>Fund 7 Total</i>			<i>\$121,619,691</i>	<i>\$6,452,088</i>	<i>\$7,483,748</i>	<i>\$17,348,592</i>	<i>\$3,118,855</i>	
WATER SUPPLY RELIABILITY FUND (WSR) (FUND 12)								
2006071	12	BAKER PIPELINE REGIONAL TREATMENT	\$26,000,000	\$5,810,000	\$7,462,972	\$5,000,000	\$4,219,160	12/31/15
2006099	12	ETWD/MNWD INTERTIE W/30 DIEMER PI	\$456,000	\$56,000	\$1,956	\$454,123	\$0	6/30/14
2008049	12	SOUTH ORANGE COASTAL OCEAN DESAL	\$700,000	\$660,000	\$690,640	\$20,000	\$0	12/31/15
2010013	12	LA PAZ BRIDGE CROSSING RW PIPELINE	\$370,000	\$115,000	\$56,736	\$0	\$0	6/30/14
2011056	12	RW SYSTEM EXT (1500LF @4 LOCATIONS)	\$500,000	\$0	\$9,946	\$0	\$0	12/31/14
2012038	12	UPPER CHIQUITA ENVIRONMENTAL MITIGATION	\$250,000	\$0	\$0	\$50,000	\$0	6/30/17
2013008	12	FY 2013-14 RW RETROFITS	\$100,000	\$0	\$0	\$100,000	\$0	6/30/14
<i>Fund 12 Total</i>			<i>\$28,376,000</i>	<i>\$6,641,000</i>	<i>\$8,222,251</i>	<i>\$5,624,123</i>	<i>\$4,219,160</i>	

**TABLE B-1
MOULTON NIGUEL WATER DISTRICT
FISCAL YEAR 2014-2015 BUDGET**

ADOPTED FY 2013-14 PROJECTS

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT BUDGET	APPROVED EXPENSE AUTHORIZATION	EXPENDED FROM INCEPTION TO DATE	FY 2013-2014 ADOPTED BUDGET	ESTIMATED PROJECT COSTS FOR FYE2014	ESTIMATED COMPLETION DATE
PLANNING & CONSTRUCTION FUND (P&C) (FUND 14)								
2009010	14	MISSION HOSPITAL SECONDARY FEED	\$380,000	\$0	\$0	\$0	\$0	6/30/15
2010001	14	650-ZONE NIGUEL ROAD INTERTIE	\$640,000	\$0	\$0	\$0	\$0	12/31/15
2010003	14	KITE HILL P.R. RELOCATION	\$400,000	\$60,000	\$293,746	\$354,368	\$245,471	6/30/14
2011038	14	E ALISO CRK RES RECIRCULATION SYST	\$141,000	\$20,000	\$89,019	\$72,210	\$137	6/30/14
2011040	14	RES&PUMP LS SITE ACCESS	\$170,000	\$0	\$0	\$0	\$0	6/30/15
2011043	14	3A OUTFALL LINE VALVES	\$410,000	\$0	\$0	\$0	\$0	6/30/15
2011045	14	N ALISO LS BY-PASS & SITE IMPROVEM	\$200,000	\$20,000	\$9,990	\$0	\$0	6/30/14
2011077	14	MOULTON PEAK RADIO TOWER IMPROVEME	\$115,000	\$20,000	\$0	\$0	\$0	6/30/14
2012028	14	GENERATOR AT BEAR BRAND RESERVOIR	\$40,000	\$0	\$4,453	\$40,000	\$4,453	6/30/14
2012029	14	GENERATOR AT BRIDLEWOOD TAKEOUT	\$40,000	\$0	\$4,153	\$40,000	\$4,153	6/30/14
2012030	14	GENERATOR AT MARGUERITE RESERVOIR	\$40,000	\$0	\$4,153	\$40,000	\$4,153	6/30/14
2012031	14	GENERATOR AT MATHIS RES PS	\$40,000	\$0	\$4,153	\$40,000	\$4,153	6/30/14
2012033	14	GENERATOR AT SEVILLE RESERVOIR	\$40,000	\$0	\$4,153	\$40,000	\$4,153	6/30/14
2012034	14	LA PAZ/MOLTON PW SYSTEM RECONFIGURATION	\$500,000	\$0	\$15,811	\$75,000	\$10,146	6/30/14
2012035	14	MAIN OFFICE BACKUP GENERATOR	\$170,000	\$0	\$1,024	\$60,000	\$1,024	6/30/14
2012036	14	PLANT 2A BACKUP GENERATOR	\$200,000	\$0	\$769	\$20,000	\$769	6/30/14
UP1314PC	14	UNANTICIPATED PROJECTS FUND 14	\$5,850,000	\$0	\$0	\$100,000	\$0	6/30/22
<i>Fund 14 Total</i>			<i>\$9,376,000</i>	<i>\$120,000</i>	<i>\$431,426</i>	<i>\$881,578</i>	<i>\$278,613</i>	
<i>Total</i>			<i>\$159,371,691</i>		<i>\$16,137,425</i>	<i>\$23,854,292</i>	<i>\$7,616,628</i>	

**TABLE B-2
MOULTON NIGUEL WATER DISTRICT
FISCAL YEAR 2014-2015 BUDGET**

CLOSED FY 2013-14 PROJECTS

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT BUDGET	APPROVED EXPENSE AUTHORIZATION	EXPENDED FROM INCEPTION TO DATE	FY 2013-2014 ADOPTED BUDGET	ESTIMATED PROJECT COSTS FOR FYE2014	ESTIMATED COMPLETION DATE
REPLACEMENT & REFURBISHMENT FUND (R&R) (FUND 07)								
2007030	7	RANCHO RESERVOIR IRRIGATION SYSTEM	\$150,000	\$35,430	\$27,614	\$123,509	\$0	6/30/14
2009107	7	CROWN VALLEY WIDENING RELOCATION	\$210,000	\$210,000	\$178,146	\$149,600	\$0	6/30/14
2010017	7	OPERATIONS FACILITY DRAINAGE IMPRO	\$1,301,236	\$150,000	\$105,526	\$0	\$0	6/30/14
2010021	7	MOULTON PEAK IRRIGATION PUMP REPLA	\$20,000	\$20,000	\$12,307	\$8,193	\$0	6/30/14
2011109	7	PLC PANEL REPLACEMENT-RANCHO PS	\$0	\$23,000	\$20,025	\$23,000	\$20,025	6/30/14
2012005	7	PLANT 3A EFFLUENT TM ANALYSIS/REHAB	\$150,000	\$0	\$123,136	\$62,433	\$0	6/30/14
2012018	7	MOULTON LF ROOF REPLACEMENT	\$20,000	\$0	\$11,120	\$20,000	\$11,120	6/30/14
2012019	7	NORTH ALISO LS ROOF REPLACEMENT	\$20,000	\$0	\$0	\$20,000	\$0	6/30/14
2012025	7	UPPER SALADA LS ROOF REPLACEMENT	\$20,000	\$0	\$0	\$20,000	\$0	6/30/14
2012026	7	VALVE REPLACEMENT PROJECT	\$2,700,000	\$0	\$0	\$0	\$0	6/30/14
2013006	7	FY 2013-14 MH REHABILITATION	\$350,000	\$0	\$0	\$350,000	\$0	6/30/14
2013009	7	UPPER SALAD LS VALVE REPLACEMENT	\$240,000	\$0	\$29,298	\$0	\$29,298	12/31/13
2013012	7	NIGUAL SUMMIT MAIN LINE REPLACEMENT	\$77,000	\$77,000	\$0	\$0	\$77,000	6/30/14
JRWSS14	7	SCWD/JRWSS CAPITAL PROJECT	\$12,606,901	\$0	\$145,569	\$2,605,331	\$145,569	6/30/14
SOCWA112	7	2013/2014 SOCWA CAPITAL PC 2(R)	\$9,952,725	\$0	\$252,418	\$171,131	\$252,418	6/30/14
SOCWA113	7	2013/2014 SOCWA PC 5	\$13,777,784	\$0	\$0	\$280,313	\$0	6/30/14
SOCWA114	7	2013/2014 SOCWA PC 3A(R)	\$96,614	\$0	\$187,917	\$11,633	\$187,917	6/30/14
SOCWA115	7	2013/2014 SOCWA CAPITAL PC 15(R)	\$6,878,955	\$0	\$938,864	\$819,000	\$938,864	6/30/14
SOCWA116	7	2013/2014 SOCWA CAPITAL PC 17(R)	\$25,841,606	\$0	\$302,540	\$2,826,556	\$302,540	6/30/14
SOCWA117	7	2013/2014 SOCWA PC 21	\$723,909	\$0	\$0	\$560,000	\$0	6/30/14
SOCWA118	7	2013/2014 SOCWA PC 24	\$69,903	\$0	\$0	\$32,888	\$0	6/30/14
UP1314RR	7	UNANTICIPATED PROJECTS FUND 7	\$20,500,000	\$0	\$0	\$500,000	\$290,000	6/30/14
<i>Fund 7 Total</i>			<i>\$95,706,633</i>	<i>\$6,452,088</i>	<i>\$2,334,481</i>	<i>\$8,583,587</i>	<i>\$2,254,752</i>	
WATER SUPPLY RELIABILITY FUND (WSR) (FUND 12)								
2011056	12	RW SYSTEM EXT (1500LF @4 LOCATIONS	\$500,000	\$0	\$9,946	\$0	\$0	12/31/14
2012038	12	UPPER CHIQUITA ENVIRONMENTAL MITIGATION	\$250,000	\$0	\$0	\$50,000	\$0	6/30/17
2013008	12	FY 2013-14 RW RETROFITS	\$100,000	\$0	\$0	\$100,000	\$0	6/30/14
<i>Fund 12 Total</i>			<i>\$850,000</i>	<i>\$6,641,000</i>	<i>\$9,946</i>	<i>\$150,000</i>	<i>\$0</i>	
PLANNING & CONSTRUCTION FUND (P&C) (FUND 14)								
2012035	14	MAIN OFFICE BACKUP GENERATOR	\$170,000	\$0	\$1,024	\$60,000	\$1,024	6/30/14
2012036	14	PLANT 2A BACKUP GENERATOR	\$200,000	\$0	\$769	\$20,000	\$769	6/30/14
UP1314PC	14	UNANTICIPATED PROJECTS FUND 14	\$5,850,000	\$0	\$0	\$100,000	\$0	6/30/14
<i>Fund 14 Total</i>			<i>\$6,220,000</i>	<i>\$120,000</i>	<i>\$1,793</i>	<i>\$180,000</i>	<i>\$1,793</i>	
Total			\$102,776,633.25		\$2,346,219.91	\$8,913,586.68	\$2,256,544.83	

**TABLE B-3
MOULTON NIGUEL WATER DISTRICT
FISCAL YEAR 2014-2015 BUDGET**

FY 2013-14 PROJECTS CARRIED TO FY 2014-15

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT BUDGET	APPROVED EXPENSE AUTHORIZATION	EXPENDED FROM INCEPTION TO DATE	FY 2013-2014 ADOPTED BUDGET	ESTIMATED PROJECT COSTS FOR FYE2014	ESTIMATED COMPLETION DATE
REPLACEMENT & REFURBISHMENT FUND (R&R) (FUND 07)								
2006038	07	REPLACE DIGITAL LINES W/WIRELESS N	\$2,315,267	\$1,900,000	\$1,500,781	\$100,000	\$25,538	12/31/15
2009115	07	SAN JUAN CREEK 30 EFFLUENT TM	\$2,900,000	\$216,000	\$205,305	\$79,072	\$53,937	3/31/16
2009167	07	GEODATABASE REDEVELOPMENT	\$150,000	\$50,000	\$81,662	\$109,000	\$38,925	6/30/15
2010018	07	MATHIS-OSO BY-PASS	\$200,000	\$40,000	\$28,740	\$181,818	\$2,162	4/30/15
2010033	07	NEW DISTRICT ENTERPRISE SOFTWARE	\$3,375,000	\$3,000,000	\$2,066,232	\$2,263,283	\$352,884	6/30/15
2011010	07	HILLARY PRS REPLACEMENT	\$350,000	\$30,000	\$22,946	\$335,388	\$662	4/30/15
2011011	07	INSPECT 54 CIP LINE ANTONIA-BRIDL	\$258,674	\$285,806	\$248,788	\$20,000	\$0	6/30/15
2011012	07	LARGO PRS REPLACEMENT	\$350,000	\$30,000	\$22,946	\$335,388	\$662	4/30/15
2011014	07	SEISMIC & STRUCTURAL ASSESS STEEL	\$217,192	\$217,192	\$182,969	\$83,082	\$43,176	5/30/14
2011015	07	WILKES PRS REPLACEMENT	\$350,000	\$30,000	\$22,946	\$335,388	\$662	4/30/15
2011016	07	PLC PANEL REPLACEMENT	\$532,000	\$0	\$216,154	\$346,193	\$56,168	12/31/15
2011024	07	DOCUMENT MANAGEMENT	\$389,000	\$179,000	\$110,931	\$282,579	\$0	6/30/20
2011026	07	RANCHO UNDERGROUND PWPS REFURBISHM	\$250,000	\$0	\$4,815	\$0	\$0	6/30/20
2011028	07	VALENCIA LS REFURBISHMENT	\$200,000	\$15,000	\$0	\$0	\$0	6/30/15
2011031	07	NIGUEL ROAD RW LINE REHABILITATION	\$400,000	\$0	\$257,041	\$382,178	\$235,630	6/30/15
2011032	07	OLD RANCH ROAD EASEMENT REFURBISHM	\$100,000	\$0	\$0	\$0	\$0	6/30/15
2011033	07	ASSET MANAGEMENT PROGRAM	\$350,000	\$0	\$0	\$70,000	\$0	6/30/17
2011034	07	GIS VIEWER AND CONFIGURATION	\$60,000	\$0	\$0	\$60,000	\$0	6/30/15
2011037	07	MISSION VIEJO HS LINE/VAULT REFURB	\$160,000	\$0	\$0	\$0	\$0	6/30/15
2012004	7	STONEHILL MH REHABILITATION PROGRAM	\$190,925	\$0	\$39,818	\$185,871	\$0	7/30/14
2012007	7	LOWER SALADA LS VENTILATION UNIT REPLACEMENT	\$110,000	\$0	\$3,249	\$106,883	\$0	2/28/15
2012008	7	REGIONAL LS VENTILATION UNIT REPLACEMENT	\$110,000	\$0	\$3,249	\$106,883	\$0	2/28/15
2012009	7	BEACON HILL PS PUMP/GENERATOR REPLACEMENT	\$575,000	\$0	\$36,098	\$75,000	\$36,098	11/20/15
2012010	7	CVP 16-INCH PW LINE REHABILITATION	\$650,000	\$0	\$0	\$50,000	\$0	6/30/22
2012011	7	EASEMENT REHABILITATION PROGRAM - Phase 1	\$7,850,000	\$0	\$0	\$190,000	\$0	6/30/16
2012012	7	FIELD GIS - SEWER LINE CLEANING & MH	\$40,000	\$0	\$0	\$40,000	\$0	6/30/16
2012013	7	FIELD GIS - VALVE TURNING DATA SOFTWARE	\$40,000	\$0	\$0	\$40,000	\$0	6/30/15
2012016	7	LITTLE NIGUEL PS ROOF REPLACEMENT	\$20,000	\$0	\$0	\$0	\$0	6/30/22
2012021	7	REGIONAL LIFT STATION PUMPS 4&5 REPLACEMENT	\$320,000	\$0	\$38,640	\$320,000	\$38,640	11/30/15
2012024	7	UPPER SALADA LF AUX. GENERATOR REPLACEMENT	\$375,000	\$0	\$26,102	\$375,000	\$26,102	11/21/16
2012037	7	OSO PKWY 12"RW MAIN RELOCATION	\$192,000	\$20,660	\$0	\$192,000	\$0	6/30/15
2013001	7	EAST ALISO CREEK RES RECOAT & IMPROV	\$1,500,000	\$0	\$11,685	\$50,000	\$11,685	9/30/15
2013002	7	MATHIS RW RES RECOAT & IMPROVE	\$800,000	\$0	\$0	\$800,000	\$0	4/30/17
2013003	7	SOUTH RIDGE RW RES RECOAT & IMPROV	\$600,000	\$0	\$12,639	\$600,000	\$12,639	4/30/15
2013004	7	REGIONAL LS FORCE MAIN REPLACEMENT	\$1,100,000	\$0	\$7,840	\$100,000	\$7,840	12/30/16
2013005	7	LOWER SALADA LS FORCE MAIN REPLACEMENT	\$1,100,000	\$0	\$4,390	\$100,000	\$4,390	12/30/15

**TABLE B-3
MOULTON NIGUEL WATER DISTRICT
FISCAL YEAR 2014-2015 BUDGET**

FY 2013-14 PROJECTS CARRIED TO FY 2014-15

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT BUDGET	APPROVED EXPENSE AUTHORIZATION	EXPENDED FROM INCEPTION TO DATE	FY 2013-2014 ADOPTED BUDGET	ESTIMATED PROJECT COSTS FOR FYE2014	ESTIMATED COMPLETION DATE
2013007	7	3A ETM REPLACEMENT - COUNTY OF ORANGE PHASE VII	\$450,000	\$0	\$22,600	\$450,000	\$22,600	12/31/16
2013010	7	GALLUP SEWER REPLACEMENT	\$340,000	\$0	\$3,475	\$0	\$3,475	4/24/15
2013011	7	WOOD CANYON POTABLE RES RECOAT & IMPR	\$800,000	\$0	\$0	\$0	\$0	10/31/14
<i>Fund 7 Total</i>			<i>\$30,070,058</i>	<i>\$6,452,088</i>	<i>\$5,182,040</i>	<i>\$8,765,005</i>	<i>\$973,876</i>	
WATER SUPPLY RELIABILITY FUND (WSR) (FUND 12)								
2006071	12	BAKER PIPELINE REGIONAL TREATMENT	\$26,000,000	\$5,810,000	\$7,462,972	\$5,000,000	\$4,219,160	12/31/15
2006099	12	ETWD/MNWD INTERTIE W/30 DIEMER PI	\$456,000	\$56,000	\$1,956	\$454,123	\$0	6/30/15
2008049	12	SOUTH ORANGE COASTAL OCEAN DESAL	\$700,000	\$660,000	\$690,640	\$20,000	\$0	12/31/15
2010013	12	LA PAZ BRIDGE CROSSING RW PIPELINE	\$370,000	\$115,000	\$56,736	\$0	\$0	6/30/15
<i>Fund 12 Total</i>			<i>\$27,526,000</i>	<i>\$6,641,000</i>	<i>\$8,212,304</i>	<i>\$5,474,123</i>	<i>\$4,219,160</i>	
PLANNING & CONSTRUCTION FUND (P&C) (FUND 14)								
2009010	14	MISSION HOSPITAL SECONDARY FEED	\$380,000	\$0	\$0	\$0	\$0	6/30/18
2010001	14	650-ZONE NIGUEL ROAD INTERTIE	\$640,000	\$0	\$0	\$0	\$0	6/30/15
2010003	14	KITE HILL P.R. RELOCATION	\$400,000	\$60,000	\$293,746	\$354,368	\$245,471	7/30/14
2011038	14	E ALISO CRK RES RECIRCULATION SYST	\$141,000	\$20,000	\$89,019	\$72,210	\$137	9/30/14
2011040	14	RES&PUMP LS SITE ACCESS	\$170,000	\$0	\$0	\$0	\$0	6/30/15
2011043	14	3A OUTFALL LINE VALVES	\$410,000	\$0	\$0	\$0	\$0	6/30/15
2011045	14	N ALISO LS BY-PASS & SITE IMPROVEM	\$200,000	\$20,000	\$9,990	\$0	\$0	6/30/18
2011077	14	MOULTON PEAK RADIO TOWER IMPROVEME	\$115,000	\$20,000	\$0	\$0	\$0	6/30/18
2012028	14	GENERATOR AT BEAR BRAND RESERVOIR	\$40,000	\$0	\$4,453	\$40,000	\$4,453	11/30/15
2012029	14	GENERATOR AT BRIDLEWOOD TAKEOUT	\$40,000	\$0	\$4,153	\$40,000	\$4,153	11/30/15
2012030	14	GENERATOR AT MARGUERITE RESERVOIR	\$40,000	\$0	\$4,153	\$40,000	\$4,153	11/30/15
2012031	14	GENERATOR AT MATHIS RES PS	\$40,000	\$0	\$4,153	\$40,000	\$4,153	11/30/15
2012033	14	GENERATOR AT SEVILLE RESERVOIR	\$40,000	\$0	\$4,153	\$40,000	\$4,153	11/30/15
2012034	14	LA PAZ/MOLTON PW SYSTEM RECONFIGURATION	\$500,000	\$0	\$15,811	\$75,000	\$10,146	4/30/15
<i>Fund 14 Total</i>			<i>\$3,156,000</i>	<i>\$120,000</i>	<i>\$429,633</i>	<i>\$701,578</i>	<i>\$276,820</i>	
<i>Total</i>			<i>\$60,752,058.24</i>		<i>\$13,823,978.01</i>	<i>\$14,940,705.49</i>	<i>\$5,469,856.56</i>	

**TABLE C-1
MOULTON NIGUEL WATER DISTRICT
FISCAL YEAR 2014-2015 BUDGET**

PROPOSED FY 2014-15 PROJECTS						
PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT BUDGET	EXPENDED FROM INCEPTION TO DATE	FY 2014-2015 PROPOSED BUDGET	ESTIMATED COMPLETION DATE
REPLACEMENT & REFURBISHMENT FUND (R&R) (FUND 07)						
2006038	7	REPLACE DIGITAL LINES W/WIRELESS N	\$2,100,781	\$1,500,781	\$400,000	12/31/15
2009115	7	SAN JUAN CREEK 30 EFFLUENT TM	\$2,900,000	\$205,305	\$760,695	3/31/16
2009115	7	SAN JUAN CREEK 30 EFFLUENT TM - SMWD REIMBUSEMENT	-\$550,000	\$0	-\$275,000	3/31/16
2009167	7	GEODATABASE REDEVELOPMENT	\$150,000	\$81,662	\$68,338	6/30/15
2010018	7	MATHIS-OSO BY-PASS	\$400,000	\$28,740	\$371,260	4/30/15
2010033	7	NEW DISTRICT ENTERPRISE SOFTWARE	\$3,375,000	\$2,066,232	\$1,308,768	6/30/15
2011010	7	HILLARY PRS REPLACEMENT	\$350,000	\$22,946	\$100,000	4/30/15
2011011	7	INSPECT 54 CIP LINE ANTONIA-BRIDL	\$268,788	\$248,788	\$20,000	6/30/15
2011012	7	LARGO PRS REPLACEMENT	\$350,000	\$22,946	\$100,000	4/30/15
2011014	7	SEISMIC & STRUCTURAL ASSESS STEEL	\$217,192	\$182,969	\$34,223	5/30/14
2011015	7	WILKES PRS REPLACEMENT	\$350,000	\$22,946	\$100,000	4/30/15
2011016	7	PLC PANEL REPLACEMENT	\$632,000	\$410,864	\$221,136	12/31/15
2011031	7	EL NIGUEL RW LINE REHABILITATION	\$400,000	\$257,041	\$142,959	6/30/15
2011033	7	ASSET MANAGEMENT PROGRAM/CMMS	\$350,000	\$0	\$70,000	6/30/17
2011034	7	GIS VIEWER AND CONFIGURATION	\$60,000	\$0	\$60,000	6/30/15
2012004	7	STONEHILL MH REHAB PROGRAM	\$190,925	\$39,818	\$151,107	7/30/14
2012007	7	LOWER SALADA LS VENTILATION UNIT REPLACEMENT	\$50,000	\$3,249	\$46,751	2/28/15
2012008	7	REGIONAL LS VENTILATION UNIT REPLACEMENT	\$50,000	\$3,249	\$46,751	2/28/15
2012009	7	BEACON HILL PS PUMP/GENERATOR REPLACEMENT	\$611,098	\$36,098	\$75,000	11/20/15
2012013	7	FIELD GIS - VALVE TURNING DATA SOFTWARE	\$40,000	\$0	\$40,000	6/30/15
2012021	7	REGIONAL LIFT STATION PUMPS 2&4 REPLACEMENT	\$358,640	\$38,640	\$320,000	11/30/15
2012024	7	UPPER SALADA LF AUX. GENERATOR REPLACEMENT	\$401,102	\$26,102	\$375,000	11/21/16
2012037	7	OSO PKWY 12"RW MAIN RELOCT	\$192,000	\$0	\$192,000	6/30/15
2013001	7	EAST ALISO CREEK RES RECOAT & IMPROV	\$2,550,000	\$11,685	\$2,538,315	9/30/15
2013002	7	MATHIS RW RES RECOAT & IMPROVE	\$800,000	\$0	\$50,000	4/30/17
2013003	7	SOUTH RIDGE RW RES RECOAT & IMPROV	\$600,000	\$12,639	\$587,361	4/30/15
2013004	7	REGIONAL LS FORCE MAIN REPLACEMENT	\$2,500,000	\$0	\$100,000	12/30/16
2013005	7	LOWER SALADA LS FORCE MAIN REPLACEMENT	\$2,500,000	\$0	\$100,000	12/30/15
2013007	7	3A ETM REPLACEMENT - COUNTY OF ORANGE PHASE VII	\$450,000	\$0	\$450,000	12/31/16
2013010	7	GALLUP SEWER REPLACEMENT	\$340,000	\$3,475	\$40,000	4/24/15
2013011	7	WOOD CANYON POTABLE RES RECOAT & IMPR	\$800,000	\$0	\$800,000	10/31/14
JRWSS15	7	SCWD/JRWSS CAPITAL PROJECT	\$13,912,287	\$0	\$1,406,337	6/30/15

**TABLE C-1
MOULTON NIGUEL WATER DISTRICT
FISCAL YEAR 2014-2015 BUDGET**

PROPOSED FY 2014-15 PROJECTS						
PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT BUDGET	EXPENDED FROM INCEPTION TO DATE	FY 2014-2015 PROPOSED BUDGET	ESTIMATED COMPLETION DATE
SOCWA112	7	2014/2015 SOCWA CAPITAL PC 2(R)	\$12,455,658	\$0	\$2,401,827	6/30/15
SOCWA113	7	2014/2015 SOCWA PC 5	\$165,125	\$0	\$0	6/30/15
SOCWA114	7	2014/2015 SOCWA PC 3A(R)	\$13,268,471	\$0	\$2,646,525	6/30/15
SOCWA115	7	2014/2015 SOCWA CAPITAL PC 15(R)	\$6,438,826	\$0	\$695,344	6/30/15
SOCWA116	7	2014/2015 SOCWA CAPITAL PC 17(R)	\$29,152,127	\$0	\$5,595,899	6/30/15
	7	BEAR BRAND RES RECOATING & SAFETY	\$770,000	\$0	\$20,000	6/30/15
	7	DEL AVION LS AUXILIARY GENERATOR REPLACEMENT	\$630,000	\$0	\$50,000	6/30/15
	7	DEL AVION LS WET WELL COATING REHAB	\$70,000	\$0	\$70,000	6/30/15
	7	ENCANTAMAR 16" ABANDONMENT	\$75,000	\$0	\$75,000	6/30/15
	7	UTILITY MAIN BREAKERS REPLACEMENTS	\$100,000	\$0	\$100,000	6/30/15
	7	UPPER SALADA LS HEADER REPLACEMENT	\$100,000	\$0	\$100,000	6/30/15
	7	LA SIENA MAINLINE REPLACEMENT	\$250,000	\$0	\$250,000	6/30/15
	7	2014-15 VALVE REPLACEMENT	\$600,000	\$0	\$600,000	6/30/15
	7	2014-15 MH REHABILITATION	\$350,000	\$0	\$350,000	6/30/15
UP1415RR	7	UNANTICIPATED PROJECTS FUND 7	\$250,000	\$0	\$250,000	6/30/15
<i>Fund 7 Total</i>			<i>\$102,375,019</i>	<i>\$5,226,175</i>	<i>\$24,005,596</i>	
<i>WATER SUPPLY RELIABILITY FUND (WSR) (FUND 12)</i>						
2006071	12	BAKER PIPELINE REGIONAL TREATMENT PLANT	\$32,598,645	\$7,462,972	\$15,152,106	12/31/15
2006099	12	ETWD/MNWD INTERTIE W/30 DIEMER PI REIMBURSEMENT	-\$456,000	-\$1,956	-\$454,044	6/30/15
2006099	12	ETWD/MNWD INTERTIE W/30 DIEMER PI	\$456,000	\$1,956	\$454,044	6/30/15
	12	FY 2014-15 RW RETROFITS	\$150,000	\$0	\$150,000	6/30/15
	12	RECYCLED WATER SYSTEM EXTENSION	\$3,080,000	\$0	\$150,000	6/30/17
<i>Fund 12 Total</i>			<i>\$35,828,645</i>	<i>\$7,462,972</i>	<i>\$15,452,106</i>	

**TABLE C-1
MOULTON NIGUEL WATER DISTRICT
FISCAL YEAR 2014-2015 BUDGET**

PROPOSED FY 2014-15 PROJECTS						
PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT BUDGET	EXPENDED FROM INCEPTION TO DATE	FY 2014-2015 PROPOSED BUDGET	ESTIMATED COMPLETION DATE
<i>PLANNING & CONSTRUCTION FUND (P&C) (FUND 14)</i>						
2010003	14	KITE HILL P.R. RELOCATION	\$400,000	\$293,746	\$106,254	7/30/14
2011038	14	E ALISO CRK RES RECIRCULATION SYST	\$141,000	\$89,019	\$51,981	9/30/14
2012028	14	GENERATOR AT BEAR BRAND RESERVOIR	\$40,000	\$4,453	\$35,547	11/30/15
2012029	14	GENERATOR AT BRIDLEWOOD TAKEOUT	\$40,000	\$4,153	\$35,847	11/30/15
2012030	14	GENERATOR AT MARGUERITE RESERVOIR	\$40,000	\$4,153	\$35,847	11/30/15
2012031	14	GENERATOR AT MATHIS RES PS	\$40,000	\$4,153	\$35,847	11/30/15
2012033	14	GENERATOR AT SEVILLE RESERVOIR	\$40,000	\$4,153	\$35,847	11/30/15
2012034	14	LA PAZ/MOLTON PW SYSTEM RECONFIGURATION	\$500,000	\$15,811	\$300,000	4/30/15
	14	TESSIER WATER LOOP	\$240,000	\$0	\$50,000	6/30/15
	14	PRADERA 850 ZONE LOOP	\$240,000	\$0	\$50,000	6/30/15
	14	RECYCLED MASTER PLAN	\$300,000	\$0	\$150,000	6/30/16
	14	DISTRICT HEADQUARTERS	\$23,000,000	\$0	\$7,000,000	6/30/17
UP1415PC	14	UNANTICIPATED PROJECTS FUND 14	\$100,000	\$0	\$100,000	6/30/15
<i>Fund 14 Total</i>			<i>\$25,121,000</i>	<i>\$419,643</i>	<i>\$7,987,168</i>	
<i>Total</i>			\$163,324,664	\$13,108,789	\$47,444,870	



MOULTON NIGUEL WATER DISTRICT

POLICY DOCUMENTS

FOR

FISCAL YEAR 2014-15

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Purpose: The capital financing policy sets forth guidelines for the financing of capital projects. It is the District's policy to obtain financing when appropriate to:

- *Achieve an equitable allocation of capital costs/charges between current and future system users*
- *To provide more manageable rates in the near and medium term*
- *To minimize rate volatility*
- *Expedite critical infrastructure project*

USE OF CAPITAL FINANCING

Capital financing shall include funding from capital reserves, general obligation bonds, revenue bonds, certificates of participation, lease/purchase agreements, and other financing obligations permitted to be issued or incurred under California law. Proceeds shall be used only to purchase or construct major infrastructure, facilities and real property.

Repayment of the obligation will not exceed the useful life of the projects financed. The District will seek to minimize the repayment period when feasible. Generally repayment period range from 20 to 30 years subject to market conditions.

To minimize interest rates the District will seek to issue financing with parity to existing obligations. Financial conditions specified in existing agreements must be met in order to issue parity financings.

Existing obligations require revenues net of all expenses shall be a minimum of 125 percent of the maximum annual debt service (as defined in the agreements). Revenues net of all expenses should be maintained at a minimum 175 percent of the maximum annual debt service for financial planning purposes. Annual adjustments to the District's rates will be made as necessary to maintain a minimum 175 percent coverage factor.

RESPONSIBILITY

The primary responsibility for developing financing recommendations rests with the Director of Finance/Treasurer. In conjunction with updates to the 10-Year Financial Plan the Director of Finance/Treasurer will make recommendations to the Board of Directors for capital financing. To initiate capital financing the Director of Finance/Treasurer shall present a resolution of intent for approval of the Board of Directors.

Purpose: This policy establishes the level of reserves necessary for maintaining the District's credit worthiness and for adequately providing for:

- *Funding infrastructure replacement and refurbishment and new infrastructure*
- *Economic uncertainties, extraordinary costs, and other financial impacts*
- *Loss of significant revenue sources such as property tax receipts or connection fees*
- *Local disasters or catastrophic events*
- *Losses not covered by insurance*
- *Future debt or capital obligations*
- *Cash flow requirements*
- *Unfunded mandates including costly regulatory requirements*
- *Contractual obligations*
- *Credit market disruptions*

GENERAL RESERVES

General Operating Reserves: Will provide liquidity for funding day-to-day operating expenses. The minimum amount of General Operating Reserves will equal three months of operating expenses. The maximum amount of General Operating Reserves will equal twelve months of operating expenses. The General Operating Reserves will be maintained in the District's General Fund.

Self-Insurance Reserves: Will fund property and liability insurance deductibles, losses exceeding insurance limits and unemployment claims. The minimum amount of Self-Insurance Reserves will equal five times the current JPIA property insurance deductible (current deductible is up to \$50,000) and the maximum amount of Self-Insurance Reserves will equal twelve times the current JPIA property insurance deductible. The Self-Insurance reserves will be maintained in the District's General Fund.

Rate Stabilization Reserves: To avoid large fluctuations in customer water and sewer rates, the District will accumulate Rate Stabilization Reserves to provide for losses of revenue, significant increases in water purchase costs, and other extraordinary financial impacts to revenues and expenses. The District will maintain a Reserve equal to fifty percent of maximum annual debt service. The Rate Stabilization Reserves will be maintained in the Rate Stabilization Fund.

CAPITAL IMPROVEMENT RESERVES

The Replacement and Refurbishment (R&R) Reserves, the Planning and Construction and the Water Supply Reliability Reserves will constitute the District's Capital Reserves. Key objectives for accumulating these Reserves are to fund projects identified in the Long Range Plan and the 10-Year Financial Plan and to reduce the volatility of water and sewer rate increases.

Replacement and Refurbishment Reserves: Will fund the replacement and refurbishment of existing assets in conjunction with the District's Asset Management Plan. The minimum amount of R&R Reserves will equal five percent of the total ten-year expected capital spending on R&R projects. All amounts will be maintained in a separate R&R fund.

Planning and Construction Reserves: Will fund new infrastructure projects other than the Water Supply Reliability (WSR) projects. These reserves are an integral part of the District's capital plan documented in its Long-Range Plan and 10-Year Financial Plan. The minimum amount of Planning and Construction reserves will equal five percent of the total ten-year capital spending. All amounts will be maintained in a separate Planning and Construction Fund.

Water Supply Reliability Reserves: Will fund projects such as reservoirs and interties that will increase the number of days the District can serve its customers upon a planned or unplanned interruption in service from Municipal Water District of Orange County as supplied by Metropolitan Water District of Southern California. The minimum amount of the WSR Reserves will be five percent of the total ten-year expected capital spending for WSR projects. All amounts will be maintained in a separate WSR Fund.

Capital Reserve Maximum Reserve Level: The maximum sum of all monies in the Capital Reserves will not exceed the projected amount of the Capital Projects on a 10-year basis.

DEBT SERVICES RESERVES

The District will provide Debt Service Reserves are held in trust with a third party trustee as provided for in each debt agreement. Increases and decreases to these reserves will be as provided for in the various legal agreements associated with the debt issuance. The District's accounting records show these amounts in various debt funds.

PROCEDURE FOR USING RESERVE FUNDS

General Operating and Self-Insurance Reserves: Can be used at any time to meet cash flow requirements of District operations. Authority to use the funds will be consistent with the District's Administrative Policy Manual.

Replacement and Refurbishment, Planning and Construction and Water Supply Reliability (Capital) Reserves: The Board of Directors will authorize use of Capital Improvement Reserves during the budget process. Capital Improvement Reserves are also available for unplanned (unbudgeted) capital replacement. When appropriate, the Board may adopt Refurbishment Resolutions as necessary to advance reserves prior to obtaining external capital financing. Authorization for the use of Capital Improvement Reserves for unplanned capital replacement will be consistent with the District's Administrative Policy Manual.

Rate Stabilization Funds: The Director of Finance/Treasurer is authorized to use rate stabilization funds to supplement operating revenues when one or more of the following occur:

- Total revenue is projected to be five percent or more above below than the annual budget
- Total expense is projected to be five percent or more above the annual budget
- Developing the budget to avoid large fluctuations in customer water and sewer rates as directed by the Board of Directors
- Amounts are needed to meet the net revenue debt service covenants goals as specified in the District's Capital Financing Policy

- Amount are needed to meet the additional bond test for issuance of new debt as directed by the Board of Directors

PROCEDURES FOR MONITORING RESERVE LEVELS

The Director of Finance/Treasure will submit a reserve analysis to the Board of Directors upon the occurrence of the following events:

- Board of Directors deliberation of the annual budget process
- Board of Directors deliberation of a water and sewer rate increase
- When a major change in conditions threatens the reserve levels established within this policy

If the analysis indicates projected or actual reserve levels falling 10% below or above the levels outlined in this policy, at least one of the following actions shall be included with the analysis:

- An explanation of why the reserve levels are not at the targeted level, and/or
- A course of action to bring reserve levels within the minimum and maximum levels prescribed

Purpose: It is the purpose of these Policies to authorize the General Manager, or his or her designee, to implement these adopted Financial Policies by developing internal procedures, monitoring, and reporting requirements that will help ensure that the financial policy goals are reflected in the District's day-to-day operations.

FINANCIAL REPORTING

All District's accounting and financial reporting systems will be maintained in conformance with all state and federal laws, Generally Accepted Accounting Principles (GAAP), standards of the Governmental Account Standards Board (GASB), and strives to meet the stringent requirements of the Government Finance Officers Association (GFOA) Award for Excellence in Financial Reporting requirements.

An Annual Audit will be performed by an independent public accounting firm; with an Audit Opinion to be included with the District's published Comprehensive Annual Financial Report (CAFR). The independent auditor will present the CAFR and discuss audit findings concerning internal controls and operational deficiencies at a public meeting.

The District will strive to submit the CAFR to the GFOA Certification of Achievement for Excellence in Financial Reporting Program each year.

FINANCIAL PLANS

The District will use a two-year budget as a short-term planning tool, while continuing to emphasize long-range planning and ongoing effective District management.

The second planning tool will be the Long Range Financial Plan, including a 10-year Financial Model with all revenues and expenditures for the District including operating costs, debt obligations and covenants, reserve requirements, capital improvement projects, refurbishment/replacement projects, cost of services, joint powers agreements and obligations, and cash flow needs.

BUDGET – APPROPRIATIONS

The District will strive to maintain a balanced operating budget for all funds, with total ongoing revenues equal to or greater than total ongoing expenditures, so that at year-end, all these funds have a positive fund balance and the General Fund reserve balance is maintain as required.

The MNWD Board of Director's hold public meetings and adopts the District's bi-annual budget and may modify appropriations with majority approval throughout the fiscal year. Changes in appropriations at the fund level during the year must be submitted by the District staff for formal Board review and approval. The legal level of expenditures is controlled at the fund level, and appropriations lapse at the end of each fiscal year unless encumbered for re-appropriation by the Board in the following fiscal year.

ENTERPRISE FUNDS – RATES

The District will set water and sewer rates at levels, which fully cover the total direct and indirect costs – including operations and maintenance, capital outlay, reserve requirements, and cash flow and debt service requirements.

The District will review and adjust enterprise fees and rate structure as required to ensure that they remain appropriate and equitable from the standpoint that they represent the cost of service.

CAPITAL MANAGEMENT – INFRASTRUCTURE

The District will maintain a long-range fiscal perspective through the use of Capital Improvement Plan (CIP) to maintain the quality of District water and sewer infrastructure. The purpose of a long-term CIP is to systematically plan, schedule, and finance capital projects to ensure cost-effectiveness, as well as conformance to established District policies.

The Plan will be updated annually, including anticipated funding sources. The Capital Improvement Plan will reflect a balance between capital replacement projects that repair, replace or enhance existing facilities and projects that expand or add to the District’s existing infrastructure. Adequate funding to support repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability is essential.

The District will evaluate both “pay-as-you-go” and long-term bond financing for CIP construction during the regular review of the Plan.

RESERVE POLICY

All fund designations and reserves, as established by the Board, will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the District’s 10-year Financial Model.

RISK MANAGEMENT

The District will identify and quantify all areas of financial and operating risk, and prepare contingencies for those risks, including legal liabilities, infrastructure maintenance, refurbishment and replacement, emergency response, contract and MOU employee obligations. The District will work with the state retirement system (CalPERS Risk Pool) and insurance pool (ACWA/JPIA) representatives to seek full coverage of actuarially projected funding requirements.

DEBT

The District will consider the use of debt financing for one-time capital improvement projects. The District will seek to maintain and, if necessary, improve the District’s current bond rating, in order to minimize borrowing costs and preserve access to credit. Currently the District has been given a “AAA” rating of several of the outstanding bond issues. It is the goal of the District to maintain these ratings in the future.

Appendix D
Project Descriptions for the 2014-15 Budget