



# moulton niguel water district

## STAFF REPORT

**TO:** Board of Directors **MEETING DATE:** May 11, 2016

**FROM:** Drew Atwater, Water Resources Manager  
Johnathan Cruz, Senior Finance and Resource Analyst

**SUBJECT:** Fiscal Year 2016/17 Proposed Operating and Maintenance Budget

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### SUMMARY:

Issue: Proposed annual Operating and Maintenance Budget for Fiscal Year 2016/17

Recommendation: This is an information item only. Adoption of the proposed budget will be at the June 16 Board Meeting.

Fiscal Impact: The proposed Operating and Maintenance Budget, and staffing plan, along with the Cash Fund balances and projected 10-year cashflow, are attached and will be presented during the Workshop.

### BACKGROUND:

The District has historically adopted a two-year Operating and Maintenance Budget and an annual 10-year Capital Improvement Program Budget. Staff is proposing to shift to a single year Operating and Maintenance Budget as the annual update of the Long Range Financial Planning model provides a more comprehensive picture of the District's financial position eliminating the need for a two-year budget forecast. The Operating and Maintenance Budget includes the necessary staffing, resources, and services to provide water, wastewater, and recycled water services to the District's customers. The attached supporting documentation, charts, and tables provide a summary of the Fiscal Year 2014/15 budget compared to Fiscal Year 2014/15 Actuals, the Fiscal Year 2015/16 Budget, and the proposed budget for Fiscal Year 2016/17 compared to the forecasted Fiscal Year 2016/17 Long Range Financial Plan expenses. Additionally, the District's Long Range Financial Plan, which shows a projected 10-year cashflow, is included. The supporting information includes:

Tab A: General Fund Statement of Revenues, Expenses and Changes in Operating Position – Fund 1

- Tab B: Capital Outlays – Fund 1
- Tab C: Water Efficiency Fund Statement of Revenues, Expenses and Changes in Operating Position – Fund 6
- Tab D: Debt Service Expense for FY 2016-17
- Tab E: Staffing Plan for FY 2016/17
- Tab F: Long Range Financial Planning Model Update
- Tab G: General Fund – Budget Detail Report

The final budget document will include a narrative to provide additional context to the proposed budget. The final document will incorporate any changes generated during the budget workshop and will be available based on the schedule below.

Budget Review Calendar:

- April 18, 2016 Capital Improvement Program Budget Review
- May 11, 2016 Budget Review Workshop
- May 16, 2016 Fiscal Year 2016/17 Proposed Budget Review
- May 18, 2016 Fiscal Year 2016/17 Proposed Budget Review
- June 13, 2016 Fiscal Year 2016/17 Proposed Budget Review; Final Budget Document to be provided prior to the meeting
- June 15, 2016 Fiscal Year 2016/17 Proposed Budget Review
- June 16, 2016 Budget Adoption

**MOULTON NIGUEL WATER DISTRICT**  
**GENERAL FUND STATEMENT OF REVENUES, EXPENSES AND CHANGES IN OPERATING POSITION**

	<b>FY 2015 Approved Budget</b>	<b>FY 2015 Actuals</b>	<b>FY 2015 Difference</b>	<b>FY 2016 Approved Budget</b>	<b>FY 2017 Forecasted Budget</b>	<b>FY 2017 Proposed Budget</b>	<b>FY 2017 Difference</b>	<b>FY 2017 %Δ</b>
<b><u>Operating Revenues:</u></b>								
Water Sales	27,325,000	24,708,832	(2,616,168)	25,449,137	28,926,159	28,338,290	(587,869)	-2.03%
Recycled Water Sales	4,725,000	4,880,742	155,742	5,249,795	6,129,777	5,489,814	(639,963)	-10.4%
Sewer Sales	17,150,000	16,182,196	(967,804)	18,053,647	19,064,651	18,911,865	(152,786)	-0.8%
Other Operating Income	483,500	325,825	(157,675)	483,500	489,905	491,585	1,680	0.3%
<b>Total Operating Revenues</b>	<b>49,683,500</b>	<b>46,097,595</b>	<b>(3,585,905)</b>	<b>49,236,079</b>	<b>54,610,492</b>	<b>53,231,554</b>	<b>(1,378,938)</b>	<b>-2.5%</b>
<b><u>Non-Operating Revenues:</u></b>								
Property Tax Revenue	21,848,500	24,011,516	2,163,016	26,501,190	27,049,765	27,069,573	19,808	0.1%
Investment Income	2,973,207	2,503,700	(469,507)	1,867,913	2,259,666	1,916,952	(342,713)	-15.2%
Property Lease Income	1,740,000	1,731,352	(8,648)	1,660,096	1,569,878	1,569,878	-	0.0%
Misc. Non-Operating Income	68,000	3,681,896	3,613,896	68,000	3,249,646	3,249,646	-	0.0%
Connection Fees	-	551,179	551,179	-	179,150	468,818	289,668	161.7%
<b>Total Non-Operating Revenues</b>	<b>26,629,707</b>	<b>32,479,644</b>	<b>5,849,937</b>	<b>30,097,199</b>	<b>34,308,105</b>	<b>34,274,867</b>	<b>(33,237)</b>	<b>-0.1%</b>
<b>Total Revenues</b>	<b>76,313,207</b>	<b>78,577,238</b>	<b>2,264,031</b>	<b>79,333,278</b>	<b>88,918,597</b>	<b>87,506,422</b>	<b>(1,412,175)</b>	<b>-1.6%</b>
<b><u>Operating Expenses:</u></b>								
Salaries	9,550,317	9,235,167	(315,150)	10,307,516	10,779,313	11,236,065	456,753	4.2%
PERS Employer Contributions	990,416	965,687	(24,729)	1,306,049	1,358,291	925,463	(432,828)	-31.9%
PERS Employee Contributions	196,566	181,559	(15,006)	149,890	155,885	-	(155,885)	-100.0%
PERS Other (Side Fund, 401A)	214,956	195,746	(19,210)	250,770	260,800	265,064	4,264	1.6%
Educational Courses	51,720	25,495	(26,225)	44,270	45,055	51,580	6,525	14.5%
Travel & Meetings	251,034	181,497	(69,537)	238,644	242,875	253,320	10,445	4.3%
Employee Relations	14,800	12,103	(2,697)	15,000	69,818	78,397	8,579	12.3%
General Services	402,776	362,745	(40,031)	458,095	412,073	394,750	(17,323)	-4.2%
Annual Audit	40,000	40,665	665	48,080	48,932	53,000	4,068	8.3%
Member Agencies O&M	1,231,370	1,265,750	34,380	1,542,495	1,594,314	692,228	(902,086)	-56.6%
Dues & Memberships	93,968	85,580	(8,388)	96,510	98,221	101,245	3,024	3.1%
Election Expenses	150,000	10,173	(139,827)	-	-	83,000	83,000	-
Consulting Services	1,602,900	1,300,440	(302,460)	2,248,900	2,288,768	1,315,400	(973,368)	-42.5%
Equipment Rental	65,000	64,365	(635)	65,000	66,152	69,000	2,848	4.3%
District Fuel	340,000	235,727	(104,273)	340,000	349,677	340,000	(9,677)	-2.8%
Insurance - District	576,151	509,371	(66,780)	561,275	540,744	443,170	(97,574)	-18.0%
Insurance - Personnel	468,100	386,112	(81,988)	438,275	455,806	457,273	1,467	0.3%
Insurance - Benefits	2,360,333	2,258,256	(102,078)	2,587,061	2,690,023	2,896,325	206,302	7.7%
Legal Services - Personnel	50,000	6,399	(43,602)	50,000	50,886	50,000	(886)	-1.7%
Legal Services - General	170,000	143,345	(26,655)	200,000	203,546	420,000	216,454	106.3%
District Office Supplies	499,900	531,433	31,533	475,400	483,828	473,250	(10,578)	-2.2%
District Operating Supplies	315,850	301,346	(14,504)	392,967	401,261	390,450	(10,811)	-2.7%
Repairs & Maint. - Equipment	867,287	638,432	(228,855)	738,469	752,176	626,269	(125,907)	-16.7%
Repairs & Maint. - Facilities	3,550,995	2,909,459	(641,536)	4,135,970	4,219,951	3,447,205	(772,746)	-18.3%
Safety & Compliance	285,250	139,734	(145,516)	309,450	314,936	191,650	(123,286)	-39.1%
SOCWA	8,450,820	8,448,293	(2,527)	9,204,735	9,367,916	9,480,877	112,961	1.2%
Special Outside Assessments	230,300	200,296	(30,004)	225,000	233,989	240,000	6,011	2.6%
Utilities	2,126,000	2,173,236	47,236	2,258,900	2,334,786	2,373,260	38,474	1.6%
Water Purchases	27,976,295	25,978,276	(1,998,019)	23,697,841	26,121,968	25,826,807	(295,161)	-1.1%
Meter Purchases	868,000	683,497	(184,503)	906,000	922,062	615,000	(307,062)	-33.3%
<b>Total Operating Expenses</b>	<b>63,991,103</b>	<b>59,470,184</b>	<b>(4,520,920)</b>	<b>63,292,562</b>	<b>66,864,053</b>	<b>63,790,049</b>	<b>(3,074,004)</b>	<b>-4.6%</b>
<b>Change in Operating Position</b>	<b>12,322,104</b>	<b>19,107,055</b>	<b>6,784,951</b>	<b>16,040,716</b>	<b>22,054,544</b>	<b>23,716,373</b>		<b>7.5%</b>

**Moulton Niguel Water District**  
**Proposed 2016-17 Budget**  
**General Fund - Budget Detail Report**  
**Capital Outlays FY 2016-17**

Description	FY 2016-17
<b><u>Pumps &amp; Equipment</u></b>	
LS bypass pumps (2)	\$142,425
Golden Lantern RW PS pump replacement (3)	\$60,000
Saddleback RW PS bypass upgrade	\$17,000
Lower Salada LS 10HP submersible motor	\$15,000
Upper Salada LS 5HP submersible motor	\$10,000
PLC panel replacement (3)	\$66,000
Big Niguel PS smart motor controller for pumps (2)	\$26,000
Casa De Oso PS MCC replacement (3)	\$15,000
Crown Valley Highlands PS Amp service	\$12,000
<b>Subtotal - Pumps &amp; Equipment</b>	<b>\$363,425</b>
<b><u>Heavy Equipment</u></b>	
Insertion valve install equipment	\$186,592
Sewer cleaning truck	\$157,000
<b>Subtotal - Heavy Equipment</b>	<b>\$343,592</b>
<b><u>Trucks</u></b>	
Replacement of truck #67	\$60,000
Replacement of truck #46	\$60,000
Replacement of truck #98	\$60,000
Fleet Truck for inspection position	\$40,000
Replacement of truck #45	\$34,000
<b>Subtotal - Trucks</b>	<b>\$254,000</b>
<b><u>Electronics</u></b>	
Ruggedized laptops & peripherals for GIS field work (3)	\$18,000
Web conferencing software	\$13,000
<b>Subtotal - Electronics</b>	<b>\$31,000</b>
<b><u>Valve Program - Heavy Equipment</u></b>	
Hydro Excavator	\$425,000
Caterpillar 420F2 Backhoe/Loader	\$125,000
<b>Subtotal - Valve Program - Heavy Equipment</b>	<b>\$550,000</b>
<b><u>Valve Program - Trucks</u></b>	
Dump truck	\$200,000
Tool truck w/2-ton crane	\$100,000
Flat bed truck	\$60,000
Fleet Truck	\$60,000
<b>Subtotal - Valve Program - Trucks</b>	<b>\$420,000</b>
<b>Total FY 2016-17 Capital Outlays</b>	<b>\$1,962,017</b>

**MOULTON NIGUEL WATER DISTRICT**  
**WATER EFFICIENCY FUND STATEMENT OF REVENUES, EXPENSES AND CHANGES IN OPERATING POSITION**

	<b>FY 2015 Approved Budget</b>	<b>FY 2015 Actuals</b>	<b>FY 2015 Difference</b>	<b>FY 2016 Approved Budget</b>	<b>FY 2017 Forecasted Budget</b>	<b>FY 2017 Proposed Budget</b>	<b>FY 2017 Difference</b>	<b>FY 2017 %Δ</b>
<b><u>Operating Revenues:</u></b>								
Water Efficiency Revenue	3,350,000	3,896,062	(546,062)	3,398,873	2,985,738	3,303,844	318,107	10.7%
<b><u>Non-Operating Revenues:</u></b>								
Investment Income	120,000	120,588	(12,700)	159,792	146,898	106,707	(40,191)	-27.4%
<b><u>Operating Expenses:</u></b>								
Labor	448,816	461,515	(12,700)	668,156	700,188	1,041,234	341,047	48.7%
Educational Courses	500	155	345	500	523	2,500	1,978	378.5%
Travel & Meetings	2,700	4,332	(1,632)	14,700	15,362	24,700	9,339	60.8%
General Services	-	-	-	5,000	-	-	-	-
Dues & Memberships	500	-	500	500	523	500	(23)	-4.3%
Consulting Services	-	-	-	850,000	888,250	1,300,000	411,750	46.4%
Legal Services	-	59,666	(59,666)	-	-	10,000	10,000	-
Conservation supplies	77,810	189,917	(112,107)	489,751	94,455	380,500	286,045	302.8%
Repairs & Maint. - Equipment	-	-	-	3,500	3,618	2,500	(1,118)	-30.9%
Water Efficiency	3,132,124	2,811,963	320,161	4,849,624	3,185,106	2,898,457	(286,649)	-9.0%
<b>Total Operating Expenses</b>	<b>3,662,450</b>	<b>3,527,549</b>	<b>134,901</b>	<b>6,881,731</b>	<b>4,888,023</b>	<b>5,660,391</b>	<b>772,368</b>	<b>15.8%</b>
<b>Change in Operating Position</b>	<b>(192,450)</b>	<b>489,101</b>	<b>(693,662)</b>	<b>(3,323,066)</b>	<b>(1,755,388)</b>	<b>(2,249,841)</b>		<b>28.2%</b>

**Moulton Niguel Water District  
Proposed 2016-17 Budget  
Debt Service Expense**

Description	FY 2016-17			
	Principal	Interest	Fees	Total
<b>2009 Certificate of Participation (Build America Bonds)</b>	\$ -	\$ 4,098,976	-	\$ 4,098,976
<b>State Water Resources Control Board</b>				
Phase III-A Revised Expansion Project (SRF 110)	\$ 480,473	\$ 16,868	-	\$ 497,342
Phase IV Reclaimed Water Distribution System Expansion (SRF 121)	\$ 1,048,283	\$ 136,312	-	\$ 1,184,595
Phase III-B Revised Expansion Project (SRF 130)	\$ 302,356	\$ 16,865	-	\$ 319,221
<b>Subtotal - SWRCB SRF Debt</b>	<b>\$ 1,831,112</b>	<b>\$ 170,046</b>	<b>-</b>	<b>\$ 2,001,158</b>
<b>California Infrastructure and Economic Development Bank</b>				
2002 On-Site Hypochlorite Generation-Reservoir Mgmt. System, Phase II (CIEDB 01-020)	\$ 17,290	\$ 98,575	\$ 1,900	\$ 117,765
2002 Sewer Rehabilitation (CIEDB 02-026)	\$ 13,449	\$ 65,310	\$ 1,273	\$ 80,032
<b>Subtotal - CIEDB Debt</b>	<b>\$ 30,739</b>	<b>\$ 163,886</b>	<b>\$ 3,173</b>	<b>\$ 197,797</b>
<b>2014 Consolidated Refunding (General Obligation) Bonds</b>				
GOB Debt ID #6	\$ 4,746,789	\$ 239,611	-	\$ 4,986,400
GOB Debt ID #7	\$ 1,313,211	\$ 66,289	-	\$ 1,379,500
<b>Subtotal - 2014 GOB Debt</b>	<b>\$ 6,060,000</b>	<b>\$ 305,900</b>	<b>-</b>	<b>\$ 6,365,900</b>
<b>2010 Refunding Certificates of Participation (Refunding of 1993 COPs)</b>	<b>\$ 1,855,000</b>	<b>\$ 114,100</b>	<b>-</b>	<b>\$ 1,969,100</b>
<b>2015 Revenue Bonds (Refunding of 2003 COPs)</b>	<b>\$ -</b>	<b>\$ 613,250</b>	<b>-</b>	<b>\$ 613,250</b>
<b>Total FY 2016-17 Debt Service Expense</b>	<b>\$ 9,776,851</b>	<b>\$ 5,466,157</b>	<b>\$ 3,173</b>	<b>\$ 15,246,181</b>

**Moulton Niguel Water District  
Proposed Fiscal Year 2016-17 Budget  
Staffing Plan**

Division, Department and Position Title	Adopted FY 2015-16	Proposed FY 2016-17	Notes
<b><u>Board of Directors</u></b>			
BOARD MEMBERS	7	7	
	7	7	
<b>Board of Directors Total</b>	<b>7</b>	<b>7</b>	
<b><u>Administration</u></b>			
<i>General Manager</i>			
ADMINISTRATIVE ANALYST	1	1	
ASSISTANT GENERAL MANAGER	1	1	
ASSISTANT TO THE GENERAL MANAGER	1	1	
BOARD SECRETARY/EXECUTIVE ASSISTANT	1	1	
GENERAL MANAGER	1	1	
POLICY & OUTREACH ANALYST	2	0	1 position transferred to WUE; 1 position changed to PA Coordinator
PUBLIC AFFAIRS COORDINATOR	0	1	
	7	6	
<i>Human Resources</i>			
DIRECTOR OF HUMAN RESOURCES	1	1	
HUMAN RESOURCES ANALYST	1	1	
	2	2	
<i>Information Technology</i>			
BUSINESS SYSTEMS ADMINISTRATOR	0	1	Title changed from Management Analyst
INFORMATION TECHNOLOGY MANAGER	1	1	
MANAGEMENT ANALYST	1	0	Title changed to Business Systems Administrator
SYSTEMS ANALYST	2	2	
	4	4	
<b>Administration Total</b>	<b>13</b>	<b>12</b>	
<b><u>Engineering and Operations</u></b>			
<i>Administrative Services</i>			
ADMINISTRATIVE ASSISTANT	2	2	
ASSISTANT DIRECTOR OF ENGINEERING	1	1	
ASSISTANT DIRECTOR OF OPERATIONS	1	1	
DIRECTOR OF ENGINEERING & OPERATIONS	1	1	
REGULATORY COMPLIANCE OFFICER	1	1	Move to IT as Operations Systems Analyst?
SAFETY AND COMPLIANCE COORDINATOR	0	1	Title changed from Safety and Risk Manager
SAFETY AND RISK MANAGER	1	0	Title changed to Safety and Compliance Coordinator
	7	7	
<i>Engineering Services</i>			
CONTRACTS & PROCUREMENT MANAGER	1	1	
CROSS CONNECTION INSPECTOR	5	6	New Position Proposed for FY 16-17
CROSS CONNECTION SUPERVISOR	1	1	
ENGINEERING/GIS TECHNICIAN	2	2	
INSPECTION SUPERVISOR	1	1	
INSPECTOR	4	4	
INVENTORY CONTROL WORKER	1	1	
PERMIT TECHNICIAN	1	1	
PRINCIPAL ENGINEER	2	3	New Position Proposed for FY 16-17
PURCHASING AGENT	1	1	
RECORDS AND MAPPING COORDINATOR	1	1	
SENIOR ENGINEER	1	2	New Position Proposed for FY 16-17
SENIOR GIS ANALYST	1	1	
SUPERINTENDENT OF ENGINEERING	1	1	
	23	26	

**Moulton Niguel Water District  
Proposed Fiscal Year 2016-17 Budget  
Staffing Plan**

Division, Department and Position Title	Adopted FY 2015-16	Proposed FY 2016-17	Notes
<i>Facilities Maintenance</i>			
ELECTRICAL/INSTRUMENTATION SERVICES SUPERVISOR	1	1	
ELECTRICAL/INSTRUMENTATION SYSTEMS PROGRAMMER	1	2	Technician Reclassified to Programmer during 15-16
ELECTRICAL/INSTRUMENTATION TECHNICIAN	1	0	
FACILITIES COORDINATOR	1	1	
MAINTENANCE WORKER - FACILITIES	7	7	
STATION MAINTENANCE SUPERVISOR	1	1	
SUPERINTENDENT FACILITIES OPERATION	1	0	Title changed to Superintendent of Operations in 15-16
SUPERINTENDENT OF OPERATIONS	0	1	Title changed from Superintendent of Facilities Operation in 15-16
WATER DISTRIBUTION SUPERVISOR	1	1	
WATER SYSTEMS OPERATOR	3	4	New Position Proposed for FY 16-17
	17	18	
<i>Utilities Maintenance</i>			
COLLECTION SYSTEM SUPERVISOR	1	1	
MAINTENANCE WORKER - COLLECTION SYSTEM	7	7	
MAINTENANCE WORKER - STREETS	12	15	3 New Positions Proposed for FY 16-17
MECHANIC	2	2	
STREET CREW SUPERVISOR	1	1	
SUPERINTENDENT OF OPERATIONS	0	1	Title changed from Superintendent of Utilities Maintenance in 15-16
SUPERINTENDENT UTILITIES MAINTENANCE	1	0	Title changed to Superintendent of Operations in 15-16
SUPPORT SERVICES SUPERVISOR	1	1	
	25	28	
<i>Customer Service</i>			
CUSTOMER ACCOUNT REPRESENTATIVES	11	13	New Position Proposed for FY 16-17
CUSTOMER ACCOUNT SUPERVISOR	1	1	
CUSTOMER SERVICE REPRESENTATIVE - Field	14	13	1 Position Transferred to Customer Accounts in 15-16
CUSTOMER SERVICE SUPERVISOR	2	2	
SUPERINTENDENT OF CUSTOMER SERVICE	1	1	
	29	30	
<i>Water Efficiency</i>			
POLICY & OUTREACH ANALYST	0	1	Transferred from GM in 15-16
SENIOR FINANCE & RESOURCES ANALYST	0	1	Transferred from Finance in 15-16
WATER CONSERVATION REPRESENTATIVE	3	3	
WATER CONSERVATION SUPERVISOR	1	1	
WATER RESOURCES ANALYST	1	1	
WATER RESOURCES MANAGER	0	1	Transferred from Finance in 15-16
WATER USE EFFICIENCY ANALYST	1	1	
	6	9	
<b>Engineering and Operations Total</b>	<b>107</b>	<b>118</b>	
<b>Finance</b>			
<i>Administrative Services</i>			
DIRECTOR OF FINANCE & TREASURER	1	1	
FINANCE MANAGER	1	0	Reclassified to Water Resources Manager in 15-16
SENIOR FINANCE & RESOURCE ANALYST	1	0	Transferred to Water Efficiency in 15-16
	3	1	
<i>Accounting</i>			
ACCOUNTANT	4	4	
ACCOUNTING SUPERVISOR	1	1	
CONTROLLER	1	1	
	6	6	
<b>Finance Total</b>	<b>9</b>	<b>7</b>	
<hr/>			
<b>Full Time Total</b>	<b>129</b>	<b>137</b>	
<b>Board Members</b>	<b>7</b>	<b>7</b>	



**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
Overall District Revenues**

Description	FY 2014-15			FY 2015-16 Approved Budget	FY 2016-17			
	Approved Budget	Actuals	Difference		Forecasted Budget	Proposed Budget	Difference	% Change
<b>Operating Revenue</b>								
Water Sales	27,325,000	24,691,688	(2,633,312)	25,449,137	28,926,159	28,338,290	(587,869)	-2%
Recycled Water Sales	4,725,000	4,880,742	155,742	5,249,795	6,129,777	5,489,814	(639,963)	-10%
Sewer Sales	-	9,939,688	9,939,688	18,053,647	19,064,651	18,911,865	(152,786)	-1%
Other Operating Income	483,500	336,715	(146,785)	483,500	489,905	491,585	1,680	0%
<b>Total Operating Revenue Budget</b>	<b>32,533,500</b>	<b>39,848,832</b>	<b>7,315,332</b>	<b>49,236,079</b>	<b>54,610,492</b>	<b>53,231,554</b>	<b>(1,378,938)</b>	<b>-3%</b>
<b><u>Non-Operating Revenue</u></b>								
<b>Property Tax Summary</b>								
Secured Property Taxes	21,137,300	22,542,117	1,404,817	25,289,990	25,813,493	25,589,376	(224,117)	-1%
Unsecured Taxes	311,200	860,007	548,807	811,200	827,992	860,007	32,015	4%
Supplemental and Miscellaneous Taxes	700,000	930,375	230,375	700,000	714,490	930,375	215,885	30%
Secured Taxes paid to SCWD	(300,000)	(320,983)	(20,983)	(300,000)	(306,210)	(310,185)	(3,975)	1%
<b>Total Property Tax Summary Budget</b>	<b>21,848,500</b>	<b>24,011,516</b>	<b>2,163,016</b>	<b>26,501,190</b>	<b>27,049,765</b>	<b>27,069,573</b>	<b>19,808</b>	<b>0%</b>
<b>Other Non-Operating Revenue</b>								
Investment Income	2,973,207	7,432	(2,965,775)	1,867,913	2,259,666	1,916,952	(342,713)	-15%
Property Lease Income	1,740,000	1,731,352	(8,648)	1,660,096	1,569,878	1,569,878	-	0%
Misc. Non-Operating Income	68,000	3,647,545	3,579,545	68,000	3,249,646	3,249,646	-	0%
Connection Fees	-	551,179	551,179	-	179,150	468,818	289,668	162%
<b>Total Other Non-Operating Revenue Budget</b>	<b>4,781,207</b>	<b>5,937,509</b>	<b>1,156,302</b>	<b>3,596,009</b>	<b>7,258,340</b>	<b>7,205,295</b>	<b>(53,045)</b>	<b>-1%</b>
<b>Total Revenue Budget</b>	<b>59,163,207</b>	<b>69,797,857</b>	<b>10,634,650</b>	<b>79,333,278</b>	<b>88,918,597</b>	<b>87,506,422</b>	<b>(1,412,175)</b>	<b>-2%</b>

**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
Consultants FY 2016-17**

Description	FY 2016-17 Proposed Budget
<b><u>Fund 1 Consulting</u></b>	
Document Management	150,000
Orange Label	140,000
Outreach	168,000
Finance Consultants	166,400
Software Consultants	89,000
Engineering Support	404,000
Operations Support	198,000
<b>Total Fund 1 Overall Consulting Expenses</b>	<b>1,315,400</b>
<b><u>Fund 6 Consulting</u></b>	
Conservation Support	150,000
UC Riverside Study	100,000
RW Masterplan (AKM)	200,000
Direct Install Turf	500,000
Direct Install Smart Timers	350,000
<b>Total Fund 6 Overall Consulting Expenses</b>	<b>1,300,000</b>
<b>Total Overall Consulting Expenses</b>	<b>2,615,400</b>

**Moulton Niguel Water District**  
**Proposed 2016-17 Budget**  
**General Fund - Budget Detail Report**  
**Salaries and Benefits Summary**

Description	FY 2014-15			FY 2015-16	FY 2016-17			
	Approved Budget	Actuals	Difference		Approved Budget	Forecasted Budget	Proposed Budget	Difference
<b>Salaries</b>								
Full-Time Salaries	8,639,638	8,329,302	(310,336)	9,412,813	9,834,189	10,238,408	404,220	4%
Directors Fees	167,580	133,360	(34,220)	175,963	183,881	180,600	(3,281)	-2%
Overtime	587,099	607,396	20,297	572,462	598,223	654,157	55,934	9%
Standby	156,000	158,700	2,700	158,100	163,020	158,100	(4,920)	-3%
Compensatory Time Expense	-	6,409	6,409	-	-	4,800	4,800	-
<b>Total Salaries Budget</b>	<b>9,550,317</b>	<b>9,235,167</b>	<b>(315,150)</b>	<b>10,319,338</b>	<b>10,779,313</b>	<b>11,236,065</b>	<b>456,753</b>	<b>4%</b>
<b>CalPERs Budget</b>								
PERs Employer Contributions	990,416	970,733	(19,683)	1,306,049	1,358,291	925,463	(432,828)	-32%
PERs Employee Contributions	196,566	181,559	(15,006)	147,341	155,885	-	(155,885)	-100%
PERs Other (Side Fund, 401A)	214,956	141,203	(73,753)	250,770	260,800	265,064	4,264	2%
<b>Total CalPERs Budget</b>	<b>1,401,937</b>	<b>1,293,495</b>	<b>(108,442)</b>	<b>1,704,160</b>	<b>1,774,976</b>	<b>1,190,527</b>	<b>(584,450)</b>	<b>-33%</b>
<b>Total Insurance - Benefits Budget</b>								
Life and Health Insurance	1,730,955	1,634,958	(95,997)	1,832,865	1,979,249	2,282,936	303,687	15%
Dental Insurance	157,813	150,882	(6,931)	164,306	177,308	201,550	24,242	14%
Vision Insurance	23,923	23,262	(661)	30,032	28,995	28,562	(434)	-1%
Disability Insurance	63,185	64,696	1,511	72,439	77,075	78,030	955	1%
OPEB Costs	361,057	361,057	-	388,058	403,580	281,847	(121,733)	-30%
Auto Allowance	23,400	23,400	-	25,400	23,815	23,400	(415)	-2%
<b>Total Insurance - Benefits Budget</b>	<b>2,360,333</b>	<b>2,258,256</b>	<b>(102,078)</b>	<b>2,513,100</b>	<b>2,690,023</b>	<b>2,896,325</b>	<b>206,302</b>	<b>8%</b>
<b>Total Salaries and Benefits Budget</b>	<b>13,312,588</b>	<b>12,786,918</b>	<b>(525,669)</b>	<b>14,536,598</b>	<b>15,244,312</b>	<b>15,322,917</b>	<b>78,605</b>	<b>1%</b>

**Moulton Niguel Water District**  
**Proposed 2016-17 Budget**  
**General Fund - Budget Detail Report**  
**Education, Travel, Mtgs Summary**

Description	FY 2014-15			FY 2015-16	FY 2016-17			
	Approved Budget	Actuals	Difference		Approved Budget	Forecasted Budget	Proposed Budget	Difference
<b>Educational Courses</b>								
Educational Courses	35,200	13,937	(21,263)	31,400	31,957	32,950	993	3%
Certifications	16,520	11,558	(4,962)	12,870	13,098	18,630	5,532	42%
<b>Total Educational Courses Budget</b>	<b>51,720</b>	<b>25,495</b>	<b>(26,225)</b>	<b>44,270</b>	<b>45,055</b>	<b>51,580</b>	<b>6,525</b>	<b>14%</b>
<b>Travel &amp; Meetings</b>								
Travel and Expenses	89,744	49,129	(40,615)	88,867	90,442	89,900	(542)	-1%
Seminars, Conferences, and Meetings	161,290	132,368	(28,922)	149,777	152,432	163,420	10,988	7%
<b>Total Travel &amp; Meetings Budget</b>	<b>251,034</b>	<b>181,497</b>	<b>(69,537)</b>	<b>238,644</b>	<b>242,875</b>	<b>253,320</b>	<b>10,445</b>	<b>4%</b>
<b>Employee Relations</b>								
Pre-Employment Costs	14,800	12,103	(2,697)	15,000	15,675	29,197	13,522	86%
Employee Relations (Recognition, Medical, Safety)	51,776	41,024	(10,752)	53,200	54,143	49,200	(4,943)	-9%
<b>Total Employee Relations Budget</b>	<b>66,576</b>	<b>53,127</b>	<b>(13,449)</b>	<b>68,200</b>	<b>69,818</b>	<b>78,397</b>	<b>8,579</b>	<b>12%</b>

**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
General Services & Elections**

Description	FY 2014-15				FY 2015-16		FY 2016-17			
	Approved Budget	Actuals	Difference		Approved Budget		Forecasted Budget	Proposed Budget	Difference	% Change
<b>Election Expenses</b>										
Registrar of Voters	150,000	10,173	(139,827)		-		-	83,000	83,000	-
<b><u>General Services</u></b>										
<b>Financial Services</b>										
Billing Services	106,000	89,368	(16,632)		106,000		107,879	106,000	(1,879)	-2%
Accounting Services	87,000	78,557	(8,443)		89,175		90,756	82,750	(8,006)	-9%
Tax Collection Charges	55,500	59,902	4,402		63,000		64,117	68,000	3,883	6%
Bad Debt Expense	100	67,010	66,910		12,000		12,213	100	(12,113)	-99%
Bad Debt Write-Off	70,000	308	(69,692)		92,320		93,957	91,000	(2,957)	-3%
<b>Engineering Services</b>										
Mapping Updates	7,400	3,838	(3,562)		7,400		7,531	11,900	4,369	58%
<b>Overall Services</b>										
Uniform Service	25,000	21,126	(3,874)		35,000		35,620	35,000	(620)	-2%
<b>Total General Services Budget</b>	<b>351,000</b>	<b>320,109</b>	<b>(30,891)</b>		<b>404,895</b>		<b>412,073</b>	<b>394,750</b>	<b>(17,323)</b>	<b>-4%</b>

**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
Member Agencies O&M**

Description	FY 2014-15				FY 2015-16		FY 2016-17			
	Approved Budget	Actuals	Difference		Approved Budget		Forecasted Budget	Proposed Budget	Difference	% Change
<b>Potable Water Facilities</b>										
San Juan Basin Authority (SJBA)	178,250	178,250	-		200,000		200,000	200,000	-	0%
Upper Chiquita Reservoir (UCR)	109,000	143,348	34,348		80,000		70,000	70,000	-	0%
5B Reservoir	6,000	-	(6,000)		6,000		6,000	6,000	-	0%
R6 Reservoir	16,000	10,756	(5,244)		16,000		20,000	20,000	-	0%
IRWD Emergency Interconnection	20,000	-	(20,000)		-		20,000	20,000	-	0%
<b>Total Potable Water Facilities</b>	<b>329,250</b>	<b>332,354</b>	<b>3,104</b>		<b>302,000</b>		<b>316,000</b>	<b>316,000</b>	<b>-</b>	<b>0%</b>
<b>Recycled Water Facilities</b>										
Upper Oso Reservoir System	181,000	264,518	83,518		364,000		376,228	376,228	-	0%
<b>Total Recycled Water Facilities</b>	<b>181,000</b>	<b>264,518</b>	<b>83,518</b>		<b>364,000</b>		<b>376,228</b>	<b>376,228</b>	<b>-</b>	<b>0%</b>
<b>Total Member Agencies O&amp;M</b>	<b>510,250</b>	<b>596,871</b>	<b>86,621</b>		<b>666,000</b>		<b>692,228</b>	<b>692,228</b>	<b>-</b>	<b>0%</b>

**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
Dues and Memberships FY 2016-17**

Description	FY 2016-17 Proposed Budget
<b>District Dues and Memberships</b>	
Association of California Water Agencies	24,255
CalDesal	5,250
California Association of Sanitary Agencies (CASA)	18,165
California Special Districts Association (CSDA)	6,195
California Urban Water Conservation Council (CUWCC)	5,985
Independent Special Districts of Orange County (ISDOC)	263
Laguna Niguel Chamber of Commerce	3,150
Mission Viejo Chamber of Commerce	525
South Orange County Regional Chambers of Commerce	1,260
South Orange County Watershed Management Area (SOCWMA)	6,038
Southern California Water Committee (SCWC)	945
Southern California Water Alliance of POTW (SCAP)	630
Subscriptions	1,700
Urban Water Institute, Inc.	1,470
WaterReuse Association of California	5,670
<b>Total District Dues and Memberships Budget</b>	<b>81,500</b>
<b>Staff Dues and Memberships</b>	
Individual Memberships for Staff	19,745
<b>Total Staff Dues and Memberships Budget</b>	<b>19,745</b>
<b>Total Dues and Memberships Budget</b>	<b>101,245</b>

**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
Equipment Rental & Fuel**

Description	FY 2014-15				FY 2015-16		FY 2016-17			
	Approved Budget	Actuals	Difference		Approved Budget		Forecasted Budget	Proposed Budget	Difference	% Change
<b>Equipment Rental</b>										
Office Equipment	59,000	62,301	3,301		59,000		60,046	67,000	6,954	12%
Misc. Field Equipment	6,000	2,064	(3,936)		6,000		6,106	2,000	(4,106)	-67%
<b>Total Equipment Rental Budget</b>	<b>65,000</b>	<b>64,365</b>	<b>(635)</b>		<b>65,000</b>		<b>66,152</b>	<b>69,000</b>	<b>2,848</b>	<b>4%</b>
<b>District Fuel</b>										
Unleaded Fuel	230,000	143,255	(86,745)		230,000		237,727	215,000	(22,727)	-10%
Diesel Fuel	110,000	89,272	(20,728)		110,000		111,950	110,000	(1,950)	-2%
Vehicle Oil	-	3,201	3,201		-		-	15,000	15,000	-
<b>Total District Fuel Budget</b>	<b>340,000</b>	<b>235,727</b>	<b>(104,273)</b>		<b>340,000</b>		<b>349,677</b>	<b>340,000</b>	<b>(9,677)</b>	<b>-3%</b>



**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
District Insurance Summary**

Description	FY 2014-15			FY 2015-16	FY 2016-17			
	Approved Budget	Actuals	Difference		Approved Budget	Forecasted Budget	Proposed Budget	Difference
<b>Insurance District</b>								
Property Insurance	109,000	90,307	(18,693)	103,000	104,826	112,000	7,174	7%
Automobile and General Liability	428,000	399,637	(28,363)	450,500	428,000	280,000	(148,000)	-35%
Misc. Insurance General	7,151	6,832	(319)	7,775	7,918	51,170	43,252	546%
Pollution & Remediation	32,000	15,113	(16,888)	-	-	-	-	-
<b>Total Insurance - District Budget</b>	<b>576,151</b>	<b>511,888</b>	<b>(64,263)</b>	<b>561,275</b>	<b>540,744</b>	<b>443,170</b>	<b>(97,574)</b>	<b>-18%</b>
<b>Insurance - Personnel</b>								
State Unemployment	25,000	11,329	(13,672)	28,947	26,000	25,000	(1,000)	-4%
Workers Comp	309,000	237,956	(71,044)	264,694	271,366	268,302	(3,064)	-1%
Medicare Insurance	120,496	125,610	5,114	132,761	144,370	148,230	3,860	3%
Employer FICA	13,604	11,217	(2,387)	91,330	14,070	15,741	1,671	12%
<b>Total Insurance - Personnel Budget</b>	<b>468,100</b>	<b>386,112</b>	<b>(81,988)</b>	<b>517,732</b>	<b>455,806</b>	<b>457,273</b>	<b>1,467</b>	<b>0%</b>

**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
Legal Services**

Description	FY 2014-15				FY 2015-16		FY 2016-17			
	Approved Budget	Actuals	Difference		Approved Budget		Forecasted Budget	Proposed Budget	Difference	% Change
<b>Legal Services</b>										
Legal Service - General	170,000	143,345	(26,655)		200,000		203,546	420,000	216,454	106%
Legal Services - Personnel	50,000	6,399	(43,602)		50,000		50,886	50,000	(886)	-2%
<b>Total Legal Services</b>	<b>220,000</b>	<b>149,743</b>	<b>(70,257)</b>		<b>250,000</b>		<b>254,432</b>	<b>470,000</b>	<b>215,568</b>	<b>85%</b>

**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
District Supplies**

Description	FY 2014-15				FY 2015-16		FY 2016-17		
	Approved Budget	Actuals	Difference		Approved Budget	Forecasted Budget	Proposed Budget	Difference	% Change
<b>District Office Supplies</b>									
General Office	113,500	120,657	7,157		112,500	116,530	136,750	20,220	17%
Billing Supplies	184,000	168,622	(15,378)		183,000	186,244	196,000	9,756	5%
Community Relations	176,900	92,002	(84,898)		143,900	146,451	100,000	(46,451)	-32%
Shipping	25,500	23,562	(1,938)		34,000	34,603	40,500	5,897	17%
<b>Total District Office Supplies Budget</b>	<b>499,900</b>	<b>404,843</b>	<b>(95,057)</b>		<b>473,400</b>	<b>483,828</b>	<b>473,250</b>	<b>(10,578)</b>	<b>-2%</b>
<b>District Operating Supplies</b>									
Operating Supplies	237,150	261,671	24,521		327,267	314,750	309,950	(4,800)	-2%
Chemicals	78,700	39,675	(39,025)		83,700	86,512	80,500	(6,012)	-7%
<b>Total District Operating Supplies Budget</b>	<b>315,850</b>	<b>301,346</b>	<b>(14,504)</b>		<b>410,967</b>	<b>401,261</b>	<b>390,450</b>	<b>(10,811)</b>	<b>-3%</b>

**Moulton Niguel Water District**  
**Proposed 2016-17 Budget**  
**General Fund - Budget Detail Report**  
**Repairs and Maintenance**

Description	FY 2014-15			FY 2015-16 Approved Budget	Forecasted Budget	FY 2016-17		
	Approved Budget	Actuals	Difference			Proposed Budget	Difference	% Change
<b>Repairs &amp; Maintenance - Equipment</b>								
Office Equipment	5,200	3,113	(2,087)	6,200	6,310	11,550	5,240	83%
Field Equipment	143,000	19,209	(123,791)	60,000	61,064	15,000	(46,064)	-75%
Infrastructure Technology Hardware	140,400	183,858	43,458	117,600	119,685	83,300	(36,385)	-30%
Computer Support Contracts	342,187	249,553	(92,634)	344,669	351,394	301,419	(49,975)	-14%
Vehicle Maintenance and Repair	236,500	182,699	(53,801)	210,000	213,723	215,000	1,277	1%
<b>Total Repairs and Maintenance - Equipment Budget</b>	<b>867,287</b>	<b>638,432</b>	<b>(228,855)</b>	<b>738,469</b>	<b>752,176</b>	<b>626,269</b>	<b>(125,907)</b>	<b>-17%</b>
<b>Repairs and Maintenance - Facilities</b>								
System Maintenance	635,600	497,802	(137,798)	678,700	701,501	595,250	(106,251)	-15%
System Repairs	1,142,000	741,549	(400,451)	1,459,000	1,508,014	927,300	(580,714)	-39%
Janitorial Services	46,000	39,830	(6,170)	20,000	20,355	20,000	(355)	-2%
Landscape and Tree Maintenance	270,000	237,830	(32,170)	255,000	259,521	272,732	13,211	5%
Hazardous Materials Removal	35,000	-	(35,000)	20,000	-	22,000	22,000	-
Underground Service Alert	5,000	4,367	(634)	5,000	2,185	5,000	2,815	129%
Contract & Maintenance Agreements	317,975	276,362	(41,613)	284,850	289,900	414,033	124,133	43%
Pest Control	38,420	27,184	(11,236)	38,420	39,101	28,890	(10,211)	-26%
Paving Repairs	575,000	666,386	91,386	900,000	915,955	725,000	(190,955)	-21%
Electrical & Instrumentation	77,000	75,727	(1,273)	66,000	67,170	71,000	3,830	6%
Raising Valves and Manholes	370,000	250,250	(119,750)	370,000	376,559	300,000	(76,559)	-20%
Permits	39,000	92,173	53,173	39,000	39,691	66,000	26,309	66%
<b>Total Repairs and Maintenance - Facilities Budget</b>	<b>3,550,995</b>	<b>2,909,459</b>	<b>(641,536)</b>	<b>4,135,970</b>	<b>4,219,951</b>	<b>3,447,205</b>	<b>(772,746)</b>	<b>-18%</b>
<b>Meter/Vault Purchases</b>								
Meter/Vault Replacement	868,000	662,151	(205,849)	906,000	922,062	615,000	(307,062)	-33%
<b>Total Meter/Vault Purchases Budget</b>	<b>868,000</b>	<b>662,151</b>	<b>(205,849)</b>	<b>906,000</b>	<b>922,062</b>	<b>615,000</b>	<b>(307,062)</b>	<b>-33%</b>

**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
Safety Program**

Description	FY 2014-15				FY 2015-16		FY 2016-17			
	Approved Budget	Actuals	Difference		Approved Budget		Forecasted Budget	Proposed Budget	Difference	% Change
<b>Safety Program and Regulatory Compliance</b>										
Safety Equipment and Supplies	188,500	49,842	(138,658)		201,950		205,530	71,300	(134,230)	-65%
Safety Shoes	24,750	20,824	(3,926)		27,500		27,988	28,350	362	1%
Safety Training	6,000	4,693	(1,307)		15,000		15,266	22,000	6,734	44%
Regulatory Compliance	66,000	64,376	(1,624)		65,000		66,152	70,000	3,848	6%
<b>Total Safety Program and Regulatory Compliance Budget</b>	<b>285,250</b>	<b>139,734</b>	<b>(145,516)</b>		<b>309,450</b>		<b>314,936</b>	<b>191,650</b>	<b>(123,286)</b>	<b>-39%</b>

**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
Special Outside Assessments**

Description	FY 2014-15				FY 2015-16		FY 2016-17			
	Approved Budget	Actuals	Difference		Approved Budget		Forecasted Budget	Proposed Budget	Difference	% Change
<b>Special Outside Assessments</b>										
Department of Health Services (DOHS) Fees	5,000	1,106	(3,894)		-		5,000	5,000	-	0%
LAFCO Fees	27,000	23,190	(3,811)		25,000		25,443	25,000	(443)	-2%
Property Tax Assessment	198,300	176,001	(22,299)		200,000		203,546	210,000	6,454	3%
<b>Total Special Outside Assessments Budget</b>	<b>230,300</b>	<b>200,296</b>	<b>(30,004)</b>		<b>225,000</b>		<b>233,989</b>	<b>240,000</b>	<b>6,011</b>	<b>3%</b>

**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
Utilities**

Description	FY 2014-15				FY 2015-16		FY 2016-17			
	Approved Budget	Actuals	Difference		Approved Budget		Forecasted Budget	Proposed Budget	Difference	% Change
<b>Utilities</b>										
Electric Utilities (SCE and SDG&E)	1,925,000	1,963,581	38,581		2,048,000		2,116,801	2,191,360	74,559	4%
Gas Utility (Southern CA Gas)	6,000	6,131	131		6,900		7,132	6,900	(232)	-3%
Overall Telephone	150,000	149,627	(373)		150,000		155,039	120,000	(35,039)	-23%
Mobile Communication	45,000	53,897	8,897		54,000		55,814	55,000	(814)	-1%
<b>Total Utilities Budget</b>	<b>2,126,000</b>	<b>2,173,236</b>	<b>47,236</b>		<b>2,258,900</b>		<b>2,334,786</b>	<b>2,373,260</b>	<b>38,474</b>	<b>2%</b>

**Moulton Niguel Water District  
Proposed 2016-17 Budget  
General Fund - Budget Detail Report  
Wastewater Treatment**

Description	FY 2014-15			FY 2015-16	Forecasted Budget	FY 2016-17		
	Approved Budget	Actuals	Difference			Approved Budget	Proposed Budget	Difference
<b>Wastewater Treatment</b>								
General Fund*	35,580	35,580	-	998,008	1,015,701	1,027,948	12,248	1%
PC 2 - JB Latham Treatment Plant	1,013,541	1,009,889	(3,652)	960,802	977,835	989,626	11,791	1%
3A Treatment Plant	1,960,395	2,051,479	91,084	1,880,197	1,913,529	1,936,603	23,074	1%
PC 5 - San Juan Creek Ocean Outfall	149,880	149,717	(163)	91,213	92,830	93,949	1,119	1%
PC 2SO - Recycled Water Permit	65,150	65,150	-	78,915	80,314	81,282	968	1%
PC 15 - Costal Treatment Plant	162,666	162,262	(404)	217,213	221,064	223,729	2,666	1%
PC 17 - Regional Treatment Plant	5,315,427	5,305,839	(9,588)	5,279,324	5,372,916	5,437,704	64,788	1%
PC 21 - Effluent Transmission Main	24,338	24,340	2	15,143	15,411	15,597	186	1%
PC 24 - Aliso Creek Ocean Outfall	190,423	190,199	(224)	160,485	163,330	165,300	1,969	1%
Pretreatment Program	53,420	53,420	-	43,435	44,205	44,738	533	1%
Use Audit Refund	(520,000)	(599,582)	(79,582)	(520,000)	(529,219)	(535,600)	(6,381)	1%
<b>Total Wastewater Treatment Budget</b>	<b>8,450,820</b>	<b>8,448,293</b>	<b>(2,527)</b>	<b>9,204,735</b>	<b>9,367,916</b>	<b>9,480,877</b>	<b>112,961</b>	<b>1%</b>



**Moulton Niguel Water District**  
**Proposed 2016-17 Budget**  
**General Fund - Budget Detail Report**  
**Water Purchases**

Description	FY 2014-15				FY 2015-16		FY 2016-17		
	Approved Budget	Actuals	Difference		Approved Budget	Forecasted Budget	Proposed Budget	Difference	% Change
<b>Variable Water Purchase Cost</b>									
MWD Full Service - Tier 1 Treated	26,000,000	24,257,752	(1,742,248)		21,708,139	20,238,080	18,560,649	(1,677,432)	-8%
MWD Full Service - Tier 1 Untreated	-	-	-		-	3,078,659	3,622,234	543,574	18%
Baker Variable Cost	-	-	-		-	745,555	745,555	-	0%
<b>Total Variable Water Cost</b>	<b>26,000,000</b>	<b>24,257,752</b>	<b>(1,742,248)</b>		<b>21,708,139</b>	<b>24,062,295</b>	<b>22,928,437</b>	<b>(1,133,857)</b>	<b>-5%</b>
MWDOC Ready-to-Serve Charge	1,902,330	1,860,250	(42,080)		1,897,716	1,929,545	1,471,369	(458,176)	-24%
MWDOC Capacity Charge	491,465	417,345	(74,120)		500,000	500,000	418,448	(81,552)	-16%
MWDOC Connection Charge	552,500	552,437	(64)		597,640	632,743	577,142	(55,601)	-9%
Reclaimed Water Rebate	(970,000)	(1,109,508)	(139,508)		(1,005,653)	(1,023,481)	(1,005,653)	17,828	-2%
Joint Regional Water Supply System (JRWSS)	455,214	450,267	(4,947)		454,495	460,000	460,000	-	0%
Santiago Aqueduct Commission (SAC)	3,906	-	(3,906)		20,000	36,210	36,210	-	0%
East Orange County Feeder #2 (EOCF2)	90,000	63,457	(26,543)		80,000	75,000	75,000	-	0%
South County Pipeline (SCP)	172,000	131,277	(40,723)		172,000	144,000	144,000	-	0%
Baker Water Treatment Plant	-	145,386	145,386		150,000	721,854	721,854	-	0%
<b>Total Other Water Purchase Cost</b>	<b>2,697,415</b>	<b>2,510,911</b>	<b>(186,504)</b>		<b>2,866,197</b>	<b>3,475,871</b>	<b>2,898,370</b>	<b>(577,501)</b>	<b>-17%</b>
<b>Total Water Purchase Cost</b>	<b>28,697,415</b>	<b>26,768,663</b>	<b>(1,928,752)</b>		<b>24,574,336</b>	<b>27,538,166</b>	<b>25,826,807</b>	<b>(1,711,359)</b>	<b>-6%</b>



**moulton niguel** water district

# PROPOSED ANNUAL 2016/17 BUDGET

Special Board Workshop

May 11, 2016

# WORKSHOP AGENDA

1. Overview of Current Financial Position
2. District Current Operating Conditions
3. Proposed 2016/17 Budget
4. Proposed Budget Impacts to LRFP





# CURRENT FINANCIAL POSITION

# WHERE WE ARE

- Strong Financial Position
  - AAA/AA+ Rated
  - Rate structure mitigates risk
- District provides leadership of large agency with innovation of small agency

FitchRatings

S&P  
RATINGS



# WHERE WE ARE

- Regular updates of LRFP
- Regular updates of District Policies
  - Reserve Policy
  - Investment Policy
  - Capital Financing Policy

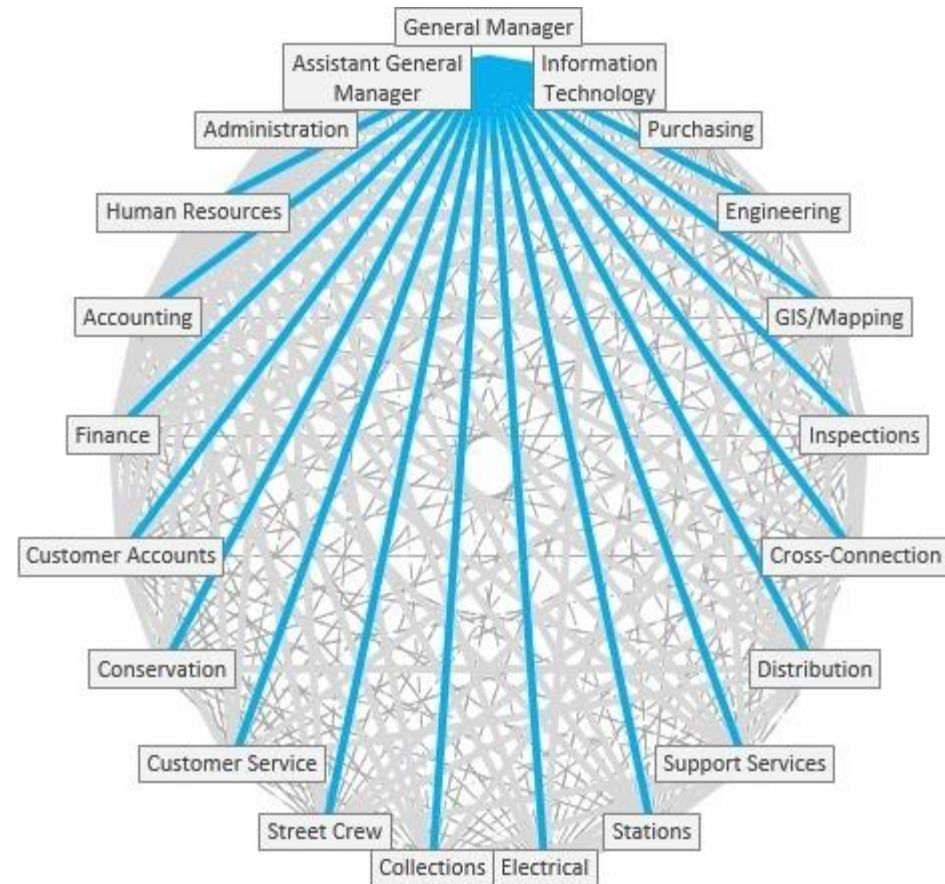




# CURRENT OPERATING CONDITIONS

# INTERCONNECTED DEPARTMENTS

- Wear many hats- cross training, interdepartmental opportunities
  - Retain existing staff
  - Increase in output
- Resource development matched to operating and project needs based on Board priorities
- Most start in CS- move to other departments
  - Emphasis on exemplary customer service across all departments





# OPERATIONAL METRICS

- Purchase Orders
  - FY 13-14: \$9M
  - FY 15-16 (July – January): \$16M
- CIP
  - FY 13-14: \$7.6M/\$23.9M (31.8%)
  - FY 14-15: \$22M/\$47.4M (46.4%)
  - FY 15-16 (expected): \$24M/\$46.8M (51.2%)



# ADDING RESOURCES

- Evolving approach to recruiting new talent
  - Ensure that new talent meets the unique needs of the District
- 1,294 applications received between Aug-Apr
  - More than in FY 2013-14 and FY 2014-15 combined
- Only top 12% selected for interview
- Only top 2% selected for position
- Nearly 60% of selections came from internal or temporary staff





# PROPOSED 2016/17 BUDGET

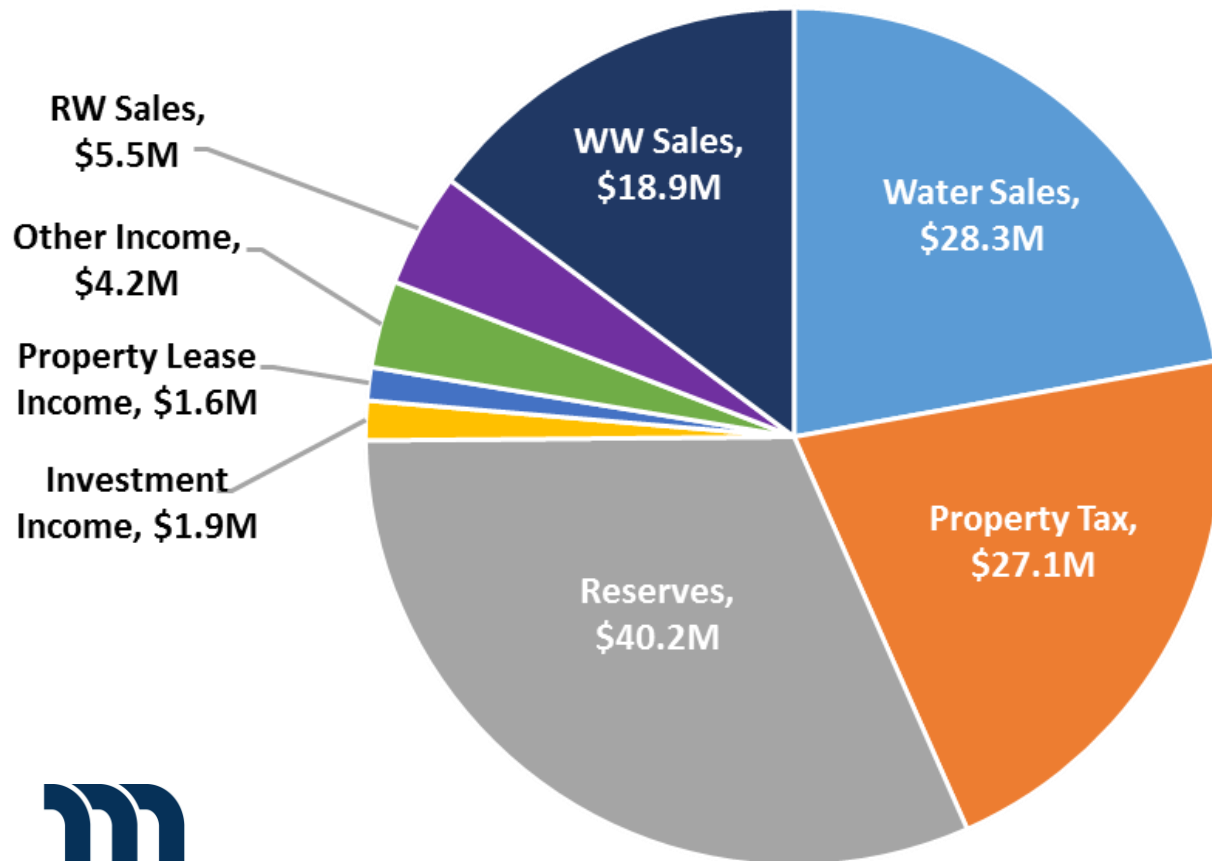
# BUDGET PROCESS

- Internally initiated in December 2015
- Budgets developed and reviewed internally
- March- Budget approach discussion w/ Board
- April- Capital Improvement Plan discussion w/ Board
- May- Budget Workshop
  - Overall Proposed Budget
  - Financial Impacts
- May and June Board meetings- Budget Review
- June 16- Budget Adoption

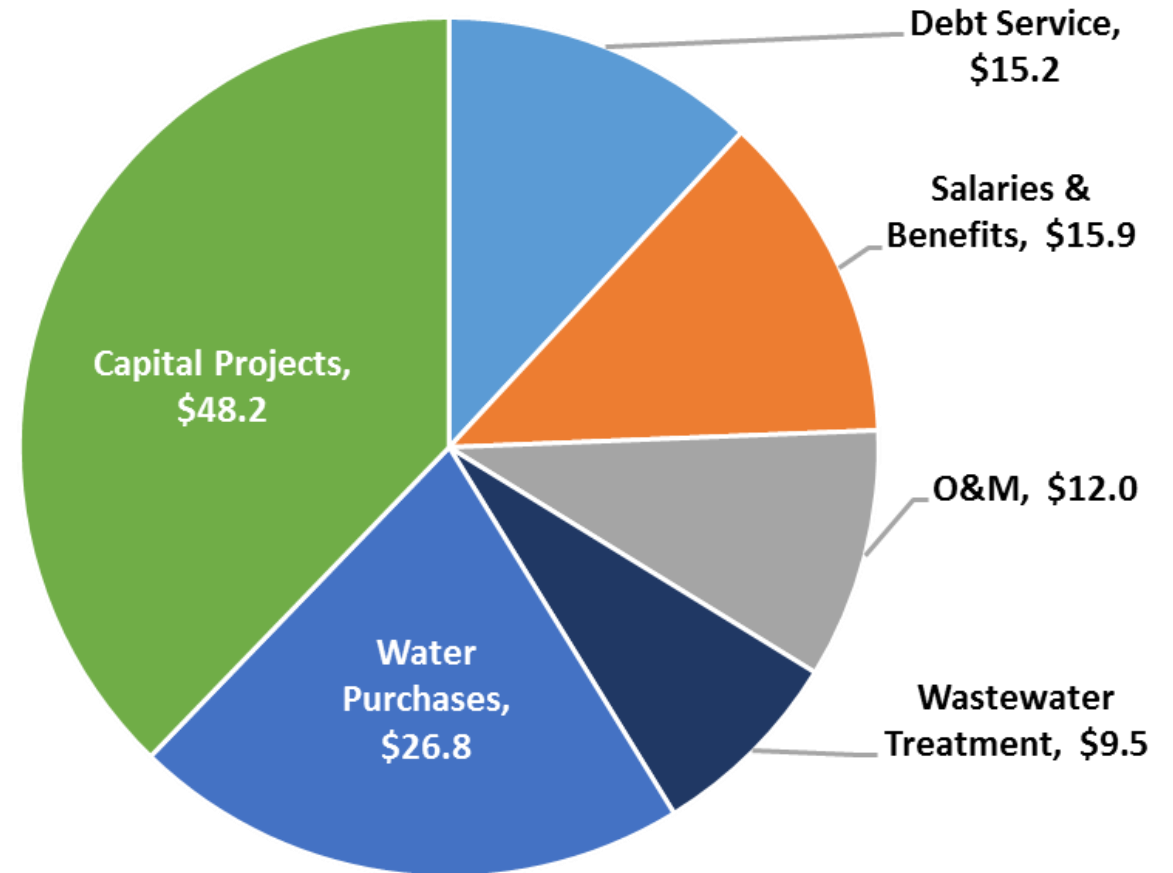


# GENERAL FUND SUMMARY

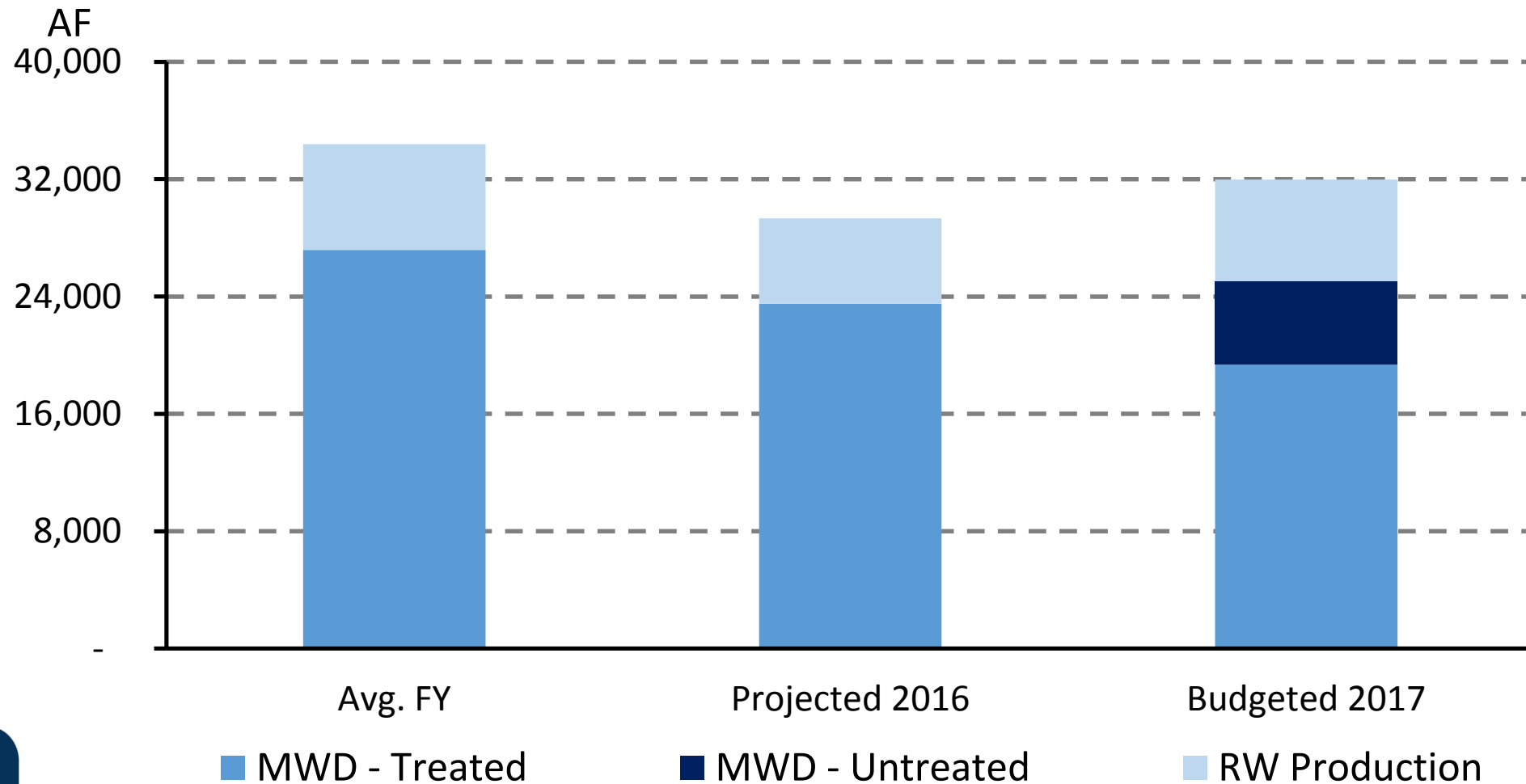
Source of Funds = \$127.6M



Use of Funds = \$127.6M



# WATER PURCHASES AND RW PRODUCTION



# CHANGES TO WATER PURCHASES

- Shift reporting to capture “Full Cost of Water Delivered to MNWD”

- Treated Potable Costs

- MWD OC Connection Charge
- MWD RTS Charge
- MWD Capacity Charge

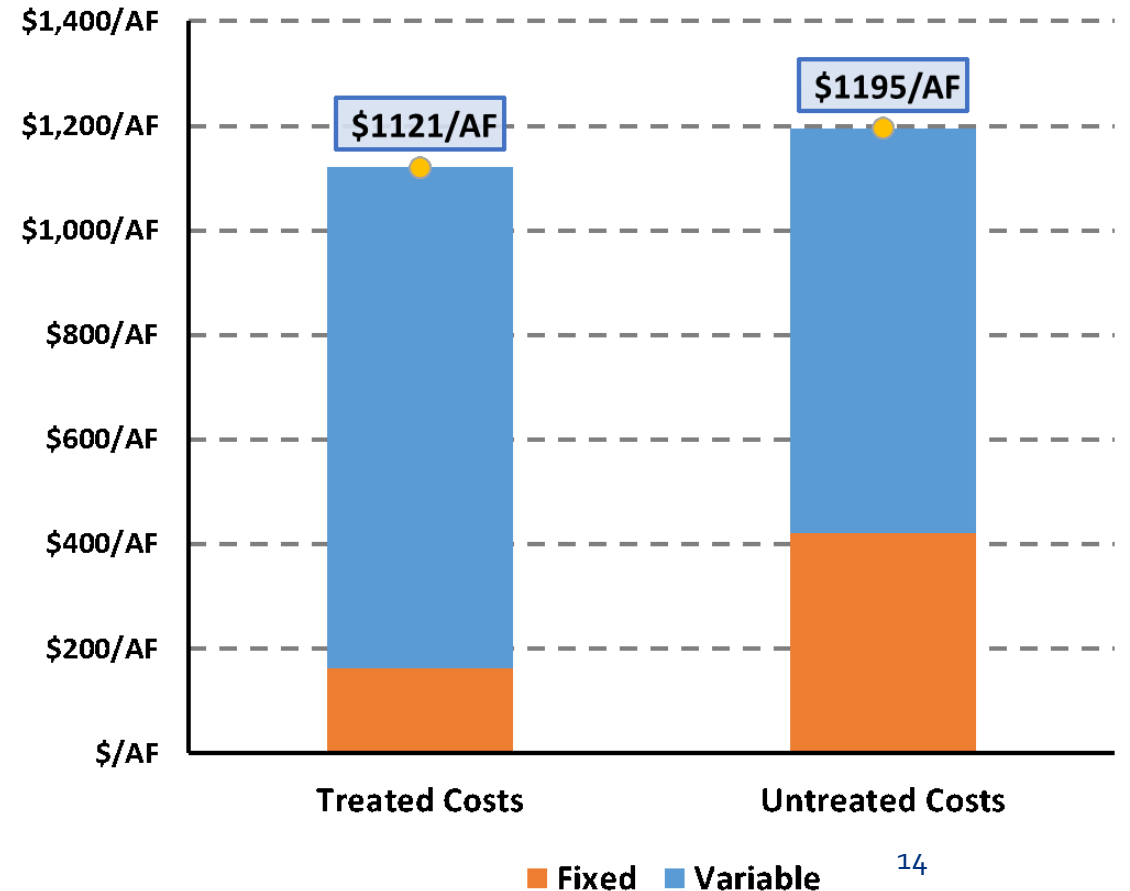
- JRWSS
- East Orange County Feeder #2
- South County Pipeline

- Untreated Potable Costs

- Baker Water Treatment Plant
- Santiago Aqueduct Commission

Previously  
Water  
Purchases

Previously  
Member  
Agency  
O&M



# JOINT POWER AUTHORITIES AND MEMBER AGENCY O&M

	FY 2014/15 Actuals	FY 2014/15 Budget	FY 2015/16 Budget	FY 2016/17 Forecasted	FY 2016/17 Budget
SJBA	\$178,250	\$178,250	\$200,000	\$200,000	\$200,000
Plant 3A	\$1,960,395	\$2,051,479	\$1,880,197	\$ 1,913,529	\$ 1,936,603
SOCWA	\$ 6,490,425	\$ 6,396,814	\$ 7,324,538	\$ 7,454,387	\$ 7,544,274
Upper Chiquita	\$109,000	\$143,348	\$80,000	\$70,000	\$70,000
Upper Oso	\$181,000	\$264,518	\$364,000	\$376,228	\$376,228





# CAPITAL OUTLAYS

Capital Outlays	FY 2015-16	FY 2016-17
<b>Requested Capital Outlays</b>		
Pumps & Equipment	\$84,000	\$363,425
Heavy Equipment	\$391,575	\$343,592
Trucks	\$544,954	\$254,000
Electronics	\$55,123	\$31,000
<b>Subtotal - Requested Capital Outlays</b>	<b>\$1,075,652</b>	<b>\$992,017</b>
<b>Proposed - Valve Program Related</b>		
Heavy Equipment	-	\$550,000
Trucks	-	\$420,000
<b>Subtotal - Valve Program Related</b>	<b>-</b>	<b>\$970,000</b>
<b>Total FY 2016-17 Capital Outlays</b>	<b>\$1,075,652</b>	<b>\$1,962,017</b>



# CAPITAL IMPROVEMENT PLAN

- Major Projects:
  - New Valve Replacement Program
  - Phase V RW Expansion
  - Preventative Maintenance
    - Reservoir Recoating
    - Wastewater Treatment
  - Operations Center

	FY 2015-16	FY 2016-17	Change
1 <sup>st</sup> Year	\$46.8 M	\$46.6 M	(\$0.2 M)
10-Year Total	\$234.5 M	\$282.9 M	\$48.4 M

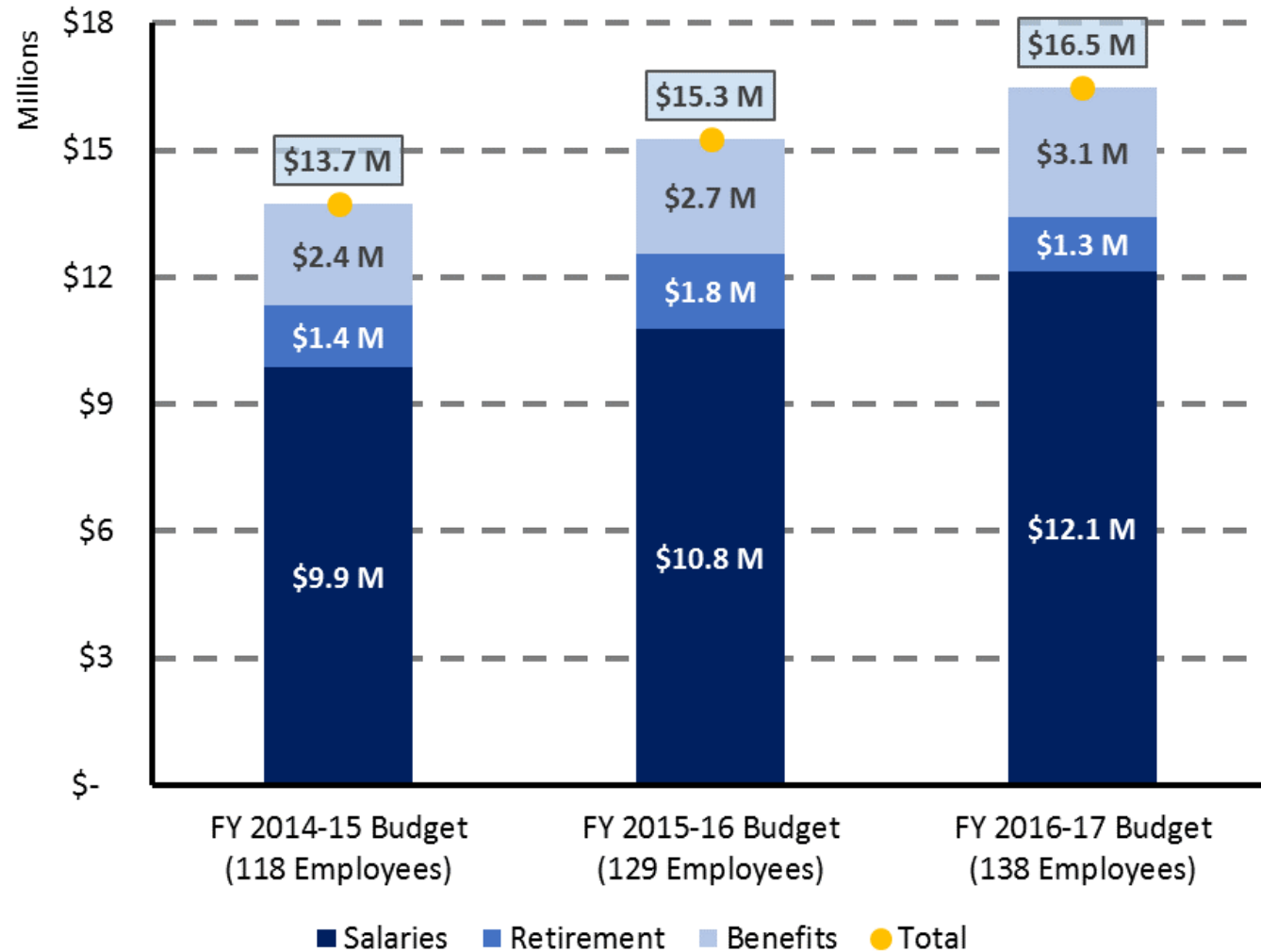


# PROPOSED NEW POSITIONS

- Distribution- Water loss control and preventative maintenance
- RW Inspector
  - Recycled Water Conversions
  - Regulatory changes (more inspections required)
- Customer Service Rep- doing more, communicating more
- Valve Team - Internal vs External
- Engineers- WW and CIP
- Information Systems Officer



# SALARIES AND BENEFITS WITH PROPOSED POSITIONS



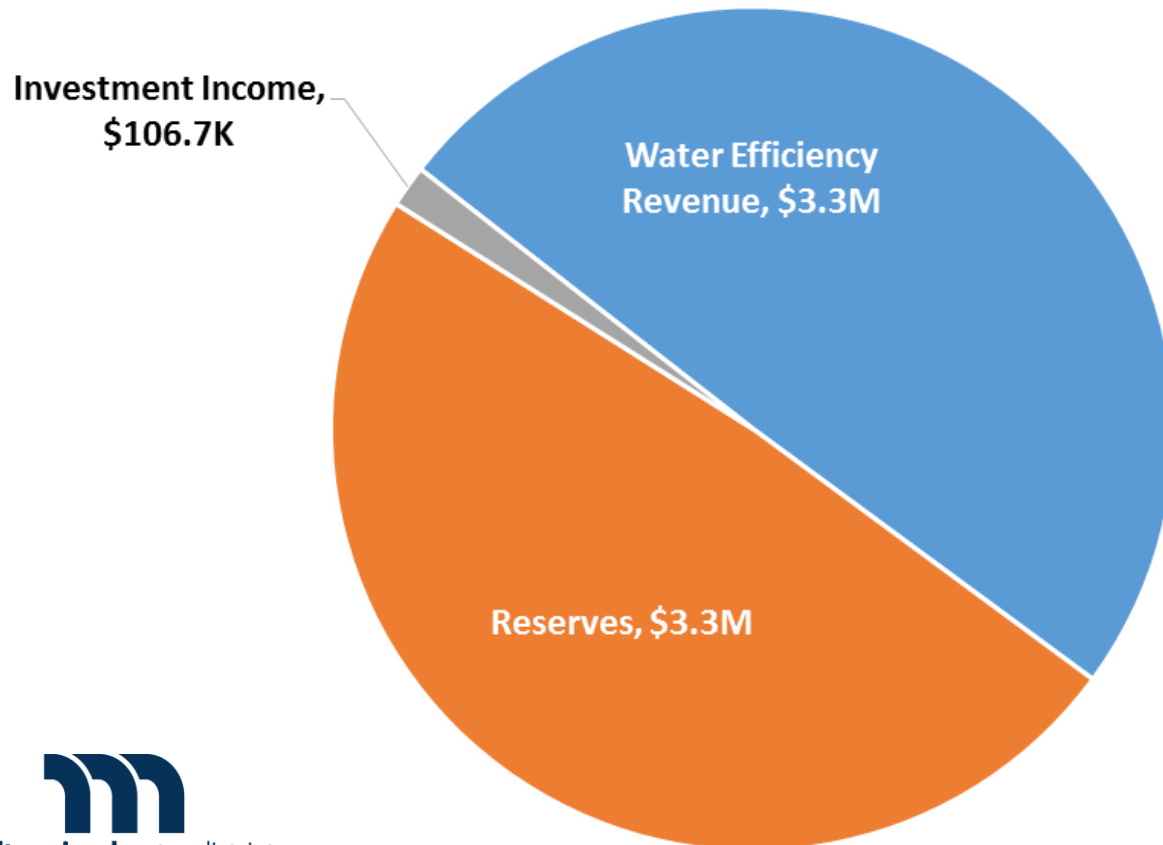
# WATER EFFICIENCY

- More in-depth discussion May 18
- Includes proposed direct install programs
  - Turf Removal
  - Smart Timers
- AMI
- Research Projects/ Studies
  - Stanford/Facebook
  - UC Riverside
  - RW Masterplan

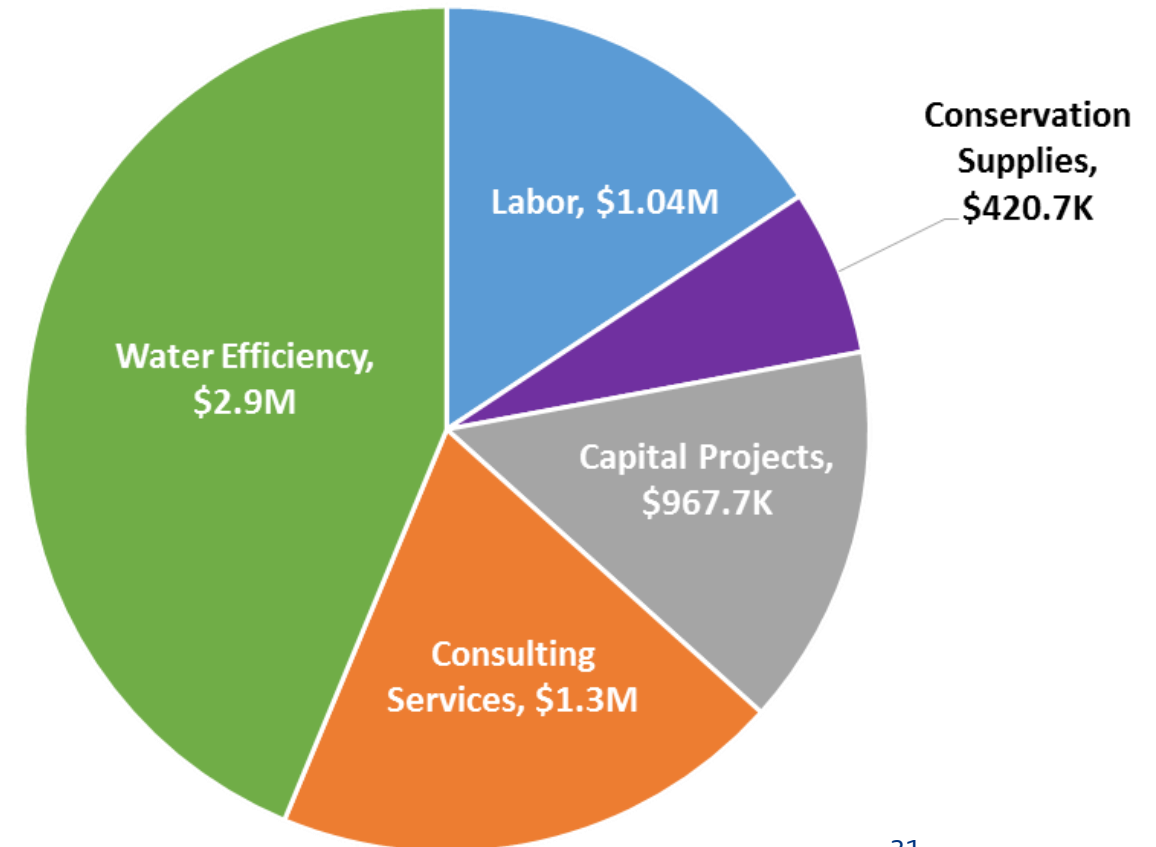


# WUE FUND SUMMARY

## WUE Source of Funds = \$6.7M



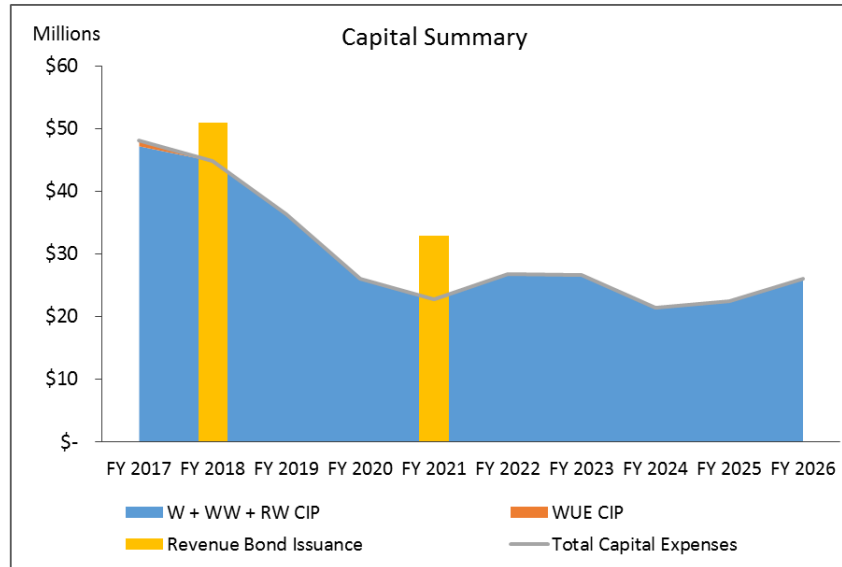
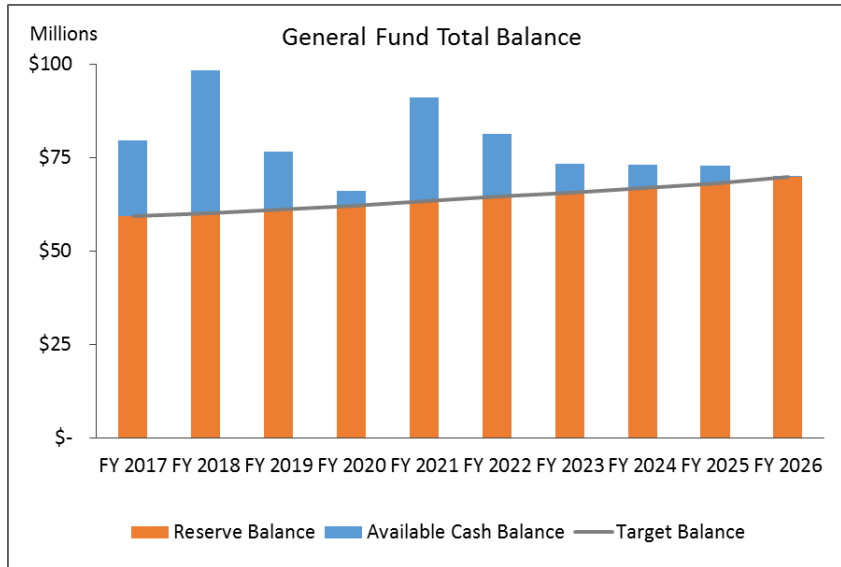
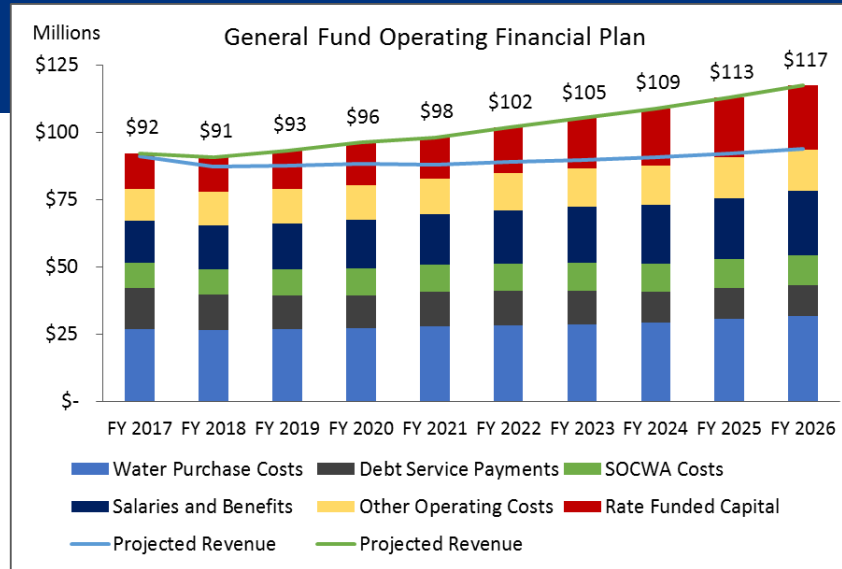
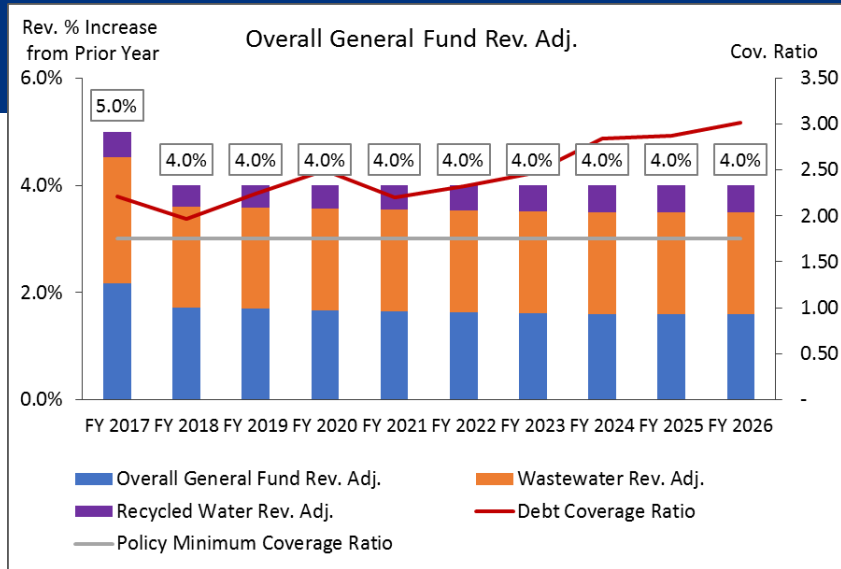
## WUE Use of Funds = \$6.7M





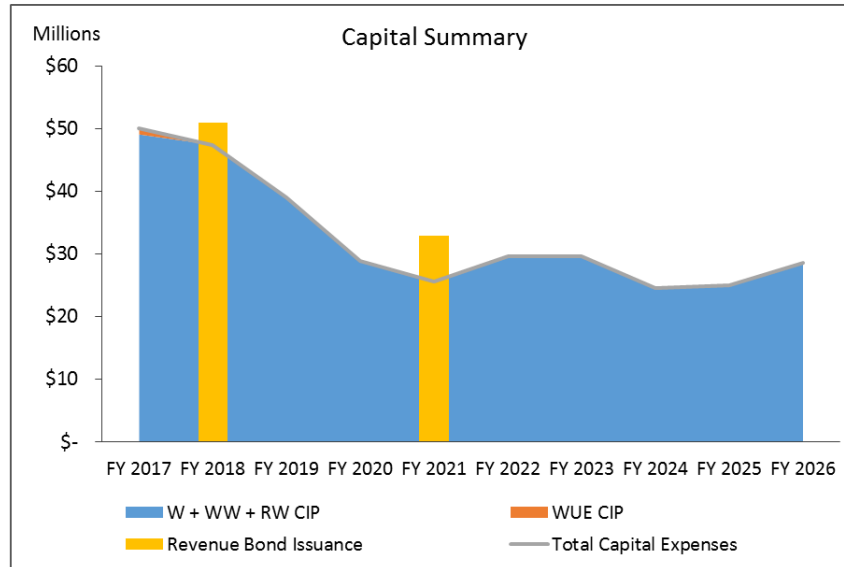
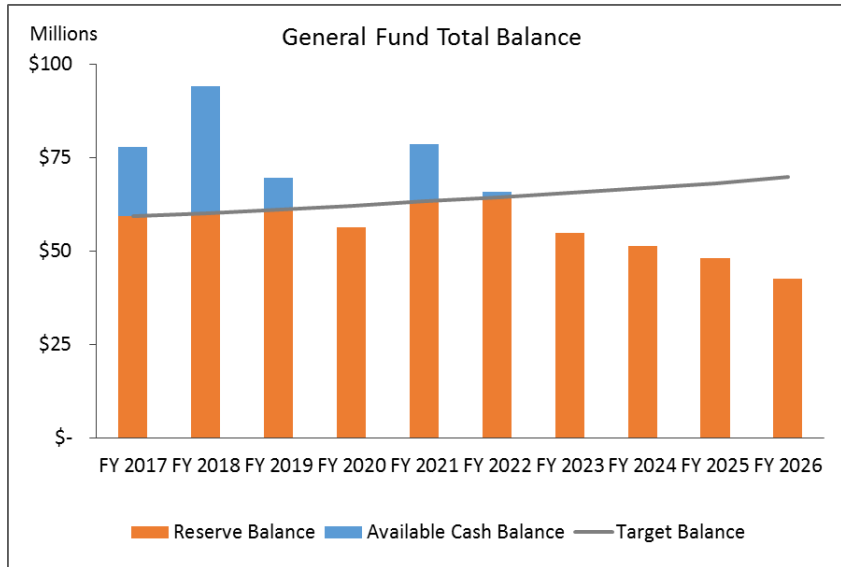
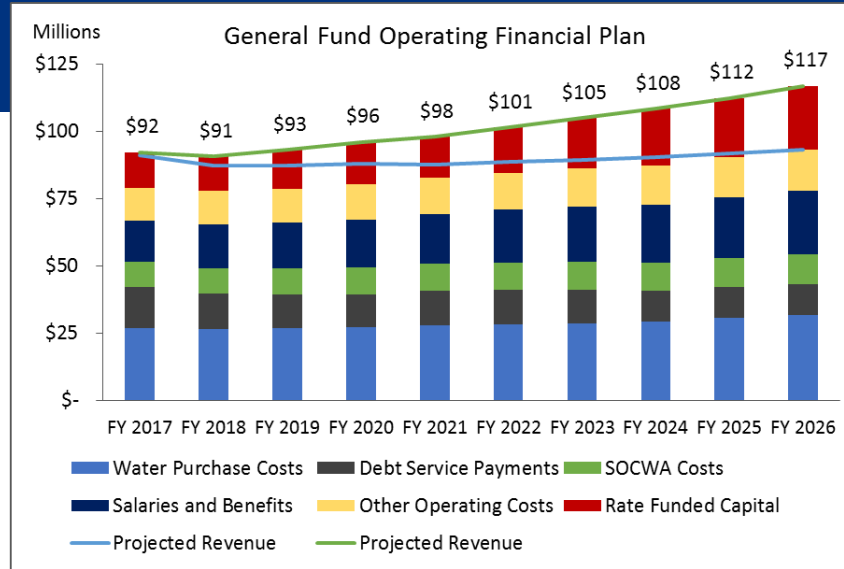
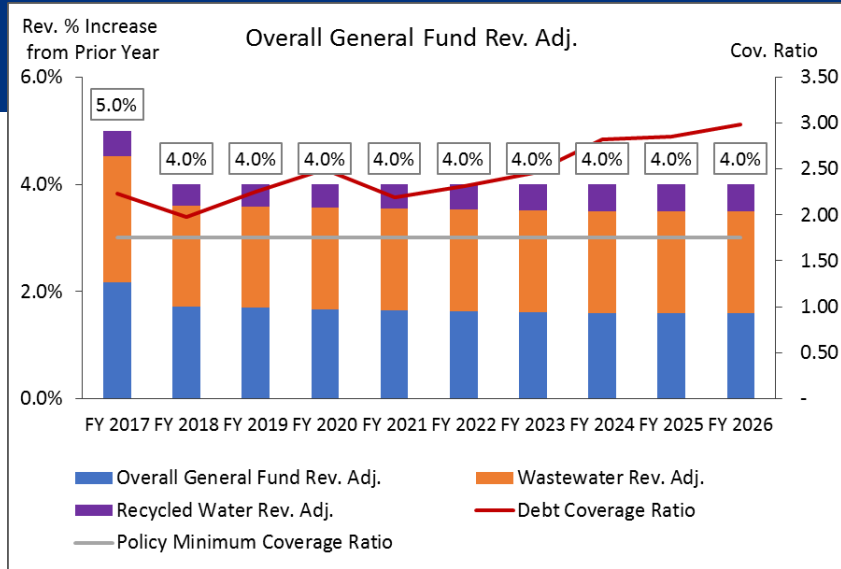
# PROPOSED BUDGET IMPACT TO LRFP

# 10-YEAR CASHFLOW W/ PROPOSED





# 10-YEAR CASHFLOW W/ EXTERNAL VALVE TEAM



# CASHFLOW UPDATE

- No change to 10-year rate forecast
- Increase to debt issuances to provide:
  - Preventative maintenance
  - Reliability- Phase V RW

LRFP Update	Rate Adjustment					Bond Issuance	
	2014-15	2015-16	2016-17	2017-18	2018-19	Fiscal Year	Amount
Nov 2014	7.0%	7.0%	5.0%	4.0%	4.0%	2016-17	\$30 million
May 2015	7.0%	7.0%	5.0%	4.0%	4.0%	2018-19	\$26 million
Oct 2015	7.0%	7.0%	5.0%	4.0%	4.0%	No Debt	
May 2016	7.0%	7.0%	5.0%	4.0%	4.0%	2017-18, 2021-22	\$52 million, \$34 million



# NEXT STEPS

- Incorporate comments as appropriate
- Further Discussion May 16, 18, 19 and June 13, 15, 16
- Resolution Adopted June 16, 2016
  - Appropriation of funds for General and Water Efficiency Funds
  - Approval of FY 2016/17 10 Year Capital Improvement Plan budget
  - Approval of Capital Outlay Requests
  - Approval of Staffing Plan
  - Approval of Salary Schedule
- Approval of UAL pre-payment

