

Fiscal Year 2012 Adopted Budget



ADOPTED BUDGET FISCAL YEAR 2012

Dedicated to Satisfying our Community's Water Needs

1965 Placentia Avenue, Costa Mesa, CA 92627
www.mesawater.org ♦ (949) 574-1022



Mesa's Vision:

To be the best water agency in Orange County



Mesa's Mission:

Dedicated to satisfying our community's water needs



Mesa's Six Major Goals:

Provide a safe
and reliable
water supply

Practice
continuous
infrastructure
renewal and
improvement

Be financially
responsible
and maintain
competitive
rates

Increase
public
awareness
about Mesa
and about
water

Attract and
retain skilled
employees

Exceed the
needs of
internal and
external
customers



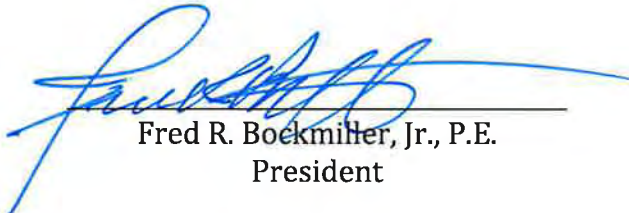
On behalf of the Board of Directors, I am pleased to present the Mesa Consolidated Water District's (Mesa) budget for Fiscal Year 2012.

Mesa's revenues are expected to be \$33.8 million and expenditures are planned to be \$43 million including \$28.8 million for operating expenses and \$14.2 million for capital improvements and replacements. The remainder of funds, \$9.2 million, come from Certificates of Participation issued in December of 2010. The Certificates were issued to fund upgrades and increase the capacity of Mesa's Colored Water Treatment Facility (CWTF).

Local groundwater is Mesa's primary source of water. Groundwater is higher in quality and lower in cost than water imported from the Colorado River and Northern California. Mesa expects to increase use of clear groundwater by 5% over last year. Due to the CWTF being out of service during the technology change out and capacity increase project, total groundwater used will decline 2%.

The Orange County Water District, which manages the groundwater basin, is increasing its rates 1%. Municipal Water District of Orange County, the imported water wholesaler, is also increasing their rates 8%. It is expected that both agencies will continue to have rate increases over the next several years.

In developing our budget, Mesa continued its focus on essential services and improvements that will provide continued efficiencies as business processes are evaluated. We are increasing rates 15 cents on the commodity rate effective July 2011. In December 2009, Mesa conducted a public hearing regarding a 5-year rate increase plan. Fiscal year 2012 is the third of the five increases approved by the Board at that public hearing. This rate increase will help Mesa continue to provide high quality water to its customers, practice orderly replacement of its capital infrastructure as part of its perpetual agency concept, and continue to improve its technology and operational efficiency.



Fred R. Boekmiller, Jr., P.E.
President

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Date: March 22, 2011

To: Board of Directors
Mesa Consolidated Water District

FISCAL YEAR 2012 BUDGET MESSAGE

I am pleased to present to the Board of Directors (Board) the recommended budget for Fiscal Year 2012 (FY12) beginning July 1, 2011 and ending June 30, 2012.

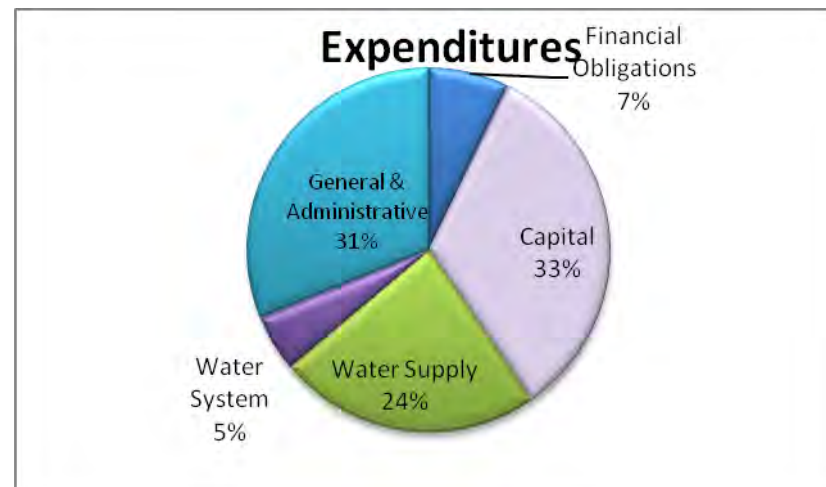
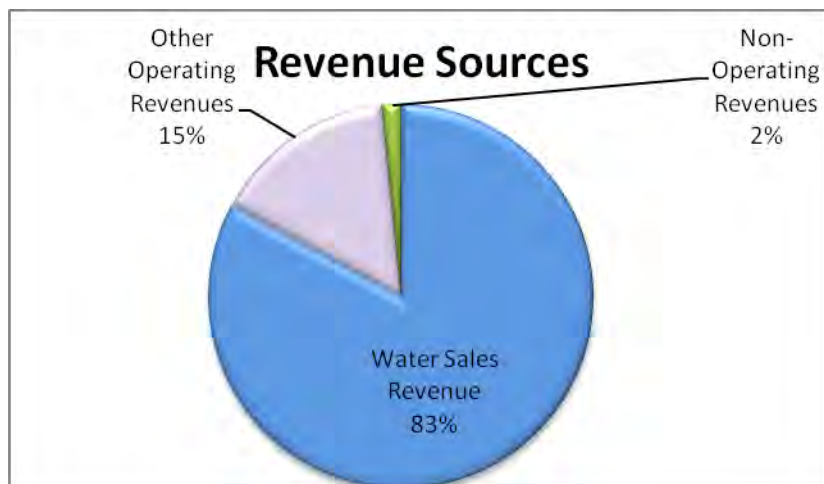
In conducting long term financial planning, Mesa Consolidated Water District's (Mesa) Board adopted a 5-year rate increase beginning December 2009. The goal was for Mesa to achieve a strong AAA credit rating by Fiscal Year 2016 (FY16). The goals included cash on hand and days cash ratio, which are both measures of credit worthiness. The Cash on Hand goal by FY16 was \$39.7 million and the Days Cash ratio was 602 days. The FY12 Budget exceeds the cash on hand balance of \$19.2 million with a projected cash balance of \$20.2 million and meets the days cash goal of 343 days at the end of FY12.

I would like to express my appreciation to the members of the Board for your confidence in Mesa's management team as well as your review, advice, suggestions, and policy direction during the budget process. This document reflects the time you spent in reviewing the budget as well as the sincere compassion you have for this community.

I would also like to thank the staff for their contributions and participation in the development of the FY12 Budget. This challenging process has produced an excellent document worthy of recognition, as was the FY11 Budget that received a Meritorious Budgeting Award from California Society of Municipal Finance Officers. I would especially like to thank Victoria L. Beatley, Chief Financial Officer and Glynis Litvak, Senior Financial Analyst for their hard work, dedication, and commitment in producing this outstanding and useful document.

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The FY12 Budget is based on operating revenues of \$33,306,800 and operating expenses of \$28,760,417, which reflect an increase of 5% for revenues and 3% for expenses over last year's budget submittal. The capital budget includes new capital of \$212,700 and replacement capital of \$14,031,000. These projections represent a 43% decrease for new capital and a 9% increase for replacement capital when compared to last year's submittal, for an overall increase to Mesa capital budget of 7%. The capital budget also includes \$100,000 in capital projects related to private development that are fully funded by the developer. Total sources of funds are estimated to be \$33,840,300 of which 83% comes from water sales. This is an increase of 5% over last year's submittal. Other Operating Revenues includes the pass through revenues of water that the City of Huntington Beach takes through the jointly owned pipeline. In addition to these revenue sources, Mesa is including in this budget the use of Certificates of Participation (COPs) proceeds in the amount of \$9,630,000 to pay for the Colored Water Treatment Facility (CWTF) capital project.



Total uses of funds are estimated to be \$43,004,117 which is an increase of 5% each over last year's submittal.

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Organizational Priorities

Mesa revised its Strategic Plan in December of 2010. The proposed budget reflects some of the priorities that came out of the Strategic Planning process including the addition of a customer service goal (Goal #6). The Strategic Plan includes the following goals:

1. Provide a safe and reliable water supply.
2. Practice continuous infrastructure renewal and improvement.
3. Be financially responsible and maintain competitive rates.
4. Increase public awareness about Mesa and about water.
5. Attract and retain skilled employees.
6. Exceed the needs of internal and external customers.

In addition to the Strategic Planning process, Mesa also conducted Long Range Financial Planning in relation to the multi-year rate increases adopted by the Board. As part of this planning process, the Board set a goal of credit worthiness as defined by rating agencies such as Moody's and Fitch. The goal was to improve Mesa's then current AA credit rating to strong AAA in 7 years. One of the criteria used in determining an agency's credit rating is a ratio known as Days Cash on Hand (Days Cash). This ratio is defined as total cash available divided by expenses per day and is a measure of an agency's ability to meet known and unanticipated expenses. The goal established for FY12 was \$19.2 million and 343 days cash and with this budget Mesa will reach \$20.2 million and 343 days cash.

Expenses

Included in this budget are several items which reflect the goals of the Strategic Plan. In FY12 Mesa, will continue working on an asset management project including an asset registry and will conduct a corrosion study. These projects contribute to Strategic Plan Goal #2.

In this fiscal year, Mesa will continue implementing our Information Systems master plan including continued integration between systems. Also in FY12, we will update the Information Systems master plan as part of our continued focus on long term planning. These items contribute to Strategic Plan Goal #3.

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During FY12, Mesa will continue expanded community outreach. Included in this outreach is information about the CWTF Technology Expansion and Replacement project and the benefits this project will provide to the community and Mesa's local source water independence. These items contribute to Strategic Plan Goal #4.

Capital Projects

Included in the FY12 Budget is the CWTF Technology Replacement and Expansion project. This project, which will replace the existing ozone/biologically active filters with nanofiltration membrane treatment, began in January 2011 and will take 16 months to complete. The cost of this project is planned at \$20.8 million and will be funded from debt issued in December 2010. In addition to the increased capacity, the new technology will reduce per acre-foot water production costs from this facility. These improvements will also allow Mesa to be completely self-reliant for water supply and not be dependent on more costly imported water sources as reflected in the FY13 Guidelines of the budget. This project supports Strategic Plan Goals #1, #2, and #3.

Continuing Mesa's commitment to orderly replacement of capital infrastructure (Strategic Plan Goal #2), in FY12 Mesa's internal staff will focus on replacing valves and hydrants. The proposed budget contains \$346,000 for valve replacements and \$243,900 for fire hydrant replacements. Also included in the FY12 capital budget are upgrades to Mesa's wells, which include replacing less efficient gas engines with a more efficient system at Well No. 5 and automating the wells to integrate them with the new SCADA system. This project will be done over two years to allow for optimal pumping capacity from Mesa's wells.

Economic and Policy Issues

California is still feeling the effects of a multi-year drought. The Department of Water Resources has allocated only 60% of the contractual amount of State Water Project supplies. This is an improvement over the prior years and is due to recent winter storms that have allowed snowpack to be above average. Even with the improved conditions, water agencies will continue to call for conservation.

In FY12 Mesa is anticipating increased use of imported water from Municipal Water District of Orange County (MWDOC), which is a higher cost source of water compared to clear well water as can be seen from the following table. This increase is needed because the CWTF will be down for 9-months of the fiscal year due to the construction at the facility for the technology replacement and expansion. Mesa's imported water costs per acre-foot from MWDOC are expected to increase 8% from the prior year in addition to needing to purchase more of this water source.

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Water Source	FY12 Budgeted Average Cost per Acre-Foot
Clear Well Water	\$351.33
Colored Water Treatment Facility	\$358.95
Imported Water	\$853.30
Recycled Water	\$334.36

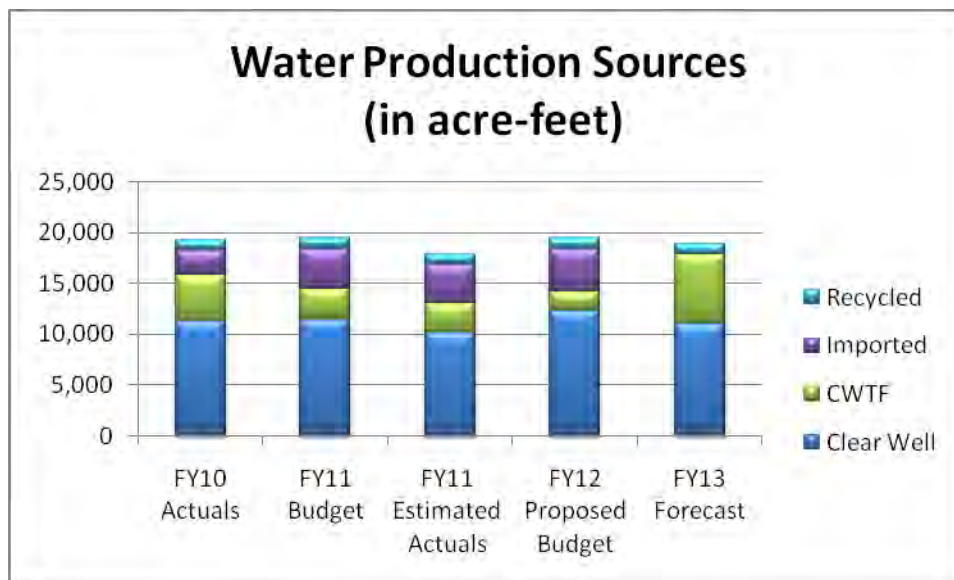
During FY12, Mesa anticipates that Orange County Water District (OCWD) will increase the level of pumping from 62% to 67% of total potable supply. The implementation of the Groundwater Replenishment System (GWRS) by OCWD has allowed the pumping level to remain unchanged. The Replenishment Assessment charged by OCWD on each acre-foot of water pumped is expected to increase from \$249 to \$251.

There will be continued recommendations for increased conservation measures in the form of advertising from Metropolitan Water District of Southern California (MWD), the State of California, and other local agencies, all of which could have a negative impact on budgeted water sales revenue. Mesa's customers have been conserving over the prior four fiscal years, with water sales down 14%. With the great response from Mesa's customers to conservation, the FY12 budgeted water sales remain at the same level as the FY11 Budget. The FY12 Budget anticipates continued conservation which will be offset by a slight increase in population. The population served by Mesa is approximately 116,000. New growth, however modest, will continue to increase demands on our water supply and are being planned for accordingly.

Due to the recent economic downturn, development activity within Mesa's service area has been less than was anticipated in the FY11 Budget. Because this revenue source is less stable, beginning in FY12, revenues related to development activity are being budgeted based on an eight-year historical average. Previously, staff had anticipated the timing of planned development. We expect this method to reduce volatility in projected development revenues.

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The average cost of water is based on FY12 budgeted operating costs including both variable and fixed costs. The CWTF costs are net of the MWD Local Resource Program (LRP) revenue and none of the costs include a capital component. Production from the CWTF decreases in FY12 due to the Technology Replacement and Expansion project included in capital portion of the budget. When the new facility comes on line, production is anticipated to increase to 6,730 acre-feet in FY13 eliminating Mesa’s need to take imported water that year.



Revenue Assumptions

With a built out community and customer base, Mesa projects our water sales will remain flat in relation to the delivery and sale of potable water from the FY11 budgeted amount. The estimated actual sales for FY11 are 586 acre-feet less than budget due to the amount of rain received this year. We estimate approximately 17,620 acre-feet of potable water and 1,100 acre-feet of recycled water will be sold during the next fiscal year.

Mesa’s overall water sales revenues are estimated to be \$28 million, a 5% increase from last year. Even though consumption is projected to remain the same, this increase in revenue is due to multi-year rate increases adopted by the Board. The first of the rate increases was effective January 1, 2010. The following 4 rate increases will be effective

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July 1 of the next four fiscal years beginning in July 2010. Each of the rate increases is applied to both the basic and usage charge and is approximately 4% to 5% per year. For additional details on revenue assumptions refer to page Basis-16.

Staffing Levels

For FY12, staff levels have decreased from FY11 by 0.5 FTE to 62.5 FTE: Beginning FY12, there was a reorganization of some functions within Mesa. The responsibilities that were included in the Human Resources Department were assumed by the Administrative Services Department and the Human Resources Department was eliminated. Additionally, the functions of Customer Service and Information Technology that had been in the Administrative Services Department were separated and became the new Customer Services Department. The existing Customer Service/Conservation Supervisor assumed responsibility for the new department. These changes in personnel are summarized as follows:

Remove one (1) Human Resources Manager: this position became vacant during FY11 and will not be replaced. We determined that these functions could be assumed by the Administrative Services Manager (1 FTE).

Remove one (1) Customer Service/Conservation Supervisor: this position was eliminated with the creation of the Customer Service Manager (1 FTE).

Add one (1) Customer Service Manager: new position added in this budget to assume responsibility for the new Customer Service Department (1 FTE).

Add one (1) Intern position in the Water Operations Department (0.5 FTE).

Conclusion

Mesa Consolidated Water District continues to grow and flourish as an organization. The budget demonstrates how Mesa is committed to meeting our 5-year financial goals. Our Board of Directors and staff continue a tradition of innovation with their ideas and methods for accomplishing our mission; *Dedicated to satisfying our community's water needs.*

Paul E. Shoenberger, P.E.
General Manager



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BUDGET SUMMARY

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Summary Sources and Uses of Funds

	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast	FY14 Forecast	FY15 Forecast	FY16 Forecast
Sources of Funds									
Water Sales Revenue	\$24,437,625	\$26,652,800	\$25,909,400	\$28,054,300	5%	\$28,864,300	\$30,103,800	\$30,459,500	\$30,522,400
Other Operating Revenues	4,762,918	5,121,300	5,346,900	5,252,500	3%	6,113,000	6,311,500	6,596,000	6,880,200
Non-Operating Revenues	250,339	577,500	451,800	533,500	-8%	611,900	627,200	642,900	659,000
Total Sources of Funds	29,450,881	32,351,600	31,708,100	33,840,300	5%	35,589,200	37,042,500	37,698,400	38,061,600
Uses of Funds									
Expenses	15,141,577	17,486,100	17,324,000	17,821,100	2%	16,654,600	17,164,100	17,938,500	18,748,800
Financial Obligations	3,997,627	2,781,800	2,993,300	3,089,200	11%	3,435,200	3,451,900	3,547,100	3,544,900
Labor and Benefits	7,442,819	8,150,743	7,859,436	8,346,815	2%	8,658,111	8,874,600	9,096,500	9,323,900
Temporary Labor	0	0	8,000	0	N/A	0	0	0	0
Labor and Benefits Capitalized	(397,081)	(561,369)	(625,106)	(506,763)	-10%	(518,931)	(307,541)	(319,839)	(329,433)
<i>Total Expenses</i>	<i>26,184,942</i>	<i>27,857,274</i>	<i>27,559,629</i>	<i>28,750,352</i>	<i>3%</i>	<i>28,228,981</i>	<i>29,183,059</i>	<i>30,262,261</i>	<i>31,288,167</i>
Capital									
New	218,568	375,390	363,100	212,700	-43%	983,700	787,000	818,500	843,100
Replacements & Refurbishments	3,610,748	12,912,841	12,433,591	14,031,000	9%	4,046,100	2,365,700	2,460,300	2,534,100
<i>Total Capital</i>	<i>3,829,316</i>	<i>13,288,231</i>	<i>12,796,691</i>	<i>14,243,700</i>	<i>7%</i>	<i>5,029,800</i>	<i>3,152,700</i>	<i>3,278,800</i>	<i>3,377,200</i>
Total Uses of Funds	30,014,258	41,145,505	40,356,320	42,994,052	4%	33,258,781	32,335,759	33,541,061	34,665,367
<i>Addition to Capital Replacement Fund</i>	<i>3,350,000</i>	<i>3,457,300</i>	<i>3,457,300</i>	<i>3,194,148</i>	<i>-8%</i>	<i>4,201,178</i>	<i>3,945,600</i>	<i>6,362,113</i>	<i>5,671,230</i>
<i>Funding from Capital Replacement Fund</i>	<i>3,610,748</i>	<i>3,600,400</i>	<i>3,083,591</i>	<i>2,414,000</i>	<i>-33%</i>	<i>4,046,100</i>	<i>2,365,700</i>	<i>2,460,300</i>	<i>2,534,100</i>
<i>Addition to Capital Admin & General Fund</i>	<i>0</i>	<i>49,728</i>	<i>1,779,011</i>	<i>0</i>	<i>0%</i>	<i>606,702</i>	<i>1,568,731</i>	<i>106,110</i>	<i>111,195</i>
<i>Funding from Capital Admin & General Fund</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>N/A</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Addition to Catastrophe Fund</i>	<i>0</i>	<i>0</i>	<i>1,200,285</i>	<i>0</i>	<i>N/A</i>	<i>0</i>	<i>210,584</i>	<i>149,416</i>	<i>0</i>
<i>Funding from Catastrophe Fund</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>N/A</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Addition to Operating Fund</i>	<i>0</i>	<i>934,091</i>	<i>120,046</i>	<i>0</i>	<i>-100%</i>	<i>2,255,740</i>	<i>546,947</i>	<i>0</i>	<i>147,908</i>
<i>Funding from Operating Fund</i>	<i>62,701</i>	<i>293,000</i>	<i>42,000</i>	<i>303,900</i>	<i>4%</i>	<i>190,000</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Addition to Rate Stabilization Fund</i>	<i>0</i>	<i>485,376</i>	<i>756,145</i>	<i>0</i>	<i>-100%</i>	<i>0</i>	<i>800,579</i>	<i>0</i>	<i>0</i>
<i>Funding from Rate Stabilization Fund</i>	<i>239,929</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>N/A</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Total Change to Designated Funds	(563,377)	1,033,095	4,187,195	476,248	-54%	2,827,519	4,706,741	4,157,339	3,396,233
Loan Proceeds	0	9,827,000	12,835,415	9,630,000	-2%	497,100	0	0	0
Balance of Funds Contributed to (Required for) the Budget	0	0	0	0	N/A	0	0	0	0

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Department Summary

Department	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Guidelines
Board of Directors	193,376	255,582	244,745	278,964	9%	324,385
Office of the General Manager	494,561	534,733	563,228	581,216	9%	608,361
Administrative Services	2,919,335	3,438,627	2,843,379	1,267,867	-63%	1,288,022
Communications	0	417,106	447,935	683,983	64%	660,136
Engineering	3,818,695	12,759,798	12,299,399	14,339,622	12%	4,182,076
Financial Services	5,505,764	4,616,135	4,779,315	4,892,875	6%	5,303,849
Customer Services	0	0	0	1,916,999	N/A	2,075,191
Water Operations	17,082,527	19,123,523	19,178,320	19,032,525	0%	18,816,761
TOTAL EXPENSES	\$30,014,258	\$41,145,505	\$40,356,320	\$42,994,052	4%	\$33,258,781

Prior to FY12 the functions of the Customer Services Department were the responsibility of the Administrative Services Department.
Prior to FY11 the functions of the Communications Department were the responsibility of the Administrative Services Department.

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Capital Summary

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	FY13 Forecast
<u>New Capital</u>						
O1201-11	Information Systems Software and Hardware	\$31,906	\$129,990	\$118,500	\$81,000	\$46,000
CSDEV-04	Support of Customer Development	113,846	100,000	100,000	100,000	100,000
M1915-04	Vault Lid Improvements-Import Stations	0	33,500	33,500	23,700	41,500
B1201-07	Water Vending Machine	0	8,000	8,000	8,000	8,000
A1305-03	Hydraulic Excavator	0	0	0	0	372,200
01301-08	Electronic Records Management	13,805	0	0	0	303,000
B1301-03	Awnings for Material Structure Bay	0	0	0	0	113,000
B1101-03	Facility Drainage Improvements	0	90,000	90,000	0	0
A1101-03	Backhoe Breaker Attachment	0	13,900	13,100	0	0
M1348-04	GIS Implementation	59,011	0	0	0	0
Total New Capital (including capitalized labor)		\$218,568	\$375,390	\$363,100	\$212,700	\$983,700
<u>Replacements and Refurbishments</u>						
M1960-04	Air & Vacuum Release Valve Replacement-42" Line	\$0	\$0	\$0	\$97,900	\$0
W1206-03	Air & Vacuum Release Valve Replacement-Distribution System	0	0	0	17,300	17,500
CB112-03	Bypass & Meter Installation	38,550	24,000	24,000	24,000	55,800
CMV12-03	Distribution Mainline Valve Replacement	383,683	370,100	370,100	346,000	361,700
CFH12-03	Fire Hydrant Replacements	263,571	234,900	234,900	243,900	247,300
CLM12-03	Large Meter Replacement (1.5" - 2")	11,006	19,500	19,500	5,300	33,000
COA12-04	Relocation of Facilities for Other Public Agencies	13,930	140,000	25,000	25,000	50,000
CSC12-03	SCADA Improvements	1,001,198	1,633,100	1,633,100	20,000	0
CSL12-03	Service Line Replacements	57,480	135,000	135,000	135,100	137,700
CSM12-03	Small Meter Replacement (5/8" - 1")	19,314	8,100	8,100	5,100	64,900
CVR12-03	Transmission Mainline Valve Replacements	0	0	0	25,000	25,000
CSS12-03	Sample Station Replacements	0	8,653	8,653	11,100	11,200
W1203-03	Double Wall Heat Exchanger	0	0	0	61,200	0
M1932-04	Colored Water Treatment Facility Technology Replacement/Expansion	589,871	9,327,000	9,350,000	11,617,000	0
W1202-03	Reservoir 1 Differential Flow Meter Replacement	0	0	0	25,500	0
W1201-03	Reservoir 1 Engine Rebuild	0	66,800	66,421	130,000	0
W1205-03	Walk Behind Saw	0	0	0	15,000	0
M1916-04	Groundwater Well Upgrades	117,414	266,410	100,000	970,000	500,000
M1955-04	Color Treatment at Wells 5, 7 & 8	0	0	0	220,000	1,660,000
A1201-03	Service Crane Truck	0	0	0	36,600	0
A1301-03	Pickup Truck	0	0	0	0	20,500
A1302-03	Pickup Truck	0	0	0	0	20,500
A1303-03	Pickup Truck	0	0	0	0	20,500
A1304-03	Pickup Truck	0	0	0	0	20,500
M1852-F4	Valve Replacement - Contractor	760,413	0	0	0	800,000

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Capital Summary (continued)

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	FY13 Forecast
CRR11-03	Radio Read Meters	\$0	\$114,100	\$114,100	\$0	\$0
M1931-04	Coolidge Ave. Replacement	18,151	246,300	221,200	0	0
B1103-03	Building Refurbishment	0	150,000	75,000	0	0
A1102-03	10 Wheel Dump	0	115,400	0	0	0
A1103-03	Valve Turning Machine	0	29,478	23,820	0	0
A1104-03	Unit #51 retrofit	0	9,500	9,917	0	0
A1105-03	Unit #56 retrofit	0	14,500	14,780	0	0
A1001-03	Compressors	33,700	0	0	0	0
BIM10-03	Building Interior Modifications	1,198	0	0	0	0
M1828-04	Well No. 4	253,097	0	0	0	0
M659G-04	Well No. 4 Ozone Generators	2,032	0	0	0	0
A1002-03	Tire Changer	5,677	0	0	0	0
A1003-03	Vehicle Emissions Upgrade	29,977	0	0	0	0
A0904-03	Unit 52 Filter	10,486	0	0	0	0
Total Capital Replacements and Refurbishments (including capitalized labor)		\$3,610,748	\$12,912,841	\$12,433,591	\$14,031,000	\$4,046,100
Total Capital Requirements		\$3,829,316	\$13,288,231	\$12,796,691	\$14,243,700	\$5,029,800

Carryover projects funded from prior year rates (see Summary-5)

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Carryover Projects Budgeted in FY12 and Funded From Prior Years Rates

	FY11 Budget	FY11 Estimated Actuals	FY11 Budget to Carryover to FY12	FY12 Budget	FY11 Budget to Carryover to FY13	FY13 Forecast
<u>Expenses</u>						
Board Conferences and Seminars	67,000	55,400	11,600	71,600	0	70,200
Development	4,700	700	4,000	4,700	0	700
SCADA Operations and Maintenance	16,000	0	16,000	17,000	0	17,000
Staff Development & Conferences-Finance	23,800	10,000	13,800	22,900	0	8,800
Unidirectional Flushing	1,500	0	1,500	1,500	0	1,500
Information Systems Maintenance and Support	493,700	303,500	134,000	369,000	0	228,500
Total Expenses	\$606,700	\$369,600	\$180,900	\$486,700	\$0	\$326,700
<u>Capital</u>						
Electronic Records Management	0	0	0	0	88,000	303,000
Groundwater Well Upgrades	266,410	100,000	166,410	1,470,000	0	0
Total Capital	\$266,410	\$100,000	\$166,410	\$1,470,000	\$88,000	\$303,000
Total	(\$873,110)	(\$469,600)	(\$347,310)	(\$1,956,700)	(\$88,000)	(\$629,700)
Funding from Capital Replacement Fund			\$0			
Funding from Operating Fund			\$347,310		\$88,000	

BASIS OF THE BUDGET

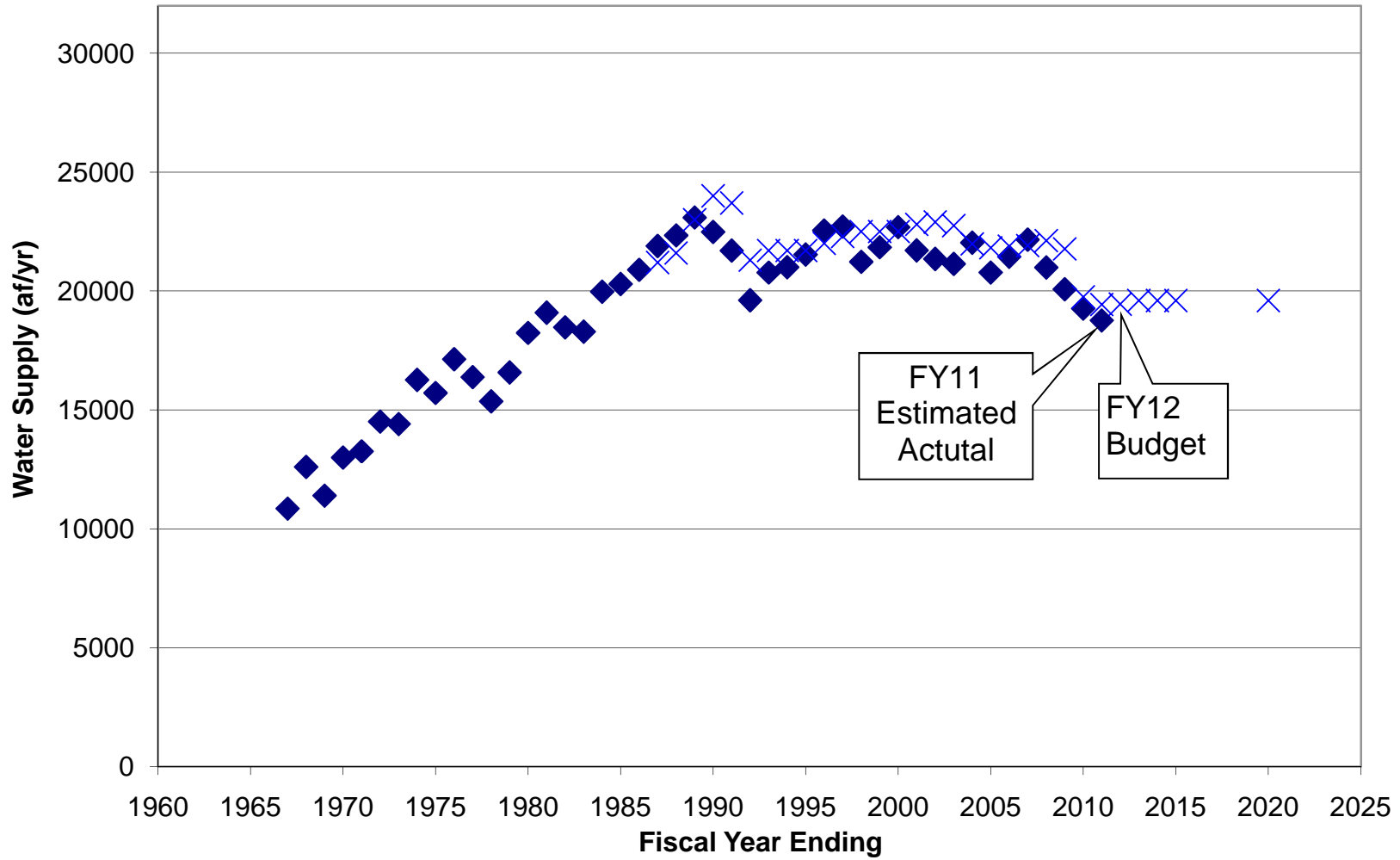
Mesa Consolidated Water District
Fiscal Year 2012 Budget

Water Sales and Production in Acre-Feet (AF)

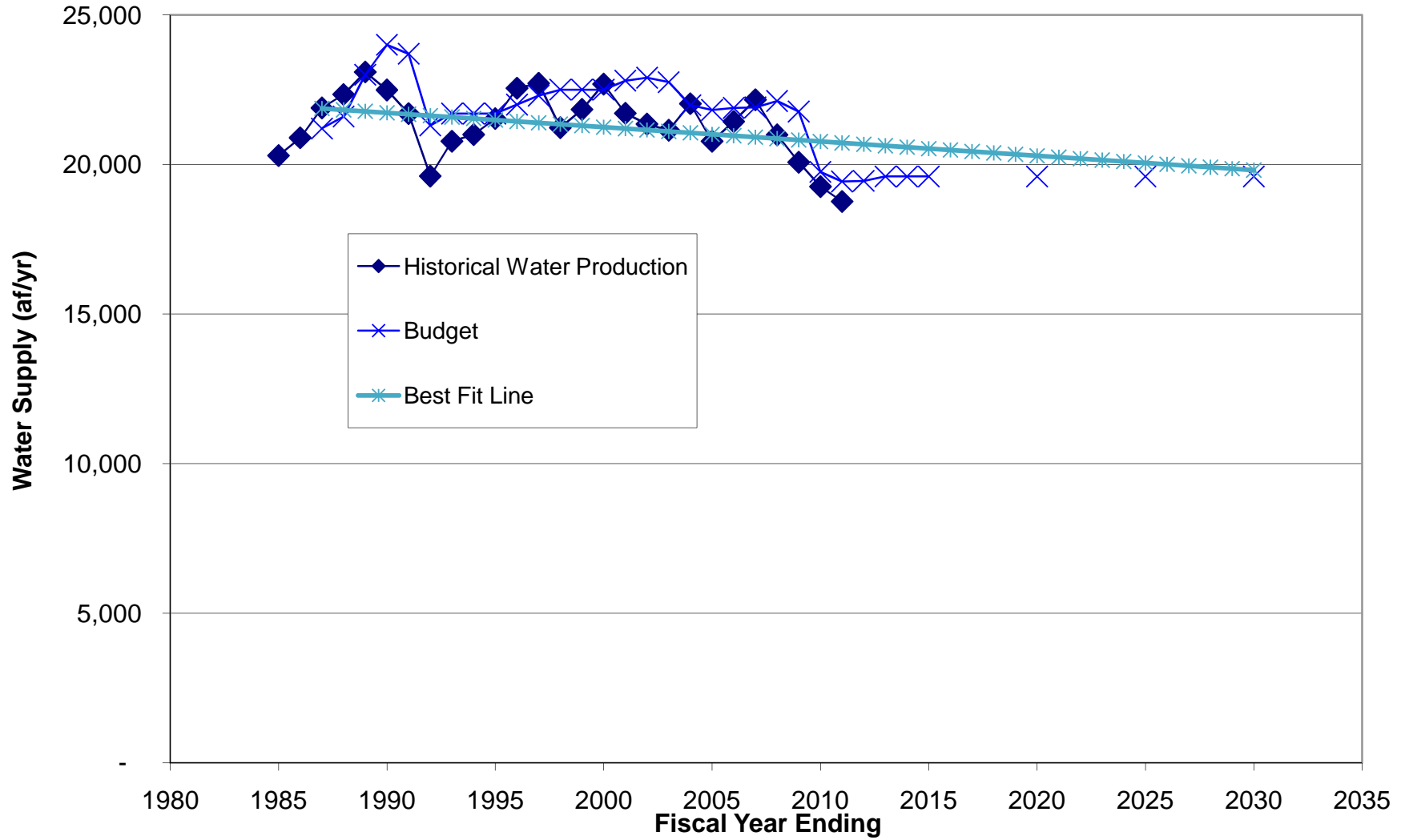
	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
<u>WATER SALES ACRE-FEET</u>						
Potable Water Sales						
<i>Assumes 4% water loss in FY12 & FY13</i>	17,201	17,620	17,020	17,620	0%	17,100
Recycled Water Sales	1,034	1,100	994	1,100	0%	1,100
TOTAL WATER SALES (AF)	18,235	18,720	18,014	18,720	0%	18,200
<u>WATER PRODUCTION ACRE-FEET</u>						
Clear Well Production [1]	11,335	11,455	10,171	12,300	7%	11,085
In-Lieu Water	0	0	870	0	N/A	0
	11,335	11,455	11,041	12,300	7%	11,085
Colored Water Treatment Facility Production [1]	4,506	3,047	2,948	1,900	-38%	6,730
Imported Water Purchased	2,387	3,850	3,740	4,150	8%	0
Total Potable Production	18,228	18,352	17,729	18,350	0%	17,815
Recycled Water Purchased	1,034	1,100	994	1,100	0%	1,100
TOTAL WATER PRODUCTION (AF)	19,262	19,452	18,723	19,450	0%	18,915
[1] Included 15 acre-feet start-up water for clear wells and 7 acre-feet for the CWTF.						
<u>Huntington Beach Sales and Production</u>						
Water Sales to Huntington Beach	5,327	5,972	5,687	5,970	5%	5,970
Water Purchases for Huntington Beach	5,327	5,972	5,687	5,970	5%	5,970

Water Supply Needs (Historical and Projected)

◆ Historical Water Production × Budget



Water Supply Needs (Historical and Projected)



Mesa Consolidated Water District
Fiscal Year 2012 Budget

Basis of Water Supply Components

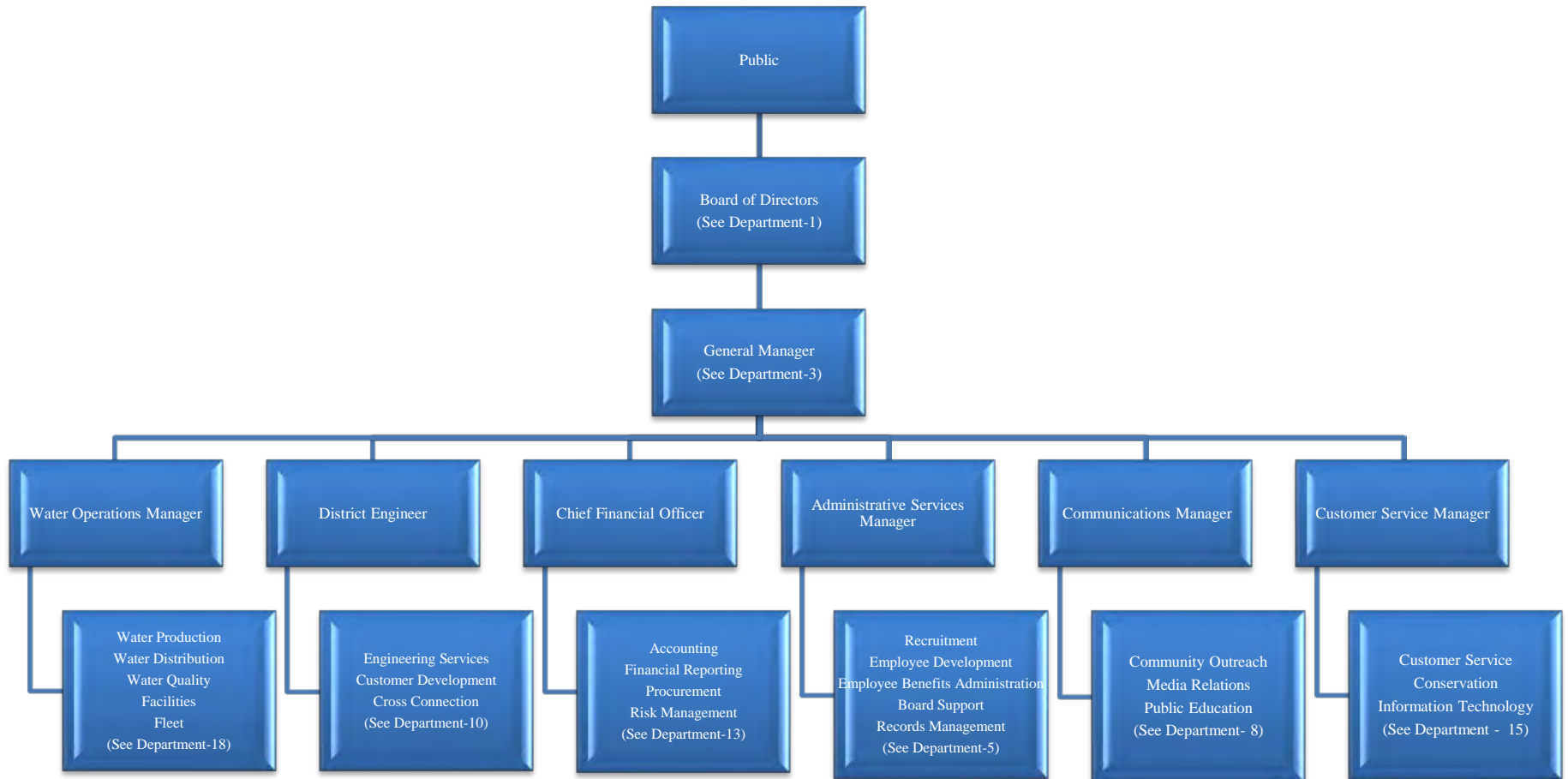
Components per Acre-Foot	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Well Production						
OCWD Basin Replenishment Assessment	\$249	\$249	\$249	\$251	1%	\$260
Well Utilities	\$69	\$75	\$68	\$71	-5%	\$74
Well Treatment and Materials	\$12	\$14	\$10	\$13	-5%	\$14
Colored Water Treatment Facility						
CWTF Utilities	\$146	\$160	\$140	\$103	-35%	\$111
MWD Local Resource Program (subsidy)	\$124	\$127	\$127	\$130	2%	\$133
CWTF Treatment and Materials	\$192	\$231	\$189	\$95	-59%	\$100
Imported Water Variable Costs [1]	\$587.00/ \$709.00	\$707.50/ \$760.75	\$707.50/ \$750.75	\$748.25/ \$798.25	8%	\$798.25/ \$838.60
Recycled Water	\$340.00	\$326.00	\$326.00	\$334.40	3%	\$342.40
Imported Water Fixed Costs						
Readiness to Serve - Total Charge	\$40,542	\$52,100	\$52,100	\$93,100	79%	\$93,100
Capacity Charge	\$105,339	\$97,400	\$111,200	\$97,400	0%	\$97,400
Choice Charges [2]	\$0	\$0	\$0	\$16,500	N/A	\$86,000
Retail Connection Charge - Total Charge	\$127,463	\$145,400	\$128,000	\$145,400	0%	\$145,600
Retail Connection Charge (per meter)	\$5.50	\$6.25	\$5.50	\$6.25	0%	\$6.25
Basin Pumping Percentage	69%	62%	62%	67%	5%	62%

[1] Imported Water Variable Costs change in July and January. In FY10 the rate increase occurred in September instead of January due to the timing of an increase by MWD.

[2] Choice Charges begin in FY12 and allow for agencies to choose which activities they want to participate in with MWDOC.

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Organizational Chart Fiscal Year 2012



Mesa Consolidated Water District
Fiscal Year 2012 Budget

Personnel Summary						
	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	Number Change FY11 Budget from FY10 Budget	FY13 Guidelines
OFFICE OF THE GENERAL MANAGER						
Executive Office	1	1	1	1	0.0	1
TOTAL DISTRICT MANAGEMENT	1	1	1	1	0.0	1
ADMINISTRATIVE SERVICES						
Administrative Services	7.5	8	8	5	(3.0)	5
Human Resources	3	3.5	2.5	2.5	(1.0)	2.5
Customer Service	8	8	8	0	(8.0)	0
TOTAL ADMINISTRATIVE SERVICES	18.5	19.5	18.5	7.5	(12.0)	7.5
COMMUNICATIONS						
Communications	0	1.5	1.5	1.5	0.0	1.5
TOTAL COMMUNICATIONS	0	1.5	1.5	1.5	0.0	1.5
ENGINEERING						
Engineering	6.5	6.5	6.5	6.5	0.0	6.5
TOTAL ENGINEERING	6.5	6.5	6.5	6.5	0.0	6.5
FINANCIAL SERVICES						
Financial Services	8.5	8.5	8.5	8.5	0.0	8.5
TOTAL FINANCIAL SERVICES	8.5	8.5	8.5	8.5	0.0	8.5
CUSTOMER SERVICES						
Customer Service	0	0	0	8	8.0	8
Conservation	0	0	0	1	1.0	1
Information Technology	0	0	0	2	2.0	2
TOTAL CUSTOMER SERVICE/IT	0	0	0	11	11	11
WATER OPERATIONS						
General Services	5	5	5	5.5	0.5	5.5
Distribution	13	13	13	13	0.0	13
Production	7	6	6	6	0.0	6
Water Quality	2	2	2	2	0.0	2
TOTAL WATER OPERATIONS	27	26	26	26.5	0.5	26.5
TOTAL PERSONNEL	61.5	63.0	62.0	62.5	(0.5)	62.5

Five elected officials serve on Mesa's Board of Directors.

Beginning in FY12 the functions of Human Resources was combined with Administrative Services and the Customer Service, Conservation and Information Technology functions under Administrative Services were separated to become the new Customer Service Department
One intern were added in FY12 in Water Operations

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Summary of Labor and Benefits

Labor & Benefits	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Est. Actuals	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Labor	\$5,297,324	\$5,736,357	\$5,467,430	\$5,725,253	5%	0%	\$5,896,296
FICA	303,629	341,605	326,643	340,030	4%	0%	347,497
Medicare	77,429	88,004	84,160	88,547	5%	1%	91,498
Workers Comp	154,280	163,135	182,282	189,614	4%	16%	181,573
Flex Credits	722,701	830,010	848,165	968,700	14%	17%	1,053,096
LTD/Life Insurance/EAP	33,507	37,790	36,031	37,059	3%	-2%	37,647
Retirement	853,948	931,175	893,750	974,494	9%	5%	1,026,421
Retiree Health Savings Account	0	22,667	20,975	23,117	10%	2%	24,083
Total Labor and Benefits	\$7,442,819	\$8,150,743	\$7,859,436	\$8,346,815	6%	2%	\$8,658,111

The increase in labor and associated labor costs are due to negotiated Memorandum of Understanding that is effective through December 2013.

Mesa Consolidated Water District
Fiscal Year 2012 Budget

COPs Coverage Ratio

	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	FY13 Forecast
REVENUES					
Operating Revenues	\$ 29,200,543	\$ 31,774,100	\$ 31,256,300	\$ 33,306,800	\$ 34,977,300
Non-Operating Revenues	\$ 250,339	\$ 577,500	\$ 451,800	\$ 533,500	\$ 611,900
Total Revenues	\$ 29,450,881	\$ 32,351,600	\$ 31,708,100	\$ 33,840,300	\$ 35,589,200
EXPENSES					
Operating Expenses	\$ 17,435,201	\$ 25,636,843	\$ 25,191,436	\$ 26,169,415	\$ 25,314,211
Total Expenditures	\$ 17,435,201	\$ 25,636,843	\$ 25,191,436	\$ 26,169,415	\$ 25,314,211
NET REVENUES	\$ 12,015,680	\$ 6,714,757	\$ 6,516,665	\$ 7,670,885	\$ 10,274,989
ANNUAL DEBT SERVICE (2009 COPs)	\$ 2,871,893	\$ 1,985,400	\$ 1,969,000	\$ 1,961,000	\$ 1,967,000
COVERAGE RATIO (Parity Debt)	4.18	3.38	3.31	3.91	5.22
ANNUAL DEBT SERVICE (Subordinated Debt)	\$ 1,125,734	\$ 796,400	\$ 792,300	\$ 134,000	\$ 971,100
COVERATE RATIO (Total Debt)	3.01	2.41	2.36	3.66	3.50

When Mesa issued its Certificates of Participation it promised to establish rates and collect charges sufficient to provide Net Revenues equal to at least 1.15 times debt service payments

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Designated Fund Levels

	6/30/2010	6/30/2011 Estimated	Balance FY12 Budget	Balance FY13 Forecast	FY14 Forecast	FY15 Forecast	FY16 Forecast
Capital Replacement Fund	\$4,102,345	\$4,476,054	\$5,254,702	\$5,409,780	\$6,989,680	\$10,891,493	\$14,028,623
Administrative & General Fund	\$900,134	\$2,679,145	\$2,679,145	\$3,284,346	\$4,853,077	\$4,959,187	\$5,070,382
Catastrophe Fund	\$1,785,372	\$2,985,657	\$2,985,657	\$2,985,657	\$3,196,241	\$3,345,657	\$3,345,657
Operating Fund	\$3,629,248	\$3,707,294	\$3,403,394	\$5,469,134	\$6,016,081	\$6,016,081	\$6,163,989
Rate Stabilization Fund	\$2,496,936	\$3,253,081	\$3,253,081	\$3,253,081	\$4,053,660	\$4,053,660	\$4,053,660
Total Designated Fund Levels	\$12,914,035	\$17,101,230	\$17,575,978	\$20,401,997	\$25,108,738	\$29,266,077	\$32,662,310
Other Cash	3,000,000	2,511,896	2,700,000	2,600,000	2,700,000	2,700,000	2,800,000
Total Cash and Designated Funds	\$15,914,035	\$19,613,126	\$20,275,978	\$23,001,997	\$27,808,738	\$31,966,077	\$35,462,310
Days Cash on Hand	264	341	343	411	483	536	575

Fund Descriptions

Capital Replacement Fund - Used for the replacement of capitalized assets when they reach the end of their useful lives. The minimum target level of the fund shall be \$10 million less minimum levels established for the Administrative & General Fund and the Catastrophe Fund, respectively. The maximum will be based on Mesa's Asset Management Plan.

Administrative & General Fund - One of the two capital funds used to fund certain major general, administrative and overhead projects. It is intended to fund (or partially fund) offices, fixtures, furnishings, vehicles and equipment on a pay-as-you-go basis. There is no target level however the maximum shall be 15% of the general and administrative budgeted expenditures.

Catastrophe Fund - Used to begin repair of the water system after a catastrophic event, such as a severe earthquake or fire, while long-term financing is being arranged or insurance claims are being processed. The target level will be 2% of Mesa's total plant and equipment.

Operating Fund - Used for unanticipated operating expenses. This fund is designated to maintain working capital for current operations and to meet routine cash flow needs. The target level will equal a minimum of 60 days of Mesa's budgeted total operating expenses and the maximum will be 120 days. This fund includes monies set aside to meet Mesa's Other Post Employment Benefits (OPEB) obligation under GASB 45.

Rate Stabilization Fund - Used to provide flexibility to the Board of Directors when establishing rates such as absorbing temporary rate fluctuations or for one time expenditures. The target level of this fund shall be a minimum of 45 days of the annual operating budget and the maximum shall be 60 days.

Mesa Consolidated Water District
Fiscal Year 2012 Budget

District Overview

Mesa Consolidated Water District (Mesa) was formed on January 1, 1960, pursuant to Sections 33200 et. seq., of the California Water Code, which was designated as the Costa Mesa County Water District Merger Law. The general provisions of this law called for the consolidation of four predecessor agencies: the Newport Heights Irrigation District, the Fairview County Water District, the Newport-Mesa County Water District and the City of Costa Mesa Water Department.

Mesa is located in Orange County, California, and provides water to the City of Costa Mesa (City), parts of the City of Newport Beach, and unincorporated parts of Orange County, including the John Wayne Airport. Service is provided to more than 116,000 customers in an 18 square-mile area through 23,956 metered services including 682 fireline services.

Potable water is produced from groundwater wells or purchased from the Municipal Water District of Orange County (MWDOC). Non-potable, or recycled water, is purchased from the Orange County Water District (OCWD).

Mesa's revenues result solely from its activities as a water utility. Mesa receives no tax revenues of any kind.

A five-person Board of Directors (Board), whose members serve overlapping four-year terms, governs Mesa. Each Director is elected by and represents one of five geographic divisions, of approximately equal population, within the Mesa service area. The Board elects one of its members to serve as President and another to serve as First Vice President. The Board appoints the General Manager, District Secretary, Assistant District Secretary, District Treasurer, and Assistant District Treasurer. The General Manager is responsible for the day-to-day operations and administration of Mesa in accordance with the Board's policies.

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Major Revenue Descriptions

Water Sales Revenue

Usage Charge (potable and recycled) – This is the rate charged per unit (hundred cubic feet or ccf) to customers based on actual consumption. Mesa has a uniform rate structure which means all consumption is charged at the same rate. The potable rate included in the FY12 budget is \$2.85 per ccf and the recycled rate is \$2.57 per ccf. Mesa’s rates are adopted by Mesa’s Board with a Resolution. During FY10 the Board adopted a multi-year rate Resolution with rate increases each year through FY14. Recycled water is charged at 90% of the potable rate based on Mesa’s agreement with OCWD which is the agency that provides this water source to Mesa. The usage charges are intended to cover the cost of treating and delivering water to Mesa’s customers. The budget for this revenue source is based on estimated water sales that have remained fairly consistent as Mesa’s service area is almost completely built out. The FY12 budgeted acre-feet sales for both potable and recycled water are listed on page Basis-1.

Construction water revenues – This revenue is for the use of temporary hydrant meters used during construction. The revenue includes both the daily rental rate for the meter and the per unit charge that is 150% of the potable water rate based on the Board resolution. This revenue source is dependant solely on construction activity and is less predictable than other water revenue sources.

Fireline revenues – This revenue is primarily from the stand-by charge for fireline meters. Additionally, consumption of water for other than firefighting is charged at 200% of the potable water rate. As Mesa’s service area is almost completely built out, this revenue source remains relatively unchanged from year to year.

Basic Charge – This charge is assessed per billing period (bi-monthly) and is a set charge based on meter size. This revenue source is intended to cover fixed charges such as financial obligations, customer service, public information and general administrative support and is adopted by the Board by Resolution. This budget shows this revenue source increasing which is primarily due to the multi-year rate increase adopted by the Board in FY10. As Mesa’s service area is almost completely built out, there is limited growth in the number of service connections.

LAFCO surcharge – This surcharge is a pass through of the charge imposed on Mesa by the Orange County Local Agency Formation Commission (LAFCO) to cover Mesa’s portion of the LAFCO budget. This annual surcharge is charged one-time per year on the customer’s bill. This year the LAFCO surcharge budget is \$24,200.

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Non-Water Sales Revenue

Other Operating Revenues – These revenues include items related to Mesa’s operations as a water utility but are not directly related to water sales. The major revenue sources in the category are: delinquent fees, new service establishment fees and participation in Metropolitan Water District (MWD) Local Resource Program.

Delinquent fees are a result of the delinquent activity of the customers. This revenue source has increased slightly from prior years as the amount of delinquent accounts has increased and the balance owed per customer has increased due to rate increases. The Board annually reviews the delinquent fees to ensure full cost recovery.

The new service establishment fee was created in 2006 by Board Resolution. This fee is charged when a new customer establishes an account with Mesa. The fee is intended to recover the costs associated with reading the meter and setting up a new account.

The MWD Local Resource Program is a program where Mesa is reimbursed a portion of costs for water produced from its Colored Water Treatment Facility (CWTF). By developing this source of water MWD has to import less water. Beginning in FY11 the CWTF construction began to expand the facility and replace the treatment technology. Due to the construction, the facility is expected to be shut down for most of the fiscal year and it is anticipated to begin producing water in April 2012. The acre-feet used for the budget are listed on page Basis-1 and the reimbursement rate is listed on page Basis-4.

Non-Operating revenues – The revenues under this category include interest earned on both Mesa’s funds and funds related to Mesa’s Certificates of Participation (COPs) as well as development related revenues such as capacity charges, inspection fees, plan check fees and installation fees. The budget for interest earnings are based on forecasted cash balances during the year as well as anticipated interest earnings, from the State of California Local Agency Investment Fund (LAIF) and Mesa’s investment portfolio, which was expanded during FY11. Mesa is budgeting a higher rate of return on its investments in FY12 as it plans to diversify its portfolio from LAIF to other investment options that are allowed by Mesa Investment Policy, which is stricter than allowed by State Code. Beginning in FY12 the construction related revenues are budgeted using an 8-year average. This methodology is intended to stabilize the budgeting of this revenue source. Construction related revenues are difficult to budget as the timing of some projects are not know but are estimated by staff.

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Fund Description

Mesa operates as a single enterprise fund. Enterprise funds account for operations that provide services on a continuous basis and are substantially financed by revenues derived from user charges. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to resources while meeting operating expenses from current revenues. Monies are set aside in designated funds for specific purposes based on Board policy or in reserve accounts as required by COPs agreement. A listing and description of these funds can be found on page Basis-9.

Basis of Accounting

Accounting basis determines when transactions and economic events are shown in the financial statements and the budget. Mesa prepares its audited financial statements and budgets on the accrual basis of accounting in which revenues are recognized in the accounting period when earned and expenditures are recorded in the accounting period when incurred. Mesa's budget and financial statements are consistent with Generally Accepted Accounting Principles (GAAP).

Budget Control and Revisions

Although Mesa is not legally required to adopt a budget, the Board annually adopts a fiscal year budget following a series of public meetings. This budget authorizes and provides the basis for reporting and control of financial operations and accountability.

Mesa's budget is prepared on an annual basis and since the budget is an estimate, at times it is necessary to make adjustments to meet the priorities and needs of the District.

The budget is revised when expenditures are anticipated to exceed the adopted budget amount. A report outlining the reason for the increase and request for a Post Budget Allocation of Designated Funds is made to the appropriate Board Committee (Finance, Engineering & Operations, Public Information or Executive) and if recommended by the Committee, the request is presented to the Board for approval. If the Board approves the request the account is authorized to exceed the adopted budgeted amount. The Finance Committee reviews all Post Budget Allocations of Designated Funds monthly.

A quarterly review of total revenues, labor, expenses, and capital by program are conducted with explanations provided for variances that exceed guidelines of +/- 10% or +/- \$5,000 of the budget amount. These variances are reported to the General Manager, the Finance Committee and subsequently to the Board.

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget Calendar

November	Distribute budget worksheets to departments.
December	Budget workshops with the General Manager and Management staff who prepare the budget.
Mid-January	Deadline for delivery of budget worksheets to Financial Services Department.
February	Financial Services Department reviews budget worksheets and compiles budget requests from department to prepare a comprehensive District wide budget.
February	Draft budget presented to General Manager for review. Department Managers refine budget information based on Management staff discussions.
March	Final budget presented to the General Manager prior to being submitted to the Board for consideration.
Late March	Present budget to Board for consideration.
April to May	Public hearings on budget
Late May to June	Adopt final Budget.
Late June	Public hearings on any potential rate increases.

CORE BUSINESS PROGRAMS

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Core Business Programs

Governance

This program consists of the activities associated with the governance of Mesa by the elected Board of Directors including Directors fees and participation in activities by the Board of Directors.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
80101-01	Meetings	11,933	9,600	10,100	12,000	25%	13,500
80102-01	Board conference and seminars	45,540	67,000	55,400	70,100	5%	68,700
80103-01	Elections	0	18,000	18,000	0	-100%	27,000
Total Expenses		57,473	94,600	83,500	82,100	-13%	109,200
Labor & Benefits Costs							
	Board of Directors	135,903	160,982	161,245	196,864	22%	215,185
	Administrative Services	149,757	0	0	0	N/A	0
	Engineering	61,208	0	0	0	N/A	0
	Financial Services	65,182	0	0	0	N/A	0
	Customer Services	0	0	0	0	N/A	0
	Office of the General Manager	137,406	0	0	0	N/A	0
	Water Operations	14,897	0	0	0	N/A	0
Total Labor and Benefit Costs		564,354	160,982	161,245	196,864	22%	215,185
Allocated Support Costs		171,044	47,253	43,329	45,241	-4%	97,410
Capital		0	0	0	0	N/A	0
Total Program Requirements		\$792,871	\$302,835	\$288,074	\$324,205	7%	\$421,796
Sources of Funds		0	0	0	0	N/A	0
Carryover projects funded from prior year rates (see Summary-5)							
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds		(\$792,871)	(\$302,835)	(\$288,074)	(\$324,205)	7%	(\$421,796)

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Cross Connection

This program consists of the activities associated with protecting the integrity of the public water system from back flowing of water through cross connections, by complying with federal and state regulations. Activities include conducting field inspections for hazard assessments, backflow testing and repair, enforcing operating Rules and Regulations for Water Service, record keeping of backflow device testing and responding to customer inquiries. The program includes the expenses of printing and mailing of test notices and processing completed backflow device test notices. Revenues are generated from developer fees for testing and inspecting new backflow prevention devices and delinquent fees for late testing of devices.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
80201-04	Cross connection	4,289	3,200	4,100	4,100	28%	4,100
Total Expenses		4,289	3,200	4,100	4,100	28%	4,100
Labor & Benefits Costs							
	Engineering	104,328	108,337	108,581	111,727	3%	114,145
Total Labor and Benefit Costs		104,328	108,337	108,581	111,727	3%	114,145
Allocated Support Costs		29,877	20,621	18,909	18,784	-9%	35,508
Capital		0	0	0	0	N/A	0
Total Program Requirements		\$138,494	\$132,158	\$131,590	\$134,611	2%	\$153,754
Sources of Funds							
40201-04	Cross connection testing fee	2,934	3,000	3,000	3,000	0%	3,000
40202-04	Cross connection delinquent fee	1,145	2,000	2,000	2,000	0%	2,000
Total Sources of Funds		4,079	5,000	5,000	5,000	0%	5,000
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds		(\$134,415)	(\$127,158)	(\$126,590)	(\$129,611)	2%	(\$148,754)

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Customer Service

Customer Service includes activities such as responding to questions from customers and performing high bill investigations, as well as processing service orders for implementation and termination of water service.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
80301-11	Customer service	1,374	2,800	2,800	2,800	0%	2,800
80302-11	After hours communication	7,350	7,400	7,400	7,400	0%	7,400
	Total Expenses	8,724	10,200	10,200	10,200	0%	10,200
Labor & Benefits Costs							
	Administrative Services	412,516	405,109	413,521	96,507	-76%	99,265
	Office of the General Manager	12,214	12,633	13,233	13,105	4%	14,002
	Engineering	1,044	1,097	1,096	1,130	3%	1,158
	Water Operations	39,552	40,402	40,212	42,206	4%	43,513
	Customer Services	0	0	0	298,900	N/A	310,326
	Communications	0	7,560	7,337	4,204	-44%	4,523
	Total Labor and Benefit Costs	465,326	466,801	475,399	456,052	-2%	472,786
	Allocated Support Costs	130,395	88,190	80,866	75,615	-14%	145,037
	Capital	0	0	0	0	N/A	0
	Total Program Requirements	\$604,445	\$565,191	\$566,465	\$541,867	-4%	\$628,023
Sources of Funds							
	Total Sources of Funds	0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds							
		(\$604,445)	(\$565,191)	(\$566,465)	(\$541,867)	-4%	(\$628,023)

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Development

Mesa's Engineering Department reviews the plans for all water system related development to assure the design conforms to Mesa's specifications for water system construction. Mesa staff inspects the construction to assure compliance with the approved plans. These costs are recovered through the fees paid by the developers, and the assets are ultimately dedicated to Mesa. The program requirements are tied to development activity within the service area that is hard to predict so beginning in FY12 revenues are budgeted based on an e-year average.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
80401-04	Development	2,445	4,700	700	4,700	0%	700
80402-04	Prior year development expense	12,850	5,000	5,000	5,000	0%	5,000
	Total Expenses	15,295	9,700	5,700	9,700	0%	5,700
Labor & Benefits Costs							
	Engineering	132,764	146,889	147,909	151,833	3%	167,969
	Water Operations	16,442	7,700	7,928	8,259	7%	8,642
	Total Labor and Benefit Costs	149,206	154,589	155,837	160,092	4%	176,611
	Labor and Benefits Capitalized	(59,445)	(112,500)	(46,797)	(46,797)	-58%	(46,797)
	Allocated Support Costs	76,564	48,863	44,805	43,754	-10%	84,776
CSDEV-04	Support of Customer Development	113,846	100,000	100,000	100,000	0%	100,000
	Capital	113,846	100,000	100,000	100,000	0%	100,000
Total Program Requirements		\$295,466	\$200,652	\$259,545	\$266,749	33%	\$320,290
Sources of Funds							
40401-04	Sale of plans and specifications	600	600	3,100	600	0%	600
60451-04	Capacity charges	71,700	200,000	215,000	149,300	-25%	149,300
60452-04	Installation fees	8,696	30,000	25,000	28,500	-5%	28,500
60453-04	Inspection fees	41,907	80,000	50,000	90,600	13%	90,600
60454-04	Plan check fees	19,021	12,000	20,000	20,700	73%	20,700
60457-04	Prior year development revenue	0	5,000	5,000	5,000	0%	5,000
	Total Sources of Funds	141,925	327,600	318,100	294,700	-10%	294,700
Carryover projects funded from prior year rates (see Summary-5)							
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds		(\$153,541)	\$126,948	\$58,555	\$27,951	78%	(\$25,590)

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Huntington Beach

Mesa and the City of Huntington Beach jointly own transmission facilities that deliver water from the MWD. Both entities share the operation and maintenance costs of this line. The City of Huntington Beach pays Mesa at cost for any water that it receives through this line. While the number of acre-feet Huntington Beach is expected to purchase in FY12 is approximately the same as FY11, the costs per acre-foot of this water will increase approximately 8% in FY12. The contract revenue is expected to increase due to capital replacements of air-vacs required on the jointly owned line which the City of Huntington Beach pays its portion.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
80501-03	Water purchases for Huntington Beach	3,623,321	4,362,200	4,219,300	4,597,100	5%	4,870,500
80502-03	OC-44 Repair O & M - HB - 42"-HB share	0	1,500	500	1,500	0%	1,500
80503-03	OC-44 repair O & M - HB 24"	1,769	2,500	1,800	1,500	-40%	1,500
Total Expenses		3,625,090	4,366,200	4,221,600	4,600,100	5%	4,873,500
Labor & Benefits Costs							
	Water Operations	6,947	8,617	8,425	9,024	5%	9,326
	Engineering	0	0	0	0	N/A	0
Total Labor and Benefit Costs		6,947	8,617	8,425	9,024	5%	9,326
Allocated Support Costs							
		2,398	2,333	2,139	1,950	-16%	3,701
Capital							
		0	0	0	0	N/A	0
Total Program Requirements		\$3,634,435	\$4,377,150	\$4,232,164	\$4,611,074	5%	\$4,886,527
Sources of Funds							
40501-06	Water sales to Huntington Beach	3,623,321	4,362,200	4,219,300	4,597,100	5%	4,870,500
40502-06	OC-44 HB contract revenue	10,055	12,800	12,900	54,300	324%	13,500
Total Sources of Funds		3,633,376	4,375,000	4,232,200	4,651,400	6%	4,884,000
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds		(\$1,058)	(\$2,150)	\$36	\$40,326	-1976%	(\$2,527)

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Public Information

This program includes public information activities associated with increasing public awareness about Mesa and about water, including: the bi-monthly newsletter and other publications, such as brochures and materials for community and customer outreach, media relations, and school programs; public education activities, such as Mesa's Water Issues Study Group and Mesa's Speaker's Bureau; and producing Mesa's events. Additionally, in FY12, Mesa will continue its increased presence with greater participation in community, legislative, and water industry activities. Also during FY12, Mesa will be concentrating on branding the District to best promote the services it offers to customers. Mesa's water vending machines are also budgeted in the public information account.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
80701-07	Publications	26,702	36,000	39,600	83,500	132%	63,500
80702-07	Public information events and programs	75,240	171,400	188,000	245,100	43%	225,100
80703-07	Water Issues Study Group	2,531	3,000	5,500	8,000	167%	8,000
Total Expenses		104,473	210,400	233,100	336,600	60%	296,600
Labor & Benefits Costs							
	Administrative Services	111,151	36,036	37,638	57,549	60%	58,896
	Office of the General Manager	12,214	12,633	13,233	13,105	4%	14,002
	Water Operations	1,844	1,922	2,000	2,058	7%	2,188
	Customer Services	0	0	0	1,684	N/A	1,791
	Communications	0	135,684	130,537	138,590	2%	149,483
Total Labor and Benefit Costs		125,209	186,275	183,409	212,985	14%	226,360
	Labor and Benefits Capitalized	0	(500)	(321)	(321)	-36%	(321)
Allocated Support Costs		63,178	74,818	68,604	90,427	21%	159,443
Capital							
B1102-07	Water Vending Machine	0	8,000	8,000	8,000	N/A	8,000
Total Program Requirements		\$292,860	\$478,993	\$492,792	\$647,692	35%	\$690,083
Sources of Funds		0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds							
		(\$292,860)	(\$478,993)	(\$492,792)	(\$647,692)	35%	(\$690,083)

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Revenue Management

This program contains activities associated with Mesa's general revenues including meter reading, mailing water bills, processing customer payments, investment management and financial reporting. Any revenues earned on the funds derived from these and all other Mesa activities, except those related to financial obligations, are included in this program. Interest earnings will increase in FY12 because the rate of return is expected to be higher than FY11 due to a change in investment strategy from prior years. Expenses will also increase as most consultants are included in this program excluding engineering consultants who are listed in the Water Supply or Water System programs. Some of these costs had been shown in other programs in previous years.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
80801-11	Billing and meter reading	114,771	110,100	110,100	110,300	0%	111,700
80802-06	Payment processing	32,201	32,600	32,000	32,000	-2%	32,000
80803-06	Treasury expense	18,896	21,900	21,500	21,400	-2%	20,500
80804-02	Management consultants	0	0	0	30,000	N/A	50,000
80804-03	Management consultants	0	0	0	0	N/A	0
80804-04	Management consultants	0	0	0	0	N/A	0
80804-06	Management consultants	68,481	181,500	164,300	65,000	-64%	82,500
80804-07	Management consultants	0	0	0	115,000	N/A	115,000
80804-11	Management consultants	0	0	0	0	N/A	0
80804-09	Management consultants	0	0	0	45,000	N/A	50,000
80805-06	Financial reporting	1,640	5,600	5,500	5,600	0%	5,600
80806-06	Prior years expense	8,316	5,000	3,000	5,000	0%	5,000
Total Expenses		244,305	356,700	336,400	429,300	20%	472,300
Labor & Benefits Costs							
	Administrative Services	213,455	195,486	197,957	0	-100%	0
	Office of the General Manager	6,107	6,317	6,617	6,552	4%	7,001
	Customer Services	0	0	0	210,916	N/A	219,616
	Water Operations	9,126	4,373	4,385	4,522	3%	4,631
	Financial Services	280,231	304,484	298,731	316,405	4%	326,763
Total Labor and Benefit Costs		508,918	510,659	507,689	538,395	5%	558,011
Allocated Support Costs		207,187	160,361	147,043	156,937	-2%	309,395
Capital		0	0	0	0	N/A	0
Total Program Requirements		\$960,410	\$1,027,720	\$991,132	\$1,124,632	9%	\$1,339,705
Sources of Funds							
40802-06	Delinquent fees	271,924	289,000	260,000	266,500	-8%	273,200
40803-06	Uncollectibles	(24,000)	(30,000)	(35,000)	(30,000)	0%	(31,000)
40804-06	Other revenue management revenues	114,309	0	13,000	0	N/A	0
40805-06	Prior years revenues	33,226	5,000	3,000	5,000	0%	5,000
40807-06	Uncashed refund checks	4,332	3,000	1,000	3,000	0%	3,000
40808-06	Write-off recovery	5,389	500	400	500	0%	500
40809-11	New service establishment fee	33,680	36,000	36,000	36,000	0%	36,000
60800-06	Interest earned on funds under District control	101,518	232,500	106,000	217,500	-6%	300,000
60870-06	Non-operating revenues	1,383	1,300	16,000	1,300	0%	1,300
Total Sources of Funds		541,760	537,300	400,400	499,800	-7%	588,000
Balance of Funds Contributed to (Required for) the Budget							
Excluding Designated Funds		(418,650)	(490,420)	(590,732)	(624,832)	27%	(751,705)

Received a post budget allocation of Active Working Capital Cash. Budget will be amended prior to the close of the fiscal year.

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Water Quality Compliance

This program includes water analysis for Mesa's wells, reservoirs and distribution system by certified laboratories for regulatory compliance. This program also includes annual permit fees for the California Department of Health Services, Regional Water Quality Control Board and the County of Orange. Costs in this program decrease in FY12 due to the CWTF facility being down most of the year so there are less testing requirements.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
81001-03	Water quality compliance	97,344	113,000	96,500	98,000	-13%	123,000
81002-03	Research & development	44,154	35,000	0	0	-100%	0
Total Expenses		141,498	148,000	96,500	98,000	-34%	123,000
Labor & Benefits Costs							
	Water Operations	19,126	34,032	34,395	35,031	3%	36,079
Total Labor and Benefit Costs		19,126	34,032	34,395	35,031	3%	36,079
Allocated Support Costs							
		44,182	33,655	30,860	21,574	-36%	47,770
Capital							
		0	0	0	0	N/A	0
Total Program Requirements		\$204,806	\$215,687	\$161,754	\$154,606	-28%	\$206,850
Sources of Funds							
		0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds							
		(\$204,806)	(\$215,687)	(\$161,754)	(\$154,606)	-28%	(\$206,850)

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Water Quality Monitoring

This program includes activities and supplies associated with monitoring the distribution system, wells and reservoirs including equipment and reagents. In FY12 Mesa will continue the replacement of sample stations and the addition of new stations where needed.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
81101-03	Water quality testing supplies	25,379	30,300	30,300	26,000	-14%	26,000
	Total Expenses	25,379	30,300	30,300	26,000	-14%	26,000
Labor & Benefits Costs							
	Water Operations	146,690	160,000	156,120	161,231	1%	164,769
	Total Labor and Benefit Costs	146,690	160,000	156,120	161,231	1%	164,769
	Labor and Benefits Capitalized	0	(3,721)	(2,219)	(2,821)		(2,885)
	Allocated Support Costs	47,330	36,783	33,729	32,165	-13%	60,650
Capital							
CSS12-03	Sample Station Replacements	0	\$8,653	\$8,653	\$11,100	28%	\$11,200
	Total Program Requirements	\$219,400	\$232,016	\$226,583	\$227,675	-2%	\$259,734
	Sources of Funds	0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds							
		(\$219,400)	(\$232,016)	(\$226,583)	(\$227,675)	-2%	(\$259,734)

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Water Supply

This program includes all costs associated with Mesa's water supply including water purchases and the operation and maintenance of all Mesa's wells, the CWTF and import connections. The costs of this program decrease 1% from the FY11 Budget, with the same amount water being produced due to the increase in the Basin Pumping Percentage. Increases are expected from Municipal Water District of Orange County (MWDOC) for imported variable and fixed costs.

The CWTF is expected to produce 1,900 acre-feet or 10% of potable system demands in FY12. Mesa's clear water wells will supply 67% of potable system demands (12,300 acre-feet) and imported water will supply the remaining 23% (4,150 acre-feet) of potable system demands in FY12. More imported water is expected to be purchased in FY12 due to the technology replacement and expansion at the CWTF where the facility will be shut down for nine months of the year. Recycled water demand is expected to remain at 1,100 acre-feet.

Revenues reflect the continued implementation of the multi-year rate increases adopted by the Board in December 2009.

Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses						
81200-03 Well utilities	697,147	782,200	695,100	875,500	12%	822,700
81210-03 Well operations & maintenance	93,842	110,700	106,400	80,600	-27%	77,600
81220-03 Wells chemicals and treatment	136,168	143,000	111,900	163,000	14%	155,200
81230-03 Wells basin replenishment assessment	2,822,315	2,852,300	2,781,600	3,136,500	10%	2,882,100
81240-03 Well land leases	58,863	62,300	62,300	65,800	6%	69,300
81242-03 Well #5 NDMA	0	0	0	0	N/A	0
81251-03 CWTF utilities	599,136	442,400	428,300	196,800	-56%	747,100
81252-03 CWTF operation & maintenance	191,796	65,300	95,500	93,200	43%	241,600
81253-03 CWTF chemicals and treatment	901,604	607,700	587,000	180,500	-70%	673,000
81254-03 CWTF basin replenishment assessment	1,122,094	758,700	734,100	484,500	-36%	1,749,800
81261-03 Imported water variable costs	1,570,558	2,876,700	2,763,300	3,145,700	9%	0
81262-03 Imported water fixed costs	289,724	310,900	310,200	355,500	14%	355,500
81263-03 Imported water operation & maintenance	18,104	30,000	30,000	15,000	-50%	15,000
81264-03 East Orange County Feeder - O & M	16,047	25,000	64,200	25,000	0%	25,000
81271-03 Recycled water	337,400	362,600	324,000	367,800	1%	376,600
81273-03 Reservoir 1 utilities	24,343	31,000	22,100	22,900	-26%	23,700
81274-03 Reservoir 1 operations & maintenance	47,835	54,500	46,300	29,500	-46%	33,500
81275-03 Reservoir 1 treatment	3,003	2,000	3,000	3,000	50%	3,000
81276-03 Kemp Reservoir utilities	52,127	71,800	58,100	59,900	-17%	62,200
81277-03 Kemp Reservoir operations & maintenance	86,139	54,500	76,000	56,900	4%	56,900
81278-03 Kemp Reservoir treatment	4,132	5,000	4,500	5,000	0%	5,000
81281-03 In-lieu water	0	0	0	0	N/A	0
81282-03 OCWD Pumping Production Limitation	0	0	615,500	0	N/A	0
81283-03 SCADA utilities	26,557	19,700	27,300	20,500	4%	12,000
81284-03 SCADA operations & maintenance	2,530	16,000	0	17,000	6%	17,000
81285-03 SCADA system upgrades	0	0	0	0	N/A	0
81290-04 Water supply - Engineering consultants	0	0	1,000	140,000	N/A	80,000
81291-03 Security improvements	0	20,000	20,000	0	-100%	0
81292-03 Expensed inventory water supply	166	5,000	5,000	5,000	0%	5,000
Total Expenses	9,101,629	9,709,300	9,972,700	9,545,100	-2%	8,488,800
Labor & Benefits Costs						
Engineering	117,373	108,194	109,475	113,258	5%	103,623
Office of the General Manager	9,160	9,475	9,925	9,828	4%	10,502
Water Operations	550,793	656,717	639,248	682,627	4%	701,262
Total Labor and Benefit Costs	677,326	774,386	758,648	805,713	4%	815,387
Labor and Benefits Capitalized	(35,720)	(46,700)	(114,537)	(119,876)	157%	(59,618)
Allocated Support Costs						
	3,229,989	4,032,417	3,697,527	3,797,868	-6%	3,455,075
Total Non-Capital Costs	12,973,224	14,469,403	14,314,337	14,028,805	-3%	12,699,644

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Water Supply (continued)

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Capital							
M1916-04	Groundwater Well Upgrades	117,414	266,410	100,000	970,000	264%	500,000
M1955-04	Color Treatment at Wells 5, 7 & 8	0	0	0	220,000	N/A	1,660,000
M1915-04	Vault Lid Improvements-Import Stations Colored Water Treatment Facility Technology	0	33,500	33,500	23,700	-29%	41,500
M1932-04	Replacement/Expansion	589,871	9,327,000	9,350,000	11,617,000	25%	0
CSC12-03	SCADA Improvements	1,001,198	1,633,100	1,633,100	20,000	-99%	0
W1202-03	Reservoir 1 Differential Flow Meter Replacement	0	0	0	25,500	N/A	0
W1201-03	Reservoir 1 Engine Rebuild	0	66,800	66,421	130,000	95%	0
W1203-03	Double Wall Heat Exchanger	0	0	0	61,200	N/A	0
M1828-04	Well No. 4	253,097	0	0	0	N/A	0
M659G-04	Well No. 4 Ozone Generators	2,032	0	0	0	N/A	0
Total Capital		1,963,612	11,326,810	11,183,021	13,067,400	15%	2,201,500
Total Program Requirements		\$14,936,836	\$25,796,213	\$25,497,358	\$27,096,205	5%	\$14,901,144
Sources of Funds							
41201-06	Usage charge- potable water	19,042,494	20,723,200	20,146,900	21,874,500	6%	22,346,300
41202-06	Usage charge - recycled water	1,100,038	1,235,400	1,123,200	1,306,600	6%	1,373,100
41205-06	Construction water revenues	53,437	75,000	60,000	65,000	-13%	70,000
41206-06	Fireline stand-by charge revenues	219,433	240,000	240,600	255,600	7%	270,700
41220-06	MWD Local Resources Program for CWTF	547,088	386,100	374,400	273,000	-29%	896,200
41222-03	OCWD pumping production limitation payments	(634)	0	362,600	0	N/A	0
41224-03	Utility Rebate	15,762	20,000	9,500	9,500	-53%	9,500
Total Sources of Funds		20,977,617	22,679,700	22,317,200	23,784,200	5%	24,965,800
Balance of Funds Contributed to (Required for) the Budget							
Excluding Designated Funds		\$6,040,781	(\$3,116,513)	(\$3,180,158)	(\$3,312,005)	6%	\$10,064,656

Carryover projects funded from prior year rates (see Summary-5)

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Water System

This program includes all operations and maintenance of Mesa's water system, including pipelines, service lines, hydrants, valves, reservoirs, the SCADA system and all sizes of water meters. In FY12 Mesa will continue work on the asset management project including the asset registry. The capital replacements and refurbishments conform to Mesa's asset replacement policy with the focus being on valves, fire hydrants, mainline and service line replacements in FY12.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
80901-03	Fire hydrants operation & maintenance	6,413	12,700	9,200	12,700	0%	12,700
80902-03	Mainlines operation & maintenance	37,054	27,800	20,300	35,600	28%	35,800
80903-03	Meters operation & maintenance	22,115	24,000	26,900	29,400	23%	36,700
80908-03	Service lines operations & maintenance	12,815	33,000	17,000	33,000	0%	33,000
80911-03	Valves operation & maintenance	8,521	6,000	5,000	6,000	0%	6,000
80912-03	Unidirectional flushing	0	1,500	0	1,500	0%	1,500
80913-03	Utility location	3,123	4,000	3,000	4,000	0%	4,000
80914-03	Expensed inventory	72,248	42,000	42,000	43,300	3%	44,600
80915-03	OC-44 line expense 42" line	0	1,500	1,500	1,500	0%	1,500
80916-03	Recycled water reimbursable	0	500	500	500	0%	500
80917-03	Recycled water non-reimbursable	0	200	200	200	0%	200
80918-03	Other agency projects	0	2,000	2,000	2,000	0%	2,000
80919-03	Water system tools and supplies	25,365	46,500	45,600	38,200	-18%	23,200
80920-03	Misc. water system	83	20,000	18,000	20,000	0%	20,000
80921-04	Water System-Engineering consultants	38,649	120,000	100,000	175,000	46%	15,000
80933-03	OC-44 Line OCWD reimbursable exp.	0	0	0	0	N/A	0
Total Expenses		226,386	341,700	291,200	402,900	18%	236,700
Labor & Benefits Costs							
	Engineering	141,112	187,732	183,362	198,512	6%	203,203
	Administrative Services	30,561	32,573	32,660	0	-100%	0
	Office of the General Manager	3,053	3,158	3,308	3,276	4%	3,501
	Financial Services	2,392	6,446	6,443	6,838	6%	0
	Customer Services	0	0	0	34,773	N/A	36,323
	Water Operations	1,178,341	1,216,437	1,212,735	1,283,328	5%	1,330,189
Total Labor and Benefit Costs		1,355,460	1,446,346	1,438,509	1,526,727	6%	1,573,216
Labor and Benefits Capitalized		(300,522)	(637,200)	(420,634)	(336,180)	-47%	(395,849)
Allocated Support Costs		865,894	569,452	522,159	465,319	-18%	1,081,899
Total Non-Capital Costs		2,147,218	1,720,298	1,831,234	2,058,767	20%	2,495,966

Mesa Consolidated Water District
Fiscal Year 2012 Budget
Water System (continued)

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Capital							
CBI12-03	Bypass & Meter Installation	38,550	24,000	24,000	24,000	0%	55,800
CMV12-03	Distribution Mainline Valve Replacement	383,683	370,100	370,100	346,000	-7%	361,700
CFH12-03	Fire Hydrant Replacements	263,571	234,900	234,900	243,900	4%	247,300
CLM12-03	Large Meter Replacement (1.5" - 2")	11,006	19,500	19,500	5,300	-73%	33,000
COA12-04	Relocation of Facilities for Other Public Agencies	13,930	140,000	25,000	25,000	-82%	50,000
CSL12-03	Service Line Replacements	57,480	135,000	135,000	135,100	0%	137,700
CSM12-03	Small Meter Replacement (5/8" - 1")	19,314	8,100	8,100	5,100	-37%	64,900
CVR12-03	Transmission Mainline Valve Replacements	0	0	0	25,000	N/A	25,000
M1960-04	Air & Vacuum Release Valve Replacement-42" Line	0	0	0	97,900	N/A	0
W1206-03	Air & Vacuum Release Valve Replacement-Distribution	0	0	0	17,300	N/A	17,500
W1205-03	Walk Behind Saw	0	0	0	15,000	N/A	0
M1852-F4	Valve Replacement - Contractor	760,413	0	0	0	N/A	800,000
CRR11-03	Radio Read Meters	0	114,100	114,100	0	-100%	0
M1931-04	Coolidge Ave. Replacement	18,151	246,300	221,200	0	-100%	0
Total Capital		1,566,098	1,292,000	1,151,900	939,600	-27%	1,792,900
Total Program Requirements		\$3,713,316	\$3,012,298	\$2,983,134	\$2,998,367	0%	\$4,288,866
Sources of Funds							
40901-06	OCWD green acres reimbursement	2,138	2,500	2,500	2,700	8%	2,700
40902-03	Sale of brass and scrap	2,022	1,300	2,000	2,000	54%	2,000
40903-06	OCWD OC-44 line reimbursement	1,985	2,300	1,200	2,300	0%	2,300
40904-06	Water system relocations for City projects	0	0	0	0	N/A	0
40905-03	Pressure/fire flow fee	1,198	1,000	1,000	1,000	0%	1,000
Total Sources of Funds		7,343	7,100	6,700	8,000	13%	8,000
Balance of Funds Contributed to (Required for) the Budget							
Excluding Designated Funds		(3,705,973)	(3,005,198)	(2,976,434)	(2,990,367)	0%	(4,280,866)

Carryover projects funded from prior year rates (see Summary-5)

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Water Use Efficiency

This program includes the activities to encourage the wise use of water, including conservation devices, residential landscape classes, water audits and literature for customers. Expenses will remain increase in FY12 with expanded effort on community outreach in relation to conservation.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
81301-11	Water use efficiency programs	14,225	28,600	21,800	30,700	7%	31,700
	Total Expenses	14,225	28,600	21,800	30,700	7%	31,700
Labor & Benefits Costs							
	Administrative Services	47,370	68,827	67,596	0	-100%	0
	Customer Services	0	0	0	198,226	N/A	210,054
	Communications	0	0	0	4,204	N/A	4,523
	Total Labor and Benefit Costs	47,370	68,827	67,596	202,429	194%	214,577
	Allocated Support Costs	16,943	18,013	16,517	37,808	110%	73,955
	Capital	0	0	0	0	N/A	0
Total Program Requirements		\$78,538	\$115,439	\$105,912	\$270,937	135%	\$320,232
Sources of Funds							
41301-11	Conservation programs	2,399	1,000	0	1,000	0%	0
	Total Sources of Funds	2,399	1,000	0	1,000	0%	0
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds		(\$76,139)	(\$114,439)	(\$105,912)	(\$269,937)	136%	(\$320,232)

SUPPORT PROGRAMS

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Support Programs

Debt Management

This program includes Mesa's financial obligations and the management of Mesa's assets. Expenses will increase in FY12 from the FY11 Budget due to the issuance of COPs to pay for the CWTF expansion and technology replacement project.

Revenues will increase in FY12 due to the multi-year rate increase that was applied to the basic charge.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
75102-06	OCWD Well #9 interest expense	8,582	7,100	7,100	5,600	-21%	4,000
75103-06	OCWD Well #11 interest expense	17,034	16,200	15,900	14,600	-10%	13,400
75104-06	OCWD Wells 1B & 10 interest expense	8,633	8,000	7,900	7,000	-13%	6,100
75106-06	1998 COPS interest expense	157,498	0	0	0	N/A	0
75116-06	2010 COPS interest expense	0	0	232,000	994,200	N/A	994,200
75114-06	2009 COPS interest expense	519,395	537,900	529,000	491,000	-9%	447,000
75113-06	CalPERS Past Service loan interest expense	47,884	12,000	8,300	0	-100%	0
75111-06	COPS trustee	1,650	2,300	600	1,200	-48%	1,200
75171-06	OCWD Well 9 loan principal payment	41,700	43,200	43,200	44,700	3%	46,300
75172-06	OCWD well 11 loan principal payment	34,000	35,100	35,100	36,400	4%	37,600
75173-06	OCWD Wells 1B & 10 loan principal payment	23,200	24,800	24,800	25,700	4%	26,600
75180-06	2010 COPS principal payment	0	0	0	0	N/A	340,000
75177-06	2009 COPS principal Payment	2,195,000	1,447,500	1,440,000	1,470,000	2%	1,520,000
75178-06	CalPERS Past Service Loan Principal	944,700	650,000	650,000	0	-100%	0
75120-04	Well demolition expense	0	0	106,500	0	N/A	0
Total Expenses		3,999,277	2,784,100	3,100,400	3,090,400	11%	3,436,400
Labor & Benefits Costs							
	Financial Services	13,519	35,534	35,681	37,911	7%	34,834
	Water Operations	13,522	13,118	13,154	13,566	3%	13,892
Total Labor and Benefit Costs		27,041	48,652	48,835	51,476	6%	48,726
Capital		0	0	0	0	N/A	0
Total Program Requirements		\$4,026,318	\$2,832,752	\$3,149,235	\$3,141,876	11%	\$3,485,126

Mesa Consolidated Water District
Fiscal Year 2012 Budget
Debt Management (continued)

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Sources of Funds							
45101-06	Basic charge - potable water	3,998,580	4,355,000	4,315,000	4,528,400	4%	4,780,000
65101-06	Sale of surplus equipment	3,807	2,000	4,300	5,100	155%	9,700
60850-06	Interest earned funds under trustee control	2,306	14,700	10,500	15,500	5%	6,800
65102-06	Excess COPS reserve funds	0	0	0	0	N/A	0
Total Sources of Funds		4,004,692	4,371,700	4,329,800	4,549,000	4%	4,796,500
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds							
		(\$21,626)	\$1,538,948	\$1,180,566	\$1,407,124	-9%	\$1,311,374
Allocation to Core Business Programs							
	Governance	757	(14,168)	(10,868)	(13,297)	-6%	(22,997)
	Cross Connection	132	(6,183)	(4,743)	(5,521)	-11%	(8,383)
	Customer Service	577	(26,442)	(20,284)	(22,225)	-16%	(34,241)
	Development	339	(14,650)	(11,239)	(12,860)	-12%	(20,015)
	Huntington Beach	11	(699)	(537)	(573)	-18%	(874)
	Public Information	280	(22,433)	(17,209)	(26,578)	18%	(37,643)
	Revenue Management	917	(48,081)	(36,884)	(46,127)	-4%	(73,044)
	Water System	3,833	(170,738)	(130,977)	(136,767)	-20%	(255,422)
	Water Quality Compliance	196	(10,091)	(7,741)	(6,341)	-37%	(11,278)
	Water Quality Monitoring	210	(11,029)	(8,460)	(9,454)	-14%	(14,319)
	Water Supply	14,299	(1,209,034)	(927,480)	(1,116,269)	-8%	(815,698)
	Water Use Efficiency	75	(5,401)	(4,143)	(11,113)	106%	(17,460)
Total Allocation to Core Business Programs		\$21,626	(\$1,538,948)	(\$1,180,566)	(\$1,407,124)	-9%	(\$1,311,374)

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Department Administration

This program contains all non-program specific costs, including training and staff development. Paid leaves and temporary labor are also budgeted here. Costs in FY12 increase as staff is scheduled to attend more training opportunities.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
85201-02	Department administration-Office of the General Manager	6,113	6,000	7,500	9,500	58%	9,500
85201-03	Department administration-Water Operations	9,099	14,800	12,700	12,100	-18%	12,100
85201-04	Department administration-Engineering	3,866	3,600	3,700	4,000	11%	4,000
85201-06	Department administration-Financial Services	2,269	4,300	3,900	4,300	0%	3,900
85201-11	Department administration-Customer Service	0	0	0	2,400	N/A	2,400
85201-07	Department administration-Communication:	0	900	4,400	8,000	789%	8,000
85201-09	Department administration-Administrative Services	5,137	6,000	5,000	6,000	0%	5,800
	<i>Subtotal Department Administration</i>	<i>26,485</i>	<i>35,600</i>	<i>37,200</i>	<i>46,300</i>	<i>30%</i>	<i>45,700</i>
85202-02	Staff development & conferences-Office of the General Manager	7,415	18,300	16,900	38,000	108%	28,000
85202-03	Staff development & conferences-Water Operations	11,046	25,600	21,400	37,000	45%	37,000
85202-04	Staff development & conferences-Engineering	1,829	9,500	8,700	8,000	-16%	2,000
85202-06	Staff development & conferences-Financial Services	3,307	23,800	10,000	22,900	-4%	8,800
85202-11	Staff development & conferences-Customer Services	0	0	0	8,400	N/A	8,400
85202-07	Staff development & conferences-Communication:	0	500	2,000	2,000	300%	2,000
85202-09	Staff development & conferences-Administrative Services	18,972	21,800	12,500	13,400	-39%	11,000
	<i>Subtotal Staff Development & Conferences</i>	<i>42,569</i>	<i>99,500</i>	<i>71,500</i>	<i>129,700</i>	<i>30%</i>	<i>97,200</i>
	Total Expenses	69,053	135,100	108,700	176,000	30%	142,900
Labor & Benefits Costs							
	Office of the General Manager	112,979	110,542	115,790	114,666	4%	122,521
85203-02	Temporary labor Office of the General Manager	0	0	0	0	N/A	0
	Water Operations	808,019	776,767	770,300	815,154	5%	839,376
85203-03	Temporary labor-Water Operations	0	0	0	0	N/A	0
	Engineering	273,453	274,210	276,911	283,886	4%	290,401
	Financial Services	259,166	277,955	280,417	292,873	5%	314,627
85203-06	Temporary labor-Financial Services	0	0	0	0	N/A	0
	Customer Services	0	0	0	153,019	N/A	161,848
85203-11	Temporary labor-Customer Services	0	0	0	0	N/A	0
	Administrative Services	403,421	419,453	368,125	175,330	-58%	182,751
85203-09	Temporary labor-Administrative Services	0	0	0	0	N/A	0
	Communications	0	35,162	34,219	40,723	16%	43,565
85203-07	Temporary labor-Communications	0	0	8,000	0	N/A	0
	Total Labor and Benefit Costs	1,857,036	1,894,088	1,853,763	1,875,649	-1%	1,955,088

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Department Administration (continued)

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Capital		0	0	0	0	N/A	0
Total Program Requirements		\$1,926,089	\$2,029,188	\$1,962,463	\$2,051,649	1%	\$2,097,988
Sources of Funds		0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds		(\$1,926,089)	(\$2,029,188)	(\$1,962,463)	(\$2,051,649)	1%	(\$2,097,988)
Allocation to Core Business Programs							
	Governance	67,441	18,681	18,067	19,388	4%	36,792
	Cross Connection	11,780	8,152	7,884	8,050	-1%	13,412
	Customer Service	51,413	34,865	33,719	32,405	-7%	54,781
	Development	30,188	19,317	18,682	18,751	-3%	32,020
	Huntington Beach	945	922	892	836	-9%	1,398
	Public Information	24,910	29,579	28,606	38,752	31%	60,222
	Revenue Management	81,691	63,397	61,313	67,255	6%	116,859
	Water System	341,412	225,127	217,725	199,412	-11%	408,635
	Water Quality Compliance	17,421	13,305	12,868	9,246	-31%	18,043
	Water Quality Monitoring	18,662	14,542	14,064	13,784	-5%	22,908
	Water Supply	1,273,546	1,594,178	1,541,757	1,627,569	2%	1,304,987
	Water Use Efficiency	6,680	7,121	6,887	16,203	128%	27,933
	Total Allocation to Core Business Programs	\$1,926,089	\$2,029,188	\$1,962,463	\$2,051,649	1%	\$2,097,988

Carryover projects funded from prior year rates (see Summary-5)

Mesa Consolidated Water District
Fiscal Year 2012 Budget

District Support Services

Office equipment and supplies, general and special legal services, LAFCO, District-wide postage and District memberships and subscriptions are included in this program. Labor in this program includes labor related to District wide activities including support of the Board of Directors.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
85301-02	General legal	57,827	55,000	55,000	60,000	9%	60,000
85302-02	District memberships & subscriptions	52,983	68,500	65,400	57,500	-16%	58,100
85303-02	Public agency expense	2,820	1,100	600	1,500	36%	1,500
85307-06	LAFCO charge	24,759	18,900	18,900	24,200	28%	24,200
85305-09	Office equipment	17,347	17,900	15,700	27,200	52%	26,200
85306-09	Postage	28,403	29,600	27,300	31,300	6%	31,500
85304-06	General supplies & equipment	15,435	26,300	26,000	32,600	24%	32,600
85308-02	Special legal counsel/Advocate	60,594	70,000	85,000	55,000	-21%	49,000
85308-06	Special legal counsel/Advocate	0	0	0	7,500	N/A	0
Total Expenses		260,169	287,300	293,900	296,800	3%	283,100
Labor & Benefits Costs							
	Office of the General Manager	0	148,442	155,489	153,979	4%	164,528
	Administrative Services	44,683	298,863	212,179	209,876	-30%	222,321
	Engineering	0	63,674	65,975	65,480	3%	66,592
	Financial Services	75,010	130,879	133,311	138,764	6%	143,714
	Customer Services	0	0	0	95,416	N/A	99,130
	Water Operations	0	25,140	25,940	26,691	6%	28,127
	Communications	0	17,093	16,578	20,361	19%	21,782
Total Labor and Benefit Costs		119,693	684,091	609,473	710,567	4%	746,194
Capital		0	0	0	0	N/A	0
Total Program Requirements		\$379,862	\$971,391	\$903,373	\$1,007,367	4%	\$1,029,294
Sources of Funds							
45301-06	LAFCO surcharge	23,644	24,200	23,700	24,200	0%	24,200
Total Sources of Funds		23,644	24,200	23,700	24,200	0%	24,200
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds		(\$356,218)	(\$947,191)	(\$879,673)	(\$983,167)	4%	(\$1,005,094)

Mesa Consolidated Water District

Fiscal Year 2012 Budget

District Support Services (continued)

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Allocation to Core Business Programs							
	Governance	12,473	8,720	8,098	9,291	7%	17,626
	Cross Connection	2,179	3,805	3,534	3,858	1%	6,425
	Customer Service	9,509	16,274	15,114	15,529	-5%	26,244
	Development	5,583	9,017	8,374	8,985	0%	15,340
	Huntington Beach	175	430	400	400	-7%	670
	Public Information	4,607	13,807	12,823	18,570	35%	28,851
	Revenue Management	15,108	29,593	27,483	32,229	9%	55,984
	Water System	63,142	105,086	97,595	95,560	-9%	195,767
	Water Quality Compliance	3,222	6,211	5,768	4,431	-29%	8,644
	Water Quality Monitoring	3,451	6,788	6,304	6,605	-3%	10,974
	Water Supply	235,534	744,136	691,092	779,945	5%	625,187
	Water Use Efficiency	1,235	3,324	3,087	7,764	134%	13,382
Total Allocation to Core Business Programs		356,218	947,191	879,673	983,167	4%	1,005,094

Received a post budget allocation of Active Working Capital Cash. Budget will be amended prior to the close of the fiscal year.

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Facilities Maintenance

This program contains all costs of maintaining Mesa's offices and field yard. Maintenance and operation of wells and reservoirs are budgeted in other programs.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
85401-03	Facilities utilities	50,490	64,500	63,000	64,900	1%	66,800
85402-03	Facilities repair & maintenance	110,236	105,100	128,200	130,800	24%	126,000
85404-03	Facilities improvements	15,669	82,400	76,800	31,500	-62%	25,000
	Total Expenses	176,395	252,000	268,000	227,200	-10%	217,800
Labor & Benefits Costs							
	Water Operations	87,128	98,969	98,965	102,408	3%	104,961
	Total Labor and Benefit Costs	87,128	98,969	98,965	102,408	3%	104,961
	Labor and Benefits Capitalized	(1,198)	(25,000)	(24,318)	0	-100%	(1,923)
Capital							
B1301-03	Awnings for Material Structure Bay	0	0	0	0	N/A	113,000
B1101-03	Facility Drainage Improvements	0	90,000	90,000	0	-100%	0
B1103-03	Building Refurbishment	0	150,000	75,000	0	-100%	0
BIM10-03	Building Interior Modifications	1,198	0	0	0	N/A	0
	Total Capital	1,198	240,000	165,000	0	-100%	113,000
Total Program Requirements		\$263,524	\$565,969	\$507,647	\$329,608	-42%	\$433,838
Sources of Funds							
	Total Sources of Funds	0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget							
Excluding Designated Funds		(\$263,524)	(\$565,969)	(\$507,647)	(\$329,608)	-42%	(\$433,838)

Mesa Consolidated Water District
Fiscal Year 2012 Budget
Facilities Maintenance (continued)

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Allocation to Core Business Programs							
	Governance	9,227	5,210	4,673	3,115	-40%	7,608
	Cross Connection	1,612	2,274	2,040	1,293	-43%	2,773
	Customer Service	7,034	9,724	8,722	5,206	-46%	11,328
	Development	4,130	5,388	4,833	3,012	-44%	6,621
	Huntington Beach	129	257	231	134	-48%	289
	Public Information	3,408	8,250	7,400	6,226	-25%	12,453
	Revenue Management	11,177	17,682	15,860	10,805	-39%	24,165
	Water System	46,711	62,791	56,321	32,037	-49%	84,501
	Water Quality Compliance	2,383	3,711	3,329	1,485	-60%	3,731
	Water Quality Monitoring	2,553	4,056	3,638	2,214	-45%	4,737
	Water Supply	174,244	444,638	398,819	261,477	-41%	269,855
	Water Use Efficiency	914	1,986	1,782	2,603	31%	5,776
Total Allocation to Core Business Programs		263,524	565,969	507,647	329,608	-42%	433,838

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Fleet

The major expenses in this program are fuel and vehicle repairs. There is one service truck budgeted for replacement in FY12.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
85501-03	Fleet	56,613	72,700	43,400	53,600	-26%	49,500
85502-03	Fuel	57,252	74,000	73,300	86,500	17%	93,000
Total Expenses		113,864	146,700	116,700	140,100	-4%	142,500
Labor & Benefits Costs							
Water Operations		82,801	95,891	96,129	99,152	3%	101,419
Total Labor and Benefit Costs		82,801	95,891	96,129	99,152	3%	101,419
Labor and Benefits Capitalized		0	(2,400)	(8,685)	(769)	-68%	(1,923)
Capital							
A1201-03	Service Crane Truck	0	0	0	36,600	N/A	0
A1301-03	Pickup Truck	0	0	0	0	N/A	20,500
A1302-03	Pickup Truck	0	0	0	0	N/A	20,500
A1303-03	Pickup Truck	0	0	0	0	N/A	20,500
A1304-03	Pickup Truck	0	0	0	0	N/A	20,500
A1305-03	Hydraulic Excavator	0	0	0	0	N/A	372,200
A1101-03	Backhoe Breaker Attachment	0	13,900	13,100	0	-100%	0
A1102-03	10 Wheel Dump	0	115,400	0	0	-100%	0
A1103-03	Valve Turning Machine	0	29,478	23,820	0	-100%	0
A1104-03	Unit #51 retrofit	0	9,500	9,917	0	-100%	0
A1105-03	Unit #56 retrofit	0	14,500	14,780	0	-100%	0
A1001-03	Compressors	33,700	0	0	0	N/A	0
A1002-03	Tire Changer	5,677	0	0	0	N/A	0
A1003-03	Vehicle Emissions Upgrade	29,977	0	0	0	N/A	0
A0904-03	Unit 52 Filter	10,486	0	0	0	N/A	0
Total Capital		79,840	182,778	61,617	36,600	N/A	454,200
Total Program Requirements		\$276,505	\$425,369	\$274,446	\$275,852	-35%	\$698,119
Sources of Funds							
Total Sources of Funds		0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds							
		(\$276,505)	(\$425,369)	(\$274,446)	(\$275,852)	-35%	(\$698,119)

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Fleet (continued)

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Allocation to Core Business Programs							
	Governance	9,682	3,916	2,527	2,607	-33%	12,243
	Cross Connection	1,691	1,709	1,103	1,082	-37%	4,463
	Customer Service	7,381	7,309	4,715	4,357	-40%	18,229
	Development	4,334	4,049	2,613	2,521	-38%	10,655
	Huntington Beach	136	193	125	112	-42%	465
	Public Information	3,576	6,200	4,000	5,210	-16%	20,039
	Revenue Management	11,727	13,290	8,574	9,043	-32%	38,886
	Water System	49,012	47,192	30,448	26,812	-43%	135,976
	Water Quality Compliance	2,501	2,789	1,800	1,243	-55%	6,004
	Water Quality Monitoring	2,679	3,048	1,967	1,853	-39%	7,623
	Water Supply	182,827	334,180	215,611	218,833	-35%	434,242
	Water Use Efficiency	959	1,493	963	2,178	46%	9,295
	Total Allocation to Core Business Programs	276,505	425,369	274,446	275,852	-35%	698,119

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Information Systems

The operation, purchase, repair and maintenance of computer hardware and software, telephone usage and equipment, SCADA system hardware and software, GIS hardware and software, website and Human Resources Information System expenses are included in this program. Annual upgrades to the Financial and Customer Information Systems are also included. The FY12 budget includes the items needed to complete disaster recovery project as well as resources for integration of Mesa's different systems.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
85601-11	Information systems maintenance and support	216,799	493,700	303,500	359,000	-27%	228,500
85602-11	Telephone service	38,819	69,100	52,000	78,000	13%	78,500
85603-11	Computer equipment	31,021	55,100	31,100	57,000	3%	32,000
85604-04	GIS	50,061	97,100	65,900	93,000	-4%	27,500
Total Expenses		336,700	715,000	452,500	587,000	-18%	366,500
Labor & Benefits Costs							
	Administrative Services	204,817	274,614	235,280	0	-100%	0
	Engineering	50,574	40,179	40,304	42,293	5%	43,726
	Water Operations	1,272	5,348	5,348	5,509	3%	5,633
	Customer Services	0	0	0	151,687	N/A	156,302
	Financial Services	3,858	8,591	8,582	9,095	6%	9,319
Total Labor and Benefit Costs		260,520	328,733	289,515	208,584	-37%	214,980
	Labor and Benefits Capitalized	(195)	(6,000)	(7,596)	0	-100%	(9,616)
Capital							
M1348-04	GIS Implementation	59,011	0	0	0	N/A	0
O1201-11	Information Systems Software and Hardware	31,906	129,990	118,500	81,000	-38%	46,000
O1301-08	Electronic Records Management	13,805	0	0	0	N/A	303,000
Total Capital		104,722	129,990	118,500	81,000	-38%	349,000
Total Program Requirements		\$701,747	\$1,167,723	\$852,919	\$876,584	-25%	\$920,864
Sources of Funds		0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds							
		(\$701,747)	(\$1,167,723)	(\$852,919)	(\$876,584)	-25%	(\$920,864)

Mesa Consolidated Water District
Fiscal Year 2012 Budget
Information Systems (continued)

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Allocation to Core Business Programs							
	Governance	24,571	10,750	7,852	8,284	-23%	16,149
	Cross Connection	4,292	4,691	3,427	3,439	-27%	5,887
	Customer Service	18,732	20,064	14,655	13,845	-31%	24,045
	Development	10,999	11,116	8,120	8,011	-28%	14,054
	Huntington Beach	344	531	388	357	-33%	614
	Public Information	9,076	17,021	12,433	16,557	-3%	26,433
	Revenue Management	29,763	36,483	26,647	28,735	-21%	51,293
	Water System	124,389	129,553	94,627	85,200	-34%	179,361
	Water Quality Compliance	6,347	7,657	5,592	3,950	-48%	7,920
	Water Quality Monitoring	6,799	8,368	6,112	5,889	-30%	10,055
	Water Supply	464,001	917,391	670,073	695,393	-24%	572,794
	Water Use Efficiency	2,434	4,098	2,993	6,923	69%	12,261
	Total Allocation to Core Business Programs	701,747	1,167,723	852,919	876,584	-25%	920,864

Carryover projects funded from prior year rates (see Summary-5)

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Pay & Benefits Administration

This program reflects activities associated with administering Mesa's payroll and benefit programs primarily performed by Human Resources and Financial Services. The FY12 Budget includes funding Mesa's liability for Other Post Employment Benefits (OPEB).

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
85701-06	Payroll	19,723	14,800	15,000	13,200	-11%	13,600
85702-09	Retiree expenses	73,574	45,600	46,400	50,700	11%	50,700
85703-09	Other employer paid benefits	7,522	18,500	12,800	19,400	5%	19,400
85708-09	Pay and benefits administrator	37,434	17,000	5,500	11,900	-30%	15,500
85709-02	OPEB Expense	1,460	0	2,000	2,100	N/A	2,200
85709-03	OPEB Expense	37,402	0	52,600	55,200	N/A	58,000
85709-04	OPEB Expense	10,786	0	14,200	14,900	N/A	15,600
85709-06	OPEB Expense	15,731	0	20,200	22,000	N/A	23,100
85709-07	OPEB Expense	0	0	2,000	4,200	N/A	4,400
85709-11	OPEB Expense	0	0	0	22,800	N/A	23,900
85709-09	OPEB Expense	26,285	0	36,500	15,500	N/A	16,300
Total Expenses		229,917	95,900	207,200	231,900	142%	242,700
Labor & Benefits Costs							
	Financial Services	43,418	36,416	36,635	39,033	7%	41,313
	Administrative Services	136,234	181,585	134,061	174,618	-4%	178,832
Total Labor and Benefit Costs		179,651	218,002	170,696	213,652	-2%	220,145
Capital		0	0	0	0	N/A	0
Total Program Requirements		\$409,568	\$313,902	\$377,896	\$445,552	42%	\$462,845
Sources of Funds		0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget							
Excluding Designated Funds		(\$409,568)	(\$313,902)	(\$377,896)	(\$445,552)	42%	(\$462,845)
Allocation to Core Business Programs							
	Governance	14,341	2,890	3,479	4,210	46%	8,117
	Cross Connection	2,505	1,261	1,518	1,748	39%	2,959
	Customer Service	10,933	5,393	6,493	7,037	30%	12,085
	Development	6,419	2,988	3,598	4,072	36%	7,064
	Huntington Beach	201	143	172	181	27%	308
	Public Information	5,297	4,576	5,508	8,416	84%	13,286
	Revenue Management	17,371	9,807	11,806	14,606	49%	25,781
	Water System	72,599	34,826	41,926	43,306	24%	90,151
	Water Quality Compliance	3,704	2,058	2,478	2,008	-2%	3,981
	Water Quality Monitoring	3,968	2,250	2,708	2,993	33%	5,054
	Water Supply	270,810	246,608	296,884	353,455	43%	287,898
	Water Use Efficiency	1,421	1,102	1,326	3,519	219%	6,162
Total Allocation to Core Business Programs		409,568	313,902	377,896	445,552	42%	462,845

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Personnel Services

This program supports the majority of the human resources programs associated with recruitment, selection, employee development/training, employee recognition, legal issues consulting and labor relations activities. Expenses are expected to increase in FY12 due to additional costs related to implementation costs for an on-line employment application and costs related to employee/employer relations.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
85801-09	Recruitment and selection	14,016	17,500	10,800	27,900	59%	22,100
85802-09	Employee/employer relations	7,844	15,900	8,500	27,000	70%	27,000
85803-09	Employee functions	11,626	19,300	11,800	22,700	18%	22,700
85804-09	Employee development	16,042	32,100	14,700	32,600	2%	20,800
Total Expenses		49,527	84,800	45,800	110,200	30%	92,600
Labor & Benefits Costs							
	Administrative Services	97,756	120,947	82,158	110,824	-8%	113,552
	Water Operations	8,479	7,761	7,790	8,075	4%	8,329
Total Labor and Benefit Costs		106,235	128,707	89,948	118,899	-8%	121,881
Capital		0	0	0	0	N/A	0
Total Program Requirements		\$155,762	\$213,507	\$135,748	\$229,099	7%	\$214,481
Sources of Funds		0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds							
		(\$155,762)	(\$213,507)	(\$135,748)	(\$229,099)	7%	(\$214,481)
Allocation to Core Business Programs							
	Governance	5,454	1,966	1,250	2,165	10%	3,761
	Cross Connection	953	858	545	899	5%	1,371
	Customer Service	4,158	3,668	2,332	3,618	-1%	5,600
	Development	2,441	2,033	1,292	2,094	3%	3,273
	Huntington Beach	76	97	62	93	-4%	143
	Public Information	2,014	3,112	1,979	4,327	39%	6,157
	Revenue Management	6,606	6,671	4,241	7,510	13%	11,947
	Water System	27,610	23,688	15,061	22,267	-6%	41,775
	Water Quality Compliance	1,409	1,400	890	1,032	-26%	1,845
	Water Quality Monitoring	1,509	1,530	973	1,539	1%	2,342
	Water Supply	102,991	167,737	106,647	181,744	8%	133,411
	Water Use Efficiency	540	749	476	1,809	141%	2,856
Total Allocation to Core Business Programs		155,762	213,507	135,748	229,099	7%	214,481

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Procurement

Procurement is the acquisition of all goods and services required by Mesa, including the purchasing and accounts payable functions. Costs are not expected to increase from the prior year.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
85901-06	Procurement	947	1,200	600	1,200	0%	1,200
75901-06	General interest	328	0	0	0	N/A	0
Total Expenses		1,275	1,200	600	1,200	0%	1,200
Labor & Benefits Costs							
	Financial Services	174,196	179,884	178,217	186,568	4%	194,443
Total Labor and Benefit Costs		174,196	179,884	178,217	186,568	4%	194,443
Capital							
		0	0	0	0	N/A	0
Total Program Requirements		\$175,471	\$181,084	\$178,817	\$187,768	4%	\$195,643
Sources of Funds							
		0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds							
		(\$175,471)	(\$181,084)	(\$178,817)	(\$187,768)	4%	(\$195,643)
Allocation to Core Business Programs							
	Governance	6,144	1,667	1,646	1,774	6%	3,431
	Cross Connection	1,073	728	718	737	1%	1,251
	Customer Service	4,684	3,111	3,072	2,966	-5%	5,108
	Development	2,750	1,724	1,702	1,716	0%	2,986
	Huntington Beach	86	82	81	76	-7%	130
	Public Information	2,269	2,640	2,607	3,547	34%	5,616
	Revenue Management	7,442	5,658	5,587	6,155	9%	10,897
	Water System	31,103	20,090	19,839	18,250	-9%	38,106
	Water Quality Compliance	1,587	1,187	1,172	846	-29%	1,683
	Water Quality Monitoring	1,700	1,298	1,281	1,262	-3%	2,136
	Water Supply	116,023	142,264	140,483	148,956	5%	121,693
	Water Use Efficiency	609	635	628	1,483	133%	2,605
Total Allocation to Core Business Programs		175,471	181,084	178,817	187,768	4%	195,643

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Records Management

Included in this program are the operation and maintenance of the records management system as well as expenses associated with offsite storage and Board meeting transcription services.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
86002-09	Records management	13,177	13,500	13,200	17,500	30%	16,000
86001-09	Records management consulting service	0	0	0	0	N/A	0
Total Expenses		13,177	13,500	13,200	17,500	30%	16,000
Labor & Benefits Costs							
Administrative Services		106,925	98,588	98,647	55,987	-43%	57,349
Total Labor and Benefit Costs		106,925	98,588	98,647	55,987	-43%	57,349
Capital		0	0	0	0	N/A	0
Total Program Requirements		\$120,103	\$112,088	\$111,847	\$73,487	-34%	\$73,349
Sources of Funds		0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds							
		(\$120,103)	(\$112,088)	(\$111,847)	(\$73,487)	-34%	(\$73,349)
Allocation to Core Business Programs							
Governance		4,205	1,032	1,030	694	-33%	1,286
Cross Connection		735	450	449	288	-36%	469
Customer Service		3,206	1,926	1,922	1,161	-40%	1,915
Development		1,882	1,067	1,065	672	-37%	1,119
Huntington Beach		59	51	51	30	-41%	49
Public Information		1,553	1,634	1,630	1,388	-15%	2,105
Revenue Management		5,094	3,502	3,494	2,409	-31%	4,086
Water System		21,289	12,436	12,409	7,143	-43%	14,287
Water Quality Compliance		1,086	735	733	331	-55%	631
Water Quality Monitoring		1,164	803	802	494	-39%	801
Water Supply		79,413	88,059	87,870	58,297	-34%	45,624
Water Use Efficiency		417	393	393	580	48%	977
Total Allocation to Core Business Programs		120,103	112,088	111,847	73,487	-34%	73,349

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Risk Management

This program consists of mandated insurance and occupational healthcare activities designed to manage risk and reduce potential liability. Liability premiums continue to be the most expensive component of this program that is dependent upon Mesa's experience in the ACWA/JPIA insurance pool and are expected to increase in FY12 by about 4%.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
86101-06	Liability insurance	251,539	309,900	305,100	322,500	4%	349,600
86102-06	Unemployment insurance	2,057	40,000	14,400	25,000	-38%	25,000
86104-09	Occupational healthcare	2,238	6,000	2,600	5,700	-5%	5,700
86105-03	Damages	21,766	12,000	13,000	19,000	58%	19,000
86106-03	Damages uncollectible	7,131	7,000	0	0	-100%	0
Total Expenses		284,732	374,900	335,100	372,200	-1%	399,300
Labor & Benefits Costs							
	Administrative Services	31,690	27,494	13,391	24,569	-11%	25,239
	Water Operations	19,210	16,471	16,279	18,063	10%	18,885
	Financial Services	20,871	22,868	23,317	23,815	4%	24,407
	Office of the General Manager	6,107	6,317	6,617	6,552	4%	7,001
Total Labor and Benefit Costs		77,878	73,149	59,602	72,999	0%	75,532
Capital							
		0	0	0	0	N/A	0
Total Program Requirements		\$362,609	\$448,049	\$394,702	\$445,199	-1%	\$474,832
Sources of Funds							
46101-03	Loss recovery	37,330	23,000	15,000	23,000	0%	23,000
46102-06	Insurance reimbursement	76,717	0	60,000	0	N/A	0
Total Sources of Funds		114,046	23,000	75,000	23,000	0%	23,000
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds							
		(\$248,563)	(\$425,049)	(\$319,702)	(\$422,199)	-1%	(\$451,832)

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Risk Management (continued)

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Allocation to Core Business Programs							
	Governance	8,703	3,913	2,943	3,990	2%	7,924
	Cross Connection	1,520	1,708	1,284	1,657	-3%	2,888
	Customer Service	6,635	7,303	5,493	6,668	-9%	11,798
	Development	3,896	4,046	3,044	3,859	-5%	6,896
	Huntington Beach	122	193	145	172	-11%	301
	Public Information	3,215	6,196	4,660	7,975	29%	12,970
	Revenue Management	10,542	13,280	9,988	13,840	4%	25,167
	Water System	44,059	47,157	35,469	41,036	-13%	88,006
	Water Quality Compliance	2,248	2,787	2,096	1,903	-32%	3,886
	Water Quality Monitoring	2,408	3,046	2,291	2,837	-7%	4,933
	Water Supply	164,352	333,929	251,166	334,929	0%	281,048
	Water Use Efficiency	862	1,492	1,122	3,334	124%	6,016
	Total Allocation to Core Business Programs	248,563	425,049	319,702	422,199	-1%	451,832

Received a post budget allocation of Active Working Capital Cash. Budget will be amended prior to the close of the fiscal year.

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Safety

The Safety Program includes safety training and equipment and emergency preparedness expense. Mesa's proactive and ongoing safety training program fosters a healthy work environment and contributes to stable liability/worker's compensation rates. Costs are budgeted to increase slightly in FY12 due to the replacement of some safety equipment.

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Expenses							
86201-06	Safety training	14,709	35,000	34,600	35,500	1%	37,500
86202-03	Safety equipment	16,139	21,000	21,000	37,000	76%	21,000
86203-03	Safety maintenance	4,262	4,000	4,000	4,000	0%	4,000
86204-06	Emergency preparedness	1,242	8,500	8,500	8,500	0%	8,500
Total Expenses		36,352	68,500	68,100	85,000	24%	71,000
Labor & Benefits Costs							
	Administrative Services	28,080	26,429	21,362	8,808	-67%	9,119
	Engineering	13,624	16,105	16,234	16,687	4%	17,045
	Financial Services	87,065	99,679	100,580	102,774	3%	104,429
	Customer Services	0	0	0	12,580	N/A	13,116
	Office of the General Manager	6,107	6,317	6,617	6,552	4%	7,001
	Water Operations	58,577	71,802	71,236	85,100	19%	87,970
	Communications	0	1,807	1,764	2,102	16%	2,261
Total Labor and Benefit Costs		193,453	222,139	217,794	234,603	6%	240,941
Capital		0	0	0	0	N/A	0
Total Program Requirements		\$229,805	\$290,639	\$285,894	\$319,603	10%	\$311,941
Sources of Funds							
Total Sources of Funds		0	0	0	0	N/A	0
Balance of Funds Contributed to (Required for) the Budget Excluding Designated Funds		(\$229,805)	(\$290,639)	(\$285,894)	(\$319,603)	10%	(\$311,941)

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Safety (continued)

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Allocation to Core Business Programs							
	Governance	8,046	2,676	2,632	3,020	13%	5,470
	Cross Connection	1,406	1,168	1,149	1,254	7%	1,994
	Customer Service	6,134	4,994	4,912	5,048	1%	8,145
	Development	3,602	2,767	2,722	2,921	6%	4,761
	Huntington Beach	113	132	130	130	-1%	208
	Public Information	2,972	4,237	4,167	6,037	42%	8,954
	Revenue Management	9,747	9,080	8,932	10,477	15%	17,375
	Water System	40,734	32,245	31,718	31,064	-4%	60,758
	Water Quality Compliance	2,078	1,906	1,875	1,440	-24%	2,683
	Water Quality Monitoring	2,227	2,083	2,049	2,147	3%	3,406
	Water Supply	151,949	228,333	224,605	253,540	11%	194,033
	Water Use Efficiency	797	1,020	1,003	2,524	147%	4,153
Total Allocation to Core Business Programs		229,805	290,639	285,894	319,603	10%	311,941

CAPITAL

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Capital Summary

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	FY13 Forecast
<u>New Capital</u>						
O1201-11	Information Systems Software and Hardware	\$31,906	\$129,990	\$118,500	\$81,000	\$46,000
CSDEV-04	Support of Customer Development	113,846	100,000	100,000	100,000	100,000
M1915-04	Vault Lid Improvements-Import Stations	0	33,500	33,500	23,700	41,500
B1201-07	Water Vending Machine	0	8,000	8,000	8,000	8,000
A1305-03	Hydraulic Excavator	0	0	0	0	372,200
01301-08	Electronic Records Management	13,805	0	0	0	303,000
B1301-03	Awnings for Material Structure Bay	0	0	0	0	113,000
B1101-03	Facility Drainage Improvements	0	90,000	90,000	0	0
A1101-03	Backhoe Breaker Attachment	0	13,900	13,100	0	0
M1348-04	GIS Implementation	59,011	0	0	0	0
Total New Capital (including capitalized labor)		\$218,568	\$375,390	\$363,100	\$212,700	\$983,700
<u>Replacements and Refurbishments</u>						
M1960-04	Air & Vacuum Release Valve Replacement-42" Line	\$0	\$0	\$0	\$97,900	\$0
W1206-03	Air & Vacuum Release Valve Replacement-Distribution System	0	0	0	17,300	17,500
CB112-03	Bypass & Meter Installation	38,550	24,000	24,000	24,000	55,800
CMV12-03	Distribution Mainline Valve Replacement	383,683	370,100	370,100	346,000	361,700
CFH12-03	Fire Hydrant Replacements	263,571	234,900	234,900	243,900	247,300
CLM12-03	Large Meter Replacement (1.5" - 2")	11,006	19,500	19,500	5,300	33,000
COA12-04	Relocation of Facilities for Other Public Agencies	13,930	140,000	25,000	25,000	50,000
CSC12-03	SCADA Improvements	1,001,198	1,633,100	1,633,100	20,000	0
CSL12-03	Service Line Replacements	57,480	135,000	135,000	135,100	137,700
CSM12-03	Small Meter Replacement (5/8" - 1")	19,314	8,100	8,100	5,100	64,900
CVR12-03	Transmission Mainline Valve Replacements	0	0	0	25,000	25,000
CSS12-03	Sample Station Replacements	0	8,653	8,653	11,100	11,200
W1203-03	Double Wall Heat Exchanger	0	0	0	61,200	0
M1932-04	Colored Water Treatment Facility Technology Replacement/Expansion	589,871	9,327,000	9,350,000	11,617,000	0
W1202-03	Reservoir 1 Differential Flow Meter Replacement	0	0	0	25,500	0
W1201-03	Reservoir 1 Engine Rebuild	0	66,800	66,421	130,000	0
W1205-03	Walk Behind Saw	0	0	0	15,000	0
M1916-04	Groundwater Well Upgrades	117,414	266,410	100,000	970,000	500,000
M1955-04	Color Treatment at Wells 5, 7 & 8	0	0	0	220,000	1,660,000
A1201-03	Service Crane Truck	0	0	0	36,600	0
A1301-03	Pickup Truck	0	0	0	0	20,500
A1302-03	Pickup Truck	0	0	0	0	20,500
A1303-03	Pickup Truck	0	0	0	0	20,500
A1304-03	Pickup Truck	0	0	0	0	20,500
M1852-F4	Valve Replacement - Contractor	760,413	0	0	0	800,000

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Capital Summary (continued)

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	FY13 Forecast
CRR11-03	Radio Read Meters	\$0	\$114,100	\$114,100	\$0	\$0
M1931-04	Coolidge Ave. Replacement	18,151	246,300	221,200	0	0
B1103-03	Building Refurbishment	0	150,000	75,000	0	0
A1102-03	10 Wheel Dump	0	115,400	0	0	0
A1103-03	Valve Turning Machine	0	29,478	23,820	0	0
A1104-03	Unit #51 retrofit	0	9,500	9,917	0	0
A1105-03	Unit #56 retrofit	0	14,500	14,780	0	0
A1001-03	Compressors	33,700	0	0	0	0
BIM10-03	Building Interior Modifications	1,198	0	0	0	0
M1828-04	Well No. 4	253,097	0	0	0	0
M659G-04	Well No. 4 Ozone Generators	2,032	0	0	0	0
A1002-03	Tire Changer	5,677	0	0	0	0
A1003-03	Vehicle Emissions Upgrade	29,977	0	0	0	0
A0904-03	Unit 52 Filter	10,486	0	0	0	0
Total Capital Replacements and Refurbishments (including capitalized labor)		\$3,610,748	\$12,912,841	\$12,433,591	\$14,031,000	\$4,046,100
Total Capital Requirements		\$3,829,316	\$13,288,231	\$12,796,691	\$14,243,700	\$5,029,800

Carryover projects funded from prior year rates (see Summary-5)

Mesa Consolidated Water District
Fiscal Year 2012 Budget
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Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget

Capital Purchase/Project

Fiscal Year 11-12

Account No.:	M1960-04
Department:	Water Operations
Program:	Water System

Name: Air & Vacuum Release Valve Replacement-42" Line

Description: Replace eight 2", eleven 3" and three 6" Air & Vacuum Release Valves in FY12 on the 42" transmission line.

Justification: This work involves replacing 32 corroded Air & Vacuum Release Valves located on the 42" transmission line that have been identified by Mesa staff. The purpose of this work is to ensure the extraction and input of air from specified points in the pipeline to prevent pipeline collapse and ensure water flow during high demand.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$71,400	\$0
Internal Costs	\$26,500	\$0
Total Cost:	\$97,900	\$0
Annual Increase in O & M Costs	\$0	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior	X		
July	X		
Aug	X		
Sept		X	
Oct		X	
Nov		X	
Dec		X	
Jan		X	
Feb		X	
Mar		X	
Apr		X	
May		X	
June		X	

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget

Capital Purchase/Project

Fiscal Year 11-12

Account No.:	W1206-03
Department:	Water Operations
Program:	Water System

Name: Air & Vacuum Release Valve Replacement-Distribution System

Description: Replace 10 Air & Vacuum Release Valves in FY12 and 10 in FY13 as identified by Mesa staff.

Justification: This work involves replacing 1" and 2" corroded or damaged Air & Vacuum Release Valves that are identified during routine maintenance or by Mesa personnel. The purpose of this work is to ensure the extraction and input of air from specified points in the pipeline to prevent pipeline collapse and ensure water flow during high demand.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$7,900	\$7,900
Internal Costs	\$9,400	\$9,600
Total Cost:	<u>\$17,300</u>	<u>\$17,500</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			X
Aug			X
Sept			X
Oct			X
Nov			X
Dec			X
Jan			X
Feb			X
Mar			X
Apr			X
May			X
June			X

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget
Fiscal Year 11-12

Capital Purchase/Project

Account No.:	B1301-03
Department:	Water Operations
Program:	Facilities

Name: Awnings for Material Structure Bay

Description: Design, engineer, manufacture and install two (2) protective awnings for material structure bays.

Justification: A Water quality best management practice (BMP) is to ensure the reduction and elimination of material run off from entering the storm drainage system. The current practice of utilizing tarps and sand bags is a temporary mitigation effort. The installation of awnings is a long-term solution and commitment to public works industry accepted BMP's.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$0	\$110,000
Internal Costs	\$0	\$3,000
Total Cost:	<u>\$0</u>	<u>\$113,000</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct			
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget

Capital Purchase/Project

Fiscal Year 11-12

Account No.:	CBI12-03
Department:	Water Operations
Program:	Water System

Name: Bypass & Meter Installation

Description: FY12: Planned installation of one (1) bypass unit including meter and installation of two (2) 3" - 6" meters without bypass. FY13: Planned installation of two (2) bypass units including 3" - 6" meter and installation of three (3) 3" - 6" meters without bypass.

Justification: Bypass units are installed on large commercial meters to enable crews to perform routine maintenance and repairs without service disruption to customers such as schools and large office buildings and complexes. Also, allows for bi-annual large meter testing without water service interruption.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$16,300	\$45,800
Internal Costs	\$7,700	\$10,000
Total Cost:	<u>\$24,000</u>	<u>\$55,800</u>
Annual Increase in O & M Costs	<u>\$0</u>	



Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct			
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			X
May			X
June			X

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget

Capital Purchase/Project

Fiscal Year 11-12

Account No.:	M1955-04
Department:	Engineering
Program:	Water Supply

Name: Color Treatment at Wells 5, 7 & 8

Description: Install color treatment at Wells 5, 7 & 8. Tasks include preliminary design, pilot testing, design and construction.

Justification: Wells 5, 7 & 8 periodically have color levels above 7 color units. Mesa's goal is to supply water with color levels below 5 color units.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$200,000	\$1,600,000
Internal Costs	\$20,000	\$60,000
<hr/>		
Total Cost:	\$220,000	\$1,660,000
Annual Increase in O & M Costs	<hr/> \$0	

Estimated Timetable	Planning	Design/Bid	Construction or Purchase
Prior	X		
July	X		
Aug	X		
Sept	X		
Oct	X		
Nov		X	
Dec		X	
Jan		X	
Feb		X	
Mar		X	
Apr		X	
May		X	
June		X	

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget

Capital Purchase/Project

Fiscal Year 11-12

Account No.:	M1932-04
Department:	Engineering
Program:	Water Supply

Name: Colored Water Treatment Facility Technology Replacement/Expansion

Description: Design and construct a nanofiltration membrane treatment plant to replace the ozone/biologically active filter treatment plant. Total cost including engineering, etc. is \$20.8 million. This project will be funded with Certificates of Participation that were issued in FY11. Costs in FY12 are reduced by a rebate that will be received from SCE for the installation of Variable Frequency Drives.

Justification: Construction of the new treatment plant provides water supply cost savings over purchasing imported water. The cost savings recover the capital cost of the original investment plus the new investment in capital costs plus provide for an additional annual cost savings.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$11,497,000	\$0
Internal Costs	\$120,000	\$0
Total Cost:	<u>\$11,617,000</u>	<u>\$0</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			X
July			X
Aug			X
Sept			X
Oct			X
Nov			X
Dec			X
Jan			X
Feb			X
Mar			X
Apr			X
May			X
June			X

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12
 Capital Purchase/Project

Account No.:	CMV12-03
Department:	Water Operations
Program:	Water System

Name: Distribution Mainline Valve Replacement

Description: Replace 65 mainline valves in FY12 and 75 mainline valves in FY13 as identified by Mesa staff.

Justification: This work involves replacing leaking or damaged 6-inch to 12-inch mainline valves that are identified during routine maintenance or by Mesa personnel. The purpose of this work is to ensure proper water line isolation for emergency repair work and routine maintenance on mainlines, service lines, hydrants, and other water infrastructure.



	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$65,800	\$71,700
Internal Costs	\$280,200	\$290,000
Total Cost:	<u>\$346,000</u>	<u>\$361,700</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior	X		
July			X
Aug			X
Sept			X
Oct			X
Nov			X
Dec			X
Jan			X
Feb			X
Mar			X
Apr			X
May			X
June			X

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget
Fiscal Year 11-12

Capital Purchase/Project

Account No.:	W1203-03
Department:	Water Operations
Program:	Water System

Name: Double Wall Heat Exchanger

Description: Install double wall heat exchangers on three (3) engines located at Reservoir 1.

Justification: Proactive modification of reservoir engines with double wall heat exchangers to ensure that coolant will not cross contaminate the drinking water system

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$60,000	\$0
Internal Costs	\$1,200	\$0
Total Cost:	\$61,200	\$0
Annual Increase in O & M Costs	\$0	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct			
Nov			
Dec			X
Jan			
Feb			
Mar			X
Apr			
May			
June			

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget
Fiscal Year 11-12

Capital Purchase/Project

Account No.:	01301-08
Department:	Customer Services
Program:	Information Systems

Name: Electronic Records Management

Description: Acquisition and implementation of Electronic Records Management (ERM) software and equipment.

Justification: Based on the needs assessment performed in FY09, an ERM would make a significant impact on Mesa's operations and level of service to both internal and external customers. It would enhance compliance to regulatory agencies and eliminate redundant filing systems in multiple departments. Staff spends hundreds of hours annually on manual filing systems and searching through paper files – impacting their performance. Centralizing control of records will provide effective information management at Mesa. Costs are scheduled for FY13 after evaluating SharePoint

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$0	\$288,000
Internal Costs	\$0	\$15,000
Total Cost:	\$0	\$303,000
Annual Increase in O & M Costs	\$20,000	

\$88,000 is carryover from FY10

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct			
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12
 Capital Purchase/Project

Account No.:	CFH12-03
Department:	Water Operations
Program:	Water System

Name: Fire Hydrant Replacements

Description: Replace 40 residential or commercial fire hydrants and hydrant valves in FY12 and FY13.

Justification: This work involves replacing leaking or damaged fire hydrants (including hydrant valves) that are identified during routine maintenance or by Mesa personnel. The purpose of this work is to ensure proper hydrant operation in order to secure water for the purpose of fire fighting.



	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$91,300	\$91,300
Internal Costs	\$152,600	\$156,000
Total Cost:	<u>\$243,900</u>	<u>\$247,300</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior	X		
July			X
Aug			X
Sept			X
Oct			X
Nov			X
Dec			X
Jan			X
Feb			X
Mar			X
Apr			X
May			X
June			X

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget

Capital Purchase/Project

Fiscal Year 11-12

Account No.:	M1916-04
Department:	Engineering
Program:	Water Supply

Name: Groundwater Well Upgrades

Description: Automate Well Nos. 1, 3, 5, 7, 8, and 9. This includes automation of the chemical feed pumps. Redevelop Well Nos. 3 and 7 and replace the pumps on Well Nos. 1, 3 and 7. Convert Well No. 5 from natural gas power to electrical power.

Justification: **The operation of the water supply sources would be greatly enhanced by automating the well so it can be started and stopped remotely via SCADA. The specific capacity has decreased such that the yield of Well No. 3 has diminished such that redevelopment of the well is warranted. The pumping efficiency of Well Nos. 1 and 3 has decreased to the point that the replacement of the pumps is warranted. The operations and maintenance costs of the gas engine drive at Well No. 5 are much higher than electric drives and the age of the gas engine justify the replacement of the gas engines.**

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$924,000	\$476,000
Internal Costs	\$46,000	\$24,000
Total Cost:	<u>\$970,000</u>	<u>\$500,000</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design/Bid	Construction or Purchase
Prior			
July		X	
Aug		X	
Sept		X	
Oct		X	
Nov		X	
Dec		X	
Jan			X
Feb			X
Mar			X
Apr			X
May			X
June			X

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget

Capital Purchase/Project

Fiscal Year 11-12

Account No.:	A1305-03
Department:	Water Operations
Program:	Fleet

Name: Hydraulic Excavator

Description: Purchase new 12-Yard hydraulic excavator.

Justification: Improve safety, productivity, efficiency and reduce/eliminate discharge into storm drains during construction/replacement. Hydraulic excavating machines use pressurized water and a vacuum system to dig precisely and make visual identification of existing underground utilities like gas lines, fiber optics, T-1's, etc. to avoid hits.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$0	\$371,200
Internal Costs	\$0	\$1,000
Total Cost:	<u>\$0</u>	<u>\$372,200</u>
Annual Increase in O & M Costs	<u>\$3,200</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct			
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget
Fiscal Year 11-12

Capital Purchase/Project

Account No.:	O1201-11
Department:	Customer Services
Program:	Information Systems

Name: Information Systems Software and Hardware

Description: FY12: Change reporting from Crystal to SQL reporting \$6,000 for SQL reporting, \$25,000 to convert Crystal reports to SQL Reports. Customer Service Business process improvements \$10,000, EOC Disaster Recovery Rack upgrade \$10,000. 1-2 TerraByte NAS/SANS storage server \$30,000. FY13: Sharepoint Expansion \$46,000

Justification: **Crystal Reports are difficult to create and manage. The current trend is to move to SQL Reporting and eliminate or minimize the use of Crystal Reports. Customer Service has had many issues with specific business processes addressed in the GAP analysis. The plan is to review the GAP analysis and implement fixes. SharePoint has been implemented and will see some expansion by the end of the FY11. A committee is being formed to oversee the implementation and bring in all business groups to discuss the design. Funds will be necessary to move to the next stage of the design. Our network upgrade to the latest operation systems and virtualization will open a window of opportunity to revamp the Disaster Recovery system in the EOC to make it a fully functional system and eliminate some of the complexity involved in its use. Add a storage server to hold all copies of our virtual servers for redundancy and disaster recovery.**

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$81,000	\$46,000
Internal Costs	\$0	\$0
Total Cost:	\$81,000	\$46,000
Annual Increase in O & M Costs	<u>TBD</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			X
Aug			X
Sept			X
Oct			X
Nov			X
Dec			X
Jan			X
Feb			X
Mar			X
Apr			X
May			X
June			X

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget

Capital Purchase/Project

Fiscal Year 11-12

Account No.:	CLM12-03
Department:	Water Operations
Program:	Water System

Name: Large Meter Replacement (1.5" - 2")

Description: Large Water Meters - All work associated with changing out large meters that have met the 15 year replacement timeframe or have stopped working. Large meters includes 1-1/2" and 2" meters. Work is done to ensure accurate water flow readings. The work quantity goal of replacing 16 large meters in FY12 and 83 large meters in FY13.

Justification: Large meters have a service life of 15 years due to worn out, inaccurate or damaged meters. The consequences of not replacing older meters would be reduced revenue due to inability of meter to register water flows accurately.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$3,900	\$25,800
Internal Costs	\$1,400	\$7,200
Total Cost:	<u>\$5,300</u>	<u>\$33,000</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			X
Sept			X
Oct			
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget
Fiscal Year 11-12

Capital Purchase/Project

Account No.:	A1301-03
Department:	Water Operations
Program:	Fleet

Name: Pickup Truck

Description: Replacement of standard pickup truck (Water Distribution)

Justification: Unit 30 is 11 years old and has exceeded its useful life of 10 years. The lifetime maintenance and repair expense (\$9,600) has reached 60% of the truck's original value. This truck averages 3,900 miles per year and is used primarily for hydrant painting and other maintenance tasks. Cost includes purchase and installation of cross box.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$0	\$20,000
Internal Costs	\$0	\$500
Total Cost:	<u>\$0</u>	<u>\$20,500</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct			
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget

Capital Purchase/Project

Fiscal Year 11-12

Account No.:	A1302-03
Department:	Water Operations
Program:	Fleet

Name: Pickup Truck

Description: Replacement of standard pickup truck (Meter Reading).

Justification: Unit 39 is 11 years old and has exceeded its useful life of 10 years. The lifetime maintenance and repair expense (\$14,065) has reached 89% of the truck's original value. This truck averages 7,600 miles per year and is used for meter reading and other maintenance tasks. Cost includes purchase and installation of cross box.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$0	\$20,000
Internal Costs	\$0	\$500
Total Cost:	<u>\$0</u>	<u>\$20,500</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct			
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget

Capital Purchase/Project

Fiscal Year 11-12

Account No.:	A1303-03
Department:	Water Operations
Program:	Fleet

Name: Pickup Truck

Description: Replacement of standard pickup truck (Meter Reading).

Justification: Unit 35 is 8 years old and is nearing its useful life of 10 years. The lifetime maintenance and repair expense (\$10,800) has reached 68% of the truck's original value. This truck averages 7,900 miles per year and is used for meter reading and other maintenance tasks. Cost includes purchase and installation of cross box.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$0	\$20,000
Internal Costs	\$0	\$500
Total Cost:	\$0	\$20,500
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct			
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget

Capital Purchase/Project

Fiscal Year 11-12

Account No.:	A1304-03
Department:	Water Operations
Program:	Fleet

Name: Pickup Truck

Description: Replacement of standard pickup truck (Customer Service).

Justification: Unit 36 is 10 years old and has reached its useful life of 10 years. The lifetime maintenance and repair expense (\$10,700) has reached 67% of the truck's original value. This truck averages 7,050 miles per year and is used for customer service. Cost includes purchase and installation of cross box.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$0	\$20,000
Internal Costs	\$0	\$500
Total Cost:	\$0	\$20,500
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct			
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12

Capital Purchase/Project

Account No.:	COA12-04
Department:	Engineering
Program:	Water System

Name: Relocation of Facilities for Other Public Agencies

Description: Relocation of facilities for other agencies such as the City of Costa Mesa street rehabilitations projects.

Justification: When other agencies install new facilities or replace or rehabilitate existing facilities often times Mesa facilities need to be relocated and if we do not have superior property rights Mesa must pay for the relocation.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$16,750	\$33,500
Internal Costs	\$8,250	\$16,500
Total Cost:	<u>\$25,000</u>	<u>\$50,000</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior		X	
July		X	X
Aug		X	X
Sept		X	X
Oct		X	X
Nov		X	X
Dec		X	X
Jan		X	X
Feb		X	X
Mar		X	X
Apr		X	X
May		X	X
June		X	X

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget
Fiscal Year 11-12

Capital Purchase/Project

Account No.:	W1202-03
Department:	Water Operations
Program:	Water System

Name: Reservoir 1 Differential Flow Meter Replacement

Description: Replacement of five (5) differential pressure flow meters located at Reservoir 1.

Justification: The current differential flow meters are 22 years old and have exceeded their useful lives of 15 years. This replacement will ensure flow measurement accuracy. Further, the new flow meters have a built-in 3-way valve that isolates the transmitter from the process fluid flow for easy maintenance without shutting down the pipeline.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$25,000	\$0
Internal Costs	\$500	\$0
Total Cost:	<u>\$25,500</u>	<u>\$0</u>
Annual Increase in O & M Costs	<u>\$1,200</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept	X		
Oct			X
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12

Capital Purchase/Project

Account No.:	W1201-03
Department:	Water Operations
Program:	Water Supply

Name: Reservoir 1 Engine Rebuild

Description: Rebuild Waukesha Engines 1 and 2 at Reservoir 1

Justification: Rebuilding of the engines follows preventative maintenance recommended by the manufacturer and will help ensure continued operation of these engines.



	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$130,000	\$0
Internal Costs	\$0	\$0
Total Cost:	\$130,000	\$0
Annual Increase in O & M Costs	\$0	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct	X		
Nov	X		
Dec	X		X
Jan	X		
Feb	X		
Mar			X
Apr			
May			
June			

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12

Capital Purchase/Project

Account No.:	CSS12-03
Department:	Water Operations
Program:	Water System

Name: Sample Station Replacements

Description: Replace 10 sample stations in FY12 and 10 in FY13

Justification: This work involves replacing corroded or damaged 44 inch sample stations that are identified during routine maintenance or by Mesa personnel. The purpose of this work is to ensure access to the water supply for testing purposes.



	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$6,300	\$6,300
Internal Costs	\$4,800	\$4,900
Total Cost:	\$11,100	\$11,200
Annual Increase in O & M Costs	_____	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			X
Aug			X
Sept			X
Oct			X
Nov			X
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12

Capital Purchase/Project

Account No.:	A1201-03
Department:	Water Operations
Program:	Fleet

Name: Service Crane Truck

Description: Replacement of standard pickup truck with Service Crane Truck (Water Production).

Justification: Unit 17 is 6 years old. The lifetime maintenance and repair expense (\$17,900) has reached 105% of the standard pickup truck's original value. This truck averages 16,900 miles per year and is used for production duty and daily well rounds. Cost includes purchase and installation of cross box. The Service Crane Truck will allow Water Operations staff to perform multiple tasks such as control valve maintenance and repairs and valve removal/installation.



	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$35,000	\$0
Internal Costs	\$1,200	\$0
Total Cost:	<u>\$36,200</u>	<u>\$0</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct			X
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12
 Capital Purchase/Project

Account No.:	CSL12-03
Department:	Water Operations
Program:	Water System

Name: Service Line Replacements

Description: All work associated with replacement of water service lines including ball valves and/or angle stops. This work includes replacing plastic services that are identified during an angle stop or ball valve replacement and copper service lines that are determined to be in poor condition. Work is done in an effort to be proactive with replacing service lines that are candidates for near future failure. The work quantity goal of replacing 30 service lines is established for both FY12 and FY13.

Justification: Copper and plastic service lines are replaced as needed due to leaks and breaks. If not replaced, service lines could cause sink holes in the streets, inconvenience to customer due to water outages and water loss to Mesa.



	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$16,600	\$16,600
Internal Costs	\$118,500	\$121,100
Total Cost:	<u>\$135,100</u>	<u>\$137,700</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			X
Aug			X
Sept			X
Oct			X
Nov			X
Dec			X
Jan			X
Feb			X
Mar			X
Apr			X
May			X
June			X

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget
Fiscal Year 11-12

Capital Purchase/Project

Account No.:	CSC12-03
Department:	Water Operations
Program:	Water System

Name: SCADA Improvements

Description: Work on SCE poles required for placement of SCADA antenna

Justification: This is the final item needed to complete the SCADA replacement project.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$20,000	\$0
Internal Costs	\$0	\$0
<hr/>		
Total Cost:	\$20,000	\$0
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design/Bid	Construction or Purchase
Prior			
July			X
Aug			X
Sept			X
Oct			
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12

Capital Purchase/Project

Account No.:	CSM12-03
Department:	Water Operations
Program:	Water System

Name: Small Meter Replacement (5/8" - 1")

Description: Small Water Meters - All work associated with changing out small meters that have met the 15 year replacement timeframe or have stopped working. Small meters includes 5/8", 3/4" and 1" meters. Work is done to ensure accurate water flow readings. The work quantity goal of replacing 55 small meters for FY12 and 775 small meters in FY13.

Justification: Small meters have a service life of 15 years due to worn out, inaccurate or damaged meters. The consequences of not replacing older meters would be reduced revenue due to inability of meter to register water flows accurately.



	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$3,200	\$39,900
Internal Costs	\$1,900	\$25,000
Total Cost:	<u>\$5,100</u>	<u>\$64,900</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			X
Aug			X
Sept			X
Oct			X
Nov			X
Dec			X
Jan			X
Feb			X
Mar			X
Apr			X
May			X
June			X

Mesa Consolidated Water District

Fiscal Year 2012 Budget

Budget

Capital Purchase/Project

Fiscal Year 11-12

Account No.:	CSDEV-04
Department:	Engineering
Program:	Development

Name: Support of Customer Development

Description: Activities (labor, materials and equipment) required to support the activities of new development and redevelopment within the service area. Activities include plan check, development permit processing, construction inspection and meter installation.

Justification: These activities are needed to assure construction is performed in accordance with Mesa's specifications for construction of water system facilities. Without the activities the construction may not conform to Mesa's specifications. Sub-standard construction would result in increased maintenance and replacement costs in the future.

	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$25,000	\$25,000
Internal Costs	\$75,000	\$75,000
Total Cost:	<u>\$100,000</u>	<u>\$100,000</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior		X	
July		X	X
Aug		X	X
Sept		X	X
Oct		X	X
Nov		X	X
Dec		X	X
Jan		X	X
Feb		X	X
Mar		X	X
Apr		X	X
May		X	X
June		X	X

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12
 Capital Purchase/Project

Account No.:	CVR12-03
Department:	Water Operations
Program:	Water System

Name: Transmission Mainline Valve Replacements

Description: Replace two transmission mainline valves in FY12 and FY13. This work is done by contract on an as-needed basis.

Justification: Replace transmission mainline valves 14-inch or larger on an as-needed basis. The replacement is due to leaking, damaged or inoperable valves. Replacing damaged or inoperable valves will allow maintenance personnel to continue to isolate sections of mainlines for emergency repair and perform routine system maintenance.



	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$25,000	\$25,000
Internal Costs	\$0	\$0
Total Cost:	<u>\$25,000</u>	<u>\$25,000</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			X
Aug			X
Sept			X
Oct			X
Nov			X
Dec			X
Jan			X
Feb			X
Mar			X
Apr			X
May			X
June			X

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12
 Capital Purchase/Project

Account No.:	M1852-F4
Department:	Engineering
Program:	Water System

Name: Valve Replacement - Contractor

Description: Replace valves identified by Mesa staff as needing replacement using a contractor. 64 valves are scheduled to be replaced in FY13.

Justification: This work involves replacing leaking or damaged 10-inch to 24-inch mainline valves that are identified during routine maintenance or by Mesa personnel. The purpose of this work is to ensure proper water line isolation for emergency repair work and routine maintenance on mainlines, service lines, hydrants, and other water infrastructure.



	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$0	\$700,000
Internal Costs	\$0	100,000
Total Cost:	<u>\$0</u>	<u>\$800,000</u>
Annual Increase in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct			
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12

Capital Purchase/Project

Account No.:	M1915-04
Department:	Engineering
Program:	Water System

Name: Vault Lid Improvements-Import Stations

Description: FY11: Replace the existing manhole structure at the Ranger Import Station (\$7,500) with a spring loaded lid and new access shaft, replace the existing access lid and add a second access above the cla-val at the Mesa Station (\$13,500). FY12: Add a second access shaft above the Cla-val at both the Fair/Newport Station (\$5,600) and the Fair/Fairview Station (\$5,600). FY13: Install new access points with spring loaded lids over each Cla-val at the Santa Ana Import Station (\$29,000)

Justification: The existing access points at the Santa Ana and Mesa Stations do not allow for safe and efficient repair/maintenance of the Cla-val. New access points with spring loaded lids will allow for routine maintenance/replacement to be performed without major removals of piping and or concrete. The existing lid at the Ranger Station is a manhole cover that is difficult to remove and replace. The need to access this vault weekly to read the meter requires a safer, more reliable access point. A portion of the cost for the work at the Ranger Station will be reimbursed by the City of Huntington Beach. These changes will allow the vaults to no longer be considered confined spaces and allow employees to work safer.



	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$11,200	\$29,000
Internal Costs	\$12,500	12,500
Total Cost:	\$23,700	\$41,500
Annual Increase in O & M Costs	\$0	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct	X		
Nov	X	X	
Dec		X	
Jan			X
Feb			X
Mar			X
Apr			X
May			X
June			X

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12

Capital Purchase/Project

Account No.:	W1205-03
Department:	Water Operations
Program:	Water System

Name: Walk Behind Saw

Description: Walk behind saw with 30" blade diameter for asphalt and concrete cutting.

Justification: Increased power and blade diameter is needed for saw cutting application on 18" asphalt streets. This tool will improve the cutting time for mainline repairs, service line repairs, valve replacement and hydrant replacement.



	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$15,000	\$0
Internal Costs	\$0	\$0
Total Cost:	<u>\$15,000</u>	<u>\$0</u>
Annual Decrease in O & M Costs	<u>\$0</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			X
Sept			
Oct			
Nov			
Dec			
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Feb			
Mar			
Apr			
May			
June			

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Budget
 Fiscal Year 11-12

Capital Purchase/Project

Account No.:	B1201-07
Department:	Communications
Program:	Public Information

Name: Water Vending Machine

Description: Water vending machine expansion - Purchase and install a water vending machine similar to the machine at the District office. The new vending machine will be installed in Director Division 3 in FY12 and Director Division 4 in FY13.

Justification: The costs incurred to support this outreach program is considered minimal compared to other marketing/outreach programs with similar outreach. The additional vending machines will provide key messaging regarding the safety of Mesa tap water. Having two water vending machines will expand Mesa's scope of impact.



	<u>FY12 Costs</u>	<u>FY13 Costs</u>
External Costs	\$7,500	\$7,500
Internal Costs	\$500	500
Total Cost:	<u>\$8,000</u>	<u>\$8,000</u>
Annual Increase in O & M Costs	<u>\$1,200</u>	

Estimated Timetable	Planning	Design	Construction or Purchase
Prior			
July			
Aug			
Sept			
Oct			
Nov			
Dec			
Jan			
Feb			
Mar			
Apr			X
May			
June			

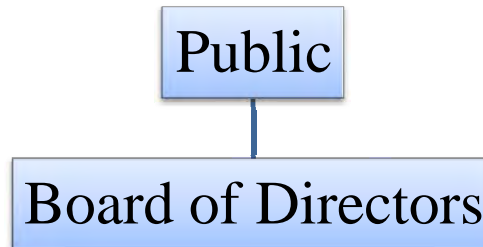
DEPARTMENTS

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Board of Directors

The Board of Directors (Board) is responsible for establishing and changing District policies. The Board appoints the General Manager, monitors the goals of the District, and leads lobbying efforts. The Board meets bi-monthly on the 2nd and 4th Tuesdays of the month for regular Board meetings as well as attending Board Committee and other agencies meetings.

Classification	FY10 Actuals	FY11 Budget	FY11 Estimated		FY12 Budget	FY13 Guidelines
			Actuals			
Division 1	1	1	1		1	1
Division 2	1	1	1		1	1
Division 3	1	1	1		1	1
Division 4	1	1	1		1	1
Division 5	1	1	1		1	1
TOTAL POSITIONS	5	5	5		5	5

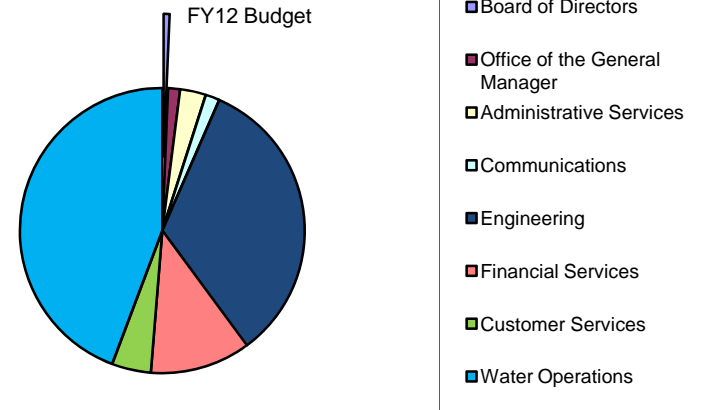
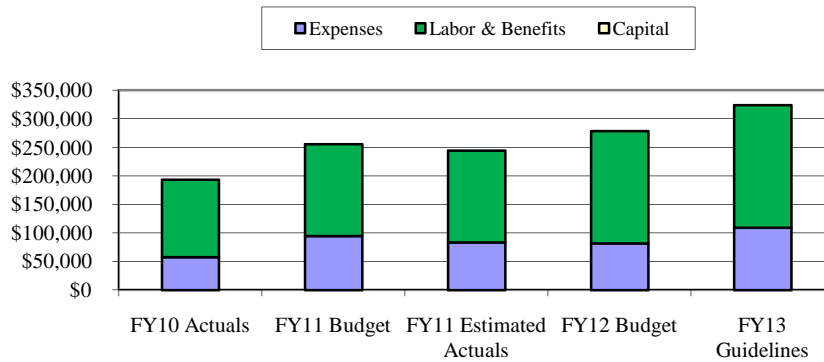


Mesa Consolidated Water District
Fiscal Year 2012 Budget

Board of Directors

<i>Expenses by Program</i>	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Guidelines
Governance	57,473	94,600	83,500	82,100	-13%	109,200
Expenses	57,473	94,600	83,500	82,100	-13%	109,200
<i>Labor & Benefits</i>						
Labor	89,496	111,755	100,602	124,200	11%	136,620
FICA & Medicare	6,846	8,549	7,696	9,501	11%	10,451
Flex Credits	38,253	39,060	51,294	61,200	57%	66,096
Workers Compensation	972	1,214	1,263	1,559	28%	1,595
LTD, Life Insurance & EAP	336	404	390	404	0%	423
Labor & Benefits	135,903	160,982	161,245	196,864	22%	215,185
Capital	0	0	0	0	N/A	0
TOTAL EXPENDITURES	\$193,376	\$255,582	\$244,745	\$278,964	9%	\$324,385

Carryover projects funded from prior year rates (see Summary-5)



Mesa Consolidated Water District
Fiscal Year 2012 Budget

Office of the General Manager

The Office of the General Manager is responsible for implementing approved Board policies, working with management staff to develop management policies and procedures, management and fiduciary responsibility for all functions, and activities of the District. Plans, implements and directs District programs, services and activities.

The services provided include representing Mesa to elected officials, the public and outside agencies, monitoring and evaluating industry and water utility administration changes and trends, recommending policies and implementing programs and practices in response to changes and trends, attending and participating in Board meetings, other agencies' meetings and professional groups, responding to and resolving the more difficult and sensitive inquiries and complaints and supporting the Board.

Classification	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	FY13 Guidelines
General Manager	1	1	1	1	1
TOTAL POSITIONS	1	1	1	1	1

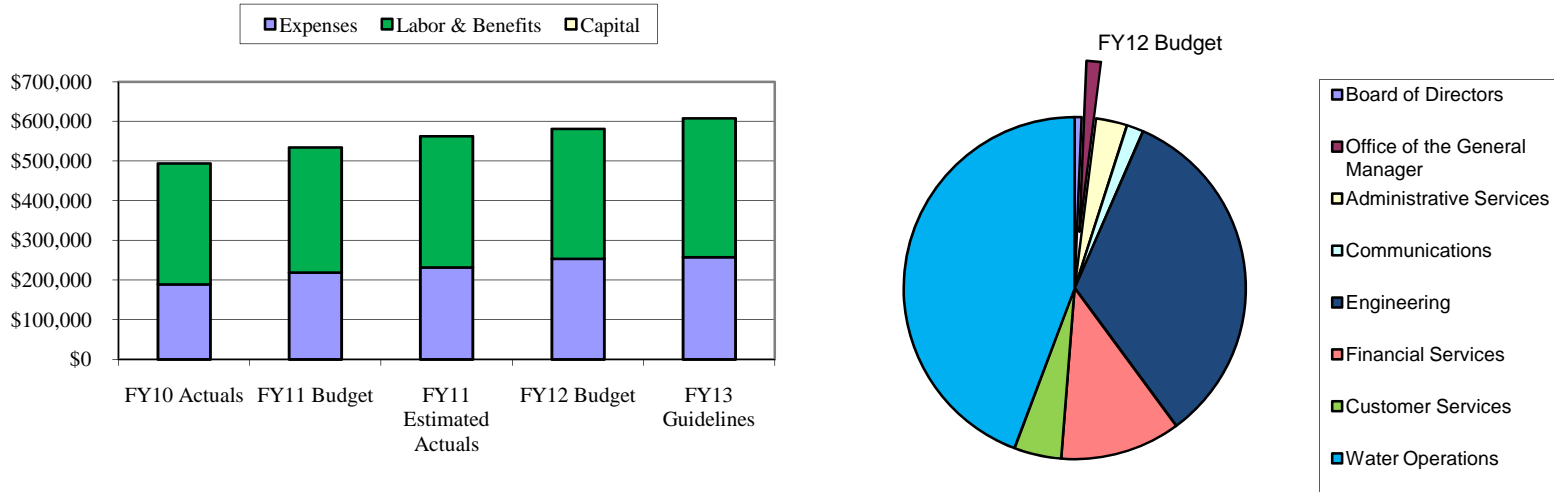
General Manager

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Office of the General Manager

<u>Expenses by Program</u>	FY10 Actuals	FY11 Budget	FY11 Estimated		% Change FY12 Budget from FY11 Budget	FY13 Guidelines
			Actuals	FY12 Budget		
Revenue Management	0	0	0	30,000	N/A	50,000
Department Administration	13,528	24,300	24,400	47,500	95%	37,500
District Support Services	174,225	194,600	206,000	174,000	-11%	168,600
Pay and Benefits Administration	1,460	0	2,000	2,100	N/A	2,200
Expenses	189,213	218,900	232,400	253,600	16%	258,300
<u>Labor & Benefits</u>						
Labor	226,468	233,800	245,171	239,278	2%	256,028
FICA & Medicare	9,608	10,172	10,342	10,265	1%	10,515
Flex Credits	27,300	27,600	28,500	30,000	9%	31,200
Workers Compensation	2,459	2,539	3,077	3,003	18%	2,988
LTD, Life Insurance & EAP	1,112	1,139	1,182	1,160	2%	1,222
Retirement	38,400	40,583	42,557	43,910	8%	48,108
Labor & Benefits	305,348	315,833	330,828	327,616	4%	350,061
Capital	0	0	0	0	N/A	0
TOTAL EXPENDITURES	\$494,561	\$534,733	\$563,228	\$581,216	9%	\$608,361

Received a post budget allocation of Active Working Capital Cash. Budget will be amended prior to the close of the fiscal year.



Mesa Consolidated Water District
Fiscal Year 2012 Budget

Administrative Services

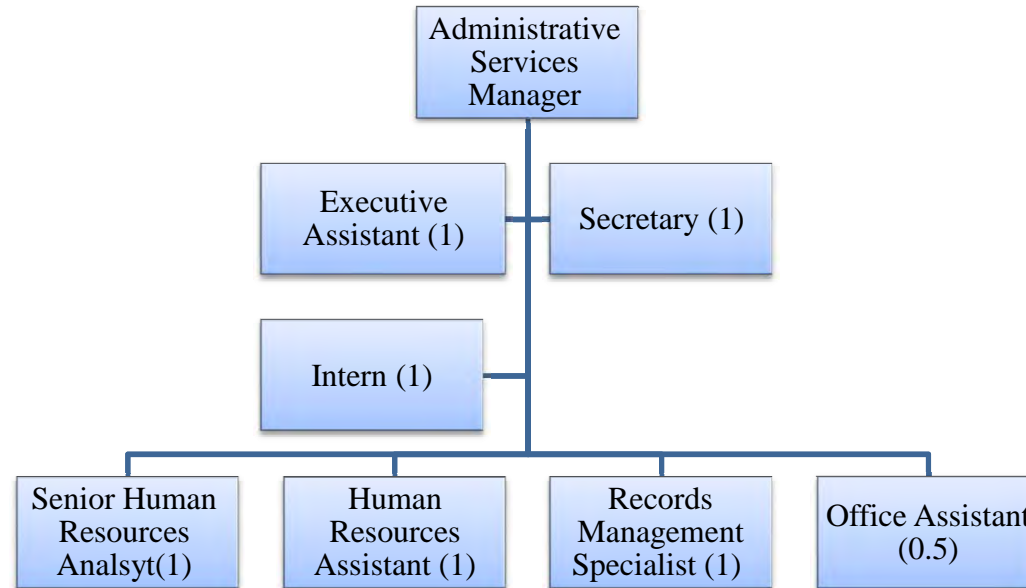
The Administrative Services Department activities include human resources, records management, administrative support for the Board of Directors and the General Manager, and District-wide office support functions. Beginning in FY12 Human Resource functions that had previously been a separate department were included with Administrative Services and the customer service and information technology functions was moved to form the new Customer Services Department.

The services provided include recruitment, selection, employee development/training, employee recognition, legal issues consulting and labor relations activities. Additional services provided are the administration of benefit programs, overseeing workers compensation and ensuring compliance with DOT and DMV requirements. This department also maintains the District wide records management program and provides

Classification	FY10 Actuals	FY11 Budget	FY11 Estimated		FY13 Guidelines
			Actuals	FY12 Budget	
Administrative Services Manager/ District Secretary	1	1	1	1	1
Executive Assistant	1	1	1	1	1
Secretary	1	1	1	1	1
Office Assistant	0.5	0.5	0.5	0.5	0.5
Records Management Specialist	1	1	1	1	1
Human Resources Manager	1	1	0	0	0
Senior Human Resources Analyst	1	1	1	1	1
Human Resources Assistant	1	1	1	1	1
Public Information Specialist	1	0	0	0	0
Information Technology Coordinator	1	1	1	0	0
Information Technology Technician	1	1	1	0	0
Conservation/Customer Service Supervisor	1	1	1	0	0
Conservation Specialist	0	1	1	0	0
Field Customer Service Rep I/II	2	2	2	0	0
Customer Service Rep I/II	3	3	3	0	0
Meter Reader	2	2	2	0	0
Intern	0.5	1	1	1	1
TOTAL POSITIONS	19	19.5	18.5	7.5	7.5

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Administrative Services

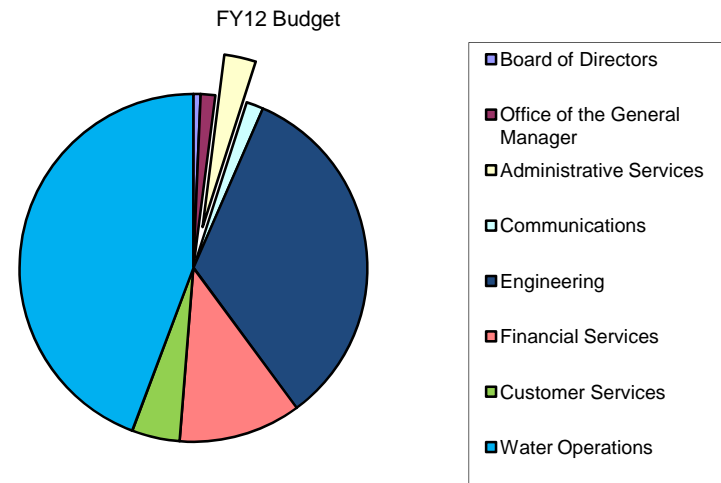
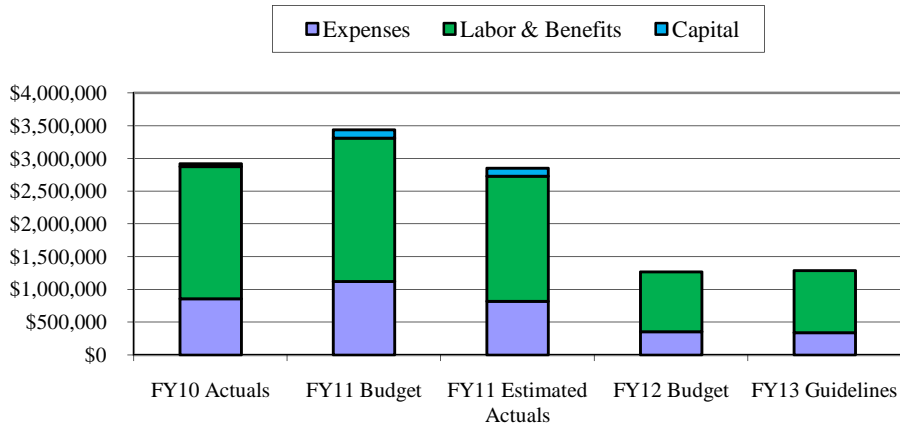


<i>Expenses by Program</i>	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Guidelines
Customer Service	8,724	10,200	10,200	0	-100%	0
Public Information	104,473	0	0	0	N/A	0
Revenue Management	114,771	110,100	110,100	45,000	-59%	50,000
Water use efficiency programs	14,225	28,600	21,800	0	-100%	0
Department Administration	24,109	27,800	17,500	19,400	-30%	16,800
District Support Services	45,750	47,500	43,000	58,500	23%	57,700
Information systems maintenance and	336,700	715,000	452,500	0	-100%	0
Pay and Benefits Administration	144,814	81,100	101,200	97,500	20%	101,900
Personnel Services	49,527	84,800	45,800	110,200	30%	92,600
Records Management	13,177	13,500	13,200	17,500	30%	16,000
Risk Management	2,238	6,000	2,600	5,700	-5%	5,700
Expenses	858,509	1,124,600	817,900	353,800	-69%	340,700

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Administrative Services

	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Guidelines
<i>Labor & Benefits</i>						
Labor	1,440,323	1,522,636	1,327,797	642,188	-58%	653,940
FICA & Medicare	103,325	116,859	103,474	46,912	-60%	48,010
Flex Credits	201,105	246,750	218,250	97,500	-60%	113,400
Workers Compensation	23,040	23,828	25,028	7,320	-69%	6,935
LTD, Life Insurance & EAP	9,768	11,047	9,558	4,219	-62%	4,261
Retirement	240,853	257,301	224,891	111,509	-57%	116,252
Retiree Health Savings	0	7,582	5,577	4,420	N/A	4,524
Labor & Benefits	2,018,414	2,186,003	1,914,575	914,067	-58%	947,322
Capitalized Labor and Benefits	(3,299)	(1,966)	(7,596)	0	-100%	0
Expensed Labor and Benefits	2,015,115	2,184,037	1,906,979	914,067	-58%	947,322
<i>Capital</i>						
Electronic Records Management	13,805	0	0	0	N/A	0
Information Systems Software and Hardware	31,906	129,990	118,500	0	-100%	0
Capital	45,711	129,990	118,500	0	-100%	0
TOTAL EXPENDITURES	\$2,919,335	\$3,438,627	\$2,843,379	\$1,267,867	-63%	\$1,288,022



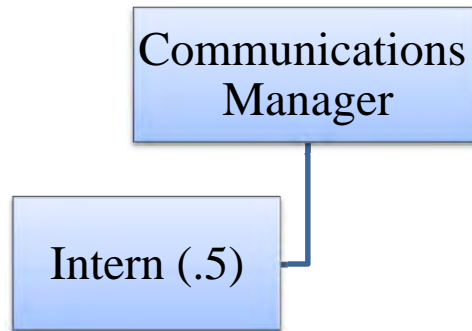
Mesa Consolidated Water District
Fiscal Year 2012 Budget

Communications

The Communications Department activities include public education about Mesa and about water, serving as Mesa's community / industry / legislative liaison, and representing Mesa to the public and press.

The services provided include community and customer outreach, events production, media relations, public information, publications, and speaker's bureau. Prior to FY11, these services were included as part of the Administrative Services Department.

Classification	FY10 Actuals	FY11 Estimated		FY12 Budget	FY13 Guidelines
		FY11 Budget	Actuals		
Communications Manager	0	1	1	1	1
Intern	0	0.5	0.5	0.5	0.5
TOTAL POSITIONS	0	1.5	1.5	1.5	1.5



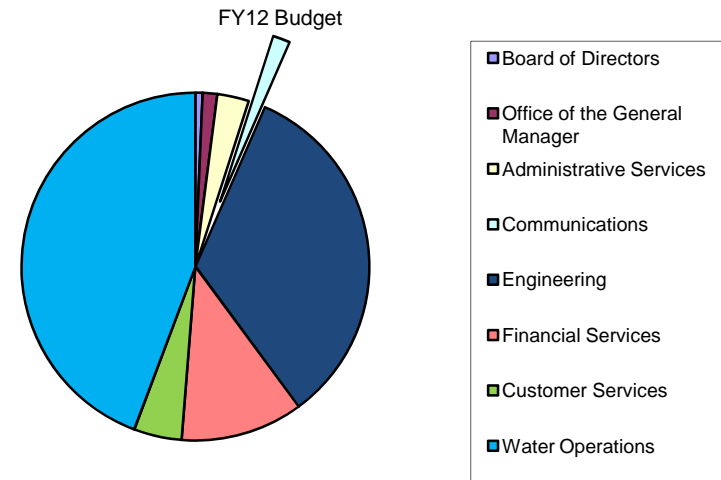
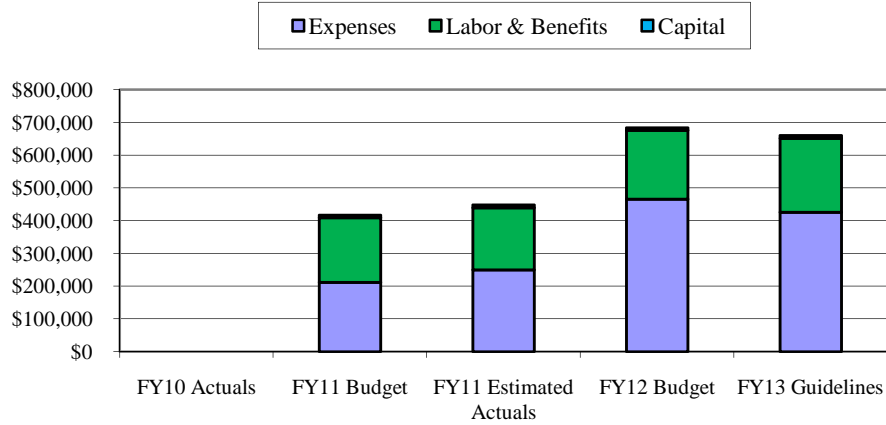
<i>Expenses by Program</i>	FY10 Actuals	FY11 Budget	FY11 Estimated		% Change FY12 Budget from FY11 Budget	FY13 Guidelines
			Actuals	FY12 Budget		
Public Information	0	210,400	233,100	336,600	60%	296,600
Revenue Management	0	0	0	115,000	N/A	115,000
Department administration-Communica	0	1,400	14,400	10,000	614%	10,000
Pay and Benefits Administration	0	0	2,000	4,200	N/A	4,400
Expenses	0	211,800	249,500	465,800	120%	426,000

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Communications

	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Guidelines
<i>Labor & Benefits</i>						
Labor	0	146,545	137,935	153,345	5%	165,223
FICA & Medicare	0	9,770	9,390	9,683	-1%	10,062
Flex Credits	0	12,600	13,500	15,000	19%	16,200
Workers Compensation	0	1,570	1,713	1,905	21%	1,905
LTD, Life Insurance & EAP	0	758	783	795	5%	827
Retirement	0	22,781	23,943	25,923	14%	28,170
Retiree Health Savings	0	3,281	3,171	3,532	8%	3,748
Labor & Benefits	0	197,306	190,435	210,183	7%	226,136
<i>Capital</i>						
Water Vending Machine	0	8,000	8,000	8,000	0%	8,000
Capital	0	8,000	8,000	8,000	0%	8,000
TOTAL EXPENDITURES	\$0	\$417,106	\$447,935	\$683,983	64%	\$660,136

Received a post budget allocation of Active Working Capital Cash. Budget will be amended prior to the close of the fiscal year.



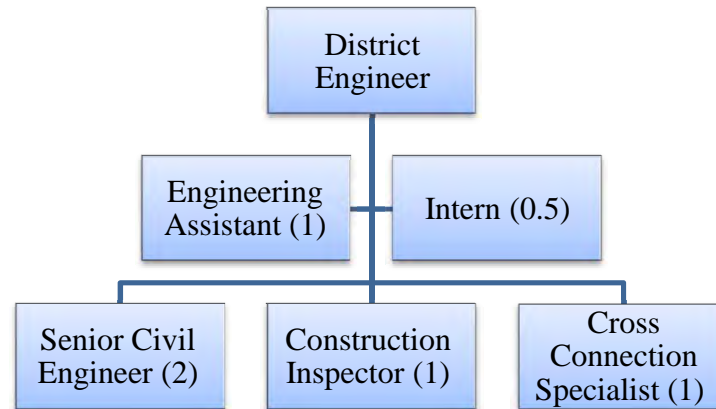
Mesa Consolidated Water District
Fiscal Year 2012 Budget

Engineering

The Engineering Department is responsible for asset management, capital improvement planning and projects, cross connection, inspection, and development services.

The services provided include planning, design, bidding, construction management and inspection of capital improvements, activities associated with protecting the integrity of the public water system by complying with Federal and State regulations.

Classification	FY10 Actuals	FY11 Budget	FY11 Estimated		FY12 Budget	FY13 Guidelines
			Actuals			
District Engineer	1	1	1		1	1
Senior Civil Engineer	1	1	1		2	2
Associate Engineer	1	1	1		0	0
Construction Inspector	1	1	1		1	1
Cross Connection Specialist	1	1	1		1	1
Engineering Assistant	1	1	1		1	1
Intern	0.5	0.5	0.5		0.5	0.5
TOTAL POSITIONS	6.5	6.5	6.5		6.5	6.5



Mesa Consolidated Water District
Fiscal Year 2012 Budget

Engineering

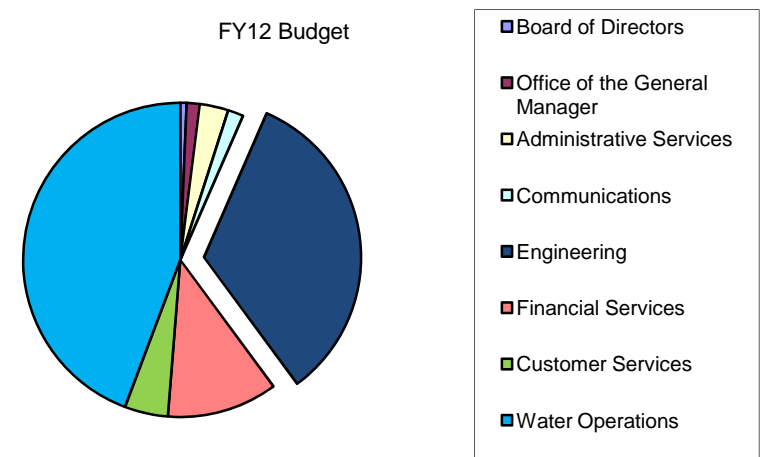
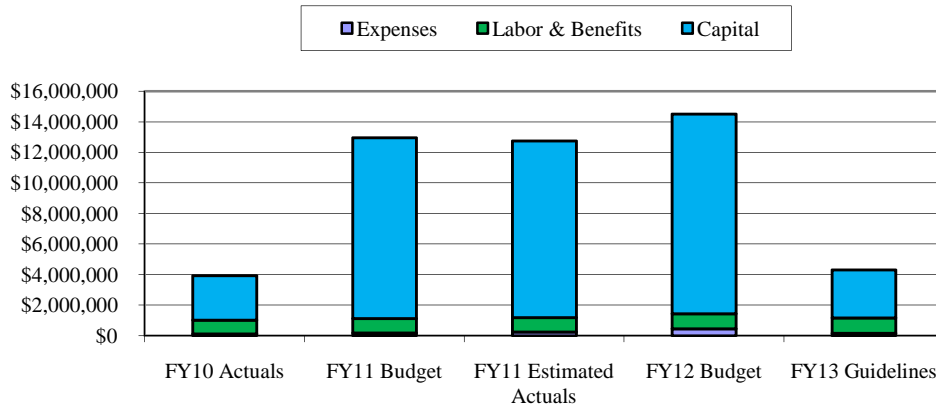
<i>Expenses by Program</i>	FY10 Actuals	FY11 Budget	FY11 Estimated		% Change FY12	FY13 Guidelines
			Actuals	FY12 Budget	Budget from FY11 Budget	
Cross Connection	4,289	3,200	4,100	4,100	28%	4,100
Development	15,295	9,700	5,700	9,700	0%	5,700
Water Quality Compliance	44,154	35,000	0	0	-100%	0
Water System	38,649	120,000	100,000	175,000	46%	15,000
Water Supply	0	0	1,000	140,000	N/A	80,000
Debt Management	0	0	106,500	0	N/A	0
Department Administration	5,695	13,100	12,400	12,000	-8%	6,000
Information Systems	0	0	0	93,000	N/A	27,500
Pay and Benefits Administration	10,786	0	14,200	14,900	N/A	15,600
Expenses	118,868	181,000	243,900	448,700	148%	153,900
<i>Labor & Benefits</i>						
Labor	649,479	675,947	670,587	687,359	2%	699,090
FICA & Medicare	43,973	47,294	46,801	47,971	1%	48,489
Flex Credits	66,625	75,600	81,000	90,000	19%	97,200
Workers Compensation	23,839	24,688	28,451	28,628	16%	27,093
LTD, Life Insurance & EAP	3,829	4,085	4,084	4,111	1%	4,153
Retirement	107,737	114,517	114,506	122,424	7%	127,470
Retiree Health Savings	0	4,286	4,418	4,312	1%	4,365
Labor & Benefits	895,482	946,417	949,848	984,807	4%	1,007,861
Capitalized Labor	(124,617)	(203,929)	(447,150)	(167,484)	-18%	(131,185)
Expensed Labor & Benefits	770,864	742,488	502,699	817,322	10%	876,676

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Engineering

<i>Capital</i>	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Guidelines
Support of Customer Development	113,846	100,000	100,000	100,000	0%	100,000
Vault Lid Improvements-Import	0	33,500	33,500	23,700	-29%	41,500
Air & Vacuum Release Valve	0	0	0	97,900	N/A	0
Relocation of Facilities for Other	13,930	140,000	25,000	25,000	-82%	50,000
Colored Water Treatment Facility	589,871	9,327,000	9,350,000	11,617,000	25%	0
Groundwater Well Upgrades	117,414	266,410	100,000	970,000	264%	500,000
Color Treatment at Wells 5, 7 & 8	0	0	0	220,000	N/A	1,660,000
SCADA Improvements	1,001,198	1,633,100	1,633,100	20,000	-99%	0
Valve Replacement - Contractor	760,413	0	0	0	N/A	800,000
Coolidge Ave. Replacement	18,151	246,300	221,200	0	-100%	0
Facility Drainage Improvements	0	90,000	90,000	0	-100%	0
GIS Implementation	59,011	0	0	0	N/A	0
Well No. 4	253,097	0	0	0	N/A	0
Well No. 4 Ozone Generators	2,032	0	0	0	N/A	0
Capital	2,928,963	11,836,310	11,552,800	13,073,600	10%	3,151,500
TOTAL EXPENDITURES	\$3,818,695	\$12,759,798	\$12,299,399	\$14,339,622	12%	\$4,182,076

Carryover projects funded from prior year rates (see Summary-5)



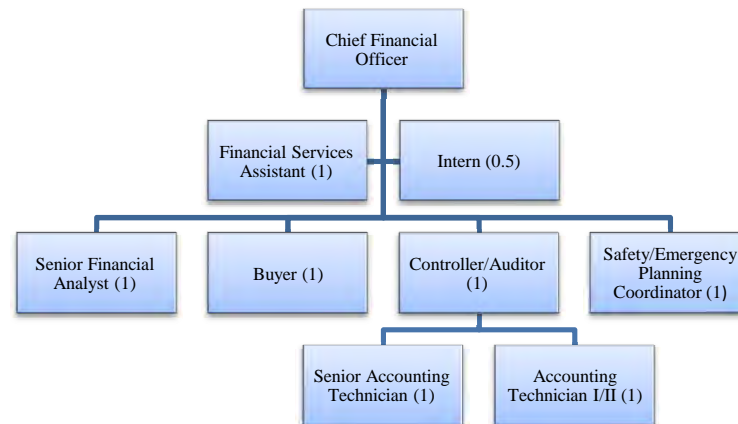
Mesa Consolidated Water District
Fiscal Year 2012 Budget

Financial Services

The Financial Services Department is responsible for revenue and debt management, procurement, payroll, safety, and risk management.

The services provided include cash and investment management, day-to-day accounting operations, internal and external financial reporting, overseeing Mesa's financial obligations, management of assets, payroll administration, acquisition and payment of all goods and services, the financial aspect of risk management, administering the safety training program, accident investigation and emergency preparedness.

Classification	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	FY13 Guidelines
	1	1	1	1	1
Chief Financial Officer/ District Treasurer					
Controller/Auditor	1	1	1	1	1
Senior Financial Analyst	1	1	1	1	1
Senior Accounting Technician	1	1	1	1	1
Accounting Technician I/II	1	1	1	1	1
Buyer	1	1	1	1	1
Safety/Emergency Planning Coord.	1	1	1	1	1
Financial Services Assistant	1	1	1	1	1
Intern	0.5	0.5	0.5	0.5	0.5
TOTAL POSITIONS	8.5	8.5	8.5	8.5	8.5



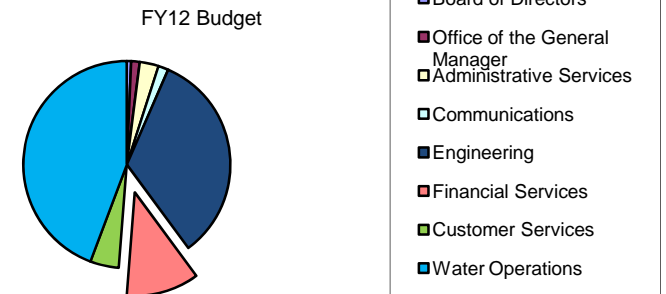
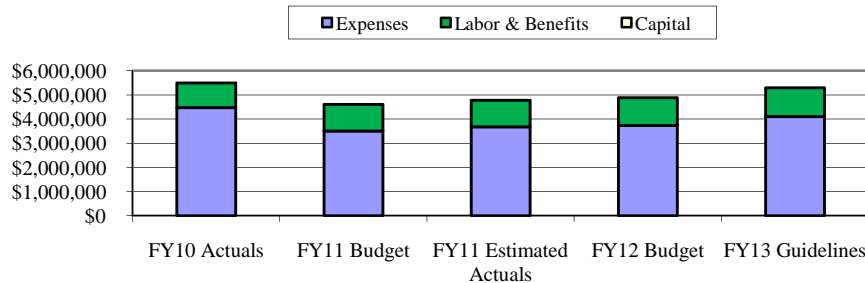
Mesa Consolidated Water District
Fiscal Year 2012 Budget

Financial Services

<i>Expenses by Program</i>	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Guidelines
Revenue Management	129,534	246,600	226,300	129,000	-48%	145,600
Debt Management	3,999,277	2,784,100	2,993,900	3,090,400	11%	3,436,400
Department Administration	5,577	28,100	13,900	27,200	-3%	12,700
District Support Services	40,194	45,200	44,900	64,300	42%	56,800
Pay and Benefits Administration	35,454	14,800	35,200	35,200	138%	36,700
Procurement	1,275	1,200	600	1,200	0%	1,200
Risk Management	253,596	349,900	319,500	347,500	-1%	374,600
Safety	15,951	43,500	43,100	44,000	1%	46,000
Expenses	4,480,858	3,513,400	3,677,400	3,738,800	6%	4,110,000
<i>Labor & Benefits</i>						
Labor	746,932	792,944	789,145	813,371	3%	835,054
FICA & Medicare	53,144	58,920	58,443	60,176	2%	61,530
Flex Credits	86,100	100,800	105,746	120,000	19%	129,600
Workers Compensation	7,430	7,875	9,067	9,336	19%	8,916
LTD, Life Insurance & EAP	4,667	4,964	4,918	5,047	2%	5,125
Retirement	126,635	133,126	130,338	141,829	7%	149,127
Retiree Health Savings	0	4,106	4,258	4,316	N/A	4,498
Labor & Benefits	1,024,907	1,102,735	1,101,915	1,154,075	5%	1,193,849
Capital	0	0	0	0	N/A	0
TOTAL EXPENDITURES	\$5,505,764	\$4,616,135	\$4,779,315	\$4,892,875	6%	\$5,303,849

Carryover projects funded from prior year rates (see Summary-5)

Received a post budget allocation of Active Working Capital Cash. Budget will be amended prior to the close of the fiscal year.



Mesa Consolidated Water District
Fiscal Year 2012 Budget

Customer Services

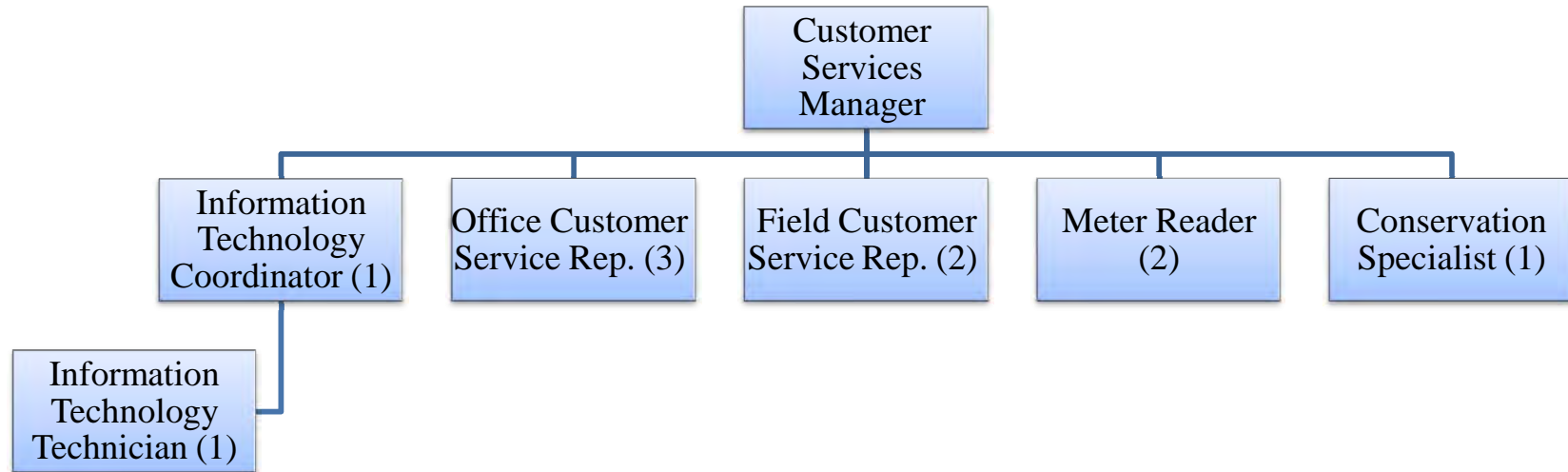
The Customer Services Department was created beginning in FY12 and assumed some functions that had previously been the responsibility of the Administrative Services Department.

The services provided include meter reading, billing, collection of customer payments, performing high bill investigations, responding to questions from customers, and implementation and termination of water service. Additional services include implementation of cost-effective water conservation programs, and the repair, maintenance and improvements of Mesa's information and communication technology systems.

Classification	FY10 Actuals	FY11 Budget	FY11 Estimated		FY12 Budget	FY13 Guidelines
			Actuals			
Customer Services Manager	0	0	0		1	1
Information Technology Coordinator	0	0	0		1	1
Information Technology Technician	0	0	0		1	1
Conservation Specialist	0	0	0		1	1
Field Customer Service Rep I/II	0	0	0		2	2
Customer Service Rep I/II	0	0	0		3	3
Meter Reader	0	0	0		2	2
TOTAL POSITIONS	0	0	0		11	11

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Customer Services



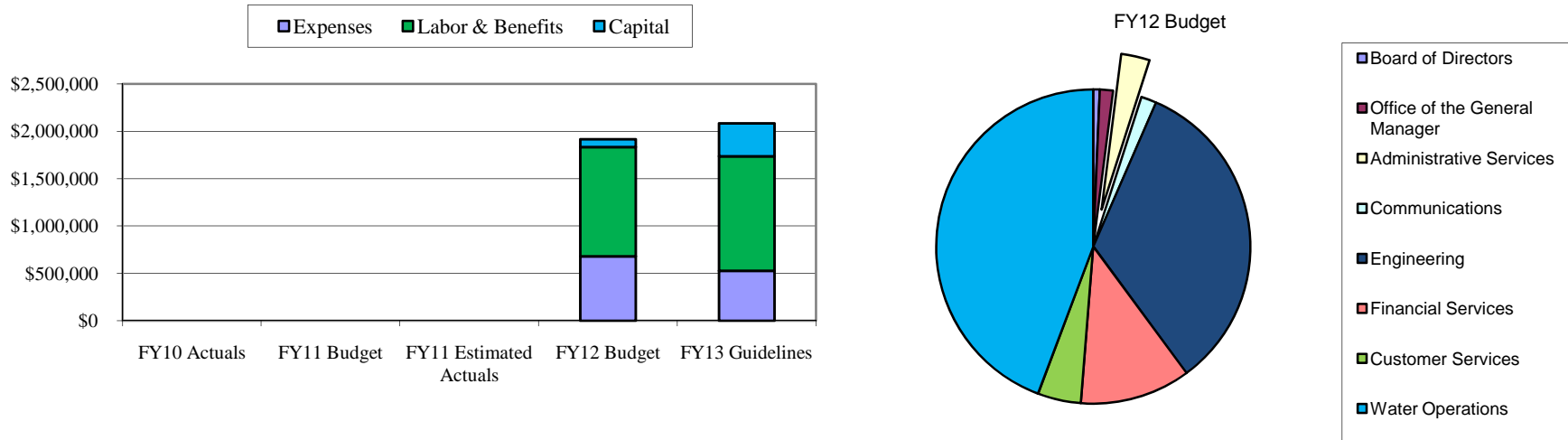
<i>Expenses by Program</i>	FY10 Actuals	FY11 Budget	FY11 Estimated		FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Guidelines
			Actuals				
Customer Service	0	0	0	0	10,200	N/A	10,200
Revenue Management	0	0	0	0	110,300	N/A	111,700
Water Use Efficiency	0	0	0	0	30,700	N/A	31,700
Department Administration	0	0	0	0	10,800	N/A	10,800
Information Technology	0	0	0	0	494,000	N/A	339,000
Pay and Benefits Administration	0	0	0	0	22,800	N/A	23,900
Expenses	0	0	0	0	678,800	N/A	527,300

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Customer Services

	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Guidelines
<i>Labor & Benefits</i>						
Labor	0	0	0	762,991	N/A	790,961
FICA & Medicare	0	0	0	61,903	N/A	63,855
Flex Credits	0	0	0	165,000	N/A	178,200
Workers Compensation	0	0	0	19,032	N/A	18,359
LTD, Life Insurance & EAP	0	0	0	5,803	N/A	5,907
Retirement	0	0	0	139,517	N/A	148,089
Retiree Health Savings	0	0	0	2,954	N/A	3,136
Labor & Benefits	0	0	0	1,157,199	N/A	1,208,507
Capitalized Labor and Benefits	0	0	0	0	N/A	(9,616)
Expensed Labor and Benefits	0	0	0	1,157,199	N/A	1,198,891
<i>Capital</i>						
Electronic Records Management	0	0	0	0	N/A	303,000
Information Systems Software and Hardware	0	0	0	81,000	N/A	46,000
Capital	0	0	0	81,000	N/A	349,000
TOTAL EXPENDITURES	\$0	\$0	\$0	\$1,916,999	N/A	\$2,075,191

Carryover projects funded from prior year rates (see Summary-5)



Mesa Consolidated Water District
Fiscal Year 2012 Budget

Water Operations

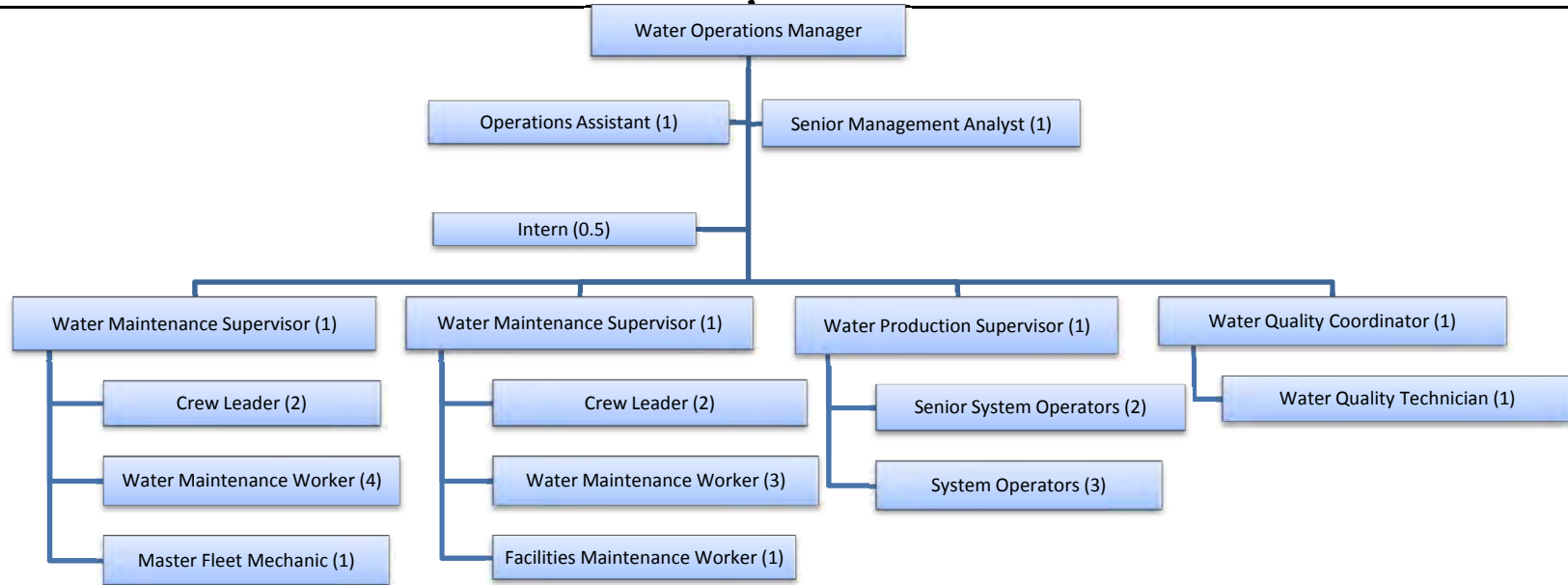
The Water Operations Department is responsible for managing Mesa's water supply and system, water quality, facilities maintenance and fleet management.

The services provided include the operation and maintenance of water distribution and production facilities, including shared facilities with the City of Huntington Beach, water system capital improvement program, and analyzing and monitoring the distribution system, wells and reservoirs for regulatory compliance. Additional services provided include maintaining Mesa's offices, field yard and vehicles.

Classification	FY10 Actuals	FY11 Budget	FY11 Estimated		FY12 Budget	FY13 Guidelines
			Actuals			
Water Operations Manager	1	1	1		1	1
Water Production Supervisor	1	1	1		1	1
Water Maintenance Supervisor	2	2	2		2	2
Senior System Operator	2	2	2		2	2
Master Fleet Mechanic	1	1	1		1	1
Water Distribution Crew Leader	4	4	4		4	4
Systems Operator I/II	4	3	3		3	3
Water Quality Coordinator	1	1	1		1	1
Water Quality Technician	1	1	1		1	1
Water Maintenance Worker I/II	7	7	7		7	7
Facility Maintenance Worker	1	1	1		1	1
Senior Management Analyst	1	1	1		1	1
Operations Assistant	1	1	1		1	1
Intern	0	0	0		0.5	0.5
TOTAL POSITIONS	27	26	26		26.5	26.5

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Water Operations



<i>Expenses by Program</i>	FY10 Actuals	FY11 Budget	FY11 Estimated		% Change FY12 Budget from FY11 Budget	FY13 Guidelines
			Actuals	FY12 Budget		
Huntington Beach	3,625,090	4,366,200	4,221,600	4,600,100	5%	4,873,500
Water System	187,737	221,700	191,200	227,900	3%	221,700
Water Quality Compliance	97,344	113,000	96,500	98,000	-13%	123,000
Water Quality Monitoring	25,379	30,300	30,300	26,000	-14%	26,000
Water Supply	9,101,629	9,709,300	9,971,700	9,405,100	-3%	8,408,800
Department Administration	20,144	40,400	34,100	49,100	22%	49,100
Facilities Maintenance	176,395	252,000	268,000	227,200	-10%	217,800
Fleet	113,864	146,700	116,700	140,100	-4%	142,500
Pay and Benefits Administration	37,402	0	52,600	55,200	N/A	58,000
Risk Management	28,897	19,000	13,000	19,000	0%	19,000
Safety	20,401	25,000	25,000	41,000	40%	25,000
Expenses	13,434,283	14,923,600	15,020,700	14,888,700	0%	14,164,400

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Water Operations

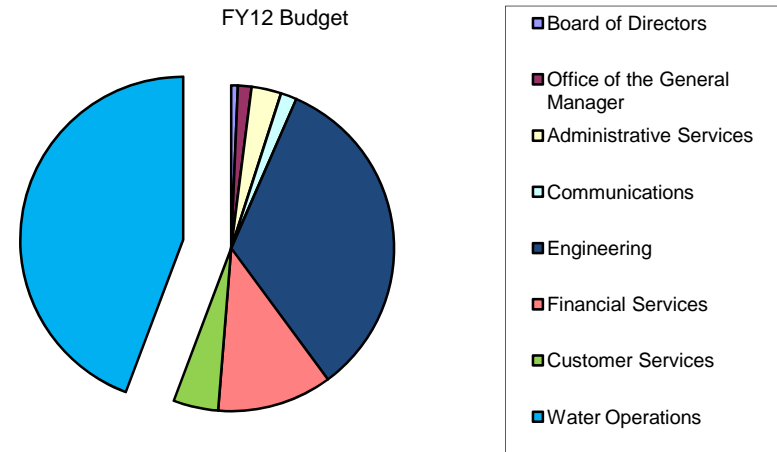
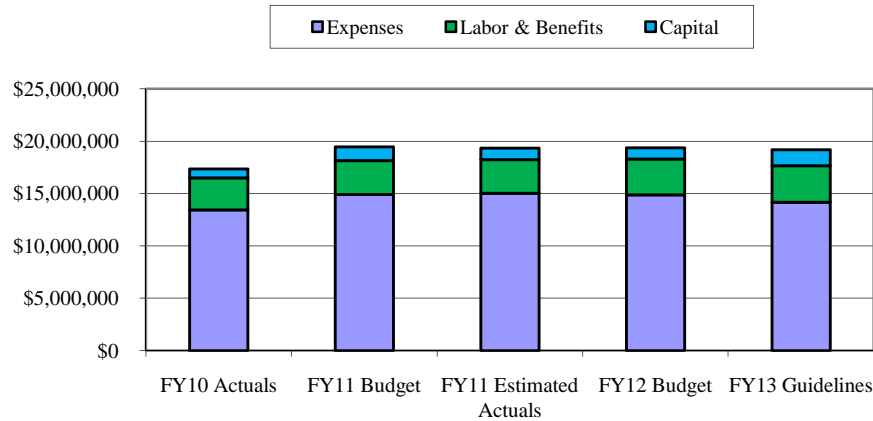
	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Guidelines
<i>Labor & Benefits</i>						
Labor	2,144,627	2,252,730	2,196,194	2,302,521	2%	2,359,380
FICA & Medicare	164,161	178,044	174,657	182,165	2%	186,083
Flex Credits	303,318	327,600	349,875	390,000	19%	421,200
Workers Compensation	96,540	101,421	113,683	118,832	17%	113,781
LTD, Life Insurance & EAP	13,796	15,393	15,114	15,520	1%	15,729
Retirement	340,324	362,866	357,515	389,382	7%	409,206
Retiree Health Savings	0	3,412	3,551	3,584	5%	3,812
Labor & Benefits	3,062,766	3,241,466	3,210,589	3,402,005	5%	3,509,191
Capitalized Labor	(269,164)	(355,474)	(170,361)	(339,279)	-5%	(378,130)
Expensed Labor & Benefits	2,793,602	2,885,992	3,040,229	3,062,725	6%	3,131,061
<i>Capital</i>						
Air & Vacuum Release Valve Replacement- Bypass & Meter Installation	0	0	0	17,300	N/A	17,500
Distribution Mainline Valve Replacement	38,550	24,000	24,000	24,000	0%	55,800
Fire Hydrant Replacements	383,683	370,100	370,100	346,000	-7%	361,700
Large Meter Replacement (1.5" - 2")	263,571	234,900	234,900	243,900	4%	247,300
Service Line Replacements	11,006	19,500	19,500	5,300	-73%	33,000
Small Meter Replacement (5/8" - 1")	57,480	135,000	135,000	135,100	0%	137,700
Transmission Mainline Valve	19,314	8,100	8,100	5,100	-37%	64,900
Sample Station Replacements	0	0	0	25,000	N/A	25,000
Double Wall Heat Exchanger	0	8,653	8,653	11,100	28%	11,200
Reservoir 1 Differential Flow Meter	0	0	0	61,200	N/A	0
Reservoir 1 Engine Rebuild	0	0	0	25,500	N/A	0
Service Crane Truck	0	66,800	66,421	130,000	95%	0
Walk Behind Saw	0	0	0	36,600	N/A	0
Double Wall Heat Exchanger	0	0	0	15,000	N/A	0
Pickup Truck	0	0	0	0	N/A	20,500
Pickup Truck	0	0	0	0	N/A	20,500
Pickup Truck	0	0	0	0	N/A	20,500
Hydraulic Excavator	0	0	0	0	N/A	372,200
Awnings for Material Structure Bay	0	0	0	0	N/A	113,000
Radio Read Meters	0	114,100	114,100	0	-100%	0
Building Refurbishment	0	150,000	75,000	0	-100%	0
10 Wheel Dump	0	115,400	0	0	-100%	0

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Water Operations

	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Guidelines
Backhoe Breaker Attachment	0	13,900	13,100	0	-100%	0
Valve Turning Machine	0	29,478	23,820	0	-100%	0
Unit #51 retrofit	0	9,500	9,917	0	-100%	0
Unit #56 retrofit	0	14,500	14,780	0	-100%	0
Compressors	33,700	0	0	0	N/A	0
Building Interior Modifications	1,198	0	0	0	N/A	0
Tire Changer	5,677	0	0	0	N/A	0
Vehicle Emissions Upgrade	29,977	0	0	0	N/A	0
Unit 52 Filter	10,486	0	0	0	N/A	0
Capital	854,642	1,313,931	1,117,391	1,081,100	-18%	1,521,300
TOTAL EXPENDITURES	\$17,082,527	\$19,123,523	\$19,178,320	\$19,032,525	0%	\$18,816,761

Carryover projects funded from prior year rates (see Summary-5)



SOURCES AND USES OF FUNDS

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Sources and Uses of Funds

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Operating Revenues							
41201-06	Usage charge- potable water	19,042,494	20,723,200	20,146,900	21,874,500	6%	22,346,300
41202-06	Usage charge - recycled water	1,100,038	1,235,400	1,123,200	1,306,600	6%	1,373,100
41205-06	Construction water revenues	53,437	75,000	60,000	65,000	-13%	70,000
41206-06	Fireline stand-by charge revenues	219,433	240,000	240,600	255,600	7%	270,700
40904-06	Water system relocations for City projects	0	0	0	0	N/A	0
45101-06	Basic charge - potable water	3,998,580	4,355,000	4,315,000	4,528,400	4%	4,780,000
45301-06	LAFCO surcharge	23,644	24,200	23,700	24,200	0%	24,200
	Total Water Sales Revenue	24,437,625	26,652,800	25,909,400	28,054,300	5%	28,864,300
40201-04	Cross connection testing fee	2,934	3,000	3,000	3,000	0%	3,000
40202-04	Cross connection delinquent fee	1,145	2,000	2,000	2,000	0%	2,000
40401-04	Sale of plans and specifications	600	600	3,100	600	0%	600
40502-06	OC-44 HB contract revenue	10,055	12,800	12,900	54,300	324%	13,500
40501-06	Water sales to Huntington Beach	3,623,321	4,362,200	4,219,300	4,597,100	9%	4,870,500
40802-06	Delinquent fees	271,924	289,000	260,000	266,500	-8%	273,200
40803-06	Uncollectibles	(24,000)	(30,000)	(35,000)	(30,000)	0%	(31,000)
40804-06	Other revenue management revenues	114,309	0	13,000	0	N/A	0
40805-06	Prior years revenues	33,226	5,000	3,000	5,000	0%	5,000
40808-06	Write-off recovery	5,389	500	400	500	0%	500
40809-11	New service establishment fee	33,680	36,000	36,000	36,000	0%	36,000
40901-06	OCWD green acres reimbursement	2,138	2,500	2,500	2,700	8%	2,700
40902-03	Sale of brass and scrap	2,022	1,300	2,000	2,000	54%	2,000
40903-06	OCWD OC-44 line reimbursement	1,985	2,300	1,200	2,300	0%	2,300
40905-03	Pressure/fire flow fee	1,198	1,000	1,000	1,000	0%	1,000
41220-06	MWD Local Resources Program for CWTF	547,088	386,100	374,400	273,000	-29%	896,200
41301-11	Conservation programs	2,399	1,000	0	1,000	0%	0
41224-03	Utility Rebate	15,762	20,000	9,500	9,500	-53%	9,500
46102-06	Insurance reimbursement	76,717	0	60,000	0	N/A	0
46101-03	Loss recovery	37,330	23,000	15,000	23,000	0%	23,000
40807-06	Uncashed refund checks	4,332	3,000	1,000	3,000	0%	3,000
	Total Other Operating Revenue	4,762,918	5,121,300	5,346,900	5,252,500	3%	6,113,000
TOTAL OPERATING REVENUES		29,200,543	31,774,100	31,256,300	33,306,800	5%	34,977,300

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Sources and Uses of Funds

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change from FY11 Budget	FY13 Forecast
Non-operating Revenues							
60451-04	Capacity charges	71,700	200,000	215,000	149,300	-25%	149,300
60452-04	Installation fees	8,696	30,000	25,000	28,500	-5%	28,500
60453-04	Inspection fees	41,907	80,000	50,000	90,600	13%	90,600
60454-04	Plan check fees	19,021	12,000	20,000	20,700	73%	20,700
60457-04	Prior year development revenue	0	5,000	5,000	5,000	0%	5,000
60800-06	Interest earned on funds under District control	101,518	232,500	106,000	217,500	-6%	300,000
60850-06	Interest earned funds under trustee control	2,306	14,700	10,500	15,500	5%	6,800
60870-06	Non-operating revenues	1,383	1,300	16,000	1,300	0%	1,300
65101-06	Sale of surplus equipment	3,807	2,000	4,300	5,100	155%	9,700
65102-06	Excess COPS reserve funds	0	0	0	0	N/A	0
TOTAL NON-OPERATING REVENUES		250,339	577,500	451,800	533,500	-8%	611,900
TOTAL REVENUES		29,450,881	32,351,600	31,708,100	33,840,300	5%	35,589,200

Expenses

80101-01	Meetings	11,933	9,600	10,100	12,000	25%	13,500
80102-01	Board conference and seminars	45,540	67,000	55,400	70,100	5%	68,700
80103-01	Elections	0	18,000	18,000	0	-100%	27,000
80201-04	Cross connection	4,289	3,200	4,100	4,100	28%	4,100
80301-11	Customer service	1,374	2,800	2,800	2,800	0%	2,800
80302-11	After hours communication	7,350	7,400	7,400	7,400	0%	7,400
80401-04	Development	2,445	4,700	700	4,700	0%	700
80402-04	Prior year development expense	12,850	5,000	5,000	5,000	0%	5,000
80501-03	Water purchases for Huntington Beach	3,623,321	4,362,200	4,219,300	4,597,100	9%	4,870,500
80502-03	OC-44 Repair O & M - HB - 42"-HB share	0	1,500	500	1,500	0%	1,500
80503-03	OC-44 repair O & M - HB 24"	1,769	2,500	1,800	1,500	-40%	1,500
80701-07	Publications	26,702	36,000	39,600	83,500	132%	63,500
80702-07	Public information events and programs	75,240	171,400	188,000	245,100	43%	225,100
80703-07	Water Issues Study Group	2,531	3,000	5,500	8,000	167%	8,000
80801-11	Billing and meter reading	114,771	110,100	110,100	110,300	0%	111,700
80802-06	Payment processing	32,201	32,600	32,000	32,000	-2%	32,000
80803-06	Treasury expense	18,896	21,900	21,500	21,400	-2%	20,500
80804-02	Management consultants	0	0	0	30,000	N/A	50,000
80804-03	Management consultants	0	0	0	0	N/A	0
80804-04	Management consultants	0	0	0	0	N/A	0
80804-06	Management consultants	68,481	181,500	164,300	65,000	-64%	82,500
80804-07	Management consultants	0	0	0	115,000	N/A	115,000
80804-11	Management consultants	0	0	0	0	N/A	0
80804-09	Management consultants	0	0	0	45,000	N/A	50,000
80805-06	Financial reporting	1,640	5,600	5,500	5,600	0%	5,600

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Sources and Uses of Funds

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
80806-06	Prior years expense	8,316	5,000	3,000	5,000	0%	5,000
80901-03	Fire hydrants operation & maintenance	6,413	12,700	9,200	12,700	0%	12,700
80902-03	Mainlines operation & maintenance	37,054	27,800	20,300	35,600	28%	35,800
80903-03	Meters operation & maintenance	22,115	24,000	26,900	29,400	23%	36,700
80908-03	Service lines operations & maintenance	12,815	33,000	17,000	33,000	0%	33,000
80911-03	Valves operation & maintenance	8,521	6,000	5,000	6,000	0%	6,000
80912-03	Unidirectional flushing	0	1,500	0	1,500	0%	1,500
80913-03	Utility location	3,123	4,000	3,000	4,000	0%	4,000
80914-03	Expensed inventory	72,248	42,000	42,000	43,300	3%	44,600
80915-03	OC-44 line expense 42" line	0	1,500	1,500	1,500	0%	1,500
80916-03	Recycled water reimbursable	0	500	500	500	0%	500
80917-03	Recycled water non-reimbursable	0	200	200	200	0%	200
80918-03	Other agency projects	0	2,000	2,000	2,000	0%	2,000
80919-03	Water system tools and supplies	25,365	46,500	45,600	38,200	-18%	23,200
80920-03	Misc. water system	83	20,000	18,000	20,000	0%	20,000
80921-04	Water System-Engineering consultants	38,649	120,000	100,000	175,000	46%	15,000
80933-03	OC-44 Line OCWD reimbursable exp.	0	0	0	0	N/A	0
81001-03	Water quality compliance	97,344	113,000	96,500	98,000	-13%	123,000
81002-03	Research & development	44,154	35,000	0	0	-100%	0
81101-03	Water quality testing supplies	25,379	30,300	30,300	26,000	-14%	26,000
81200-03	Well utilities	697,147	782,200	695,100	875,500	12%	822,700
81210-03	Well operations & maintenance	93,842	110,700	106,400	80,600	-27%	77,600
81220-03	Wells chemicals and treatment	136,168	143,000	111,900	163,000	14%	155,200
81230-03	Wells basin replenishment assessment	2,822,315	2,852,300	2,781,600	3,136,500	10%	2,882,100
81240-03	Well land leases	58,863	62,300	62,300	65,800	6%	69,300
81242-03	Well #5 NDMA	0	0	0	0	N/A	0
81251-03	CWTF utilities	599,136	442,400	428,300	196,800	-56%	747,100
81252-03	CWTF operation & maintenance	191,796	65,300	95,500	93,200	43%	241,600
81253-03	CWTF chemicals and treatment	901,604	607,700	587,000	180,500	-70%	673,000
81254-03	CWTF basin replenishment assessment	1,122,094	758,700	734,100	484,500	-36%	1,749,800
81261-03	Imported water variable costs	1,570,558	2,876,700	2,763,300	3,145,700	9%	0
81262-03	Imported water fixed costs	289,724	310,900	310,200	355,500	14%	355,500
81263-03	Imported water operation & maintenance	18,104	30,000	30,000	15,000	-50%	15,000
81264-03	East Orange County Feeder - O & M	16,047	25,000	64,200	25,000	0%	25,000
81271-03	Recycled water	337,400	362,600	324,000	367,800	1%	376,600
81273-03	Reservoir 1 utilities	24,343	31,000	22,100	22,900	-26%	23,700
81274-03	Reservoir 1 operations & maintenance	47,835	54,500	46,300	29,500	-46%	33,500
81275-03	Reservoir 1 treatment	3,003	2,000	3,000	3,000	50%	3,000
81276-03	Kemp Reservoir utilities	52,127	71,800	58,100	59,900	-17%	62,200
81277-03	Kemp Reservoir operations & maintenance	86,139	54,500	76,000	56,900	4%	56,900
81278-03	Kemp Reservoir treatment	4,132	5,000	4,500	5,000	0%	5,000
81281-03	In-lieu water	0	0	0	0	N/A	0
81283-03	SCADA utilities	26,557	19,700	27,300	20,500	4%	12,000
81284-03	SCADA operations & maintenance	2,530	16,000	0	17,000	6%	17,000

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Sources and Uses of Funds

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
81285-03	SCADA system upgrades	0	0	0	0	N/A	0
81290-04	Water supply - Engineering consultants	0	0	1,000	140,000	N/A	80,000
81291-03	Security improvements	0	20,000	20,000	0	-100%	0
81292-03	Expensed inventory water supply	166	5,000	5,000	5,000	0%	5,000
81301-11	Water use efficiency programs	14,225	28,600	21,800	30,700	7%	31,700
85201-02	Department administration-Office of the General Manager	6,113	6,000	7,500	9,500	58%	9,500
85201-03	Department administration-Water Operations	9,099	14,800	12,700	12,100	-18%	12,100
85201-04	Department administration-Engineering	3,866	3,600	3,700	4,000	11%	4,000
85201-06	Department administration-Financial Services	2,269	4,300	3,900	4,300	0%	3,900
85201-11	Department administration-Customer Service	0	0	0	2,400	N/A	2,400
85201-07	Department administration-Communications	0	900	4,400	8,000	789%	8,000
85201-09	Department administration-Administrative Services	5,137	6,000	5,000	6,000	0%	5,800
85202-02	Staff development & conferences-Office of the General Manager	7,415	18,300	16,900	38,000	108%	28,000
85202-03	Staff development & conferences-Water Operations	11,046	25,600	21,400	37,000	45%	37,000
85202-04	Staff development & conferences-Engineering	1,829	9,500	8,700	8,000	-16%	2,000
85202-06	Staff development & conferences-Financial Services	3,307	23,800	10,000	22,900	-4%	8,800
85202-11	Staff development & conferences-Customer Services	0	0	0	8,400	N/A	8,400
85202-07	Staff development & conferences-Communications	0	500	2,000	2,000	300%	2,000
85202-09	Staff development & conferences-Administrative Services	18,972	21,800	12,500	13,400	-39%	11,000
85301-02	General legal	57,827	55,000	55,000	60,000	9%	60,000
85302-02	District memberships & subscriptions	52,983	68,500	65,400	57,500	-16%	58,100
85303-02	Public agency expense	2,820	1,100	600	1,500	36%	1,500
85304-06	General supplies & equipment	15,435	26,300	26,000	32,600	24%	32,600
85307-06	LAFCO charge	24,759	18,900	18,900	24,200	28%	24,200
85305-09	Office equipment	17,347	17,900	15,700	27,200	52%	26,200
85306-09	Postage	28,403	29,600	27,300	31,300	6%	31,500
85308-02	Special legal counsel/Advocate	60,594	70,000	85,000	55,000	-21%	49,000
85308-06	Special legal counsel/Advocate	0	0	0	7,500	N/A	0
85401-03	Facilities utilities	50,490	64,500	63,000	64,900	1%	66,800
85402-03	Facilities repair & maintenance	110,236	105,100	128,200	130,800	24%	126,000
85404-03	Facilities improvements	15,669	82,400	76,800	31,500	-62%	25,000
85501-03	Fleet	56,613	72,700	43,400	53,600	-26%	49,500
85502-03	Fuel	57,252	74,000	73,300	86,500	17%	93,000
85601-11	Information systems maintenance and support	216,799	493,700	303,500	359,000	-27%	228,500
85602-11	Telephone service	38,819	69,100	52,000	78,000	13%	78,500
85603-11	Computer equipment	31,021	55,100	31,100	57,000	3%	32,000
85604-04	GIS	50,061	97,100	65,900	93,000	-4%	27,500
85701-06	Payroll	19,723	14,800	15,000	13,200	-11%	13,600
85702-09	Retiree expenses	73,574	45,600	46,400	50,700	11%	50,700
85703-09	Other employer paid benefits	7,522	18,500	12,800	19,400	5%	19,400
85708-09	Pay and benefits administration	37,434	17,000	5,500	11,900	-30%	15,500
85709-02	OPEB Expense	1,460	0	2,000	2,100	N/A	2,200
85709-03	OPEB Expense	37,402	0	52,600	55,200	N/A	58,000
85709-04	OPEB Expense	10,786	0	14,200	14,900	N/A	15,600

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Sources and Uses of Funds

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
85709-06	OPEB Expense	15,731	0	20,200	22,000	N/A	23,100
85709-07	OPEB Expense	0	0	2,000	4,200	N/A	4,400
85709-11	OPEB Expense	0	0	0	22,800	N/A	23,900
85709-09	OPEB Expense	26,285	0	36,500	15,500	N/A	16,300
85801-09	Recruitment and selection	14,016	17,500	10,800	27,900	59%	22,100
85802-09	Employee/employer relations	7,844	15,900	8,500	27,000	70%	27,000
85803-09	Employee functions	11,626	19,300	11,800	22,700	18%	22,700
85804-09	Employee development	16,042	32,100	14,700	32,600	2%	20,800
85901-06	Procurement	947	1,200	600	1,200	0%	1,200
86001-09	Records management consulting service	0	0	0	0	N/A	0
86002-09	Records management	13,177	13,500	13,200	17,500	30%	16,000
86101-06	Liability insurance	251,539	309,900	305,100	322,500	4%	349,600
86102-06	Unemployment insurance	2,057	40,000	14,400	25,000	-38%	25,000
86104-09	Occupational healthcare	2,238	6,000	2,600	5,700	-5%	5,700
86105-03	Damages	21,766	12,000	13,000	19,000	58%	19,000
86106-03	Damages uncollectible	7,131	7,000	0	0	-100%	0
86201-06	Safety training	14,709	35,000	34,600	35,500	1%	37,500
86202-03	Safety equipment	16,139	21,000	21,000	37,000	76%	21,000
86203-03	Safety maintenance	4,262	4,000	4,000	4,000	0%	4,000
86204-06	Emergency preparedness	1,242	8,500	8,500	8,500	0%	8,500
70801-06	Non-operating expenses	0	0	0	0	N/A	0
75111-06	COPS trustee	1,650	2,300	600	1,200	-48%	1,200
75120-04	Well demolition expense	0	0	106,500	0	N/A	0
75901-06	General interest	328	0	0	0	N/A	0
TOTAL EXPENSES		15,141,577	17,486,100	17,324,000	17,821,100	2%	16,654,600
Financial Obligations							
75102-06	OCWD Well #9 interest expense	8,582	7,100	7,100	5,600	-21%	4,000
75103-06	OCWD Well #11 interest expense	17,034	16,200	15,900	14,600	-10%	13,400
75104-06	OCWD Wells 1B & 10 interest expense	8,633	8,000	7,900	7,000	-13%	6,100
75106-06	1998 COPS interest expense	157,498	0	0	0	N/A	0
75116-06	2010 COPS interest expense	0	0	232,000	994,200	N/A	994,200
75114-06	2009 COPS interest expense	519,395	537,900	529,000	491,000	-9%	447,000
75113-06	CalPERS Past Service loan interest expense	47,884	12,000	8,300	0	-100%	0
75171-06	OCWD Well 9 loan principal payment	41,700	43,200	43,200	44,700	3%	46,300
75172-06	OCWD well 11 loan principal payment	34,000	35,100	35,100	36,400	4%	37,600
75173-06	OCWD Wells 1B & 10 loan principal payment	23,200	24,800	24,800	25,700	4%	26,600
75174-06	1998 COPS principal payment	0	0	0	0	N/A	0
75180-06	2010 COPS principal payment	0	0	0	0	N/A	340,000
75177-06	2009 COPS principal Payment	2,195,000	1,447,500	1,440,000	1,470,000	2%	1,520,000
75178-06	CalPERS Past Service Loan Principal	944,700	650,000	650,000	0	-100%	0
TOTAL FINANCIAL OBLIGATIONS		3,997,627	2,781,800	2,993,300	3,089,200	11%	3,435,200

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Sources and Uses of Funds

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Labor & Benefits							
	Board of Directors	135,903	160,982	161,245	196,864	22%	215,185
	Office of the General Manager	305,348	315,833	330,828	327,616	4%	350,061
	Water Operations	3,062,766	3,241,466	3,210,589	3,402,005	5%	3,509,191
	Engineering	895,482	946,417	949,848	984,807	4%	1,007,861
	Financial Services	1,024,907	1,102,735	1,101,915	1,154,075	5%	1,193,849
	Customer Services	0	0	0	1,157,199	N/A	1,208,507
	Administrative Services	2,018,414	2,186,003	1,914,575	914,067	-58%	947,322
	Communications	0	197,306	190,435	210,183	7%	226,136
TOTAL LABOR AND BENEFITS		7,442,819	8,150,743	7,859,436	8,346,815	2%	8,658,111
85203-02	Temporary labor Office of the General Manager	0	0	0	0	N/A	0
85203-03	Temporary labor-Water Operations	0	0	0	0	N/A	0
85203-06	Temporary labor-Financial Services	0	0	0	0	N/A	0
85203-07	Temporary labor-Communications	0	0	8,000	0	N/A	0
85203-11	Temporary labor-Customer Services	0	0	0	0	N/A	0
85203-09	Temporary labor-Administrative Services	0	0	0	0	N/A	0
Total Temporary Labor		0	0	8,000	0	N/A	0
Labor & Benefits Capitalized		(397,081)	(561,369)	(625,106)	(506,763)	-10%	(518,931)
TOTAL EXPENSES AND LABOR AND BENEFITS		26,184,942	27,857,274	27,559,629	28,750,352	3%	28,228,981
AVAILABLE FOR CAPITAL		3,265,939	4,494,326	4,148,471	5,089,948	13%	7,360,219
<u>New Capital</u>							
01301-08	Electronic Records Management	13,805	0	0	0	N/A	303,000
O1201-11	Information Systems Software and Hardware	31,906	129,990	118,500	81,000	-38%	46,000
CSDEV-04	Support of Customer Development	113,846	100,000	100,000	100,000	0%	100,000
M1915-04	Vault Lid Improvements-Import Stations	0	33,500	33,500	23,700	-29%	41,500
B1101-03	Facility Drainage Improvements	0	90,000	90,000	0	-100%	0
A1101-03	Backhoe Breaker Attachment	0	13,900	13,100	0	-100%	0
B1201-07	Water Vending Machine	0	8,000	8,000	8,000	0%	8,000
A1305-03	Hydraulic Excavator	0	0	0	0	N/A	372,200
B1301-03	Awnings for Material Structure Bay	0	0	0	0	N/A	113,000
M1348-04	GIS Implementation	59,011	0	0	0	N/A	0
Total New Capital (including capitalized labor)		218,568	375,390	363,100	212,700	-43%	983,700

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Sources and Uses of Funds

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Replacements and Refurbishments							
M1960-04	Air & Vacuum Release Valve Replacement-42" Line	0	0	0	97,900	N/A	0
W1206-03	Air & Vacuum Release Valve Replacement-Distribution System	0	0	0	17,300	N/A	17,500
CBI12-03	Bypass & Meter Installation	38,550	24,000	24,000	24,000	0%	55,800
CMV12-03	Distribution Mainline Valve Replacement	383,683	370,100	370,100	346,000	-7%	361,700
CFH12-03	Fire Hydrant Replacements	263,571	234,900	234,900	243,900	4%	247,300
CLM12-03	Large Meter Replacement (1.5" - 2")	11,006	19,500	19,500	5,300	-73%	33,000
COA12-04	Relocation of Facilities for Other Public Agencies	13,930	140,000	25,000	25,000	-82%	50,000
CSC12-03	SCADA Improvements	1,001,198	1,633,100	1,633,100	20,000	-99%	0
CSL12-03	Service Line Replacements	57,480	135,000	135,000	135,100	0%	137,700
CSM12-03	Small Meter Replacement (5/8" - 1")	19,314	8,100	8,100	5,100	-37%	64,900
CVR12-03	Transmission Mainline Valve Replacements	0	0	0	25,000	N/A	25,000
W1201-03	Reservoir 1 Engine Rebuild	0	66,800	66,421	130,000	95%	0
CSS12-03	Sample Station Replacements	0	8,653	8,653	11,100	28%	11,200
W1203-03	Double Wall Heat Exchanger	0	0	0	61,200	N/A	0
M1932-04	Colored Water Treatment Facility Technology Replacement/Exp;	589,871	9,327,000	9,350,000	11,617,000	25%	0
M1852-F4	Valve Replacement - Contractor	760,413	0	0	0	N/A	800,000
W1202-03	Reservoir 1 Differential Flow Meter Replacement	0	0	0	25,500	N/A	0
W1205-03	Walk Behind Saw	0	0	0	15,000	N/A	0
M1916-04	Groundwater Well Upgrades	117,414	266,410	100,000	970,000	264%	500,000
M1955-04	Color Treatment at Wells 5, 7 & 8	0	0	0	220,000	N/A	1,660,000
A1303-03	Pickup Truck	0	0	0	0	N/A	20,500
A1201-03	Service Crane Truck	0	0	0	36,600	N/A	0
A1304-03	Pickup Truck	0	0	0	0	N/A	20,500
A1302-03	Pickup Truck	0	0	0	0	N/A	20,500
A1301-03	Pickup Truck	0	0	0	0	N/A	20,500
CRR11-03	Radio Read Meters	0	114,100	114,100	0	-100%	0
M1931-04	Coolidge Ave. Replacement	18,151	246,300	221,200	0	-100%	0
B1103-03	Building Refurbishment	0	150,000	75,000	0	-100%	0
A1102-03	10 Wheel Dump	0	115,400	0	0	-100%	0
A1103-03	Valve Turning Machine	0	29,478	23,820	0	-100%	0
A1104-03	Unit #51 retrofit	0	9,500	9,917	0	-100%	0
A1105-03	Unit #56 retrofit	0	14,500	14,780	0	-100%	0
A1001-03	Compressors	33,700	0	0	0	N/A	0
BIM10-03	Building Interior Modifications	1,198	0	0	0	N/A	0
M1828-04	Well No. 4	253,097	0	0	0	N/A	0
M659G-04	Well No. 4 Ozone Generators	2,032	0	0	0	N/A	0
A1002-03	Tire Changer	5,677	0	0	0	N/A	0
A1003-03	Vehicle Emissions Upgrade	29,977	0	0	0	N/A	0
A0904-03	Unit 52 Filter	10,486	0	0	0	N/A	0
Total Capital Replacements and Refurbishments (including capitalized labor)		3,610,748	12,912,841	12,433,591	14,031,000	9%	4,046,100
Total Capital Requirements		3,829,316	13,288,231	12,796,691	14,243,700	7%	5,029,800

Mesa Consolidated Water District
Fiscal Year 2012 Budget

Sources and Uses of Funds

Account Number	Account Name	FY10 Actuals	FY11 Budget	FY11 Estimated Actuals	FY12 Budget	% Change FY12 Budget from FY11 Budget	FY13 Forecast
Funds Available After Capital		(563,377)	(8,793,905)	(8,648,220)	(9,153,752)	4%	2,330,419
	Addition to Capital Replacement Fund	3,350,000	3,457,300	3,457,300	3,194,148	-8%	4,201,178
	Funding from Capital Replacement Fund	3,610,748	3,600,400	3,083,591	2,414,000	-33%	4,046,100
	Addition to Capital Admin & General Fund	0	49,728	1,779,011	0	-100%	606,702
	Funding from Capital Admin & General Fund	0	0	0	0	N/A	0
	Addition to Catastrophe Fund	0	0	1,200,285	0	N/A	0
	Funding from Catastrophe Fund	0	0	0	0	N/A	0
	Addition to Operating Fund	0	934,091	120,046	0	-100%	2,255,740
	Funding from Operating Fund	62,701	293,000	42,000	303,900	4%	190,000
	Addition to Rate Stabilization Fund	0	485,376	756,145	0	-100%	0
	Funding from Rate Stabilization Fund	239,929	0	0	0	N/A	0
Total Change to Designated Funds		(563,377)	1,033,095	4,187,195	476,248	-54%	2,827,519
	Bond Proceeds	0	9,827,000	12,835,415	9,630,000	-2%	497,100
Balance of Funds Contributed to (Required for) the Budget		0	0	0	0	N/A	0

Carryover projects funded from prior year rates (see Summary-5)

Received a post budget allocation of Active Working Capital Cash. Budget will be amended prior to the close of the fiscal year.

APPENDIX

Mesa Consolidated Water District
Fiscal Years 2012 Budget

Glossary of Terms

Accrual	The recognition of a revenue or expense in a budget year even though the actual cash may not be received or paid until the following budget year.
Acre-Foot (AF)	Covers 1 acre of land 1 foot deep and is equal to 325,851 gallons. Supplies a family of 4 for about 1 year.
Amortization	The periodic expense attributed to the decline in usefulness on an intangible asset or the allocation of bond premium or discount over the life of the bond.
Appropriation	An amount of money in the budget authorized by the Board of Directors, for expenditures or obligations within organizational units for specific purposes.
Assets	Resources owned or held by the enterprise as a result of past events and from which future economic benefits are expected to flow to the enterprise.
Association of California Water Agencies (ACWA)	Association representing over 400 public water agencies consisting of municipal, irrigation, county and California water districts, and a number of special purpose agencies. ACWA also represents non-profit and non-public mutual water companies. Members provide the link between local, state and federal water projects, and ultimate water consumers.
Basin Pumping Percentage (BPP)	The amount of clear ground water that can be pumped as a percentage of total potable water.
Budget	The District's fiscal plan balancing proposed expenditures for a certain period of time to the expected income or revenue for that same period.
Budget Calendar	The schedule of key dates which a government follows in the preparation and adoption of the budget.
California Department of Water Resources (CA DWR)	California agency responsible for managing California's water resources.

Mesa Consolidated Water District
Fiscal Years 2012 Budget

Glossary of Terms

Capacity Charge	Fee imposed when a customer requests a new service connection. Capacity Charges are used by the District to pay for infrastructure built to accommodate future development or to plan, design and construct new facilities to support the additional demand placed on the water system by the new connections.
Capital	Purchases or projects that exceed Mesa's capitalization threshold which is \$5,000 for non-water infrastructure and \$80 (the installation cost of a 5/8" meter) for water infrastructure.
CCF	Abbreviation for unit of water sold in hundred cubic feet. Mesa sells water in this unit of measure.
Certificates of Participation (COPs)	Form of lease-purchase financing used to construct or acquire capital facilities or equipment.
Clear Well Water	Water produced from groundwater wells that require minimal treatment to be released into the distribution system.
Colored Water Treatment Facility (CWTF)	The facility that is used to treat the colored well water pumped from deeper in the groundwater aquifer for color and odor before it is released into the distribution system.
In-lieu Water	Water purchased at the same price as well water when the groundwater basin does not allow for full pumping.
Coverage Ratio	Ratio of Net Revenues to total annual financial obligations. This is a margin of safety for payment of debt service, reflecting the number of times by which earnings for a period of time exceed debt service payable in such a period.
Days Cash on Hand	A ratio of the total cash available divided by the average cash expenses per day.
Debt Service	Cash required in a given period, usually one year, for payment on interest and current maturity of principal on outstanding financial obligations.
Depreciation	The decrease in usefulness of assets that meet the capitalization limit excluding land.
Designated Funds	Segregation of assets for special purposes such as asset replacement.

Mesa Consolidated Water District
Fiscal Years 2012 Budget

Glossary of Terms

Enterprise Fund	A fund established to account for the financing of self-supporting enterprises, such as a utility fund, which render services primarily to the public.
Expenses	The amount of assets consumed or services used in the process of earning revenue.
Fiscal Year	The annual accounting period. For Mesa it is July 1 through June 30.
Full Time Equivalent (FTE)	An FTE equals one full-time employee working 2,080 hours per year.
GAAP	Generally Accepted Accounting Principles – accounting standards and financial reporting practices promulgated by several national committees and boards. Primary sources for governmental accounting are the National Council on Governmental Accounting, producing governmental accounting auditing and financial reporting (GAAFR), the Governmental Accounting Standards Board (GASB), and the Government Finance Officers Association (GFOA).
Geographic Information System (GIS)	A system combining computer hardware, software and geographic data for collecting, storing, analyzing and displaying geographically referenced information.
Infrastructure	The accumulated pipelines, treatment plants and storage facilities of the District, including all meters, valves, pumps, hydrants and other appurtenances, whether constructed by the Districted or dedicated by private entities.
Imported Water	Water purchased from Municipal Water District of Orange County (MWDOC). It is transported by massive aqueduct system from the Colorado River or the State Water Project.
LAFCO	Local Agency Formation Commission. This Commission facilitates constructive changes in governmental structure and boundaries and foster orderly development and governance within its jurisdiction.
Liability	Present obligations on the enterprise arising from past events.
Local Agency Investment Fund (LAIF)	A pooled investment vehicle for local agencies in California sponsored by the State of California and administered by the State Treasurer.
Local Resource Program	A financial incentive program offered by Metropolitan Water District to encourage agencies to develop or improve

Mesa Consolidated Water District
Fiscal Years 2012 Budget

Glossary of Terms

(LRP)	local sources of water to help ensure future water supplies is available.
Meet and Confer	Labor relations and labor negotiations with the different employee groups.
Memorandum of Understanding	A document describing agreement or accord reached between two or more parties including each parties rights and responsibilities.
Metropolitan Water District (MWD)	A consortium of 26 cities and water districts that provides drinking water to nearly 18 million people in parts of Los Angeles, Orange, San Diego, Riverside, San Bernardino and Ventura counties.
Municipal Water District of Orange County (MWDOC)	Regional water wholesaler of imported water that serves 29 retail agencies in Orange County.
Net Income	The final figure on the Statement of Revenues and Expenses when revenues exceed expenses.
Net Loss	The final figure on the Statement of Revenues and Expenses when expenses exceed revenues.
Non-water Expenses	Expenses associated with operations as a water utility but not directly attributable to the production and distribution of water.
Orange County Investment Pool (OCIP)	A pooled investment vehicle for Orange County California agencies administered by the Orange County Treasurer.
Orange County Water District (OCWD)	The agency responsible for managing the Orange County Groundwater Basin in northern and central Orange County that serves 20 cities or agencies.
Other Expense	An expense that cannot be associated definitely with operations.
Other Income	Revenue from sources other than Mesa's principal activities as a water utility.
Potable Water	Water that is suitable for drinking.
Public Employees	An agency, multiple-employer, public retirement system to which the District contributes that acts as a common

Mesa Consolidated Water District
Fiscal Years 2012 Budget

Glossary of Terms

Retirement System (PERS)	investment and administrative agent for participating public entities within the State of California.
Recycled Water	Non-potable water that is used for irrigation purposes.
Replenishment Assessment (RA)	Amount charged on an acre-foot basis for water pumped from the Orange County Groundwater Basin charged by OCWD.
Reserves	An account used to indicate that a portion of fund equity (of fund balance) is legally restricted for a specific purpose or not available for appropriation and subsequent spending.
Reservoir	A pond, lake, tank, or basin (natural or engineered) where water is collected and stored.
Revenue	The increase in fund equity as a result of business activities.
Statement of Revenues and Expenditures	Reports the results of revenues earned, expenses and expenditures over a period of time compared to the annual budget.
Supervisory Control and Data Acquisition (SCADA)	The Supervisory Control and Data Acquisition system collects operational data from remote units to monitor and control water systems and facilities throughout the District's service area.
Water Production Costs	The costs associated directly with the production and distribution of water into the system.
Working Capital	The difference between current assets and current liabilities. Represents the amount available for operations and other expenditures.

RESOLUTION NO. 1312

RESOLUTION OF THE MESA CONSOLIDATED WATER DISTRICT BOARD OF DIRECTORS ESTABLISHING A POLICY TO BALANCE THE OPERATING BUDGET

WHEREAS, Mesa Consolidated Water District is a County Water District formed under and existing pursuant to the County Water District Law, Section 30000 and following of the Water Code; and

WHEREAS, it has been the practice of Mesa Consolidated Water District to adopt a budget for each fiscal year to serve as the annual financial plan; and

WHEREAS, it is the task of the General Manager to submit a budget for adoption by the Board of Directors;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA CONSOLIDATED WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. The Board of Directors desires to have a budget review process, which provides for Board of Directors participation and includes ratepayer comments in the development of the budget.

Section 2. The Board of Directors desires to adopt a budget for each fiscal year that provides for adequate maintenance of infrastructure and orderly replacement of equipment.

Section 3. The Board of Directors desires to adopt a budget where revenues are sufficient to meet expenses.

Section 4. The Board of Directors hereby authorizes the General Manager to present a budget to the Board of Directors for adoption prior to the beginning of each fiscal year.

Section 5. The Board of Directors authorizes the General Manager, if the proposed budget's revenues are not sufficient to meet expenses, to propose alternatives to balance the budget either through a rate increase, the use of Designated Funds, a combination of both, or other methods.

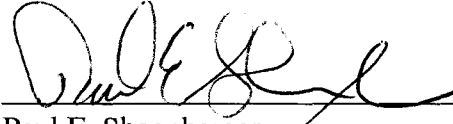
Section 6. The Board of Directors hereby establishes that additional funds may be allocated to the budget during the fiscal year as needs arise with approval of the Board of Directors.

Section 7. The Board of Directors hereby establishes that quarterly financial reports will be prepared by the Financial Services Manager comparing actual revenues and expenses to budgeted amounts.


Section 8. This policy shall be effective immediately upon the date of adoption.

ADOPTED, SIGNED, and APPROVED this 8th day of March 2005 by a roll call vote.

AYES: DIRECTORS: Ohlig-Hall, Bockmiller, Healey, Atkinson, Shoenberger
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:



Paul E. Shoenberger
President, Board of Directors



Coleen L. Monteleone
District Secretary