



**Presentation and
Discussion Item 11**

2023 Water Cost Comparison Study

March 12, 2025

Study Objective

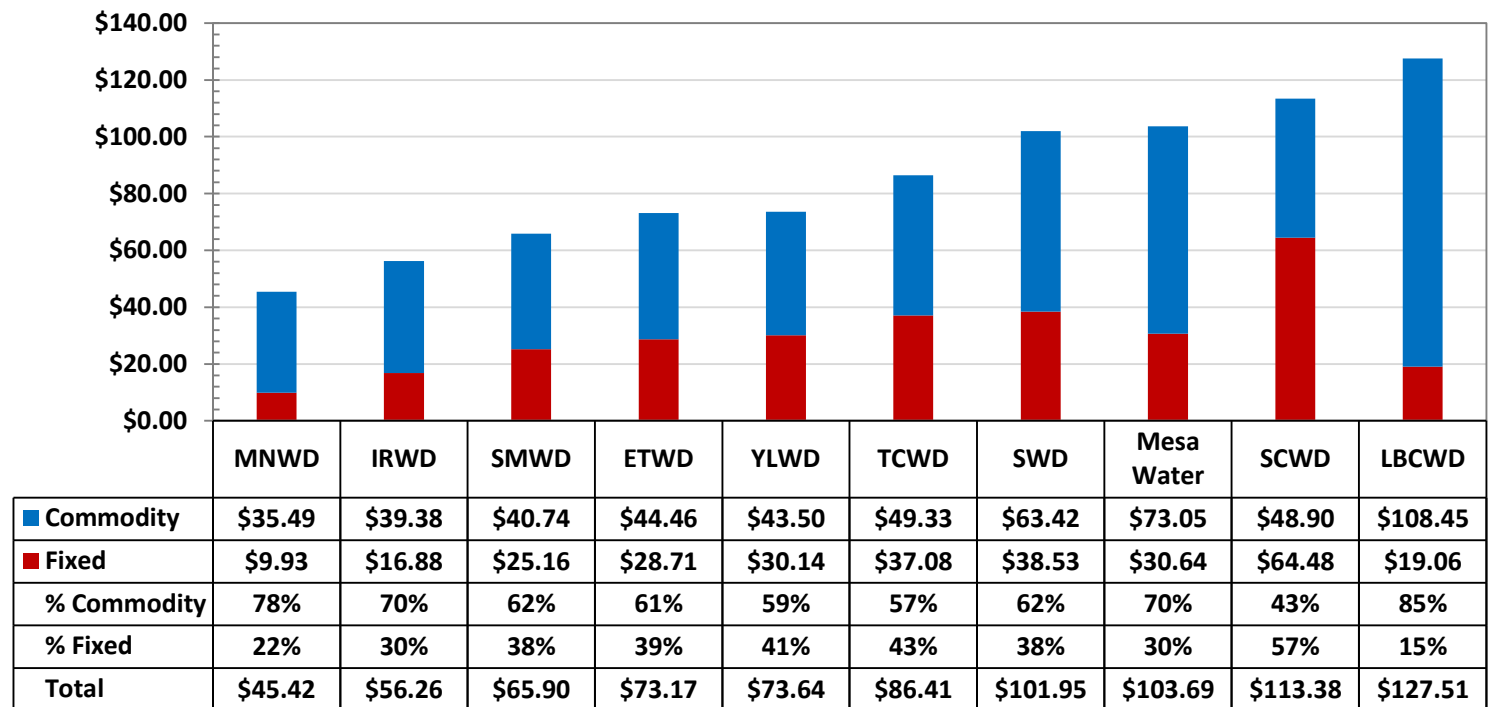
- To review a few efficiency metrics for Water Districts in Orange County
- This study uses historical data up to FY 2023 from the State Controller's Office



Sample water rate comparison 2023



Sample Water Rates - 3/4" SFR Customer 15 hcf Usage
2023



Data Source: Raftelis Cost Comparison Study 2024



Using water rates to measure operational efficiency

Challenges with using water bills to evaluate efficiency:

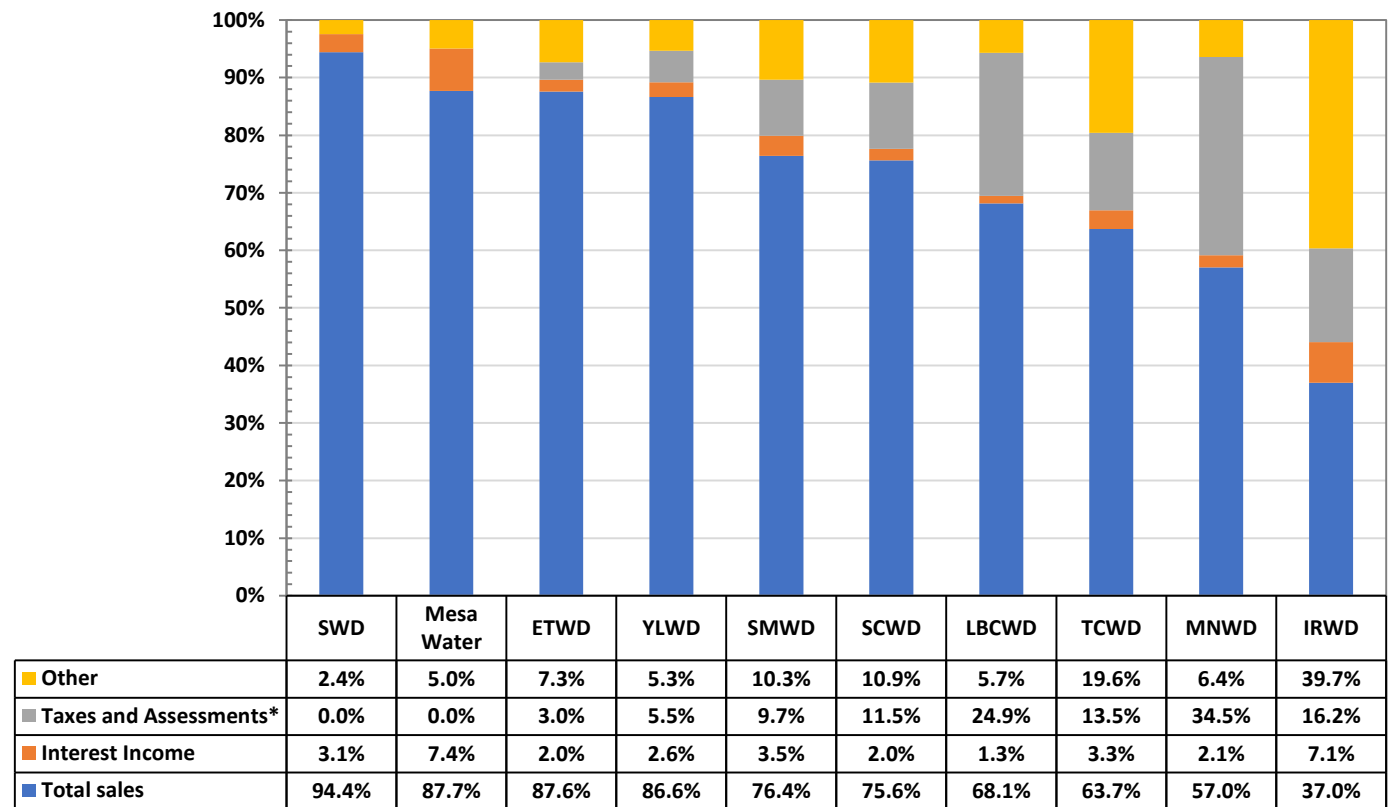
- Size of agency – larger agencies have more economies of scale
- Water sources affect agency costs as some agencies have more or less groundwater or surface water, which are cheaper compared to imported water.
- Topography affects pumping costs
- Age: Older water systems need more rehabilitation
- Non-Rate Revenues: Many agencies receive non-rate revenues, e.g., property tax, which lowers water rates



Sources of income 2023

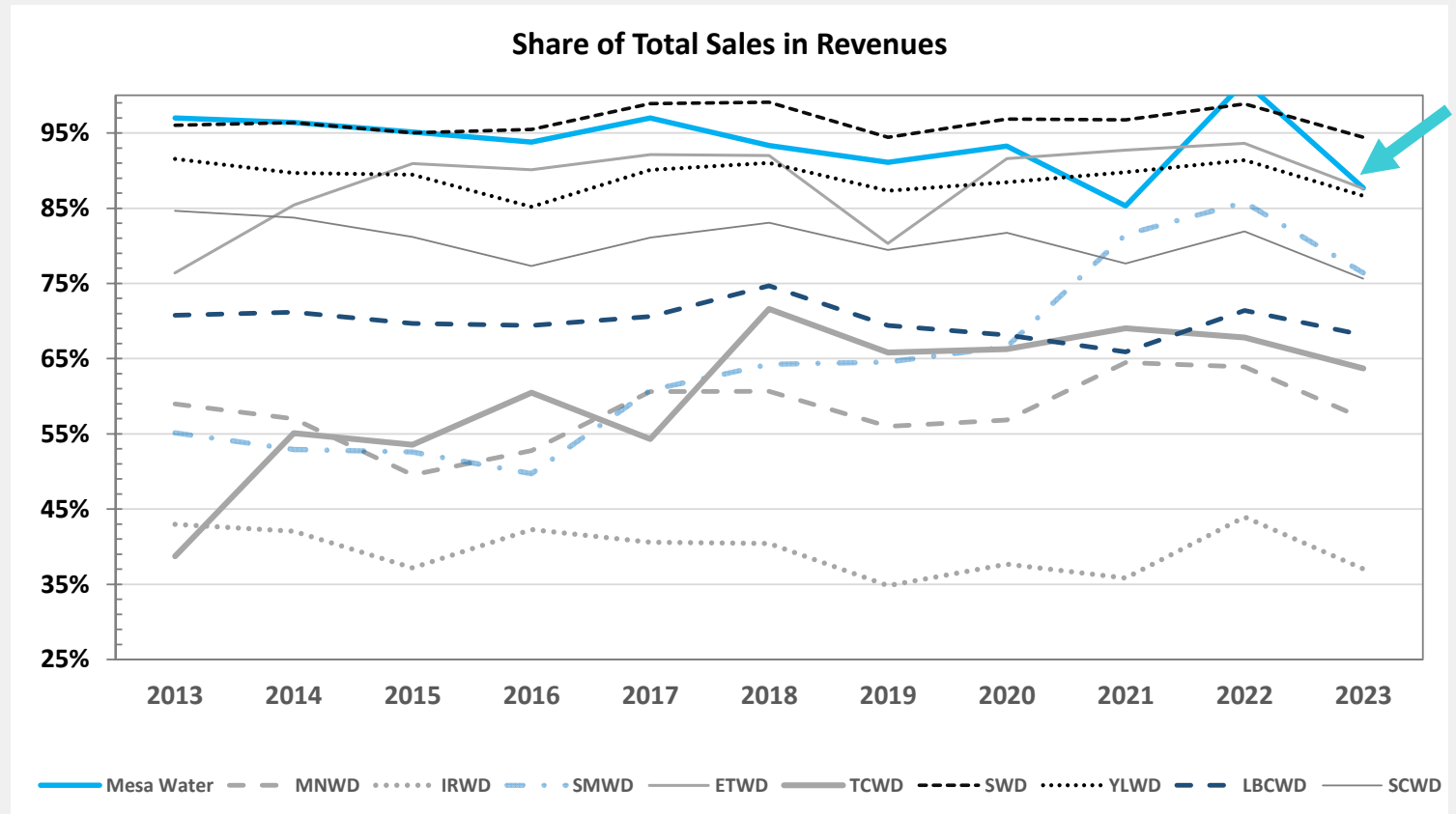


Sources of Income Comparison: 2023



Data Source: California State Controller's Office, Special Districts Financial Data

Water Sales Revenue as a % of total revenue 2012-2023



Data Source: California State Controller's Office, Special Districts Financial data;

2022 was an odd date year in which some agencies reported negative interest

Total expenditure per capita

Total Expenditure Per Capita:

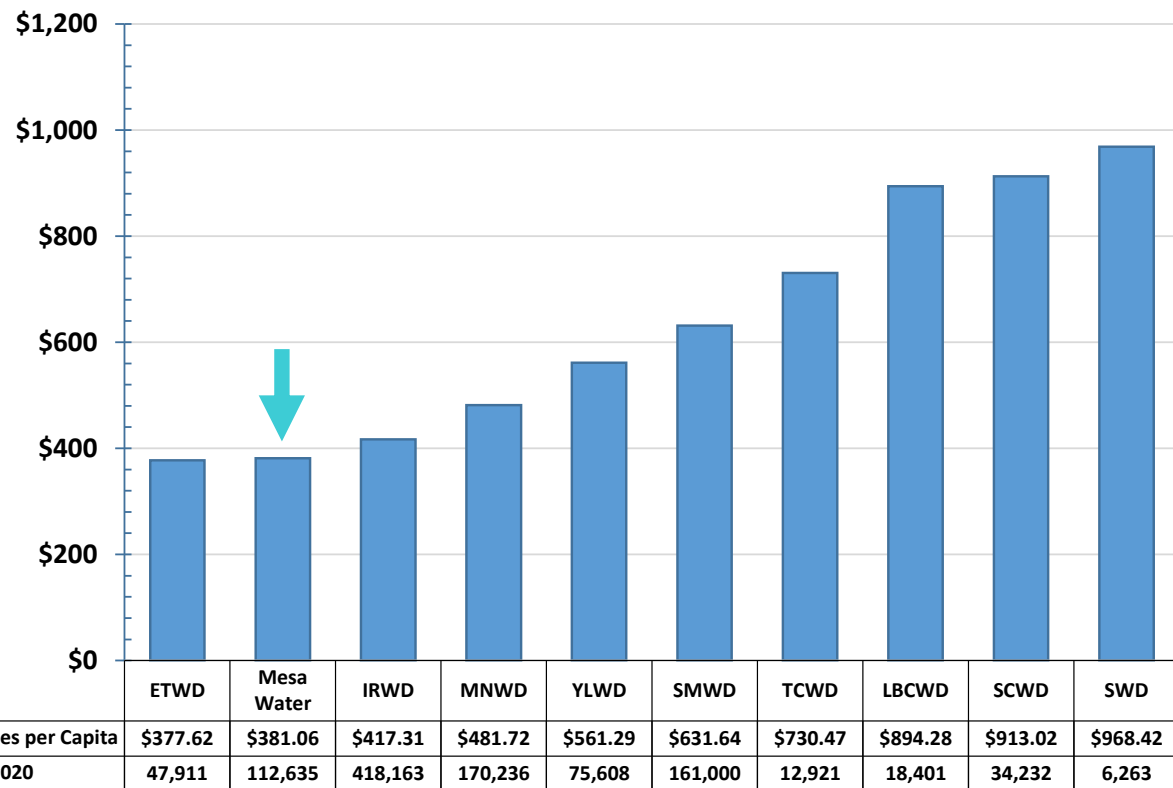
- One way to Measure Efficiency
- Total expenditures for special districts are gathered by the CA State Controller's *Special Districts Annual Report*
- Population service area is available from the last MWDOC and 2020 Urban Water Management Plan by Water District



Expenditure per capita 2023



Total Expenses (Incl. LT Debt Service, Excl. Sales for Resale) Per Capita



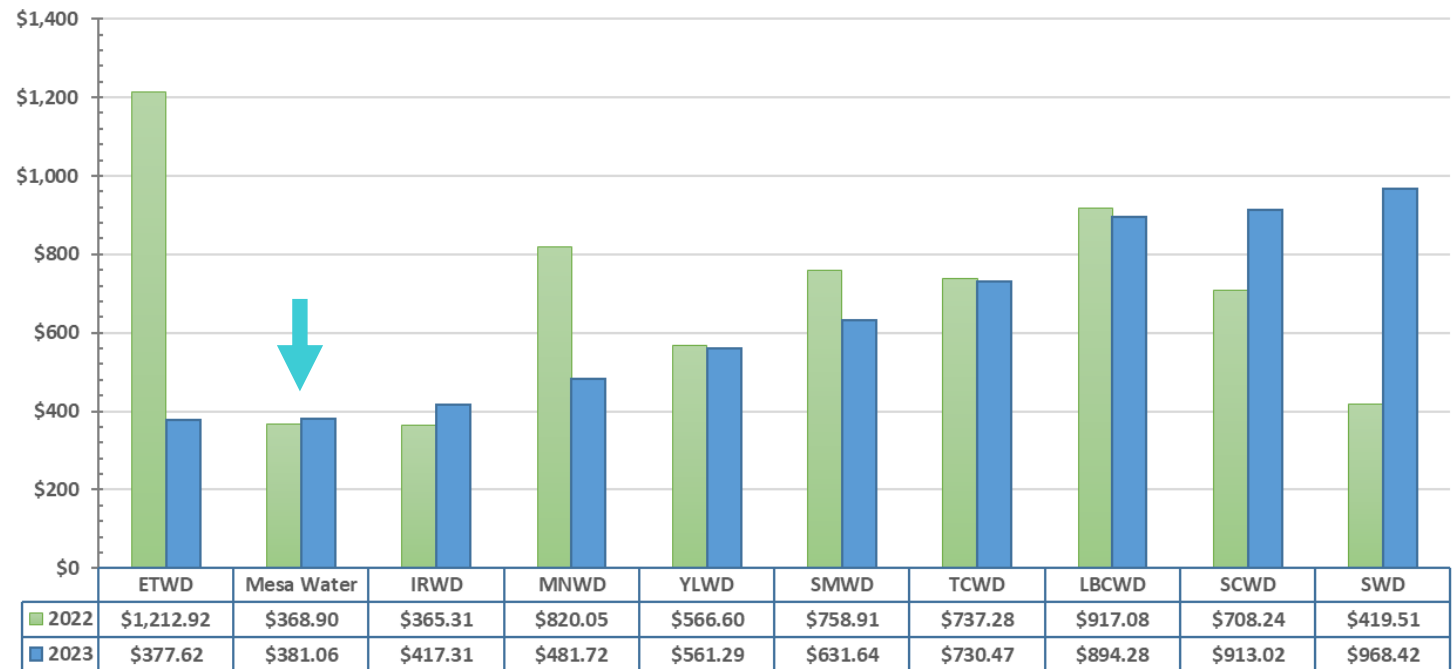
Mesa Water is 2nd in expense per capita

Data Source: California State Controller's Office, Special Districts Financial Data for total costs and long-term debt
Population from Orange County Water Suppliers - respective agencies' 2020 UWMP

Expenditure per capita over two years; 2022 and 2023

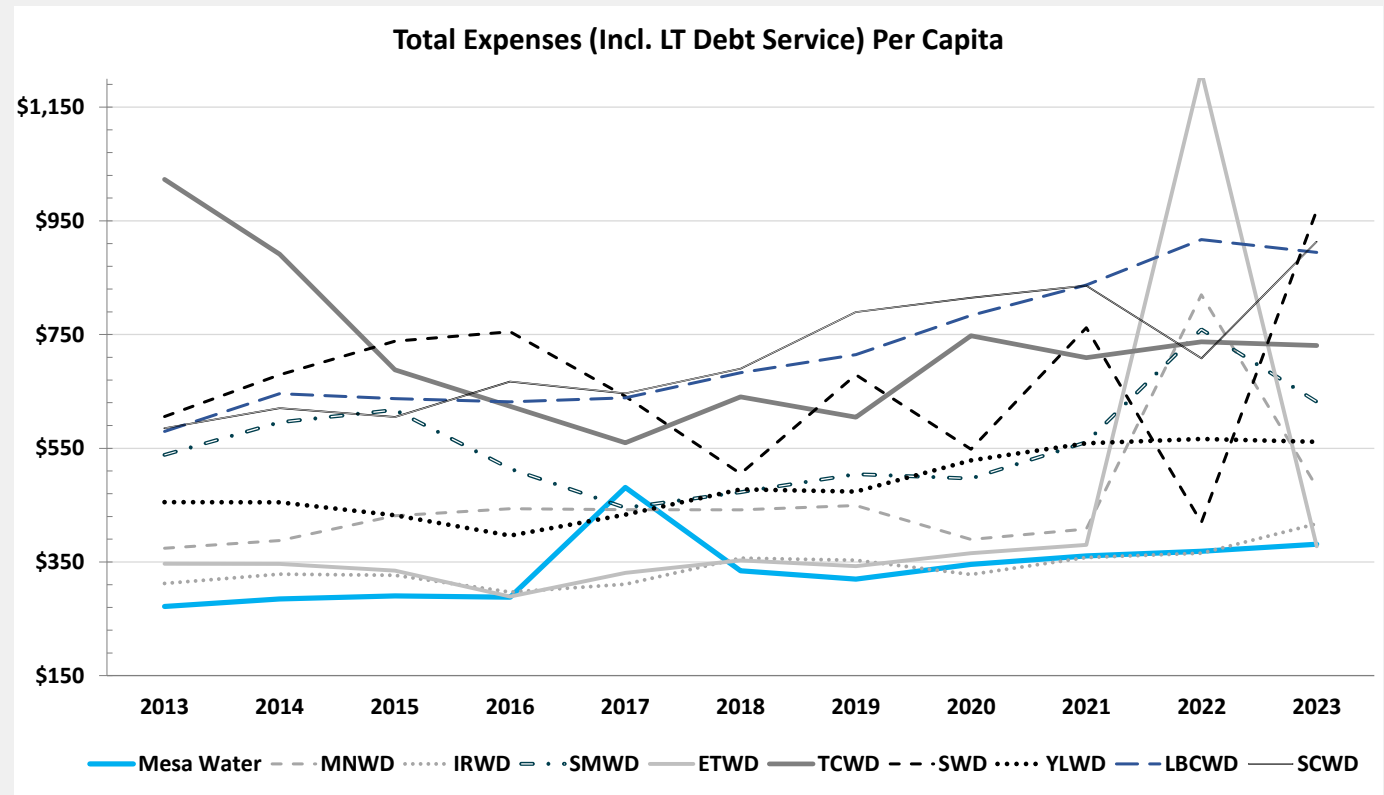


**FY2022/2023 Comparison of Total Expenses per Capita
(incl. LT debt principal payments, excl. resale)**



Data Source: California State Controller's Office, Special Districts Financial Data for total costs and long-term debt
Population from Orange County Water Suppliers - respective agencies' 2020 UWMP

Total expenditures per capita 2013-2023

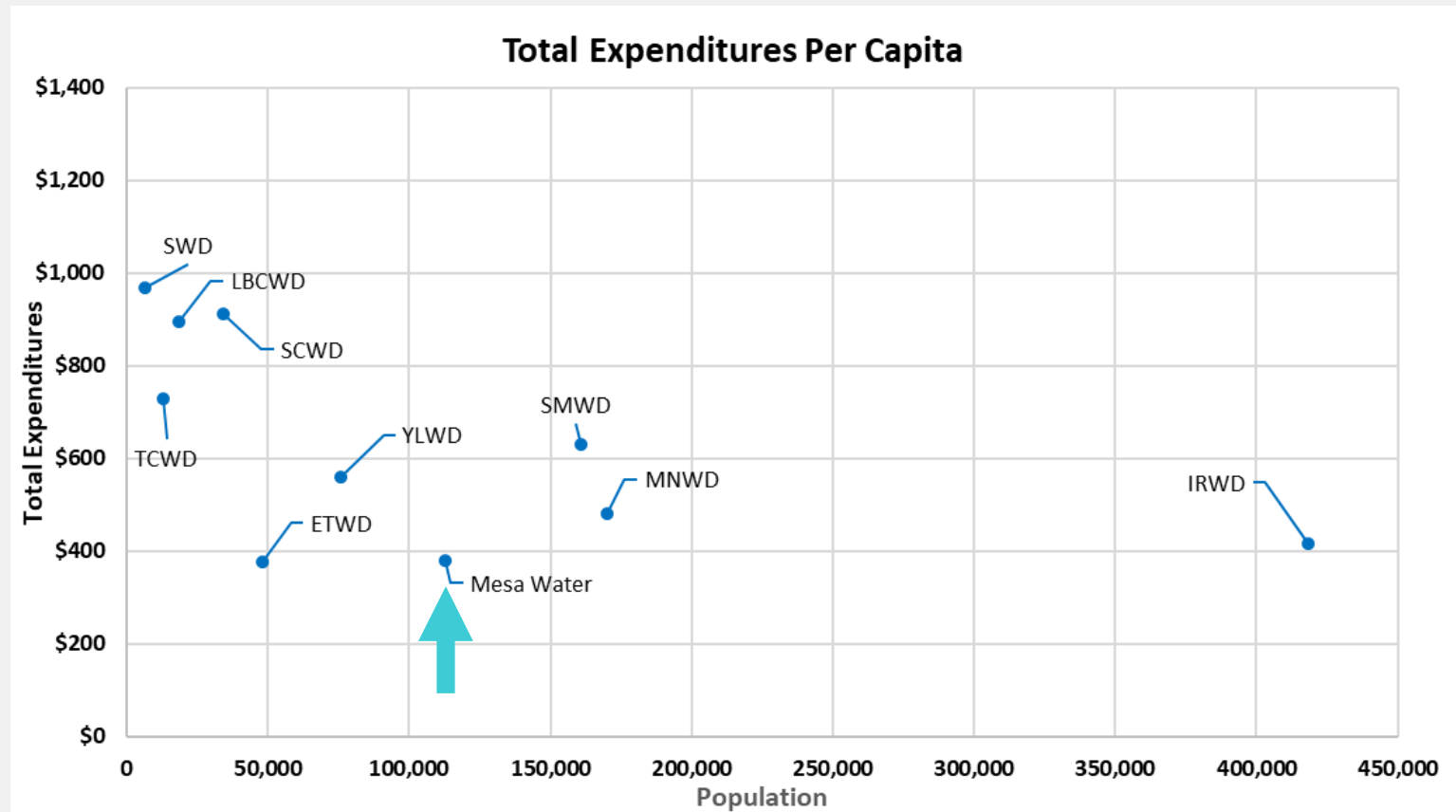


	MNWD	IRWD	SMWD	ETWD	TCWD	SWD	YLWD	LBCWD	SCWD	Mesa Water
2022- 2023										
% change	-41%	14%	-17%	-69%	-1%	131%	-1%	-2%	29%	3%
\$ change	-\$338	\$52	-\$127	-\$835	-\$7	\$549	-\$5	-\$23	\$205	\$12

Data Source: California State Controller's Office, Special Districts Financial Data
Population from Orange County Water Suppliers - respective agencies' 2020 UWMP

Mesa Water District – Cost Comparison Study

Total expenditures per capita 2023

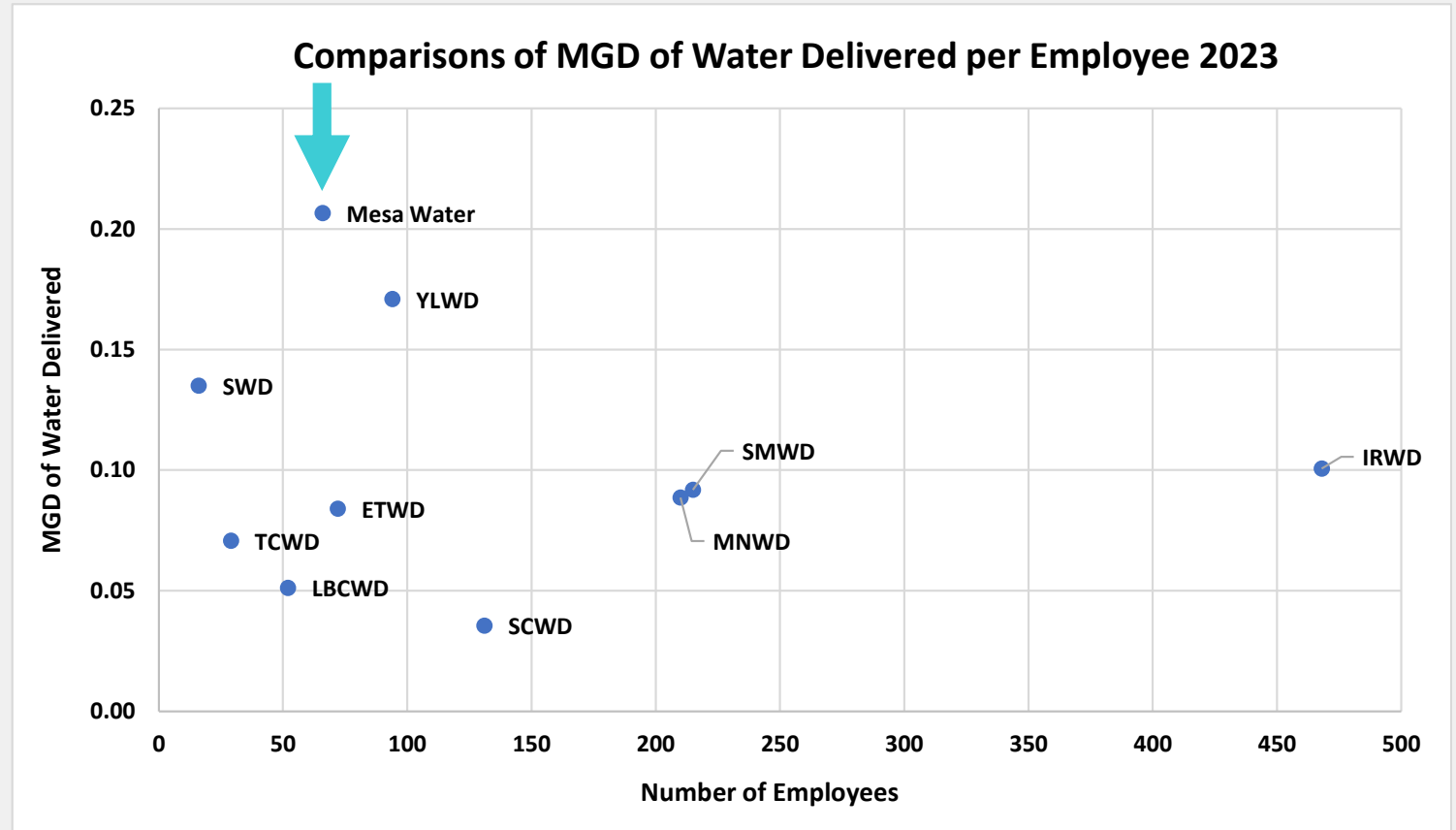


Mesa Water is 2nd in expense per capita

Data Source: California State Controller's Office, Special Districts Financial Data
Population from Orange County Water Suppliers - respective agencies' 2020 UWMP

Mesa Water District – Cost Comparison Study

MGD of water delivered per employee



Mesa Water is 1st in MGD per employee

*Data Source: California State Controller's Office, Special Districts Financial Data
Population from Orange County Water Suppliers - respective agencies' 2020 UWMP*

Summary

- Water bills are not the best way to assess efficiency
- Mesa Water is among the most efficient water districts in Orange County as measured by expenditures per capita
- Mesa Water delivers the most water per employee



Q&A

