

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-A

Meeting Date: March 8, 2011

Submitted By: Suresh Prasad
Reviewed By: Carl Niizawa

Presented By: Suresh Prasad

Agenda Title: Receive the Quarterly Financial Statements for October 1, 2010 to December 31, 2010

Detailed Description: All figures reported for the quarter are based on accrual basis accounting. The District's consolidated financial statement for the quarter includes revenues of \$2.521 million and expenses of \$2.609 million, resulting in operating loss of \$0.088 million. The District budget projected an operating reserve of \$0.258 million for the same period. The operating reserve was lower than the budget expectation by \$0.170 million due to higher than budgeted expenses for the current quarter.

Summary of Cost Centers:

Description	Actual Otr	Budget Otr	Actual FYTD	Budget FYTD
Marina Water				
Revenues	886,242	863,725	1,989,955	1,931,450
Expenses	591,742	611,828	1,097,132	1,223,656
Op Reserves	294,500	251,897	892,823	707,794
Marina Sewer				
Revenues	186,331	188,600	368,489	377,200
Expenses	262,224	128,018	409,788	256,035
Op Reserves	(75,893)	60,582	(41,299)	121,165
Ord Community Water				
Revenues	1,022,405	1,019,625	2,405,328	2,318,500
Expenses	1,251,423	1,136,283	2,274,681	2,272,566
Op Reserves	(229,018)	(116,658)	130,647	45,934
Ord Community Sewer				
Revenues	424,377	439,950	837,630	879,900
Expenses	367,433	275,162	600,355	550,325
Op Reserves	56,944	164,788	237,275	329,575
Recycled Water Project				
Revenues	1,407	2,075	25,722	4,150
Expenses	136,635	104,336	259,672	208,672
Op Reserves	(135,228)	(102,261)	(233,950)	(204,522)
Consolidated Cost Centers				
Revenues	2,520,762	2,513,975	5,627,124	5,511,200
Expenses	2,609,459	2,255,627	4,641,628	4,511,254
Op Reserves	(88,697)	258,348	985,496	999,946

As of December 31, 2010, the District had \$19.277 million in liquid investments, and \$0.529 million of principal as internal loans to the Ord Community Cost Centers payable to the Marina Cost Centers. The District also had \$2.333 million of bond proceeds for construction purposes, \$3.084 million of 2006 bond proceeds and \$0.849 million of Armstrong Ranch Refunding bond proceeds for debt reserve purposes in the bank. The District owed \$39.785 million in debt for the 2006 revenue certificates of participation bond, \$0.460 million for CalPERS loan, \$8.495 million in Armstrong Ranch Refunding Bond and \$0.092 million in FORA Promissory Note.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *Strategic Plan, Goal No. 4 – To manage the District’s finances in the most effective and fiscally responsible manner.*

Financial Impact: _____Yes X No

Funding Source/Recap: N/A

Material Included for Information/Consideration: Quarterly Financial Statements, Investments and Debt Summary Statements.

Staff Recommendation: The Board receive the Quarterly Financial Statements for October 1, 2010 to December 31, 2010.

Action Required: _____Resolution _____Motion X Review

Board Action

_____Resolution No_____ Motion By_____ Seconded By_____

Ayes_____ Abstained_____

Noes_____ Absent_____

Reagendized_____ Date_____ No Action Taken_____

MARINA COAST WATER DISTRICT
INCOME STATEMENT
OCTOBER 1, 2010 TO DECEMBER 31, 2010
(UNAUDITED)

CONSOLIDATED

	CURRENT QUARTER		YEAR-TO-DATE	
	2010/2011	2009/2010	2010/2011	2009/2010
REVENUES				
WATER SALES	1,842,383	1,825,252	4,189,888	4,049,923
SEWER SALES	593,196	536,996	1,165,727	1,060,080
INTEREST INCOME	47,201	67,048	116,250	178,442
OTHER REVENUE	37,982	56,740	155,260	275,084
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TOTAL REVENUES	2,520,762	2,486,037	5,627,124	5,563,528
EXPENSES				
ADMINISTRATIVE	577,979	496,888	1,041,475	967,212
OPERATING & MAINTENANCE	835,957	614,204	1,551,370	1,297,486
LABORATORY	99,610	76,351	189,811	152,925
CONSERVATION	83,686	63,480	141,782	122,081
ENGINEERING	240,869	196,478	411,759	369,865
INTEREST EXPENSE	702,042	219,319	1,163,133	548,160
FRANCHISE FEE	69,316	64,044	142,298	133,740
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TOTAL EXPENSES	2,609,459	1,730,763	4,641,628	3,591,470
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OPERATING RESERVES	<u>(88,697)</u>	<u>755,274</u>	<u>985,496</u>	<u>1,972,059</u>
CAPACITY FEE/CAPITAL SURCHARGE	67,797	400,636	301,309	529,530
GRANT REVENUE	23,724	4,540	41,017	10,525
NON_OPERATING REVENUE	2,147,949	690,460	2,619,434	1,706,382
CAPITAL IMPROVEMENT PROJECT	2,538,690	605,790	3,641,657	974,576

MARINA COAST WATER DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OCTOBER 1, 2010 TO DECEMBER 31, 2010
(UNAUDITED)

CONSOLIDATED

	MW FUND		MS FUND		OW FUND		OS FUND		RW FUND		RP FUND		CONSOLIDATED		CONSOLIDATED (YTD)	
	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
REVENUES																
WATER SALES	852,121	838,250	-	-	990,263	983,500	-	-	-	-	-	-	1,842,383	1,821,750	4,189,888	4,126,750
SEWER SALES	-	-	181,278	181,500	-	-	411,918	428,750	-	-	-	-	593,196	610,250	1,165,727	1,220,500
INTEREST INCOME	17,333	16,000	3,722	6,250	15,491	22,500	9,247	6,750	1,407	1,250	-	-	47,201	52,750	116,250	105,500
OTHER REVENUE	16,788	9,475	1,331	850	16,651	13,625	3,211	4,450	-	825	-	-	37,982	29,225	155,260	58,450
TOTAL REVENUES	886,242	863,725	186,331	188,600	1,022,405	1,019,625	424,377	439,950	1,407	2,075	-	-	2,520,762	2,513,975	5,627,124	5,511,200
EXPENSES																
ADMINISTRATIVE	170,554	153,487	42,593	43,583	291,867	289,162	72,908	76,142	57	-	-	-	577,979	562,375	1,041,475	1,124,750
OPERATING & MAINTENANCE	248,628	253,470	137,308	46,068	361,745	408,825	88,277	93,898	-	-	-	-	835,957	802,260	1,551,370	1,604,520
LABORATORY	45,117	38,571	-	-	54,493	51,842	-	-	-	-	-	-	99,610	90,414	189,811	180,828
CONSERVATION	37,711	44,221	-	-	45,974	47,530	-	-	-	-	-	-	83,686	91,750	141,782	183,501
ENGINEERING	44,485	62,979	41,020	14,693	76,282	96,473	45,157	37,697	33,926	23,086	-	-	240,869	234,927	411,759	469,855
INTEREST EXPENSE	45,248	59,100	41,304	23,675	354,777	172,450	158,060	64,425	102,653	81,250	-	-	702,042	400,900	1,163,133	801,800
FRANCHISE FEE	-	-	-	-	66,285	70,000	3,031	3,000	-	-	-	-	69,316	73,000	142,298	146,000
TOTAL EXPENSES	591,742	611,828	262,224	128,018	1,251,423	1,136,283	367,433	275,162	136,635	104,336	-	-	2,609,459	2,255,627	4,641,628	4,511,254
OPERATING RESERVES	294,500	251,897	(75,893)	60,582	(229,018)	(116,658)	56,944	164,788	(135,228)	(102,261)	-	-	(88,697)	258,348	985,496	999,946
CAPACITY FEE/CAPITAL SURCHARGE	-	5,000	504	2,500	53,771	32,750	13,523	10,000	-	-	-	-	67,797	50,250	301,309	100,500
GRANT REVENUE	-	-	-	-	23,724	-	-	-	-	-	-	-	23,724	-	41,017	-
NON_OPERATING REVENUE	-	-	-	-	-	-	-	-	-	-	2,147,949	-	2,147,949	-	2,619,434	-
CAPITAL IMPROVEMENT PROJECT	283,104	36,500	64,232	118,874	362,565	2,735,298	112,704	508,049	43,494	8,259,726	1,672,591	558,114	2,538,690	12,216,561	3,641,657	24,433,122

MARINA COAST WATER DISTRICT
 INCOME STATEMENT
 OCTOBER 1, 2010 TO DECEMBER 31, 2010
 (UNAUDITED)

MARINA WATER FUND

	CURRENT QUARTER		YEAR-TO-DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
REVENUES				
WATER SALES	852,121	838,250	1,920,077	1,880,500
SEWER SALES				
INTEREST INCOME	17,333	16,000	38,185	32,000
OTHER REVENUE	16,788	9,475	31,692	18,950
TOTAL REVENUES	886,242	863,725	1,989,955	1,931,450
 EXPENSES				
ADMINISTRATIVE	170,554	153,487	282,703	306,975
OPERATING & MAINTENANCE	248,628	253,470	471,850	506,940
LABORATORY	45,117	38,571	83,666	77,143
CONSERVATION	37,711	44,221	63,107	88,441
ENGINEERING	44,485	62,979	81,832	125,957
INTEREST EXPENSE	45,248	59,100	113,974	118,200
FRANCHISE FEE				
TOTAL EXPENSES	591,742	611,828	1,097,132	1,223,656
OPERATING RESERVES	294,500	251,897	892,823	707,794
CAPACITY FEE/CAPITAL SURCHARGE	-	5,000	115,308	10,000
GRANT REVENUE	-	-	-	-
NON-OPERATING REVENUE				
CAPITAL IMPROVEMENT PROJECT	283,104	36,500	315,695	73,000

MARINA COAST WATER DISTRICT
 INCOME STATEMENT
 OCTOBER 1, 2010 TO DECEMBER 31, 2010
 (UNAUDITED)

MARINA SEWER FUND

	CURRENT QUARTER		YEAR-TO-DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
REVENUES				
WATER SALES				
SEWER SALES	181,278	181,500	355,276	363,000
INTEREST INCOME	3,722	6,250	8,558	12,500
OTHER REVENUE	1,331	850	4,655	1,700
TOTAL REVENUES	186,331	188,600	368,489	377,200
 EXPENSES				
ADMINISTRATIVE	42,593	43,583	74,336	87,165
OPERATING & MAINTENANCE	137,308	46,068	198,103	92,135
LABORATORY				
CONSERVATION				
ENGINEERING	41,020	14,693	73,513	29,386
INTEREST EXPENSE	41,304	23,675	63,836	47,350
FRANCHISE FEE				
TOTAL EXPENSES	262,224	128,018	409,788	256,035
OPERATING RESERVES	(75,893)	60,582	(41,299)	121,165
CAPACITY FEE/CAPITAL SURCHARGE	504	2,500	34,357	5,000
GRANT REVENUE	-	-	-	-
NON-OPERATING REVENUE				
CAPITAL IMPROVEMENT PROJECT	64,232	118,874	70,275	237,748

MARINA COAST WATER DISTRICT
INCOME STATEMENT
OCTOBER 1, 2010 TO DECEMBER 31, 2010
(UNAUDITED)

ORD COMMUNITY WATER FUND

	CURRENT QUARTER		YEAR-TO-DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
REVENUES				
WATER SALES	990,263	983,500	2,269,810	2,246,250
SEWER SALES				
INTEREST INCOME	15,491	22,500	42,443	45,000
OTHER REVENUE	16,651	13,625	93,075	27,250
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TOTAL REVENUES	1,022,405	1,019,625	2,405,328	2,318,500
EXPENSES				
ADMINISTRATIVE	291,867	289,162	556,029	578,325
OPERATING & MAINTENANCE	361,745	408,825	716,677	817,650
LABORATORY	54,493	51,842	106,145	103,685
CONSERVATION	45,974	47,530	78,675	95,060
ENGINEERING	76,282	96,473	113,344	192,946
INTEREST EXPENSE	354,777	172,450	567,277	344,900
FRANCHISE FEE	66,285	70,000	136,533	140,000
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TOTAL EXPENSES	1,251,423	1,136,283	2,274,681	2,272,566
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OPERATING RESERVES	(229,018)	(116,658)	130,647	45,934
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CAPACITY FEE/CAPITAL SURCHARGE	53,771	32,750	133,537	65,500
GRANT REVENUE	23,724	-	41,017	-
NON-OPERATING REVENUE				
CAPITAL IMPROVEMENT PROJECT	362,565	2,735,298	934,385	5,470,596

MARINA COAST WATER DISTRICT
INCOME STATEMENT
OCTOBER 1, 2010 TO DECEMBER 31, 2010
(UNAUDITED)

ORD COMMUNITY SEWER FUND

	CURRENT QUARTER		YEAR-TO-DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
REVENUES				
WATER SALES				
SEWER SALES	411,918	428,750	810,451	857,500
INTEREST INCOME	9,247	6,750	23,122	13,500
OTHER REVENUE	3,211	4,450	4,057	8,900
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TOTAL REVENUES	424,377	439,950	837,630	879,900
EXPENSES				
ADMINISTRATIVE	72,908	76,142	128,337	152,285
OPERATING & MAINTENANCE	88,277	93,898	164,740	187,795
LABORATORY				
CONSERVATION				
ENGINEERING	45,157	37,697	79,592	75,395
INTEREST EXPENSE	158,060	64,425	221,923	128,850
FRANCHISE FEE	3,031	3,000	5,764	6,000
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TOTAL EXPENSES	367,433	275,162	600,355	550,325
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OPERATING RESERVES	56,944	164,788	237,275	329,575
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CAPACITY FEE/CAPITAL SURCHARGE	13,523	10,000	18,107	20,000
GRANT REVENUE	-	-	-	-
NON-OPERATING REVENUE				
CAPITAL IMPROVEMENT PROJECT	112,704	508,049	136,659	1,016,098

MARINA COAST WATER DISTRICT
INCOME STATEMENT
OCTOBER 1, 2010 TO DECEMBER 31, 2010
(UNAUDITED)

RECYCLED WATER FUND

	CURRENT QUARTER		YEAR-TO-DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
REVENUES				
WATER SALES				
SEWER SALES				
INTEREST INCOME	1,407	1,250	3,942	2,500
OTHER REVENUE	-	825	21,780	1,650
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TOTAL REVENUES	1,407	2,075	25,722	4,150
EXPENSES				
ADMINISTRATIVE	57	-	70	-
OPERATING & MAINTENANCE	-	-	-	-
LABORATORY				
CONSERVATION				
ENGINEERING	33,926	23,086	63,479	46,172
INTEREST EXPENSE	102,653	81,250	196,123	162,500
FRANCHISE FEE				
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TOTAL EXPENSES	136,635	104,336	259,672	208,672
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OPERATING RESERVES	(135,228)	(102,261)	(233,950)	(204,522)
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CAPACITY FEE/CAPITAL SURCHARGE	-	-	-	-
GRANT REVENUE	-	-	-	-
NON-OPERATING REVENUE				
CAPITAL IMPROVEMENT PROJECT	43,494	8,259,726	132,496	16,519,452

MARINA COAST WATER DISTRICT
 INCOME STATEMENT
 OCTOBER 1, 2010 TO DECEMBER 31, 2010
 (UNAUDITED)

REGIONAL PROJECT FUND

	CURRENT QUARTER		YEAR-TO-DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
REVENUES				
WATER SALES				
SEWER SALES				
INTEREST INCOME				
OTHER REVENUE				
TOTAL REVENUES	-	-	-	-
EXPENSES				
ADMINISTRATIVE	-	-	-	-
OPERATING & MAINTENANCE				
LABORATORY				
CONSERVATION				
ENGINEERING	-	-	-	-
INTEREST EXPENSE				
FRANCHISE FEE				
TOTAL EXPENSES	-	-	-	-
OPERATING RESERVES	-	-	-	-
CAPACITY FEE/CAPITAL SURCHARGE				
GRANT REVENUE				
NON-OPERATING REVENUE	2,147,949	-	2,619,434	-
CAPITAL IMPROVEMENT PROJECT	1,672,591	558,114	2,052,148	1,116,228

MARINA COAST WATER DISTRICT
SCHEDULE OF INVESTMENTS SUMMARY
OCTOBER 1, 2010 TO DECEMBER 31, 2010
(UNAUDITED)

PURCHASE DATE	MATURITY DATE	ACCT TYPE	YIELD APR	10/1/2010 BALANCE	QUARTERLY ACTIVITIES		12/31/2010 BALANCE
					TRANSACTION TYPE	AMOUNT	
LAIF ACCOUNT			0.46%	16,050,867	INTEREST 10/14/2010	20,729	16,071,596
					XFR TO CD IOP	(3,276,000)	12,795,596
SAVINGS ACCOUNT		MM	0.64%	2,166,665	INTEREST 09/30/2010	2,768	2,169,433
					XFR TO CHECKING A/C	(2,000,000)	169,433
					XFR FM CHECKING A/C		169,433
CD ACCOUNT							
12/5/2010	6/5/2011	CD #1	0.30%	85,859			85,859
							85,859
8/20/2010	2/20/2011	CD #2	0.35%	227,969	INTEREST 12/31/2010	271	228,240
							228,240
12/1/2010	12/1/2011	CD IOP	0.55%	3,276,000			3,276,000
CHECKING ACCOUNT		CK		992,940	QUARTERLY DEPOSITS	8,119,713	9,112,653
					QUARTERLY CHECKS	(8,390,381)	722,272
					XFR FM SAVINGS A/C	2,000,000	2,722,272
							2,722,272
INTERNAL LOAN RECEIVABLE							
ORD WATER LOAN		PRINCIPAL		334,154			
ORD SEWER LOAN		PRINCIPAL		194,661			
(Loan are scheduled to be recovered from Ord Community Cost Centers on a 10 year amortization period.)							

SUMMARY	Current Quarter		RESERVES DETAIL (LAIF ACCOUNT)	Current Quarter	
	2009/2010	2010/2011		2009/2010	2010/2011
LAIF ACCOUNT	10,993,424	12,795,596	MW CAP REPL RESERVE FUND	692,320	896,247
SAVINGS ACCOUNT	163,205	169,433	MW CAPACITY REVENUE FUND	333,803	410,225
CD #1 ACCOUNT	85,448	85,859	MW GEN OP RESERVE	4,075,007	4,565,677
CD #2 ACCOUNT	226,949	228,240	MS CAP REPL RESERVE FUND	317,616	419,429
CD IOP	-	3,276,000	MS CAPACITY REVENUE FUND	353,675	343,507
CHECKING ACCOUNT	560,288	2,722,272	MS GEN OP RESERVE	584,211	691,568
			OW CAP REPL RESERVE FUND	406,894	609,310
			OW CAPITAL/CAPACITY REVENUE FUND	1,259,601	1,178,378
			OW GEN OP RESERVE	1,481,552	1,212,463
			OS CAP REPL RESERVE FUND	203,447	304,655
			OS CAPITAL/CAPACITY REVENUE FUND	473,813	76,361
			OS GEN OP RESERVE	811,485	2,087,776
TOTAL INVESTMENT	12,029,314	19,277,400	TOTAL	10,993,424	12,795,596

MARINA COAST WATER DISTRICT
 SCHEDULE OF INVESTMENTS SUMMARY - BOND PROCEEDS
 OCTOBER 1, 2010 TO DECEMBER 31, 2010
 (UNAUDITED)

PURCHASE DATE	MATURITY DATE	ACCT TYPE	YIELD APR	10/1/2010 BALANCE	QUARTERLY ACTIVITIES TRANSACTION TYPE	AMOUNT	12/31/2010 BALANCE
RESERVE FUND 2006 BOND		GIC	4.95%	3,084,250	INTEREST 12/31/2010 APPLIED TO DEBT SERVICE 12/31/2010	75,957 (75,957)	3,160,207 3,084,250
RESERVE FUND ARMSTRONG REFUNDING BOND		GIC		849,500			849,500 849,500
CONSTRUCTION FUND		MM	0.64%	2,329,232	INTEREST 12/31/2010	3,759	2,332,991 2,332,991

MARINA COAST WATER DISTRICT
SCHEDULE OF DEBT SUMMARY
OCTOBER 1, 2010 TO DECEMBER 31, 2010
(UNAUDITED)

PRINCIPAL AMOUNT	FIRST PAYMENT	FINAL PAYMENT	RATE	10/1/2010 BALANCE	QUARTERLY ACTIVITIES TRANSACTION TYPE	AMOUNT	12/31/2010 BALANCE
RABO BANK - CALPERS LOAN							
901,077	05/26/2005	04/26/2015	6.495%	483,250	PAYMENT	(22,980)	460,270
PAYMENT DUE MONTHLY							
SERIES 2006 BOND - CLOSING DATE 08/23/2006							
42,310,000	06/01/2007	06/01/2037	4.795%	39,785,000	PAYMENT		39,785,000
NEXT PMT DUE 06/01/2011 \$1,803,168							
FORA PROMISSORY NOTE - CLOSING DATE 06/24/2009							
134,408	07/01/2009	03/30/2014	0.000%	99,038	PAYMENT	(7,074)	91,964
PAYMENT DUE MONTHLY							
ARMSTRONG RANCH PROMISSORY NOTE - CLOSING DATE 06/25/2010							
7,351,786	12/01/2010	12/01/2020	3.250%	7,351,786	REFUNDED WITH BOND	(7,351,786)	-
NEXT PMT DUE 12/01/2010							
ARMSTRONG RANCH REFUNDING BOND - CLOSING DATE 12/23/2010							
8,495,000	06/01/2011	06/01/2020		8,495,000			8,495,000
NEXT PMT DUE 12/01/2010							

SUMMARY

RABOBANK - CALPERS LOAN	460,270
SERIES 2006 BOND	39,785,000
FORA PROMISSORY NOTE	91,964
ARMSTRONG PROMISSORY NOTE	-
ARMSTRONG REFUNDING BOND	8,495,000

TOTAL DEBT **48,832,234**

NOTE: On 08/23/2006, the Desal, Zone 2 & 2A, and the CNB Line of Credit was refunded with the 2006 Series Bond.