

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: January 10, 2012

Submitted By: Kelly Cadiente
Reviewed By: Jim Heitzman

Presented By: Kelly Cadiente

Agenda Title: Receive the Quarterly Financial Statements for July 1, 2011 to September 30, 2011

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 \$3.037 million and expenses of \$1.596 million, resulting in net gain from operations of \$1.440 million. The District budget projected net gain from operations of \$0.434 million for the same period. The net gain from operations was higher than the budget expectation by \$1.006 million primarily due to actual interest expense which is not due until second quarter and therefore not reflected in the current quarter.

Summary of Cost Centers:

<u>Description</u>	<u>Actual Qtr</u>	<u>Budget Qtr</u>	<u>Actual FYTD</u>	<u>Budget FYTD</u>
Marina Water				
Revenues	1,104,583	961,100	1,104,583	961,100
Expenses	<u>428,179</u>	<u>601,187</u>	<u>428,179</u>	<u>601,187</u>
Net Gain	676,403	359,913	676,403	359,913
Marina Sewer				
Revenues	192,055	192,575	192,055	192,575
Expenses	<u>106,297</u>	<u>129,863</u>	<u>106,297</u>	<u>129,863</u>
Net Gain	85,758	62,712	85,758	62,712
Ord Community Water				
Revenues	1,317,846	1,373,750	1,317,846	1,373,750
Expenses	<u>867,383</u>	<u>1,288,894</u>	<u>867,383</u>	<u>1,288,894</u>
Net Gain	450,463	84,856	450,463	84,856
Ord Community Sewer				
Revenues	422,576	441,950	422,576	441,950
Expenses	<u>167,964</u>	<u>290,048</u>	<u>167,964</u>	<u>290,048</u>
Net Gain	254,612	151,902	254,612	151,902
Recycled Water Project				
Revenues	0	2,000	0	2,000
Expenses	<u>26,700</u>	<u>105,237</u>	<u>26,700</u>	<u>105,237</u>
Net Loss	(26,700)	(103,237)	(26,700)	(103,237)
Regional Project				
Revenues	0	0	0	0
Expenses	<u>0</u>	<u>122,527</u>	<u>0</u>	<u>122,527</u>
Net Loss	0	(122,527)	0	(122,527)

Consolidated Cost Centers				
Revenues	3,037,059	2,971,375	3,037,059	2,971,375
Expenses	1,596,522	2,537,756	1,596,522	2,537,756
Net Gain	1,440,536	433,619	1,440,536	433,619

As of June 30, 2011, the District had \$18.602 million in liquid investments, and \$0.474 million of principal as internal loans to the Ord Community Cost Centers payable to the Marina Cost Centers. The District also had \$2.340 million of bond proceeds for construction purposes, \$3.089 of 2006 bond proceeds and \$0.849 of 2010 refunding bond proceeds for debt reserve purposes in the bank. The District owed \$38.925 million in debt for the 2006 revenue certificates of participation bond, \$7.690 million in Armstrong Ranch Refunding Bond, \$0.389 million for CalPERS loan, \$0.085 in FORA Promissory Note and \$2.228 for IOP Construction Loan.

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 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 July 1, 2011 to September 30, 2011.

Action Required: Resolution Motion Review

Board Action

Resolution No Motion By _____ Seconded By _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Reagendized _____ Date _____ No Action Taken _____

MARINA COAST WATER DISTRICT
INCOME STATEMENT
JULY 1, 2011 TO SEPTEMBER 30, 2011
(UNAUDITED)

CONSOLIDATED

	CURRENT QUARTER		YEAR-TO-DATE	
	2011/2012	2010/2011	2011/2012	2010/2011
REVENUES				
WATER SALES	2,381,746	2,347,504	2,381,746	2,347,504
SEWER SALES	605,734	572,531	605,734	572,531
INTEREST INCOME	21,087	69,049	21,087	69,049
OTHER REVENUE	28,492	117,278	28,492	117,278
	<u>3,037,059</u>	<u>3,106,362</u>	<u>3,037,059</u>	<u>3,106,362</u>
TOTAL REVENUES				
EXPENSES				
ADMINISTRATIVE	491,853	463,496	491,853	463,496
OPERATING & MAINTENANCE	620,946	715,412	620,946	715,412
LABORATORY	60,379	90,201	60,379	90,201
CONSERVATION	78,475	58,097	78,475	58,097
ENGINEERING	248,259	170,891	248,259	170,891
INTEREST EXPENSE	17,930	461,091	17,930	461,091
FRANCHISE FEE	78,680	72,981	78,680	72,981
	<u>1,596,522</u>	<u>2,032,170</u>	<u>1,596,522</u>	<u>2,032,170</u>
TOTAL EXPENSES				
NET GAIN/(LOSS) FROM OPERATIONS	<u>1,440,536</u>	<u>1,074,193</u>	<u>1,440,536</u>	<u>1,074,193</u>
CAPACITY FEE/CAPITAL SURCHARGE	28,428	233,512	28,428	233,512
GRANT REVENUE	-	17,294	-	17,294
NON_OPERATING REVENUE	17,953	(1,618,199)	17,953	(1,618,199)
CAPITAL IMPROVEMENT PROJECT	637,398	1,943,548	637,398	1,943,548

MARINA COAST WATER DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
JULY 1, 2011 TO SEPTEMBER 30, 2011
(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	1,081,886	933,350	-	-	1,299,860	1,114,875	-	-	-	-	-	-	2,381,746	2,048,225	2,381,746	2,048,225
SEWER SALES	-	-	189,551	187,875	-	-	416,183	428,325	-	-	-	-	605,734	616,200	605,734	616,200
INTEREST INCOME	10,347	17,500	2,218	3,950	4,501	22,500	4,022	10,750	-	2,000	-	-	21,087	56,700	21,087	56,700
OTHER REVENUE	12,350	10,250	286	750	13,485	236,375	2,371	2,875	-	-	-	-	28,492	250,250	28,492	250,250
TOTAL REVENUES	1,104,583	961,100	192,055	192,575	1,317,846	1,373,750	422,576	441,950	-	2,000	-	-	3,037,059	2,971,375	3,037,059	2,971,375
EXPENSES																
ADMINISTRATIVE	112,796	134,138	27,874	33,537	302,445	274,197	48,590	52,703	150	4,018	-	94,657	491,853	593,250	491,853	593,250
OPERATING & MAINTENANCE	191,278	247,590	53,346	47,428	308,851	469,913	67,472	98,850	-	-	-	-	620,946	863,780	620,946	863,780
LABORATORY	24,569	38,585	-	-	35,810	57,885	-	-	-	-	-	-	60,379	96,470	60,379	96,470
CONSERVATION	39,126	45,087	-	-	39,349	52,189	-	-	-	-	-	-	78,475	97,276	78,475	97,276
ENGINEERING	55,695	47,998	23,724	12,003	96,239	72,502	46,049	18,855	26,551	19,970	-	27,870	248,259	199,197	248,259	199,197
INTEREST EXPENSE	4,715	87,790	1,353	36,895	8,947	292,207	2,915	116,640	-	81,250	-	-	17,930	614,782	17,930	614,782
FRANCHISE FEE	-	-	-	-	75,743	70,000	2,938	3,000	-	-	-	-	78,680	73,000	78,680	73,000
TOTAL EXPENSES	428,179	601,187	106,297	129,863	867,383	1,288,894	167,964	290,048	26,700	105,237	-	122,527	1,596,522	2,537,756	1,596,522	2,537,756
NET GAIN/(LOSS) FROM OPERATIONS	676,403	359,913	85,758	62,712	450,463	84,856	254,612	151,902	(26,700)	(103,237)	-	(122,527)	1,440,536	433,619	1,440,536	433,619
CAPACITY FEE/CAPITAL SURCHARGE	-	5,000	988	2,500	22,349	32,500	5,090	7,000	-	-	-	-	28,428	47,000	28,428	47,000
GRANT REVENUE	-	-	-	-	-	200,000	-	-	-	-	-	-	-	200,000	-	200,000
NON_OPERATING REVENUE	-	863	-	475	17,953	4,970	-	1,950	-	825	-	122,528	17,953	131,610	17,953	131,610
CAPITAL IMPROVEMENT PROJECT	85,029	-	15,359	-	299,061	-	33,121	-	13,859	-	190,969	-	637,398	-	637,398	-

MARINA COAST WATER DISTRICT
INCOME STATEMENT
JULY 1, 2011 TO SEPTEMBER 30, 2011
(UNAUDITED)

MARINA WATER FUND

	CURRENT QUARTER		YEAR-TO-DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
REVENUES				
WATER SALES	1,081,886	933,350	1,081,886	933,350
SEWER SALES				
INTEREST INCOME	10,347	17,500	10,347	17,500
OTHER REVENUE	12,350	10,250	12,350	10,250
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TOTAL REVENUES	1,104,583	961,100	1,104,583	961,100
EXPENSES				
ADMINISTRATIVE	112,796	134,138	112,796	134,138
OPERATING & MAINTENANCE	191,278	247,590	191,278	247,590
LABORATORY	24,569	38,585	24,569	38,585
CONSERVATION	39,126	45,087	39,126	45,087
ENGINEERING	55,695	47,998	55,695	47,998
INTEREST EXPENSE	4,715	87,790	4,715	87,790
FRANCHISE FEE				
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TOTAL EXPENSES	428,179	601,187	428,179	601,187
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NET GAIN/(LOSS) FROM OPERATIONS	676,403	359,913	676,403	359,913
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CAPACITY FEE/CAPITAL SURCHARGE	-	5,000	-	5,000
GRANT REVENUE	-	-	-	-
NON-OPERATING REVENUE	-	862.50	-	862.50
CAPITAL IMPROVEMENT PROJECT	85,029	-	85,029	-

MARINA COAST WATER DISTRICT
 INCOME STATEMENT
 JULY 1, 2011 TO SEPTEMBER 30, 2011
 (UNAUDITED)

MARINA SEWER FUND

	CURRENT QUARTER		YEAR-TO-DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
REVENUES				
WATER SALES				
SEWER SALES	189,551	187,875	189,551	187,875
INTEREST INCOME	2,218	3,950	2,218	3,950
OTHER REVENUE	286	750	286	750
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TOTAL REVENUES	192,055	192,575	192,055	192,575
EXPENSES				
ADMINISTRATIVE	27,874	33,537	27,874	33,537
OPERATING & MAINTENANCE	53,346	47,428	53,346	47,428
LABORATORY CONSERVATION				
ENGINEERING	23,724	12,003	23,724	12,003
INTEREST EXPENSE	1,353	36,895	1,353	36,895
FRANCHISE FEE				
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TOTAL EXPENSES	106,297	129,863	106,297	129,863
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NET GAIN/(LOSS) FROM OPERATIONS	85,758	62,712	85,758	62,712
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CAPACITY FEE/CAPITAL SURCHARGE	988	2,500	988	2,500
GRANT REVENUE	-	-	-	-
NON-OPERATING REVENUE	-	475	-	475
CAPITAL IMPROVEMENT PROJECT	15,359	-	15,359	-

MARINA COAST WATER DISTRICT
 INCOME STATEMENT
 JULY 1, 2011 TO SEPTEMBER 30, 2011
 (UNAUDITED)

ORD COMMUNITY WATER FUND

	CURRENT QUARTER		YEAR-TO-DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
REVENUES				
WATER SALES	1,299,860	1,114,875	1,299,860	1,114,875
SEWER SALES				
INTEREST INCOME	4,501	22,500	4,501	22,500
OTHER REVENUE	13,485	236,375	13,485	236,375
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TOTAL REVENUES	1,317,846	1,373,750	1,317,846	1,373,750
EXPENSES				
ADMINISTRATIVE	302,445	274,197	302,445	274,197
OPERATING & MAINTENANCE	308,851	469,913	308,851	469,913
LABORATORY	35,810	57,885	35,810	57,885
CONSERVATION	39,349	52,189	39,349	52,189
ENGINEERING	96,239	72,502	96,239	72,502
INTEREST EXPENSE	8,947	292,207	8,947	292,207
FRANCHISE/MEMBERSHIP FEES	75,743	70,000	75,743	70,000
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TOTAL EXPENSES	867,383	1,288,894	867,383	1,288,894
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NET GAIN/(LOSS) FROM OPERATIONS	450,463	84,856	450,463	84,856
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CAPACITY FEE/CAPITAL SURCHARGE	22,349	32,500	22,349	32,500
GRANT REVENUE	-	200,000	-	200,000
NON-OPERATING REVENUE	17,953	4,970	17,953	4,970
CAPITAL IMPROVEMENT PROJECT	299,061	-	299,061	-

MARINA COAST WATER DISTRICT
 INCOME STATEMENT
 JULY 1, 2011 TO SEPTEMBER 30, 2011
 (UNAUDITED)

ORD COMMUNITY SEWER FUND

	CURRENT QUARTER		YEAR-TO-DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
REVENUES				
WATER SALES				
SEWER SALES	416,183	428,325	416,183	428,325
INTEREST INCOME	4,022	10,750	4,022	10,750
OTHER REVENUE	2,371	2,875	2,371	2,875
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TOTAL REVENUES	422,576	441,950	422,576	441,950
 EXPENSES				
ADMINISTRATIVE	48,590	52,703	48,590	52,703
OPERATING & MAINTENANCE	67,472	98,850	67,472	98,850
LABORATORY				
CONSERVATION				
ENGINEERING	46,049	18,855	46,049	18,855
INTEREST EXPENSE	2,915	116,640	2,915	116,640
FRANCHISE FEE	2,938	3,000	2,938	3,000
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TOTAL EXPENSES	167,964	290,048	167,964	290,048
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NET GAIN/(LOSS) FROM OPERATIONS	254,612	151,902	254,612	151,902
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CAPACITY FEE/CAPITAL SURCHARGE	5,090	7,000	5,090	7,000
GRANT REVENUE	-	-	-	-
NON-OPERATING REVENUE	-	1,950	-	1,950
CAPITAL IMPROVEMENT PROJECT	33,121	-	33,121	-

MARINA COAST WATER DISTRICT
 INCOME STATEMENT
 JULY 1, 2011 TO SEPTEMBER 30, 2011
 (UNAUDITED)

RECYCLED WATER FUND

	CURRENT QUARTER		YEAR-TO-DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
REVENUES				
WATER SALES				
SEWER SALES				
INTEREST INCOME	-	2,000	-	2,000
OTHER REVENUE	-	-	-	-
TOTAL REVENUES	-	2,000	-	2,000
EXPENSES				
ADMINISTRATIVE	150	4,018	150	4,018
OPERATING & MAINTENANCE	-	-	-	-
LABORATORY				
CONSERVATION				
ENGINEERING	26,551	19,970	26,551	19,970
INTEREST EXPENSE	-	81,250	-	81,250
FRANCHISE FEE				
TOTAL EXPENSES	26,700	105,237	26,700	105,237
NET GAIN/(LOSS) FROM OPERATIONS	(26,700)	(103,237)	(26,700)	(103,237)
CAPACITY FEE/CAPITAL SURCHARGE	-	-	-	-
GRANT REVENUE	-	-	-	-
NON-OPERATING REVENUE	-	825	-	825
CAPITAL IMPROVEMENT PROJECT	13,859	-	13,859	-

MARINA COAST WATER DISTRICT
 INCOME STATEMENT
 JULY 1, 2011 TO SEPTEMBER 30, 2011
 (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	-	94,657	-	94,657
OPERATING & MAINTENANCE				
LABORATORY				
CONSERVATION				
ENGINEERING	-	27,870	-	27,870
INTEREST EXPENSE				
FRANCHISE FEE				
TOTAL EXPENSES	-	122,527	-	122,527
NET GAIN/(LOSS) FROM OPERATIONS	-	(122,527)	-	(122,527)
CAPACITY FEE/CAPITAL SURCHARGE				
GRANT REVENUE				
NON-OPERATING REVENUE	-	122,528	-	122,528
CAPITAL IMPROVEMENT PROJECT	190,969	-	190,969	-

MARINA COAST WATER DISTRICT
SCHEDULE OF INVESTMENTS SUMMARY
JULY 1, 2011 TO SEPTEMBER 30, 2011
(UNAUDITED)

PURCHASE DATE	MATURITY DATE	ACCT TYPE	YIELD APR	6/30/2011 BALANCE	QUARTERLY ACTIVITIES		9/30/2011 BALANCE
					TRANSACTION TYPE	AMOUNT	
LAIF ACCOUNT							
			0.51%	12,828,817	INTEREST 09/30/2011	12,315	12,841,132
SAVINGS ACCOUNT							
		MM	0.64%	1,729,045	INTEREST 07/01/11 - 09/30/11	1,801	1,730,846
					XFR TO CHECKING A/C	(560,000)	1,170,846
					XFR FM CHECKING A/C	-	1,170,846
CPFCA DEPOSIT ACCOUNT							
		MM	0.55%	100,051	INTEREST 07/01/11 - 09/30/11	25	100,076
CD ACCOUNT							
12/5/2010	12/5/2011	CD #1	0.55%	86,098	INTEREST 07/01/11 - 09/30/11	292	86,390
8/20/2010	2/21/2012	CD #2	0.50%	228,758	INTEREST 07/01/11 - 09/30/11	121	228,879
12/1/2010	12/1/2011	CD IOP	0.55%	3,286,623	INTEREST 07/01/11 - 09/30/11	3,114	3,289,737
CHECKING ACCOUNT							
		CK		158,422	QUARTERLY DEPOSITS & CREDITS	4,854,256	5,012,678
					QUARTERLY CHECKS	(4,687,333)	325,346
					XFR FM SAVINGS A/C	560,000	885,346
					XFR TO SAVINGS A/C	-	885,346
INTERNAL LOAN RECEIVABLE							
				299,343			
ORD WATER LOAN		PRINCIPAL		299,343			
ORD SEWER LOAN		PRINCIPAL		174,382			

(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	
	2010/2011	2011/2012		2010/2011	2011/2012
LAIF ACCOUNT	16,050,867	12,841,132	MW CAP REPL RESERVE FUND	895,091	899,641
SAVINGS ACCOUNT	2,166,665	1,170,846	MW CAPACITY REVENUE FUND	425,896	414,692
CPFCA DEPOSIT ACCOUNT	-	100,076	MW GEN OP RESERVE	5,525,120	4,580,048
CD #1 ACCOUNT	85,794	86,390	MS CAP REPL RESERVE FUND	418,888	421,017
CD #2 ACCOUNT	228,038	228,879	MS CAPACITY REVENUE FUND	361,498	345,896
CD IOP	-	3,289,737	MS GEN OP RESERVE	901,266	693,098
CHECKING ACCOUNT	992,940	885,346	OW CAP REPL RESERVE FUND	608,524	611,617
TOTAL INVESTMENT	19,524,304	18,602,406	OW CAPITAL/CAPACITY REVENUE FUND	1,315,063	1,502,190
			OW GEN OP RESERVE	2,741,300	897,703
			OS CAP REPL RESERVE FUND	304,262	305,809
			OS CAPITAL/CAPACITY REVENUE FUND	218,696	122,711
			OS GEN OP RESERVE	2,335,263	2,049,620
			TOTAL	16,050,867	12,844,042

MARINA COAST WATER DISTRICT
SCHEDULE OF DEBT SUMMARY
JULY 1, 2011 TO SEPTEMBER 30, 2011
(UNAUDITED)

PRINCIPAL AMOUNT	FIRST PAYMENT	FINAL PAYMENT	RATE	6/30/2011 BALANCE	QUARTERLY ACTIVITIES TRANSACTION TYPE	AMOUNT	9/30/2011 BALANCE
RABO BANK - CALPERS LOAN							
901,077	05/26/2005	04/26/2015	6.495%	413,155	PAYMENT	(24,008)	389,147
PAYMENT DUE MONTHLY							
RABO BANK - IOP CONSTRUCTION LOAN							
983,487	12/31/2010	05/31/2012	2.050%	983,487		1,244,493	2,227,980
INTEREST ONLY PAYMENT							
SERIES 2006 BOND - CLOSING DATE 08/23/2006							
42,310,000	06/01/2007	06/01/2037	4.795%	38,925	PAYMENT		38,925,000
NEXT PMT DUE 12/01/2011 \$925,969							
FORA PROMISSORY NOTE - CLOSING DATE 06/24/2009							
134,408	07/01/2009	03/30/2014	0.000%	84,890	PAYMENT	-	84,890
PAYMENT DUE QUARTERLY							
2010 REFUNDING BOND - CLOSING DATE 12/23/2010							
8,495,000	06/01/2011	06/01/2020		7,690,000			7,690,000
NEXT PMT DUE 12/01/2011 \$341,650							

SUMMARY

RABOBANK - CALPERS LOAN	389,147
RABOBANK - IOP CONSTRUCTION LOAN	2,227,980
SERIES 2006 BOND	38,925,000
FORA PROMISSORY NOTE	84,890
2010 REFUNDING BOND	7,690,000

TOTAL DEBT **49,317,017**

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

MARINA COAST WATER DISTRICT
 SCHEDULE OF INVESTMENTS SUMMARY - BOND PROCEEDS
 JULY 1, 2011 TO SEPTEMBER 30, 2011
 (UNAUDITED)

PURCHASE DATE	MATURITY DATE	ACCT TYPE	YIELD APR	6/30/2011 BALANCE	QUARTERLY ACTIVITIES TRANSACTION TYPE	AMOUNT	9/30/2011 BALANCE
RESERVE FUND 2006 BOND		GIC	4.95%	3,084,250	INTEREST APPLIED TO DEBT SERVICE		3,084,250 3,084,250
RESERVE FUND 2010 REFUNDING BOND		TFUND	0.01%	849,500	INTEREST APPLIED TO DEBT SERVICE		849,500 849,500
CONSTRUCTION FUND		MM	0.67%	2,340,574	INTEREST 09/30/2011	3,272	2,343,846 2,343,846