



**FINANCE COMMITTEE MEETING
MONTECITO WATER DISTRICT
583 SAN YSIDRO ROAD, MONTECITO, CALIFORNIA
TUESDAY, OCTOBER 16, 2018
AT 9:30 AM**

AGENDA

1) CALL TO ORDER, DETERMINATION OF COMMITTEE QUORUM

2) PUBLIC FORUM

This portion of the agenda may be utilized by any person to address the Finance Committee on any matter within the jurisdiction of the Committee. No consideration or discussion shall be undertaken by Committee members at this time on any item not appearing on this agenda except as permitted by the Ralph M. Brown Act. Discussion items receiving recommendations by the Committee, and/or items requiring action will be placed on the agenda of a future meeting of the Montecito Water District Board of Directors.

3) ITEMS FOR COMMITTEE DISCUSSION

- A. Review Unaudited District Monthly Financial Reports for September 2018
- B. Discuss Cash Flow
- C. Discuss American Riviera Bank Revised Expression of Interest as it Relates to the Smart Metering Program (Oral)

4) DIRECTOR REQUESTS

5) ADJOURNMENT

This agenda was posted at the Montecito Water District front counter and outside front wall at 5:00 pm, October 12, 2018. The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the benefits of, the District's programs, services or activities because of any disability. If you need special assistance to participate in this meeting, please contact the District Office at (805) 969-2271. Notification at least twenty-four (24) hours prior to the meeting will enable the District to make appropriate arrangements. Materials related to an item on this agenda submitted to the Committee after distribution of the agenda packed are available for public inspection in the Montecito Water District offices located at 583 San Ysidro Road, Montecito, CA during normal business hours.

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 3-A

DATE: OCTOBER 16, 2018

TO: FINANCE COMMITTEE

FROM: BUSINESS MANAGER

SUBJECT: SEPTEMBER 2018 FINANCIAL REPORTS

RECOMMENDATION:

For information and discussion only.

BACKGROUND:

Each month, staff prepares a financial package that contains information comparing actual results against the budget, historical activity and other statistical data in order to identify potential fluctuations and/or trends. The information is reported to the Finance Committee and then to the Board of Directors, on a timely basis, for further discussion and appropriate Board action, if applicable.

Included in this financial package are the **Monthly Financial Statements** which include the Statement of Revenue and Expenditures and accompanying footnotes, the Statement of Net Position and the Statement of Cash Flows. These reports are prepared on an accrual basis and formatted much the same as the Annual Audited Financial Statements. These reports are prepared to provide the District's Board of Directors and customers with information about the activities and performance of the District during the month using accounting methods similar to those used by private sector companies and consistent with generally accepted accounting principles.

The financial package also includes **Dashboard Reports** which graphically depict various water sales data including water sales by classification, water sales for trailing 12, 24 and 36 months, water sales by tier and several other key trend indicators. The **Water Sales Analysis** and the **Metered Water Sales Report** track current year activity in both units of water sold (acre feet) and metered water sales.

ANALYSIS:

1. WATER SALES ANALYSIS – SEPTEMBER 2018

MONTH TO DATE WATER SALES (AF)				
CLASSIFICATION	ACTUAL	BUDGET	VARIANCE	
			AF	%
Single Family	309.79	311.92	(2.12)	(0.7%)
Multi Family	6.60	6.93	(0.33)	(4.8%)
Agricultural	38.37	39.30	(0.93)	(2.4%)
Institutional	36.39	33.58	2.81	8.4%
Commercial	20.85	27.23	(6.38)	(23.4%)
Non-Potable	14.15	15.74	(1.59)	(10.1%)
Monthly Total	426.15	434.70	(8.55)	(2.0%)

YEAR TO DATE WATER SALES (AF)				
CLASSIFICATION	ACTUAL	BUDGET	VARIANCE	
			AF	%
Single Family	964.59	984.70	(20.11)	(2.0%)
Multi Family	18.47	21.74	(3.27)	(15.0%)
Agricultural	125.00	119.16	5.84	4.9%
Institutional	115.07	96.54	18.53	19.2%
Commercial	65.24	85.54	(20.30)	(23.7%)
Non-Potable	54.02	62.12	(8.10)	(13.0%)
Yearly Total	1,342.39	1,369.80	(27.41)	(2.0%)

A. Water Sales in Acre Feet (AF)

During the month of September 2018, MWD sold 426.2 AF of water to its customers compared to a budgeted amount of 434.7 AF which translates to a budget variance of 8.5 AF or 2.0%. The primary reason for the variance has to do with cooler weather.

B. Sales by Classification

YEAR TO DATE WATER SALES (\$)				
CLASSIFICATION	CURRENT YTD	BUDGET YTD	VARIANCE	
			\$	%
Single Family	\$ 2,550,989	\$ 2,509,293	\$ 41,696	1.7%
Multi Family	43,453	51,117	(7,664)	(15.0%)
Agricultural	171,073	164,875	6,198	3.8%
Institutional	302,766	264,961	37,805	14.3%
Commercial	174,192	229,355	(55,163)	(24.1%)
Non-Potable	32,943	37,885	(4,942)	(13.0%)
Adjustments	-	-	-	0.0%
Monthly Total	\$ 3,275,416	\$ 3,257,486	\$ 17,930	0.6%

2. STATEMENT OF REVENUE AND EXPENDITURES – SEPTEMBER 2018

A. Revenues

Total Revenue YTD as of September 30, 2018 is \$6,522,965 compared to the YTD Budget of \$6,412,521 for a budget variance of \$110,445 or 1.7%.

REVENUE	YTD ACTUAL	YTD BUDGET	FAVORABLE (UNFAVORABLE)
WATER SALES	3,275,416	3,257,486	17,930
WSE SURCHARGE	1,922,601	1,965,204	(42,603)
SERVICE CHARGES	1,065,591	1,061,362	4,229
WATER AVAILABILITY CHARGE	-	-	-
PRIVATE FIRE HYDRANT	17,938	17,791	148
LATE CHARGES	26,753	16,818	9,935
SERVICE CONNECTION FEES	17,028	5,885	11,143
CAPITAL COST RECOVERY FEES	137,518	14,226	123,292
INTEREST REVENUE - GENERAL	40,411	50,000	(9,589)
OTHER REVENUE (LOSS)	15,167	17,750	(2,583)
REIMBURSEMENTS	4,542	6,000	(1,458)
TOTAL REVENUE	\$ 6,522,965	\$ 6,412,521	\$ 110,445

B. Expenses:

1. JPA Expenses

Total JPA Expenses YTD through September 30, 2018 are \$2,103,320 compared to the YTD budget of \$2,117,648 which is below budget by \$14,328. This variance is due mainly as a result of the COMB budget increasing after the MWD budget was completed \$7,100 offset by the actual Q1 Variable SWP invoice coming in lower than anticipated (\$21,425).

2. MWD Expenses

Total MWD Expenses YTD as of September 30, 2018 are \$1,975,441 compared to the YTD budget of \$1,924,672 which is above budget by \$50,770. This variance is primarily due to the following factors – **Engineering**, SGMA Study has not incurred expected costs (-\$38k), anticipated Professional Services have not yet been incurred (-\$25k) as well as other combined variances (\$37k); **Administration**, Legal expenses were lower than anticipated (-\$38k), Rate Study costs have not been incurred (-\$13k), local water supply negotiations have not been as costly as anticipated (-\$112k) as well as other combined variances of (\$9k); **Extraordinary Expenses** of \$46k for a waterline replacement, \$80k for BVTP filtration enhancements and other combined expenses of \$25k.

ATTACHMENTS:

- 1) Financial Package – September 2018



FINANCIAL REPORTS
FINANCE COMMITTEE MEETING
For the Month of September 2018
October 16, 2018

MONTECITO WATER DISTRICT
STATEMENT OF REVENUE AND EXPENDITURES
September 30, 2018

REVENUE	MTD ACTUAL	MTD BUDGET	FAVORABLE (UNFAVORABLE)	YTD ACTUAL	YTD BUDGET	FAVORABLE (UNFAVORABLE)	Footnote
WATER SALES	1,047,748	1,039,311	8,437	3,275,416	3,257,486	17,930	(1)
WSE SURCHARGE	612,939	629,623	(16,684)	1,922,601	1,965,204	(42,603)	(1)
SERVICE CHARGES	355,765	353,787	1,978	1,065,591	1,061,362	4,229	
WATER AVAILABILITY CHARGE	-	-	-	-	-	-	
PRIVATE FIRE HYDRANT	5,979	5,930	49	17,938	17,791	148	
LATE CHARGES	13,335	5,606	7,729	26,753	16,818	9,935	
SERVICE CONNECTION FEES	2,380	2,247	133	17,028	5,885	11,143	(2)
CAPITAL COST RECOVERY FEES	42,678	14,226	28,452	137,518	14,226	123,292	(3)
INTEREST REVENUE - GENERAL	10,471	16,667	(6,196)	40,411	50,000	(9,589)	
OTHER REVENUE (LOSS)	3,657	5,917	(2,259)	15,167	17,750	(2,583)	
REIMBURSEMENTS	111	2,000	(1,889)	4,542	6,000	(1,458)	
TOTAL REVENUE	\$ 2,095,065	\$ 2,075,314	\$ 19,751	\$ 6,522,965	\$ 6,412,521	\$ 110,445	
OPERATING EXPENSE							
DIRECT EXPENSE							
JPA OPERATING EXPENSE							
CACHUMA OPERATIONS & MAINT BOARD (COMB)	51,028	48,661	(2,367)	153,084	145,984	(7,100)	(4)
CACHUMA CONSERVATION & RELEASE BOARD (CCRB)	11,588	11,589	0	34,765	34,766	1	
US BUREAU OF RECLAMATION (USBR)	25,576	25,576	-	76,728	76,728	-	
CATER WATER TREATMENT PLANT	105,000	105,000	-	315,000	315,000	-	
STATE WATER PROJECT (SWP) - FIXED	430,011	430,012	1	1,290,031	1,290,035	4	
STATE WATER PROJECT (SWP) - VARIABLE	63,622	85,046	21,424	233,712	255,137	21,425	(5)
SUPPLEMENTAL WATER PURCHASE	-	-	-	-	-	-	
TOTAL JPA OPERATING EXPENSE	\$ 686,825	\$ 705,883	\$ 19,057	\$ 2,103,320	\$ 2,117,648	\$ 14,328	
MWD DIRECT EXPENSE							
JAMESON	7,754	14,306	6,552	29,060	37,889	8,829	(6)
TRANSMISSION & DISTRIBUTION	126,268	112,601	(13,667)	398,739	358,275	(40,463)	(7)
TREATMENT	113,884	93,036	(20,848)	337,983	288,749	(49,235)	(8)
TOTAL MWD DIRECT EXPENSE	\$ 247,906	\$ 219,943	(\$ 27,963)	\$ 765,782	\$ 684,913	(\$ 80,869)	
MWD INDIRECT EXPENSE							
ENGINEERING	53,776	60,683	6,907	161,292	187,598	26,307	(9)
CUSTOMER SERVICE	30,282	30,670	388	99,038	96,637	(2,401)	
PUBLIC INFORMATION / CONSERVATION	9,177	9,659	481	29,484	30,585	1,100	
FLEET	16,853	16,550	(304)	50,186	51,507	1,320	
ADMINISTRATION (incl Depreciation)	239,502	319,214	79,713	718,878	873,431	154,553	(10)
EXTRAORDINARY EXPENSES	150,780	-	(150,780)	150,780	-	(150,780)	(11)
TOTAL MWD INDIRECT EXPENSE	\$ 500,370	\$ 436,776	(\$ 63,594)	\$ 1,209,659	\$ 1,239,759	\$ 30,100	

MONTECITO WATER DISTRICT
STATEMENT OF REVENUE AND EXPENDITURES
September 30, 2018

Footnote

	MTD ACTUAL	MTD BUDGET	FAVORABLE (UNFAVORABLE)	YTD ACTUAL	YTD BUDGET	FAVORABLE (UNFAVORABLE)
TOTAL MWD EXPENSE	\$ 748,276	\$ 656,719	(\$ 91,557)	\$ 1,975,441	\$ 1,924,672	(\$ 50,770)
TOTAL OPERATING EXPENSE	\$ 1,435,102	\$ 1,362,602	(\$ 100,463)	\$ 4,078,761	\$ 4,042,320	(\$ 117,310)
NET OPERATING SURPLUS / (DEFICIT)	\$ 659,963	\$ 712,713	(\$ 52,749)	\$ 2,444,204	\$ 2,370,201	\$ 74,003
NON OPERATING EXPENSE						
2004 DWR ORTEGA LOAN	-	-	-	-	-	-
BOND INTEREST EXPENSE	-	-	-	-	-	-
CATER DWR LOAN	-	-	-	-	-	-
CATER CAPITAL	-	-	-	-	-	-
CATER OZONE	-	-	-	-	-	-
TOTAL NON OPERATING EXPENSE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NET OPERATING SURPLUS / (DEFICIT)	\$ 659,963	\$ 712,713	(\$ 52,749)	\$ 2,444,204	\$ 2,370,201	\$ 74,003
NET POSITION, BEGINNING OF PERIOD	\$ 33,726,378	\$ 33,482,880	\$ 243,497	\$ 31,942,137	\$ 31,903,426	\$ 38,711
NET POSITION, END OF PERIOD	\$ 34,386,341	\$ 34,195,593	\$ 190,748	\$ 34,386,341	\$ 34,273,626	\$ 112,715

September 30, 2018

FOOTNOTES

- (1) **WATER SALES (in AF)** - MTD UNDER Actual 426.2 and Budget 434.7 = Variance -8.5; YTD UNDER Actual 1,342.4 and Budget 1,369.8 = Variance -27.4;
- (2) **SERVICE CONNECTION FEES** - YTD OVER by \$11k - Unanticipated connections and relocations
- (3) **CAPITAL COST RECOVERY** - MTD OVER by \$28k & YTD OVER by \$123k - Unanticipated new meter installations
- (4) **COMB** - MTD OVER by \$2k & YTD OVER by \$7k - Will continue to grow as MWD budget was based on a preliminary COMB budget
- (5) **STATE WATER PROJECT (VARIABLE)** -MTD & YTD UNDER by \$21k - Actual quarterly bill was less than budgeted amount
- (6) **JAMESON** - MTD UNDER by YTD by \$7k - Outside Services (\$5k) supplies (\$1k); YTD UNDER by \$9k - Repairs and Maintenance (\$5), Outside Services (\$2k)
- (7) **TRANSMISSION & DISTRIBUTION** - MTD OVER by \$13k - Supplies \$5K (timing), Utilities \$7k (timing)
YTD OVER by \$40k - Repairs and Maint \$26k (inventory), Utilities \$21k, Small Tools (UNDER) (\$2k), Road and Paving (UNDER) (\$2k)
- (8) **TREATMENT** - MTD OVER by \$20k - Repairs & Maint. \$9k (generator and bearings), Outside Services \$6k (Pump seal), Chemicals \$2k, Utilities \$4k
YTD OVER by \$49k - Utilities \$14k, Repairs & Maint. \$10k, Chemicals \$9k, and Outside Services \$5k, Laboratory Services \$3k
- (9) **ENGINEERING** - MTD UNDER by \$7k - SGMA (timing) (\$17k), Recycled Water Feasibility Study (timing) (OVER) - \$10k;
YTD UNDER by \$26k - SGMA (timing) (\$38k), Professional Services (\$25k), Salaries (OVER) \$8k and Recycled Water Feasibility Study (timing) (OVER) \$19k
- (10) **ADMINISTRATION** - MTD UNDER by \$79k -Local Water Supply Negotiations (timing) (\$67k), Legal (reclassified) (\$17k), Outside Services (OVER) \$5k
YTD UNDER by \$154k - Legal (-\$38k), Local Water Supply Negotiations (timing) (-\$112k) and Rate Study(timing) (-\$13k), Computer Software & Maint. (OVER) \$7k
- (11) **EXTRAORDINARY EXPENSES** - MTD & YTD - \$151K - Waterline Repair - \$46K, BVTP filtration enhancements \$80k

MONTECITO WATER DISTRICT
STATEMENT OF NET POSITION - UNAUDITED
September 30, 2018

ASSETS

Current:

Cash and investments

Operating accounts

Board reserves:

Reserve for Operations	\$	3,400,000	
Reserve for Emergencies	\$	1,000,000	
Reserve for Unanticipated Projects	\$	1,000,000	
			\$ 5,400,000

Unreserved Cash \$ 5,907,829

Total unrestricted cash and investments	\$	11,307,829	
Restricted - cash and investments	\$	3,484,101	
Total Cash (unrestricted & restricted)			\$ 14,791,930

Other Investments - Semitropic Shares \$ 630,000 \$ 630,000

Receivables:

Accounts receivable - water sales & services, net	\$	2,258,681	
Accounts receivable - other	\$	22,452	
Accrued Interest	\$	23,907	
FEMA Reimbursable	\$	545,715	
ACWA/JPIA receivable	\$	(192,743)	
Materials and supplies inventory	\$	308,394	
Prepaid water charges (SWP and other prepaid water)	\$	7,039,783	
Prepaid expenses and other deposits	\$	346,111	
Total Current Assets			\$ 10,352,299

Noncurrent:

Capital assets - not being depreciated	\$	1,442,487	
Capital assets - being depreciated, net	\$	30,958,089	
Total Noncurrent Assets			\$ 32,400,576

DEFERRED OUTFLOWS OF RESOURCES

Deferred pensions	\$	1,116,776	
Total Deferred Outflows of Resources			\$ 1,116,776

TOTAL COMBINED ASSETS:

\$ 59,291,582

**MONTECITO WATER DISTRICT
STATEMENT OF NET POSITION - UNAUDITED
September 30, 2018 (Continued)**

LIABILITIES

Current:

Accounts payable and accrued expenses	\$	11,343	
Accrued wages and related payables	\$	15,385	
Unearned revenue and other deposits	\$	84,563	
Accrued interest payable	\$	-	
Long-term liabilities - due within one year:			
Accrued compensated absences			
Bonds Payable	\$	-	
Loan Payable	\$	635,016	
Total Current Liabilities		\$	746,308

Noncurrent:

Accrued compensated absences	\$	387,022	
Accrued water exchange transfer	\$	-	
Bonds payable	\$	13,360,000	
Loan payable	\$	5,864,989	
Legal settlement payable	\$	-	
Other post-employment benefits payable	\$	780,930	
Net pension liability	\$	3,797,410	
Total Noncurrent Liabilities		\$	24,190,352
Total Liabilities		\$	24,936,660

DEFERRED INFLOWS OF RESOURCES

Deferred pensions	\$	523,384	
Total Deferred Inflows of Resources		\$	523,384

NET POSITION

Net investment in capital assets	\$	12,072,809	
Restricted	\$	3,484,101	
Unrestricted	\$	18,274,628	
Total Net Position		\$	33,831,538

TOTAL COMBINED LIABILITIES, DEFERRALS AND NET POSITION:

\$ 59,291,582

**MONTECITO WATER DISTRICT
STATEMENT OF CASH FLOWS - UNAUDITED
September 30, 2018**

CASH FLOWS FROM OPERATING ACTIVITIES

	MTD	YTD
Operating Income (loss)	\$ 649,492	\$ 2,403,793
Adjustments to reconcile operating (loss) to net cash provided by operating activities:		
Depreciation	101,548	301,208
Change in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
Accounts receivable	135,121	5,902
Materials and supplies inventory	(5,501)	54,535
Prepaid water charges	486,825	1,775,982
Prepaid expenses and other deposits	(26,725)	(232,853)
Litigation Liability	-	-
Accounts payable	2,353	(895,860)
Accrued wages and related payables	4,490	(38,867)
Unearned revenue and other deposits	(2,948)	(3,065)
Accrued water exchange transfer	-	-
Compensated absences	5,137	17,816
Net cash provided (used) by operating activities	\$ 1,349,792	\$ 3,388,591

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition and construction of capital assets	(138,882)	\$ (234,049)
Interest Payable	-	-
Net cash provided (used) by capital financing and related activities	\$ (138,882)	\$ (234,049)

**MONTECITO WATER DISTRICT
STATEMENT OF CASH FLOWS - UNAUDITED
September 30, 2018 (Continued)**

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

	<u>MTD</u>	<u>YTD</u>
Ortega Interest	\$ -	\$ -
Bond Interest	-	-
Cater DWR Loan	-	-
Cater Capital	-	-
Cater Ozone	-	-
	<hr/>	<hr/>
Net cash provided (used) by noncapital financing activities	\$ -	\$ -

CASH FLOWS FROM INVESTING ACTIVITIES

Interest earnings	\$ 10,471	\$ 40,410
Purchase of underground water banking shares	\$ -	\$ -
	<hr/>	<hr/>
Net cash provided by (used) by investing activities	\$ 10,471	\$ 40,410

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

\$ 1,281,865 \$ 3,198,003

Cash and cash equivalents, beginning of period

\$ 13,510,065 \$ 11,593,928

Cash and cash equivalents, end of period

\$ 14,791,930 \$ 14,791,930

RECONCILIATION TO STATEMENT OF NET POSITION:

Cash and investments - cash equivalents	\$ 11,307,829	\$ 11,307,829
Restricted cash and investments - cash equivalents	3,484,101	3,484,101
	<hr/>	<hr/>
	<u>\$ 14,791,930</u>	<u>\$ 14,791,930</u>



DASHBOARD REPORT WATER SALES (AF)

9/30/2018

MONTH TO DATE WATER SALES (AF)				
CLASSIFICATION	ACTUAL	BUDGET	VARIANCE	
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Single Family	309.79	311.92	(2.12)	(0.7%)
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Yearly Total	1,342.39	1,369.80	(27.41)	(2.0%)

Fiscal Year = July thru June



DASHBOARD REPORT WATER SALES (\$)

MONTH TO DATE WATER SALES (\$)				
CLASSIFICATION	CURRENT MONTH	BUDGET MONTH	VARIANCE	
			\$	%
Single Family	\$ 818,721	\$ 788,004	\$ 30,717	3.9%
Multi Family	15,530	16,323	(793)	(4.9%)
Agricultural	52,834	54,258	(1,424)	(2.6%)
Institutional	95,185	98,651	(3,466)	(3.5%)
Commercial	56,849	72,477	(15,628)	(21.6%)
Non-Potable	8,630	9,598	(968)	(10.1%)
Adjustments	-	-	-	0.0%
Monthly Total	\$ 1,047,749	\$ 1,039,311	\$ 8,438	0.8%

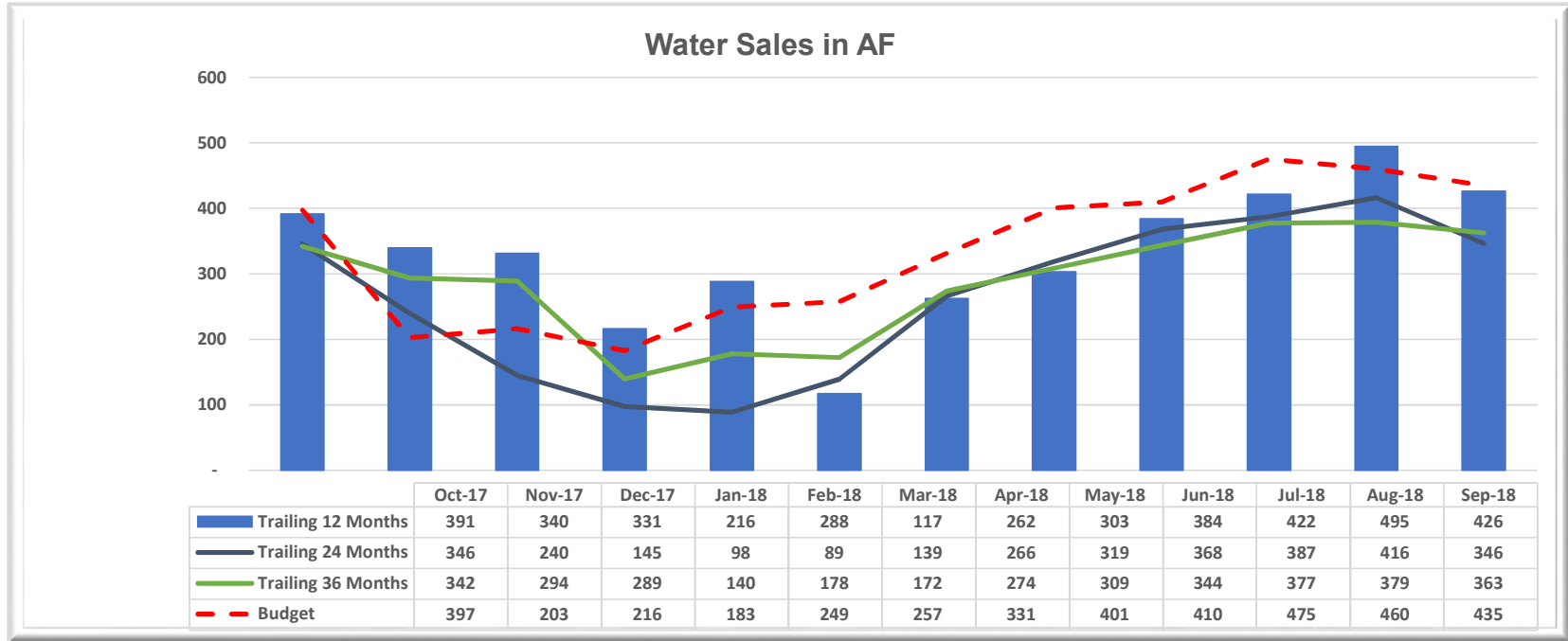
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Monthly Total	\$ 3,275,416	\$ 3,257,486	\$ 17,930	0.6%

Fiscal Year = July thru June

MONTH ENDING

9/30/2018

(Select Date From Drop Down Arrow)



■ Trailing 12 Months	3,976	AF
■ Trailing 24 Months	3,158	AF
■ Trailing 36 Months	3,459	AF
■ Budget	4,016	AF

Trailing 12 Months vs. Trailing 24 Months: 25.9%

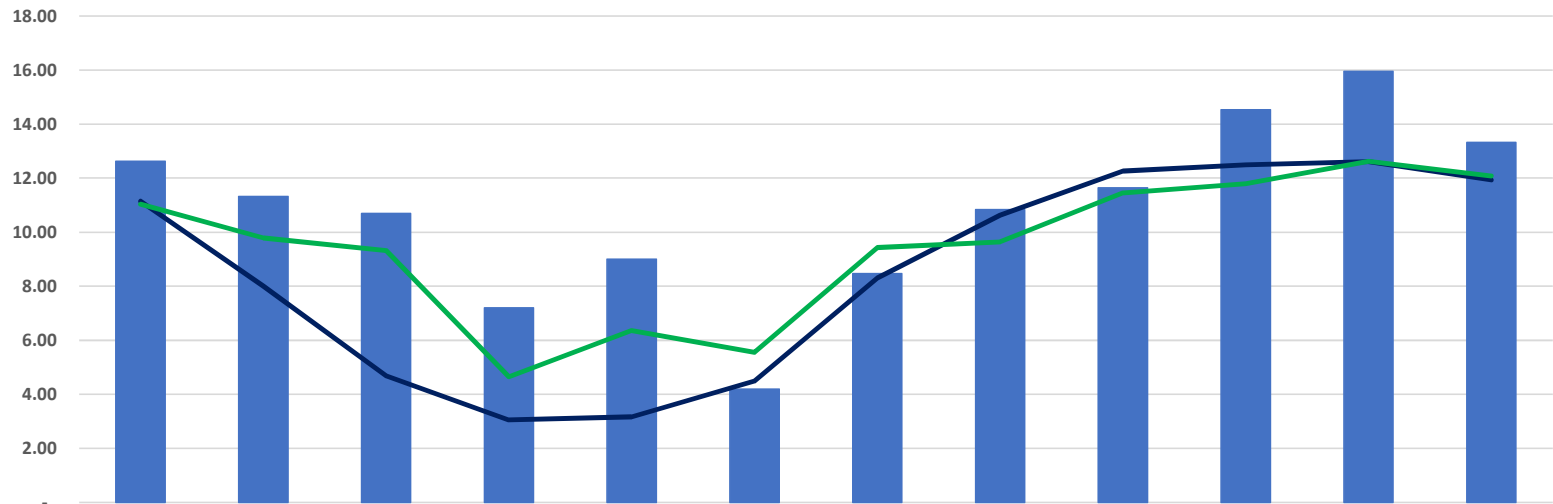
Trailing 12 Months vs. Trailing 36 Months: 14.9%

Trailing 12 Months vs. Budget: (1.0%)



9/30/2018

Average Daily Water Sales Per Month (AF)



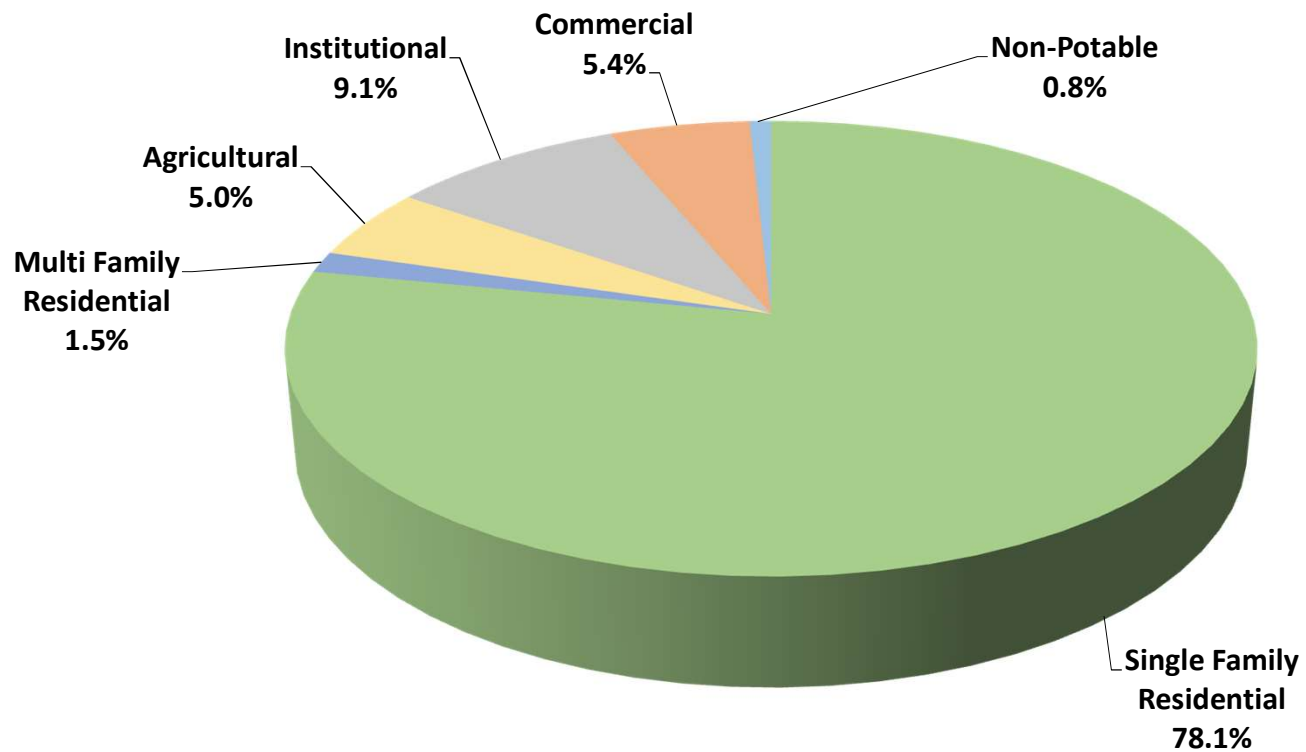
	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
Trailing 12 Months	12.63	11.32	10.69	7.20	9.00	4.19	8.46	10.83	11.64	14.54	15.96	13.32
Trailing 24 Months	11.15	8.00	4.68	3.05	3.17	4.49	8.31	10.63	12.26	12.49	12.61	11.94
Trailing 36 Months	11.03	9.79	9.32	4.65	6.36	5.56	9.43	9.64	11.46	11.79	12.62	12.08

MONTH ENDING

9/30/2018

(Select Date From Drop Down Arrow)

Water Sales by Classification - September 30, 2018

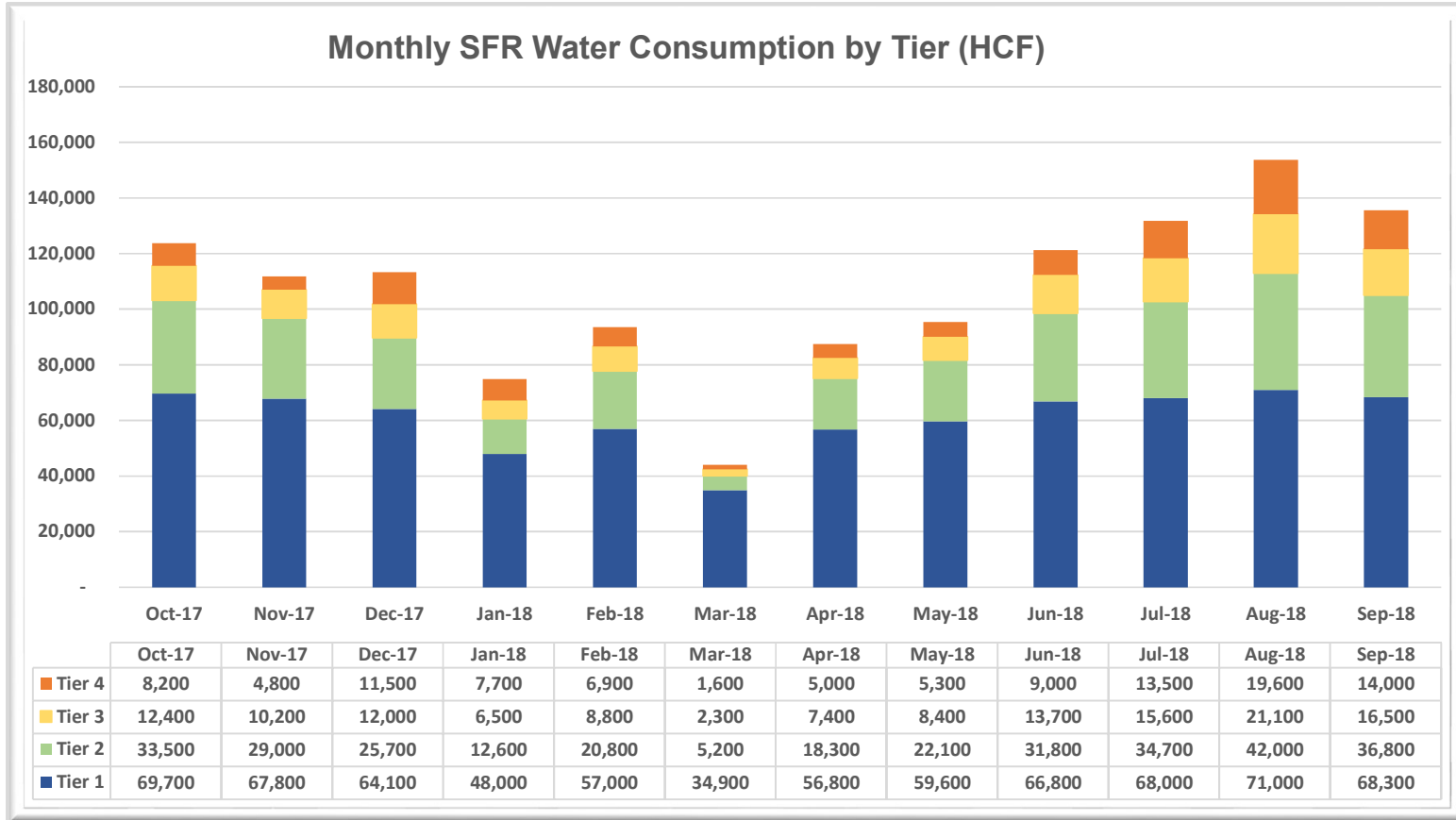




**DASHBOARD REPORT
SFR CONSUMPTION TRENDS**

MONTH ENDING

9/30/2018



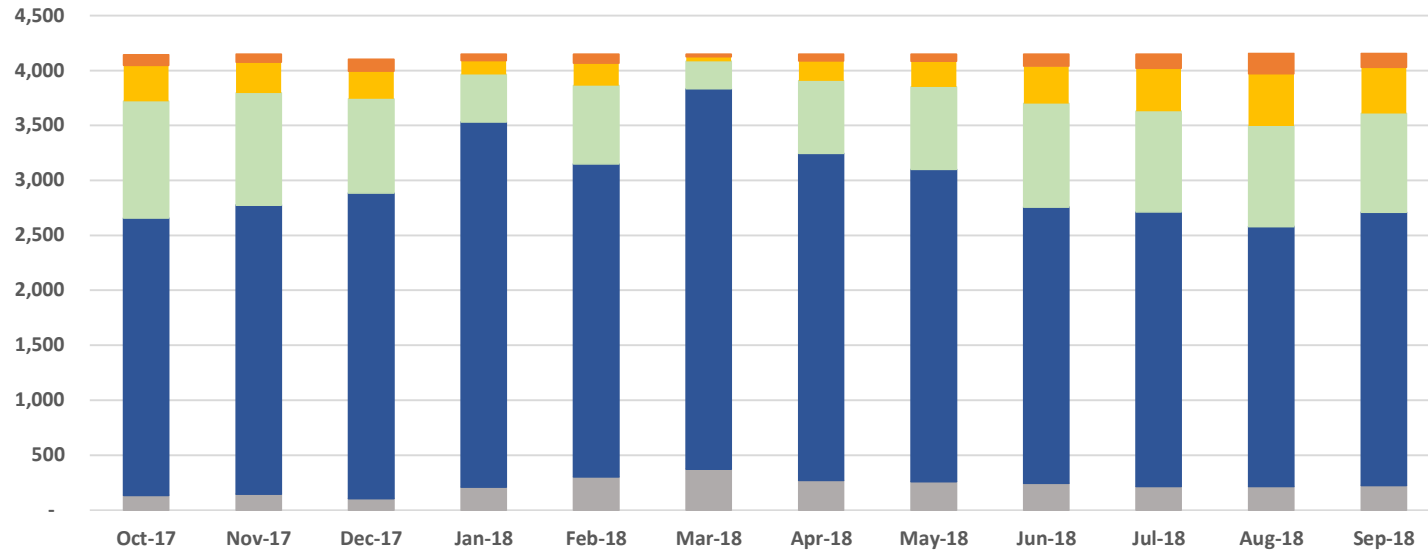


**DASHBOARD REPORT
SFR CONSUMPTION TRENDS**

MONTH ENDING

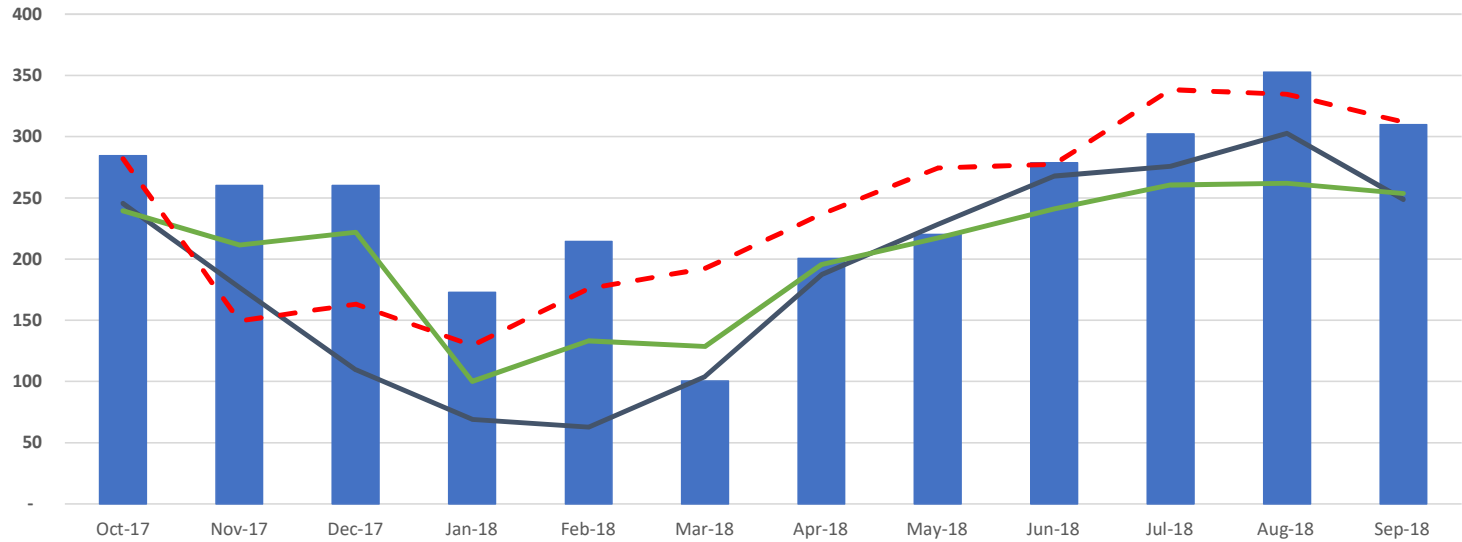
9/30/2018

Monthly SFR Water Consumption by Tier (# of Customers)



	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
■ Tier 4 Usage	93	67	106	56	80	22	58	62	107	127	182	123
■ Tier 3 Usage	330	284	255	127	203	42	184	234	342	391	477	423
■ Tier 2 Usage	1,061	1,017	856	430	714	249	658	751	942	918	914	898
■ Tier 1 Usage	2,522	2,632	2,780	3,325	2,847	3,462	2,978	2,841	2,513	2,498	2,367	2,485
■ "0" Usage	137	147	106	209	304	373	270	260	245	215	215	226

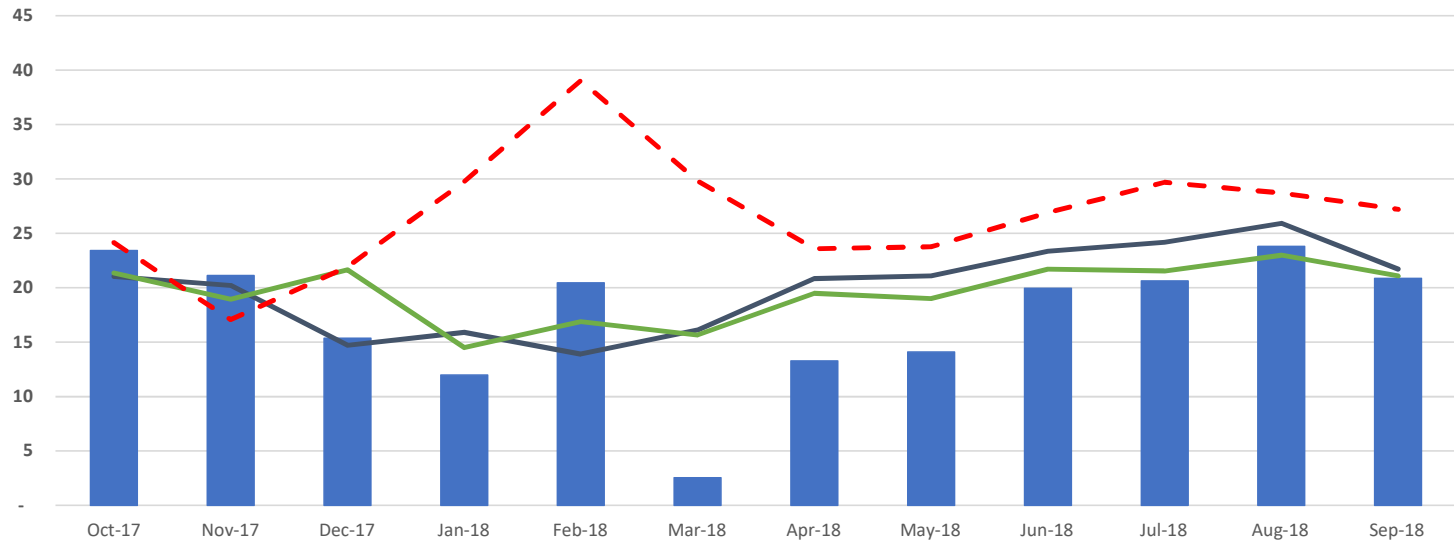
Water Sales by Month (AF) SINGLE FAMILY RESIDENTIAL



	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
Trailing 12 Months	284	260	260	173	214	100	200	220	279	302	353	310
Trailing 24 Months	245	177	109	69	63	104	187	228	268	276	303	249
Trailing 36 Months	239	211	222	100	133	129	195	217	241	260	262	253
Budget	282	149	163	129	176	192	237	274	277	338	335	312

■	Trailing 12 Months(SINGLE FAMILY RESIDENTIAL)	2,956 AF
■	Trailing 24 Months(SINGLE FAMILY RESIDENTIAL)	2,277 AF
■	Trailing 36 Months(SINGLE FAMILY RESIDENTIAL)	2,464 AF
■	Budget(SINGLE FAMILY RESIDENTIAL)	3,166 AF
	Trailing 12 Months vs. Trailing 24 Months:	29.8%
	Trailing 12 Months vs. Trailing 36 Months:	20.0%
	Trailing 12 Months vs. Budget	(6.6%)

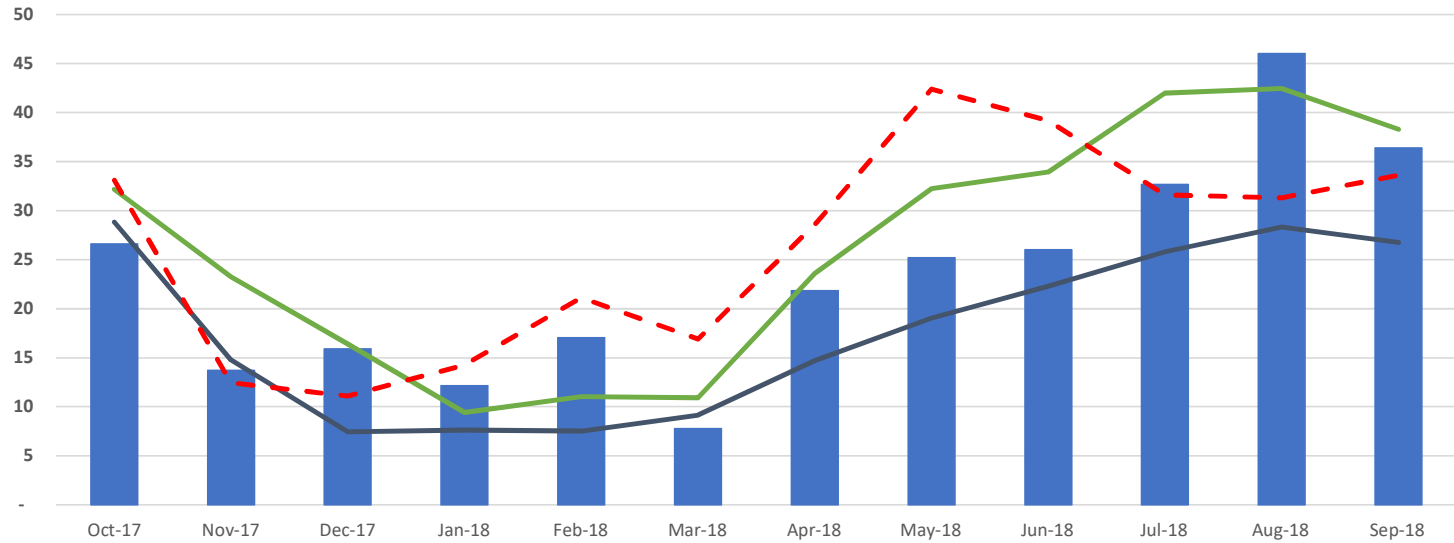
Water Sales by Month (AF) COMMERCIAL



	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
Trailing 12 Months	23	21	15	12	20	3	13	14	20	21	24	21
Trailing 24 Months	21	20	15	16	14	16	21	21	23	24	26	22
Trailing 36 Months	21	19	22	14	17	16	20	19	22	22	23	21
Budget	24	17	22	30	39	30	24	24	27	30	29	27

■	Trailing 12 Months (COMMERCIAL)	207 AF
■	Trailing 24 Months (COMMERCIAL)	239 AF
■	Trailing 36 Months (COMMERCIAL)	235 AF
■	Budget (COMMERCIAL)	347 AF
	Trailing 12 Months vs. Trailing 24 Months:	(13.2%)
	Trailing 12 Months vs. Trailing 36 Months:	(11.7%)
	Trailing 12 Months vs. Budget	(40.2%)

Water Sales by Month (AF) INSTITUTIONAL

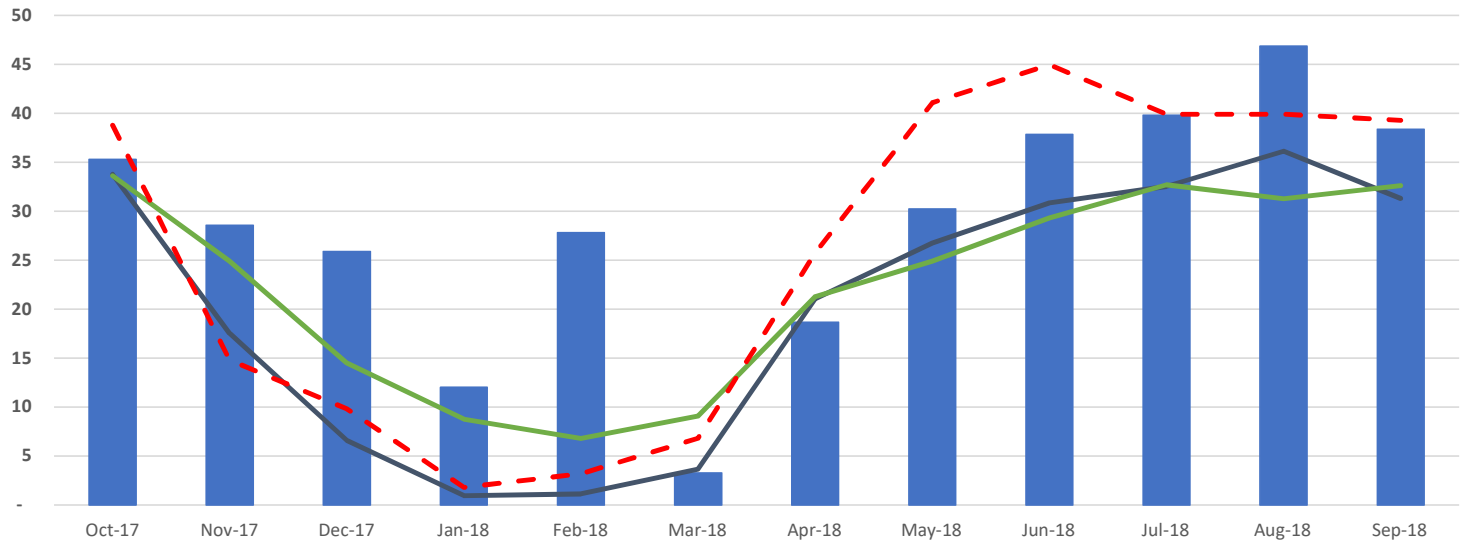


	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
Trailing 12 Months	27	14	16	12	17	8	22	25	26	33	46	36
Trailing 24 Months	29	15	7	8	8	9	15	19	22	26	28	27
Trailing 36 Months	32	23	16	9	11	11	24	32	34	42	42	38
Budget	33	12	11	14	21	17	29	42	39	32	31	34

- Trailing 12 Months (INSTITUTIONAL) 281 AF
- Trailing 24 Months (INSTITUTIONAL) 212 AF
- Trailing 36 Months (INSTITUTIONAL) 316 AF
- Budget (INSTITUTIONAL) 361 AF

Trailing 12 Months vs. Trailing 24 Months: 32.6%
 Trailing 12 Months vs. Trailing 36 Months: (10.9%)
 Trailing 12 Months vs. Budget: (22.1%)

Water Sales by Month (AF) AGRICULTURE



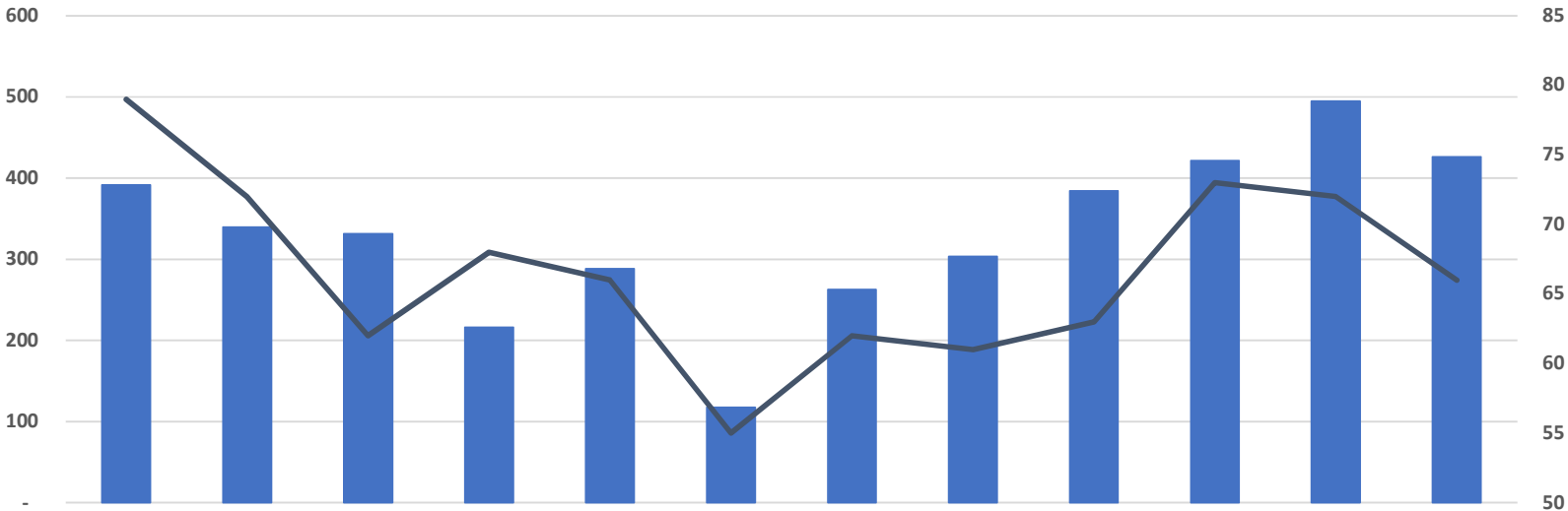
	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
Trailing 12 Months	35	29	26	12	28	3	19	30	38	40	47	38
Trailing 24 Months	34	18	7	1	1	4	21	27	31	33	36	31
Trailing 36 Months	34	25	14	9	7	9	21	25	29	33	31	33
Budget	39	15	10	2	3	7	26	41	45	40	40	39

 Trailing 12 Months (AGRICULTURE)	345 AF
 Trailing 24 Months (AGRICULTURE)	242 AF
 Trailing 36 Months (AGRICULTURE)	270 AF
 Budget(AGRICULTURE)	345 AF
Trailing 12 Months vs. Trailing 24 Months:	42.2%
Trailing 12 Months vs. Trailing 36 Months:	27.7%
Trailing 12 Months vs. Budget	(0.1%)



9/30/2018

Sales (AF) / Average Temperature (°F)

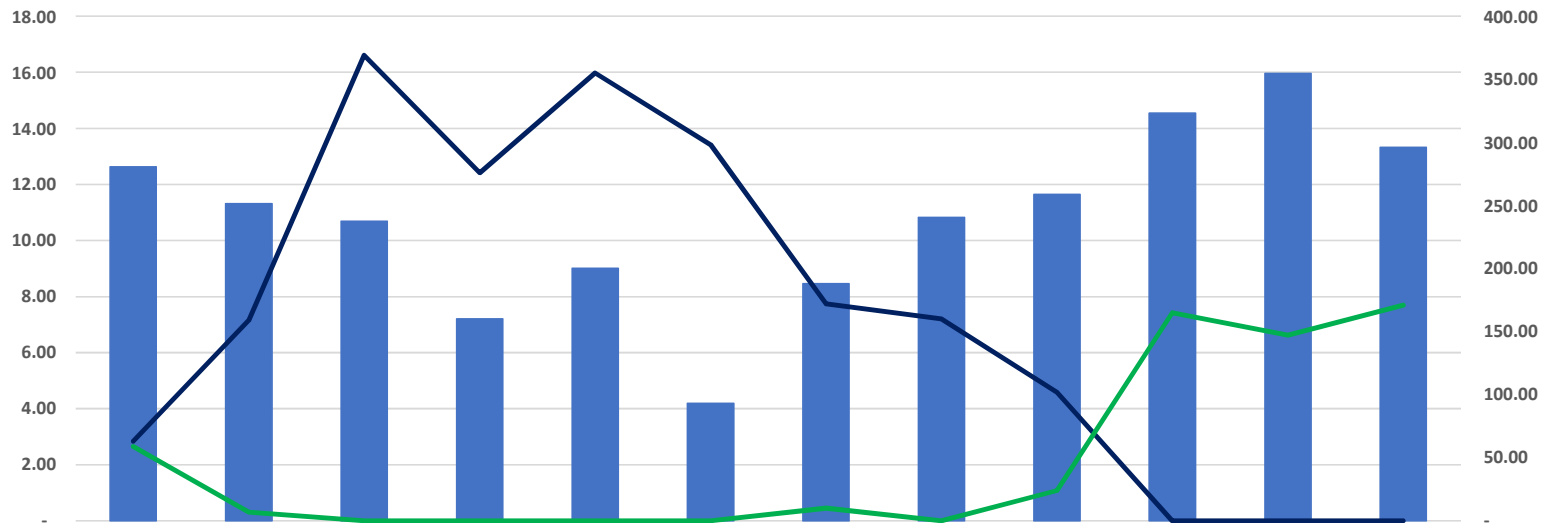


	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
Sales (AF)	391	340	331	216	288	117	262	303	384	422	495	426
Average Temp	79	72	62	68	66	55	62	61	63	73	72	66



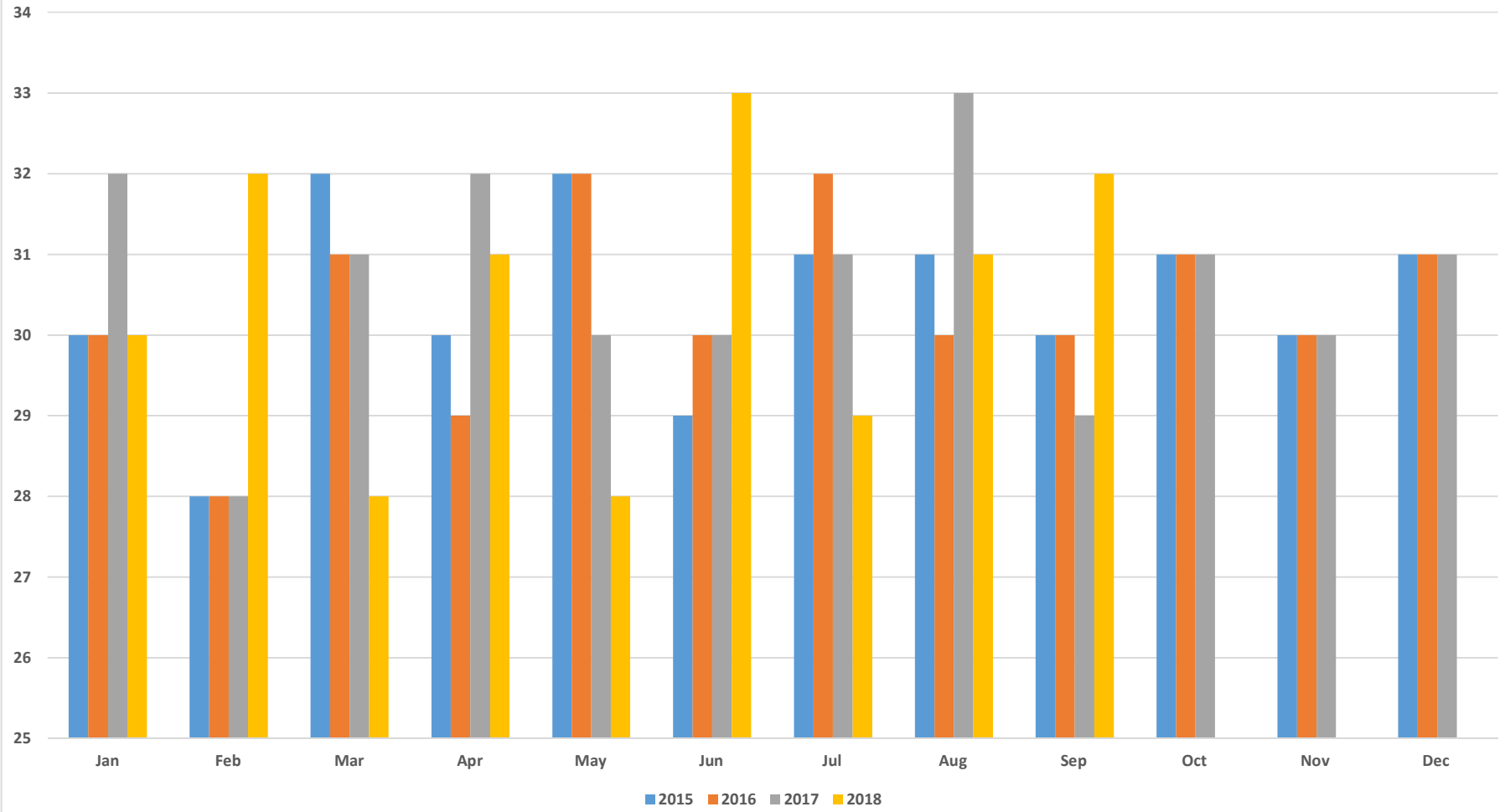
9/30/2018

Average Daily Sales (AF) - Degree Days (Base 65)



	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
Average Daily Sales	12.63	11.32	10.69	7.20	9.00	4.19	8.46	10.83	11.64	14.54	15.96	13.32
Heating Degree Days	63.00	159.00	369.00	276.00	355.00	298.00	172.00	160.00	102.00	-	-	-
Cooling Degree Days	59.00	7.00	-	-	-	-	10.00	-	24.00	165.00	147.00	171.00

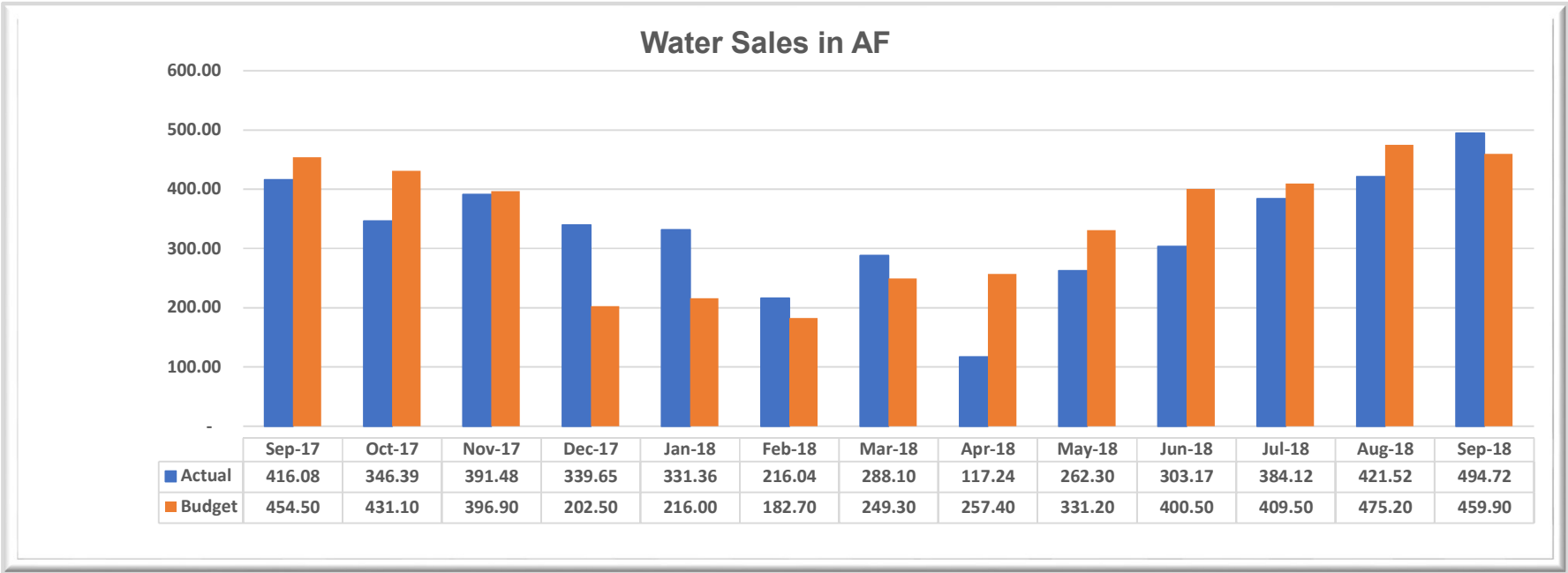
Billing Days per Month





DASHBOARD REPORT WATER SALES (AF)

9/30/2018



**MONTECITO WATER DISTRICT
WATER SALES ANALYSIS
FOR FISCAL YEAR 2018/19**

MONTH	% SALES BREAKDOWN	2017/18 ACTUAL SALES (*)		2018/19 BUDGET SALES		2018/19 ACTUAL SALES (*)		YTD VARIANCE PRIOR YEAR VS. CURRENT YEAR				YTD VARIANCE BUDGET VS. ACTUAL			
		AF	\$	AF	\$	AF	SALES	AF	%	\$	%	AF	%	\$	%
JUL	11.8%	387.1	909,119	475.2	\$1,115,891	421.5	\$1,014,800	34.4	8.9%	\$105,681	11.6%	(53.7)	(11.3%)	(101,091)	(9.1%)
AUG	11.6%	416.1	997,265	459.9	\$1,102,283	494.7	\$1,212,868	78.6	18.9%	\$215,603	21.6%	34.8	7.6%	110,584	10.0%
SEP	11.0%	346.4	828,165	434.7	\$1,039,311	426.2	\$1,047,748	79.8	23.0%	\$219,583	26.5%	(8.5)	(2.0%)	\$8,437	0.8%
OCT	10.0%	391.5	933,549	396.9	\$946,478	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
NOV	7.2%	339.6	815,859	283.5	\$680,991	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
DEC	5.1%	331.4	799,566	200.7	\$484,287	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
JAN	3.1%	216.0	400,615	160.2	\$297,067	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
FEB	5.6%	288.1	657,160	233.0	\$531,382	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
MAR	5.8%	117.2	266,987	242.1	\$551,244	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
APR	8.1%	262.3	628,625	321.2	\$769,848	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
MAY	10.6%	303.2	719,008	398.6	\$1,008,415	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
JUN	10.1%	384.1	918,746	409.5	\$955,734	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
TOTAL	100.0%	3,783.0	8,874,664	4,015.4	\$9,482,932	1,342.4	\$3,275,416	192.8	16.8%	\$540,867	19.8%	(27.4)	(2.0%)	\$17,930	0.6%

**YTD ACTUAL WATER SALES COMPARISON
FOR FISCAL YEAR 2018/19**

	2017/18 ACTUAL SALES (YTD)		2018/19 BUDGET SALES (YTD)		2018/19 ACTUAL SALES (YTD)		YTD VARIANCE PRIOR YEAR VS. CURRENT YEAR				YTD VARIANCE BUDGET VS. ACTUAL			
	AF	\$	AF	\$	AF	\$	AF	%	\$	%	AF	%	\$	%
Cummulative (YTD)	1,149.6	2,734,549	1,369.8	\$3,257,486	1,342.4	\$3,275,416	192.8	16.8%	\$540,867	19.8%	(27.4)	(2.0%)	\$17,930	0.6%

QUARTERLY COMPARISON - ACTUALS THROUGH SEPTEMBER 2018 (*)

	2017/18 ACTUAL SALES		2018/19 BUDGET SALES		2018/19 ACTUAL SALES (*)		VARIANCE PRIOR YEAR VS. CURRENT YEAR				VARIANCE BUDGET VS. ACTUAL			
	AF	\$	AF	\$	AF	\$	AF	%	\$	%	AF	%	\$	%
Jul-Sep (Actual)	1,149.6	\$2,734,549	1,369.8	\$3,257,486	1,342.4	\$3,275,416	192.8	16.8%	\$540,867	19.8%	(27.4)	(2.0%)	\$17,930	0.6%
Oct-Dec (Actual)	1,062.5	2,548,974	881.1	2,111,756	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
Jan-Mar (Actual)	621.3	1,324,762	635.2	1,379,694	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
Apr-Jun (Actual)	949.6	2,266,379	1,129.3	2,733,997	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
Total (Actual)	3,783.0	\$8,874,664	4,015.4	\$9,482,932	1,343.0	\$3,275,416	192.8	16.8%	\$540,867	19.8%	(27.4)	(2.0%)	\$17,930	0.6%

(*) Sales figures reported are as of the close of billing for that period and do not reflect final financial amounts. Budgeted amounts are used prior to actual figures being available for comparative purposes

**MONTECITO WATER DISTRICT
METERED WATER SALES - ACRE FEET
ACTUALS THROUGH SEPTEMBER 2018 (*)**

MONTH	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YR TOTAL
1996-97	541.74	608.10	490.40	441.30	240.80	167.50	146.40	253.70	405.00	527.50	616.60	535.40	4974.44
1997-98	627.20	629.90	624.60	590.00	235.40	179.90	159.40	128.70	186.06	242.03	290.00	415.40	4308.59
1998-99	567.80	566.30	447.60	548.00	352.67	297.30	279.40	202.90	252.80	310.00	440.10	547.97	4812.84
1999-00	656.44	621.80	542.90	541.00	341.90	501.30	285.90	146.30	288.20	329.59	529.63	556.20	5341.16
2000-01	574.40	719.30	568.50	368.20	381.30	364.00	224.90	162.00	257.00	318.60	438.00	534.20	4910.40
2001-02	571.70	631.20	501.40	436.70	214.10	191.70	235.20	331.20	378.90	499.80	655.70	586.40	5234.00
2002-03	714.96	691.72	572.91	543.09	316.16	228.56	323.44	236.50	312.70	372.00	423.10	458.72	5193.86
2003-04	707.18	677.68	675.26	528.96	286.21	320.92	275.41	267.97	398.04	624.78	623.60	668.60	6054.61
2004-05	693.71	763.52	753.31	408.50	367.50	301.60	158.00	195.30	189.00	516.50	493.40	607.50	5447.84
2005-06	659.00	695.60	656.00	413.00	372.00	294.80	265.08	345.20	180.50	203.40	357.30	623.30	5065.18
2006-07	681.40	707.50	606.70	540.80	530.70	359.80	415.50	201.10	462.90	469.10	703.00	655.00	6333.50
2007-08	739.40	832.60	642.00	594.20	509.30	328.80	188.00	212.00	474.10	629.00	694.00	675.00	6518.40
2008-09	798.00	724.64	633.87	674.67	384.67	225.41	325.87	159.67	370.15	504.98	596.33	566.11	5964.37
2009/10	742.30	631.10	657.00	458.30	445.12	227.74	190.35	139.34	294.99	348.93	571.75	538.61	5245.53
2010/11	538.41	727.65	548.36	380.37	305.68	190.81	200.96	261.47	203.60	366.94	544.19	447.14	4715.58
2011/12	617.27	555.95	610.01	446.47	294.66	316.66	337.17	394.72	371.30	271.33	504.24	582.64	5302.42
2012/13	638.77	712.13	681.09	650.89	415.54	149.43	240.86	311.99	388.90	536.67	601.32	617.82	5945.40
2013/14	697.66	730.90	684.30	662.58	496.06	378.50	530.73	357.85	206.59	305.52	373.14	352.27	5776.10
2014/15	362.48	360.73	368.36	345.56	233.41	166.23	158.11	188.53	227.57	308.96	300.16	311.07	3331.17
2015/16	353.90	371.40	373.74	342.06	293.71	289.17	139.62	178.14	172.29	273.55	308.50	343.65	3439.73
2016/17	377.38	378.68	362.54	345.53	239.92	145.00	97.59	88.78	139.09	266.01	318.90	367.79	3127.21
2017/18	387.15	416.08	346.39	391.48	339.65	331.36	216.04	288.10	117.24	262.30	303.20	384.10	3783.09
2018/19	440.10	494.70	426.15										1360.95
AVERAGE	595.15	619.53	555.36	484.17	345.29	270.75	245.18	229.61	285.31	385.79	485.73	517.04	4877.67
MAXIMUM	798.00	832.60	753.31	674.67	530.70	501.30	530.73	394.72	474.10	629.00	703.00	675.00	6518.40
MINIMUM	353.90	360.73	346.39	342.06	214.10	145.00	97.59	88.78	117.24	203.40	290.00	311.07	1360.95
18/19 % VS AVERAGE	74%	80%	77%	0%	0%	0%	0%	0%	0%	0%	0%	0%	28%
17/18 % VS MAXIMUM	55%	59%	57%	0%	0%	0%	0%	0%	0%	0%	0%	0%	21%

Total METER Connections = **4,611**

Total OFF Connections = **43**

Total ACTIVE METER Connections = **4,568**

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 3-B

DATE: OCTOBER 16, 2018

TO: FINANCE COMMITTEE

FROM: BUSINESS MANAGER

SUBJECT: PROJECTED MONTHLY CASH FLOWS

RECOMMENDATION:

For information and discussion only.

DISCUSSION:

As a result of extraordinary expense incurred in 2018, Staff continues to prepare the attached monthly cash flow analysis projected through June 2019. The referenced extraordinary expenses are as follows:

- Systemwide repairs associated with the January 9, 2018 debris flows
- USBR deficits for FY2015 through FY 2017 totaling \$172,833
- Increase in DWR Transportation Minimum OMP&R charges totaling \$1.035M

At the end of September, the Operating Cash is approximately \$6.2M with approximately \$2.6M in Wells Fargo and \$3.6M in American Riviera.

ATTACHMENTS

- 1) Estimated Cash Flow

Cash Flow

August

		Forecast		Actual	
Operating Cash Beginning	\$	6,292,594	\$	4,531,739	
Revenue	\$	2,397,524	\$	2,397,524	Actual as of 8/31/2018
Expenses	\$	(1,426,077)	\$	(1,426,077)	Actual as of 8/31/2018
Other Asset & Liability Fluctuations*			\$	(230,640)	
Increase in A/R	\$	(437,927)	\$	(437,927.00)	
Depreciation	\$	101,548	\$	101,548	
Cash Flows From Operations	\$	635,068	\$	404,428	
Ending Operating Cash	\$	6,927,661	\$	4,936,167	Actual as of 8/31/2018

September

		Forecast		Estimate	
Operating Cash Beginning	\$	6,927,661	\$	4,936,167	
Revenue	\$	2,095,065	\$	2,095,065	Actual as of 9/30/18 - Forecast \$2,075,314
Expenses	\$	(1,435,102)	\$	(1,435,102)	Actual as of 9/30/18 - Forecast (\$1,337,026)
Other Asset & Liability Fluctuations*			\$	365,567	
Decrease in A/R	\$	163,233	\$	163,233	
Depreciation	\$	101,548	\$	101,548	
Cash Flows From Operations	\$	924,744	\$	1,290,311	
Ending Operating Cash	\$	7,852,406	\$	6,226,478	\$6,050,262 was forecast in August Actual as of 9/30/2018

October	\$	-	Estimate
Operating Cash Beginning	\$	7,852,406	\$ 6,226,478
Revenue	\$	1,912,179	\$ 1,912,179 Budgeted amount
Expenses	\$	(1,369,507)	\$ (1,369,507) Budgeted amount
USBR 2017 Deficit - No interest	\$	(29,933)	\$ (29,933) USBR 2017 Deficit - No interest
USBR 2015+16 Deficits Inc Interest	\$	(142,900)	\$ (142,900) USBR 2015+16 Deficits Inc Interest
Semitropic	\$	(1,294,510)	\$ (1,294,510) Semitropic Final Payment (invoice amount)
Decrease in A/R	\$	140,985	\$ 140,985
Depreciation	\$	101,548	\$ 101,548
Cash Flows From Operations	\$	(682,138)	\$ (682,138)
Ending Operating Cash	\$	7,170,267	\$ 5,544,340

November	\$	-	Estimate
Operating Cash Beginning	\$	7,170,267	\$ 5,544,340
Revenue	\$	1,500,093	\$ 1,500,093 Budgeted amount
Expenses	\$	(1,317,898)	\$ (1,317,898) Budgeted amount
Cater DWR Loan Pmt	\$	(115,824)	\$ (115,824) Cater DWR Loan Pmt
Cater Ozone Pmt	\$	(138,173)	\$ (138,173) Cater Ozone Pmt
Other Asset & Liability Fluctuations*			
Decrease in A/R	\$	373,842	\$ 373,842
Depreciation	\$	101,548	\$ 101,548
Cash Flows From Operations	\$	403,588	\$ 403,588
Ending Operating Cash	\$	7,573,856	\$ 5,947,928

<u>December</u>	\$	-	Estimate
Operating Cash Beginning	\$	7,573,856	\$ 5,947,928
Revenue	\$	1,342,811	\$ 1,342,811 Budgeted amount
Expenses	\$	(1,331,913)	\$ (1,331,913) Budgeted amount
Ortega Principle and Interest pmt	\$	(295,210)	\$ (295,210) Ortega Principle and Interest pmt
Bond Interest	\$	(345,231)	\$ (345,231) Bond Interest
1 Of 2 DWR Unanticipated charges	\$	(517,700)	\$ (517,700) 1 Of 2 DWR Unanticipated charges
Other Asset & Liability Fluctuations*			
Decrease in A/R	\$	127,280	\$ 127,280
Move to Charles Schwab	\$	(2,900,000)	\$ (2,900,000) Half way to the goal \$5M for SWP Payment in June
Depreciation	\$	101,548	\$ 101,548
Cash Flows From Operations	\$	(3,818,415)	\$ (3,818,415)

<u>Ending Operating Cash</u>	\$	3,755,441	\$ 2,129,513
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<u>January</u>	\$	-	Estimate
Operating Cash Beginning	\$	3,755,441	\$ 2,129,513
Revenue	\$	863,525	\$ 863,525 Budgeted amount
Expenses	\$	(1,315,238)	\$ (1,315,238) Budgeted amount
Other Asset & Liability Fluctuations*			
Decrease in A/R	\$	452,430	\$ 452,430
Move to Charles Schwab	\$	-	\$ -
Depreciation	\$	101,548	\$ 101,548
Cash Flows From Operations	\$	102,265	\$ 102,265

<u>Ending Operating Cash</u>	\$	3,857,706	\$ 2,231,778
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February	\$	-	Estimate	
Operating Cash Beginning	\$	3,857,706	\$	2,231,778
Revenue	\$	1,158,255	\$	1,158,255 Budgeted amount
Expenses	\$	(1,215,832)	\$	(1,215,832) Budgeted amount
Other Asset & Liability Fluctuations*				
Increase in A/R	\$	(312,001)	\$	(312,001)
Move to Charles Schwab	\$	-	\$	-
Depreciation	\$	101,548	\$	101,548
Cash Flows From Operations	\$	(268,030)	\$	(268,030)

Ending Operating Cash	\$	3,589,676	\$	1,963,748
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March	\$	-	Estimate	
Operating Cash Beginning	\$	3,589,676	\$	1,963,748
Revenue	\$	1,202,595	\$	1,202,595 Budgeted amount
Expenses	\$	(1,238,504)	\$	(1,238,504) Budgeted amount
Other Asset & Liability Fluctuations*				
Increase in A/R	\$	(67,505)	\$	(67,505)
Move to Charles Schwab	\$	-	\$	-
Depreciation	\$	101,548	\$	101,548
Cash Flows From Operations	\$	(1,866)	\$	(1,866)

Ending Operating Cash	\$	3,587,810	\$	1,961,882
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April	\$	-	Estimate	
Operating Cash Beginning	\$	3,587,810	\$	1,961,882
Revenue	\$	1,609,552	\$	1,609,552 Budgeted amount
Expenses	\$	(1,953,622)	\$	(1,953,622) Budgeted amount
AMI Financing Payment #1	\$	(183,028)	\$	(183,028) AMI Financing Payment #1
EPFP Installation	\$	(191,552)	\$	(191,552) EPFP Installation
Other Asset & Liability Fluctuations*				
Increase in A/R	\$	(431,009)	\$	(431,009)
Move to Charles Schwab	\$	-	\$	-
Depreciation	\$	101,548	\$	101,548
Cash Flows From Operations	\$	<u>(1,048,111)</u>	\$	<u>(1,048,111)</u>

Ending Operating Cash	\$	<u>2,539,699</u>	\$	<u>913,772</u>
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May	\$	-	Estimate	
Operating Cash Beginning	\$	2,539,699	\$	913,772
Revenue	\$	1,791,041	\$	1,791,041 Budgeted amount
Expenses	\$	(1,258,386)	\$	(1,258,386) Budgeted amount
2 Of 2 DWR Unanticipated charges	\$	(517,700)	\$	(517,700) 2 Of 2 DWR Unanticipated charges
Cater DWR Loan Pmt	\$	(115,824)	\$	(115,824) Cater DWR Loan Pmt
Cater Ozone Pmt	\$	(138,173)	\$	(138,173) Cater Ozone Pmt
Other Asset & Liability Fluctuations*				
Increase in A/R	\$	(213,680)	\$	(213,680)
Move to Charles Schwab	\$	-	\$	-
Depreciation	\$	101,548	\$	101,548
Cash Flows From Operations	\$	<u>(351,174)</u>	\$	<u>(351,174)</u>

Ending Operating Cash	\$	<u>2,188,525</u>	\$	<u>562,598</u>
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Will bring Schwab account balance to \$1.8M
 \$ (5,976,645) SWP Fixed Portion (based on 10-yr projection)

June	\$	-	Estimate
Operating Cash Beginning	\$	2,188,525	\$ 562,598
Revenue	\$	1,750,883	\$ 1,750,883 Budgeted amount
Expenses	\$	(1,269,093)	\$ (1,269,093) Budgeted amount
Ortega Principle and Interest pmt	\$	(295,210)	\$ (295,210) Ortega Principle and Interest pmt
Bond Interest	\$	(345,231)	\$ (345,231) Bond Interest
Other Asset & Liability Fluctuations*			
Decrease in A/R	\$	4,337	\$ 4,337
Move to Charles Schwab	\$	-	
Depreciation	\$	101,548	\$ 101,548
Cash Flows From Operations	\$	(52,766)	\$ (52,766)
Ending Operating Cash	\$	2,135,760	\$ 509,832

Assumptions

1. Cash collections in September were slightly lower than anticipated
2. Emergency AP no longer exists
3. Although the operating cash balance is anticipated to be high, it is also anticipated that the District will make the final payment of \$1.2M to Semitropic in October 2018, and it will be made from the operating cash
4. It is anticipated that the District will also need to make a payment of approximately \$517K in late December 2018 for DWR charges.

Actual/Estimated fluctuations in A/R

August

\$	1,983,987.00	Beginning A/R		
\$	2,397,524.00	August Billing - Add to A/R		
\$	(1,959,597.00)	July Payments Rec'd		Anticipated \$1.928
\$	2,421,914.00	Ending A/R		Actual as of 8/31/2018
\$		\$	437,927	Increase in A/R

September

\$	2,421,914.00	Beginning A/R		
\$	2,095,064.94	September Billing - Add to A/R		
\$	(2,258,297.94)	August Payments Rec'd @ 98%		Anticipated \$2.35
\$	2,258,681.00	Ending A/R		Actual as of 9/30/2018
\$		\$	(163,233)	Decrease in A/R

October

\$	2,258,681.00	Beginning A/R		
\$	1,912,179.00	October Billing - Add to A/R		
\$	(2,053,163.64)	September Payments Rec'd @ 98%		
\$	2,117,696.36	Ending A/R		
\$		\$	(140,985)	Decrease in A/R

November

\$	2,117,696.36	Beginning A/R		
\$	1,500,093.00	November Billing - Add to A/R		
\$	(1,873,935.42)	October Payments Rec'd @ 98%		
\$	1,743,853.94	Ending A/R		
\$		\$	(373,842)	Decrease in A/R

December

\$	1,743,853.94	Beginning A/R	
\$	1,342,811.00	December Billing - Add to A/R	
\$	(1,470,091.14)	November Payments Rec'd @ 98%	
\$	1,616,573.80	Ending A/R	
\$			(127,280) Decrease in A/R

January

\$	1,616,573.80	Beginning A/R	
\$	863,525.00	January Billing - Add to A/R	
\$	(1,315,954.78)	December Payments Rec'd @ 98%	
\$	1,164,144.02	Ending A/R	
\$			(452,430) Decrease in A/R

February

\$	1,164,144.02	Beginning A/R	
\$	1,158,255.00	February Billing - Add to A/R	
\$	(846,254.50)	January Payments Rec'd @ 98%	
\$	1,476,144.52	Ending A/R	
\$			312,001 Increase in A/R

March

\$	1,476,144.52	Beginning A/R	
\$	1,202,595.00	March Billing - Add to A/R	
\$	(1,135,089.90)	February Payments Rec'd @ 98%	
\$	1,543,649.62	Ending A/R	
\$			67,505 Increase in A/R

April				
\$	1,543,649.62	Beginning A/R		
\$	1,609,552.00	April Billing - Add to A/R		
\$	(1,178,543.10)	March Payments Rec'd @ 98%		
\$	1,974,658.52	Ending A/R		
	\$		431,009	Increase in A/R

May				
\$	1,974,658.52	Beginning A/R		
\$	1,791,041.00	May Billing - Add to A/R		
\$	(1,577,360.96)	April Payments Rec'd @ 98%		
\$	2,188,338.56	Ending A/R		
	\$		213,680	Increase in A/R

June				
\$	2,188,338.56	Beginning A/R		
\$	1,750,883.00	June Billing - Add to A/R		
\$	(1,755,220.18)	May Payments Rec'd @ 98%		
\$	2,184,001.38	Ending A/R		
	\$		(4,337)	Decrease in A/R