

Financial Statement Analysis of CVP Contractors

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Financial Statement Analysis of CVP Contractors

This report provides an analysis of the condensed financial statements of the 10 largest Central Valley Project (CVP) irrigation contractors in the San Joaquin Valley (Valley). The 10 were selected because of their size measured by CVP water deliveries, relative to both aggregate CVP deliveries in the Valley and for all of California. The report includes, for those contractors, a summary of those financial statements for eight years,¹ respective net capital repayment obligations, and acre-feet (AF) of water delivered.² This is the third of several written reports which ENTRIX will complete relative to CVP Financing and Repayment Issues. Subsequent reports will include an analysis and discussion of the generation and distribution of hydroelectric power from CVP facilities and a comprehensive document summarizing revised forms of all reports submitted.

Background

The CVP is the largest surface water storage and delivery system in California and is also the largest irrigation water supply project constructed and operated by U.S. Bureau of Reclamation (Reclamation). It includes 20 reservoirs, with a combined storage capacity of approximately 11 million AF; eight power plants and two pumping-generating plants with a combined capacity of approximately two million kilowatts; two pumping plants; and approximately 500 miles of major canals and aqueducts. The CVP supplies water to more

¹ From the *Special Districts Annual Report*, published by the California State Controller's office. A complete set of the audited financial statements for the individual districts was not available.

² Projected deliveries for 2007, taken from United States Department of the Interior, Bureau of Reclamation, Mid-Pacific Regional Office, "Schedule of Historical (1981-2006) & Projected (2007-2030) Irrigation Water Deliveries For Calculation of Individual Contractor Prorated Capital Costs," Irrigation, 2008 Schedule A-14 (accessed July 15, 2008).

than 250 long term water contractors in the Central Valley, San Francisco Bay Area, and the Santa Clara Valley.³

Financial Statement Background

The financial statements of California's public water agencies are generally developed using fund concepts following the Governmental Accounting Standards Board (GASB). Condensed financial statements are published by the California State Controller in the "Special Districts Annual Report." Reports are compiled from standardized documents utilizing accounting and reporting procedures in accordance with the Uniform Accounting Systems of Special Districts, prescribed in Section 1113.1 of the California Code of Regulations. The financial statements are based on a fiscal year beginning July 1st and ending June 30th. The most recent report was published in March 2008 and contains data for FY 2005-06.⁴ The earliest available report including detailed financial information for special districts is for FY 1999-98.

The Ten Largest CVP Irrigation Contractors in the San Joaquin Valley

This section includes a review of the condensed financial information for the largest ten CVP irrigation contractors in the Valley. The contractors and information on their respective 2007 CVP deliveries are shown in Table 1. In the financial review for the period from 1998-1999 through 2005-2006, the focus was on the largest sources of revenue and expenses, as well as on operating and non-operating net incomes. The analysis also includes an examination of trends for the contractors.

Collectively, the 10 irrigation contractors shown in Table 1 received over 1.8 million AF of CVP water in 2007, representing 77.5 percent of CVP water for the Valley. The 1.8 million AF also accounted for 51.5 percent of all 2007 CVP water deliveries⁵.

³ United States Department of the Interior, Bureau of Reclamation, Mid-Pacific Regional Office, May 2001, "CVP Cost Allocation Study," Final Report, Sacramento.

⁴ In some cases the actual reports of water agencies are on a calendar year basis and the Special District reports data in the fiscal year.

⁵ Excluding water deliveries for the Delta-Mendota Exchange Contractors.

Table 1
Largest San Joaquin Valley CVP Contractors Based Upon 2007 Projected Water Deliveries

Contractor	Projected Acre-Feet Delivered	Percentage of San Joaquin CVP Water
Westlands Water District	701,134	30.0%
Madera Irrigation District	176,103	7.5%
Lower Tule River Irrigation District	160,450	6.9%
Arvin-Edison Water Storage District	159,271	6.8%
Delano-Earlimart Irrigation District	131,953	5.6%
Chowchilla Water District	131,175	5.6%
Southern San Joaquin Municipal Utility District	111,315	4.8%
Tulare Irrigation District	83,763	3.6%
Del Puerto Water District	82,712	3.5%
San Luis Water District	73,325	3.1%
Top Ten Total	1,811,201	77.5%

Source: United States Department of the Interior, Bureau of Reclamation, Mid-Pacific Regional Office, "Schedule of Historical (1981-2006) & Projected (2007-2030) Irrigation Water Deliveries For Calculation of Individual Contractor Prorated Capital Costs," Irrigation, 2008 Schedule A-14 (accessed July 15, 2008).

Westlands Water District

Westlands Water District (Westlands) is the largest CVP water user in the Valley and receives water by the San Luis Canal. In 2007, its projected water delivery was 701,134 AF; accounting for 30.0 percent of total water for the Valley. Among the 10 districts, Westlands carries the greatest amount of long-term debt. Total outstanding long-term debt in at the end of FY 2005-2006 was nearly \$190 million; representing 75 percent of the total long-term debt among the ten contractors.⁶ Westlands also owed \$54.3 million in construction costs financed by the Federal and State government in FY 2005-2006, accounting for 83.4 percent of the total for the agencies. The net capital cost allocated to Westland irrigation contractors for CVP repayment was \$373.7 million in 2008.⁷

⁶ See Appendix A, Table A.1

⁷ See Appendix A, Table A.2

Table 2 shows operating and non-operating income for Westlands from FY 1998-1999 to 2005-2006. The largest source of operating revenue has consistently been irrigation water sales, averaging 94.3 percent of the total. Other revenue sources are water services⁸ averaging 3.2 percent and others/miscellaneous, averaging 2.5 percent. The largest operating expense is source of supply, averaging 72.3 percent. Transmission and distribution averaged 9.6 percent; all other averaged 9.4 percent; and administration and general averaged 8.7 percent.

Between FY 1998-1999 and FY 2005-2006, operating revenue from irrigation water sales increased 65.2 percent, while that from Water Services declined 7.7 percent and other operating revenue increased 63.2 percent. Total operating revenue increased 63.1 percent. Among operating expenses, administrative and general and source of supply increased 68.1 and 65.2 percent, respectively. Operating expenses for Transmission and Distribution decreased 5.2 percent, and all other expenses increased 91.1 percent. Total operating expenses increased 62.2 percent.

⁸ Water services may include services such as ground water recharge, water for fire services, and others.

Table 2
Westlands Water District Financial Statement Review,
FY 1998-99 to FY 2005-06

	Average Annual Composition	Percent Change FY 98-99 - FY 2005-06
Operating Revenues		
Water Sales		
Irrigation	94.3%	65.2%
Water Services	3.2%	-7.7%
All Other	2.5%	63.2%
Total Operating Revenues	100.0%	63.1%
Operating Expenses		
Source of Supply	72.3%	65.2%
Administration and General	8.7%	68.1%
Transmission and Distribution	9.6%	-5.2%
All Other	9.4%	91.1%
Total Operating Expenses	100.0%	62.2%
Non-Operating Revenues		
Interest Income	17.5%	198.2%
Property Assessments	58.5%	351.1%
All Other	24.0%	-81.6%
Total Non-Operating Revenues	100.0%	-81.6%
Non-Operating Expenses		
Interest Expenses	98.1%	3,270.7%
All Other	1.9%	-100.0%
Total Non-Operating Expenses	100.0%	2,109.7%

Over the eight years, the largest sources of non-operating revenue for Westlands were property assessments, averaging 58.5 percent, followed by interest income averaging 17.5 percent, and others averaging 24.0 percent. The largest non-operating expense over the same period was for interest, averaging 98.1 percent.

Interest income increased 198.2 percent, property assessments increased 351.1 percent, and other non-operating revenues decreased 81.6 percent. Total non-operating revenues decreased 81.6 percent. Total interest expense increased 3,270.7 percent⁹ and all other non-operating expenses decreased 100.0 percent. Total non-operating expenses decreased 2,109.7 percent.

Madera Irrigation District

Madera Irrigation District (Madera) is the second largest recipient of CVP water in the Valley and receives water by the Madera Canal. In 2007, its projected water delivery was 176,103 AF, accounting for 7.5 percent of total water for the Valley. Madera also carried the second largest amount of long-term debt. Total outstanding long-term debt at the end of FY 2005-2006 was \$47.9 million, 18.9 percent of the 10 Valley contractors.¹⁰ Madera also owed \$1.9 million in construction costs financed by the Federal and State government in FY 2005-2006, accounting for 3.0 percent of the total for the 10 contractors. The net capital cost allocated to Madera irrigation contractors for CVP repayment was \$33.8 million in 2008.¹¹

As shown in Table 3, Madera's largest sources of operating revenue for the eight years were irrigation water sales, averaging 58.9 percent; water services, averaging 37.9 percent; and others, averaging 3.2 percent. Madera's largest operating expenses over the same period were source of supply, averaging 51.3 percent; transmission and distribution, averaging 20.9 percent; administration and general, averaging 17.1 percent; and others, averaging 10.7 percent.

⁹ Interest expense increased because Westlands issued long-term debt of more than \$222 million between 1999 and 2005. See California State Controller, 2008, *Special Districts Annual Report*, Sacramento, Table 14.

¹⁰ See Appendix A, Table A.1

¹¹ See Appendix A, Table A.2

Table 3
Madera Irrigation District Financial Statement Review, FY 1998-1999 to FY
2005-2006

	Average Annual Composition	Percent Change FY 98-99 - FY 2005-06
Operating Revenues		
Irrigation	58.9%	115.3%
Water Services	37.9%	118.8
All Other	3.2%	-57.7%
Total Operating Revenues	100.0%	107.7
Operating Expenses		
Source of Supply	51.3%	43.3%
Administration and General	17.1%	62.5%
Transmission and Distribution	20.9%	2.7%
All Other	10.7%	71.2%
Total Operating Expenses	100.0%	39.7%
Non-Operating Revenues		
Interest Income	10.9%	-4.2%
Property Assessments	55.8%	-100%
Other Non-Operating Revenues	33.3%	-12.6
Total Non-Operating Revenues	100.0%	-69.1%
Non-Operating Expenses		
Interest Expenses	66.6%	2,509.2%
Other Non-Operating Expenses	33.4%	51.0%
Total Non-Operating Expenses	100.0%	3,256.9%

From FY 1998-1999 to FY 2005-2006 operating revenue increased 118.8 percent from water services, while irrigation water sales increased 115.3 percent and other decreased 57.7 percent. Overall, total operating revenue increased 107.7 percent. Among operating expenses, other/miscellaneous increased 71.2 percent, administration and general increased 62.5 percent, and transmission and distribution increased 2.7 percent. Total operating expenses increased 39.7 percent.

The largest sources of non-operating revenue for Madera were property assessments, averaging 55.8 percent; other, averaging 33.3 percent; and interest income, averaging 10.9 percent. Madera's largest sources of non-operating expenses over the same period were interest expense, averaging 66.6 percent; and other, averaging 33.4 percent.

Over the eight years, non-operating revenue from property assessments decreased 100.0 percent, others decreased 12.6 percent and interest decreased 4.2 percent. Total non-operating revenues decreased 69.1 percent. Non-operating expenses increased 3,256.9 percent. Interest expense rose 2,509.2 percent¹² and other expense increased 51.0 percent..

Lower Tule River Irrigation District

Lower Tule River Irrigation District (Lower Tule) is the third largest recipient of CVP water in the Valley and receives water from the Friant-Kern and Cross Valley Canals. In 2007, its projected water delivery was 160,450 AF, accounting for 6.9 percent of total water for the Valley. Among the 10 contractors, Lower Tule carries the least long-term debt. Total outstanding long-term debt at the end of FY 2005-2006 was \$305,000. Moreover, in contrast to other contractors, Lower Tule does not owe the United States or California for construction costs.¹³ The net capital cost allocated to Lower Tule irrigation contractors for CVP repayment was \$27.5 million in 2008.¹⁴

As shown in Table 4, the largest sources of operating revenue over the eight years were irrigation water sales, averaging 86.1 percent; water services, averaging 11.3 percent; and others, averaging 2.6 percent. The largest sources of operating expenses were source of supply, averaging 69.1 percent; administration and general, averaging 17.6 percent; transmission and distribution, averaging 11.5 percent; and others, averaging 2.6 percent.

Between FY 1998-1999 and FY 2005-2006, operating revenue from irrigation water sales increased 209.6 percent and water services decreased 17.4 percent; other water revenues fell 100 percent. Overall, total operating revenue increased 181.2 percent. Among operating expenses, source of supply increased 149.9 percent, administration and general increased 55.3 percent, other increased 51.2 percent, and transmission and distribution increased 2.2 percent. Overall, total operating expenses increased 101.6 percent.

¹² Interest expense increased because Madera issued more than \$47 million of long-term debt in 2005. See California State Controller, 2008, *Special Districts Annual Report*, Sacramento, Table 14.

¹³ See Appendix A, Table A.1

¹⁴ See Appendix A, Table A.2

Table 4
Lower Tule River Irrigation District Financial Statement Review, FY 1998-1999
to FY 2005-2006

	Average Annual Composition	Percent Change FY 98-99 - FY 2005-06
Operating Revenues		
Irrigation	86.1%	209.6%
Water Services	11.3%	-17.4%
All Other	2.6%	-100%
Total Operating Revenues	100.0%	181.2%
Operating Expenses		
Source of Supply	69.1%	149.9%
Administration and General	17.6%	55.3%
Transmission and Distribution	11.5%	2.2%
All Other	1.8%	51.2%
Total Operating Expenses	100.0%	101.6%
Non-Operating Revenues		
Interest Income	6.7%	-69.1%
Property Assessments	86.2%	-0.2%
All Other	7.1%	27.1%
Total Non-Operating Revenues	100.0%	-7.5%
Non-Operating Expenses		
Interest Expenses	13.6%	64.4%
All Other	86.4%	-100%
Total Non-Operating Expenses	100.0%	-96.8%

As shown in Table 4, the largest sources of non-operating income were property assessments, averaging 86.2 percent; other, averaging 7.1 percent; and interest, averaging 6.7 percent. Among non-operating expenses, the largest sources were other, averaging 86.4 percent, and interest, averaging 13.6 percent.

Between FY 1998-1999 and FY 2005-2006, non-operating revenue from interest decreased 69.1 percent, others decreased 27.1 percent, and property assessments decreased 0.2 percent.

Overall, total non-operating revenues decreased 7.5 percent. Among non-operating expenses, interest increased 64.4 percent and other decreased 100.0 percent. Overall, total non-operating expenses decreased 96.8 percent.

Arvin-Edison Water Storage District

Arvin-Edison Water Storage District (Arvin-Edison) is the fourth largest recipient of CVP water in the Valley and receives water from the Friant-Kern Canal. In 2007, its projected water delivery was 159,271 AF, accounting for 6.8 percent of total water for the Valley. Total outstanding long-term debt at the end of FY 2005-2006 was \$10.2 million, representing 4.0 percent of the total long-term debt among 10 contractors.¹⁵ Arvin-Edison also owed \$4.1 million in construction costs financed by the United States and California. The net capital cost allocated to Arvin-Edison for CVP repayment was \$24.6 million in 2008.¹⁶

As shown in Table 5, the largest source of operating revenue for the eight years was irrigation water sales, averaging 55.0 percent. Water services averaged 42.3 percent, and others averaged 2.7 percent. The largest operating expenses over the same period were source of supply, averaging 46.4 percent; transmission and distribution, averaging 25.5 percent; others, averaging 14.8 percent; and administration and general expenses, averaging 13.3 percent.

¹⁵ See Appendix A, Table A.1

¹⁶ See Appendix A, Table A.2

Table 5
Arvin-Edison Water Storage District Financial Statement Review, FY 1998-1999
to FY 2005-2006

	Average Annual Composition	Percent Change FY 98-99 - FY 2005-06
Operating Revenues		
Water Sales		
Irrigation	55.0%	39.7%
Water Services	42.3%	-77.5%
All Other	2.7%	-81.1%
Total Operating Revenues	100.0%	-20.2%
Operating Expenses		
Source of Supply	46.4%	115.3%
Administration and General	13.3%	86.7%
Transmission and Distribution	25.5%	214.6%
All Other	14.8%	104.9%
Total Operating Expenses	100.0%	135.6%
Non-Operating Revenues		
Interest Income	23.3%	-68.1%
Property Assessments	44.0%	2.3%
All Other	32.7%	189.1%
Total Non-Operating Revenues	100.0%	-8.5%
Non-Operating Expenses		
Interest Expenses	30.4%	2,939.0%
All Other	69.6%	-100.0%
Total Non-Operating Expenses	100.0%	-2,752.4%

Over the eight years, operating revenue from irrigation water sales increased 39.7 percent. Operating revenue from water services declined 77.5 percent, and other operating revenue decreased 81.1 percent. Overall, total operating revenue decreased 20.2 percent. Among operating expenses, transmission and distribution increased 214.6 percent, source of supply increased 115.3 percent, others increased 104.9 percent, and administrative and general increased 86.7 percent. Total operating expenses increased 135.6 percent.

The largest sources of non-operating revenue over the eight years were property assessments, averaging 44.0 percent; other, averaging 32.7 percent; and interest income, averaging 23.3 percent. The principal non-operating expenses over the eight years were other, averaging 69.9 percent; and interest expense, averaging 30.4 percent.

Non-operating revenue from other increased 189.1 percent, interest income decreased 68.1 percent, and property assessments increased 2.3 percent. Total non-operating revenues decreased 8.5 percent. Non-operating expenses rose 2,752.4 percent. Interest expense increased 2,939 percent¹⁷ and other decreased 100.0 percent.

Delano Earlimart Irrigation District

Delano-Earlimart Irrigation District (Delano-Earlimart) is the fifth largest recipient of CVP water in the Valley and receives water from the Friant-Kern Canal. In 2007, its projected water delivery was 131,953 AF, accounting for 5.6 percent of total water for the Valley. Among the ten contractors, Delano-Earlimart carried the second lowest amount of long-term debt. Total outstanding long-term debt at the end of FY 2005-2006 was \$1,871,392. Delano-Earlimart does not owe the United States or California government for construction costs.¹⁸ The net capital cost allocated to Delano-Earlimart irrigation contractors for CVP repayment was \$29.2 million in 2008.¹⁹

As shown in Table 6, Delano-Earlimart's largest sources of operating revenue for the eight years were irrigation water sales, averaging 58.9 percent; water services, averaging 33.2 percent; and others, averaging 7.9 percent. The largest sources of operating expenses were source of supply, averaging 76.5 percent; administration and general, averaging 12.2 percent; transmission and distribution, averaging 6.2 percent; and others, averaging 5.1 percent.

Between FY 1998-1999 and FY 2005-2006, operating revenue from water service increased 454.3 percent, irrigation water sales increased 117.0 percent, and other decreased 69.4 percent. Total operating revenue increased 199.0 percent. Among operating expenses, source of supply increased 165.4 percent, administration and general increased 61.8 percent, other decreased 47.5 percent, and transmission and distribution decreased 30.0 percent. Total operating expenses increased 69.8 percent.

¹⁷ Interest expense increased because Arvin-Edison issued more than \$10 million of long-term debt in 2005-2006. See California State Controller, 2008, *Special Districts Annual Report*, Sacramento, Table 14.

¹⁸ See Appendix A, Table A.1

¹⁹ See Appendix A, Table A.2

Table 6
Delano-Earlimart Irrigation District Financial Statement Review, FY 1998-1999
to FY 2005-2006

	Average Annual Composition	Percent Change FY 98-99 - FY 2005-06
Operating Revenues		
Irrigation	58.9%	117.0%
Water Services	33.2%	454.3%
All Other	7.9%	-69.4%
Total Operating Revenues	100.0%	199.0%
Operating Expenses		
Source of Supply	76.5%	165.4%
Administration and General	12.2%	61.8%
Transmission and Distribution	6.2%	-30.0%
All Other	5.1%	-47.5%
Total Operating Expenses	100.0%	69.8%
Non-Operating Revenues		
Interest Income	29.2%	-29.6%
Property Assessments	49.5%	-100.0%
All Other	21.3%	423.6%
Total Non-Operating Revenues	100.0%	-82.3%
Non-Operating Expenses		
Interest Expenses	90.7%	721.1%
All Other	9.3%	-100.0%
Total Non-Operating Expenses	100.0%	284.2%

Over the eight years, the largest sources of non-operating revenue were property assessments, averaging 49.5 percent; interest, averaging 29.2 percent, and other, averaging 21.3 percent. The largest sources of non-operating expenses were interest, averaging 90.7 percent and other, averaging 9.3 percent.

Over the eight years, non-operating revenues from other increased 423.6 percent, property assessments decreased 100.0 percent, and interest decreased 29.6 percent. Total non-

operating revenues decreased 82.3 percent. Among non-operating expenses, interest increased 721.1 percent²⁰ and other decreased 100.0 percent. Overall, total non-operating expenses increased 284.2 percent.

Chowchilla Water District

Chowchilla Water District (Chowchilla) is the sixth largest recipient of CVP water in the Valley and receives water from the Madera Canal. In 2007, its projected water delivery was 131,175 AF, accounting for 5.6 percent of total water for the Valley. Chowchilla did not carry any long-term debt nor does it owe the United States or California government for construction costs.²¹ The net capital cost allocated to Chowchilla irrigation contractors for CVP repayment was \$23.7 million in 2008.²²

As shown in Table 7, the largest sources of operating revenue for the eight years were irrigation water sales, averaging 98.4 percent; and others averaging 1.6 percent. The largest sources of operating expenses were source of supply, averaging 64.6 percent; transmission and distribution, averaging 13.1 percent; administration and general, averaging 12.7 percent; and others, averaging 9.6 percent.

Between FY 1998-1999 and FY 2005-2006, irrigation water sales increased 57.4 percent and total operating revenue increased 58.5 percent. Operating expenses increased 121 percent, with source of supply increasing 196.4 percent, transmission and distribution increasing 76.5 percent, administration and general rising 43.6 percent, and other rising 18.6 percent.

²⁰ Interest expense increased because Delano-Earlimart issued more than \$3.0 million of long-term debt in 2005-2006. See California State Controller, 2008, *Special Districts Annual Report*, Sacramento, Table 14.

²¹ See Appendix A, Table A.1

²² See Appendix A, Table A.2

Table 7
Chowchilla Water District Financial Statement Review, FY 1998-1999 to FY
2005-2006

	Average Annual Composition	Percent Change FY 98-99 - FY 2005-06
Operating Revenues		
Irrigation	98.4%	57.4%
All Other	1.6%	0.0%
Total Operating Revenues	100.0%	58.5%
Operating Expenses		
Source of Supply	64.6%	196.4%
Administration and General	12.7%	43.6%
Transmission and Distribution	13.1%	76.5%
All Other	9.6%	18.6%
Total Operating Expenses	100.0%	121.0%
Non-Operating Revenues		
Interest Income	8.7%	-57.5%
Property Assessments	79.8%	65.6%
All Other	11.5%	204.1%
Total Non-Operating Revenues	100.0%	67.3%
Non-Operating Expenses		
Interest Expenses	0.3%	0.0%
All Other	99.7%	-100.0%
Total Non-Operating Expenses	100.0%	-100.0%

Over the eight years, the largest sources of non-operating revenue were property assessments, averaging 65.6 percent; other, averaging 11.5 percent; and interest, averaging 8.7 percent. The largest sources of non-operating expenses were other, averaging 99.7 percent and interest, averaging 0.3 percent.

Non-operating revenue from other increased 204.1 percent, property assessments increased 65.6 percent, and interest income decreased 57.5 percent. Total non-operating revenues

increased 67.3 percent. Non-operating expenses from other decreased 100.0 percent. Total non-operating expenses decreased 100.0 percent.

Southern San Joaquin Municipal Utility District

Southern San Joaquin Municipal Utility District (S. San Joaquin) is the seventh largest recipient of CVP water in the Valley and receives water from the Friant-Kern Canal. In 2007, its projected water delivery was 111,315 AF, accounting for 4.8 percent of the total water for the Valley. S. San Joaquin carries no long-term debt, nor does it owe the United States or California government for construction costs.²³ The net capital costs allocated to the district for CVP repayment was \$26.8 million in 2008.²⁴

As shown in Table 8, the largest average sources of operating revenue for the eight years were irrigation water sales, averaging 68.0 percent; and water services, averaging 32.0 percent. The largest sources of operating expenses were source of supply, averaging 63.8 percent; others, averaging 12.9 percent; pumping, averaging 12.7 percent; and administration and general, averaging 10.6 percent.

Over the eight years, operating revenue from irrigation water sales increased 47.7 percent and water services increased 37.1 percent. Total operating revenue increased 44.1 percent. Operating expenses for pumping increased 141.1 percent, source of supply increased 96.9 percent, administration and general increased 75.3 percent, and other increased 40.4 percent. Total operating expenses increased 80.6 percent.

²³ See Appendix A, Table A.1

²⁴ See Appendix A, Table A.2

Table 8
Southern San Joaquin Municipal Utility District Financial Statement Review, FY
1998-1999 to FY 2005-2006

	Average Annual Composition	Percent Change FY 98-99 - FY 2005-06
Operating Revenues		
Irrigation	68.0%	47.7%
Water Services	32.0%	37.1%
Total Operating Revenues	100.0%	44.1%
Operating Expenses		
Source of Supply	63.8%	96.9%
Pumping	12.7%	141.1%
Administration and General	10.6%	75.3%
All Other	12.9%	40.4%
Total Operating Expenses	100.0%	80.6%
Non-Operating Revenues		
Interest Income	16.8%	46.6%
Current and Unsecured Debt (1%)	25.0%	76.9%
Property Assessments	5.2%	0%
All Other	53.0%	229.7%
Total Non-Operating Revenues	100.0%	183.7%
Non-Operating Expenses		
All Other	100.0%	-100.0%
Total Non-Operating Expenses	100.0%	-100.0%

As shown in Table 8, the largest sources of non-operating revenue were other, averaging 53.0 percent; current and unsecured debt, averaging 25.0 percent; interest, averaging 16.8 percent; and property assessments, averaging 5.2 percent. The largest sources of non-operating expenses were others, averaging 100.0 percent.

Between FY 1998-1999 and FY 2005-2006, non-operating revenue from other increased 229.7 percent, current and unsecured debt increased 76.9 percent, and interest increased 46.6

percent. Overall, total non-operating revenues increased 183.7 percent. Overall, total non-operating expenses decreased 100.0 percent.

Tulare Irrigation District

Tulare Irrigation District (Tulare) is the eighth largest recipient of CVP water in the Valley and receives water from the Friant-Kern Canal. In 2007, its projected water delivery was 83,763 AF, accounting for 3.6 percent of total water for the Valley. Total outstanding long-term debt at the end of FY2005-2006 was \$3.1 million, but Tulare does not owe the United States or California government for construction costs.²⁵ The net capital cost allocated to the district for CVP repayment was \$13.0 million in 2008.²⁶

As shown in Table 9, the largest sources of operating revenue for the eight years were irrigation water sales, averaging 74.3 percent; water services, averaging 20.3 percent; and other averaging 5.4 percent. The largest sources of operating expenses were source of supply, averaging 38.3 percent; other, averaging 23.3 percent; administration and general, averaging 23.2 percent; and transmission and distribution, averaging 15.2 percent.

Between FY 1998-1999 and FY 2005-2006, operating revenue from water services increased 1,172.9 percent and irrigation water sales increased 198.5 percent. Overall, total operating revenue increased 303.6 percent. Administration and General operating expenses increased 227.2 percent, other increased 218.9 percent, source of supply increased 160.0 percent, and transmission and distribution decreased 28.0 percent. Overall, total operating expenses increased 136.1 percent.

²⁵ See Appendix A, Table A.1

²⁶ See Appendix A, Table A.2

Table 9
Tulare Irrigation District Financial Statement Review, FY 1998-1999 to FY 2005-2006

	Average Annual Composition	Percent Change FY 98-99 - FY 2005-06
Operating Revenues		
Irrigation	74.3%	198.5%
Water Services	20.3%	1,172.9%
All Other	5.4%	0%
Total Operating Revenues	100.0%	303.6%
Operating Expenses		
Source of Supply	38.3%	160.0%
Administration and General	23.2%	227.2%
Transmission and Distribution	15.2%	-28.0%
All Other	23.3%	218.9%
Total Operating Expenses	100.0%	136.1%
Non-Operating Revenues		
Interest Income	26.1%	-89.8%
Property Assessments	46.2%	-4.7%
All Other	27.6%	-75.1%
Total Non-Operating Revenues	100.0%	62.6%
Non-Operating Expenses		
Interest Expense	31.8%	-39.7%
All Other	68.2%	-99.3%
Total Non-Operating Expenses	100.0%	-31.1%

Over the eight years, the largest sources of non-operating revenue were from property assessments, averaging 46.2 percent; other, averaging 27.6 percent; and interest, averaging 26.1 percent. The largest sources of non-operating expenses were others, averaging 68.2 percent and interest, averaging 31.8 percent.

Between FY 1998-1999 and FY 2005-2006, non-operating interest income decreased 89.8 percent, other decreased 75.1 percent, and property assessments decreased 4.7 percent. Non-

operating expenses from other decreased 99.3 percent and interest decreased 39.7 percent. Overall, total non-operating expenses decreased 31.1 percent.

Del Puerto Water District

Del Puerto Water District (Del Puerto) is the ninth largest recipient of CVP water in the Valley and receives water from the Delta-Mendota Canal. In 2007, its projected water delivery was 82,712 AF, accounting for 3.5 percent of total water for the Valley. At the end of FY2005-2006, Del Puerto carried no long-term debt, but owes the United States or California government \$3.5 million for construction costs.²⁷ The net capital costs allocated to the district for CVP repayment was \$26.9 million in 2008.²⁸

As shown in Table 10, the largest sources of operating revenues were irrigation water sales, averaging 87.1 percent; and water services averaging 12.9 percent. The largest sources of operating expenses were source of supply, averaging 85.0 percent; administration and general, averaging 14.8 percent; and depreciation and amortization, averaging 0.2 percent.

Between FY 1998-1999 and FY 2005-2006, operating revenue from irrigation water sales increased 1.8 percent and water services decreased 0.7 percent. Overall, total operating revenue increased 1.5 percent. Among operating expenses, depreciation and amortization increased 480.1 percent, source of supply increased 59.6 percent, and administration and general increased 32.2 percent. Overall, total operating expenses increased 55.9 percent.

²⁷ See Appendix A, Table A.1

²⁸ See Appendix A, Table A.2

Table 10
Del Puerto Water District Financial Statement Review, FY 1998-1999 to FY
2005-2006

	Average Annual Composition	Percent Change FY 98-99 - FY 2005-06
Operating Revenues		
Irrigation	87.1%	1.8%
Water Services	12.9%	-0.7%
Total Operating Revenues	100.0%	1.5%
Operating Expenses		
Source of Supply	85.0%	59.6%
Administration and General	14.8%	32.2%
Depreciation and Amortization	0.2%	480.1%
Total Operating Expenses	100.0%	55.9%
Non-Operating Revenues		
Interest Income	83.8%	4.1%
All Other	16.2%	340.9%
Total Non-Operating Revenues	100.0%	38.3%
Non-Operating Expenses		
Interest Expense	68.4%	22.7%
All Other	31.6%	-100.0%
Total Non-Operating Expenses	100.0%	-26.0%

Over the eight years, the largest sources of non-operating revenue were interest, averaging 83.8 percent; and other, averaging 16.2 percent. The largest sources of non-operating expenses were interest, averaging 68.4 percent; and other, averaging 31.6 percent.

Between FY 1998-1999 and FY 2005-2006, non-operating revenue from other increased 340.9 percent and interest increased 4.1 percent. Overall, total non-operating revenues increased 38.3 percent. Non-operating expenses from other decreased 100.0 percent and interest increased 22.7 percent. Overall, total non-operating expenses decreased 26.0 percent.

San Luis Water District

San Luis Water District (San Luis) is the tenth largest recipient of CVP water in the Valley and receives water from the Delta-Mendota and San Luis Canals. In 2007, its projected water delivery was 73,325 AF, accounting for 3.1 percent of the total water for the Valley. At the end of FY2005-2006, San Luis carried \$5.7 million in long-term debt and owes the United States or California government \$4.2 million for construction costs.²⁹ The net capital cost allocated to the district for CVP repayment was over \$46.4 million in 2008.³⁰

As shown in Table 11, the largest sources of operating revenue for the district over the eight fiscal years were irrigation water sales, averaging 83.0 percent; water services, averaging 16.2 percent; and other, averaging 0.7 percent. The largest sources of operating expenses were source of supply, averaging 62.4 percent; administration and general, averaging 14.1 percent; transmission and distribution, averaging 12.2 percent; and other, averaging 11.3 percent.

Between FY 1998-1999 and FY 2005-2006, other operating revenue increased 190.9 percent, irrigation water sales increased 26.9 percent, and water services increased 9.3 percent. Overall, total operating revenue increased 64.1 percent. Among operating expenses, source of supply increased 41.8 percent, administration and general decreased 28.3 percent, transmission and distribution increased 22.0 percent; and other decreased 18.3 percent. Overall, total operating expenses increased 17.7 percent.

²⁹ See Appendix A, Table A.1

³⁰ See Appendix A, Table A.2

Table 11
San Luis Water District Financial Statement Review, FY 1998-1999 to FY 2005-2006

	Average Annual Composition	Percent Change FY 98-99 - FY 2005-06
Operating Revenues		
Irrigation	83.0%	26.9%
Water Services	16.2%	9.3%
Other	0.7%	190.9%
Total Operating Revenues	100.0%	64.1%
Operating Expenses		
Source of Supply	62.4%	41.8%
Administration and General	14.1%	-28.3%
Transmission and Distribution	12.2%	22.0%
Other	11.3%	-18.3%
Total Operating Expenses	100.0%	17.7%
Non-Operating Revenues		
Interest Income	24.2%	20.5%
Property Assessments	57.0%	2.3%
All Other	18.8%	-98.9%
Total Non-Operating Revenues	100.0%	-51.5%
Non-Operating Expenses		
Interest Expense	70.3%	-38.8%
All Other	29.7%	-424.1%
Total Non-Operating Expenses	100.0%	-7.8%

As shown in Table 11, the largest sources of non-operating revenue were from property assessments, averaging 57.0 percent; interest, averaging 24.2 percent; and other, averaging 18.8. The largest sources of non-operating expenses were interest, averaging 70.3 percent; and others, averaging 29.7 percent. Overall, total non-operating revenues decreased 51.5 percent.

Between FY 1998-1999 and FY 2005-2006, non-operating expenses from other decreased 424.1 percent and interest decreased 38.8 percent. Overall, total non-operating expenses decreased 7.8 percent.

Comparison of the Ten Contractors

Collectively, the 10 irrigation contractors shown in Table 12 received over 1.8 million AF of CVP water in 2007, representing 77.5 percent of CVP water for the Valley. The 1.8 million AF was 51.5 percent of all 2007 CVP water deliveries³¹. The three largest water contractors in the Valley were Westlands, Madera, and Lower Tule, receiving 701,000, 176,000, and 160,000 AF, respectively, of CVP water in 2007. The three contractors with the greatest CVP capital cost repayment obligations are Westlands, San Luis, and Madera owing \$373.7, \$46.4, and \$33.8 million respectively.

Among the 10 contractors, all but two had negative operating incomes. The three contractors with the highest average operating income were San Luis, Del Puerto, and S. San Joaquin netting \$3.9, \$3.3, and \$-1.4 million respectively. The three contractors with the lowest average operating income were Westlands, Arvin-Edison, and Tulare, netting \$-23.8, \$-20.2, and \$-18.4 million respectively.

Of the 10 contractors, all had positive non-operating and net incomes. Contractors with the highest average non-operating incomes were Westlands, averaging \$55.6 million; Arvin-Edison, averaging \$36.3 million; and Tulare, averaging \$34.6 million. Contractors with the lowest average non-operating incomes were Del Puerto, S. San Joaquin, and Delano-Earlimart, averaging \$969,000, \$7.2 million, and \$9.3 million respectively. The highest average net incomes were for Westlands, San Luis, and Arvin-Edison, averaging \$32.7, \$19.5, and \$16.2 million, respectively. The lowest average net incomes were for Madera, Chowchilla, and Lower Tule, averaging \$13,500, \$1.5 million, and \$2.8 million respectively.

³¹ Water deliveries do not include water for the Delta-Mendota Exchange Contractors.

Table 12
Comparison of the Largest Irrigation Contractors in the San Joaquin Valley

Water District	Projected Water Deliveries¹ (Acre-Feet)	CVP Repayment Obligation²	Average Operating Income³	Average Non-Operating Income⁴	Average Net Income⁵
Arvin-Edison	159,271	\$24,594,454	\$ (20,163,165)	\$36,343,853	\$16,180,688
Chowchilla	131,175	\$23,680,986	\$ (17,707,247)	\$19,168,254	\$1,461,007
Del Puerto	82,712	\$26,918,979	\$3,342,353	\$969,736	\$4,312,089
Delano-Earlimart	131,953	\$29,239,005	\$ (3,297,103)	\$9,252,077	\$5,954,974
Lower Tule	160,450	\$27,534,146	\$ (13,426,383)	\$16,204,348	\$2,777,965
Madera	176,103	\$33,811,684	\$ (14,939,519)	\$14,952,999	\$13,480
San Luis	73,325	\$46,361,200	\$3,908,755	\$15,571,088	\$19,479,843
South Joaquin	111,315	\$26,795,785	\$ (1,415,532)	\$7,176,600	\$5,761,068
Tulare	83,763	\$13,042,648	\$ (18,438,071)	\$34,593,004	\$16,154,933
Westlands	701,134	\$373,773,467	\$ (23,864,158)	\$56,555,467	\$32,691,309
Total	1,811,201	\$625,752,354	\$ (106,000,070)	\$210,787,426	\$104,787,356

1/ Water deliveries for 2007

2/ Repayment obligation as of 2008

3/ Average of fiscal years 2005-2006 through 1998-1999

4/ Average of fiscal years 2005-2006 through 1998-1999

5/ Average of fiscal years 2005-2006 through 1998-1999

Appendix A

Table A.1
Long-Term Debt of Largest 10 CVP Irrigation Water Contractors in the San Joaquin Valley FY 2005-2006

District	Outstanding Debt at End of Year	Percentage of Top Ten	Construction Financed by U.S. or State	Percentage of Top Ten
Arvin-Edison Water Storage District	\$ 10,213,542	4.0%	\$ 4,090,485	6.0%
Chowchilla Water District				
Del Puerto Water District			\$ 3,456,811	5.1%
Delano-Earlimart Irrigation District	\$ 1,871,392	0.7%		
Lower Tule River Irrigation District	\$ 304,999	0.1%		
Madera Irrigation District	\$ 47,920,000	18.7%	\$ 1,952,114	2.9%
San Luis Water District	\$ 2,967,500	1.2%	\$ 4,191,548	6.2%
South San Joaquin Municipal Utility District				
Tulare Irrigation District	\$ 3,055,015	1.2%		
Westlands Water District	\$ 189,991,829	74.1%	\$ 54,348,623	79.9%
Total	\$ 253,356,777	100.0%	\$ 65,171,190	100.0%

Table A.2
Allocated Capital Costs and Repayment of the Largest Ten CVP Irrigation
Water Contractors in the San Joaquin Valley 2007

District	Allocated Capital Cost	Repayment as of 9/30/06 (Sch A-6A)	Net Capital Cost	Percentage of Net Capital Cost
Westlands Water District	\$447,921,861	\$ 74,148,394	\$ 373,773,467	59.7%
Arvin-Edison Water Storage District	\$ 32,862,312	\$ 8,267,858	\$ 24,594,454	3.9%
Madera Irrigation District	\$ 42,386,719	\$ 8,575,035	\$ 33,811,684	5.4%
Lower Tule River Irrigation District	\$ 38,333,059	\$ 10,798,913	\$ 27,534,146	4.4%
Delano-Earlimart Irrigation District	\$ 40,838,450	\$ 11,599,444	\$ 29,239,005	4.7%
Chowchilla Water District	\$ 31,019,003	\$ 7,338,017	\$ 23,680,986	3.8%
South San Joaquin MUD	\$ 35,624,145	\$ 8,828,360	\$ 26,795,785	4.3%
Tulare Irrigation District	\$ 18,893,365	\$ 5,850,718	\$ 13,042,648	2.1%
Del Puerto Water District	\$ 33,039,984	\$ 6,121,005	\$ 26,918,979	4.3%
San Luis Water District	\$ 48,905,753	\$ 2,544,553	\$ 46,361,200	7.4%
Total Top Ten	\$769,824,651	\$ 144,072,297	\$ 625,752,354	100.0%

Source: United States Department of the Interior, Bureau of Reclamation, Mid-Pacific Regional Office, "Central Valley Project Schedule of Irrigation Capital Allocation by Contractor, 2008 Irrigation Water Rates." Irrigation Schedule A-2Bb (accessed July 17, 2008).

Table A.3
Westlands Water District Financial Statement FY 1998-99 to FY 2005-06

	Average Annual Amount	Average Annual Percentage of Total	Percent Change FY 98-99-05-06
Operating Revenues			
Water Sales			
Industrial	\$ 9,586,418	1.9%	90.1%
Irrigation	\$ 487,848,384	94.3%	65.2%
All Other Sales	\$ 3,257,597	0.6%	-45.2%
Water Services	\$ 16,376,441	3.2%	-7.7%
Total Operating Revenues	\$ 517,068,840	100.0%	6.31%
Operating Expenses			
Source of Supply	\$ 390,966,049	72.3%	65.2%
Pumping	\$ 2,113,743	0.4%	56.5%
Administration and General	\$ 47,181,556	8.7%	68.1%
Customer Accounts	\$ 13,381,334	2.5%	21.5%
Transmission and Distribution	\$ 51,964,826	9.6%	-5.2%
Depreciation and Amortization	\$ 34,079,372	6.3%	137.8%
Other Operating Expenses	\$ 1,246,118	0.2%	-96.9%
Total Operating Expenses	\$ 540,932,998	100.0%	62.2%
Operating Income (Loss)	\$ (23,864,158)		46.9%
Non-Operating Revenues			
Interest Income	\$ 15,820,246	17.5%	198.2%
Property Assessments	\$ 52,939,295	58.5%	351.1%
Intergovernmental			
Federal	\$ 199,000	0.2%	
Other Government Agencies	\$ 5,483,967	6.1%	
Other Non-Operating Revenues	\$ 16,050,743	17.7%	-81.6%
Total Non-Operating Revenues	\$ 90,493,251	100.0%	139.1%
Non-Operating Expenses			
Interest Expenses	\$ 33,280,131	98.1%	3,270.7%
Other Non-Operating Expenses	\$ 657,653	1.9%	-100.0
Total Non-Operating Expenses	\$ 33,937,784	100.0%	2,109.7%
Non-Operating Income (Loss)	\$ 56,555,467		3.5%
Net Income (Loss)	\$ 32,661,104	100.0%	-41.9%

Table A.4
Arvin-Edison Water Storage District Financial Statement FY 1998-99 to FY 2005-06

	Average Annual Amount	Average Annual Percentage of Total	Percent Change FY 98-99-05-06
Operating Revenues			
Water Sales			
Industrial	\$ 1,666,892	1.4%	-90.1%
Irrigation	\$ 64,687,499	55.0%	39.7%
All Other Sales	\$ 1,471,570	1.3%	30.5%
Water Services	\$ 49,770,445	42.3%	-77.5%
Total Operating Revenues	\$117,596,406	100.0%	20.2%
Operating Expenses			
Source of Supply	\$ 63,895,686	46.4%	115.3%
Pumping	\$ 8,012,398	5.8%	118.3%
Administration and General	\$ 18,288,214	13.3%	86.7%
Customer Accounts	\$ 1,315,540	1.0%	49.4%
Transmission and Distribution	\$ 35,130,677	25.5%	214.6%
Depreciation and Amortization	\$ 10,250,593	7.4%	31.9%
Other Operating Expenses	\$ 866,463	0.6%	0.0%
Total Operating Expenses	\$137,759,571	100.0%	135.6%
Operating Income (Loss)	\$ (20,163,165)		-241.8%
Non-Operating Revenues			
Interest Income	\$ 9,054,317	23.3%	-68.1%
Rents, Leases, and Franchises	\$ 40,000	0.1%	-100.0
Property Assessments	\$ 17,133,782	44.0%	2.3%
Intergovernmental			
Other Agencies	\$ 8,002,002	20.6%	0%
Other Non-Operating Revenues	\$ 4,690,560	12.1%	189.1%
Total Non-Operating Revenues	\$ 38,920,661	100.0%	-18.5%
Non-Operating Expenses			
Interest Expenses	\$ 783,563	30.4%	2,939.0%
Other Non-Operating Expenses	\$ 1,793,245	69.6%	-100.0%
Total Non-Operating Expenses	\$ 2,576,808	100.0%	2752.4%
Non-Operating Income (Loss)	\$ 36,343,853		-12.5%
Net Income (Loss)	\$ 16,180,688		-144.8%

Table A.5
Madera Irrigation District Financial Statement FY 1998-99 to FY 2005-06

	Average Annual Amount	Average Annual Percentage	Percent Change FY 98-99-05-06
Operating Revenues			
Water Sales			
Industrial	\$ 41,100	0.1%	127.0%
Irrigation	\$ 37,369,076	58.9%	115.3%
Sales for Resale	\$ 2,002,146	3.2%	
Water Services	\$ 24,025,463	37.9%	118.8%
Total Operating Revenues	\$ 63,437,785	100.0%	107.7%
Operating Expenses			
Source of Supply	\$ 40,194,424	51.3%	43.3%
Administration and General	\$ 13,423,818	17.1%	62.5%
Transmission and Distribution	\$ 16,361,087	20.9%	2.7%
Depreciation and Amortization	\$ 5,446,263	6.9%	80.4%
Other Operating Expenses	\$ 2,951,712	3.8%	
Total Operating Expenses	\$ 78,377,304	100.0%	39.7%
Operating Income (Loss)	\$ (14,939,519)		-77.4%
Non-Operating Revenues			
Interest Income	\$ 1,713,706	10.9%	-4.2%
Rents, Leases, and Franchises	\$ 301,877	1.9%	523.8%
Current Secured and Unsecured Debt (1%)	\$ 357,550	2.3%	
Voter Approved Taxes	\$ 486,513	3.1%	
Property Assessments	\$ 8,772,771	55.8%	-100.0%
Intergovernmental			
Federal	\$ 664,088	4.2%	
State	\$ 112,039	0.7%	
Other Agencies	\$ 726,653	4.6%	
Other Non-Operating Revenues	\$ 2,587,306	16.5%	149.1%
Total Non-Operating Revenues	\$ 15,722,503	100.0%	-69.1%
Non-Operating Expenses			
Interest Expenses	\$ 512,668	66.6%	2509.2%
Other Non-Operating Expenses	\$ 256,836	33.4%	51.0%
Total Non-Operating Expenses	\$ 769,504	100.0%	3256.9%
Non-Operating Income (Loss)	\$ 14,952,999		-81.5%
Net Income (Loss)	\$ 13,480	100.0%	-88.6%

Table A.6
Lower Tule River Irrigation District Financial Statement FY 1998-99 to 2005-06

	Average Annual Amount	Average Annual Percentage	Percent Change FY 98-99-05-06
Operating Revenues			
Water Sales			
Irrigation	\$ 39,980,993	86.1%	209.6%
Sales for Resale	\$ 665,736	1.4%	
All Other Sales	\$ 517,712	1.1%	-100.0%
Water Services	\$ 5,246,910	11.3%	-17.4%
Total Operating Revenues	\$ 46,411,351	100.0%	181.2%
Operating Expenses			
Source of Supply	\$ 41,335,354	69.1%	149.9%
Administration and General	\$ 10,507,186	17.6%	55.3%
Transmission and Distribution	\$ 6,852,674	11.5%	2.2%
Depreciation and Amortization	\$ 1,142,520	1.9%	51.2%
Total Operating Expenses	\$ 59,837,734	100.0%	101.6%
Operating Income (Loss)	\$ (13,426,383)		-105.5%
Non-Operating Revenues			
Interest Income	\$ 1,133,421	6.7%	-69.1%
Rents, Leases, and Franchises	\$ 2,502	0.0%	-100.0%
Current Secured and Unsecured Debt (1%)	\$ 447,667	2.6%	
Voter Approved Taxes	\$ 138,798	0.8%	
Property Assessments	\$ 14,670,486	86.2%	-0.2%
Prior Year and Penalties	\$ 108,973	0.6%	
Intergovernmental			
State	\$ 10,792	0.1%	
Other Agencies	\$ 388,247	2.3%	
Other Non-Operating Revenues	\$ 118,354	0.7%	109.0%
Total Non-Operating Revenues	\$ 17,019,240	100.0%	-7.5%
Non-Operating Expenses			
Interest Expenses	\$ 110,918	13.6%	64.4%
Other Non-Operating Expenses	\$ 703,974	86.4%	-100.0%
Total Non-Operating Expenses	\$ 814,892	100.0%	-96.8%
Non-Operating Income (Loss)	\$ 16,204,348		21.8%
Net Income (Loss)	\$ 2,777,965	100.0%	1919.3%

Table A.7
Delano-Earlimart Irrigation District Financial Statement FY 1998-99 to 2005-06

	Average Annual Amount	Average Annual Percentage	Percent Change FY 98-99-05-06
Operating Revenues			
Water Sales			
Irrigation	\$ 34,087,018	58.9%	117.0%
All Other Sales	\$ 4,548,255	7.9%	-69.4%
Water Services	\$ 19,214,653	33.2%	454.3%
Total Operating Revenues	\$ 57,849,926	100.0%	199.0%
Operating Expenses			
Source of Supply	\$ 46,759,214	76.5%	165.4%
Pumping	\$ 1,163,697	1.9%	
Administration and General	\$ 7,437,806	12.2%	61.8%
Transmission and Distribution	\$ 3,769,340	6.2%	-30.0%
Depreciation and Amortization	\$ 799,733	1.3%	223.0%
Other Operating Expenses	\$ 1,217,239	2.0%	
Total Operating Expenses	\$ 61,147,029	100.0%	69.8%
Operating Income (Loss)	\$ (3,297,103)		-108.4%
Non-Operating Revenues			
Interest Income	\$ 2,868,710	29.2%	-29.6%
Rents, Leases, and Franchises	\$ 8,600	0.1%	
Property Assessments	\$ 4,856,314	49.5%	-100.0%
Intergovernmental			
State	\$ 99,517	1.0%	
Other Agencies	\$ 390,453	4.0%	
Other Non-Operating Revenues	\$ 1,596,163	16.3%	1151.7%
Total Non-Operating Revenues	\$ 9,819,757	100.0%	-82.3%
Non-Operating Expenses			
Interest Expenses	\$ 515,099	90.7%	721.1%
Other Non-Operating Expenses	\$ 52,581	9.3%	-100.0%
Total Non-Operating Expenses	\$ 567,680	100.0%	284.2%
Non-Operating Income (Loss)	\$ 9,252,077		-85.9%
Net Income (Loss)	\$ 5,954,974	100.0%	20.1%

Table A.8
Chowchilla Water District Financial Statement FY 1998-99 to FY 2005-06

	Average Annual Amount	Average Annual Percentage	Percent Change FY 98-99-05-06
Operating Revenues			
Water Sales			
Irrigation	\$ 29,869,962	98.4%	57.4%
Sales for Resale	\$ 121,999	0.4%	
All Other Sales	\$ 270,753	0.9%	
Water Services	\$ 81,448	0.3%	
Total Operating Revenues	\$ 30,344,162	100.0%	58.5%
Operating Expenses			
Source of Supply	\$ 31,039,087	64.6%	196.4%
Administration and General	\$ 6,107,420	12.7%	43.6%
Customer Accounts	\$ 2,756,639	5.7%	56.4%
Transmission and Distribution	\$ 6,306,954	13.1%	76.5%
Depreciation and Amortization	\$ 1,782,411	3.7%	-9.8%
Other Operating Expenses	\$ 58,898		
Total Operating Expenses	\$ 48,051,409	100.0%	121.0%
Operating Income (Loss)	\$ (17,707,247)		615.4%
Non-Operating Revenues			
Interest Income	\$ 1,802,477	8.7%	-57.5%
Current Secured and Unsecured Debt (1%)	\$ 500,277	2.4%	
Voter Approved Taxes	\$ 121,365	0.6%	
Property Assessments	\$ 16,495,070	79.8%	65.6%
Prior Year and Penalties	\$ 39,213	0.2%	
Intergovernmental			
State	\$ 9,122	0.0%	
Other Agencies	\$ 22,091	0.1%	
Other Non-Operating Revenues	\$ 1,682,103	8.1%	
Total Non-Operating Revenues	\$ 20,671,718	100.0%	67.3%
Non-Operating Expenses			
Interest Expenses	\$ 4,035	0.3%	
Other Non-Operating Expenses	\$ 1,499,429	99.7%	-100.0%
Total Non-Operating Expenses	\$ 1,503,464		-100.0%
Non-Operating Income (Loss)	\$ 19,168,254		75.2%
Net Income (Loss)	\$ 1,461,007	100.0%	-41.0%

Table A.9
Southern San Joaquin Municipal Utility District Financial Statement FY 1998-99 to 2005-06

	Average Annual Amount	Average Annual Percentage	Percent Change FY 98-99-05-06
Operating Revenues			
Water Sales			
Irrigation	\$ 39,056,500	68.0%	47.7%
Water Services	\$ 18,338,374	32.0%	37.1%
Total Operating Revenues	\$ 57,394,874	100.0%	44.1%
Operating Expenses			
Source of Supply	\$ 37,498,738	63.8%	96.9%
Pumping	\$ 7,458,532	12.7%	141.1%
Administration and General	\$ 6,259,389	10.6%	75.3%
Transmission and Distribution	\$ 5,571,075	9.5%	32.9%
Depreciation and Amortization	\$ 2,013,458	3.4%	-40.6%
Other Operating Expenses	\$ 9,214	0.0%	
Total Operating Expenses	\$ 58,810,406	100.0%	80.6%
Operating Income (Loss)	\$ (1,415,532)		-186.4%
Non-Operating Revenues			
Interest Income	\$ 1,205,040	16.8%	46.6%
Rents, Leases, and Franchises	\$ 52,159	0.7%	16.7%
Current Secured and Unsecured Debt (1%)	\$ 1,799,623	25.0%	-76.9%
Voter Approved Taxes	\$ 348,198	4.8%	
Property Assessments	\$ 372,837	5.2%	
Prior Year and Penalties	\$ 12,242	0.2%	
Intergovernmental			
State	\$ 49,808	0.7%	
Other Non-Operating Revenues	\$ 3,352,308	46.6%	4531.8%
Total Non-Operating Revenues	\$ 7,192,215	100.0%	183.7%
Non-Operating Expenses			
Interest Expenses			
Other Non-Operating Expenses	\$ 15,615	100.0%	-100.0%
Total Non-Operating Expenses	\$ 15,615	100.0%	-100.0%
Non-Operating Income (Loss)	\$ 7,176,600		185.4%
Net Income (Loss)	\$ 5,761,068		-36.5%

**Table A.10
Tulare Irrigation District Financial Statement FY 1998-99 to 2005-06**

	Average Annual Amount	Average Annual Percentage	Percent Change FY 98-99-05-06
Operating Revenues			
Water Sales			
Irrigation	\$ 21,595,935	74.3%	198.5%
Sales for Resale		0.0%	
All Other Sales	\$ 1,587,775	5.5%	
Water Services	\$ 5,890,621	20.3%	1172.9%
Total Operating Revenues	\$ 29,074,331	100.0%	303.6%
Operating Expenses			
Source of Supply	\$ 18,220,224	38.3%	160.0%
Pumping	\$ 10,982	0.0%	
Administration and General	\$ 11,028,086	23.2%	227.2%
Transmission and Distribution	\$ 7,211,036	15.2%	-28.0%
Depreciation and Amortization	\$ 2,219,041	4.7%	304.3%
Other Operating Expenses	\$ 8,823,033	18.6%	
Total Operating Expenses	\$ 47,512,402	100.0%	136.1%
Operating Income (Loss)	\$ (18,438,071)		-97.2%
Non-Operating Revenues			
Interest Income	\$ 9,977,477	26.1%	-89.8%
Rents, Leases, and Franchises	\$ 42,142	0.1%	-100.0%
Current Secured and Unsecured Debt (1%)	\$ 783,252	2.0%	-86.8%
Voter Approved Taxes	\$ 289,220	0.8%	
Property Assessments	\$ 17,675,030	46.2%	-4.7%
Prior Year and Penalties	\$ 78,269	0.2%	
Intergovernmental			
State	\$ 17,651	0.0%	
Other Non-Operating Revenues	\$ 9,358,778	24.5%	-75.4%
Total Non-Operating Revenues	\$ 38,221,819	100.0%	-62.6%
Non-Operating Expenses			
Interest Expenses	\$ 1,155,772	31.8%	-39.7%
Other Non-Operating Expenses	\$ 2,473,043	68.2%	-99.3%
Total Non-Operating Expenses	\$ 3,628,815	100.0%	-31.1%
Non-Operating Income (Loss)	\$ 34,593,004		-63.2%
Net Income (Loss)	\$ 16,154,933		-55.1%

Table A.11
Del Puerto Water District Financial Statement FY 1998-99 to 2005-06

	Average Annual Amount	Average Annual Percentage	Percent Change FY 98-99-05-06
Operating Revenues			
Water Sales			
Irrigation	\$ 27,584,412	87.1%	1.8%
Water Services	\$ 4,094,483	12.9%	-0.7%
Total Operating Revenues	\$ 31,678,895	100.0%	1.5%
Operating Expenses			
Source of Supply	\$ 24,077,835	85.0%	59.6%
Administration and General	\$ 4,204,507	14.8%	32.3%
Depreciation and Amortization	\$ 54,200	0.2%	480.1%
Total Operating Expenses	\$ 28,336,542	100.0%	55.9%
Operating Income (Loss)	\$ 3,342,353		-103.3%
Non-Operating Revenues			
Interest Income	\$ 1,210,199	83.8%	4.1%
Rents, Leases, and Franchises	\$ 5,250	0.4%	-100.0%
Other Non-Operating Revenues	\$ 229,069	15.9%	408.6%
Total Non-Operating Revenues	\$ 1,444,518	100.0%	38.3%
Non-Operating Expenses			
Interest Expenses	\$ 324,529	68.4%	22.7%
Other Non-Operating Expenses	\$ 150,253	31.6%	-100.0%
Total Non-Operating Expenses	\$ 474,782	100.0%	-26.0%
Non-Operating Income (Loss)	\$ 969,736		160.8%
Net Income (Loss)	\$ 4,312,089	100.0%	-94.2%

**Table A.12
San Luis Water District Financial Statement FY 1998-99 to 2005-06**

	Average Annual Amount	Average Annual Percentage	Percent Change FY 98-99-05-06
Operating Revenues			
Water Sales			
Industrial	\$ 418,035	0.7%	190.9%
Irrigation	\$ 48,177,637	83.0%	26.6%
Water Services	\$ 9,417,500	16.2%	9.3%
Total Operating Revenues	\$ 58,013,172	100.0%	64.1%
Operating Expenses			
Source of Supply	\$ 33,770,084	62.4%	41.8%
Pumping	\$ 466,644	0.9	378.3
Water Treatment	\$ 126,918	0.2	-100.0
Administration and General	\$ 7,626,044	14.1%	-28.3%
Transmission and Distribution	\$ 6,587,552	12.2%	22.0%
Depreciation and Amortization	\$ 5,527,175	10.2%	-11.9%
Total Operating Expenses	\$ 5,410,4417	100.0%	17.7%
Operating Income (Loss)	\$ 3,908,755		-360.7%
Non-Operating Revenues			
Interest Income	\$ 5,531,380	24.2%	20.5%
Rents, Leases, and Franchises	\$ 114,166	0.5%	-100.0%
Voter Approved Taxes	\$ 28,884	0.1%	-100.0%
Property Assessments	\$ 13,024,644	57.0%	2.3%
Intergovernmental			
State	\$ 432		
Other Non-Operating Revenues	\$ 4,135,748	18.1%	-98.9%
Total Non-Operating Revenues	\$ 22,835,254		-51.5%
Non-Operating Expenses			
Interest Expenses	\$ 5,105,466	70.3%	-38.8%
Other Non-Operating Expenses	\$ 2,158,700	29.7%	-424.1%
Total Non-Operating Expenses	\$ 7,264,166	100.0%	-7.8%
Non-Operating Income (Loss)	\$ 15,571,088		-60.3%
Net Income (Loss)	\$ 16,912,987		-3.8%

