



**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

November 13, 1998

**To:** Board of Directors (Budget and Finance--Information)  
(Water Planning and Resources Committee--Information)

**From:** General Manager

**Submitted by:** Gary M. Snyder  
Chief Engineer

**Subject:** 1999 Per-Acre Annexation Charge

**RECOMMENDATION(S)**

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For information only.

**EXECUTIVE SUMMARY**

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The 1999 Per-Acre Annexation Charge has been calculated to be \$3,049 per acre, in accordance with the provisions of Metropolitan's Administrative Code Section 3300 (b). This is an increase of \$57 over the 1998 per-acre charge of \$2,992 per acre.

**DETAILED REPORT**

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In accordance with Administrative Code Section 3300 (b), the Per-Acre Annexation Charge for the 1999 calendar year has been calculated to be \$3,049 per acre. This charge is recalculated on an annual basis utilizing the methods described in the Administrative Code and is reported to your Board prior to the commencement of the calendar year.

This charge is calculated by dividing the sum of the estimated replacement costs of Metropolitan's facilities and the unamortized participation rights in facilities of the State Water Project and other applicable non-Metropolitan owned projects, less outstanding bonded indebtedness of Metropolitan and the accumulated depreciation of facilities on the replacement cost basis by the total acreage within the service area of Metropolitan, all as of the end of the recently completed fiscal year.

The rate for the previous year was \$2,992 per acre. Therefore, the per-acre charge increased by \$57 (1.9 percent) when compared to the 1998 per-acre charge. The increase was the result of an overall increase in the Net Replacement Cost of Metropolitan facilities of approximately \$780 million.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	<b>Calculation Method &amp; Assumptions</b>						<b>Calendar Year 1998</b>		<b>Comments</b>							
2																
3	ENR Market Trends Cost Report			(7/97 divided by 7/96)			1.043713548	ENR Market Trends Cost Report. (7/97 divided by 7/96)					545.81 / 522.95			
4	Percentage Rate Increase						0.043713548	G3 less 1								
5																
6	Replacement Value of Facilities															
7	(as of June 30, 1996)						\$ 11,430,513,874.64	Source: Last Year's Calculation File A:Annex-97.xls or the calculation worksheet.								
8																
9	Increase at ENR index			4.37%			\$ 499,668,318.53	Calculation:		G7 times G4						
10																
11	Increase in Plant and Equipment															
12	(during 1996-97)						\$ 626,155,000.00	Source: Audited Financial Statements		(4,312,683-3,686,528) times 1000						
13																
14	Replacement Value of Facilities															
15	(as of June 30, 1997)						\$ 12,556,337,193.17	calculation								
16																
17	Less Outstanding Bonded Debt						\$ (2,410,971,000.00)	Source: Audited Financial Statements		(2,356,020+54,951) times -1000						
18																
19	Plus Participation rights-Net															
20	(SWP & Other)						\$ 1,492,525,000.00	Source: Audited Financial Statements								
21																
22	Less Accumulated Depreciation															
23	(In 1997 Dollars)						\$ (1,743,001,860.58)	Source: Calculation & Audited Financial Statements \$ for Plant & Equipment		(-G15 / 4,312,683) times 598,663 times 1000						
24																
25																
26	Net Replacement Value						\$ 9,894,889,332.59	Calculation		G15 - G17 + G20 - G23						
27																
28	Total Acreage						3,307,371.00	Calculation from Right of Way and Land								
29	(Area as of June 30, 1997)						5,168	Miles source: Right of Way and Land								
30	(Conversion to Acreage Factor)						640	Acres per Mile source: Right of Way and Land								
31																
32																
33																
34	Per-Acre Charge For Calendar Year 1996						\$ 2,991.77	Calculation		G26 divided by G28						
35																
36																
37	Prepared by: Financial Services				Staff assigned:		WEH	<b>"FOR INTERNAL REVIEW AND USE ONLY"</b>								
38	Date: November 6, 1997				Reviewed by:		KRN									
39	File: Annex98.xls Green disk A: 1997Year & P Drive.															
40																



**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

**Date:** October 6, 1998  
**To:** Antoinette D. Christovale, Assistant Chief Financial Officer  
**From:** Mark T. Mendoza, Real Estate Services Manager  
**Subject:** Per-Acre Annexation Charge for Calendar Year 1999

1. Please calculate the 1999 per-acre annexation charge rate in accordance with Section 3300 of Metropolitan's Administrative Code. Metropolitan's service area, as of June 30, 1998, is 5167.88 square miles which is an increase of approximately 67.93 acres through six annexations totaling 153.43 acres and a detachment of 85.5 acres. The per-acre rate will be needed no later than November 2, 1998.
2. Thank you for your assistance. If you have any questions, please contact Ethel Young at extension 7677.

  
**Original Signed  
by Mark T. Mendoza**

Mark T. Mendoza

ESY\perAc99\wstaM188

cc: A. M. Yang  
W. E. Hazlett  
K. R. Norris  
M. T. Mendoza  
L. H. Cetina  
E. S. Young  
Internal Corres.  
File



## • Metropolitan's Boundary

### Summary

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Metropolitan's service area increased to 5,168.37 square miles.

### Detailed Report

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#### Statement Change of Boundaries

In accordance with the requirement of Section 380 of the Metropolitan Water District Act, The Metropolitan Water District of Southern California (Metropolitan) filed the annual Statement of the Change of Boundaries (Statement) and map with the State Board of Equalization and the County Assessors of the six counties within Metropolitan's service area on November 23, 1999. Any changes in Metropolitan's boundaries and affected member public agencies which occurred between November 30, 1998 and November 30, 1999 are noted in the Statement and map. A copy of the Statement is on file in the office of the Executive Secretary.

#### Metropolitan's Service Area

As of November 30, 1999, Metropolitan's total service area consisted of 5,158.37 square miles, an increase of 306.05 acres through four annexations to Metropolitan as follows:

Member Agency	Designation	Effective Date	Area (acres)
Calleguas MWD	Annexation No. 54	January 26, 1999	73.26
Calleguas MWD	Annexation No. 55	January 27, 1999	81.78
Western MWD	Thirty-Eighth Fringe	June 29, 1999	97.41
Western MWD	Fortieth Fringe	November 22, 1999	53.60
<b>TOTAL</b>			<b>306.05</b>

*Handwritten notes:*  
 Young  
 [Signature]  
 [Signature]  
 WOLF