



# Discussion Item 18

## Review Proposed MPWMD Budget for Fiscal Year 2016-2017

June 20, 2016, Regular Board Meeting  
Staff contact: Suresh Prasad

# Budget Overview


## 2005 Board Adopted Strategy

- Develop annual balanced budgets
- Preserve existing services & enable the District to carry out its legislative mission and the Board's strategic vision
- Maintain a 5% general operating reserve and replenish it to 50% in the future

# Budget Overview (cont.)

- For FY 2016-2017, staff was mindful of continuing economic conditions as well as current status of the District's funding sources
- April – Initial Division requests made
- Late April – Adjustments made in Team Management budget sessions
- May 16 – MPWMD Board reviewed draft budget


# Budget Overview (cont.)

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- A vertical photograph on the left side of the slide shows a river flowing through a lush green forest. The water is clear and white with foam as it flows over rocks, creating a small waterfall in the foreground.
- Despite staff's efforts and the strategy adopted in 2005 to develop balanced budgets each year, the prior budgets were balanced using reserves; Last few years due to GWR project
  - FY 2016-2017 budget does NOT include use of reserves to maintain current programs & services
  - Total Reserve balance at 27% of operating budget

# Budget Overview (cont.)

- Proposed FY 2016-2017 budget \$12,560,650
- Decrease of 12% from the FY 2015-2016 budget
- Most decreases attributed to project expenditures portion of the budget
- User fee revenues not included in this proposed budget

# Budget Overview (cont.)

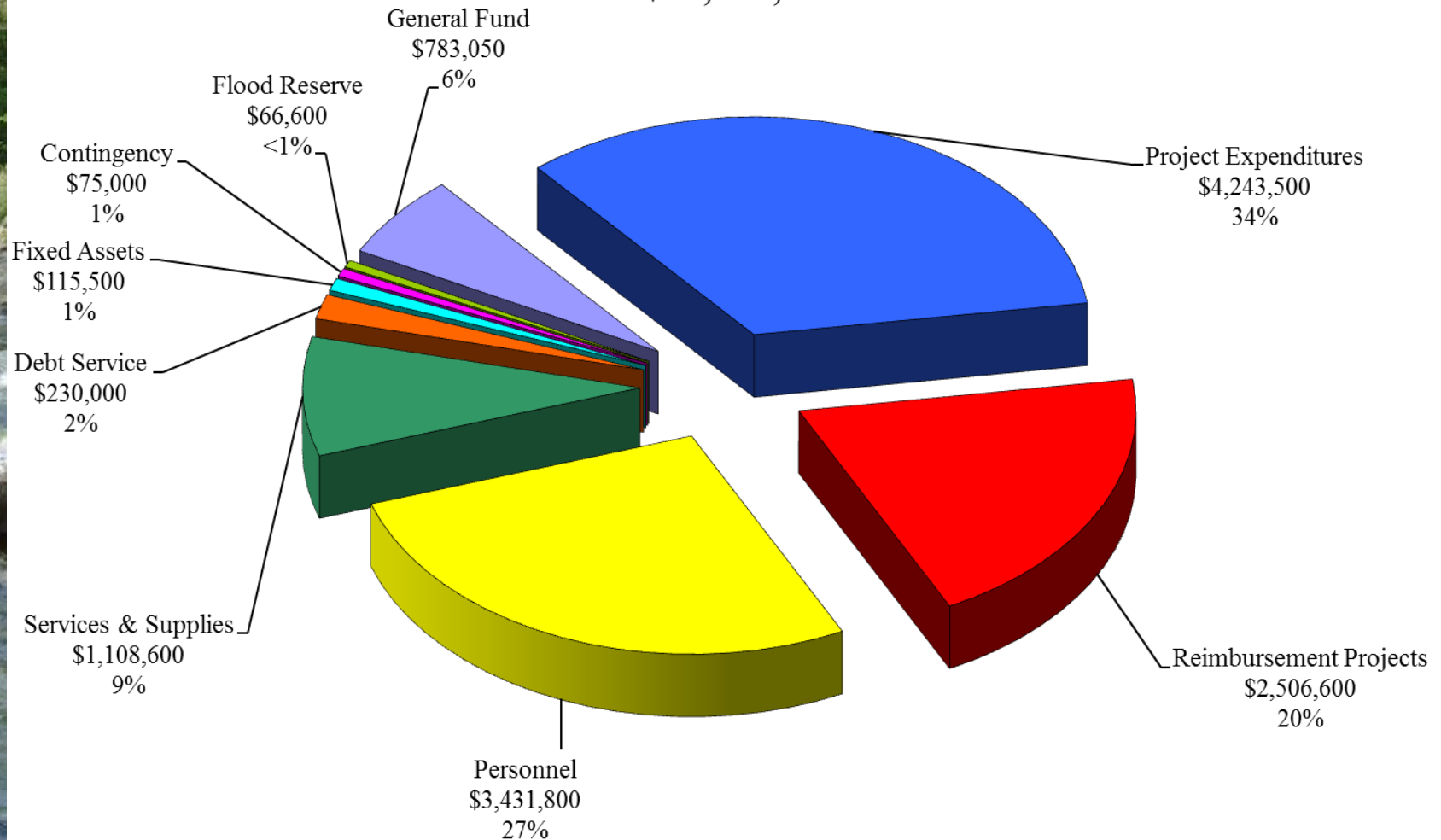
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- The proposed FY 2016-2017 budget was presented to the Board on May 16, 2016
  - The Board requested changes have been incorporated in this revised budget

# Expenditure Summary

## EXPENDITURE SUMMARY

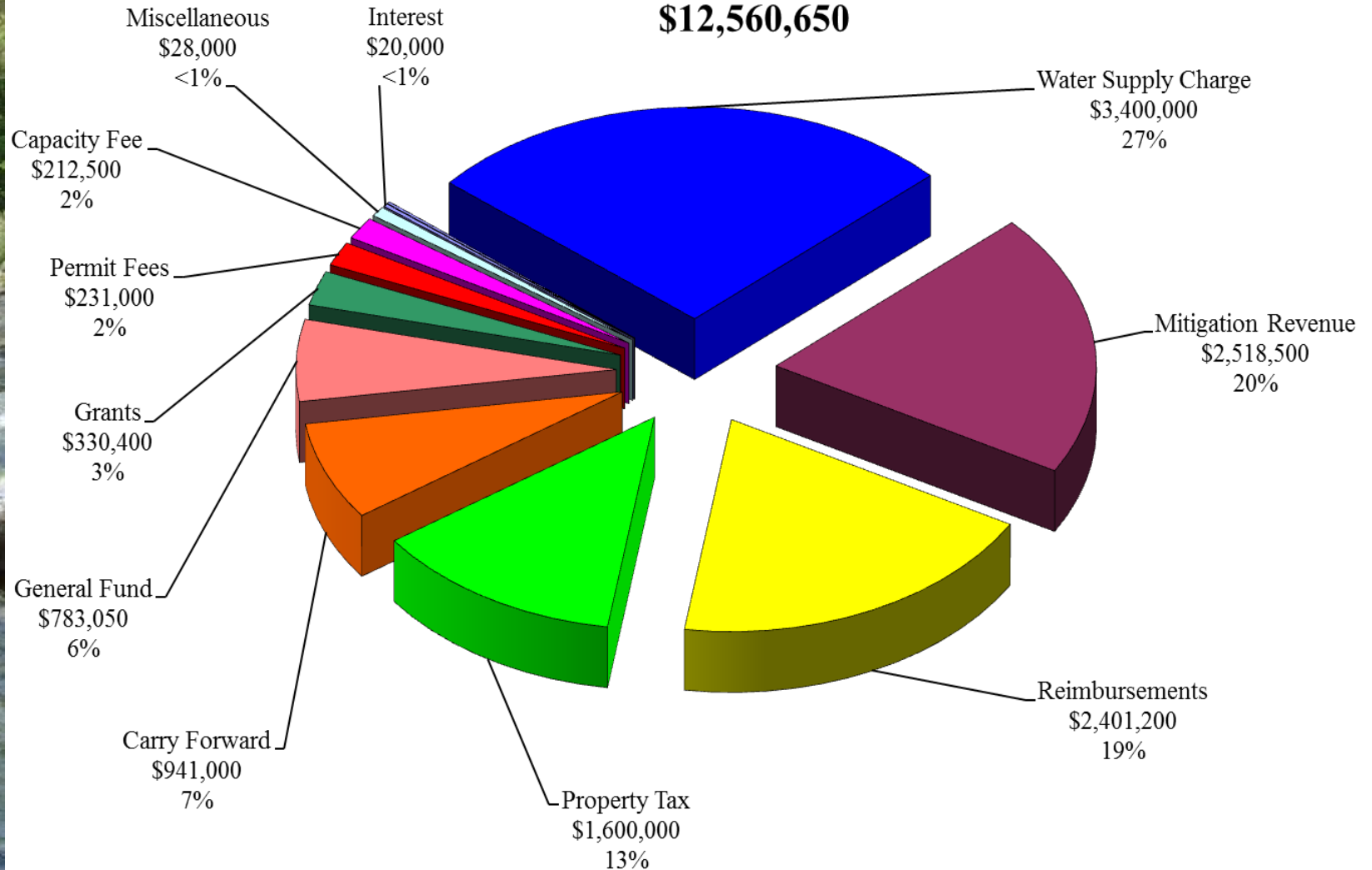
Fiscal Year 2016-2017

\$12,560,650




# Revenue Summary

## REVENUE SUMMARY Fiscal Year 2016-2017 Budget \$12,560,650






# Sources and Uses



District revenues	\$8,105,000
Reimbursements	2,731,600
Carry forward	941,000
Fund Balance	783,050
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Total sources	\$12,560,650

# Sources and Uses



Total expenditures	\$11,711,000
Flood/Drought reserve	66,600
Fund Balance	783,050
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Total uses	\$12,560,650

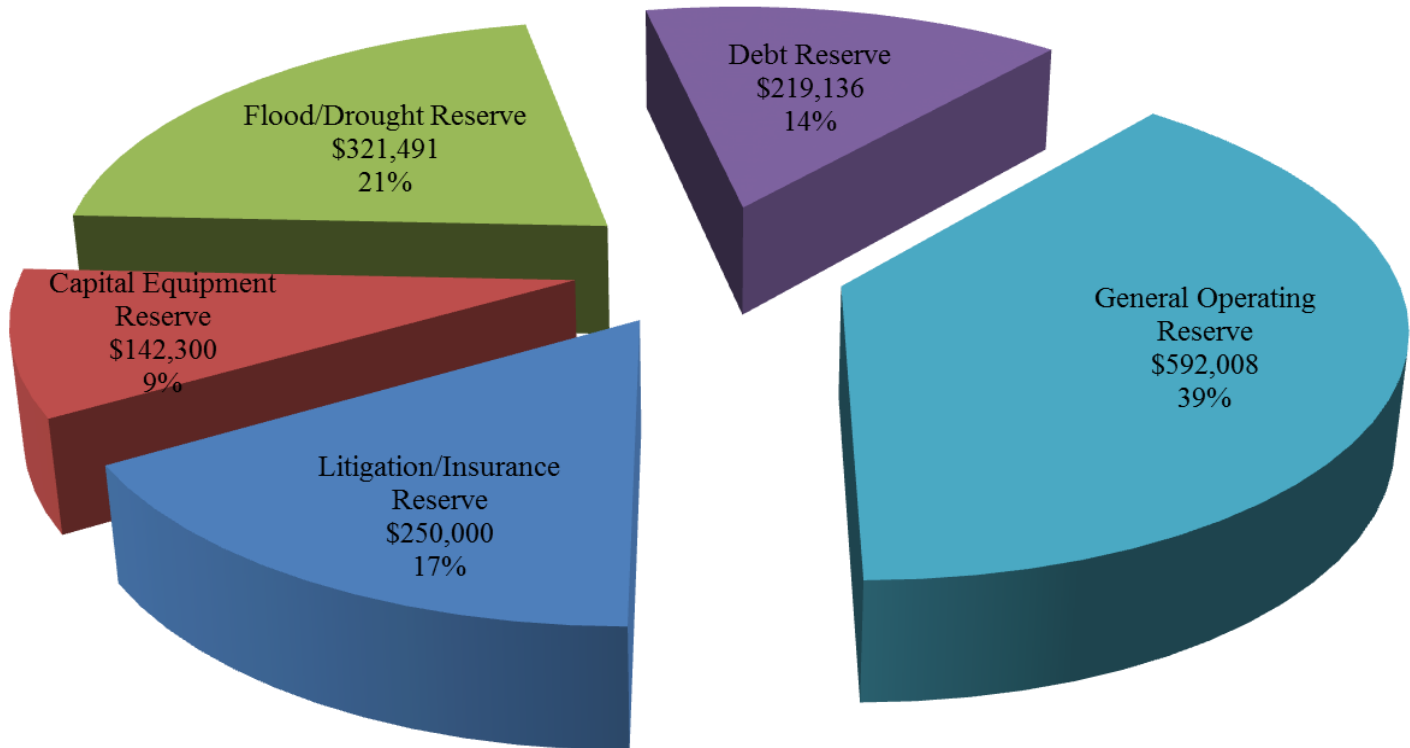
# Analysis of Reserves

	<u>Fiscal Year Ending</u>	
	<u>06/30/2016</u>	<u>06/30/2017</u>
Reserves	(estimated)	(proposed)
Litigation/Insurance	250,000	250,000
Capital Equipment	142,300	142,300
Flood/Drought	254,891	321,491
Debt Reserve	219,136	219,136
Operating Reserve	<u>592,008</u>	<u>592,008</u>
Total	\$1,458,335	\$1,524,935
Change in reserve		\$66,600

Operating Reserve ending balance is projected to be 27% of operating budget

# Analysis of Reserves

## RESERVE ANALYSIS Fiscal Year 2016-2017 Budget \$1,524,935



# Budget Changes

	<u>05/16/2016</u>	<u>06/20/2016</u>
Personnel	\$3,431,800	\$3,431,800
Services & Supplies	1,078,600	1,108,600
Fixed Assets	115,500	115,500
Project Expenses	6,812,600	6,750,100
Others	371,600	371,600
Fund Balance	0	783,050
<b>Total Uses</b>	<b>\$11,810,100</b>	<b>\$12,560,650</b>

# Budget Changes

	<u>05/16/2016</u>	<u>06/20/2016</u>
District Revenues	\$8,067,500	<b>\$8,105,000</b>
Reimbursements	2,721,600	<b>2,731,600</b>
Carry Forward	1,021,000	<b>941,000</b>
Fund Balance*	0	<b>783,050</b>
<b>Total Sources</b>	<b>\$11,810,100</b>	<b>\$12,560,650</b>

\* No reduction in Fund Balance

# Recommendation

- Staff recommends that the Board discuss the proposed FY 2016-2017 Budget and give general direction to staff
- The Board adopt Resolution No. 2016-10, A Resolution of the Board of Directors Adopting the Budget for Fiscal Year 2016-2017

# For More Information

- Staff reports and presentation materials can be found on the District's website at:

[www.mpwmd.net](http://www.mpwmd.net)

- PowerPoint presentations will be posted on the website the day after the meeting.