



Public Hearing Item 29

Consider Adoption of Proposed
Fiscal Year 2019-2020 MPWMD
Budget and Resolution 2019-06

June 17, 2019, Regular Board Meeting
Staff contact: Suresh Prasad

Budget Overview

- April – Division's made initial requests
- May 10 – Adjustments made in Team Management budget sessions
- May 20 – Budget distributed for MPWMD Board, no action taken
- June 13 – MPWMD Board reviewed draft budget during Budget Workshop
- June 17 – MPWMD Board review and adopt final budget

Budget Overview (cont.)

January 19, 2004 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% over 5 years

Budget Overview (cont.)

- Despite staff's efforts and the strategy adopted in 2004 to develop balanced budgets, the prior budgets were balanced using reserves; Last few years due to PWM project
- FY 2019-2020 budget does include use of reserves to maintain current programs & services
- Total Reserve balance at 87% of operating budget

Budget Overview (cont.)

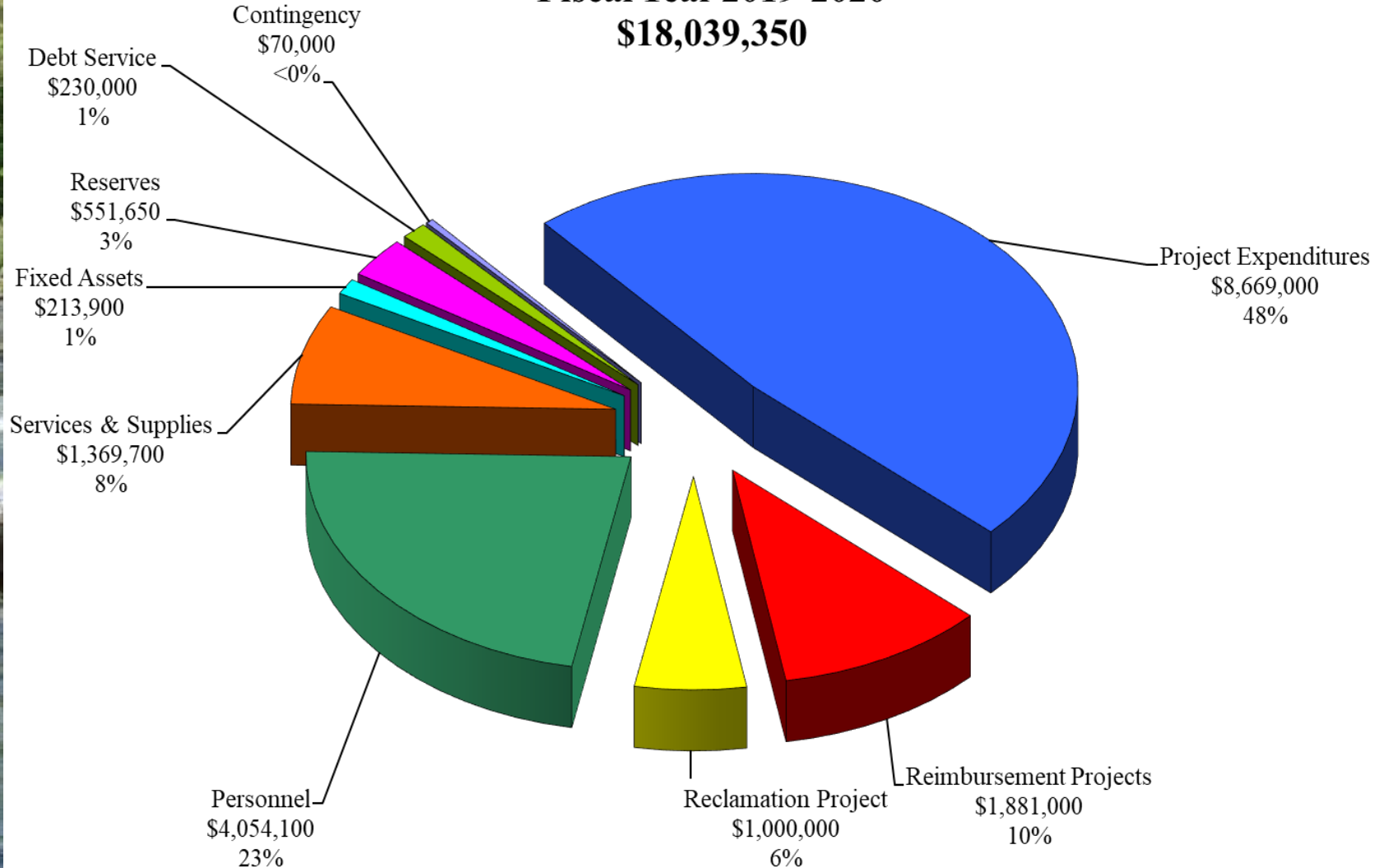
- Proposed FY 2019-2020 budget \$18,039,350
- Higher than the FY 2018-2019 budget
- Full year of user fee revenues included in this proposed budget
 - Based on estimated Cal-Am collection of water revenues
 - Monitor collection & make adjustments during mid-year budget process

Expenditure Summary

EXPENDITURE SUMMARY

Fiscal Year 2019-2020

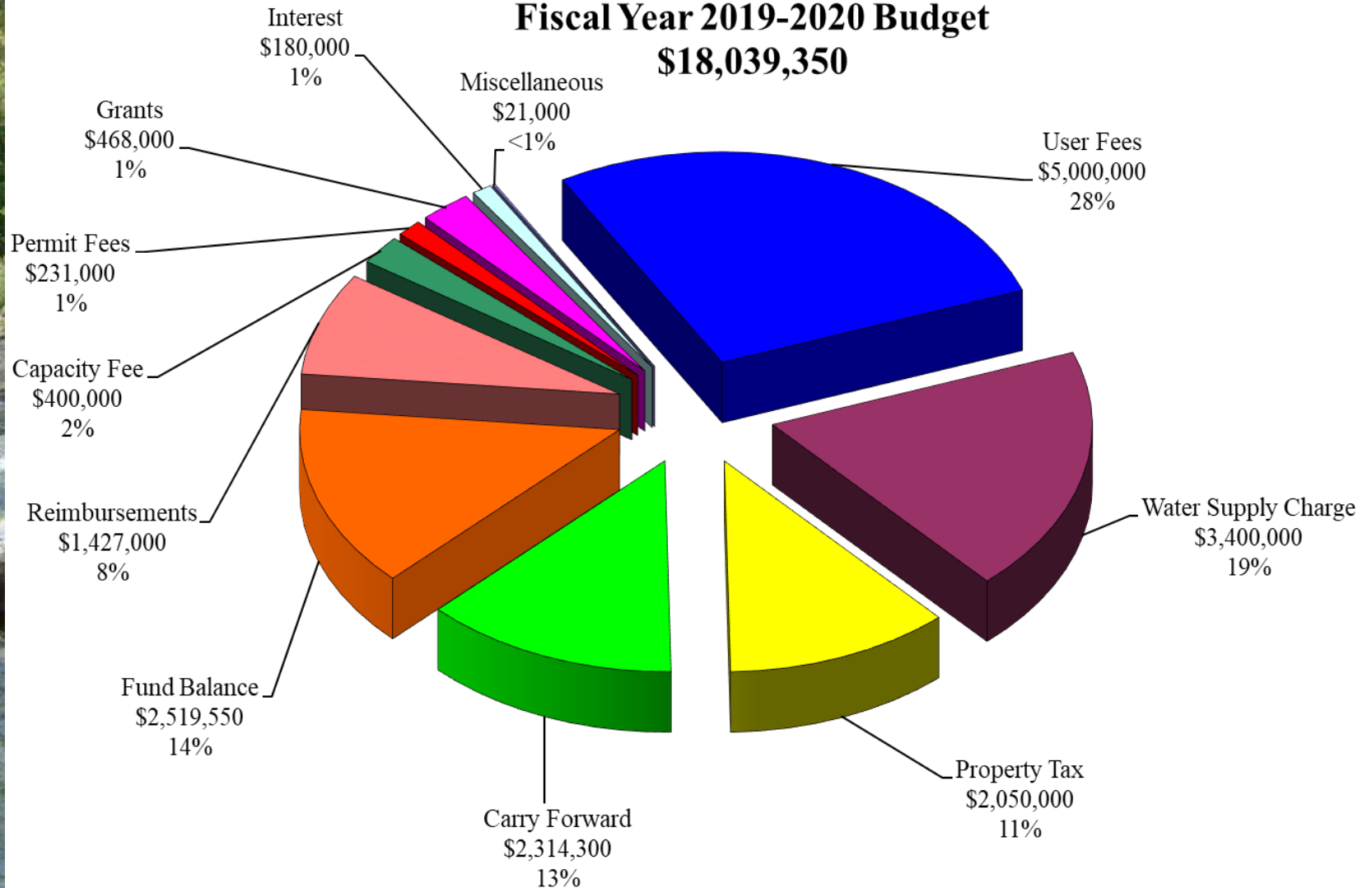
\$18,039,350



Revenue Summary

REVENUE SUMMARY Fiscal Year 2019-2020 Budget

\$18,039,350



Sources and Uses

Total expenditures \$17,487,700

Reserves 551,650

Total uses **\$18,039,350**

District revenues \$11,276,000

Reimbursements 1,901,000

Carry Forward & Reserves 4,862,350

Total sources **\$18,039,350**

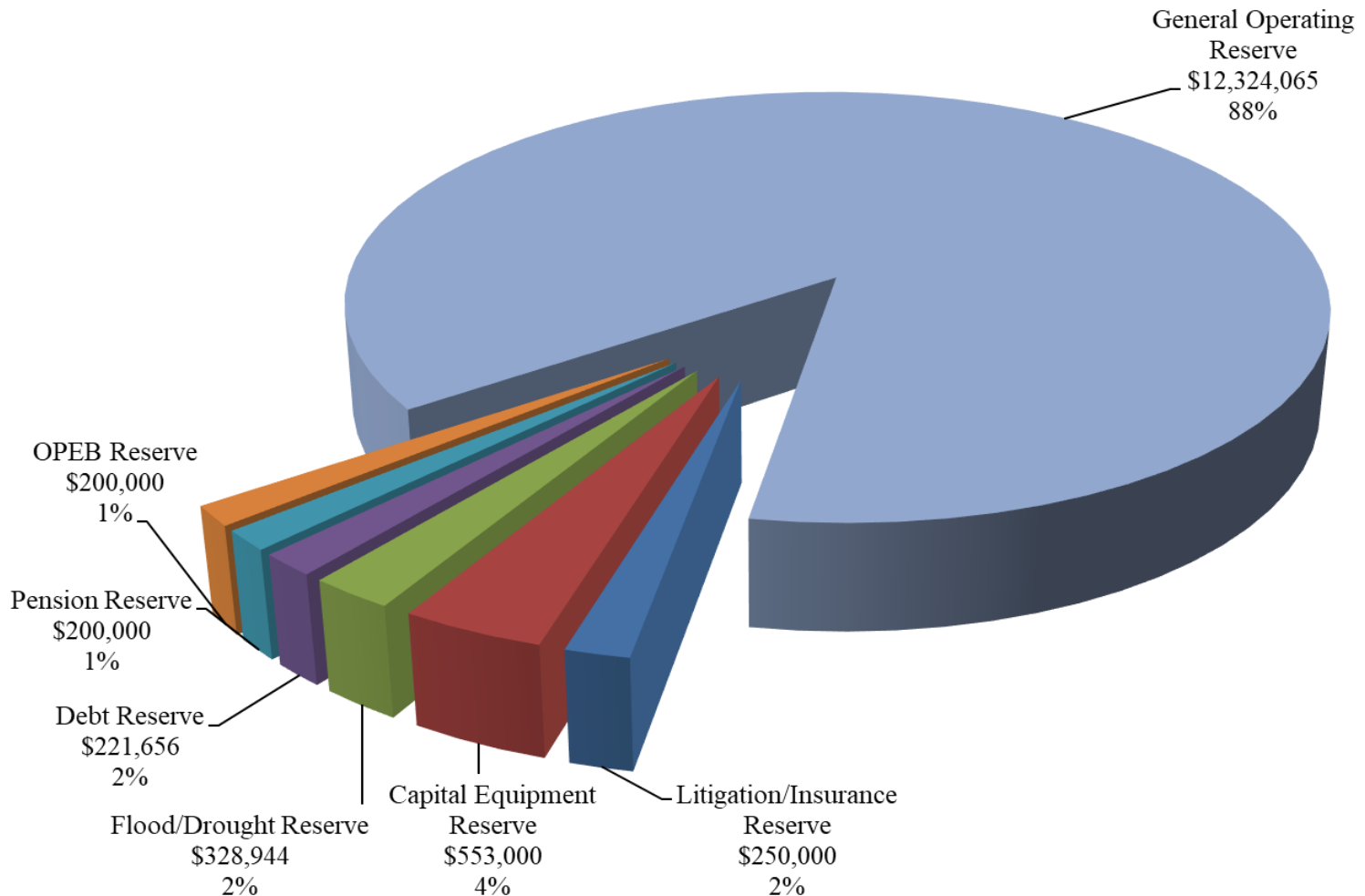
Analysis of Reserves

	<u>Fiscal Year Ending</u>		
	<u>06/30/2019</u> (budgeted)	<u>06/30/2019</u> (estimated)	<u>06/30/2020</u> (proposed)
Reserves:			
Litigation/Insurance	\$250,000	\$250,000	\$250,000
Capital Equipment	532,000	532,000	553,000
Flood/Drought	328,944	328,944	328,944
Debt Reserve	221,656	221,656	221,656
Pension/OPEB	200,000	200,000	400,000
Operating Reserve	12,397,965	17,134,265	12,324,065
Total	\$13,930,965	\$18,666,865	\$14,077,665

Operating Reserve ending balance is projected to be 87% of operating budget

Analysis of Reserves

RESERVE ANALYSIS Fiscal Year 2019-2020 Budget \$14,077,665



Obligations/Commitments

■ District's future obligations/commitments:

Potential PWM Expansion	\$2.0 million
Water Allocation Process	\$1.3 million
Rabobank Debt (06/2023)	\$3.1 million
PWM Water Reserve	\$3.5 million
Pension Obligation	\$5.2 million
OPEB Obligation	\$4.1 million
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Total	\$19.2 million

Recommendation

- Staff recommends that the Board receive the proposed FY 2019-2020 Budget
- The Board adopt Resolution No. 2019-06, A Resolution of the Board of Directors Adopting the Budget for Fiscal Year 2019-2020

For More Information

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

www.mpwmd.net

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