



Discussion Item

Review Proposed MPWMD Fiscal Year 2025-2026 Budget

May 29, 2025 Special Meeting
Budget Workshop

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Budget Overview

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Budget Overview

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Budget Calendar

- 03/04 Budget Request Sent
- 03/24 Budget Request Submitted
- 03/26 - 04/15 Team Management Review
- 05/19 Set Appropriations Limit
Public Hearing per GC 3502.3
- 05/29 Budget Workshop
- 06/16 Budget Adoption

Budget Overview

Board Adopted Strategy (approved January 19, 2004)

- Develop annual balanced budgets
- Preserve existing services; enable the District to carry out its legislative mission and the Board's strategic vision
- Fully cover service costs
- Invest in strategic projects
- Minimize environmental impacts
- Maintain and replenish general operating reserve to 50% of budget (since passage)

Budget Overview

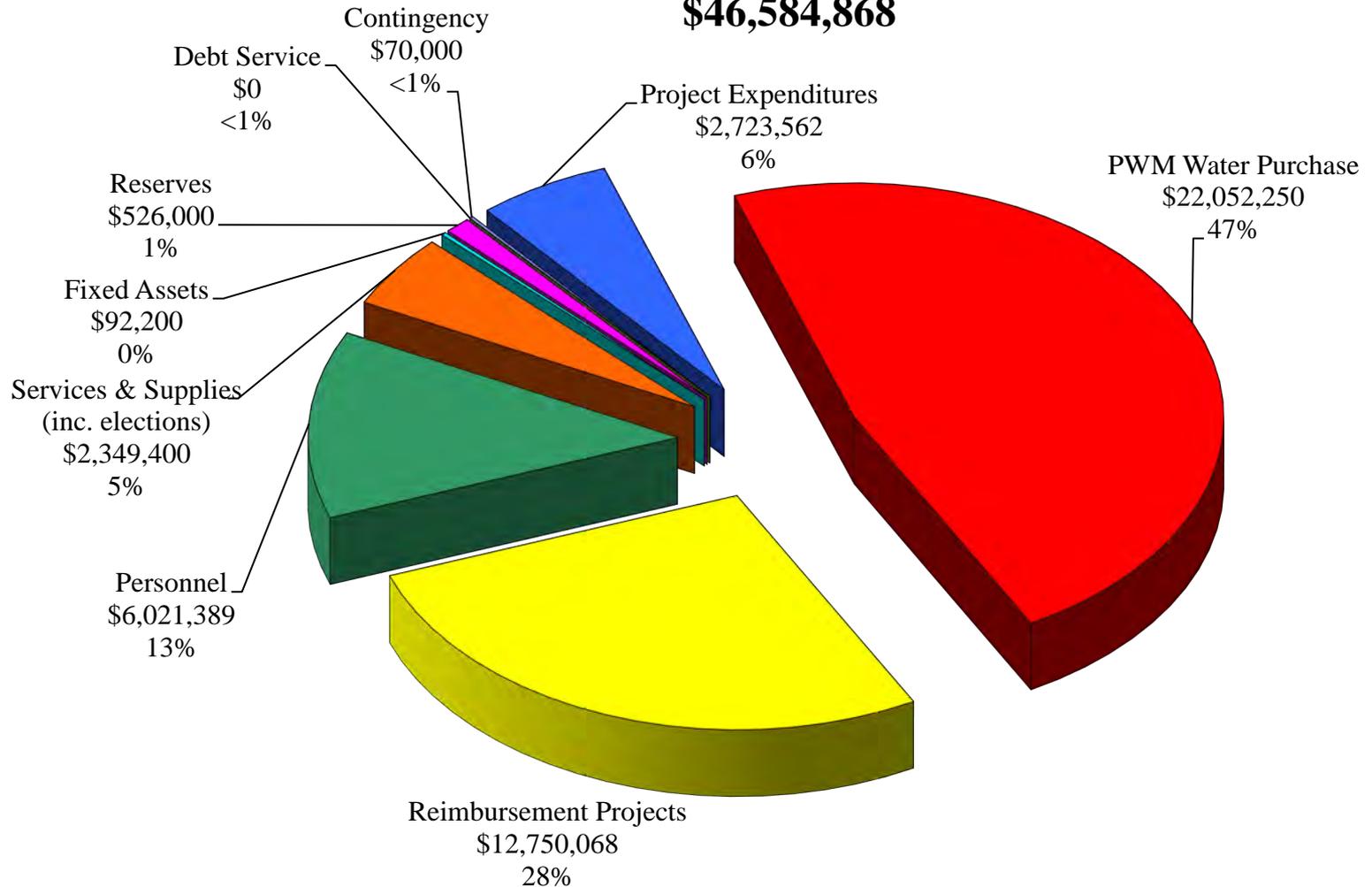
- Original Division requests submitted were reviewed and adjustments made
- Conservative forecast of District's funding sources
- Increase in PWM purchase and sales
- No Water Supply Charge revenues
- Projected use of reserves (<1%) to balance budget
- Continued projection for reserves. Reserve policy to be reviewed and developed in FY 25-26

Budget Expenditures

EXPENDITURE SUMMARY

Fiscal Year 2025-2026

\$46,584,868



Budget Expenditures

	<u>24-25</u> (\$M)	<u>25-26</u> (\$M)	<u>△</u> (\$M)	<u>△</u> (%)
Personnel	\$5.57	\$6.02	\$0.45	7.45%
Services/ Supplies	2.58	2.10	(0.48)	-23.00%
Project / Program Exp.	32.78	37.93	5.15	13.57%
Reserves	3.87	0.56	(3.34)	-635.03%
TOTAL	\$44.81	\$46.58	\$1.78	3.81%

Project Expenditures

Major Expenditures:

■ Augment Water Supply	\$ 33,322,756
■ Protect Environment	3,342,624
■ Manage Water Demand	860,500
■ Total	37,525,880

District Projects



Augment Water Supply



■ PWM Project	
■ PWM Water Purchase	20,963,250
■ Expansion budget	9,256,106
■ Operating Reserve	1,089,000
■ Public's Acquisition of Water System	600,000

Augment Water Supply (Cont'd)



■ Aquifer Storage & Recovery	
■ ASR Site Work	396,787
■ Operation of ASR	465,958
■ Update Seaside Basin Model	182,613
■ Urban Water Mang. Plan	150,000
■ Permit 20808B Alternatives	104,558

Protect Environmental Quality



■ Integrated Regional Water Mgmt.	
■ IRWM 1	1,148,734
■ IRWM 2	1,432,770
■ Aquatic Resources Fisheries	439,520
■ Hydrologic Monitoring	185,100
■ Mitigation Program Review	100,000

Manage Water Demand



■ Water Distribution Permitting	52,000
■ Demand Management	100,000
■ Water Conservation	
■ Outreach	167,500
■ Conservation Programs	140,000
■ Rebate Programs	370,000

Supplies & Services

■ Insurance	342,600 (12.3%)
■ Utilities	45,200 (8.8%)
■ Facilities maintenance	95,100 (20.1%)
■ Professional Svc.	388,200 (-11.2%)
■ Telephone	40,800 (-25%)
■ Bank Charges	42,900 (9.9%)
■ Office Supplies	47,900 (16.3%)
■ Legal Notices	-26,900 (-471.9%)
■ Postage & Shipping	23,000 (75.41%)
■ Legal Services	-545,241 (-136.31%)

Water Supply Charge Reimbursement

Services contracted:

Legislative Services

Public Outreach

Legal Services

Information Technology

Audit

Geographical Information System

2025-26 Strategic Goals

Strategic Goals and Objectives

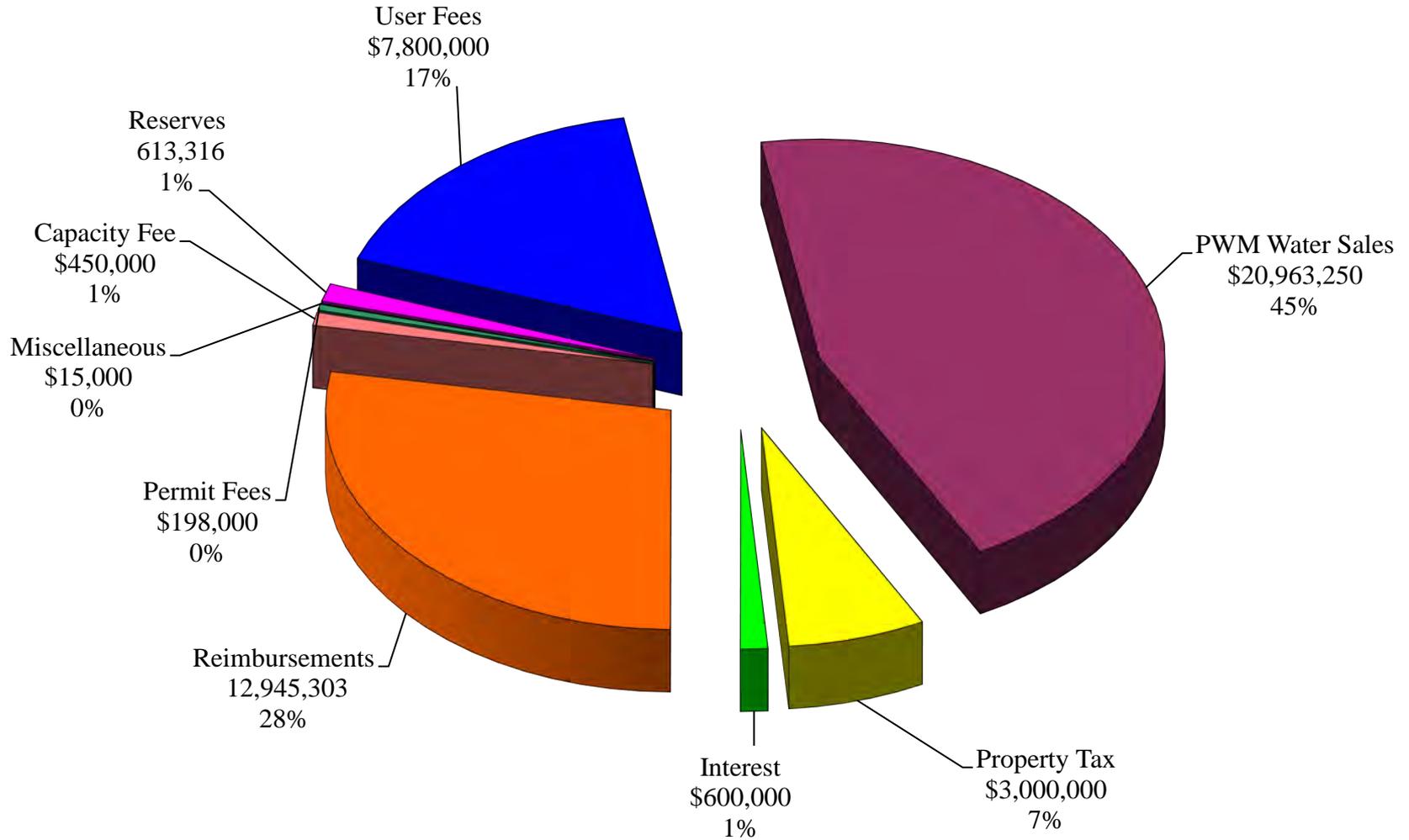
#1: Continue planning and implementation for protecting and increasing water supply	\$33.3M
#2: Implement public ownership of Monterey Water System as directed by the voters	\$0.6M+
#3: Focus on Seaside Groundwater Basin Management	\$0.2M +Operating budget
#4: Increase public engagement and maintain leadership role on water issues	\$0.3M +Operating budget
#5: Protect, enhance and maintain District's financial health	Operating Budget
#6: Review Carmel River Mitigation Program	\$0.1M +operating budget

Estimated Revenues

REVENUE SUMMARY

Fiscal Year 2025-2026

\$45,584,868



Revenues

A vertical photograph of a river with white water rapids, surrounded by green trees and rocks, positioned on the left side of the slide.

Operating Revenues (25.9% over prior year)	\$33,026,250
Reimbursements & Grants (-7.9% over prior year)	12,945,303
Fund balance	558,316
Capital Reserve	55,000
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Total Revenue	\$46,584,868

Revenues

■ PWM Water Sales (43.3%)	\$ 20,963,250
■ User Fee (5.4%)	7,800,000
■ Property Tax (3.4%)	3,000,000
■ Capacity Fee (12.5%) (Connection Charge for new projects)	450,000
■ Permit Fee (0%)	198,000
■ Interest (-14.29%)	600,000
■ Other Revenues	15,000
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Total District Revenue	\$33,026,250

Revenues

A vertical photograph of a river with white water rapids and green foliage on the banks is positioned on the left side of the slide.

■ Cal-Am Reimbursement	\$ 815,958
■ PWM & IRWM Grants	11,840,610
■ Deed Restrictions	65,000
■ Watermaster Reimbursement	36,000
■ Reclamation Project	33,080
■ Other Reimbursement	139,655
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Total Reimbursement Revenue	\$12,945,303

Sources and Uses

District revenues	\$33,026,250
Project Reimbursements	12,945,303
Reserves & Fund Balance	613,316
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Total sources	\$46,584,868
Personnel, Services & Supplies	\$8,120,788
Project/Other Exp. (incl. Water Sales)	37,938,080
Reserve Contribution	526,000
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Total uses	\$46,584,868

Obligations/Commitments

District's future obligations/commitments:

PWM Water Reserve	2.99 million
Pension Obligation	7.59 million
OPEB Obligation	5.22 million
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Total	\$15.80 million

Legal Liabilities	Unknown
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Reserve Contribution



■ General Reserve	\$ -
■ Pension Reserve	100,000
■ OPEB Reserve	100,000
■ Capital Reserve	326,000
TOTAL	526,000

Estimated Reserves

	<u>Fiscal Year Ending</u>	
	<u>06/30/2025</u> (estimated)	<u>06/30/2026</u> (proposed)
Reserves:		
Litigation/Insurance	\$250,000	\$250,000
Capital Reserve	1,938,100	2,264,100
Flood/Drought	500,000	500,000
Debt Reserve	-	-
Pension/OPEB	1,400,000	1,600,000
Operating Reserve	17,166,739	16,608,423
Total	\$21,254,839	\$21,222,523
 Water Supply Charge	 3,353,245	 -

Recommendation

- Staff recommends that the Board discuss the proposed FY 2025-2026 Budget and give general direction to staff
- No formal action is required at this meeting
- June 16, 2025 Board meeting to adopt FY 2025-2026 Budget

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.