

**Submitted by staff at 11/15/18 Committee meeting  
Item 2**

**Monterey Peninsula Water Management District  
Analysis of Reserves  
Fiscal Year 2018-2019 Budget**

<u>Estimated Reserves as of 06/30/2018</u>	Mitigation <u>Fund</u>	Water Supply <u>Fund</u>	Conservation <u>Fund</u>	<u>Totals</u>
Prepaid Expenses	\$0	\$0	\$0	\$0
Litigation/Insurance Reserve	66,740	171,354	11,906	250,000
Capital Equipment Reserve	236,401	25,966	69,633	332,000
Flood/Drought Reserve	328,944	0	0	328,944
Debt Reserve	0	221,214	0	221,214
Pension Reserve	0	0	0	0
OPEB Reserve	0	0	0	0
General Operating Reserve	1,815,009	5,610,213	2,150,227	9,575,449
<b>Reserve Balance as of 06/30/2018</b>	<b>\$2,447,094</b>	<b>\$6,028,747</b>	<b>\$2,231,766</b>	<b>\$10,707,607</b>
 <u>Litigation/Insurance Reserve Analysis</u>				
06/30/2018 Balance (above)	\$66,740	\$171,354	\$11,906	\$250,000
Fiscal Year 2018-2019 Budgeted	0	0	0	0
06/30/2019 Budgeted Balance	\$66,740	\$171,354	\$11,906	\$250,000
 <u>Capital Equipment Reserve Analysis</u>				
06/30/2018 Balance (above)	\$236,401	\$25,966	\$69,633	\$332,000
Fiscal Year 2018-2019 Budgeted	67,050	17,650	15,300	100,000
06/30/2019 Budgeted Balance	\$303,451	\$43,616	\$84,933	\$432,000
 <u>Flood/Drought Reserve Analysis</u>				
06/30/2018 Balance (above)	\$328,944	\$0	\$0	\$328,944
Fiscal Year 2018-2019 Budgeted	0	0	0	0
06/30/2019 Budgeted Balance	\$328,944	\$0	\$0	\$328,944
 <u>Debt Reserve Analysis</u>				
06/30/2018 Balance (above)	\$0	\$221,214	\$0	\$221,214
Fiscal Year 2018-2019 Budgeted	0	0	0	0
06/30/2019 Budgeted Balance	\$0	\$221,214	\$0	\$221,214
 <u>Pension Reserve Analysis</u>				
06/30/2018 Balance (above)	\$0	\$0	\$0	\$0
Fiscal Year 2018-2019 Budgeted	40,000	32,000	28,000	100,000
06/30/2019 Budgeted Balance	\$40,000	\$32,000	\$28,000	\$100,000
 <u>OPEB Reserve Analysis</u>				
06/30/2018 Balance (above)	\$0	\$0	\$0	\$0
Fiscal Year 2018-2019 Budgeted	40,000	32,000	28,000	100,000
06/30/2019 Budgeted Balance	\$40,000	\$32,000	\$28,000	\$100,000
 <u>General Operating Reserve Analysis</u>				
06/30/2018 Balance (above)	\$1,815,009	\$5,610,213	\$2,150,227	\$9,575,449
Fiscal Year 2018-2019 Carry-Over	(285,000)	(1,562,800)	(295,700)	(2,143,500)
Fiscal Year 2018-2019 Budgeted	32,100	19,000	1,200	52,300
06/30/2019 Budgeted Balance	\$1,562,109	\$4,066,413	\$1,855,727	\$7,484,249
<b>Budgeted Reserves as of 06/30/2019</b>	<b>\$2,341,244</b>	<b>\$4,566,597</b>	<b>\$2,008,566</b>	<b>\$8,916,407</b>

## ORDINANCE

### **Section One: Short Title**

This Ordinance shall be known as the 2012 Water Supply Charge Ordinance of the Monterey Peninsula Water Management District.

### **Section Two: Findings**

The Findings above are determined to be true and correct, and are adopted as though fully set forth herein.

### **Section Three: Purposes**

Proceeds of the charge imposed by this Ordinance may only be used to fund District water supply activities, including capital acquisition and operational costs for Aquifer Storage and Recovery (ASR) and Groundwater Replenishment (GWR) purposes, as well as studies related to project(s) necessary to ensure sufficient water is available for present beneficial water use in the main CAW system. In addition to direct costs of the projects, proceeds of this annual water supply charge may also be expended to ensure sufficient water is available for present beneficial use or uses, including water supply management, water demand management, water augmentation program expenses such as planning for, acquiring and/or reserving augmented water supply capacity, including engineering, hydrologic, legal, geologic, financial, and property acquisition, and for reserves to meet the cash-flow needs of the District and to otherwise provide for the cost to provide services for which the charge is imposed.

No more than fifteen (15%) of proceeds collected by reason of Ordinance No. 152 shall be used to fund general unallocated administrative overhead.

### **Section Four: Charge Imposed**

The owner of each parcel of real property connected to the main CAW Water Distribution System, excluding the Bishop, Hidden Hills, Ambler, and Toro sub-units (which will not receive the service for which the charge is imposed), shall pay the District an annual water service charge. The amount of the charge on each parcel shall be calculated as set forth in Section 5 of this ordinance. This is a charge by the District to parcels on the CAW system that receive water via the CAW system that is sourced, in whole or in part, from the District's water supply activities. The charge for each fiscal year shall be due and payable on July 1 of that fiscal year. The Board of Directors may, by ordinance or resolution, change the method of collection for the charge by (i) providing that the annual charge be collected in installments over time, (ii)