



County of Monterey

Item No.5

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

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Receive a FY 2022-23 Financial Status Report of the Monterey County Water Resources Agency for Accounting Period 6 ending December 31, 2022.

RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Directors:

Receive a FY 2022-23 Financial Status Report of the Monterey County Water Resources Agency for Accounting Period 6 ending December 31, 2022.

SUMMARY/DISCUSSION:

The Monterey County Water Resources Agency (Agency) FY 2022-2023 (FY23) Adopted Budget totals \$41.2 million in expenditures and \$36.4 million in revenue.

Total revenue received through FY23 Accounting Period 6, ending December 31, 2022 was \$14.8 million. The combined total of Ad Valorem Taxes and Special Benefit Assessments was \$11.8 million, 70% of the total revenue received. Additional revenue received includes **Adopted** \$779,825 of grant payments (5%), \$762,507 of Water Delivery and Service fee payments (5%) and \$950,000 of a fund transfer (6%), which was the Cannabis Assignment loans forgiven for Muscle Wall in Pajaro Levee. The total revenue received was 41% of FY23's budgeted revenue and a decrease of \$229,028 compared to \$15.1 million total revenue during the same period of FY22.

Total expenditure of the Agency for the reporting period was \$16.4 million, comprised of \$4.0 million encumbrance and \$12.5 million cash expenditures. Of the total expenditure, \$3.1M (19%) was salaries and benefits, \$8.4 million (51%) was professional services and \$2.0 million (12%) was for other services and supplies. The total expenditure was an increase of \$1.3 million, compared to \$15.1 million in expenditures of the same period in FY22.

Summary of Agency's consolidated fund balances for FY2022-23 is as follows:

	Budget	Actual Amount
FY23 Est. Beg. Fund Balance	\$23,188,904	\$22,530,404
FY23 Revenues	36,435,652	14,838,198
FY23 Expenditures	(41,222,295)	(16,440,719)
FY23 Est. Fund Balance	\$18,402,261	\$20,927,883

The Agency is currently refining estimates of storm damage at its facilities in consultation with FEMA, and State OES. When the refined cost estimates are available, the Agency will return to the Board for appropriation increases in Agency Funds 116-9300-WRA006-8485 (Dam Operations), 112-9300-WRA002-8484 (Pajaro Levee), 111-9300-WRA001-8267 (Administration) and 122-9300-WRA012-487 (Rec Ditch).

FEMA has indicated that it will reimburse 100% of expenses of debris clearing and emergency protective measures completed by February 25, 2023 and reimburse 75% for projects completed thereafter. The Advance Funding Agreement with the County of Monterey is in place as cash flow assistance to fund urgent repair projects without delay and such advancement of funds will be repaid with reimbursements from FEMA and others to the Agency, which is not expected to occur in Fiscal Year 2022-23.

FINANCING:

There is no financial impact for receiving this report.

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Attachments:

1. FY23 Financial Summary of July thru December 2022