



Monterey County

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

Board Report

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Matter Type: Budget Committee

Receive the Monterey County Water Resources Agency (Agency) FY 2018-19 Third Quarter Financial Status Report through March 31, 2019.

RECOMMENDATION:

It is recommended that the Monterey County Board of Supervisors - Budget Committee:

Receive the Monterey County Water Resources Agency (Agency) FY 2018-19 Third Quarter Financial Status Report through March 31, 2019.

SUMMARY/DISCUSSION:

On average, year-to-date (YTD) revenues for all Agency funds were at 57.4% of budget. The Agency received revenues from Special Assessments and Ad Valorem taxes in December as scheduled. Hydro-electric revenue is at 100% of budget after receipt of revenues up-to the month of September 2018. Unfortunately, the hydro plant was shut down from mid-September 2018 through early February 2019 due to low reservoir levels.

On average, the Agency's YTD expenditures were at 65.4% of budget as it continues the repair of Nacimiento and San Antonio dams due to the Federal Energy Regulatory Commission (FERC) and the California Department of Water Resources - Division of Safety of Dams (DSOD) compliance requirement and spillway repair work plan preparation for both reservoirs. The Interlake Tunnel Project has over \$3.2 million combined encumbered and expended in consultant costs. The Agency will continue to monitor expenditures as it approaches the summer months.

The Agency estimates to receive about \$8.5 million in revenues for the last quarter of the Fiscal Year, for total estimated revenues of about \$23.5 million for the entire Fiscal Year or 90% of budgeted figures. This forecast includes the second installment of Ad-Valorem and Assessment revenue in April, Water Delivery Fees for the quarter and grant reimbursements.

The Agency estimates to expend about \$6.5 million for the last quarter of the Fiscal Year, for total estimated expenditures of about \$25 million or about 88% of budgeted figures. The forecast includes Salaries and Benefits for Agency staff, debt service payments, and consultant costs for the Inter-Lake Tunnel and repairs to the dams. The Agency estimates that it will end the Fiscal Year with \$17.0 million in fund balance.

On a consolidated basis, the Agency financial performance up to March 31, 2019 is projected as follows:

	Adopted Budget	YE Estimate	Year-to-Date
FY 2018-19 Est. Beg. Fund Balance	\$18,476,791	\$18,476,791	\$18,476,791
FY 2018-19 Revenues	<u>25,911,791</u>	<u>23,500,000</u>	<u>14,848,695</u>
FY 2018-19 Available Funds	44,388,582	41,976,791	33,325,486
FY 2018-19 Expenditures	<u>(28,448,131)</u>	<u>(25,000,000)</u>	<u>(18,611,975)</u>
FY 2018-19 Est. End. Fund Balance	\$15,940,452	\$16,976,791	\$14,713,510

OTHER AGENCY/COMMITTEE INVOLVEMENT:

This item was presented to the Monterey County Water Resources Agency Finance Committee on May 3, 2019.

FINANCING:

There is no financial impact for receiving this report.

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Approved by:

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Attachments:

FY 2018-19 Financial Summary