



County of Monterey

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

Board Report

File #: WRAG 15-006, **Version:** 1

Receive and accept the Monterey County Water Resources Agency (MCWRA) 2nd Quarterly Financial Status report through December 2014.

RECOMMENDATION:

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

Receive and accept the Monterey County Water Resources Agency (MCWRA) 2nd Quarterly Financial Status report through December 2014.

SUMMARY/DISCUSSION:

Revenues for most Agency funds are anticipated to meet budget estimates. The Nacimiento Hydro-electric Power Plant has exceeded budgeted estimates by 152% due to the receipt of delayed insurance reimbursements of which \$600,000 will be paid back to Agency Fund 303 - Rate Stabilization Reserve. In addition, the Agency anticipates deeper decreases in Hydro-electric Power revenue due to continued drought conditions that keep it from operating. In addition, anticipated business interruption insurance in the amount of \$400,000 has not been received to date. The Salinas River Diversion Facility O&M Fund 134 has exceeded budget by 130% due to the receipt of unexpected prior year revenues in the amount of \$866,158 which was offset by \$335,774 of FY 2013-14 O&M costs to the Monterey Regional Pollution Control Agency. In addition, Fund 119 Zone 6 Castroville Seawater Intrusion Project Transfer Fund exceeded budget by 777% of which \$1,900,000 will be transferred to pay the projects debt service payments in Fund 303.

A budget amendment in September authorized the Agency to adjust expenditures in Funds and Programs due to timing differences between FY 2013-14 and FY 2014-15. The impacts of the drought has caused a need to appropriate additional fund balance of \$192,074 for increased usage and repairs to the Santa Rita pump from Fund 122 - The Reclamation Ditch, the Espinosa Booster Pump in Fund 131 - CSIP O&M, \$180,000 in Fund 134 - The Salinas River Diversion Facility for filter screens. In addition, \$120,000 in Fund 130, Nacimiento Hydro-electric Power Plant, is needed for Power Purchase Agreement management assistance and electrical/control system engineering assistance. Overall, this budget amendment reduces the ending fund balance in all funds and reduced the ending FY 2014-15 Fund 111 - Administration to zero. On a consolidated basis the Agency financial performance is projected as follows:

FY 2014-15 Beginning fund balance	\$ 16,501,891
FY 2014-15 Projected Revenues	<u>20,609,988</u>
<u>Total Estimate FY 2014-15 Available funds</u>	\$37,111,880
Less: 2014-15 Projected expenditures	<u>(24,396,223)</u>
<u>FY 2014-15 Projected Ending Fund Balance</u>	<u>\$ 12,715,656</u>

OTHER AGENCY INVOLVEMENT:

WRA Board of Directors

FINANCING:

There is no financial impact in receiving this report.

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Approved by:

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Attachments:

WRA Summary of Agency Administrative Fund 111

WRA Financial Status Report FY 2014-15