



County of Monterey

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

Board Report

File #: WRAG 19-062, **Version:** 1

Consider approving and recommending that the Water Resources Agency Board of Supervisors:

Approve the Monterey County Water Resources Agency Fiscal Year's 2019-20 Requested Budget.

RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Directors approve and recommend that the Water Resources Agency Board of Supervisors:

Approve the Monterey County Water Resources Agency Fiscal Year's 2019-20 Requested Budget.

SUMMARY/DISCUSSION:

On May 20, 2019 at the Water Resources Agency (Agency) Board of Directors (BOD) meeting, staff reviewed and recommended approval of the Agency's FY 2019-20 (FY20) budget for all Agency Funds.

The Agency's FY20 Budget consists of 14 total funds for combined appropriations of \$31,322,309. Staffing for FY20 includes forty (40) funded full-time positions and eight (8) unfunded vacant positions for total Salary and Benefit costs of \$6,407,622 or twenty percent (20%) of the total budget. Debt service costs for FY20 include bond payments for the Salinas Valley Water Project Bond (SVWP) and annual loan payments for the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Reclamation Project (SVRP) for a combined estimated total of \$4,715,682 or fifteen percent (15%) of the Agency's total budget. Due to the accounting structure of the two Debt Service Funds (303 and 313) transfers out of other Funds (131 and 111 respective) result in additional \$3,620,682 in appropriations or twelve percent (12%) of the total budget. Consultant costs for FY20 include Monterey 1 Water, Interlake Tunnel consultants and others for a combined total of \$11,174,049 or thirty-six percent (36%) of the total budget. Insurance costs for FY19 are estimated at \$925,266 or three percent (3%) of total budget, while COWCAP costs are estimated at \$985,433 or three percent (3%) of the total budget. The remaining \$3,493,575 or 11 percent (11%) of the budget are a combination of Services & Supplies and other costs

Total funding for FY20 is \$31,322,309 of which \$2,380,026 or eight percent (8%) is Ad-Valorem Tax revenue, \$15,081,246 or forty-eight percent (48%) is Assessment revenue, \$714,000 or two percent (2%) Hydro-Electric revenue, \$604,000 or two percent (2%) Rent & Royalty revenue, \$1,157,255 or four percent (4%) in Water Delivery Fees, \$1,717,315 or six percent (6%) in Inter-Lake Tunnel reimbursements from DWR, \$350,735 or one percent (1%) in interest and others, and \$5,689,685 or eighteen percent (18%) in Unassigned Fund Balance.

Overall, expenditures exceed revenues by \$5,689,685 reducing the Agency's Fund Balance from an estimated beginning Fund Balance of \$15,940,451 to an estimated ending Fund Balance of \$10,138,401.

OTHER AGENCY INVOLVEMENT:

No other agencies were involved in preparing this report.

FINANCING:

The Water Resources Agency FY 2019-20 Adopted Budget Resolution represents a statutorily balanced budget

and meets all requirements for adoption.

Prepared by: Fabricio Chombo, Finance Manager II, (831) 755-4860

Approved by: Shauna Lorange, Interim General Manager, (831) 755-4860

Attachments:

1. FY 2019-20 MCWRA Recommended Budget Book
2. FY 2019-20 Budget Summary by Fund
3. FY 2019-20 Position Summary
4. FY 2019-20 Reserves
5. Board Order