



County of Monterey

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

Board Report

File #: WRAG 20-227, **Version:** 1

Approve and adopt the Monterey County Water Resources Agency Fiscal Year's 2020-21 Requested Budget.

RECOMMENDATION:

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

Approve and adopt the Monterey County Water Resources Agency Fiscal Year's 2020-21 Requested Budget.

SUMMARY/DISCUSSION:

The Agency's FY21 Budget consists of 14 total funds for combined appropriations of \$34,431,307. Staffing for FY21 includes thirty-nine (39) funded full-time positions and nine (9) unfunded vacant positions for total Salary and Benefit costs of \$6,110,626 or eighteen percent (18%) of the total budget. Debt service costs for FY21 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 \$4,724,041 or fourteen percent (14%) of the Agency's total budget. Due to the accounting structure of the two Debt Service Funds (303 and 313) transfers out to other Funds (131 and 111 respective) result in additional \$3,920,682 in appropriations or eleven percent (11%) of the total budget. Consultant costs for FY21 include Monterey One Water, Interlake Tunnel consultants and others for a combined total of \$13,742,548 or forty percent (40%) of the total budget. Insurance costs for FY21 are estimated at \$932,529 or three percent (3%) of total budget, while COWCAP costs are estimated at \$1,428,883 or four percent (4%) of the total budget. The remaining \$3,571,998 or ten percent (10%) of the budget are a combination of Services & Supplies and other costs such as equipment, water rights, and damn fees.

Total funding for FY21 is \$28,207,768 of which \$2,458,338 or nine percent (9%) is Ad-Valorem Tax revenue, \$15,213,889 or fifty-four percent (54%) is Assessment revenue, \$700,000 or two percent (2%) Hydro-Electric revenue, \$575,000 or two percent (2%) Rent & Royalty revenue, \$1,825,000 or six percent (6%) in Water Delivery Fees, \$3,150,000 or eleven percent (11%) in Inter-Lake Tunnel reimbursements from Department of Water Resources (DWR), \$3,929,041 or fourteen percent (14%) in transfers from other Funds, \$356,500 or one percent (1%) in interest and others, and \$6,288,539 is funded through Fund Balance.

Overall, expenditures exceed revenues by \$6,288,539 reducing the Agency's Fund Balance from an estimated beginning Fund Balance of \$15,972,303 to an estimated ending Fund Balance of \$9,683,764.

OTHER AGENCY INVOLVEMENT:

Monterey One Water provided the necessary figures for Fund 131 CSIP Operations, Fund 132 SVRP Operations, and Fund 134 SRDF Operations. Additionally, the Water Resources Agency Board of Directors heard and recommended approval of the Water Resources Agency's FY 2020-21 Requested Budget at its April 20, 2020 meeting.

FINANCING:

The Water Resources Agency FY 2020-21 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: _____
Brent Buche, General Manager, (831) 755-4860

Attachments:

1. FY 2020-21 Budget Resolution
2. FY 2020-21 MCWRA Recommended Budget Book
3. FY 2020-21 Budget Summary by Fund
4. FY 2020-21 Position Summary
5. Executed MCWRA Board Order