



Public Hearing Item 20

Review Proposed MPWMD Budget for Fiscal Year 2015-2016

June 15, 2015, Regular Board Meeting
Staff contact: Suresh Prasad & Dave Stoldt

Budget Overview


2005 Board Adopted Strategy

- Develop annual balanced budgets
- Preserve existing services & enable the District to carry out its legislative mission and the Board's strategic vision
- Maintain a 5% general operating reserve and replenish it to 50% in the future

Budget Overview (cont.)

- For FY 2015-2016, staff was mindful of continuing economic conditions as well as current status of the District's funding sources
- April - Initial Division requests made
- Late April - Adjustments made in Team Management budget sessions
- May 18 - MPWMD Board reviewed draft budget

Budget Overview (cont.)

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- A vertical photograph on the left side of the slide shows a river with white water rapids and a small waterfall cascading over dark rocks. The surrounding area is lush with green trees and vegetation.
- Despite staff's efforts and the strategy adopted in 2005 to develop balanced budgets each year, the prior budgets were balanced using reserves; Last few years due to GWR project
 - FY 2015-2016 budget does include use of reserves to maintain current programs & services, primarily due to GWR project
 - General Reserve balance at 26% of operating budget

Budget Overview (cont.)

- Proposed FY 2015-2016 budget \$13,411,500
- Increase of 14% from the FY 2014-2015 budget
- Most increases attributed to project expenditures portion of the budget
- Continuation of savings realized from negotiated MOU's between employees and District

Budget Overview (cont.)

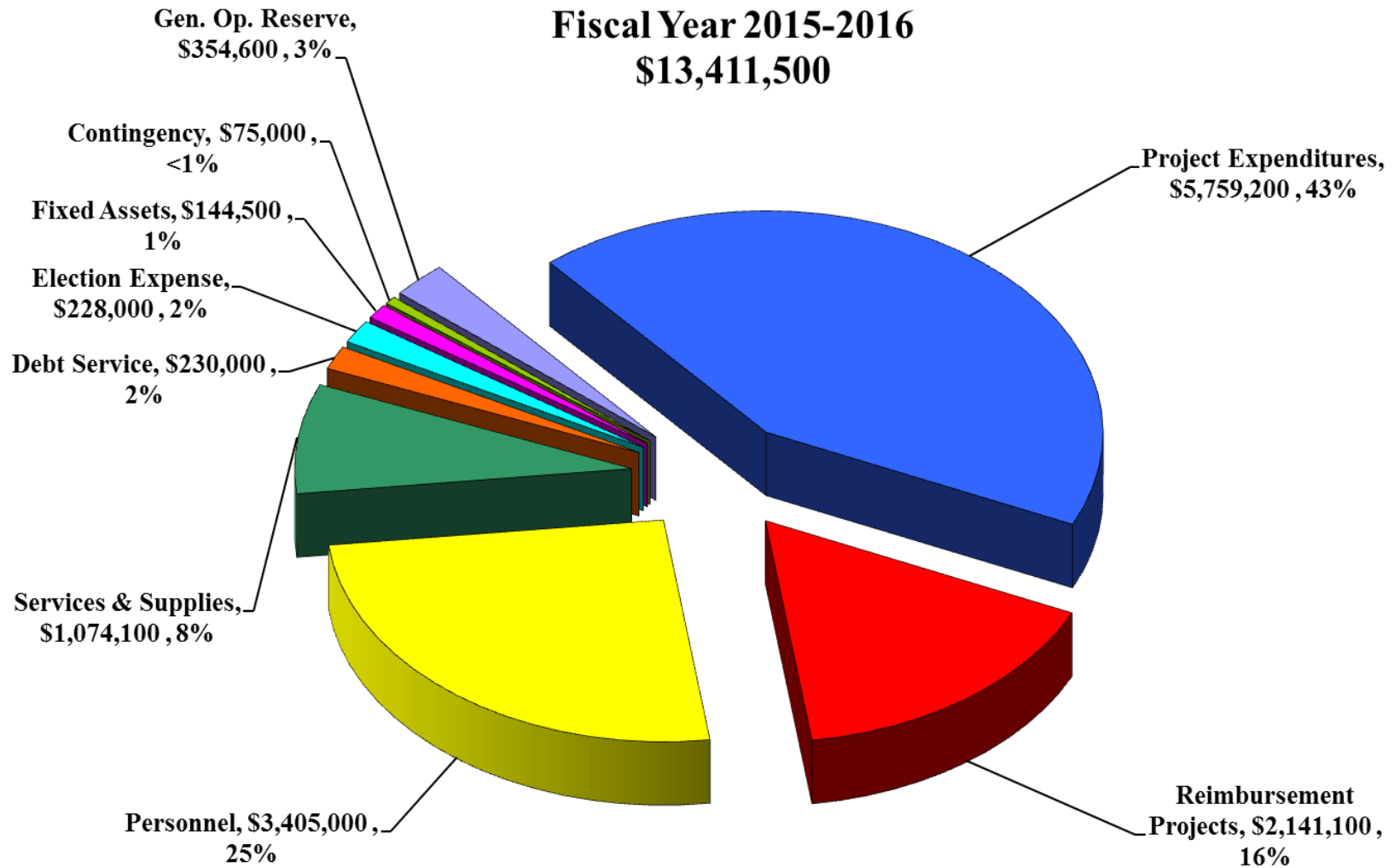
- The proposed FY 2015-2016 budget was presented to the Board on May 18, 2015
- The Board requested changes have been incorporated in this revised budget

Expenditure Summary

EXPENDITURE SUMMARY

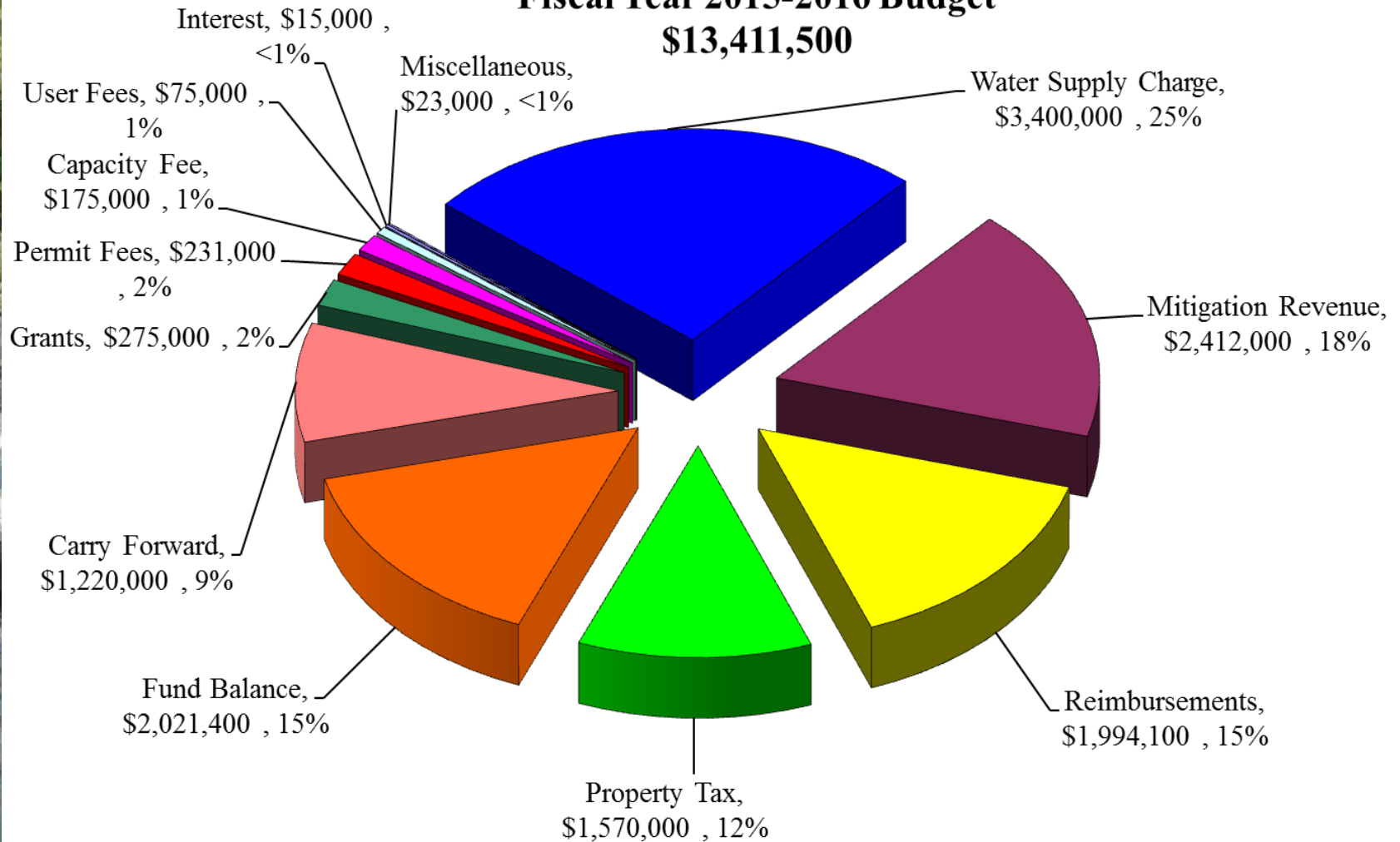
Fiscal Year 2015-2016

\$13,411,500




Revenue Summary

REVENUE SUMMARY Fiscal Year 2015-2016 Budget \$13,411,500




A background image showing a coastal landscape with waves crashing against a rocky shore under a clear sky.

Sources and Uses

A vertical image on the left side of the page showing a river with a small waterfall cascading over rocks.

District Revenues	\$7,901,000
Reimbursements	2,269,100
Carry Forward from Prior Year	1,220,000
Fund Balance	*2,021,400
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Total Sources	\$13,411,500

Sources and Uses



Total Expenditures	\$13,056,900
General Reserve	*354,600
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Total Uses	\$13,411,500
Reserve Surplus	354,600
Use of Reserve	(2,021,400)
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Net Use of Reserve	(\$1,666,800)

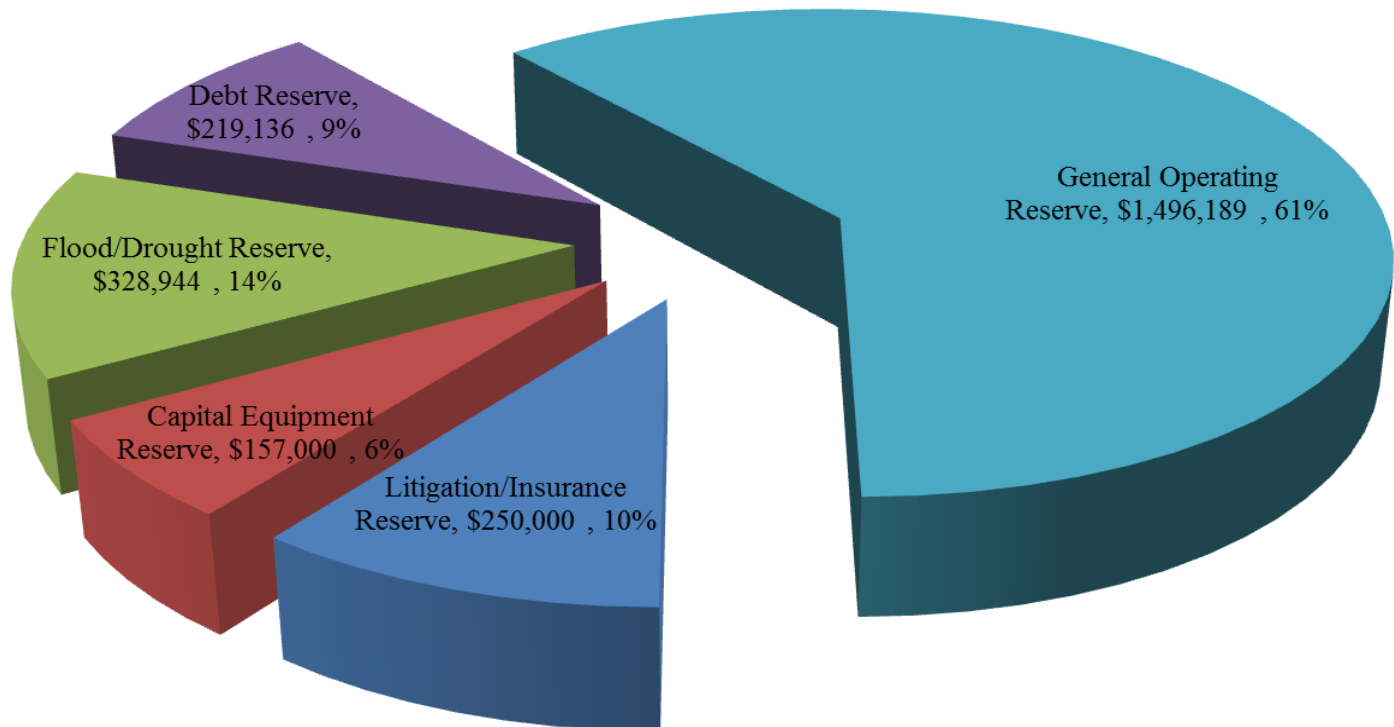
Analysis of Reserves

	<u>Fiscal Year Ending</u>	
	<u>06/30/2015</u>	<u>06/30/2016</u>
Reserves	(estimated)	(proposed)
Litigation/Insurance	250,000	250,000
Capital Equipment	157,000	157,000
Flood/Drought	328,944	328,944
Debt Reserve	219,136	219,136
<u>Operating Reserve</u>	<u>3,162,989</u>	<u>1,496,189</u>
Total	\$4,118,069	\$2,451,269
Change in reserve		(\$1,666,800)

Operating Reserve ending balance is projected to be 26% of operating budget

Analysis of Reserves

RESERVE ANALYSIS Fiscal Year 2015-2016 Budget \$2,451,269



Budget Changes

Changes in Expenses:

	<u>05/18/2015</u>	<u>06/15/2015</u>
Personnel	\$3,393,700	\$3,405,000
Services & Supplies	1,054,100	1,074,100
Fixed Assets	144,500	144,500
Project Expenses	7,963,300	7,900,300
Others	889,900	887,600
Total Uses	\$13,445,500	\$13,411,500


Budget Changes

Changes in Revenues:

	<u>05/18/2015</u>	<u>06/15/2015</u>
District Revenues	\$7,881,000	\$7,901,000
Reimbursements	2,234,100	2,269,100
Carry Forward	1,220,000	1,220,000
Fund Balance*	2,110,400	\$2,021,400
Total Sources	\$13,445,500	\$13,411,500

* \$89,000 Reduction in use of Fund Balance

Recommendation

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- Staff recommends that:
 - the Board discuss the proposed FY 2015-2016 Budget and give general direction to staff
 - the Board adopt Resolution No. 2015-09, A Resolution of the Board of Directors Adopting the Budget for Fiscal Year 2015-2016

For More Information

- Staff reports and presentation materials can be found on the District's website at:

www.mpwmd.net

- PowerPoint presentations will be posted on the website the day after the meeting.