



Santa Clara Valley Water District

File No.: 19-0474

Agenda Date: 5/14/2019

Item No.: 2.13.

BOARD AGENDA MEMORANDUM

SUBJECT:

Resolutions Adopting the Fiscal Year 2019-2020 Operating and Capital Budget and Levy of Ad-valorem Property Taxes.

RECOMMENDATION:

- A. Discuss and adopt a Resolution APPROVING AND ADOPTING THE OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2019-2020;
- B. Discuss and adopt a Resolution PROVIDING FOR LEVY OF AD VALOREM REAL PROPERTY TAXES IN FISCAL YEAR 2019-20 TO MEET THE COST OF ITS WATER SUPPLY CONTRACT WITH THE STATE OF CALIFORNIA; and
- C. Approve the Santa Clara Valley Water District (Valley Water) Reserve Policy.

SUMMARY:

In accordance with the District Act, Section 20. Adoption of Budget, after conclusion of the public meeting(s) to hear comments from the general public on the proposed budget, the Board Shall by Resolution adopt the budget as finally determined including any revisions that the Board determines advisable during or after the meeting(s) and no later than June 30 of each year.

Throughout the Fiscal Year 2019-20 (FY 2019-20) budget process, staff provided numerous budget development updates for the Board and the public. The FY 2019-20 budget proposal is consistent with the Board's direction given to staff at those meetings. Therefore, staff recommends Board approval of the Resolution Approving and Adopting the Santa Clara Valley Water District Operating and Capital Budget for fiscal year 2019-20. Copy of the resolution will be included in a supplemental agenda memo on May 10, 2019.

In addition, in order for Valley Water to receive funds to pay for the contract costs of water importation from the State of California, staff recommends approval of the Resolution to Provide for a Levy of Ad-valorem Real Property Taxes in fiscal year 2019-20. Copy of the resolution will be included in a supplemental agenda memo on May 10, 2019.

Staff recommends approval of the Valley Water Reserve Policy, which includes new policy language for the staff proposed Guiding Principal #5 (GP5) reserve in the Water Utility Fund. The District Reserve Policy will be included in the final summary budget document as in past years. A copy of the Reserve Policy will be included in a supplemental agenda memo on May 10, 2019.

The transmittal letter for the FY 2019-20 budget will be included in a supplemental agenda memo on May 10, 2019.

The final summary budget document will be available on the Valley Water website by June 30, 2019.

A supplemental agenda memo including attachments will be forthcoming on May 10, 2019.

FINANCIAL IMPACT:

Currently, the proposed FY 2019-20 Operating and Capital Budget includes a net expenditure budget appropriation of \$528,472,901 which is comprised of Capital Outlays totaling \$204,551,006 and Operating Outlays of \$404,761,651 minus Intra-District Reimbursements of \$80,839,756.

Adoption of the Resolution to Provide for a Levy of Ad-valorem Real Property Taxes in Fiscal Year 2019-20 enables the Valley Water to receive funds in the amount of \$18 million to pay for the contract costs of water importation from the State of California.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably, foreseeable indirect physical changes in the environment.

ATTACHMENTS:

None.

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-3068