
File No.: 17-0278

Agenda Date: 4/26/2017

Item No.: *2.6.

SUPPLEMENTAL BOARD AGENDA MEMORANDUM

SUBJECT:

Work Study Session to Consider the FY 2017-18 Proposed Operating and Capital Budget.

REASON FOR SUPPLEMENTAL MEMORANDUM:

This report conveys additional information received after the initial report was released, consistent with Executive Limitations Policy EL-7-10-5.

RECOMMENDATION:

- A. Receive, review and discuss the FY 2017-18 Proposed Budget;
- B. Receive comments and input from the public regarding FY 2017-18 Proposed budget; and
- C. Incorporate any changes deemed necessary into the FY 2017-18 Proposed Budget.

SUMMARY:

Staff is proposing a FY 2017-18 Operating and Capital Budget totaling \$582 million less \$81 million in intra-district reimbursements. The total proposed net budget is \$501 million. The gross budget is comprised of \$218 million in capital outlays, \$314 million in operations outlays and \$50 million in debt service. Prior year capital budget carryforward is \$99 million. The proposed revenue budget is \$444 million, which is in sync with the staff proposed groundwater production and other water charges for FY 2017-18. Debt proceeds total \$211 million and make up the difference between total outlays (including capital carryforward) and total revenues. Year-end reserves are \$360 million, of which \$206 million is legally restricted.

Staff has proposed a minor change to the District reserve policy, which is attached for Board review (See Attachment 2, page 3-43).

The Board has scheduled work study sessions for April 26 through April 28. The budget process is scheduled to conclude with the adoption of the budget on May 9, 2017.

FINANCIAL IMPACT:

There is no financial impact related to this agenda. If at a subsequent meeting, the Board approves the proposed budget, the District would have a fiscally responsible, balanced budget that meets the community's expectations, and should have sufficient funding for planned operations and capital improvement activities for FY 2017-18.

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 change in the environment.

ATTACHMENTS:

Supplemental Attachment 1: Revised PowerPoint

Supplemental Attachment 2: FY 2017-18 Operating and Capital Budget

UNCLASSIFIED MANAGER:

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