



Santa Clara Valley Water District

File No.: 18-0979

Agenda Date: 12/11/2018

Item No.: 8.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Fiscal Year 2019-20 Overview of the Santa Clara Valley Water District Financial Planning Process and Board Work Plan Funding Priorities.

RECOMMENDATION:

Receive and discuss the Fiscal Year 2019-20 overview of the District's Financial Planning Process and confirm Board Work Plan funding priorities.

SUMMARY:

The District develops the annual budget and five-year capital improvement program to allocate public funds necessary to provide Silicon Valley with safe, clean water for a healthy life, environment and economy. The development of the budget and capital improvement program are accomplished in an open and transparent process, under the guidance of the Board, providing opportunity for public input. This report describes the financial planning process and seeks to confirm the 2019-20 funding priorities based on the adopted Board Work Plan.

In concert with the discussion of the financial planning process, staff is providing a follow up to the Board's direction to provide a review of biennial budgeting. Staff completed this review and the attached memo documents the analysis. Based on that review and because the District is about to embark on the ERP project which will require resources across the District dedicated to this effort, staff is not recommending a change in the current annual budget adoption process. In addition to resource constraints, the cost of current budgeting software enhancements to implement biennial budgeting and the potential to move to a new budgeting software module as part of the ERP implementation, makes delaying a decision to change to biennial budgeting a more fiscally prudent recommendation at this time. Staff would like to re-address this recommendation to the Board once the ERP implementation is completed and will work with the vendor during implementation to build the option for biennial budgeting if the District does decide to move to the new budgeting software module.

The District's financial processes are governed by the District Act, Section 13 for taxation and Section 20 for adoption of the budget. In addition, state and federal laws require annual examinations of financial records. Board Governance Policies EL-4 guide financial management, planning, budgeting and ongoing financial activities. The District's financial processes comply with all applicable laws, regulations and policies.

FINANCIAL IMPACT:

There is no financial impact related to this agenda. It is presented for information only.

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:

Attachment 1: PowerPoint

Attachment 2: Biennial Budgeting Memo

UNCLASSIFIED MANAGER:

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