



Santa Clara Valley Water District

File No.: 18-0349

Agenda Date: 5/8/2018

Item No.: 2.11.

BOARD AGENDA MEMORANDUM

SUBJECT:

Approval of the Fiscal Year 2018-19 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 2018-19;
- B. Discuss and adopt a Resolution PROVIDING FOR LEVY OF AD VALOREM REAL PROPERTY TAXES IN FISCAL YEAR 2018-19 TO MEET THE COST OF ITS WATER SUPPLY CONTRACT WITH THE STATE OF CALIFORNIA; and
- C. Approve the District 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 FY 2018-19 budget process staff provided numerous budget developments updates with the Board and the public. The FY 2018-19 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 2018-19 (Attachment 1).

In addition, in order for the District 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 2018-19 (Attachment 2).

Staff recommends approval of the District Reserve Policy (Attachment 3), which includes new policy language for the staff proposed Public-Private Partnership (P3) reserve in the Water Utility Fund. The District Reserve Policy will be included in the final summary budget document as in past years.

The transmittal letter for the FY 2018-19 budget is included as attachment 4.

The final summary budget document will be available on the District's website by June 30, 2018.

FINANCIAL IMPACT:

Currently, the proposed FY 2018-19 Operating and Capital Budget includes a net expenditure budget appropriation of \$509,857,146 which is comprised of Capital Outlays totaling \$205,072,687 and Operating Outlays of \$390,327,780 minus Intra-District Reimbursements of \$85,543,321.

Adoption of the Resolution to Provide for a Levy of Ad-valorem Real Property Taxes in Fiscal Year 2018-19 enables the District 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:

Attachment 1: Resolution, Budget FY 2018-2019
Attachment 2: Resolution, Ad-valorem Real Property Taxes
Attachment 3: District Reserve Policy
Attachment 4: Transmittal Letter

UNCLASSIFIED MANAGER:

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