

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-A

Meeting Date: March 8, 2011

Submitted By: Suresh Prasad

Presented By: Suresh Prasad

Reviewed By: Carl Niizawa

Agenda Title: Receive Draft Budget for FY 2011-2012 and Schedule a Budget Workshop

Detailed Description: The Board is requested to receive the draft budget for FY 2011-2012, review the budget calendar and schedule a budget workshop in March/April.

Each year, the District follows a budget development process that results in Board approval of the annual budget by June 30. This year, staff proposes that the Board consider adopting the FY 2011-2012 Budget at its regular monthly meeting on June 14, 2011. The effective date of this budget will be July 1, 2011.

The draft budget will also be distributed and discussed with the FORA Water/Wastewater Oversight Committee (WWOC). The WWOC will then recommend the draft budget to the FORA Board. The FORA Board would be expected to adopt the budget sometime in June 2011. The next WWOC Committee meeting is scheduled for March 16, 2011.

The Draft FY 2011-2012 Budget includes six separate cost centers in two distinct service areas (Marina and Ord Community); and, operating and capital budgets in support of the District's two service areas and six cost centers. District overhead is apportioned to the cost centers according to a pre-determined formula (based on expense generation percentages). The allocation rate for this fiscal year has changed based on previous year (FY 2009-2010) expenditure figures. This draft budget includes a rate increase of 7.8% for all four cost centers as proposed in the 2008 Bartle Wells Five Year Water & Wastewater Financial Plan and Rate Study. If the Board decides to move forward with any rate increase, a Prop 218 process will be required before the rate increases can be implemented.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *Strategic Plan, Goal No. 4 – To manage the District's finances in the most effective and fiscally responsible manner.*

Financial Impact:  Yes  No

Funding Source/Recap: None

Material Included for Information/Consideration: FY 2011–2012 Budget Schedule; Draft FY 2011-2012 Budget Document (provided separately).

Staff Recommendation: The Board of Directors receive the draft Budget for FY 2011 – 2012, review Budget schedule, and schedule a Budget Workshop.

Action Required:     \_\_\_\_\_Resolution     \_\_\_\_\_Motion     \_\_\_X\_\_\_Review

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Board Action

Resolution No \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

Marina Coast Water District  
 FY 2011/2012 Budget Calendar  
 (includes Marina & Ord Community)

<u>DATE</u>	<u>STATUS</u>	<u>RP</u>	<u>MCWD</u>	<u>WWOC</u>	<u>FORA</u>	<u>DESCRIPTION</u>
January		DF	X			DF to issue 08/09 YTD Qtr 2 expenditure report to Dept Heads. This provides guidance for new year expenses. DF provides format for the budget. Individual meetings with Dept Heads via telephone to discuss the Qtr 2 numbers and the budget format.
February		DH	X			Dept Heads turn in draft budget and D&J's to DF in approved format.
March		DF/DGM/ DAS	X			DF, DAS and DGM review budgets for all departments.
March		DF/DAS/ DH/DGM	X			Individual Dept Heads to meet with DGM, DF and DAS to review their section of the budgets. (as necessary)
March		DH	X			Dept Heads turn in budgets to DF with recommended changes from previous individual meetings.
03/08/2011		DF/DGM	X			Draft Budget and Budget Schedule presented to MCWD Board. PUBLIC MEETING
03/16/2011		DF/DGM		X		Ord Community Draft Budget presented to WWOC. PUBLIC MEETING.
March		DF/DH	X			Budget Workshop Meeting (Dept Heads/Board). PUBLIC MEETING
April		DF/DGM		X		Ord Community Draft Budget presented to WWOC.
April		DF	X			Prop 218 notices mailed out.
06/10/2011		DF/DGM	X		X	MCWD and FORA Boards in a joint meeting adopt Ord Community Budget. PUBLIC MEETING
06/14/2011		DF/DGM	X			MCWD Board adopts Central Marina Budget. PUBLIC MEETING

DGM=Deputy General Manager; DAS= Director of Administrative Services; DF=Director of Finance;  
 DH=Department Heads