



Salinas Valley Basin

Groundwater Sustainability Agency

AGENCY MEETING May 11, 2017

AGENDA ITEM: 10

SUBJECT: Proposed Annual Budget for Fiscal Year 2017/18

RECOMMENDATION: Adopt the Budget

BACKGROUND

Section 10.3 of the Joint Exercise of Powers Agreement (“JPA Agreement”) forming the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) reads in part:

Section 10.3 – Budgets.

a) Initial Budgets

The initial budget of the Agency for the Fiscal Year ending June 30, 2017, shall not exceed \$50,000. The budgets of the Agency for Fiscal Years 2017 – 2018 and 2018 – 2019 shall not exceed \$1,100,000 each unless otherwise agreed to by the unanimous vote of the Members as described in Section 10.4, below.

b) Regular Budgets

Beginning for Fiscal Year 2019 – 2020, no later than sixty (60) days prior to the end of each Fiscal Year, the Board shall adopt a budget for the Agency for the ensuing Fiscal Year. The Board may authorize mid-year budget adjustments, as needed by Super Majority Vote.

The budget attached to this document is designed to comply with the terms of the agreement and to take into consideration operational needs of the organization.

DISCUSSION

In developing the SVBGSA the stakeholder group agreed on a funding mechanism that would ensure that the agency would have adequate resources to complete its work for the first two years.

ATTACHMENT A

Revenues were expected to be generated by the following contributions from agencies and organizations:

1) County:	\$ 670,000
2) WRA:	\$ 20,000
3) City of Salinas:	\$ 330,000
4) City of Gonzales:	\$ 20,000
5) City of Soledad:	\$ 35,000
6) City of Greenfield:	\$ 35,000
7) City of King:	\$ 30,000
8) <u>Castroville CSD</u>	<u>\$ 20,000</u>
Total	\$1,160,000

With final adoption of the JPA there have been changes to the proposed stream of funding as follows:

1) County:	\$ 670,000
2) WRA:	\$ 20,000
3) MRWPCA:	\$ 20,000
4) City of Salinas:	\$ 330,000
5) City of Gonzales:	\$ 20,000
6) City of Soledad:	\$ 35,000
7) City of King:	\$ 30,000
8) <u>Castroville CSD</u>	<u>\$ 20,000</u>
Total	\$1,145,000

The change in funding comes with the City of Greenfield electing to not join the JPA and Monterey Regional Water Pollution Control Agency electing to join. This results in a net reduction of \$15,000 for funding in this fiscal year.

The proposed draft budget (Attachment A) reflects this change and allocates funding to operate the agency for its first year.

ATTACHMENT A

GSA - Proposed Budget		
CATEGORY	2017/18 Proposed	2018/19
Salaries & Benefits		
<i>Executive Director/GM of GSA</i>	\$ 269,947	\$ 275,346
<i>Administrative Assistant/Board Clerk</i>	\$ 112,277	\$ 115,645
<i>Staff Attorney</i>	\$ 102,482	\$ 105,557
<i>Subtotal</i>	\$ 484,706	\$ 496,548
Groundwater Sustainability Plan (contract)	\$ 250,000	\$ 140,000
Agency Financing Plan Consultant (contract)	\$ 50,000	\$ 50,000
Outside Specialty Legal Services	\$ 80,000	\$ 80,000
Grant Writing / Lobbying - Advocacy	\$ 20,000	\$ 20,000
Facilitation Services	\$ 40,000	\$ 41,200
Conferences/Training	\$ 7,500	\$ 7,500
Travel Expenses	\$ 10,000	\$ 10,300
Rent and Facilities	\$ 40,000	\$ 40,000
Technology	\$ 13,000	\$ 13,000
Dues & Subscriptions	\$ 7,500	\$ 7,500
Insurance	\$ 15,000	\$ 15,450
Legal Notices & Ads	\$ 10,000	\$ 10,000
Office Supplies	\$ 4,500	\$ 4,500
Postage	\$ 3,000	\$ 3,090
Printing	\$ 10,000	\$ 10,300
Future 218 Assessment Costs	\$ -	\$ 40,000
Collection Fee/Bad Debt	\$ 25,000	\$ 25,750
External Annual Audit	\$ -	\$ 12,500
SUBTOTAL	\$ 585,500	\$ 531,090
CONTINGENCY (5%)	\$ 29,275.0	\$ 26,554.5
TOTAL ANNUAL COST	\$ 1,099,481	\$ 1,099,711
BEGINNING BALANCE		\$ 45,519
AVAILABLE FUNDING	\$ 1,145,000	\$ 1,190,519
BALANCE	\$ 45,519	\$ 90,807
Reserve	45,519	90807