



# MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

Home Page: [www.mcwd.org](http://www.mcwd.org)

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## DIRECTORS

JAN SHRINER  
President

HERBERT CORTEZ  
Vice President

BRAD IMAMURA  
THOMAS P. MOORE  
GAIL MORTON

## Board of Directors Budget and Engineering Committee Meeting

Marina Coast Water District  
920 2<sup>nd</sup> Avenue, Suite A, Marina, CA  
and via Zoom Teleconference

May 2, 2023 at 4:30 p.m.

MCWD Committee members and staff will be attending the meeting in person. While the meeting is open to the public, the public may also attend via Zoom at the link provided below.

### Committee Members

Gail Morton  
Jan Shriner  
Herbert Cortez - Alternate

### Agenda

*This meeting has been noticed according to the Brown Act rules. The Committee will receive information on, discuss and consider making recommendations to the MCWD Board on the items contained in this agenda.*

1. Call to Order/Roll Call
2. Public Comments on any item Not on the Agenda *Anyone wishing to address the Committee on matters not appearing on the Agenda may do so at this time. Please limit your comment to four minutes. The public may comment on any other item(s) listed on the Agenda at the time the item(s) is considered by the Committee.*
3. Approve the Draft Minutes of the April 4, 2023 Meeting
4. Review the Draft FY 2023/2024 Budget
5. Identify Agenda Items for the Next Committee Meeting
6. Committee Member Comments
7. Adjournment

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Zoom access information:

<https://us02web.zoom.us/j/81834859726?pwd=OVpRV0JNNGNMSS81dE1sS0JDUGVmQT09>

To join via phone: 1-669-900-9128

Webinar ID: 818 3485 9726

Passcode: 640209



# Marina Coast Water District

## Draft Minutes Budget and Engineering Committee Meeting

April 4, 2023

### 1. Call to Order:

The April 4, 2023 Budget and Engineering Committee meeting was called to order at 5:32 p.m. by President Shriner. In attendance were:

- Committee members: President Shriner and Director Morton
- Staff: Remleh Scherzinger, Mary Lagasca, Garrett Haertel, and Paula Riso
- Public members: Jim Crowley

### 2. Public Comments on Any Item Not on the Agenda:

No comments were made.

### 3. Approve the Draft Minutes of the March 7, 2023 Meeting:

Director Morton made a motion to approve the minutes of March 7, 2023. President Shriner seconded the motion. The minutes were approved by a vote of 2-Ayes (Morton, Shriner), 0-Noes, and 0-Absent.

### 4. Review Capital Improvement Projects 5-Year Projection and Funding Assignments:

Mr. Haertel introduced this item and reviewed the current and 5-year CIP. The Committee asked clarifying questions.

### 5. Identify Agenda Items for the Next Committee Meeting:

Mr. Scherzinger commented that the full budget will be presented at the next meeting for review before it is presented to the Board.

### 6. Committee Member Comments:

Director Morton and President Shriner thanked staff for their hard work pulling this information together.

### 7. Adjournment:

The meeting was adjourned at 6:52 p.m.

**Marina Coast Water District  
Staff Report**

**Agenda Item:** 4

**Meeting Date:** May 2, 2023

**Prepared By:** Mary Lagasca

**Approved By:** Remleh Scherzinger P.E.

**Agenda Title:** Review the Draft FY 2023/2024 Budget

**Summary:** The Budget and Engineering Committee is requested to review the draft budget for FY 2023/2024 and provide comments. Attached is a summary of the FY 2023/2024 Budget, and a more in-depth presentation will be provided at the meeting.

Attachment: Budget Summary

## FY24 Proposed Budget Summary

	FY22 Actuals	FY23 Budget	FY23 Est. Actuals	FY24 Proposed
<b>Revenues</b>				
Water Sales	12,897,365	15,788,539	12,554,800	15,679,820
Recycled Water Sales		1,636,556	56,800	1,363,059
Flat Rate Accounts				
Other Water Sales	237,796			
Sewer Sales	4,930,600	5,231,065	5,000,000	5,463,070
Fire System Charge	387,648	357,669	422,400	460,100
Backflow Prevention	57,416	52,500	47,500	52,500
Late Charges	14,371	220,000	163,400	220,000
Permits/Plan Check	30,270	40,000	38,800	32,000
Wheeling Charge	24,000	35,972	36,000	37,044
Developer Fees	843,176	334,000	728,600	850,000
Meter Fees	130,505	72,500	137,100	281,320
Meter Testing Fees	15			
Water Source Fees		874,969	874,969	874,969
Capacity Fees/Capital Surcharge	4,192,221	8,985,200	12,776,900	9,811,413
Other Income	69,359	24,000	48,200	90,000
Interest Income	241,183	135,275	548,800	870,210
Deferred Revenue - Bonds	203,813	203,814	203,814	203,814
Rental Revenue	3,920	3,921	3,920	3,920
Grant Revenue	1,036,903	710,584	3,300,000	1,000,000
Lease Revenue (Amortization)	200,783	337,186	315,320	315,320
Gain Or Loss On Asset Sales	32,538			
Gain Or Loss Bond Accounts				
Fora Ruwap Contribution				
M1W RUWAP Capacity Share Contribution				
Donations From Other Agencies				
Loan Proceeds - SRF		2,809,896	3,600,000	1,000,000
Line Of Credit Proceeds	4,473,790		295,876	
2019 Cops Proceeds		8,705,387	6,454,307	4,770,829
Bldg Removal Bond Proceeds		970,000		978,000
Future Grants				15,200,000
Future Bond				11,428,171
<b>Total Revenue</b>	<b>30,007,673</b>	<b>47,529,033</b>	<b>47,607,506</b>	<b>70,985,559</b>
<b>Expenses:</b>				
Salaries & Benefits	6,505,843	8,342,385	7,113,479	9,234,764
Dept. Expense	11,370,329	12,368,177	8,529,155	13,041,691
Interest Expense	1,992,368	2,075,732	2,118,391	1,995,702
Franchise & Admin Fees	171,431	180,702	200,000	50,000
CIP	1,280,180	15,350,283	7,826,434	38,369,000
Capitalized Equipment	212,971	1,396,000	671,489	507,900
Principal Debt Service	1,572,887	1,749,963	7,372,887	1,653,889
<b>Total Expenses</b>	<b>23,106,009</b>	<b>41,463,242</b>	<b>33,831,835</b>	<b>64,852,946</b>
<b>Net Revenue/(Loss) Before Transfers</b>	<b>6,901,664</b>	<b>6,065,791</b>	<b>13,775,671</b>	<b>6,132,613</b>
<b>Transfer to Capital Replacement Reserve</b>	<b>(600,000)</b>	<b>(600,000)</b>	<b>(600,000)</b>	<b>(3,640,000)</b>
<b>Net Revenue/(Loss)</b>	<b>6,301,664</b>	<b>5,465,791</b>	<b>13,175,671</b>	<b>2,492,613</b>

## FY Proposed Department Budget

<u>Administration</u>	<u>FY24 Proposed</u>
Salaries & Benefits	3,117,159
Administrative Expenses	641,760
Office Expenses	117,000
Operations, Maintenance & Repair	390,000
Professional Services	3,270,000
Utilities Expense	80,500
Interest	1,995,702
Water Source Fees	874,969
M1W Payments	1,504,006
Total	<u><u>11,991,096</u></u>

<u>Operations &amp; Maintenance</u>	<u>FY24 Proposed</u>
Salaries & Benefits	3,721,652
Administrative Expenses	71,200
Office Expenses	2,500
Operations, Maintenance & Repair	1,724,155
Professional Services	34,500
Utilities Expense	1,292,775
Information Systems	50,000
Total	<u><u>6,896,782</u></u>

<u>Laboratory</u>	<u>FY24 Proposed</u>
Salaries & Benefits	227,518
Administrative Expenses	3,375
Office Expenses	15,050
Operations, Maintenance & Repair	83,000
Total	<u><u>328,943</u></u>

<u>Conservation</u>	<u>FY24 Proposed</u>
Salaries & Benefits	317,792
Administrative Expenses	11,000
Office Expenses	8,000
Operations, Maintenance & Repair	198,250
Professional Services	10,000
Information Systems	5,000
Total	<u><u>550,042</u></u>

<u>Engineering</u>	<u>FY24 Proposed</u>
Salaries & Benefits	1,288,450
Administrative Expenses	16,825
Office Expenses	4,000
Operations, Maintenance & Repair	610,000
Professional Services	495,500
Information Systems	590,326
Total	<u><u>3,005,101</u></u>

<u>Water Resources</u>	<u>FY24 Proposed</u>
Salaries & Benefits	562,193
Administrative Expenses	8,500
Office Expenses	2,000
Professional Services	977,500
Total	<u><u>1,550,193</u></u>

## FY24 Debt Service Payments

Loan/Bond	Principal Payment
2017 BLM Installment Loan	108,889
2015 Bond	1,190,000
2019 Bond	355,000
Total	<u>1,653,889</u>

## FY24Reserves - Estimated Ending Balance

Restricted/Designated Reserves:	Beg Balance	Revenue	Transfer In	Expense	Transfers Out	Ending Balance
RUWAP 110 Debt Service	249,500		249,500	(249,500)		249,500
RUWAP 120 Debt Service	55,000		55,000	(55,000)		55,000
Capacity Fee Reserve	21,892,758	9,811,413		(2,500,000)		29,204,171
Capital Replacement Reserve	8,306,983		3,640,000	(8,490,829)		3,456,154
Future Bond		11,428,171		(11,428,171)		-
Future Grant		15,200,000		(15,200,000)		-
<b>Est. Ending Restricted Reserve</b>	<b>30,504,241</b>	<b>36,439,584</b>	<b>3,944,500</b>	<b>(37,923,500)</b>	<b>-</b>	<b>32,964,825</b>
<b>Unrestricted</b>						
Admin Reserve	200,000					200,000
Operating Reserve	9,839,623	28,797,164		(27,233,946)	(3,944,500)	7,458,341
<b>Est. Ending Unrestricted Reserve</b>	<b>10,039,623</b>	<b>28,797,164</b>	<b>-</b>	<b>(27,233,946)</b>	<b>(3,944,500)</b>	<b>7,658,341</b>
<b>Total Estimated Reserves</b>	<b>40,543,864</b>	<b>65,236,748</b>	<b>3,944,500</b>	<b>(65,157,446)</b>	<b>(3,944,500)</b>	<b>40,623,166</b>