



## **COMMITTEE REPORT**

**Committee:** Finance Committee

**Meeting Date:** March 21, 2019

**Present:** R. Bow (Chair), D. Arrighi, G. Galindo, B. Lewis, J. Macias  
and D. Michalko

**Staff Present:** T. Zampielo, L. Artis and K. Gardner

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### **I. Presentation of FY 2019-2020 Draft Budget and Proposed Assessments**

The Executive Officer, Mr. Tony Zampielo referred to the draft 2019-20 Watermaster Budget, distributed to the Committee. He reviewed highlights from the proposed revenue section of the budget, such as estimated production and BPOU reimbursements. Additionally, under expenditures, he explained that staff has based the proposed budget on prior year expected actuals, as well as expected projects and programs for the coming year.

Mr. Zampielo stated that the Draft Budget is based on maintaining the current \$15.00 per acre-foot Administrative Assessment. He explained that the amount collected in 2018 was slightly higher than expected due to increased Production from the 195,000 acre-feet estimate, as well as an increase in interest earned. Mr. Zampielo noted relative to expected expenditures, the most significant budget increase was in the Engineering Section, under Water Quality Monitoring, for compliance with UCMR 4 sampling and reporting requirements.

As part of the discussion, the Executive Officer reported that the proposed budget would include a 2.5% cost of living increase for the employees, without deduction for contribution to retiree medical. He noted that the most recent actuarial indicated that adequate funding for the retiree medical program exists, and staff will review again next year for subsequent recommendation.

**INFORMATION ONLY – NO ACTION REQUIRED**