

# Budget Discussion

## Proposed Biennial Budget Fiscal Years 2018 & 2019

**June 13, 2017**



# Agenda

- 1. Proposed Budget Overview**
- 2. Updated Budget Recommendations**
- 3. Questions**

# Proposed Budget by Year

**FY 2018**

**FY 2019**

**Revenues**

**\$28.7M**

**\$32.5M**

**Expenditures**

**\$30.9M**

**\$31.6M**

\* Total for all Funds

\* Includes the use of fund balance

# Budget Recommendations

We need to Invest in our Assets....

- Engage Our Community
- Develop and Empower Our Employees
- Protect Our Infrastructure Assets
- Enhance Our Org. Culture and Performance
- Continue Our Environmental Stewardship!

# Revised Budget Recommendations

## Staffing

### Recurring Costs - Staffing

	<u>FY 2018</u>	<u>FY 2019</u>
• Community Affairs/ Public Outreach Rep.	\$123,750	\$259,875
• Employee Development/Organizational Performance Mgr	\$123,750	\$259,875
• Maintenance/Instrument Technician	\$61,350	\$128,835
• Wastewater Process Engineer	<u>\$132,000</u>	<u>\$277,200</u>
	\$440,850	\$925,785

# Budget Recommendations

## Recurring Costs – Non-Staffing

### Recurring Costs - Staffing

FY 2018

FY 2019

• **Contract – Maint/Repair Svcs**

**\$75,000**

**\$75,000**

# Budget Recommendations

## One-Time Costs

FY 2018

1) Compensation Study

\$30,000

2) New Website

\$25,000

3) Rate analysis study

\$75,000

4) Vehicle/Equip. Replace.

\$900,000

**Total :**      **\$1,030,000**

# Fiscal Impact

## Budget Recommendations

	FY 2018 Proposed	FY 2019 Proposed	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected	FY 2022 Projected	FY 2023 Projected
Beginning Fund Balance	\$12,231,800	\$11,997,598	\$12,482,798	\$13,719,320	\$14,016,346	\$13,369,954	\$12,294,721
Total Revenues	\$22,385,989	\$24,760,531	\$27,418,098	\$27,418,098	\$27,477,035	\$27,538,285	\$27,602,598
Total Expenditures	\$21,074,341	\$23,274,546	\$25,134,503	\$26,025,394	\$26,976,715	\$27,413,221	\$27,594,008
Annual Shortfall/Surplus	\$1,311,648	\$1,485,985	\$2,283,595	\$1,392,704	\$500,320	\$125,064	\$8,590
<u>Proposed Budget Recommendations</u>							
Staff (4 Positions)	\$440,850	\$925,785	\$972,074	\$1,020,678	\$1,071,712	\$1,125,297	\$1,181,562
Non-personnel	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Annual Shortfall/Surplus (with Budget Recs)	\$795,798	\$485,200	\$1,236,521	\$297,026	(\$646,392)	(\$1,075,233)	(\$1,247,973)
<u>Proposed Budget Recommendations</u>							
1-time Requests	\$1,030,000						
Ending Fund Balance	\$11,997,598	\$12,482,798	\$13,719,320	\$14,016,346	\$13,369,954	\$12,294,721	\$11,046,748



# Budget Recommendations

## Staffing

### 1) Community Affairs/Public Outreach Representative

- *Engage & Educate Community in Support of Rate Increases Necessary to Protect Critical Infrastructure*
- *Addresses Key Element of District's 2016 Strategic Plan*

# Budget Recommendations

## Staffing

### 2) Employee/Leadership Development & Organizational Performance Manager

- *Champion a Culture Focusing on Employee Development, Empowerment, Trust & Teamwork*
- *Leadership & Soft Skills Trainer (Eg. Conflict Resolution, Interpersonal Skills, Coaching Skills)*

# Budget Recommendations

## Staffing

### 2) Employee/Leadership Development & Organizational Performance Manager (cont'd)

- *District “Ombuds(wo)man”/Internal Consultant*
- *Facilitate Strategic Planning & Implementation*
- *Coordinate Performance Measurement (KPIs)*
- *Organizational Performance Dashboards*

# Budget Recommendations

## Staffing

### 3) Instrument Technician

- **Significantly increased Instrumentation Tech workload – plant upgrade**
- **Knowledge capture/succession planning for key position**

# Budget Recommendations

## Staffing

### 4) Wastewater Process Engineer

- **Addresses Significant Organizational Vulnerability**  
*- no Wastewater Process Engineer on Staff for capital or operating support*
- **Reduces over-reliance on wastewater consultants**
- **Can Manage Intra-Dept'l Programs (Eg. Biosolids, Energy, Odor Control, Resource Recovery, etc)**

# Budget Recommendations

## Staffing

### 4) Wastewater Process Engineer (cont'd)

- **Reduces District's Process Engineering Costs**
- **Provide Project Start-up Engineering support to Operations & Maintenance**
- **Perform plant process modeling, troubleshooting and pilot studies in support of plant operations**

# Revised Budget Recommendations

- **Reduced from 6 to 4 new positions**
- **Focused on most critical needs**
- **Eliminated previous projected shortfall in FY 2019**
- **No annual deficit until FY 2022**
- **Options to reduce deficit in FY 2022**
  - ❖ **raise rates**
  - ❖ **reduce expenses**
  - ❖ **combination of options**

# Proposed Biennial Budget

## Questions?

