



DATE: May 24, 2020

RE: REGULAR MEETING FINANCE COMMITTEE / BOARD OF DIRECTORS (FINANCE)

PUBLIC ADVISORY

To address public health concerns regarding coronavirus (COVID-19) and large group meetings, our offices are closed to the public. This meeting will be conducted remotely. The public may watch and participate in the meeting starting at **9:30 a.m. Thursday, May 28**, by using this link: <https://us02web.zoom.us/j/88228465942> or by calling +1 669 900 9128 (Webinar ID: 882 2846 5942).

During the public comment periods, the public may comment by clicking the “raise hand” button on the bottom of the Zoom screen; if you are joining by phone and would like to comment press *9 and we will call on you as appropriate.

You may also submit your comments in advance or during the meeting by emailing them to: boardcomment@marinwater.org. Comments received via email on an agenda item will be provided to members of the Board and read aloud at the meeting, prior to the Board taking action on the item.

All comments should be three minutes or less, or as determined by the Chair of the Finance Committee.

Thank you,

Marin Water Staff



**NOTICE OF REGULAR MEETING
FINANCE COMMITTEE/
BOARD OF DIRECTORS (FINANCE)**

Notice is hereby given that a Regular Meeting of the Marin Municipal Water District’s Finance Committee/ Board of Directors (Finance) will be held as follows:

MEETING DATE: Thursday, May 28, 2020

TIME: 9:30 a.m.

LOCATION:

Directors will participate in this meeting via teleconference pursuant to the Governor’s Executive Order N-29-20. To participate in the meeting, please visit <https://us02web.zoom.us/j/88228465942> or call +16699009128 (Webinar ID: 882 2846 5942).

During the public comment periods, the public may comment by clicking the “raise hand” button on the bottom of the Zoom screen; if you are joining by phone and would like to comment press *9 and we will call on you as appropriate.

You may also submit your comments in advance or during the meeting by emailing them to: boardcomment@marinwater.org. Comments received prior to the Board taking action on an agenda item will be read aloud at the meeting during the discussion of that item or provided to members of the Board and posted on the District’s website depending on the number of comments received on each item.

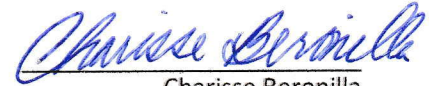
AGENDA

ITEM		RECOMMENDATION
<input type="checkbox"/>	CALL TO ORDER	
<input type="checkbox"/>	ADOPT AGENDA	
<input type="checkbox"/>	PUBLIC EXPRESSION*	
<input type="checkbox"/>	CALENDAR	
1.	Minutes of the April 23, 2020 Finance Committee/ Board of Directors (Finance) Meeting	<i>Approve</i>
2.	Monthly Financial Update – April 2020	<i>Discussion</i>

MMWD BOARD OF DIRECTORS: Larry Bragman, Jack Gibson, Cynthia Koehler, Armando Quintero, Larry Russell

* Anyone wishing to speak on an item other than those listed on this agenda will be recognized at this time. We ask any person wishing to be heard to come to the podium to address the committee/ board and state your name and address for the public record. A 3-minute limit is customary; however the committee/ board chair may adjust the actual time allotted to accommodate the number of speakers.

over -



Charisse Beronilla
Acting Board Secretary

ADA NOTICE AND HEARING IMPAIRED PROVISIONS: The board room is equipped with sound amplifying units for use by the hearing impaired. The units operate in conjunction with the room's sound system. You may request the personal sound amplifier from the Board Secretary for use during meetings.

In accordance with the Americans with Disabilities Act and California Law, it is the policy of the Marin Municipal Water District to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are disabled and require a copy of a public hearing notice, an agenda, and/or agenda packet in an appropriate alternative format, or if you require other accommodation, please contact Charisse Beronilla at (415) 945-1448, at least two days in advance of the meeting. Advance notification within this guideline will enable the district to make reasonable arrangements to ensure accessibility.

INFORMATION PACKETS ARE AVAILABLE FOR REVIEW AT THE CIVIC CENTER LIBRARY, CORTE MADERA LIBRARY, FAIRFAX LIBRARY, MILL VALLEY LIBRARY, MMWD OFFICE AND MMWD WEBSITE (MARINWATER.ORG)

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FUTURE BOARD MEETINGS:

Tuesday, June 2
Regular Bi-Monthly Board of Directors Meeting, 7:30 p.m.

Thursday, June 18
Watershed Committee/Board of Directors (Watershed) Meeting, 1:30 p.m.

Friday, June 19
Operations Committee/Board of Directors (Operations) Meeting, 9:30 a.m.

Tuesday, June 23
Regular Bi-Monthly Board of Directors Meeting, 7:30 p.m.



**MARIN MUNICIPAL
WATER DISTRICT**

ITEM NO. 1

MEETING DATE: May 28, 2020

MEETING: Finance Committee/
Board of Directors
(Finance)

STAFF REPORT

SUBJECT: Minutes of April 23, 2020 Finance Committee/ Board of Directors
(Finance) Meeting

SUBMITTED BY: Board Secretary

RECOMMENDED ACTION: Approve minutes of the April 23, 2020 Meeting

ATTACHMENTS:

1. Minutes of the April 23, 2020 Meeting

**MARIN MUNICIPAL WATER DISTRICT
FINANCE MEETING**

Minutes of the meeting of the Meeting of the Finance Committee/ Board of Directors (Finance) held on Thursday, April 23, 2020, at 220 Nellen Avenue, Corte Madera, California.

DIRECTORS PRESENT: Larry Bragman, John C. Gibson, Cynthia Koehler, Armando Quintero and Larry L. Russell all participated via teleconference in accordance with Governor Newsom’s Executive Order N-29-20.

DIRECTORS ABSENT: None

CALL TO ORDER: Director Koehler called the meeting to order at 9:32 a.m.

ADOPT AGENDA:

On motion of Director Bragman, seconded by Director Quintero, the Board approved to adopt the agenda by the following roll call vote:

Ayes: Directors Bragman, Gibson, Koehler, Quintero and Russell
Noes: None
Absent: None
Abstain: None

PUBLIC EXPRESSION: There was no public comment.

ITEM 1. MINUTES OF FEBRUARY 27, 2020 FINANCE COMMITTEE MEETING

On motion of Director Bragman, seconded by Director Gibson, the Board approved to adopt the minutes of the February 27, 2020 Finance Committee Meeting by the following roll call vote:

Ayes: Directors Bragman, Gibson, Koehler, Quintero and Russell
Noes: None
Absent: None
Abstain: None

ITEM 2. MONTHLY FINANCIAL UPDATE – MARCH 2020

Chuck McBride, Finance Director/Treasurer, presented the staff report to the Board and provided an overview of the financial summary for the month ending on March 31, 2020.

A discussion followed.

There was no public comment.

ADJOURNMENT

There being no further business, the meeting of April 23, 2020 adjourned at 10:28 a.m.



STAFF REPORT

SUBJECT: Monthly Financial Update- April 2020

SUBMITTED BY: Charles McBride, Finance Director

RECOMMENDED ACTION: Discussion

EXECUTIVE SUMMARY: The Monthly Financial Update provides an overview of the fiscal year-to-date financials. As of April 2020, the fiscal year-to-date total revenue is \$91.4 million or 84.7% of budgeted revenue and total expenditure is \$77.6 million or 70.9% of budgeted expenditure. The unrestricted/operating fund balance is \$31.1 million which is 4 months of annualized operating budget.

Budget to Actual Comparison – All Funds

Attached is the budget to actual comparison for fiscal year 2019/20 as of April 30, 2020. The budget to actual comparison is prepared by fund and includes revenues, expenditures and reserve balances.

For the Operating Fund, total revenues, including other operating revenue, as of April 30, 2020 are \$72.6 million or 86.1 percent of budget. Total operating expenditures of \$65.4 million, not including depreciation and amortization, is 77 percent of budget.

For the Capital and Fire Flow Funds, total revenues are \$18.8 million, which includes new CMF funds of \$11.7 million, or 79.9 percent of budget. Spending on capital and fire flow projects is \$12.19 million, or 49.8 percent, of budget as of April 30, 2020, largely attributed to the slowdown in construction activities due to the pandemic.

The Watershed Fund as of April 30, 2020 is zero because the watershed expenditures exceed revenues by \$269,031 and non-watershed revenue was used to subsidize the deficit.

Water Sales and Consumption

The fiscal year to date water sales through April 30, 2020 were, \$48,651,333, which is 86.4% of water sales budget. Compared to the same period last year, water sales through April 30, 2020 increased by \$4,276,216 or 9.6 percent. A portion of this is attributed to the 4 percent rate increase at the beginning of the fiscal year. Also contributing was relative high water consumption billed for the month of April, which reflects the very dry February this year.

Billed water consumption (in CCFs) through April 30, 2020 was 8,701,873 CCFs, which is 87.6 percent of the annual water consumption budget. Compared to the same period last year, billed water consumption through April 30, 2020 increased by 437,129 CCFs or 5.3 percent.

Fiscal year to date, total water sales and fixed charges (Service and Watershed Fees) through April 30, 2020 were \$69,264,797, which is 86 percent of total annual revenue forecast of \$80.8 million. Compared to the water sales and fixed charges of \$63,609,107 during the prior fiscal year, through April 30, 2019, this is an increase of \$5,655,690, or 8.9 percent.

Fund Balances

Per the attached Fund Balance Summary as of April 30, 2020, unrestricted / undesignated - operating fund balance is \$31.1 million, or 4 months of annualized projected operating expenses for 2019/20.

STRATEGIC PLAN ALIGNMENT: The requested action aligns with the district’s Strategic Plan Goal 2: Financial Stewardship - Strategy 2 – ensure activities are transparent and reporting is accurate – Objective 3 – provide monthly reporting.

REVIEWED BY:	Finance Director/Treasurer	<input checked="" type="checkbox"/> NA <input type="checkbox"/>
	General Counsel	<input checked="" type="checkbox"/> NA <input type="checkbox"/>
	General Manager	<input checked="" type="checkbox"/> NA <input type="checkbox"/>

ATTACHMENTS:

1. Total Water Sales and Fixed Charges & Fees 2018/19 – 2019/20
2. Billed Water Consumption in CCFs FY 2010/11 – 2019/20
3. Budget to Actual Comparison for 2019/20 as of April 30, 2020
4. Fund Balance Summary as of April 30, 2020
5. CIP Budget to Actual Comparison for 2019/20 as of April 30, 2020

**Total Water Sales and Fixed Charges & Fees
Fiscal Years 2018/19 - 2019/20**

Month	Fixed Charges											
	Water Sales			Service Charges			Watershed Fee			Total Water Sales and Fixed Charges		
	18/19 Actual	19/20 Budget	19/20 Actual	18/19 Actual	19/20 Budget	19/20 Actual	18/19 Actual	19/20 Budget	19/20 Actual	18/19 Actual	19/20 Budget	19/20 Actual
July	\$ 4,628,766	\$5,075,528	\$ 4,240,658	\$ 1,291,109	\$ 1,369,919	\$ 1,293,839	\$ 305,496	\$ 326,979	309,362	\$ 6,225,371	\$ 6,772,426	\$ 5,843,859
August	8,039,383	\$8,438,820	7,631,453	1,858,290	1,971,721	1,838,352	419,492	448,992	419,457	10,317,165	10,859,533	9,889,262
September	5,532,082	\$5,822,705	5,416,429	1,269,220	1,346,694	1,405,160	306,956	328,542	320,057	7,108,258	7,497,941	7,141,646
October	7,124,237	\$7,951,242	7,629,972	1,841,388	1,953,787	1,988,987	422,265	451,960	437,976	9,387,890	10,356,989	10,056,935
November	3,914,735	\$4,117,957	5,128,563	1,291,762	1,370,573	1,317,666	305,414	326,881	296,485	5,511,911	5,815,411	6,742,714
December	4,972,040	\$4,788,670	5,657,465	1,823,147	1,934,433	2,093,124	418,303	447,719	461,593	7,213,490	7,170,823	8,212,182
January	2,071,367	\$2,232,684	2,709,543	1,290,851	1,369,606	1,450,603	306,070	327,584	331,325	3,668,288	3,929,874	4,491,471
February	3,306,634	\$3,823,128	3,433,231	1,826,278	1,937,755	2,012,979	418,543	447,977	441,622	5,551,456	6,208,860	5,887,832
March	1,747,138	\$2,014,876	2,370,447	1,289,833	1,368,526	1,408,936	306,957	328,533	323,859	3,343,929	3,711,936	4,103,242
April	3,047,734	\$3,403,622	4,433,571	1,816,528	1,927,370	2,020,717	417,086	446,407	441,365	5,281,348	5,777,399	6,895,653
May	2,609,677	\$2,840,808	-	1,298,790	1,377,840	-	307,954	329,573	-	4,216,421	4,548,221	-
June	5,077,891	\$5,789,198	-	1,811,016	1,921,444	-	415,480	444,666	-	7,304,387	8,155,308	-
TOTAL	\$52,071,685	\$56,299,237	\$48,651,333	\$18,708,213	\$19,849,670	\$16,830,364	\$4,350,017	\$4,655,814	3,783,100	\$75,129,915	\$80,804,721	\$69,264,797

Original Budget-to-Actual Basis 1.71%
 Actual-to-Actual Basis 8.89%
 % of total budget received 85.72%

**Billed Water Consumption In CCF's
Fiscal Year 2010/11 - 2019/20**

Month	10/11 Actual	11/12 Actual	12/13 Actual	13/14 Actual	14/15 Actual	15/16 Actual	16/17 Actual	17/18 Actual	18/19 Actual	19/20 Budget	19/20 Actual	Monthly Budget Variance	Actual to Actual % Change
July	857,071	806,534	940,774	960,503	857,599	709,164	817,152	841,088	860,335	870,144	798,930	-8.18%	-7.14%
August	1,505,682	1,373,824	1,552,514	1,483,888	1,387,986	1,141,147	1,312,021	1,396,443	1,413,528	1,423,180	1,355,462	-4.76%	-4.11%
September	1,005,679	947,293	1,016,379	977,353	859,553	773,020	844,640	882,952	934,385	919,123	919,801	0.07%	-1.56%
October	1,431,554	1,326,605	1,377,982	1,400,285	1,209,902	1,125,237	1,205,260	1,367,665	1,285,253	1,330,988	1,332,051	0.08%	3.64%
November	709,313	690,404	691,037	840,947	633,520	649,016	583,819	742,758	725,022	705,851	800,231	13.37%	10.37%
December	777,015	865,208	832,615	1,059,733	864,257	842,995	716,927	833,949	944,610	859,225	999,507	16.33%	5.81%
January	466,489	522,634	437,843	584,601	463,934	431,637	396,528	410,458	432,628	428,118	516,723	20.70%	19.44%
February	707,803	809,417	731,899	869,459	719,107	631,478	606,381	763,871	664,283	700,675	677,929	-3.25%	2.05%
March	417,369	469,932	458,940	453,943	456,655	362,406	368,448	431,947	383,010	408,131	481,219	17.91%	25.64%
April	714,398	730,127	878,103	708,756	832,060	639,191	598,740	702,023	621,690	663,017	820,020	23.68%	31.90%
May	575,547	551,643	721,094	569,555	600,821	464,956	475,565	540,290	533,115	534,153			
June	1,118,447	1,215,077	1,377,068	1,150,742	1,020,910	1,079,197	1,052,513	1,095,760	1,023,236	1,096,239	-		
TOTAL	<u>10,286,367</u>	<u>10,308,698</u>	<u>11,016,248</u>	<u>11,059,765</u>	<u>9,906,304</u>	<u>8,849,444</u>	<u>8,977,994</u>	<u>10,009,204</u>	<u>9,821,095</u>	<u>9,938,843</u>	<u>8,701,873</u>		
		Budget-to-Actual Basis		<u>4.74%</u>									
		Actual-to-Actual Basis		<u>5.29%</u>									
		% of total budget		<u>87.55%</u>									

Marin Municipal Water District
Budget to Actual Comparison for 2019/20 - All Funds
Actual as of April 30, 2020
Unaudited

Revenues and Expenditures	2019/20 Adjusted Budget	Actual as of April 30, 2020	% of Budget
Revenues:			
<i>Water Sales and Service Charge:</i>			
Water Sales	\$ 56,299,237	\$ 48,651,333	86.4%
Service Charge	19,849,670	16,830,364	84.8%
Watershed Management Fee	4,655,814	3,783,100	81.3%
Total Water Sales and Service Charge	<u>80,804,721</u>	<u>69,264,797</u>	85.7%
<i>Other Revenues:</i>			
Rents	740,000	554,391	74.9%
Grants	-	171,181	
Watershed Rents	920,000	784,767	85.3%
Watershed Payments	420,000	283,923	67.6%
Late Payment and Special Read Charges	370,000	263,870	71.3%
Interest	257,270	1,065,636	414.2%
Miscellaneous	750,000	162,331	21.6%
Total Other Revenues	<u>3,457,270</u>	<u>3,286,098</u>	95.0%
 Total Operating Revenues	 <u>84,261,991</u>	 <u>72,550,895</u>	 86.1%
Expenditures:			
Personnel services	49,811,105	40,396,230	81.1%
Materials and supplies	2,842,107	2,003,600	70.5%
Operations	8,697,604	4,451,575	51.2%
Water conservation rebate program	358,258	140,105	39.1%
Electrical power	4,974,697	3,476,438	69.9%
Water purchased	7,400,000	6,008,040	81.2%
Insurance, including claims	1,170,000	1,400,318	119.7%
General and administrative	3,662,252	2,678,052	73.1%
Debt service - interest and principal	10,441,475	8,701,229	83.3%
Overhead cost allocated to capital	(4,500,000)	(3,881,945)	86.3%
Total Expenditures and Capital Purchases	<u>84,857,499</u>	<u>65,373,640</u>	77.0%
 Transfer out to Capital Fund (PayGo)	 <u>-</u>	 <u>-</u>	
 Net Operating Fund Increase(Decrease)	 <u>\$ (595,508)</u>	 <u>\$ 7,177,255</u>	
Operating Fund Balance			
Opening Fund Balance	\$ 27,359,341	\$ 27,359,341	
Net Operating Fund Increase(Decrease)	-	7,177,255	
Accrual adjustments	-	(3,469,476)	
Ending Fund Balance	<u>\$ 27,359,341</u>	<u>\$ 31,067,120</u>	

Capital and Fire Flow Funds

Revenues and Expenditures	2019/20 Adjusted Budget	Actual as of April 30, 2020	% of Budget
Revenues:			
Customer Reimbursement Project	\$ 654,209	\$ 590,446	90.3%
Interest Income	180,132	172,428	95.7%
Transfer-in from Operating (PayGo)	-	-	
Contributed Capital:			
Fire Flow	4,518,450	4,314,525	95.5%
Capital Maintenance Fee	16,500,000	11,704,699	70.9%
Capital Connection Fee	140,690	231,888	164.8%
Capital Grants & Contribution	1,548,000	1,790,191	115.6%
Total Revenues and Contributed Capital	23,541,481	18,804,177	79.9%
Capital Expenditures:			
Capital Projects - District	18,757,636	10,997,586	58.6%
Capital Projects - Fire Flow	4,500,000	1,091,637	24.3%
Capital equipment purchases	1,253,684	105,668	8.4%
Total Capital and Fire Flow Expenditures	24,511,320	12,194,892	49.8%
Net Capital and Fire Flow Fund Increase(Decrease)	\$ (969,839)	\$ 6,609,285	-681.5%
Capital Fund Balance			55.5%
Capital Fund			
Opening Fund Balance	\$ 23,957,026	\$ 23,957,026	
Net Capital Fund Increase(Decrease)	(16,555,427)	3,492,065	
Capital equipment purchases	(1,253,684)	(105,668)	
Accrual adjustments	-	(3,136,464)	
Ending Fund Balance	\$ 6,147,915	\$ 24,206,960	
Fire Flow Fund			
Opening Fund Balance	\$ (1,363,318)	\$ (1,363,318)	
Net Fire Flow Fund Increase(Decrease)	-	3,222,886	
Accrual adjustments	-	(13,971)	
Ending Fund Balance	\$ (1,363,318)	\$ 1,845,597	

Fund Balance Summary

	Actual		Audited	Projected
	6/30/2017	6/30/2018	6/30/2019	4/30/2020
Restricted	\$ 7,723,634	\$ 6,443,970	\$ 7,653,646	\$ 2,795,793
Board Designated	9,847,168	10,425,446	6,643,705	12,874,793
Watershed Fund	35,425	114,515	-	-
Rate Stabilization Fund	8,000,000	9,400,000	9,400,000	9,400,000
Pension Reserve Fund	-	2,000,000	2,000,000	2,000,000
Fire Flow Fund	426,571	(1,973,265)	(1,363,318)	1,845,597
Capital Fund	1,610,857	37,040,971	23,957,026	24,206,960
Unrestricted/undesignated - Operating	20,077,803	20,264,665	27,359,341	31,053,076
Total	\$ 47,721,458	\$ 83,716,302	\$ 75,650,400	\$ 84,176,219

Months Operating Fund Unrestricted - Operating to Annualized Actual Expenditure

4.09	3.45	4.19	4.38
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Debt Coverage Ratio

1.50	1.52	1.39	2.50
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As of April 30, 2020	Principal	Interest	Total
2012 Bond	78,590,000	68,580,664	147,170,664
2016 Bond	31,380,000	23,624,238	55,004,238
2017 Bond	34,775,000	28,535,625	63,310,625
Total Bond Debt	144,745,000	120,740,527	265,485,527
MERA	20,350		20,350
CREB	489,000		489,000
AEEP	2,224,108	445,038	2,669,146
LGVSD	5,097,205	2,289,285	7,386,490
Total Other Debt	7,830,662	2,734,323	10,564,985
Total Outstanding Debt	152,575,662	123,474,850	276,050,512

Marin Municipal Water District
Budget to Actual Comparison for 2019/20 - Capital Fund
Actual as of April 30, 2020
Unaudited

CIP Projects	FY2019/20 Adjusted Budget	Capital Projects YTD Actual Expenditures	Encumbered for Contracts	Total Capital & Fire Flow
		As of 4/30/20	As of 4/30/20	As of 4/30/20
District Pipeline Replacement / Improvement	\$ 7,014,111	\$ 5,327,714	\$ 623,061	\$ 5,950,776
Replacements - Tank Maintenance & Replacement	\$ 611,285	\$ 22,355	\$ 1,285	\$ 23,640
Replacements - Treatment Plant Facilities	\$ 2,089,043	\$ 398,366	\$ 251,696	\$ 650,062
Replacements - Dam/Pump/Control System/Meters	\$ 3,050,258	\$ 1,543,962	\$ 233,409	\$ 1,777,371
Fire Chief's Fund	\$ 150,000	\$ 9,708	-	\$ 9,708
Program Management- Asset Mangement	\$ 295,200	\$ 1,275		\$ 1,275
System Improvements	\$ 624,806	\$ 131,154	\$ 34,737	\$ 165,892
Watershed - Minor Structures I/R/R	49,288	2,193	4,288	\$ 6,481
Watershed - Ranger Residence & Minor Structure Improvement	55,000	(4,340)	-	\$ (4,340)
Watershed - Road Repair & Improvement	1,295,514	552,245	160,891	\$ 713,135
Reimbursable Grant Projects	3,387,643	2,225,210	354,419	\$ 2,579,629
Reimbursable Customer Projects	\$ 1,451,665	\$ 668,910	\$ -	\$ 668,910
Information Technology - Capital Equipments/Projects	\$ 443,304	\$ 118,834	\$ 19,379	\$ 138,213
Fire Flow Replacement	\$ 4,500,000	\$ 1,091,637	\$ 1,118	\$ 1,092,755
Capital Equipment Purchases	\$ 1,304,352	\$ 105,668	\$ 812,772	\$ 918,439
Total Capital Projects	\$ 26,321,469	\$ 12,194,892	\$ 2,497,055	\$ 14,691,947