

MEMO

TO: Board of Directors

FROM: District Manager

DATE: JULY 27, 2007

SUBJECT: ANNUAL BUDGET FISCAL YEAR 2007-2008

RECOMMENDATION:

It is recommended that the Board of Directors review this memo and approve the Annual Budget for Fiscal Year 2007-2008. A resolution is attached.

BACKGROUND:

At the July 19, 2007 Board of Directors Meeting staff presented your Board with preliminary Annual Budget for Fiscal Year 2007-2008. At said meeting your Board referred this matter to the Finance Committee for further review and recommendations.

The Finance Committee met on Wednesday, July 25, 2007. The Finance Committee reviewed the preliminary Annual Budget and made recommended amendments to proposed expenditures for Fiscal Year 2007-2008. In addition, staff made a number of updates to the 2006-2007 estimated expenditures to more accurately represent actual expenses for FY 2006-2007. A copy of the revised Annual Budget for Fiscal Year 2007-2008 is transmitted under separate cover. The Finance Committee is recommending that your Board approve the revised budget.

The Annual Budget for Fiscal Year 2007-2008 provides for total estimated expenditures in the sum of \$5,688,700. Estimated expenditures by classification are as follows:

Personnel	\$2,210,100	39%
Materials & Services	1,421,800	25%
Debit Service	963,000	17%
Capital Outlay	<u>1,093,800</u>	<u>19%</u>
Grand Total	\$5,688,700	100%

Total estimated revenue for Fiscal Year 2007-2008 is \$6,746,500, with an estimated net income of \$1,057,800. However, said revenue includes \$1,200,000 in one-time revenue associated with the Manana Woods Annexation Agreement.

It is recommended that the Board of Directors review this memo and approve the Annual Budget for Fiscal Year 2007-2008. A resolution is attached.

James Mueller
District Manager

SAN LORENZO VALLEY WATER DISTRICT

RESOLUTION NO. (07-08)

SUBJECT: ADOPTION OF FISCAL YEAR BUDGET 2007-2008

WHEREAS, a proposed Budget for Fiscal Year 2007-2008 has been prepared by Staff; and

WHEREAS, the Board of Directors considered and reviewed the proposed budget at their July 19, 2007 Board of Directors meeting; and

WHEREAS, at said July 19, 2007 Board of Directors Meeting, the Board of Directors referred this matter to the Finance Committee for further review and recommendations; and

WHEREAS, the Finance Committee considered and reviewed the proposed budget at their July 25, 2007 committee meeting, and made amendments deemed appropriate thereto; and

WHEREAS, the Board of Directors has considered and reviewed the proposed budget as recommended by the Finance Committee.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the Budget for Fiscal Year 2007-2008 is adopted and the District Manager is hereby directed to implement said budget in the amount of \$5,688,700 in total expenditures.

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 2nd day of August 2007, by the following vote of the members thereof:

AYES:
NOES:
ABSTAIN:
ABSENT:

Brandon Barchi
District Secretary
San Lorenzo Valley Water District