



## Legislation Details (With Text)

<b>File #:</b>	AI 13-2259	<b>Version:</b>	2	<b>Name:</b>	FY 2020 budget
<b>Type:</b>	Action Item	<b>Status:</b>	Passed		
<b>File created:</b>	10/14/2019	<b>In control:</b>	Board of Directors		
<b>On agenda:</b>	11/12/2019	<b>Final action:</b>	11/12/2019		
<b>Title:</b>	Consider recommendation from the Finance/Administrative Committee to adopt the annual operating budget for fiscal year 2020 and assessing aquifer management fee and program aquifer management fee rates for 2020.				

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** 1. EAHCP Budget Workgroup 091819 Final Report to IC, 2. 2020 Proposed Budget Summary for Adoption 102219, 3. RO 11-19-953 2020 Budget 11-12-19

Date	Ver.	Action By	Action	Result
11/12/2019	2	Board of Directors	approved	
10/22/2019	1	Finance/Administrative Committee		

**Consider recommendation from the Finance/Administrative Committee to adopt the annual operating budget for fiscal year 2020 and assessing aquifer management fee and program aquifer management fee rates for 2020.**

### RECOMMENDED MOTION:

Move the board adopt Resolution and Order No. 11-19-953 of the Edwards Aquifer Authority Board of Directors adopting the annual operating budget for fiscal year 2020, as amended, and assessing the aquifer management fee and program aquifer management fee rates for 2020, as follows:

Non-agricultural management fee (General Fund) -- \$50 per acre-foot

Agricultural aquifer management fee (General Fund) -- \$2 per acre-foot

Non-agricultural program aquifer management fee (EAHCP Fund) -- \$34 per acre-foot

### SUMMARY:

The purpose of this agenda item is for the board to consider a Finance/Administrative Committee recommendation to adopt the proposed budget, and associated aquifer management fee (AMF) and program AMF rates for 2020. EAA staff presented the General Manager's 2020 Proposed Budget to the board on September 10. Following the recommendation of the Finance/Administrative Committee, the board at the October 8 meeting, authorized staff to conduct public meetings on the proposed budget, AMF rate, and program AMF rate. EAA staff held three public meetings on the 2020 proposed budget as summarized below:

- Wednesday, October 9, 2019 at 6:00 PM, Edwards Aquifer Authority Board Room

- Monday, October 14, 2019 at 2:00 PM, San Marcos Activity Center - MPR Room, 501 E Hopkins St., San Marcos, TX
- Tuesday, October 15, 2019 at 10:00 AM, Hondo Community Center - 1014 18th St., Hondo, TX

A total of five individuals attended these three public hearings. Staff answered general questions at the October 14 meeting in San Marcos, and at the October 15 meeting held in Hondo. No written comments were submitted for the proposed budget.

In addition, the EAHCP Budget Work Group, established by the EAHCP Implementing Committee, met on September 18, 2019 to review and discuss the EAA 2020 budget process and to monitor the management of EAHCP revenue, expenses and reserve balance. The EAHCP Budget Work Group issued a report which was presented to the EAHCP Implementing Committee on October 3, 2019 and is attached. The report does not provide any suggested changes to the 2020 proposed budget.

As proposed, the 2020 budget is broken down into three primary areas. The proposed 2020 General Fund Budget totals \$18,897,474. The AMF rate required to fund the operations of the General Fund is \$50 per acre-foot, per annum, for non-agricultural users. The proposed agricultural AMF rate of \$2.00 per acre-foot is set by statute in the EAA Act and is limited to General Fund revenue.

As proposed, the 2020 EAHCP Fund Operating Budget of \$14,385,592, was based on preliminary workplans received from each of the parties to the EAHCP. Since the presentation of the General Manager's proposed budget, staff has received the 2020 EAHCP funding applications considered earlier on this agenda. As is typical, these funding applications are slightly different from the amounts estimated in the preliminary work plans. These funding applications will result in a decrease of \$301,973. This amendment is summarized in an attachment to this agenda. Also attached is Resolution and Order No. 11-19-953 which has been reviewed by legal counsel.

At the October 22 meeting, the Finance/Administrative Committee voted to recommend the board adopt a resolution and order of the Edwards Aquifer Authority Board of Directors adopting the annual operating budget for fiscal year 2020, as amended, and assessing the aquifer management fee and program aquifer management fee rates for 2020, as follows:

Non-agricultural management fee (General Fund) -- \$50 per acre-foot  
Agricultural aquifer management fee (General Fund) -- \$2 per acre-foot  
Non-agricultural program aquifer management fee (EAHCP Fund) -- \$34 per acre-foot

#### STRATEGIC PLAN REFERENCE:

This agenda item does not relate to a specific goal within the Strategic Plan, but supports the general EAA mission.

#### FISCAL IMPACT:

The total proposed 2020 General Fund budget is \$18,897,474. The AMF required to fund the operations of the General Fund is \$50 per acre-foot, per annum, for non-agricultural users. The agricultural rate of \$2.00 is set by statute in the EAA Act and is limited to General Fund revenue.

The total proposed 2020 Edwards Aquifer Habitat Conservation Fund Operating Budget is \$14,083,620. The program aquifer management fee required to fund the operations of the EAHCP is \$34 per acre-foot, per annum, for non-agricultural users.