

**Metropolitan Domestic Water Improvement District  
Board of Directors Meeting**

**April 18, 2022**

**Adoption of Fiscal Year 2023 Budget**

**Synopsis**

The Board of Directors is requested to adopt the Fiscal Year 2023 budget.

**Background**

The process of preparing a budget is both an art and a science. Revenue sources are identified and estimated revenue is calculated. Expenses are prioritized to support the District's mission while balancing the budget to the anticipated revenue sources prior to formally requesting the Adopted Budget.

On March 17, 2022, the Fiscal Year 2023 Requested Budget was reviewed and discussed with the Finance Oversight Committee. The Committee voted unanimously to forward the Fiscal Year 2023 Requested Budget to the Board of Directors for consideration. A study session was held with the Board of Directors on March 21, 2022, to review and discuss with staff the Fiscal Year 2023 Requested Budget.

**Budget Overview**

The District has utilized a priority driven budget process since preparing the budget for Fiscal Year 2015 to ensure a strategic review is completed and revenue sources and uses are allocated to resources supporting the mission of the District.

The fringe benefit and indirect overhead rates were calculated based upon the requested budget. These overhead rates are located on the last page of the budget book, and they were calculated using the standardized methodology approved by the Board on September 8, 2014.

The twelve-month consumer price index as of February 2022 was 7.9% and the Arizona State Retirement and Long-term Disability costs will decrease by .24%. The budget includes a 4% cost of living increase in July.

The Fiscal Year 2023 Requested Budget includes a projected beginning fund balance, revenue, and Northwest Recharge Recovery and Delivery System funding from Oro Valley and the Town of Marana totaling \$83,623,153 with the requested disbursements of \$64,864,290.

**Recommendation**

It is recommended that the Board of Directors review and discuss with staff the Fiscal Year 2023 Requested Budget and direct staff on any adjustments they would like to have made. The Fiscal Year 2023 budget is a planning tool for the District to utilize while meeting its operational needs during the next fiscal year. It is recommended that the Board of Directors adopt the Fiscal Year 2023 budget as presented.

**Suggested Motion**

I move to adopt the Metropolitan Domestic Water Improvement District budget for Fiscal Year 2023 as presented with the total disbursements not to exceed \$64,864,290.

OR

I move to adopt the Metropolitan Domestic Water Improvement District budget for Fiscal Year 2023 as presented along with the following modification(s) \_\_\_\_\_ with the total disbursements not to exceed \$\_\_\_\_\_.

Respectfully submitted,

Diane Bracken, M.Adm.  
Chief Financial Officer

I concur with the recommendation.  
Respectfully submitted,

Joseph Olsen, P.E.  
General Manager