



FY 2025 Semi-Annual Budget & Performance

Finance/Administration Committee

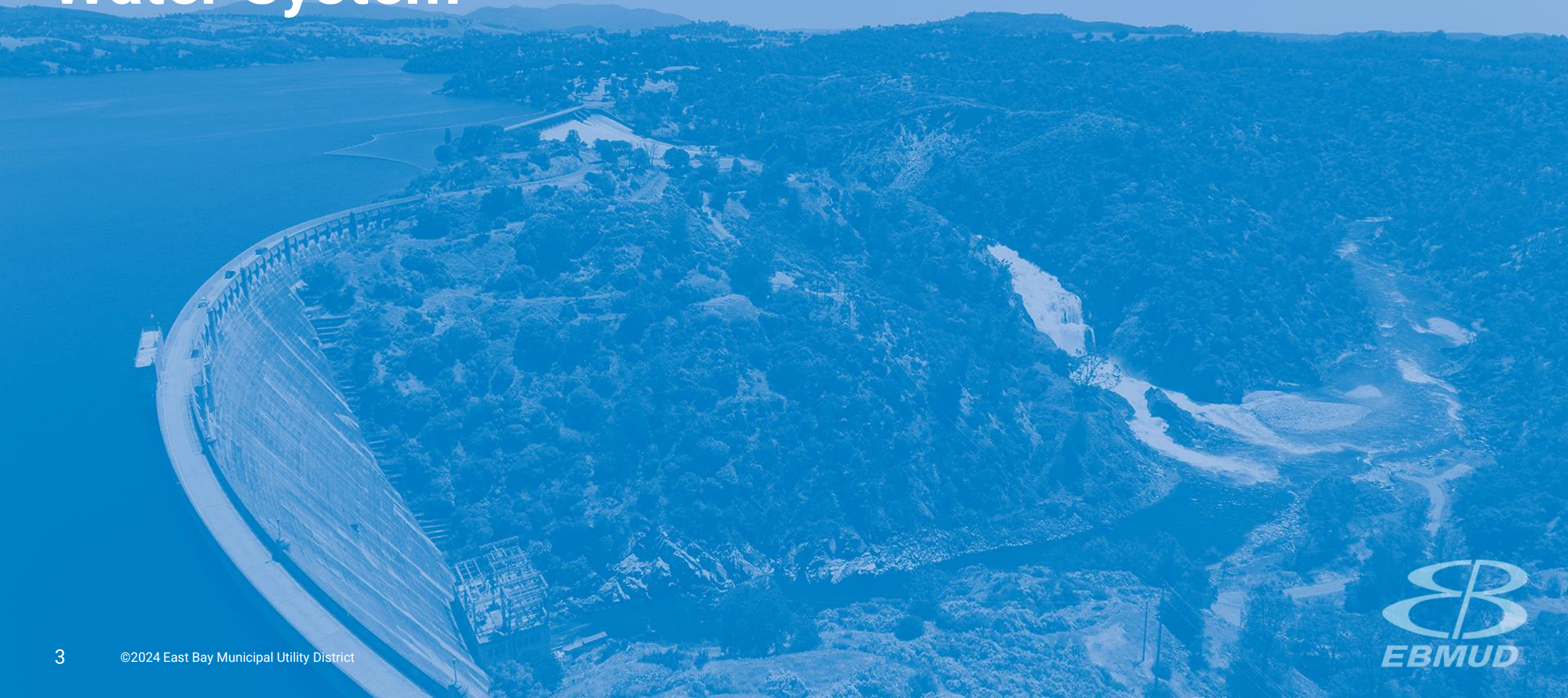
February 25, 2025

Sam Feldman, Manager of Budget

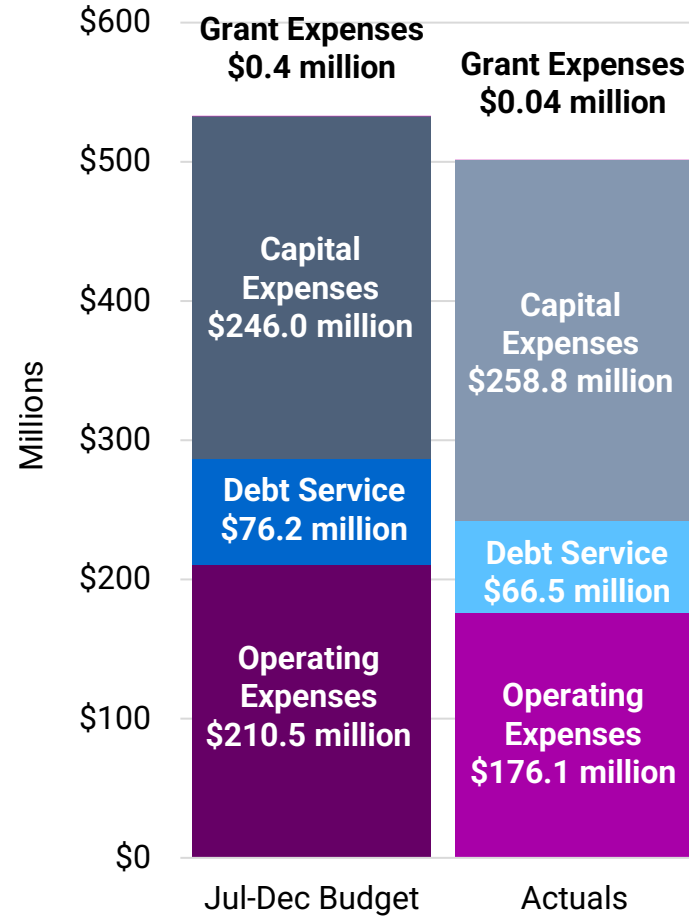
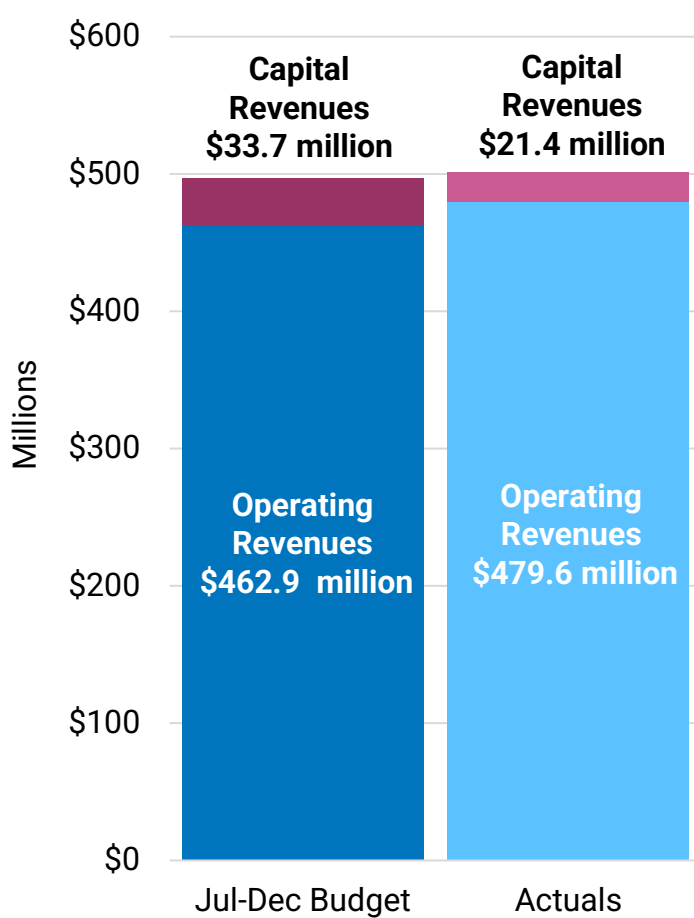
Overview and Agenda

- Review total revenues and total expenses for each system for the first 6 months of the fiscal year
- Review projections for year-end results

Water System



Water System Revenues & Expenses through 12/31/2024

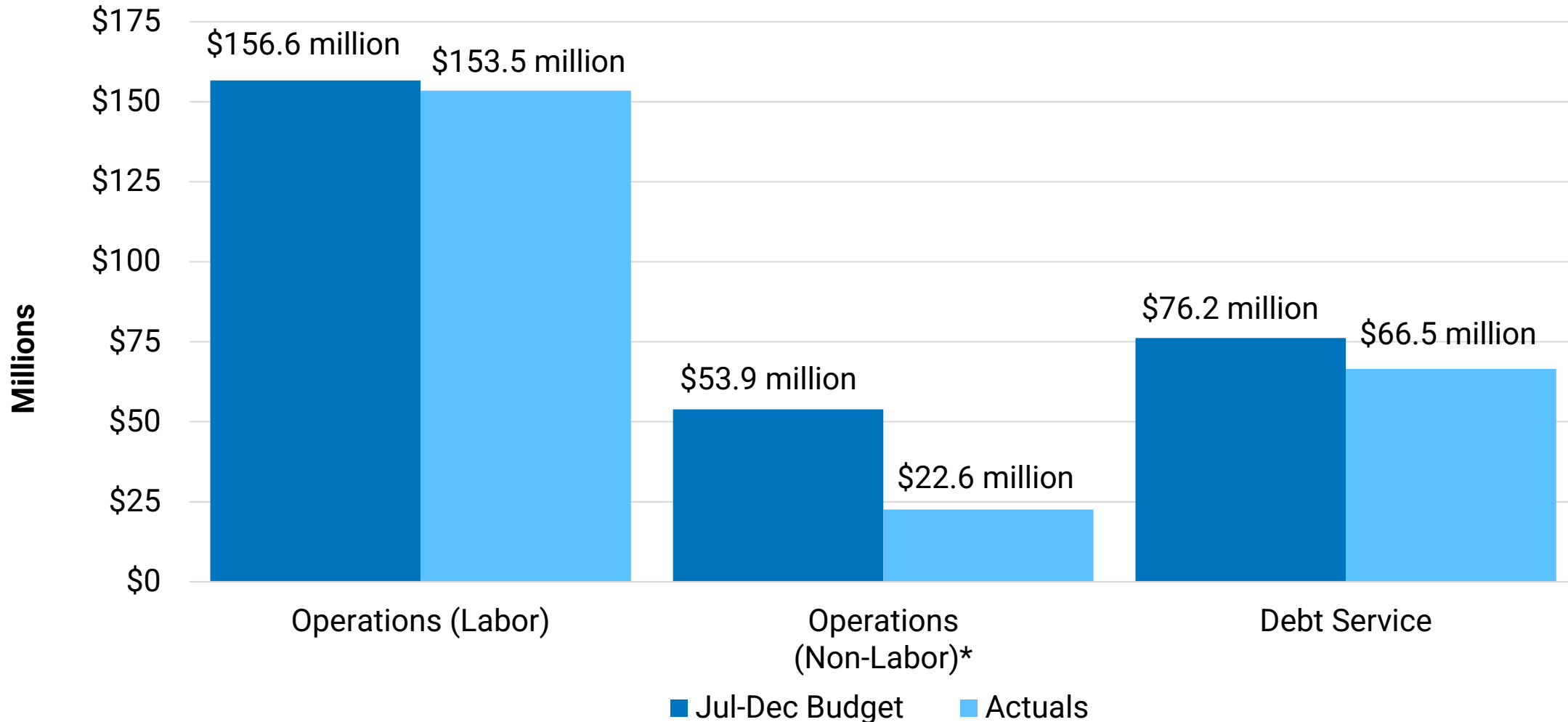


- Most revenue sources are on-target for the first half of the year
- System Capacity Charges (SCCs) and other development-related revenues are below expectations
- Expenses are running below budget

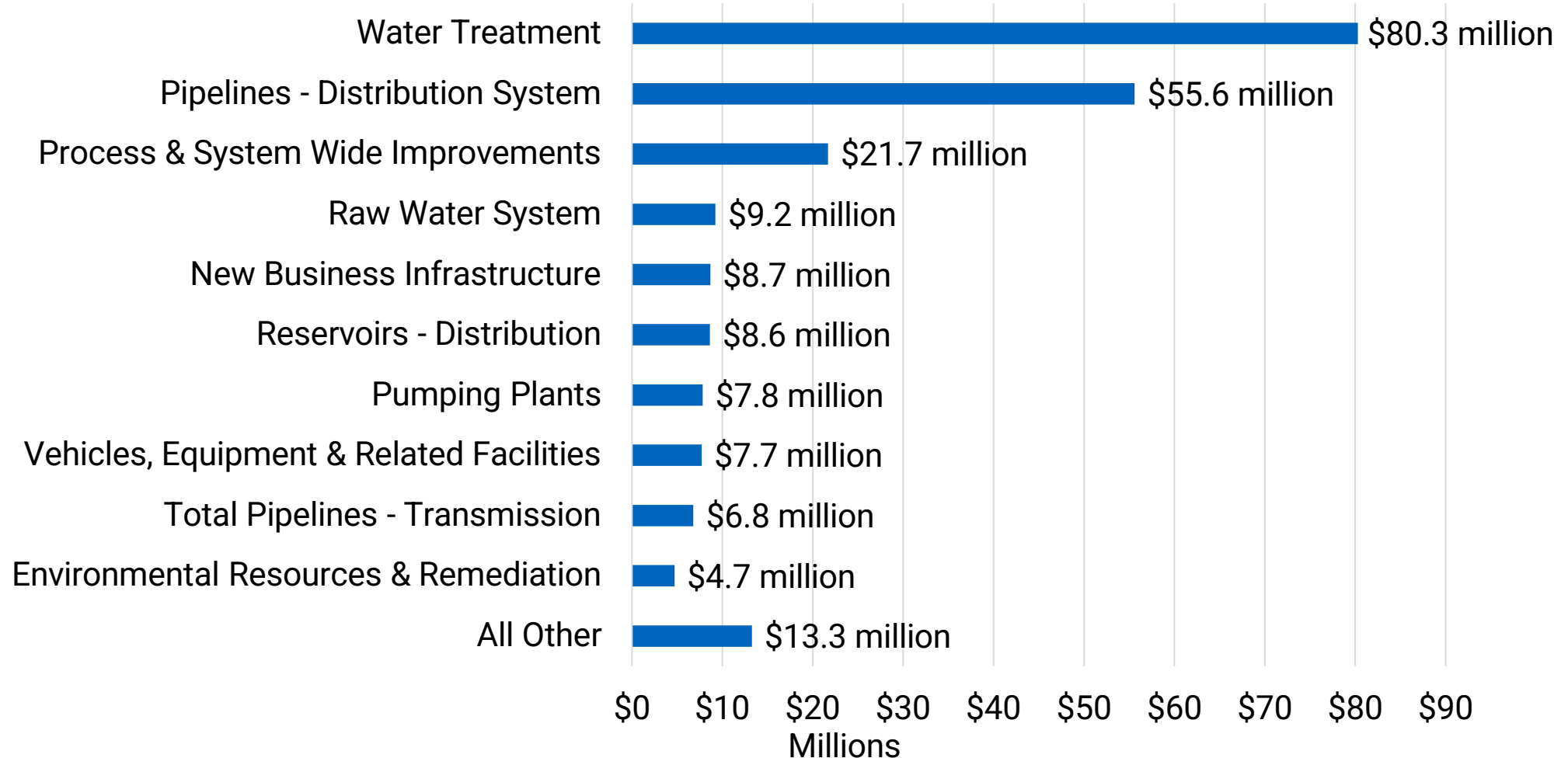
Water System Revenues through 12/31/2024

(\$ Thousands)	Jul-Dec Budget	Actuals	Over / (Under)	%
Water Charges	407,962	419,989	12,028	103%
Property Taxes	22,886	22,600	(286)	99%
Power Sales	6,614	8,886	2,271	134%
Interest Income	7,500	9,524	2,024	127%
Reimbursements	7,200	6,252	(948)	87%
All Other Revenue	10,700	12,368	1,668	116%
Operating Revenues	462,863	479,620	16,757	104%
SCC Revenue	18,100	12,493	(5,607)	69%
New Bond Proceeds	--	--	--	--
Grants	--	129	129	--
Capital Reimbursements	15,550	8,147	(7,403)	52%
Other Capital Revenue	-	667	667	-
Capital Revenues	33,650	21,436	(12,214)	64%
Total Revenues	496,513	501,056	4,543	101%

Water System Operating & Debt Expenses through 12/31/2024

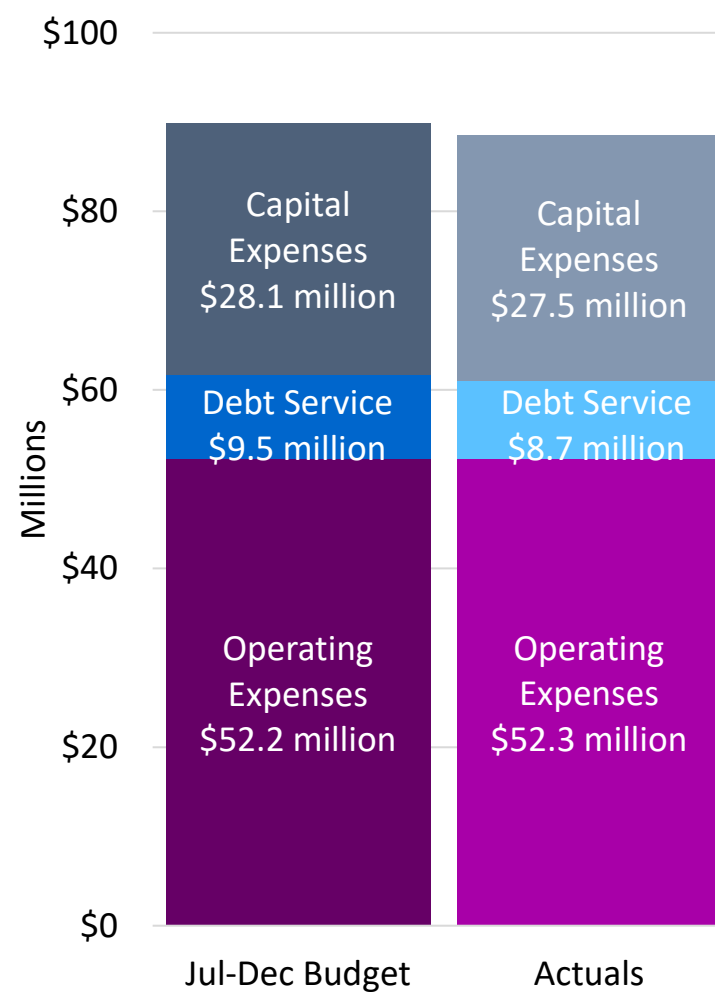
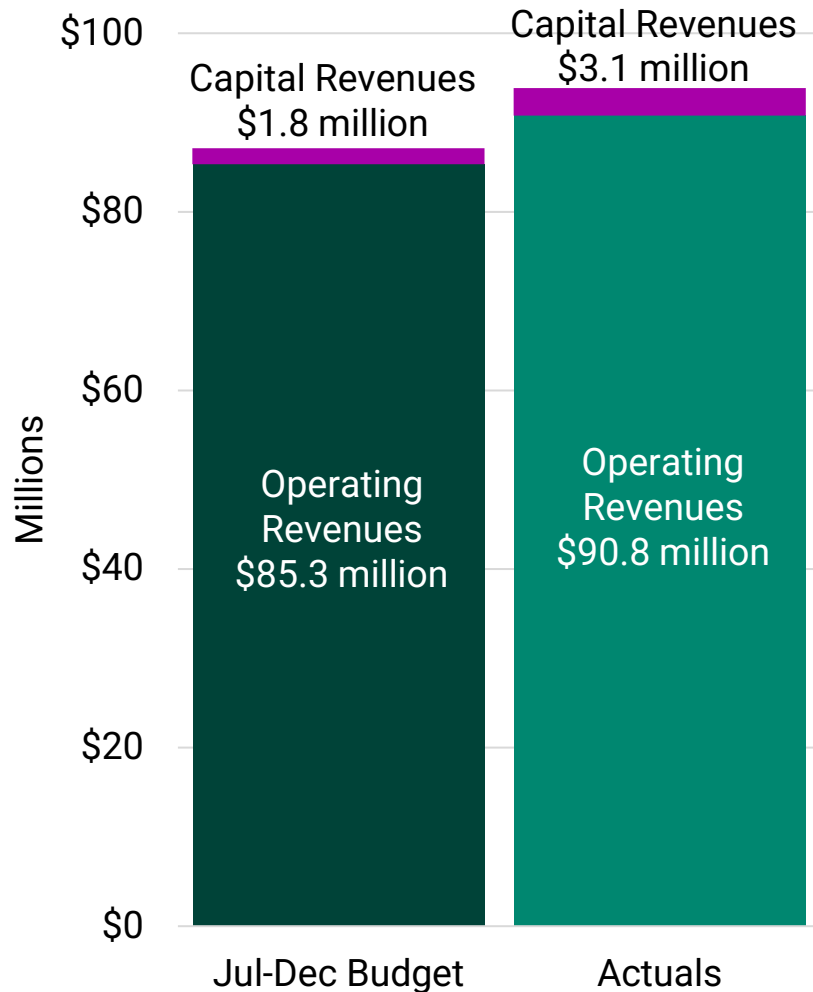


Water Capital Cash Flow Expenses through 12/31/2024



Wastewater System

Wastewater System Revenues & Expenses through 12/31/2024

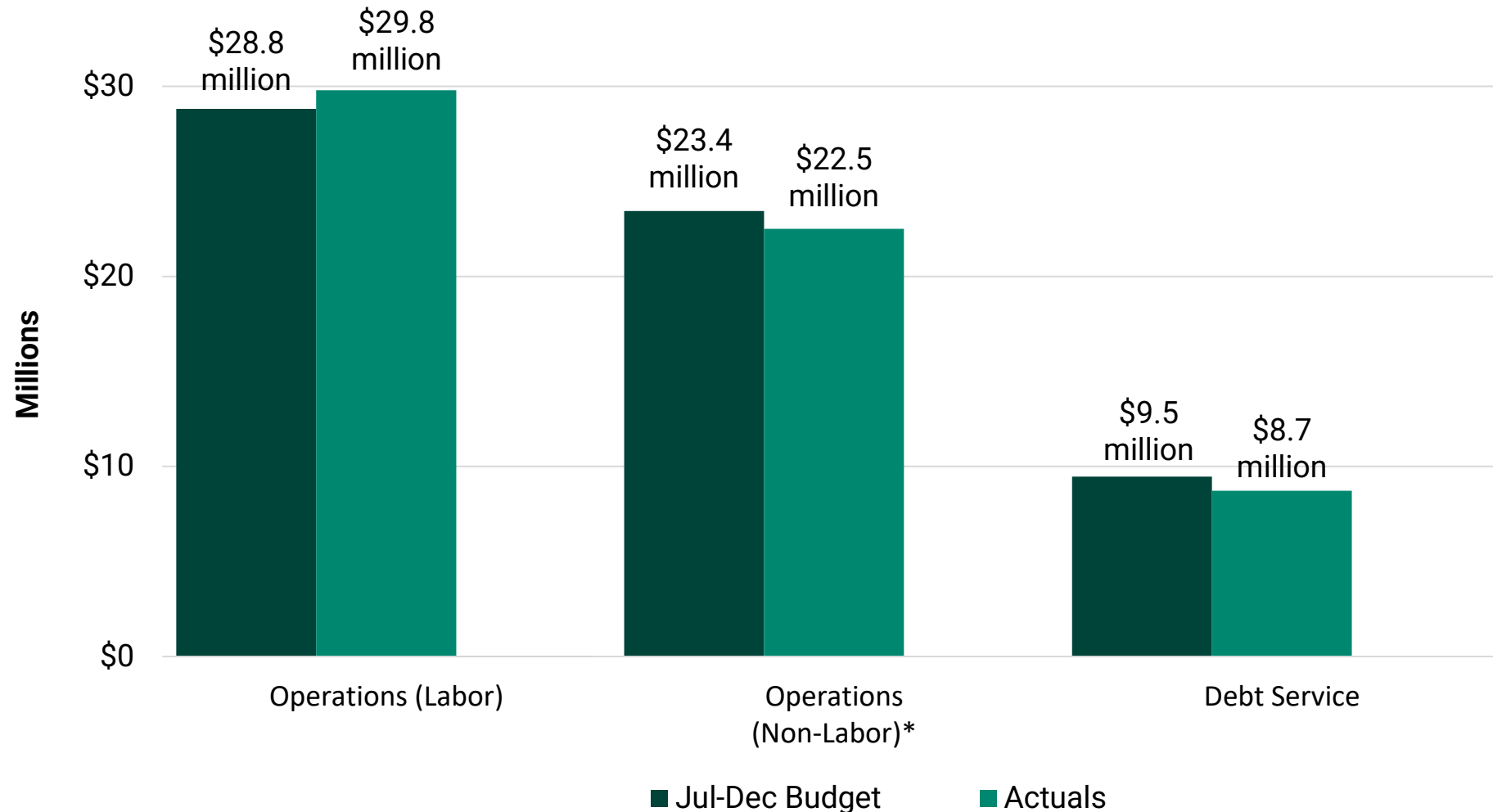


- Revenue sources are on-target for the first half of the year
- Volatile revenues are budgeted conservatively
- Expenses are running just below budget

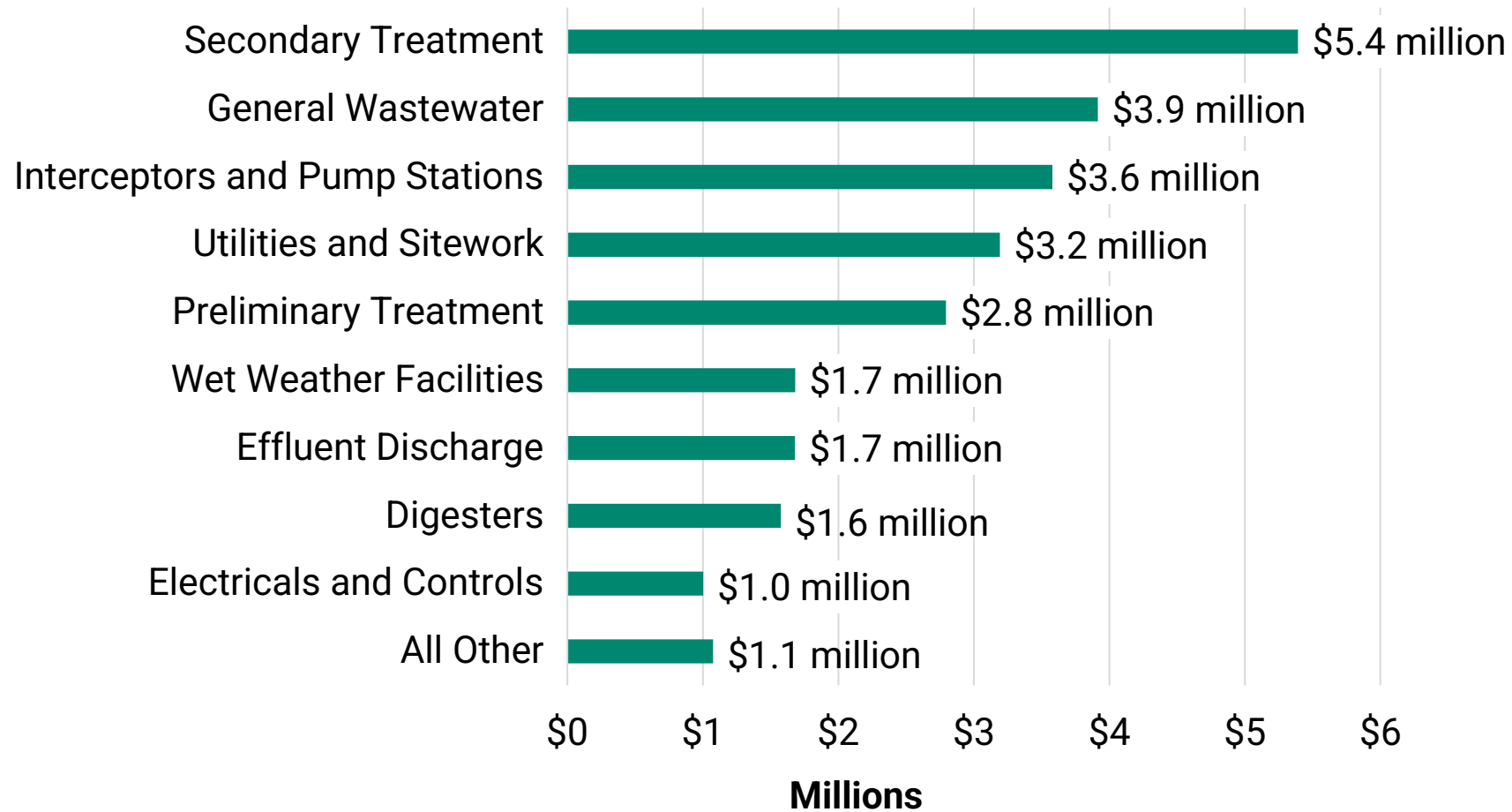
Wastewater System Revenues through 12/31/2024

(\$ Thousands)	Jul-Dec Budget	Actuals	Over / (Under)	%
Treatment Charges	49,917	50,985	1,068	102%
Wet Weather Facility Charges	18,055	17,982	(73)	100%
Resource Recovery	5,000	7,794	2,794	156%
Property Taxes	3,356	3,794	438	113%
Interest Income	1,600	2,015	415	126%
Laboratory Services	2,500	2,749	249	110%
Reimbursements	950	1,056	106	111%
Permit Fees	850	819	(31)	96%
All Other Revenue	3,100	3,571	471	115%
Operating Revenues	85,327	90,765	5,437	106%
Capacity Charges	1,800	2,484	684	138%
New Bond Proceeds	--	--	--	--
Grants	--	101	101	--
Other Capital Revenues	--	513	513	--
Capital Revenues	1,800	3,097	1,297	172%
Total Revenues	87,127	93,862	6,735	108%

Wastewater System Operating & Debt Expenses through 12/31/2024



Wastewater Capital Cash Flow Expenses through 12/31/2024



Year-End Projections



Water System Year-End Projection for FY 2025

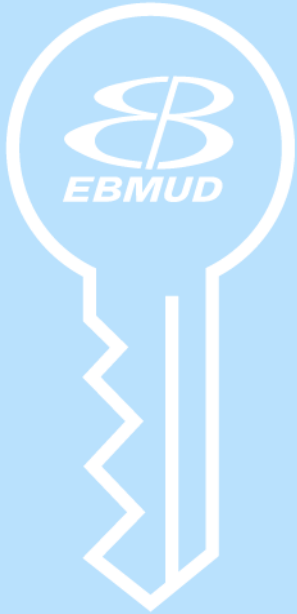
(\$ Thousands)	Amended Budget	Year-End Projection	Over / (Under)	%
Water Charges	739,641	761,450	21,809	103%
Property Taxes	51,400	51,400	-	100%
Power Sales	10,200	11,500	1,300	113%
Interest Income	15,000	16,670	1,670	111%
Reimbursements	14,400	12,190	(2,210)	85%
All Other Revenue	21,400	24,120	2,720	113%
Operating Revenues	852,041	877,330	25,289	103%
SCC Revenue	36,200	27,480	(8,720)	76%
New Bond Proceeds	269,500	275,000	5,500	102%
Grants	-	260	260	-
Capital Reimbursements	31,100	15,480	(15,620)	50%
Other Capital Revenue	-	1,334	1,334	-
Capital Revenues	336,800	319,554	(17,246)	95%
Total Revenues	1,188,841	1,196,884	8,043	101%
Operating Expenses	432,408	399,105	(33,303)	92%
Debt Service	256,318	253,466	(2,852)	99%
Capital Expenses	520,545	543,463	22,918	104%
Grant Expenses	715	715	-	100%
Total Expenses	1,209,985	1,196,748	(13,237)	99%
Revenues less Expenses	(21,144)	136	21,280	-

- Revenues projected to be greater than budget by 1%
- Operating expenses projected to be less than budget by 8%
- Debt service projected to be less than budget by 1%
- Capital expenses projected to exceed budget by 4%

Wastewater System Year-End Projection for FY 2025

(\$ Thousands)	Amended Budget	Year-End Projection	Over / (Under)	%
Treatment Charges	99,834	100,000	166	100%
Wet Weather Facility Charges	36,200	35,960	(240)	99%
Resource Recovery	10,000	15,000	5,000	150%
Property Taxes	7,700	7,700	0	100%
Interest Income	3,200	3,530	330	110%
Laboratory Services	5,000	5,500	500	110%
Reimbursements	1,900	2,010	110	106%
Permit Fees	1,700	1,640	(60)	96%
All Other Revenue	6,200	6,430	230	104%
Operating Revenues	171,734	177,770	6,036	104%
Capacity Charges	3,600	3,850	250	107%
New Bond Proceeds	29,400	30,000	600	102%
Grants	0	200	200	-
Other Capital Revenues	0	1,030	1,030	-
Capital Revenues	33,000	35,080	2,080	106%
Total Revenues	204,734	212,850	8,116	104%
Operating Expenses	114,088	110,950	(3,138)	97%
Debt Service	34,777	32,820	(1,957)	94%
Capital Expenses	58,374	59,100	726	101%
Total Expenses	207,240	202,870	(4,370)	98%
Revenues less Expenses	(2,506)	9,980	12,486	-

- Revenues projected to be greater than budget by 4%
- Operating expenses projected to be less than budget by 3%
- Debt service projected to be less than budget by 6%
- Capital expenses projected to exceed budget by 1%



Summary and Next Steps

- Revenues are expected to be above budget for both the Water and Wastewater systems
- Capital spending is expected to be slightly higher than budgeted expectations
- Total expenses are expected to remain below budget for both enterprises
- Bonds will be issued in FY 2025 for both systems

Questions?





Employees' Retirement System

Annual Financial Update, Actuarial
Valuations, and Contribution rates

Finance/Administration Committee

February 25, 2025

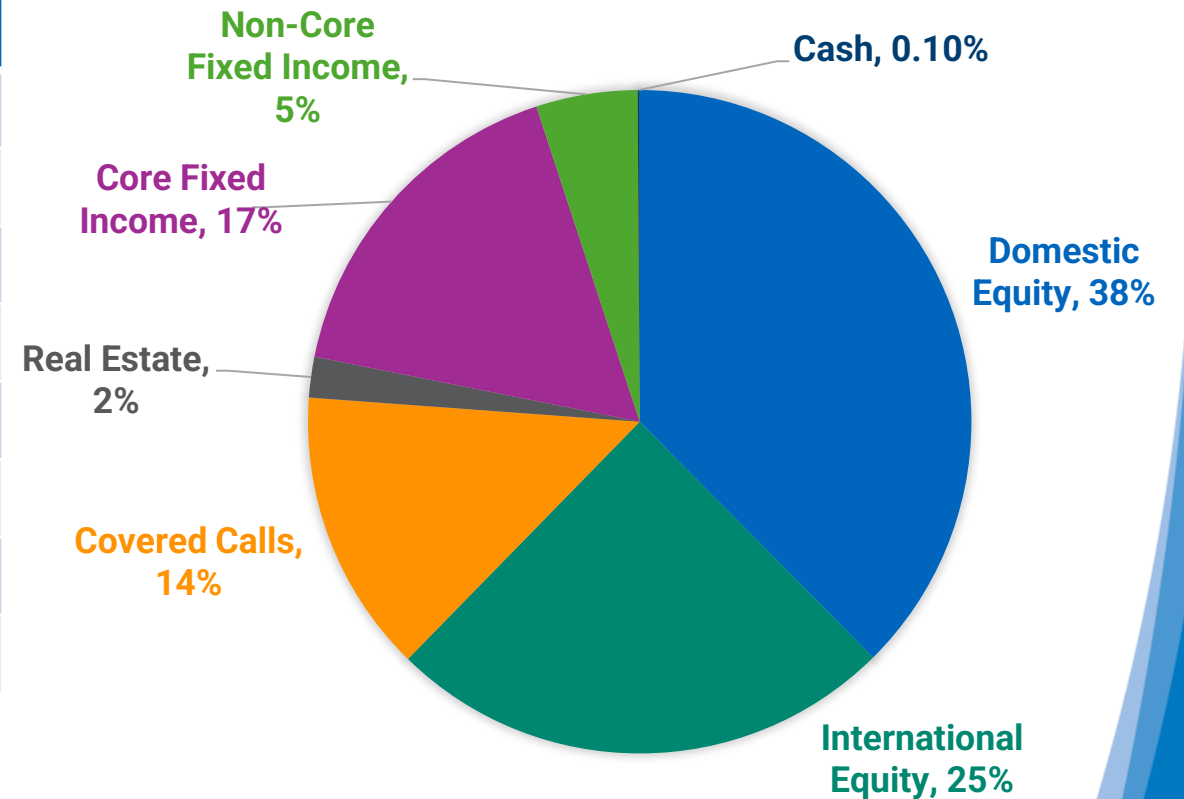
Robby Hannay, Treasury Manager

Portfolio Asset Allocation (September 30, 2024)

Asset	Current (\$)	% of Portfolio
Domestic Equity	1,003,015,282	38%
International Equity	658,196,323	25%
Covered Calls	365,830,151	14%
Real Estate	53,812,113	2%
Core Fixed Income	451,516,430	17%
Non-Core Fixed Income	122,361,696	5%
Cash	2,139,380	<1%
Total*	2,656,871,374	100%

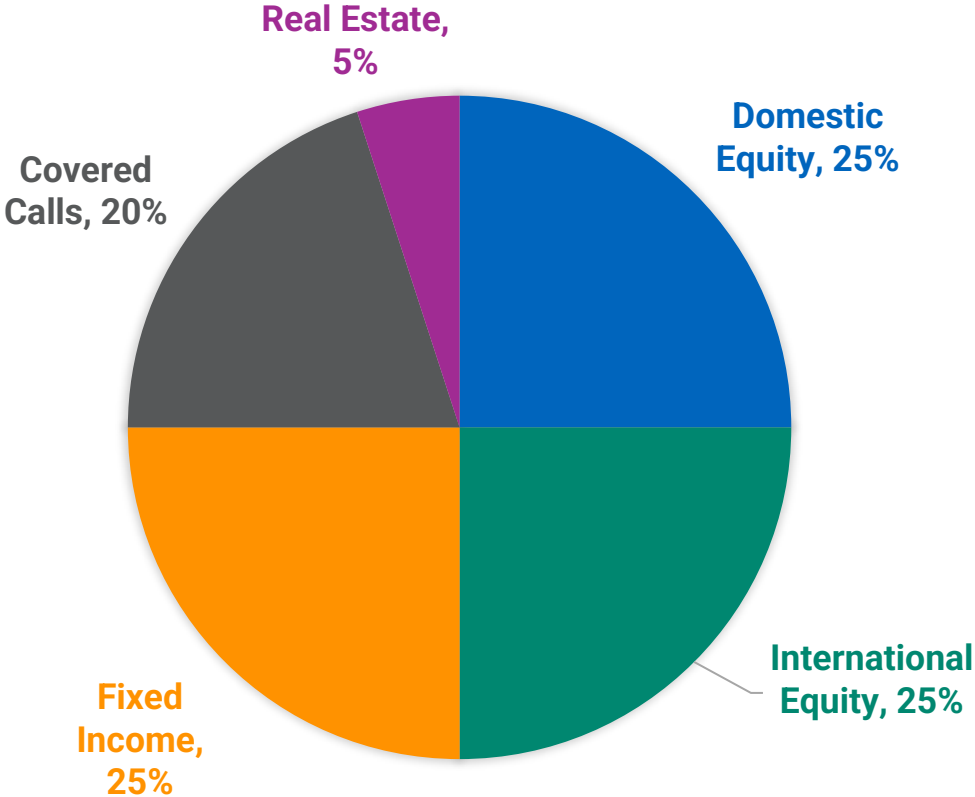
*Totals may not sum to 100% due to rounding.

APPROVED ASSET ALLOCATION

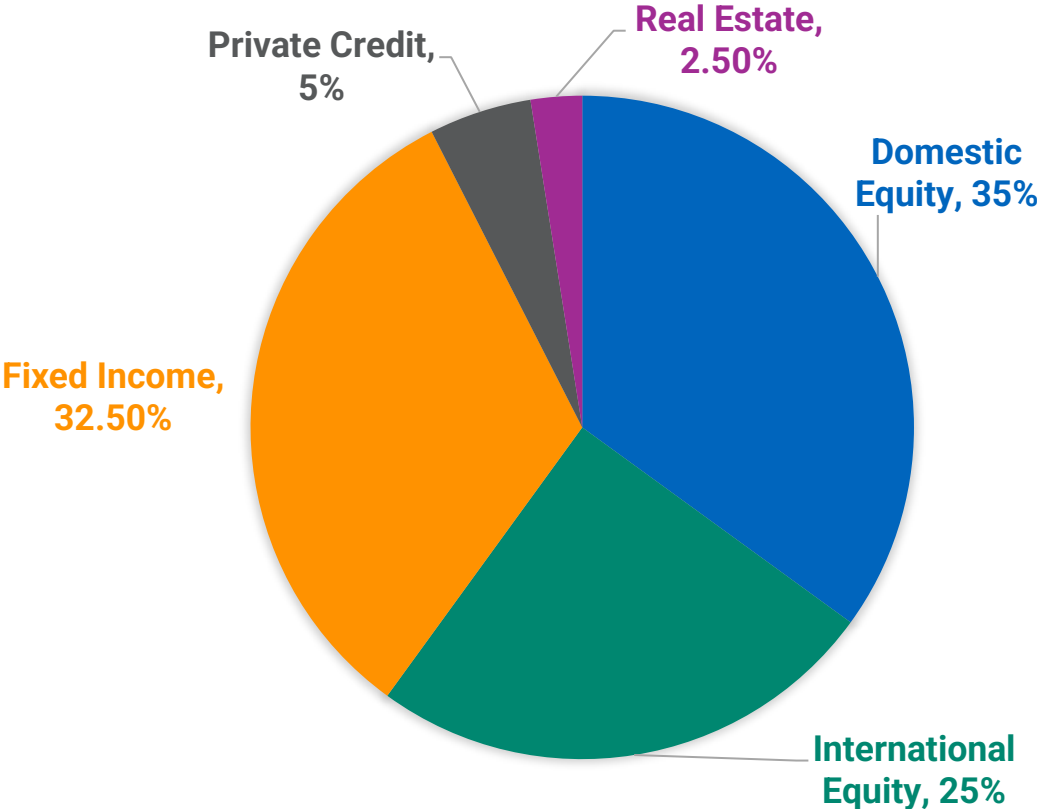


Portfolio Asset Allocation

2019-2024 ALLOCATION



APPROVED ASSET ALLOCATION



Fiscal Year (FY) 2024 Actuarial Valuations

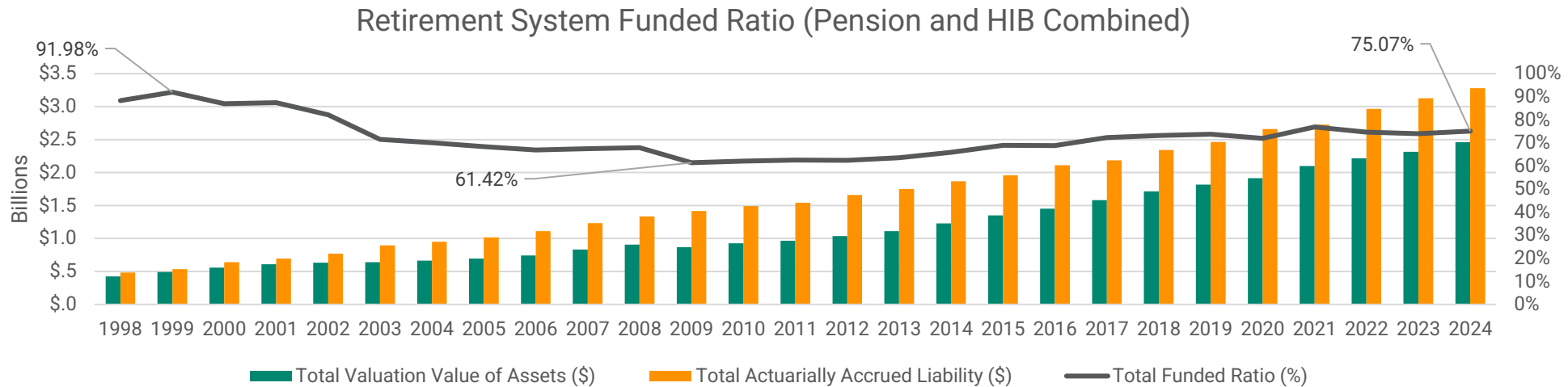
Select Plan Data	Pension	Health Insurance Benefit (HIB)	Total	Overall Annual Change
Market Value of Assets	\$2.45b	\$71m	\$2.52b	+\$262m
<i>previous year data</i>	<i>\$2.19b</i>	<i>\$61m</i>	<i>\$2.26b</i>	<i>----</i>
Valuation Value of Assets	\$2.39b	\$70m	\$2.46b	+\$147m
<i>previous year data</i>	<i>\$2.25b</i>	<i>\$63m</i>	<i>\$2.31b</i>	<i>----</i>
Funded Ratio*	76.1%	51.8%	75.1%	+1.0%
<i>previous year data</i>	<i>75.2%</i>	<i>47.7%</i>	<i>74.0%</i>	<i>----</i>
Unfunded Liability*	\$752m	\$65m	\$817m	+\$5m
<i>previous year data</i>	<i>\$743m</i>	<i>\$69m</i>	<i>\$812m</i>	<i>----</i>

*Valuation Value of Assets

- FY 2024 Actuarial Valuation reports have been reviewed and approved by the Retirement Board

Fiscal Year (FY) 2024 Actuarial Valuations

- The Retirement System has made significant strides in funding since the Great Recession
- Pension funded ratio: 76.1% (FY 2024)
- HIB funded ratio: 51.8% (FY 2024)



Recommended Employer Contribution Rates

- Proposed FY 2026 rates are based on FY 2024 Actuarial Valuation
 - Contribution rates increased for Pension due largely to changes in assumptions, higher-than-assumed salary increases, and higher than assumed COLAs for retirees
 - Contribution rates are lower for HIB due to higher-than-expected payroll
- The Retirement Board recommended adopting these rates at its January 23, 2025 meeting

	Recommended Rates FY 2026		Actuarially Determined Rates FY 2026		Currently Adopted Rates FY 2025	
	1955/1980 Plan	2013 Plan	1955/1980 Plan	2013 Plan	1955/1980 Plan	2013 Plan
Pension	45.43%	35.93%	45.43%	35.93%	44.59%	35.80%
HIB	4.43%	4.22%	4.43%	4.22%	4.43%	4.27%
Total	49.86%	40.15%	49.86%	40.15%	49.02%	40.07%

Recommended Employee Contribution Rates

1955/1980 Plant

- Set in Memoranda of Understanding
- No change for FY 2026

2013 Tier

- Governed by Public Employees' Pension Reform Act (PEPRA)
- Set at 50% of Normal Cost
- Increase of 0.67% to 10.17%

	1955/1980 Plan	2013 Tier
Pension	8.66%	10.08%
HIB	0.09%	0.09%
Total	8.75%	10.17%

Recommendation / Next Steps:

Proposed February 25, 2025 actions:

- Committee considers recommendation to accept Actuarial Valuations and adopt FY 2026 Contribution Rates
- Board considers adoption of Actuarial Valuations and recommended FY 2026 Contribution Rates

Questions?



Flowing
into the
Future



Termination of California Shakespeare Theater Operations

Finance/Administration Committee

February 25, 2025

Michael Tognolini, Director of Water and Natural Resources

Cal Shakes Venue

- Theater constructed by Cal Shakes in 1991 on Orinda watershed land leased from District
- Operations ceased in November 2024 due to financial insolvency
- Unable to fulfill lease agreement to return the site to its original natural state
- Site returned to District in January 2025 with substantial structures and facilities
- Cost of removing facilities exceeds \$1 million



Bruns Amphitheater

Remaining Facilities

- Bruns Amphitheater
- Bruns Plaza
- Café
- Green Room
- Picnic Groves
- Parking
- Permanent restrooms
- 51,000-gallon fire water tank
- 32,000-gallon potable water tank
- Septic/wastewater tank
- 37.4 kW electrical solar power system



Site Plan

Fiscal Impact

- New operator required to assume all the costs for operating and maintaining the facility
- Rent based on market conditions
- Anticipating lease of up to 15 years



Café Area

Next Steps

- Prepare Request for Proposal to identify parties able to secure, operate, and maintain facilities
- Receive input from community liaisons, including local elected officials
- Negotiate lease with new tenant by summer 2025
- Lease terms will include potential use of the facility by the District for education, meetings, and events





Questions?