

# Financial and Organizational Outlook

BACWA Annual Meeting

January 11, 2019

# Financial Plan and Budget

- BACWA's 5 Year Financial Plan and FY Budget Updated each year.
- Process
  - Review Plan and Budget with Finance Committee of the Board (Feb)
  - Draft Plan and Budget to BACWA Board (Feb)
  - Final Plan and Budget to BACWA Board (Mar)
  - Approval of 5 Year Plan Update and FY Budget (Apr)
  - Annual BACWA invoices sent to members in July of each year

# BACWA Revenues

- **Dues** – funds on-going operations (i.e. administration, committee activities, collaborations, legal, communications, staffing)
- **Clean Bay Collaborative (CBC)** – funds regulatory initiatives (i.e. TMDLs, watershed permits, special studies, etc.)
- **Nutrient Surcharge** – temporary charge to supplement the CBC due to the large annual expense of the Nutrient Watershed Permit
- **Wastewater Operator Training (WOT)** - pass-through, BACWA provides contract administration

# BACWA Funding Outlook

- **FY 19**

- Dues increased 2% over FY 18
- Clean Bay Collaborative fees remained flat
- Nutrient Surcharge remain the same as in FY 18 (\$800k)
  - 2/3 funding by Principals
  - 1/3 funding by Associates/Affiliates based on TN

# BACWA Funding Outlook (con't)

- **FY 20**

- Draft budget in March, proposed dues and CBC similar to FY 19
- Nutrient Surcharge to increase to \$1.7M to cover science funding required by the 2<sup>nd</sup> Nutrient Watershed Permit.
  - \$2.2M total funding required by Permit but \$500k covered by reserves
  - All members will pay surcharges based on total nitrogen

- **FY 20 – 24**

- Nutrient Surcharge to stay flat for the remainder of the term of the 2<sup>nd</sup> Watershed Permit
- Both Principal and Associate/Affiliate Nutrient Surcharge will be based on rolling 3 yr. avg. of TN discharge
- All members have been provided the spreadsheet showing their individual Nutrient Surcharge

# Organizational Outlook

- For FY 19 all 46 POTWs in 9 County Bay Area are BACWA members
- BACWA members active in representing POTW interests in several regional and state-wide initiatives and issues
- 9 active Committees with succession plans in place
- BACWA continues its primary focus on Bay Area issues and relies on collaboration with other organizations (CASA, NACWA, CWEA, WEF, FWQC, etc.) to address other issues

# Summary

- BACWA continues to count all of the Bay Area POTWs as its members
- Remains in a sound financial position
- Participation in all 9 committees is open and encouraged for all BACWA members
- Continues to budget for funding of regulatory requirements on behalf of all of its members
- BACWA is exploring how it can enhance communication and ease of participation in activities on the part of its members (e.g. more use of teleconferencing for meetings)