Update 2013 Finance Planning Framework

Purpose of Update 2013 [Strategic] Finance Planning effort:

- Create a common and comprehensive understanding of current [finance] conditions
- Identify State IWM investment principles and priorities
- Recommend innovative, stable, equitable and fiscally disciplined financial strategies and revenue sources
Chapter 1 – Planning for Environmental, Economic and Social Prosperity *(Light Touch)*

Chapter 2 – California Water Today

Chapter 3 – Imperative to Invest in Innovation and Infrastructure *(Light Touch)*

Chapter 4 – Companion Plans

Chapter 5 – Managing an Uncertain Future

Chapter 6 – Integrated Data and Analysis

Chapter 7 – Finance Planning Framework *(Overview)*

Chapter 8 – Implementation Plan *(Working Session)*
California faces unacceptable risks from flooding, unreliable water supplies, and habitat and species declines.

Stakes are tremendously high and every Californian has a stake.
California must **make its business and finance climate more attractive with a higher degree of certainty** that natural resources will be sustained over the long term, flood damages will be averted, water supplies will be reliable and predictable and recreational opportunities will be improved.
Chapter 1 - Update 2013 Themes

Figure 1-1 Themes of California Water Plan Update 2013

Integrated Water Management
System flexibility and resiliency
Advocacy from implementers and financiers
Delivery of benefits using fewer resources

Government Agency Alignment
Clarification of State Roles
Reduction in implementation time and costs
Efficient achievement of multiple objectives

Investment in Innovation and Infrastructure
Stable and strategic funding
Priority-driven funding decisions
Equitable and innovative finance strategies

Integrated water management provides a set of principles and practices that include government agency alignment through open and transparent planning process. This leads to stakeholder and decision-maker support for investment ... in innovation and infrastructure.
Stable, priority-driven funding streams are essential to successful integrated water management.
Chapter 3 - Outline
(Partial list)

- A Critical Time to Invest
- Fundamental Lessons
- Looking to the Future — The Roadmap
  - Vision, Mission, Goals, Objectives, Guiding Principles
- Role of State Government in Integrated Water Management
Chapter 8 – Implementation Plan

- IWM Objectives (13 in Update 2009)
- Related Actions (115 in Update 2009)
- Broad range of specificity
- Some sub-actions
- Most actions are from State companion plans
- Addition of a finance objective (and recommended actions) for Update 2013
Chapter 7 - Finance Planning Framework

Purpose

- Creates a common and comprehensive understanding of current [finance] conditions
- Provides a menu of available finance mechanisms; including trade-off descriptions
- Frames data, information and stakeholder input that supports finance recommendations
Chapter 7 - Finance Planning Framework Outline

1. Resource Management and Funding from 1850 – Present
5. G.O. Bond Funding and Debt Level
6. Financing Mechanisms (Traditional and New)  
7. Role of State Government  
8. Guiding Finance Principles  
9. State and Local Financing Options
Chapter 8 – Implementation Plan

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- Related Actions (115 in Update 2009)
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Update 2013 Finance Planning
Next Steps

- IRWM Conference April 4 & 5
- Finance Caucus Workshop April 11
- Water Plan Advisory Committee Meeting May 2
- Update 2013 Admin Draft to DWR executive management – May 2013
- Public Review Draft July 2013