

San Geronio Pass Water Agency

DATE: June 3, 2024
TO: Board of Directors
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: ADOPTION OF THE GENERAL FUND BUDGET FOR FY 2024-25

RECOMMENDATION

Adopt the General Fund Budget for FY 2024-25.

PREVIOUS CONSIDERATION

- Finance & Budget Committee – April 25, 2024: The Committee reviewed and discussed the budget presentation and the draft budget. Suggestions for improvement were noted. The Committee asked to review the presentation at the next Committee meeting.
- Finance & Budget Committee – May 23, 2024: The Board reviewed and discussed the updated proposed budget. The Committee voted unanimously to recommend that the Board adopt the budget at the next Board meeting.

BACKGROUND

The General Fund budget for the next fiscal year is proposed and reviewed in April and May of each year. Staff start the preparation process by reviewing current activities and expenditures, and making recommendations to the Chief Financial Officer for items to include in the draft. After consideration by the General Manager, the budget is prepared in draft form for presentation to the Finance & Budget Committee for consideration. When the Committee is satisfied with the draft budget, it is presented to the Board for consideration and approval.

ANALYSIS

The Agency procedure regarding the budgets is to consider and approve the General Fund portion of the budget first, then consider and approve the Debt Service Fund portion of the budget in July and August, after the Statement of Charges has been received.

The General Fund Budget for FY 2024-25 proposes some new line items, deletes some line items, consolidates some line items, and transfers two line-items to the Debt Service Fund. For Income, a new line item is Grant Revenue. For expenditures, there are a number of changes, which are described in detail in the attached Draft General Fund Budget presentation.

The budget presentation this year includes information about the Agency, letters summarizing the budget by the General Manager and the CFO, charts to visually describe income and expense categories, the traditional spreadsheets that are presented to the Finance & Budget Committee and the Board on a monthly basis, line item and project descriptions, a review of Agency reserves, tax revenue projections, Agency water portfolio information, and a list of commonly used acronyms and vendors.

FISCAL IMPACT

The General Fund Budget proposes total income of \$25.9 million, and total expenditures of \$20.8 million. A detailed description of each line item, the amounts proposed, and the changes from the projected actual is included in the attached Draft General Fund Budget for FY 2024-25.

Summary and detailed information is described in the budget presentation attached to this report.

ACTION

Adopt the General Fund Budget for FY 2024-25.

ATTACHMENTS

Draft General Fund Budget for FY 2024-25

An aerial photograph of a water treatment facility. In the foreground, there are several large, rectangular water tanks with blue water. A road and a smaller pond are visible in the middle ground. The background shows a town and a range of mountains with snow-capped peaks under a blue sky with scattered clouds.

San Geronio Pass Water Agency

DRAFT GENERAL FUND BUDGET FY 2024-25



Headquarters

ABOUT THE AGENCY

The San Geronio Pass Water Agency is one of 29 local government organizations, called State Water Contractors, that have contracted with the State of California to import water to their local service areas using the State Water Project. The Agency was created by the Legislature of the State of California under Senate Bill 8, Chapter 40, which was signed into law by Governor Edmund “Pat” Brown on April 19, 1961. The purpose for creating this public agency by special law was for the “planning, conservation, development, distribution, control and use of an adequate water supply for the public good and for the protection of life and property therein.” As part of the act, the Agency was given taxing authority similar to the taxing power of other local governments.

The Agency service area covers about 141,000 acres and has an estimated population of slightly more than 100,000. Major communities include Banning, Beaumont, Cabazon, Calimesa, and Cherry Valley. Retail water purveyors that serve the region include the City of Banning, Banning Heights



Brookside East Recharge Facility



Cherry Valley Pump Station

Mutual Water Company, Beaumont Cherry Valley Water District, Cherry Valley Water Company, High Valleys Water District, Mission Springs Water District, South Mesa Water Company, and Yucaipa Valley Water District.

The Agency entered into a contract with the State of California Department of Water Resources for an annual entitlement of 15,000 acre-feet from the State Water Project in 1962. Two years later, additional entitlement became available. Even then, the forward-focused Board was concerned that the original entitlement might not be sufficient for future needs, but was also concerned about the cost to local taxpayers. They took a bold step and voted to increase the Agency’s entitlement to its current amount of 17,300 acre-feet.



Citrus Reservoir and Pump Station

However, water did not get delivered to the region until the completion of the East Branch Extension. The East Branch Extension, known locally as EBX, completed the necessary infrastructure to deliver water to the Agency’s service area. EBX Phase 1 was completed in 2003; EBX Phase 2 was completed in 2018. The new facilities included an additional pipeline, an additional reservoir, additional pumps and expanded an existing reservoir. The Agency now had sufficient capacity to deliver its entire allotment in any year that it was available. EBX is unique in the State Water Project because it is jointly operated by DWR, San Bernardino Valley Municipal Water District and the Agency.

In 2020, the Agency completed construction and started using its new recharge site on the corner of Beaumont Avenue and Brookside in Beaumont. This facility was built to be able to recharge water, most often during wet years, but also as necessity arises because of operational constraints. The Agency is currently planning on expanding additional recharge in this area to maximize wet-year deliveries and respond to increasing water supply variability in the SWP.



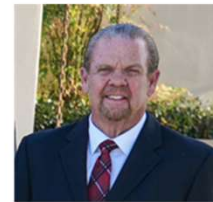
Crafton Hills Reservoir

In 2022, the Agency finalized a 20-year exchange agreement with the City of Ventura, another State Water Contractor, to use its annual entitlement of 10,000 acre-feet.

In 2023, the Agency set a historical record by receiving, delivering, and storing over 24,400 acre-feet of SWP water.



Board of Directors 2024



*Larry Smith, Director
Division 5*



*Dr. Blair M Ball, Director
Division 4*



*Ron Duncan, Director
Division 1*



*Micky Valdivia, President
At Large No. 1*



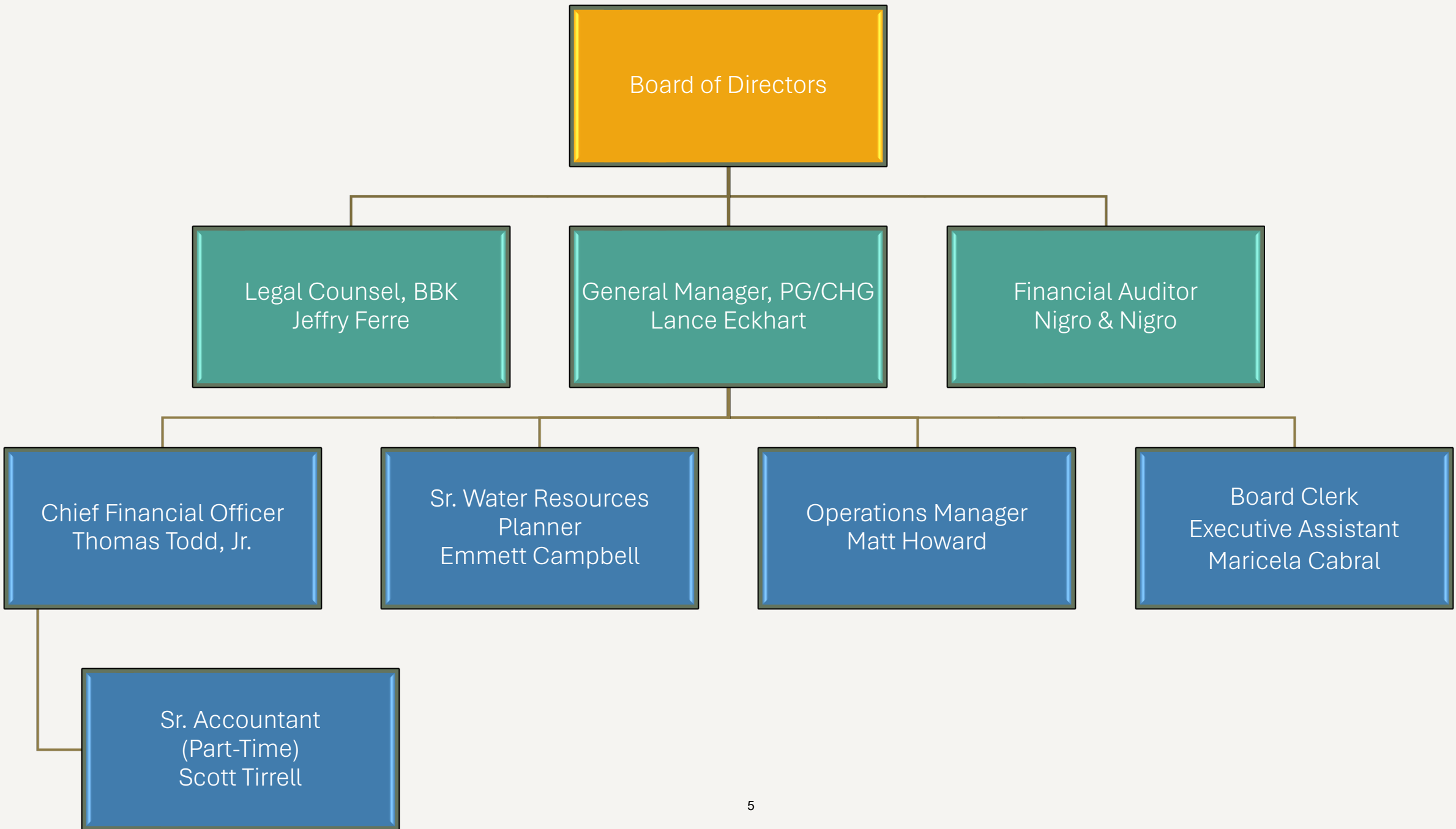
*Robert Ybarra, Treasurer
At Large No. 2*



*Kevin Walton, Secretary
Division 3*



*Chander Letulle, Vice President
Division 2*



FROM THE GENERAL MANAGER



Lance Eckhart, PG, CHG

I am pleased to present the proposed budget for the fiscal year 2024. This budget is crafted to strengthen our agency’s foundation while advancing strategic initiatives that ensure a sustainable and secure water future for our region.

Strategic Alignment and Budget Overview

Aligned with our Five-Year Strategic Plan, this budget supports our mission to enhance water supply reliability, ensure financial stability, and sustain our infrastructure resilience. In the General Fund budget, we anticipate approximately \$30 million in revenues and project to spend approximately \$21 million, with strategic allocations designed to maximize our impact and fulfill our commitment to the community.

Forward-Focused Investment

A pivotal element of our strategy for both the General Fund and Debt Service Fund involves positioning SGPWA to invest in a variety projects through the various budgeting processes. This includes our participation in “generational projects” like the Sites Reservoir and the Delta Conveyance Project. These initiatives, along with local projects, are crucial for enhancing the long-term reliability and sustainability of water supplies for the region. Our financial commitment to regional and inter-regional projects reflects our proactive approach to securing water resources that will benefit generations to come.

Enhancing Regional Water Importation and Collaboration

Recognizing the critical need for a reliable water supply, the General Fund budget prioritizes investments to improve and expand our capacity to bring imported water into our service area and support our local stakeholders where our goals overlap. These holistic efforts are vital to meet the growing economic development, mitigate the impacts of drought, and support our regional partners to incorporate an “all of the above” approach to local water supplies and resiliency.

Key Financial Strategies and Capital Investments

Infrastructure Enhancements: Significant funds are allocated to maintain our infrastructure and expand groundwater recharge facilities, ensuring we can maintain supply during critical periods.

Sustainability Projects: Our commitment to sustainable practices is reinforced through targeted investments in groundwater basin management and water conservation for the Beaumont Basin and the two Groundwater Sustainability Agencies in the service area.

Community Engagement: Budget provisions for public outreach and educational programs will enhance community understanding and support for our strategic water management initiatives.

Financial Projections and Health

We remain committed to maintaining a strong financial position, with conservative revenue estimates and a detailed assessment of our operational needs and strategic investments. This approach ensures our readiness to address both current and future challenges.

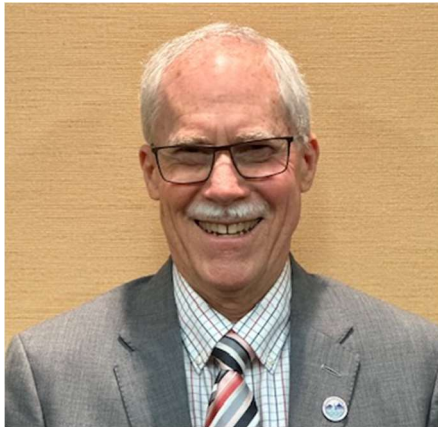
Conclusion

This budget is part of a strategic roadmap designed to ensure SGPWA remains a leader in water resource management. It balances our immediate needs with our collaborative vision for future generations, ensuring we continue to provide exceptional value, service, and stewardship for the region.

Respectfully,

A handwritten signature in black ink, appearing to read "James E. Cook". The signature is stylized with a large initial "J" and "E".

FROM THE CHIEF FINANCIAL OFFICER



Thomas W. Todd, Jr.

“A budget is a spending plan that helps manage an organization, not a program limit.”

Some see the budget process as a difficult exercise, while others see it as something to be done and shelved. The Board and Staff of the Agency have always taken the process seriously. Not only is the budget an integral part of our internal controls, but it is also an important guide for Agency activities in the years ahead.

Before looking at the proposed General Fund budget for FY 2024-25, I'd like to briefly examine the current fiscal year. **For FY 2023-24, the budget is projected to increase reserves by about \$3 million at year-end.**

While income and expense for water sales and water purchases were both reduced by about \$2 million and therefore balance their changes in income and expense, expenses for both Consulting and Engineering Services and Capital Expenditures are expected to be less than budgeted, making up most of the surplus. Almost all **categories are expected to be within budget at year-end.**

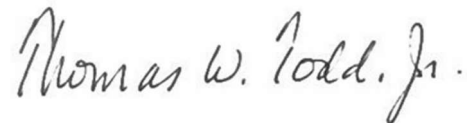
Income for FY 2024-25 is projected to increase. While less is projected for water sales, tax revenue is expected to increase by about 5%. The big increase will be from **a new category, Grant Revenue.** Five grant awards are anticipated to fund four separate projects. Grant funding usually happens on the basis of reimbursements submitted to the granting agencies, but a couple of the projects are projected to be completed quickly, so reports and requests for reimbursements can also be submitted quickly. Note that the budget projects grant-funded expenditures in FY 2024-25, but income (grant reimbursements) to cover those expenses may not be received until FY 2025-26. **Total income is projected to be about \$25.9 million.**

On the expense side, some new line items have been added: Succession Planning, Monitoring Well Drilling, Heli-Hydrant, Front Landscaping, and Vehicles. Some line items have been deleted: Contract Operations and Water Treatment Expense will be transferred to the Debt Service budget; Infrastructure and Easement Inventory and Discharge Permit will be transferred to Agency Engineer; and Strategic Plan Update is complete. In addition, Public Information, Adult Education and Social Media, and Conservation, Education, and Public Relations are combined into Public Information and Education and placed in the Conservation and Education sub-category. **Total expenses are projected to be about \$20.8 million.**

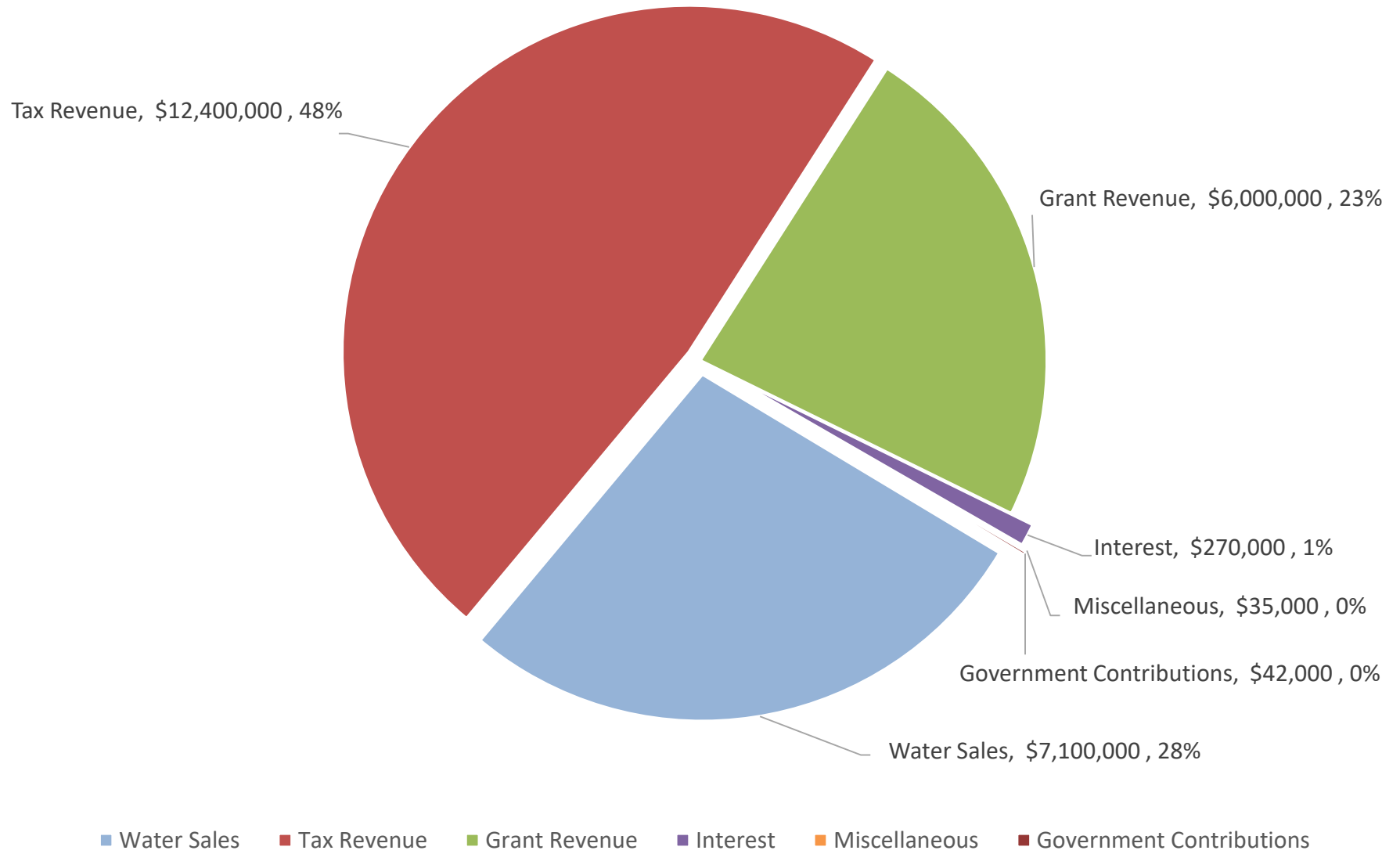
The Gap Funding program has also expanded. South Mesa Water Company and High Valleys Water District have been added to the program. A net expense is projected at year-end; offsetting income is expected to be received in the next fiscal year.

Overall, the budget reflects the Agency's commitment to using resources wisely and, at the same time, moving ahead with major projects to meet our commitments to provide an adequate water supply to our region.

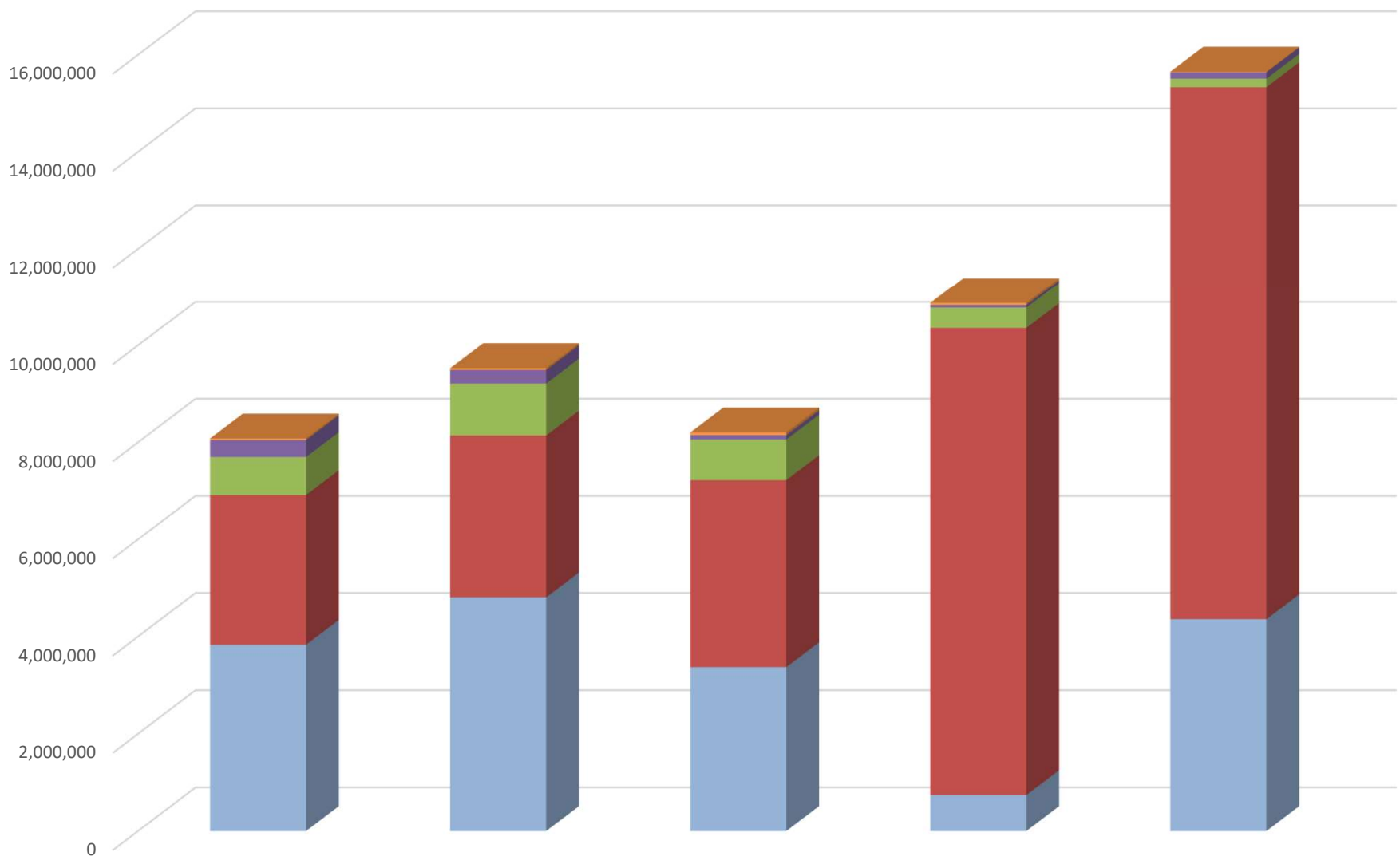
Respectfully,

A handwritten signature in cursive script that reads "Thomas W. Todd, Jr.".

Proposed General Fund Sources of Revenue FY 2024-25

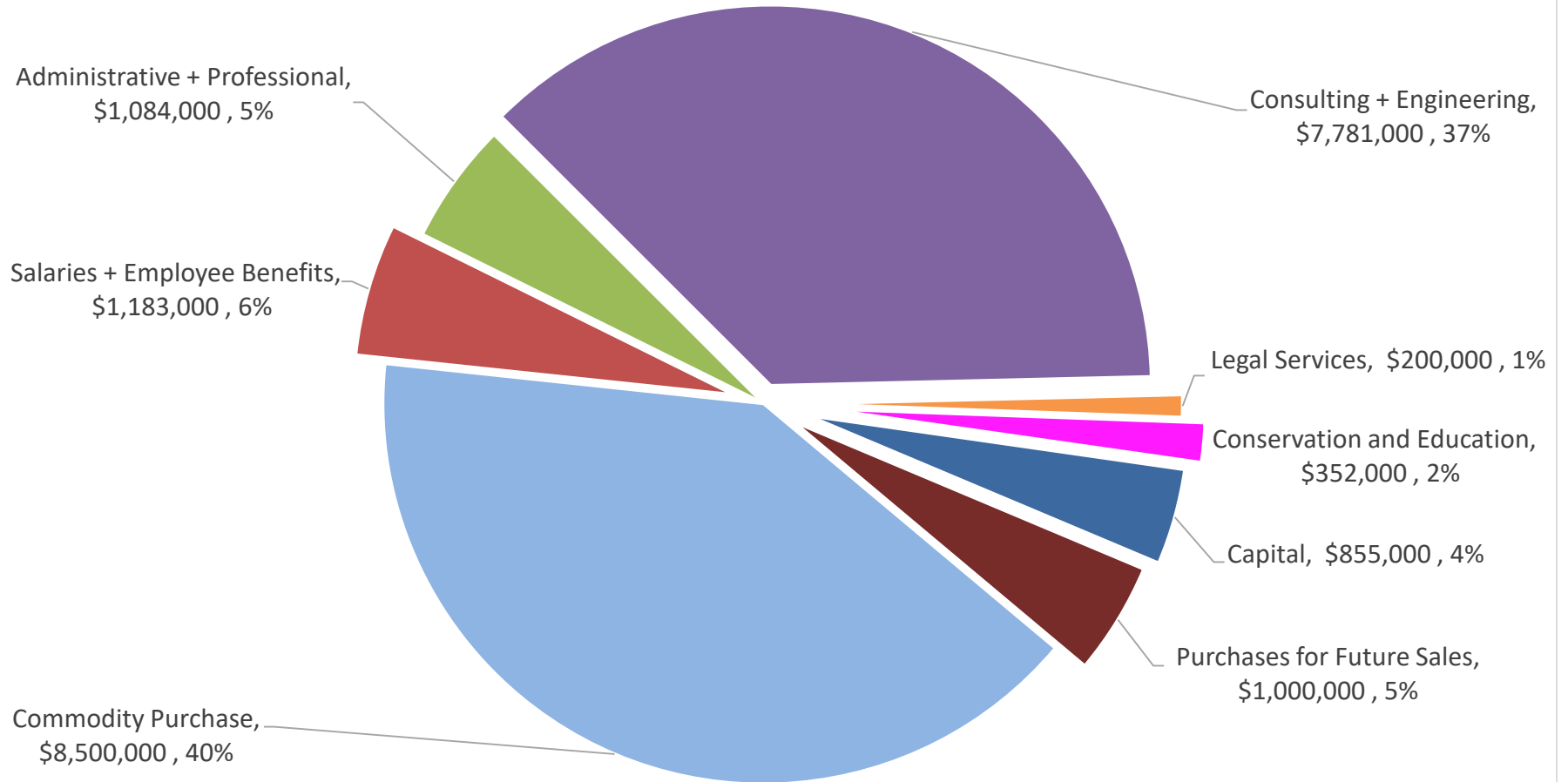


Income Type by Fiscal Year



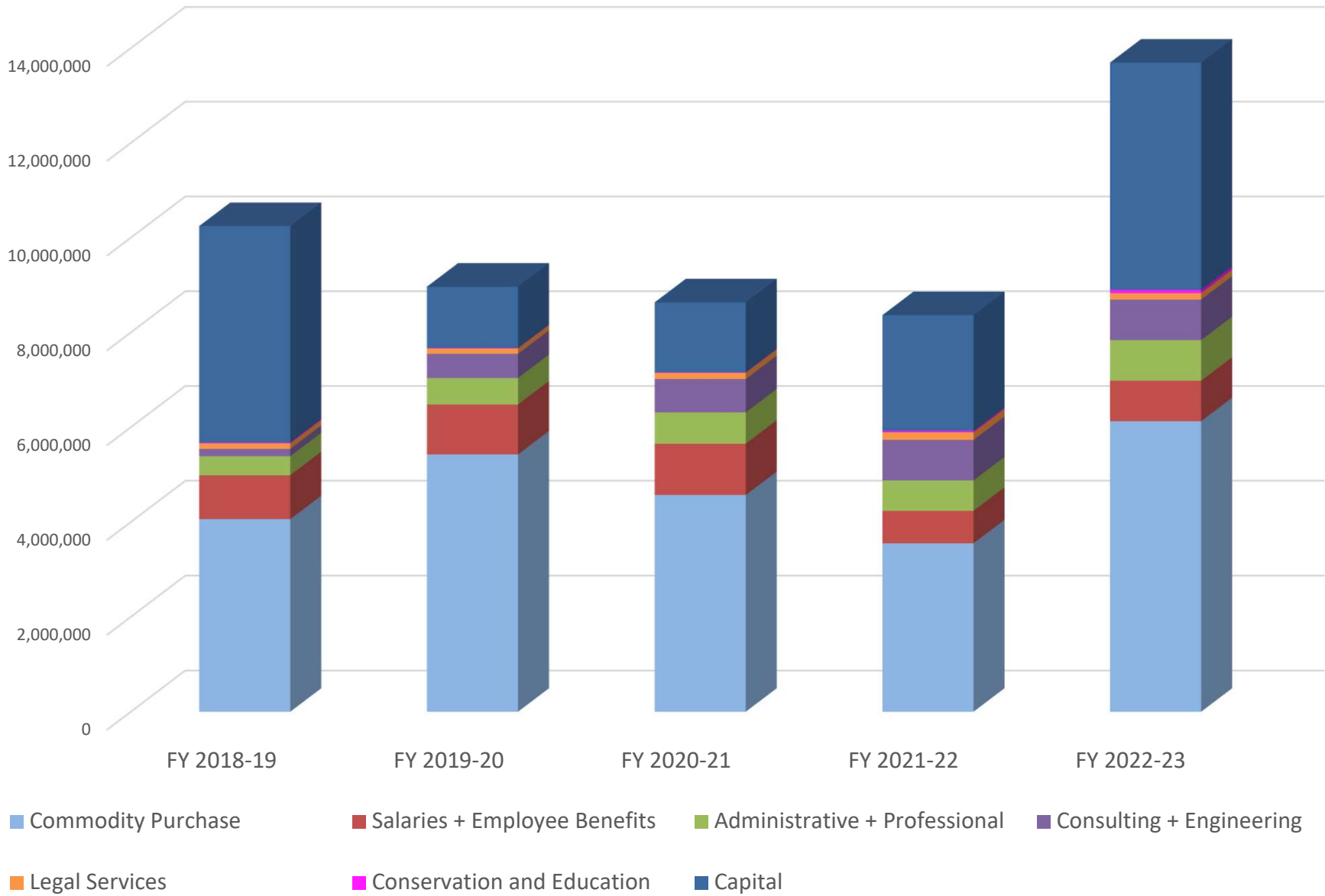
Water Sales Tax Revenue Government + Grants Interest Miscellaneous

Proposed General Fund Expenditure Categories FY 2024-25



- Commodity Purchase
- Salaries + Employee Benefits
- Administrative + Professional
- Consulting + Engineering
- Legal Services
- Conservation and Education
- Capital
- Purchases for Future Sales

Expense Category by Fiscal Year



SAN GORGONIO PASS WATER AGENCY
DRAFT GENERAL FUND AND CONSIGNED FUND BUDGET FOR FY 2024-25
BASED ON APRIL 2024 BUDGET REPORT

DRAFT

FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				FY JULY 1, 2024 - JUNE 30, 2025	
1	2	3	4	5	6
TOTAL REVISED BUDGET	ACTUAL APRIL 2024	PROJECTED YEAR END	REMAINING PERCENT	PROPOSED FY 2024-25	%Projected to Proposed

GENERAL FUND

Ref.	GENERAL FUND - INCOME	1	2	3	4	5	6
1	WATER SALES	7,800,000	4,605,277.95	7,000,000	-10.3%	7,100,000	1.4%
2	NEW - OTHER WATER SALES (see pg. 20)					0	new
3	TAX REVENUE	11,800,000	6,189,998.32	11,800,000	0.0%	12,400,000	5.1%
4	INTEREST	130,000	236,650.55	283,981	118.4%	270,000	-4.9%
5	GOV'T CONTRIBUTIONS	50,000	0.00	42,000	-16.0%	42,000	0.0%
6	NEW - GRANT REVENUE (see pg. 20)					6,000,000	new
7	OTHER MISCELLANEOUS INCOME	10,000	2,573.45	3,088	-69.1%	35,000	1033.4%
8	TOTAL GENERAL FUND INCOME	19,790,000	11,034,500	19,129,069	-3.3%	25,847,000	35.1%
GENERAL FUND - EXPENSES							
11	COMMODITY PURCHASE						
12	PURCHASED WATER FOR DELIVERY	9,100,000	7,071,184.33	8,485,421	6.8%	8,500,000	0.2%
13	PURCHASED WATER FOR BANKING (FUTURE SALE)	2,000,000	922,678.00	922,678	53.9%	1,000,000	8.4%
14	TOTAL COMMODITY PURCHASE	11,100,000	7,993,862	9,408,099	15.2%	9,500,000	1.0%
16	SALARIES AND EMPLOYEE BENEFITS						
17	SALARIES	630,000	506,809.11	608,171	3.5%	640,000	5.2%
18	PAYROLL TAXES	63,000	44,236.59	53,084	15.7%	52,000	-2.0%
19	PAYROLL SERVICE	5,000	4,025.40	4,830	3.4%	6,000	24.2%
20	RETIREMENT	135,000	90,393.74	108,472	19.7%	250,000	130.5%
21	OTHER POST-EMPLOYMENT BENEFITS (OPEB)	75,000	57,448.19	81,000	-8.0%	145,000	79.0%
22	HEALTH INSURANCE	80,000	42,722.10	51,267	35.9%	54,000	5.3%
23	ACWA BENEFITS	10,000	5,962.25	7,000	30.0%	9,000	28.6%
24	DISABILITY INSURANCE	6,000	4,144.93	4,974	17.1%	6,000	20.6%
25	WORKERS COMPENSATION INSURANCE	5,000	3,338.92	4,600	8.0%	6,000	30.4%
26	SGPWA STAFF MEDICAL REIMBURSEMENT	10,000	5,938.94	7,127	28.7%	11,000	54.3%
27	EMPLOYEE EDUCATION	4,000	0.00	0	100.0%	4,000	no change
28	TOTAL SALARIES AND EMPLOYEE BENEFITS	1,023,000	765,020	930,525	9.0%	1,183,000	27.1%

SAN GORGONIO PASS WATER AGENCY
DRAFT GENERAL FUND AND CONSIGNED FUND BUDGET FOR FY 2024-25
BASED ON APRIL 2024 BUDGET REPORT

DRAFT

FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				FY JULY 1, 2024 - JUNE 30, 2025	
1	2	3	4	5	6
TOTAL REVISED BUDGET	ACTUAL APRIL 2024	PROJECTED YEAR END	REMAINING PERCENT	PROPOSED FY 2024-25	%Projected to Proposed

GENERAL FUND - EXPENSES

31	ADMINISTRATIVE AND PROFESSIONAL SERVICES						
32	DIRECTOR EXPENDITURES						
33	DIRECTORS FEES	264,000	158,668.02	190,402	27.9%	275,000	44.4%
34	DIRECTORS TRAVEL AND EDUCATION	50,000	60,441.53	72,530	-45.1%	80,000	10.3%
35	DIRECTORS MEDICAL REIMBURSEMENT	46,000	15,593.65	18,712	59.3%	43,000	129.8%
36	OFFICE EXPENDITURES						
37	OFFICE EXPENSE	20,000	41,386.18	45,000	-125.0%	40,000	-11.1%
38	POSTAGE	1,000	67.28	81	91.9%	1,000	no change
39	TELEPHONE	10,000	6,223.36	7,468	25.3%	8,000	7.1%
40	UTILITIES	15,000	2,957.00	10,548	29.7%	17,000	61.2%
41	SERVICE EXPENDITURES						
42	COMPUTER, WEBSITE AND PHONE SUPPORT	50,000	50,601.30	54,000	-8.0%	54,000	0.0%
43	GENERAL MANAGER AND STAFF TRAVEL	25,000	18,863.98	22,637	9.5%	25,000	10.4%
44	NEW SUCCESSION PLANNING (see pg. 22)					65,000	new
45	INSURANCE AND BONDS	35,000	48,783.65	49,000	-40.0%	55,000	12.2%
46	ACCOUNTING AND AUDITING	23,000	20,000.00	20,000	13.0%	22,000	10.0%
47	DUES AND ASSESSMENTS	45,000	48,838.00	42,000	6.7%	45,000	7.1%
48	OTHER PROFESSIONAL SERVICES	75,000	24,945.41	35,000	53.3%	35,000	0.0%
49	PUBLIC INFORMATION (see pg. 22 and 29)	60,000	9,626.03	9,626	84.0%		
50	BANK CHARGES	1,000	25.00	25	97.5%	1,000	no change
51	MISCELLANEOUS EXPENSES	2,000	0.00	0	100.0%	1,000	reduced
52	MAINTENANCE AND EQUIPMENT EXPENDITURES						
53	TOOLS PURCHASE AND MAINTENANCE	3,000	499.66	600	80.0%	2,000	233.6%
54	MAINTENANCE AND REPAIRS - VEHICLE	10,000	4,492.60	6,000	40.0%	10,000	66.7%
55	MAINTENANCE AND REPAIRS - BUILDING	30,000	16,195.11	20,000	33.3%	40,000	100.0%
56	MAINTENANCE AND REPAIRS - FIELD	40,000	37,974.59	45,000	-12.5%	50,000	11.1%
57	CONTRACT OPERATIONS AND MAINTENANCE (see pg. 22)	220,000	54,597.09	55,000	75.0%		
58	WATER TREATMENT EXPENSE (see pg. 22)	130,000	35,626.37	41,000	68.5%		
59	COUNTY EXPENDITURES						
60	LAFCO COST SHARE	9,000	8,282.94	8,300	7.8%	10,000	20.5%
61	ELECTION EXPENSE	0	0.00	0	0.0%	150,000	%NA
62	TAX COLLECTION CHARGES	52,000	32,127.50	52,000	0.0%	60,000	15.4%
63	TOTAL ADMINISTRATIVE AND PROFESSIONAL SERVICES	1,216,000	696,816	804,928	33.8%	1,089,000	35.3%

SAN GORGONIO PASS WATER AGENCY
DRAFT GENERAL FUND AND CONSIGNED FUND BUDGET FOR FY 2024-25
BASED ON APRIL 2024 BUDGET REPORT

DRAFT

FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				FY JULY 1, 2024 - JUNE 30, 2025	
1	2	3	4	5	6
TOTAL REVISED BUDGET	ACTUAL APRIL 2024	PROJECTED YEAR END	REMAINING PERCENT	PROPOSED FY 2024-25	%Projected to Proposed

GENERAL FUND - EXPENSES

66	CONSULTING AND ENGINEERING SERVICES						
67	PLANS & CONSTRUCTION						
68	INFRASTRUCTURE PLAN - Phase 2	25,000	5,913.20	7,096	71.6%	25,000	252.3%
69	BACKBONE INFRASTRUCTURE STUDY AND DESIGN	150,000	12,325.00	14,790	90.1%	150,000	914.2%
70	BUNKER HILL BANKING AND RECOVERY PROGRAM	75,000	0.00	0	100.0%	75,000	%NA
71	CALIMESA AREA RECHARGE	250,000	58,255.50	69,907	72.0%	1,250,000	1688.1%
72	SMALL SYSTEM ASSISTANCE PROGRAM	150,000	90,537.04	108,644	27.6%	210,000	93.3%
73	SIGNAGE AND FRONTAGE BROOKSIDE EAST	100,000	0.00	0	100.0%	75,000	%NA
74	NEW MONITORING WELL DRILLING (see pg. 24)					2,300,000	new
75	NEW HELI-HYDRANT (see pg. 24 and 25)					1,800,000	new
76	OTHER PROJECTS						
77	WATER BANKING INVESTIGATIONS	100,000	0.00	0	100.0%	25,000	%NA
78	SAN GORGONIO GSA	50,000	15,438.60	18,526	62.9%	50,000	169.9%
79	YUCAIPA GSA VERBENIA GSA	10,000	2,612.50	2,600	74.0%	10,000	%NA
80	FLUME MONITORING AND SUPPORT	30,000	0.00	0	100.0%	30,000	%NA
81	STUDIES AND REPORTS						
82	FINANCIAL MODELING + RATE STUDY	70,000	5,320.00	6,384	90.9%	90,000	1309.8%
83	USGS STUDIES AND MONITORING	250,000	166,143.48	215,000	14.0%	300,000	39.5%
84	INFRASTRUCTURE AND EASEMENT INVENTORY (pg. 26)	75,000					
85	DISCHARGE PERMIT (see pg. 26)	25,000					
86	WATER PORTFOLIO	125,000	80,089.10	96,107	23.1%	100,000	4.1%
87	LOCAL SUPPLIES	50,000	11,515.02	13,818	72.4%	50,000	261.8%
88	LOCAL RECHARGE FEASIBILITY STUDIES/PLANNING	700,000	8,325.00	9,990	98.6%	750,000	7407.5%
89	UWMP SUPPORT AND ANNUAL REPORT COMPLETION	25,000	0.00	0	100.0%	25,000	%NA
90	STRATEGIC PLAN UPDATE (see pg. 27)	20,000	11,956.25	14,348	28.3%		
91	GENERAL ENGINEERING SERVICES						
92	ON-CALL AGENCY ENGINEER	250,000	0.00	0	100.0%	250,000	%NA
93	GRANT SUPPORT SERVICES	75,000	42,962.50	51,555	31.3%	75,000	45.5%
94	FEDERAL - STATE ADVOCATE	30,000	0.00	0	100.0%	30,000	%NA
95	SAWPA REGIONAL PROJECTS	36,000	29,071.05	34,885	3.1%	36,000	3.2%
96	GENERAL ENGINEERING and ENVIRONMENTAL	150,000	3,052.80	3,663	97.6%	75,000	%NA
97	TOTAL CONSULTING AND ENGINEERING SERVICES	2,821,000	543,517	667,313	76.3%	7,781,000	1066.0%

SAN GORGONIO PASS WATER AGENCY
DRAFT GENERAL FUND AND CONSIGNED FUND BUDGET FOR FY 2024-25
BASED ON APRIL 2024 BUDGET REPORT

DRAFT

FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				FY JULY 1, 2024 - JUNE 30, 2025	
1	2	3	4	5	6
TOTAL REVISED BUDGET	ACTUAL APRIL 2024	PROJECTED YEAR END	REMAINING PERCENT	PROPOSED FY 2024-25	%Projected to Proposed

GENERAL FUND - EXPENSES

101	LEGAL SERVICES						
102	LEGAL SERVICES	150,000	170,257.41	204,309	-36.2%	200,000	-2.1%
103	TOTAL LEGAL SERVICES	150,000	170,257	204,309	-36.2%	200,000	-2.1%
105	CONSERVATION AND EDUCATION						
106	SCHOOL EDUCATION PROGRAMS	45,000	25,200.00	45,000	0.0%	60,000	33.3%
107	ADULT EDUCATION AND SOCIAL MEDIA (see pg. 29)	10,000	9,000.00	9,000	10.0%		
108	NEW NAME: PUBLIC INFORMATION AND EDUCATION	10,000	9,000.00	18,000	-80.0%	260,000	1344.4%
109	SPONSORSHIPS	6,000	11,245.00	11,245	-87.4%	0	
110	NEW: TRANSFER TO PASS FOUNDATION					32,000	new
111	CONSERVATION, EDUCATION AND PUBLIC RELATIONS	20,000	7,583.12	9,100	54.5%		
112	NEW: 65th ANNIVERSARY CELEBRATION (see pg. 29)	0	0.00	0		20,000	new
	TOTAL CONSERVATION AND EDUCATION	91,000	62,028	92,345	-1.5%	372,000	302.8%
114	MAJOR AND CAPITAL EXPENDITURES						
115	BUILDING AND EQUIPMENT						
116	BUILDING	50,000	0.00	0	100.0%	50,000	%NA
117	NEW FRONT LANDSCAPING (see pg. 30)					75,000	new
118	FURNITURE AND OFFICE EQUIPMENT	25,000	0.00	0	100.0%	25,000	%NA
119	OTHER EQUIPMENT	30,000	0.00	30,000	0.0%	20,000	-33.3%
120	NEW VEHICLES (see pg. 30)					125,000	new
121	SITES RESERVOIR	2,800,000	2,240,000.00	2,240,000	20.0%	560,000	-75.0%
122	TOTAL MAJOR AND CAPITAL EXPENDITURES	2,905,000	2,240,000	2,270,000	21.9%	855,000	-62.3%
124	TRANSFERS TO OTHER FUNDS						
126	TOTAL GENERAL FUND EXPENSES	19,306,000	12,471,501	14,377,519	25.5%	20,980,000	45.9%
128	GENERAL FUND NET INCOME YTD	484,000	-1,437,001	4,751,549		4,867,000	

SAN GORGONIO PASS WATER AGENCY
DRAFT GENERAL FUND AND CONSIGNED FUND BUDGET FOR FY 2024-25
BASED ON APRIL 2024 BUDGET REPORT

DRAFT

FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				FY JULY 1, 2024 - JUNE 30, 2025	
1	2	3	4	5	6
TOTAL REVISED BUDGET	ACTUAL APRIL 2024	PROJECTED YEAR END	REMAINING PERCENT	PROPOSED FY 2024-25	%Projected to Proposed

CONSIGNED - SWP SUPPORT FUND

CONSIGNED - SWP SUPPORT FUND - INCOME						
134	INCOME					
135	UNITARY TAX REVENUE ALLOCATED	6,600,000	3,206,527.49	6,600,000	0.0%	7,200,000 9.1%
136	INTEREST	15,000	210,303.98	252,365	1582.4%	240,000 -4.9%
137	OTHER INCOME	0	0.00			
138	TOTAL SWP SUPPORT FUND INCOME	6,615,000	3,416,831	6,852,365	3.6%	7,440,000 8.6%
141	CONSIGNED - SWP SUPPORT FUND - EXPENSES					
143	EXPENDITURES					
144	TAX COLLECTION CHARGES	16,000	8,217.13	16,000	0.0%	18,000 12.5%
145	OTHER EXPENSES	0	0.00			0
146	TOTAL SWP SUPPORT FUND EXPENSES	16,000	8,217	16,000	0.0%	18,000 12.5%
148	TRANSFERS TO OTHER FUNDS					
150	CONSIGNED - SWP SUPPORT FUND NET INCOME YTD	6,599,000	3,408,614	6,836,365		7,422,000

SAN GORGONIO PASS WATER AGENCY
DRAFT GENERAL FUND AND CONSIGNED FUND BUDGET FOR FY 2024-25
BASED ON APRIL 2024 BUDGET REPORT

DRAFT

FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				FY JULY 1, 2024 - JUNE 30, 2025	
1	2	3	4	5	6
TOTAL REVISED BUDGET	ACTUAL APRIL 2024	PROJECTED YEAR END	REMAINING PERCENT	PROPOSED FY 2024-25	%Projected to Proposed

GAP FUNDING PROGRAM

188 GAP FUNDING PROGRAM - INCOME

189	CABAZON WATER DISTRICT #1	1,000,000	9,787.96	95,746	96,000
190	SOUTH MESA WATER COMPANY			0	2,000,000
191	HIGH VALLEYS WATER DISTRICT			0	500,000
192	NEW BANNING HEIGHTS MUTUAL WATER CO.			0	0
193					
194					
195	TOTAL INCOME	1,000,000	9,788	95,746	2,596,000

197 GAP FUNDING PROGRAM - EXPENSES

198	CABAZON WATER DISTRICT #1	500,000	105,533.66	105,534	0
199	SOUTH MESA WATER COMPANY			0	5,000,000
200	HIGH VALLEYS WATER DISTRICT			0	1,000,000
201	NEW BANNING HEIGHTS MUTUAL WATER CO.			0	0
202					
203					
204	TOTAL EXPENSE	500,000	105,534	105,534	6,000,000
206	GAP FUNDING PROGRAM NET BALANCE YTD	500,000	-95,746	-9,788	-3,404,000

NOTES

In the 'Over/Under Budget' column, the highlighted percentage changes from red to black depending on:

For Income: less income than budgeted- under budget
more income than budgeted - over budget

For Expenses: less spent than budgeted - under budget
more spent than budgeted - over budget

LINE ITEM AND PROJECT DESCRIPTIONS, page 1

GENERAL FUND INCOME

Other Water Sales (line #2)

This new item records income from water that is sold from banking operations or other water sales activity. This item is separate from the Water Sales line item, which is for water sold to retailers within the Agency service area. There is no amount projected at this time, but water deals are being contemplated for this fiscal year.

Tax Revenue (reference line #3)

Tax revenue for the General Fund comes from the Agency's allocation of the 1% property tax collected by the County of Riverside. As shown on the HdL Property Tax Dollar Breakdown graphic in that section of this document, the Agency's share is 0.2131% of the County-wide collection, and is determined by a formula maintained by the County Auditor.

Government Contributions (#5)

The Agency participates in a number of joint efforts in which other districts and agencies agree to share the cost. Sometimes, the Agency is the lead for a study or a consulting contract. This budget item is for income that is reimbursed to the Agency for these expenditures.

Grant Revenue (#6)

This is a new line item that was originally included in Government Contributions. Because of the magnitude of grant revenue expected in the coming years, Staff decided to separate the items to make tracking these income streams easier. The Agency has been formally approved for \$2,055,000 from DWR for nested monitoring wells. In addition, the Agency has been tentatively approved for \$1,800,000 for the Heli-Hydrant project and \$3,000,000 for the County Line Road project in America Rescue Plan Act funds. Finally, the Agency has been tentatively approved for \$400,000 for planning for the Brookside West project from the U.S. Bureau of Reclamation. The Agency expects to receive a portion of these grants in FY 2024-25.

Other Miscellaneous Income (#7)

This line item includes a variety of small-dollar receipts that the Agency receives in a year. Income from the cell tower lease falls in this item. Additionally, credits for an unused service, cash-back credit from the Wells Fargo credit card, or a refund for a returned purchase could be included.

LINE ITEM AND PROJECT DESCRIPTIONS, page 2

GENERAL FUND EXPENSES

Category: Commodity Purchase

Purchased Water for Banking (Future Sale) (#13)

This provides for water purchased that will be held for a period of time before being sold.

Category: Salaries and Employee Benefits

Salaries (#17)

This item covers all General Fund employee salaries and pay. Salaries for some employees is allocated between the General Fund and the Debt Service Fund, so this is not the total estimate for all salaries and pay for the Agency. This is calculated by reviewing current pay levels, then estimating potential increases, for example, COLA and merit increases. This amount is allocated between funds. Finally, an estimate for a potential new employee was added.

Retirement (#20)

This item covers all expenses related to retirement payments made to CalPERS and other Agency retirement obligations. It also includes the General Fund's allocated share of a \$200,000 payment to lower the Unfunded Accrued Liability (UAL) with CalPERS.

Other Post-Employment Benefits (OPEB) (#21)

This item covers pay-as-you-go expenses related to the Agency's obligations for health care for retirees and includes the General Fund's allocated share of a \$100,000 payment to pre-fund future Agency obligations.

Category: Administrative and Professional Services

Directors Expenditures (#33 thru #35)

For directors fees and medical reimbursements, these estimates are based on maximum potential Agency expenditures for these items. The estimate for travel and education is based on previous experience.

LINE ITEM AND PROJECT DESCRIPTIONS, page 3

Office Expense (#37)

This item seems self-explanatory but includes more than office supplies. Examples include (but aren't limited to) postage meter rental charges, copier charges, subscriptions, Board supplies, and name plaques.

Succession Planning (#44)

This is a new item, and includes salary survey studies, recruitment efforts and associated costs for hiring new personnel.

Other Professional Services (#48)

Throughout the year, various reports and services are necessary for information for the Board or Staff or to complete mandated requirements. Examples include actuarial studies for Other Post-Employment Benefits, tax projections from HdL, and assistance with accounting matters.

Public Information (#49)

This item has been deleted from the Administrative and Professional Services category and combined with Public Information and Education in the Conservation and Education category.

Maintenance and Equipment Expenditures (#53 thru #56)

These items are generally self-explanatory. Field maintenance includes weed abatement, recharge pond maintenance, and other service and maintenance requirements for Agency real property.

Contract Operations and Maintenance (#57)

Water Treatment Expense (#58)

Both these items are being transferred to the Debt Service Budget.

LAFCO Cost Share (#60)

The Local Agency Formation Commission is a regional service planning agency mandated by the State of California. This is our annual share of the cost of maintaining that agency.

LINE ITEM AND PROJECT DESCRIPTIONS, page 4

Election Expense (#61)

This item appears in the budget every other year, based on the election cycle. This is an estimate, based on previous years. There is the possibility that there will only be a minimal cost, if the current Board members run unopposed. But there is also the possibility that all four Board members could face challengers, which would be the maximum cost. In addition, County fees seem to increase each year, so this is only a 'guestimate.'

Category: Consulting and Engineering Services

Infrastructure Plan (#68)

This project models the State Water Project system from the Delta to the SGPWA service area, which gives the Agency a basis for making informed decisions on optimizing water deliveries to our service area.

Backbone Infrastructure Study and Design (#69)

This study will investigate the feasibility of installing a form of conveyance from San Geronio Pass Water Agency facilities to deliver water to groundwater facilities within the Banning and Cabazon Groundwater Basins. The study will identify potential alignments for a pipeline, identify the necessary facilities to deliver State Water Project water or other water supplies.

Bunker Hill Banking and Recovery Program (#70)

Working with San Bernardino Valley Municipal Water District (SBVMWD), a water banking program will be studied and evaluated for a potential program to allow the Agency to store and retrieve water in the Bunker Hill Basin which is inside the SBVMWD service area.

Calimesa Area Recharge (#71)

This is a proposed joint conjunctive-use water supply project between SBVMWD and SGPWA located in the City of Calimesa. This project would include the construction of a water recharge basin, a turnout that connects to the East Branch Extension of the State Water Project, and a pipeline down 4th Street in Calimesa.

LINE ITEM AND PROJECT DESCRIPTIONS, page 5

Small Water Assistance Program (#72)

This program leverages the expertise of the California Rural Water Association (CRWA) to offer a comprehensive range of technical, managerial, financial, and grant support services to small water systems within our service area. Currently, support is being provided to Cherry Valley Water Company, High Valleys Water District, and Cabazon Water District. We plan to expand this program and the services offered by CRWA to include Banning Heights Mutual Water Company and Plantation on the Lake. In response to feedback from our retailers, we will also offer several water treatment and distribution courses that provide attendees with Continuing Education Units (CEUs) for their certifications. The goal of this program is to equip small water systems with the necessary technical assistance to position them for successful grant applications for their needed improvement projects.

Signage and Frontage Brookside East (#73)

This project is a part of the City of Beaumont's plan to beautify the intersection of Beaumont Ave and Brookside Ave. The project will be designed to develop and construct signage and frontage improvements in conjunction with the City's plans for this intersection.

Monitoring Well Drilling (#74)

This new line item funds the United States Geological Survey (USGS) to conduct the Nested Casings Monitoring Wells Project for the San Gorgonio Pass Groundwater Sustainability Agency (GSA). The project will significantly enhance the understanding of groundwater conditions, flow patterns, and quality within the San Gorgonio Pass region, particularly in the data gap area identified in the Groundwater Sustainability Plan (GSP). The majority of the expenses for this initiative will be covered by a grant from the Department of Water Resources (DWR), allowing the Agency to leverage external funding for this crucial activity. The budget also includes resources for site preparation, drilling operations, data analysis, and reporting to ensure comprehensive and effective monitoring well installation and utilization.

Heli-Hydrant (#75)

This is a new item. This project will facilitate the construction of six Heli-Hydrant systems in the Agency's service area. A Heli-Hydrant is a specifically designed facility, basically a fire hydrant for helicopters, attached to a water source that allows fire-fighting helicopters to refill their water tanks. This helps provide regional protection against wildfires. The County of Riverside

LINE ITEM AND PROJECT DESCRIPTIONS, page 6

has approved American Rescue Plan Act (ARPA) funds in support of this project. The Agency would receive and disburse the ARPA funds to partners in the region to construct the six Heli-Hydrants.

Water Banking Investigations (#77)

With recharge capacity limitations locally, the Agency has a need to find external opportunities to store water outside of our boundaries. Consultants will assist with the exploration of various water banking opportunities across the state of California that most fit with the needs of the Agency.

San Gorgonio GSA (#78)

This budget line item covers the Agency's participation in the San Gorgonio Pass Groundwater Sustainability Agency (GSA). As a member, the Agency contributes to the development and implementation of the Groundwater Sustainability Plan (GSP) and the preparation of the Annual Report required by the Department of Water Resources (DWR). These efforts ensure sustainable groundwater management practices within the San Gorgonio Pass Subbasin area. The costs associated with these activities, including data collection, analysis, project planning, and annual report generation, are shared among all GSA members, which include Banning Heights Mutual Water Company, Cabazon Water District, City of Banning, Desert Water Agency, and Mission Springs Water District. This collaboration is essential for achieving long-term groundwater sustainability and compliance with state regulations.

Yucaipa GSA and Verbena GSA (#79)

This budget line item covers the costs associated with the Agency's participation in the Yucaipa Groundwater Sustainability Agency (GSA) and the Verbena Groundwater Sustainability Agency (GSA). This includes contributions to the development and implementation of the Yucaipa Subbasin Groundwater Sustainability Plan (GSP) and the generation of Annual Reports required by the Department of Water Resources (DWR). The funding supports activities such as data collection, analysis, project planning, and annual report preparation. These efforts are crucial for maintaining compliance with state regulations, promoting sustainable groundwater management practices, and ensuring the long-term viability of the groundwater resources within the Yucaipa and Verbena subbasins.

LINE ITEM AND PROJECT DESCRIPTIONS, page 7

Flume Monitoring and Support (#80)

This budget line item funds the Agency's efforts to help preserve the water supply provided by the flume to the Banning Heights Mutual Water Company and the City of Banning. The Agency has been dedicated to this initiative for many years, recognizing its critical importance for the region's water security. The funding supports activities such as monitoring the flume's condition and collaborating with the City of Banning to ensure the continued viability of this water source. Additionally, this line item allocates resources for technical assistance, infrastructure improvements, and necessary studies to maintain the long-term sustainability and reliability of the flume system.

Financial Modeling + Rate Study (#82)

As the region has developed, so has the need to expand facilities, both internally and externally. With these changes, it is necessary to update the Agency financial model to accommodate these new aspects. As a part of this work, the updated financial model will help to facilitate a new rate study for the Agency.

USGS Studies and Monitoring (#83)

This budget line item funds the United States Geological Survey (USGS) for collecting water level and water quality data, which supports the Agency's various groundwater modeling and reporting requirements. Additionally, it includes specific studies requested by the Agency to address emerging concerns or particular project needs, such as gravity surveys, data documentation, reporting, interpretation, and publications. This ongoing effort appears annually in the budget, with the Board reviewing and approving a new contract each year. USGS studies are crucial for ensuring accurate groundwater assessments, aiding in effective resource management, and fulfilling regulatory and planning obligations.

Infrastructure and Easement Inventory (#84)

Discharge Permit (#85)

These items will not have separate line items because they are included in the list of projects handled by the On-Call Agency Engineer, so are being removed from the spreadsheet.

Water Portfolio (#86)

The regulatory landscape in the water industry undergoes never-ending changes. This leads to an adjustment of anticipated water supplies over time. This project analyzes the Agency's existing water supplies in the context of these changing

LINE ITEM AND PROJECT DESCRIPTIONS, page 8

regulatory conditions and applies this to the Agency's future forecasted demands. Part of this effort also identifies various alternative sources of water that may be necessary in the future to ensure regional water supply security for decades to come.

Local Supplies (#87)

Keeping local water local is always a welcome goal. As an importer of water, it isn't in the Agency's scope to directly provide recycled water to customers, but the Agency can assist with facilitating recycled water projects through thoughtful accommodation in the construction of our facilities. This line item investigates the potential for joint-use facilities that can accommodate imported water, recycled water, and stormwater capture to ensure the most effective use of regional resources.

Local Recharge Feasibility Studies/Planning (#88)

The expansion of regional groundwater recharge projects has become necessary to facilitate additional water needs of customers in the SGPWA service area. To accommodate this need, the Agency is actively investigating recharge projects in the Beaumont Basin. This includes the groundwater recharge project at Brookside West as well as at the Danny Thomas Ranch.

UWMP Support and Annual Report Completion (#89)

This budget line item funds the activities required for the development, maintenance, and updating of the Agency's Urban Water Management Plan (UWMP). Key tasks include compiling data, conducting analyses, and preparing comprehensive annual reports with our retailers. These reports are essential for tracking water usage throughout our service area, meeting regulatory requirements, and providing stakeholders with up-to-date information on water management strategies and projects. The funding ensures that all necessary tasks for the UWMP are completed efficiently and thoroughly as required by law, supporting the Agency's commitment to sustainable and effective water resource management.

Strategic Plan Update (#90)

This item has been substantially completed. No further expenditures are planned for the upcoming fiscal year.

LINE ITEM AND PROJECT DESCRIPTIONS, page 9

On-Call Agency Engineer (#92)

The Agency secured the on-call engineering services of two engineering firms in FY 2023-24. This is a continuation of those services.

Grant Support Services (#93)

This budget line item funds various consultants who assist Agency staff in drafting and submitting grant applications for capital improvement projects. These consultants provide specialized expertise in grant writing, project planning, and regulatory compliance, ensuring that our proposals are comprehensive, competitive, and aligned with funding requirements. Their support enhances the Agency's ability to secure the financial resources necessary for infrastructure development, planning, design, and construction, thereby promoting the successful execution of our capital improvement projects.

Federal – State Advocate (#94)

These funds are planned for advocacy efforts that may be necessary to support proposed grant funding of Agency projects.

SAWPA Regional Projects (#95)

A portion of the Agency's service area falls within the Santa Ana Watershed Project Authority (SAWPA) boundaries. To support the management and sustainability of this critical water resource, the Agency collaborates with SAWPA on various regional projects. These projects include annual monitoring of salinity and nitrogen concentrations, administering regional multi-agency task forces, and evaluating new and emerging regulations on constituents of concern. By sharing the cost of these studies and task forces, the Agency contributes to a comprehensive understanding of the watershed's health, helping to ensure the long-term viability and quality of the water supply for the Agency.

General Engineering and Environmental (#96)

This line item provides funds for small projects that come up each year that need small-dollar contracts to complete. Some past examples include designing and constructing the Agency's algaecide injection facility, advice and procurement of a mast for the recent EarthCam installation, and preparing and delivering a Notice of Exemption for a recent project.

LINE ITEM AND PROJECT DESCRIPTIONS, page 10

Category: Conservation and Education

Public Information and Education (#108)

Previous budgets had three different line items related to social media, public education, conservation-related activities that were targeted for the general public, as well as other educational efforts, such as workshops and events. This is the new title that combines three different line items: Public Information (line 49), Adult Education and Social Media (line 107), and Conservation, Education and Public Relations (line 111). The Agency has secured the services of C V Strategies to provide comprehensive public outreach services, such as social media, advertising campaigns, press releases, special events, branding, and other activities to inform the general public about Agency-related efforts to provide water for the region.

Sponsorships (#109)

This line item will be retained as a placeholder at this time. Most of the sponsorship expenditures will be made by the newly formed Pass Water Agency Foundation. If necessary, this will be adjusted at Board direction.

Transfer to Pass Foundation (#110)

This is a new line item necessary to provide funds for the newly formed Pass Water Agency Foundation. The amount suggested by Staff approximates expected income from the cell tower lease, but can be more or less, depending on Board decisions.

65th Anniversary Celebration (#112)

The Agency's 65th anniversary will be in 2026. The Committee suggested producing a yearbook, which takes 12 to 18 months. The amount suggested would allow the Agency to secure a vendor to start working on the yearbook, as well as provide for some initial planning. The full budget would be included in the FY2025-26 budget, after consultation with C V Strategies and/or other vendors who might be involved in the event.

LINE ITEM AND PROJECT DESCRIPTIONS, page 11

Category: Major and Capital Expenditures

Front Landscaping (#117)

This is a new line item. Because of the general decline in the landscaping and the water conservation garden, the Board authorized STB Landscape Architects in 2021 to consult on the current state of Agency landscaping and provide an updated plan for repair and rejuvenation. No further action has been taken since then, and the landscaping continues to degrade. Recently, landscaping maintenance personnel have noted that the trees in the front of the building are diseased. Possible consequences range from a general unsightly look to building damage if a branch should fall or the trees become unstable enough to be blown into the building. Generally, the entrance to the building is not an attractive statement for the Agency. Staff recommend reviewing the updated plan and repairing and/or replacing just the front part of the landscaping of Agency premises to regain an attractive presence and for the safety of Agency property.

Vehicles (#120)

This is a new line item, included in case a new vehicle is needed to replace an existing vehicle or a new vehicle needs to be added to our fleet. There are a number of uncertainties, not only related to the age and condition of our existing fleet, but also related to legislative actions that may be enacted during the next budget cycle.

Sites Reservoir (#121)

The Agency continues to maintain a substantial participation position with the Sites Reservoir Project. At this time, the budgeted amount is likely to be required January of 2025, but is less than expected due to projected expenditures for planning being less than anticipated.

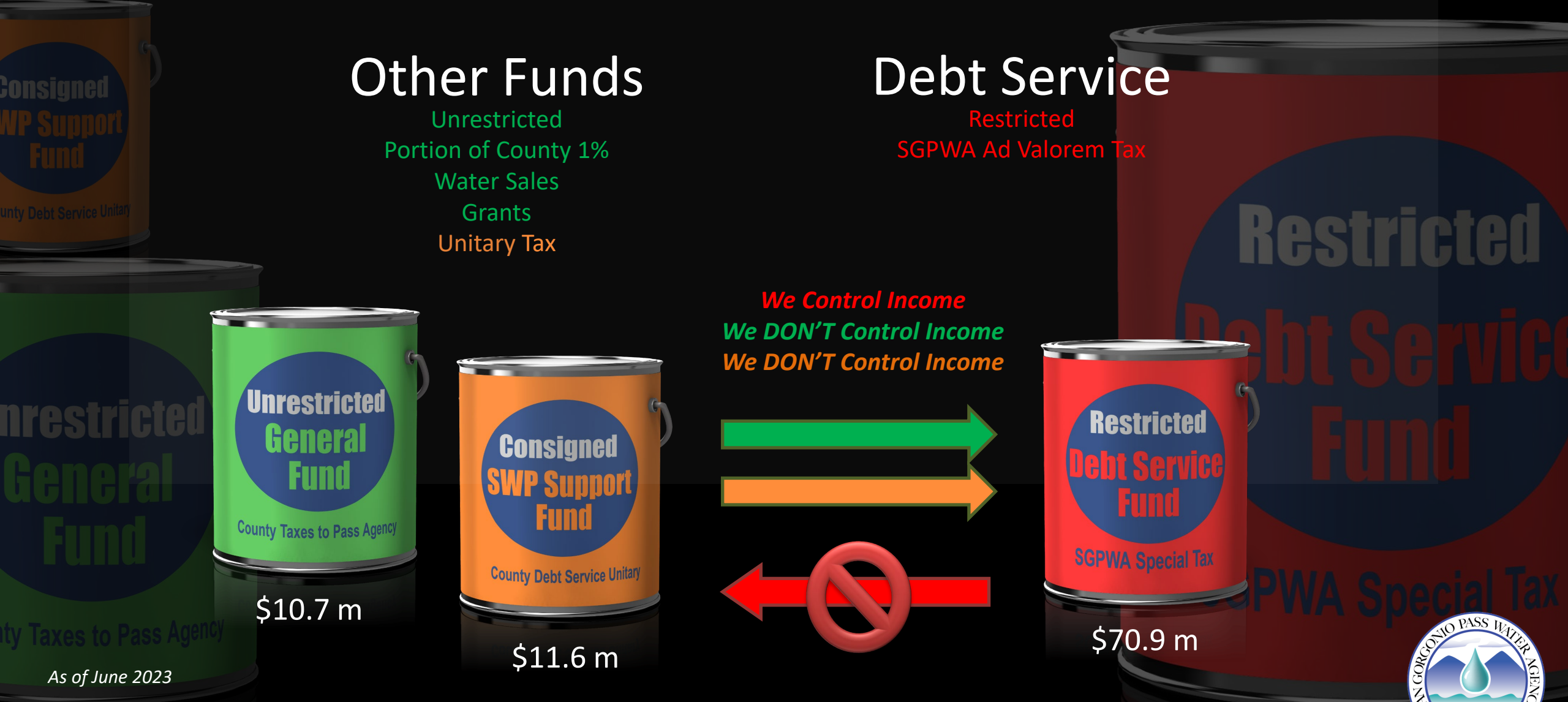
The State of the Buckets

Other Funds

- Unrestricted
- Portion of County 1%
- Water Sales
- Grants
- Unitary Tax

Debt Service

- Restricted
- SGPWA Ad Valorem Tax



As of June 2023





SAN GORGONIO PASS WATER AGENCY

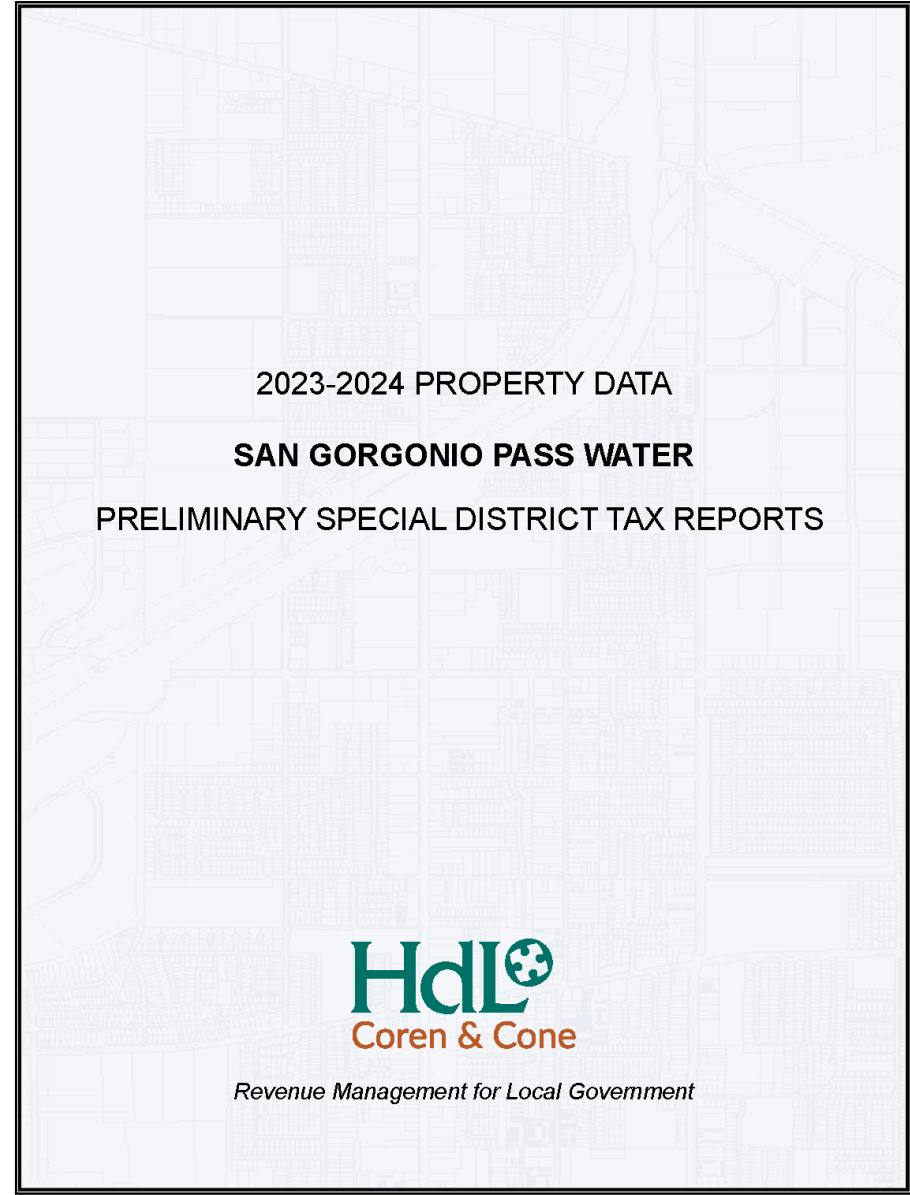
PROPERTY TAX REVIEW

2023-24

AND FORECAST FOR

2024-25

December 18, 2023



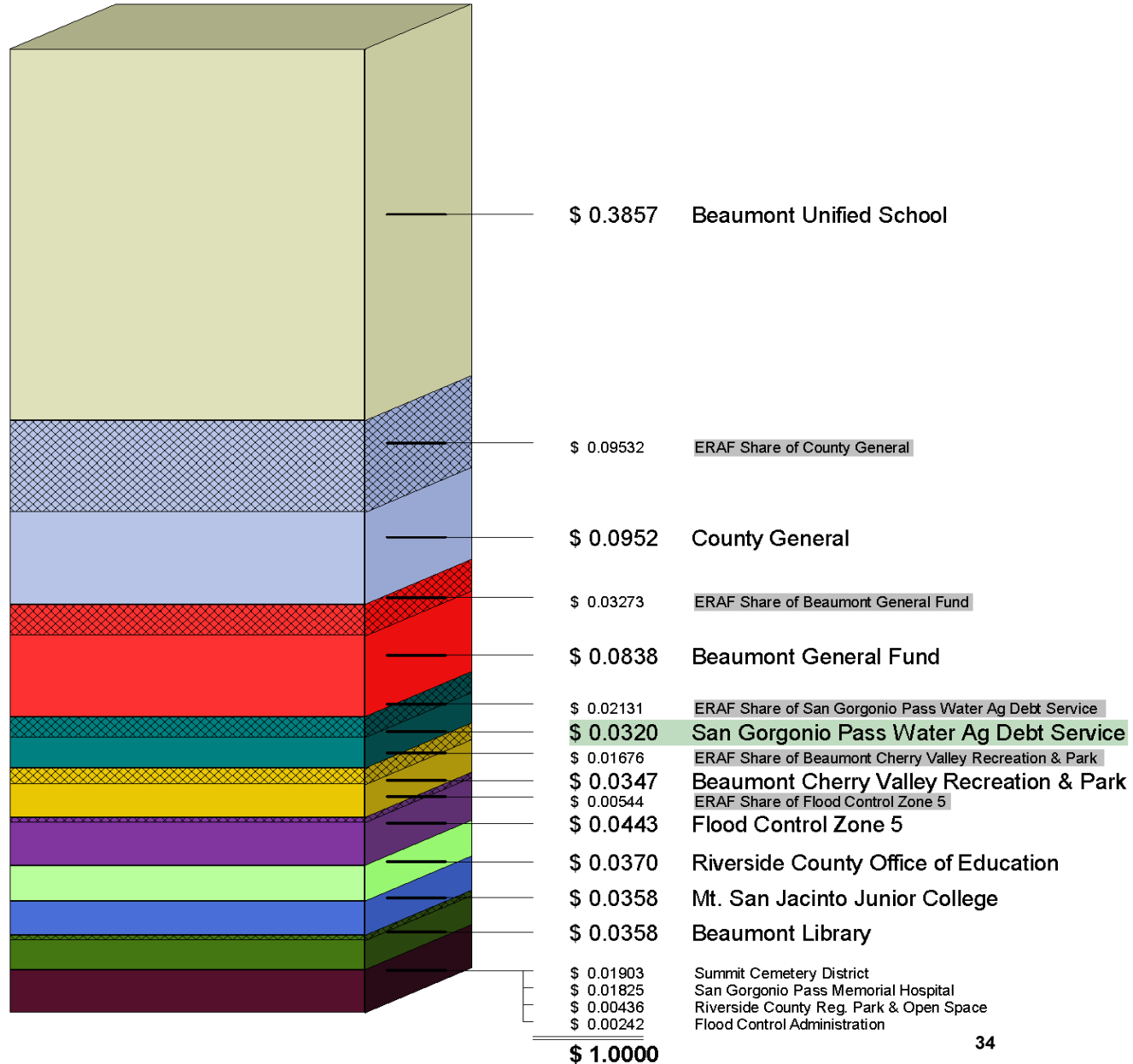


SAN GORGONIO PASS WATER TRANSFER OF OWNERSHIP (2019 - 2023)

<u>Single Family Residential</u>					<u>Multifamily, Commercial, Industrial, Vacant</u>				<u>Totals</u>				
Tax Year	# SFR Sales	Original Values	Sale Price	% Change	Non SFR Sales	Original Values	Sale Price	% Change	Total Sales	Original Values	Sale Values	% Change	\$ Change
ENTIRE DISTRICT <i>Valid Sales Price Analysis</i>													
2023 1/1/23-10/31/23	1,362	\$384,118,200	\$607,354,543	58.1%	548	\$117,578,293	\$355,593,625	202.4%	1,910	\$501,696,493	\$962,948,168	91.9%	\$461,251,675
2022 1/1/22-12/31/22	2,077	\$540,466,189	\$1,012,077,025	87.3%	904	\$167,139,403	\$640,648,518	283.3%	2,981	\$707,605,592	\$1,652,725,543	133.6%	\$945,119,951
2021 1/1/21-12/31/21	2,596	\$609,405,386	\$1,097,913,466	80.2%	948	\$233,526,801	\$523,369,784	124.1%	3,544	\$842,932,187	\$1,621,283,250	92.3%	\$778,351,063
2020 1/1/20-12/31/20	2,086	\$523,192,812	\$753,156,611	44.0%	778	\$135,844,822	\$392,754,324	189.1%	2,864	\$659,037,634	\$1,145,910,935	73.9%	\$486,873,301
2019 1/1/19-12/31/19	1,952	\$491,340,845	\$644,182,163	31.1%	851	\$130,392,848	\$316,401,730	142.7%	2,803	\$621,733,693	\$960,583,893	54.5%	\$338,850,200
DISTRICT NON SA AREA <i>Valid Sales Price Analysis</i>													
2023 1/1/23-10/31/23	1,265	\$361,292,187	\$566,955,395	56.9%	399	\$95,781,568	\$269,870,142	181.8%	1,664	\$457,073,755	\$836,825,537	83.1%	\$379,751,782
												<i>Est. Revenue Change:</i>	\$183,655.34
2022 1/1/22-12/31/22	1,895	\$500,253,123	\$933,221,749	86.5%	710	\$137,535,239	\$538,180,426	291.3%	2,605	\$637,788,362	\$1,471,402,175	130.7%	\$833,613,813
												<i>Est. Revenue Change:</i>	\$247,274.16
2021 1/1/21-12/31/21	2,265	\$543,421,586	\$969,014,705	78.3%	644	\$188,937,654	\$392,464,149	107.7%	2,909	\$732,359,240	\$1,361,478,854	85.9%	\$629,119,614
												<i>Est. Revenue Change:</i>	\$183,071.57
2020 1/1/20-12/31/20	1,762	\$455,939,577	\$646,602,429	41.8%	400	\$90,270,689	\$244,301,467	170.6%	2,162	\$546,210,266	\$890,903,896	63.1%	\$344,693,630
												<i>Est. Revenue Change:</i>	\$105,313.01
2019 1/1/19-12/31/19	1,707	\$441,961,270	\$571,859,759	29.4%	493	\$73,029,828	\$169,599,599	132.2%	2,200	\$514,991,098	\$741,459,358	44.0%	\$226,468,260
												<i>Est. Revenue Change:</i>	\$71,356.29

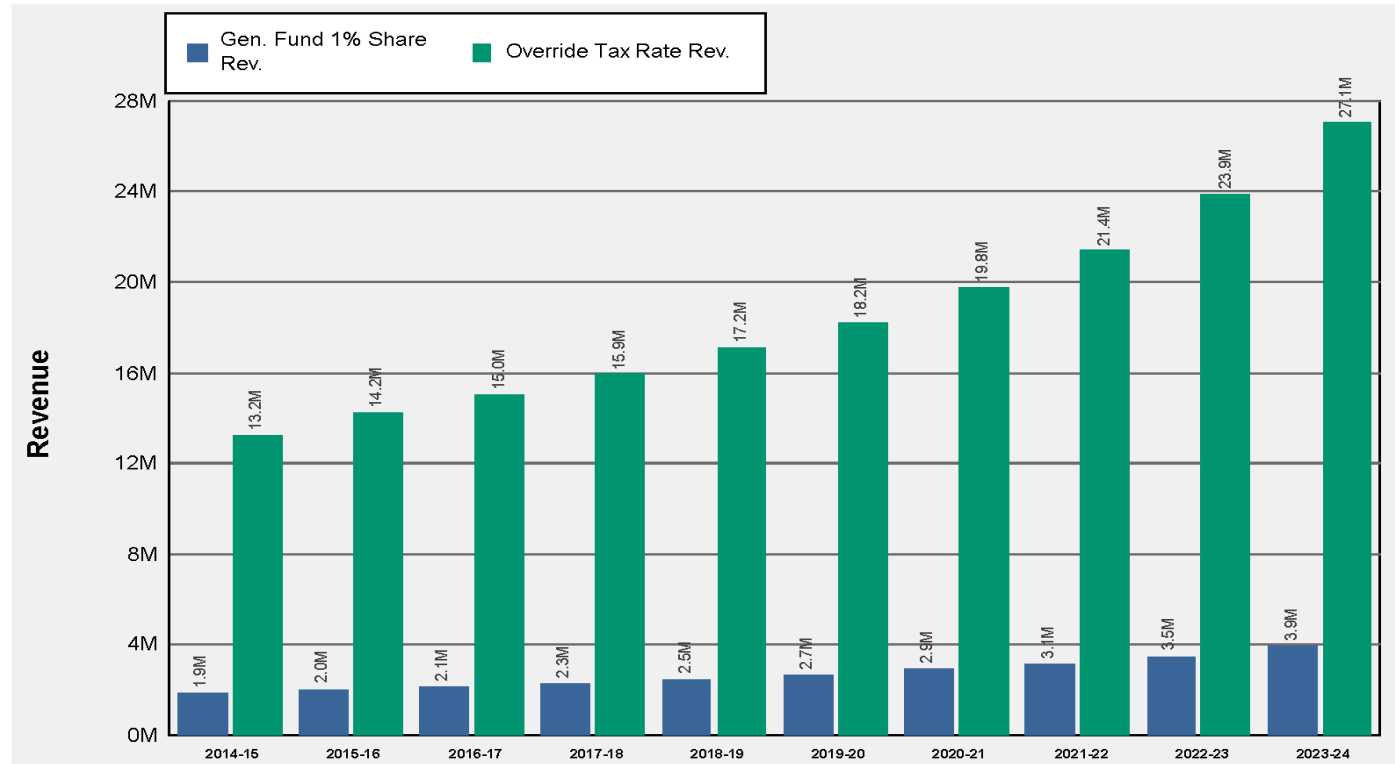
It will require the addition of \$133.6 million in additional value to increase the GF 1% portion of the SGPWA revenue 1% next year in 2024-25. The sales reported in the first 10 months of 2023 with an additive of \$379.7 million will result in the addition of 2.84% to the CPI granted for a conservative growth estimate of 4.52%. New construction added 2.17% to the overall increase this year. Budgeting 1/2 of this amount next year will grow this estimate to 5.6%. The balance of the calendar year sales are not known yet but will likely result in the addition of a modest value increase to this early forecast view. Prop 8 reductions will need to be monitored for a potential negative impact.

SAN GORGONIO PASS WATER PROPERTY TAX DOLLAR BREAKDOWN



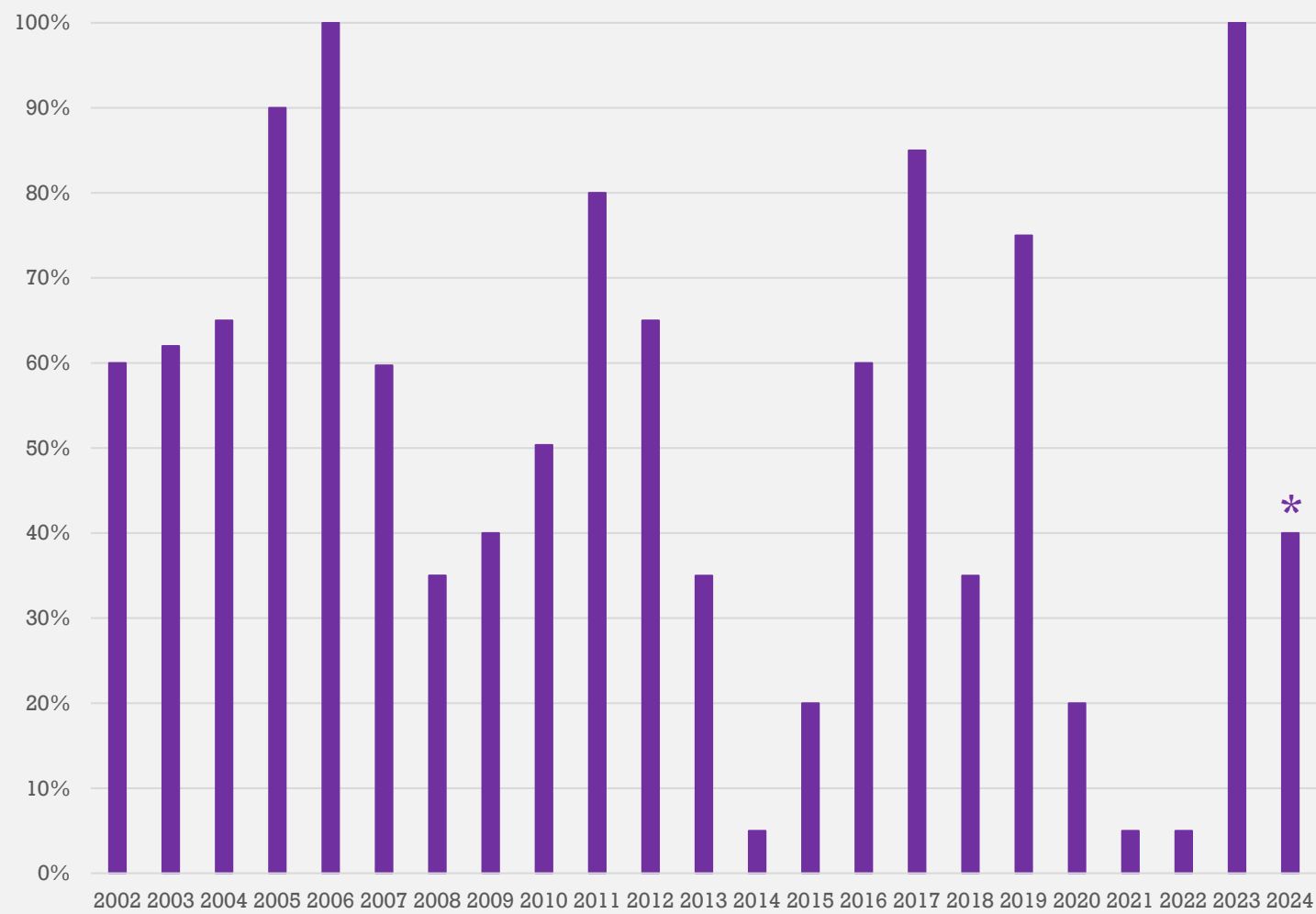
2023-24 RATE FOR STATE
WATER PROJECT 0.175000

Roll Year	Gen. Fund 1% Share Rev.	% Chg	Override Tax Rate Rev.	% Chg
2014-15	\$1,881,521		\$13,227,420	
2015-16	\$2,026,300	7.6%	\$14,223,718	7.5%
2016-17	\$2,141,989	5.7%	\$15,040,530	5.7%
2017-18	\$2,292,484	7.0%	\$15,939,848	5.9%
2018-19	\$2,480,408	8.2%	\$17,150,833	7.6%
2019-20	\$2,667,891	7.5%	\$18,195,740	6.0%
2020-21	\$2,939,769	10.1%	\$19,779,724	8.7%
2021-22	\$3,146,604	7.0%	\$21,408,739	8.2%
2022-23	\$3,491,780	10.9%	\$23,918,845	11.7%
2023-24	\$3,934,896	12.6%	\$27,068,474	13.1%



SGPWA Portfolio @ 40%		
Source	TOTAL (AF)	Delivered
SWP – Carryover SGPWA	8,650	✓
SWP – Carryover Ventura	4,178	✓
SWP – Table A	6,920	
SWP – Ventura	4,000	
Subtotal SWP	23,748	
Non-SWP - Nickel Water	1,700	
Total	25,448	

Historic SWP Allocations



* Final DWR Allocation and Portfolio Subject to Change



2024 SWP Allocation & Portfolio Update

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name and Function	Version 240320
ACWA	Association of California Water Agencies	Affinity organization that provides conferences, training, lobbying and insurance services for water agencies in California
ACWA JPIA	ACWA Joint Powers Insurance Agency	Designation for payments made for property, liability and workers compensation insurance
ACWABE	ACWA Benefits	Designation for dental and life insurance
ALWEAS	Albert Webb Associates	Provides engineering consulting services
AVEK	Antelope Valley-East Kern Water Agency	State Water Contractor
BBK	Best Best & Krieger	Provides legal counsel
BCVWD	Beaumont-Cherry Valley Water District	Provides retail water service in Beaumont
BHMWC	Banning Heights Mutual Water Company	Mutual water company within Agency boundaries
CalPERS	California Public Employees Retirement System	Provides retirement and health insurance services for public agencies in California
CAMP	California Asset Management Plan	Financial entity that advises and manages investments for public agencies in California
COBRA	Consolidated Omnibus Budget Reconciliation Act	Designation for continued health coverage
CONTEM	Control Temp, Inc.	Provides building maintenance for heating and air conditioning
CWD	Cabazon Water District	Retail water agency within Agency boundaries
DUCCLE	Ducking Clean	Provides building maintenance for outside cleaning - gutters and solar panels
DWR	Department of Water Resources	Branch of the California government that is responsible for managing the SWP
EBX	East Branch Extension	Infrastructure from East Branch of SWP to SGPWA service area
EDD	Employee Development Department	State of California department for collection of employment taxes
EFTPS	Electronic Federal Tax Payment System	Federal system for collection of employment taxes
ERSC	Engineering Services of Southern California	Provides engineering consulting services
ESRI	ESRI	Provides mapping services
GSA	Groundwater Sustainability Act	or Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan	
HCN	HCN Bank	Local regional bank; formerly the Bank of Hemet
HdL Coren & Cone		Provide tax revenue consulting services.
HOX	Homeowners Exemption	
HVWD	High Valleys Water District	Mutual water company within Agency boundaries
IERCD	Inland Empire Resources Conservation District	Special District that provides conservation education
LAFCO	Local Agency Formation Commission	Branch of Riverside County government; reviews district and agency formation
LAIF	Local Agency Investment Fund	Financial organization sponsored by California for investments of surplus money

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name and Function	Version 240320
LAMMA	Local Agency Money Market Account	
MAPILA	Matthew Pistilli Landscape Services	Provides landscape and gardening services
OAP	Off-Aqueduct Power	DWR invoice for specific facilities that are not directly part of the SWP aqueduct
OPEB	Other Post-Employment Benefits	
PPIC	Public Policy Institute of California	Think tank on issues in California
PROPRI	Provost & Pritchard	Provides engineering and other consulting services
RC	Riverside County	
RDV	Redevelopment	
SAWPA	Santa Ana Watershed Project Authority	Coordinates activities to protect the Santa Ana watershed
SBE	State Board of Equalization	AKA Unitary taxes
SBVMWD	San Bernardino Valley Municipal Water District	State Water Contractor in San Bernardino County and a partner with EBX
SCADA	Supervisory Control and Data Acquisition	Electronic monitoring and control system used by DWR and other water purveyors
SCWC	Southern California Water Coalition	
SMIF	Surplus Money Investment Fund	State of California depository for government funds that are not currently needed
SMWC	South Mesa Water Company	Retail water agency within Agency boundaries
SRJP	Sites Reservoir Joint Powers Authority	Joint powers authority formed to construct and manage Sites Reservoir
STAINS	Standard Insurance Company	Disability insurance provider
SWC	State Water Contractors	Affinity organization representing districts and agencies that have a water supply contract with the state of California
SWP	State Water Project	System of reservoirs, aqueducts, and pump stations that distributes water throughout the state of California; governed by agreements called water supply contracts
TSAB	Tehachapi Second After-Bay	A DWR facility that SGPWA participates in
UNIVAR	Univar Solutions, Inc.	Provides EarthTec solution for water treatment
USGS	U.S. Geological Survey	Federal agency that provides groundwater data and modeling
UWMP	Urban Water Management Plan	
WEF	Water Education Foundation	
WSRB	Water System Revenue Bonds	Bonds sold by the state of California to pay for SWP construction
YTD	Year to Date	
YVWD	Yucaipa Valley Water District	Retail water district with part of its service area within Agency boundaries