

San Geronio Pass Water Agency

DATE: July 26, 2021
TO: Board of Directors
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: PROPOSED DEBT SERVICE BUDGET FOR FY 2021-22

RECOMMENDATION

Approve the Debt Service Budget for FY2021-22.

PREVIOUS CONSIDERATION

- Finance & Engineering Workshop – July 19, 2121: The Board reviewed and discussed the proposed Debt Service Fund budget. After Board recommended approval as presented.

BACKGROUND

Each fiscal year, the Board reviews and approves Debt Service Fund expenditures for the upcoming fiscal year. The majority of the budget is dictated by the Statement of Charges, which is delivered to the Agency by July 1 each year. There are additional charges for other expenditures directly related to managing the State Water Project included in the Debt Service Fund budget.

ANALYSIS

For FY 2021-22, the payments to be made to the State of California Department of Water Resources for the Agency's participation in the State Water Project will be about \$24,500,000. This includes payments to be made for planning costs of the Delta Conveyance Project and planning costs for Sites Reservoir. Expenditures for debt service-related salaries, benefits, operations, and maintenance are budgeted at \$832,403. In addition, a water transfer agreement with Casitas Water District is budgeted at \$300,000.

FISCAL IMPACT

The total proposed budgeted amount is \$25,632,403.

ACTION

Approve the Debt Service Budget for FY2021-22.

ATTACHMENTS

Proposed Debt Service Budget

DRAFT

**SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2021-22**

DEBT SERVICE EXPENDITURES			
DEPARTMENT OF WATER RESOURCES - STATEMENT OF CHARGES			
INVOICE NUMBER	FOR THE PERIOD JUL - DEC 2021	FOR THE PERIOD JAN - JUN 2022	
xx-022-T - ATTACHMENT 1 (Water Supply)	4,117,701	4,532,053	
xx-005-DCC - ATTACHMENT 1A (Devil Canyon)	153,629	163,312	
xx-020-O - ATTACHMENT 1-1 (OAP)	703	6,044	
xx-087-U - ATTACHMENT 1-2 (RAS)	0	0	
xx-002-X - ATTACHMENT 1-5 (EBX)	10,338,404	3,673,390	
xx-012-TAB - ATTACHMENT 1-6 (TEHACHAPI)	22,430		
DWR FIXED CHARGES	14,632,867	8,374,799	
TOTAL DWR STATEMENT OF CHARGES		23,007,666	
OTHER DWR CHARGES			
Delta Conveyance Project - (Included above)		1,205,454	
Sites Advance Funding 14,000 @ \$100		1,400,000	
TOTAL OTHER CHARGES		1,400,000	
TOTAL PROJECTED DWR EXPENDITURES		24,500,000	
ADDITIONAL DEBT SERVICE EXPENSES			
Debt Service Salaries		250,000	
Debt Service Payroll Taxes		16,000	
Debt Service Benefits		218,403	
Debt Service Utilities		12,000	
State Water Contractor Dues		76,000	
SWP Legal Services		0	
EBX Contract Operations		100,000	
SWP Engineering and Maintenance		50,000	
Delta Conveyance Financing Authority		0	
Tax Collection Charges		110,000	
TOTAL ADDITIONAL EXPENSES		832,403	
WATER TRANSFERS			
Ventura Water Transfer		300,000	
Casitas Water Transfer		0	
TOTAL WATER TRANSFERS		300,000	
GRAND TOTAL DEBT SERVICE EXPENDITURES		25,632,403	

DRAFT

**SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2021-22**

DEBT SERVICE REVENUE			
ESTIMATED DWR REFUNDS + INTEREST			
Esitamte of Bond Cover Refunds			3,300,000
DWR - Allocation of Interest on Reserved Runds			30,000
TOTAL ESTIMATE OF DWR REFUNDS + INTEREST			3,330,000
SGPWA Estimate of Allocated Interest			200,000
TOTAL REFUNDS + INTEREST			3,530,000
OTHER REVENUE			
BCVWD Participation - Sites Reservoir			400,000
TOTAL Other Revenue			400,000
DEBT SERVICE TAX REVENUE			
DEBT SERVICE INCOME FY 2020-21		29,143,843	
Deduction - Unitary		(8,854,834)	
ADJUSTED DEBT SERVICE INCOME		20,289,009	
TAX REVENUE PER CENT OF TAX LEVY			
(Current Tax Rate: 17.50 Cents)	17.50	1,159,372	
Projection for FY 2021-22:			
10% increase		115,937	
ESTIMATED TAX REVENUE PER CENT OF TAX LEVY, FY 2021-22		1,275,309	
ESTIMATED TAX REVENUE			22,317,910
TOTAL ESTIMATED REVENUE			26,247,910
DEBT SERVICE EXPENDITURES COMBINED WITH REVENUE AT TAX RATE OF 17.50 CENTS			
			615,507