

PROPOSED: Significant Items
General Budget FY 2023-24



Strategic Plan ~~2019~~ 2023

- Goal 1 Regional Water Supply Plan
- Goal 2 Effective Communication of Agency's strategy and mission
- Goal 3 Sustainable Groundwater Management Act Implementation
- Goal 4 Infrastructure Plan
- Goal 5 Financial Plan

In the process of “refreshing” the
2019 Strategic Plan.



2022-23 FY Projects

- ✓ • Public Information – Expanded and ongoing
- Infrastructure Plan – Ongoing and being re-thought
- ✓ • Backbone Study – Finalizing conceptual phase
- Bunker Hill Banking – Moving (Valley in charge)
- ✓ • Small Systems Support – In progress
- ✓ • Calimesa Area Recharge (Countyline) – In progress
- Financial Modeling – Hold, to be combined with supply strategy
- Infrastructure and Easement Inventory – Hold
- Discharge Permit – Hold
- ✓ • Water Portfolio – In progress
- Local Recharge Projects – In progress
- ✓ • Strategic Plan Update – In progress
- ✓ • Grant Services/Advocate – In progress
- ✓✓ • Boardroom Update – Done
- ✓ • Public Education Programs – Expanded & Ongoing

nte Recs:
Travel + Backbone

PLEASE DO

create Futures finding

Engineering

Chin

2022-23 FY Projects



Staffing

- Board Clerk/Executive Assistant
- CFO Transition

Recruit Board Clerk/Executive Assistant.

Hire additional “front line” administrative personnel likely in 2024-25.

Include attrition/succession plan as part of strategic and budget planning efforts.

Update employee guide and benefits program.

CFO transition – TBD.

Public Information is an important tool the Agency continues to develop. Regional alignment, collaboration, and inter-agency trust are built upon effective communication.

Public Information

- Continue to expand awareness of SGPWA and regional water
- Need for partnerships growing
- Messaging is an important aspect of collaboration
- Works with strategic planning efforts
- Regional alignment important for major projects and grant funding
- Build/expand on last 2 years
- Includes PR firm and IE-RCD partnerships



This needs more attention, especially with the recent anticipated acquisition of additional Table A.

This project should be initiated this year to anticipate wet years and will need to be updated as planning work for the DCP and Sites becomes available in the next 2-3 years.

Infrastructure Plan (Phase 2)

- First Phase Completed late 2020 (on hold pending water portfolio strategy)
 - [See October 12, 2020 Engineering Workshop](#)
- Deals with external projects with regards to local supply
- Identifies liabilities as well as projects/actions needed for future supply
- Will need to be refined based on 2020 UWMP projections and changing landscape in CA water
- Inclusion of respective retailer's UWMP projections may be beneficial
- Includes optimization of regional (wholesale and retail) investments, Sites water

*Photo: Pearblossom Pumping Plant, East Branch, east of Palmdale
Known capacity limitation identified in the Phase 1 Infrastructure Plan*

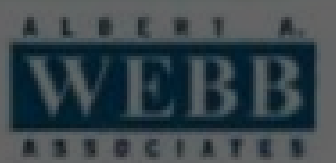
Funding from the current FY carried forward.

May need additional funding depending on the approach as the project develops.

Backbone Pipeline

- Discussed for many years
- 2020 UWMP and San Gorgonio GSP demonstrate growing need
- Renewed local interest and support
- Potentially materially grant fundable
- Will need:
 - Alignment and design – *work ongoing*
 - Right-of-Way
 - CEQA/NEPA
 - Financial and grant strategy
- “Shovel Ready” is goal (in phases)

PLATE 1
San Gorgonio Pass Water
Agency Water Delivery
and Storage Facilities

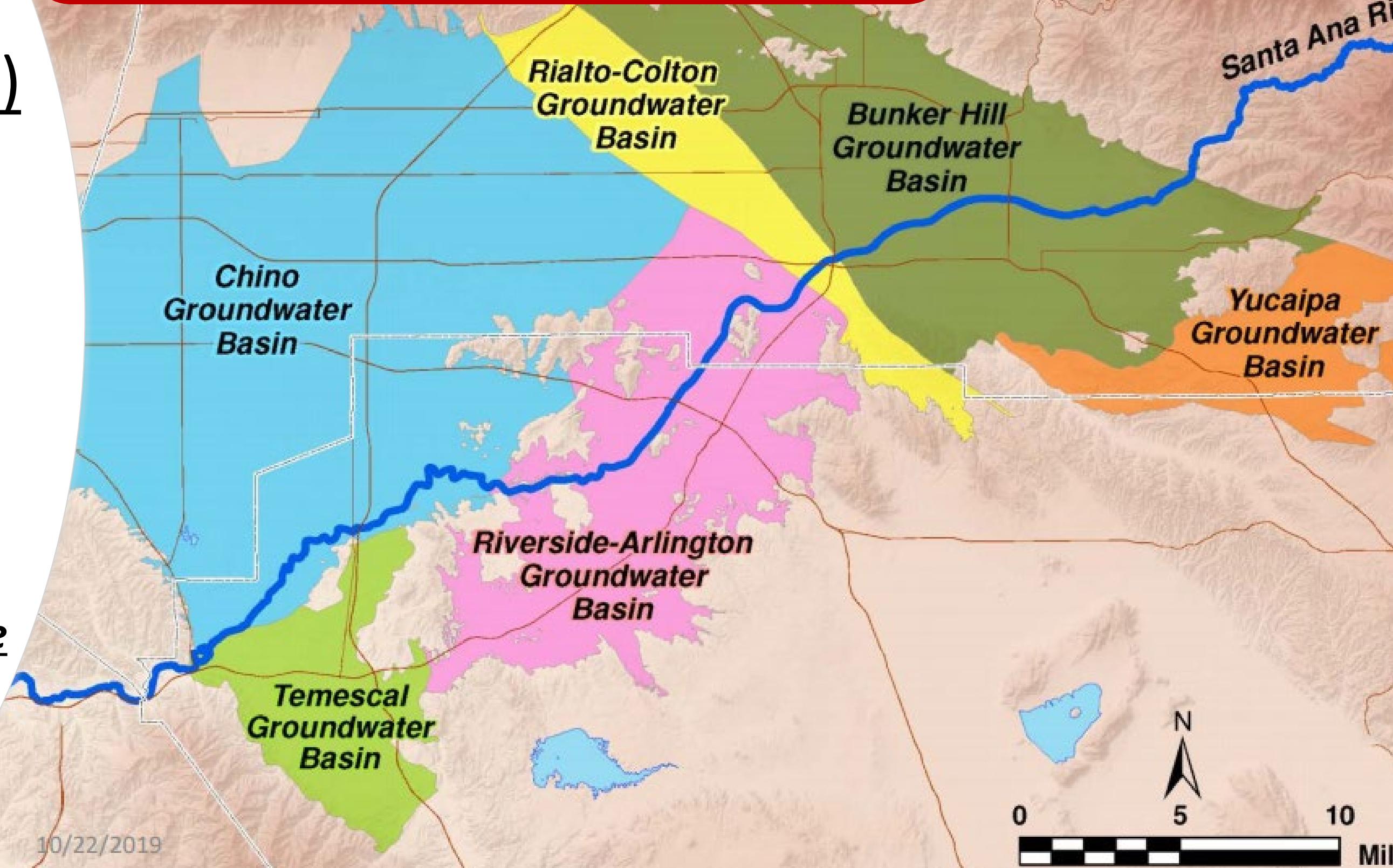


SAN BERNARDINO
MOUNTAINS

Valley District, YVWD and Pass are actively working on this project.

Three-Party Deal (San Bernardino/Bunker Hill)

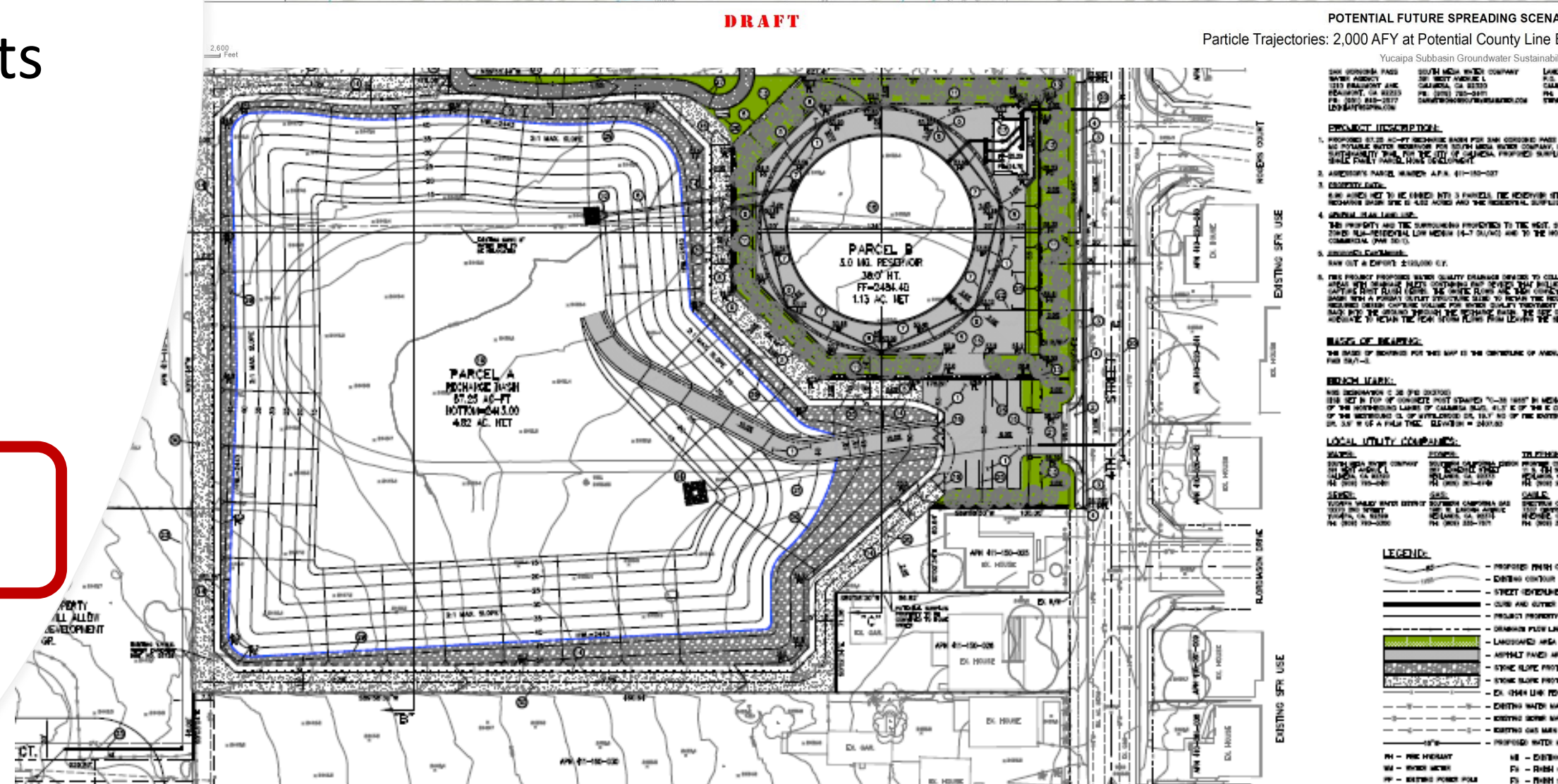
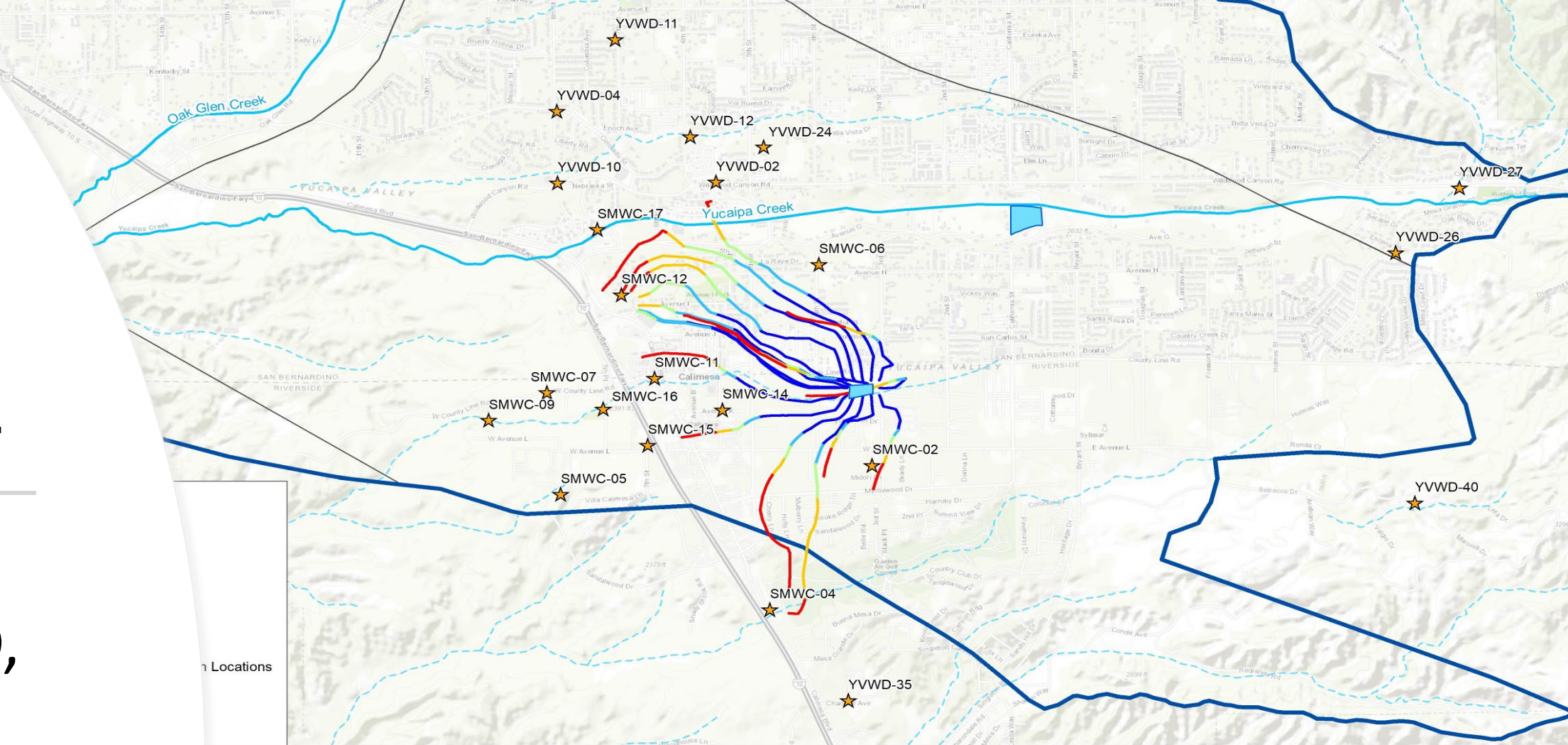
- Agreement to bank water in Bunker Hill (San Bernardino) Basin
- Principles of Agreement Drafted
- Some technical challenges
- Will need local support via Valley District's stakeholders
- **Will move on Valley's schedule**



Calimesa Countyline Recharge Basin

- 5-acre multi-purpose basin
- Calimesa, County Flood, SBVMWD, SMWC and SGPWA
- Flood, Recharge, and other benefits
- Design and feasibility done
- CEQA underway
- Waiting on grant

Project grant application status is pending.



Small Systems Support

Board authorized work is ongoing.
Significant work expected FY 2023-24.

- Focuses on local small water systems (many disadvantaged community status)
- Coordinates with established non-profit who caters to work
- Foundational Technical-Managerial-Financial (TMF) support
- Conduit between local needs state/federal support (i.e., grants)
- Well-established successful, and recognized model for support
- ***Return on investment very high***

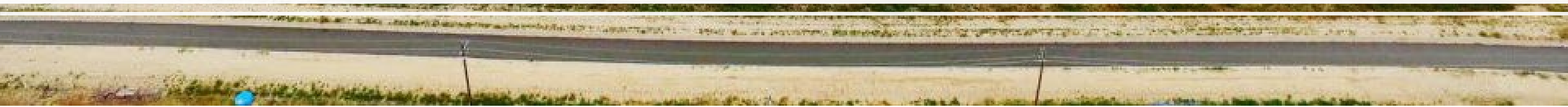
Improvements and Upgrades

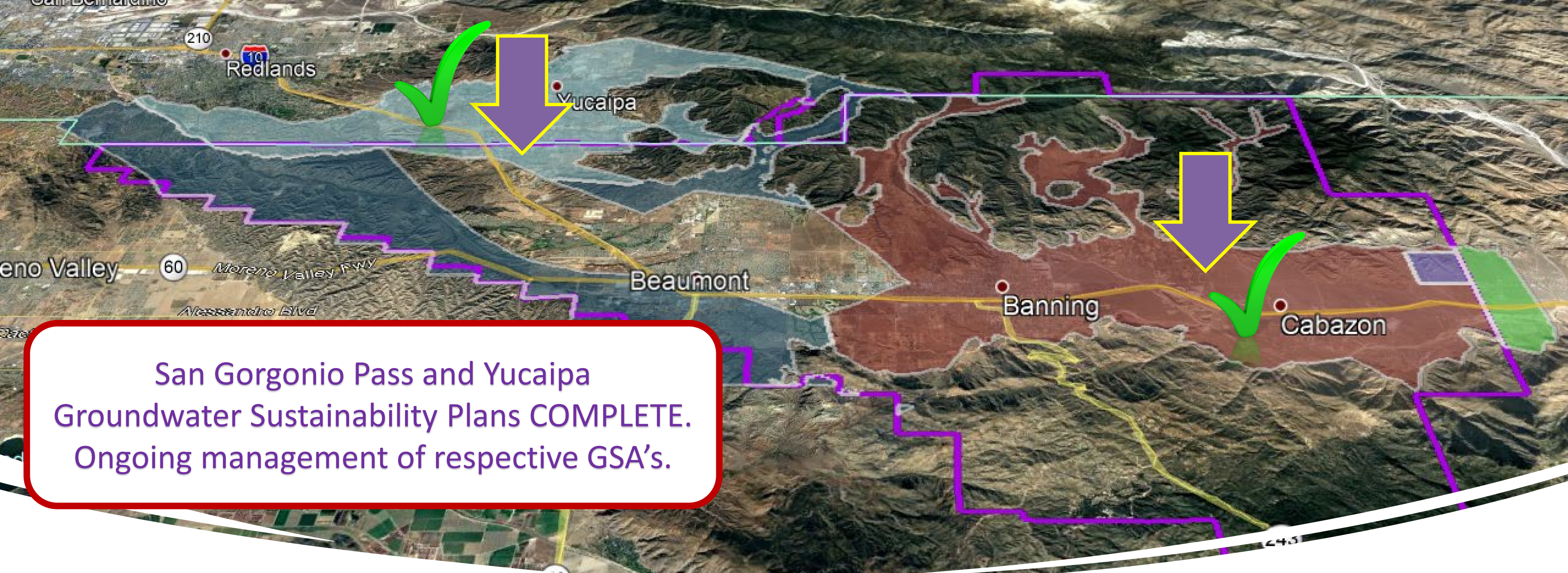
- ~~Demonstration Garden~~
- Beaumont/Brookside intersection improvements (Design)





Water Banking Investigations





San Gorgonio Pass and Yucaipa
Groundwater Sustainability Plans COMPLETE.
Ongoing management of respective GSA's.

Yucaipa GSA and San Gorgonio GSA

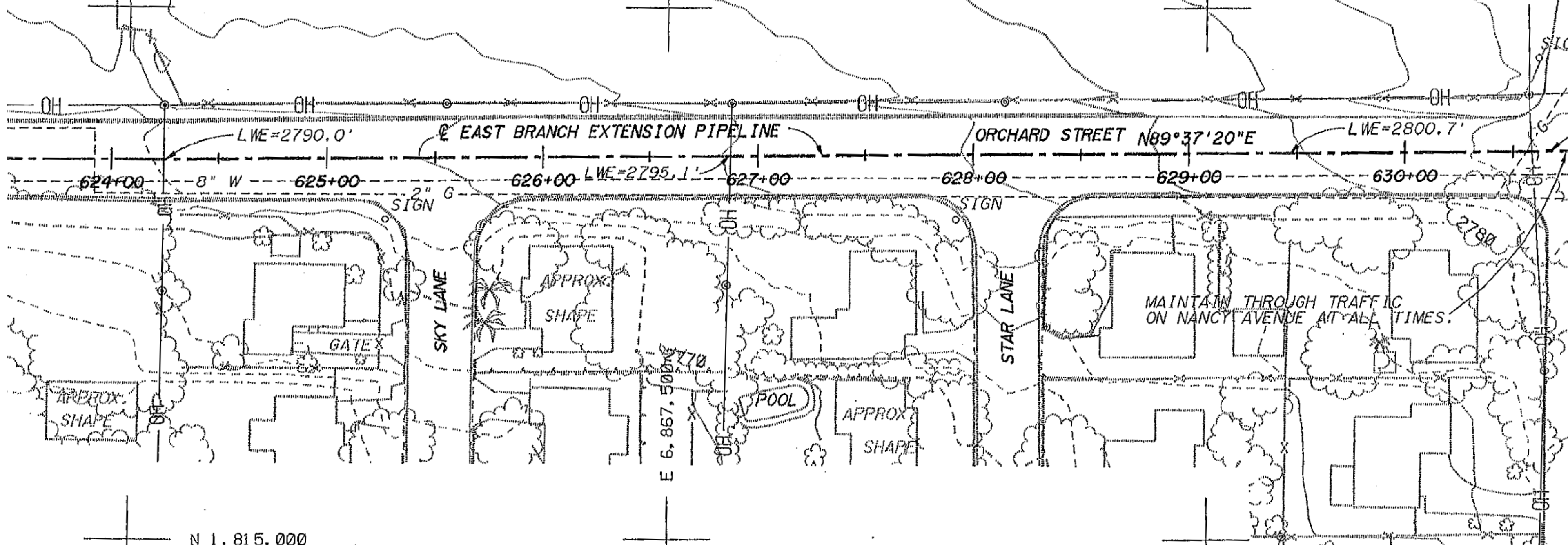
- First major reports were due 1/2022
- Will need ongoing monitoring and reporting to State
- Most start up costs covered under existing grants
- Both planning areas managed by consultants
- More involved in the San Gorgonio Pass GSA
- ***May include more partnering with SBVMWD/USGS***

The conversation has become more complex as the supply portfolio and supply infrastructure investments have been expanded.

Financial Modeling

- Develop a fair and reliable rate structure
- Business certainty all the way around
- Evaluate tax/income trends against needs
- Evaluate other sources of income (e.g. capacity fee) against fiscal needs
- Transparent process (no surprises)
- Plugs into financial model
- *Needs to align with evolving import strategies*





Property, Easement and Infrastructure Inventory


Property, easement, and infrastructure information needs to be cataloged and modernized: included in Agency Engineer Services.

**May span multiple fiscal-years*

An aerial photograph showing a large-scale water recharge project. The project consists of several rectangular basins filled with water, separated by narrow earthen embankments. The surrounding landscape includes agricultural fields, some with crops, and areas of trees with autumn foliage. In the background, there are residential buildings and more trees. The sky is clear and blue.

Local Recharge Projects

- New Facilities
- Joint Use Opportunities
- Collaborative Partnerships
- Support Keeping Local Water Local



Agency Engineer

On-Call engineering (team)
to help staff expedite
multiple miscellaneous
planning and projects



Sites Reservoir Project



Schedule

- May 15, 2023: first review, Board input
- May 22, 2023: second review; additional Board input or adoption
- June 12, 2023: third review; additional Board input or adoption
- Adoption no later than June 26, 2023

SAN GORGONIO PASS WATER AGENCY
DRAFT GENERAL FUND AND CONSINGED FUND BUDGET FOR FY 2023-24

Based on April 2023 Budget Report

DRAFT

	FISCAL YEAR JULY 1, 2022 - JUNE 30, 2023				FY JULY 1, 2023 - JUNE 30, 2024	
	1	2	3	4	5	6
	TOTAL REVISED BUDGET	ACTUAL APRIL, 2023	PROJECTED YEAR-END	REMAINING PERCENT	PROPOSED FY 2023-24	% Projected to Proposed
GENERAL FUND						
GENERAL FUND - INCOME						
WATER SALES	2,375,320	2,766,454	3,319,745	-39.8%	8,600,000	159.1%
TAX REVENUE (INCLUDES SBE)	9,775,000	5,997,554	10,097,554	-3.3%	10,800,000	7.0%
INTEREST	70,000	90,402	110,000	-57.1%	120,000	9.1%
DESIGNATED REVENUES	685,000	103,283	171,100	75.0%	1,000,000	484.5%
OTHER (REIMBURSEMENTS, TRANSFERS)	32,000	8,721	10,465	67.3%	10,000	-4.4%
TOTAL GENERAL FUND INCOME	12,937,320	8,966,414	13,708,864	-6.0%	20,530,000	49.8%
GENERAL FUND - EXPENSES						
COMMODITY PURCHASE						
PURCHASED WATER FOR DELIVERY	5,493,829	4,524,478	7,500,000	-36.5%	10,000,000	33.3%
PURCHASED WATER FOR BANKING (Asset - Future Sale)	0	0	0		2,000,000	
TOTAL COMMODITY PURCHASE	5,493,829	4,524,478	7,500,000	-36.5%	12,000,000	60.0%
SALARIES AND EMPLOYEE BENEFITS						
SALARIES	571,000	442,291	530,749	7.0%	610,000	14.9%
PAYROLL TAXES	61,000	41,206	49,447	18.9%	63,000	27.4%
PAYROLL SERVICE	4,000	3,590	4,308	-7.7%	5,000	16.1%
RETIREMENT	115,000	98,875	118,650	-3.2%	135,000	13.8%
OTHER POST-EMPLOYMENT BENEFITS (OPEB)	40,000	45,254	54,305	-35.8%	120,000	121.0%
HEALTH INSURANCE	80,000	45,539	54,647	31.7%	80,000	46.4%
ACWA BENEFITS (takes place of Dental + Life; add Vision)	7,000	3,945	6,300	10.0%	10,000	58.7%
DISABILITY INSURANCE	6,000	3,876	4,651	22.5%	6,000	29.0%
WORKERS COMP INSURANCE	5,000	3,033	3,639	27.2%	5,000	37.4%
SGPWA STAFF MISC. MEDICAL	10,000	6,207	7,449	25.5%	10,000	34.3%
EMPLOYEE EDUCATION	4,000	0	0	100.0%	4,000	
TOTAL SALARIES AND EMPLOYEE BENEFITS	903,000	693,816	834,146	7.6%	1,048,000	25.6%

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GENERAL FUND - EXPENSES						
ADMINISTRATIVE AND PROFESSIONAL SERVICES						
DIRECTOR EXPENDITURES						
DIRECTORS FEES	250,000	153,320	183,984	26.4%	264,000	43.5%
DIRECTORS TRAVEL AND EDUCATION	30,000	31,224	42,000	-40.0%	50,000	19.0%
DIRECTORS MISC. MEDICAL	40,000	4,018	4,822	87.9%	46,000	854.1%
OFFICE EXPENDITURES						
OFFICE EXPENSE	20,000	13,654	16,385	18.1%	20,000	22.1%
POSTAGE	1,000	641	769	23.1%	1,000	30.1%
TELEPHONE	9,000	7,448	8,938	0.7%	10,000	11.9%
UTILITIES	6,000	5,734	6,881	-14.7%	8,000	16.3%
SERVICE EXPENDITURES						
COMPUTER, WEB SITE AND PHONE SUPPORT	40,000	38,504	46,204	-15.5%	50,000	8.2%
GENERAL MANAGER AND STAFF TRAVEL	15,000	13,267	15,921	-6.1%	25,000	57.0%
INSURANCE AND BONDS	26,000	30,054	30,054	-15.6%	35,000	16.5%
ACCOUNTING AND AUDITING	23,000	20,250	20,250	12.0%	23,000	13.6%
DUES AND ASSESSMENTS	35,000	39,253	39,253	-12.2%	45,000	14.6%
OTHER PROFESSIONAL SERVICES	60,000	57,976	69,571	-16.0%	75,000	7.8%
PUBLIC INFORMATION	60,000	38,425	46,110	23.2%	60,000	30.1%
BANK CHARGES	1,000	54	65	93.5%	1,000	1440.9%
MISCELLANEOUS EXPENSES	3,000	0	0	100.0%	2,000	#DIV/0!
MAINTENANCE AND EQUIPMENT EXPENDITURES						
TOOLS PURCHASE AND MAINTENANCE	1,000	4	4	99.6%	3,000	70521.5%
VEHICLE REPAIR AND MAINTENANCE	7,000	5,637	17,000	-142.9%	10,000	-41.2%
MAINTENANCE AND REPAIRS - BUILDING	30,000	18,829	22,595	24.7%	30,000	32.8%
MAINTENANCE AND REPAIRS - FIELD	25,000	7,576	15,000	40.0%	40,000	166.7%
CONTRACT OPERATIONS AND MAINTENANCE	125,000	26,366	31,639	74.7%	220,000	595.3%
WATER TREATMENT EXPENSE	65,000	16,692	20,030	69.2%	130,000	549.0%
COUNTY EXPENDITURES						
LAFCO COST SHARE	7,000	7,854	7,854	-12.2%	9,000	14.6%
ELECTION EXPENSE	125,000	0	75,000	40.0%	0	-100.0%
TAX COLLECTION CHARGES	46,000	35,424	46,000	0.0%	51,000	10.9%
TOTAL ADMINISTRATIVE AND PROFESSIONAL SERVICES	1,050,000	572,202	766,328	27.0%	1,208,000	57.6%

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GENERAL FUND - EXPENSES						
CONSULTING AND ENGINEERING SERVICES						
PLANS & CONSTRUCTION						
INFRASTRUCTURE PLAN - Phase 2	125,000	5,477	6,572	94.7%	25,000	280.4%
BACKBONE INFRASTRUCTURE STUDY AND DESIGN	230,000	156,254	170,000	26.1%	150,000	-11.8%
BUNKER HILL BANKING AND RECOVERY PROGRAM	75,000	0	0	100.0%	75,000	#DIV/0!
CALIMESA AREA RECHARGE	250,000	81,204	97,445	61.0%	250,000	156.6%
SMALL SYSTEM ASSISTANCE PROGRAM	40,000	19,683	23,620	41.0%	110,000	365.7%
SIGNAGE AND FRONTAGE BROOKSIDE EAST	NEW				100,000	
OTHER PROJECTS						
WATER BANKING INVESTIGATIONS	NEW				100,000	
SAN GORGONIO GSA	90,000	53,126	59,000	34.4%	50,000	-15.3%
YUCAIPA GSA VERBENIA GSA	10,000	446	3,000	70.0%	10,000	233.3%
FLUME MONITORING AND SUPPORT	30,000	0	30,000	0.0%	30,000	0.0%
SCADA INTEGRATION	5,000	0	0		Delete	
STUDIES AND REPORTS						
FINANCIAL MODELING	100,000	7,917	9,500	90.5%	70,000	636.8%
USGS STUDIES AND MONITORING	165,000	144,766	173,719	-5.3%	250,000	43.9%
INFRASTRUCTURE AND EASEMENT INVENTORY	75,000	0	0	100.0%	75,000	#DIV/0!
DISCHARGE PERMIT	25,000	0	0	100.0%	25,000	#DIV/0!
WATER PORTFOLIO	50,000	30,796	36,956	26.1%	125,000	238.2%
LOCAL SUPPLIES	50,000	58,998	70,797	-41.6%	50,000	-29.4%
LOCAL RECHARGE PROJECTS	200,000	30,715	36,859	81.6%	700,000	1799.2%
UWMP SUPPORT AND ANNUAL REPORT COMPLETION	50,000	6,695	8,034	83.9%	25,000	211.2%
STRATEGIC PLAN UPDATE	60,000	23,645	33,000	45.0%	20,000	-39.4%
GENERAL ENGINEERING SERVICES						
AGENCY ENGINEER	NEW				250,000	
GRANT SUPPORT SERVICES	75,000	42,459	50,951	32.1%	75,000	47.2%
FEDERAL/STATE ADVOCATE	30,000	0	0	100.0%	30,000	#DIV/0!
SAWPA REGIONAL PROJECTS	60,000	46,011	46,011	23.3%	36,000	-21.8%
GENERAL ENGINEERING, CEQA, EIR, ETC	150,000	0	0	100.0%	150,000	#DIV/0!
GIS SERVICES	10,000	0	0	100.0%	Delete	
TOTAL CONSULTING AND ENGINEERING SERVICES	1,955,000	708,191	855,463	56.2%	2,781,000	225.1%

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GENERAL FUND - EXPENSES						
LEGAL SERVICES						
LEGAL SERVICES - GENERAL	125,000	108,992	130,790	-4.6%	150,000	14.7%
TOTAL LEGAL SERVICES	125,000	108,992	130,790	-4.6%	150,000	14.7%
CONSERVATION AND EDUCATION						
SCHOOL EDUCATION PROGRAMS	35,000	17,300	35,000	0.0%	35,000	0.0%
ADULT EDUCATION AND SOCIAL MEDIA	10,000	2,456	5,456	45.4%	10,000	83.3%
SPONSORSHIPS	6,000	3,915	4,000	33.3%	6,000	50.0%
OTHER CONSERVATION, EDUCATION AND P. R.	10,000	14,563	14,563	-45.6%	20,000	37.3%
TOTAL CONSERVATION AND EDUCATION	61,000	38,234	59,019	3.2%	71,000	20.3%
MAJOR AND CAPITAL EXPENDITURES						
BUILDING AND EQUIPMENT						
BUILDING	60,000	0	0	100.0%	50,000	#DIV/0!
AV UPGRADE	85,000	87,832	103,700	-22.0%	Delete	
FURNITURE AND OFFICE EQUIPMENT	75,000	39,418	40,000	46.7%	25,000	-37.5%
OTHER EQUIPMENT	10,000	7,505	7,505	25.0%	10,000	33.2%
SITES RESERVOIR - 2023	1,960,000	1,400,000	1,400,000	28.6%	2,800,000	100.0%
PROPERTY PURCHASE - BROOKSIDE WEST	3,250,000	3,255,301	3,255,301	-0.2%	Delete	
TOTAL MAJOR AND CAPITAL EXPENDITURES	5,440,000	4,790,056	4,806,506	11.6%	2,885,000	-40.0%
TRANSFERS TO OTHER FUNDS						
CABAZON GAP FUNDING EXPENSE					500,000.00	
TOTAL GENERAL FUND EXPENSES	15,027,829	11,435,969	14,952,252	0.5%	20,143,000	34.7%
GENERAL FUND NET INCOME YEAR TO DATE	-2,090,509	-2,469,555	-1,243,388	40.5%	387,000	-131.1%

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CONSIGNED - SWP SUPPORT FUND

				Comparison:		
SWP SUPPORT FUND - INCOME						0%
INCOME						
SBE TAX REVENUE ALLOCATED	4,490,000	3,036,814	6,000,000	-33.6%	6,600,000	10.0%
INTEREST	0	14,000	14,000		15,000	7.1%
OTHER INCOME	0	0	0			
TOTAL SWP SUPPORT FUND INCOME	4,490,000	3,050,814	6,014,000	-33.9%	6,615,000	10.0%
SWP SUPPORT FUND - EXPENSES						
EXPENDITURES						
TAX COLLECTION CHARGES	11,300	7,770	15,000	-32.7%	16,000	6.7%
OTHER EXPENSES	0	0	0		0	
TOTAL SWP SUPPORT FUND EXPENSES	11,300	7,770	15,000	-32.7%	16,000	6.7%
TRANSFERS TO OTHER FUNDS						
SWP SUPPORT FUND NET INCOME YTD - RESERVES	4,478,700	3,043,044	5,999,000	-33.9%	6,599,000	10.0%