

San Geronio Pass Water Agency
Budget Highlights

May, 2023

Changes to Budget Presentation

Please note the changes to the budget presentation as requested by the Board:

- Additional column on the left with numbers to aid in finding and discussing specific lines or items;
- Column 5 has been modified by highlighting negative numbers. The suggested color scheme was green and red, but green numbers turned out to be too hard to read. This color scheme is easier to see, and possibly easier to remember: if we are “in the red” we have less cash than expected, and if we are “in the black” we have more cash than expected.

The main feature of column 5 is still in place, which is the calculation of the percentage. The color just adds a quick way to review the status of the item, a visual clue to see if we are under or over budget. A black number means have more cash than projected. A red number means we have less cash than projected.

For income, a black number means we have more income than projected by the budget, so we have more cash available, or to put it another way, we are over-budget. For expenses, a black number means we have spent less than projected by the budget, so we have more cash available because we haven't spent it, so are under-budget.

Conversely, a red number for income means we have received less cash than projected, so we have less cash available, and are under-budget. For expenses, a red number means we have spent more than projected, so have less cash available than expected, so are over-budget.

In each situation **black** means **more** cash, **red** means **less** cash.

The actual percentages available for comparison work this way: at the top of each page is a percentage number next to the word ‘Comparison.’ This is what we would expect to see in each budget item, if everything was received and spent in precisely 12 equal divisions, but of course, this never happens. Use this percentage to compare with the percentages in the rows below it to determine how much the budget is different from projected for that item.

General Fund

General Fund Revenue:

Revenue from water sales has increased as expected. Current expectations for the year-end total are a bit over \$5 million. Additionally, tax revenue received through May exceeds projections by about 12%. When all tax revenue is received, it is expected to total a bit over \$11 million. Interest is also exceeding expectations, but in a smaller amount than water sales and tax revenue.

General Fund Disbursements:

General Fund expenditures overall and by category are generally less than projected at this time. Specifically:

- Water purchases for delivery are expected to be about \$6.9 million. While this is more than budgeted, this is mostly offset by additional water sales.
- Salaries and Employee Benefits overall are projected to be about 10% less, or \$100,000 less than budgeted at year-end. Other Post-Employment Benefits will be under-budget after audit adjustments; Retirement and Payroll Service will be slightly over-budget.
- Administrative and Professional Services expenditures overall may be less by about 12%, or around \$100,000. While there are some over-budget items, there are also a number of under-budget items to offset them; a number of items won't be finalized until after the audit.

Over-budget items:

- Directors Travel and Education
- Telephone
- Utilities
- Computer, Website and Phone Support
- General Manager and Staff Travel
- Insurance and Bonds
- Dues and Assessments
- Other Professional Services

Under-budget items (significant ones):

- Directors Fees
- Directors Medical
- Building Maintenance and Repair
- Election Expense
- Consulting and Engineering Services overall are expected to be under-budget by about \$1 million. This is generally due to work that has been started, but delayed for some reason. In other cases, a contract for services extends over more than one budget cycle.
- Legal Expenses, Conservation and Education, and Major and Capital Expenditures overall are expected to be about \$500,000 less than budgeted, primarily due to the deferred payment for Sites Reservoir. Included in the projection is the budget revision for the property purchase.

Additional revenue combined with reduced expenditures will likely result in an addition to General Fund reserves of about \$1.5 million at year-end.

SWP Support Fund

Tax revenue received for the SWP support fund, net of tax collection charges, was about \$1.8 million more than projected.

Debt Service Fund

Debt Service Fund Revenue:

Tax revenue has exceeded the budget by about 5%, \$1.2 million. DWR Credits have exceeded the budget by about \$300,000. Interest is double the budgeted amount, and projected to be about

\$225,000 more than budgeted. Total excess revenue is projected to be about \$1.7 million at year-end.

Debt Service Fund Disbursements:

In general, expenditures are expected to be under budget by about \$500,000 at year-end.

Combined with excess revenues, it is expected that \$2.2 million more than budgeted will be added to Debt Service reserves at year-end.

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2022-23
FOR THE ELEVEN MONTHS ENDING ON MAY 31, 2023

		FOR THE FISCAL YEAR JULY 1, 2022 - JUNE 30, 2023				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT
GENERAL FUND						
1	GENERAL FUND - INCOME				Comparison:	8%
2	WATER SALES	2,375,320		2,375,320	3,775,525.29	59%
3	TAX REVENUE (INCLUDES SBE)	9,775,000		9,775,000	10,973,489.97	12%
4	INTEREST	70,000		70,000	113,028.51	61%
5	DESIGNATED REVENUES	685,000		685,000	172,409.02	-75%
6	OTHER (REIMBURSEMENTS, TRANSFERS)	32,000		32,000	8,850.98	-72%
7	TOTAL GENERAL FUND INCOME	12,937,320	0	12,937,320	15,043,303.77	16%
8						
9	GENERAL FUND - EXPENSES					
10	COMMODITY PURCHASE					
11	PURCHASED WATER FOR DELIVERY	5,493,829		5,493,829	5,539,952.00	-1%
12	PURCHASED WATER FOR BANKING (Asset - Future Sale)	0		0	0.00	
13	TOTAL COMMODITY PURCHASE	5,493,829	0	5,493,829	5,539,952.00	-1%
14						
15	SALARIES AND EMPLOYEE BENEFITS					
16	SALARIES	571,000		571,000	484,810.77	15%
17	PAYROLL TAXES	61,000		61,000	45,209.50	26%
18	PAYROLL SERVICE	4,000		4,000	3,926.45	2%
19	RETIREMENT	115,000		115,000	106,987.71	7%
20	OTHER POST-EMPLOYMENT BENEFITS (OPEB)	40,000		40,000	50,373.34	-26%
21	HEALTH INSURANCE	80,000		80,000	49,168.86	39%
22	DENTAL INSURANCE	5,000		5,000	4,272.74	15%
23	LIFE INSURANCE	2,000		2,000	1,930.50	3%
24	DISABILITY INSURANCE	6,000		6,000	4,300.85	28%
25	WORKERS COMP INSURANCE	5,000		5,000	3,032.88	39%
26	SGPWA STAFF MISC. MEDICAL	10,000		10,000	6,329.73	37%
27	EMPLOYEE EDUCATION	4,000		4,000	0.00	100%
28	TOTAL SALARIES AND EMPLOYEE BENEFITS	903,000	0	903,000	760,343.33	16%

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1	2	3	4	5
ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT

GENERAL FUND - EXPENSES

				Comparison:	8%
30	ADMINISTRATIVE AND PROFESSIONAL SERVICES				
31	DIRECTOR EXPENDITURES				
32	DIRECTORS FEES	250,000		250,000	163,134.41 35%
33	DIRECTORS TRAVEL AND EDUCATION	30,000		30,000	33,403.61 -11%
34	DIRECTORS MISC. MEDICAL	40,000		40,000	4,017.92 90%
35	OFFICE EXPENDITURES				
36	OFFICE EXPENSE	20,000		20,000	14,514.33 27%
37	POSTAGE	1,000		1,000	640.75 36%
38	TELEPHONE	9,000		9,000	8,365.18 7%
39	UTILITIES	6,000		6,000	6,211.83 -4%
40	SERVICE EXPENDITURES				
41	COMPUTER, WEB SITE AND PHONE SUPPORT	40,000		40,000	40,612.15 -2%
42	GENERAL MANAGER AND STAFF TRAVEL	15,000		15,000	16,574.05 -10%
43	INSURANCE AND BONDS	26,000		26,000	30,053.84 -16%
44	ACCOUNTING AND AUDITING	23,000		23,000	20,250.00 12%
45	DUES AND ASSESSMENTS	35,000		35,000	40,333.34 -15%
46	OTHER PROFESSIONAL SERVICES	60,000		60,000	73,153.04 -22%
47	PUBLIC INFORMATION	60,000		60,000	43,705.20 27%
48	BANK CHARGES	1,000		1,000	54.08 95%
49	MISCELLANEOUS EXPENSES	3,000		3,000	0.00 100%
50	MAINTENANCE AND EQUIPMENT EXPENDITURES				
51	TOOLS PURCHASE AND MAINTENANCE	1,000		1,000	380.62 62%
52	VEHICLE REPAIR AND MAINTENANCE	7,000		7,000	6,847.34 2%
53	MAINTENANCE AND REPAIRS - BUILDING	30,000		30,000	19,960.98 33%
54	MAINTENANCE AND REPAIRS - FIELD	25,000		25,000	8,964.50 64%
55	CONTRACT OPERATIONS AND MAINTENANCE	125,000		125,000	73,650.80 41%
56	WATER TREATMENT EXPENSE	65,000		65,000	16,691.60 74%
57	COUNTY EXPENDITURES				
58	LAFCO COST SHARE	7,000		7,000	7,853.79 -12%
59	ELECTION EXPENSE	125,000		125,000	61,379.60 51%
60	TAX COLLECTION CHARGES	46,000		46,000	48,884.26 -6%
61	TOTAL ADMINISTRATIVE AND PROFESSIONAL SERVICES	1,050,000	0	1,050,000	739,637.22 30%

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		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT
GENERAL FUND - EXPENSES						
63	CONSULTING AND ENGINEERING SERVICES				Comparison:	8%
64	PLANS & CONSTRUCTION					
65	INFRASTRUCTURE PLAN - Phase 2	125,000		125,000	5,476.70	96%
66	BACKBONE INFRASTRUCTURE STUDY AND DESIGN	230,000		230,000	160,875.51	30%
67	BUNKER HILL BANKING AND RECOVERY PROGRAM	75,000		75,000	0.00	100%
68	CALIMESA AREA RECHARGE	250,000		250,000	88,904.80	64%
69	SMALL SYSTEM ASSISTANCE PROGRAM	40,000		40,000	20,855.74	48%
70	OTHER PROJECTS					
71	SAN GORGONIO GSA	90,000		90,000	53,209.64	41%
72	YUCAIPA GSA VERBENIA GSA	10,000		10,000	3,069.85	69%
73	FLUME MONITORING AND SUPPORT	30,000		30,000	0.00	100%
74	SCADA INTEGRATION	5,000		5,000	0.00	100%
75	STUDIES AND REPORTS					
76	FINANCIAL MODELING	100,000		100,000	7,917.07	92%
77	USGS STUDIES AND MONITORING	165,000		165,000	156,597.70	5%
78	INFRASTRUCTURE AND EASEMENT INVENTORY	75,000		75,000	0.00	100%
79	DISCHARGE PERMIT	25,000		25,000	0.00	100%
80	WATER PORTFOLIO	50,000		50,000	84,232.50	-68%
81	LOCAL SUPPLIES	50,000		50,000	32,530.30	35%
82	LOCAL RECHARGE PROJECTS	200,000		200,000	30,715.43	85%
83	UWMP SUPPORT AND ANNUAL REPORT COMPLETION	50,000		50,000	6,695.00	87%
84	STRATEGIC PLAN UPDATE	60,000		60,000	25,101.12	58%
85	GENERAL ENGINEERING SERVICES					
86	GRANT SUPPORT SERVICES	75,000		75,000	44,959.20	40%
87	FEDERAL/STATE ADVOCATE	30,000		30,000	0.00	100%
88	SAWPA REGIONAL PROJECTS	60,000		60,000	46,011.00	23%
89	GENERAL ENGINEERING, CEQA, EIR, ETC	150,000		150,000	0.00	100%
90	GIS SERVICES	10,000		10,000	0.00	100%
91						
92						
93						
94	TOTAL CONSULTING AND ENGINEERING SERVICES	1,955,000	0	1,955,000	767,151.56	61%

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						1	2	3	4	5
						ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT
GENERAL FUND - EXPENSES										
96									Comparison:	8%
97	LEGAL SERVICES									
98		LEGAL SERVICES - GENERAL				125,000		125,000	118,046.42	6%
99	TOTAL LEGAL SERVICES					125,000	0	125,000	118,046.42	6%
100										
101	CONSERVATION AND EDUCATION									
102		SCHOOL EDUCATION PROGRAMS				35,000		35,000	17,300.00	51%
103		ADULT EDUCATION AND SOCIAL MEDIA				10,000		10,000	2,456.00	75%
104		SPONSORSHIPS				6,000		6,000	3,915.00	35%
105		OTHER CONSERVATION, EDUCATION AND P. R.				10,000		10,000	14,563.00	-46%
106	TOTAL CONSERVATION AND EDUCATION					61,000	0	61,000	38,234.00	37%
107										
108	MAJOR AND CAPITAL EXPENDITURES									
109	BUILDING AND EQUIPMENT									
110		BUILDING				60,000		60,000	0.00	100%
111		AV UPGRADE				85,000		85,000	87,832.22	-3%
112		FURNITURE AND OFFICE EQUIPMENT				75,000		75,000	39,417.66	47%
113		OTHER EQUIPMENT				10,000		10,000	7,504.79	25%
114		SITES RESERVOIR - 2023				1,960,000		1,960,000	1,400,000.00	29%
115		PROPERTY PURCHASE - BROOKSIDE WEST				0	3,250,000	3,250,000	3,255,301.11	0%
116	TOTAL MAJOR AND CAPITAL EXPENDITURES					2,190,000	3,250,000	5,440,000	4,790,055.78	12%
117										
118	TRANSFERS TO OTHER FUNDS					0	0	0	0.00	
119										
120	CABAZON GAP FUNDING EXPENSE								1,178,687.70	
121										
122	TOTAL GENERAL FUND EXPENSES					11,777,829	3,250,000	15,027,829	13,932,108.01	7%
123										
124	GENERAL FUND NET INCOME YEAR TO DATE					1,159,491	-3,250,000	-2,090,509	1,111,195.76	
125										

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		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT
CONSIGNED - SWP SUPPORT FUND						
127					Comparison:	8%
128	SWP SUPPORT FUND - INCOME					
129						
130	INCOME					
131	SBE TAX REVENUE ALLOCATED	4,490,000		4,490,000	6,298,223.21	40%
132	INTEREST	0		0	13,898.29	
133	OTHER INCOME	0		0	0.00	
134	TOTAL SWP SUPPORT FUND INCOME	4,490,000	0	4,490,000	6,312,121.50	41%
135						
136						
137	SWP SUPPORT FUND - EXPENSES					
138						
139	EXPENDITURES					
140	TAX COLLECTION CHARGES	11,300		11,300	15,923.88	-41%
141	OTHER EXPENSES	0		0	0.00	
142	TOTAL SWP SUPPORT FUND EXPENSES	11,300	0	11,300	15,923.88	-41%
143						
144	TRANSFERS TO OTHER FUNDS	0	0	0	0.00	
145						
146	SWP SUPPORT FUND NET INCOME YTD - RESERVES	4,478,700	0	4,478,700	6,296,197.62	
147						
148						

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ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT

DEBT SERVICE FUND

				Comparison:		
150					8%	
151	DEBT SERVICE FUND - INCOME					
152	INCOME					
153	TAX REVENUE	23,400,000	23,400,000	24,528,686.79	5%	
154	INTEREST	200,000	200,000	400,290.00	100%	
155	CONTRIBUTIONS - GOVERNMENT	0	0	0.00		
156	DWR CREDITS - BOND COVER, OTHER	3,100,000	3,100,000	3,431,890.00	11%	
157	TOTAL DEBT SERVICE FUND INCOME	26,700,000	0	26,700,000	28,360,866.79	6%
158						
159	DEBT SERVICE FUND - EXPENSES					
160	EXPENSES					
161	SALARIES	400,000	400,000	366,525.24	8%	
162	PAYROLL TAXES	25,000	25,000	23,680.71	5%	
163	BENEFITS	150,000	150,000	119,061.34	21%	
164	STATE WATER CONTRACT PAYMENTS	22,000,000	22,000,000	20,587,841.00	6%	
165	WATER TRANSFERS	1,200,000	1,200,000	1,148,927.62	4%	
166	SWC CONTRACTOR DUES	46,000	46,000	46,520.00	-1%	
167	STATE WATER CONTRACT AUDIT	0	6,000	5,889.00	2%	
168	DELTA CONVEYANCE FACILITY AUTHORITY	29,000	29,000	0.00		
169	EBX CONTRACT OPERATIONS	125,000	125,000	73,650.80	41%	
170	SWP ENGINEERING AND MAINTENANCE	200,000	200,000	85,738.91	57%	
171	DEBT SERVICE UTILITIES	10,000	10,000	9,149.57	9%	
172	STATE WATER PROJECT LEGAL SERVICES	0	0	0.00		
173	TAX COLLECTION CHARGES	115,000	109,000	118,899.80	-9%	
174	TOTAL DEBT SERVICE FUND EXPENSES	24,300,000	0	24,300,000	22,585,883.99	7%
175						
176	TRANSFERS FROM RESERVES	0	0	0	0.00	
177						
178	DEBT SERVICE NET INCOME YEAR TO DATE	2,400,000	0	2,400,000	5,774,982.80	
179						