

SAN GORGONIO PASS WATER AGENCY
Finance and Budget Committee Meeting
Agenda

April 29, 2024 at 2:30 p.m.



SAN GORGONIO PASS
WATER AGENCY
A California State Water Project Contractor

**Vice President Chander Letulle
will be teleconferencing from
11201 Harrel Street
Jurupa Valley, CA 91752**

THIS MEETING IS BEING HELD IN PERSON.
REMOTE ACCESS IS AVAILABLE FOR THE CONVENIENCE OF
THE PUBLIC.

TO JOIN VIA ZOOM, CLICK HERE: [Zoom Teleconference Link](#)

TO JOIN THE MEETING BY TELEPHONE,
CALL: 669-900-6833 MEETING ID: 942 7637 8467

- 1. Call to Order, Flag Salute, and Roll Call**
- 2. Adjustment and Adoption of Agenda**
- 3. Public Comment:** Members of the public may address the Committee at this time concerning items relating to any matter within the Agency's jurisdiction. There will be an opportunity to comment on specific agenda items as the items are addressed. Speakers are requested to keep their comments to no more than five minutes. Under the Brown Act, no action or discussion shall take place on any item not appearing on the agenda, except that the Committee or Staff may briefly respond to statements made or questions posed for the purpose of directing statements or questions to Staff for follow up.
- 4. Approval of the Minutes**
 - A. Approval of the Minutes of the Finance & Budget Committee Meeting, March 28, 2024, pg. [3](#)
- 5. New Business – Discussion and possible action**
 - A. Ratification of Paid Invoices and Monthly Payroll for March 2024, pg. [7](#)
 - B. Review of Bank Reconciliation for March 2024, pg. [10](#)
 - C. Review of Budget Report for March 2024, pg. [13](#)
 - D. Review of Pending Legal Invoices for March 2024, pg. [24](#)
 - E. Gap Funding Report, pg. [25](#)
 - F. Consideration of Rate Increase from Best Best & Krieger
 - G. Consideration of COLA for FY 2024-25, pg. [26](#)
 - H. Consideration of Draft General Fund Budget for FY 2024-25, pg. [30](#)
- 6. Committee Member Comments**

President

Mickey Valdivia

Vice President

Chander Letulle

Treasurer

Robert Ybarra

Secretary

Kevin Walton

Directors

Dr. Blair M Ball

Ron Duncan

Larry Smith

General Manager

Lance Eckhart,

PG, CHG

Legal Counsel

Jeffry Ferre

7. Announcements

- A. Regular Board Meeting, May 13, 2024, at 1:30 p.m.
- B. Regular Board Meeting, May 20, 2024, at 6:00 p.m.

8. Adjournment

(1) Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, during regular business hours. When practical, these public records will also be made available on the Agency's website, accessible at: www.sgpwa.com (2) Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

San Geronio Pass Water Agency

DATE: April 29, 2024
TO: Finance and Budget Committee
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: Summary of Recommended Committee Actions

RECOMMENDATION

Recommendations for Finance and Budget Committee actions:

Item 4A: Approve the minutes.

Item 5A: The Committee **accept** payments as listed in the Check History reports for Accounts Payable and Payroll for the month of March 2024.

Item 5B: The Committee **accept** the Bank Reconciliation for March 2024.

Item 5C: The Committee **accept** the Budget Report for March 2024.

Motion: The Committee accepts items 5 A-C.

Item D: The Committee **approves** payment of the Legal Invoice for March 2024.

Motion: The Committee approves payment of the Legal Invoice.

Item G: The Committee **approves** the COLA recommendation for FY 2024-25.

Motion: The Committee approves the COLA for FY 2024-25.

BACKGROUND

The Finance & Budget Committee reviews the necessary financial material during this meeting and will present its findings at the next regular Board meeting.

ACTION

The Committee takes the above listed actions and recommends Board ratification of the same.

ATTACHMENTS

- Minutes
- Check History Report

Bank Reconciliation
Water Distribution Report
Budget Report
Pending Legal Invoice Report
Gap Funding Report
Staff Report: COLA FY2024-25
Draft General Fund Budget FY 2024-25

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Finance and Budget Committee
March 28, 2024

THIS MEETING WAS HELD IN PERSON AND VIA ZOOM.

Committee Members Present: Robert Ybarra, Chair
Chander Letulle, Member
Kevin Walton, Member

Staff Present: Lance Eckhart, General Manager
Tom Todd, Jr., Chief Financial Officer

1. **Call to Order, Flag Salute, and Roll Call:** The San Gorgonio Pass Water Agency Finance and Budget Committee meeting was called to order by Chair Robert Ybarra at 10:02 a.m., March 28, 2024. Mr. Ybarra led the Pledge of Allegiance. Mr. Ybarra asked for a roll call. A quorum was present.
2. **Adjustment and/or Adoption of the Agenda.** The agenda was adopted as published.
3. **Public Comment:** None.
4. **Approval of Minutes**
 - A. Approval of the Minutes of the Finance & Budget Committee Meeting, February 20, 2024
Mr. Walton moved, seconded by Mr. Letulle, to approve the minutes of the Finance and Budget Committee meeting of February 20, 2024. Approved unanimously by voice vote.
5. **New Business**
 - A. Ratification of Paid Invoices and Monthly Payroll for February 2024
 - B. Review of Bank Reconciliation for February 2024
 - C. Review of Budget Report for February 2024
After review and further discussion, Mr. Ybarra moved, seconded by Mr. Walton, to accept Items 5A-C. Approved unanimously by voice vote.
 - D. Review of Pending Legal Invoices for February 2024
After review and discussion, Mr. Ybarra moved, seconded by Mr. Letulle, to approve payment of the Legal Invoice. Approved unanimously by voice vote.
 - E. Cabazon Gap Funding Report

The Committee reviewed the Cabazon Gap Funding Report; there were no changes for February 2024.

F. Other Post-Employment Benefits Update

Mr. Todd presented an update of OPEB and the current status of our participation in the California Employers' Retiree Benefit Trust (CERBT). The Committee discussed future actions, including doing a study to investigate potential enhancements to the Agency's current OPEB benefit as well as establishing a 5-year plan to insure the Agency's ability to pay for future obligations.

6. Committee Member Comments

Mr. Letulle commented on the agenda page, suggested corrections. Mr. Walton commented on the audit presentation, made suggestions about future presentations.

7. Announcements

Mr. Ybarra reviewed the announcements:

A. Regular Board Meeting, April 1, 2024 at 1:30 p.m.

B. Water Conservation & Education Committee Meeting, April 9, 2024 at 1:00 pm

C. Regular Board Meeting, April 15, 2024 at 6:00 p.m.

8. Adjournment

The Finance and Budget Committee of the San Geronio Pass Water Agency was adjourned by Mr. Ybarra at 11:02 a.m.

Draft - Subject to Committee Approval

Robert Ybarra, Committee Chair

San Gorgonio Pass Water Agency
Check History Report
March 1 through March 31, 2024

ACCOUNTS PAYABLE

Date	Number	Name	Amount
3/7/2024	121241	AVI-SPL	13,410.82
3/7/2024	121242	BEAUMONT-CHERRY VALLEY WATER DISTRICT	467.35
3/7/2024	121243	BEST BEST & KRIEGER	19,036.04
3/7/2024	121244	EARTHCAM, INC	14,284.00
3/7/2024	121245	HR DYNAMICS & PERFORMANCE MGT	18,798.59
3/7/2024	121246	INLAND SOLAR CHALLENGE	5,000.00
3/7/2024	121247	LENITY TECHNOLOGY	1,943.10
3/7/2024	121248	PROVOST & PRITCHARD	3,711.40
3/7/2024	121249	SO. CAL. WEST COAST ELECTRIC	940.00
3/7/2024	121250	STANDARD INSURANCE COMPANY	737.60
3/7/2024	121251	UNIVAR SOLUTIONS	5,955.14
3/7/2024	121252	UNLIMITED SERVICES	350.00
3/7/2024	121253	UNDERGROUND SERVICE ALERT	11.75
3/7/2024	121254	VALLEY OFFICE EQUIPMENT, INC.	426.34
3/7/2024	121255	WATER RESOURCES ECONOMICS	1,520.00
3/7/2024	121256	VOID - PRINTER PROBLEM	0.00
3/7/2024	121257	WASTE MGT CORPORATE SERVICES	128.17
3/12/2024	121258	ACWA BENEFITS	1,107.66
3/12/2024	121259	ALBERT WEBB ASSOCIATES	5,725.11
3/12/2024	121260	LAND ENGINEERING CONSULTANTS	2,024.00
3/12/2024	121261	PAR WEST LINE CONTRACTORS	5,975.00
3/12/2024	121262	REFLECTIVE DESIGN	68.96
3/12/2024	121263	SOUTHERN CALIFORNIA GAS	300.23
3/19/2024	121264	ALBERT WEBB ASSOCIATES	8,747.64
3/19/2024	121265	ENGINEERING RESOURCES OF SO. CAL.	5,160.00
3/19/2024	121266	THE FERGUSON GROUP	2,500.00
3/19/2024	121267	FRONTIER COMMUNICATIONS	306.42
3/19/2024	121268	KERN COUNTY WATER AGENCY	8,500.00
3/19/2024	121269	MATTHEW PISTILLI LANDSCAPE SERVICES	350.00
3/19/2024	121270	PURCOR PEST SOLUTIONS	63.62
3/19/2024	121271	SAN BERNARDINO VALLEY MUNI WATER DISTRICT	152,798.50
3/19/2024	121272	VALLEY OFFICE EQUIPMENT, INC.	325.25
3/19/2024	121273	WEAVER GRADING	3,932.00
03/26/2024	121274	SAN GABRIEL VALLEY WATER ASSOC.	30.00
03/26/2024	121275	SOUTHERN CALIFORNIA EDISON	254.27
03/26/2024	121276	WELLS FARGO ELITE CREDIT CARD	11,028.82
3/2/2024	900841	EMPLOYMENT DEVELOPMENT DEPARTMENT	2,204.02
3/2/2024	900842	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	12,707.19
3/2/2024	900843	CALPERS RETIREMENT	9,431.24
3/2/2024	900844	CAL PERS RETIREMENT - SIP-457	3,800.00
3/2/2024	900845	PAYCHEX	168.30
3/2/2024	900846	CHERYLE M. STIFF - REIMBURSEMENT	188.17
3/17/2024	900847	EMPLOYMENT DEVELOPMENT DEPARTMENT	2,865.21
3/17/2024	900848	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	19,207.29
3/17/2024	900849	CALPERS RETIREMENT	10,008.29
3/17/2024	900850	CAL PERS RETIREMENT - SIP-457	3,800.00
3/17/2024	900851	PAYCHEX	193.50

San Geronio Pass Water Agency
Check History Report
March 1 through March 31, 2024

ACCOUNTS PAYABLE (CON'T)

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
3/17/2024	900852	BLAIR M. BALL - REIMBURSEMENT	190.00
3/17/2024	900853	RONALD A. DUNCAN - REIMBURSEMENT	118.16
3/17/2024	900854	KEVIN D. WALTON - REIMBURSEMENT	25.00
3/17/2024	900855	CHERYLE M. STIFF - REIMBURSEMENT	2,668.07
03/22/2024	900856	CALPERS HEALTH	10,888.76
03/28/2024	900857	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,000.00
03/28/2024	900858	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	8,012.95
03/28/2024	900859	CAL PERS RETIREMENT - SIP-457	20,000.00
03/28/2024	900860	PAYCHEX	134.70
03/29/2024	900861	DEPARTMENT OF WATER RESOURCES	4,324,554.00
TOTAL ACCOUNTS PAYABLE CHECKS			4,728,082.63

PAYROLL

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
3/1/2024	802689	EMMETT G. CAMPBELL	3,520.54
3/1/2024	802690	RONALD A. DUNCAN	2,710.94
3/1/2024	802691	LANCE E. ECKHART	6,072.27
3/1/2024	802692	MATTHEW E. HOWARD	5,102.26
3/1/2024	802693	CHERYLE M. STIFF	2,922.08
3/1/2024	802694	SCOTT W. TIRRELL	249.44
3/1/2024	802695	THOMAS W. TODD, JR.	5,044.80
3/1/2024	802696	ROEBERT G. YBARRA	2,818.42
3/16/2024	802697	MARICELA V. CABRAL	1,808.98
3/16/2024	802698	EMMETT G. CAMPBELL	3,520.54
3/16/2024	802699	LANCE E. ECKHART	14,500.78
3/16/2024	802700	MATTHEW E. HOWARD	5,102.27
3/16/2024	802701	LAWRENCE R. SMITH	2,818.43
3/16/2024	802702	CHERYLE M. STIFF	2,922.09
3/16/2024	802703	SCOTT W. TIRRELL	523.84
3/16/2024	802704	THOMAS W. TODD, JR.	5,044.80
3/16/2024	802705	MICHAEL R. VALDIVIA	2,568.36
03/16/2024	802706	KEVIN D. WALTON	2,693.14
03/28/2024	802707	CHERYLE M. STIFF - RETIREMENT	13,293.83
TOTAL PAYROLL			83,237.81
TOTAL DISBURSEMENTS FOR MARCH 2024			4,811,320.44

NOTES

Check and expenditure series numbers:

- 121xxx Accounts payable checks
- 802xxx Payroll direct deposits to employees
- 900xxx Electronic Funds Transfers

SAN GORGONIO PASS WATER AGENCY
New Vendors List
April 2024

Vendor - Name and Address	Expenditure Type
San Gabriel Valley Water Association P O Box 1329; Azusa, CA 91702	Quarterly meeting

**SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
March 31, 2024**

BANK STATEMENT BALANCE (CHECKING ACCOUNT) - March 31, 2024 \$ 380,549.58

LESS: OUTSTANDING CHECKS

CHECK NUMBER	AMOUNT	CHECK NUMBER	AMOUNT
121261	5,975.00	C. STIFF'S	
121274	30.00	457 PAYMENT	20,000.00
121275	254.27		
	<u>6,259.27</u>		<u>20,000.00</u>

TOTAL OUTSTANDING CHECKS (26,259.27)

ADJUSTED **BANK STATEMENT BALANCE -** March 31, 2024 \$ 354,290.31

BALANCE PER **GENERAL LEDGER** AT END OF PRIOR MONTH (+) \$ 487,833.86

CASH RECEIPTS FOR CURRENT MONTH (+) 179,975.91

CASH DISBURSEMENTS FOR CURRENT MONTH

ACCOUNTS PAYABLE (-)	Checks	(295,917.78)	
ACCOUNTS PAYABLE (-)	ACHs	<u>(4,432,164.85)</u>	(4,728,082.63)
PAYROLL (-)	Prior Month: 16th-EOM	(28,440.75)	
PAYROLL (-)	This Month: 1st-15th	(41,503.23)	
SPECIAL PAYROLL - C. STIFF CASH OUT		<u>(13,293.83)</u>	(83,237.81)

TRANSFERS FROM LAIF (+) 4,000,000.00

TRANSFERS FROM HCN BANK (+) 497,800.98

TRANSFER TO CAMP (-) -

TRANSFER FROM CAMP (+) -

BALANCE PER **GENERAL LEDGER -** March 31, 2024 \$ 354,290.31

REPORT PREPARED BY:

Scott Tirrell
Scott Tirrell

4/2/24
Date

**SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE MONTH OF MARCH 2024**

DATE	RECEIVED FROM	DESCRIPTION	AMOUNT
DEPOSIT TO CHECKING ACCOUNT			
3/5/24	RIVERSIDE COUNTY	FISH & GAME DEC23	519.17
3/11/24	RIVERSIDE COUNTY	SUPPLEMENTAL PY FEB24	24,671.35
3/12/24	YVWD	WATER SALES JAN24	5,167.05
3/12/24	BAY ALARM	REFUND FOR CANCELED SERVICE	254.16
3/14/24	RIVERSIDE COUNTY	SUPPLEMENTAL CY FEB24	147,165.69
3/20/24	YVWD	WATER SALES	2,198.49
TOTAL FOR MARCH 2024			179,975.91

SAN GORGONIO PASS WATER AGENCY
Water Purchases and Deliveries
2024 - DRAFT - Subject to Change
April 24, 2024

ORDERS (AF)					
City of Banning		BCVWD		YVWD	
Replenish	Pre-Stored	Replenish	Pre-Stored	Direct	Pre-Stored*
1,250	250	11,200	7,000	250	2,000

Delivery Point					
Month	Brookside East	LSGC	Noble Connect.	SBVMWD	Total
Jan	438	0	279	13	730
Feb	744	0	162	6	912
Mar	679	0	1,351	0	2,030
Apr	0		0	0	0
May	0		0	0	0
Jun	0		0	0	0
Jul	0		0	0	0
Aug	0		0	0	0
Sep	0		0	0	0
Oct	0		0	0	0
Nov	0		0	0	0
Dec	0		0	0	0
TOTALS	1,861	0	1,792	19	3,672

Transfers					
Month	From SGPWA	To Banning	To BCVWD	To YVWD	Balance SGPWA
from 2023	893				893
Jan	438				1,331
Feb	744				2,075
Mar	679				2,754
Apr					
May					
Jun					
Jul					
Aug					
Sep					
Oct					
Nov					
Dec					
TOTALS	2,754	0	0	0	7,053

Retail Delivery					
Date	SGPWA	Banning	BCVWD	YVWD	Total
Jan			279	13	292
Feb			162	6	168
Mar			1,351	0	1,351
Apr			0	0	0
May			0	0	0
Jun			0	0	0
Jul			0	0	0
Aug			0	0	0
Sep			0	0	0
Oct			0	0	0
Nov			0	0	0
Dec			0	0	0
TOTALS	0	0	1,792	19	1,811

*Pre-stored water for YVWD will be delivered thru the Brookside East facility.

San Geronio Pass Water Agency
Budget Highlights

March 2024

Overall Summary

Expenditure totals for all categories in the General Fund are below budget at this time. Expenditures for the Debt Service Fund are a little higher than average due to the payment made to DWR in March that was larger than usual. Income for all funds is being received as projected, even though some may be less than budgeted at this time.

General Fund

Previous

- Directors Travel is currently over budget.
- Office Expense is expected to be over budget by year end.
- Insurance and Bonds is over budget due to increased insurance premiums this year.
- Expenditures for Accounting and Auditing are mostly done for the fiscal year.
- Dues and Assessments are mostly done for the fiscal year.
- The Board approved additional studies by the USGS.
- Water Portfolio and the Strategic Plan will both come within budget by year-end.
- No additional invoices for SWAPA Regional Projects are expected.
- Vehicle Maintenance is negative due to credits from personal use of the Agency vehicles.
- Legal Services is likely to finish the fiscal year over budget, due to additional work requested by the Board.

Income

Minimal tax revenue is expected in April. Approximately 62% of total tax revenue has been received to date. Receipts are approximately 8% more than last fiscal year. The water delivery allocation was raised to 40% by DWR on April 23rd, so the outlook for water deliveries is improving; the budget for water sales may be met by year-end.

Expenses

Purchased Water for Delivery will likely be over budget by year-end, but the DWR invoice rate for water deliveries has recently been reduced. This will have a beneficial effect on this budget category.

General Manager and Staff Travel is back on budget and Field Maintenance and Repairs is only slightly over budget for this report. Lots of rain this year produced lots of weeds, which is increasing the amount spent in weed abatement, the primary expense in Field Maintenance.

The Board approved a new contract for Public Relations, which will have an impact on Adult Education and Social Media. The Finance Office is working with C V Strategies to confirm the changes, so invoices can be allocated to the correct line item.

Consigned – SWP Support Fund

The SWP Fund received tax revenue as projected in the Mid-Year Budget review. The final amount for the year will be deposited near the end of the fiscal year.

Debt Service Fund

Previous

- State Water Contract Payments – the large EBX payment in September throws off the remaining percentage.
- SWC Dues – paid for the fiscal year.
- SWC Audit – no additional invoices.
- Water Transfers – no additional invoices expected.

Income

Overall, tax revenue is being received as projected. Approximately 30% of total tax revenue will be received in May and June, with the balance due in June and July.

Expenses

Overall, expenditures are trending as projected for the Debt Service budget.

Gap Funding Program

No additional funds were received or expended for the Gap Funding program this month.

**SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FOR FY 2023-24**

FOR THE (number spelled out) MONTHS ENDING ON (month day, year)

		FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND						
GENERAL FUND - INCOME					Remaining %	25%
1	WATER SALES	7,800,000		7,800,000	3,890,206.11	-50.1%
2	TAX REVENUE	11,800,000		11,800,000	5,823,716.16	-50.6%
3	INTEREST	130,000		130,000	250,924.61	93.0%
4	GOV'T CONTRIBUTIONS, GRANT REVENUE	50,000		50,000	0.00	-100.0%
5	OTHER MISCELLANEOUS INCOME	10,000		10,000	2,438.45	-75.6%
6	TOTAL GENERAL FUND INCOME	19,790,000	0	19,790,000	9,967,285.33	-49.6%
GENERAL FUND - EXPENSES						
COMMODITY PURCHASE						
10	PURCHASED WATER FOR DELIVERY	9,100,000		9,100,000	6,406,283.33	29.6%
11	PURCHASED WATER FOR BANKING (FUTURE SALE)	2,000,000		2,000,000	922,678.00	53.9%
12	TOTAL COMMODITY PURCHASE	11,100,000	0	11,100,000	7,328,961.33	34.0%
SALARIES AND EMPLOYEE BENEFITS						
15	SALARIES	630,000		630,000	456,192.02	27.6%
16	PAYROLL TAXES	63,000		63,000	38,769.21	38.5%
17	PAYROLL SERVICE	5,000		5,000	3,663.60	26.7%
18	RETIREMENT	135,000		135,000	79,827.37	40.9%
19	OTHER POST-EMPLOYMENT BENEFITS (OPEB)	75,000		75,000	50,256.60	33.0%
20	HEALTH INSURANCE	80,000		80,000	37,101.96	53.6%
21	ACWA BENEFITS	10,000		10,000	5,343.74	46.6%
22	DISABILITY INSURANCE	6,000		6,000	3,594.41	40.1%
23	WORKERS COMPENSATION INSURANCE	5,000		5,000	2,265.70	54.7%
24	SGPWA STAFF MEDICAL REIMBURSEMENT	10,000		10,000	5,075.71	49.2%
25	EMPLOYEE EDUCATION	4,000		4,000	0.00	100.0%
26	TOTAL SALARIES AND EMPLOYEE BENEFITS	1,023,000	0	1,023,000	682,090.32	33.3%

SAN GORGONIO PASS WATER AGENCY BUDGET REPORT FOR FY 2023-24

FOR THE (number spelled out) MONTHS ENDING ON (month day, year)

		FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND - EXPENSES						
ADMINISTRATIVE AND PROFESSIONAL SERVICES					Remaining %	25%
30	DIRECTOR EXPENDITURES					
31	DIRECTORS FEES	264,000		264,000	137,816.02	47.8%
32	DIRECTORS TRAVEL AND EDUCATION	50,000		50,000	57,020.57	-14.0%
33	DIRECTORS MEDICAL REIMBURSEMENT	46,000		46,000	14,255.25	69.0%
	OFFICE EXPENDITURES					
35	OFFICE EXPENSE	20,000		20,000	38,428.51	-92.1%
36	POSTAGE	1,000		1,000	67.28	93.3%
37	TELEPHONE	10,000		10,000	5,644.69	43.6%
38	UTILITIES	8,000	7,000.00	15,000	2,757.29	65.5%
	SERVICE EXPENDITURES					
40	COMPUTER, WEBSITE AND PHONE SUPPORT	50,000		50,000	45,128.47	9.7%
41	GENERAL MANAGER AND STAFF TRAVEL	25,000		25,000	18,182.41	27.3%
42	INSURANCE AND BONDS	35,000		35,000	48,783.65	-39.4%
43	ACCOUNTING AND AUDITING	23,000		23,000	20,000.00	13.0%
44	DUES AND ASSESSMENTS	45,000		45,000	41,488.00	7.8%
45	OTHER PROFESSIONAL SERVICES	75,000		75,000	24,945.41	66.7%
46	PUBLIC INFORMATION	60,000		60,000	9,626.03	84.0%
47	BANK CHARGES	1,000		1,000	25.00	97.5%
48	MISCELLANEOUS EXPENSES	2,000		2,000	0.00	100.0%
	MAINTENANCE AND EQUIPMENT EXPENDITURES					
50	TOOLS PURCHASE AND MAINTENANCE	3,000		3,000	103.14	96.6%
51	MAINTENANCE AND REPAIRS - VEHICLE	10,000		10,000	745.31	92.5%
52	MAINTENANCE AND REPAIRS - BUILDING	30,000		30,000	15,391.69	48.7%
53	MAINTENANCE AND REPAIRS - FIELD	40,000		40,000	31,688.02	20.8%
54	CONTRACT OPERATIONS AND MAINTENANCE	220,000		220,000	54,597.09	75.2%
55	WATER TREATMENT EXPENSE	130,000		130,000	35,626.37	72.6%
	COUNTY EXPENDITURES					
57	LAFCO COST SHARE	9,000		9,000	8,282.94	8.0%
58	ELECTION EXPENSE	0		0	0.00	
59	TAX COLLECTION CHARGES	52,000		52,000	32,127.50	38.2%
60	TOTAL ADMINISTRATIVE AND PROFESSIONAL SERVICES	1,209,000	7,000	1,216,000	642,730.64	46.8%

SAN GORGONIO PASS WATER AGENCY BUDGET REPORT FOR FY 2023-24

FOR THE (number spelled out) MONTHS ENDING ON (month day, year)

		FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND - EXPENSES						
CONSULTING AND ENGINEERING SERVICES						
PLANS & CONSTRUCTION					Remaining %	25%
65	INFRASTRUCTURE PLAN - Phase 2	25,000		25,000	5,913.20	76.3%
66	BACKBONE INFRASTRUCTURE STUDY AND DESIGN	150,000		150,000	12,325.00	91.8%
67	BUNKER HILL BANKING AND RECOVERY PROGRAM	75,000		75,000	0.00	100.0%
68	CALIMESA AREA RECHARGE	250,000		250,000	43,103.04	82.8%
69	SMALL SYSTEM ASSISTANCE PROGRAM	150,000		150,000	83,544.54	44.3%
70	SIGNAGE AND FRONTAGE BROOKSIDE EAST	100,000		100,000	0.00	100.0%
OTHER PROJECTS						
72	WATER BANKING INVESTIGATIONS	100,000		100,000	0.00	100.0%
73	SAN GORGONIO GSA	50,000		50,000	15,438.60	69.1%
74	YUCAIPA GSA VERBENIA GSA	10,000		10,000	0.00	100.0%
75	FLUME MONITORING AND SUPPORT	30,000		30,000	0.00	100.0%
STUDIES AND REPORTS						
77	FINANCIAL MODELING	70,000		70,000	5,320.00	92.4%
78	USGS STUDIES AND MONITORING	250,000		250,000	166,143.48	33.5%
79	INFRASTRUCTURE AND EASEMENT INVENTORY	75,000		75,000	0.00	100.0%
80	DISCHARGE PERMIT	25,000		25,000	0.00	100.0%
81	WATER PORTFOLIO	125,000		125,000	80,089.10	35.9%
82	LOCAL SUPPLIES	50,000		50,000	11,515.02	77.0%
83	LOCAL RECHARGE FEASIBILITY STUDIES	700,000		700,000	8,325.00	98.8%
84	UWMP SUPPORT AND ANNUAL REPORT COMPLETION	25,000		25,000	0.00	100.0%
85	STRATEGIC PLAN UPDATE	20,000		20,000	11,956.25	40.2%
GENERAL ENGINEERING SERVICES						
87	AGENCY ENGINEER	250,000		250,000	0.00	100.0%
88	GRANT SUPPORT SERVICES	75,000		75,000	40,462.50	46.1%
89	FEDERAL - STATE ADVOCATE	30,000		30,000	0.00	100.0%
90	SAWPA REGIONAL PROJECTS	36,000		36,000	29,071.05	19.2%
91	GENERAL ENGINEERING, CEQA, EIR, ETC	150,000		150,000	0.00	100.0%
92	TOTAL CONSULTING AND ENGINEERING SERVICES	2,821,000	0	2,821,000	513,206.78	81.8%

**SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FOR FY 2023-24**

FOR THE (number spelled out) MONTHS ENDING ON (month day, year)

						FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				
						1	2	3	4	5
						ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND - EXPENSES										
									Remaining %	25%
	LEGAL SERVICES									
98	LEGAL SERVICES		150,000			150,000		134,794.06		10.1%
99	TOTAL LEGAL SERVICES		150,000		0	150,000		134,794.06		10.1%
	CONSERVATION AND EDUCATION									
102	SCHOOL EDUCATION PROGRAMS		45,000			45,000		0.00		100.0%
103	ADULT EDUCATION AND SOCIAL MEDIA		10,000			10,000		9,000.00		10.0%
104	SPONSORSHIPS		6,000			6,000		9,745.00		-62.4%
105	CONSERVATION, EDUCATION AND PUBLIC RELATIONS		20,000			20,000		7,583.12		62.1%
106	TOTAL CONSERVATION AND EDUCATION		81,000		0	81,000		26,328.12		67.5%
	MAJOR AND CAPITAL EXPENDITURES									
109	BUILDING AND EQUIPMENT									
110	BUILDING		50,000			50,000		0.00		100.0%
112	FURNITURE AND OFFICE EQUIPMENT		25,000			25,000		0.00		100.0%
113	OTHER EQUIPMENT		20,000		10,000.00	30,000		0.00		100.0%
114	SITES RESERVOIR		2,800,000			2,800,000		2,240,000.00		20.0%
116	TOTAL MAJOR AND CAPITAL EXPENDITURES		2,895,000		10,000	2,905,000		2,240,000.00		22.6%
118	TRANSFERS TO OTHER FUNDS					0				
120	TOTAL GENERAL FUND EXPENSES		19,279,000		17,000	19,296,000		11,568,111.25		40.0%
122	GENERAL FUND NET INCOME YTD		511,000		-17,000	494,000		-1,600,825.92		

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FOR FY 2023-24
FOR THE (number spelled out) MONTHS ENDING ON (month day, year)

FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				
1	2	3	4	5
ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget

CONSIGNED - SWP SUPPORT FUND

				Remaining %	25%
CONSIGNED - SWP SUPPORT FUND - INCOME					
INCOME					
130	UNITARY TAX REVENUE ALLOCATED	6,600,000	6,600,000	3,206,527.49	-51.4%
131	INTEREST	15,000	15,000	89,325.01	495.5%
132	OTHER INCOME	0	0	0.00	
133	TOTAL SWP SUPPORT FUND INCOME	6,615,000	6,615,000	3,295,852.50	-50.2%
CONSIGNED - SWP SUPPORT FUND - EXPENSES					
EXPENDITURES					
139	TAX COLLECTION CHARGES	16,000	16,000	8,217.13	48.6%
140	OTHER EXPENSES	0	0	0.00	
141	TOTAL SWP SUPPORT FUND EXPENSES	16,000	16,000	8,217.13	48.6%
143	TRANSFERS TO OTHER FUNDS				
145	CONSIGNED - SWP SUPPORT FUND NET INCOME YTD	6,599,000	6,599,000	3,287,635.37	

**SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FOR FY 2023-24**

FOR THE (number spelled out) MONTHS ENDING ON (month day, year)

		FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
DEBT SERVICE FUND						
DEBT SERVICE FUND - INCOME					Remaining %	25%
INCOME						
153	TAX REVENUE	26,100,000		26,100,000	16,815,288.94	-35.6%
154	INTEREST	460,000		460,000	932,147.33	102.6%
155	CONTRIBUTIONS - GOVERNMENT	0		0	0.00	
156	DWR CREDITS - BOND COVER, OTHER	3,100,000		3,100,000	1,761,012.63	-43.2%
157	TOTAL DEBT SERVICE FUND INCOME	29,660,000	0	29,660,000	19,508,448.90	-34.2%
DEBT SERVICE FUND - EXPENSES						
EXPENSES						
161	SALARIES	425,000		425,000	317,292.66	25.3%
162	PAYROLL TAXES	30,000		30,000	17,600.68	41.3%
163	BENEFITS	220,000		220,000	86,211.04	60.8%
164	LEGAL FEES	0		0	0.00	
165	UTILITIES	11,000		11,000	3,490.57	68.3%
166	ENGINEERING, MAINTENANCE, CONSULTING	200,000		200,000	78,687.20	60.7%
167	SWC AUDIT	7,000		7,000	6,181.00	11.7%
168	SWC CONTRACTOR DUES	51,000		51,000	51,064.00	-0.1%
169	EBX CONTRACT OPERATIONS	200,000		200,000	193,334.09	3.3%
170	DELTA CONVEYANCE FACILITY AUTHORITY	30,000		30,000	0.00	100.0%
171	WATER TRANSFERS	2,500,000		2,500,000	2,181,803.98	12.7%
172	STATE WATER CONTRACT PAYMENTS	26,000,000		26,000,000	20,763,318.00	20.1%
173	TAX COLLECTION CHARGES	130,000		130,000	88,485.26	31.9%
174	TOTAL DEBT SERVICE FUND EXPENSES	29,804,000	0	29,804,000	23,787,468.48	20.2%
176	TRANSFERS FROM RESERVES			0.00	0.00	
178	DEBT SERVICE NET INCOME YTD	-144,000	0	-144,000	-4,279,019.58	

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FOR FY 2023-24
FOR THE (number spelled out) MONTHS ENDING ON (month day, year)

FISCAL YEAR JULY 1, 2023 - JUNE 30, 2024				
1	2	3	4	5
ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget

GAP FUNDING PROGRAM

GAP FUNDING PROGRAM - INCOME

185	CABAZON WATER DISTRICT #1		Carry ofver from last fiscal year	9,787.96	#DIV/0!
186	SOUTH MESA WATER CO	0	0.00	0	
187	HIGH VALLEYS WATER DISTRICT		0.00	0	
188				0	
189				0	
190				0	
191	TOTAL INCOME	0	0	9,787.96	

GAP FUNDING PROGRAM - EXPENSES

194	CABAZON WATER DISTRICT #1	110,000		110,000	105,533.66	4.1%
195	SOUTH MESA WATER CO		2,000,000.00	2,000,000		
196	HIGH VALLEYS WATER DISTRICT		1,000,000.00	1,000,000		
197				0		
198				0		
199				0		
200	TOTAL EXPENSE	110,000	3,000,000	3,110,000	105,533.66	4.1%
202	GAP FUNDING PROGRAM NET BALANCE YTD	-110,000	-3,000,000	-3,110,000	-95,745.70	

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 that budgeted - over budget

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

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
ACWA		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	
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

SAN GORGONIO PASS WATER AGENCY

**LEGAL INVOICES
ACCOUNTS PAYABLE INVOICE LISTING**

<u>VENDOR</u>	<u>INVOICE NBR</u>	<u>COMMENT</u>	<u>AMOUNT</u>
BEST, BEST & KRIEGER	240331	LEGAL SERVICES MARCH 2024	35,463.35

TOTAL PENDING INVOICES FOR APPROVAL APRIL 2024

35,463.35

San Gorgonio Pass Water Agency
 Gap Funding Program
 Report Date: April 24, 2024

OVERALL Current Balance: 95,745.70	(Owed to Agency)
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Cabazon Water District #1	(CWD owes us) - Current Balance: 95,745.70
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Gap Funding Maximum: 1,300,000

Approximate Project Cost: 1,700,000.00

Approximate Gap Funding Available: 1,204,254.30

Payments Made to CWD: 1,284,221.36

Payments Received from CWD: 1,188,475.66

Payments Made	Reimbursements Received
---------------	-------------------------

Date	Paid Date	Request Amount	Check #	Date	Check #	Rec'd Amount
9/13/22	9/20/22	75,583.32	120650	11/7/22	25301	42,465.59
11/17/22	11/21/22	27,699.45	120724	1/10/23	25424	33,117.73
2/27/23	3/6/23	279,168.30	120844	1/10/23	25425	5,600.75
4/26/23	5/4/23	796,236.63	120913	2/7/23	25488	22,098.70
8/1/23	8/29/23	105,533.66	121053	5/8/23	25667	1,304.00
				6/23/23	25774	1,523.00
				7/18/23	25848	277,864.30
				9/11/23	25934	794,713.63
				10/10/23	26002	9,787.96

South Mesa Water Company	(SMWC owes us) - Current Balance: 0.00
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Gap Funding Maximum: 7,000,000

Approximate Project Cost: 10,300,000.00

Approximate Gap Funding Available: 7,000,000.00

Payments Made to SMWC: 0.00

Payments Received from SMWC: 0.00

Payments Made	Reimbursements Received
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Date	Paid Date	Request Amount	Check #	Date	Check #	Rec'd Amount
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High Valleys Water District	(HVWD owes us) - Current Balance: 0.00
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Gap Funding Maximum: 1,000,000

Approximate Project Cost: 1,000,000.00

Approximate Gap Funding Available: 1,000,000.00

Payments Made to HVWD: 0.00

Payments Received from HVWD: 0.00

Payments Made	Reimbursements Received
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Date	Paid Date	Request Amount	Check #	Date	Check #	Rec'd Amount
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San Geronio Pass Water Agency

DATE: April 29, 2024
TO: Board of Directors
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: COST-OF-LIVING ADJUSTMENT (COLA) FOR FY 2024-25

RECOMMENDATION

The Board authorize a 4.3% cost-of-living adjustment for Staff, effective July 1, 2024.

PREVIOUS CONSIDERATION

- The Board considers a COLA every year as part of the budget cycle

BACKGROUND

A cost-of-living adjustment helps counteract the increases of inflation that employees experience and helps them maintain the buying power of their salary. Because General Manager compensation is determined and formalized by separate Board action, this action is for Staff and may affect Board compensation.

By providing COLAs, the Agency accomplishes two objectives: 1) encourages employees to remain with the Agency, and 2) maintains competitive salary levels to attract new employees.

ANALYSIS

Determination of a COLA percentage is a data-driven process. The Bureau of Labor Statistics keeps records of consumer prices for the United States, subdivided into multiple categories and regional areas. The Agency uses this data to determine if a COLA is warranted.

COLA is determined by comparing the consumer price index at a specific point in the year to the same point in the previous year. The Agency has consistently made the calculation in April, using the data from March. By using the same month each year, there is no possibility of under- or over-counting the change in the index.

The Agency also uses the same demographic each year. The index used is the 'All Urban Consumers' and 'All Items.' Until 2017, the Los Angeles area was the geographic identifier. In 2017, the BLS sub-divided the Los Angeles area, and the Agency currently uses the Riverside-San Bernardino-Ontario statistical area.

In the past, the Board has approved COLAs if they are warranted. In recent history, from 2007-2010 (recession years), the Board did not approve an adjustment because the increase was minimal, or there was a decrease. The Board also did not grant a COLA in 2015 because it was minimal.

There may be more factors to consider for the coming fiscal year. Inflation has moderated somewhat in the last few months, but the Federal Reserve Board is still uncertain about what it will do with the interest rate. The economy still seems to be doing well, but there continues to be some concern about the potential of a slow-down later this year. The predicted recession hasn't happened yet, which gives many economists hope that an economic down-turn won't happen after all.

Adjustments are historical by definition; COLAs are not forward-looking. The index changes on the basis of historical data collected. So, granting a COLA tries to restore buying power, after the negative effects of inflation have already been experienced. The effects of a recession in the future do not change the effects of inflation that have already been experienced in the previous 12 months.

For the years between 2023 and 2024, the index for the Riverside-San Bernardino-Ontario area, March to March, has changed from 127.707 to 133.144. This represents a 4.3% increase in 12 months. By comparison, the U.S. City Average, March to March, has changed from 301.836 to 312.332, which represents a 3.5% increase.

The formula for determining the percentage change compared to the previous year is the difference between the years compared to the previous year and looks like this: current year value minus previous year value (difference between the years) divided by previous year value.

This is the calculation for the current year: 133.144 (current year value) minus 127.707 (previous year value) = 5.437 (difference between the years); 5.437 divided by 127.707 = 4.3%.

Historically, COLA takes effect for Staff on July 1, concurrent with the beginning of the new fiscal year.

FISCAL IMPACT

The COLA amount the Board authorizes will affect the budget for Staff salaries in the General Fund and in the Debt Service Fund. The amount the Board authorizes may affect

Board compensation, depending on a future Board decision. Based on projected budget amounts for these categories, an estimate of the increases due to COLA is as follows:

- General Fund Staff: up to \$23,000
- Debt Service Staff: up to \$17,000

This represents 0.2% of the overall proposed General Fund Budget for FY 2024-25.

ACTION

The Board authorize a 4.3% cost-of-living adjustment for Staff, effective July 1, 2024.

ATTACHMENTS

CPI Comparison Data Table

SAN GORGONIO PASS WATER AGENCY

CPI Comparison

Time Period: Thru March or April 2024

Area	Month	Yr	Previous	Current	Difference	% change	
US City	May	23	292.296	304.127	11.831	4.05%	
	Jun	23	296.311	305.109	8.798	2.97%	
	Jul	23	296.276	305.691	9.415	3.18%	
	Aug	23	296.171	307.026	10.855	3.67%	
	Sep	23	296.808	307.789	10.981	3.70%	
	Oct	23	298.012	307.671	9.659	3.24%	
	Nov	23	297.711	307.051	9.340	3.14%	
	Dec	23	296.797	306.746	9.949	3.35%	
	Jan	24	299.170	308.417	9.247	3.09%	
	Feb	24	300.840	310.326	9.486	3.15%	
	Mar	24	301.836	312.332	10.496	3.48%	
R-S-O	May	23	123.893	128.768	4.875	3.93%	
	Jul	23	125.262	129.525	4.263	3.40%	
	Sep	23	125.272	131.372	6.100	4.87%	
	Nov	23	125.983	131.372	5.389	4.28%	
	Jan	24	127.683	131.358	3.675	2.88%	
	Mar	24	127.707	133.144	5.437	4.26%	



San Geronio Pass Water Agency

DRAFT BUDGET FY 2024-25

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.

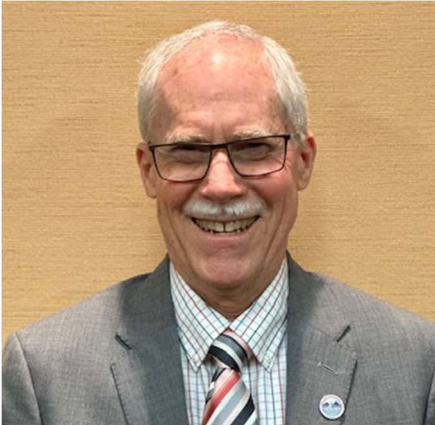
Conclusion

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, circular initial "J" and a long, sweeping horizontal stroke.

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.

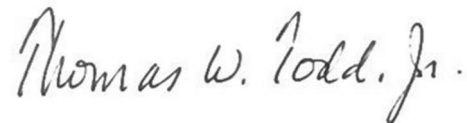
Income for FY 2024-25 is projected to increase. While less is projected for water sales, tax revenue is expected to increase by about 5%. The big increase will be from a new category, Grant Revenue. Five grant awards are anticipated to fund four separate projects. Grant funding usually happens on the 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.".



Board of Directors 2024



Larry Smith
Director, Division 5



Dr. Blair M Ball
Director, Division 4



Ron Duncan
Director, Division 1



Mickey Valdivia
President, At Large No. 1



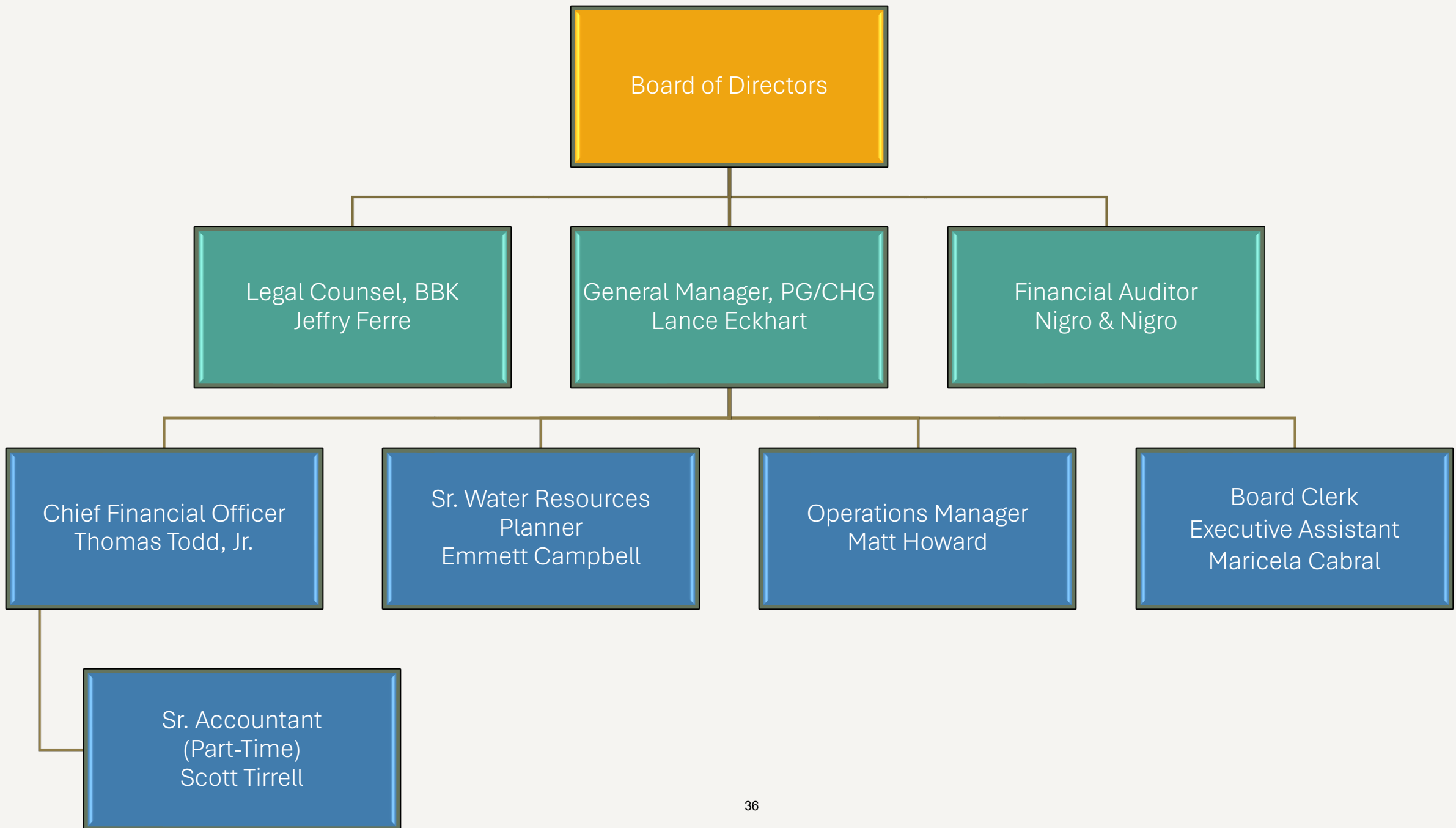
Kevin Walton
Secretary, Division 3



Chander Letulle
Vice President, Division 2



Robert Ybarra
Treasurer, At Large No. 2



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 MARCH 2024	PROJECTED YEAR END	REMAINING PERCENT	PROPOSED FY 2024-25	%Projected to Proposed

GENERAL FUND

GENERAL FUND - INCOME						
1	WATER SALES	7,800,000	3,890,206.11	5,200,000	-33.3%	7,100,000 36.5%
2	NEW - OTHER WATER SALES					0
3	TAX REVENUE	11,800,000	5,823,716.16	11,800,000	0.0%	12,400,000 5.1%
4	INTEREST	130,000	250,924.61	313,656	141.3%	290,000 -7.5%
5	GOV'T CONTRIBUTIONS	50,000	0.00	42,000	-16.0%	42,000 0.0%
6	NEW - GRANT REVENUE					6,000,000
7	OTHER MISCELLANEOUS INCOME	10,000	2,438.45	3,048	-69.5%	35,000 1048.3%
8	TOTAL GENERAL FUND INCOME	19,790,000	9,967,285	17,358,704	-12.3%	25,867,000 -100.0%
GENERAL FUND - EXPENSES						
11	COMMODITY PURCHASE					
12	PURCHASED WATER FOR DELIVERY	9,100,000	6,406,283.33	8,007,854	12.0%	8,500,000 6.1%
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	7,328,961	8,930,532	19.5%	9,500,000 6.4%
16	SALARIES AND EMPLOYEE BENEFITS					
17	SALARIES	630,000	456,192.02	570,240	9.5%	640,000 12.2%
18	PAYROLL TAXES	63,000	38,769.21	48,462	23.1%	52,000 7.3%
19	PAYROLL SERVICE	5,000	3,663.60	4,580	8.4%	6,000 31.0%
20	RETIREMENT	135,000	79,827.37	99,784	26.1%	250,000 150.5%
21	OTHER POST-EMPLOYMENT BENEFITS (OPEB)	75,000	50,256.60	81,000	-8.0%	145,000 79.0%
22	HEALTH INSURANCE	80,000	37,101.96	46,377	42.0%	54,000 16.4%
23	ACWA BENEFITS	10,000	5,343.74	7,000	30.0%	9,000 28.6%
24	DISABILITY INSURANCE	6,000	3,594.41	4,493	25.1%	6,000 33.5%
25	WORKERS COMPENSATION INSURANCE	5,000	2,265.70	4,600	8.0%	6,000 30.4%
26	SGPWA STAFF MEDICAL REIMBURSEMENT	10,000	5,075.71	6,345	36.6%	11,000 73.4%
27	EMPLOYEE EDUCATION	4,000	0.00	0	100.0%	4,000 no change
28	TOTAL SALARIES AND EMPLOYEE BENEFITS	1,023,000	682,090	872,880	14.7%	1,183,000 35.5%

SAN GORGONIO PASS WATER AGENCY
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GENERAL FUND - EXPENSES

31	ADMINISTRATIVE AND PROFESSIONAL SERVICES						
32	DIRECTOR EXPENDITURES						
33	DIRECTORS FEES	264,000	137,816.02	172,270	34.7%	275,000	59.6%
34	DIRECTORS TRAVEL AND EDUCATION	50,000	57,020.57	71,276	-42.6%	80,000	12.2%
35	DIRECTORS MEDICAL REIMBURSEMENT	46,000	14,255.25	17,819	61.3%	43,000	141.3%
36	OFFICE EXPENDITURES						
37	OFFICE EXPENSE	20,000	38,428.51	45,000	-125.0%	40,000	-11.1%
38	POSTAGE	1,000	67.28	84	91.6%	1,000	1089.1%
39	TELEPHONE	10,000	5,644.69	7,056	29.4%	8,000	13.4%
40	UTILITIES	15,000	2,757.29	3,447	77.0%	5,000	45.1%
41	SERVICE EXPENDITURES						
42	COMPUTER, WEBSITE AND PHONE SUPPORT	50,000	45,128.47	54,000	-8.0%	54,000	0.0%
43	GENERAL MANAGER AND STAFF TRAVEL	25,000	18,182.41	22,728	9.1%	25,000	10.0%
44	NEW SUCCESSION PLANNING	0	0.00	0		65,000	
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	41,488.00	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	60,000	9,626.03	45,000	25.0%		
50	BANK CHARGES	1,000	25.00	31	96.9%	1,000	
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	103.14	129	95.7%	2,000	1451.3%
54	MAINTENANCE AND REPAIRS - VEHICLE	10,000	745.31	6,000	40.0%	10,000	66.7%
55	MAINTENANCE AND REPAIRS - BUILDING	30,000	15,391.69	20,000	33.3%	40,000	100.0%
56	MAINTENANCE AND REPAIRS - FIELD	40,000	31,688.02	45,000	-12.5%	50,000	11.1%
57	CONTRACT OPERATIONS AND MAINTENANCE	220,000	54,597.09	55,000	75.0%		
58	WATER TREATMENT EXPENSE	130,000	35,626.37	36,000	72.3%		
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	#DIV/0!	150,000	#DIV/0!
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	642,731	807,140	33.6%	1,077,000	100.0%

SAN GORGONIO PASS WATER AGENCY
DRAFT GENERAL FUND AND CONSIGNED FUND BUDGET FOR FY 2024-25
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GENERAL FUND - EXPENSES

66	CONSULTING AND ENGINEERING SERVICES						
67	PLANS & CONSTRUCTION						
68	INFRASTRUCTURE PLAN - Phase 2	25,000	5,913.20	7,392	70.4%	25,000	238.2%
69	BACKBONE INFRASTRUCTURE STUDY AND DESIGN	150,000	12,325.00	15,406	89.7%	150,000	873.6%
70	BUNKER HILL BANKING AND RECOVERY PROGRAM	75,000	0.00	0	100.0%	75,000	#DIV/0!
71	CALIMESA AREA RECHARGE	250,000	43,103.04	53,879	78.4%	1,250,000	2220.0%
72	SMALL SYSTEM ASSISTANCE PROGRAM	150,000	83,544.54	104,431	30.4%	180,000	72.4%
73	SIGNAGE AND FRONTAGE BROOKSIDE EAST	100,000	0.00	0	100.0%	75,000	#DIV/0!
74	NEW MONITORING WELL DRILLING					2,300,000	
75	NEW HELI-HYDRANT					1,800,000	
76	OTHER PROJECTS						
77	WATER BANKING INVESTIGATIONS	100,000	0.00	0	100.0%	25,000	#DIV/0!
78	SAN GORGONIO GSA	50,000	15,438.60	19,298	61.4%	50,000	159.1%
79	YUCAIPA GSA VERBENIA GSA	10,000	0.00	0	100.0%	10,000	#DIV/0!
80	FLUME MONITORING AND SUPPORT	30,000	0.00	0	100.0%	30,000	#DIV/0!
81	STUDIES AND REPORTS						
82	FINANCIAL MODELING + RATE STUDY	70,000	5,320.00	6,650	90.5%	90,000	1253.4%
83	USGS STUDIES AND MONITORING	250,000	166,143.48	207,679	16.9%	300,000	44.5%
84	INFRASTRUCTURE AND EASEMENT INVENTORY	75,000					
85	DISCHARGE PERMIT	25,000					
86	WATER PORTFOLIO	125,000	80,089.10	100,111	19.9%	100,000	-0.1%
87	LOCAL SUPPLIES	50,000	11,515.02	14,394	71.2%	50,000	247.4%
88	LOCAL RECHARGE FEASIBILITY STUDIES/PLANNING	700,000	8,325.00	10,406	98.5%	750,000	7107.2%
89	UWMP SUPPORT AND ANNUAL REPORT COMPLETION	25,000	0.00	0	100.0%	25,000	#DIV/0!
90	STRATEGIC PLAN UPDATE	20,000	11,956.25	14,945	25.3%		
91	GENERAL ENGINEERING SERVICES						
92	AGENCY ENGINEER	250,000	0.00	0	100.0%	250,000	#DIV/0!
93	GRANT SUPPORT SERVICES	75,000	40,462.50	50,578	32.6%	75,000	48.3%
94	FEDERAL - STATE ADVOCATE	30,000	0.00	0	100.0%	30,000	#DIV/0!
95	SAWPA REGIONAL PROJECTS	36,000	29,071.05	36,339	-0.9%	36,000	-0.9%
96	GENERAL ENGINEERING and ENVIRONMENTAL	150,000	0.00	0	100.0%	75,000	#DIV/0!
97	TOTAL CONSULTING AND ENGINEERING SERVICES	2,821,000	513,207	641,508	77.3%	7,751,000	1108.2%

SAN GORGONIO PASS WATER AGENCY
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GENERAL FUND - EXPENSES

101	LEGAL SERVICES						
102	LEGAL SERVICES	150,000	134,794.06	168,493	-12.3%	200,000	18.7%
103	TOTAL LEGAL SERVICES	150,000	134,794	168,493	-12.3%	200,000	18.7%
105	CONSERVATION AND EDUCATION						
106	SCHOOL EDUCATION PROGRAMS	45,000	0.00	45,000	0.0%	60,000	33.3%
107	NEW NAME: PUBLIC INFORMATION AND EDUCATION	10,000	9,000.00	18,000	-80.0%	170,000	844.4%
108	SPONSORSHIPS	6,000	9,745.00	12,181	-103.0%	0	-100.0%
109	NEW: TRANSFER TO PASS FOUNDATION	0	0.00	0		32,000	
110	CONSERVATION, EDUCATION AND PUBLIC RELATIONS	20,000	7,583.12	9,479	52.6%		-100.0%
111	TOTAL CONSERVATION AND EDUCATION	81,000	26,328	84,660	-4.5%	262,000	209.5%
113	MAJOR AND CAPITAL EXPENDITURES						
114	BUILDING AND EQUIPMENT						
115	BUILDING	50,000	0.00	0	100.0%	50,000	#DIV/0!
116	NEW FRONT LANDSCAPING					75,000	
117	FURNITURE AND OFFICE EQUIPMENT	25,000	0.00	0	100.0%	25,000	#DIV/0!
118	OTHER EQUIPMENT	30,000	0.00	30,000	0.0%	20,000	-33.3%
119	NEW VEHICLES	0	0.00	0		125,000	
120	SITES RESERVOIR	2,800,000	2,240,000.00	2,240,000	20.0%	560,000	-75.0%
121	TOTAL MAJOR AND CAPITAL EXPENDITURES	2,905,000	2,240,000	2,270,000	21.9%	855,000	-62.3%
123	TRANSFERS TO OTHER FUNDS						
125	TOTAL GENERAL FUND EXPENSES	19,296,000	11,568,111	13,775,213	28.6%	20,828,000	51.2%
127	GENERAL FUND NET INCOME YTD	494,000	-1,600,826	3,583,491		5,039,000	

**SAN GORGONIO PASS WATER AGENCY
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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	-100.0%
136	INTEREST	15,000	89,325.01	111,656	644.4%	100,000	-100.0%
137	OTHER INCOME	0	0.00				
138	TOTAL SWP SUPPORT FUND INCOME	6,615,000	3,295,853	6,711,656	1.5%	7,300,000	-100.0%
CONSIGNED - SWP SUPPORT FUND - EXPENSES							
141	EXPENDITURES						
144	TAX COLLECTION CHARGES	16,000	8,217.13	16,000	0.0%	18,000	100.0%
145	OTHER EXPENSES	0	0.00			0	
146	TOTAL SWP SUPPORT FUND EXPENSES	16,000	8,217	16,000	0.0%	18,000	100.0%
148	TRANSFERS TO OTHER FUNDS						
150	CONSIGNED - SWP SUPPORT FUND NET INCOME YTD	6,599,000	3,287,635	6,695,656		7,282,000	

**SAN GORGONIO PASS WATER AGENCY
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GAP FUNDING PROGRAM

GAP FUNDING PROGRAM - INCOME

188						
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

GAP FUNDING PROGRAM - EXPENSES

197						
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 that budgeted - over budget

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

LINE ITEM AND PROJECT DESCRIPTIONS, page 1

Water Sales from Banking Operations

This is for income from water that is sold from banking operations, compared with the Water Sales line item, which is for water sold to retailers within the Agency service area.

Government Contributions

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.

Other Miscellaneous Income

This line item includes a variety of small-dollar receipts that the Agency receives in a year. This cell tower lease income and could include a credit for an unused service, cash-back credit from the Wells Fargo credit card, or a refund for a returned purchase.

Purchased Water for Banking (Future Sale)

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

Office Expense

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

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

Other Professional Services

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.

LINE ITEM AND PROJECT DESCRIPTIONS, page 2

LAFCO Cost Share

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.

Grant Support Services

This line item supports various consultants to assist staff in drafting and submitting grants for Agency Capital and Improvement projects.

Infrastructure Plan

The results of this project will provide the Agency with a suggested plan for the use of current facilities and a potential list of future facilities that will allow the Agency to fulfill its mission of delivering water to the region.

Backbone Infrastructure Study and Design

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

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 Are Recharge

This is a proposed joint conjunctive-use water supply project between SBVMWD and SGPWA located in the City of Calimesa.

Small Water Assistance Program

This program utilizes the California Rural Water Association to provide various technical, managerial, financial, and grant support assistance to small water systems in our service area.

LINE ITEM AND PROJECT DESCRIPTIONS, page 3

Signage and Frontage Brookside East

This project will develop and construct a sign for the Brookside East facility in conjunction with the City of Beaumont.

Monitoring Well Drilling

The USGS will be drilling nested monitoring wells to augment data gathering for the San Gorgonio Pass GSA. The expense will be mostly covered by a grant.

Heli-Hydrant

This project will receive and disburse American Rescue Plan Act (ARPA) funds to support the construction of six Heli-Hydrant systems within the SGPWA service area. A Heli-Hydrant is a specifically designed facility attached to a water source that allows fire-fighting helicopters to refill their water tanks.

Water Banking Investigations

Consultants will explore various water banking opportunities across the state of California.

San Gorgonio GSA

The Agency participates in the San Gorgonio Pass GSA and includes work that is outlined in the Groundwater Sustainability Plan (GSP) and the generation of an Annual Report as required by DWR. The costs of these items are shared with the other GSA members.

Yucaipa GSA and Verbena GSA

This line item consists of the costs of participating in each of these GSAs and generating their Annual Reports as required by DWR.

Flume Monitoring and Support

The Agency has been involved in trying to preserve the water supply provided to the Banning Heights Mutual Water Company by the flume for many years. This is included in the budget to assist the efforts by the City of Banning to continue this effort.

LINE ITEM AND PROJECT DESCRIPTIONS, page 4

Financial Modeling + Rate Study

Water Resources Economics is the consultant who is working with the Agency to review, analyze and potentially propose a new water rate structure.

USGS Studies and Monitoring

The USGS collects water level and water quality data to support various groundwater modeling and reporting requirements for the Agency. This item appears each year, so is considered an on-going effort, although a new contract is considered by the Board each year. Other specific studies requested by the Agency are sometimes included.

Water Portfolio

This line item will help the Agency explore and forecast regional water demands, regional water supplies, and potential new sources of water that may be required in the context of a changing regulatory environment.

Local Supplies

Expenditures in this line item are currently designated to help secure recycled water for the region.

Local Recharge Feasibility Studies

Consultants will investigate various potential recharge projects, including Brookside West and Danny Thomas Ranch.

UWMP Support and Annual Report Completion

As part of the on-going process of developing the Urban Water Management Plan, various tasks must be completed, including annual reports.

Agency Engineer

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

Grant Support Services

This line item supports various consultants to assist staff in drafting and submitting grants for Agency Capital and Improvement projects.

LINE ITEM AND PROJECT DESCRIPTIONS, page 5

Federal – State Advocate

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

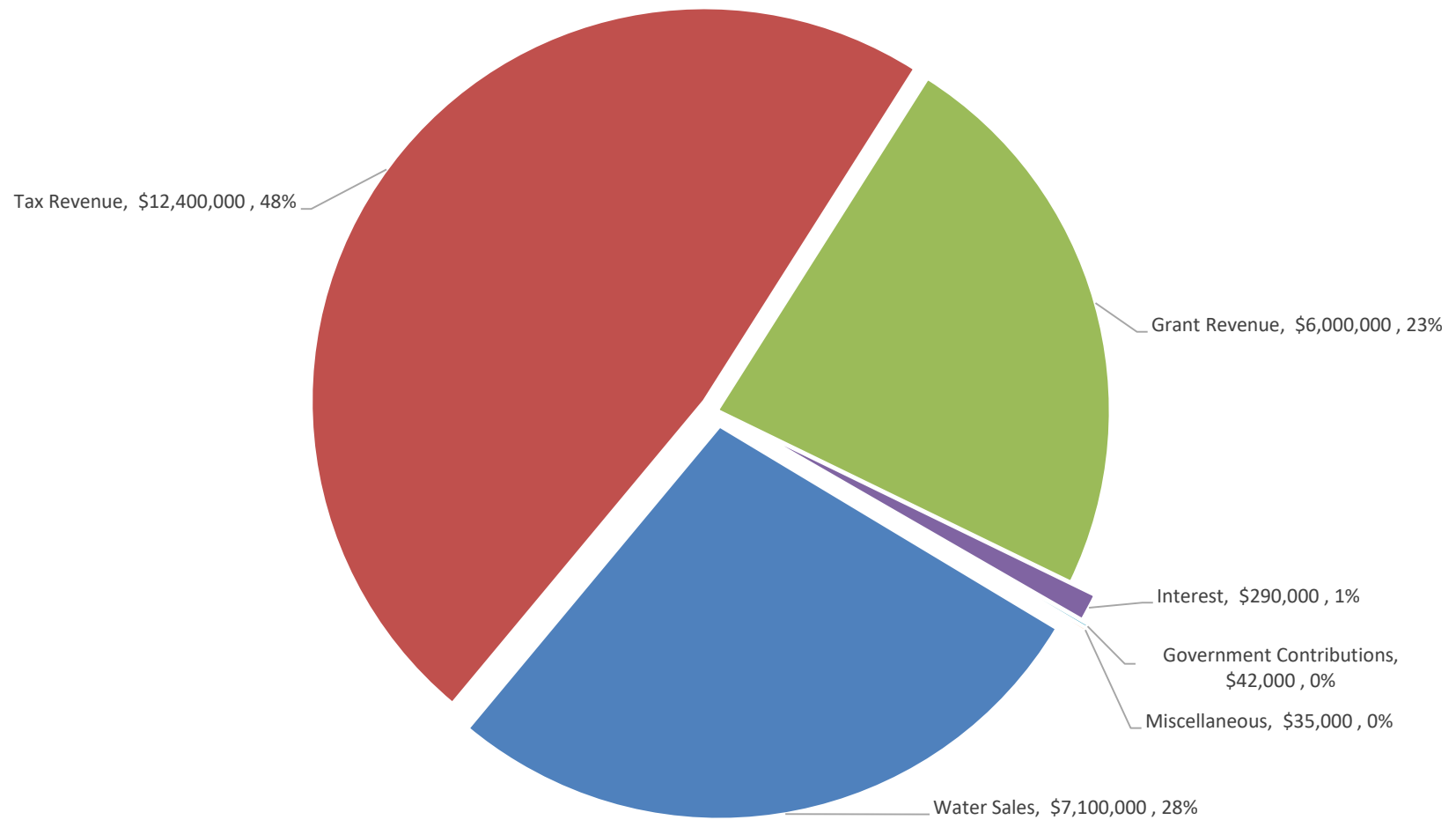
SAWPA Regional Projects

Part of the Agency service area falls within the boundaries of the Santa Ana Watershed Project Authority. The Agency shares the cost of an annual study to review water quality and other factors within the Santa Ana watershed.

General Engineering and Environmental

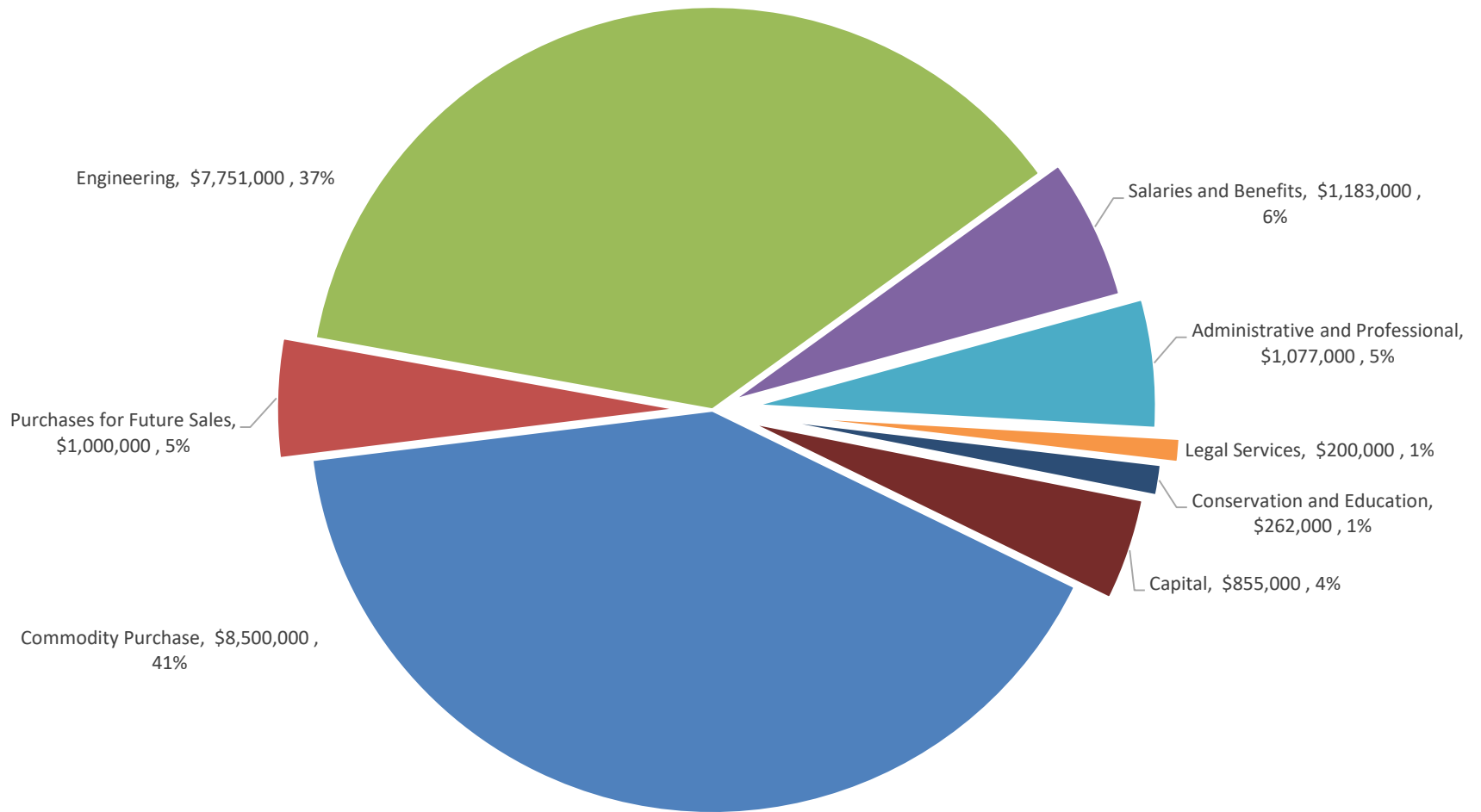
This line item provides funds for small projects that come up each year that need small-dollar contracts to complete.

Proposed General Fund Sources of Revenue FY 2024-25



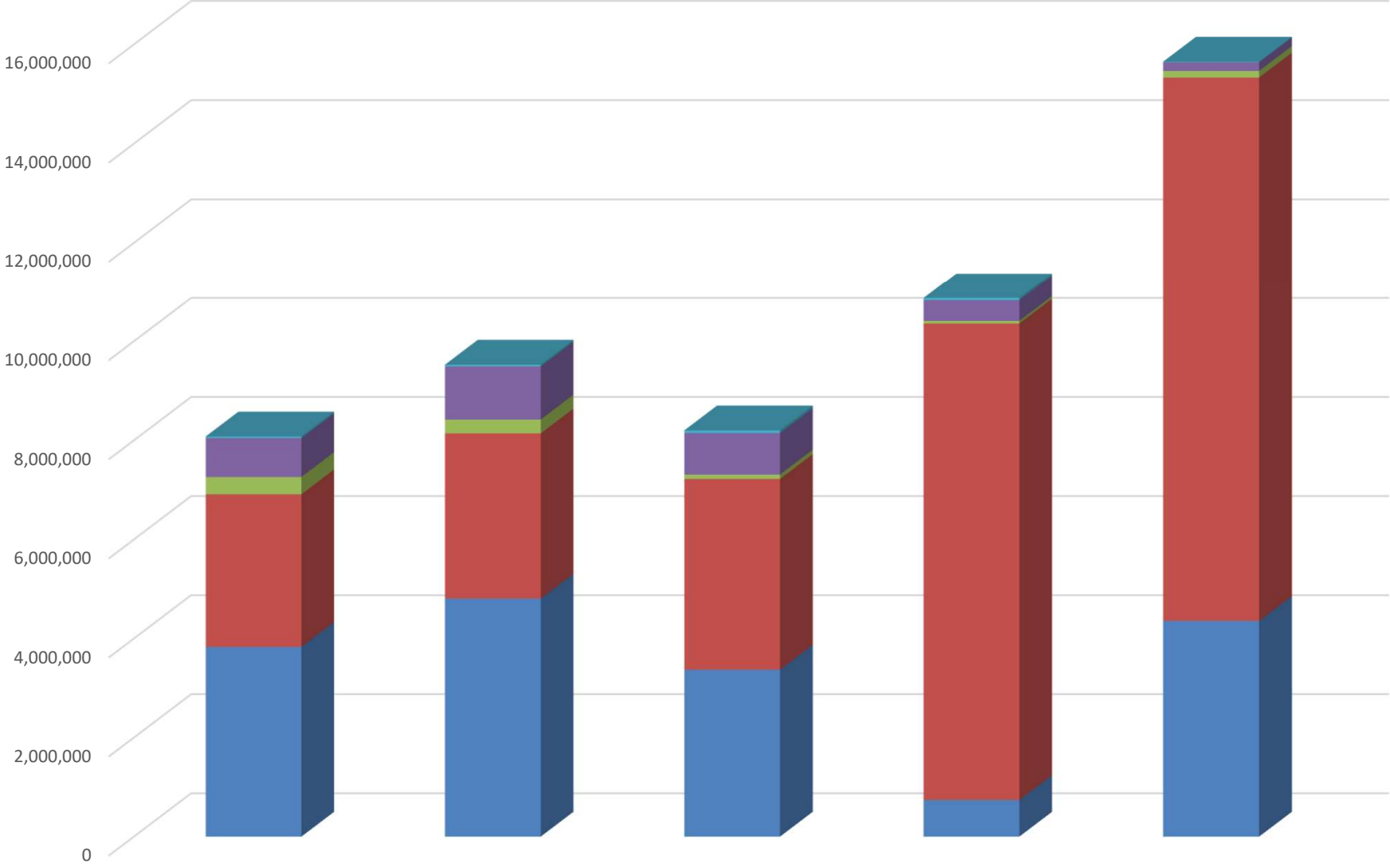
■ Water Sales ■ Tax Revenue ■ Grant Revenue ■ Interest ■ Government Contributions ■ Miscellaneous

Proposed General Fund Expenditure Categories FY 2024-25



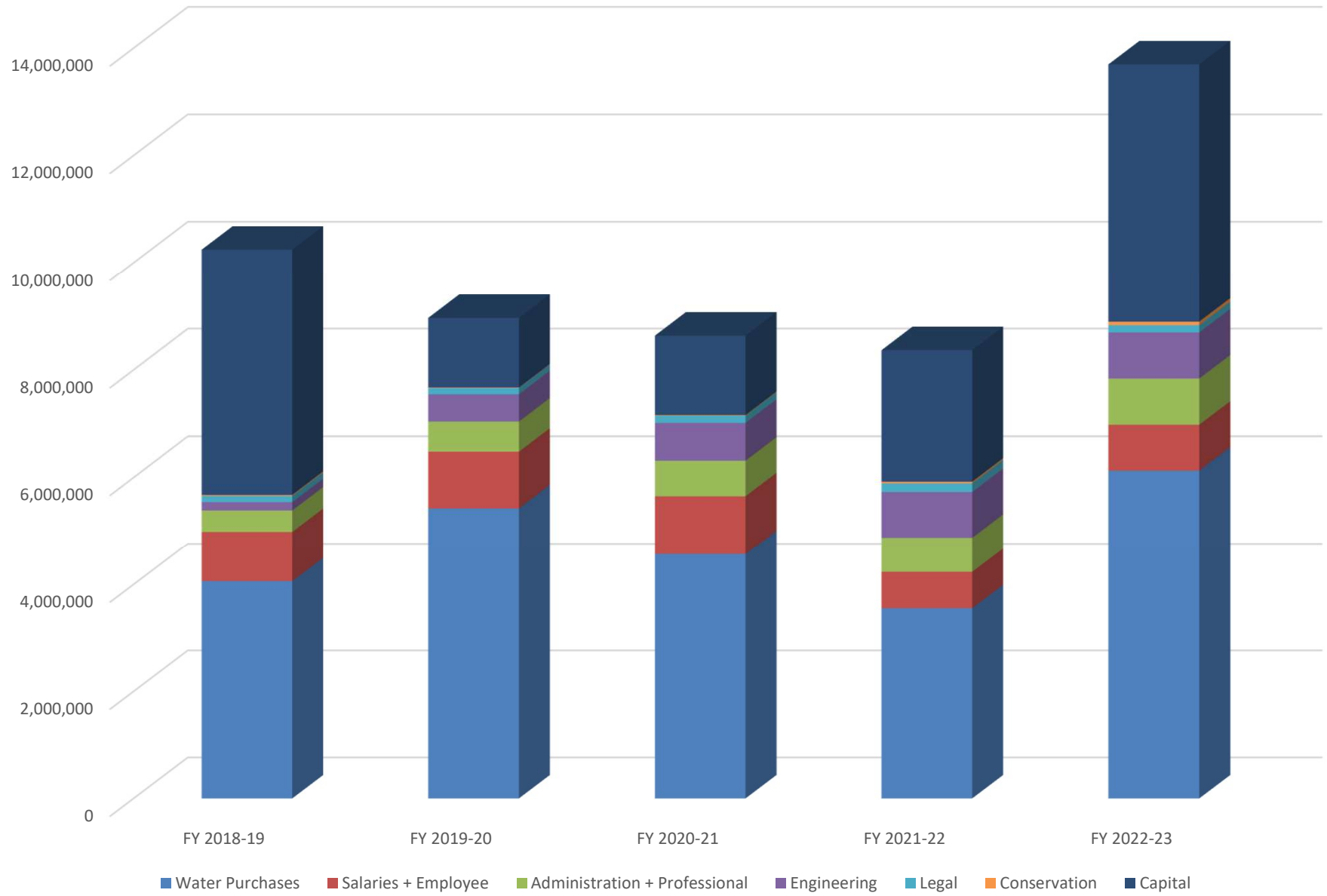
- Commodity Purchase
- Purchases for Future Sales
- Engineering
- Salaries and Benefits
- Administrative and Professional
- Legal Services
- Conservation and Education
- Capital

Income Type by Fiscal Year



■ Water Sales ■ Tax Revenue ■ Interest ■ Government + Grants ■ Other

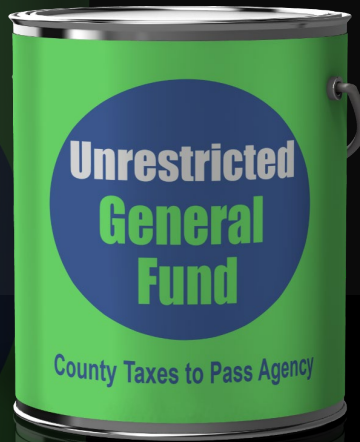
Expense Category by Fiscal Year



The State of the Buckets

Other Funds

Unrestricted
Portion of County 1%
Water Sales
Grants
Unitary Tax



\$10.7 m



\$11.6 m

Debt Service

Restricted
SGPWA Ad Valorem Tax



\$70.9 m

We Control Income
We DON'T Control Income
We DON'T Control Income



As of June 2023





SAN GORGONIO PASS WATER AGENCY

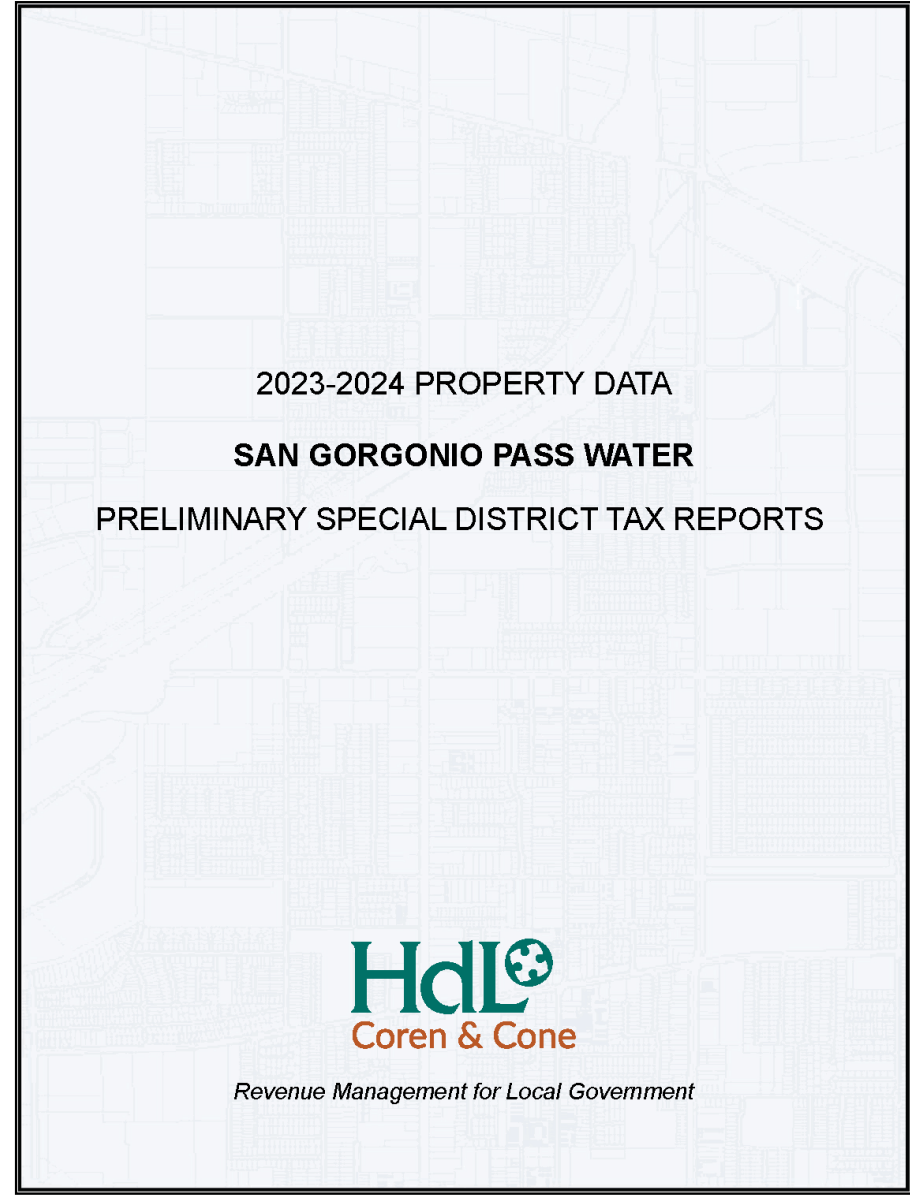
PROPERTY TAX REVIEW

2023-24

AND FORECAST FOR

2024-25

December 18, 2023



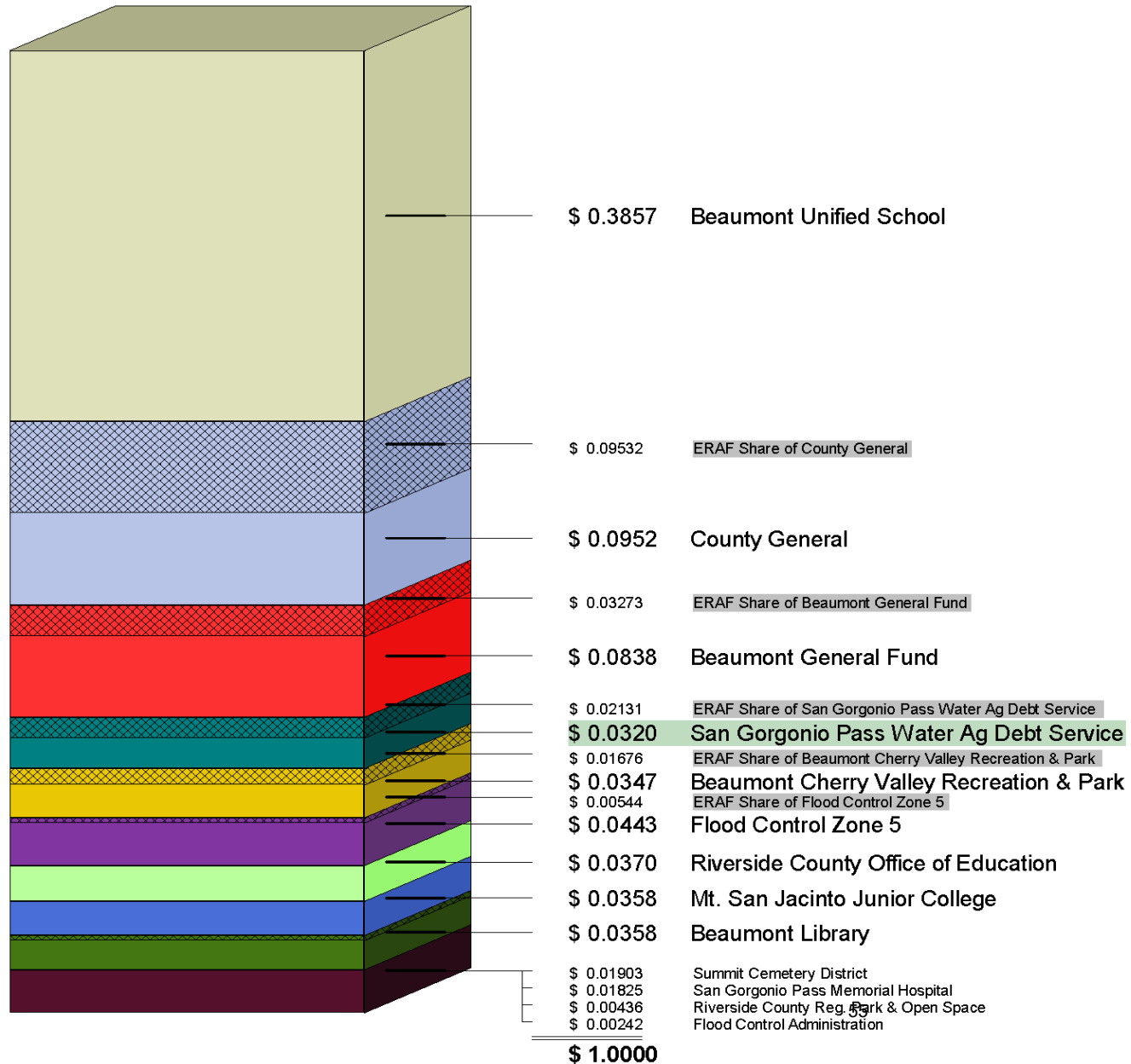


SAN GORGONIO PASS WATER TRANSFER OF OWNERSHIP (2019 - 2023)

<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

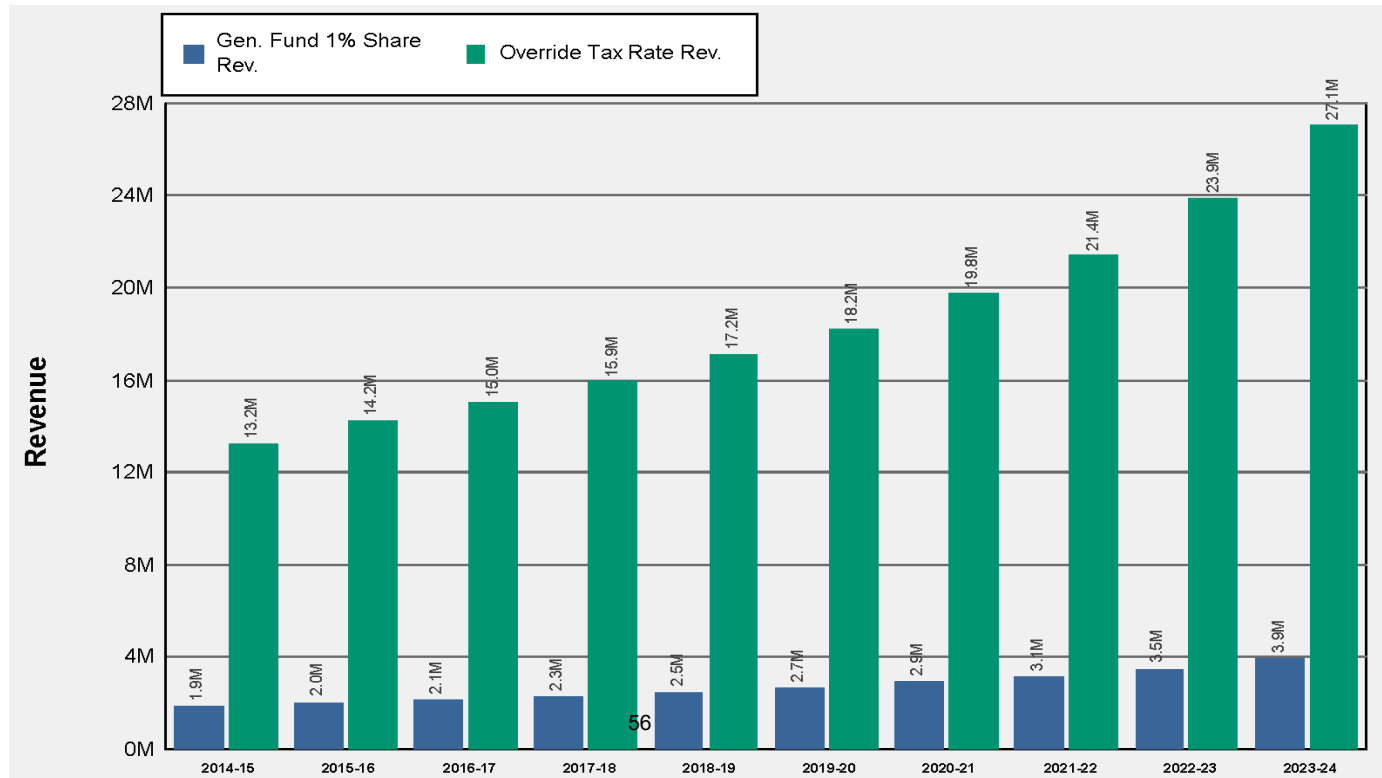
It will require the addition of \$133.6 million in additional value to increase the GF 1% portion of the SGPWA revenue 1% next year in 2024-25. The sales reported in the first 10 months of 2023 with an additive of \$379.7 million will result in the addition of 2.84% to the CPI granted for a conservative 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%



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
ACWA		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	
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