



San Geronio Pass Water Agency

Approved Budget for FY 2025-26



Headquarters

ABOUT THE AGENCY

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

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



Brookside East Recharge Facility



Cherry Valley Pump Station

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

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



Citrus Reservoir and Pump Station

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

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



Crafton Hills Reservoir

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

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



Board of Directors 2025

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Division 5*

*Dr. Blair M Ball, Director
Division 4*

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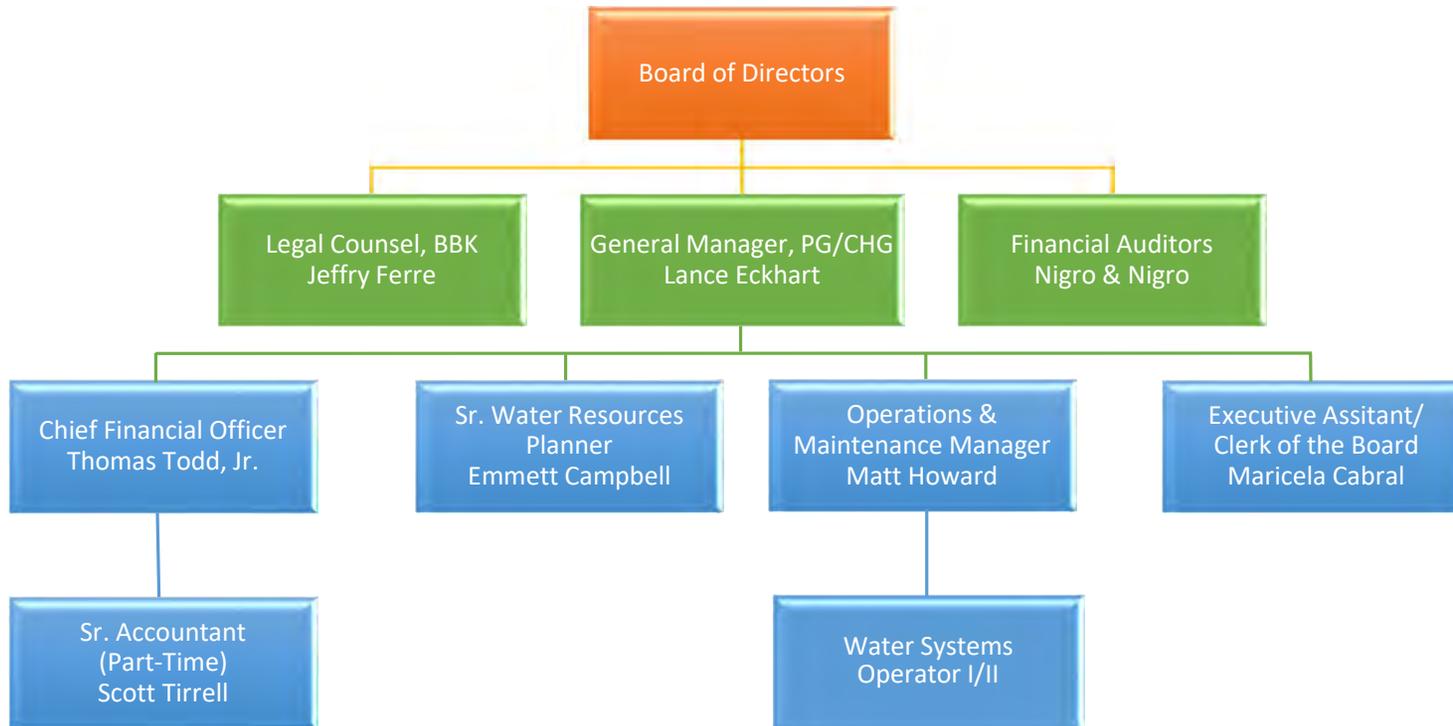
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San Geronimo Pass Water Agency 2025 Organizational Chart



FROM THE GENERAL MANAGER



Lance Eckhart, PG, CHG

It is my pleasure to present the budget for Fiscal Year 2025–26. This budget reflects a clear continuation of our mission to enhance regional water security and aligns closely with the San Geronio Pass Water Agency’s Five-Year Strategic Plan. With this budget, we reaffirm our responsibility to support the region’s current needs while making intentional and visionary investments in long-term solutions that will secure water for generations to come.

Maintaining Fiscal Strength While Planning for the Future

The Agency remains in a solid fiscal position, guided by conservative financial practices and effective stewardship of public resources. We continue to prioritize strategic investments that balance immediate operational needs with future regional opportunities.

Investing in Generational Projects for a Reliable Future

The Agency is positioning itself to participate in transformative regional infrastructure efforts such as the Sites Reservoir Project and the Delta Conveyance Project. These generational investments are designed to safeguard the State Water Project’s delivery capabilities, improve flexibility during drought years, and prepare for a variable hydrology. Participation in these initiatives demonstrates our long-term commitment to the region’s water future and is a cornerstone of our strategic vision.

Leveraging ARPA Funds for Regional Resiliency

We are making meaningful use of American Rescue Plan Act (ARPA) funds from Riverside County to implement projects that strengthen the region’s water and emergency response infrastructure. Notable among these are the regional Heli-Hydrant initiative and the County Line Recharge project—both of which represent collaborative, multi-agency efforts to improve resilience and operational readiness.

Supporting Smaller Retailers and Stakeholders

This year, we continue to remain committed to supporting smaller retail

agencies in the region. Through our Gap Funding Program and Small Systems Assistance program, we assist smaller systems in accessing critical grant funding, enabling them to strengthen their infrastructure and improve service delivery. This collaborative effort ensures that all stakeholders, regardless of size, can contribute to and benefit from our region's water security initiatives.

Expanding Local Recharge and Regional Collaboration

We remain focused on expanding our local capacity to recharge State Water Project water through the development of new recharge infrastructure. At the same time, we are deepening our partnerships with local retail agencies to cooperatively address shared resource challenges. These collaborative efforts are vital to ensuring long-term sustainability, regional adaptability, and water affordability.

Enhancing Regional Water Security

For the Debt Service Fund, this budget reaffirms the Agency's long-standing commitment to regional water security and responsible financial stewardship. It supports our primary mission—importing, delivering, and managing State Water Project (SWP) supplies for the San Geronio Pass region.

Our Five-Year Strategic Plan calls for sound financial planning and leadership in long-term infrastructure investments. This year's budget reflects our continuing contribution toward the Delta Conveyance Project (DCP)—a project essential for improving flexibility, reliability, and resilience in California's water delivery system. It also reflects our sustained support for the Sites Reservoir Project, both of which position the Agency to help lead the state's response to climate-driven challenges.

Managing State Water Project Costs

We anticipate increased SWP costs, including higher base contract payments, additional costs for purchased water based on allocation, and the City Creek Crossing remediation. These increases are anticipated and have been carefully planned for. Our stable tax revenue and reserves allow us to absorb these increases while continuing to meet obligations without disruption.

While the Debt Service Fund is primarily structured to fulfill SWP-related contracts, it also enables broader regional resilience. Through reliable imported water delivery, we support local recharge efforts, economic development, and joint efforts with regional partners.

Conclusion

This budget represents a strategic path forward. It reflects our forward-looking mission—balancing current commitments with long-term investments to ensure water reliability for decades to come. With strong fiscal stewardship, clear alignment with our Strategic Plan, maintaining a statewide presence, and a commitment to interagency collaboration, the San Geronimo Pass Water Agency continues to lead in building a secure, resilient, and sustainable water future for our region.

I extend my thanks to the Board for its continued leadership and to the staff for their efforts in preparing this budget. We look forward to another successful year of progress, collaboration, and responsible stewardship on behalf of the region we serve.

Respectfully,

A handwritten signature in black ink, appearing to read "James E. Oll". The signature is written in a cursive style with a large initial "J" and "E".

FROM THE CHIEF FINANCIAL OFFICER



Thomas W. Todd, Jr.

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

Review of FY 2024-25

A quick review of FY 2024-25 reveals a year of exciting activity. We welcomed a new staff member. We started drilling monitoring wells. We expanded the Gap Funding Program. We completed the installation of two Heli-Hydrant tanks, funded by American Rescue Plan Act funds courtesy of Riverside County and are on track to install four more. We have made excellent progress in a multi-agency collaborative effort to provide more water for the region through the County Line Recharge project.

Financially, we expect to end the year by adding to the reserves of all funds. The Board approved a robust budget for FY 2024-25, which included a number of new projects. We have made progress on all of them, and expect to see the completion of a number of them in FY 2025-26.

The budget for FY 2025-26 looks very similar to the approved budget for FY 2024-25. Overall, Staff is proposing a slight reduction in income, and a slight reduction in expenses, which results in a slight reduction in net positive balance to add to reserves. Within that framework, however, there are some major shifts between the different categories.

The General Fund

In the General Fund (the Green Bucket), Water Purchases for Delivery is reduced to the amount needed to meet our obligation for Nickel water and the possibility of purchasing water on the spot market if necessary. This frees up significant resources which will be used in Major and Capital Expenditures.

Salaries and Employee Benefits is increased about 13% compared to the previous budget due to the addition of a new employee.

Administrative and Professional Services includes Legal Services, a line item that has been moved at the suggestion of the Finance and Budget Committee. Without this change, the proposed budget would be less than the previous year, due to the cyclical elimination of Election Expense. Including this new item results in about a 5% increase.

Consulting and Engineering expects to see a reduction of about 10%. A couple of projects have been completed, progress has been made in a couple of projects, while a couple of other projects will see additional efforts needed to move them to completion.

Conservation and Education will see an increase of about 13% concentrated in the 65th Anniversary Celebration.

As mentioned earlier, the big change is in Major and Capital Expenditures, where \$6.5 million is proposed to construct the County Line Recharge facility.

Total expenditures for the General Fund are projected to be about \$22 million, which will be funded by about \$25.3 million in revenue.

Consigned State Water Project Fund

In the Consigned State Water Project Fund, an increase of about 3% is projected in income, with no planned expenditures at this time.

Gap Funding Program

For the Gap Funding Program, we expect expenditures to be about the same as income. At least one project is planned for completion, while two other projects will continue to see progress but are not expected to be completed until FY 2026-27.

Overall, the proposed General Fund budget for FY 2025-26 projects \$25.3M in income, \$22M in expenditures, for a net positive balance at year-end of \$3.3M. This budget expects to meet the needs of the Agency, make significant progress in adding to our infrastructure, and still be able to add to reserves by the end of the fiscal year.

The Debt Service Fund

The Debt Service Fund (also known as the Red Bucket) is dedicated to fulfilling our obligation to the State of California for the State Water Project and our primary objective: importing water to the Pass area. While the General Fund supports the many regional initiatives the Agency participates in, and is available for a multitude of activities and expenditures, the focus of the Debt Service Fund is providing the water resources necessary to sustain the Agency's service area.

Adding to Debt Service reserves will serve the Agency well as we begin to pay for generational opportunities such as the Delta Conveyance Project and the Sites Reservoir Project. In addition, repairs and upgrades to aging infrastructure, such as subsidence remediation, will begin to impact our State Water payments in the future.

There are three major expense categories charged to the Debt Service Fund. The biggest category is the State Water Contract Payments. As part of our obligation to pay for our share of the State Water Project (SWP), the Agency is assessed an allocated amount of costs to operate and maintain the SWP. State Water Contract Payments are derived from the annual Statement of Charges issued by the Department of Water Resources. They are shown in a table later in this document.

In addition, for this fiscal year, the Agency will pay 100% of the SWP water delivery charges from the Debt Service Fund. This includes fixed costs for facilities needed to transport water, as well as variable costs related to electrical service and infrastructure.

And as in previous years, the Agency will pay for water transfers out of the Debt Service Fund. Water Transfers are the line item for expenditures related to transfer agreements the Agency has with other State Water Contractors. An example of this is the transfer agreement we have with the City of Ventura. Throughout the year, we may enter into other transfer agreements with other State Water Contractors, and those expenditures would be added to this line item. These three categories account for about 90% of the expenditures from the Debt Service Fund in FY 2025-26.

The other line items account for activities directly related to the delivery of water through the SWP. Personnel costs and administration, along with operations and maintenance, are included in this category of expenses. Water Treatment Expense, EBX Contract Operations, and SWP Engineering and Maintenance are three line items that are used to account for costs that we share with San Bernardino Valley Municipal Water District (SBVMWD) to efficiently operate the East Branch Extension.

For FY25-26, the SWP Engineering and Maintenance line item includes \$2 million to share the cost of repairing the City Creek Crossing with SBVMWD. The design of the project is temporarily on hold due to permitting issues, but the situation must be

addressed, so this amount has been added to cover the extra efforts needed going forward.

Altogether, total expenses for the Debt Service Fund are projected to be about \$37.7 million.

The SWP will face a number of challenges in the coming years. Besides the expected effects of inflation and cost increases, and repairs needed to aging infrastructure, the SWP will continue to face environmental and mandated restrictions that reduce the delivery capability of the Project.

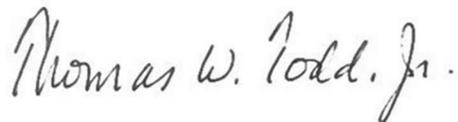
The Agency is well prepared to meet these unique challenges. The Board has a long history of considering the impacts future years will have on the resources available to the Agency, and taking action to prepare for those contingencies. One example of the Board's forward thinking is the decision it made years ago to set aside tax revenue for future 'balloon payments' for the East Branch Extension. As a result, funds have been set aside in reserves and are ready for deployment.

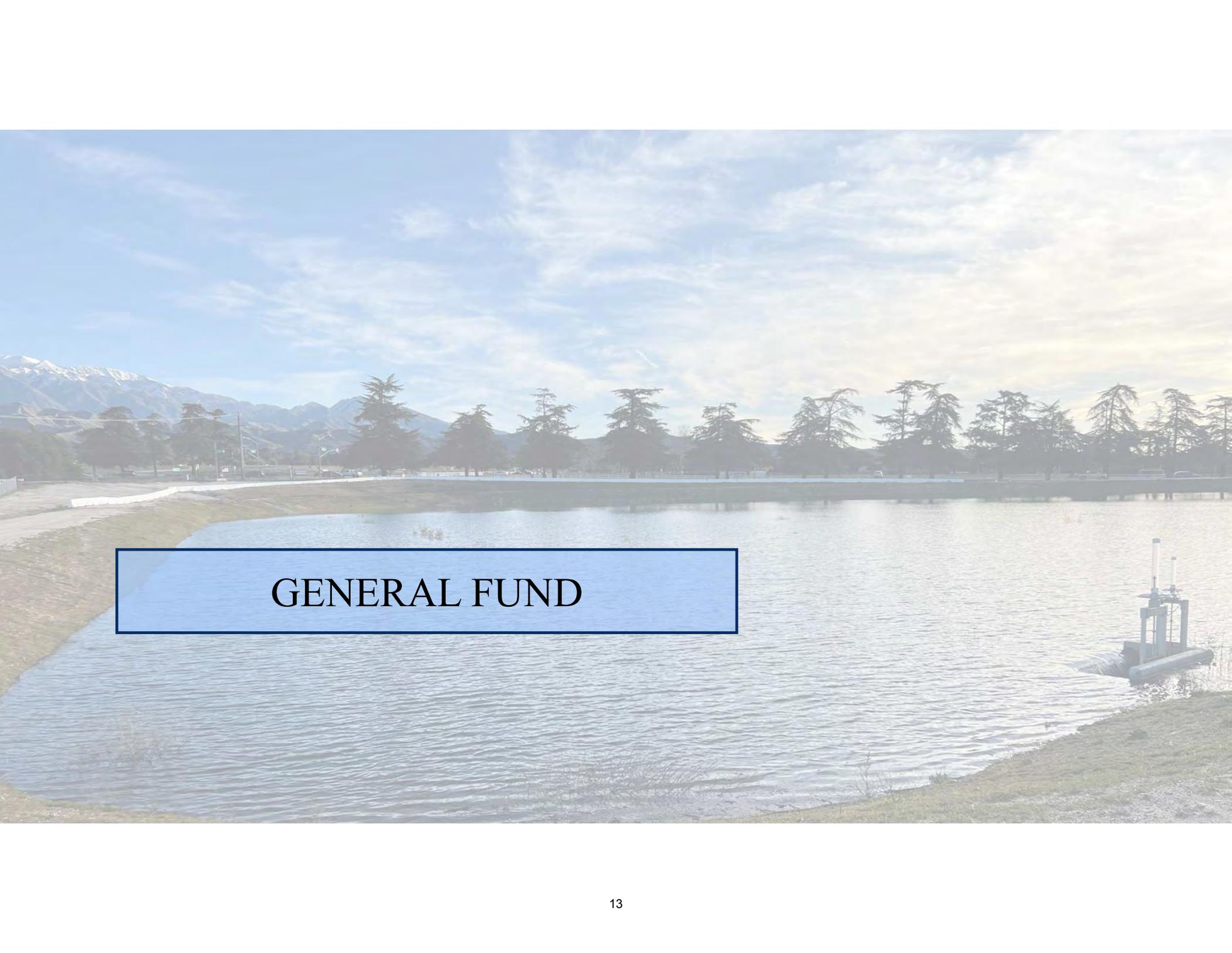
This mindset is increasingly important as the Agency faces uncertain impacts from future activities. The Agency is currently well-positioned to meet its obligations; it is important that it be able to continue to do so. Maintaining the current level of income would be an effective investment (at this time) in future stability for taxpayers as well as supporting resiliency for the Agency.

This budget reflects the Agency's commitment to fulfilling its obligations to the State of California as well as its obligations to the taxpayers of the region. By participating in generational opportunities and maintaining adequate funding and reserves, the Agency can continue to provide an adequate water supply to our region.

Finally, I would like to express my sincere appreciation to the Board for their forward thinking and diligent oversight of the Agency's finances. The support of the Board for the many projects the Agency seeks to move forward is critical to the success of the Agency, and as such, is a key factor in fulfilling the mission of the Agency. Staff look forward to another year of significant progress and exciting new opportunities.

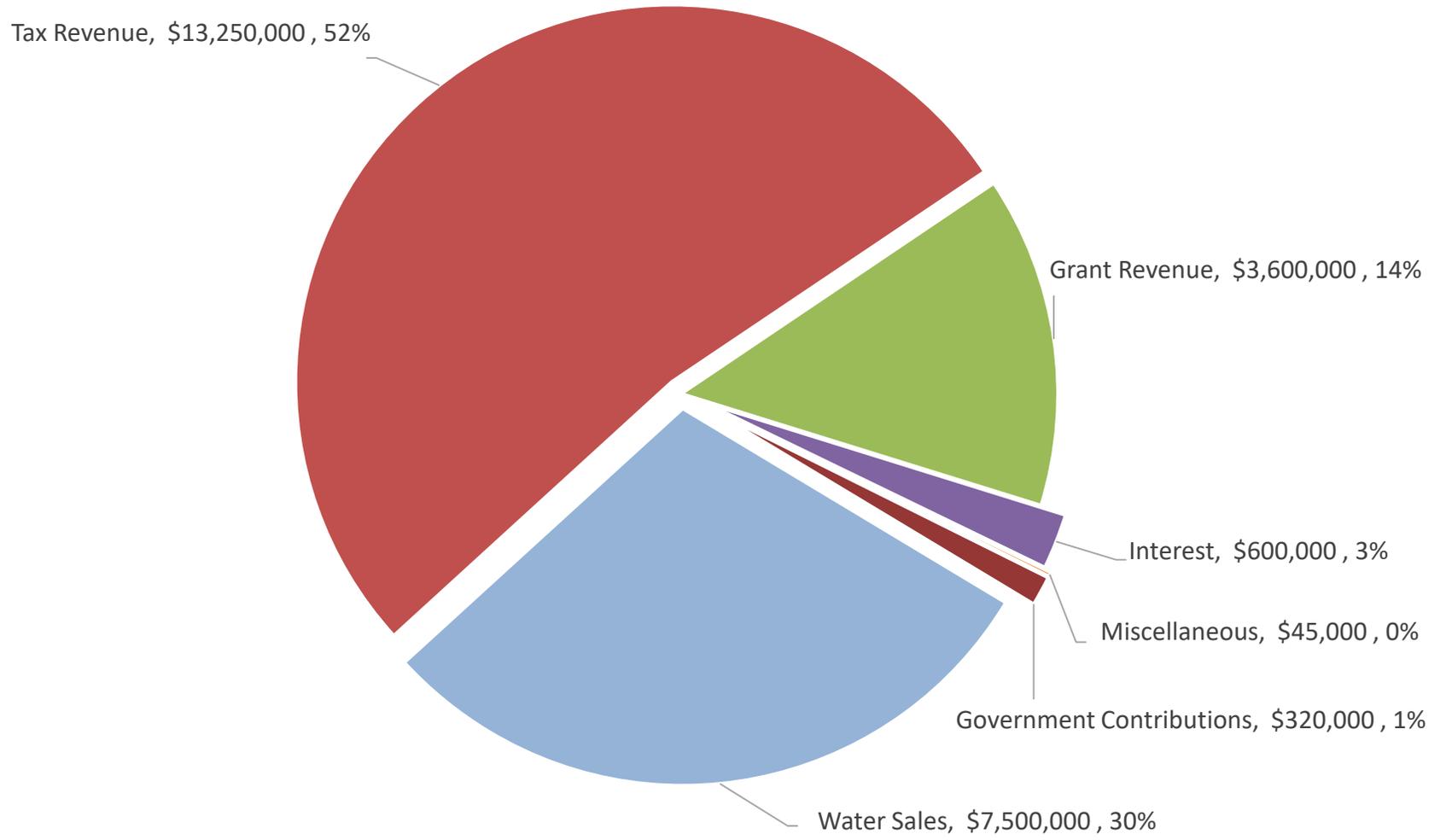
Respectfully,

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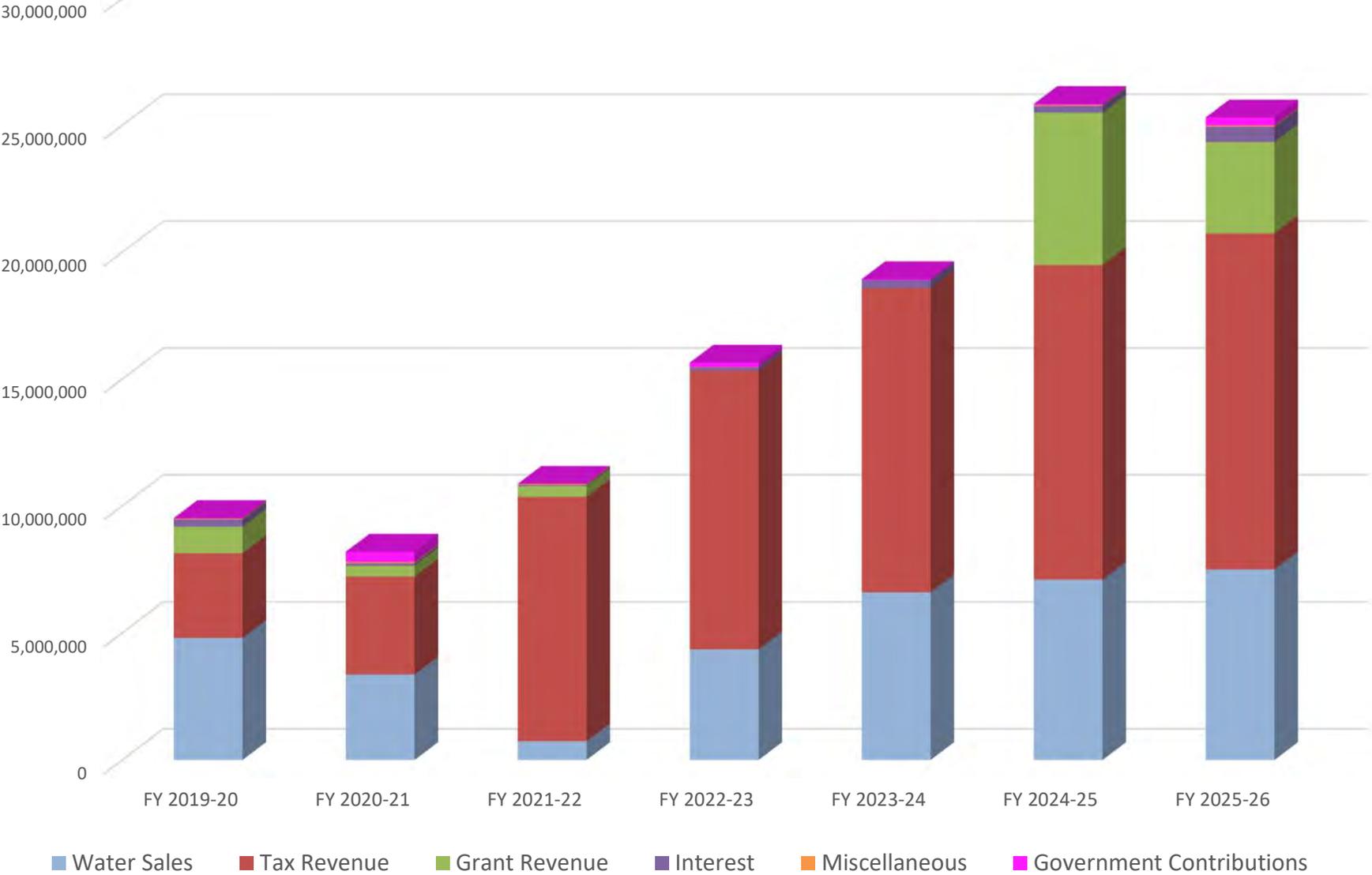
GENERAL FUND

Proposed General Fund Sources of Revenue FY 2025-26

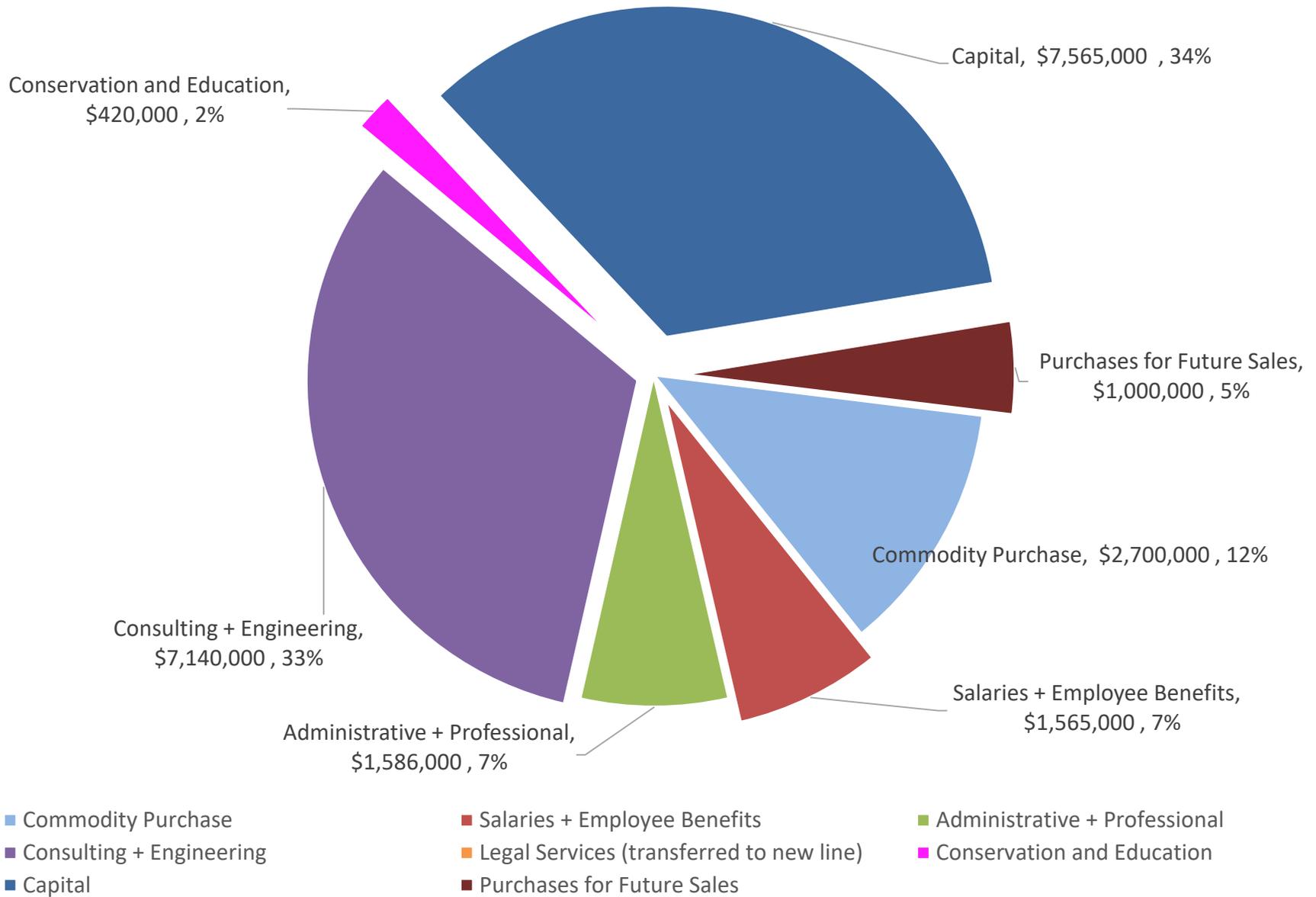


■ Water Sales ■ Tax Revenue ■ Grant Revenue ■ Interest ■ Miscellaneous ■ Government Contributions

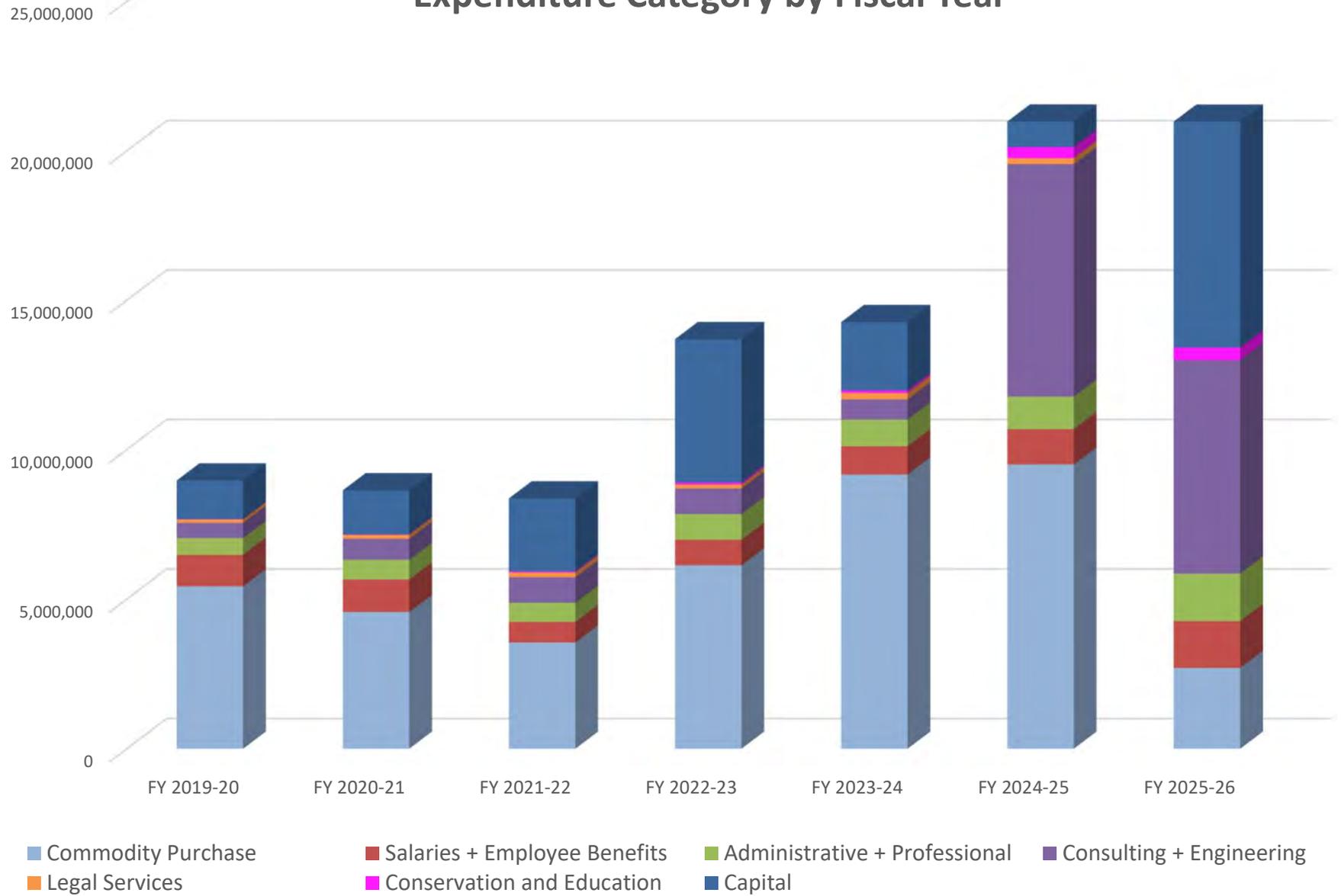
Income Category by Fiscal Year



Proposed General Fund Expenditure Categories FY 2025-26



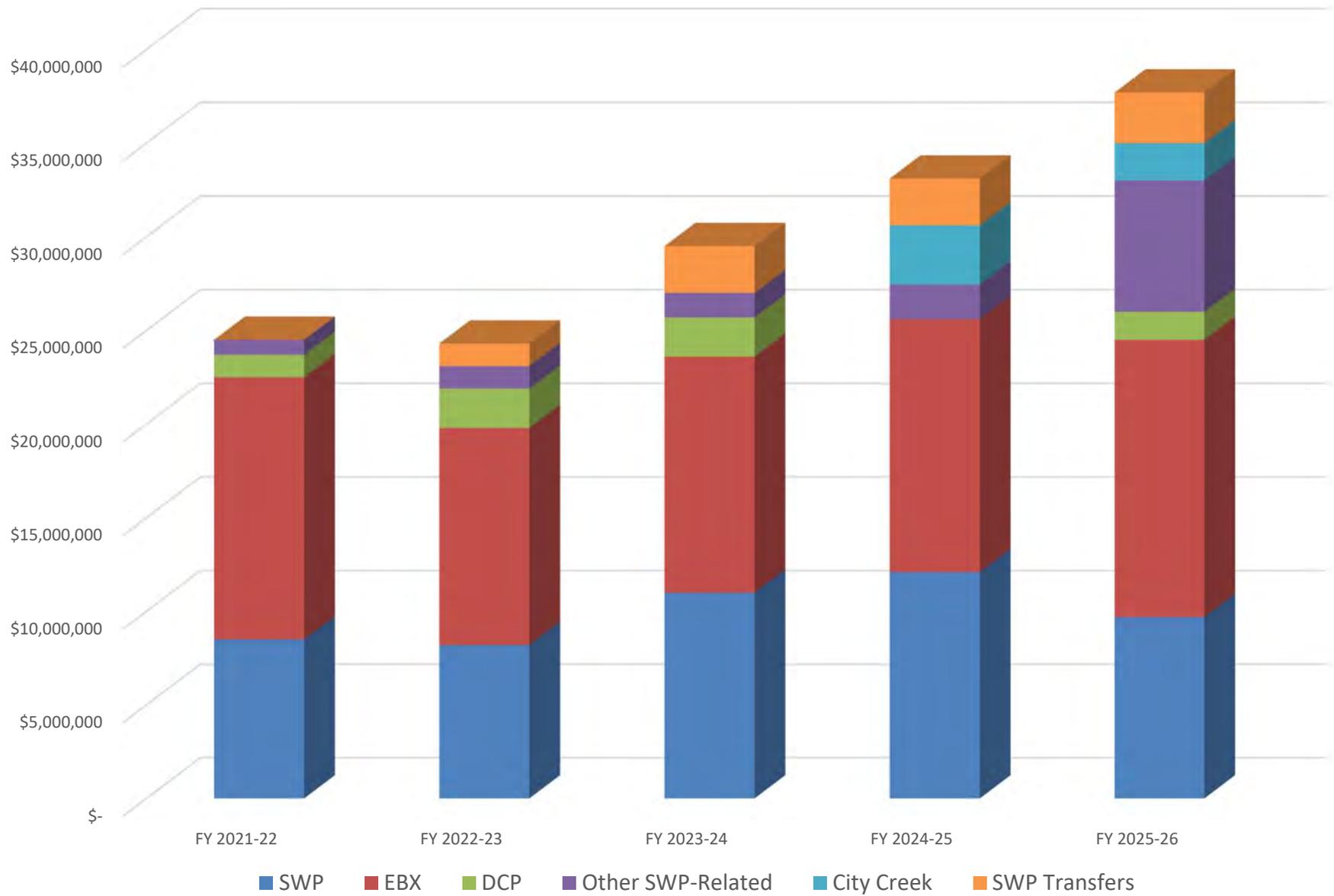
Expenditure Category by Fiscal Year



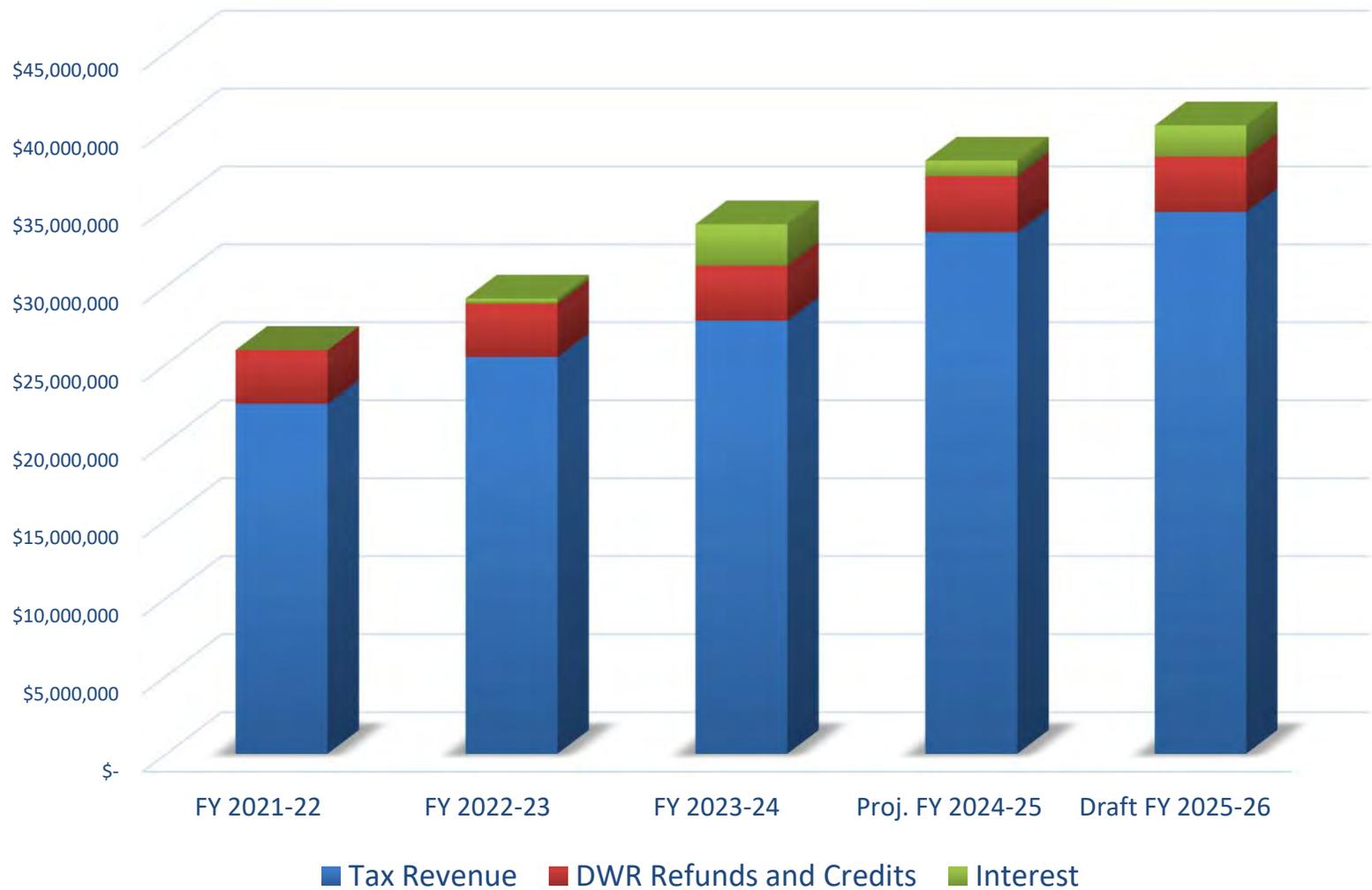


DEBT SERVICE FUND

Debt Service Expenditures by Fiscal Year



Debt Service Fund Income by Type



SAN GORGONIO PASS WATER AGENCY
DEPARTMENT OF WATER RESOURCES EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2025-26

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DEPARTMENT OF WATER RESOURCES		Statement of Charges	May Estimate
		FOR THE	FOR THE
INVOICE		PERIOD	PERIOD
INVOICE (type) - NUMBER (attachment)		JUL - DEC 2025	JAN - JUN 2026
Water Supply - T Invoice - ATTACHMENT 1		4,197,924	4,608,376
Delta Conveyance Project		0	1,500,000
Sites Reservoir		0	0
Other			
Sub-Total Water Supply		4,197,924	6,108,376
OAP - O Invoice- ATTACHMENT 1-1			1,704
RAS - U Invoice - ATTACHMENT 1-2		0	0
EBX - X Invoice - ATTACHMENT 1-5		11,852,040	2,806,430
Tehachapi - TAB Invoice - ATTACHMENT 1-6		21,664	31,820
DWR FIXED CHARGES		16,071,628	8,948,330
TOTAL DWR STATEMENT OF CHARGES			25,019,958
OTHER DWR CHARGES			
Healthy Rivers and Landscapes			86,000
CONTINGENCY			900,000
TOTAL OTHER CHARGES			986,000
TOTAL PROJECTED DWR EXPENDITURES (rounded)			26,000,000

**SAN GORGONIO PASS WATER AGENCY
OTHER DEBT SERVICE EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2025-26**

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ADDITIONAL DEBT SERVICE EXPENSES

Purchased Water	4,800,000
Debt Service Salaries	640,000
Debt Service Payroll Taxes	40,000
Debt Service Benefits	400,000
Debt Service Utilities	12,000
State Water Contract Audit	8,000
SWC Contractor Dues	45,000
SWP Legal Services	1,000
Delta Conveyance Financing Authority	30,000
Water Treatment	100,000
EBX Contract Operations	400,000
SWP Engineering and Maintenance	2,400,000
Tax Collection Charges	170,000
TOTAL ADDITIONAL EXPENSES	9,046,000

WATER TRANSFERS

Ventura Water Transfer	2,200,000
Other Water Transfers	500,000
TOTAL WATER TRANSFERS	2,700,000

GRAND TOTAL DEBT SERVICE EXPENDITURES

37,746,000

**SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE INCOME ESTIMATES
FOR THE FISCAL YEAR 2025-26**

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DEBT SERVICE REVENUE

ESTIMATED DWR REFUNDS + INTEREST

Estimate of Bond Cover Refunds			3,200,000
DWR - Allocation of Interest on Reserved Runds			350,000
TOTAL ESTIMATE OF DWR REFUNDS + INTEREST			3,550,000

SGPWA Estimate of Allocated Interest			2,000,000
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TOTAL REFUNDS + INTEREST			5,550,000
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OTHER REVENUE

Other items			0
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TOTAL Other Revenue			0
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DEBT SERVICE TAX REVENUE

DEBT SERVICE INCOME FY 2024-25 (projected)		33,449,480	
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TAX REVENUE PER CENT OF TAX LEVY			
(Current Tax Rate: 17.50 Cents)	17.50	1,911,399	
Estimate for FY 2025-26:			
6.7% increase	0.067	128,064	
2.8% decrease - Delinquency FY25-26	0.028	-53,519	

ESTIMATED TAX REVENUE PER CENT OF TAX LEVY, FY 2025-26		1,985,943	
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ESTIMATED TAX REVENUE AT CURRENT RATE	17.50		34,754,010
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TOTAL ESTIMATED REVENUE			40,304,010
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DEBT SERVICE EXPENDITURES COMBINED

WITH REVENUE AT TAX RATE OF 17.50			2,558,010
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**SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE REVENUE REQUIREMENTS
CALCULATION OF POTENTIAL REVENUES FOR FY 2025-26**

STEP ONE: REVIEW PROJECTED DEBT SERVICE EXPENSES

DWR Contract Payments	26,000,000
Purchased Water	4,800,000
Water Transfers	2,700,000
Other Debt Service Expenditures	4,246,000
Total Projected Debt Service Expenditures	37,746,000

STEP TWO: REVIEW PROJECTED NON-TAX DEBT SERVICE REVENUE

Other Debt Service Revenue (does not include tax revenue)	
Estimate of Bond Cover Refunds and Credits	3,550,000
Estimate of SGPWA Allocated Interest	2,000,000
Other Revenue	0
Total Other Debt Service Revenue	5,550,000

STEP THREE: DETERMINE CURRENT INCOME RATE

Tax Revenue (Projected) FY 2024-25	33,449,480
Tax Rate	17.50
Income derived for each cent of tax FY 2023-24	1,911,399

STEP FOUR: CALCULATE POTENTIAL INCOME RATE FOR FY 2025-26

Income derived for each cent of tax FY 2024-25	1,911,399
Estimated percentage increase in assessed value	6.7%
Estimated percentage delinquency rate FY 2024-25	-2.8%
Net percentage revenue increase	3.9%
Estimated increase in tax revenue for 1 cent	74,545
Estimate of revenue for each cent of tax FY 2025-26	1,985,943

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**SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE REVENUE REQUIREMENTS
CALCULATION OF TAX RATE ALTERNATIVES FOR FY 2025-26**

STEP FIVE: COMPARE PROJECTED EXPENSES WITH POTENTIAL REVENUE

Estimate of Debt Service expenses for FY 2025-26:	37,746,000
Estimate of non-tax income for FY 2025-26:	5,550,000
Estimate of projected revenue for each cent of tax FY 2025-26	1,985,943

Tax Rates Less than Current Rate				Current Tax Rate	Tax Rates More than Current Rate				
Tax Rate	Tax Revenue		Total income	Impact to Net Reserves	Tax Rate:	Tax Rate	Tax Revenue	Total income	Impact to Net Reserves
10.00	19,859,434		25,409,434	-12,336,566	17.50	17.75	35,250,496	40,800,496	3,054,496
10.25	20,355,920		25,905,920	-11,840,080		18.00	35,746,981	41,296,981	3,550,981
10.50	20,852,406		26,402,406	-11,343,594	Estimated Tax Revenue:	18.25	36,243,467	41,793,467	4,047,467
10.75	21,348,892		26,898,892	-10,847,108	34,754,010	18.50	36,739,953	42,289,953	4,543,953
11.00	21,845,378		27,395,378	-10,350,622		18.75	37,236,439	42,786,439	5,040,439
11.25	22,341,863		27,891,863	-9,854,137	Estimated Total Income:	19.00	37,732,925	43,282,925	5,536,925
11.50	22,838,349		28,388,349	-9,357,651	40,304,010	19.25	38,229,411	43,779,411	6,033,411
11.75	23,334,835		28,884,835	-8,861,165		19.50	38,725,897	44,275,897	6,529,897
12.00	23,831,321		29,381,321	-8,364,679	Compare Estimated	19.75	39,222,382	44,772,382	7,026,382
12.25	24,327,807		29,877,807	-7,868,193	Income with Estimated	20.00	39,718,868	45,268,868	7,522,868
12.50	24,824,293		30,374,293	-7,371,707	Expenses - Net Reserves:	20.25	40,215,354	45,765,354	8,019,354
12.75	25,320,779		30,870,779	-6,875,221	2,558,010	20.50	40,711,840	46,261,840	8,515,840
13.00	25,817,264	Add non-tax income	31,367,264	-6,378,736		20.75	41,208,326	46,758,326	9,012,326
13.25	26,313,750		31,863,750	-5,882,250		21.00	41,704,812	47,254,812	9,508,812
13.50	26,810,236		32,360,236	-5,385,764		21.25	42,201,298	47,751,298	10,005,298
13.75	27,306,722		32,856,722	-4,889,278		21.50	42,697,783	48,247,783	10,501,783
14.00	27,803,208		33,353,208	-4,392,792		21.75	43,194,269	48,744,269	10,998,269
14.25	28,299,694		33,849,694	-3,896,306		22.00	43,690,755	49,240,755	11,494,755
14.50	28,796,179		34,346,179	-3,399,821		22.25	44,187,241	49,737,241	11,991,241
14.75	29,292,665		34,842,665	-2,903,335		22.50	44,683,727	50,233,727	12,487,727
15.00	29,789,151		35,339,151	-2,406,849		22.75	45,180,213	50,730,213	12,984,213
15.25	30,285,637		35,835,637	-1,910,363		23.00	45,676,698	51,226,698	13,480,698
15.50	30,782,123		36,332,123	-1,413,877		23.25	46,173,184	51,723,184	13,977,184
15.75	31,278,609		36,828,609	-917,391		23.50	46,669,670	52,219,670	14,473,670
16.00	31,775,095		37,325,095	-420,905		23.75	47,166,156	52,716,156	14,970,156
16.25	32,271,580		37,821,580	75,580		24.00	47,662,642	53,212,642	15,466,642
16.50	32,768,066		38,318,066	572,066		24.25	48,159,128	53,709,128	15,963,128
16.75	33,264,552		38,814,552	1,068,552		24.50	48,655,614	54,205,614	16,459,614
17.00	33,761,038		39,311,038	1,565,038		24.75	49,152,099	54,702,099	16,956,099
17.25	34,257,524		39,807,524	2,061,524		25.00	49,648,585	55,198,585	17,452,585

SAN GORGONIO PASS WATER AGENCY APPROVED BUDGET FOR FY 2025-26

General Fund Approved June 2, 2025 Debt Service Fund Approved July 7, 2025

		FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND						
GENERAL FUND - INCOME					% of Budget Year:	0%
					Over budget / Under budget	
1	WATER SALES	7,500,000		7,500,000	0.00	0.0%
2	OTHER WATER SALES	0		0		
3	TAX REVENUE	13,250,000		13,250,000	0.00	0.0%
4	INTEREST	600,000		600,000	0.00	0.0%
5	GOV'T CONTRIBUTIONS	320,000		320,000	0.00	0.0%
6	GRANT REVENUE	3,600,000		3,600,000	0.00	0.0%
7	OTHER MISCELLANEOUS INCOME	45,000		45,000	0.00	0.0%
8	TOTAL GENERAL FUND INCOME	25,315,000	0	25,315,000	0.00	0.0%
GENERAL FUND - EXPENSES					Under budget / Over budget	
COMMODITY PURCHASE						
12	PURCHASED WATER FOR DELIVERY	2,700,000		2,700,000	0.00	0.0%
13	PURCHASED WATER FOR BANKING (FUTURE SALE)	1,000,000		1,000,000	0.00	0.0%
14	TOTAL COMMODITY PURCHASE	3,700,000	0	3,700,000	0.00	0.0%
SALARIES AND EMPLOYEE BENEFITS						
17	SALARIES	800,000		800,000	0.00	0.0%
18	PAYROLL TAXES	73,000		73,000	0.00	0.0%
19	PAYROLL SERVICES	11,000		11,000	0.00	0.0%
20	RETIREMENT	350,000		350,000	0.00	0.0%
21	OTHER POST-EMPLOYMENT BENEFITS (OPEB)	200,000		200,000	0.00	0.0%
22	HEALTH INSURANCE	75,000		75,000	0.00	0.0%
23	ACWA BENEFITS	12,000		12,000	0.00	0.0%
24	DISABILITY INSURANCE	8,000		8,000	0.00	0.0%
25	WORKERS COMPENSATION INSURANCE	7,000		7,000	0.00	0.0%
26	SGPWA STAFF MEDICAL REIMBURSEMENT	22,000		22,000	0.00	0.0%
27	EMPLOYEE EDUCATION	7,000		7,000	0.00	0.0%
28	TOTAL SALARIES AND EMPLOYEE BENEFITS	1,565,000	0	1,565,000	0.00	0.0%

SAN GORGONIO PASS WATER AGENCY APPROVED BUDGET FOR FY 2025-26

General Fund Approved June 2, 2025 Debt Service Fund Approved July 7, 2025

		FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026				
		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 %	0%
DIRECTOR EXPENDITURES					Under budget /	Over budget
33	DIRECTORS FEES	285,000		285,000	0.00	0.0%
34	DIRECTORS TRAVEL AND EDUCATION	80,000		80,000	0.00	0.0%
35	DIRECTORS MEDICAL	214,000		214,000	0.00	0.0%
OFFICE EXPENDITURES						
37	OFFICE EXPENSE	40,000		40,000	0.00	0.0%
38	POSTAGE	1,000		1,000	0.00	0.0%
39	TELEPHONE	8,000		8,000	0.00	0.0%
40	UTILITIES	7,000		7,000	0.00	0.0%
SERVICE EXPENDITURES						
42	COMPUTER, WEBSITE AND PHONE SUPPORT	75,000		75,000	0.00	0.0%
43	GENERAL MANAGER AND STAFF TRAVEL	50,000		50,000	0.00	0.0%
44	SUCCESSION PLANNING	65,000		65,000	0.00	0.0%
45	INSURANCE AND BONDS	70,000		70,000	0.00	0.0%
46	ACCOUNTING AND AUDITING	22,000		22,000	0.00	0.0%
47	LEGAL SERVICES	350,000		350,000	0.00	0.0%
48	DUES AND ASSESSMENTS	70,000		70,000	0.00	0.0%
49	OTHER PROFESSIONAL SERVICES	25,000		25,000	0.00	0.0%
50	BANK CHARGES	1,000		1,000	0.00	0.0%
51	MISCELLANEOUS EXPENSES	1,000		1,000	0.00	0.0%
MAINTENANCE AND EQUIPMENT EXPENDITURES						
53	TOOLS PURCHASE AND MAINTENANCE	2,000		2,000	0.00	0.0%
54	MAINTENANCE AND REPAIRS - VEHICLE	30,000		30,000	0.00	0.0%
55	MAINTENANCE AND REPAIRS - BUILDING	50,000		50,000	0.00	0.0%
56	MAINTENANCE AND REPAIRS - FIELD	60,000		60,000	0.00	0.0%
COUNTY EXPENDITURES						
58	LAFCO COST SHARE	10,000		10,000	0.00	0.0%
59	ELECTION EXPENSE	0		0		
60	TAX COLLECTION CHARGES	70,000		70,000	0.00	0.0%
61	TOTAL ADMINISTRATIVE AND PROFESSIONAL SERVICES	1,586,000	0	1,586,000	0.00	0.0%

SAN GORGONIO PASS WATER AGENCY APPROVED BUDGET FOR FY 2025-26

General Fund Approved June 2, 2025 Debt Service Fund Approved July 7, 2025

		FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026				
		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					Remaining %	0%
PLANS & CONSTRUCTION					Under budget /	Over budget
65	INFRASTRUCTURE PLAN - Phase 2	25,000		25,000	0.00	0.0%
66	SAN GORGONIO PASS REGIONAL MASTERPLAN	750,000		750,000	0.00	0.0%
67	BUNKER HILL BANKING AND RECOVERY PROGRAM	75,000		75,000	0.00	0.0%
68	COUNTY LINE RECHARGE	100,000		100,000	0.00	0.0%
69	SMALL SYSTEM ASSISTANCE PROGRAM	210,000		210,000	0.00	0.0%
70	SIGNAGE AND FRONTAGE BROOKSIDE EAST	75,000		75,000	0.00	0.0%
71	MONITORING WELL DRILLING	1,800,000		1,800,000	0.00	0.0%
72	HELI-HYDRANT	1,200,000		1,200,000	0.00	0.0%
OTHER PROJECTS						
74	WATER BANKING INVESTIGATIONS	25,000		25,000	0.00	0.0%
75	SAN GORGONIO GSA	550,000		550,000	0.00	0.0%
76	YUCAIPA GSA VERBENIA GSA	50,000		50,000	0.00	0.0%
77	FLUME MONITORING AND SUPPORT	30,000		30,000	0.00	0.0%
STUDIES AND REPORTS						
79	FINANCIAL MODELING + NEXUS RATE STUDY	55,000		55,000	0.00	0.0%
80	USGS STUDIES AND MONITORING	400,000		400,000	0.00	0.0%
81	LOCAL SUPPLIES	50,000		50,000	0.00	0.0%
82	LOCAL RECHARGE FEASIBILITY STUDIES	750,000		750,000	0.00	0.0%
83	UWMP SUPPORT AND ANNUAL REPORT COMPLETION	300,000		300,000	0.00	0.0%
GENERAL ENGINEERING SERVICES						
85	ON-CALL ENGINEERING SERVICES	500,000		500,000	0.00	0.0%
86	GRANT SUPPORT SERVICES	50,000		50,000	0.00	0.0%
87	STATE + FEDERAL ADVOCACY	80,000		80,000	0.00	0.0%
88	SAWPA REGIONAL PROJECTS	15,000		15,000	0.00	0.0%
89	GENERAL ENGINEERING and ENVIRONMENTAL	50,000		50,000	0.00	0.0%
90	TOTAL CONSULTING AND ENGINEERING SERVICES	7,140,000	0	7,140,000	0.00	0.0%

**SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2025-26**

General Fund Approved June 2, 2025 Debt Service Fund Approved July 7, 2025

						FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026				
						1	2	3	4	5
						ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND - EXPENSES										
									Remaining %	0%
									Under budget /	Over budget
CONSERVATION AND EDUCATION										
98	SCHOOL EDUCATION PROGRAMS		65,000			65,000			0	0.0%
99	PUBLIC INFORMATION AND EDUCATION		260,000			260,000			0	0.0%
100	SPONSORSHIPS		10,000			10,000			0	0.0%
101	TRANSFER TO PASS WATER AGENCY FOUNDATION		35,000			35,000			0	0.0%
102	65th ANNIVERSARY CELEBRATION		50,000			50,000			0	0.0%
103	TOTAL CONSERVATION AND EDUCATION		420,000		0	420,000			0	0.0%
MAJOR AND CAPITAL EXPENDITURES										
BUILDING AND EQUIPMENT										
107	BUILDING		50,000			50,000			0	0.0%
108	FRONT LANDSCAPING		0			0				
109	FURNITURE AND OFFICE EQUIPMENT		25,000			25,000			0	0.0%
110	OTHER EQUIPMENT		20,000			20,000			0	0.0%
111	VEHICLES		80,000			80,000			0	0.0%
OTHER ITEMS										
113	SITES RESERVOIR		840,000			840,000			0	0.0%
114	NEW PROPERTY		50,000			50,000			0	0.0%
115	COUNTY LINE RECHARGE - CONSTRUCTION		6,500,000			6,500,000			0	0.0%
117	TOTAL MAJOR AND CAPITAL EXPENDITURES		7,565,000		0	7,565,000			0.00	0.0%
119	TRANSFERS TO OTHER FUNDS									
121	TOTAL GENERAL FUND EXPENSES		21,976,000		0	21,976,000			0.00	0.0%
123	GENERAL FUND NET INCOME YTD		3,339,000		0	3,339,000			0.00	

SAN GORGONIO PASS WATER AGENCY APPROVED BUDGET FOR FY 2025-26

General Fund Approved June 2, 2025 Debt Service Fund Approved July 7, 2025

		FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
CONSIGNED - SWP SUPPORT FUND						
CONSIGNED - SWP SUPPORT FUND - INCOME					Remaining %	0%
					Over budget	/ Under budget
INCOME						
130	UNITARY TAX REVENUE ALLOCATED	9,100,000		9,100,000	0.00	0.0%
131	INTEREST	580,000		580,000	0.00	0.0%
132	OTHER INCOME	0		0		
133	TOTAL SWP SUPPORT FUND INCOME	9,680,000	0	9,680,000	0.00	0.0%
CONSIGNED - SWP SUPPORT FUND - EXPENSES						
					Under budget	/ Over budget
EXPENDITURES						
139	TAX COLLECTION CHARGES	24,000		24,000	0.00	0.0%
140	OTHER EXPENSES	0		0		
141	TOTAL SWP SUPPORT FUND EXPENSES	24,000	0	24,000	0.00	0.0%
143	TRANSFERS TO OTHER FUNDS					
145	CONSIGNED - SWP SUPPORT FUND NET INCOME YTD	9,656,000	0	9,656,000	0.00	

SAN GORGONIO PASS WATER AGENCY APPROVED BUDGET FOR FY 2025-26

General Fund Approved June 2, 2025 Debt Service Fund Approved July 7, 2025

		FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026				
		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 %	0%
					Over budget	/ Under budget
INCOME						
153	TAX REVENUE	34,754,000		34,754,000	0.00	0.0%
154	INTEREST	2,000,000		2,000,000	0.00	0.0%
155	CONTRIBUTIONS - GOVERNMENT	0		0		
156	DWR CREDITS - BOND COVER, OTHER	3,550,000		3,550,000	0.00	0.0%
157	TOTAL DEBT SERVICE FUND INCOME	40,304,000	0	40,304,000	0.00	0.0%
DEBT SERVICE FUND - EXPENSES					Under budget	/ Over budget
EXPENSES						
161	SWP PURCHASED WATER	4,800,000		4,800,000	0.00	0.0%
162	SALARIES	640,000		640,000	0.00	0.0%
163	PAYROLL TAXES	40,000		40,000	0.00	0.0%
164	BENEFITS	400,000		400,000	0.00	0.0%
165	SWP UTILITIES	12,000		12,000	0.00	0.0%
166	STATE WATER CONTRACT AUDIT	8,000		8,000	0.00	0.0%
167	STATE WATER CONTRACTOR DUES	45,000		45,000	0.00	0.0%
168	STATE WATER LEGAL SERVICES	1,000		1,000	0.00	0.0%
169	DELTA CONVEYANCE FINANCING AUTHORITY	30,000		30,000	0.00	0.0%
170	WATER TREATMENT EXPENSE	100,000		100,000	0.00	0.0%
171	EBX CONTRACT OPERATIONS	400,000		400,000	0.00	0.0%
172	SWP ENGINEERING AND MAINTENANCE	2,400,000		2,400,000	0.00	0.0%
173	WATER TRANSFERS	2,700,000		2,700,000	0.00	0.0%
174	STATE WATER CONTRACT PAYMENTS	26,000,000		26,000,000	0.00	0.0%
175	TAX COLLECTION CHARGES	170,000		170,000	0.00	0.0%
176	TOTAL DEBT SERVICE FUND EXPENSES	37,746,000	0	37,746,000	0.00	0.0%
178	TRANSFERS FROM RESERVES			0.00	0.00	
180	DEBT SERVICE NET INCOME YTD	2,558,000	0	2,558,000	0.00	

SAN GORGONIO PASS WATER AGENCY APPROVED BUDGET FOR FY 2025-26

General Fund Approved June 2, 2025 Debt Service Fund Approved July 7, 2025

		FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026				
		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					Over budget / Under budget	
185	CABAZON WATER DISTRICT	0		0		
186	SOUTH MESA WATER COMPANY	600,000		600,000	0.00	0.0%
187	HIGH VALLEYS WATER DISTRICT	2,000,000		2,000,000	0.00	0.0%
188	BANNING HEIGHTS MUTUAL WATER CO.	0		0		
191	TOTAL INCOME	2,600,000	0	2,600,000	0.00	0.0%
GAP FUNDING PROGRAM - EXPENSES					Under budget / Over budget	
194	CABAZON WATER DISTRICT #1-A	0		0		
195	CABAZON WATER DISTRICT #2 - Heli-Hydrant	0		0		
196	SOUTH MESA WATER COMPANY	1,100,000		1,100,000	0.00	0.0%
197	HIGH VALLEYS WATER DISTRICT	1,000,000		1,000,000	0.00	0.0%
198	BANNING HEIGHTS MUTUAL WATER CO.	900,000		900,000	0.00	0.0%
200	TOTAL EXPENSE	3,000,000	0	3,000,000	0.00	0.0%
202	GAP FUNDING PROGRAM NET BALANCE YTD	-400,000	0	-400,000	0.00	

LINE ITEM AND PROJECT DESCRIPTIONS

GENERAL FUND INCOME

Other Water Sales (line #2)

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

Tax Revenue (reference line #3)

Tax revenue for the General Fund comes from the Agency's allocation of the 1% property tax collected by the County of Riverside. The Agency's share of the County-wide collection is determined by a formula maintained by the County Auditor.

Government Contributions (#5)

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

Grant Revenue (#6)

This line item was originally included in Government Contributions. Because of the magnitude of grant revenue expected in the coming years, Staff decided to separate the items to make tracking these income streams easier. The Agency has been formally approved for \$2,055,000 from DWR for nested monitoring wells. In addition, the Agency has been approved for \$1,800,000 for the Heli-Hydrant project and \$3,000,000 for the County Line Road project in America Rescue Plan Act funds. Finally, the Agency has been approved for \$400,000 for planning for the Brookside West project from the U.S. Bureau of Reclamation. The Agency expects to receive a portion of these grants in FY 2025-26.

Other Miscellaneous Income (#7)

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

LINE ITEM AND PROJECT DESCRIPTIONS

GENERAL FUND EXPENSES

Category: Commodity Purchase

Purchased Water for Delivery (#12)

This line item provides for purchases of non-State Water Project water. Nickel water payments are charged to this line item, as well as potential purchases of water on the spot market, for example, purchases to bolster water supplies in drought years. All State Water Project water delivery costs are charged to the Debt Service fund.

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

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

Category: Salaries and Employee Benefits

Salaries (#17)

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

Retirement (#20)

This item covers all expenses related to retirement payments made to CalPERS and other Agency retirement obligations. It also includes an additional contribution of \$200,000 to lower the Unfunded Accrued Liability (UAL) with CalPERS.

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

This item covers pay-as-you-go expenses related to the Agency's obligations for health care for retirees. It also includes an additional contribution of \$150,000 to the California Employer's Retirement Benefit Trust to pre-fund future Agency obligations.

LINE ITEM AND PROJECT DESCRIPTIONS

Category: Administrative and Professional Services

Directors Expenditures (#33 thru #35)

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

Office Expense (#37)

This item seems self-explanatory but includes more than office supplies. Examples include (but aren't limited to) copier charges, subscriptions, Board supplies, purchases of food for Board activities and name plaques.

Succession Planning (#44)

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

Legal Services (#47)

This item was transferred from its own category to Administrative and Professional Services Category at the suggestion of the Finance and Budget Committee.

Other Professional Services (#49)

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.

Maintenance and Equipment Expenditures (#53 thru #56)

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

LAFCO Cost Share (#58)

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

LINE ITEM AND PROJECT DESCRIPTIONS

Election Expense (#59)

This item appears in the budget every other year, based on the election cycle. There are no elections planned for this fiscal year.

Category: Consulting and Engineering Services

Infrastructure Plan (#65)

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

San Gorgonio Pass Regional Masterplan (formerly Backbone Infrastructure Study and Design) (#66)

This multi-year study will assess the regional water supply and demand needs across the San Gorgonio Pass area, with a focus on developing a comprehensive master plan for long-term water infrastructure. Building on previous feasibility work such as with the Backbone Pipeline, the scope of this project expands from a conveyance study into a broader regional planning effort.

Bunker Hill Banking and Recovery Program (#67)

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.

County Line Recharge (#68)

This is a proposed joint conjunctive-use water supply project between SBVMWD and SGPWA located in the City of Calimesa. This project would include the construction of a water recharge basin, a turnout that connects to the East Branch Extension of the State Water Project, and a pipeline down 4th Street in Calimesa. Most of the planning and design is complete, reflected in the significantly reduced budget amount. Construction is planned for this fiscal year, see Major and Capital Expenditures.

LINE ITEM AND PROJECT DESCRIPTIONS

Small Water Assistance Program (#69)

This program leverages the expertise of the California Rural Water Association (CRWA) to offer a comprehensive range of technical, managerial, financial, and grant support services to small water systems within our service area. Currently, support is being provided to Cherry Valley Water Company, High Valleys Water District, Banning Heights Mutual Water Company, and Cabazon Water District. We plan to continue our efforts to expand this program and the services offered by CRWA. In response to positive feedback from our retailers, we will continue to offer water treatment and distribution courses that provide attendees with Continuing Education Units (CEUs) for their certifications, as we did in FY 2024-25. The goal of this program is to equip small water systems with the necessary technical assistance to position them for successful grant applications for their needed improvement projects.

Signage and Frontage Brookside East (#70)

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

Monitoring Well Drilling (#71)

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

Heli-Hydrant (#72)

This project will facilitate the construction of four Heli-Hydrant systems in the Agency's service area. Two systems were completed in FY 2024-25. A Heli-Hydrant is a specifically designed facility, basically a fire hydrant for helicopters, attached to a water source that allows fire-fighting helicopters to refill their water tanks. This helps provide regional protection against wildfires. The County of Riverside has approved American Rescue Plan Act (ARPA) funds in support of this project. The Agency would receive and disburse the ARPA funds to partners in the region to construct the systems.

LINE ITEM AND PROJECT DESCRIPTIONS

Water Banking Investigations (#74)

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

San Gorgonio GSA (#75)

This budget line item supports the Agency's continued participation in the San Gorgonio Pass Groundwater Sustainability Agency (GSA). As a member agency, we contribute to the development, implementation, and periodic updates of the Groundwater Sustainability Plan (GSP), as well as the preparation of the Annual Report required by the California Department of Water Resources (DWR). The significant increase in this line item for FY 2025–26 reflects several major initiatives, including the DWR-mandated 5-Year Periodic Update to the GSP, basin underflow studies between the Beaumont Basin and the San Gorgonio Pass Subbasin, analysis of outflow from the San Gorgonio Pass Subbasin to the Indio Subbasin, and preparation of the Annual Report for Water Year 2025. These efforts are critical to ensuring sustainable groundwater management within the San Gorgonio Pass Subbasin. The costs associated with these activities, including 5-Year Periodic Update, Subbasin Coordination, and Annual Report are shared amongst all GSA members, which include Banning Heights Mutual Water Company, Cabazon Water District, City of Banning, Desert Water Agency, and Mission Springs Water District. This collaboration is essential for achieving long-term groundwater sustainability and compliance with state regulations.

Yucaipa GSA and Verbena GSA (#76)

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

LINE ITEM AND PROJECT DESCRIPTIONS

Flume Monitoring and Support (#77)

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

Financial Modeling + Nexus Rate Study (#79)

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

USGS Studies and Monitoring (#80)

This line item funds the United States Geological Survey (USGS) for collecting water level and water quality data, which supports the Agency's various groundwater modeling and reporting requirements. The USGS will be incorporating the 13 monitoring wells that are currently being drilled into the USGS database, taking water level measurements, and performing water quality sampling to get a baseline of water quality. Additionally, it includes specific studies requested by the Agency to address emerging concerns or specific project needs, such as gravity and electrical resistivity tomography (ERT) surveys, Burnt Canyon streamgage monitoring, data documentation, reporting, interpretation, and publications. This ongoing effort appears annually in the budget, with the Board reviewing and approving a new contract each year. USGS studies are crucial for ensuring accurate groundwater assessments, aiding in effective resource management, and fulfilling regulatory and planning obligations.

Local Supplies (#81)

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

LINE ITEM AND PROJECT DESCRIPTIONS

Local Recharge Feasibility Studies (#82)

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

UWMP Support and Annual Report Completion (#83)

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

On-Call Engineering Services (#85)

The Agency secured the on-call engineering services of two engineering firms in FY 2024-25. This is a continuation of those services.

Grant Support Services (#86)

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

Federal – State Advocate (#87)

These funds are planned for advocacy efforts that may be necessary to support proposed grant funding of Agency projects, and to lobby for the completion of currently planned regional projects.

LINE ITEM AND PROJECT DESCRIPTIONS

SAWPA Regional Projects (#88)

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

General Engineering and Environmental (#89)

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

Category: Conservation and Education

Public Information and Education (#99)

Previous budgets had three different line items related to social media, public education, conservation-related activities that were targeted for the general public, as well as other educational efforts, such as workshops and events. The Agency has secured the services of C V Strategies to provide comprehensive public outreach services, such as social media, advertising campaigns, press releases, special events, branding, and other activities to inform the general public about Agency-related efforts to provide water for the region.

Sponsorships (#100)

This line item will continue to be used in conjunction with the newly formed Pass Water Agency Foundation.

Transfer to Pass Foundation (#101)

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

LINE ITEM AND PROJECT DESCRIPTIONS

65th Anniversary Celebration (#102)

The Agency's 65th anniversary will be in 2026. The Committee suggested producing a yearbook, which takes 12 to 18 months, and is currently in progress. The amount allows for the completion of the book, as well as other elements for a public event.

Category: Major and Capital Expenditures

Front Landscaping (#108)

This item has been put on hold. The front landscaping needs attention, but waiting to integrate any changes with potential future plans seems like a good idea.

Vehicles (#111)

This line item is needed for a new vehicle to be added to our fleet.

Sites Reservoir (#113)

The Agency continues to maintain a substantial participation position with the Sites Reservoir Project. At this time, no further requests for funds for planning have been made from the Sites Joint Reservoir Committee. However, the Agency is currently considering its position with Beaumont Cherry Valley Water District, and preparing for the possibility of reimbursing it for its investment to date. As the project moves ahead, if there may be additional funds needed before construction starts, Staff would bring a budget revision to the Board for consideration.

New Property (#114)

This is a new line item for the potential of making changes to property that may be purchased. No firm plans have been made at this time, but repairs, security, and other contingencies may be needed to manage any new property.

County Line Recharge – Construction (#115)

This line item provides for the construction of the County Line Recharge facility.

LINE ITEM AND PROJECT DESCRIPTIONS

DEBT SERVICE FUND INCOME

Tax Revenue (reference line #153)

Tax revenue for the Debt Service Fund comes from the Agency's authority to levy a tax. The rate is based on the assessed valuation of property located within the Agency's service area and is currently set at 17.5 cents per \$100 of assessed value. Riverside County has projected a delinquency rate of about 2.8%. Combined with a projected increase in assessed value of about 6.7% for FY 2025-26 yields a 3.9% increase for FY2025-26.

Government Contributions (#155)

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 agency for a study or a consulting contract. This line item relates to items that can be allocated to the Debt Service Fund only. This budget item is for income that is reimbursed to the Agency for these expenditures. Currently, no projects are contemplated that would be included in this line item.

DWR Credits (#156)

The Agency receives credits from the Department of Water Resources (DWR) for a number of items, mostly in the form of bond cover refunds. A bond cover is a stipulation in the bond covenants attached to the bonds sold by DWR. The cover is designed to provide a reserve and an alternative payment mechanism in case a State Water Contractor should default on their payment. This provides additional assurance to potential purchasers of DWR bonds and the bondholders that lowers the risk associated with bond payment defaults. The cover amount is 25% of the face value of the bond. For this provision, the bond issuer (DWR) receives a discount in the interest rate. DWR administrates this by collecting the cover amount when the payment is due, holding the income in an interest-bearing account (California's Surplus Money Investment Fund (SMIF)) for one year, then returning the funds to the Contractors, along with an allocation of interest earned while deposited in SMIF.

DEBT SERVICE FUND EXPENSES

SWP Purchased Water (#161)

This line item records the expenses related to delivering State Water Project water to the Agency service area. This line item has been transitioned to the Debt Service fund starting in January 2025. For FY 2025-26, the cost of delivering water to the region will be fully borne by the Debt Service Fund.

LINE ITEM AND PROJECT DESCRIPTIONS

SWP Utilities (#165)

This covers charges for phone service, electric service, and monitoring services for Agency turnouts.

State Water Contract Audit (#166)

The Agency participates in the Independent Audit Association (IAA), which includes most of the other Contractors except for the Metropolitan Water District. The IAA contracts with Ernst & Young, a major accounting firm, to perform an annual audit of DWR procedures. This helps the Contractors review the procedures DWR uses to calculate the Statement of Charges, to help make sure no mistakes are being made.

State Water Contractor Dues (#167)

The Agency is a member of the State Water Contractors, an association of 27 of the public agencies that have contracted with the State of California to receive a water supply through the State Water Project. The SWC represents the legal, policy and regulatory interests of the 27 State Water Project Contractors who are responsible for the capital, operations, and maintenance costs of the SWP. The Agency pays a proportional share of the cost to operate the SWC.

SWP Legal Services (#168)

This line item is for legal services related to the State Water Project (SWP). Past expenditures were made for Agency participation in Environmental Impact Review (EIR) challenges or other matters that Contractors decided were necessary. Minimal expenses are expected for FY25-26.

Delta Conveyance Financing Authority (#169)

The Agency is a founding member of the Delta Conveyance Financing Authority (DCFA), which was formed to explore possible alternatives for funding solutions for the Delta Conveyance Project. The DCFA is currently waiting for further developments in the DCP, which will determine what future steps the DCFA might consider to advance the project. The DCFA has sufficient funds in reserve to maintain their current level of activity, but has indicated that they may need contributions from member agencies if it is decided that additional work is to be done.

Water Treatment Expense (#170)

This pays for the expenditures related to treating SWP deliveries with algaecide (copper sulfate) to reduce the occurrence of algae at the various delivery points in the region. This was determined by Staff to be a necessary expense of delivering water, so included in the Debt Service Fund.

LINE ITEM AND PROJECT DESCRIPTIONS

EBX Contract Operations (#171)

EBX Contract Operations are charges paid to San Bernardino Valley Municipal Water District (SBVMWD) to operate the East Branch Extension (EBX). SBVMWD calculates the charges based on staff time needed to operate EBX to deliver water. Originally, the Agency split the invoices evenly between the General Fund (known as Contract Operations and Maintenance) and the Debt Service Fund. After consideration by Staff and discussion with Legal Counsel, it was decided that all of the expenses should be borne by the Debt Service Fund.

SWP Engineering and Maintenance (#172)

The Agency shares the other costs of improvements and maintenance of the EBX with SBVMWD. There are a variety of routine costs, for example, air conditioning maintenance, or fuel for back-up generators. We also share the costs of major repairs and improvements. SBVMWD is currently working on the repair of the City Creek Crossing. We are responsible for approximately 18% of these costs, which are divided into two major categories, design and construction. The design element is expected to cost the Agency about \$150,000 this fiscal year. The construction contract for the repairs is projected to cost about \$16 million in total, of which the Agency would be responsible for about \$3 million. Currently, the project is experiencing difficulties with permitting and environmental constraints, which likely means the project will cost more. Funds will need to be expended no matter what is decided going forward. \$2 million is included in the budget as an educated guess about what is expected to be paid in FY25-26.

Water Transfers (#173)

In 2022, the Agency entered into an agreement with the City of Ventura to receive their water supply for the next 20 years. This line item is for the annual cost of that agreement. The expense of other water transfers to the Agency from other Contractors would also be included in this line item.

State Water Contract Payments (#174)

This is the line item that accounts for the payments the Agency makes to the State of California for its participation in the State Water Project. This is the largest part of the Debt Service expenditures, approximately 70% this year. Other items that are paid for the State Water Project include State Water Project Purchased Water and Water Transfers. Combined together, these expense categories make up about 90% of the Debt Service budget.

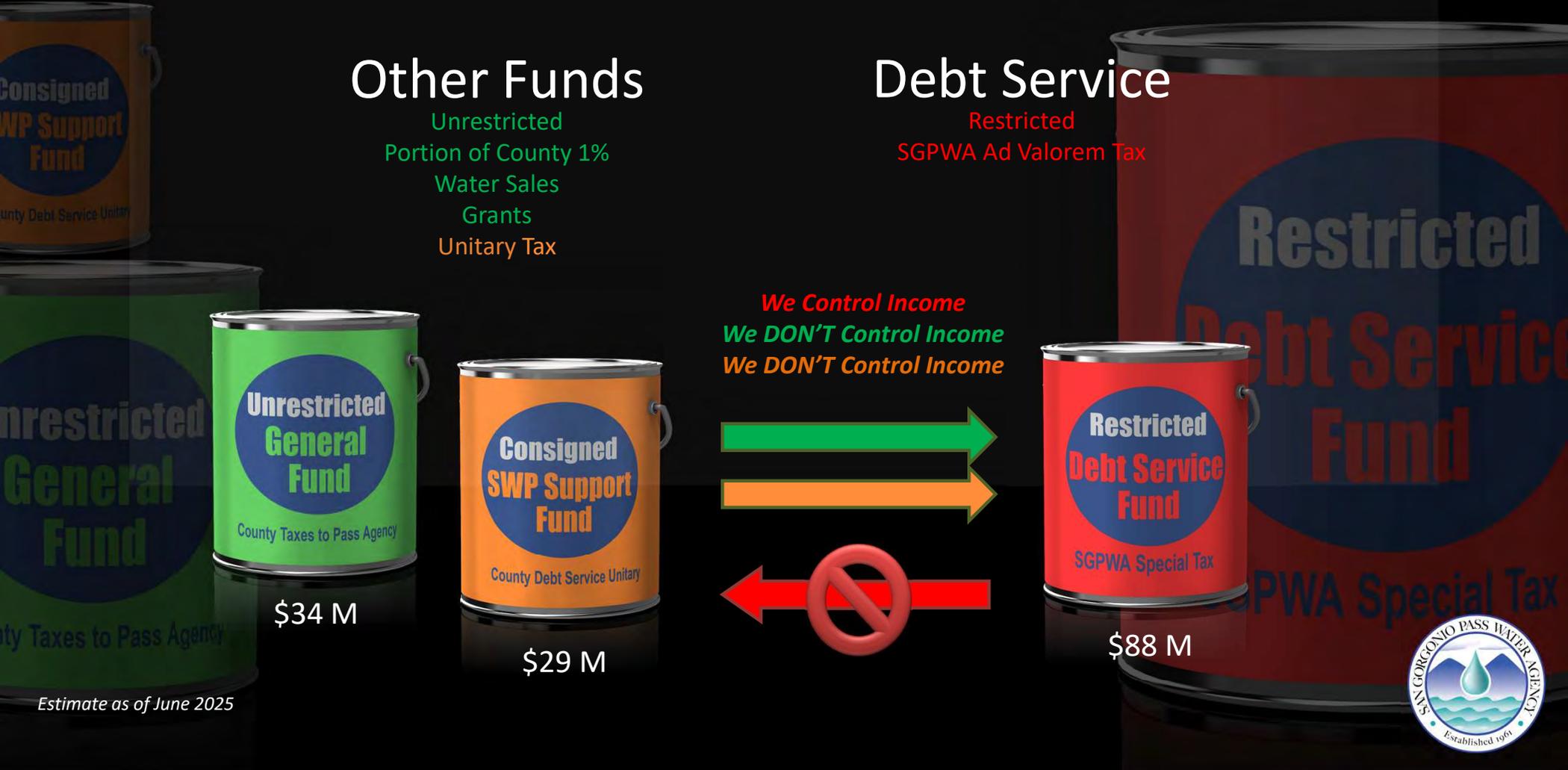
The State of the Buckets

Other Funds

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

Debt Service

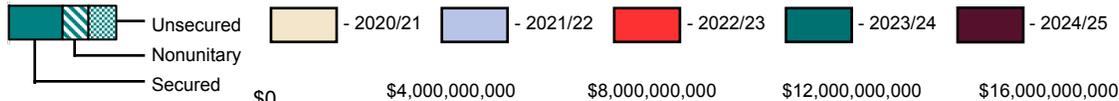
- Restricted
- SGPWA Ad Valorem Tax



Estimate as of June 2025

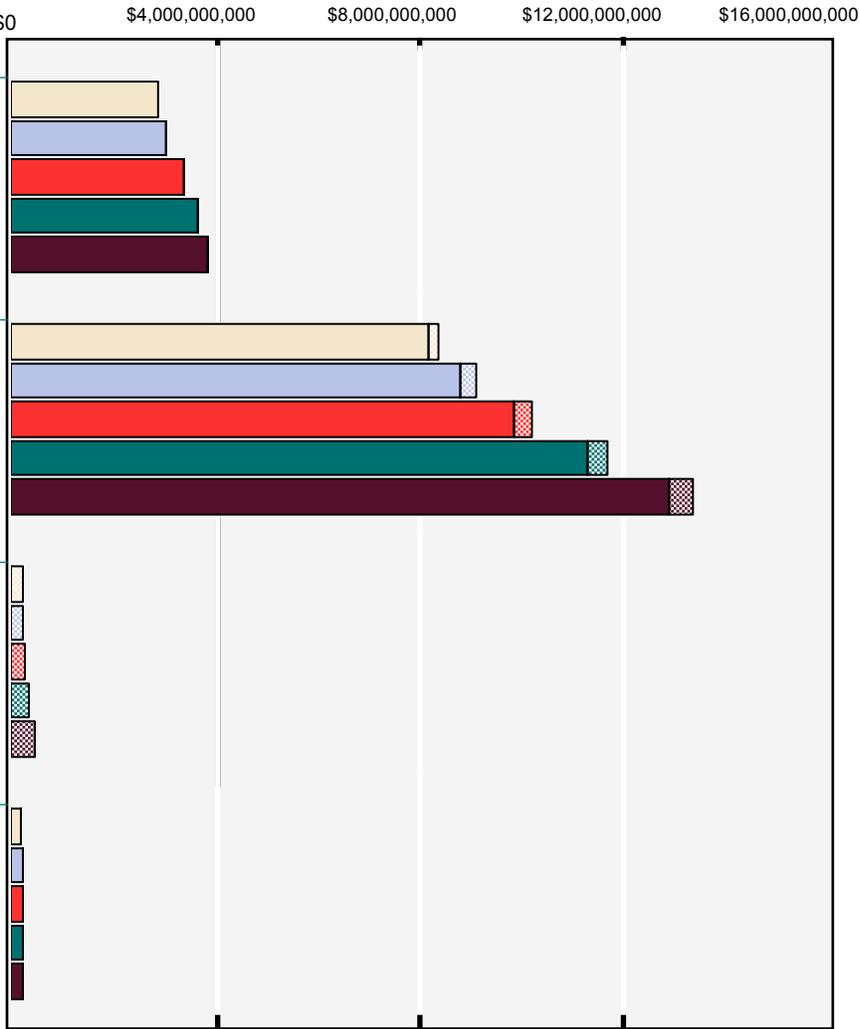


SAN GORGONIO PASS WATER 2020/21 TO 2024/25 ASSESSED VALUES



Land

\$2,881,509,996
\$3,061,845,808
\$3,404,691,397
\$3,654,326,815
\$3,876,424,036

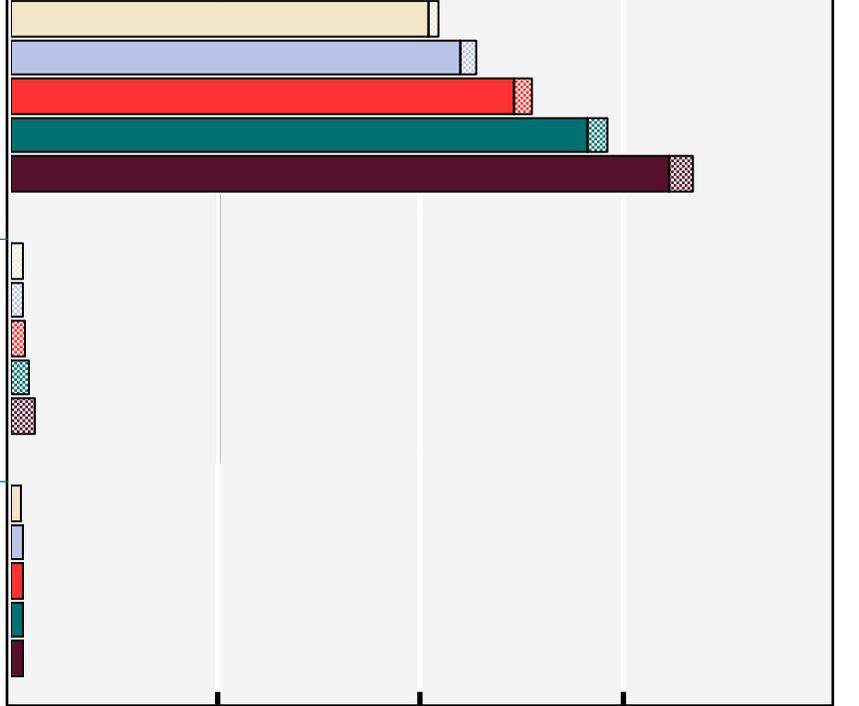


Percent Change District County

6.3%		3.7%
11.2%		7.0%
7.3%		6.6%
6.1%		6.2%

Improvements

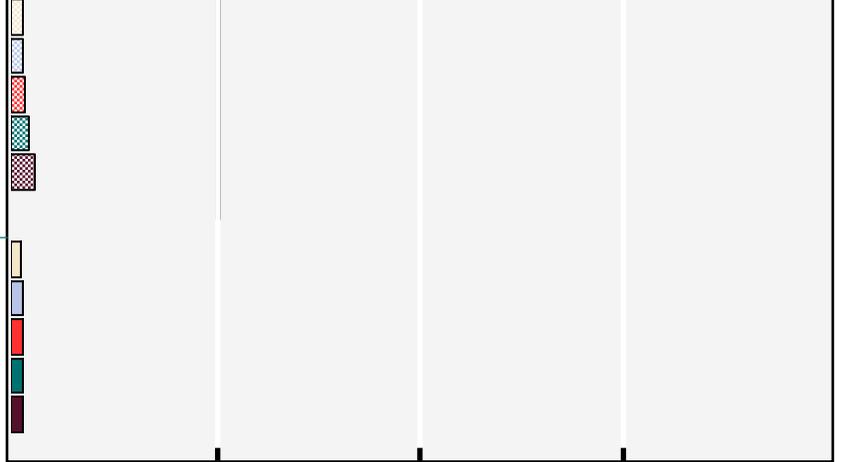
\$8,378,265,802
\$9,138,171,576
\$10,213,600,605
\$11,723,427,037
\$13,370,826,672



9.1%		6.1%
11.8%		10.5%
14.8%		10.3%
14.1%		7.2%

Personal Property

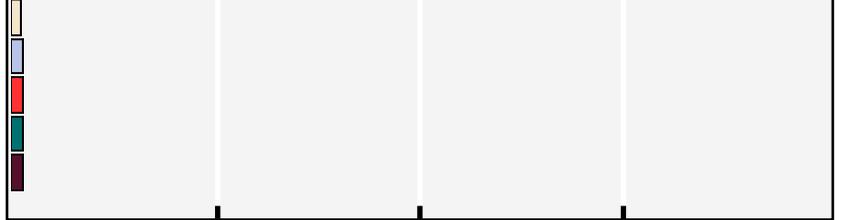
\$248,403,486
\$253,757,769
\$290,422,525
\$337,851,907
\$462,826,596



2.2%		3.0%
14.4%		7.4%
16.3%		12.2%
37.0%		8.3%

Exemptions

\$211,577,690
\$220,210,169
\$240,803,006
\$247,906,376
\$253,622,491

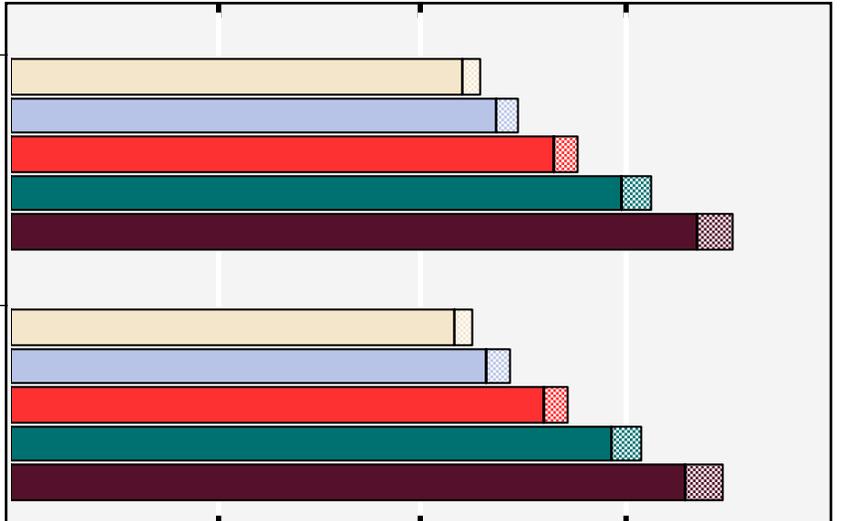


4.1%		3.3%
9.4%		3.9%
2.9%		-0.9%
2.3%		10.8%

\$5,000,000,000 \$10,000,000,000 \$15,000,000,000 \$20,000,000,000

Gross Assessed

\$11,508,179,284
\$12,453,775,153
\$13,908,714,527
\$15,715,605,759
\$17,710,077,304

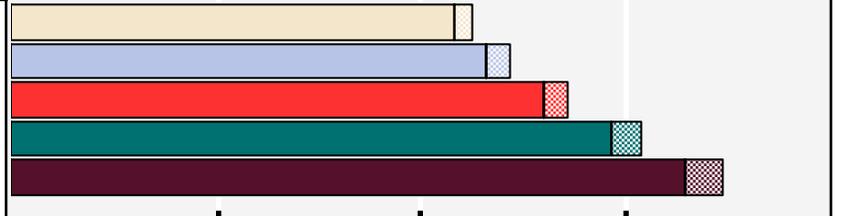


District County

8.2%		5.4%
11.7%		9.5%
13.0%		9.4%
12.7%		7.0%

Net Taxable Value

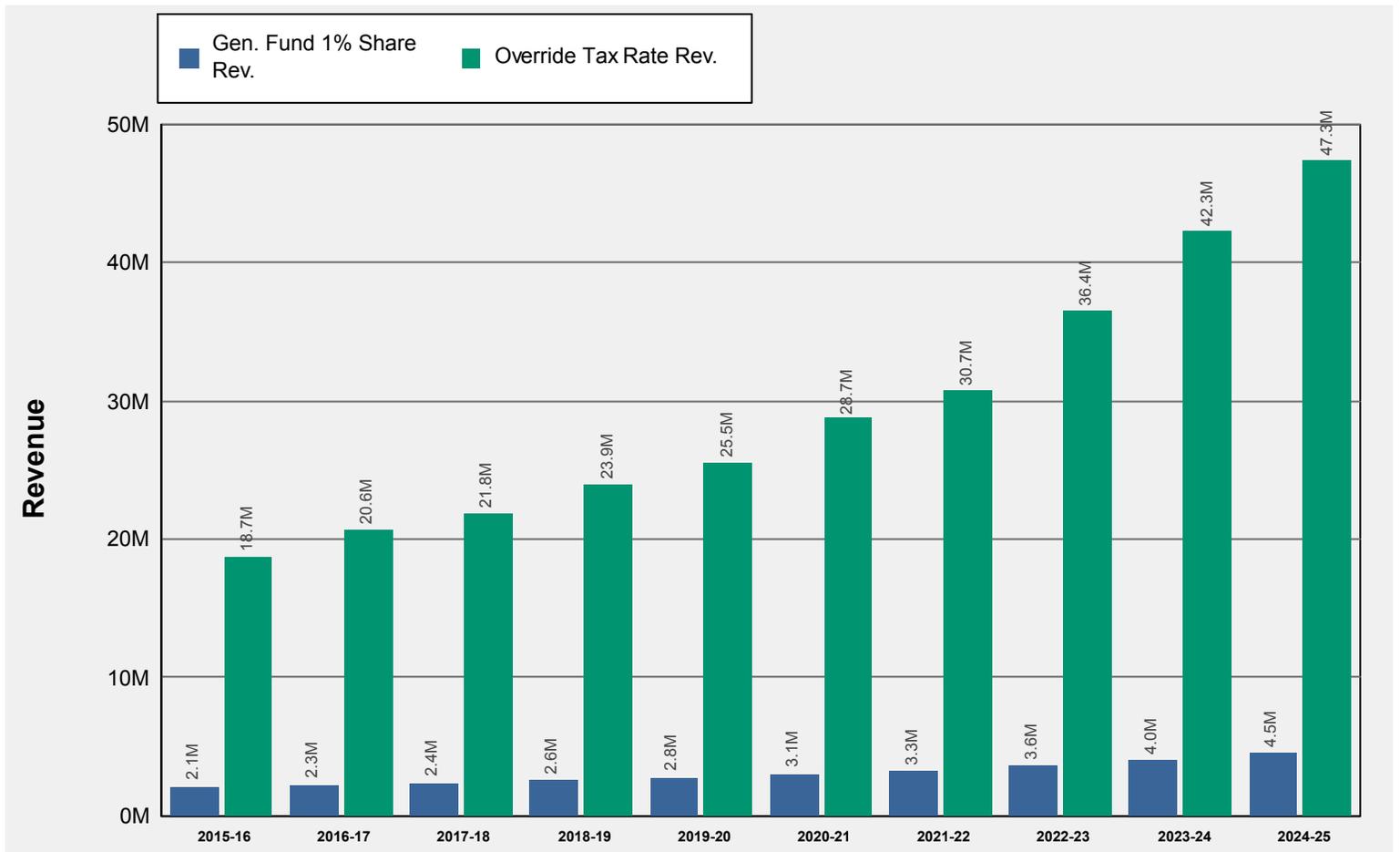
\$11,296,601,594
\$12,233,564,984
\$13,667,911,521
\$15,467,699,383
\$17,455,948,702



8.3%		5.4%
11.7%		9.6%
13.2%		9.6%
12.9%		6.9%

SAN GORGONIO PASS WATER REVENUE HISTORY

Roll Year	Gen. Fund 1% Share Rev.	% Chg	Override Tax Rate Rev.	% Chg
2015-16	\$2,138,046		\$18,731,551	
2016-17	\$2,252,705	5.3%	\$20,599,545	9.9%
2017-18	\$2,401,383	6.6%	\$21,815,188	5.9%
2018-19	\$2,589,746	7.8%	\$23,944,724	9.7%
2019-20	\$2,778,698	7.3%	\$25,458,677	6.3%
2020-21	\$3,057,769	10.0%	\$28,696,548	12.7%
2021-22	\$3,262,261	6.6%	\$30,669,566	6.8%
2022-23	\$3,620,472	10.9%	\$36,441,384	18.8%
2023-24	\$4,022,301	11.1%	\$42,280,722	16.0%
2024-25	\$4,532,619	12.6%	\$47,319,881	11.9%



Override Tax Rate Rev. includes: San Gorgonio Pass Water Ag

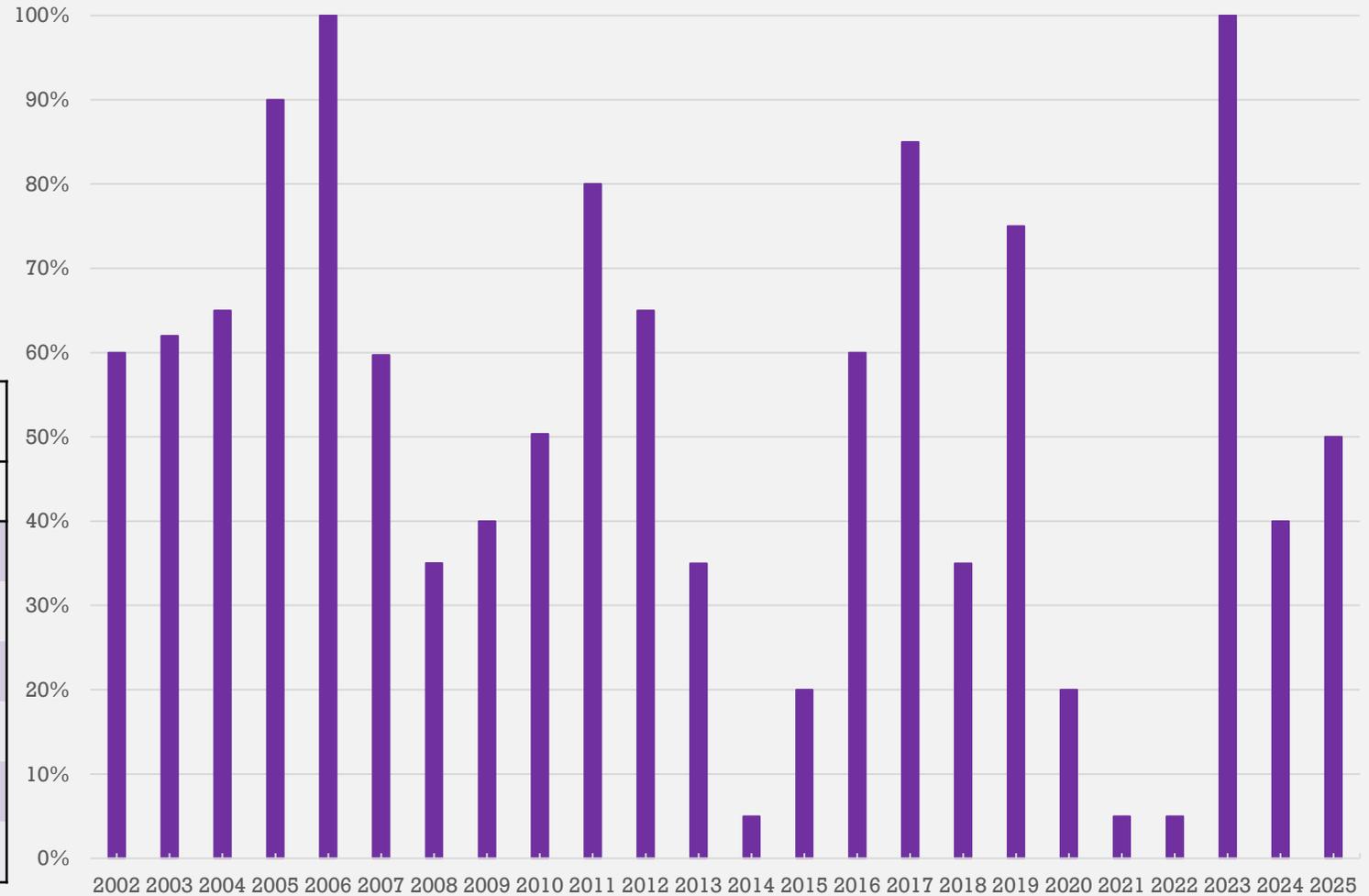
Revenue flowing through a Successor Agency's RPTTF process as residual distribution is not included in this data, nor are most pooled revenue adjustments, such as County administrative fees, supplemental allocations, redemptions for delinquent payments in Non-Teeter cities, tax payer refunds due to successful appeals, and roll corrections. Homeowner exemption revenue is included in this revenue model. Where available and applicable, unitary revenues and TEA revenue are included.

SWP Allocation Timeline

- December 2, 2024: 5% Allocation
- December 23, 2024: 15% Allocation
- January 28, 2025: 20% Allocation
- February 25, 2025: 35% Allocation
- March 25, 2025: 40% Allocation
- April 29, 2025: 50% Allocation

SGPWA Portfolio @ 50%		
Source	Total (AF)	Delivered
SWP – Carryover	1,217	✓
SWP – Table A	8,650	
SWP – Ventura	5,000	
Non-SWP - Nickel Water	1,700	✓
City of Yuba City Purchase	3,000	✓
Total Available Supply	19,567	

Historic SWP Allocations



2025 SWP Allocation & Portfolio Update

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
ACWA	Association of California Water Agencies	Affinity organization that provides conferences, training, lobbying and insurance services for water agencies in California
ACWA JPIA	ACWA Joint Powers Insurance Agency	Designation for payments made for property, liability and workers compensation insurance
ACWABE	ACWA Benefits	Designation for dental, vision and life insurance
ALWEAS	Albert Webb Associates	Provides engineering consulting services
ARPA	American Rescue Plan Act	Grants from the Federal Government, channeled to counties, to fund specific projects.
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
EBE	East Branch Enlargement	Construction projects along the East Branch of the SWP to increase capacity
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
FSA	Flexible Spending Account	Pre-tax deduction for health and dependent-care expenses
GSA	Groundwater Sustainability Act	or Groundwater Sustainability Agency; required under SGMA to manage groundwater
GSP	Groundwater Sustainability Plan	Plan required under SGMA to manage groundwater assets
HCN	HCN Bank	Local regional bank; formerly the Bank of Hemet
HdL Coren & Cone		Provide tax revenue consulting services.
HOX	Homeowners Exemption	Exemption for homeowners; also a tax revenue income received by the Agency
HVWD	High Valleys Water District	Mutual water company within Agency boundaries

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
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 the state California for public agencies to investment surplus money on a short-term basis
LAMMA	Local Agency Money Market Account	Investment account provided by HCN for local agencies
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	
PARS	Public Agency Retirement Services	Provider of defined contribution plans, of which the Agency participates
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	
RPTTF	Redevelopment Property Tax Trust Fund	Proceeds of redevelopment properties that are sold and distributed to County entities.
SAWPA	Santa Ana Watershed Project Authority	Coordinates activities to protect the Santa Ana watershed
SBE	State Board of Equalization	AKA Unitary taxes
SBVMWD	San Bernardino Valley Municipal Water District	State Water Contractor in San Bernardino County and a partner with EBX
SCADA	Supervisory Control and Data Acquisition	Electronic monitoring and control system used by DWR and other water purveyors
SCWC	Southern California Water Coalition	
SGMA	Sustainable Groundwater Management Act	A legislative package that requires local agencies to form GSAs and develop GSPs.
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	Professional 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

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
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
		Version 250131