

Draft FY 2020/2021 Budget

Budget Workshop

San Gabriel Basin Water Quality Authority

April 15, 2020

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Budget Workshop Overview

- Assessments
- Budget Overview
- Costs Funded by Assessments
- Project Cost Allocations
- Budget and Assessment Schedule



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Assessments Overview

- WQA Enabling Act – Section 605 grants ability to impose annual pumping right assessment on prescriptive pumping rights
 - Max under legislation is \$10/acre foot
 - Sec. 608 - annual CPI adjustment
 - With CPI applied, max assessment is \$14.60 for FY 20/21

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Assessments Overview

- 197,610 acre feet prescriptive pumping rights in the San Gabriel Basin.
- Assessment was held at \$10 for 5 years; increased to \$12 FY 19/20.
- FY 20/21 Budget anticipates assessment @ \$12.

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Assessment Reserve

ASSESSMENT RESERVE	
<i>Reserve balance from FY 2018-19</i>	1,652,788
<i>Projected reserve increase from Assessments - FY 2019-20</i>	73,546
<i>Projected reserve balance for FY 2019-20</i>	1,726,334
<i>WQA Assessments Collected @ \$12 acre foot</i>	2,371,320
<i>WQA 20-21 Budgeted Costs Funded By Assessments</i>	(2,624,405)
<i>Projected Assessment Reserve for FY 20-21</i>	1,473,249

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Increased Use of Assessments

- SEMOU Whitmore operations - annual cost of \$135,000 funded by assessments.
- Expanded Hydropunch project at Whitmore site – funded by Prop 1 planning grant with 50% match from assessments. Match projected at \$150K for FY 20/21.
- Site investigations funded by Prop 1 planning grants with annual match of \$250K.

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Increased Use of Assessments (cont)

- Whitmore Treatment Facility site expansion within 2 to 3 years funded by future Prop 1 implementation grant with match estimated at \$500K.
- Remediation projects resulting from investigations funded by future Prop 1 implementation grants with match of up to \$500K for each project. Anticipate two projects within the next 5 years.
- Implementing these projects will require annual additional assessments ranging from \$320K to \$600K per year, or overall for the 4 years \$2.2M.

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Budget Overview

- Projects
 - Capital
 - Operating Expenses
- Revenues
- Assessments



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Costs Funded By Assessments



Costs Funded by Assessment FY 20/21

<u>Projects</u>	<u>781,653</u>
<u>Government & Community Relations</u>	<u>428,200</u>
<u>Consultants & Other</u>	<u>45,533</u>
<u>Legal</u>	<u>35,000</u>
<u>Operating Costs</u>	<u>1,334,019</u>
Total	<u>2,624,405</u>

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Project Cost Allocations

- **Government Relations (based on funding awards – past/present/future)**
- **Community Relations (based on number of active projects)**
- **Salaries, Benefits and Overhead (Allocations Based on Categories)**

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Budget Schedule

- **April 15, 2020**
 - Budget Workshop
- **May 12, 2020 (*if necessary*)**
 - Budget comments reviewed by Admin/Finance Committee

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Budget Schedule (cont.)

- **May 20, 2020**
 - Public Hearing on FY20/21 Budget
 - Adoption of FY20/21 Budget
- **August 19, 2020**
 - Public Hearing on FY 20/21 Proposed Assessment
 - Adoption of FY 20/21 Assessment

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Budget Schedule (cont.)

Proposed billing/collection dates

- Part 1: billing date 8/20/20, collection date 9/18/20.
- Part 2: billing date 10/15/20, collection date 11/13/20.

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QUESTIONS / COMMENTS?

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