



# Fiscal Year 2024-25 Budget Development Study Session

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Fox Canyon GMA  
Fiscal Committee Meeting  
June 11, 2024

# Budget Development Components

- Proposed Annual Work Plan
  - Estimates of labor hours and costs by task
    - Annual Agency Operations
    - Special Expenditures
- Draft Budget Worksheet
  - Designated Account balance projections
  - Revenue projections
  - Expenditure projections
  - Fund balance projections

FCGMA FISCAL YEAR 2023-24 ANNUAL WORK PLAN - DRAFT				
ANNUAL OPERATIONS				
Administration and Fiscal Services				
Task	Description	Labor Hours Estimate	Labor Cost Estimate	Contract Estimate
1. Board Meeting Administration	- Regular and special Board meetings, including agendas, minutes, staff reports, presentations, participation, attendance, pre- and post-debriefing meetings - Contract estimate for County General Services Administration (GSA) fees for printing of Board packets and other materials, mail and shipping, Board room and AV fees, etc.	1,134	\$208,810	\$25,000
2. Agency Administration	- General administration task, clerical, and invoice processing - Customer inquiries and data requests - Staff and management planning meetings	1,668	\$222,051	\$0
3. Official Document Filings & Public Records Requests	- Process business record filings and certifications (i.e. 700 Forms, CEQA/NOEs, EIR/MND's per fiscal year, State water agency filings, PRA requests, public notices	432	\$54,920	\$2,000

FCGMA FY 2023-24 BUDGET - DRAFT						
	2021-22 Year-End Actuals	2022-23 Adopted Budget Adjusted <sup>(Note 1)</sup>	2022-23 Projected Year-End	2023-24 Draft Budget	2024-25 Planning-Level Budget Projections	2025-26 Planning-Level Budget Projections
<b>AGENCY FISCAL RESOURCES</b>					2.50%	3.00%
PUMPING FEES - \$ Per Acre-Feet <sup>(Note 2)</sup>	\$20 / \$40	\$40 / \$55	\$40 / \$55	\$55	\$55	\$55
<b>BEGINNING YEAR TOTAL FUND BALANCE</b>	<b>\$2,840,404</b>	<b>\$2,250,647</b>	<b>\$4,045,941</b>	<b>\$5,084,614</b>	<b>\$5,286,414</b>	<b>\$7,737,989</b>
<b>DESIGNATED ACCOUNTS</b>						
<b>BEGINNING GEMES BALANCE</b>	(\$966,821)	(\$1,600,819)	(\$954,399)	(\$1,286,040)	(\$396,040)	\$1,358,960
SPECIAL COUNSEL <sup>(Note 3)</sup>	(\$1,716,670)	(\$2,048,500)	(\$2,510,790)	(\$1,350,000)	(\$550,000)	(\$4,000)
COUNTY COUNSEL <sup>(Note 4)</sup>	(\$136,367)	(\$142,500)	(\$240,851)	(\$180,000)	(\$115,000)	(\$65,000)
RESERVE FEE <sup>(Note 5)</sup>	\$1,865,458	\$3,393,500	\$2,420,000	\$2,420,000	\$2,420,000	\$2,420,000
<b>DESIGNATED GEMES BALANCE</b>	<b>(\$954,399)</b>	<b>(\$398,319)</b>	<b>(\$1,266,040)</b>	<b>(\$396,040)</b>	<b>\$1,358,960</b>	<b>\$1,289,960</b>
<b>BEGINNING SURCHARGES BALANCE</b>	\$1,872,680	\$2,922,680	\$3,233,981	\$2,533,981	\$3,533,981	\$5,533,981
SURCHARGE <sup>(Note 6)</sup>	\$1,361,301	\$1,000,000	\$300,000	\$1,000,000	\$1,000,000	\$1,000,000
LOAN TO OPERATIONS <sup>(Note 7)</sup>		(\$1,000,000)	(\$1,000,000)		\$1,000,000	\$1,000,000
<b>DESIGNATED SURCHARGES BALANCE</b>	<b>\$3,233,981</b>	<b>\$2,922,680</b>	<b>\$2,533,981</b>	<b>\$3,533,981</b>	<b>\$5,533,981</b>	<b>\$7,533,981</b>
OPERATING RESERVES	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>DESIGNATED RESERVE BALANCE</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
DESIGNATED ACCT INTEREST EARNINGS <sup>(Note 8)</sup>		\$8,000	\$30,368	\$30,500	\$30,500	\$30,500
<b>OPERATING ACCOUNTS</b>						
<b>BEGINNING BALANCE</b>	<b>\$934,545</b>	<b>(\$71,214)</b>	<b>\$650,832</b>	<b>\$2,806,305</b>	<b>\$1,117,973</b>	<b>(\$185,453)</b>



# LPV Basin Watermaster

- Not included in FCGMA draft workplan or budget
- Funds expended on appeal presented in actuals
  - Fiscal Committee recommended 50% reimbursement ~\$200,000



# Annual Work Plan

## Annual Agency Operations

- Administration and Fiscal Services
- Records Services
- Technical Services
- Legal Services
- Public Outreach

## Special Expenditures

- GSP Implementation
- New Allocation Systems
- New Data Management System
- Water Market Development and Implementation
- Oxnard Well Destruction
- DWR SGM Grant Administration
- OPV Monitoring Well Installation

# FCGMA Staffing

- Agency staffing under contract to VC PWA
- Staff time charged for work conducted PWA Fiscal staff on fixed-cost basis
- Executive Officer presented as full time
- FY 2023 Work Plan & Budget included 9.1 full-time equivalents (FTEs)
  - FY 2023 averaged 6 FTEs with 8.6 FTEs at year-end
- FY 2024 Work Plan ended year with 12.3 FTEs
- FY 2025 Draft Work Plan uses full employment projections
  - Full-time Executive Officer
  - 10 FTEs not including Las Posas Watermaster Staff
  - 12.7 FTEs including Las Posas Watermaster Staff

# Budget Worksheet

## **Designated Accounts**

- GEMES
- Surcharges
- Operating Reserves

## **Operating Account**

- Administration and Fiscal Services
- Records Services
- Technical Services
- Legal Services
- Public Outreach

## **Special Expenditures**

- GSP Implementation
- Monitoring Well Installation
- SGM Grant Round 1 (OPV) – Admin
- Stakeholder Facilitation / Public Outreach
- New Data Management System
- Rate Counsel & Consultant

# Designated Account Projections

- GEMES Account
  - Beginning | Ending balance: (\$1,477,130) | (\$587,130)
  - Special Counsel expense: (\$1,350,000)
  - County Counsel litigation expense: (\$180,000)
  - Reserve Fee revenue: \$2,420,000
- Surcharges Account
  - Beginning | Ending balance: \$3,337,855 | \$4,368,223
  - Projected surcharges: \$1,000,000
- Operating Reserves: \$1,000,000
- Interest Earnings: \$30,368

# Operating Revenue Projections \$8,475,029

■ Pump Charges: \$6.00/AF:	\$726,000
■ GW Sustainability Fee: \$14/AF:	\$3,509,000
■ DWR SGM Implementation Grant: (Portion for FCGMA Monitoring Wells Projects)	\$2,577,800
■ SGM Impl. Grant Round 1 (OPV) – Admin	\$47,729
■ Transfer from Surcharges:	\$1,550,000
■ Interest Earnings:	\$4,500
■ Penalties:	\$60,000



# Annual Expenditure Projections (>\$10.000)

■ Public Works Agency Charges:	\$2,880,207
■ GSA (Board room, printing, mail, etc.)	\$25,000
■ Legal:	\$170,000
■ Biennial Audit	\$20,000
■ FCGMA Online Support/GIS:	\$225,000
■ GSP Annual Reports:	\$50,000
■ Special Expenditures:	\$6,083,075

# Special Expenditures Projections

■ New FCGMA Data Management System:	\$200,000
■ GSP Implementation:	\$607,892
■ Monitoring Well Installation:	\$5,077,706
■ SGM Grant Administration:	\$57,477
■ (FCGMA share is \$9,748)	
■ Stakeholder Facilitation / Public Outreach:	\$25,000
■ Oxnard Well Destruction:	\$0
■ Rate Counsel & Consultant:	\$15,000
■ Contingency:	\$100,000

**FY 2024-25 Draft Budget  
Projected Year-End Fund Balances**

<b>Account</b>	<b>2022-23 Year-End Actuals</b>	<b>2023-24 Adopted Budget</b>	<b>2023-24 Actuals Through Jan 2024</b>	<b>2023-24 Projected Year-End</b>	<b>2024-25 Draft Budget</b>	<b>2025-26 Planning- Level Budget</b>
GEMES Account	(\$1,477,130)	(\$ 396,040)	(\$ 630,900)	(\$ 587,130)	\$632,870	\$ 563,870
Surcharges Account	\$3,337,855	\$4,594,849	\$4,123,347	\$4,368,223	\$3,813,223	\$4,813,223
Operating Reserves	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Operating Account	\$ 839,487	(\$1,988,332)	\$1,853,671	\$ 412,903	(\$999,994)	\$ 141,027
Operating Account Carryforward	\$ 650,899	\$2,746,305	\$1,490,386	\$3,344,057	\$3,756,960	\$2,756,966
<b>Year End Total Fund Balance</b>	<b>\$4,351,111</b>	<b>\$5,956,782</b>	<b>\$7,836,505</b>	<b>\$8,538,054</b>	<b>\$8,203,059</b>	<b>\$9,275,086</b>

# SGM Grant

- Board suggestion to fund SGM Grant monitoring wells from Surcharges Account
  - \$1,000,000 loan to the Operating Account in FY 2022-23 for SGM Grant monitoring wells
    - No reimbursement included in FY 24-25 budget
  - \$1,550,000 transfer in FY 24-25 draft budget
- Requires two monitoring wells per basin
  - One complicated well in Pleasant Valley can be removed from grant
  - Can still drill well without grant restrictions (e.g. tight timeline)
  - Draft FY 24-25 includes this well

# Analysis and Discussion

- No increase in pump fees in FY 24-25 budget
- Draft budget includes GEMES \$20 per Acre-Foot (AF) Reserve Fee
  - Sunsets on October 1, 2024, unless extended by your Board
- Reimbursement from LPV Watermaster not included ~200,000
- Work Plan Special Expenditures Priorities
  - New Data Management System
  - Variances
  - CombCode Ordinance
  - Water Market
  - Replenishment Fee
  - Project Prioritization
  - Staffing Analysis



# Recommendations

- Wait to consider any adjustment to fees until budget revision when Watermaster budget is available
- Fiscal Committee provide feedback and recommendations
- Schedule consideration of the FY 2024 Annual Work Plan and Budget at the June 28, 2023, Board meeting