

FOX CANYON GROUNDWATER MANAGEMENT AGENCY
A STATE OF CALIFORNIA WATER AGENCY

BOARD OF DIRECTORS

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INTERIM EXECUTIVE OFFICER
Arne Anselm



Fiscal Year 2024-2025

PROPOSED BUDGET REPORT

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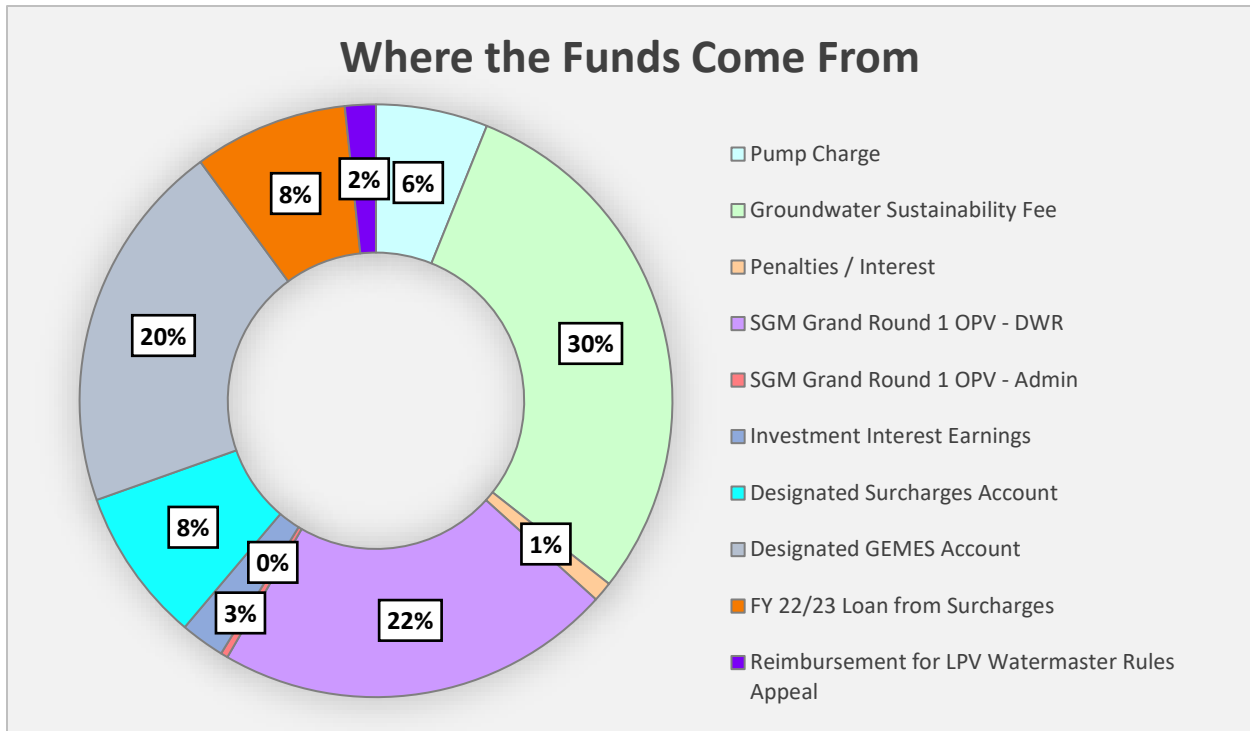
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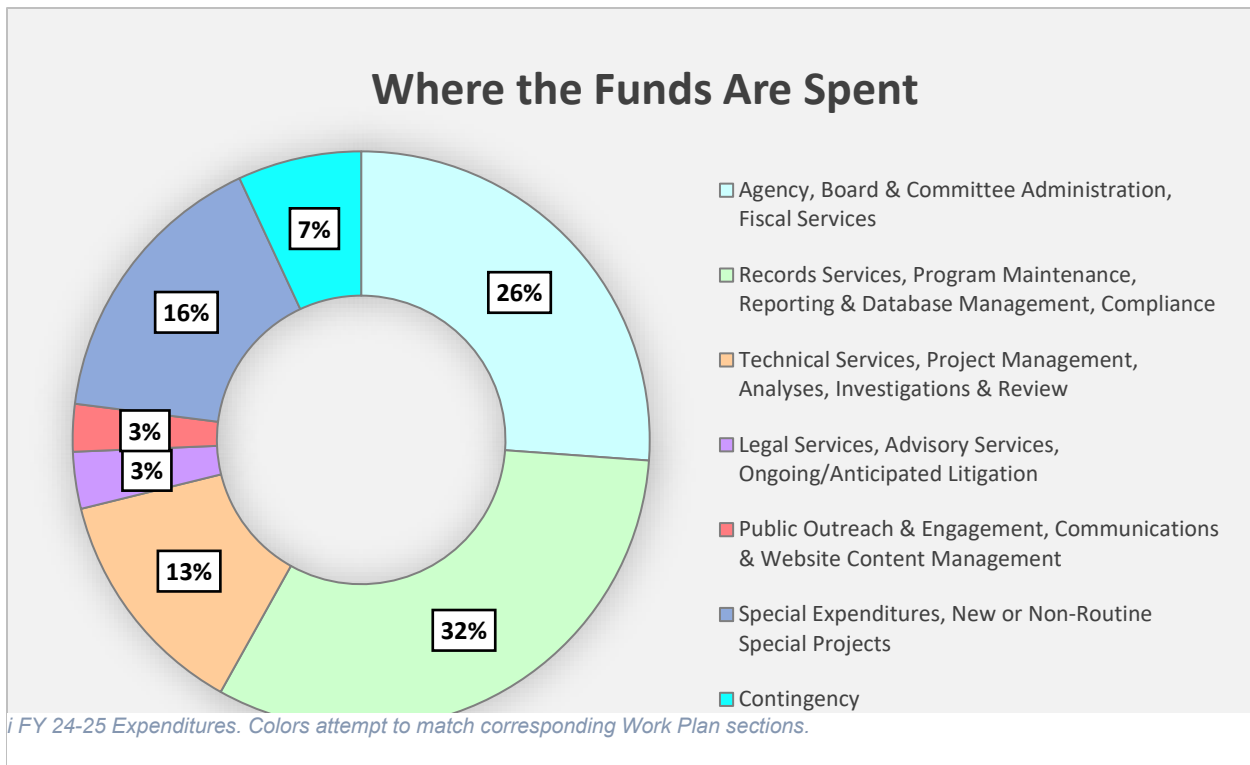
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II. FY 24-25 BUDGET AT A GLANCE



ii FY 24-25 Revenues.



i FY 24-25 Expenditures. Colors attempt to match corresponding Work Plan sections.

A. Executive Officer’s Transmittal Letter

1. What’s Different This Year

Welcome to the inaugural Fox Canyon Groundwater Management Agency (FCGMA) Fiscal Year (FY) 2024-2025 Proposed Budget Report, a work-in-progress aimed at increasing clarity and transparency in the Agency’s funding and expenses. This Proposed Report is designed to be read online, as hyperlinks are included for reference. Going forward, I expect to see continuous improvement to this format with each budget cycle. The development of an entirely new format for presenting this information is a recent initiative requested by the FCGMA Fiscal Committee, and future iterations will be improved with feedback from our Board of Directors and our stakeholders, bolstered by annual Board and Committee strategy development. Over the years, Proposed Reports will become effective at clearly communicating the Agency’s funding needs and work priorities.

The Proposed Budget Report does not present different scenarios for the Board to choose from. It is designed to present Agency staff’s recommended assumptions that may be changed by Board direction, and to highlight considerations for the Board to discuss during budget adoption.

The [Draft Fiscal Year 2024-2025 Budget](#) arrives with distinct considerations requiring Board decisions. The first being the repayment of a loan from the Surcharges Designated Account to the Operating Account. The loan was initiated with the adopted FY 22-23 budget for covering expenses with the drilling of monitoring wells in the Oxnard and Pleasant Valley Basins not covered by the California Department of Water Resources (DWR) Sustainable Groundwater Management (SGM) grant. This loan was initiated with the plan to repay in FY 24-25, but paying off this loan as planned is not included in the FY 24-25 Draft Budget due to a delay by DWR initiating the grant; none of the loaned funds have yet been expended. This was approved by the Board on September 13, 2024.

Another unique budget consideration this year is how the legal fees associated with the appeal of the Las Posas Valley Adjudication Judgment are funded.

The Agency entered the appeal prior to any designated funding source for the LPV Watermaster, thus legal representation was funded by funds collected Agency-wide, an estimated \$400,000. The Fiscal Committee recommended splitting these costs evenly between the Agency and the LPV Watermaster. The reimbursement of \$200,000 to the Agency for the LPV Watermaster Rules Appeal was recommended by the Fiscal Committee on June 10, 2024, and approved by the Board on September 13, 2024. The budget presented herein reflects that direction.

The considerations highlighted throughout this Proposed Budget Report are summarized in the section, "[Recommendations and Considerations](#)."

2. At A Glance – Agency Operations

	2023-24 Year-End Actuals	2024-25 Year-End Projection
Fund Balance, 7/1	\$4,351,081	\$6,996,395
Revenues	\$7,300,733	\$10,896,272
Expenditures	\$4,655,419	\$12,120,348
Operating Reserve	\$1,000,000	\$1,000,000
Net Operating Results	\$2,645,314	(\$1,224,076)
Fund Balance, 6/30	\$6,996,395	\$5,772,319

Expenditures are forecasted to be higher than revenues in FY 24-25 due to an extraordinary number of special efforts underway, including the five-year GSP evaluations and amendments, the monitoring wells being drilled (which is partially funded by the DWR SMA grant), and the adjudication of the OPV Basins.

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a) Agency Staffing

The 2024-25 Draft Budget presents a “highest cost scenario” for staff planning purposes. Unlike the development of previous Agency budgets, the Draft FY 24-25 Budget assumes funding of a fully staffed agency, with no vacant positions, along with the funding of a full-time Executive Officer. Previous budgets estimated when existing vacancies would be filled, or positions vacated, and the Executive Officer position was previously set at a fixed cost of 25% of the Public Works Agency Director.

We are budgeting for an Agency that will become fully staffed, but the Draft FY 24-25 Budget also includes funds for consultants; our current staffing level requires us to utilize consultants to act as staff until we reach full staffing levels. Consultants are discussed in detail in the sections: Agency Profile and Explanation of Budget.

b) A Work Plan to Achieve Goals

The foundation of the Draft Budget is the Work Plan. The [Draft Fiscal Year 2024-25 Work Plan](#) summarizes estimates of staff services needed to meet the major work tasks identified to meet Agency goals during the next Fiscal Year. The Work Plan identifies staff and staff hours expected to be working on each task; staff track their time working on these tasks during the year for cost accounting.

The Work Plan provides the Board with an opportunity to prioritize the goals and objectives for staff to focus on in the Fiscal Year. The tasks identified in the Work Plan align with the Work Task Prioritization matrix presented to the Board in January 2024, the distinction being the Work Task Prioritization matrix is divided by the drivers of the tasks (e.g. legislation) whereas the Work Plan categorizes tasks by services needed to address them (e.g. technical and administration).

The Work Plan also includes a separate category for special projects that are not routinely performed by the Agency on an annual basis. While the updated Work Plan differs from

how Agency priorities were presented to the Board in the past, the tasks are cross-referenced with priorities for clarity. In the Draft FY 24-25 Work Plan, staff have recommended resources be directed towards efforts deemed higher priorities and not others. For example, due to ongoing litigation and the SGM Grant monitoring well project, it is my recommendation not to fund progress towards a new database or a comprehensive replenishment fee in the next Fiscal Year.

c) Initiatives, Challenges and Uncertainties for FY 24-25

There are several time-sensitive priorities and challenges or uncertainties that are top of mind, including:

(1) Implementing the LPV Adjudication Judgment

The Adjudication Judgment for the LPV Basin (Judgment)¹ appointed the FCGMA as Watermaster to implement the Judgment in the Basin. The Judgment requires the Watermaster to take certain Basin Management Actions and includes deadlines and important dates to implement many of these Basin Management Actions.

As Watermaster, FCGMA is responsible for implementing the GSP for the LPV Basin in a manner that will achieve the sustainability goals mandated by SGMA. This effort requires the development and administration of an entirely new program. While this will require significant commitment of staff time, none of the LPV Watermaster efforts are included in the Agency's draft FY 24-25 budget.

A separate LPV Watermaster budget has been recommended by the Fiscal Committee for consideration for the Board acting as LPV Watermaster. Therefore, even though full staffing is assumed in the Draft FY 24-25 Budget, The Draft FY 24-25 Work Plan appears to budget fewer hours than in previous iterations. This is due to a separation of LPV

¹ <https://fcgma.org/las-posas-valley-watermaster/lpv-adjudication-judgment/>

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Watermaster budgeting; staff time required to implement LPV Watermaster tasks is not included in the Agency’s Draft FY 24-25 Budget.

(2) Ongoing Litigation

The OPV Adjudication is expected to create significant demands on staff time. The discovery process requires prompt responses and depositions require preparation and availability. An assumption that the GEMES pump fee will be continued to fund legal costs associated with the adjudications has been included in this draft budget, and a contract modification has been approved by the Board on July 24, 2024, to extend the scope and “not to exceed” amount of contracted Special Counsel. More information on contract spending and legal expenses can be found later in this report in IV.C: Expenditures.

(3) Staffing and Hiring Challenges

Hiring, training, and maintaining a fully staffed Agency remains a significant challenge. This is compounded by discussions of how Agency staff is provided and multitude of new programs that have not been developed into routine operations. Agency staff have been working closely with Hallmark Group to identify Agency tasks, responsibilities, internal administrative processes, and to develop estimates of time needed in each staff position to complete these tasks. The Executive Committee has been reviewing its development. This staffing analysis is currently underway; although it has not been completed it has been informative in developing the Work Plan.

(4) SGM Grant Administration and OPV Wells

The Agency successfully applied for the SGM Grant, bringing \$14.2 million to the basins. While most of this funding is going to subgrantees City of Camarillo, Pleasant Valley County Water District, and United Water Conservation District, the Agency has the responsibility of administrating the grant to stay in compliance with requirements. The Agency has committed to drilling four deep wells and multiple shallow wells under this grant and is managing that project; all fieldwork and documents for reimbursement must

be completed by March of 2025. Further detail on grant revenue is included in Section IV.B.7, Grant Funding.

(5) Five Year GSP Evaluations and Amendments

The California Department of Water Resources (DWR) GSP Emergency Regulations require that GSAs conduct GSP evaluations at least every five years, and whenever the GSP is amended, to “assess changing conditions in the basin that may warrant modification of the plan or management objectives and may adjust components in the plan.” The GSP evaluations are due to DWR no later than January 13, 2025, and require the GSPs be amended to include new information from the evaluations.

(6) Administrative and Operations Initiatives

Agency staff have administrative priorities in development that tie in with Board priorities. Staff intends to continue providing high-level services while working to achieve technology upgrades and streamlining internal and public-facing operations, and to continue its hiring initiative to build and maintain an effective workforce. During the 2024-25 Fiscal Year, we hope to see further strategic planning collaboration with the Board, and moving forward we hope the Board will consider including scheduled annual goals and objectives discussions in February or March each year to help guide strategy and continued process development towards an even more transparent, effective budget and work plan.

d) Overview of the New Budget Report

Following this transmittal letter the Budget Report provides a profile of the Agency, its mission and foundational structure, including how we are staffed. The Report then discusses the Agency’s current financial management processes, diving deeper into the

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procedures and priorities that help inform the Budget and Work Plan. This section includes an overview of our audit schedule.

The focus of the Report follows in the section titled “Explanation of Budget,” which begins with a discussion of the accounts the funds are held in, how revenue from the different fees is allocated to those accounts, and which expenses are paid from them, ending with a detailed look at the Operating Account which funds the main mission of the Agency.

From there, readers will be brought to our “Recommendations” section; once the Report is reviewed and approved, this section will be annotated and moved to the appendices for comparison with future draft budgets. Past recommendations may help inform our performance measurements over time.

e) In Conclusion

The draft Fiscal Year 2024-25 Proposed Budget was developed with the assumption of the GEMES pump fee to fund legal costs associated with the adjudications be continued and not repaying the FY 22-23 \$1,000,000 loan from the Designated Surcharges Account as proposed when transferred with the adoption of the FY 22-23 budget. The Draft FY 24-25 Budget does not include repayment of this loan as the drilling costs for monitoring wells partially funded by a DWR SGM Grant have not yet fully incurred. The Fiscal Committee recommended, and your Board directed to defer the loan’s repayment at the September 13, 2024, Board special meeting.

It also assumes a fully staffed Agency with a full-time Executive Officer and is intended to allocate funding and staff resources to maintain high levels of service, while investing in enhancements to Agency services and infrastructure to continue the preservation and management of groundwater resources within our jurisdiction for the common benefit of all users.

Respectfully,

A handwritten signature in black ink, appearing to read 'Arne Anselm', written over a faint, illegible background.

Arne Anselm

Interim Executive Officer

- **Link to Draft Fiscal Year 2024-2025 Budget worksheet:**
https://fcgma.org/wp-content/uploads/2024/09/FY-2024-25-Budget-REVIEW-DRAFT_20240906.pdf
- **Link to Draft Fiscal Year 2024-2025 Work Plan:**
https://fcgma.org/wp-content/uploads/2024/09/FY-2024-25-Work-Plan-REVIEW-DRAFT_20240906.pdf

III. AGENCY PROFILE

A. About FCGMA

The Fox Canyon Groundwater Management Agency (FCGMA) manages and protects both confined and unconfined aquifers within several groundwater basins underlying the southern portion of Ventura County. The FCGMA is an independent special district, separate from the County of Ventura or any city government. It was created by California Legislature to oversee Ventura County’s vital groundwater resources, per the adoption of Assembly Bill No. 2995 Chapter 1023², which was approved by the Governor and filed with the Secretary of State in September 1982. All lands lying above the deep Fox Canyon aquifer account for more than half of the water needs for 450,000 residents in the cities of Ventura, Oxnard, Port Hueneme, Camarillo, and Moorpark, plus the unincorporated communities of Saticoy, El Rio, Somis, Moorpark Home Acres, Nyeland Acres, Leisure Village, Point Mugu and Montalvo.

B. Mission Statement

The Fox Canyon Groundwater Management Agency is dedicated to the preservation and management of groundwater resources within its jurisdiction for the common benefit of all users.³

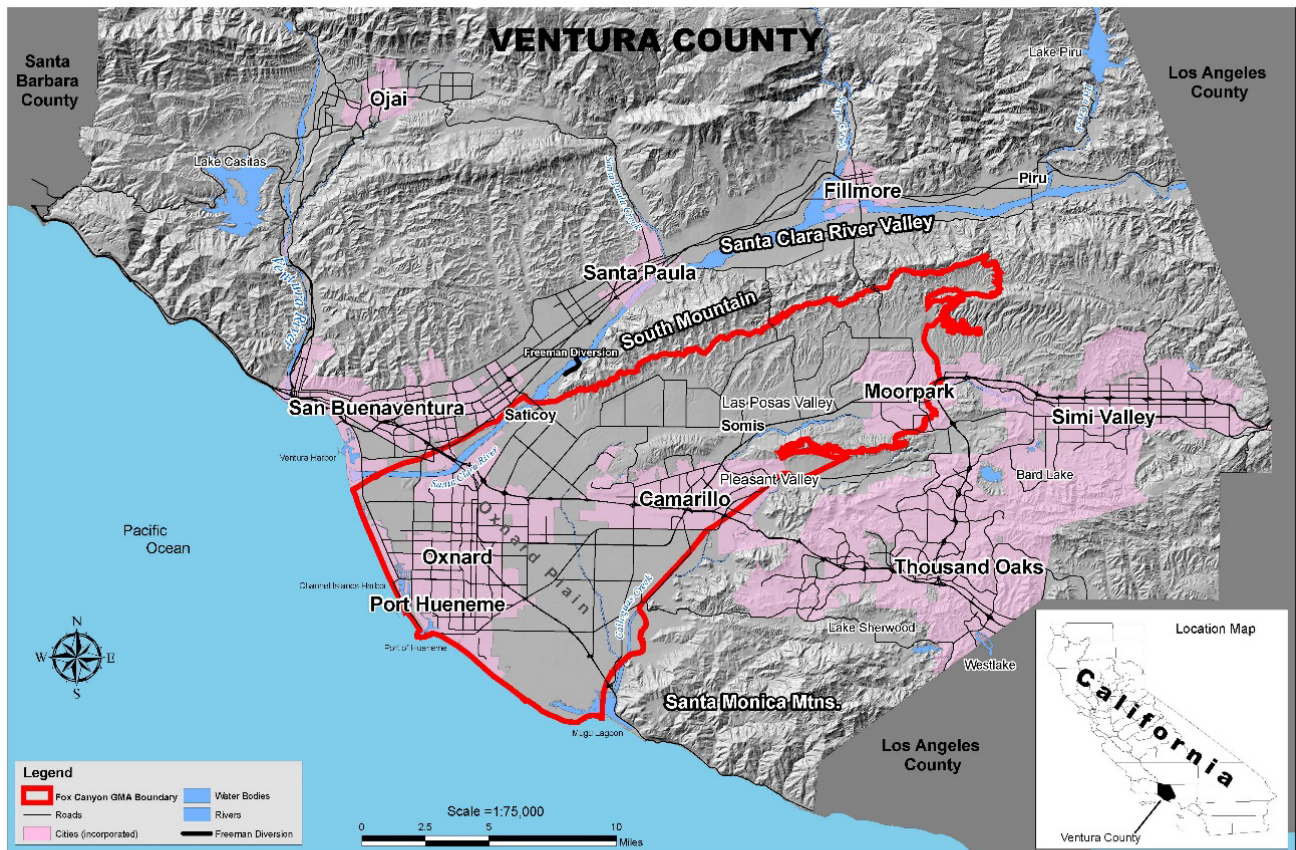
² <https://s42135.pcdn.co/wp-content/uploads/2024/04/AB-2995-FCGMA-Enabling-Legislation.pdf>

³ The above mission statement was revised and approved by the Board of Directors on March 22, 2023.

C. Boundary of the Agency

The FCGMA boundary encompasses 183 square miles and includes all the lands from the Oxnard coastline to Happy Camp Canyon east of Moorpark.

Within this boundary are all, or parts of, five (5) incorporated cities, including Moorpark, Oxnard, Port Hueneme, Camarillo, and Ventura. Also within the Agency boundary are several water companies of various sizes. Although imported water is vital to almost everyone in southern Ventura County, and surface water diversions supplement a valuable percentage of irrigation needs, groundwater still supplies the main source of



FOX CANYON GROUNDWATER MANAGEMENT AGENCY (A State Of California Water Agency)

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Reviewed By: J.C. January, 2008
Reviewed By: J.C.
Date Prepared: January, 2009

DISCLAIMER: The information contained herein was created by the Fox Canyon Groundwater Management Agency solely for its own use. The FCGMA assumes no liability for damages incurred directly or indirectly as a result of errors, omissions or discrepancies.

1. City limits: Ventura County Geographic Information Systems, 2007
2. FCGMA Boundary VCBOS, 1992; Revised 1996.

Figure 1: Fox Canyon Groundwater Management Agency Boundary

iii FIGURE 1 – FCGMA Boundary Map

water (about 67%) used by approximately 350,000 people and hundreds of farms within the FCGMA boundaries.

D. Organizational Structure

1. Roles, Responsibilities, and Relationships

As expressly stated in the FCGMA enabling legislation⁴, and as echoed in our mission statement, the goals and objectives of the FCGMA include the planning, management, preservation, and regulation of the use of groundwater for the common benefit of water users within the FCGMA territory. These goals are primarily achieved through the development, implementation, and enforcement of groundwater management plans and policies that are designed to protect the quality and quantity of groundwater within the FCGMA's territory.

In accordance with the enabling legislation, FCGMA has not historically involved itself in activities normally undertaken by member agencies, including construction, operation, and maintenance of capital facilities. Many of these facilities such as dams, spreading grounds, pipelines, flood control structures, and water distribution facilities are operated by member agencies both within and outside the FCGMA boundary, with the goals of the FCGMA in mind, and to aid or assist FCGMA groundwater management efforts.

The Agency's governing Board of Directors, Agency staff, member agencies, and individual stakeholders all share stewardship for the successful operation of the Agency and for the groundwater it manages. These roles and responsibilities are summarized below.

⁴ <https://s42135.pcdn.co/wp-content/uploads/2022/10/AB-2995-FCGMA-Enabling-Legislation.pdf>

1. Board of Directors

The Board has the responsibility for establishing and revising policy through the adoption of laws, ordinances, and resolutions that support the FCGMA's mission statement, goals, and objectives. All Agency rules must also be in conformance with State laws. The Board is responsible for providing the means and resources necessary for the Executive Officer and staff to administer the FCGMA's policies.

2. Agency Staff

Staff takes primary responsibility for initiating, preparing, and securing the appropriate reviews and approval for agenda items, including ensuring all necessary staff members, Board committees, and stakeholders have been involved and informed where appropriate; authoring agenda items; working with Agency Counsel on legal aspects of the item, including providing all background information to allow Counsel to prepare appropriate documentation, including contracts; coordinating with the Clerk to schedule agenda items, and to ensure sufficient time to adhere to public hearing notice requirements and/or reading of ordinances; and prepare presentations for the Board's information.

Staff are responsible for administering the policies adopted by the Board. The FCGMA staff does not make policy decisions; they provide technical studies, policy analysis and logistical support to the Board of Directors to assist them in adopting, monitoring, and evaluating meaningful and effective policies, all under the leadership and direction of the Executive Officer. The FCGMA Executive Officer and Agency Groundwater Manager are responsible for directing staff, implementing policies adopted by the Board, and ensuring that Board directives are carried out effectively. The Executive Officer also serves as the Agency's primary spokesperson with regards to stakeholders and the public, but all staff interact with stakeholders to assist with reporting, facilitate engagement, respond to inquiries, and provide technical project

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reviews. The FCGMA also contracts with consultants who perform as staff, whether due to understaffing or specific needs of a special project. Current contracts are discussed further in section IV.C.5. Expenditures – Personnel.

3. Member Agencies and Stakeholders

“Member Agencies” refers to entities that are purveying water within Agency boundaries. Currently, there are five cities: (Camarillo, Moorpark, Oxnard, Port Hueneme, and Ventura), two major wholesalers (Calleguas Municipal and United Water Conservation District), and seven mutual water companies (1) Alta Mutual Water Company, (2) Pleasant Valley County Water District, (3) Berylwood Mutual Water Company, (4) Calleguas Municipal Water District, (5) Camrosa Water District, (6) Zone Mutual Water Company, and (7) Del Norte Mutual Water Company who are purveying water either partially or totally within the territory of the FCGMA. Under many circumstances, these member agencies also serve as de facto representatives for individual property owners, well operators, and other stakeholders that they themselves serve within the Agency boundaries.

Well owners and operators play a key role in that they are responsible for “self-reporting” groundwater extractions to the FCGMA accurately and in a timely manner (e.g. twice per Water Year, reporting on or near March 31, and September 30, annually). It is critical that this group provide meaningful feedback to the staff and Board by accurately self-reporting groundwater use on a timely basis and by providing the fees and meaningful data and feedback necessary to enable the FCGMA to manage groundwater resources and to pay for expenses incurred in doing so.

2. The FCGMA Board of Directors

FCGMA is governed by five Board Members. They represent the (1) County of Ventura, (2) the United Water Conservation District, (3) the seven small water districts within the Agency (Alta Mutual Water Company, Pleasant Valley County Water District, Berylwood Mutual Water Company, Calleguas Municipal Water District, Camrosa Water District, Zone Mutual Water Company, and Del Norte Mutual Water Company), (4) the five incorporated cities within the Agency (Ventura, Oxnard, Camarillo, Port Hueneme, and Moorpark), and (5) the farmers.

All Board Members are appointed by their respective organizations or groups, except for the farmer representatives. They are appointed by the other four seated members from a list of at least five (5) candidates jointly supplied by the Ventura County Farm Bureau (VCFB) and the Ventura County Agricultural Association (VCAA). Each Board Member has an Alternate, and all members serve a two-year term.

Representative	Term Expirations	Current Board Member	Current Alternate	Term Expires
Farmers Representative	Even Years	Michael Craviotto	David Borchard	02-28-2026
Five Cities Representative	Even Years	Tony Trembley	Bert Perello	02-28-2026
United Water Conservation District	Even Years	Lynn Maulhardt	Sheldon Berger	02-28-2026
Ventura County Board of Supervisors	Odd Years	Kelly Long (Vice Chair)	Vianey Lopez	02-28-2025
Small Water Districts	Odd Years	Eugene F. West (Chair)	Raul Avila	02-28-2025

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In 2007, the Board offset the terms of the City Council and the Agricultural representatives from the remaining three representatives by one year to ensure continuity of Agency operations and to prevent a complete turnover of all FCGMA Directors at the same time. City and Farm representatives are elected in even-numbered years; with UWCD, County, and Water District representatives elected in odd-numbered years.

Board members and Alternates serve on a volunteer basis, and no salaried compensation is provided for participation or attendance at FCGMA meetings or events. Board members and officers may attend seminars, conferences, or training sessions at Agency expense, and in so doing, will be reimbursed for all reasonable expenses incurred in accordance with applicable sections of the County of Ventura Administrative Policy Manual, Financial Management Chapter VII (c)-1 (reimbursement of employees' business expenses)⁵ that the FCGMA has relied upon in lieu of officially adopting a separate policy document.

As unpaid volunteers, FCGMA Board Members are not required to provide any service beyond official monthly Board meetings or special Board sessions. While Board Members are not paid by the Agency, the Agency does provide for their insurance, as detailed later in this report under Expenditures.

a) FCGMA Committees

In 2012, the Board approved the formation of three committees: Executive, Fiscal, and Operations. Committee assignments are discussed and approved by the Board annually, alongside new Board member appointments, typically during the February or March Regular Board meeting.

Regarding the role of Committee members:

⁵ Internal document available upon request; formal procedures manual update to be prioritized in once Agency at full staff.

- a. All committee members are advisory to the Board – not to the staff – and shall serve to communicate the needs, programs, and proposals to the community they represent.
- b. As distinct from the staff, an Advisory Committee’s role shall not be considered technical in nature, unless specifically set up in such a manner.
- c. As distinct from the Board of Directors, an Advisory Committee’s role shall not be considered legislative in nature.
- d. The Agency’s technical staff shall inform the Committee of major needs, programs, and proposals.
- e. Committee members are encouraged to comment while discussing related agenda items heard during meetings of the Board of Directors to offer their insights, counsel, and opinions on their committee’s behalf relating to Agency needs.

Board Member	Committee Appointment	Appointment Expires
Michael Craviotto	Operations	02-28-2025
Tony Trembley	Fiscal	02-28-2025
Lynn Maulhardt	Operations	02-28-2025
Kelly Long (Vice Chair)	Executive	02-28-2025
Eugene F. West (Chair)	Executive, Fiscal	02-28-2025

(1) Executive Committee

The Executive Committee is composed of the Chair and Vice Chair of the Board and meets when directed by the Board to discuss issues including, but not limited to:

- Strategic Planning
- Prioritization of Work Plan Items
- Regional Coordination to Increase Water Supply
- Recommendations regarding extraction allocation systems

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(2) *Fiscal Committee*

The Fiscal Committee is composed of two directors, typically the Chair and Cities' representative, and meets when directed by the Board to discuss issues including, but not limited to:

- Budget development and tracking
- Pursuit of grants
- Development of replenishment fees

(3) *Operations Committee*

The Operations Committee is composed of two directors, typically the County of Ventura and United Water Conservation District representatives, and meets when directed by the Board to discuss issues including, but not limited to:

- Performance of self-reporting and meter calibration
- Software enhancements
- Project selection: Identification of projects to increase water supply
- Water Market development

3. How the Agency is Staffed

Per our founding legislation, Assembly Bill No. 2995, Ch. 1023, Sec. 408: “The agency may contract with the county or United for staff and other services and may hire such other contractors and consultants as it considers appropriate.”

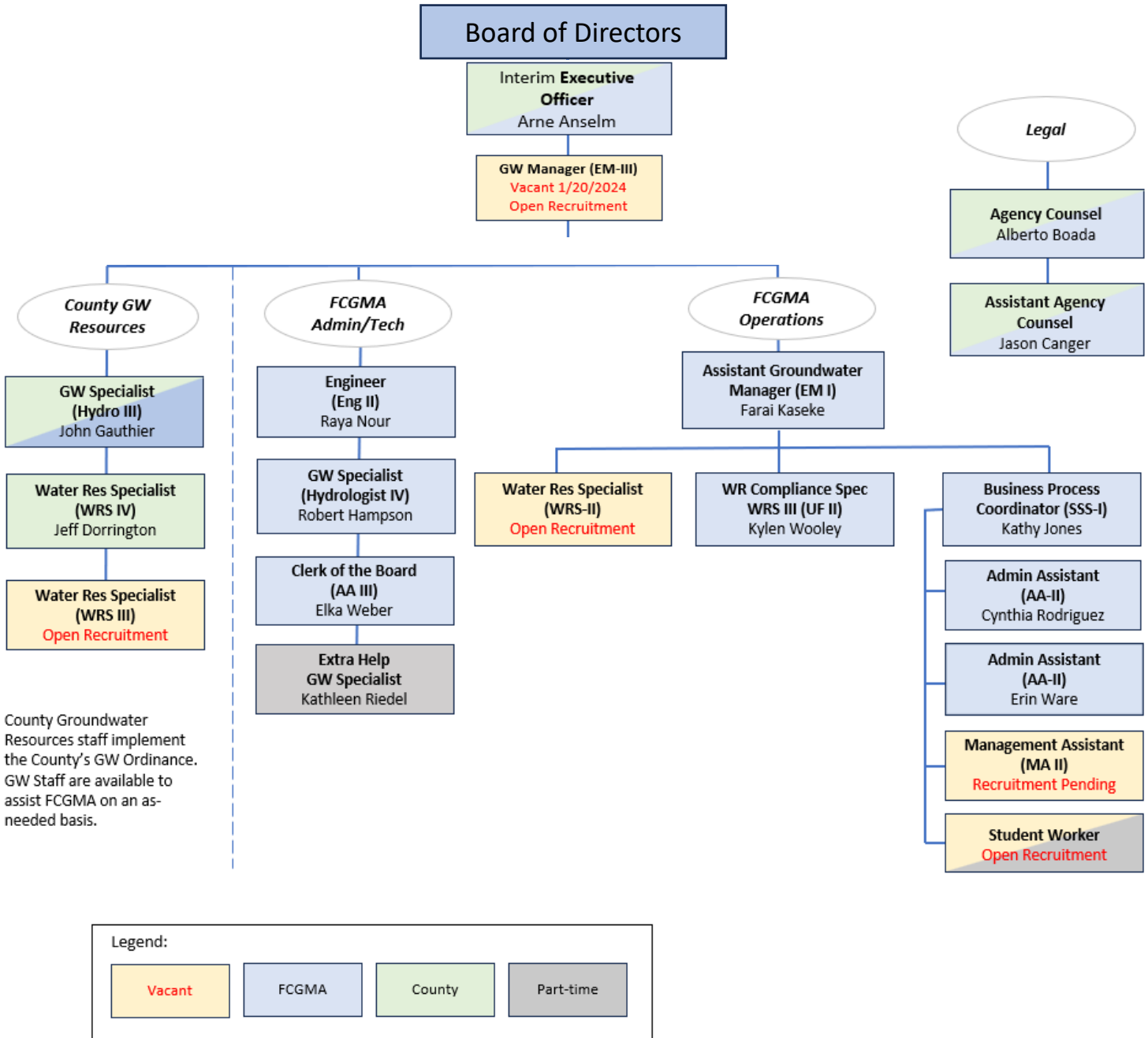
FCGMA contracts with the County of Ventura to provide staff to support the FCGMA⁶; of our main or “core” staff, we currently have 6 full-time equivalent (FTE) staff, and 9 part-time staff, including Agency Counsel. The organizational chart below displays current staffing levels, including the current status of the Executive Officer position as a part-time (though heavily skewed to the Agency) County role.

The Agency does not currently have a full-time Executive Officer. The position is not listed as vacant as it is temporarily filled by an Interim Executive Officer with other responsibilities within the County. There is no current recruitment for this position. The Agency has 1 offer out to fill 1 of the 2 FTE positions that are currently vacant and is interviewing 2 of the vacant part-time County positions that regularly serve the FCGMA as depicted in the following organization chart.

⁶ 1983 Contract, Amended 1998: <https://fcgma.org/wp-content/uploads/2024/08/GMA-County-Contract-1983.pdf>

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(1) Agency Organizational Chart – Main Staff



(a) *About the Executive Officer*

Arne Anselm, Interim Executive Officer

As noted, the Executive Officer (EO) provides administrative leadership, research, and advisory services to the Agency, and acts as the main liaison between the Board, the public, and government agencies. The EO is charged by Board resolution with carrying out the duties, performing the functions and exercising the executive powers enumerated in the Agency's Ordinance code. The EO oversees Board agenda development and presentation; the role of the Executive Officer in the agenda process is to ensure agenda materials contain a thorough policy analysis (and if applicable, financial), review of alternatives, and contain an appropriate recommendation to enable the Board to make informed and reasonable decisions. The Executive Officer decides which items will be presented to the Board or a committee of the Board.

The Executive Officer also serves as the budget administrator, hearing officer, and chief of staff. Resolution 2005-08⁷ designates the Director of Ventura County Watershed Protection District as the Executive Officer and delegates the executive powers and duties required to carry out the purposes of the Agency.

On March 8, 2024, Arne Anselm was appointed the Interim Executive Officer, superseding Resolution 05-08⁸, and continues to serve in this role. Previously, the Executive Officer was compensated on a fixed-cost basis of 25% of the Public Works Agency Director's fully burdened rate. Members of the Board have expressed the need for the Agency's Executive Officer to exist as a full-time position committed solely to the management of the Agency. The FY 2024-25 budget includes a full-time Executive Officer at the fully burdened rate of Deputy Director which is consistent with the rate of the current Interim Executive Officer.

⁷ <https://s42135.pcdn.co/wp-content/uploads/2022/09/Resolution-2005-08.pdf>

⁸ See Closed Session Item 2, "Public Employee Appointment:"
<https://ventura.primegov.com/Portal/Meeting?meetingTemplateId=18461>

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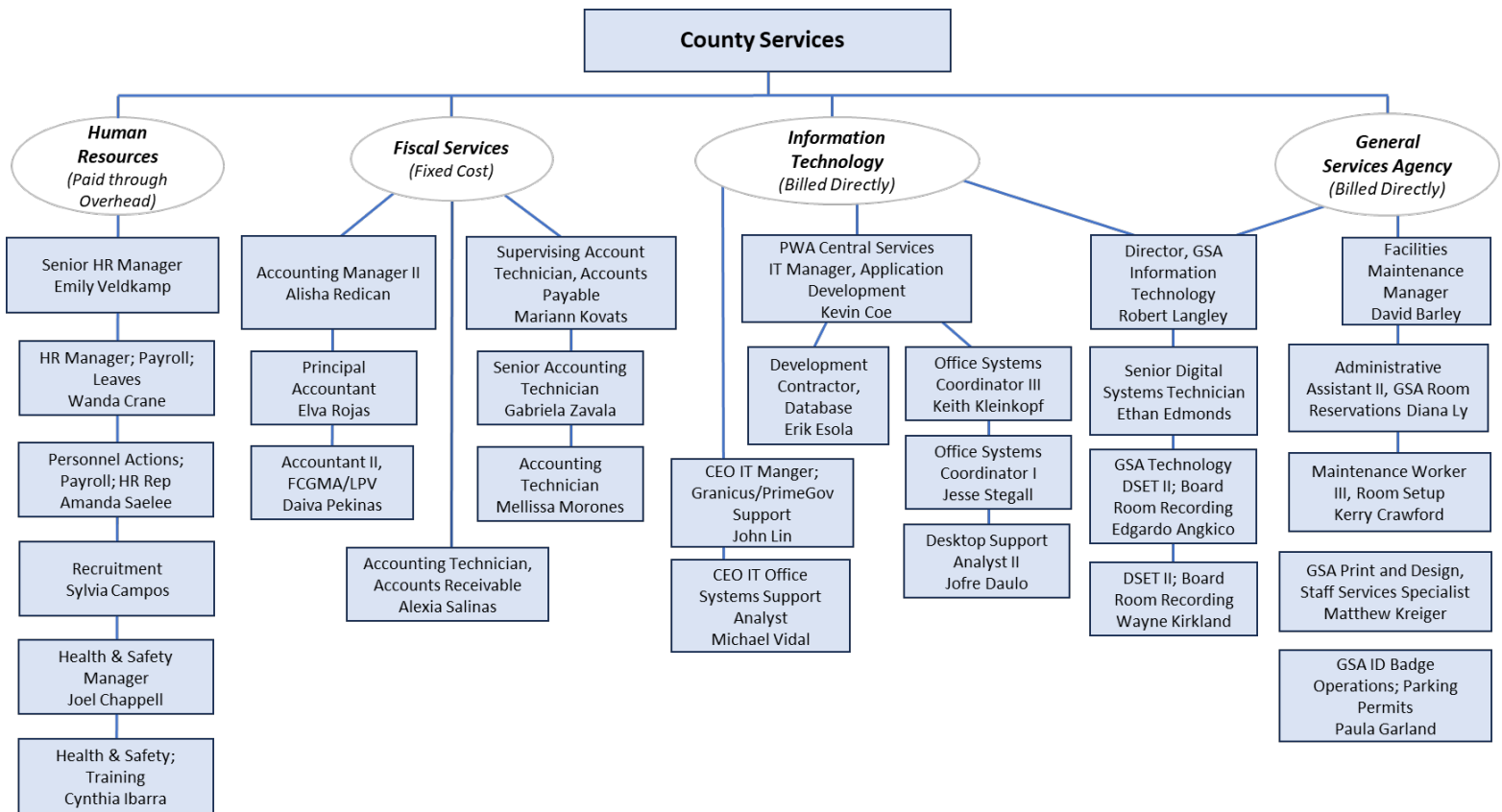
The Board has expressed interest in prioritizing an amendment to Resolution 2005-08 to reflect a full-time equivalent Executive Officer; this item is also discussed under Recommendations and Considerations, in the section IV.F. Planning for Future Budget Development.

b) Additional County Support

In addition to our main staff, the Agency is supported as needed by additional County services from member agencies such as the Public Works Agency (PWA) Central Services department and the General Services Agency (GSA).

To provide context: Central Services includes PWA Information Technology (IT) staff, who assist with equipment and software support, database programming and maintenance, website hosting, and Federal accessibility requirements; Fiscal Services staff, who assist with audit management, accounts receivable and accounts payable; and Human Resources (HR) staff, who manage benefits, recruitment efforts, general employee onboarding, workplace safety training, and payroll, among other integral contributions to staff. General Services Agency (GSA) support includes but is not limited to conference room access and coordination, equipment technicians and IT staff that set up and troubleshoot the spaces our staff and Board meet in to further our work, and GSA security staff, who administer ID badges and parking permits.

(1) County Services Organizational Chart

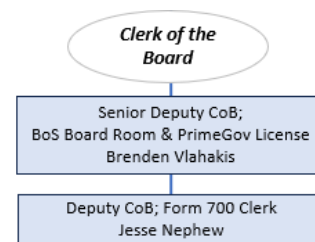


Our Agency is privileged to have the wider resources of the County available to our staff and our duties. You'll notice that services are billed in different ways: fixed costing is lump sum, overhead is a percent, and billed directly is hourly.

Agency staff work closely with Fiscal Services staff; their accounting technicians process our deposit transmittal reports and make sure payments are deposited swiftly; their accounts payable technicians route and pay invoices after we have coded, reviewed, and approved them for payment. FCGMA depends mightily on Fiscal's talented staff, especially our main Agency accountant, who provides invaluable review and feedback during the development of this report and all budget documents.

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County services also include the Board of Supervisors' Clerk of the Board, which shares their Granicus/OneMeeting PrimeGov license with FCGMA, saving the Agency approximately \$100,000 annually. Per the Brown Act,⁹ we are required to have our Board agenda materials available online in an open format;



PrimeGov allows us to index and archive Board Agenda materials on the PrimeGov platform, which is accessible via a website plug-in on <https://fcgma.org/board-agendas-broadcasts-minutes/>. The Form 700 Clerk works with the Agency Clerk and management to file forms related to our Conflict of Interest Code¹⁰(COIC), including assisting with tracking late filers and reporting on important deadlines that help us stay in compliance with the Political Reform Act¹¹.

c) *Consultants and Contractors*

The Agency currently has 4 active contracts with consultants or contractors currently performing FCGMA work functions which would normally be accomplished by staff when we are employed at full hiring capacity.

Personnel expenditures are detailed in the Expenditures section of this Budget Report, and additional staffing information is included in the appendices.

(1) *Hallmark Group*

Hallmark Group was contracted to analyze the Agency's staffing needs to accomplish its work, tasks, and responsibilities for two time periods: (1) May of 2024 through the end of December 2024, and (2) for the Fiscal Year July 1, 2024 – June 30, 2025. The first was

⁹ https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=54954.2.

¹⁰ Our COIC and amendments are published publicly at <https://www.ventura.org/county-executive-office/clerk-of-the-board/conflict-of-interest-code/>.

¹¹

https://leginfo.legislature.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=GOV&division=&title=9.&part=&chapter=&article=

in response to the Board's request, the second to assist with the work plan and budget development for FY 24-25. Agency staff have been working closely with Hallmark Group to identify Agency work, tasks, and responsibilities, internal administrative processes, and steps necessary to timely complete tasks. While this effort has helped to inform the proposed FY 24-25 Budget, the final report was not ready to be completely incorporated into this report.

(2) *Rincon Associates*

The Agency contracted with Rincon Associates to assist with AMI data input/data management, track data deliverables from AMI vendors, and import the monthly data. In 2018, the FCGMA Board adopted an Advanced Metering Infrastructure (AMI) Ordinance, whose purpose and intent are to: a) provide for broader and simultaneous measurement and reporting of groundwater extractions; b) improve the Agency's ability to monitor and manage groundwater use; c) facilitate implementation of a Groundwater Sustainability Plan; and d) promote sustainable groundwater management within the Agency. Due to the Agency's increased workload and current staffing levels, the Interim Executive Officer exercised the authority granted by the Board via Resolution 2018-to enter professional services contracts up to \$25,000 to supplement staff. An additional \$53,977.88 was approved at the July 27, 2024, Board meeting.

(3) *Dudek*

Dudek provides specialty technical support for the Agency's compliance with SGMA and also as an extension of staff when needed to meet timely demands. The scope of work under the contract included technical support, GSP annual reports, data gap analysis, basin management scenarios and model coordination, project feasibility studies, grant application support and project management. The current scope also integrates recent Agency retiree Kim Loeb into the contract as a Dudek employee to augment Dudek's 5-Year GSP Evaluation work (including model development) and includes the additional technical workshop requested by OPV stakeholders. The new Dudek scope would also

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include project management services and technical support related to the Agency’s monitoring well project. Not included in this draft budget proposal but is in Dudek’s contract is work and services in support of the Agency’s implementation of the LPV Adjudication, including preparation of technical reports and studies required by the LPV Adjudication judgment.

(4) Kennedy Jenks Consultants, Inc.

Kennedy Jenks was contracted to assist with preparing an application for Department of Water Resources (DWR) Sustainable Groundwater Management (SGM) Round 1 Implementation Grants to implement projects in the Oxnard Subbasin and Pleasant Valley Basin. After the Agency was notified by DWR of grant awards for both basins in an April 28, 2022, letter. the Board a contract with Kennedy Jenks to conduct grant administration services for the DWR SGM Round 1 Implementation Grants awarded to the Agency to implement projects in the Oxnard Subbasin and Pleasant Valley Basin.

E. Financial Management Process

Annually, the FCGMA prepares a Work Plan and Operating Budget to guide, direct and fund the Agency's work. Work Plan updates and Budget performance monitoring reports are prepared and submitted to the Fiscal Committee for review and discussion. Reporting and business practice documents are prepared as required for Board or Committee review via agenda materials, which include staff reports, Resolutions, or special presentations. Additionally, the FCGMA prepares a Biennial Audit Report every other year.

The Proposed Budget Report will become part of the Agency's financial management process over time.

1. Preparation and Monitoring

The FCGMA's fiscal year begins July 1st and ends on June 30th of the calendar year. Administrative oversight and reporting of the Agency's financial transactions is performed by Agency management in consultation with the Fiscal Services Section of the Central Services Department of the Public Works Agency, pursuant to the ongoing contractual arrangement between the Agency and the County of Ventura.

Agency management prepares quarterly budget-to-actual performance reports which are presented to the Board for their information, review, and feedback.

The Fiscal Committee has recommended presenting draft budget materials early for feedback that can be implemented in advanced drafts; the Fiscal Committee recommends an April or May preliminary draft review. Past Agency quarterly summaries of the

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Agency’s actual financial transactions for the current fiscal year were presented to the Board of Directors generally in accordance with the following Board meeting schedule:

Preliminary Draft Budget and Work Plan:	MAY
Recommended Final Budget and Work Plan:	JUNE
Previous Fiscal Year-End Budget Report:	SEPTEMBER
Current FY First Quarter Budget Performance Report:	DECEMBER
Current FY Mid-Year Budget Performance Report:	FEBRUARY
Current FY Third-Quarter Budget Performance:	APRIL

[You can review the Draft FY 24-25 Budget as a standalone document via this link.](#)

2. Work Plan – Matching Staffing to Priorities

The [Work Plan](#) categorizes annual operations into Administration and Fiscal Services, Records Services, Technical Services, Legal Services, Public Outreach, and Special Expenditures, and then tallies labor hours and cost estimates for each section.

FCGMA FISCAL YEAR 2024-25 ANNUAL WORK PLAN - DRAFT					EO-Dep Dir	Eng Mgr III	Eng Mgr I	Eng II	Hydro IV	Hydro III	V/RS III	V/RS II	V/RS I	S/S Spec	AA II	AA III	MA III	MA II	SV III	Hydro IV-EH	
					\$ 269.74	\$ 236.94	\$ 191.99	\$ 158.63	\$ 173.23	\$ 168.60	\$ 133.93	\$ 111.16	\$ 111.16	\$ 137.88	\$ 117.63	\$ 129.31	\$ 117.63	####	####	\$ 33.27	\$ 173.23
					0.79	0.80	0.89	0.82	0.83	0.46	0.06	0.93	0.89	0.95	0.92	0.95	0.92	0.03	0.87	0.50	0.46
					1416	1446	1594	1468	1498	834	104	1682	1596	1713	1684	1712	1660	48	1568	900	635
					Arne	Vacant	Farai	Raja	Robert	John	Jeff	Kyle	Vacant	Kahj	Cynthia	Eric	Vacant	Jamie	Vacant	Vacant	Kathleen
					Arne	Vacant	Farai	Raja	Robert	John	Travis	Jeff	Kyle	Kahj	near	Clerk of Board	Jamie	Eric	Ryan	Kathleen	
ANNUAL OPERATIONS					ANNUAL OPERATIONS																
Administration and Fiscal Services					Labor Hours by Position																
Task	Board Priority	Description	Labor Hours	Labor Cost Estimate	EO-Dep Dir	Eng Mgr III	Eng Mgr I	Eng II	Hydro IV	Hydro III	V/RS III	V/RS II	V/RS I	S/S Spec	AA II	AA III	MA III	MA II	SV III	Hydro IV-EH	
1. Board Meeting Administration	1 Board Meetings, agendas, minutes	- Regular and special Board meetings, including agendas, minutes, staff reports, presentations, participation, attendance, pre- and post-briefing 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	1,682	\$317,832	400	250	200	96	96	0	0	16	20	48	0	440	0	20	80	0	16
2. Agency Administration	N/A	- Agency-specific administration and clerical tasks - Customer inquiries and data requests - Staff and management planning meetings	1,478	\$231,292	220	160	160	60	0	24	24	40	40	80	40	320	40	0	40	200	30
3. Official Filings & Public Records	1 Legislation or Regulations 5 Public Records Act (PRA) Requests	- Process business record filings and certifications (i.e. 700 Forms, CEQA/NDs, EIR/MD's per fiscal year, State water agency filings, PRA requests, public notices)	574	\$75,415	8	12	12	0	0	0	0	20	8	20	40	320	40	24	40	0	30
4. Budget	1 Legislation or Regulations 3 Annual Work Plan & Budget	- Preparation and adoption of Annual Work Plan, Budget, Proposed Budget Report, and performance reports	230	\$47,885	80	40	40	4	2	2	0	2	0	8	4	40	4	0	4	0	0
5. CSD-Fiscal Staff Services	N/A	- CSD-Fiscal Services: submit 13-Monthly AP FSRs (incl. AP/AR), provide AP/AR and Cash-Flow Management Services, Fiscal Reports for the Agency	Fixed Cost	\$150,000																	
6. Committee Meetings	1 Committee Meetings 2 Committee Meeting Administration	- Executive, Fiscal, Operations, and other advisory committee meetings coordination, agendas, minutes, etc.	600	\$116,442	160	80	80	40	40	0	0	8	8	40	8	120	8	0	8	0	0
7. Biennial Audit Report	1 Legislation or Regulations 4 Biennial Audit	- Preparation of Scope of Work; Auditor Selection Process; Assist Auditor with Inquiries; QA/QC of Draft Audit Report – next audit FY 2024-25	20	\$4,140	8	4	0	0	0	0	0	0	0	0	0	8	0	0	0	0	0
			4,584	\$943,005	43%	30%	27%	11%	8%	1%	1%	5%	4%	11%	5%	63%	5%	2%	10%	11%	4%
					876	546	492	200	138	26	24	86	76	196	92	1248	92	44	172	200	76
Records Services					Records Services																
Task	Board Priority	Description	Labor Hours	Labor Cost Estimate	Labor Hours by Position																
1. Specialized Data Queries / Groundwater and Credit Transactions	1 Ordinance 3 Allocation Transfer Requests	- Conduct specialized data queries and analyses - Routine variance requests - Credit programs - Allocation transfers - Extraction data analysis	848	\$129,182	4	24	40	80	160	0	0	120	40	160	40	20	40	0	0	0	120

iv Visual Example of Draft Work Plan

[You can view the Draft FY 24-25 Work Plan as a standalone document via this link.](#)

Detailed information about each section follows below, including estimates for labor hours and costs. Each section is subtitled at its end; the grand total is displayed at the bottom of the Work Plan.

The category **Administration and Fiscal Services** includes Board and committee meeting administration, agency administration, official document filings and Public Records Act requests, budget administration, PWA CSD-Fiscal services, and biennial audit report administration.

Administration and Fiscal Services				
Task	Board Priority	Description	Labor Hours	Labor Cost Estimate
1. Board Meeting Administration	I.Board Meetings 1.Board meetings, agendas, minutes	- 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	1,682	\$317,832
2. Agency Administration	N/A	- Agency-specific administration and clerical tasks - Customer inquiries and data requests - Staff and management planning meetings	1,478	\$231,292
3. Official Document Filings & Public Records	II.Legislation or Regulations 5.Public Records Act (PRA) 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)	574	\$75,415
4. Budget	II.Legislation or Regulations 3.Annual Work Plan & Budget	- Preparation and adoption of Annual Work Plan, Budget, Proposed Budget Report, and performance reports	230	\$47,885
5. CSD-Fiscal Staff Services	N/A	- CSD-Fiscal Services: submit 13-Monthly AP FSRs (incl. APIAR), provide APIAR and Cash-Flow Management Services, Fiscal Reports for the Agency	Fixed Cost	\$150,000
6. Committee Meetings	I.Committee Meetings 2. Committee Meeting Administration	- Executive, Fiscal, Operations, and other advisory committee meetings coordination, agendas, minutes, etc.	600	\$116,442
7. Biennial Audit Report	II.Legislation or Regulations 4.Biennial Audit	- Preparation of Scope of Work; Auditor Selection Process; Assist Auditor with Inquiries; QA/QC of Draft Audit Report - next audit FY 2024-25	20	\$4,140
<i>Administration and Fiscal Services Subtotal</i>			4,584	\$943,005

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Records Services includes specialized data queries, groundwater and credit transactions, operations and maintenance of our reporting database and our website, semi-annual extraction statement (SAES) reporting and allocation administration, well and CombCode registration, late or non-reporting SAES compliance, and meter calibration program maintenance.

Records Services				
Task		Description	Labor Hours	Labor Cost Estimate
1. Specialized Data Queries / Groundwater and Credit Transactions	IV.Ordinance 3.Allocation Transfer Requests	Conduct specialized data queries and analyses - Routine variance requests - Credit programs - Allocation transfers - Extraction data analysis	848	\$129,182
2. FCGMA Online and Website O&M	N/A	- Web page revisions and programming revisions - Data management system maintenance, custom data queries, small-scale system enhancements, planning for new data management system (\$260,100 IT services) - Web Application Hosting & GIS Fee (\$16,661 annually)	324	\$46,833
3. SAES and Allocation Administration	IV.Ordinance 1.Semi-Annual Statements (SAES)	TIER 1 - Routine SAES Processing - Prepare and mail SAES incl. data mgt system testing - Process and enter SAES, IAI Applications and payments into the database - Administration TIER 2 - Supervisor / Manager Follow-up - Follow-up regarding errors and omissions - Admin and Manager Reviews - Follow-up regarding incorrect or no payment	5,360	\$584,530
4. Well and CombCode Registration	IV.Ordinance 5.Owner and/or operator changes	- New well registration, change in well registration, CombCode registration or changes *- Unregistered well compliance and enforcement	630	\$84,128
5. Late/Non-Reporters (SAES) Compliance	IV.Ordinance 6. Compliance/Enforcement a.Non-reporting b.Failure to register change of owner/operator	- Follow-up with non-reporters - Assess Civil Penalties for late/non-filing and late/non-payment and send letters (by regular and certified mail return receipt) - Retroactive data entry (and billing) into FCGMA Online - Recommendation to EO for enforcement action	1,023	\$136,727
6. Meter Calibration Program Maintenance	IV.Ordinance 4.Flowmeters & AMI a.Calibration review & processing b.Flowmeter replacement, rollover, water usage estimates c.AMI data management 6.Compliance/Enforcement c.Flowmeter calibration d.AMI	- Mail Flowmeter Calibration Notices, NOV's, and follow-up - Process and upload test results (including failed flowmeter reports) and repair/replacement flowmeter information into FCGMA Online - Process and track flowmeter exemptions, and 5-year waiver requests	1,360	\$171,422
<i>Records Services Subtotal</i>			9,545	\$1,152,821

Technical Services includes annual reports preparation, data collection, studies and analysis, groundwater and well project reviews, AMI operations, and grant applications.

Technical Services				
Task		Description	Labor Hours	Labor Cost Estimate
1. Annual Reports Preparation	II.Legislation or Regulations 2.GSP Annual Reports	- Compile and analyze resource data for GSP and GMA Annual Reports - Prepare, review, finalize and publish annual reports	512	\$88,361
2. Data Collection, Studies and Investigations and Analysis	V.Resolution 1.Conejo Creek Project 2.NPV Desalter 3.GREAT / RWPA Program	- Routine data analysis (i.e., GW conditions, pumping trends, etc.) - Perform QA/QC review of monitoring programs - Coordination of field investigations in support of tech	580	\$89,216
3. Groundwater and Well Project Reviews	IV.Ordinance 2.Well Permit Applications	- Well permit processing including technical review - Resolution project management (including City of Camarillo North PV Desalter Project, Camrosa WD Conejo Creek Project, Oxnard GREAT & ASR program, Calleguas MWD ASR program)	604	\$108,984
4. AMI Operations	4.Flowmeters & AMI c.AMI data management	- Administration of AMI program - Coordination of AMI vendors - AMI data management and analysis	1,296	\$164,269
5. Grant Application	VI.Grant - SGM implementation Rd 1	Review and evaluate grant opportunities and prepare grant applications	104	\$20,473
<i>Technical Services Subtotal</i>			3,096	\$471,303

Legal Services includes advisory services, representation for anticipated and ongoing litigation, and outside counsel. Note that outside counsel is not included in labor estimates because they bill directly per their contract as consultants.

Legal Services				
Task		Description	Labor Hours	Labor Cost Estimate
1. Advisory Services	N/A	- Advice to Board and staff on open government laws, conflict of interest rules, Agency regulatory authority, contracting issues and compliance with Sustainable Groundwater Management Act, California Environmental Quality Act and other laws applicable to Agency. - Board letter review and attendance at Board meetings. - Preparation of ordinances, resolutions, contracts and other legal documents. - Code enforcement.	0	\$0
2. Anticipated and Ongoing Litigation (Staff Time)	III.Judgment and Litigation 2.OPV Adjudication a.Discovery	- Represent Agency in legal proceedings in superior court. - Litigation related staff time, for discovery requests and other related follow up; this is related to staff labor only and does not include attorneys, consultants, contractors.	517	\$114,862
3. Outside Counsel	III.Judgment and Litigation 2.OPV Adjudication a.Discovery	- Special counsel fees related to ongoing and anticipated litigation		
<i>Legal Services Subtotal</i>			517	\$114,862

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Public Outreach includes participation in regional groundwater issues and stakeholder meetings, and outreach, including updating content on our website and preparing a semi-annual newsletter.

Public Outreach				
Task		Description	Labor Hours	Labor Cost Estimate
1. Participation in Integrated Regional Groundwater Issues &	N/A	Attend/participate in AWA Mtgs/events; BofD / City Council mtgs; Stakeholder mtgs (incl. wholesalers); WCVC/WCIRWP meetings; State/Regional Water agency workshops; and GW Forums and Committee Meetings.	208	\$45,013
2. Outreach, Website, Social Media	N/A	Routine administration and maintenance of Agency website and social media presence; produce Semi-Annual Newsletter; stakeholder outreach and engagement; public workshops; outreach materials. (\$25,000 est. for outside	332	\$50,917
<i>Public Outreach Subtotal</i>			540	\$95,930

Special Expenditures include Groundwater Sustainability Plan (GSP) implementation, new allocation systems, an upgraded data management system, grant administration, well destruction, and monitoring well installations.

SPECIAL EXPENDITURES				
Task		Description	Labor Hours	Labor Cost Estimate
1. Groundwater Sustainability Plan Implementation	II.Legislation or Regulations 1.GSP 5-Year Evaluation	Implementation of GSP including monitoring well installation, project review and coordination, address data gaps, modeling analysis, GSP Evaluations & Updates, etc. (Contract expense for Dudek.)	1,720	\$294,715
2. New Allocation Systems	VII.Board Direction 4.OPV variance applications	Implementation of new allocation systems including non-routine variance process.	504	\$90,418
3. New Data Management System	VII.Board Direction 5.New data management system procurement	Two meetings to discuss need and requirements. In a future FY, prepare and administer RFP, enter contract to develop and implement new system. (Planning-level amount of \$200,000 for consultant services.)	44	\$7,352
4. Water Market Development and Implementation	VII.Board Direction	Continue implementation of Water Market pilot study and expansion to all of FCGMA	36	\$5,967
5. Oxnard Well Destruction	VII.Board Direction 1.Oxnard well destruction	Destroy abandoned well in Oxnard. (Estimated expense for drilling contractor).	8	\$1,896
6. DWR SGM Grant Administration	VI.Grant - SGM implementation Rd 1 2.Subgrantee awards to UWCD, PVCWD, Camarillo 3.Quarterly reports	DWR SGM Grant administration (Consultant contract estimate)	60	\$14,872
7. Replenishment Fee			0	\$0
8. Staffing Analysis	Staffing Analysis	Contracted with Hallmark Group; staff hours supporting analysis and research	128	\$25,009
9. OPV Monitoring Well Installation	VI.Grant - SGM implementation Rd 1 1.OPV Monitoring Well Installation	Planning, permitting, installation, development, and reporting of new OPV monitoring wells partially funded by DWR SGM Grant. (Projected contract expense for drilling contractor).	956	\$164,394
<i>Subtotal Special Expenditures</i>			3,456	\$604,623

Efforts which are not routinely performed each year are included in the Special Expenditures category. Historically, Special Expenditures has included Groundwater Sustainability Plan (GSP) implementation, implementation of new extraction allocation systems, new data management system procurement, Water Market development and implementation, administration of the Department of Water Resources (DWR) Sustainable Groundwater Management (SGM) Implementation Grant - Round 1, and installation of monitoring wells in the Oxnard and Pleasant Valley (OPV) Basins as part of the grant program.

Special Expenditures have moved through the project review and approval steps performed by the Operations Committee, they likely have secured grant funding that incorporated feedback from the Fiscal Committee, and they have proceeded with contract formalization after Board approval; however, prioritizing projects in the Special Expenditures category depends on multiple factors. Competing priorities, staff and consultant availability, and timing all come into consideration.

Aside from ongoing Special Expenditures projects that are well underway, such as the 5-Year GSP Evaluation and Amendments, Staff expects that Committee and Board discussions of the Draft Fiscal Year 2024-25 Work Plan will identify which Special Expenditures the Agency should prioritize in Fiscal Year 2024-25.

a) Tracking Labor Hours

The Work Plan, as an overview of annual operations, is divided into classifications designated by program, which are sorted internally via project and activity identification (ID) codes. The activities are specific tasks performed in service to that specific project. Staff report their time using these codes.

For example, the first section of the Work Plan, Administration and Fiscal Services, is classified by project ID P6020850, with a range of activity IDs. The following table is a list

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of project and activity IDs for staff time reporting, which corresponds to the first section of the Work Plan:

Administration and Fiscal Services			
Task	Description	Project ID	Activity ID
1. Board Meeting Administration	Board meeting preparation including agendas, scheduling, Board letters, Board presentations	P6020850	P012
	Board meetings including pre- and post-debriefing meetings	P6020850	P039
2. Agency Administration	Agency-specific overhead (not PWA) - general administration tasks, clerical work; email & phone follow-up that is not direct stakeholder/end-user contact	P6020850	P001
	Internal meetings; staff or management planning meetings	P6020850	P003
	Customer inquiries (not PRAs)	P6020850	P065
	Invoice management: routing, tracking, reporting on or approving invoices for Counsel, consultants	P6020850	P023
	Routing or Filing Incoming & Outgoing Correspondence	P6020850	P053
	Training - Providing or receiving Agency-specific procedural training that is not project-related	P6020850	P004
	Contract preparation, modification, review	P6020850	P008
	Strategic planning and oversight; consultant or vendor management	P6020850	P011
	Executive Officer	Fixed Cost	
3. Official Document Filings & Public Records Requests	Review, edit, process and archive business record filings and certifications, Ordinance Amendments, Resolutions	P6020850	P051
	PRA & other public requests	P6020850	P064
4. Budget	Preparation and adoption of Annual Work Plan, Budget, Proposed Budget Report; analysis and performance reports	P6020850	P175
5. CSD Fiscal Staff Services	Submit 13-Monthly AP FSRs (incl. AP/AR) to the Agency; provide AP/AR and cash-flow management services; provide fiscal reports	Fixed Cost	
6. Committee Meetings	Committee meetings, preparation, agendas, minutes	P6020850	P041
7. Biennial Audit Report	Preparation of scope of work; selection process; assist auditor with inquiries; QA/QC draft audit report	P6020850	P089

[You can find a more comprehensive draft time reporting chart, including all work plan sections mapped to project and activity IDs, in the Appendices.](#)

(1) *Labor Collection and Billing Reports (LCAB)*

Agency staff report their time using project and activity IDs in the Ventura County Human Resources Program, biweekly. Labor Collection and Billing (LCAB) reports are pulled from the time reporting database and are used to estimate labor hours and costs or are used to compare estimates with actual time reporting; this data needs to be refined before it will be featured in future iterations of FCGMA Budget documents.

To better track labor hours, staff are currently working on process improvements for time reporting to ensure further detail can be captured by encouraging use of activity IDs mapped to specific task for each project ID when reporting time. A few drawbacks to data pulled by these reports: practically speaking, the data arrives unsorted and must be manipulated and organized in order to be helpful; salaried employees may work past 8 hours a day, and overtime data for non-hourly employees is not captured in time reporting; managers may report time differently than other staff as the structure of their meetings may cover multiple projects; and all staff regardless of level need to discuss preferences and set procedures, then be trained to use the project and activity IDs for FCGMA in a more uniform way.

While it is far from perfect, a comparison between the adopted Work Plan for a Fiscal Year and the actual labor data provided by LCAB reports is assumed to better inform the Agency's estimates in future Work Plans.

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3. Agency Priorities

In lieu of current, formally adopted Agency Objectives¹², we have a prioritization matrix for the year, based on the seven principal drivers of Agency work tasks:

1. Board Meetings
2. Legislation and Regulations
3. Judgment and Litigation
4. Ordinance
5. Resolutions
6. Grants
7. Board Direction

a) *FCGMA Work Tasks and Prioritization Matrix*

During times of increased workload, additional requirements ordered by the Courts, and of a challenging period for recruiting and maintaining staffing levels, the Agency began the 2024 calendar year with the Work Tasks and Prioritization Matrix, which identified principal work tasks, drivers, and their current prioritization; the Board weighed in during the January 12, 2024, Regular meeting.

Think of the following as the Agency’s current action goals for the year.

Prioritized Task	Frequency	Work Plan Section	Current Priority
I. Board Meetings			
1. Board meetings, agendas, minutes	Ongoing	Administration and Fiscal Services	1
2. Committee meetings, agendas, minutes	Ongoing		1
II. Legislation and Regulations			
1. GSP 5-Year Evaluation	Periodic	Special Expenditures	2

¹² We do have an Agency Objectives document, but it is from 1998. [See Appendices.](#)

2. GSP Annual Reports	Periodic		2
3. Annual Work Plan & Budget	Periodic	Administration and Fiscal Services	2
4. Biennial Audit	Periodic		2
5. Public Records Act (PRA) Requests	Ongoing		2
III. Judgment and Litigation			
1. LPV Adjudication Judgment	Ongoing	<i>LPV Watermaster Budget – Held Separate from FCGMA</i>	3
a. Watermaster Admin	Ongoing		3
b. Basin Optimization Yield Study	Periodic		3
c. Basin Optimization Plan	Periodic		3
2. OPV Adjudication	Ongoing	Legal Services	3
a. Discovery	Ongoing		3
IV. Ordinance			
1. Semi-Annual Statements (SAES)	Ongoing	Records Services	4
a. Processing SAES	Periodic		4
b. Review flowmeter photos	Ongoing		4
c. Payments, refunds, etc.	Ongoing		4
d. Customer service, walk-ins, etc.	Ongoing		4
2. Well Permit Applications	Periodic	Technical Services	4
3. Allocation Transfer Requests	Periodic	Records Services	4
4. Flowmeters & AMI	Ongoing	Records Services	4
a. Calibration review & processing	Ongoing		4
b. Flowmeter replacement, rollover, water usage estimates	Ongoing		4
c. AMI data management	Ongoing	Technical Services	4
5. Owner and/or operator changes	Ongoing	Records Services	4
6. Compliance/Enforcement	Ongoing	Records Services	5
a. Non-reporting	Ongoing		5
b. Failure to register change of owner/operator	Ongoing		5
c. Flowmeter calibration	Ongoing		5
d. AMI	Ongoing	Technical Services	5
V. Resolution			
1. Conejo Creek Project	Ongoing	Technical Services	5
2. NPV Desalter	Ongoing		5
3. GREAT / RWPA Program	Ongoing		5
VI. Grant - SGM implementation Rd 1			
1. OPV Monitoring Well Installation	Ongoing	Technical Services	6
2. Subgrantee awards to UWCD, PVCWD, Camarillo	Ongoing		6

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3. Quarterly reports	Ongoing		6
VII. Board Direction			
1. Oxnard well destruction (in progress)	One-Time	Technical Services	6
2. Project Prioritization	Periodic	Special Expenditures	7
3. Replenishment Fee	One-Time	Records Services	7
4. OPV variance applications	One-Time	Technical Services	7
5. New data management system procurement	One-Time	Special Expenditures	7
6. CombCode - ordinance amendments	One-Time	Administration and Fiscal Services	7
7. Study of independent staffing for Agency	One-Time	Special Expenditures	7

The Agency has additional administrative or operations-focused goals for the year, as well, but they are works in progress, along with the advent of this Budget Book:

1. Bring staffing levels up by filling vacancies with talented, qualified colleagues,
2. Work with the Board to update policies and their procedures, and
3. Develop an annual strategic goal review that is completed in tandem with the mid-year budget review, so that the Board and staff are aligned, and stakeholders have more transparency into our organization.
 - a. This way, we will have more to add under “Agency Priorities” and “Board Action Strategies” in future Budget Books and further show how our expenditures align with our goal-based actions.

4. Financial Audits

California Government Code Section 26909¹³ requires the County Auditor-Controller to perform an annual audit of the financial accounts and records of every special district within the County for which an audit by a certified public accountant or public accountant is not otherwise provided. The County Auditor-Controller has discretion as to whether to

¹³ Link to Section 26909: https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=26909

perform that annual audit using in-house audit staff or by contracting with a certified public accountant or public accountant. In either case, Subsection 26909 (a) (3) requires the special district to bear the costs of the audit report.

Pursuant to Section 26909, the audit requirements applicable to FCGMA are found in the Minimum Audit Requirements and Reporting Guidelines for California Special Districts, as published by the Division of Accounting and Reporting, Office of the State Controller. Essentially, the minimum requirements reflect Generally Accepted Auditing Standards (GAAS)¹⁴, as described in the American Institute of Certified Public Accountants publication, Audits of State and Local Governmental Units.

In addition, the Agency's audit reports shall be filed with both the County Auditor-Controller of the county in which the special district is located, along with the State Controller, within 12 months of the end of the fiscal year(s) under examination.

Sub-Section 26909 (b) provides for an exception to the annual audit schedule period. That sub-section allows a governing body of a special district, by unanimous vote, to request their Board of Supervisors to replace the annual audit schedule found in Section 26909 with a different period. Specifically, Subsection 26909 (b) (1) allows the governing body of a special district to request a biennial (i.e. covering two years) audit period.

In accordance with California Government Code Subsection 26909 (b)(1), the Agency submits its statement of financial transactions to an independent contract auditor on a biennial basis. The FCGMA is considered a special purpose government, engaged in the management of groundwater extracted within its boundary and operates on a cash-accounting basis.

¹⁴ <https://us.aicpa.org/content/dam/aicpa/research/standards/auditattest/downloadabledocuments/au-00150.pdf>

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Pursuant to applicable provisions of the Governmental Accounting Standards Board Statement 34 (GASB 34)¹⁵, Agency management provides financial statements in an enterprise format to its auditors who perform standard audit verification assurances that the statements are free of material misstatements.

The financial audit completed during 2023 and delivered in August 2024, reflected financial transaction information for Fiscal Years 2020-2021 (Ending June 30, 2021), and 2021-2022 (ending June 30, 2022). The independent firm Vasquez and Company, LLP, performed the analysis of the Agency’s statement of financial transactions for the above reporting periods. Delivery of this Audit Report to staff has very recently occurred; it has been delayed due to the independent firm spending past their contractually agreed “not to exceed” amount, requiring Agency counsel and Fiscal Services staff to follow up with negotiations that culminated in a final invoice, approved by the Board for payment on July 24, 2024¹⁶. Per previous process, the Audit Report will be uploaded to the Agency website once it is Board approved; the Board may prefer that the Fiscal Committee review the Audit Report before it arrives for their review and approval.

(a) *Audit Schedule*

Currently, FCGMA is on a biennial audit schedule. Accordingly, each year an audit will be scheduled, PWA Fiscal Services, in consultation with the County Auditor-Controller’s Office, prepares a letter to qualified CPAs soliciting their interest, qualifications and proposals to provide the Agency with independent auditing services in response to the audit preparation specifications outlined in the body of the letter.

¹⁵ <https://gasb.org/page/ShowPdf?path=GASBS+34.pdf&title=GASB%20STATEMENT%20NO.%2034.%20BASIC%20FINANCIAL%20STATEMENTS%E2%80%94AND%20MANAGEMENT%27S%20DISCUSSION%20AND%20ANALYSIS%E2%80%94FOR%20STATE%20AND%20LOCAL%20GOVERNMENTS>

¹⁶ See Agenda Item 14 from the July 24, 2024, FCGMA Board Regular meeting: <https://ventura.primegov.com/Portal/Meeting?meetingTemplateId=19004>

The next independent fiscal audit will be conducted during the fall of 2024 and will cover both the 2022-2023 and 2023-2024 Fiscal Year periods. PWA Fiscal Services, in their oversight of the process, has prepared the audit solicitation letters to distribute for CPA firm selection to perform an independent audit of the Agency's financial statements as of June 30, 2023, and June 30, 2024, and the related statements of revenues, expenses and changes in net assets and cash flows for the years then ended. The firm selection process takes several months to complete, and we anticipate the audit itself to be underway in late fall, 2024.

(b) Audit Findings

Upon delivery of the biennial audit report, the report and its findings are discussed with the Board and each finding is detailed in the agenda's accompanying Board letter, sectioned by criteria, condition, cause, effect (or potential effect), recommendation, and views of responsible officials and planned corrective actions.

Audit findings will be discussed with the Fiscal Committee prior to Board review. The Fiscal Committee has expressed interest in developing a formal audit review policy; please see the appendices for a list of policy areas in development.

IV. EXPLANATION OF BUDGET

This section discusses the accounts the funds are held in, analyzes where the revenue feeds those accounts, and then details the expenses paid out of those accounts.

A. Agency Accounts

The Agency maintains separate classifications for funds collected from different sources. Here’s an overview of our account summary by fund classification:

Account	Board Direction
Designated GEMES Account (Groundwater Extraction Management Enforcement Surcharge)	Designated GEMES Account established by Resolution No. 2006-04 ¹⁷ ; Board directed to fund litigation costs including Agency counsel; Reserve Fee established by Resolution 2020-05 ¹⁸
Designated Surcharges Account	For Board-directed uses only, not to be used for routine Agency operations
Designated Operating Reserves Account	Maintain \$1,000,000 reserve balance based on Board direction
Operating Account	Routine annual operation expenses as identified in Work Plan
Grand Total Fund Balance	Total of all above

1. Designated Accounts

Three of these fund classifications are designated accounts where the funds can only be accessed through Board action:

1. Designated GEMES Account

¹⁷ Resolution 2006-04: <https://s42135.pcdn.co/wp-content/uploads/2022/09/Resolution-2006-04.pdf>

¹⁸ Resolution 2020-05: <https://s42135.pcdn.co/wp-content/uploads/2023/03/Resolution-2020-05.pdf>

2. Designated Surcharges Account
3. Designated Operating Reserves Account

2. The Operating Account

The Operating Account is approved by the Board with the budget to fund efforts associated with better management of groundwater. Activities funded include reporting, enforcement, groundwater management planning, data collection, record keeping, training, outreach, and others as identified through the course of business.

The Operating Account includes pump charges, groundwater sustainability fees, interest earnings, penalties, grant, and miscellaneous revenues, which are detailed later in this Budget Report. Additionally, there are line items for projected reimbursement from the DWR SGM Implementation Grant Round 1 for projects in the OPV Basins and a transfer from the Designated Surcharges Account.

B. REVENUE

Agency revenue comes primarily from pump charges with a lesser amount from surcharges and penalties and interest earned. Revenue is collected primarily via payments by well owners or operators to reconcile the fees they owe semi-annually based on their extraction reporting.

To forecast revenue from pump charges, an average of historical pumping rates of 121,000 AF has traditionally been used. Below are the Agency’s current pump charges used to calculate forecasted revenue using the historical pumping average.

Pump Charge – set by enabling legislation (only fee for de minimis domestic operators)	\$6/AF
Groundwater Sustainability Fee (effective Oct 1, 2022)	\$29 A/F
GEMES Reserve Fee (sunsets Oct 1, 2024, unless extended by Board)	\$20/AF
Total	\$55/AF

The following table is an expanded version of the fee schedule table displayed on Semi-Annual Extraction Statements (SAES), which are mailed to well owners or operators (and which are available online for those who have registered online accounts with the Agency) for self-reporting during the water year.

Note the amounts and percentages related to penalties, surcharges, and interest that apply when a reporter is late or has exceeded their extraction allocation.

The final column is a hyperlinked list of relevant Resolution or Ordinance documenting the fee type and, if applicable, ways to appeal or request a waiver of said fees; these linked references are also available on our online reporting database, [FCGMAonline.org](https://www.fcgmaonline.org), for each statement period.

Water Year 2024-2025 Fee Schedule				
Fee Type	Amount	Unit	AF Exceedance Range	Resolution or Ordinance
Extraction	\$6	AF	-	2014-02
Groundwater Sustainability*	\$29	AF	-	2022-05
GEMES Reserve*	\$20	AF	-	2020-05
Civil Penalty	\$50	x Days Late	-	2019-1
Non-Metered Water Use	\$12	AF		3.5.1
Extraction Interest	1.5%	x Months Late	-	2.4.2
Surcharge Interest	1.5%	x Months Late	-	5.8.6.2
Surcharge Tier 1	\$1,929	AF	0.000 - 25.000	2024-03
Surcharge Tier 2	\$2,179	AF	25.001 - 99.999	2024-03
Surcharge Tier 3	\$2,429	AF	>100.000	2024-03

*Sustainability and GEMES Reserve fees are not imposed on any person who extracts, for domestic purposes, two acre-feet per year or less.

Surcharges, if incurred, are assessed at the end of the Water Year on the "-2" statement.

For more information regarding fees, visit [FCGMA.org/Public-Documents/Resolutions](https://www.fcgma.org/Public-Documents/Resolutions).

1. Pump Charge, AKA Extraction Fee

The Agency’s current maximum charge of \$6.00 per AF was set through adoption of Resolution No. 2014-02, linked in the above table. These fund efforts are associated with better management of groundwater. Known on the SAES as the Extraction Fee, the activities this pump charge funds include reporting, enforcement, groundwater management planning, data collection, record keeping, training, outreach, and others as identified through the course of business.

The current cap of \$6 per acre-foot has been adjusted in the past but cannot be adjusted upward without a revision to Section 121-1007 of the FCGMA Act. Projections included in the FY 2024-25 Draft Budget are based on average pumping; the Agency is not currently anticipating drought conditions.

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Pump Charge (Extraction Fee) Summary	FY 2021-22	FY 2022-23	FY 2023-24		FY 2024-25	
<i>(Pooled in Operating Account)</i>	Year-End Actuals	Year-End Actuals	Adopted Budget	Year-End Actuals	Proposed Budget	Year Over Year % Change
Revenues	\$639,940	\$801,486	\$726,000	\$841,816	\$726,000	0.0%

Revenue note: FY 24-25 projected pump charge revenue assuming 121,000 AF/YR extraction at \$6.00 per AF.

2. Groundwater Sustainability Fee

The Sustainable Groundwater Management Act (SGMA)¹⁹ identified the Agency as the exclusive Groundwater Sustainability Agency (GSA) for the basins within its jurisdiction.

As the GSA, the Agency now has additional responsibilities and authority to ensure these basins are managed sustainably by the deadlines set forth in SGMA. To help meet those responsibilities, SGMA authorizes a GSA to “impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity, to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a groundwater sustainability plan, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve.” (Water Code Section 10730, emphasis added.).

SGMA authorizes the Agency to control groundwater extractions by regulating or otherwise establishing groundwater extraction allocations (Water Code section 10726.4(a)(2).) and defines a groundwater sustainability program as “a coordinated and

¹⁹ SGMA: <https://water.ca.gov/programs/groundwater-management/sgma-groundwater-management#>

ongoing activity undertaken to benefit a basin, pursuant to a groundwater sustainability plan.” (Water Code section 10721²⁰.)

Additional fee authority was granted to the Agency following the adoption of its groundwater sustainability plans (GSPs) to fund costs of groundwater management including the acquisition of lands or other property, facilities, and supply, production, treatment, or distribution of water (Water Code Section 10730.2). This is distinct from a regulatory fee for a groundwater sustainability program, authorized under Water Code Section 10730 described above, as it includes projects and replenishment that may not benefit the entirety of the Agency. SGMA specifically states these fees are subject to Prop 218 sections of the California Constitution. Currently, the Agency followed the Prop 218 process to adopt a replenishment fee as required under SGMA.

Groundwater Sustainability Fee Summary	FY 2021-22	FY 2022-23	FY 2023-24		FY 2024-25	
	<i>(Pooled in Operating Account)</i>	Year-End Actuals	Year-End Actuals	Adopted Budget	Year-End Actuals	Proposed Budget
Revenues	\$1,338,148	\$1,626,366	\$3,509,000	\$2,756,100	\$3,509,000	0.0%

Revenue note: Projected groundwater sustainability fee revenues assuming 121,000 AF extractions.

3. Surcharges

One of the principal ways the Agency manages the groundwater resources within its jurisdiction is by controlling groundwater extractions by establishing extraction allocations and imposing surcharges (in the OPV and ASRV Basins) on extractions in excess of allocations. The Fox Canyon Groundwater Management Act (Act), California Water Code²¹ Appendix, Chapter 121, and the Agency’s several ordinances authorize these

²⁰ Amended February 13, 2023; Legislative Counsel’s Digest: <https://legiscan.com/CA/text/AB828/id/3013211>

²¹ California Water Code: <https://leginfo.ca.gov/faces/codedisplayexpand.xhtml?tocCode=WAT>

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management actions. The Act authorizes the Agency to both establish extraction allocations and surcharges:

“The agency may, by ordinance, establish an operator's extraction allocation for each groundwater extraction facility located within the agency. The agency may, by ordinance, impose upon the operator of any groundwater extraction facility located within the agency, extraction surcharges for extractions in excess of his or her extraction allocation and late penalties for nonpayment of extraction surcharges.” (Wat. Code App., § 121-1101.)

The Act states that the purpose of surcharges is “to discourage the use of groundwater beyond the extractions allocation” in recognition that “extraction allocations and extraction surcharges ... are necessary to eliminate overdraft caused by excess extractions[.]” (Id., at §121-1102(a), (b).) Since enactment of the Act in 1982, the Agency has adopted several ordinances that set forth the Agency’s surcharge policy and requirements. The Agency Ordinance Code recognizes that extraction surcharges are necessary to achieve the basins’ management goals and shall be assessed when annual extractions exceed allocations. (Agency Ordinance Code, § 5.8.1.1.)

a) *Current Surcharge Rates*

Tier	Pumping	Rate	Notes
Tier I	0.001 to 25.000 AF	\$1,929 per AF	
Tier II	25.001 to 99.999 AF	\$2,179 per AF	additional surcharge of \$250 per AF
Tier III	100 AF or more	\$2,429 per AF	additional surcharge of \$500 per AF

Surcharges have been based on (1) the cost to import potable water from the Metropolitan Water District of Southern California, or other equivalent water sources that can or do provide non-native water within the Agency jurisdiction and (2) the current groundwater conditions within the Agency jurisdiction, however the Agency Ordinance Code requires the Board to “fix the surcharge ... at a cost sufficiently high to discourage extraction of

groundwater in excess of the approved allocation when that extraction will adversely affect achieving” the management goals for the basins. (Agency Ordinance Code, §§ 5.8.1.1, 5.8.3.) In turn, the Agency Ordinance Code authorizes the Board to structure, tier, and vary the extraction surcharge between basins and aquifers in its discretion. (Agency Ordinance Code, § 5.8.2.)

b) Designated Surcharges Account

The FY 2024-25 Draft Budget projects \$1,000,000 in surcharge revenue. Revenue included in the draft FY 24-25 Budget is consistent with previously projected revenues.

The Agency does not depend on surcharge revenue for its operation.

Surcharge revenue is not used for operating expenses and can only be used for Board-designated expenses, which have been principally for water replenishment or supporting projects to increase the water supplies and/or sustainable yield of the Basins.

During budget discussions, the Board approved a \$1,000,000 loan from the Designated Surcharges Account to the FCGMA Operating Account in the FY 2022-23 Budget to cover the projected shortfall due to expenses for installing monitoring wells in the OPV Basins as part of the SGM Grant program. At that time the Board’s direction was for the loan to be repaid in FY 2024-25. At the April 24, 2024, Board meeting, the Board discussed the possibility that these expenses be fully funded through the Designated Surcharges Account²². Agency staff are bringing this topic to the Board’s attention during the September 13, 2024, special meeting Agenda, and will recommend extending the repayment due date to a future Fiscal Year.

Designated Surcharges Account Summary	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
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²² See page 16 (FCGMA Board Meeting Minutes, 4/24/2024): https://s42135.pcdn.co/wp-content/uploads/2024/05/AGENDA-PACKET-5-22-2024_Updated.pdf

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(Designated Surcharges Account held separate from Operating Account)	Year-End Actuals	Year-End Actuals	Adopted Budget	Year-End Actuals	Proposed Budget	Year Over Year % Change
Revenue	\$1,361,301	\$1,027,229	\$1,000,000	\$895,179	\$1,000,000	0.0%

Now that the LPV Adjudication Judgment has been implemented, enforcement is levied differently in the LPV Basin. Any monies collected are held in the LPV Watermaster account, separate from FCGMA funds.

4. Operating Reserves Designated Account

This account, colloquially referred to as the reserves, yet listed in the budget and formally referred to as the Operating Reserves Designated Account, carries a balance that remains at \$1,000,000. Each year, when the Board adopts the Budget, we have included a million-dollar reserve; the Agency’s reserve was \$1 million for FY 2023-24 and \$1 million for FY 2024-25. The intent of the Operating Reserves Designated Account is that it be held for use in case of absolute need, only.

5. GEMES Reserve Fee and Designated Account

On October 28, 2020, your Board adopted Resolution No. 2020-05 imposing a fee of \$20.00 per Acre-Foot (AF) on groundwater extractions to establish a reserve fund to be used to pay the cost and expenses of legal actions and proceedings related to implementation of the Agency’s groundwater sustainability program. The fee became effective January 1, 2021, and is imposed on all pumpers within the Agency’s jurisdiction other than small domestic pumpers extracting 2 AF or less per year.

The reserve fee provides revenue to the Agency’s Groundwater Extraction Management Enforcement Surcharge (GEMES) Fund established in 2006 for the purpose of retaining special counsel to represent Agency interests.

The fee terminates automatically on October 1, 2024, unless the Board takes affirmative action to terminate the fee earlier, or to extend it to such other date as the Board selects. The Resolution requires the Agency to hold a public meeting every 12 months following adoption to consider the continued need for, and adjustments to, the fee imposed by the Resolution. This item will be brought before the Board during the September 13, 2024, special meeting; it is the Agency’s recommendation that the fee be continued as is.

The GEMES Reserve Fee is reflected in the draft budget as the GEMES Designated Account. The GEMES Reserves Fee sunsets on October 1, 2024, unless extended by your Board. The draft budget assumes the GEMES Reserve Fee will be continued.

GEMES Designated Account Summary	FY 2021-22	FY 2022-23	FY 2023-24		FY 2024-25	
	Year-End Actuals	Year-End Actuals	Adopted Budget	Year-End Actuals	Proposed Budget	Year Over Year % Change
Revenues	\$1,865,459	\$1,776,295	\$2,420,000	\$2,137,678	\$2,420,000	0.0%

6. Interest Earnings

Annual interest earnings apportionments are projected to be received from funds maintained in the County Pooled Investment Fund for the three designated accounts: the

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GEMES Account, the Designated Surcharges Account, and the Operating Reserves Account.

Interest earnings are divided using the formula created by the Agency’s former Groundwater Manager: of the collective earnings, 13% are paid to the operating account, and 87% of interest earnings are held in the designated accounts.

Interest Earnings Summary	FY 2021-22	FY 2022-23	FY 2023-24		FY 2024-25	
	Year-End Actuals	Year-End Actuals	Adopted Budget	Year-End Actuals	Proposed Budget	Year Over Year % Change
Revenues	\$12,892	\$88,089	\$35,000	\$277,445	\$287,000	720%

Revenue note: Annual interest earnings apportionments projected to be received from the County Pooled Investment Fund.

7. Grant Funding

Resolutions Nos. 2022-01²³ and 2022-02²⁴ authorized the Executive Officer to submit applications to the California Department of Water Resources (DWR) for funding from the 2021 Sustainable Groundwater Management (SGM) Implementation Grant Program to implement projects in the Oxnard Subbasin and Pleasant Valley Basin.

The Agency received award notification letters from DWR dated April 28, 2022, for funding of \$7.6 million in each of the two basins. The total grant amounts are \$6,479,700 to United Water Conservation District (UWCD), \$5,810,000 to Pleasant Valley County Water District (PVCWD), and \$332,500 to the City of Camarillo as subgrantees to the

²³ Resolution 2022-01: <https://s42135.pcdn.co/wp-content/uploads/2023/01/Resolution-2022-01-SGM-Grant-App-Oxnard-Subbasin.pdf>

²⁴ Resolution 2022-02: <https://s42135.pcdn.co/wp-content/uploads/2023/01/Resolution-2022-02-SGM-Grant-App-PV-Basin.pdf>

Agency. The grant funding also includes \$2,577,800 for the Agency’s monitoring well projects.

All projects must be completed, and final deliverables submitted by April 30, 2025, so DWR can close out the grants by June 30, 2025.

a) SGM Implementation Grant Round 1 (OPV) DWR Implementation

SGM Impl Grant Round 1 (OPV) - DWR	FY 2023-24	FY 2024-25	
	Adopted Budget	Proposed Budget	Year Over Year % Change
Revenues & Transfers In	\$1,031,120	\$2,577,800	150%
Expenditures & Transfers Out	\$2,632,826	\$4,870,000	84.97%
Revenues Over/(Under) Expenditures	(\$1,601,706)	(\$2,292,200)	

Revenue note: Projected reimbursement from DWR for SGM Implementation Grant Round 1 funds for FCGMA projects in the Oxnard & Pleasant Valley Basins.

Expenditure note: Monitoring well installation in OPV basins projected expense.

b) SGM Implementation Grant Round 1 (OPV) - Administration

UWCD, PVCWD, and the City of Camarillo are subgrantees on Round 1 Administration funding. The Subgrant Agreements flow down the provisions of the Grant Agreement between DWR and the Agency and they include a requirement to pay the proportional cost of grant administration consultant services.

The Subgrant Agreements also provide the option for the subgrantee to choose to make annual payments to the Agency or to have the costs withheld from disbursements to the subgrantee. The payments are reflected in the following table as revenue.

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SGM Impl Grant Round 1 (OPV) - Admin	FY 2023-24	FY 2024-25	
	Adopted Budget	Proposed Budget	Year Over Year % Change
Revenues & Transfers In	\$47,729	\$46,472	-2.63%
Expenditures & Transfers Out	\$57,477	\$60,000	4.39%
Revenues Over/(Under) Expenditures	(\$9,748)	(\$12,528)	

Revenue note: Reimbursement from subgrantees City of Camarillo, UWCD, and PVCWD for consultant grant administration services per Board direction (7/20/2022).

Expenditure note: Consultant cost to assist with DWR SGM Implementation Grant Round 1 administration for the OPV Basins. Reimbursement from City of Camarillo, PVCWD, and UWCD, with FCGMA net share \$9,748 annually.

8. Civil Penalties, Late Fees, and Interest

Listed in the draft budget spreadsheet as the line item “Penalties / Interest,” this item is comprised of revenue from civil penalties, late fees, and interest accrued and paid by late or non-reporters, with regards to Semi-Annual Extraction Reporting. This line item is included in the Operating Account because of the extra administrative burden necessary to accommodate late reporters and erroneously reported SAES, and enforcement.

Penalties/Interest Summary (Pooled in Operating Account)	FY 2021-22	FY 2022-23	FY 2023-24		FY 2024-25	
	Year-End Actuals	Year-End Actuals	Adopted Budget	Year-End Actuals	Proposed Budget	Year Over Year % Change
Revenues	\$73,441	\$47,965	\$60,000	\$299,408	\$130,000	116.67%

a) *Transfers In*

While no assumptions have been made regarding repaying loans in this report, we do have several sources of transferred funds: the FY 22-23 loan from Surcharges to the Operating Account, which has yet to be utilized, and a partial (50%) reimbursement of

legal costs associated with the LPV Watermaster Rules Appeal. This reimbursement assumption may change depending on the Board's decisions.

C. EXPENDITURES

1. Total Operating Account Expenditures

The total proposed Operating Account expenditures for FY 2024-25 are estimated at \$12,120,348 million, which reflects an increase of \$3,223,667, or 36.23%, from the FY 2023-24 budgeted expenditures. The Draft 24-25 Budget assumes a fully staffed Agency, and allows for current contract expenses of GSP Evaluations and the DWR SGM Grant monitoring wells.

2. Transfers Out

a) *FY 2022-23 Loan*

The Adopted 2022-23 Budget included a loan to the Operating Account of \$1,000,000 from the Designated Surcharges Account in FY 2022-23 to fund the monitoring wells partially funded by the DWR SGM grant. When adopted, the FY 2022-23 budget assumed repayment in full to be done in FY 2024-25; however, this Draft Budget Report was prepared with no repayment occurring in this Fiscal Year as directed by the Board on September 13, 2024. As the grant agreements were not executed by DWR until late September 2022, and the contract not executed until early 2023 the majority of projected expenses for this work will be incurred in FY 2024-25. Designated Surcharges Account/ \$4,870,000 of the FY 2024-25 Operating Account, will fully fund the expenses of the DWR SGMA grant well installation. Designated Surcharges Account. Simply put, the \$1,000,000 loan was intended for the well project, and we haven't spent that money yet.

b) LPV Appeal Legal Costs

The Board has directed half of the estimated \$400,000 legal costs spent on funding the LPV Watermaster Rules Appeal, \$200,000, be reimbursed to FCGMA.

The Fiscal Committee, Agency staff, and the Board are working to clarify Agency fiscal policies related to loans and transfers. The Fiscal Committee has expressed interest in discussing loan policy development in the future.

	Significant Annual Operating Account Expenditures	2022-23 Year-End Actual	2023-24 Adopted Budget	2023-24 Year-End Actual	2024-25 Draft Budget	Over/Under	YoY % Change
1	Public Works Agency Charges	\$1,814,950	\$2,860,200	\$1,736,041	\$3,375,535	\$515,335	18.02%
2	General Services Agency Charges	\$24,670	\$25,000	\$18,990	\$25,000	0	0.00%
3	FCGMA Online Database Support/GIS	\$189,440	\$276,761	\$173,025	\$247,061	(\$29,700.00)	-10.73%
4	Legal Services (County Counsel)	\$129,490	\$150,000	\$185,852	\$170,000	\$20,000	13.33%
5	Legal Services (Special Counsel)	\$2,049,926	\$1,350,000	\$1,466,690	\$1,655,000	\$305,000	22.59%
6	GSP Annual Reports	\$19,798	\$65,730	\$59,085	\$97,000	\$31,270	47.57%
	Total Large Expenditures:	\$4,228,274	\$4,727,691	\$3,639,683	\$5,569,596	\$1,929,913	34.7%

3. Significant Annual Operating Expenditures

Following are the significant annual operating expenditures, those that are greater than \$30,000:

1. *Public Works Agency Charges*: The FY 2024-25 Draft Budget includes \$3,375,535 for PWA staff services per the projections in the draft Annual Work Plan. The Work Plan categorizes Annual Operations into Administration and Fiscal Services, Records Services, Technical Services, Legal Services, and Public Outreach. Efforts which are not routinely done each year are included in a separate Special Expenditures category. Time estimates for each staff position’s efforts are developed to estimate the budget. This estimate is for a fully staffed Agency.

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PUBLIC WORKS AGENCY CONTRACT RATES: The rates are calculated to provide for total cost recovery of the department’s Requested Budget. Each department is treated as a separate cost center and a rate is established for each classification within each department. Therefore, rates for the same classification may differ between departments.

DIRECT LABOR RATE: Average annual salary of all employees within each classification divided by 1,800 hours.

FRINGE BENEFIT RATE: Average of all benefits adopted by the Board of Supervisors or mandated by State/Federal law.

DEPARTMENT OVERHEAD RATE: The department overhead rate was computed to recover the departmental operating cost, e.g., supervision; office supplies; training; memberships and dues, uniforms; safety supplies, vehicle and radio charges; insurance; Government Center building expense (office maintenance, utilities, custodial, landscape and security); office equipment maintenance; telephone charges; postage; and depreciation expenses of fixed assets.

AGENCY OVERHEAD RATE: Agency overhead rate allocated the cost of Public Works Agency – Central Services (includes salaries, benefits, department and County overhead costs): Director of Public Works and staff; fiscal services (budgeting, fiscal and accounting services); and support services (payroll and personnel services, agency safety coordination and computer services).

COUNTY OVERHEAD RATE: To Recover General Fund operation, i.e., maintenance of the common area of the Government center and depreciation; Auditor-Controller’s Office (Accounts payable processing, financial reports, audit, payroll, etc.); Personnel; County Counsel; Chief Administrative Office and Civil Service Commission.

County Overhead Rate, Department, and Agency rates –

PUBLIC WORKS AGENCY DISTRIBUTION OF PUBLIC WORKS CHARGES FY 2025 RATES EFFECTIVE 07/01/24					
DEPARTMENT	BUDGET UNIT	DIRECT & BENEFIT	DEPT & AGENCY INDIRECT	CAP INDIRECT	TOTAL %
WATERSHED - GEN	4431	59.6%	38.7%	1.7%	100.0%

2. *General Services Agency Charges:* County General Services Agency (GSA) fees include printing of Board packets and other materials, mail and shipping, Board room and AV fees, etc. GSA expenses are budgeted at \$25,000 for FY 2024-25.
3. *FCGMA Online Database Support:* Support for the FCGMA Online database management system is supplied by PWA and County IT services. These services include the annual maintenance costs, system revisions and updates, special database queries, software enhancements, and includes GIS and other software license fees. FCGMA Online support is budgeted at \$247,061 for FY 2024-25.
4. *Legal Service Fees:* Agency Counsel legal services are provided by the County Counsel’s Office, which serves as Agency Counsel, to provide routine legal services. Legal services are budgeted at \$170,000 for FY 2024-25.
5. *GSP Annual Reports:* The Agency is required to prepare GSP annual reports for the LPV, Oxnard, and Pleasant Valley basins. GSP annual reports are budgeted at \$50,000 per the current agreement with Dudek.

4. *Special Expenditures*

The FY 2024-25 Draft Budget identifies special expenditures, including the following:

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1. *Groundwater Sustainability Plan Implementation and SGMA Compliance:* The FY 2024-25 budget includes \$989,000 for GSP implementation based on the agreement with Dudek approved by your Board at the December 9, 2022, and April 22, 2024, meetings. The majority of these costs are for evaluation and updating of the GSPs which must be completed in FY 2024-25.
2. *SGM Implementation Grant Monitoring Well Installation (OPV):* In FY 2023-24 the approved budget included projection of \$2,632,826 for installation of monitoring wells in the OPV basins. As the grant agreements were not executed by DWR until late September 2022, the majority of projected expenses for this work have been pushed out to FY 2024-25. DWR reimbursement under the SGM Implementation Grant Round 1 in the revenue section was correspondingly included in FY 2024-25. Your Board approved a contract to a drilling contractor for \$4,989,070. Additional contract costs of environmental permitting and project management are included in this line item. No matching contributions are required under this grant. A reduction in the scope by eliminating one of the deep wells will reduce the cost to the Agency. Staff have identified one well to remove from the grant, but the savings are not significantly reflected in the budget integration of all well drilling components in the contract. Removing the well from the grant allows the Agency to drill the well without the time constraints required by the grant.
3. *SGM Implementation Grant Round 1 (OPV) Administration:* The consultant expense to assist with DWR SGM Implementation Grant Round 1 administration for the OPV Basins is shown here. Your Board awarded this work to Kennedy Jenks Consultants at the July 10, 2022, Board meeting. Per the subgrant agreements approved by your Board at the September 9, 2022, meeting, subgrantees City of Camarillo, Pleasant Valley County Water District, and United Water Conservation District will proportionately reimburse the Agency, which is carried under the SGM IMPL GRANT ROUND 1 (OPV) – ADMIN line under Revenue. The Agency's net share is \$9,748 annually.

4. *Stakeholder Facilitation / Public Outreach:* The FY 2024-25 Draft Budget includes \$25,000 for stakeholder facilitation and/or public outreach.
5. *Rate Counsel:* The FY 2023-24 Adopted Budget included \$100,000 for rate counsel and consultant assistance with studying and preparing a replenishment fee consistent with your Board's awarded agreement with Jarvis Fay. Less than \$5000 has been spent. The FY 2024-25 Draft Budget projects this effort will be on hold with only \$17,000 budgeted, and these funds will be targeted towards renewing the GEMES fee before it is set to expire in October 2024.

Not Included: A New FCGMA Data Management System

A Special Expenditure that will not be included in this year's budget is the new FCGMA Data Management System. The only monies attributable to this line item are for discussion meetings for future planning.

The Agency has been planning on developing a new data management system for several years. Due to conflicting priorities little progress has been made beyond the Data Management System Requirements Analysis done in 2022. The final costs of a new system are presently unknown. The FY 2024-25 Budget does not include funds for procurement efforts.

Significant progress has been made improving the current data management system, and this initiative will continue with the Operations Committee's focused feedback. In August, staff presented a status report on the current online reporting system and discussed action strategies for implementing process improvements to the current system. The current data management system is built on a framework that is not outdated, and it can be improved upon in the coming years. A substantial time investment will be required to plan and execute process improvements in collaboration with PWA IT staff, which is a further incentive to make informed decisions that improve upon what we already have. The Operations Committee also discussed hiring an additional PWA IT developer to

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support the current data management system in a future Fiscal Year, to build in cross-training and redundancy.

With these points in mind and given the uncertainties of potential new data requirements due to ongoing adjudication, staff is not recommending pursuing the development and transition to a new data management system in FY 2024-25.

5. Expenditures – Personnel

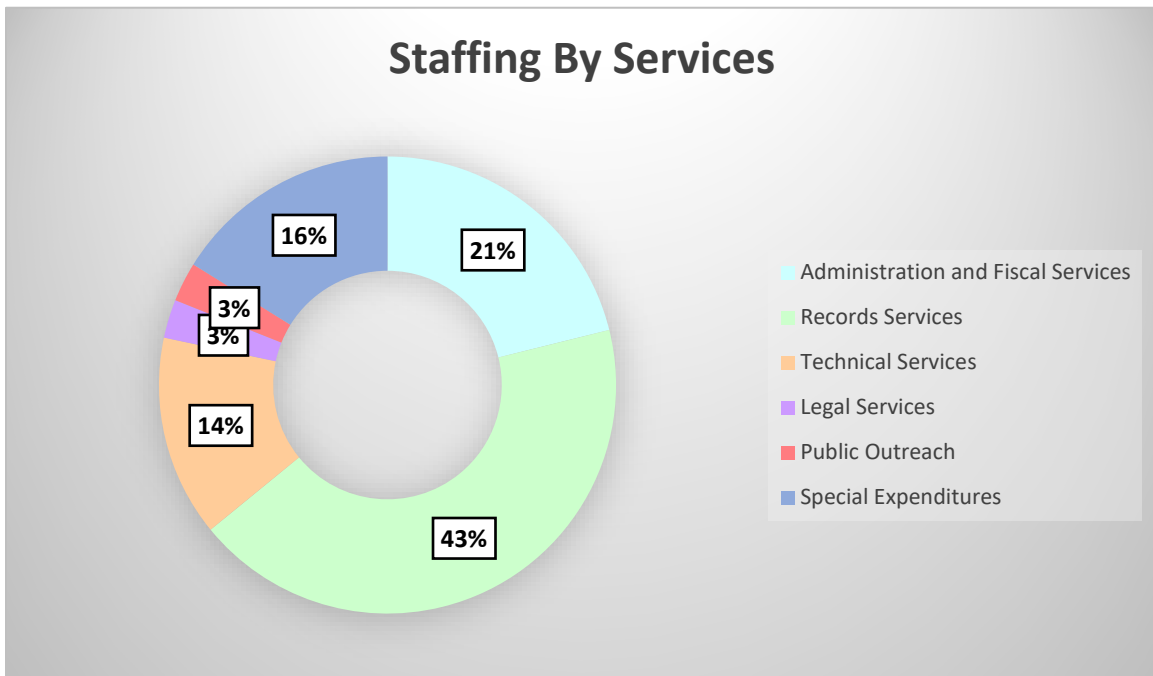
As a reminder, the FY 2024-25 Work Plan was drafted to assume full staffing levels; you will see this factored into all calculations and estimates.

Consistent with the Agency goal to maintain an effective workforce through competitive salaries and benefits, the FY 2024-25 projected personnel costs include hiring for positions that currently stand open, for an estimated increase of 18.26% from FY 2023-24. The FY 2024-25 budget includes funding for a total of 12.08 full-time equivalent (FTE) positions. This does not include staff time for the Los Posas Valley Watermaster, estimated at 2.12 FTE.

Our current staffing level is not yet consistent with the Agency’s Goals and Objectives and departmental operations and work plans, given challenges with hiring and maintaining a talented workforce, but it is an Agency mandate to build our staff to full capacity.

a) *Labor Expenditures by Work Plan Section*

Work Plan Labor Cost Comparison			
	FY 2023-24	FY 2024-25	
Work Plan Sections	Adopted	Proposed Work Plan	Cost Difference
Administration and Fiscal Services	\$829,857	\$943,005	\$113,148
Records Services	\$843,647	\$1,152,821	\$309,174
Technical Services	\$432,540	\$471,303	\$
Legal Services <i>(Not paid by GEMES)</i>	\$107,006	\$114,862	\$
Public Outreach	\$65,020	\$95,930	\$
Special Expenditures	\$582,130	\$604,623	\$
Total Labor Estimates	\$2,860,200	\$3,382,544	



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b) Counsel Expenses and GEMES Expenditures

The GEMES account was established by your Board as a reserve account for legal expenses; projected Special Counsel and Agency Counsel litigation expenses are based on the updated estimates. The GEMES account is funded through a \$20 per Acre-Foot (AF) Reserve Fee which sunsets on October 1, 2024, unless extended by your Board. The draft budget assumes the GEMES Reserve Fee will be continued.

	GEMES Designated Account	2022-23 Year-End Actuals	2023-24 Year-End Actuals	2024-25 Draft Budget	Over/Under	% YoY Change	2025-26 Planning-Level Budget Projections
1	Beginning Balance	(\$1,067,999)	(\$1,590,801)	(\$920,552)			(\$1,175,552)
2	Reserve Fee ^(Note 1)	\$1,776,295	\$2,379,752	\$2,420,000	-		\$2,420,000
3	Special Counsel ^(Note 2)	(\$2,049,926)	(\$1,466,690)	(\$2,475,000)	(\$1,008,310)	40.74%	(\$1,925,000)
4	County Counsel ^(Note 3)	(\$249,100)	(\$242,813)	(\$200,000)	\$42,813	-21.41%	(\$180,000)
5	Ending Balance	(\$1,590,801)	(\$920,552)	(\$1,175,552)	(\$255,000)	21.69%	(\$860,552)

Footnotes:

(1) Reserve Fee of \$20.00 per AF to replenish GEMES Account per Resolution 2020-05.

Reserve is tracked to Project ID **P602097**

(2) Special Counsel fees related to ongoing and anticipated litigation.

Special Counsel billing tracked with Object codes: Stoel Objects 2185-64, 2185-66, 2185-67 and SMW Objects 2185-67

(3) County Counsel costs for ongoing and anticipated litigation.

County Counsel billing tracked with Object codes: 2185-64, 2185-66, 2185-67, and is paid under GEMES P6020855

D. OPERATING ACCOUNT DETAIL

Fund O170 Unit 5795	2022-23 Year-End Actuals	2023-24 Adopted Budget	2023-24 Year-End Actuals	2024-25 Draft Budget	Increase/ Decrease over PY	% Change over PY
BEGINNING YEAR FUND BALANCE	\$3,931,484	\$4,351,081	\$4,351,081	\$6,996,395		
Revenues						
Pump Charge ^(Note 1)	\$801,486	\$726,000	\$841,816	\$726,000	-	0.00%
Groundwater Sustainability Fee ^(Note 2)	\$1,626,366	\$3,509,000	\$2,756,100	\$3,509,000	-	0.00%
Penalties / Interest	\$47,965	\$60,000	\$299,408	\$130,000	\$70,000	116.67%
GMA Pumping Surcharges	\$1,027,229	\$1,000,000	\$895,179	\$1,000,000	-	0.00%
GEMES (Reserve Fee)	\$1,776,295	\$2,420,000	\$2,137,678	\$2,420,000	-	0.00%
SGM Impl Grant Round 1 (OPV) - DWR ^(Note 3)	-	\$1,031,120	-	\$2,577,800	1,546,680.00	150.00%
SGM Impl Grant Round 1 (OPV) - Admin ^(Note 4)	-	\$47,729	\$92,944	\$46,472	(\$1,257.00)	-2.63%
Water Market / AMI Grant ^(Note 5)	-	-	-	-	-	-
Interest Earnings ^(Note 6)	\$88,098	\$35,000	\$277,445	\$287,000	\$252,000	720.00%
Loan From Surcharges ^(Note 7)	\$1,000,000	-	-	\$0	\$0	-
LPV Watermaster for Rules Appeal ^(Note 8)	-	-	-	\$200,000	\$200,000	-
Misc. Revenue	\$2,950	-	\$163	-	-	-
Total Revenues	\$6,370,388	\$8,828,849	\$7,300,733	\$10,896,272	\$2,067,423	23.42%
Expenditures						
Public Works Agency Charges ^(Note 9)	\$1,814,950	\$2,860,200	\$1,736,041	\$3,382,544	\$522,344	18.26%
General Services Agency Charges ^(Note 10)	\$24,670	\$25,000	\$18,990	\$25,000	-	0.00%
FCGMA Online Support/GIS ^(Note 11)	\$189,440	\$276,761	\$173,025	\$247,061	(\$29,700)	-10.73%
LAFCO Funding ^(Note 12)	\$2,551	\$2,100	\$2,995	\$3,510	\$1,410	67.14%
General Legal (County Counsel) ^(Note 13)	\$129,490	\$150,000	\$185,852	\$170,000	\$20,000	13.33%
Special Counsel (Stoel, Shute MW)	\$2,049,926	\$1,350,000	\$1,466,690	\$1,655,000	\$305,000	22.59%
County Counsel (Litigation) - GEMES	\$249,100	\$180,000	\$242,813	\$230,000	\$50,000	27.78%
Board Member Insurance	\$3,796	\$4,000	\$4,118	\$4,085	\$85	2.13%
Biennial Audit	\$16,000	-	\$4,000	\$20,000	\$20,000	-
AWA Dues / Symposium/Conference	3,973	\$2,000	\$2,501	\$2,500	\$500	25.00%
Public Outreach & Notices	\$880	\$2,000	\$991	\$1,000	(\$1,000)	-50.00%
GSP Annual Reports ^(Note 14)	\$19,798	\$65,730	\$59,085	\$97,000	\$31,270	47.57%
Et Weather Station Contract	-	\$324	-	-	(\$324)	-100.00%
Watershed Contributions / Match ^(Note 15)	\$1,500	\$3,700	\$1,500	\$1,500	(\$2,200)	-59.46%
Computer Equipment, Software & Website	-	\$5,000	\$3,355	\$5,000	-	-
Office Equipment/Supplies/Printing	-	\$1,500	\$126	\$1,000	(\$500)	-33.33%
Misc Expense / Misc Payment	\$451	\$2,000	\$2,033	\$2,500	\$500	25.00%
Special Expenditures						
New FCGMA Data Management System ^(Note 16)	\$10,860	\$200,000	-	-	(\$200,000)	-100.00%
GSP Implementation Updates ^(Note 17)	\$266,995	\$781,063	\$554,562	\$989,000	\$207,937	26.62%
SGM Impl. Grant Monit Well Install (OPV) ^(Note 18)	-	\$2,632,826	-	\$4,870,000	\$2,237,174	84.97%
SGM Impl. Grant Round 1 (OPV) - App. ^(Note 19)	-	-	-	-	-	-
SGM Impl. Grant Round 1 - Administration ^(Note 20)	\$56,560	\$57,477	\$68,705	\$60,000	\$2,523	4.39%
SGM Round 2 Grant Application ^(Note 21)	\$14,011	-	-	-	-	-
Stakeholder Facilitation / Public Outreach	\$2,666	\$25,000	\$16,086	\$25,000	-	0.00%
AMI Data Support	-	-	\$12,352	\$61,648	\$61,648	-
Oxnard Well Destruction ^(Note 22)	-	\$70,000	\$86,976	-	(\$70,000)	-100.00%
Rate Counsel & Consultant ^(Note 23)	\$93,176	\$100,000	\$12,623	\$17,000	(\$83,000)	-83.00%
Contingency	-	\$100,000	-	250,000.00	\$150,000	150.00%
Loan to Operations (Initiated FY 22-23)	\$1,000,000	-	-	-	\$0	-
Total Expenditures	\$5,950,791	\$8,896,681	\$4,655,419	\$12,120,348	\$3,223,667	36.23%
Net Operating Results	\$419,597	(\$67,832)	\$2,645,314	(\$1,224,076)	(\$1,156,244)	1704.57%
Operating Reserves	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	-	-
YEAR END FUND BALANCE	\$4,351,081	\$4,283,249	\$6,996,395	\$5,772,319	\$1,489,070	34.76%

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Footnotes:

- (1) FY 24-25 projected pump charge revenue assuming 121,000 AFY extraction at \$6.00 per AF.
- (2) Projected groundwater sustainability fee revenues assuming 121,000 AF extractions.
- (3) Projected reimbursement from DWR for SGM Implementation Grant Round 1 funds for FCGMA projects in the Oxnard & Pleasant Valley Basins.
- (4) Reimbursement from subgrantees City of Camarillo, UWCD, and PVCWD for consultant grant administration services per Board direction (7/20/2022).
- (5) Funding as subgrantee to The Nature Conservancy's Natural Resources Conservation Service grant. Ended FY 21-22.
- (6) Annual interest earnings apportionments projected to be received from the County Pooled Investment Fund.
- (7) Loan from Designated Surcharges Account approved by Board as part of FY 2022-23 Budget to be repaid in FY 2024-25, approved by Board 9/13/24.
- (8) Approved by Board 9/13/24 for LPV Watermaster to repay 50% legal fees for LPV Watermaster Appeal
- (9) Projected PWA charges to implement FY 2024-25 Annual Workplan. Includes Executive Officer and Fiscal allocation.
- (10) County General Services Agency (GSA) fees for printing of Board packets and other materials, mail and shipping, Board room and AV fees, etc.
- (11) FY 24-25 Estimate for IT services to support, maintain, and improve FCGMA Online Data Management System
- (12) Payment to LAFCO Per Govt. Code Sect. 56381 (b) (1).
- (13) County Counsel services for regular FCGMA legal advisory services.
- (14) GSP Annual Report expense updated based on new Dudek scope approved by Board 12/9/2022 and amended 2/28/24.
- (15) Includes contributions to Watershed Coalition of Ventura County (\$2,200) and Santa Clara Watershed Committee (\$1,500).
- (16) New FCGMA data management system procurement planning-level projections.
- (17) Projected GSP implementation consultant costs. Updated based on Dudek contract scope approved by Board 12/9/2022 and subsequent contract modifications/amendments.
- (18) Monitoring well installation in OPV basins projected expense. Majority funded by DWR SGM Implementation Grant.
- (19) Consultant expenses for grant application for DWR SGM Implementation Grant Round 1 for projects in Oxnard & Pleasant Valley Basins.
- (20) Consultant to assist with DWR SGM Implementation Grant Round 1 Administration for the OPV Basins. Reimbursement from City of Camarillo, PVCWD, and UWCD. FCGMA net share \$9,748 annually.
- (21) Consultant expenses for grant application for DWR SGM Implementation Grant Round 2 for projects in Las Posas Valley Basin.
- (22) Projected cost to destroy Oxnard well; destruction complete and project wrapping up as of this draft Budget.

E. Draft FY 24-25 Budget Worksheet

Draft Fiscal Year 2024-2025 Budget Worksheet, as of 9/6/2024:

https://fcgma.org/wp-content/uploads/2024/09/FY-2024-25-Budget-REVIEW-DRAFT_20240906.pdf

F. Draft FY 24-25 Work Plan

Draft Fiscal Year 2024-2025 Work Plan, as of 9/6/2024:

https://fcgma.org/wp-content/uploads/2024/09/FY-2024-25-Work-Plan-REVIEW-DRAFT_20240906.pdf

G. SUMMARY OF RECOMMENDATIONS AND CONSIDERATIONS

This Proposed Draft FY 24-25 Budget was developed with several recommendations from the Fiscal Committee, including recommendations for future Proposed Budget Reports to improve transparency and clarity. First, below are summarized the assumptions and recommendations made in the Draft FY 24-25 budget for the Board’s consideration; following that, in section H., we move on to planning recommendations for future strategy and budget development.

1. Budget at Full Staff Levels

The 2024-25 Draft Budget presents a “highest cost scenario” for staff planning purposes. Unlike the development of previous Agency budgets, the Draft FY 24-25 Budget assumes funding of a fully staffed agency, with no vacant positions, along with the funding of a full-time Executive Officer. Previous budgets estimated when existing vacancies would be filled, or positions vacated, and the Executive Officer position was previously set at a fixed cost of 25% of the Public Works Agency Director.

2. GEMES Fee Renewal

The ongoing litigation the Agency faces will lead to significant costs and therefore it is recommended the GEMES Fee be continued, and that recommendation has been incorporated into the proposed draft budget. Bringing the GEMES Fee to the Board for renewal the same day as the FCGMA Budget will streamline process so the budget discussion can be informed by that action of the Board.

3. *FY 2022-2023 Loan from Designated Surcharges Account – Extend Repayment Deadline*

A \$1,000,000 loan from the Designated Surcharges Account in the 22-23 budget was previously scheduled to be repaid in FY 24-25. The draft FY 24-25 budget did not include repayment of this loan. The loan was intended to cover the FY 23-24 drilling costs for monitoring wells partially funded by a DWR SGM Grant. Those wells are in the process of being drilled right now with almost the entirety of the costs to be in the FY 24-25 budget. The Board directed repayment of this loan be deferred to FY 25-26 on September 13, 2024.

4. *Split Past Costs of the LPV Watermaster Appeal*

Splitting the costs evenly of the appeal of the Las Posas Valley Judgment has been recommended by the Fiscal Committee and is included in this proposed draft FY 24-25 budget. Half the \$400,000 spent on counsel is included as revenue for the Agency in FY 24-25. The Agency entered the appeal prior to any designated funding source for the LPV Watermaster, thus legal representation was funded by funds collected Agency-wide. The reimbursement of \$200,000 to the Agency for the LPV Watermaster Rules Appeal was recommended by the Fiscal Committee on June 10, 2024, and approved by the Board on September 13, 2024. The budget presented herein reflects that direction.

H. Planning for Future Budget Development

Fiscal Committee strategic recommendations for future budget development follow below.

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1. Schedule a PWA Contract Renewal Discussion

The contract between the Agency and the County for staffing services was entered in 1983 and amended in 1998. The Fiscal Committee recommended reviewing and updating this contract if necessary.

2. Amend Resolution 2008-08

Amend Resolution 2008-08, appointing the Director of Watershed Protection District as the Executive Officer, to create a full-time Agency Executive Officer to better suit the needs of the agency.

3. Annual Agency Objectives Discussion

A review of Agency objectives should be schedule annually with the Board in February or March for input into the next fiscal year’s budget and work plan. Objectives related to project evaluations and data management should be sent to the Operations Committee meetings during the year, as needed.

4. Annual Strategic Goal Review

Along with Agency objectives, a review of the Agency’s strategic goals should be scheduled annually with the Board in February or March for input into the next fiscal year’s budget and work plan. The Executive Committee should be directed to address how the Agency will meet its strategic goals.

5. Pre-Draft Budget and Work Plan Review

Annually, in April or May, review the Draft Budget and Draft Work Plan and gather feedback to ensure they align with objectives and strategic goals. Determine drafting

timeline of future Proposed Budget Reports to build from and incorporate feedback gathered during this pre-review stage.

Once this process and timeline is more solid, add to “Financial Management Process” section in Proposed Draft Budget Report.

a) Set Expectations Early

An earlier start to the budget process will allow a thorough discussion of expectations for the Work Plan and presentation of the budget. This will provide the Fiscal Committee and the Board with more opportunities to prioritize the goals and objectives for staff to focus on in the next Fiscal Year. The foundation of the draft budget is the Work Plan. The Work Plan summarizes staff services needed to meet the major work tasks identified to meet Agency goals during the next Fiscal Year. Improved strategic planning for those goals will feed into the Work Plan and therefore the Budget.

6. Fiscal Committee Policy Development

The Fiscal Committee has identified several areas for policy development, as noted in the appendices; the policies they would like to prioritize are highlighted below.

a) Loan Policies

(1) Loan From Designated Surcharges Account

The DWR SGM Grant wells will be completed in the beginning of FY 25/26. Consideration should be made when, or whether to repay the \$1,000,000 loan from the Designated Surcharges Account. An additional consideration can be made whether the full costs of the monitoring wells should be funded through the Designated Surcharges Account once the well project is complete and the full costs are known. A policy on loans to accounts within the Agency will help with future budget discussions.

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(2) *LPV Watermaster Legal Fee Payment Policy*

Develop LPV Watermaster Legal Fee Payment Policy for post-Adjudication Judgment Implementation. LPV Watermaster should fund all future legal efforts through the collection of their own funds.

b) *Contingency Policy*

Sufficient contingency should be available to ensure Agency operations. A clear policy on how contingencies are set and accessed through a separate accounting should be developed. Suggestions included raising contingency to 500,000 for FY 25/26 or, be set at 10% of the operating budget.

c) *Insurance Policy Review and Renewal*

Review and raise line item as appropriate to ensure adequate limits for Public Officials insurance policy during the next renewal period, which occurs annually in June.

7. *LPV Watermaster Budget*

Future iterations of the Proposed Report could include separate sections that incorporate the separate LPV Watermaster Budget and Work Plan drafts to present a complete picture of the Agency tasks and efforts by Agency staff.

V. APPENDICES

A. Agency Profile Detail²⁵

Services Provided

The FCGMA is authorized to manage and protect aquifers and groundwater basins within southern Ventura County and is authorized to act as watermaster for the LPV Basins.

Population and Area Information: GMA Estimates²⁶

	<i>Population</i>	<i>Area (square miles)</i>
Jurisdictional Area	350,000	183.24
Sphere of Influence Area	480,000	204.66

Primary Revenue Sources

Fees
Grants
Other

Primary Expenses

Salaries and Benefits
Supplies and Services
Professional Services

Public Agencies with Overlapping Jurisdiction

Bardsdale Cemetery District	Oxnard Drainage District No. 2
Calleguas Municipal Water District	Oxnard Harbor District
Camarillo Health Care District	Piru Public Cemetery District
Camarillo Sanitary District	Pleasant Valley County Water District
Camrosa Water District	Pleasant Valley Recreation and Park District
Channel Islands Beach Community Services District	United Water Conservation District
City of Camarillo	Ventura County Air Pollution Control District
City of Moorpark	Ventura County Fire Protection District
City of Oxnard	Ventura County Resource Conservation District
City of Port Hueneme	Ventura County Service Area No. 14
City of San Buenaventura	Ventura County Service Area No. 30
Fillmore-Piru Memorial District	Ventura County Service Area No. 32
Fox Canyon Groundwater Management Agency	Ventura County Service Area No. 34
Gold Coast Transit District	Ventura County Watershed Protection District
Hidden Valley Municipal Water District	Ventura County Waterworks District No. 1
Lake Sherwood Community Services District	Ventura County Waterworks District No. 19
Metropolitan Water District of Southern California	Ventura Regional Sanitation District
Oxnard Drainage District No. 1	

²⁵ Source for this format and most data: LAFCo 2024 Draft Municipal Service Report. *Additional information, including water supply by Basin, can be found in the Ventura County General Plan, Section 10: Water Resources.* https://docs.vcrma.org/images/pdf/planning/plans/VCGPU_10_Adopted_Water_September_2020.pdf

²⁶ GMA Estimate based on Census data for Jurisdictional Area and Sphere of Influence Area (5 Cities).

B. Agency History

1880's – First water wells are drilled in Ventura County using machinery instead of hand labor.

1900 to 1950 – Development of lands for farming and urban uses requires an increasing need for more groundwater.

1950's – Some wells along the Pacific Coast in Port Hueneme and Oxnard begin to show sharply elevated chloride levels, indicating seawater intrusion caused by overdraft of drinking water aquifers. More than 3 dozen wells are rendered useless because they are pumping virtual saltwater quality output.

1982 – State Senate Bill 2995²⁷ is approved creating the Fox Canyon Groundwater Management Agency (FCGMA).

1983 – FCGMA begins operations January 1, with the County of Ventura contracted to provide staffing and related services for the new Agency.

1983 – Ordinance No. 1 is adopted requiring all wells within the Agency to register and begin reporting groundwater extractions. A

fee of \$0.50 is levied for each acre-foot (AF) of water (325,851 gallons = 1 AF) pumped from local groundwater aquifers. These management fees are the sole source of income for the Agency.

1984 – 1985 – With assistance and financing from the Ventura County Flood Control District, United Water Conservation District (United), the City of Oxnard, and the City of Ventura, the United States Geological Survey (USGS) is enlisted to design and install a series of clustered monitor wells along the Oxnard Plain coastline. These nested piezometer wells will provide water level and water quality data specific to each individual aquifer layer or zone and allow evaluation of the seawater intrusion problem.

1986 – United, in cooperation with the FCGMA, completed the Pumping Trough Pipeline (PTP) to provide supplemental surface water to the over drafted southeast Oxnard Plain, thus relieving stress on the over pumped upper aquifer system. Some 47 Upper Aquifer System (UAS) wells are planned for shut down, to be replaced with surface water from the Santa Clara River

²⁷ <https://s42135.pcdn.co/wp-content/uploads/2024/04/AB-2995-FCGMA-Enabling-Legislation.pdf>

and/or groundwater from five new Lower Aquifer System (LAS) wells surrounding the so called “Pumping Trough” area.

1987 – FCGMA Management Plans are developed and finalized after several specific Task Reports are completed, thus allowing consistent management of all groundwater aquifers within the FCGMA boundary.

1987 – Ordinance No. 3 is adopted requiring water flowmeters on all wells that extract more than 50 AF of groundwater per year. This ordinance was later changed to drop the 50 AF limit, and thus to require meters on all wells except for domestic-only use wells.

1987 – Ordinance No. 4 called the “Las Posas Basin Groundwater Extraction Prohibition Ordinance” is implemented to protect the aquifer outcrop areas, and to require permits for any wells planned in the Las Posas Valley. It also prevents uncontrolled expansion of groundwater extractions and protects groundwater quality in the East, West, and South Las Posas Basins.

1989 – The FCGMA enters a joint contract with the Calleguas Municipal Water District

(CMWD) and the United Water Conservation District (UWCD) to fund a Regional Aquifer System Analysis (RASA Study) to be performed by the U.S. Geological Survey (USGS). Although 5 or 6 years are estimated to complete the field work, computer modeling, and analysis it is felt that a much better and more comprehensive understanding of subsurface hydrology will result.

1990 – Ordinance No. 5 set up a system of scheduled extraction reductions, allowed for the use of historical, baseline, and agricultural efficiency allocations, and established a credit system to encourage cutbacks in pumping, or a penalty system for over pumping beyond the established annual allocation. This ordinance has been constantly altered and modified to improve or define water management plans and methods.

2002 – All previous FCGMA ordinances are combined into a single Ordinance 8.0²⁸ along with needed updates and modifications to the management strategy.

2003 – The FCGMA Board of Directors initiates the annual John K. Flynn Award to

²⁸ <https://s42135.pcdn.co/wp-content/uploads/2022/06/Ordinance-No.-8.0.pdf>

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honor individuals or entities that have contributed to good groundwater stewardship and/or dedication to preserving water resources. The FCGMA computer database is also completely redesigned for quicker access to information, better handling of user data, and more accurate cost accounting.

2014 – State Senate Bill No. 988 was approved by the Governor on July 10, 2014. This bill authorizes, for the purpose of investigating compliance with or enforcing any provisions of the act or any agency ordinance, the agency to inspect any extraction facility within the boundaries of the agency. The bill requires the inspection to be made with the consent of the operator of the extraction facility, or, if consent is refused, with a duly issued inspection warrant.

2014 – On September 16, 2014, Governor Brown signed Assembly Bill 1739 and Senate Bills 1168 and 1319, creating the Sustainable Groundwater Management Act (SGMA)²⁹. The Act became effective January 1, 2015, and authorizes the formation of a Groundwater Sustainability Agency (GSA) for each basin identified by the Department of Water Resources (DWR). The Act further provides that each such basin designated by DWR as being a high or medium priority is required to be managed under a Groundwater Sustainability Plan.

Last updated 2015.

Update post-SGMA to follow!

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https://www.waterboards.ca.gov/water_issues/programs/gmp/docs/sgma/sgma_20190101.pdf

C. Organizational Detail

1. Agency Roles

Staff positions and general duties within the FCGMA are summarized below. The summary descriptions will be refined over time.

Executive Officer – In the past, the manager of the Agency has traditionally been a Director or Deputy Director of the Ventura County Public Works Agency (VCPWA) or Ventura County Watershed Protection District (VCWPD). Because of the dual role this person fills, a large portion of the Executive Officer’s time is spent on FCGMA matters, but the Agency is not their sole focus. The Executive Officer (EO) provides organizational leadership and strategic management services to the Agency, and acts as the main liaison between the Board, the public, and government agencies.

The Fiscal Committee has recommended that the Board revisit Resolution 2008-08 to restructure the EO position as a full-time role that serves the Agency.

Agency Counsel – Agency Counsel and Assistant Agency Counsel for the FCGMA from the Ventura County Counsel’s Office. In general, two attorneys handle FCGMA-related matters and provide legal advice on an as-needed basis. Agency Counsel attends all Board meetings and closed sessions. With assistance from other County legal staff, Agency Counsel also manages relationships with legal consultants who act as special counsel during litigation, and acts as the lead legal expert in any and all court actions or enforcement issues.

Deputy Director, Groundwater Manager and Assistant Groundwater Manager, WPD – These position classifications provide principal administrative, budgetary and program management support to the EO as required. Among the functions performed by these individuals are strategy development; staff supervision, budget management, and reporting performance on Work Plan/task oversight at the direction of the EO; they manage water resources specialists and operations administrators serving the FCGMA;

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they lead implementation of the LPV Adjudication Judgment and serve as main point of contact for LPV Watermaster.

Engineer / Hydrologist / Groundwater Specialist – An engineer or hydrologist in the VCWPD. These full-time positions were established to provide technical support for the Agency’s initiatives; they have expertise in groundwater hydrology and are knowledgeable about Ventura County geography and geology. These roles draft reports, conduct hydrologic research and technical reviews, assist in project management as assigned, assists the public with information requests, attends meetings on behalf of the Agency, and acts as Agency technical expert to stakeholders.

Water Resources Specialists – Manages AMI data, meter updates and calibration, and oversees and initiates compliance in keeping with relevant ordinance code and resolutions, all of which involves a high degree of stakeholder engagement and collaboration with operations administrators, documentation, research, and follow-up; develops and streamlines processes for ensuring effective compliance enforcement; designs and leads stakeholder education workshops on relevant topics. Provides project oversight or assistance to project managers as assigned.

Business Process Coordinator, Administrative Assistant, Management Assistant – These roles are operations administrators for the Agency, and they manage the semi-annual extraction reporting process for all pumpers within FCGMA boundaries. Previously just one individual, this team builds the processes that document reporting, registration, and other Agency requirements; they process payments and issue reports, memos and receipts; they develop stakeholder outreach materials along with the Board Clerk; they provide a high degree of customer service to member agencies, stakeholders, and staff alike. The Business Process Coordinator manages, trains, and onboards this team, including the student worker extra help role (currently vacant).

Clerk of the Board – The Board Clerk is responsible for assisting the EO with agenda preparation and development, meeting logistics, scheduling, director support, invoice and

accounts payable tracking, report preparation, contract modifications, document creation and version control, special event planning, and outreach materials, including updating the public-facing website's content and design. This role is heavily collaborative and involves a lot of action item tracking and follow-up with any given member of the Agency or its stakeholders.

D. Agency Program Codes

1. Draft Time Reporting Chart

Below follows the latest iteration of the draft, as of September 10, 2024. The Agency hopes to use this chart as a source for developing a key to accompany quarterly or annual budget reports in future.

Items in progress: some activity IDs need to be confirmed for a few projects, and further drafts of the time reporting chart will also include a section for LPV Watermaster IDs, as the chart is primarily a reference for staff as they enter time.

TIME REPORTING TRACKED TO ANNUAL OPERATIONS			
Administration and Fiscal Services			
Task	Description	Project ID	Activity ID
1. Board Meeting Administration	Board meeting preparation including agendas, scheduling, Board letters, Board presentations	P6020850	P012
	Board meetings including pre- and post-debriefing meetings	P6020850	P039
2. Agency Administration	Agency-specific overhead (not PWA) - general administration tasks, clerical work; email & phone follow-up that is not direct stakeholder/end-user contact	P6020850	P001
	Internal meetings; staff or management planning meetings	P6020850	P003
	Customer inquiries (not PRAs)	P6020850	P065
	Invoice management: routing, tracking, reporting on or approving invoices for Counsel, consultants	P6020850	P023
	Routing or Filing Incoming & Outgoing Correspondence	P6020850	P053
	Training - Providing or receiving Agency-specific procedural training that is not project-related	P6020850	P004
	Contract preparation, modification, review	P6020850	P008
	Strategic planning and oversight; consultant or vendor management	P6020850	P011
	Executive Officer		Fixed Cost
3. Official Document Filings &	Review, edit, process and archive business record filings and certifications, Ordinance Amendments, Resolutions	P6020850	P051

Public Records Requests	PRA & other public requests	P6020850	P064
4. Budget	Preparation and adoption of Annual Work Plan, Budget, Proposed Budget Report; analysis and performance reports	P6020850	P175
5. CSD Fiscal Staff Services	Submit 13-Monthly AP FSRs (incl. AP/AR) to the Agency; provide AP/AR and cash-flow management services; provide fiscal reports	Fixed Cost	
6. Committee Meetings	Committee meetings, preparation, agendas, minutes	P6020850	P041
7. Biennial Audit Report	Preparation of scope of work; selection process; assist auditor with inquiries; QA/QC draft audit report	P6020850	P089
Records Services			
Task	Activity	Project ID	Activity ID
1. Specialized Data Queries / Groundwater and Credit Transactions	Conduct extraction data analysis	P6020851	P072
	Allocation transfers, credit programs, routine variance requests; review and or processing of requests	P6020851	P058
2. FCGMA Online and Website O&M	Data management system maintenance, data mgt system testing, custom data queries, small-scale system enhancements	P6020851	P502
	Website programming revisions and content development for statements	P6020851	P082
	Website hosting & GIS fee	Fixed Cost	
3. SAES and Allocation Administration	TIER 1 - Routine SAES Processing: Prepare & mail SAES; Process SAES, IAI Applications and payments into the database; Reviewing meter photos; Administration including payment reporting and tracking; surcharge processing	P6020851	P513
	TIER 2 - Extended Follow-up: Account audits, Researching errors and omissions; Admin and Manager Reviews; Follow-up regarding incorrect or no payment (pumping, civil penalties, surcharges)	P6020851	P512
4. Well and CombCode Registration	Processing registration applications; Researching owners of record; Unregistered well follow-up; Assist new well owners/operators with registration, reporting and payment	P6020851	P505
5. Late/Non-Reporters (SAES) Compliance	Late or non-reporter follow-up and compliance; Civil Penalty assessment and notifications; Retroactive data entry (and billing) into FCGMA Online; Enforcement action recommendations to EO	P6020851	P504
	Process civil penalty waiver/reduction requests	P6020851	P620
6. Flowmeter Records Services			
	Mail Flowmeter Calibration Notices, NOV's, and follow-up	P6020851	P514

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Meter Calibration Program Maintenance	Process test results and repair/replacement flowmeter info; Process and track flowmeter exemptions, and 5-year waiver requests	P6020851	P506
AMI	AMI Operations	P6020860	P500
	AMI vendor coordination and management	P6020860	P011
	AMI meetings	P6020860	P003
Technical Services			
Task	Activity	Project ID	Activity ID
1. Annual Reports Preparation	Compile and analyze resource data for GSP and GMA Annual Reports; Prepare, review, finalize and publish	P6020852	P171
2. Data Collection, Studies, Investigations and Analysis	Routine data analysis (GW conditions, pumping trends)	P6020852	P072
	Field investigations; coordination of field investigations	P6020852	P076
	Unregistered well follow-up; new well owner/operator registration	P6020852	P505
	Perform QA/QC review of monitoring programs	P6020852	P665
3. Groundwater and Well Projects			
Well Permits	Technical review for well permit processing	P6020852	P612
Resolutions and Related Board-Approved Projects	Resolution project management, including City of Camarillo North PV Desalter Project, Camrosa WD Conejo Creek Project, Oxnard GREAT & ASR Program, Calleguas MWD ASR Program; meetings (billed under P011 because they are part of the project requirements)	P6020852	P011
	Studies, reviews, comment letters, compliance	P6020852	P665
	Meter calibration resolution implementation, replacement, rollover, water usage estimates	P6020852	P500
	Correspondence	P6020852	P053
	Meetings	P6020852	P003
Oxnard Basin Monitoring Wells	Project Administration [maintenance, monitoring, and permit and post-grant compliance (insurance submittal, data submittals, etc)]	P6020872	P500
	Contract preparation, modification, review	P6020872	P008
	Subgrantee or Vendor Management	P6020872	P011
Pleasant Valley Basin Monitoring Wells	Project Administration [maintenance, monitoring, and permit and post-grant compliance (insurance submittal, data submittals, etc)]	P6020874	P500
	Contract preparation, modification, review	P6020874	P008
	Subgrantee or Vendor Management	P6020874	P011
4. Grant Administration	Grant application and administration; subgrantee awards	P6020852	P021
Legal Services			
Task	Activity	Project ID	Activity ID

1. Advisory Services	Advice to Board and staff on open government laws, conflict of interest rules, Agency regulatory authority, contracting issues, compliance with SGMA, CEQA and other applicable laws; Board letter review and attendance at Board meetings; review and commentary or preparation of Ordinances, Amendments, Resolutions, contracts and other legal documents; code enforcement	P6020853	Invoiced separately; tracked via object code 2185
2. Anticipated and Ongoing			
LPVWRC v FCGMA	Meetings	P6020864	P003
	Correspondence	P6020864	P053
	PRAs and discovery	P6020864	P064
City of Oxnard v FCGMA	Meetings	P6020866	P003
	Correspondence	P6020866	P053
	PRAs and discovery	P6020866	P064
OPV Coalition v FCGMA	Meetings	P6020867	P003
	Correspondence	P6020867	P053
	PRAs and discovery	P6020867	P064
Public Outreach			
Task	Activity	Project ID	Activity ID
1. Participation in Integrated Regional Groundwater Issues & Stakeholder Meetings	Attend / participate in stakeholder meetings (AWA, WCVV, City Council, etc.)	P6020854	P501
2. Outreach, Website, Communications	Semi-Annual Newsletter; stakeholder outreach and engagement; public workshops; outreach materials	P6020850	P646
	Routine content management & maintenance of Agency website and social media presence	P6020850	P082
Special Expenditures			
Task	Activity	Project ID	Activity ID
1. Groundwater Sustainability Plan Implementation	All GSP implementation tasks: meetings, studies, analyses, etc.	P6020858	P507
GSP 5-Year Evaluation and Amendments	Data collection (including data requests) and analyses, report preparation, technical report review, etc	P6020858	P665
	Workshop planning, logistics, materials development promotions, attendance	P6020858	P091
	Prepare and review upload documents / modules, and upload to DWR website.	P6020858	P500
2. New Allocation Systems	New allocation system development, stakeholder meetings, etc.	P6020854	P503

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	Variance processing	P6020854	P072
3. New Data Management System Requirements	Develop performance specification for new data management system, prepare and administer RFP; planning and implementation analysis	P6020862	P010
4. Water Market Development and Implementation	Continue implementation of Water Market pilot study and expansion to all of FCGMA	P6020861	P010
5. Oxnard Well Destruction	Destroy abandoned well in Oxnard	P6020854	P617
PWA Admin & Overhead <i>(Billed to Public Works Agency; Not Paid Out of FCGMA Budget)</i>			
Task	Activity	Project ID	Activity ID
Overhead & Administration	Breaks, timesheet, County/PWA/WPD paperwork, etc.	P6990308	P001
Meetings	County/PWA/WPD/WRD/GRS meetings	P6990308	P003
County Training	County/PWA/WPD training	P6990308	P046

E. Performance Measurements

Our performance measures are based on the budget and work plan, and they tell the Agency’s story about whether our work is achieving its objectives, and if progress is being made toward achieving our goals.

“A performance measure is a quantifiable expression of the amount, cost, or result of activities that indicate how much, how well, and at what level, products or services are provided to customers during a given time.³⁰”

Our draft budget is quantifiable because it includes year-over-year data that shows the progression of the Agency’s reserves and expenditures, categorized by sections of the work plan, which is divided by project and activity, reflecting the work, business processes, and functions of FCGMA. These are understandable high-level performance measurements that are further detailed in following sections of this narrative.

1. More Measurements in Development

To measure results with more specificity, the Agency should consider developing practical, yet specific results-based performance measurements. Performance measurements must be designed to align with Board and Committee priorities.

To structure future performance measurements, staff will consider creating them with the parameters of S.M.A.R.T. goals³¹, so that we can more effectively show proof of results to our stakeholders and can more easily pinpoint areas for improvement. We hope that this discussion will start with the Fiscal Committee during the development of the FY 2024-2025 Draft Budget.

³⁰ <https://ofm.wa.gov/sites/default/files/public/budget/instructions/other/PMGuide.pdf>

³¹ University of California, SMART Goals: A How-To Guide <https://www.ucop.edu/local-human-resources/files/performance-appraisal/How%20to%20write%20SMART%20Goals%20v2.pdf>

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Examples of possible performance measurements:

- Percentage of saved but unsubmitted SAES reporting in database each quarter
- Average time spent following up with Semi-Annual Extraction Statement (SAES) reporting that contains errors and omissions in a statement cycle
- Number of Flowmeter Calibrations noticed and processed in one year

F. Other Financial Information

1. Trends and Assumptions for Key Revenue

As noted in the main section of this narrative, to forecast revenue from pump charges, an average of historical pumping rates of 121,000 Acre-Feet has traditionally been used. Below are the Agency's current pump charges used to calculate forecasted revenue using the historical pumping average.

Pump Charge – set by enabling legislation (only fee for de minimis domestic operators)	\$6/AF
Groundwater Sustainability Fee (GWSF) effective Oct 1, 2022	\$29 A/F
GEMES Reserve Fee (sunsets Oct 1, 2024, unless extended by Board)	\$20/AF
Total	\$55/AF

2. Two-Year Forecast

2.5 and 3% were used for forecasting based on past practices.

3. About Trend and Comparative Data³²

4. Basis of Accounting

The basis of accounting describes how financial activities are recognized and reported; specifically, when revenues, expenditures (or expenses), assets, and liabilities are recognized and reported in the financial statements.³³

a) *Appropriations Limit Calculation*

Article XIII B, section 9(C) of the California Constitution³⁴ exempts certain special districts from the appropriations limit calculation mandate. Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit.

The following local governments are not subject to Appropriations Limit requirements:

- Special districts which did not, as of FY 1977-78, levy a property tax in excess of 12.5 cents per \$100 of assessed value.
- Any special district which is entirely funded by other than the proceeds of taxes.

³² <https://www.gfoa.org/materials/the-use-of-trend-data-and-comparative-data-for-financial>

³³ <https://www.dgs.ca.gov/en/Resources/SAM/TOC/7400/7440>

³⁴ <https://www.californiacityfinance.com/MRSHBch10GannLimit.pdf>

G. Policies and Procedures

1. Resolutions, Policies, and Procedures

Resolutions reflect a statement of Agency policy and are an official documentation of Board action regarding matters brought before the Board for consideration, which are then approved by a majority vote, provided a quorum is maintained.

Resolutions adopted by the Board typically address specific legal, technical, or administrative goals and objectives of the Agency. Resolutions may also authorize contracts, describe policy changes, or simply honor individuals for service to the Agency.

Any Board member, Alternate member, or individual from the public audience may suggest a resolution; however, the decision to consider deliberation and final approval action on any proposed resolution is at the sole discretion of the Board.

A summary of the resolutions adopted by the FCGMA Board can be found in a numbered listing with each effective date on the FCGMA website at <http://www.fcgma.org/public-documents/resolutions>.

In future Budget Reports, staff hope to include an updated Resolution Policies table, edited to feature relevant policies and procedures only; hyperlinked to a PDF of each Resolution included.

2. Agency Adopted Policies and Procedures

a) *As of 2015; currently under review.*

Row No.	DOCUMENT TITLE	DOCUMENT SUMMARY	INITIAL APPROVAL DATE	REVISION DATE(S)
1	Calif. State Brown Act	Reference document that summarizes the roles and responsibilities when FCGMA meetings are held/planned. Requires open and public meetings of legislative bodies such as the FCGMA Board of Directors.		
2	List of FCGMA Adopted Extraction Rates	Summary listing of 6-month reporting periods and the extraction fee adopted/imposed during each period (for reference only).	1983	Last update 08/04/2009
3	FCGMA Groundwater Management Plan	Spells out Agency background, goals, objectives, and tasks needed to accomplish basin balance, aquifer protection, and seawater intrusion improvements. Includes water quality objectives and addresses upper and lower aquifer systems as separate management functions.	09/1985 (originally known as TASK 86-3)	08/15/1995 and 11/19/1997
4	"The Fox Canyon Experience"	Text of a speech given by former Agency Coordinator John Crowley that provides background and explanation concerning how and why the FCGMA was formed and what the mission was.	06/01/1990	
5	Ventura County Administrative Supplement to California Environmental Quality Act (CEQA) Guidelines	Adopted CEQA guidelines as applied by the County of Ventura to all discretionary development projects or legislative actions incurred, endorsed, or adopted by the GMA.	10/26/1990	
6	Conflict of Interest Code for the FCGMA officers, employees and consultants	Adopted Fair Political Practices Commission Conflict of Interest Codes pertaining to elected and appointed officials and key staff members. Designated officers & employees must file annual statements with the Agency.	02/22/1991	08/27/2014; 09/25/2002
7	PWA Copy and Mailing Charges	Adopted County Public Works Agency filing rates for reproduction and mailing of	11/27/1991	

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		full agenda packets requested by non-board members.		
8	GMA Adoption of Water Quality Standards for Injection Water	Adopted water quality standards (minimums) for injected water that can be used for injection/extraction storage wells.	02/23/1994	
9	Injection-Storage Rules for the ELP Basin	Sets operating parameters and conditions governing the injection and extraction of imported water by CMWD in the ELP basin.	02/23/1994	
10	Participation in Ventura County Treasury Investment Policy	GMA pumping fees are placed in an interest-bearing investment pool along with other County monies. Low risk and high protection are pluses. (Adopted by County 09/11/1995)	Adopted by FCGMA 10/02/1995	
11	List of FCGMA-Approved In-Lieu Program Participants	Lists 9 water districts/purveyors as the only approved participants in the Calleguas/FCGMA In-Lieu Program	09/25/1996	
12	Policy Statement for In-Lieu Credit Exchange Program	Specifies rules of participation and transfer for all allocations traded in-lieu of foreign water imports. Sets semi-annual accounting transfers with regular statements. Program participants approved by GMA Board & Agency Coordinator prior to transfer.	10/23/1996	
13	Policy for Redemption of M&I Credits	A listing of rules governing the use, redemption, and earning of FCGMA Credits.	02/25/1997	
14	FCGMA Task Objectives	Numbered list of intended work tasks and/or objectives for the Calendar Year. (updated annually or as needed)	1998	2024
15	UWCD Conservation Credit Trust	Also sometimes referred to as “The Good Deed Credit Trust”; this write-up describes how UWCD can earn FCGMA conservation credits for importing State Project Water, then use those credits for some common good or benefit to the aquifers within the FCGMA.	2002	
16	Agreement to abide by State Fish and Game Code Section 711.4	Explanation of Fish and Game requirements/procedures as they apply to CEQA and project reviews. Subjects the FCGMA to CEQA but allows the Agency to file categorical exemption findings as needed on a case-by-case basis.	09/30/2002	
17	Conditions for the FCGMA Supplemental M&I Water Program	FCGMA Memorandum/Board Letters that list the conditions or operating parameters of the PVCWD/CMWD/UWCD/FCGMA Supplemental Water Program.	05/28/2003 (02/12/2004)	
18	Interest-Penalty Implementation and Cap	FCGMA Board Letter that explains how 1.5 percent per month interest/penalty assessments should be applied to fee-	05/25/2004	

		due billings, and how a maximum cap or limit level might apply and when.		
19	Laptop Computer Data Protection Policy	IT Services Memo recommending an annual fee and installation cost to encrypt hard drives in laptops (cost and decision to encrypt or not is up to each County department); FCGMA opted out.	10/05/2007	
20	Email Retention Policy	Decree from County IT Services that limits E-mail message in-box and sent-box items to no older than 2 years to maintain hard drive space and limit computer core memory storage (virtual or real).	01/29/2009	
21	Financial Reserves Policy	The Agency will maintain a financial reserve equal to one year of operating expenses (currently \$1,000,000).	06/24/2015	
22	Designated Surcharge Balance	A designated Surcharge Balance will be kept separate from civil penalties and interest earnings.	06/24/2015	
23	FCGMA Business Practices Manual Update	Board approved the following policies for inclusion in the FCGMA Business Practices Manual: (1) Code of Ethics Policy; (2) Records Retention and Disposition Policy and Records Retention Schedule; (3) Public Records Act Request Policy; and (4) Financial Reserves Policy. AB 1234 Ethics Training for Board of Directors and Alternates approved.	<i>Update TBD</i>	
24	Board Policy Manual	Compendium of Board Directives Relating to Agency Priorities, and Board Action Strategies Relating to Adopted FY Work Plan	<i>Proposed / TBD</i>	
25	LPV Adjudication Judgment	TBD – discuss inclusion in FCGMA Policies and Procedures, especially due to its influence on Agency operations in the LPV Basins.	<i>Proposed</i>	

3. Agency Objectives

**FOX CANYON GROUNDWATER MANAGEMENT AGENCY
OBJECTIVES 1998**

1. **ADMINISTER GMA ORDINANCES.** Priority work to carry on normal GMA business, schedule and hold monthly meetings, bill and receive payments, and scheduling agenda items for action on items beyond the authority of the Coordinator.
2. **IMPLEMENT THE MANAGEMENT PLAN.** Implement the GMA Management Plan by bringing individual items to the board for approval.
3. **IMPLEMENT THE GMA WATER QUALITY OBJECTIVES.** Follow-on action for the water quality objectives as approved by the board.
4. **DESIGN AND SUBMIT A NEW BUDGET FORMAT SUITABLE TO THE BOARD.** Submit new budget format based upon the Waterworks District formatting. Obtain approval and submit 1998-1999 budget in new format.
5. **DEVELOP CHLORIDE DATA.** Continue to hold discussions, obtain new information and develop GMA position on chloride concentrations.
6. **INCREASE PENALTY CHARGES.** Review the need for increased penalties for overpumping and determine the new penalty assessments if appropriate.
7. **PLACE ORDINANCES AND AGENDA ON INTERNET.** Install all ordinances, enabling legislation, GMA history, directors biography and publish monthly agenda on the internet.
8. **RETURN TO A MONTHLY MEETING SCHEDULE.** Keep meeting schedule to monthly, or bi-monthly unless pressing items demand attention.
9. **INVESTIGATE USING PUMP CHARGES TO FUND WELL DESTRUCTION.** Investigate the desirability of using \$.80 per acre foot of water pumped out of the GMA to augment the well destruction program funding.
10. **CONSIDER CHANGING ORDINANCE 5.6 TO MAKE THE APPLICATION FOR CONSERVATION CREDITS AUTOMATIC.** Ordinance 5.6 requires each operator to apply for conservation credits by July 1st each year. Many credits are not applied for because they will not be used. However, there are a few pumpers who need and want the credits and some of those are not meeting the annual deadline for credit applications. Since all pumping is recorded in a data base, we already know how many credits are due each year. Automatic generation of credits would simplify the process for pumpers and staff. Alternately, making the credit application process automatic will result in approximately 20,000 acre feet of additional credits each year most of which will never be used.
11. **DISCUSS THE DESIRABILITY OF APPOINTING A COMMITTEE TO STUDY AND RECOMMEND SOLUTIONS TO THE LAS POSAS BASIN OVERDRAFT PROBLEM.** Resolution of the overdraft problems in the Las Posas Basin can best be accomplished by involving the pumpers who depend upon this basin for water. A truly representative group will have a greater probability of finding and implementing a solution to the problem.

a) *Board Action Strategies for FY 2024-25 [template for future planning]*

b) *Develop a Board Policies document to add to Appendices.*

c) *Developing Strategic Goals*

4. *Fiscal Committee*

a) *Objectives*

Goals, priorities/mandates (TBD)

b) *Policy Development Process*

Action policies and procedures in development. (TBD)

c) *Fiscal Committee Policies*

- Review Policy
- Budget and Fiscal Policy
- Fiscal Management Policy
- Audit Management Policy
 - Audit Review Policy

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- Reserve Level Policy
- Enforcement Policy
 - Collect resources for review³⁵
- Funding Policies
 - Grants
 - Interfund Loans
 - Loans to Other Programs (LPV Watermaster)

³⁵ <https://www.cdtfa.ca.gov/taxes-and-fees/manuals/cpm-07.pdf>

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Agency

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Act
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J. Agency Contacts

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Michael Craviotto – Farming Interests (805) 766-9602 (*Term Exp 2-28-26*)
Operations Committee, Flynn Award Selection Committee

Lynn Maulhardt – United Water Conservation District (805) 982-0780 (*Term Exp 2-28-26*)
Operations Committee

Tony Trembley – Five Cities (805) 388-5307 (*Term Exp 2-28-26*)
Fiscal Committee, Flynn Award Selection Committee

2. ALTERNATE DIRECTORS

Raul Avila – Small Water Districts (818) 798-8745 (*Term Exp 2-28-25*)

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Bert Perello – Five Cities (805) 240-6194 (*Term Exp 2-28-26*)

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