

# FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



## BOARD OF DIRECTORS

**Eugene F. West**, Chair, Director, Camrosa Water District  
**Kelly Long**, Vice Chair, Supervisor, County of Ventura  
**Michael Craviotto**, Farmer, Agricultural Representative  
**Lynn Maulhardt**, Director, United Water Conservation District  
**Tony Trembley**, Councilmember, City of Camarillo

## INTERIM EXECUTIVE OFFICER

**Arne Anselm**

## NOTICE OF MEETING

**NOTICE IS HEREBY GIVEN** that the Fox Canyon Groundwater Management Agency (FCGMA), also sitting as watermaster for the Las Posas Valley Basin (LPV) and the groundwater sustainability agency for the Las Posas Valley Basin, the Pleasant Valley Basin, and the Oxnard Subbasin, will hold a **Fiscal Committee Meeting** at **10:00 A.M.** on **Tuesday, March 18, 2025** in the **Lower Plaza Assembly Room**, at the Ventura County Government Center, Hall of Administration at 800 South Victoria Avenue, Ventura, California.

## FISCAL COMMITTEE MEETING AGENDA

**March 18, 2025  
10:00 A.M.**

**Members:** Chair Eugene West  
Vice Chair Tony Trembley

- A. Call to Order**
- B. Introductions**
- C. Public Comments** – Audience members may speak about matters not on today's Agenda.
- D. LPV Watermaster Fiscal Year 2025-2026 Budget Development Study Session** – Proposed LPV Watermaster Fiscal Year (FY) 2025-26 Work Plan and Draft Budget evaluation; opportunity to provide feedback or discuss recommendations for modifications prior to submittal to the Board.
- E. FCGMA Fiscal Year 2025-2026 Budget Development Study Session** – Discussing Board priorities for the FCGMA Fiscal Year (FY) 2025-26 Work Plan and Draft Budget; opportunity to provide feedback or discuss recommendations for draft documents.
- F. Future Agenda Items and Next Meeting Date**  
Tuesday, April 15, 2025, at 10:00 AM in the Multi-Purpose Room.
- G. Adjourn Meeting.**

## **STANDING NOTICES**

The FCGMA Board and its less-than-a-quorum advisory committees strive to conduct accessible, orderly, and fair meetings where everyone can be heard on the issues. The Committee Chair will conduct the meeting and establish appropriate rules and time limitations for each item.

**Public Comments** – Public comment is the opportunity for members of the public to participate in meetings by addressing the Fox Canyon Executive Committee in connection with one or more agenda or non-agenda items.

If you wish to make a written comment, please follow the steps below.

1. If you wish to make a written comment on a specific agenda item, please submit your comment via email by 5:00 p.m. on the Monday prior to the Fiscal Committee Special Meeting. Please submit your comment to the Clerk of the Board at [FCGMA@ventura.org](mailto:FCGMA@ventura.org). Please indicate in the subject line of your email the agenda item number (e.g., Item No. 9). Your email will be read by the Committee members and placed in the record.
2. If you would like to make a general public comment (Item 4) for items not on the day's agenda or to comment on a specific agenda item as it is being heard, please submit your comment via email, limited to 250 words or less, to the Clerk of the Board at [FCGMA@ventura.org](mailto:FCGMA@ventura.org). Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior to the end of the meeting.

**Administrative Record:** Material presented as part of testimony will be made part of the Agency's record, and 10 copies should be left with the Board Clerk. This includes any memos, presentations, maps, etc. If possible, in advance of the meeting, email a PDF of your materials to [FCGMA@ventura.org](mailto:FCGMA@ventura.org).

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**ADA Accommodations:** Persons who require accommodation for any audio, visual, or other disability in order to review an agenda or to participate in the Committee meeting per the Americans with Disabilities Act (ADA), may request such accommodation in writing addressed to the Clerk of the FCGMA Board, 800 So. Victoria Avenue, Location #1610, Ventura, CA 93009-1610, via emailing [FCGMA@ventura.org](mailto:FCGMA@ventura.org) or via telephone by calling (805) 654-2014. Any such request should be made at least 24 hours prior to the meeting so staff can make the necessary arrangements.

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**Continuance of Items:** The Committee will endeavor to consider all matters listed on this agenda. However, time may not allow the Committee to hear all matters listed. Matters not heard at this meeting may be carried over to the next Committee meeting or to a future Committee meeting. Participating individuals or parties will be notified of the rescheduling of their item prior to the meeting. Please contact the Agency Clerk to find out about rescheduled items.

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**The Ralph M. Brown Act:** It is the intent of the law that the actions of this Board and its Committees be taken openly and that their deliberations be conducted openly. Read about the Ralph M. Brown Act via this link: [https://leginfo.legislature.ca.gov/faces/codes\\_displayText.xhtml?chapter=9.&division=2.&lawCode=GOV&part=1.&title=5](https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?chapter=9.&division=2.&lawCode=GOV&part=1.&title=5).

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**Agency Information and Updates:** Our website address is <https://fcgma.org/>. Information available online includes the Board's meeting schedule, a list of the Board members and staff, general information, and various Agency forms. To learn more about the Committee, please visit <https://fcgma.org/committee-meetings/>. If you would like to be added to our email notification list or speak to a staff member, please contact the FCGMA Clerk of the Board at (805) 654-2014 or via email at [FCGMA@ventura.org](mailto:FCGMA@ventura.org).

# LPV WATERMASTER

## MEMORANDUM

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**Date:** March 18, 2025  
**To:** Fiscal Committee, Las Posas Valley Watermaster  
**From:** Farai Kaseke, Assistant Groundwater Manager  
**Subject:** Item D – LPV Watermaster Fiscal Year 2025-26 Budget Development

### **About Today's Work-study Session**

The Posas Valley Watermaster has developed a revised draft Budget and Labor Cost Support for Fiscal Year (FY) 2025-2026 following the February 27, 2025, Budget Development session. The judgment entered in Las Posas Valley Water Rights Coalition v. Fox Canyon Groundwater Management Agency VENCI00509700 (Judgment) requires that Watermaster develop a budget following Committee Consultation (Judgment, §7.5).

### **Attachments:**

Exhibit D1 – FY 2025-26 Draft Watermaster Budget

Exhibit D2 – FY 2025-26 Labor Cost Support

Exhibit D3 – PAC Letter to Watermaster dated March 13, 2025, regarding PAC Review of 2/21/2025 Draft FY 2025-26 Watermaster Budget

A	B	C	D	F	I	K	L	M
1	<b>Las Posas Valley Watermaster Budget FY 2025-26</b>							
2	<b>Description</b>	<b>Actuals FY 2023-24</b>	<b>Adopted Budget FY 2024-25</b>	<b>Actuals YTD FY 2024-25 (through Jan. 31, 2025)</b>	<b>Projections FY 2024-25 (through Jun. 30, 2025)</b>	<b>Budget Estimate FY 2025-26</b>	<b>Increase/ Decrease over Prior Year</b>	<b>% Change over PY</b>
3	<b>REVENUES</b>							
4	<b>Operating:</b>							
5	Basin Assessment Fee	\$ 1,259,607	\$ 2,583,200	\$ 972,177	\$ 1,922,177	\$ 2,203,337	\$ (379,863)	-15%
6	Basin Assessment Interest	\$ 20,026	\$ -	\$ 16,283	\$ 29,000	\$ 33,050	\$ 33,050	
7	<b>Non-Operating:</b>							
8	Investment Income (from County Pooled Investment fund)	\$ 9,846	\$ -	\$ 6,167	\$ 12,000	\$ 15,000	\$ 15,000	
9	<b>Total REVENUES</b>	<b>\$ 1,289,479</b>	<b>\$ 2,583,200</b>	<b>\$ 994,627</b>	<b>\$ 1,963,176</b>	<b>\$ 2,251,387</b>	<b>\$ (331,813)</b>	<b>-15%</b>
11	<b>EXPENSES</b>							
18	<b>PWA Labor Cost</b>							
19	Watermaster Administration	\$ 66,034	\$ 106,848.00	\$ 43,843.54	\$ 75,160	\$ 82,039	\$ (24,808.50)	-23%
20	Allocations & Record Keeping	\$ 3,072	\$ 217,088	\$ 31,912	\$ 54,706	\$ 105,160	\$ (111,927.68)	-52%
21	Basin Management	\$ 3,937	\$ 156,880	\$ 24,525	\$ 42,043	\$ 30,281	\$ (126,599.09)	-81%
22	Committee Coordination and Consultations	\$ 3,622	\$ 71,232	\$ 26,164	\$ 44,852	\$ 49,110	\$ (22,121.86)	-31%
23	Budget and Assessments	\$ 4,768	\$ 136,528	\$ 16,241	\$ 27,841	\$ 33,355	\$ (103,173.34)	-76%
24	IT Services and Support	\$ 3,338	\$ 40,704	\$ 8,788	\$ 15,065	\$ 12,876	\$ (27,828.09)	-68%
25	Calleguas Aquifer Storage & Recovery Project		\$ 81,408	\$ -	\$ -	\$ 42,842	\$ (38,565.86)	-47%
26	Staff time (ongoing or anticipated litigation)			\$ 3,065	\$ 5,254	\$ 9,427	\$ 9,426.57	
27	<b>Total PWA Labor Cost<sup>2</sup>:</b>	<b>\$ 84,772</b>	<b>\$ 810,688</b>	<b>\$ 154,538</b>	<b>\$ 264,922</b>	<b>\$ 365,090</b>	<b>\$ (445,597.86)</b>	<b>-55%</b>
29	<b>Contract Costs</b>							
30	<b>Allocations &amp; Record Keeping</b>							
38	Extraction Monitoring and Reporting <sup>3</sup> (Ex A <sup>4</sup> , Article V)	\$ 17,244	\$ 20,000	\$ 19,557	\$ 35,000	\$ 40,000	\$ 20,000	100%
40	<i>Subtotal - Allocations &amp; Record Keeping</i>	<b>\$ 17,244</b>	<b>\$ 20,000</b>	<b>\$ 19,557</b>	<b>\$ 35,000</b>	<b>\$ 40,000</b>	<b>\$ 20,000</b>	<b>100%</b>
41	<b>Basin Management</b>							
42	Initial Basin Optimization Plan <sup>5</sup> (5.3)	-	\$ 78,000	\$ 19,399	\$ 76,000	-	\$ (78,000)	-100%
43	2025 Basin Optimization Yield Study <sup>6</sup> (4.10)	-	\$ 122,000	-	\$ 80,000	\$ 132,500	\$ 10,500	9%
44	GSP Update (5-year evaluation) <sup>7</sup>		\$ 43,440	6,579	\$ -	\$ -	\$ (43,440)	-100%
45	Annual Report <sup>8</sup>		\$ 48,860	-	\$ -	\$ -	\$ (48,860)	-100%
46	<i>Subtotal - Basin Management</i>	<b>\$ -</b>	<b>\$ 292,300</b>	<b>\$ 25,978</b>	<b>\$ 156,000</b>	<b>\$ 132,500</b>	<b>\$ (159,800)</b>	<b>-55%</b>
47	<b>Committee Coordination and Consultations</b>							
49	PAC Administrator <sup>9</sup>	-	\$ 170,000	\$ 5,865	\$ 12,000	\$ 175,100	\$ 5,100	3%
50	Technical Advisory Committee <sup>10</sup> (6.11, Ex A Article IV)	-	\$ 97,440	\$ 27,129	\$ 56,000	\$ 100,363	\$ 2,923	3%
51	TAC Member Cost <sup>11</sup>	-	\$ 259,200	\$ 70,830	\$ 150,000	\$ 276,480	\$ 17,280	7%
52	Insurance <sup>12</sup>		\$ 5,000	\$ -	\$ -	\$ -	\$ -	0%
53	<i>Subtotal - Committee Coordination and Consultations</i>	<b>\$ -</b>	<b>\$ 531,640</b>	<b>\$ 103,824</b>	<b>\$ 218,000</b>	<b>\$ 551,943</b>	<b>\$ 20,303</b>	<b>4%</b>
54	<b>Budget and Assessments</b>							
56	Basin Assessments (7.1-7.3,7.6, Ex A 2.8)	-	\$ 25,000	\$ -	\$ -	\$ -	\$ (25,000)	-100%
57	Processing Fees (7.4)	-	\$ -	\$ -	\$ -	\$ -	\$ -	
58	Audits (7.7)	-	\$ 20,000	\$ -	\$ 17,650	\$ 15,000	\$ (5,000)	-25%
59	CSD Fiscal Services Staff <sup>13</sup>	-	\$ -	\$ 16,950	\$ 33,900	\$ 36,000	\$ 36,000	
60	<i>Subtotal - Budget and Assessments</i>	<b>\$ -</b>	<b>\$ 45,000</b>	<b>\$ 16,950</b>	<b>\$ 51,550</b>	<b>\$ 51,000</b>	<b>\$ 6,000</b>	<b>13%</b>
61	<b>IT Services and Support</b>							
62	Data Management and Support <sup>14</sup>	-	\$ 200,000	\$ 45,100	\$ 90,200	\$ 200,000	\$ -	0%
63	<i>Subtotal - IT Services and Support</i>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ 45,100</b>	<b>\$ 90,200</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>0%</b>
64	<b>Calleguas Aquifer Storage &amp; Recovery Project</b>							
65	Calleguas ASR Project Operations Study <sup>15</sup> (8.4)	-	\$ -	\$ -	\$ -	\$ -	\$ -	
66	<i>Subtotal - Calleguas Aquifer Storage &amp; Recovery Project</i>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
67	<b>Legal Services<sup>16</sup></b>							
68	Advisory (Implementation, administration, compliance, Board meetings & Staff reports)	\$ 59,959	\$ 149,184	\$ 67,567	\$ 136,000	\$ 125,000	\$ (24,184)	-16%
69	Judicial Review (agency counsel) (9.2)	-	\$ 99,456	-	\$ -	\$ 37,500	\$ (61,956)	-62%
70	Judicial review (outside counsel) <sup>17</sup>	-	\$ -	\$ 298,485	\$ 500,000	\$ 500,000	\$ 500,000	
71	LPV Water Rules Appeal <sup>18</sup> (9.2)	-	\$ 200,000	\$ 200,000	\$ 200,000	\$ -	\$ (200,000)	-100%
72	<i>Subtotal - Legal Services</i>	<b>\$ 59,959</b>	<b>\$ 448,640</b>	<b>\$ 566,052</b>	<b>\$ 836,000</b>	<b>\$ 662,500</b>	<b>\$ 213,860</b>	<b>48%</b>
73	<b>Total Contract Costs:</b>	<b>\$ 77,203</b>	<b>\$ 1,537,580</b>	<b>\$ 777,461</b>	<b>\$ 1,386,750</b>	<b>\$ 1,637,943</b>	<b>\$ 100,363</b>	<b>7%</b>
74	<b>TOTAL EXPENSES</b>	<b>\$ 161,974</b>	<b>\$ 2,348,268</b>	<b>\$ 931,999</b>	<b>\$ 1,651,672</b>	<b>\$ 2,003,033</b>	<b>\$ (345,235)</b>	<b>-15%</b>
75	<b>SUMMARY</b>							
76	<b>Beginning Year Account Balance</b>	\$ -	\$ 1,127,505	\$ -	\$ 1,127,505	\$ 1,439,009	\$ 311,504	28%
77	<b>Revenues</b>	\$ 1,289,479	\$ 2,583,200	\$ 994,627	\$ 1,963,176	\$ 2,251,387	\$ (331,813)	-13%
78	<b>Total Expenditures</b>	\$ 161,974	\$ 2,348,268	\$ 931,999	\$ 1,651,672	\$ 2,003,033	\$ (345,235)	-15%
79	<b>Net Operating Results</b>	<b>\$ 1,127,505</b>	<b>\$ 234,932</b>	<b>\$ 62,628</b>	<b>\$ 311,504</b>	<b>\$ 248,353</b>	<b>\$ 13,421</b>	<b>6%</b>
80	<b>Ending Year Account Balance</b>	\$ 1,127,505	\$ 1,362,437		\$ 1,439,009	\$ 1,687,363	\$ 324,926	24%
81	<b>Operating Reserves<sup>19</sup>:</b>		\$ 234,827			\$ 200,303		
83								
84	<b>Total Annual Allocation (AF):</b>							
85	<b>Basin Assessment per AF:</b>	\$ 64.58	\$ 55.08					
86	<b>Quarterly Assessment</b>	\$ 16.14	\$ 13.77					

	A	B	C	D	F	I	K	L	M
1	<b>Las Posas Valley Watermaster Budget FY 2025-26</b>								
88	<b>Footnotes</b>								
89	1 The FY 2025-26 Budget is for estimated Watermaster administration expenses.								
90	2 Labor cost estimates are based on Ventura County Public Works Agency providing LPV Watermaster staff at actual rates for FY 24-25.								
91	For FY 25-26, labor cost estimates are based on Ventura County Public Works Agency providing LPV Watermaster staff at actual rates, assuming a 10% increase.								
92	See Labor Cost Support data (attached).								
93	3 Contract costs for Regional Government Services assisting Extraction Monitoring and Reporting (approved 09/25/2024)								
94	4 Reference to LPV Adjudication Judgment section, "Ex A" is Exhibit A of the Judgment.								
95	5 Contract costs for Dudek for assisting with preparation of BOP \$76,025 (approved 01/12/2024)								
96	6 Contract costs for Dudek for assisting with BOYS \$212,500 (approved 10/23/2024)								
97	7 Contract estimates for Dudek assisting with GSP Update (5-year evaluation)								
98	8 Contract estimates for Dudek assisting with Annual Report								
99	9 PAC Administrator contract \$170,000 (approved 09/25/2024)								
100	10 Contract cost estimate for Dudek for assisting as Watermaster TAC member \$97,440. Assumes two meetings per month. (approved 05/22/2024)								
101	11 Contract cost estimate for three TAC members including preparation of Recommendation Reports. Assumes two meetings per month.								
102	12 PAC request for PAC and TAC members insurance; cost covered under FCGMA policy								
103	13 CSD Fiscal services is an annual allocation. Costs are allocated quarterly between FCGMA and Watermaster								
104	14 IT Services and Support costs are split evenly between FCGMA and Watermaster. Increasing FTEs to 0.825 from 0.5								
105	15 Calleguas to provide estimate								
106	16 Legal Services costs provided by Agency Counsel for LPV Watermaster legal services								
107	17 <i>Judicial Review (Outside Counsel)</i> currently lists \$298,485 in Line 70, Column F for Stoel Rives invoices; this amount is currently attributed to FCGMA under GEMES and should instead be listed as a Watermaster expense in the FY 2024-25 Budget. Staff would like to discuss the procedure for this action with the Committee.								
108	18 Share of legal expenses approved by Board on 9/13/24 for LPV Watermaster Rules Appeal.								
109	19 Operating reserves are calculated to be maintained at 10% of annual budget.								
110									
111	<b>The LPV Watermaster Budget is a separate accounting from FCGMA, per Section 2.7.4 of the LPV Adjudication Judgment.</b>								
112	"All funds received, held, and disbursed by Watermaster pursuant to the Judgment shall be held in Watermaster account(s) separate from all FCGMA accounts, and subject to separate accounting and an independent audit."								

	A	B	C	D	E	F	G	H	I	J	K
	<b>OPERATING EXPENSES: PWA LABOR COST</b> <i>Labor cost estimate based on Ventura County Public Works Agency providing LPV Watermaster staff at actual rates, assuming a 10% rate increase in FY 25-26</i>	<b>Budget FY 2024-25 Labor Hours</b>	<b>Budget FY 2024-25 Labor Cost</b>	<b>Actuals YTD FY 2024-25 (through Jan. 31, 2025) Labor Hours</b>	<b>Actuals YTD FY 2024-25 (through Jan. 31, 2025) Labor Cost</b>	<b>Projections FY 2024-25 Labor Hours</b>	<b>Projections FY 2024-25 Labor Cost</b>	<b>Budget FY 2025-26 Labor Hours Estimate<sup>3</sup></b>	<b>Budget FY 2025-26 Labor Cost Estimate<sup>4</sup></b>	<b>Increase/ Decrease over PY Labor Cost</b>	<b>% Change over PY Labor Cost</b>
1											
2	<b>Watermaster Administration</b>										
3	Watermaster Meetings and Notice (Ex A 2.5)	384	\$ 81,408	102	\$ 18,999	175	\$ 32,569	205	\$ 42,423	\$ (38,985)	-48%
4	Review of Records (Ex A 2.4)	96	\$ 20,352	64	\$ 10,006	110	\$ 17,153	75	\$ 11,729	\$ (8,623)	-42%
5	Website (Ex A 2.4.1)	24	\$ 5,088	50	\$ 6,902	86	\$ 11,832	90	\$ 13,493	\$ 8,405	165%
6	Administration (customer inquiries and data requests, emails, staff meetings)	-		49	\$ 7,937	84	\$ 13,607	90	\$ 14,393	\$ 14,393	
7							\$ -				
8	<b>Subtotal - Watermaster Administration</b>	<b>504</b>	<b>\$ 106,848</b>	<b>265</b>	<b>\$77,421 (\$43,844)</b>	<b>454</b>	<b>\$ 75,160</b>	<b>460</b>	<b>\$ 82,039</b>	<b>\$ (24,809)</b>	<b>-23%</b>
9	<b>Allocations &amp; Record Keeping</b>										
10	Annual Allocations & Allocation Schedule (4.2, 4.3)	40	\$ 8,480	40	\$ 6,868	69	\$ 11,774	35	\$ 5,760	\$ (2,720)	-32%
11	New Uses / Subscription Projects (4.6)	40	\$ 8,480	-	\$ -	-	\$ -	-	\$ -	\$ (8,480)	-100%
12	Transfers (4.12) and change in WMID ownership	96	\$ 20,352	20	\$ 3,840	34	\$ 6,583	110	\$ 20,695	\$ 343	2%
13	Change of Point of Extraction (4.13)	96	\$ 20,352	33	\$ 5,967	57	\$ 10,229	90	\$ 17,296	\$ (3,056)	-15%
14	New or Replacement Well (4.14)	96	\$ 20,352	-	\$ -	-	\$ -	-	\$ -	\$ (20,352)	-100%
15	Carryover (4.11)	192	\$ 40,704	-	\$ -	-	\$ -	40	\$ 6,669	\$ (34,035)	-84%
16	Overuse (4.15)	80	\$ 16,960	-	\$ -	-	\$ -	-	\$ -	\$ (16,960)	-100%
17	Extraction and use Monitoring and Reporting (Ex A, Article V)	384	\$ 81,408	85	\$ 15,237	146	\$ 26,120	80	\$ 13,633	\$ (67,775)	-83%
18	Enforcement	-		-	\$ 15,237	-	\$ 26,120	300	\$ 41,107	\$ 41,107	
19	<b>Subtotal - Allocations &amp; Record Keeping</b>	<b>1,024</b>	<b>\$ 217,088</b>	<b>178</b>	<b>\$16,708 (\$31,912)</b>	<b>305</b>	<b>\$ 80,826</b>	<b>655</b>	<b>\$ 105,160</b>	<b>\$ (111,928)</b>	<b>-52%</b>
20	<b>Basin Management</b>										
21	GSP Update (5-year evaluation) (4.9.1)	220	\$ 46,640	14	\$ 2,484	23	\$ 4,258	-	\$ -	\$ (46,640)	-100%
22	2025 Basin Optimization Yield Study (4.10)	220	\$ 46,640	53	\$ 9,143	91	\$ 15,673	160	\$ 30,281	\$ (16,359)	-35%
23	Annual Report <sup>8</sup> (5.2.3, Ex A 2.7.10)	120	\$ 25,440	34	\$ 6,273	58	\$ 10,755	-	\$ -	\$ (25,440)	-100%
24	Initial Basin Optimization Plan (5.3)	180	\$ 38,160	35	\$ 6,625	60	\$ 11,358	-	\$ -	\$ (38,160)	-100%
25	<b>Subtotal - Basin Management</b>	<b>740</b>	<b>\$ 156,880</b>	<b>136</b>	<b>\$20,487 (\$24,525)</b>	<b>232</b>	<b>\$ 42,043</b>	<b>160</b>	<b>\$ 30,281</b>	<b>\$ (126,599)</b>	<b>-81%</b>
26	<b>Committee Coordination and Consultations</b>										
27	Policy Advisory Committee (6.1, Ex A Article III)	288	\$ 61,056	60	\$ 11,519	103	\$ 19,748	110	\$ 23,231	\$ (37,825)	-62%
28	PAC Administrator			9	\$ 1,164	15	\$ 1,995	18	\$ 2,767	\$ 2,767	
29	Technical Advisory Committee (6.11, Ex A Article IV)	48	\$ 10,176	76	\$ 13,481	130	\$ 23,110	122	\$ 23,112	\$ 12,936	127%
30	TAC Member Cost <sup>11</sup>			-	\$ -	-	\$ -	-	\$ -	\$ -	
31	Insurance <sup>12</sup>			-	\$ -	-	\$ -	-	\$ -	\$ -	
32	<b>Subtotal - Committee Coordination and Consultations</b>	<b>336</b>	<b>\$ 71,232</b>	<b>145</b>	<b>\$19,272 (\$26,164)</b>	<b>249</b>	<b>\$ 44,852</b>	<b>250</b>	<b>\$ 49,110</b>	<b>\$ (22,122)</b>	<b>-31%</b>
33	<b>Budget and Assessments</b>										
34	Watermaster Budget (7.5, Ex A 2.7.6)	80	\$ 16,960	29	\$ 4,143	50	\$ 7,103	62	\$ 12,285	\$ (4,675)	-28%
35	Basin Assessments (7.1-7.3,7.6, Ex A 2.8)	192	\$ 40,704	50	\$ 6,585	86	\$ 11,289	79	\$ 10,951	\$ (29,753)	-73%
36	Processing Fees (7.4)	192	\$ 40,704	0	\$ -	-	\$ -	19	\$ 4,055	\$ (36,649)	-90%
37	Audits (7.7)	180	\$ 38,160	32	\$ 5,512	55	\$ 9,449	32	\$ 6,063	\$ (32,097)	-84%
38	CSD Fiscal Services Staff	-		-	\$ -	-	\$ -	-	\$ -	\$ -	
39	<b>Subtotal - Budget and Assessments</b>	<b>644</b>	<b>\$ 136,528</b>	<b>111</b>	<b>\$6,238 (\$16,241)</b>	<b>190</b>	<b>\$ 27,841</b>	<b>192</b>	<b>\$ 33,355</b>	<b>\$ (103,173)</b>	<b>-76%</b>
40	<b>IT Services and Support</b>										
41	Data Management and Support	192	\$ 40,704	50	\$ 10,404	86	\$ 18,788	74	\$ 12,876	\$ (27,828)	-68%
42	<b>Subtotal - IT Services and Support</b>	<b>192</b>	<b>\$ 40,704</b>	<b>50</b>	<b>\$14,404 (\$8,788)</b>	<b>86</b>	<b>\$ 18,788</b>	<b>74</b>	<b>\$ 12,876</b>	<b>\$ (27,828)</b>	<b>-68%</b>
43	<b>Calleguas Aquifer Storage &amp; Recovery Project</b>										
44	Calleguas ASR Project Operations Study (8.4)	384	\$ 81,408	-	\$ -	-	\$ -	220	\$ 42,842	\$ (38,566)	-47%
45	<b>Subtotal - Calleguas Aquifer Storage &amp; Recovery Project</b>	<b>384</b>	<b>\$ 81,408</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>220</b>	<b>\$ 42,842</b>	<b>\$ (38,566)</b>	<b>-47%</b>
46	<b>Legal Services</b>										
47	Advisory (Implementation, administration, Board meetings, Staff reports)	576	\$ 149,184	-	\$ -	-	\$ -	-	\$ -	\$ (149,184)	-100%
48	Staff time (ongoing or anticipated litigation)			16	\$ 3,065	27	\$ 5,254	49	\$ 9,427	\$ 9,427	
49	Judicial Review (county counsel) (9.2)	384	\$ 99,456	-	\$ -	-	\$ -	-	\$ -	\$ (99,456)	-100%
50	Judicial review (outside counsel)			-	\$ -	-	\$ -	-	\$ -	\$ -	
51	LPV Water Rules Appeal (9.2)	-	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ -	
52	<b>Subtotal - Legal Services</b>	<b>960</b>	<b>\$ 248,640</b>	<b>16</b>	<b>\$ (3,065)</b>	<b>27</b>	<b>\$ 5,254</b>	<b>49</b>	<b>\$ 9,427</b>	<b>\$ (239,213)</b>	<b>-96%</b>
53	<b>Total PWA LABOR COST:</b>	<b>4,784</b>	<b>\$ 1,059,328</b>	<b>901</b>	<b>\$154,530 (\$154,538)</b>	<b>1,544</b>	<b>\$ 275,977</b>	<b>2,060</b>	<b>\$ 365,090</b>		

Gene West, Chair  
 Las Posas Valley Watermaster  
 800 S. Victoria Ave.  
 Ventura, CA 93009

March 13, 2025

Re: PAC Review of 2/21/2025 Draft LPV FY 2025-2026 Watermaster Budget

Chair West:

At its March 6, 2025, meeting, the Las Posas Basin Policy Advisory Committee (PAC) reviewed the Draft Las Posas Valley Watermaster Budget for Fiscal Year 2025-2026 (FY25-26). PAC Vice Chairman Rob Grether provided an update on the February 18 Fox Canyon Groundwater Management Agency (FCMGA) Fiscal Committee meeting. The PAC appreciates the Fiscal Committee's diligence and thorough evaluation of the budget.

The PAC has identified several budget items that warrant revision, many of which align with the Fiscal Committee's recommendations.

1. The PAC recommends that the FY25-26 Watermaster Budget expenses be clearly described and segregated from any expenses incurred by FCGMA in its duties managing Ventura County water basins, including the Las Posas Valley Water Basin. The objective is that there is no duplication of expenses for the same task allocated to both Watermaster and FCGMA. In order to confirm appropriate segregation of expenses, the PAC requests review of the FY25-26 FCGMA Budget concurrently with review of the FY25-26 Watermaster Budget.
2. Year-to-date (YTD) actuals in the budget are through January 31, 2025, seven months into the fiscal year. PAC appreciates having YTD actuals but believes the budget would be much more informative if year-to-go (YTG) projections were included, as well, so that we can better estimate the total FY24-25 expenses and project ending reserves. Without refined YTG projections, the safest assumption is that YTG expenses will be approximately five-sevenths YTD expenses and carryover reserves will be approximately \$1.6 million.

	<b>FY 2024-25</b>
FY 2024-25 Beginning Year Account Balance	\$1,127,505
Basin Assessment Fee YTD (75% of 2 assessments @ \$16.145 x 40,000)	972,177
<b>Basin Assessment Fee YTG (2 assessments @ \$16.145 x 40,000)</b>	<b>1,291,600</b>
Basin Assessment Interest	16,283
Investment Income	6,167
<b>Total Revenues</b>	<b>2,286,227</b>
Total Expenditures YTD (7 of 12 months)	(931,991)
<b>Total Expenditures YTD (5 of 12 months)</b>	<b>(665,708)</b>
Operating Reserve	(214,827)
<b>Total FY 2024-25 Expenditures</b>	<b>(1,812,526)</b>
<b>Projected Year End Watermaster Budget</b>	<b>\$1,601,206</b>

3. This projected year-end surplus suggests the 3<sup>rd</sup> and 4<sup>th</sup> installments of the FY24-25 Watermaster Assessment will not be required for the Watermaster to maintain a positive cash balance, and therefore the assessments should not be levied. Or, per the PAC’s February 7, 2025 letter, the assessments could be reserved for future replenishment actions.
4. Budget line items 16, 18, 19 and 20 should all be removed from the Watermaster Budget as they are all for work performed by Watermaster in response to a Water Rights Holder making a request or seeking approval. According to the Judgment, these costs should be borne by the Water Rights Holder:

*7.4 Processing Fees. Watermaster shall develop, impose, and publish a schedule of fees sufficient to offset the expenses borne by Watermaster in processing requests for approvals as specified in this Judgment.*

New Uses / Subscription Projects is described in section 4.6; Change of Point of Extraction is in section 4.13; New or Replacement Well is in section 4.14; and Transfers is in section 4.12, with fees specifically addressed in section 4.12.7:

*Transfer Costs. All costs of Transfers will be borne by the Parties to the Transfer. Watermaster shall develop a reasonable schedule of fees for processing Transfers.*

5. PAC appreciates the efforts by FCGMA staff to estimate expenses for FY25-26 by line item. However, PAC recommends that the combined budget for FY25-26 for Watermaster Administration and Allocations & Record Keeping be contemplated against the baseline of combined relevant expenses in FY24-25. YTD expenditures in these categories combined was only \$94,129. Assuming YTG expenses keep pace, total FY24-25 expenses will be ~\$161,000. The budget for FY25-26 is more than twice as high for the same responsibilities. In the table below, the section budgets are combined and then User Fee-Based Items and Enforcement (because it is new) are removed. PAC recommends the budgets for these sections be no more than \$200,000, which is still 23% higher than FY24-25.

	YTD through Jan 31, 2025	YTG Projections (5/7ths of YTD)	Total FY 2024-25	FY 2025-26 Budget
Watermaster Administration	77,421	55,301	132,722	249,057
Allocations & Record Keeping	16,708	11,934	28,642	206,355
				455,412
16 New Uses / Subscription				9,518
18 Transfers				22,962
19 Change of Point of Extraction				17,551
20 New or Replacement Well				17,551
User Fees-Based to be Removed				67,582
				387,830
Enforcement - new				56,947
Combined without User Fee Items and Enforcement	94,129	67,235	161,364	330,883



6. Budget item 23, Enforcement, should include appropriate funding for legal services to assist Watermaster in enforcing the Judgment, captured either here or in the Legal Services section below.
7. Item 25, GSP Update, should be removed from the Watermaster Budget as preparing the GSP Update is the responsibility of the FCGMA:

*Judgment Section 1.55 GSP Updates – The regular and periodic evaluations and updates to the GSP to be undertaken by the FCGMA pursuant to SGMA. (Wat. Code, § 10728.2.)*

8. Item 34, Insurance, should be removed as it was determined that the PAC and TAC are already covered by the existing policy:

2. Each of the following is also an insured:

- a. **Elected Or Appointed Officials.** Your elected or appointed officials, including elected or appointed officials of your operating authorities, boards, commissions, districts, or other governmental units but only for acts within the course and scope of their duties for the insured public entity or its operating authorities, boards, commissions, districts or other governmental units.

**Your Public Officials and Management Liability coverage began upon appointment and covers acts within the course and scope of your duties for LPV Watermaster or its operating authorities.**

Attached is the 2024-2025 FCGMA Package Policy for the Committees to review.

Regards,

**LPV Watermaster**

9. Item 37, Basin Assessments, should be more clearly defined. The budget in FY25-26 appears to be \$65,704 (\$40,704 + \$25,000), but to date none of the budget for contract work has been spent and it is unclear how much of the \$6,238 spent YTD in the Budget & Assessments category was spent on Basin Assessments.
10. Item 38, Processing Fees. PAC has the same request for further definition and basis for the \$43,742 budget.
11. Item 44, Calleguas ASR Project Operations Study, should be removed from the budget as its development is a shared financial responsibility of Calleguas and the FCGMA:
 

*Section 8.4.7. Calleguas ASR Study Group Budget and Cost Sharing. The budget for the Calleguas ASR Study Group work to be performed pursuant to the Judgment shall be determined by unanimous agreement of all the members of the Calleguas ASR Study Group. The costs of the Calleguas ASR Study Group work, which must be unanimously authorized by the Calleguas ASR Study Group, shall be shared as follows: the FCGMA will pay 20% and Calleguas will pay 80%. Parties shall bear their own costs for attendance at meetings and analysis of completed work.*
12. Additionally, the Watermaster budget should not cover any expenses for FCGMA staff or consultants participating in the ASR Study Group, as this is the responsibility of the FCGMA, not the Watermaster:

*8.4.1. Participants. The Calleguas ASR Study Group shall consist of representatives, who shall be either licensed engineers with relevant Groundwater experience or certified hydrologists or similarly qualified, of the FCGMA, Calleguas, and the Landowners. It is anticipated the representatives will include equal representation of the overlying landowners and Calleguas, and a Watermaster representative.*

13. However, there should be a budget line created for the Landowners' representative on the Calleguas ASR Study Group as approved by the PAC. PAC will return to the Watermaster in the coming weeks with an estimated expense for this based on feedback from Calleguas regarding the anticipated time commitment.
14. Item 49, Judicial Review (outside counsel) should be broken into three explicitly defined line items:
  - a. Administrative – a modest amount to cover the expense of attending status conferences with the Court, etc.
  - b. Enforcement – noted above in item 6.
  - c. Defense of a Decision Appeal – a budget for Watermaster to defend an appeal by a Water Rights Holder against the Watermaster based on an action taken by Watermaster under the Judgment. PAC recommends Watermaster work with counsel to estimate the cost of defending one appeal per year, noting that we have not had an appeal to date.
15. Item 49, Judicial Review (outside counsel) should not include any additional, undefined budget for any activities that do not fall within the three categories listed in item 14. The PAC maintains its position that legal fees associated with the FCGMA's appeal of the Judgment should be borne by FCGMA as a party to the adjudication, recovered through FCGMA extraction fees, and not solely by the LPV landowners, recovered through the basin assessment.

The FCGMA agreed to serve as Watermaster for the Las Posas Basin and to perform the duties assigned to it under the Phase 3 Settlement and Judgment, consistent with the Judgment's terms and the Watermaster Rules and Regulations. This includes establishment of the Physical Solution, establishment of the PAC and TAC, and the Basin Optimization Plan.

The Judgment allows for certain legal fees to be borne by the Watermaster, but these are for implementation of the Judgment, not for contesting the Judgment. Contesting the Judgment via an appeal strikes the PAC as the FCGMA's "own costs" as described in Section 12.4 of the Judgment:

*12.4 Costs Except subject to any existing Court orders and stipulations or separate agreement of one or more Parties, each Party shall bear its own costs and attorneys' fees arising from the Comprehensive Adjudication.*
16. PAC anticipates that the final FY 2025-26 Watermaster Budget can be trimmed down by at least \$1,000,000 and the Basin Assessment can be reduced to \$50 per AF:

	Labor Cost	Contract Cost	Combined
Watermaster Administration, Allocations & Record Keeping			
Combined Labor Cost Estimate - all activities	200,000		
Extraction and Use Monitoring and Reporting - contract Enforcement	56,947	61,800	
Subtotal - Admin and Allocation & Record Keeping	256,947	61,800	318,747
Basin Management			
2025 Basin Optimization Yield Study	34,346	125,000	
Annual Report	42,530	60,326	
Initial Basin Optimization Plan	35,649	58,000	
Subtotal - Basin Management	112,525	243,326	355,851
Committee Coordination - all items excl. insurance	62,919	542,233	605,152
Budgets and Assessments			
Watermaster Budget	27,805		
Basin Assessments	10,000		
Processing Fees	10,000		
Audits	6,063	15,000	
CSD Fiscal Services Staff		37,290	
Subtotal - Budget and Assessments	53,868	52,290	106,158
IT Services and Support	49,079	200,000	249,079
Calleguas ASR Study Group - Landowner Representative		25,000	25,000
Legal Services			
Advisory		125,000	
Staff Time - assuming this explicitly supports the 3 categories below	79,045		
Admin		25,000	
Enforcement		50,000	
Defense of Rights Holder Appeal		50,000	
	79,045	125,000	204,045
<b>TOTAL FY 2025-26 Budget</b>	<b>614,383</b>	<b>1,224,649</b>	<b>1,839,032</b>
Projected FY 2024-25 Expenditures			1,812,526
YOY Change			1.5%
Operating Reserves at 10%			181,253
<b>Grand Total:</b>			<b>1,993,778</b>
Total Annual Allocation (AF):			40,000
Basin Assessment per AF (rounded up to nearest dollar):			\$50.00
Quarterly Assessment			\$12.50

The PAC is grateful that the Watermaster has started the process of developing and refining the FY 2025-26 Watermaster Budget well in advance of the next fiscal year and believe that together we can shape it into a budget that is detailed and reasonable. Thank you for your consideration of PAC's recommendations.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ian Prichard". The signature is fluid and cursive, written over a faint horizontal line.

Ian Prichard, Chair, Las Posas Valley Basin PAC

# FOX CANYON GROUNDWATER MANAGEMENT AGENCY

## MEMORANDUM

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**Date:** March 18, 2024

**To:** Fiscal Committee

**From:** Arne Anselm, Interim Executive Officer

**Subject:** Item E – FCGMA Fiscal Year 2025-2026 Budget Development Study Session

### **Presentation and Discussion regarding FCGMA Budget Development**

Discussing Board priorities for the FCGMA Fiscal Year (FY) 2025-26 Work Plan and Draft Budget; opportunity to provide feedback or discuss recommendations for draft documents.

### **Attachments:**

Exhibit E1 –Fiscal Committee Policy Development Priorities

## **ITEM E1 - FISCAL COMMITTEE POLICY PRIORITIES**

### *Planning for Future Budget Development*

Fiscal Committee strategic recommendations for future budget development follow below.

#### 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.

#### 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.

#### 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.

#### 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.

#### *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.

### 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.

#### *Loan Policies*

##### *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.

##### *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.

##### *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.

##### *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.

## 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.

### *Developing Strategic Goals*

## Fiscal Committee

### *Objectives*

Goals, priorities/mandates (TBD)

### *Policy Development Process*

Action policies and procedures in development. (TBD)

### *Fiscal Committee Policies*

- Review Policy
- Budget and Fiscal Policy
- Fiscal Management Policy
- Audit Management Policy
  - Audit Review Policy
- Reserve Level Policy
- Enforcement Policy
  - Collect resources for review<sup>1</sup>
- Funding Policies

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<sup>1</sup> <https://www.cdfa.ca.gov/taxes-and-fees/manuals/cpm-07.pdf>



Item E1

3/18/2025 Fiscal Committee Meeting

- Grants
- Interfund Loans
  - Loans to Other Programs (LPV Watermaster)