



**WATER  
AGENCY**

**PROPOSED TWO-YEAR BUDGET  
FY 2024-25 AND FY 2025-26**

Regular Board Meeting  
June 11, 2024

# Strategic Plan Goals and Initiatives



**Water Quality**



**Water Reliability**



**Flood Protection**

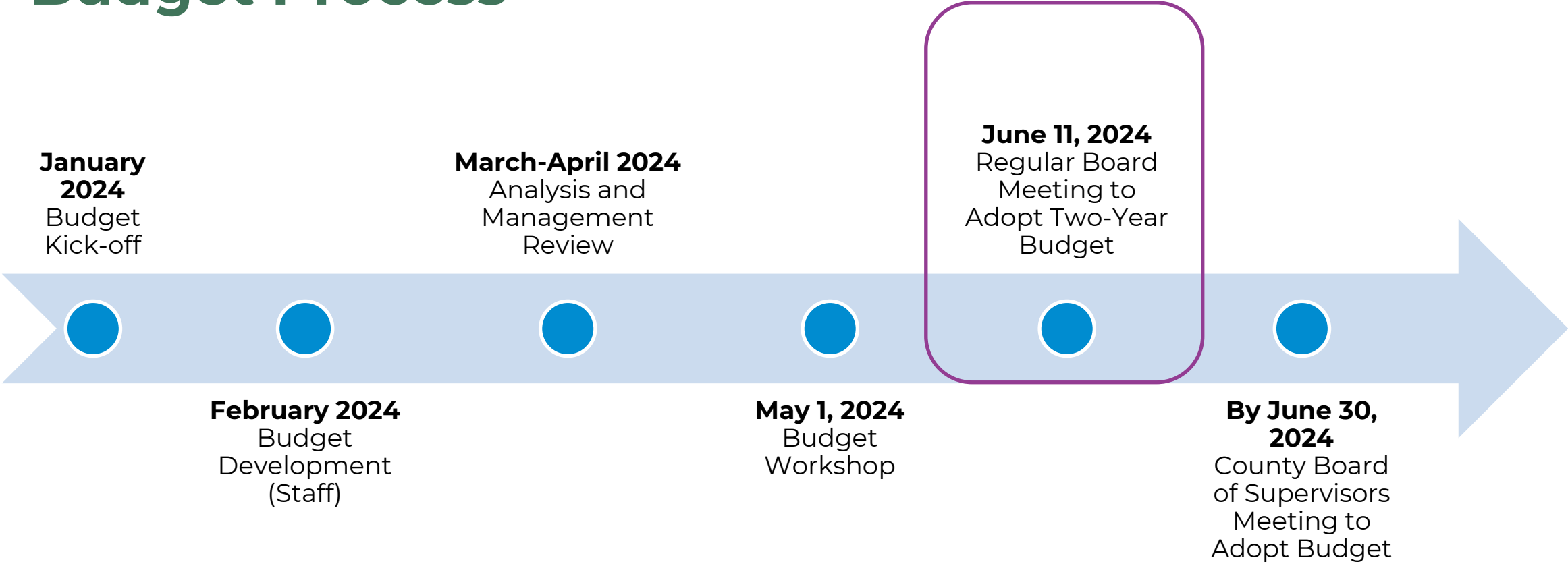
## Goal G

Fiscal Responsibility:  
Operate the Agency in a  
fiscally responsible manner

## Initiative 24

Continue to effectively  
manage financial resources  
for the Agency

# Budget Process



# Budget Highlights

## Fund 100 – Water Enterprise Operations

Major Assumptions Include:

- Board approved 5.5% rate increases in calendar years 2025 and 2026
- Treated Water Sales
  - › 34,000 AF (2025)
  - › 35,000 AF (2026)
- Untreated Water Sales
  - › 5,000 AF (2025 and 2026)



# Fund 120 – Renewal/Replacement and System-wide Improvements Capital Investments

## Planned Capital Projects for FY 2024-25 and FY 2025-26 include:

- Chain of Lakes Conveyance System \$2.4M
- DVWTP and PPWTP HVAC Replacement \$1.8M
- Mocho Wellfield PFAS Treatment Facility \$9.6M
- PPWTP Improvements and Replacements \$6.2M
- Regional Project Feasibility Study \$900K
- Silver Oaks Pump Station Replacement \$3.7M



# Budget Highlights

## Fund 110 – State Water Facilities

## Fund 130 – Water Enterprise Expansion

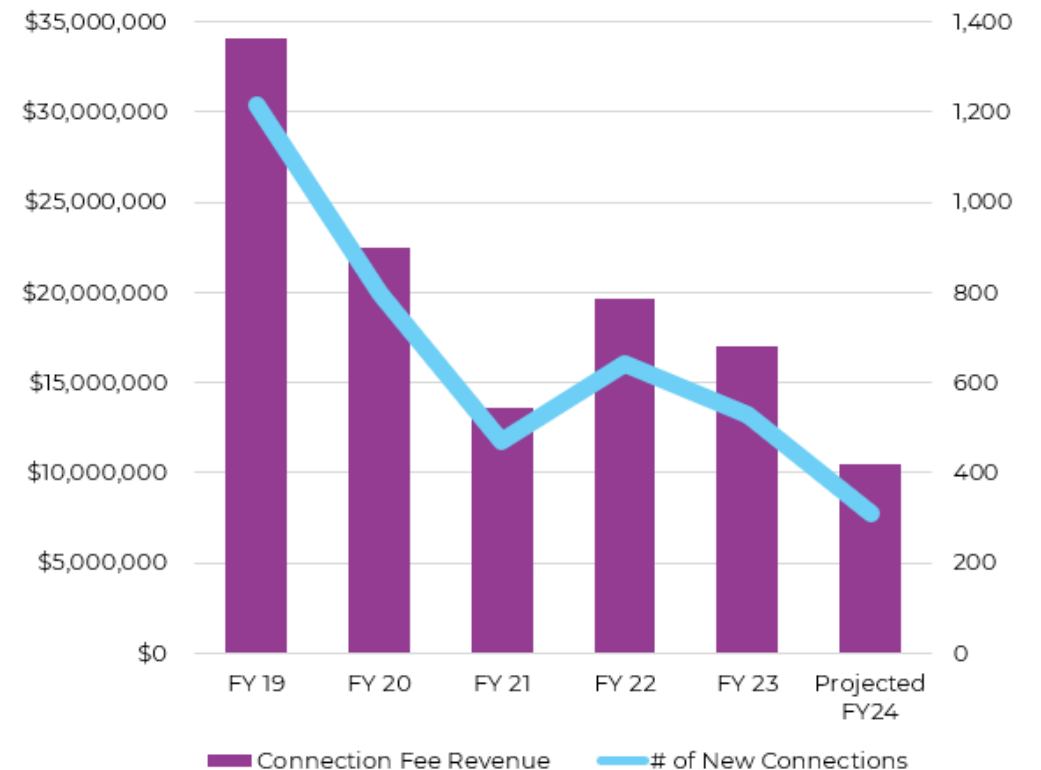
### Fund 110

- No increase to property tax override
  - › \$22M (FY 2025 and FY 2026)

### Fund 130

- \$10M assumption for connection fee revenue (FY 2025 and FY 2026)
- Connection fee revenue has been on a decline since FY 2018-19
- Upcoming connection fee study to evaluate:
  - › Future connections in the service area
  - › Allocation of projects to Expansion fund

### Historical Connection Fee Revenue



# Budget Highlights

## Fund 200 – Flood Protection Operations

## Fund 210 – Flood Protection Development Impact Fee

### Fund 200

- 2023 Storm Repair Project is funding priority
- FY 2024-25: \$11.7M
  - › Army Corp of Engineers repair of 48 sites – Agency to pay 20% (~\$8M)
  - › \$3.7M allocated to repair 6 high priority sites
- FY 2025-26: \$7M
  - › Repair of 24 damaged sites
- Grants: \$2.6M assumed from FEMA/CAL OES



US Army Corps  
of Engineers®



Cal OES  
GOVERNOR'S OFFICE  
OF EMERGENCY SERVICES

### Fund 210

- Fund portion of next phase of the Flood Management Plan



FEMA



## Recommended Action

Adopt Resolution approving the Two-Year Operating and Capital Budget for Fiscal Years 2024-25 and 2025-26.

The adopted budget will go into effect July 1, 2024.





**WATER  
AGENCY**

**Questions?**

