



MAY 27, 2021
ITEM 7A
BUDGETING



BUDGETING PROCESS

1

- 20-year GSP Scope & Budget Estimates
- Future Groundwater Extraction Assumptions

2

- Multi-Year Budget through 1st 5-Year GSP Assessment & Update

3

- Fiscal Year 2021/2022 Budget

20-YEAR GSP IMPLEMENTATION SCOPE & BUDGET

- GSP must include estimated costs for plan implementation
 - Costs included to plan for projects and management actions
 - Project or mgmt. action implementation costs not included
- Scope details are provided in GSP Section 7 preliminary draft (Staff Report Attachment A)
- Budget (two options) provided in Attachments C & D
 - Two different assumed annual extraction rates
- Costs escalated 3% per year for inflation

AGENCY ADMINISTRATION

■ Labor:

- Executive Director: \$21K
- Accounting: \$15K

*FY 22: \$61,050
See Attachment E or F
for Labor Cost
Breakdown*

■ Expenses:

- Financial Audits: \$13K
- Insurance: \$6K
- Organizational memberships
- IT services (website, email, and cloud storage), miscellaneous supplies, and incidentals

LEGAL COUNSEL

- Routine legal support:

FY 22: \$35,000

- Contracts
- Access agreements
- Brown Act matters
- Groundwater extraction fee issues

- Admin Support

- Budget assumes no litigation

GW MANAGEMENT, COORDINATION, AND OUTREACH

- Ongoing outreach per SGMA regs.
- Monitor regional and state activities:
 - Member Agencies
 - Land use planning efforts
 - Ventura River Watershed Cmte. (IRWM)
 - SWRCB Instream Flow Enhancement
 - OBGMA
 - Adjudication
 - San Antonio Creek depletion - coordination
 - Track DWR / SGMA updates
- FY 22 includes \$25K for grant application

FY 22:
\$55,000

MONITORING NETWORKS

- GW Level Monitoring (\$7K/yr, increases as wells are added)
- GW Quality –sampling gaps only (~\$4K/yr)
- Stream Gaging (~13K/yr per site)
- Ephemeral Flow Visual Monitoring (~\$16K/yr)
- Riparian GDE – monitoring (~5K/yr)

FY 22:
\$71,624

MONITORING NETWORKS

- **Confluence Aquatic GDE Monitoring:**
 - **FY 22: Develop and approve monitoring plan (~\$7K)**
 - **FY 23 – 26: Perform baseline monitoring (~\$145K)**
 - **FY 27: Report (~\$16K)**
 - **>FY 27: ongoing monitoring if initial monitoring indicates significant and unreasonable effects (~\$9K/yr)**

MONITORING NETWORKS

■ Foster Park Aquatic GDE Monitoring:

- FY 22: Develop & approve monitoring plan (~\$14K)
- FY 23 – 26: Perform monitoring to establish baseline conditions (~\$80K)
- FY 27: Report (~\$16K)
- >FY 27: ongoing monitoring (~\$9K/yr)

Note: It is anticipated that a monitoring program will eventually be developed and implemented as part of a physical solution for the Ventura River Watershed Adjudication. However, there is not a definitive timeline for either a judgment and or implementation Therefore, scope and budget for monitoring of the Foster Park Aquatic GDE, with the understanding that monitoring may transition to or be shared with others in the future.

MONITORING NETWORKS

- **GW Extraction Reporting:**
 - Develop reporting program (~\$5K)
 - Annual administration (~\$2K)

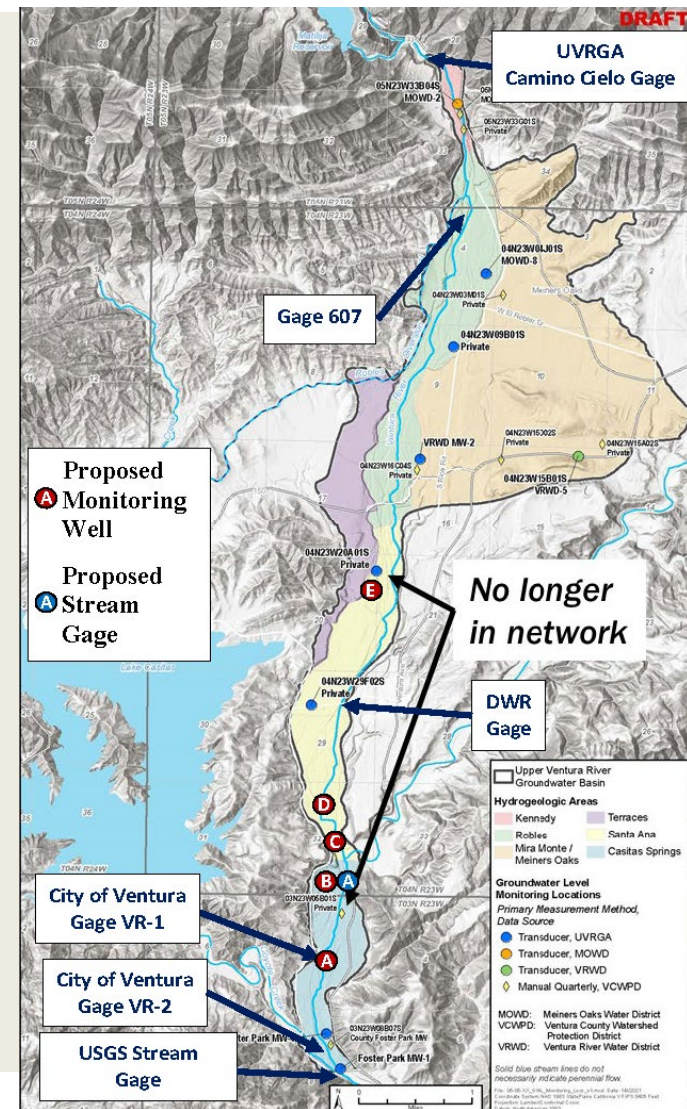
MONITORING WELL AND STREAM GAGE CONSTRUCTION

- Five monitoring wells needed to address data gaps, as discussed during May 13 Board meeting (~\$290K)
 - Assume existing wells will address three data gaps areas
 - Assume UVRGA drills monitoring wells to address two data gap areas
- Stream gage to be installed in confluence area (~\$60K)

*FY 22:
\$17.5K
for
planning
and site
acquisition*

MONITORING WELL AND STREAM GAGE CONSTRUCTION

- Construct monitoring wells upstream of Foster Park in data gap areas (Sites A – E)
 - Couple Site A with City gage VR-1
 - Facilitate model updates to better estimate indirect depletion
- Construct stream flow gage near confluence (Site A)
 - Understand surface water flow with Confluence area and inflow to Foster Park area



ANNUAL REPORTS

- SGMA requires annual reports
 - Executive summary
 - Basin conditions (text and graphical)
 - Groundwater extractions
 - Surface water supplies
 - Total water use
 - Discussion of GSP implementation progress
- FY 22 - first report costs higher than subsequent year reports
 - Build from scratch
 - Includes multiple years of data to bridge gap between GSP data and water year 2021

FY 22:
\$45,000

PROJECTS AND MANAGEMENT ACTIONS

- P&MA only needed for depletions of interconnected surface water (ISW)
- Direct ISW depletions will be addressed via City implementation of Foster Park Protocols (no cost to GSA)
- Indirect Depletion may need P&MA to address:
 - First address data gaps and update modeling estimates of indirect depletion
 - Develop P&MA over time, if needed
 - See Table 7.1-2 in Attachment A for path
 - \$300K budgeted to plan for P&MA between FY 2023 and FY 2030

FY 22:
\$0

NUMERICAL MODELING

- Update model every five years for GSP assessment

FY 22:
\$0

- Perform simulations to assess SMC, re-evaluate indirect depletion, and plan for P&MA:
- Assume \$100K first 5-yr update (FY 26 & 27)
- Assume \$50K for subsequent 5-yr updates

GSP EVALUATION AND UPDATES

- SGMA requires UVRGA to evaluate the GSP at least every 5 years and in conjunction with any GSP updates.
- The initial 5-year GSP evaluation is due to DWR in 2027.
- Assume GSP will be updated in 2027:
 - Incorporate data from monitoring programs, new monitoring sites, and updated modeling

FY 22:
\$0

RESPOND TO DWR COMMENTS AND QUESTIONS

- Assume DWR will have comments and questions on initial GSP and 5-year GSP evaluations/updates

FY 22:
\$0

CONTINGENCY

- 10% contingency assumed on all estimated costs

FY 22:
~\$19K

ASSUMED GW EXTRACTIONS

- Budgets are presented two ways:
 - 2017 extraction volumes from fee study: 4,341 AFY
 - Extraction projections developed for GSP: 5,425 AFY

Staff is seeking Board direction on assumed extraction volume for budgeting.

TOTALS AND ESTIMATED EXTRACTION FEES

4,341 AFY

Fiscal Year	Totals	Extraction Fee (\$/AF)	Ending Cash
2022	\$ 313,732	\$ 79.16	\$ 262,463
2023	\$ 403,441	\$ 125.00	\$ 236,621
2024	\$ 492,475	\$ 125.00	\$ 286,746
2025	\$ 582,336	\$ 120.00	\$ 225,306
2026	\$ 480,900	\$ 115.00	\$ 243,598
2027	\$ 495,557	\$ 110.00	\$ 225,529
2028	\$ 352,164	\$ 105.00	\$ 330,724
2029	\$ 457,019	\$ 100.00	\$ 309,285
2030	\$ 466,604	\$ 100.00	\$ 278,261
2031	\$ 506,136	\$ 110.00	\$ 251,262
2032	\$ 508,547	\$ 115.00	\$ 243,632
2033	\$ 395,525	\$ 115.00	\$ 349,025
2034	\$ 370,410	\$ 115.00	\$ 479,532
2035	\$ 381,522	\$ 115.00	\$ 598,927
2036	\$ 584,300	\$ 115.00	\$ 515,544
2037	\$ 589,545	\$ 115.00	\$ 426,916
2038	\$ 458,548	\$ 115.00	\$ 469,285
2039	\$ 429,406	\$ 115.00	\$ 540,796
2040	\$ 442,289	\$ 115.00	\$ 599,424
2041	\$ 674,606	\$ 115.00	\$ 425,735
2042	\$ 683,445	\$ 120.00	\$ 264,987
Yrs. 1-5	\$ 2,272,885		
Yrs. 6-20	\$ 7,795,622		
Total	\$ 10,068,507		

First year per existing fee approach.

Subsequent years will require a new fee approach.

Note: Budget assumes no grants.

5,425 AFY

Fiscal Year	Totals	Extraction Fee (\$/AF)	Ending Cash
2022	\$ 313,732	\$ 79.16	\$ 262,463
2023	\$ 403,441	\$ 100.00	\$ 236,521
2024	\$ 492,475	\$ 100.00	\$ 286,546
2025	\$ 582,336	\$ 97.50	\$ 233,148
2026	\$ 480,900	\$ 92.50	\$ 254,060
2027	\$ 495,557	\$ 90.00	\$ 246,753
2028	\$ 352,164	\$ 90.00	\$ 382,839
2029	\$ 457,019	\$ 90.00	\$ 414,070
2030	\$ 466,604	\$ 90.00	\$ 435,716
2031	\$ 506,136	\$ 90.00	\$ 417,829
2032	\$ 508,547	\$ 90.00	\$ 397,532
2033	\$ 395,525	\$ 90.00	\$ 490,258
2034	\$ 370,410	\$ 90.00	\$ 608,098
2035	\$ 381,522	\$ 87.50	\$ 701,263
2036	\$ 584,300	\$ 87.50	\$ 591,651
2037	\$ 589,545	\$ 87.50	\$ 476,793
2038	\$ 458,548	\$ 87.50	\$ 492,933
2039	\$ 429,406	\$ 90.00	\$ 551,777
2040	\$ 442,289	\$ 90.00	\$ 597,738
2041	\$ 674,606	\$ 95.00	\$ 438,507
2042	\$ 683,445	\$ 95.00	\$ 270,438
Yrs. 1-5	\$ 2,272,885		
Yrs. 6-20	\$ 7,795,622		
Total	\$ 10,068,507		

FISCAL YEAR 2022 AND MULTIYEAR BUDGET PROJECTION FOR ADOPTION

- Based on the presented GSP implementation budget
- FY 22 includes \$211K to finalize and submit GSP
- Multiyear projection extends through first 5-yr GSP assessment & update cycle
- Two budget versions with different extraction volumes provided in Attachments E and F

FISCAL YEAR 2021 YEAR END PROJECTION

■ Income

- Budgeted: \$652K
- Projected: \$598K
- Deviation: (\$54K)
 - Not an actual cash deviation – deviation is due to timing of grant revenue accruals

■ Expense

- Budgeted: \$658K
- Projected: \$662K
- Deviation: \$4K

■ Net Deviation: (\$58K) (cash deviation is (\$4K))

FISCAL YEAR 2022 PROPOSED BUDGET VERSUS PRIOR YEAR PROJECTION

■ Income

- FY 22 projected last year: \$434K
- Proposed FY 22 budget: \$425K
- Deviation: (\$9K)

■ Expense

- FY 22 projected last year: \$507K
- Proposed FY 22 budget: \$525K
- Deviation: \$18K

■ Net Deviation: (\$27K) (~6%)

RECOMMENDATION

- Provide feedback on 20-yr GSP implementation budget for draft GSP
- Adopt FY 22 budget (Attachment E, F, as amended by Board)
- Adopt Multi-Year Projection (Attachment E, F, as amended by Board)