



**Regional Water Authority**  
BUILDING ALLIANCES IN NORTHERN CALIFORNIA



# Regional Water Authority

## *Fiscal Year 2023-24 Budget*

May 18, 2023



# Overview

- FY24 Dues
- FY24 Revenues
- FY24 Expenses
- FY24 Budget Results
- Strategic Plan Alignment
- Budget Outlook
- Questions and Discussion

## FY24 Dues

- Per the EC recommendation, the Dues for FY24 will be at 0% increase for both RWA Board and Associate members.

Definition: Unit cost remains at \$2.28 per retail connection for up to 3,000 connections (small agency) or 30,000 connections (medium and large agency). Unit cost is reduced by 50% for up to 7,000 connections (small agency max.) and for every 10,000 in additional retail connections (medium and large agency) up to 60,000 connections; after 60,000 connections, it will be .07 cents per connection.

- Affiliate members will increase from \$750 to \$800 per year.
- Results in \$10,900 additional revenues



# FY24 Revenues

- Member Dues – est. total is \$1,137,809
- SGA Reimbursements – \$880,744 includes SGA 3.3 FTE staffing and annual increase in shared expenses
- Subscription Program Revenues
  - WEP Subscription Program – \$222,813 covers WEP PM staffing + overhead charges to the program
  - CIMS Program – \$293,750 covers Strategic Manager staffing + overhead charges to the program
  - Staff Reimbursements – \$95,980 from Program Management Fees to various Projects and Grants
- Misc. and Interest Income – \$64,500
- Total FY24 Revenues = \$2,695,596

# FY24 Expenses

- Expenses are adjusted from FY22/23 budgeted amounts: 6% COLA for staffing, 3% CPI for Office Expense, and 5% for Professional Fees
- No PERS UAL payment for FY24
- Includes Increase in OPEB payment for FY24
- Other expenses – \$40,000 placeholder for office relocation to be split with SGA and subscription programs
- Core Project expenses – IRWM/Opti-system update/replacement for \$15,000 and Powerhouse Science Center/MOSAC payment of \$25,000
- Program Transfers
  - WEP transfer for FY23/24 is 30%
  - CIMS transfer for FY23/24 is 10%
- Total FY24 Expenses = \$2,955,047



## FY24 Budget Results

- FY24 Budget Result is a planned deficit of (\$259,452)
- Budget shortfall will be offset by available cash balance and Powerhouse Science Center designation
- Possibility for FY24 savings in office relocation costs, professional, office and IRWM costs
- Pension UAL costs are expected to resume and be higher in FY25

# Strategic Plan Alignment

Strategic Plan Goal	Associated Budget Item
Planning Goal	Regional Water Bank - \$226,400 CIMS Program - \$631,829
Implementation Goal	Staff and Benefits - \$2,180,147 Water Efficiency Program - \$770,619 IRWM - \$15,000 Office Move - \$40,000 IT Upgrades - \$8,500
Advocacy Goal	Lobbyist Consultant - \$125,000 Legal - \$80,000
Communication Goal	Public Outreach Consultant - \$140,000 Dues, Subscriptions, & Sponsor - \$26,000 Powerhouse Science Center - \$25,000

# Strategic Plan Alignment

Overall , RWA spends approximately:

- \$2,180,147 in staffing and salary costs to implement Strategic Plan (73.7%)
- \$345,000 in direct costs (11.7%) can be linked to a Strategic Plan Goal.
- Over 85% of budget connected to RWA's Strategic Plan. Remaining budget of \$429,900 is either overhead, regulatory (audit) costs, or as needed consulting services
- Subscription Programs support RWA goals in a total amount of \$1,653,848 for Water Bank, WEP, CIMS and Powerhouse Science Center





# Budget Outlook

- FY25 and FY26 forecast membership dues increase annually by 2% subject to budget performance
- Future years are compliant with the Operating Designation Policy parameters
- All non-restricted cash is depleted
- Budget does not include \$55 million in potential conjunctive use project funding or any federal grant money
- Any changes in current membership could have significant financial impact on future budgets
- Budget numbers are based on estimates - Actual budget results may not be achieved



## Questions and Discussion