



# **Sacramento Groundwater Authority Fiscal Year 2025/2026 Budget**

**SGA Board Meeting  
February 13, 2025**



**SACRAMENTO GROUNDWATER AUTHORITY**

# Overview

- Budget Policies
- Fees Calculation Methodology
- FY 2024/25 Budget Assumptions
- FY 2024/25 Budget Outlook
- FY 2025/26 Budget Outlook
- Budget Schedule

# Budget Policies

- Administrative and Management Service Agreement Policy 100.2 – SGA shares 50% of the administrative costs incurred by RWA to run both organizations

## 3.4 Full Time Employees for SGA:

50% - Executive Director, Manager of Technical Services, FASM, & Exec. Assistant (2 FTE)

20% - Project Research Assistant, Manager of Government Relations (.4 FTE)

100% - Senior Project Manager (1 FTE)

- Compensation Policy 100.3 - salaries within range plus potential for COLA and merit for eligible staff

# Budget Policies – cont'd.

- Reserve Policy 400.2 – goal is to have a minimum of 4 months and a maximum of 6 months to fund operating expenses.
- Budget Policy 400.3 – approve a budget prior to July 1<sup>st</sup>
- JPA – Double Majority Vote to approve budget (Member Vote/Weighted Financial Contribution Vote)
- Defined Benefit Pension Plan Funding Policy 400.4 – accelerated funding of unfunded pension plan over four years
  - SGA has their own PERS account
  - SGA Unfunded Accrued Liability (UAL) is \$241,305
  - SGA additional UAL pension contribution of \$60,400
  - Employee's pay their full share



# Fees Calculation Methodology

- Fees – two components: Base & Groundwater
- Base Fee – (Retail Connections)
  - 0 – 6,000 connections = FY 24/25 - \$12,562
  - Connections over 6,000 = FY 24/25 - \$1.63 per connection
- Groundwater Fee – (5-year avg of groundwater pumped within SGA boundaries)
  - FY 24/25 - \$7.74 per acre foot
- Historical Target
  - Base Fee - 42%
  - Groundwater Fee - 58%

# FY 2024/25 Budget Assumptions

When FY 24/25 Budget was approved, SGA assumed:

- GSP Implementation offset by SGMA Grant
- Grant Staff Time Reimbursement of \$162k
- Additional CalPERS funding of \$52k
- 0% fee increase in FY 25/26 and FY 26/27

# FY 2024/25 Budget Outlook

- FY 24/25 budget had a planned deficit of \$12k covered by SGA reserves
- FY 24/25 had a 3% Base Fee and 9% Groundwater Fee increase, which resulted in a total fee increase of 2.88%
- Mid-year budget to actual...

# FY 2025/26 Budget Outlook

- SGMA Grant (DWR) – SGA will continue to benefit from the grant covering some GSP Implementation expenses and by receiving reimbursement for staff time spent working on the grant.
- GSP Implementation – SGA expenses will increase due to the SGMA Grant coming to an end.
- As with any budget, numbers are based on estimates. Actual budget results may not be achieved.



# Budget Schedule

- Chair typically appoints a Budget Subcommittee in February
- Subcommittee meets one or two times
- Budget approval at SGA's April Board Meeting
- If Budget is not approved, Budget Subcommittee meets again to revise budget for SGA's June Board Meeting

# Questions and Discussion



SACRAMENTO GROUNDWATER AUTHORITY