

DESERT WATER



Fiscal Year 2024 - 2025

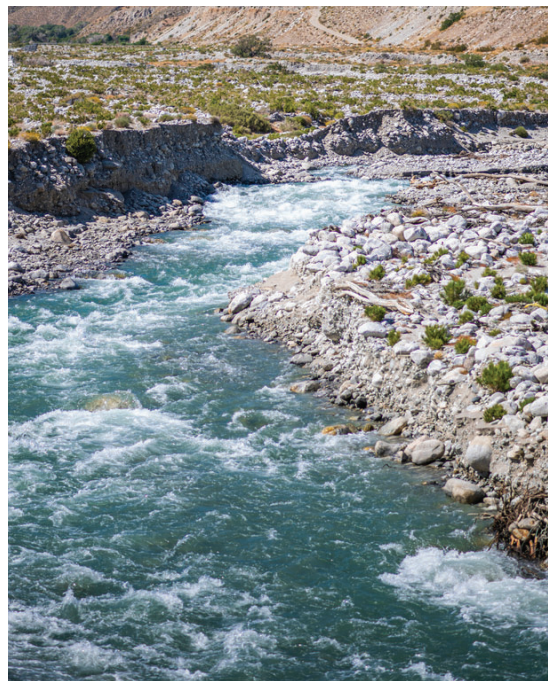
Augmented February 2025

BUDGET

OPERATING FUND

GENERAL FUND

WASTEWATER FUND





DESERT WATER AGENCY
2024 / 2025
Budget

Operating Fund
General Fund
Wastewater Fund



DESERT WATER AGENCY

2024 / 2025 Budget

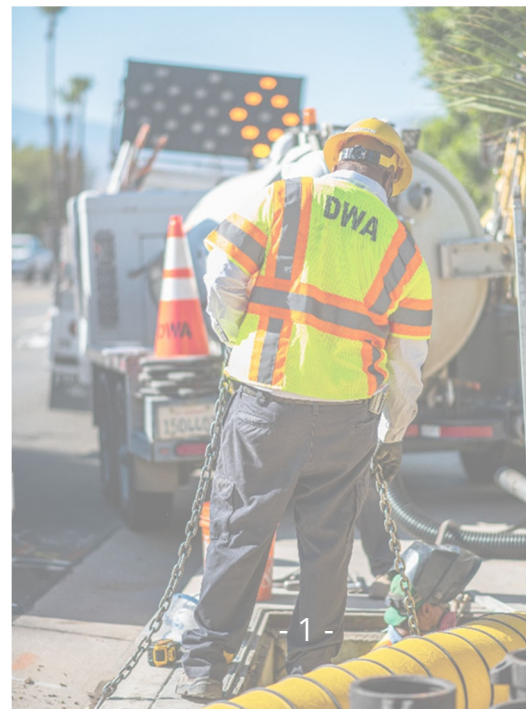
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DESERT WATER



DESERT WATER AGENCY Operating Fund Budget 2024 / 2025



DESERT WATER AGENCY

OPERATING FUND

2024-2025 Budget with Prior Year Comparison

Augmented February 2025

	ACTUAL 2022-2023	ACTUAL TO 3/31/2024	BUDGET 2023-2024	BUDGET 2024-2025	Increase / (Decrease)
OPERATING REVENUES					
WATER REVENUE					
Water Sales - <i>Augmented</i>	\$38,983,355	\$30,082,277	\$43,080,000	\$41,477,000	(\$1,603,000)
Recycled Water Sales	\$895,990	\$704,268	\$996,000	\$1,035,000	\$39,000
TOTAL WATER REVENUES	\$39,879,345	\$30,786,545	\$44,076,000	\$42,512,000	(\$1,564,000)
OTHER OPERATING REVENUE					
Fire Protection	\$446,935	\$342,258	\$435,000	\$492,000	\$57,000
Charge for Inst of Serv & Mtr	\$118,020	\$122,371	\$177,600	\$162,000	(\$15,600)
Back-up Facility Charge	\$789,370	\$556,850	\$912,000	\$766,000	(\$146,000)
Service Charges	\$1,020,825	\$878,711	\$940,800	\$969,600	\$28,800
Power Sales	\$45,298	\$87,311	\$56,400	\$86,400	\$30,000
TOTAL OTHER OPERATING REVENUE	\$2,420,447	\$1,987,501	\$2,521,800	\$2,476,000	(\$45,800)
TOTAL OPERATING REVENUES	\$42,299,792	\$32,774,046	\$46,597,800	\$44,988,000	(\$1,609,800)
OPERATING EXPENSES					
SOURCE OF SUPPLY EXPENSE					
Supervision & Engineering	\$77,174	\$50,614	\$94,800	\$102,000	\$7,200
Operating Labor	\$58,736	\$36,577	\$60,960	\$115,200	\$54,240
Maint of Struct & Improv	\$169,457	\$128,073	\$319,080	\$278,200	(\$40,880)
Maint, Rds & Res Security	\$20,410	\$9,765	\$286,920	\$688,510	\$401,590
Maintenance of Intakes	\$300,180	\$92,406	\$64,560	\$15,550	(\$49,010)
Maintenance of Wells	\$2,328	\$14,076	\$12,960	\$15,060	\$2,100
Water Replenishment	\$5,298,877	\$4,436,453	\$6,149,040	\$6,348,000	\$198,960
Misc Source of Supply	\$64,493	\$22,026	\$57,000	\$10,000	(\$47,000)
TOTAL SOURCE OF SUPPLY	\$5,991,655	\$4,789,989	\$7,045,320	\$7,572,520	\$527,200
PUMPING EXPENSE					
Supervision & Engineering	\$123,356	\$78,316	\$159,600	\$169,200	\$9,600
Pumping Labor	\$370,863	\$134,764	\$205,800	\$219,300	\$13,500
Maintenance of Structures	\$209,993	\$103,901	\$102,000	\$116,060	\$14,060
Maint of Pumping Equipment	\$236,904	\$194,497	\$936,600	\$504,300	(\$432,300)
Power Purchases	\$3,905,148	\$3,653,183	\$4,398,000	\$4,896,000	\$498,000
Misc Exp & Care of Grounds	\$115,965	\$85,889	\$19,920	\$157,000	\$137,080
TOTAL PUMPING	\$4,962,228	\$4,250,550	\$5,821,920	\$6,061,860	\$239,940

DESERT WATER AGENCY

OPERATING FUND

2024-2025 Budget with Prior Year Comparison

Augmented February 2025

	ACTUAL 2022-2023	ACTUAL TO 3/31/2024	BUDGET 2023-2024	BUDGET 2024-2025	Increase / (Decrease)
REGULATORY WATER TREATMENT EXPENSE					
Supervision & Engineering	\$159,087	\$128,687	\$175,200	\$206,400	\$31,200
Operating Labor	\$240,721	\$176,476	\$214,680	\$223,380	\$8,700
Maint of Structures	\$5,618	\$4,363	\$15,000	\$16,550	\$1,550
Maint of Water Treat Equipment	\$109,293	\$64,450	\$102,000	\$108,000	\$6,000
Chem & Filtering Material	\$415,018	\$390,236	\$399,960	\$525,100	\$125,140
Misc Water Treatment	\$179,453	\$125,125	\$146,400	\$154,800	\$8,400
TOTAL REGULATORY WATER TRTMT	\$1,109,190	\$889,337	\$1,053,240	\$1,234,230	\$180,990
TRANSMISSION & DISTRIBUTION EXPENSE					
Supervision & Engineering	\$719,957	\$544,392	\$751,200	\$882,000	\$130,800
Maintenance of Struct & Impv	\$358	\$0	\$4,560	\$5,000	\$440
Storage Facilities	\$167,725	\$115,699	\$148,560	\$121,500	(\$27,060)
Trans & Distr Lines	\$135,086	\$129,648	\$98,040	\$114,000	\$15,960
Customer Installation	\$63,382	\$49,162	\$164,160	\$178,800	\$14,640
Cross Connection	\$177,081	\$98,503	\$175,080	\$175,000	(\$80)
Maintenance of Reservoirs	\$57,278	\$47,036	\$41,640	\$580,000	\$538,360
Maintenance of Mains	\$1,139,392	\$876,330	\$1,751,280	\$1,296,500	(\$454,780)
Maintenance of Whitewater MWC	\$200,520	\$124,574	\$317,880	\$41,750	(\$276,130)
Maintenance of Hydrants	\$106,942	\$102,521	\$175,080	\$150,000	(\$25,080)
Maintenance of Fire Services	\$58,930	\$33,464	\$110,040	\$110,000	(\$40)
Maintenance of Services	\$309,822	\$199,196	\$275,040	\$200,000	(\$75,040)
Maintenance of Meters	\$300,856	\$163,965	\$325,560	\$263,810	(\$61,750)
Misc Supply Expense	\$103,397	\$82,249	\$127,800	\$106,600	(\$21,200)
TOTAL TRANS & DISTRIBUTION	\$3,540,725	\$2,566,738	\$4,465,920	\$4,224,960	(\$240,960)
CUSTOMER ACCOUNT EXPENSE					
Supervision & Engineering	\$156,283	\$161,469	\$230,400	\$234,000	\$3,600
Meter Reading Expense	\$156,570	\$128,482	\$161,040	\$168,000	\$6,960
Customer Rec & Coll Exp	\$702,283	\$544,076	\$823,560	\$876,180	\$52,620
Uncollectible Accounts	\$132,677	\$12,280	\$86,400	\$38,400	(\$48,000)
TOTAL CUSTOMER ACCOUNT	\$1,147,813	\$846,306	\$1,301,400	\$1,316,580	\$15,180

DESERT WATER AGENCY

OPERATING FUND

2024-2025 Budget with Prior Year Comparison

Augmented February 2025

	ACTUAL 2022-2023	ACTUAL TO 3/31/2024	BUDGET 2023-2024	BUDGET 2024-2025	Increase / (Decrease)
ADMINISTRATIVE & GENERAL EXPENSE					
Admin. & Gen Salaries	\$1,125,705	\$859,440	\$1,110,000	\$1,279,200	\$169,200
Supervision & Engineering	\$244,485	\$197,339	\$289,200	\$322,800	\$33,600
Director's Fees	\$69,376	\$64,054	\$116,400	\$108,000	(\$8,400)
General Office Supplies & Expense	\$373,717	\$240,949	\$456,360	\$489,970	\$33,610
Legal Services	\$158,018	\$38,620	\$120,000	\$120,000	\$0
Professional Consulting Services	\$155,913	\$249,036	\$393,480	\$416,500	\$23,020
Engineering Services	\$88,618	\$13,915	\$114,000	\$84,000	(\$30,000)
Insurance & Claims	\$314,658	\$291,158	\$408,000	\$494,400	\$86,400
Injuries & Safety	\$421,668	\$315,442	\$484,800	\$430,480	(\$54,320)
Health Care Benefits	(\$1,363,528)	\$1,258,867	\$1,728,000	\$2,077,200	\$349,200
Payroll Taxes & Unemployment	\$592,775	\$513,088	\$690,000	\$728,400	\$38,400
Paid Time Off	\$1,562,692	\$1,210,905	\$1,573,200	\$1,860,000	\$286,800
Pension	\$2,428,233	\$2,601,722	\$2,897,280	\$3,692,800	\$795,520
OPEB Interest	\$503,005	\$0	\$870,000	\$1,308,000	\$438,000
Other Employee Benefits	\$202,507	\$195,825	\$330,240	\$413,800	\$83,560
Operations Center Security	\$4,445	\$5,637	\$12,000	\$19,800	\$7,800
Operations Center Maintenance	\$273,897	\$240,987	\$547,800	\$468,900	(\$78,900)
Solar Facilities Maintenance	\$11,299	\$3,435	\$7,440	\$7,650	\$210
Information Technology	\$1,350,271	\$706,391	\$1,586,040	\$1,769,970	\$183,930
Maint - Telemetry Equipment	\$46,033	\$36,445	\$44,640	\$48,400	\$3,760
Maint - Communications Equipment	\$13,937	\$8,070	\$44,280	\$15,500	(\$28,780)
Storeroom	\$87,219	\$72,207	\$146,040	\$160,000	\$13,960
Transportation	\$468,563	\$349,665	\$560,400	\$599,700	\$39,300
Tools & Work Equipment	\$199,847	\$129,266	\$176,040	\$170,000	(\$6,040)
Public Information	\$262,343	\$207,377	\$231,360	\$324,000	\$92,640
Water Conservation	\$130,656	\$103,514	\$332,040	\$228,000	(\$104,040)
Water Cons - Grass Removal - Augmented	\$1,813,195	\$639,723	\$1,845,480	\$780,570	(\$1,064,910)
Services Rendered - Customers	\$159,666	\$203,000	\$156,000	\$204,000	\$48,000
Direct/Indirect Costs	(\$787,420)	(\$2,283,253)	(\$1,373,400)	(\$1,772,600)	(\$399,200)
TOTAL ADMINISTRATIVE & GENERAL	\$10,911,794	\$8,472,823	\$15,897,120	\$16,849,440	\$952,320
REGULATORY EXPENSES					
Certificates/Training/School	\$132,356	\$142,474	\$169,440	\$231,900	\$62,460
Health Department / Services	\$31,117	\$58,494	\$20,040	\$82,000	\$61,960
State - Regulatory	\$157,599	\$213,437	\$155,040	\$180,600	\$25,560
Federal - Regulatory	\$9,354	\$12,719	\$92,520	\$64,550	(\$27,970)
Recycled Water - Regulatory	\$0	\$2,662	\$15,120	\$18,000	\$2,880
AQMD Compliance	\$1,051	\$964	\$3,000	\$3,000	\$0
RMP/OSHA/Misc.	\$47,388	\$33,417	\$30,000	\$35,000	\$5,000
Legal Services - Regulatory	\$0	\$0	\$0	\$0	\$0
TOTAL REGULATORY	\$378,864	\$464,165	\$485,160	\$615,050	\$129,890

DESERT WATER AGENCY

OPERATING FUND

2024-2025 Budget with Prior Year Comparison

Augmented February 2025

	ACTUAL 2022-2023	ACTUAL TO 3/31/2024	BUDGET 2023-2024	BUDGET 2024-2025	Increase / (Decrease)
SNOW CREEK HYDRO EXPENSE					
Snow Creek Hydro	\$97,558	\$64,264	\$76,920	\$42,600	(\$34,320)
TOTAL SNOW CREEK HYDRO	\$97,558	\$64,264	\$76,920	\$42,600	(\$34,320)
RECYCLED WATER PLANT EXPENSE					
Pumping	\$415,589	\$259,674	\$381,240	\$407,950	\$26,710
Treatment	\$495,227	\$281,873	\$1,305,840	\$1,366,800	\$60,960
Transportation/Distribution	\$76,748	\$69,474	\$218,400	\$167,220	(\$51,180)
Administrative & General	\$165,308	\$119,271	\$351,120	\$297,950	(\$53,170)
TOTAL RECYCLED WATER PLANT	\$1,152,872	\$730,291	\$2,256,600	\$2,239,920	(\$16,680)
OTHER OPERATING EXPENSE					
Exp App to Prior Years	(\$10,391)	(\$5,839)	\$0	\$0	\$0
Other Misc Expense	\$16,518	\$0	\$25,080	\$45,000	\$19,920
Depreciation & Amortization	\$6,296,466	\$3,191,433	\$6,894,000	\$6,807,600	(\$86,400)
TOTAL OTHER OPERATING	\$6,302,593	\$3,185,594	\$6,919,080	\$6,852,600	(\$66,480)
TOTAL OPERATING EXPENSES	\$35,595,292	\$26,260,058	\$45,322,680	\$47,009,760	\$1,687,080
NET INC/(LOSS) FROM OPERATIONS	\$6,704,500	\$6,513,988	\$1,275,120	(\$2,021,760)	(\$3,296,880)
NON-OPERATING REVENUES					
Gains/Loss Investments	(\$299,050)	\$244,789	\$0	\$0	\$0
Interest	\$1,029,348	\$1,153,980	\$1,320,000	\$1,500,000	\$180,000
DWA Front Footage Chgs	\$0	\$0	\$0	\$0	\$0
Revenue from Leases	\$234,771	\$36,176	\$201,000	\$214,000	\$13,000
Gains on Retirements	\$1,957	\$0	\$52,000	\$6,800	(\$45,200)
Other Misc Income	\$298,822	\$1,738,085	\$445,400	\$355,100	(\$90,300)
Revenue - Contributed	\$383,978	\$0	\$315,000	\$315,000	\$0
TOTAL NON-OPERATING REV	\$1,649,827	\$3,173,030	\$2,333,400	\$2,390,900	\$57,500
NON-OPERATING EXPENSES					
Losses on Retirements	\$20,465	\$0	\$106,800	\$63,600	(\$43,200)
TOTAL NON-OPERATING EXP	\$20,465	\$0	\$106,800	\$63,600	(\$43,200)
TOTAL NET INCOME/(LOSS)	\$8,333,862	\$9,687,019	\$3,501,720	\$305,540	(\$3,196,180)

DESERT WATER AGENCY

OPERATING FUND

2024-2025 Budget with Prior Year Comparison

Augmented February 2025

	ACTUAL 2022-2023	ACTUAL TO 3/31/2024	BUDGET 2023-2024	BUDGET 2024-2025	Increase / (Decrease)
<u>APPLICATION OF COMMITTED FUNDS</u>					
Current Year SBITA	\$0	\$0	\$0	\$214,000	\$214,000
Other Post Employment Benefits	\$637,839	\$443,451	\$860,000	\$860,000	\$0
TOTAL COMMITTED FUNDS	\$637,839	\$443,451	\$860,000	\$1,074,000	\$214,000
BALANCE REMAINING	\$7,696,023	\$9,243,568	\$2,641,720	(\$768,460)	(\$3,410,180)
Add Back OPEB Interest	\$503,005	\$0	\$870,000	\$1,308,000	\$438,000
Add Back Depreciation	\$6,296,466	\$3,191,433	\$6,894,000	\$6,807,600	(\$86,400)
Funds Avail For Capital Additions	\$14,495,494	\$12,435,000	\$10,405,720	\$7,347,140	(\$3,058,580)
<u>CAPITAL ADDITIONS</u>					
Routine Improvements			\$17,647,100	\$12,599,000	(\$5,048,100)
General Plan Improvements			\$100,000	\$100,000	\$0
Outstanding future SBITA			\$0	(\$642,000)	(\$642,000)
TOTAL CAPITAL ADDITIONS			\$17,747,100	\$12,057,000	(\$5,690,100)
BALANCE			(\$7,341,380)	(\$4,709,860)	\$2,631,520
TOTAL BUDGET			\$64,036,580	\$60,204,360	(\$3,190,220)
	2023-2024 BEGIN BAL	2023-2024 ADJUSTMENTS	2024-2025 ADDITIONS	2024-2025 DELETIONS	BALANCE
Estimated Reserve Fund Balance 6/30/24					\$62,216,000
Inter-Fund Loan - General Fund					\$0
<u>RESERVES</u>					
Reserve for Land Acquisition	\$675,000	\$0	\$0	\$0	\$675,000
Reserve for Operations	\$18,838,700	(\$1,660,200)	\$0	(\$190,500)	\$16,988,000
Reserve for Replacements	\$2,760,000	\$0	\$0	\$0	\$2,760,000
Reserve for Regulatory Compliance	\$0	\$0	\$0	\$0	\$0
Reserve for Disaster Response	\$2,000,000	\$0	\$0	\$0	\$2,000,000
Reserve for Retirement Benefits	\$5,000,000	\$0	\$0	(\$902,000)	\$4,098,000
	\$29,273,700	(\$1,660,200)	\$0	(\$1,092,500)	\$26,521,000
Total Reserves - 6/30/25					(\$26,521,000)
Required for 2023-2024 Carryover Capital Items					(\$30,985,061)
2024-2025 Budget Balance					(\$4,709,860)
Unappropriated Fund Balance 6/30/25					\$79

BUDGET SUMMARY

Operating Expenses	\$47,009,760
Non-Operating Expenses	\$63,600
Application of Committed Funds	\$1,074,000
Capital Additions	\$12,057,000
TOTAL BUDGET	\$60,204,360

DESERT WATER AGENCY

OPERATING FUND

2024 / 2025

Capital Improvements

PROJECT #	DESCRIPTION	ASSET ACCOUNT	ESTIMATED COST
Routine			
WELLS			
241060W00	Well Flow Meter Digital Upgrade Kits	180310	\$26,000
241061W00	Well Water Level Monitoring SCADA (2 wells)	180640	\$46,000
TOTAL RECLAMATION			\$72,000
PIPELINES			
211012020	Vista Chino Repl. Pipeline - Const. - Augment	180351	\$200,000
221068W17	Palm Oasis Connection to Main System - Augment	180351	\$200,000
231014008	2024 Summer Repl. Pipeline - Const. - Augment	180351	\$5,200,000
243099	Contingency - Mains	180351	\$200,000
TOTAL PIPELINES			\$5,800,000
RESERVOIRS			
241062R33	Destratification/Chlorine Mixer - Palisades (R-33)	180345	\$25,000
241063R08	Seismic Actuator - Tahquitz #1 (R-8)	180345	\$45,000
241064R32	Seismic Actuator - Tahquitz #2 (R-32)	180345	\$45,000
241065R19	Seismic Actuator - PS North #1 (R-19)	180345	\$45,000
TOTAL RESERVOIRS			\$160,000
SERVICES			
241000S01	1" Service Replacements	180430	\$300,000
241000S02	2" Service Replacements	180430	\$300,000
242001S01	1" Invoiced Services	180430	\$48,000
242001S02	2" Invoiced Services	180430	\$22,000
TOTAL SERVICES			\$670,000

DESERT WATER AGENCY

OPERATING FUND

2024 / 2025

Capital Improvements

PROJECT #	DESCRIPTION	ASSET ACCOUNT	ESTIMATED COST
METERS			
242002E00	Encoder Receiver Transmitter (ERT) Purchases	180510	\$43,000
242002M01	1" Meter Purchases	180510	\$130,000
242002M02	2" Meter Purchases	180510	\$60,000
242002M03	3" Meter Purchases	180510	\$12,000
242002M06	6" Meter Purchases	180510	\$4,000
242002M15	1 1/2" Meter Purchases	180510	\$90,000
242002M75	3/4" Meter Purchases	180510	\$160,000
TOTAL METERS			\$499,000
TRANSPORTATION EQUIPMENT			
241066M18	2024 EV E-450 XL Reg Cab w/ Combo Body (Replace Unit # 18)	180630	\$205,000
241067M21	2024 EV E-450 XL Reg Cab w/ Mech. Utility Body (Replace Unit # 21)	180630	\$215,000
241069M48	2024 Ford F-450 XL Reg Cab w/ Utility Body (Replace Unit # 48)	180630	\$105,000
241070M55	2024 Ford F-450 XL Reg Cab w/ Utility Body (Replace Unit # 55)	180630	\$110,000
241071M15	2024 Ford F-150 (Replace Unit # 15)	180630	\$48,000
241072M00	Electric Vehicle Charging Stations	180630	\$24,000
TOTAL TRANSPORTATION EQUIPMENT			\$707,000

DESERT WATER AGENCY

OPERATING FUND

2024 / 2025

Capital Improvements

PROJECT #	DESCRIPTION	ASSET ACCOUNT	ESTIMATED COST
RECYCLED WATER			
231011C00	Ammonia Analyzer - Augment	180710	\$25,000
231013012	Sunrise Park Recycled Water Pipeline - Augment	180710	\$1,000,000
241073C00	Effluent Reservoir Roof Reconstruction	180710	\$2,000,000
241074B00	Sunrise Park Recycled Water Booster Station	180710	\$550,000
241075M00	Chlorine Crane Replacement	180710	\$25,000
TOTAL RECLAMATION			\$3,600,000
MISCELLANEOUS			
241076M00	Snow Creek Filtration High Turbidity Bypass Line	180251	\$125,000
241077M00	Operations Center Generator Platform	180556	\$14,000
241078M00	Operations Center Electrical Upgrades	180556	\$297,000
241079M00	Operations Center Lobby Counter Remodel	180556	\$34,000
241080M00	Operations Center Office Construction (3 offices)	180556	\$40,000
241081M00	Operations Center HVAC VAV Upgrades	180556	\$77,000
241082M00	DS700i Folder/Inserter	180620	\$120,000
241083M00	IX-9 Mailing System	180620	\$32,000
241084M00	Operations Center Gate Communication System	180640	\$17,000
241085M00	Replace 20 inch Self - Propelled Saw	180660	\$32,000
241086M00	Xerox Copier	180680	\$10,000
241087M00	Canon Plotter Replacements (x2)	180680	\$27,000
241088M00	GIS System	180680	\$116,000
244099	Contingency - Other	VARIOUS	\$150,000
TOTAL MISCELLANEOUS			\$966,000
TOTAL ROUTINE			\$12,599,000

DESERT WATER AGENCY

OPERATING FUND

2024 / 2025

Capital Improvements

PROJECT #	DESCRIPTION	ASSET ACCOUNT	ESTIMATED COST
General Plan			
PIPELINES			
246099	Main Oversizing	180351	\$100,000
TOTAL PIPELINES			\$100,000
TOTAL GENERAL PLAN			\$100,000
TOTAL CAPITAL IMPROVEMENTS 2024-2025			\$12,699,000

DESERT WATER AGENCY

OPERATING FUND

2024 / 2025 Budget

Reserve Policy Analysis

In June 2023, the Board of Directors revised the policy for Agency Reserves (Resolution No. 1302). Per section 5 of the policy, an annual review of the reserves will be presented during the annual budget presentation. Presented below is the reserve analysis:

Reserve for Land Acquisitions

Reserve shall not exceed \$5,000,000

	<i>Maximum Reserve Balance</i>	\$	5,000,000
2023 / 2024	Current Reserve Balance	\$	675,000
2024 / 2025	Reserve Adjustment *	\$	-
2024 / 2025	Reserve Balance	\$	675,000
2024 / 2025	Maximum Reserve Shortfall	\$	(4,325,000)

* There are no excess funds available to add to the Reserve for Land Acquisition in Fiscal Year 2024 / 2025

2024 / 2025	RESERVE FOR LAND ACQUISITIONS	\$	675,000
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Reserve for Operations

Reserve should be equal to 6-months to 1 year of operations

2024 / 2025	Cost of Operations	\$	46,759,760
	<i>Minimum Reserve Requirement</i>	\$	23,379,880
	<i>Maximum Allowable Reserve Balance</i>	\$	46,759,760
2023 / 2024	Current Reserve Balance	\$	17,178,500
2024 / 2025	Reserve Adjustment *	\$	(190,500)
2024 / 2025	Reserve Balance	\$	16,988,000
2024 / 2025	Minimum Target Reserve Shortfall	\$	(6,391,880)
2024 / 2025	Maximum Reserve Shortfall	\$	(29,771,760)

* Proposed \$190,500 reduction to the Reserve for Operations in Fiscal Year 2024 / 2025

2024 / 2025	RESERVE FOR OPERATIONS	\$	16,988,000
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DESERT WATER AGENCY

OPERATING FUND

2024 / 2025 Budget

Reserve Policy Analysis

Reserve for Replacements

Reserve should be equal to at least 6% of Agency infrastructure and not to exceed 10% of fixed assets reflected in the last annual audit

Agency Infrastructure at 6/30/2023		\$	275,054,706
<i>Minimum Reserve Balance</i>		\$	16,503,282
<i>Maximum Reserve Balance</i>		\$	27,505,471
2023 / 2024	Current Reserve Balance	\$	2,760,000
2024 / 2025	Reserve Adjustment *	\$	-
2024 / 2025	Reserve Balance	\$	2,760,000
2024 / 2025	Minimum Reserve Shortfall	\$	(13,743,282)
2024 / 2025	Maximum Reserve Shortfall	\$	(24,745,471)

* There are no excess funds available to add to the Reserve for Replacements in Fiscal Year 2024 / 2025

2024 / 2025	RESERVE FOR REPLACEMENTS	\$	2,760,000
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Reserve for Regulatory Compliance

Reserve shall not exceed \$10,000,000

<i>Maximum Reserve Balance</i>		\$	10,000,000
2023 / 2024	Current Reserve Balance	\$	-
2024 / 2025	Reserve Adjustment *	\$	-
2024 / 2025	Reserve Balance	\$	-
2024 / 2025	Maximum Reserve Shortfall	\$	(10,000,000)

* There are no excess funds available to add to the Reserve for Regulatory Compliance in Fiscal Year 2024 / 2025

2024 / 2025	RESERVE FOR REGULATORY COMPLIANCE	\$	-
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DESERT WATER AGENCY

OPERATING FUND

2024 / 2025 Budget

Reserve Policy Analysis

Reserve for Disaster Response

Reserve should be equal to approximately 15% of the Agency's General System

System Value at 3/31/24		\$	278,008,730
15% of System Value		\$	41,701,300
<i>Maximum Reserve Balance</i>		\$	41,701,300
2023 / 2024	Current Reserve Balance	\$	2,000,000
2024 / 2025	Reserve Adjustment *	\$	-
2024 / 2025	Reserve Balance	\$	2,000,000
2024 / 2025	Maximum Reserve Shortfall	\$	(39,701,300)

* There are no excess funds available to add to the Reserve for Disaster Response in Fiscal Year 2024 / 2025

2024 / 2025	RESERVE FOR DISASTER RESPONSE	\$	2,000,000
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Reserve for Retirement Benefits

Reserve should equal two times the actual annual retirement benefit costs from the preceding year but not to exceed four times the cost

Annual OPEB Costs - Actuarial study (2023)		\$	1,017,842
Annual CalPERS Normal Contributions		\$	1,033,640
<i>Minimum Reserve Requirement</i>		\$	4,102,964
<i>Maximum Allowable Reserve Balance</i>		\$	8,205,928
2023 / 2024	Current Reserve Balance	\$	5,000,000
2024 / 2025	Reserve Adjustment *	\$	(902,000)
2024 / 2025	Reserve Balance	\$	4,098,000
2024 / 2025	Minimum Target Reserve Shortfall	\$	(4,964)
2024 / 2025	Maximum Reserve Shortfall	\$	(4,107,928)

* Proposed \$902,000 reduction to the Reserve for Retirement Benefits in Fiscal Year 2024 / 2025

2024 / 2025	RESERVE FOR RETIREMENT BENEFITS	\$	4,098,000
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DESERT WATER AGENCY

OPERATING FUND

2024 / 2025 Budget

Reserve Policy Analysis

Reserve Policy Summary

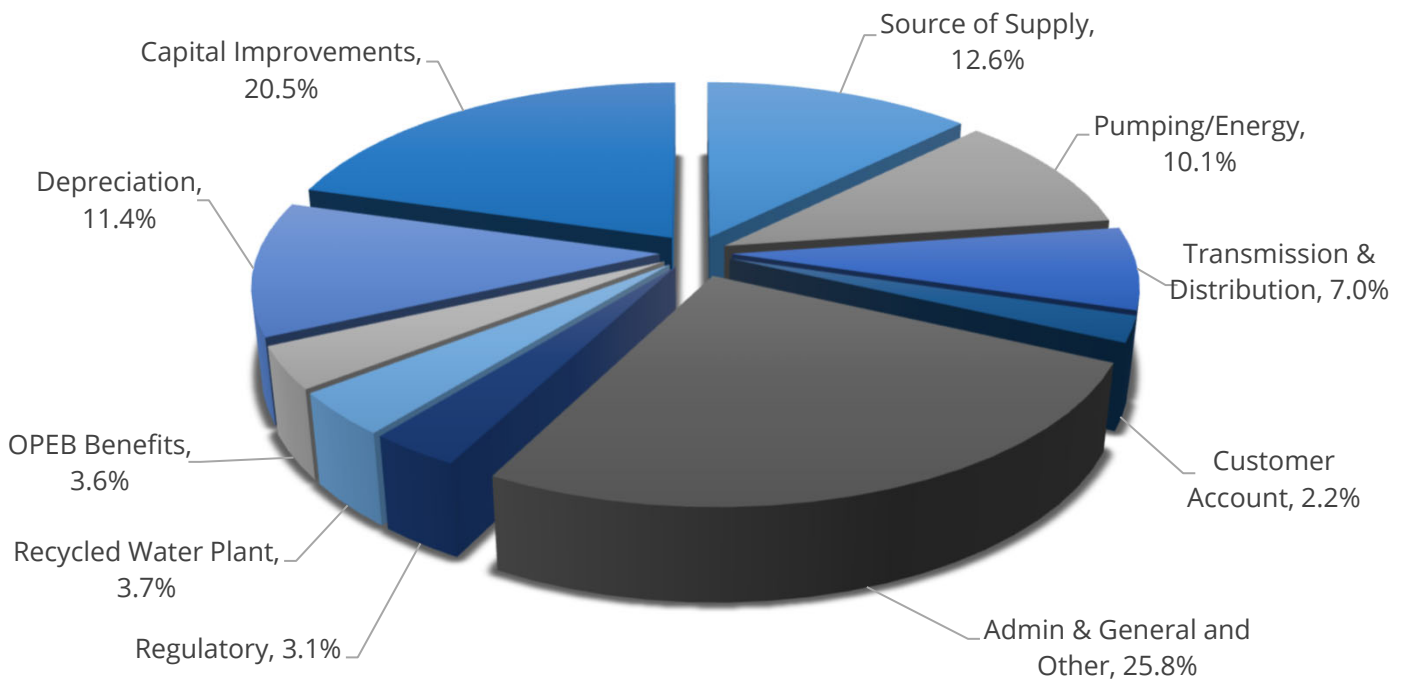
** 2024 / 2025	Minimum Reserve Requirement	\$	100,687,426 *
** 2024 / 2025	Maximum Reserve Requirement	\$	139,172,459
2024 / 2025	Projected Total Reserves	\$	26,521,000
2024 / 2025	Projected Minimum Reserve Shortfall	\$	(74,166,426)
2024 / 2025	Maximum Reserve Shortfall	\$	(112,651,459)

* Where no minimum reserve balance is established, the maximum reserve balance is used

** Reserve Policy and Reserve Requirements (Resolution No. 1302)

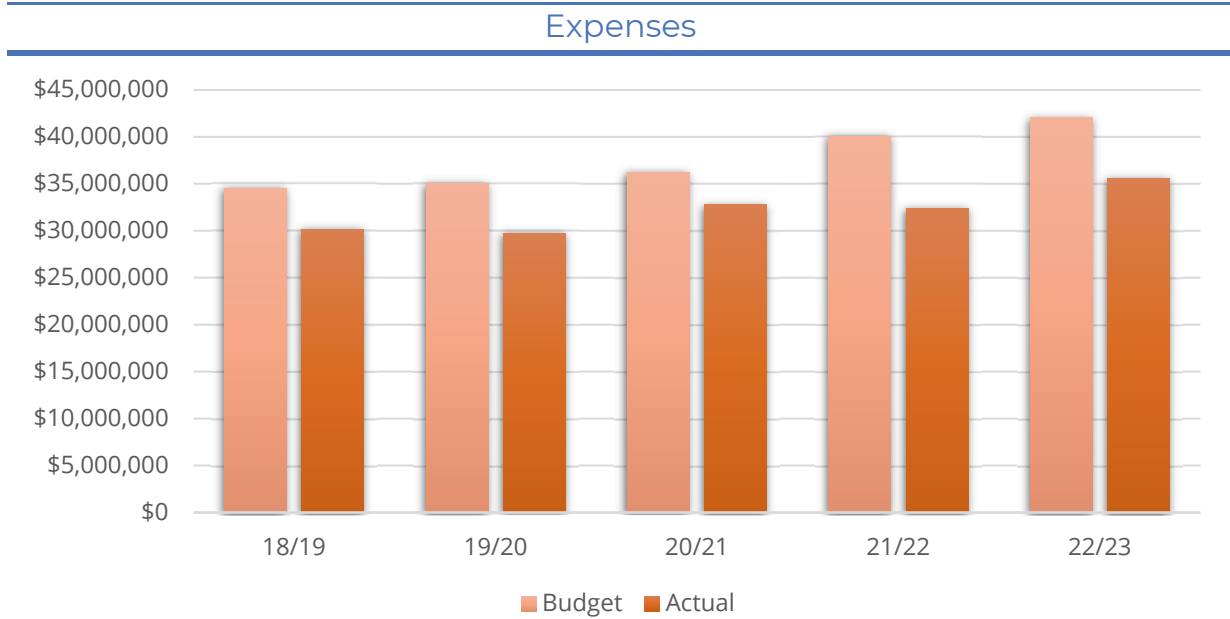
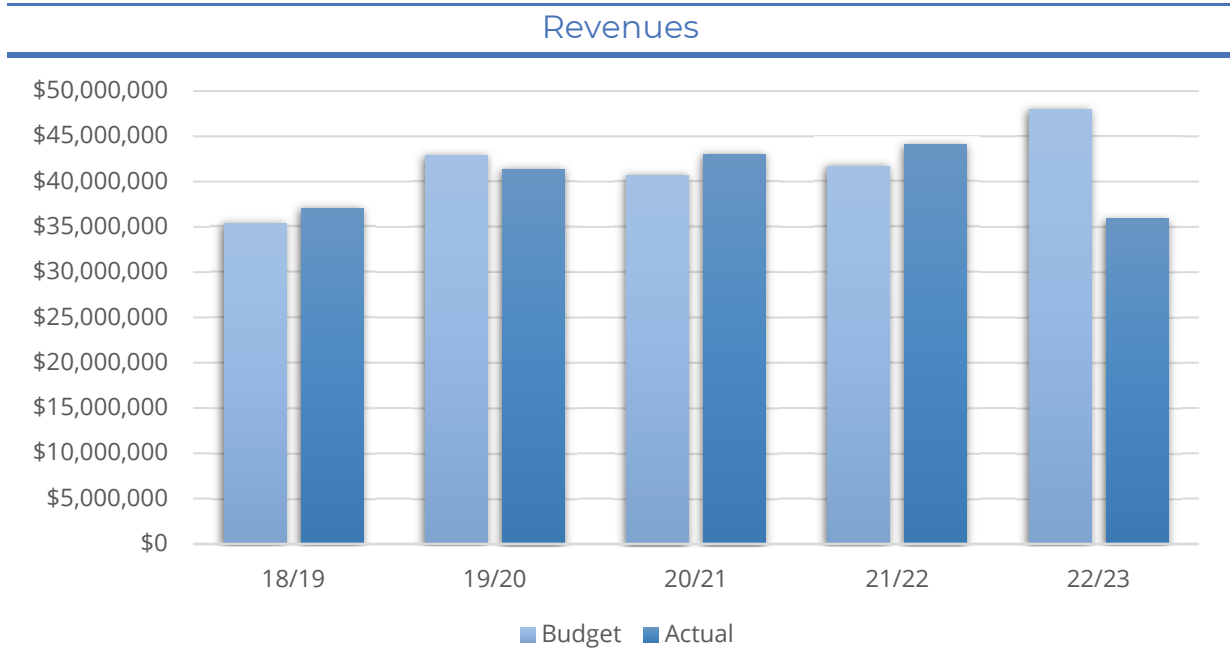
DESERT WATER AGENCY
OPERATING FUND
2024 / 2025 Budget Summary

Category	Cost	%
Source of Supply	\$ 7,572,520	12.6%
Pumping/Energy	\$ 6,061,860	10.1%
Transmission & Distribution	\$ 4,224,960	7.0%
Customer Account	\$ 1,316,580	2.2%
Admin & General and Other	\$ 15,442,640	25.8%
Regulatory	\$ 1,849,280	3.1%
Recycled Water Plant	\$ 2,239,920	3.7%
OPEB Benefits	\$ 2,168,000	3.6%
Depreciation	\$ 6,807,600	11.4%
Capital Improvements	\$ 12,271,000	20.5%
TOTAL	\$ 59,954,360	100.0%



DESERT WATER AGENCY OPERATING FUND

Historical Analysis Budget vs. Actual



DESERT WATER



DESERT WATER AGENCY
General Fund Budget
2024 / 2025



DESERT WATER AGENCY

GENERAL FUND

2024-2025 Budget with Prior Year Comparison

Augmented February 2025

	ACTUAL 2022-2023	ACTUAL TO 3/31/2024	BUDGET 2023-2024	BUDGET 2024-2025	Increase / (Decrease)
OPERATING REVENUES					
Replenishment Assessments	\$7,052,002	\$5,861,108	\$8,155,000	\$8,492,000	\$337,000
Power Sales - Whitewater Hydro	\$48,429	\$131,179	\$129,000	\$132,660	\$3,660
TOTAL OPERATING REVENUES	\$7,100,431	\$5,992,287	\$8,284,000	\$8,624,660	\$340,660
OPERATING EXPENSES					
SOURCE OF SUPPLY EXPENSE					
Whitewater Basin Management	\$366,099	\$175,872	\$451,200	\$454,000	\$2,800
Indio Subbasin Management	\$14,146	\$0	\$48,000	\$50,000	\$2,000
Mission Creek Subbasin Mgmt	\$70,419	\$65,355	\$588,000	\$522,000	(\$66,000)
Mission Creek - Garnett Hill Mgmt	\$14,330	\$0	\$12,000	\$50,000	\$38,000
San Gorgonio Pass Subbasin Mgmt	\$13,564	\$0	\$25,200	\$25,000	(\$200)
SGMA	\$46,071	\$0	\$50,400	\$55,000	\$4,600
USGS Water Quality Monitoring Sys	\$10,597	\$10,889	\$15,600	\$7,200	(\$8,400)
USGS Stream Gauging Study	\$60,047	\$61,703	\$85,200	\$93,200	\$8,000
Groundwater Monitoring Wells	\$0	\$0	\$0	\$0	\$0
Urban Water Management Plan	\$0	\$0	\$0	\$30,000	\$30,000
Salt Nutrient Plan	\$71,375	\$0	\$217,200	\$234,000	\$16,800
Legal - Water Rights	\$137,464	\$122,327	\$372,000	\$276,000	(\$96,000)
Water Banking - Metropolitan	\$0	\$0	\$1,166,400	\$0	(\$1,166,400)
Lake Perris Seepage Recovery Proj	\$0	\$0	\$0	\$0	\$0
Other Source of Supply Expense	\$0	\$0	\$12,000	\$0	(\$12,000)
TOTAL SOURCE OF SUPPLY	\$804,113	\$436,145	\$3,043,200	\$1,796,400	(\$1,246,800)
STATE WATER PROJECT EXPENSE					
Delta O.M.P.& R.	\$3,102,486	\$2,205,782	\$3,131,000	\$3,088,000	(\$43,000)
Transportation O.M.P.& R.	\$6,487,467	\$5,912,766	\$6,179,000	\$8,115,000	\$1,936,000
Transportation Variable O.M.P.& R.	\$2,737,663	\$1,445,296	\$12,444,000	\$10,348,000	(\$2,096,000)
Off-Aqueduct Power Facilities	\$119,935	\$83,681	\$171,000	\$214,000	\$43,000
Replacement Component	\$0	\$0	\$0	\$0	\$0
East Branch Enlargement	\$628,326	\$581,954	\$835,000	\$562,000	(\$273,000)
Delta Conveyance Facilities	\$0	\$0	\$0	\$0	\$0
Water Purchases	\$255,066	\$0	\$0	\$100,000	\$100,000
CVWD Reimb (Delta, Var, OAP)	(\$576,910)	(\$11,057)	(\$1,540,100)	(\$768,500)	\$771,600
TOTAL STATE WATER PROJECT	\$12,754,033	\$10,218,422	\$21,219,900	\$21,658,500	\$438,600

DESERT WATER AGENCY

GENERAL FUND

2024-2025 Budget with Prior Year Comparison

Augmented February 2025

	ACTUAL 2022-2023	ACTUAL TO 3/31/2024	BUDGET 2023-2024	BUDGET 2024-2025	Increase / (Decrease)
WHITEWATER HYDRO EXPENSE					
Supervision & Labor	\$18,517	\$8,870	\$39,600	\$41,250	\$1,650
Miscellaneous/SCE	\$3,600	\$5,026	\$8,400	\$13,000	\$4,600
Tools & Work Equipment	\$654	\$0	\$2,400	\$3,000	\$600
Maint Structures & Improvements	\$1,000	\$293	\$1,200	\$1,500	\$300
Maint of Equipment	\$66,644	\$6,908	\$152,400	\$206,000	\$53,600
Whitewater Hydro Contract Mgmt	\$7,221	\$10,559	\$9,600	\$19,200	\$9,600
TOTAL WHITEWATER HYDRO	\$97,636	\$31,656	\$213,600	\$283,950	\$70,350
CUSTOMER ACCOUNT EXPENSE					
Meter Reading Expense	\$461	\$786	\$4,800	\$5,000	\$200
Uncollectible Accounts	\$0	\$0	\$0	\$0	\$0
TOTAL CUSTOMER ACCOUNT	\$461	\$786	\$4,800	\$5,000	\$200
ADMINISTRATIVE & GENERAL EXPENSE					
Salaries	\$506,471	\$374,298	\$553,200	\$720,000	\$166,800
Directors' Fees	\$64,309	\$64,608	\$116,400	\$108,000	(\$8,400)
General Office Supplies & Expense	\$82,792	\$72,689	\$159,600	\$114,455	(\$45,145)
Utilities	\$83,773	\$49,505	\$108,000	\$98,400	(\$9,600)
Seminar & Travel Expense	\$75,062	\$3,379	\$44,400	\$85,200	\$40,800
Legal Services	\$427,300	\$243,586	\$612,000	\$468,000	(\$144,000)
Professional Consulting Services	\$152,637	\$182,778	\$380,400	\$288,500	(\$91,900)
Engineering Services	\$68,720	\$26,214	\$108,000	\$72,000	(\$36,000)
State Water Contractors - Misc	\$104,124	\$114,395	\$133,200	\$121,200	(\$12,000)
Insurance & Claims	\$87,351	\$87,731	\$117,600	\$153,600	\$36,000
Injury & Safety	\$0	\$0	\$0	\$8,400	\$8,400
Information Technology	\$0	\$3,472	\$0	\$0	\$0
Payroll Taxes	\$74,471	\$43,802	\$50,400	\$63,600	\$13,200
Pension	\$0	\$233,886	\$334,800	\$400,400	\$65,600
Health Care Benefits	\$0	\$0	\$0	\$122,400	\$122,400
Other Employee Benefits	\$465,869	\$155,360	\$111,600	\$6,000	(\$105,600)
Operations Center Security	\$471	\$2,601	\$12,000	\$30,000	\$18,000
Operations Center Maintenance	\$113,268	\$93,622	\$219,600	\$241,000	\$21,400
Public Information	\$230,507	\$150,572	\$231,600	\$237,412	\$5,812
Transportation Expense	\$166	\$605	\$0	\$1,200	\$1,200
Water Conservation	\$119,098	\$67,900	\$316,800	\$202,250	(\$114,550)
Water Cons - Grass Removal - <i>Augmented</i>	\$1,733,837	\$593,677	\$1,845,600	\$780,570	(\$1,065,030)
LAFCO Expenses	\$17,340	\$18,155	\$19,200	\$20,000	\$800
Urban Water Management Plan	\$50,973	\$0	\$16,800	\$25,000	\$8,200
Election Expense	\$95,865	\$0	\$0	\$110,000	\$110,000
Direct/Indirect Costs	(\$40,020)	(\$1,097)	(\$72,000)	(\$144,000)	(\$72,000)
TOTAL ADMINISTRATIVE & GENERAL	\$4,514,385	\$2,581,736	\$5,419,200	\$4,333,587	(\$1,085,613)

DESERT WATER AGENCY

GENERAL FUND

2024-2025 Budget with Prior Year Comparison

Augmented February 2025

	ACTUAL 2022-2023	ACTUAL TO 3/31/2024	BUDGET 2023-2024	BUDGET 2024-2025	Increase / (Decrease)
OTHER OPERATING EXPENSES					
Exp App to Prior Years	\$83	\$0	\$0	\$0	\$0
Prior Year - State Water Project	(\$60,756)	\$0	\$0	\$0	\$0
Other Misc Expense	\$0	\$0	\$0	\$25,000	\$25,000
Depreciation	\$1,436,692	\$0	\$1,130,400	\$1,520,000	\$389,600
TOTAL OTHER OPERATING	\$1,376,019	\$0	\$1,130,400	\$1,545,000	\$414,600
TOTAL OPERATING EXPENSES	\$19,546,647	\$13,268,745	\$31,031,100	\$29,622,437	(\$1,408,663)
NET INC/(LOSS) FROM OPERATIONS	(\$12,446,216)	(\$7,276,457)	(\$22,747,100)	(\$20,997,777)	\$1,749,323
NON-OPERATING REVENUES					
Property Taxes	\$45,286,416	\$21,492,598	\$40,352,000	\$39,119,000	(\$1,233,000)
Gains/Loss Investments	(\$2,251,457)	(\$775,915)	(\$379,200)	(\$346,800)	\$32,400
Interest - Invested Reserves	\$3,051,400	\$3,508,436	\$3,636,000	\$5,304,000	\$1,668,000
Supplemental Imported Water Fees	\$312,847	\$325,395	\$502,800	\$428,400	(\$74,400)
Other Misc Income	\$924	\$0	\$0	\$0	\$0
TOTAL NON-OPERATING REV	\$46,400,130	\$24,550,514	\$44,111,600	\$44,504,600	\$393,000
NON-OPERATING EXPENSES					
Losses on Retirements	\$0	\$0	\$0	\$0	\$0
TOTAL NON-OPERATING EXP	\$0	\$0	\$0	\$0	\$0
TOTAL NET INCOME/(LOSS)	\$33,953,914	\$17,274,056	\$21,364,500	\$23,506,823	\$2,142,323
APPLICATION OF COMMITTED FUNDS					
Bond Service - Principle & Interest	\$1,344,084	\$271,920	\$1,344,650	\$1,342,650	(\$2,000)
TOTAL COMMITTED FUNDS	\$1,344,084	\$271,920	\$1,344,650	\$1,342,650	(\$2,000)
BALANCE REMAINING	\$32,609,829	\$17,002,136	\$20,019,850	\$22,164,173	\$2,144,323
Add Back Depreciation	\$1,436,692	\$0	\$1,130,400	\$1,520,000	\$389,600
Funds Avail For Capital Additions	\$34,046,522	\$17,002,136	\$21,150,250	\$23,684,173	\$2,533,923

DESERT WATER AGENCY

GENERAL FUND

2024-2025 Budget with Prior Year Comparison

Augmented February 2025

	BUDGET 2023-2024	BUDGET 2024-2025	Increase / (Decrease)
<u>CAPITAL ADDITIONS</u>			
Delta	\$1,810,800	\$1,818,100	\$7,300
Transportation	\$2,170,000	\$2,530,000	\$360,000
Revenue Bond Surcharge	\$1,383,000	\$1,499,000	\$116,000
East Branch Enlargement	\$1,838,000	\$2,086,000	\$248,000
Tehachapi	\$98,000	\$98,000	\$0
Delta Conveyance	\$0	\$0	\$0
Lake Perris Seepage Recovery Project	\$550,000	\$550,000	\$0
Sites Reservoir Project	\$1,300,000	\$335,000	(\$965,000)
Routine Capital Improvements	\$219,000	\$971,000	\$752,000
TOTAL CAPITAL ADDITIONS	\$9,368,800	\$9,887,100	\$518,300
BALANCE	\$11,781,450	\$13,797,073	\$2,015,623
TOTAL BUDGET	\$41,744,550	\$40,852,187	(\$892,363)

	2023-2024 BEGIN BAL	2023-2024 ADJUSTMENTS	2024-2025 ADDITIONS	2024-2025 DELETIONS	BALANCE
Estimated Reserve Fund Balance 6/30/24					\$259,050,000
<u>RESTRICTED & UNRESTRICTED RESERVES</u>					
State Water Contract Fund	\$75,779,000	\$0	\$13,033,000	\$0	\$88,812,000
Reserve for Delta Conveyance	\$19,238,000	\$0	\$0	\$0	\$19,238,000
Reserve For SWP Additional Water	\$23,643,000	\$15,000,000	\$16,533,000	\$0	\$55,176,000
Reserve For Addtnl Non-SWP Water	\$59,086,400	\$22,433,000	\$0	\$0	\$81,519,400
Land Acquisition Reserve	\$5,000,000	\$0	\$0	\$0	\$5,000,000
Reserve For Operations - <i>Augmented</i>	\$6,004,800	\$3,756,800	\$0	(\$2,297,700)	\$7,463,900
Reserve For Replacements	\$10,346,800	(\$5,638,740)	\$0	(\$16,660)	\$4,691,400
Regulatory Compliance Reserve	\$10,000,000	\$0	\$0	\$0	\$10,000,000
	<u>\$209,098,000</u>	<u>\$35,551,060</u>	<u>\$29,566,000</u>	<u>(\$2,314,360)</u>	<u>\$271,900,700</u>
Total Reserves - 6/30/25					(\$271,900,700)
Required for 2023-2024 Carryover Items					(\$945,605)
2024-2025 Budget Balance					\$13,797,073
Unappropriated Fund Balance - 6/30/25					<u>\$768</u>

BUDGET SUMMARY

Operating Expense	\$29,622,437
Non-Operating Expense	\$0
Application of Committed Funds	\$1,342,650
Capital Additions	\$9,887,100
TOTAL BUDGET	\$40,852,187

DESERT WATER AGENCY

GENERAL FUND

2024 - 2025 Budget

Summary of Assessed Valuations and Resulting Tax Rates

Assessed Valuations

Secured	\$24,712,867,040
Unsecured	\$927,435,135

Total Estimated Assessed Valuations* **\$25,640,302,175**

Tax Rate

	<u>2023-2024</u>	<u>2024-2025</u>
Secured	\$0.08	\$0.07
Unsecured	\$0.10	\$0.08

Estimated Revenue from Property Taxes

Secured	\$17,002,000
Unsecured	\$742,000
SBE Unitary	\$17,706,000
RPTTF	\$1,921,000
County 1% General Purpose Allocation	\$1,748,000

TOTAL ESTIMATED PROPERTY TAXES **\$39,119,000**

* Assessed values reflect a combined 2.87% delinquency and value adjustment factor for secured and unsecured valuations

DESERT WATER AGENCY

GENERAL FUND

2024 / 2025

Capital Improvements

PROJECT #	DESCRIPTION	ASSET ACCOUNT	ESTIMATED COST
Routine			
MISCELLANEOUS			
211034M00	M.C. Recharge Facility Flow Meter - Augment	180180	\$575,000
241077M00	Operations Center Generator Platform	180571	\$7,000
241078M00	Operations Center Electrical Upgrades	180571	\$149,000
241079M00	Operations Center Lobby Counter Remodel	180571	\$17,000
241080M00	Operations Center Office Construction (3 offices)	180571	\$20,000
241081M00	Operations Center HVAC VAV Upgrades	180571	\$39,000
241084M00	Operations Center Gate Communication System	180640	\$9,000
241086M00	Xerox Copier	180680	\$5,000
244099	Contingency - Other	VARIOUS	\$150,000
TOTAL MISCELLANEOUS			\$971,000
TOTAL CAPITAL IMPROVEMENTS 2024-2025			\$971,000

DESERT WATER AGENCY

GENERAL FUND

2024 / 2025 Budget

Reserve Policy Analysis

In June 2023, the Board of Directors revised the policy for Agency Reserves (Resolution No. 1302). Per section 5 of the policy, an annual review of the reserves will be presented during the annual budget presentation. Presented below is the reserve analysis:

State Water Contract Fund Reserve

Minimum reserve requirement is two and one half times prior year DWR Statement of Charges, not to exceed six times the total of such charges

2024 DWR Statement of Charges

Delta Capital	\$	2,054,898
Delta OMP&R	\$	2,905,874
Transportation Capital	\$	2,330,606
Transportation OMP&R	\$	9,629,433
Variable Entitlement	\$	11,203,742
Water System Revenue Bond	\$	1,520,531
Off Aqueduct	\$	166,360
Conservation Replacement	\$	-
East Branch Enlargement Capital	\$	1,010,022
East Branch Enlargement OMP&R	\$	606,254
Tehachapi Second Afterbay	\$	96,830
Total 2024 Statement of Charges	\$	31,524,550

Minimum Reserve Requirement \$ 78,811,375

Maximum Allowable Reserve Balance \$ 189,147,300

2023 / 2024	Current Reserve Balance	\$	75,779,000
2024 / 2025	Reserve Adjustment *	\$	13,033,000
2024 / 2025	Reserve Balance	\$	88,812,000
2024 / 2025	Minimum Target Reserve Shortfall	\$	-
2024 / 2025	Maximum Reserve Shortfall	\$	(100,335,300)

* Proposed \$13,033,000 addition to the Reserve for Additional SWP Water in Fiscal Year 2024 / 2025

2024 / 2025 STATE WATER CONTRACT RESERVE \$ 88,812,000

DESERT WATER AGENCY

GENERAL FUND

2024 / 2025 Budget

Reserve Policy Analysis

Reserve for Delta Conveyance Facilities

Minimum reserve requirement is two and one half times annual charges, not to exceed six times the total of such charges. The 10-year average from the most recent project cost projections and payment timeline have been used to establish the average annual charge.

10 Year DWR Cost projection		\$	43,424,000
Average Annual Charge		\$	4,342,400
<i>Minimum Reserve Requirement</i>		\$	10,856,000
<i>Maximum Allowable Reserve Balance</i>		\$	26,054,400
2023 / 2024	Current Reserve Balance	\$	19,238,000
2024 / 2025	Reserve Adjustment *	\$	-
2024 / 2025	Reserve Balance	\$	19,238,000
2024 / 2025	Minimum Target Reserve Shortfall	\$	-
2024 / 2025	Maximum Reserve Shortfall	\$	(6,816,400)

* No proposed adjustment to the Reserve for Delta Conveyance Facilities in Fiscal Year 2024 / 2025

2024 / 2025	RESERVE FOR DELTA CONVEYANCE	\$	19,238,000
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DESERT WATER AGENCY

GENERAL FUND

2024 / 2025 Budget

Reserve Policy Analysis

Reserve for SWP Additional Water

The minimum reserve requirement should be greater than the prior year DWR Invoices, not to exceed five times the total of such charges

2024 DWR Statement of Charges

Delta Capital	\$	2,054,898
Delta OMP&R	\$	2,905,874
Transportation Capital	\$	2,330,606
Transportation OMP&R	\$	9,629,433
Variable Entitlement	\$	11,203,742
Water System Revenue Bond	\$	1,520,531
Off Aqueduct	\$	166,360
Conservation Replacement	\$	-
East Branch Enlargement Capital	\$	1,010,022
East Branch Enlargement OMP&R	\$	606,254
Tehachapi Second Afterbay	\$	96,830
Total 2024 Statement of Charges	\$	31,524,550

Minimum Reserve Requirement \$ 31,524,550

Maximum Allowable Reserve Balance \$ 157,622,750

2023 / 2024	Current Reserve Balance	\$	38,643,000
2024 / 2025	Reserve Adjustment *	\$	16,533,000
2024 / 2025	Reserve Balance	\$	55,176,000
2024 / 2025	Minimum Target Reserve Shortfall	\$	-
2024 / 2025	Maximum Reserve Shortfall	\$	(102,446,750)

* Proposed \$16,533,000 addition to the Reserve for Additional SWP Water in Fiscal Year 2024 / 2025

2024 / 2025 RESERVE FOR ADDITIONAL SWP WATER \$ 55,176,000

DESERT WATER AGENCY

GENERAL FUND

2024 / 2025 Budget

Reserve Policy Analysis

Reserve for Non-SWP Additional Water

The minimum reserve requirement should be greater than the prior year DWR Invoices, not to exceed five times the total of such charges. The DWR Invoices are utilized for setting the reserve target levels for Non-SWP Additional Water to establish the magnitude of costs associated with purchasing additional non State Water Project water.

2024 DWR Statement of Charges

Delta Capital	\$	2,054,898
Delta OMP&R	\$	2,905,874
Transportation Capital	\$	2,330,606
Transportation OMP&R	\$	9,629,433
Variable Entitlement	\$	11,203,742
Water System Revenue Bond	\$	1,520,531
Off Aqueduct	\$	166,360
Conservation Replacement	\$	-
East Branch Enlargement Capital	\$	1,010,022
East Branch Enlargement OMP&R	\$	606,254
Tehachapi Second Afterbay	\$	96,830
Total 2024 Statement of Charges	\$	31,524,550

Minimum Reserve Requirement \$ 31,524,550

Maximum Allowable Reserve Balance \$ 157,622,750

2023 / 2024	Current Reserve Balance	\$	81,519,400
2024 / 2025	Reserve Adjustment *	\$	-
2024 / 2025	Reserve Balance	\$	81,519,400
2024 / 2025	Minimum Target Reserve Shortfall	\$	-
2024 / 2025	Maximum Reserve Shortfall	\$	(76,103,350)

* No proposed adjustment to the Reserve for Additional Non-SWP Water in Fiscal Year 2024 / 2025

2024 / 2025 RESERVE FOR ADDTINL NON-SWP WATER \$ 81,519,400

DESERT WATER AGENCY

GENERAL FUND

2024 / 2025 Budget

Reserve Policy Analysis

Reserve for Land Acquisitions

Reserve shall not exceed \$5,000,000

	<i>Maximum Reserve Balance</i>	\$	5,000,000
2023 / 2024	Current Reserve Balance	\$	5,000,000
2024 / 2025	Reserve Adjustment *	\$	-
2024 / 2025	Reserve Balance	\$	5,000,000
2024 / 2025	Maximum Reserve Shortfall	\$	-

* No proposed adjustment to the Reserve for Land Acquisition in 2024 / 2025, reserve is at maximum allowable balance.

2024 / 2025	RESERVE FOR LAND ACQUISITIONS	\$	5,000,000
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Reserve for Operations

Reserve should be equal to 6-months to 1 year of operations

2024 / 2025	Cost of Operations	\$	30,213,737
Less: 2024 / 2025	State Water Project Expense	\$	(22,499,800)
	Net Cost of Operations	\$	7,713,937
	<i>Minimum Reserve Requirement</i>	\$	3,856,969
	<i>Maximum Allowable Reserve Balance</i>	\$	7,713,937
2023 / 2024	Current Reserve Balance	\$	9,761,600
2024 / 2025	Reserve Adjustment *	\$	(2,047,700)
2024 / 2025	Reserve Balance	\$	7,713,900
2024 / 2025	Minimum Target Reserve Shortfall	\$	-
2024 / 2025	Maximum Reserve Shortfall	\$	-

* Proposed \$2,047,700 reduction to the Reserve for Operations in Fiscal Year 2024 / 2025

2024 / 2025	RESERVE FOR OPERATIONS	\$	7,713,900
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DESERT WATER AGENCY

GENERAL FUND

2024 / 2025 Budget

Reserve Policy Analysis

Reserve for Replacements

Reserve should be equal to at least 6% of Agency infrastructure and not to exceed 10% of fixed assets (excluding State Water Project Capital)

Agency Infrastructure at 6/30/2023	\$	179,623,265
Less: SWP - Transportation	\$	(74,132,137)
SWP - Delta	\$	(22,081,538)
SWP - East Branch Enlargement	\$	(27,251,674)
SWP - Water System Rev Bond	\$	(9,143,658)
SWP - Advance Water Deliveries	\$	(69,273)
SWP - Tehachapi Second Afterbay	\$	(31,081)
Net Accumulated Depreciation	\$	46,913,904
<i>Minimum Reserve Balance</i>	\$	2,814,834
<i>Maximum Reserve Balance</i>	\$	4,691,390
2023 / 2024 Current Reserve Balance	\$	4,708,060
2024 / 2025 Reserve Adjustment *	\$	(16,660)
2024 / 2025 Reserve Balance	\$	4,691,400
2024 / 2025 Minimum Reserve Shortfall	\$	-
2024 / 2025 Maximum Reserve Shortfall	\$	-

* Proposed \$16,600 reduction to the Reserve for Replacements in Fiscal Year 2024 / 2025

2024 / 2025	RESERVE FOR REPLACEMENTS	\$	4,691,400
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DESERT WATER AGENCY

GENERAL FUND

2024 / 2025 Budget

Reserve Policy Analysis

Reserve for Regulatory Compliance

Reserve shall not exceed \$10,000,000

	<i>Maximum Reserve Balance</i>	\$	10,000,000
2023 / 2024	Current Reserve Balance	\$	10,000,000
2024 / 2025	Reserve Adjustment *	\$	-
2024 / 2025	Reserve Balance	\$	10,000,000
2024 / 2025	Maximum Reserve Shortfall	\$	-

* No proposed adjustment to the Reserve for Regulatory Compliance in 2024 / 2025, reserve is at maximum allowable balance.

2024 / 2025 RESERVE FOR REGULATORY COMPLIANCE \$ 10,000,000

Reserve Policy Summary

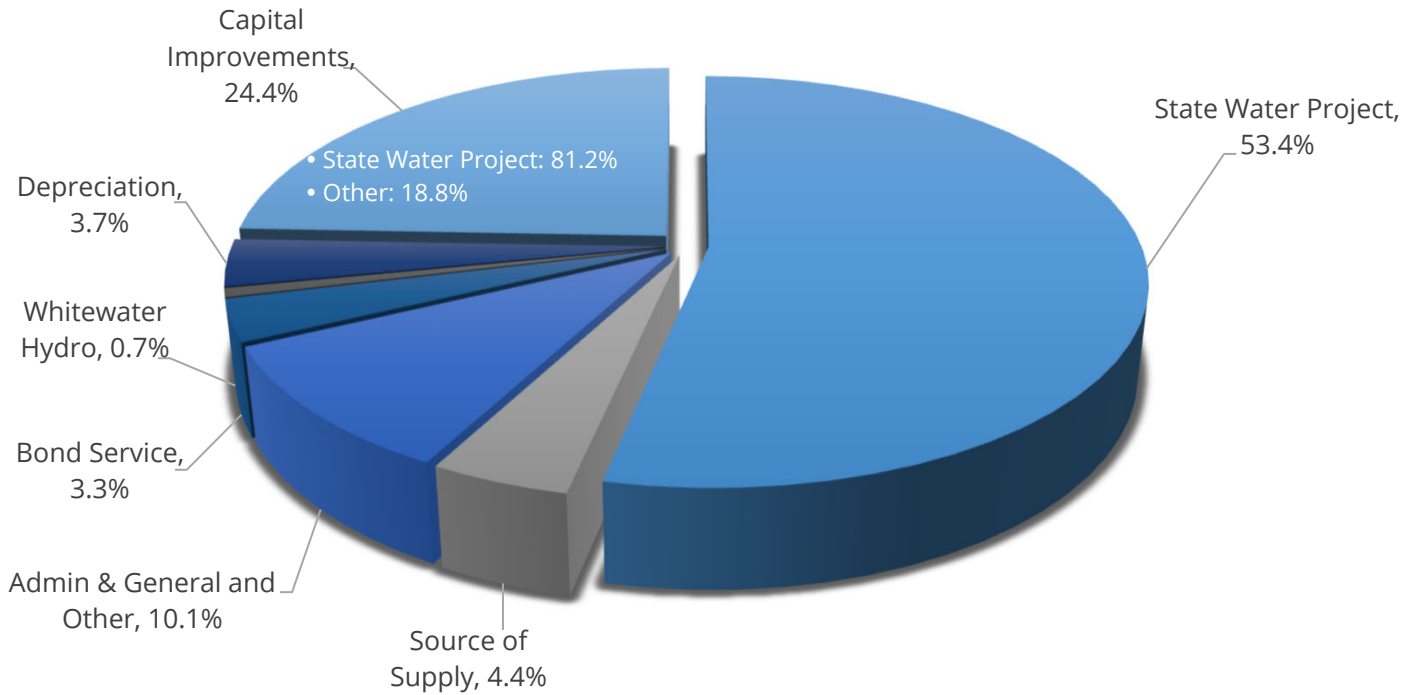
**	2024 / 2025	Minimum Reserve Requirement	\$	174,388,278 *
**	2024 / 2025	Maximum Reserve Requirement	\$	557,852,527
	2024 / 2025	Projected Total Reserves	\$	272,150,700
	2024 / 2025	Projected Minimum Reserve Shortfall	\$	-
	2024 / 2025	Projected Maximum Reserve Shortfall	\$	(285,701,827)

* Where no minimum reserve balance is established, the maximum reserve balance is used

** Reserve Policy and Reserve Requirements (Resolution No. 1302)

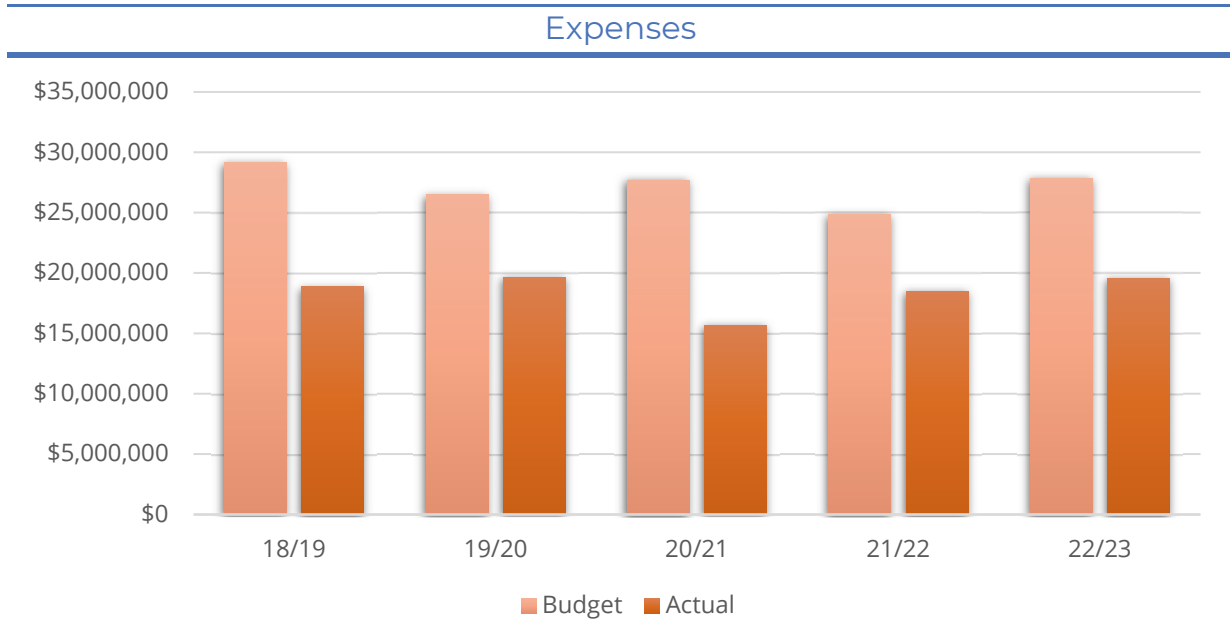
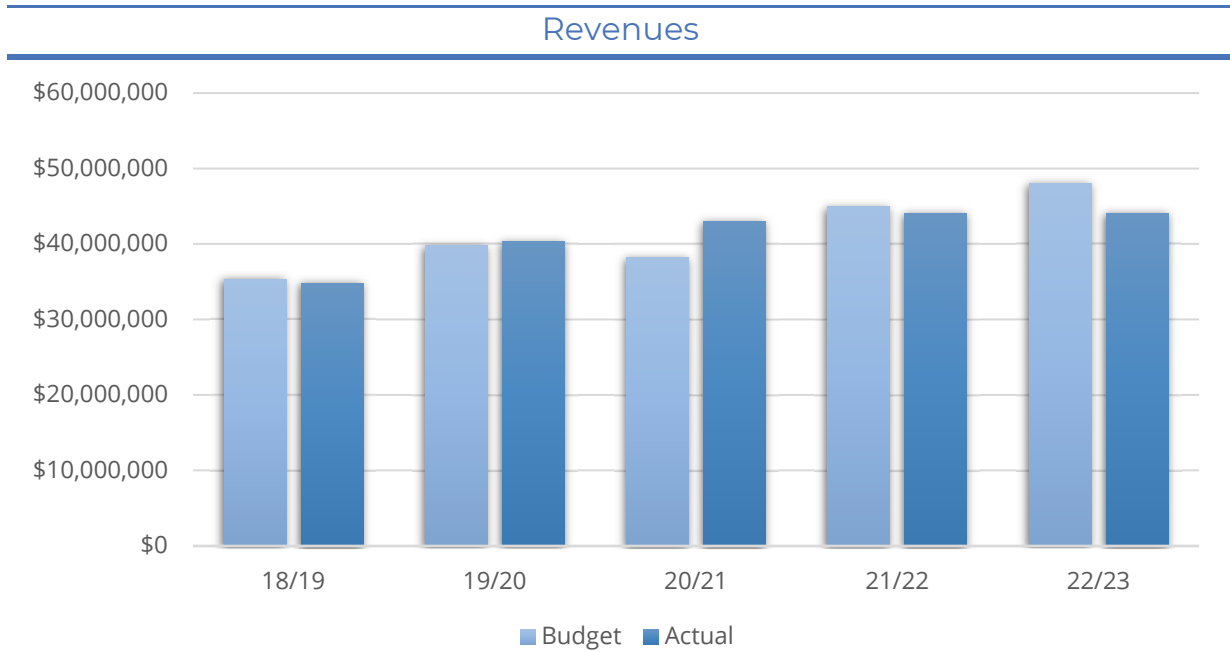
DESERT WATER AGENCY
GENERAL FUND BUDGET
 2024 / 2025 Budget Summary

Category	Cost	%
State Water Project	\$ 21,658,500	53.4%
Source of Supply	\$ 1,796,400	4.4%
Admin & General and Other	\$ 4,113,587	10.1%
Bond Service	\$ 1,342,650	3.3%
Whitewater Hydro	\$ 283,950	0.7%
Depreciation	\$ 1,520,000	3.7%
Capital Improvements	\$ 9,887,100	24.4%
TOTAL	\$ 40,602,187	100.0%



DESERT WATER AGENCY GENERAL FUND

Historical Analysis Budget vs. Actual



DESERT WATER



DESERT WATER AGENCY
Wastewater Fund Budget
2024 / 2025



DESERT WATER AGENCY

WASTEWATER FUND

2024-2025 Budget with Prior Year Comparison

	ACTUAL 2022-2023	ACTUAL TO 3/31/2024	BUDGET 2023-2024	BUDGET 2024-2025	Increase / (Decrease)
<u>OPERATING REVENUES</u>					
Wastewater Service	\$1,152,400	\$851,879	\$1,299,600	\$1,423,200	\$123,600
Plan Check Fees/Inspection/Srvs	\$0	\$8,980	\$1,160	\$0	(\$1,160)
TOTAL OPERATING REVENUES	\$1,152,400	\$860,859	\$1,300,760	\$1,423,200	\$122,440
<u>OPERATING EXPENSES</u>					
MAINTENANCE & OPERATIONS					
Maintenance of Pumps	\$43	\$77,386	\$3,600	\$2,550	(\$1,050)
Maintenance of Laterals	\$12,041	\$15,212	\$7,200	\$18,500	\$11,300
Maintenance of Lift Stations	\$104,262	\$92,639	\$92,400	\$171,750	\$79,350
Maintenance of Mains	\$118,867	\$41,818	\$142,800	\$155,000	\$12,200
Transportation Expense	\$23,785	\$4,052	\$6,000	\$26,400	\$20,400
Tools & Work Equipment	\$54	\$131	\$6,000	\$0	(\$6,000)
Other Maint & Operations	\$0	\$0	\$2,400	\$0	(\$2,400)
TOTAL MAINT & OPERATIONS	\$259,053	\$231,237	\$260,400	\$374,200	\$113,800
WASTEWATER TREATMENT SERVICE EXPENSE					
Coachella Valley Water District	\$749,212	\$661,129	\$890,400	\$961,200	\$70,800
City of Palm Springs	\$110,253	\$82,729	\$111,600	\$112,800	\$1,200
TOTAL WW TREATMENT SERVICE	\$859,465	\$743,858	\$1,002,000	\$1,074,000	\$72,000
ADMINISTRATIVE & GENERAL EXPENSE					
General Office Supplies & Expense	\$443	\$1,080	\$1,200	\$3,200	\$2,000
Utilities	\$15,589	\$10,920	\$27,600	\$1,200	(\$26,400)
Legal Services	\$2,995	\$783	\$6,000	\$6,000	\$0
Professional Consulting Services	\$1,155	\$2,126	\$2,400	\$2,500	\$100
Engineering Services	\$0	\$0	\$3,600	\$3,600	\$0
Insurance & Claims	\$14,837	\$17,518	\$19,200	\$22,800	\$3,600
Information Technology	\$510	\$0	\$2,400	\$2,400	\$0
Communications Equipment	\$0	\$0	\$2,400	\$3,000	\$600
Misc Admin & General Exp	\$792	\$799	\$850	\$850	\$0
TOTAL ADMINISTRATIVE & GENERAL	\$36,322	\$33,226	\$65,650	\$45,550	(\$20,100)
OTHER OPERATING EXPENSE					
Regulatory Expense	\$0	\$0	\$0	\$0	\$0
Uncollectible Accounts	\$0	\$0	\$0	\$0	\$0
Exp App to Prior Years	\$0	\$0	\$0	\$0	\$0
Depreciation	\$578,598	\$0	\$585,600	\$588,000	\$2,400
Other Misc Operating Expense	\$91	\$0	\$0	\$0	\$0
TOTAL OTHER OPERATING	\$578,689	\$0	\$585,600	\$588,000	\$2,400
TOTAL OPERATING EXPENSES	\$1,733,530	\$1,008,321	\$1,913,650	\$2,081,750	\$168,100
NET INCOME FROM OPERATIONS	(\$581,130)	(\$147,461)	(\$612,890)	(\$658,550)	(\$45,660)

DESERT WATER AGENCY

WASTEWATER FUND

2024-2025 Budget with Prior Year Comparison

	ACTUAL 2022-2023	ACTUAL TO 3/31/2024	BUDGET 2023-2024	BUDGET 2024-2025	Increase / (Decrease)
<u>NON-OPERATING REVENUES</u>					
Interest Short Term	\$34,915	\$47,346	\$48,000	\$61,200	\$13,200
Contributed Revenue - Customer	\$161,962	\$0	\$0	\$0	\$0
Capacity Charges	\$3,421	\$37,414	\$4,800	\$13,200	\$8,400
Other Misc Income/(Expense)	\$0	\$0	\$0	\$0	\$0
TOTAL NON-OPERATING REV	\$200,298	\$84,760	\$52,800	\$74,400	\$21,600
<u>NON-OPERATING EXPENSES</u>					
Loss on Retirement	\$0	\$0	\$0	\$0	\$0
TOTAL NON-OPERATING EXP	\$0	\$0	\$0	\$0	\$0
TOTAL NET INCOME/(LOSS)	(\$380,832)	(\$62,701)	(\$560,090)	(\$584,150)	(\$24,060)
<u>APPLICATION OF COMMITTED FUNDS</u>					
Principal - General Fund Loan	\$0	\$0	\$0	\$0	\$0
Principal - Operating Fund Loan	\$0	\$0	\$0	\$0	\$0
TOTAL COMMITTED FUNDS	\$0	\$0	\$0	\$0	\$0
Balance Remaining	(\$380,832)	(\$62,701)	(\$560,090)	(\$584,150)	(\$24,060)
Add Back Depreciation	\$578,598	\$0	\$585,600	\$588,000	\$2,400
Funds Avail. Capital Additions	\$197,767	(\$62,701)	\$25,510	\$3,850	(\$21,660)
<u>LESS CAPITAL ADDITIONS</u>			BUDGET 2023-2024	BUDGET 2024-2025	Increase / (Decrease)
Routine Capital Improvements			\$15,000	\$15,000	\$0
TOTAL CAPITAL ADDITIONS			\$15,000	\$15,000	\$0
BALANCE			\$10,510	(\$11,150)	(\$21,660)
TOTAL BUDGET			\$1,928,650	\$2,096,750	\$2,400
<u>ESTIMATED RESERVE FUND BALANCE</u>					
Estimated Reserve Fund Balance 6/30/24			\$1,787,000		
2024-2025 Budget Balance			(\$11,150)		
Required for 2023-2024 Carryover Items			(\$161,530)		
Estimated Reserve Fund Balance 6/30/25			<u>\$1,614,320</u>		
<u>BUDGET SUMMARY</u>					
Operating Expenses			\$588,000		
Non-operating Expenses			\$0		
Application of Committed Funds			\$0		
Capital Additions			\$15,000		
TOTAL BUDGET			\$603,000		

DESERT WATER AGENCY

WASTEWATER FUND

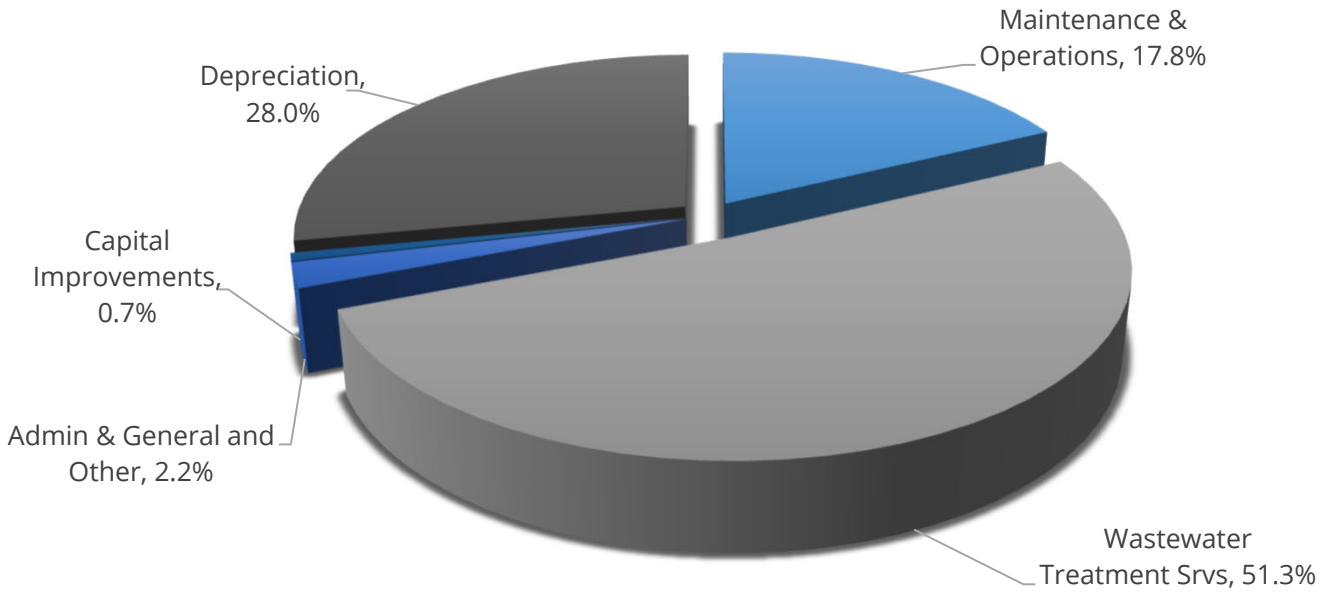
2024 / 2025

Capital Improvements

PROJECT #	DESCRIPTION	ASSET ACCOUNT	ESTIMATED COST
Routine			
MISCELLANEOUS			
244099	Contingency - Other	VARIOUS	\$15,000
TOTAL MISCELLANEOUS			\$15,000
TOTAL CAPITAL IMPROVEMENTS 2024-2025			\$15,000

DESERT WATER AGENCY
WASTEWATER FUND BUDGET
 2024 / 2025 Budget Summary

Category	Cost	%
Maintenance & Operations	\$ 374,200	17.8%
Wastewater Treatment Srvs	\$ 1,074,000	51.3%
Admin & General and Other	\$ 45,550	2.2%
Capital Improvements	\$ 15,000	0.7%
Depreciation	\$ 588,000	28.0%
TOTAL	\$ 2,096,750	100.0%



DESERT WATER AGENCY WASTEWATER FUND

Historical Analysis Budget vs. Actual

