DESERT WATER AGENCY JUNE 6, 2023



BOARD OF DIRECTORS REGULAR MEETING AGENDA

8:00 A.M. OPERATIONS CENTER - 1200 SOUTH GENE AUTRY TRAIL - PALM SPRINGS - CALIFORNIA

This meeting will be held virtually and in person. The link and the telephone option provided is for the convenience of the public.

Toll Free: (253) 215-8782 Meeting ID: 869 6725 7646 Passcode: 389588

or Via Computer: https://dwa-org.zoom.us/j/86967257646?pwd=dIFtM3IIQkt3Z1BGWIVTdkpvYkM3dz09 Meeting ID: 869 6725 7646

Members of the public who wish to comment on any item within the jurisdiction of the Agency or any item on the agenda may submit comments by emailing sbaca@dwa.org or may do so during the meeting. Comments will become part of the Board meeting record.

*In order to reduce feedback, please mute your audio when you are not speaking.

Esta reunión se llevará a cabo virtualmente y en persona. El enlace y la opción telefónica proporcionada es para la comodidad del público.

Número gratuito: (253) 215-8782 ID de reunión: 869 6725 7646 código de acceso: 389588

o a través de la computadora: https://dwa-org.zoom.us/j/86967257646?pwd=dIFtM3IIQkt3Z1BGWIVTdkpvYkM3dz09 ID de reunión: 869 6725 7646

Los miembros del público que deseen comentar sobre cualquier tema dentro de la jurisdicción de la Agencia o cualquier tema en la agenda pueden enviar comentarios por correo electrónico a <u>sbaca@dwa.org</u> o pueden hacerlo durante la reunión. Los comentarios pasarán a formar parte del registro de la reunión de la Junta.

*Para reducir los comentarios, silencia el audio cuando no estés hablando.

CALL TO ORDER/PLEDGE OF ALLEGIANCE

ORTEGA

2. ROLL CALL BACA

- 3. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA: Members of the public may comment on any item not listed on the agenda, but within the jurisdiction of the Agency. Speakers are requested to keep their comments to no more than three (3) minutes. As provided in the Brown Act, the Board is prohibited from acting on items not listed on the agenda.
- 4. PUBLIC COMMENT ON ITEMS LISTED ON THE AGENDA: Members of the public may also comment on items listed on the agenda that are not the subject of a public hearing at this time. Again, speakers are requested to keep their comments to no more than three (3) minutes.

- 5. CONSENT CALENDAR ITEMS: Items listed under the Consent Calendar are considered to be routine and will be acted upon by one motion of the Board without discussion. There will be no separate discussion on these items unless a Board Member requests a specific item to be discussed and/or removed from the Consent Calendar for separate action.
 - A. Approve Minutes of the May 16, 2023 Regular Board Meeting
 - B. Receive and File Minutes of the May 25, 2023 Finance Committee Meeting
 - C. Receive and File Minutes of the May 31, 2023 Executive Committee Meeting
 - D. Receive and File April Water Use Reduction Figures
 - E. Receive and File Minutes of the May 18, 2023 State Water Contractors' Meeting

6. ACTION ITEMS:

Α	. Request Adoption of Resolution No. 1300 Placing in Nomination Paul Ortega as a Member of the	KRAUSE
	Association of California Water Agencies Region 9 Board Member	
В	. Request Adoption of Resolution No. 1301 Establishing Policy and Guidelines for Investment	SAENZ
	of Desert Water Agency Funds	
\circ	Dogwood Adoption of Docolution No. 1202 Dovicing the Agency Docoryo Dollay	CAENIZ

C. Request Adoption of Resolution No. 1302 Revising the Agency Reserve Policy

SAENZ

7. DISCUSSION ITEMS:

A.	Fiscal Year 2023/2024 Operating, General and Wastewater Budgets	SAENZ
B.	Board of Directors Fee Evaluation	SAENZ
C.	2021-2022 SGMA Annual Reports (PowerPoint)	RAPOLLA

8. SECRETARY-TREASURERS REPORT (APRIL 2023)

MCKENNA

9. GENERAL MANAGER'S REPORT

KRAUSE

- 10. DIRECTORS REPORTS ON MEETINGS/EVENTS ATTENDED ON BEHALF OF THE AGENCY
- 11. DIRECTORS COMMENTS/REQUESTS
- 12. CLOSED SESSION
 - A. CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION

Pursuant to Government Code Section 54956.9 (d) (1)

Name of Case: Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al Two Cases

B. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Government Code Section 54956.9 (d) (1)

Name of Case: Mission Springs Water District vs. Desert Water Agency

C. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Government Code Section 54956.9 (d) (1)

Name of Case: AT&T vs. County of Riverside

D. LABOR NEGOTIATIONS

Pursuant to Government Code Section 54957 Unrepresented Employee: General Manager DWA Board Agenda June 6, 2023 Page 3 of 3

12	RECONVENE INTO	OPEN SESSION -	REPORT FROM	CLOSED SESSION
IJ.	INDUCTION OF THE PROPERTY OF	OF LIN SESSION -	INLEGINE I NOW	CLUSED SESSION

14. ADJOURN

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting is asked to contact Desert Water Agency's Assistant Secretary of the Board, at (760) 323-4971, at least 48 working hours prior to the meeting to enable the Agency to make reasonable arrangements. Copies of records provided to Board members that relate to any agenda item to be discussed in open session may be obtained from the Agency at the address indicated on the agenda.

DECLARATION OF POSTING

MINUTES OF THE REGULAR MEETING OF THE DESERT WATER AGENCY BOARD OF DIRECTORS

5-A

May 16, 2023

DWA Board:	Paul Ortega, President Jeff Bowman, Vice President Gerald McKenna, Secretary-Treasurer Kristin Bloomer, Director Steve Grasha, Director)	
DWA Staff:	Mark Krause, General Manager Steve Johnson, Assistant General Manager Esther Saenz, Finance Director Sylvia Baca, Asst. Secretary of the Board Kris Hopping, Human Resources Director Jamie Hoffman, Senior Admin. Asst. David Tate, Operations & Engineering Manager	
Consultants:	Michael T. Riddell, Best Best & Krieger) Dave Scriven, Krieger & Stewart)	
Director Bloo	President Ortega opened the meeting at 8:00 a.m. and asked omer to lead the Pledge of Allegiance.	Pledge of Allegiance
Baca to cond	President Ortega called upon Assistant Secretary of the Board uct the roll call:	Roll Call
	Present: Grasha, Bloomer, McKenna, Bowman, Ortega	
items not list	President Ortega opened the meeting for public comment for ed on the Agenda.	Public Comment on Items Not Listed on the Agenda
for items not	There was no one from the public wishing to address the Board listed on the Agenda.	
items listed o	President Ortega opened the meeting for public comment for n the Agenda.	Public Comment on Items Listed on the Agenda
for items liste	There was no one from the public wishing to address the Board ed on the Agenda.	11genua
**	President Ortega called for approval of the Consent Calendar.	Approval of the Consent Calendar

He noted that Consent Calendar Items 5-A through 5-B are expected to be routine and to be acted upon by the Board of Directors at one time without

discussion. If any Board member requests that an item be removed from the consent calendar, it will be removed so that it may be presented separately.

- A. Approve Minutes of the May 2, 2023 Regular Board Meeting
- B. Receive and File April 2023 Outreach & Conservation Activities & Events

Director Grasha moved for approval of Consent Calendar Items 5A through 5B. After a second by Director Bloomer, the motion carried by the following roll call vote:

AYES: Grasha, Bloomer, McKenna, Bowman, Ortega

NOES: None ABSENT: None ABSTAIN: None

Human Resources Director Hopping presented the staff report. She noted that the 2021-2024 Memorandum of Understanding between the Desert Water Agency (DWA) and the Desert Water Agency Employees' Association (DWAEA) calls for a cost-of-living salary increase effective July 1 of each year. The maximum cap set for the increase is 5%. For March 2023, the CPI percentage was 4.2%. Based on the DWAEA agreement, DWA employees will receive a 4.2% salary adjustment.

Continuing with her report, Mrs. Hopping stated that the employment agreement with the General Manager provides for a cost-of-living adjustment to the base salary of the same percentage as provided to DWA employees. Upon approval by the Board, the General Manager's agreement will be amended to reflect a 4.2% base salary increase.

Staff requests that the Board of Directors: 1) Approve a 4.2% Cost of Living increase to DWA employees and the General Manager with an effective date of the pay periods including July 1, 2023; 2) Approve the July 2023 DWA Monthly Salary Schedule reflecting a 4.2% increase; 3) Approve the Tenth amendment to the General Manager's employment agreement reflecting a 4.2% cost of living increase to the base salary.

In response to Vice President Bowman, Mrs. Hopping stated that the Board salary is a separate item and will be conducted by a salary survey with the results given to the Finance Director when complete. Finance Director Saenz stated that the salary survey results will be presented at the Finance Committee meeting. Legal Counsel Riddell stated that with any salary adjustment for the Board of Directors, a public hearing is required.

Approval of the Consent Calendar

(Cont.)

- A. Approve Minutes of the 05/02/23 Regular Board Mtg.
- B. Receive & File April 2023 O&C Activities & Events

Action Items:

Request Approval of July 2023 COLA Increase for DWA Employees and Contract Amendment for GM

Director Grasha made a motion to approve the 4.2% Cost of Action Items: Living Increase to DWA Employees and the General Manager with an effective date of the pay periods including July 1, 2023, Approve the July 2023 July 2023 COLA DWA Monthly Salary Schedule reflecting a 4.2% increase, and Approve Tenth amendment to the General Manager's Employment Agreement to Contract Amendment reflect a 4.2% cost-of-living increase to the base salary. After a second from Director Bloomer the motion carried by the following roll call vote:

(Cont.) Request Approval of Increase for DWA Employees and for GM

Grasha, Bloomer, McKenna, Bowman, Ortega AYES:

NOES: None None ABSENT: ABSTAIN: None

Operations & Engineering Manager Tate presented the staff report. He stated that on May 4th, out of the seven bids received, Weka, Inc. submitted the lowest responsive bid of \$2,014,407. The engineer's estimate is \$2,300,000. The bid from Weka, Inc. for construction is approximately \$285,600 under the total estimate for Phase I. He noted that the project is estimated to be completed by Spring of 2024. Staff recommends that the Board of Directors award the contract for constructing Phase I of 30" Avenida Caballeros Pipeline Replacement Project (Ramon Road to Tahquitz Canyon Way) to Weka, Inc. in the amount of \$2,014,407.

Request Approval of Award of Contract for Constructing Phase 1 of 30" Avenida Caballeros Pipeline Replacement Project (Ramon Road to Tahquitz Canyon Way)

In response to Secretary-Treasurer McKenna, Mr. Tate stated that DWA has had previous work completed by Weka, Inc. Assistant General Manager Johnson stated that Weka, Inc. does actively bid the Agency's jobs, they just haven't always been successful.

Vice President Bowman moved for approval of Award of Contract for Constructing Phase I of 30" Avenida Pipeline Replacement Project (Ramon Road to Tahquitz Canyon Way) to Weka, Inc. After a second from Secretary-Treasurer McKenna the motion carried by the following roll call vote:

> **AYES:** Grasha, Bloomer, McKenna, Bowman, Ortega

None NOES: ABSENT: None ABSTAIN: None

General Manager Krause presented the staff report. He stated that the final draft of the Engineer's report for the 2023-2024 Groundwater Replenishment Assessments is presented today for discussion purposes. He noted that the proposed rates for West Whitewater River and Mission Creek areas of benefit will be \$195 per acre-foot. The last increase implemented by the Agency was in July 2021 and was the last approved increase included in a 5-year rate study completed in 2016 and the subsequent Prop 218 approval process.

2023-2024 Groundwater Replenishment Assessment Report (Draft) Set June 20, 2023 Public Hearing

Staff recommends the following: 1) The Board of Directors receive the Draft Engineer's report for FY 2023-2024 for the West Whitewater River and Mission Creek Subbasins, 2) Requests a determination be made that funds should be raised by a replenishment assessment; and 3) Set the time and place for a public hearing on June 20, 2023 to consider resolutions of findings of fact and levying replenishment assessments for the Fiscal Year 2023-2024.

Action Items: (Cont.) 2023-2024 Groundwater Replenishment Assessment Report (Draft) Set June 20, 2023 Public Hearing

General Manager Krause asked Mr. Scriven from Krieger & Stewart to discuss the highlights of the report.

Mr. Scriven provided a summary of changes as outlined in the Executive Summary portion of the report.

In response to Director Grasha's concern about expenses in the rate increases. Mr. Scriven stated that the expenses are factored into calculations to be recovered with future increases in the rate.

In response to Secretary-Treasurer McKenna's concern about the uncertainty of charges and the Agency's sustainability, Finance Director Saenz stated that the Agency uses a table from the Department of Water Resources to project costs. General Manager Krause stated that the Agency has shown sustainability since 2009.

In response to Vice President Bowman Finance Director Saenz explained that the difference in cost comes from the State Water Project reserve funds. Mr. Scriven stated that the goal is to recover the costs that have been deferred.

Secretary-Treasurer McKenna noted that currently DWA is subsidizing Mission Springs Water District. President Ortega stated that it is the property taxpayers that are subsidizing this difference.

In response to President Ortega, General Manager Krause announced the following: 1) Public hearing on the engineer's report on June 20th,; and 2) Prop. 218 hearing on June 28th.

Director Bloomer made a motion to approve staff's recommendations. After a second by Director Grasha, the motion carried by the following roll call vote:

> AYES: Grasha, Bloomer, McKenna, Bowman, Ortega

NOES: None ABSENT: None ABSTAIN: None

General Manager Krause provided an update on Agency General Manager's operations for the past several weeks.

Director Grasha noted his attendance at BIA Leadership reception at the Living Desert on May 4, and the ACWA Spring Conference in Monterey on May 9-11.

Directors Reports on Mtgs/Events Attended on Behalf of the Agency

Director Bloomer noted her attendance at the ACWA JPIA meeting and ACWA Spring Conference in Monterey on May 8- 11.

Secretary-Treasurer McKenna noted his attendance at the City of Desert Hot Springs City Council meeting on May 2, the ACWA Spring Conference in Monterey on May 9-11, and the Mission Springs Water District Board meeting on May 15.

Vice President Bowman noted his attendance at the ACWA Spring Conference in Monterey on May 9-11.

President Ortega noted his attendance at the ACWA Spring Conference in Monterey on May 9-11.

Secretary-Treasurer McKenna noted that he read an article on the Delta Conveyance plan in the LA Times and that Metropolitan Water District sounds a bit lukewarm on that project. He also noted that he posted a picture of the Mission Springs replenishment facility on Nextdoor and has had over 6,000 views with requests on opening it to the public for recreational use.

Directors Comments/Requests

At 9:20 a.m., President Ortega convened into Closed Session for the purpose of Conference with Legal Counsel, (A) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al (Two Cases); (B) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Mission Springs Water District vs. Desert Water Agency; et al; (C) Existing Litigation, Pursuant to Government Code Section 54956.9 (d) (1), AT&T vs. County of Riverside; (D) Labor Negotiations, Pursuant to Government Code Section 54957, Unrepresented Employee: General Manager.

Closed Session:

A. Existing Litigation – ACBCI vs. CVWD, et al. (2 Cases)
B. Existing Litigation – MSWD vs. DWA
Agency et al
C. Existing Litigation - AT&T vs. County of Riverside
D. Labor Negotiations – Unrepresented
Employee: GM

At 10:31 a.m., President Ortega reconvened the meeting into open session and announced there was no reportable action taken.

Reconvene – No Reportable Action

In the absence of any further business, President Ortega adjourned the meeting at 10:32 a.m.

Adjournment

Sylvia Baca Assistant Secretary of the Board

Minutes Finance Committee Meeting

May 25, 2023

Directors Present: Gerald McKenna, Kristin Bloomer

Staff Present: Mark Krause, Steve Johnson, Esther Saenz

Call to Order

1. Public Comments - None

2. <u>Discussion Items</u>

A. Proposed 2023/2024 Operating Fund Budget

The Committee reviewed the Operating Fund revenues, expenses, and proposed reserve adjustments.

B. Proposed 2023/2024 General Fund Budget

The Committee reviewed the General Fund revenues, expenses, and proposed reserve adjustments.

C. Proposed 2023/2024 Wastewater Fund Budget

The Committee reviewed the estimated sewer revenues, operating expenses, and projected reserve balance.

D. Revised 2023/2024 Capital Improvement Budget

The Committee reviewed the revisions to the Capital Improvement Budget for the Operating, General and Wastewater Funds.

E. Reserve Policy Review & Analysis

The Committee reviewed the proposed adjustments to Agency reserves to be included in the 2023/2024 budget. The Committee reviewed the 2023/2024 reserve analysis according to the current reserve policy, comparing proposed reserve balances as compared to minimum and maximum target reserve balances. Additionally, the Committee reviewed and provided support of the proposed Reserve Policy updates by staff.

F. Advance Refunding of Bonds Discussion

The Committee reviewed the potential for advance refunding of the Agency's outstanding bond issuance and staff's recommendation to not pursue refunding at this time but re-visit once the first potential refunding date is closer.

G. Board of Directors Compensation Evaluation

The Committee reviewed and discussed the Board of Directors benefits and compensation survey. The Committee did not propose a rate increase, rather, directed staff to present the Board of Directors Benefits and Compensation Survey to the full Board for discussion. The Committee indicated that while they are not proposing a rate increase, they would not support an increase in excess of the Cost-of-Living Adjustment provided to Agency Staff for the 2023/2024 fiscal year of 4.2%.

H. Investment Policy Proposed Updates

The Committee reviewed the proposed updates to the Investment Policy to incorporate recent changes to the government code and other minor updates.

Adjourn

Minutes Executive Committee Meeting

May 31, 2023

Directors Present: Paul Ortega, Jeff Bowman

Staff Present: Mark Krause, Steve Johnson, Esther Saenz, Sylvia Baca

Consultant Present: Ashley Metzger

Call to Order

1. Public Comments - None

2. Discussion Items

A. Review agenda for June 6, 2023 Board meeting

The proposed agenda for the June 6, 2023 meeting was reviewed.

B. <u>Designate ACWA Voting Representative for 2023 ACWA Elections</u>
Staff provided the Committee with information on designating the Agency's ACWA voting representative for the election taking place later this year. It was decided that General Manager Krause will submit the electronic ballot.

C. ACWA Candidate Nomination for 2024-2025 Term

Chair Ortega has indicated his desire to run for the full term of ACWA Region 9 Board Member. An item on this nomination will be placed on the June 6, 2023 Board meeting agenda.

D. <u>Board Conference Schedule Update</u>

Staff provided the Committee with updates to upcoming Board conferences. The Committee did not recommend any travel dates for the Urban Water Institute's Annual Conference in August.

The Committee recommended travel dates for the ACWA Region 2 Sites Tour (May 31) and ACWA Region 10 Tour in Oceanside (June 28).

E. Request to Add Sites Reservoir Meetings to Approved Board Meetings/Events List and Appoint Board Member to Attend

Staff provided the Committee with the request to add Sites Reservoir meetings and to appoint a Board Member to attend these meetings. The Committee decided not to include this in the approved meetings/events list.

F. Mission Creek Groundwater Replenishment Facility Tour

Consultant Metzger discussed with the Committee about the possibility of a special joint Board Meeting of Mission Springs Water District and Desert Water Agency in order to conduct a tour of the Mission Creek Groundwater Replenishment Facility. Staff and Mrs. Metzger will coordinate on a date that works best for both DWA and MSWD.

G. 2023 Board Committees

Chair Ortega discussed the need to form a Technology Transformation Ad Hoc Committee. He then announced the formation of the Technology Transformation Ad Hoc Committee with Chair Bowman and Vice Chair McKenna. Staff informed the Committee that they are currently working with LM Technology Consulting, Inc. to prepare an introductory presentation to the committee. A meeting with the new Ad Hoc Committee could be held in mid-July.

H. Expense Reports

The April and May Expense reports were reviewed.

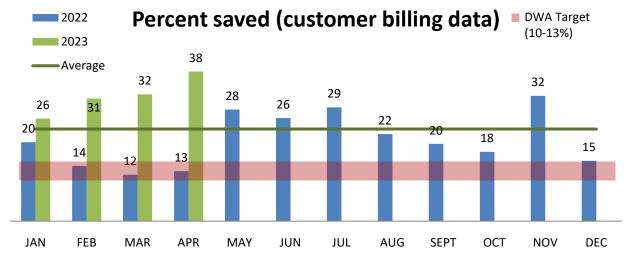
Adjourn

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

JUNE 6, 2023

RE: APRIL 2023 WATER USE REDUCTION FIGURES

Desert Water Agency customers reduced water consumption per meter by 38% during April 2023 compared to the same month in 2013 – the baseline year the State Water Resources Control Board (State Water Board) used to measure statewide conservation achievements during the last drought.



Over the past 12 months, consumption per meter is trending 26% lower compared to 2013. DWA is asking its customers to voluntarily save 10-13% compared to 2013 to help achieve long-term sustainability.

Water production (water from well and stream sources) was up 15% in April 2023 compared to April 2020 (the State's baseline). DWA is encouraging and incentivizing conservation for long-term sustainability.

In 2022, the State Water Board required water suppliers to implement Level 2 of their Water Shortage Contingency Plans to reduce water use by up to 20% with the Governor specifically requesting 15%. On March 24, 2023, the Governor removed the 15% request and the Level 2 requirement. On April 18, 2023, DWA returned to level 1 of its Water Shortage Contingency Plan.

Rain and cooler than average weather may account for the high savings in 2023.

April 2023 conservation per meter percentage	38%
April 2023 consumption per meter	32 HCF
April 2013 consumption per meter	51 HCF
April 2023 gross consumption conservation percentage	32%
April 2023 metered potable consumption	1,752 AF
April 2013 metered potable consumption	2591 AF
The percentage of the Total Monthly Potable Water Production going	63%
to residential use only for the reporting month	
Population (projected based on number of active residential meters	74,221
and inclusive of seasonal residents)	
Estimated R-GPCD	189
Number of public complaints of water waste or violation of	54
conservation rules received during the reporting month.	
Number of contacts with customers for actual/alleged water waste or	19
for a violation of conservation rules.	
Number of field visits for water waste follow up.	27
Number of citations for violation of conservation rules.	0
for a violation of conservation rules. Number of field visits for water waste follow up.	27



STATE WATER CONTRACTORS ANNUAL MEMBERSHIP

AND BOARD OF DIRECTORS MEETINGS

May 18, 2023

I. ANNUAL MEMBERSHIP MEETING

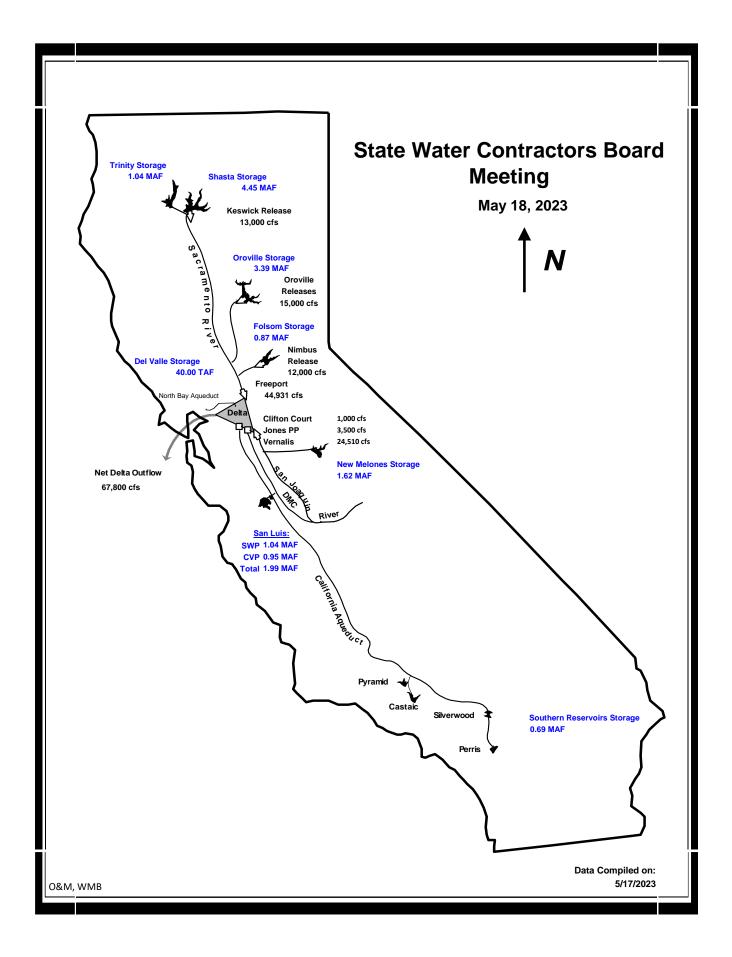
- (a) Same Directors Re-elected to SWC Board
 - For East Branch Contractors, Robert Cheng (CVWD) and Peter Thompson (AVEK)
- (b) Review of Prior Year's Accomplishments
 - Finance: resolution of disputed claims related to Water Revenue Bond Surcharges
 - Energy: completed energy roadmap; \$100 million of funding for Oroville pump-back operations; amendments to SB 1020 reduced financial impacts by \$1.4 billion
 - Infrastructure: asset management plan developed; outage management plan developed; California Aqueduct subsidence remediation commenced; SWC storage expansion work group formed
 - Water Supply: draft EIR/EIS for Delta Conveyance Project completed; identified need for temporary use change permit; drought planning and coordination; work on voluntary agreements to resolve Delta Water Quality Control Plan disputes; consultation on long-term operations in the Delta

II. SWC BOARD MEETING

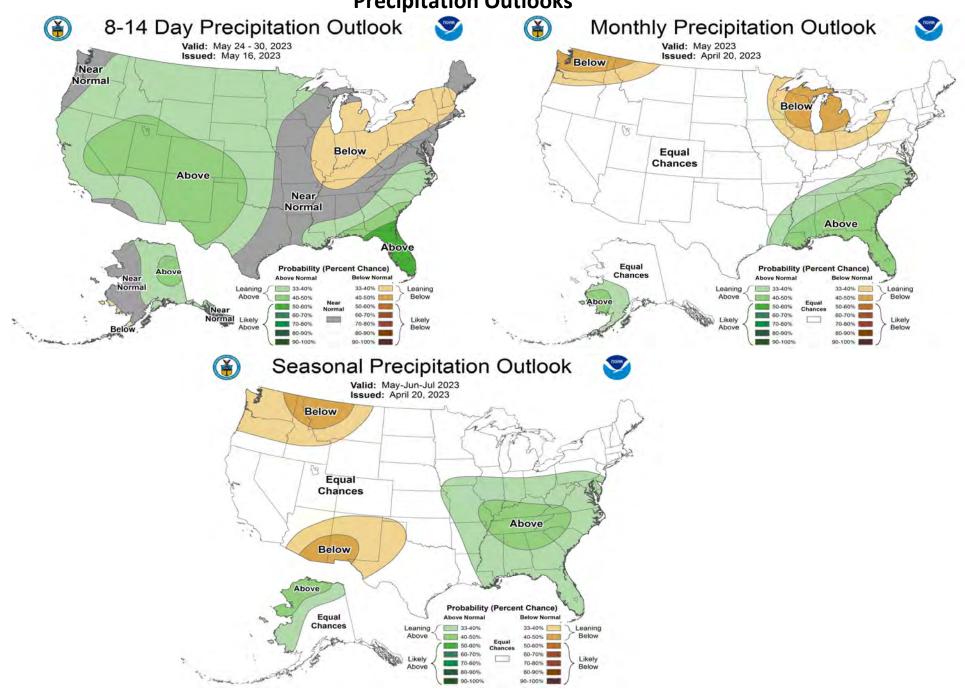
- (a) Election of Board Officers
 - Robert Cheng Board President
 - -Laura Hidas Vice President
 - JJ Westra- Secretary/Treasurer

III. SWP WATER SUPPLY

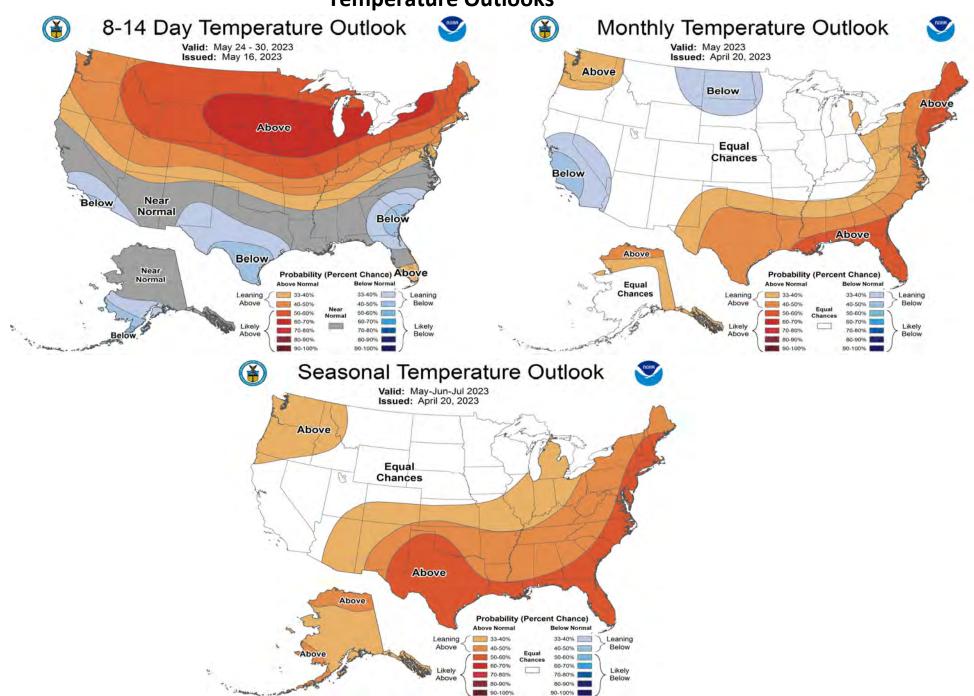
- (a) 7 day forecast dry; 7-14 day forecast above average chance of precipitation
- (b) Snow water content way above average for all three regions; increased temperatures will increase rate of snowmelt runoff
- (c) Oroville releasing water at 15,000 cfs, expect to see 20,000 to 25,000 cfs of inflows to Oroville in next few weeks. Oroville approximately 96% full
- (d) Delta outflow at about 70,000 cfs
- (e) Exports currently reduced to 1,000 cfs to accommodate maintenance at Banks Pumping Plant
- (f) Storage at San Luis Reservoir at 97% of capacity, but will return to full soon



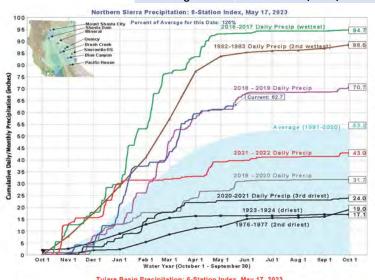
Precipitation Outlooks

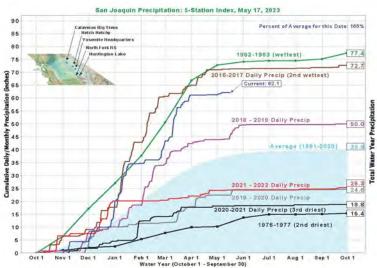


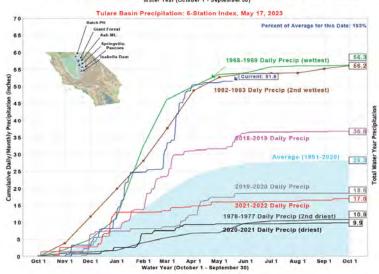
Temperature Outlooks

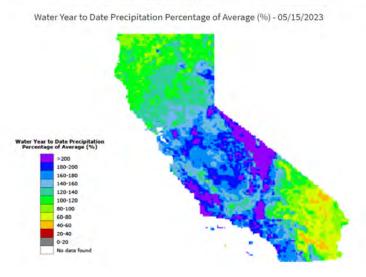


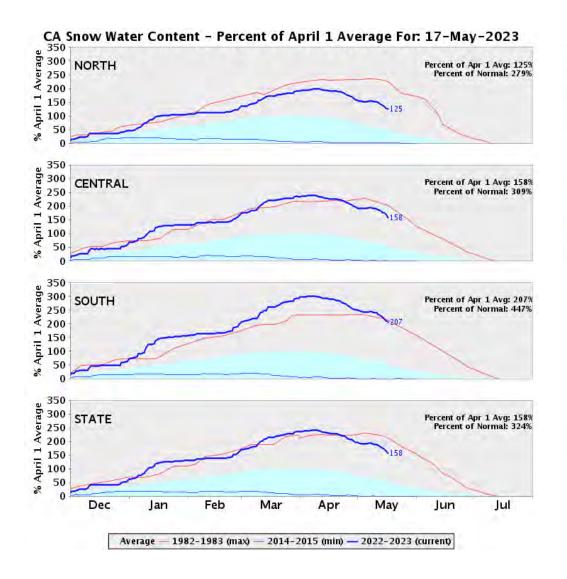
Statewide Precipitation Conditions as of 05/17/2023			
Northern Sierra 8-Station San Joaquin 5-Station Tula		Tulare Lake 6-Station	
	Index inches (%)	Index inches (%)	Index inches (%)
October	0.0" (0%)	0.0" (0%)	0.0" (0%)
November	4.7" (88%)	4.4" (122%)	3.4" (130%)
December	16.7" (167%)	15.7" (241%)	10.1" (219%)
January	16.1" (176%)	14.6" (189%)	11.3" (205%)
February	6.0" (67%)	8.7" (126%)	8.6" (168%)
March	11.7" (144%)	17.7" (280%)	17.1" (380%)
April	1.6" (37%)	0.1" (2%)	0.1" (4%)
May	1.7" (60%)	0.9" (42%)	0.4" (30%)
Season-to-Date	62.7" (125%)	62.1" (164%)	51.0" (191%)
WY Average	53.2" (117%)	40.0" (155%)	28.3" (180%)













CURRENT REGIONAL SNOWPACK FROM AUTOMATED SNOW SENSORS

% of April 1 Average / % of Normal for This Date



NORTH	
Data a r of May 17, 2023	
Number of Stations Reporting	24
Average I now water equivalent (inche II)	37.3
Percent of April 1 A verage (%)	125
Percent of normal for this date (%)	279

CENTRAL	
Data a r of May 17, 2023	
Number of Stations Reporting	39
Average i now water equivalent (inche ii)	40.4
Percent of April 1 A verage (%)	158
Percentofnormal for this date (%)	309

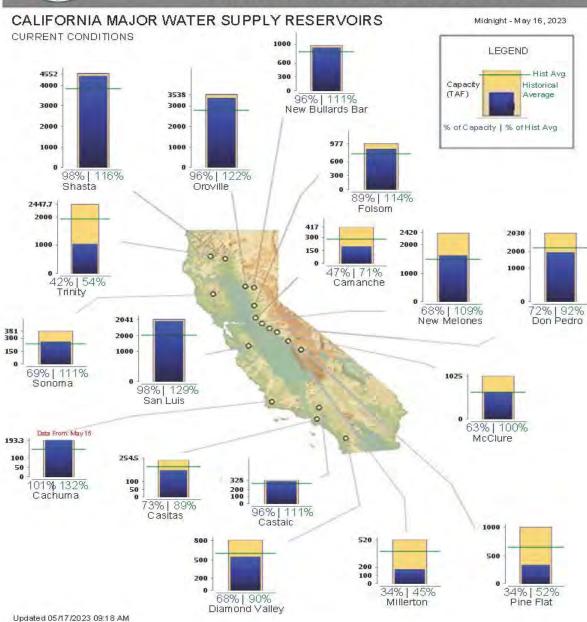
SOUTH	
Data a r of May 17, 2023	
Number of Stations Reporting	24
Average a now water equivalent (inche a)	41 D
Percent of April 1 A verage (%)	207
Percentofnormal for this date (%)	447

STATE	
Data a r of May 17, 2023	
Number of Stations Reporting	87
Average a now water equivalent (inche a)	39.7
Percent of April 1 A verage (%)	158
Percentofnormal for this date (%)	324

Statewide Average: 158% / 324%

Data as of May 17, 2023





	Storage (TAF)	% Average
Shasta	4,450.1	116%
Oroville	3,387.7	122%
Folsom	871.5	114%
San Luis	1,993.6	129%

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

JUNE 6, 2023

RE: REQUEST ADOPTION OF RESOLUTION NO. 1300 NOMINATING PAUL ORTEGA FOR ACWA REGION 9 BOARD MEMBER

The Region 9 Nominating Committee is looking for ACWA members who are interested in leading the direction of ACWA Region 9 for the 2024-2025 term. They are currently seeking candidates for the Region 9 Board, which is comprised of a Char, Vice Chair and up to five Board Member positions.

In a separate, but concurrent process, ACWA's Election Committee has announced its call for candidates for ACWA President and Vice President. More information about both processes is available at www.acwa.com/elections. The leadership of ACWA's 9 geographical regions is integral to the leadership of ACWA. The Chair and Vice Chair of Region 9 serve on ACWA's statewide Board of Directors and recommend all committee appointments for Region 9. The members of the Region 9 Board determine the direction and focus of region issues and activities. Additionally, they support the fulfillment of ACWA's goals on behalf of members and serve as a key role in ACWA's grassroots outreach efforts.

President Ortega has expressed an interest in continuing to serve as a member of the ACWA Region 9 Board and has been provided with the required paperwork for nomination.

Fiscal Impact:

If President Ortega is chosen by ACWA to serve on the Region 9 Board, there is funding included in the Fiscal Year 2023-2024 budget for Board travel/conferences. Finance Director Saenz has reviewed this report.

Recommendation:

Staff recommends that the Board of Directors adopt Resolution No. 1300, which expresses the Agency's support for President Ortega's nomination for a Director position on the ACWA Region 9 Board. After adoption, staff will send this resolution and President Ortega's nomination form to ACWA for their consideration.

Attachments:

Attachment#1 - Resolution No. 1300

RESOLUTION NO. 1300

A RESOLUTION OF THE BOARD OF DIRECTORS OF DESERT WATER AGENCY PLACING IN NOMINATION PAUL ORTEGA AS A MEMBER OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES REGION 9 BOARD MEMBER

WHEREAS, the Board of Directors of Desert Water Agency does encourage and support the participation of its members in the affairs of the Association of California Water Agencies (ACWA); and

WHEREAS, Paul Ortega is currently serving as Director for ACWA Region 9; and has indicated a desire to continue to serve as Director of ACWA Region 9

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Desert Water Agency places its full and unreserved support in the nomination of Paul Ortega for the position of Board Member, ACWA Region 9; and

FURTHER BE IT RESOLVED that the Desert Water Agency Board of Directors does hereby determine that the expenses attendant with the service of Paul Ortega in ACWA Region 9 shall be borne by Desert Water Agency

ADOPTED this 6th day of June 2023.

Paul Ortega, President

ATTEST:

Gerald McKenna, Secretary-Treasurer

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

JUNE 6, 2023

RE: REQUEST ADOPTION OF RESOLUTION NO. 1301 ESTABLISHING POLICY AND GUIDELINES FOR INVESTMENT OF DESERT WATER AGENCY FUNDS

Attached for the Board's review is a copy of Resolution No. 1273 (adopted April 19, 2022). Government Code §53646(a)(2) recommends that the Agency's investment policy be brought before the Board annually for review.

After review of the Government Code and the 2023 Policy and California Debt and Investment Advisory Commission (CDIAC) Local Agency Investment Guidelines for Investment of Desert Water Agency Funds, it was determined revisions are necessary to update the Agency's Investment Policy to incorporate the recent revisions of Government Code §53600-53635 by SB 1489, the Local Government Omnibus Act of 2022 along with a few minor updates for clarification.

Update Summary

- 1. Section II Updating Bond Fund to Financing Corporation Fund.
- 2. Section V Addition of maturity measurement guidelines and limitations on forward settlement dates in accordance with SB 1489.
- 3. Section VI Addition of "or zero return" to provide clarity as Discount Notes do not technically have an interest accrual but do provide a return when held to maturity.
- 4. Section VII Addition of the reporting deadline of 45 days after the end each month. Government Code requires reporting to the Board on the investment portfolio be provided within 45 days after the end of each quarter, however the Board has elected this reporting take place on a monthly basis.

There are no updates to Schedule 1 of the Investment Policy.

The Finance Committee has reviewed the proposed changes to the Agency's Policy and Guidelines for Investment of Agency Funds.

Fiscal Impact:

None

Legal Review:

Legal Counsel has reviewed this policy.

Recommendation:

Staff recommends the Board of Directors adopt Resolution No. 1301 Establishing Policy and Guidelines for Investment of Agency Funds.

Attachments:

- 1. Resolution No. 1273 with highlighted proposed changes
- 2. Resolution No. 1301
- 3. Schedule 1

RESOLUTION NO. 1273-1301

RESOLUTION OF THE BOARD OF DIRECTORS OF DESERT WATER AGENCY ESTABLISHING POLICY AND GUIDELINES FOR INVESTMENT OF AGENCY FUNDS

BE IT RESOLVED by the Board of Directors of the Desert Water Agency ("Agency") that the following is the Policy and Guidelines for investment of Agency Funds. The Board of Directors hereby delegates the investment authority of the Agency to the General Manager pursuant to this policy.

I. <u>INTRODUCTION</u>

This Agency investment policy is intended to provide guidelines and investment practice policy for maximizing the efficiency of the Agency's investment of funds and to protect those funds while enhancing the Agency's economic status. Government Code Section 53600.6 reads "The Legislature hereby finds that the solvency and creditworthiness of each individual local agency can impact the solvency and creditworthiness of the state and other local agencies within the state. Therefore, to protect the solvency and creditworthiness of the state and all of its political subdivisions, the Legislature hereby declares that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern".

Thus, this policy is written so that all Agency investment practices and the writing of this policy will be in compliance with Government Code Sections 53600 through 53686 as modified by recent legislative enactments that apply to the Agency.

II. SCOPE

This investment policy applies to all Agency funds, as pooled by enterprise function as follows:

- Operating Fund
- General Fund
- Wastewater Fund
- Bond-Financing Corporation Fund
- Any new fund created by the Board unless specifically exempted

III. OBJECTIVES

The first and primary objective of the Agency investment of public funds is to safeguard investment principal; second, to maintain sufficient liquidity within the portfolio to meet cash flow requirements; and third, to achieve a reasonable rate of return or yield on the portfolio consistent with these objectives. The portfolio will be actively managed in a manner that is responsive to the public trust and consistent with State law.

A. <u>Safety of Principal</u>

Safety of principal is the foremost objective of the Agency. Each investment transaction shall seek to preserve the principal of the portfolio, whether from institutional default, broker-dealer default or erosion of market value of securities. The Agency shall seek to preserve principal by mitigating two types of risk: credit risk and market risk.

- 1. <u>Credit Risk</u> Credit risk, defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by investing in only very safe institutions and by diversifying the portfolio so that the failure of any one issuer would not unduly harm the Agency's cash flow.
- 2. <u>Market Risk</u> The risk of market value fluctuations due to overall changes in the general level of interest rates shall be mitigated by limiting the maximum maturity of the Agency portfolio to five years. It is explicitly recognized herein, however, that in a diversified portfolio, occasional measured losses are inevitable, and must be considered within the context of the overall investment return.

B. <u>Liquidity</u>

Liquidity is the second most important objective. Investments shall be made whose maturity date is compatible with cash flow requirements and which can be easily and rapidly converted into cash without substantial loss of value.

C. Return on Investment

Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal and liquidity.

IV. FIDUCIARY RESPONSIBILITY

Section 53600.3 of the Government Code declares each person, or governing body authorized to make investment decisions on behalf of local agencies to be a *trustee* and therefore a *fiduciary* subject to the *prudent investor standard*. The prudent investor standard is defined as: "care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency." These persons shall act with care, skill, prudence, and diligence under the circumstances then prevailing when investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing funds. Section 53600.5 further stipulates that the primary objective of any person investing public funds is to safeguard principal; secondly, to meet liquidity needs; and lastly, to achieve a return or yield on invested funds.

Investment officers acting in accordance with the written guidelines of this investment policy and exercising due diligence are relieved of personal responsibility for an individual security's credit risk or market price change, provided deviations from expectations of the security are reported in a timely manner and appropriate action is taken to control adverse developments.

V. <u>AUTHORIZED INVESTMENTS</u>

Investments shall be restricted to those authorized in Government Code Sections 53601 and 53635 as amended and as may be further restricted by this policy statement. All authorized investments are shown in Schedule I (attached) which defines the type of investments authorized, maturity limitations, portfolio diversification, credit quality standards and purchase restrictions that may apply.

Maturity shall be measured from the settlement date to final maturity. Additionally, purchasing a security with a forward settlement date exceeding 45-days from the time of investment purchase is prohibited.

VI. PROHIBITED INVESTMENTS

Prohibited investments include securities not listed in Schedule I, as well as inverse floaters, range notes, interest only strips that are derived from a pool of mortgages (Collateralized Mortgage Obligations) nor in any derivative or other investment that could result in zero interest accrual or zero return if held to maturity as outlined in Section 53601.6 of the Government Code, except in the event of a negative market. According to Government Code Section 53601.6(b)(2), until January 1, 2026, "the Agency may invest in securities issued by, or backed by, the United States Government that could result in zero- or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. A local agency may hold these instruments until their maturity dates."

VII. REPORTING

Government Code requires quarterly summary reporting of the investment portfolio within 45 days following the end of the quarter. However, on a monthly basis, within 45 days following the end of the month, the Board will be provided a report summarizing, by fund, each investment by type, issuer, maturity date, par and dollar amount invested in all securities, their market value, description of investment managed by contracted parties, a statement denoting the ability of the Agency to meet its expenditure requirements for the next six months, or provide an explanation as to why the expenditure requirement cannot be met, and monthly statement of compliance of the investment portfolio with the policy and guidelines for investment of Agency funds or the manner in which the portfolio is not in compliance.

VIII. TRACKING AND EARLY SALE OF SECURITIES

All securities are to be purchased with the intent of holding them until maturity. However, in an effort to minimize market and credit risks, securities may be sold prior to maturity either at a profit or loss when economic circumstances, trend in short-term interest rates, or a deterioration in credit-worthiness of the issuer warrants a sale of the securities to either enhance overall portfolio yield or to minimize further erosion and loss of investment principal. In measuring a profit or loss. The sale proceeds will be compared to the original book value of the security plus cumulative interest earned on the security from the date of purchase to the date of sale.

IX. QUALIFIED INSTITUTIONS AND DEALERS

The Agency shall transact business only with banks, savings and loans, and registered investment securities broker/dealers. The purchase by the Agency of any investment other than those purchased directly from the issuer, will be purchased either from an institution licensed by the State as a broker/dealer, who is a member of the National Association of Securities Dealers, or a member of a federally regulated securities exchange, a national or state chartered bank, a federal or state association, or a brokerage firm designated as a primary government dealer by the Federal Reserve Bank.

Should an investment manager be assigned to manage a portion of the Agency invested funds, such manager shall have full discretion to invest the assigned funds within the guidelines of this policy. The investment manager will provide monthly reports detailing all asset information and performance results and maintain communication with the Agency at as reasonable frequency as market conditions warrant. Major market condition changes will be immediately called to the attention of the Agency. In all cases where an independent investment manager is utilized, no funds will be released until a signed acknowledgment of the manager's willingness and commitment to abide by the guidelines of this policy is received by the Agency.

BE IT FURTHER RESOLVED that this investment policy will be periodically
reviewed to ensure its compliance with any applicable legislative action and its consistency with
the overall objectives of safety, liquidity and investment return as well as financial and economic
trends. The foregoing investment policy notwithstanding, the intent and purpose is to ensure that
investment of Agency funds is performed within the guidelines of relevant Government Code
sections and as may be further limited herein. This policy will be presented to the Board at least
annually for its review.

annually for its review.	
Resolution No. <u>1273</u> adopted <u>April</u> guidelines, <u>is</u> hereby rescinded.	19, 2022 establishing investment policy a
ADOPTED this 6 th day of June 2023.	
	Paul Ortega, President
ATTEST:	
Gerald McKenna, Secretary-Treasurer	

RESOLUTION NO. 1301

RESOLUTION OF THE BOARD OF DIRECTORS OF DESERT WATER AGENCY ESTABLISHING POLICY AND GUIDELINES FOR INVESTMENT OF AGENCY FUNDS

BE IT RESOLVED by the Board of Directors of the Desert Water Agency ("Agency") that the following is the Policy and Guidelines for investment of Agency Funds. The Board of Directors hereby delegates the investment authority of the Agency to the General Manager pursuant to this policy.

I. <u>INTRODUCTION</u>

This Agency investment policy is intended to provide guidelines and investment practice policy for maximizing the efficiency of the Agency's investment of funds and to protect those funds while enhancing the Agency's economic status. Government Code Section 53600.6 reads "The Legislature hereby finds that the solvency and creditworthiness of each individual local agency can impact the solvency and creditworthiness of the state and other local agencies within the state. Therefore, to protect the solvency and creditworthiness of the state and all of its political subdivisions, the Legislature hereby declares that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern".

Thus, this policy is written so that all Agency investment practices and the writing of this policy will be in compliance with Government Code Sections 53600 through 53686 as modified by recent legislative enactments that apply to the Agency.

II. SCOPE

This investment policy applies to all Agency funds, as pooled by enterprise function as follows:

- Operating Fund
- General Fund
- Wastewater Fund
- Financing Corporation Fund
- Any new fund created by the Board unless specifically exempted

III. OBJECTIVES

The first and primary objective of the Agency investment of public funds is to safeguard investment principal; second, to maintain sufficient liquidity within the portfolio to meet cash flow requirements; and third, to achieve a reasonable rate of return or yield on the portfolio consistent with these objectives. The portfolio will be actively managed in a manner that is responsive to the public trust and consistent with State law.

A. <u>Safety of Principal</u>

Safety of principal is the foremost objective of the Agency. Each investment transaction shall seek to preserve the principal of the portfolio, whether from institutional default, broker-dealer default or erosion of market value of securities. The Agency shall seek to preserve principal by mitigating two types of risk: credit risk and market risk.

- 1. <u>Credit Risk</u> Credit risk, defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by investing in only very safe institutions and by diversifying the portfolio so that the failure of any one issuer would not unduly harm the Agency's cash flow.
- 2. <u>Market Risk</u> The risk of market value fluctuations due to overall changes in the general level of interest rates shall be mitigated by limiting the maximum maturity of the Agency portfolio to five years. It is explicitly recognized herein, however, that in a diversified portfolio, occasional measured losses are inevitable, and must be considered within the context of the overall investment return.

B. <u>Liquidity</u>

Liquidity is the second most important objective. Investments shall be made whose maturity date is compatible with cash flow requirements and which can be easily and rapidly converted into cash without substantial loss of value.

C. Return on Investment

Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal and liquidity.

IV. FIDUCIARY RESPONSIBILITY

Section 53600.3 of the Government Code declares each person, or governing body authorized to make investment decisions on behalf of local agencies to be a *trustee* and therefore a *fiduciary* subject to the *prudent investor standard*. The prudent investor standard is defined as: "care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency." These persons shall act with care, skill, prudence, and diligence under the circumstances then prevailing when investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing funds. Section 53600.5 further stipulates that the primary objective of any person investing public funds is to safeguard principal; secondly, to meet liquidity needs; and lastly, to achieve a return or yield on invested funds.

Investment officers acting in accordance with the written guidelines of this investment policy and exercising due diligence are relieved of personal responsibility for an individual security's credit risk or market price change, provided deviations from expectations of the security are reported in a timely manner and appropriate action is taken to control adverse developments.

V. <u>AUTHORIZED INVESTMENTS</u>

Investments shall be restricted to those authorized in Government Code Sections 53601 and 53635 as amended and as may be further restricted by this policy statement. All authorized investments are shown in Schedule I (attached) which defines the type of investments authorized, maturity limitations, portfolio diversification, credit quality standards and purchase restrictions that may apply.

Maturity shall be measured from the settlement date to final maturity. Additionally, purchasing a security with a forward settlement date exceeding 45-days from the time of investment purchase is prohibited.

VI. PROHIBITED INVESTMENTS

Prohibited investments include securities not listed in Schedule I, as well as inverse floaters, range notes, interest only strips that are derived from a pool of mortgages (Collateralized Mortgage Obligations) nor in any derivative or other investment that could result in zero interest accrual or zero return if held to maturity as outlined in Section 53601.6 of the Government Code, except in the event of a negative market. According to Government Code Section 53601.6(b)(2), until January 1, 2026, "the Agency may invest in securities issued by, or backed by, the United States Government that could result in zero- or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. A local agency may hold these instruments until their maturity dates."

VII. <u>REPORTING</u>

Government Code requires quarterly summary reporting of the investment portfolio within 45 days following the end of the quarter. However, on a monthly basis, within 45 days following the end of the month, the Board will be provided a report summarizing, by fund, each investment by type, issuer, maturity date, par and dollar amount invested in all securities, their market value, description of investment managed by contracted parties, a statement denoting the ability of the Agency to meet its expenditure requirements for the next six months, or provide an explanation as to why the expenditure requirement cannot be met, and monthly statement of compliance of the investment portfolio with the policy and guidelines for investment of Agency funds or the manner in which the portfolio is not in compliance.

VIII. TRACKING AND EARLY SALE OF SECURITIES

All securities are to be purchased with the intent of holding them until maturity. However, in an effort to minimize market and credit risks, securities may be sold prior to maturity either at a profit or loss when economic circumstances, trend in short-term interest rates, or a deterioration in credit-worthiness of the issuer warrants a sale of the securities to either enhance overall portfolio yield or to minimize further erosion and loss of investment principal. In measuring a profit or loss. The sale proceeds will be compared to the original book value of the security plus cumulative interest earned on the security from the date of purchase to the date of sale.

IX. QUALIFIED INSTITUTIONS AND DEALERS

The Agency shall transact business only with banks, savings and loans, and registered investment securities broker/dealers. The purchase by the Agency of any investment other than those purchased directly from the issuer, will be purchased either from an institution licensed by the State as a broker/dealer, who is a member of the National Association of Securities Dealers, or a member of a federally regulated securities exchange, a national or state chartered bank, a federal or state association, or a brokerage firm designated as a primary government dealer by the Federal Reserve Bank.

Should an investment manager be assigned to manage a portion of the Agency invested funds, such manager shall have full discretion to invest the assigned funds within the guidelines of this policy. The investment manager will provide monthly reports detailing all asset information and performance results and maintain communication with the Agency at as reasonable frequency as market conditions warrant. Major market condition changes will be immediately called to the attention of the Agency. In all cases where an independent investment manager is utilized, no funds will be released until a signed acknowledgment of the manager's willingness and commitment to abide by the guidelines of this policy is received by the Agency.

BE IT FURTHER RESOLVED that this investment policy will be periodically reviewed to ensure its compliance with any applicable legislative action and its consistency with the overall objectives of safety, liquidity and investment return as well as financial and economic trends. The foregoing investment policy notwithstanding, the intent and purpose is to ensure that investment of Agency funds is performed within the guidelines of relevant Government Code sections and as may be further limited herein. This policy will be presented to the Board at least annually for its review.

Resolution No. 1273 adopted April 19, 2022 establishing investment policy and guidelines, is hereby rescinded.

ADOPTED this 6 th day of June 2023.	
	Paul Ortega, President
ATTEST:	_

Gerald McKenna, Secretary-Treasurer

DESERT WATER AGENCY

Investment Policy

Schedule 1

ID	Investment Type	Maximum Maturity	Maximum Portfolio %	Minimum Quality Requirements	Purchase Restrictions	Gov't Code Section(s)
1	U.S. Treasury Obligations	5 years	None	None	None	53601(b)
2	U.S. Agency Obligation	5 years	None	None	None	53601(f)
3	Local Agency Bonds	5 years	None	None	None	53601(a)
4	State Obligations	5 years	None	None	None	53601(c) 53601(d)
5	Bonds issued by Desert Water Agency	Max. 5 years unless board approval 3 mo. in advance (53601)	None	None	None	53601(a)
6	Bankers' Acceptances	180 days	40%	None	Maximum 30% with any one commercial bank	53601(g)
7	Commercial Paper - Non- Pooled Funds (when DWA under \$100mm of investments)	270 days or less	25% of the agency's money	Highest letter and number rating by an NRSRO ^[1]	Max. 10% of the outstanding commercial paper and medium-term notes of any single issuer. 53601(h)(2)(c)	53601(h)
8	Commercial Paper - Non- Pooled Funds (when DWA \$100mm of investments and over)	270 days or less	40% of the agency's money	Highest letter and number rating by an NRSRO ^[1]	Max. 10% of the outstanding commercial paper and medium-term notes of any single issuer. 53601(h)(2)(c)	53601(h)
9	Local Agency Investment Fund (LAIF)	None	None	None	Set by State Treasurer	16429.1
10	Negotiable Certificates of Deposit	5 years	30%	None	Gov. Code Sec. 53638	53601(i)
11	Non-Negotiable Certificates of Deposit	5 years	\$20,000,000 any one bank	None	Gov. Code Sec. 53638	53600 et seq.
12	Repurchase Agreements	1 year	None	None	102% collateral	53601(j)

DESERT WATER AGENCY Investment Policy Schedule 1

ID	Investment Type	Maximum Maturity	Maximum Portfolio %	Minimum Quality Requirements	Purchase Restrictions	Gov't Code Section(s)
13	Reverse Repurchase Agreements and Securities Lending Agreements	92 days	20% of the base value of the portfolio	None	For temporary cash flow needs only	53601(j)
14	Medium-Term Notes (Corporate Notes)	Remaining maturity of 5 years or less	30%	"A" rating category or its equivalent or better	Maximum 10% with any single issuer	53601(k)
15	Mutual Funds and Money Market Mutual Funds	None	20%	Highest letter and number rating by at least two NRSRO's ^[1] OR the fund must retain an investment meeting the qualifications of 53601(I)(3)(B) or 53601(I)(4)(B)	See minimum Quality Requirements	53601(l) 53601.6(b)

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

JUNE 6, 2023

RE: REQUEST ADOPTION OF RESOLUTION NO. 1302 REVISING THE AGENCY RESERVE POLICY

In May 2006, the Board adopted Resolution No. 926 establishing a policy of Agency reserves, further revised by Resolution No. 1187 in June 2018 and Resolution No. 1262 in June 2021.

Currently, the target reserve for replacements is set to "an amount approximately equal to the accumulated amount of depreciation of the Agency's physical plant (not including State Water Project facilities)". Both the General and Operating Funds maintain a Reserve for Replacements.

During the annal review of the Agency's reserves, it was determined that the target reserve level for replacements is excessive and not in line with how the Agency manages the Agency's infrastructure replacement program. Rather than build up large reserves for replacements over several years and fund infrastructure replacements from that fund, the Agency incrementally budgets for and replaces water infrastructure annually. With this replacement methodology, a replacement reserve equal to accumulated depreciation is not required. However, a reserve is still necessary in order to respond to needs as they arise that may not align the forecasted timeline for replacement according to the Agency's capital improvement program as well as allow for rate smoothing where revenues do not align with the capital program in any given year.

Staff desires to set a minimum target of approximately 6% of the Agency's infrastructure (excluding the State Water Project) to align with the recommended replacement reserve target level utilized in the Agency's recent Cost of Service Study. Additionally, staff desires to set a maximum, not to exceed, level that currently does not exist within the current reserve policy for the Reserve for Replacements.

Section 2(b) of Resolution 1262 indicates:

The Agency shall endeavor to maintain in each Reserve for Replacements an amount approximately equal to the accumulated amount of depreciation of the Agency's physical plant (not including State Water project facilities) for the Agency's facilities as reflected in the annual audit of the Agency presented to the Board each year.

Staff proposes the above portion of Section 2(b) be revised as follows:

The Agency shall endeavor to maintain in each Reserve for Replacements an amount approximately equal to six percent (6%) and not to exceed ten percent (10%) of the Agency's infrastructure (not including State Water project facilities) for the Agency's facilities as reflected in the annual audit of the Agency presented to the Board each year.

Current Reserve for Replacements

Target Balance should be equal to accumulated depreciation of assets.

	2023/2024 Targets	Current Balance
Operating Fund	\$148,533,982	\$ 2,760,000
General Fund	\$ 10,949,817	\$10,346,800

Proposed Reserve for Replacements

Reserve should be equal to approximately 6% and not to exceed 10% of the Agency's infrastructure.

2023/2024	Minimum Target	Maximum Target
Operating Fund	\$16,360,518	\$27,267,531
General Fund	\$ 2,824,836	\$ 4,708,060

Additional minor changes have been made to Section 1(b) of the reserve policy. Updates are as follows:

- 1. Updating the name of the Department Water Resources (DWR) tunnel project that will carry fresh water from the Sacramento River to State Water Project diversion facilities in the South Delta from California Water Fix (CWF) to the Delta Conveyance Facility (DCF).
- 2. Revising the description of the project from a two tunnel to a one tunnel project.
- 3. Updating the 10-year cost projections with the most current cost projections provided by the DWR utilized to estimate the annual charges for the DCF.

Legal Review:

Legal has reviewed Resolution No. 1302 Revising the Agency Reserve Policy

Fiscal Impact:

None

Recommendation:

Staff recommends the Board of Directors adopt Resolution No. 1302 Revising the Agency Reserve Policy.

Attachments:

1. Resolution No. 1302

RESOLUTION NO. 1302

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DESERT WATER AGENCY REVISING THE AGENCY RESERVE POLICY

WHEREAS, the Board of Directors of the Desert Water Agency ("Agency") is charged with responsibility for providing an imported water supply to the areas located within the Agency's boundaries, for recharge of local groundwater supplies, for the construction, operation, maintenance, repair and replacement of facilities to treat, store, transport and deliver water to Agency customers, and for the collection and accumulation of revenues necessary to accomplish these purposes; and

WHEREAS, the implementation of Board policy over a period of many years has resulted in the accumulation of funds to be utilized for variety of Agency activities and to protect the Agency's customers and taxpayers from the financial impacts of catastrophic events, contractual obligations, and from fluctuations in Agency expenses; and

WHEREAS, the Board believes it would be helpful and prudent to formally adopt reserve categories within this policy to ensure that the Agency at all times will have sufficient funds available to meet its operating, capital, contractual and debt service obligations; and

WHEREAS, this Board also wishes to provide for the creation and/or re-allocation of certain reserve accounts in the Operating and General Funds, and to set forth in writing the Agency's policy regarding the accumulation of reserves, the purposes for which they may be expended, and the levels which the Agency should strive to maintain;

NOW THEREFORE, be it resolved that the Board of Directors of Desert Water Agency hereby provides for the creation of three types of reserve categories – Restricted, Unrestricted, and Administrative Reserves – and hereby allocates existing reserve funds as follows:

1. **RESTRICTED RESERVES (FUNDS)**

Restricted Funds – are funds that are restricted by law or contract to be used for only a specific purpose, such as contractual obligations, bond covenants, etc.

The Restricted Reserves will include, but not be limited to, the following:

- (a) State Water Contract Fund (General Fund) All revenue collected from taxes levied on real property within the Agency's boundaries to pay amounts due and owing to the State of California Department of Water Resources ("DWR") pursuant to the Agency's contract with the State ("State Water Contract") for participation in the State Water Resources Development System shall be deposited into the State Water Contract Fund. The revenues deposited into the State Water Contract Fund may be utilized only to pay the Agency's financial obligations on the State Water Contract. The Agency shall endeavor to maintain money in the State Water Contract Fund in an amount which is more than two and one-half (2-1/2) times the total of the previous year's invoices from DWR, but not more than six (6) times the total of such invoices, so that a reserve may be maintained to absorb temporary increases in charges from DWR, help to stabilize Agency tax rates, and protect against economic conditions which could result in the failure of numerous Agency taxpayers to pay their taxes.
- (b) **Delta Conveyance Facility (DCF)** Reserve (General Fund) – The Delta Conveyance Facility Reserve is a sub-set of the State Water Contract Fund. The Delta Conveyance Facility is a \$16 billion plan being implemented by the DWR to build an underground tunnel to carry fresh water from the Sacramento River to State Water Project diversion facilities in the South Delta, and to restore habitat in the Delta. The Agency is a participating contractor in the DCF. The Agency is obligated to pay its share of the DCF Capital & Operating costs over the next 40 years. The current projection from the DWR for the Agency's portion of the cost of DCF is \$43,423,554 over the next 10 years. Revenue collected from taxes levied on real property within the Agency's boundaries will be utilized to pay amounts due and owing to DWR per the State Water Contract (see State Water Contract Fund). The Agency will endeavor to maintain money in the DCF Fund for current and future payments in order to smooth tax rates (rate stabilization) and protect against economic conditions, which could result in the failure of Agency taxpayers to pay their taxes. The target for this reserve will also be two and onehalf (2 1/2) times the annual charges from DWR for the Agency's share of DCF, but not more than six (6) times the annual charges for DCF.

- (c) Reserve for Additional State Water Project Water (General Fund) The reserve for Additional State Water Project Water is a sub-set of the State Water Contract Fund. The Reserve for Additional State Water Project Water may be utilized for the purchase of additional State Water Project water, to augment the Agency's annual allocation of water pursuant to the Table A of the Agency's State Water Contract, and for related costs. The Agency shall endeavor to maintain the Reserve for Additional State Water Project Water in an amount which is greater than the total of the previous year's invoices from DWR pursuant to the Agency's State Water Contract, but which does not exceed five (5) times that amount.
- (d) **Bond Reserve Fund** (Operating and/or General Funds) –The Bond Reserve Fund will be utilized in the event the Agency incurs bonds or other finance debt. As bond indebtedness occurs, the following guidelines will be enforced:

This Fund is governed by bond covenants for the Agency's revenue bonds. Bond covenants require that this fund be maintained at a level sufficient to fund maximum annual debt service payments. These funds are held by the bond trustee during the term of the bonds, and are to be used in the event that the Agency is unable to meet its required semi-annual debt service obligation.

Reserve funds for each revenue bond or other form of financing issued will be used to make the last two semi-annual debt service payments for that issue. Annual interest earnings on bond reserve funds shall be applied to each year's debt service payments.

2. <u>UNRESTRICTED (DESIGNATED) RESERVES</u>

Unrestricted (Designated) Reserves – are funds, though not required by any covenant or contractual requirement, that are necessary and play a critical role in providing reliable service and funding short and long term capital projects, capital replacement projects, potential environmental obligations and responding to emergencies. Unrestricted (Designated) Reserves include, but are not limited to:

(a) **Reserve for Operations** (Operating and/or General Funds) – A "Reserve for Operations" is hereby created to be utilized to pay the costs of operating the Agency's facilities and operations, as the case may be, including unanticipated costs of operation. The Agency shall endeavor to maintain in each reserve for operations an amount sufficient to pay for six (6) months of normal

operation, but not exceeding one year of normal operation. However, funds appropriated to any Reserve for Operations may be accessed at any time for any other Agency purpose, upon approval by the Board.

- (b) Reserve for Replacements (Operating and/or General Funds) A "Reserve for Replacements" is hereby created for the Agency's Operating and/or General Accounts to which the Board may appropriate unrestricted Agency revenues. Each Reserve for Replacements may be utilized to replace the Agency's infrastructure, as needed. The Agency shall endeavor to maintain in each Reserve for Replacements an amount approximately equal to six percent and not to exceed ten percent of the Agency's infrastructure (not including State Water Project facilities) for the Agency's facilities and as reflected in the annual audit of the Agency presented to the Board each year. However, the funds appropriated to each Reserve for Replacements may be accessed at any time for any other Agency purpose, upon approval by the Board. Funds appropriated to a Reserve for Replacements may be invested in the same manner as other Agency surplus funds, and the earnings thereon shall be credited to the Agency's Operating and/or General Fund Accounts, as the case may be.
- (c) Reserve for Disaster Response (Operating Fund) A "Reserve for Disaster Response" is hereby created for the Agency's Operating Fund, to which the Board may appropriate unrestricted Agency revenues. The Reserve for Disaster Response may be utilized to procure such equipment and supplies, perform such repairs, employ such personnel, and take such other measures as may be necessary or appropriate in the event of a disaster or calamity requiring Agency response. The Agency shall endeavor to maintain in the Reserve for Disaster Response an amount approximately equal to 15% of the value of the Agency's net infrastructure or for the Agency's general system, as the case may be, and as reflected in the annual audit of the Agency presented to the Board each year. However, the funds appropriated to the Reserve for Disaster Response may be accessed at any time for any other Agency purpose, upon approval by the Board. Funds appropriated to a Reserve for Disaster Response may be invested in the same manner as other Agency surplus funds, and the earnings thereon shall be credited to the Agency's Operating Fund.

- (d) Land Acquisition Reserve (Operating and General Funds) A "Reserve for Land Acquisition" is hereby created for the Operating and General Funds to which the Board may appropriate unrestricted Agency revenues. The Land Acquisition Reserve may be utilized to acquire property necessary for future Agency groundwater recharge facilities, power generating facilities, well sites, reservoir sites, booster plants, water treatment facilities, lift stations, recycling facilities, and/or any other Agency operations. The Agency will endeavor to maintain the Land Acquisition Reserve in an amount not to exceed \$5,000,000 in each fund, respectively.
- (e) Reserve for Additional Non-State Water Project Water (General Fund) The
 - Board may appropriate unrestricted Agency revenues to the reserve for Additional Non-State Water Project Water. The Reserve for Additional Non-State Water Project Water may be utilized for the purchase or development of additional non-State Water Project water, to augment the Agency's annual allocation of water pursuant to the Table A of the Agency's State Water Contract, and for related costs. The Agency shall endeavor to maintain the Reserve for Additional Non-State Water Project Water in an amount which is greater than the total of the previous year's invoices from DWR pursuant to the Agency's State Water Contract, but which does not exceed five (5) times that amount. However, the funds appropriated to the Reserve for Additional Water may be accessed at any time for any other Agency purpose, upon approval by the Board. Funds appropriated to the Reserve for Additional Non-State Water Project Water may be invested in the same manner as other Agency surplus funds, and the earnings thereon shall be credited to the Agency's General Fund.
- (f) **Regulatory Compliance Reserve** (Operating and General Fund) A "Reserve for Regulatory Compliance" is hereby created to which the Board may appropriate unrestricted Agency revenues. The Regulatory Compliance Reserve may be utilized by the Operating and/or General Funds to comply with any regulatory legislation or requirements imposed on the Agency for groundwater and/or surface water treatment by any Federal, State or Local authority. The Agency shall endeavor to maintain the Reserve for Regulatory Compliance in an amount not to exceed \$10,000,000 per fund, respectively. However, the Funds appropriated to the Regulatory Compliance Reserve may be accessed at any time for any other Agency purpose upon approval by the Board.

3. <u>ADMINISTRATIVE RESERVES (Operating Fund)</u>

Administrative reserves are funds, though not required by any covenant or contractual provision, that are utilized for the administrative costs associated with personnel. Administrative Reserves include, but are not limited to:

(a) Retirement Benefits Reserve (Operating Fund) – A "Reserve for Retirement Benefits" is hereby created to be utilized to pay the cost of retiree benefits such as, but not limited to, health, dental and vision insurance premiums and PERS adjustments. The Agency shall endeavor to maintain in the Retirements Benefits Reserve a minimum of two times the actual cost from the preceding year, but not to exceed four (4) times the cost, in order to absorb any rate increases and/or the addition of new retirees. However, the funds appropriated to the Retirement Benefits Reserve may be accessed at any time for any other Agency purpose upon approval by the Board.

4. ADDITIONAL ACCOUNTS

In addition to the Restricted, Unrestricted and Administrative Accounts identified above, the Board may approve the creation of such additional accounts, whether temporary or permanent, as the Board deems necessary or appropriate, by amendment to this Resolution or by simple motion. In such event, the Board will identify the purposes for which such additional accounts are created, provide guidance as to the amount which the Agency should endeavor to main in each such account, and establish the limits and restrictions pertaining thereto.

5. PROCEDURE FOR MONITORING RESERVE LEVELS

Each year, the Agency's Finance Director, during the annual budget presentation, shall provide the Board with a report indicating the beginning and ending balance for each of the reserve funds or accounts created pursuant to this Resolution, shall document the purposes for which expenditures have been made therefrom, and shall make recommendations to replenish or augment funds or account balances as appropriate.

6.	EFFECTIVE DATE – The policies set forth herein shall become effective on July 1, 2023 and as of
	that date shall replace the policies set forth in Resolution No. 1262.
	ADOPTED AND APPROVED this 6th day of June, 2023.
	Paul Ortega, President
ATTE	ST:
———Geralo	McKenna, Secretary-Treasurer

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

JUNE 6, 2023

RE: FISCAL 2023/2024 OPERATING, GENERAL AND WASTEWATER BUDGETS

Attached is the draft Operating, General and Wastewater Fund Budgets for Fiscal Year 2023/2024 and accompanying Budget Highlights document for your review.

On May 25, 2023, the Finance Committee met and reviewed the proposed budgets.

The 2023/2024 Fiscal Year Budget will be presented for adoption at the June 20, 2023 Board meeting.

Staff is available to answer any questions the Board may have with regard to the budgets for the 2023/2024 Fiscal Year.

Attachments:

- 1. 2023 2024 Desert Water Agency Operating, General & Wastewater Fund Draft Budget
- 2. Fiscal 2023 / 2024 Budget Highlights



Fiscal Year 2023 - 2024

BUDGET

OPERATING FUND

GENERAL FUND

WASTEWATER FUND





Fiscal Year 2023 / 2024 BUDGETS

Operating Fund
General Fund
Wastewater Fund



OPERATING FUND BUDGET 2023 / 2024



	ACTUAL	ACTUAL TO	BUDGET	OVER OR	BUDGET
	2021-2022	3/31/2023	2022-2023	UNDER	2023-2024
OPERATING REVENUES					
Water Sales	\$39,412,065	\$29,306,565	\$41,614,000	(\$12,307,435)	\$41,630,000
Power Sales	\$97,688	\$32,742	\$111,000	(\$78,258)	\$56,400
Recycled Sales	\$1,212,480	\$678,632	\$897,000	(\$218,368)	\$996,000
TOTAL OPER REVENUES	\$40,722,233	\$30,017,939	\$42,622,000	(\$12,604,061)	\$42,682,400
WATER SERVICES					
Fire Protection	\$412,730	\$334,943	\$410,900	(\$75,957)	\$406,800
Back-up Facility Charge	\$1,073,028	\$650,171	\$1,201,000	(\$550,829)	\$912,000
Service Charges	\$821,925	\$806,094	\$915,500	(\$109,406)	\$940,800
Charge for Inst of Serv & Mtr	\$205,846	\$103,216	\$189,700	(\$86,484)	\$177,600
TOTAL WATER SERVICE	\$2,513,528	\$1,894,423	\$2,717,100	(\$822,677)	\$2,437,200
TOTAL OPER REVENUES	\$43,235,761	\$31,912,362	\$45,339,100	(\$13,426,738)	\$45,119,600
OPERATING EXPENSES					
SOURCE OF SUPPLY					
Supervision & Engineering	\$68,897	\$59,308	\$84,000	(\$24,692)	\$94,800
Operating Labor & Expense	\$54,034	\$42,631	\$57,240	(\$14,609)	\$60,960
Misc Source of Supply	\$36,817	\$22,844	\$154,080	(\$131,236)	\$57,000
Maint of Struct & Improv	\$172,123	\$138,896	\$352,080	(\$213,184)	\$319,080
Maint, Rds, Coll, Impo, Res	\$29,827	\$10,424	\$324,120	(\$313,696)	\$286,920
Maintenance of Intakes	\$61,445	\$183,143	\$306,360	(\$123,217)	\$64,560
Maintenance of Wells	\$1,095	\$2,306	\$12,840	(\$10,534)	\$12,960
Groundwater Replenishment	\$5,914,733	\$3,902,539	\$5,506,800	(\$1,604,261)	\$6,149,040
TOTAL SOURCE OF SUPPLY	\$6,338,971	\$4,362,091	\$6,797,520	(\$2,435,429)	\$7,045,320
<u>PUMPING</u>					
Supervision & Engineering	\$111,912	\$89,879	\$139,200	(\$49,321)	\$159,600
Pumping Labor Expense	\$172,630	\$315,284	\$193,200	\$122,084	\$205,800
Misc Exp & Care of Grounds	\$117,002	\$87,388	\$131,760	(\$44,372)	\$19,920
Maintenance of Structures	\$219,311	\$199,643	\$322,800	(\$123,157)	\$102,000
Maint of Pumping Equipment	\$331,416	\$65,473	\$441,840	(\$376,367)	\$936,600
Power Purchases	\$3,430,142	\$3,071,083	\$3,531,000	(\$459,917)	\$4,398,000
TOTAL PUMPING	\$4,382,413	\$3,828,750	\$4,759,800	(\$931,050)	\$5,821,920

	ACTUAL	ACTUAL TO	BUDGET	OVER OR	BUDGET
	2021-2022	3/31/2023	2022-2023	UNDER	2023-2024
REGULATORY WATER TREATMENT					
Supervision & Engineering	\$140,403	\$105,944	\$142,800	(\$36,856)	\$175,200
Operating Labor Expense	\$242,270	\$162,334	\$201,480	(\$39,146)	\$214,680
Water Analysis/Health Dept.	\$123,144	\$127,014	\$138,000	(\$10,986)	\$146,400
Chem & Filtering Material	\$276,786	\$249,212	\$280,560	(\$31,348)	\$399,960
Maint of Structures	\$6,309	\$1,212	\$14,880	(\$13,668)	\$15,000
Maint of Water Treat Equipment	\$80,511	\$76,445	\$96,000	(\$19,555)	\$102,000
TOTAL WATER TREATMENT	\$869,423	\$722,160	\$873,720	(\$151,560)	\$1,053,240
TRANSMISSION & DISTRIBUTION					
Supervision & Engineering	\$571,279	\$505,047	\$704,400	(\$199,353)	\$751,200
Storage Facilities Expense	\$119,595	\$128,925	\$144,000	(\$15,075)	\$148,560
Trans & Distr Lines Expense	\$151,951	\$146,898	\$160,200	(\$13,302)	\$171,120
Meter Expense	\$100,120	\$150,561	\$127,560	\$23,001	\$142,680
Customer Install Expense	\$123,819	\$45,644	\$150,240	(\$104,596)	\$164,160
Cross Connect Expense	\$137,683	\$149,420	\$193,080	(\$43,660)	\$175,080
Misc Supply Expense	\$61,268	\$48,409	\$53,760	(\$5,351)	\$54,720
Maintenance of Struct & Impv	\$2,756	\$358	\$4,080	(\$3,722)	\$4,560
Maintenance of Reservoirs	\$184,967	\$45,016	\$107,640	(\$62,624)	\$41,640
Maintenance of Mains	\$912,722	\$777,675	\$1,598,040	(\$820,365)	\$1,751,280
Maintenance of Whitewater MWC	\$33,835	\$85,741	\$322,080	(\$236,339)	\$317,880
Maintenance of Fire Services	\$44,422	\$35,531	\$110,040	(\$74,509)	\$110,040
Maintenance of Services	\$245,821	\$217,167	\$275,040	(\$57,873)	\$275,040
Maintenance of Meters	\$95,547	\$84,041	\$192,000	(\$107,959)	\$182,880
Maintenance of Hydrants	\$110,427	\$74,723	\$175,080	(\$100,357)	\$175,080
TOTAL TRANS & DIST	\$2,896,211	\$2,495,156	\$4,317,240	(\$1,822,084)	\$4,465,920
CUSTOMER ACCOUNT EXPENSE					
Supervision & Engineering	\$156,893	\$106,582	\$213,600	(\$107,018)	\$230,400
Meter Reading Expense	\$140,592	\$107,904	\$153,600	(\$45,696)	\$161,040
Customer Rec & Coll Exp	\$702,729	\$519,887	\$846,720	(\$326,833)	\$820,080
Information Systems Supplies	\$2,530	\$1,050	\$3,480	(\$2,430)	\$3,480
Uncollectible Accounts	(\$11,237)	\$122,342	\$55,200	\$67,142	\$86,400
TOTAL CUST ACCT EXPENSE	\$991,507	\$857,765	\$1,272,600	(\$414,835)	\$1,301,400

	ACTUAL 2021-2022	ACTUAL TO 3/31/2023	BUDGET 2022-2023	OVER OR UNDER	BUDGET 2023-2024
	2021 2022	3/31/2023	2022 2023	ONDER	2023 2024
ADMINISTRATIVE & GEN EXPENSE					
Administrative & Gen Salaries	\$938,836	\$784,994	\$1,138,800	(\$353,806)	\$1,110,000
Office Supplies & Expense	\$251,923	\$287,576	\$346,920	(\$59,344)	\$456,360
Legal	\$55,129	\$95,989	\$109,200	(\$13,211)	\$120,000
Engineering	\$53,007	\$81,022	\$84,000	(\$2,978)	\$114,000
Auditing	\$34,526	\$26,404	\$36,000	(\$9,596)	\$46,080
Appraisals & Consultants	\$138,795	\$57,373	\$258,120	(\$200,748)	\$347,400
Insurance & Claims	\$236,269	\$233,797	\$336,600	(\$102,803)	\$408,000
Injuries & Safety	\$462,015	\$286,156	\$443,400	(\$157,244)	\$484,800
Pension	\$612,355	\$2,598,340	\$2,939,400	(\$341,060)	\$2,897,280
Health Care Benefits	(\$718,348)	\$1,422,581	\$1,751,400	(\$328,819)	\$1,764,600
Other Employee Benefits	\$715,930	\$486,357	\$637,560	(\$151,203)	\$677,640
Payroll Taxes - FICA	\$597,861	\$435,601	\$628,800	(\$193,199)	\$672,000
Unemployment Insurance	\$0	(\$739)	\$18,000	(\$18,739)	\$18,000
Vacation Pay	\$1,015,402	\$802,414	\$1,107,600	(\$305,186)	\$1,189,200
Maintenance - Oper Center	\$291,393	\$186,791	\$349,920	(\$163,129)	\$559,800
Maintenance - Solar Facilities	\$6,208	\$7,735	\$6,960	\$775	\$7,440
Information Technology	\$1,914,858	\$571,089	\$1,138,080	(\$566,991)	\$1,059,480
Maint - Office Equip	\$83,400	\$61,383	\$85,800	(\$24,417)	\$98,400
Maint - Info.Systems Equip	\$517,458	\$253,992	\$429,000	(\$175,008)	\$428,160
Maint - Telemetry Equip	\$38,252	\$18,123	\$43,440	(\$25,317)	\$44,640
Maint - Comm Equip	\$19,413	\$11,126	\$38,040	(\$26,914)	\$44,280
Supervision & Engineering	\$214,934	\$168,887	\$262,800	(\$93,913)	\$289,200
Storeroom Expense	\$95,690	\$58,174	\$100,080	(\$41,906)	\$146,040
Transportation	\$463,054	\$366,386	\$769,680	(\$403,294)	\$560,400
Tools & Work Equipment	\$137,711	\$131,766	\$130,080	\$1,686	\$141,000
Heavy Equipment Maint	(\$1,643)	\$39,279	\$10,080	\$29,199	\$35,040
Director's Fees	\$54,955	\$37,221	\$48,000	(\$10,779)	\$106,200
Public Information	\$202,782	\$124,618	\$247,440	(\$122,822)	\$231,360
Water Conservation	\$61,191	\$82,349	\$251,280	(\$168,931)	\$332,040
Water Cons - Turf Buy Back	\$192,648	\$943,083	\$2,359,680	(\$1,416,597)	\$1,845,480
TOTAL ADMIN & GEN EXP	\$8,686,004	\$10,659,866	\$16,106,160	(\$5,446,294)	\$16,234,320
REGULATORY EXPENSES					
Certificates/Training/School	\$98,198	\$81,839	\$146,640	(\$64,801)	\$169,440
Health Department / Services	\$17,605	\$19,528	\$19,080	\$448	\$20,040
State - Regulatory	\$166,647	\$135,085	\$165,120	(\$30,035)	\$155,040
Federal - Regulatory	\$2,506	\$0	\$32,400	(\$32,400)	\$92,520
Recycled Water - Regulatory	\$5,469	\$0	\$5,040	(\$5,040)	\$5,040
AQMD Compliance	\$2,017	\$898	\$3,000	(\$2,102)	\$3,000
RMP/OSHA/Misc.	\$68,650	\$40,322	\$55,080	(\$14,758)	\$30,000
Legal					
S .	\$0	\$0	\$0	<u>\$0</u>	\$0

	ACTUAL	ACTUAL TO	BUDGET	OVER OR	BUDGET
	2021-2022	3/31/2023	2022-2023	UNDER	2023-2024
CNOW CDEEK HYDDO EVDENCE					
SNOW CREEK HYDRO EXPENSE Snow Creek Hydro	\$69,661	\$52,483	\$60,000	(\$7,517)	\$76,920
TOTAL SNOW CREEK HYDRO	\$69,661	\$52,483	\$60,000	(\$7,517)	\$76,920
TO THE SHOW SKEEK TITBIG	ψου,σοι	ψ02,400	φου,σου	(ψ7,517)	Ψ10,020
RECYCLED WATER PLANT EXPENSE					
Pumping Expense	\$436,646	\$267,653	\$337,080	(\$69,427)	\$381,240
Treatment Expense	\$611,529	\$358,064	\$530,040	(\$171,976)	\$1,305,840
Transportation/Distribution	\$25,184	\$64,412	\$212,880	(\$148,468)	\$218,400
Administrative & General	\$130,230	\$129,401	\$288,960	(\$159,559)	\$361,200
TOTAL RECL PLANT EXP	\$1,203,590	\$819,530	\$1,368,960	(\$549,430)	\$2,266,680
OTHER OPERATING EXPENSE					
Depreciation (Inc Recl)	\$6,218,445	\$4,687,404	\$6,646,800	(\$1,959,396)	\$6,894,000
Services Rendered Cust	\$159,669	\$117,717	\$170,400	(\$52,683)	\$156,000
Dir Costs App to W.O.'s	\$457,586	(\$534,861)	\$568,080	(\$1,102,941)	\$931,200
Indir Adm & Gen Exp Cap	(\$1,356,590)	(\$1,653,940)	(\$2,274,960)	\$621,020	(\$2,304,600)
TOTAL OTHER OPER EXP	\$5,479,110	\$2,616,319	\$5,110,320	(\$2,494,001)	\$5,676,600
TOTAL OPERATING EXPENSES	\$31,277,982	\$26,691,793	\$41,092,680	(\$14,400,887)	\$44,417,400
NET INCOME FROM OPER	\$11,957,779	\$5,220,569	\$4,246,420	\$974,149	\$702,200
NON-OPERATING REVENUES					
Revenue from Leases	\$222,444	\$47,636	\$189,300	(\$141,664)	\$201,000
Interest	\$232,528	\$711,217	\$583,200	\$128,017	\$1,320,000
Gains/Loss Investments	(\$710)	\$21,876	\$0	\$21,876	\$0
Other Income	(\$249,944)	\$140,769	\$1,489,000	(\$1,348,231)	\$444,500
DWA Front Footage Chgs	\$90,300	\$0	\$0	\$0	\$0
Gains on Retirements	\$18,552	\$0	\$63,100	(\$63,100)	\$52,000
Discounts	\$813	\$1,411	\$400	\$1,011	\$900
Revenue - Contributed	\$541,122	\$0	\$315,000	(\$315,000)	\$315,000
TOTAL NON-OPER REV	\$855,105	\$922,909	\$2,640,000	(\$1,717,091)	\$2,333,400
NON OPERATING EXPENSES					
OPEB Interest	\$742,561	\$0	\$780,000	(\$780,000)	\$870,000
Exp App to Prior Years	(\$7,435)	(\$7,228)	\$0	(\$7,228)	\$0
Services to Others	\$0	\$0	\$0	\$0	\$0
Customer Assistance Program	\$0	\$0	\$35,520	(\$35,520)	\$0
Grant Expenses	\$206,267	\$16,518	\$20,040	(\$3,523)	\$25,080
Losses on Retirements	\$167,752	\$190	\$108,000	(\$107,810)	\$106,800
TOTAL NON-OPER EXP	\$1,109,144	\$9,479	\$943,560	(\$934,081)	\$1,001,880
TOTAL NET INCOME	\$11,703,740	\$6,133,999	\$5,942,860	\$191,139	\$2,033,720

APPLICATION OF COMMIT FUNDS Capital Loan to Wastewater Fund \$0 <t< th=""><th></th><th>ACTUAL 2021-2022</th><th>ACTUAL TO 3/31/2023</th><th>BUDGET 2022-2023</th><th>OVER OR UNDER</th><th>BUDGET 2023-2024</th></t<>		ACTUAL 2021-2022	ACTUAL TO 3/31/2023	BUDGET 2022-2023	OVER OR UNDER	BUDGET 2023-2024
Capital Loan to Wastewater Fund						
Other Post Emp. Benefits (GASB 75) \$646,237 \$436,197 \$860,000 (\$423,803) \$830,000 TOTAL COMMIT FUNDS \$646,237 \$436,197 \$860,000 (\$423,803) \$830,000 BALANCE REMAINING \$11,057,504 \$5,697,802 \$5,082,860 \$614,942 \$1,203,720 Add Back Depreciation (Plant/Equip) \$6,218,445 \$4,687,404 \$6,646,800 (\$1,959,396) \$6,499,200 Funds Avail For Capital Additions \$17,275,949 \$10,385,207 \$11,729,660 (\$1,344,453) \$7,702,920 Less Capital Additions: Routine Improvements \$4,472,947 \$2,885,988 \$17,647,100 (\$14,761,112) \$14,110,000 General Plan Improvements \$0 \$0 \$100,000 (\$100,000) \$100,000 BALANCE \$12,803,002 \$7,499,219 (\$6,617,440) \$13,516,659 (\$6,507,080) TOTAL BUDGET \$60,643,340 \$60,459,280 \$60,459,280 \$60,459,280 \$60,459,280 Estimated Reserve Fund Balance 6/30/23 Inter-Fund Loan/LC - General Fund \$0 \$67,400 \$67,400 \$67,400 \$67,400	· ·					
TOTAL COMMIT FUNDS \$646,237 \$436,197 \$860,000 (\$423,803) \$830,000 BALANCE REMAINING \$11,057,504 \$5,697,802 \$5,082,860 \$614,942 \$1,203,720 Add Back Depreciation (Plant/Equip) \$6,218,445 \$4,687,404 \$6,646,800 (\$1,959,396) \$6,499,200 Funds Avail For Capital Additions \$17,275,949 \$10,385,207 \$11,729,660 (\$1,344,453) \$7,702,920 Less Capital Additions: Routine Improvements \$4,472,947 \$2,885,988 \$17,647,100 (\$14,761,112) \$14,110,000 General Plan Improvements \$0 \$0 \$100,000 (\$100,000) \$100,000 BALANCE \$12,803,002 \$7,499,219 (\$6,017,440) \$13,516,659 (\$6,507,080) TOTAL BUDGET \$60,459,280 \$60,459,280 \$60,459,280 \$60,459,280 \$60,459,280 TOTAL BUDGET \$2022-2023 2022-2023 2023-2024 2023-2024 2023-2024 \$60,459,280 TOTAL BUDGET \$60,643,340 \$60,459,280 \$60,459,280 \$60,459,280 \$60,459,2	·	•	* -		• •	* -
BALANCE REMAINING \$11,057,504 \$5,697,802 \$5,082,860 \$614,942 \$1,203,720 Add Back Depreciation (Plant/Equip) \$6,218,445 \$4,687,404 \$6,646,800 (\$1,959,396) \$6,499,200 Funds Avail For Capital Additions \$17,275,949 \$10,385,207 \$11,729,660 (\$1,344,453) \$7,702,920 Less Capital Additions: Routine Improvements \$4,472,947 \$2,885,988 \$17,647,100 (\$14,761,112) \$14,110,000 General Plan Improvements \$0 \$0 \$100,000 (\$100,000) \$100,000 BALANCE \$12,803,002 \$7,499,219 (\$6,017,440) \$13,516,659 (\$6,507,080) TOTAL BUDGET \$0 \$60,643,340 \$60,459,280 Estimated Reserve Fund Balance 6/30/23 BEGIN BAL ADJUSTMENTS ADDITIONS BALANCE Estimated Reserve Fund Loan/LC - General Fund \$0 \$0,339,000 \$15,440,700 \$60,459,280 Reserve for Operations \$15,467,700 \$3,371,000 \$0 \$3,398,000 \$15,440,700 Reserve for Disaster Response \$2,760,000 \$0	• • • • • • • • • • • • • • • • • • • •					
Add Back Depreciation (Plant/Equip) \$6,218,445 \$4,687,404 \$6,646,800 (\$1,959,396) \$6,499,200 Funds Avail For Capital Additions \$17,275,949 \$10,385,207 \$11,729,660 (\$1,344,453) \$7,702,920 Less Capital Additions: Routine Improvements \$4,472,947 \$2,885,988 \$17,647,100 (\$14,761,112) \$14,110,000 General Plan Improvements \$0 \$0 \$100,000 (\$100,000) \$100,000 BALANCE \$12,803,002 \$7,499,219 (\$6,017,440) \$13,516,659 (\$6,507,080) TOTAL BUDGET \$0 \$60,643,340 \$60,459,280 \$60,459,280 \$60,459,280 Estimated Reserve Fund Balance 6/30/23 BEGIN BAL ADJUSTMENTS ADDITIONS DELETIONS BALANCE Estimated Reserve Fund Loan/LC - General Fund Reserves: \$0 \$0 \$3,398,000 \$15,440,700 Reserve for Operations \$15,467,700 \$3,371,000 \$0 \$3,398,000 \$15,440,700 Reserve for Eplacements \$2,760,000 \$0 \$0 \$0 \$2,000,000 Reserve for Di	TOTAL COMMIT FUNDS	\$646,237	\$436,197	\$860,000	(\$423,803)	\$830,000
Add Back Depreciation (Plant/Equip) \$6,218,445 \$4,687,404 \$6,646,800 (\$1,959,396) \$6,499,200 Funds Avail For Capital Additions \$17,275,949 \$10,385,207 \$11,729,660 (\$1,344,453) \$7,702,920 Less Capital Additions: Routine Improvements \$4,472,947 \$2,885,988 \$17,647,100 (\$14,761,112) \$14,110,000 General Plan Improvements \$0 \$0 \$100,000 (\$100,000) \$100,000 BALANCE \$12,803,002 \$7,499,219 (\$6,017,440) \$13,516,659 (\$6,507,080) TOTAL BUDGET \$0 \$60,643,340 \$60,459,280 \$60,459,280 \$60,459,280 Estimated Reserve Fund Balance 6/30/23 BEGIN BAL ADJUSTMENTS ADDITIONS DELETIONS BALANCE Estimated Reserve Fund Loan/LC - General Fund Reserves: \$0 \$0 \$3,398,000 \$15,440,700 Reserve for Operations \$15,467,700 \$3,371,000 \$0 \$3,398,000 \$15,440,700 Reserve for Eplacements \$2,760,000 \$0 \$0 \$0 \$2,000,000 Reserve for Di	BALANCE REMAINING	\$11.057.504	\$5 697 802	\$5,082,860	\$614.942	\$1 203 7 20
Funds Avail For Capital Additions \$17,275,949 \$10,385,207 \$11,729,660 \$1,344,453 \$7,702,920					,	
Less Capital Additions: Routine Improvements						
Routine Improvements	•	ψ17,270,040	Ψ10,000,201	Ψ11,720,000	(ψ1,044,400)	Ψ1,102,020
Second Plan Improvements \$0	•	\$4.472.947	\$2.885.988	\$17.647.100	(\$14.761.112)	\$14.110.000
BALANCE \$12,803,002 \$7,499,219 \$60,017,440) \$13,516,659 \$60,459,280 TOTAL BUDGET \$60,643,340 \$60,459,280 2022-2023 2022-2023 2023-2024 2023-2024 DELETIONS DELETIONS DELETIONS DELETIONS DELETIONS ADDITIONS DELETIONS S0 Reserves: Reserve for Operations \$15,467,700 \$3,371,000 \$0 \$3,398,000 \$15,440,700 Reserve for Replacements \$2,760,000 \$0 \$0 \$0 \$0 \$2,760,000 Reserve for Disaster Response \$2,000,000 \$0 \$0 \$0 \$0 \$0 \$2,000,000 Reserve for Regulatory Compliance \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0						
TOTAL BUDGET \$60,643,340 \$60,459,280		**	**	1,	(+:::,:::)	* ,
TOTAL BUDGET \$60,643,340 \$60,459,280						
2022-2023 2022-2023 2023-2024 2023-2024 Estimated Reserve Fund Balance 6/30/23 \$56,704,581	BALANCE	\$12,803,002	\$7,499,219	(\$6,017,440)	\$13,516,659	(\$6,507,080)
2022-2023 2022-2023 2023-2024 2023-2024 Estimated Reserve Fund Balance 6/30/23 \$56,704,581						
Estimated Reserve Fund Balance 6/30/23 Inter-Fund Loan/LC - General Fund ADJUSTMENTS ADDITIONS DELETIONS BALANCE Reserves: Reserve for Operations \$15,467,700 \$3,371,000 \$0 \$3,398,000 \$15,440,700 Reserve for Replacements \$2,760,000 \$0 \$0 \$2,760,000 Reserve for Disaster Response \$2,000,000 \$0 \$0 \$0 \$2,000,000 Reserve for Land Acquisition \$675,000 \$0 \$0 \$0 \$675,000 Reserve for Regulatory Compliance \$0 \$0 \$0 \$0 \$0 Reserve for Retirement Benefits \$5,000,000 \$0 \$0 \$0 \$0 \$0	TOTAL BUDGET			\$60,643,340		\$60,459,280
Estimated Reserve Fund Balance 6/30/23 Inter-Fund Loan/LC - General Fund ADJUSTMENTS ADDITIONS DELETIONS BALANCE Reserves: Reserve for Operations \$15,467,700 \$3,371,000 \$0 \$3,398,000 \$15,440,700 Reserve for Replacements \$2,760,000 \$0 \$0 \$2,760,000 Reserve for Disaster Response \$2,000,000 \$0 \$0 \$0 \$2,000,000 Reserve for Land Acquisition \$675,000 \$0 \$0 \$0 \$675,000 Reserve for Regulatory Compliance \$0 \$0 \$0 \$0 \$0 Reserve for Retirement Benefits \$5,000,000 \$0 \$0 \$0 \$0 \$0		,				
Stimated Reserve Fund Balance 6/30/23 \$56,704,581		2022-2023	2022-2023	2023-2024	2023-2024	
Inter-Fund Loan/LC - General Fund Reserves: Reserve for Operations \$15,467,700 \$3,371,000 \$0 \$3,398,000 \$15,440,700 Reserve for Replacements \$2,760,000 \$0 \$0 \$0 \$2,760,000 Reserve for Disaster Response \$2,000,000 \$0 \$0 \$0 \$0 \$2,000,000 Reserve for Land Acquisition \$675,000 \$0 \$0 \$0 \$0 \$675,000 Reserve for Regulatory Compliance \$0 \$0 \$0 \$0 \$0 \$0 \$0 Reserve for Retirement Benefits \$5,000,000 \$0 \$0 \$0 \$0 \$5,000,000		BEGIN BAL	ADJUSTMENTS	ADDITIONS	DELETIONS	BALANCE
Reserves: Reserve for Operations \$15,467,700 \$3,371,000 \$0 \$3,398,000 \$15,440,700 Reserve for Replacements \$2,760,000 \$0 \$0 \$0 \$2,760,000 Reserve for Disaster Response \$2,000,000 \$0 \$0 \$0 \$2,000,000 Reserve for Land Acquisition \$675,000 \$0 \$0 \$0 \$675,000 Reserve for Regulatory Compliance \$0 \$0 \$0 \$0 \$0 Reserve for Retirement Benefits \$5,000,000 \$0 \$0 \$0 \$5,000,000	Estimated Reserve Fund Balance 6/30/23					\$56,704,581
Reserve for Operations \$15,467,700 \$3,371,000 \$0 \$3,398,000 \$15,440,700 Reserve for Replacements \$2,760,000 \$0 \$0 \$0 \$2,760,000 Reserve for Disaster Response \$2,000,000 \$0 \$0 \$0 \$2,000,000 Reserve for Land Acquisition \$675,000 \$0 \$0 \$0 \$675,000 Reserve for Regulatory Compliance \$0 \$0 \$0 \$0 \$0 Reserve for Retirement Benefits \$5,000,000 \$0 \$0 \$0 \$5,000,000	Inter-Fund Loan/LC - General Fund					\$0
Reserve for Replacements \$2,760,000 \$0 \$0 \$2,760,000 Reserve for Disaster Response \$2,000,000 \$0 \$0 \$2,000,000 Reserve for Land Acquisition \$675,000 \$0 \$0 \$0 \$675,000 Reserve for Regulatory Compliance \$0 \$0 \$0 \$0 \$0 Reserve for Retirement Benefits \$5,000,000 \$0 \$0 \$0 \$5,000,000	Reserves:					
Reserve for Disaster Response \$2,000,000 \$0 \$0 \$2,000,000 Reserve for Land Acquisition \$675,000 \$0 \$0 \$0 \$675,000 Reserve for Regulatory Compliance \$0 \$0 \$0 \$0 \$0 Reserve for Retirement Benefits \$5,000,000 \$0 \$0 \$0 \$5,000,000	·			\$0	\$3,398,000	
Reserve for Land Acquisition \$675,000 \$0 \$0 \$675,000 Reserve for Regulatory Compliance \$0 \$0 \$0 \$0 \$0 Reserve for Retirement Benefits \$5,000,000 \$0 \$0 \$0,000,000	·			•	* *	
Reserve for Regulatory Compliance \$0 \$0 \$0 \$0 Reserve for Retirement Benefits \$5,000,000 \$0 \$0 \$0,000,000	•			•	**	
Reserve for Retirement Benefits \$5,000,000 \$0 \$0 \$0 \$5,000,000			\$0	\$0	\$0	\$675,000
				•	**	* -
\$25,902,700 \$3,371,000 \$0 \$3,398,000 \$25,875,700	Reserve for Retirement Benefits					<u> </u>
		\$25,902,700	\$3,371,000	\$0	\$3,398,000	\$25,875,700
T-14 P-17 - 200 (00 00 1	T-1-1 P-2-7-7-2 0/00/04					(\$05.075.700)
Total Reserves - 6/30/24 (\$25,875,700)						A Company of the Comp
Required for 2022-23 Carryover Capital Items (\$24,321,349)		31115				
2023-2024 Budget Balance (\$6,507,080) Unappropriated Fund Balance 6/30/24 \$452					-	
φ432	Chappropriated Fund Balance 0/30/24					φ402

BUDGET AMOUNT SUMMARY:

Total Operating Expenses	\$44,417,400
Non-Operating Expenses	\$1,001,880
Application of Committed Funds	\$830,000
Capital Additions	\$14,210,000
TOTAL BUDGET	\$60,459,280

DESERT WATER AGENCY - OPERATING FUND 2023 / 2024 BUDGET CAPITAL IMPROVEMENTS

W.O. No.	DESCRIPTION	ACCOUNT NO.	ESTIMATED COST
ROUTINE			
KOOTIIVE			
RECYCLED W	ATER		
23-XXX	Ammonia Analyzer	11130	\$66,000
23-XXX	Effluent Reservoir Roof Reconstruction	11130	\$3,600,000
23-XXX	Sunrise Park Recycled Water Pipeline Design	11130	\$41,000
	ТОТА	L RECLAMATION	\$3,707,000
PIPELINES			
22-XXX	2024 Winter Replacement Pipeline - Construction	11171	\$4,440,000
23-XXX	2025 Winter Pipeline Replacement - Design	11171	\$26,000
23-XXX	2025 Winter Pipeline Replacement - Design	11171	\$26,000
23-XXX	DWA / CVWD Ramon Intertie - Design	11171	\$45,000
23-399	Contingency - Mains	11171	\$200,000
		TOTAL PIPELINES	\$4,737,000
TRANSPORT	ATION FOUNDATION		
TRANSPORTA	ATION EQUIPMENT		
23-XXX	2024 Peterbuilt 587 CNG W/Dump Body	11183	\$387,000
	(Replace Unit # 45)		
23-XXX	2024 Peterbuilt 587 CNG W/Dump Body	11183	\$387,000
	(Replace Unit # 46)		
23-XXX	2024 Ford F-450 XL Reg. Cab W/ Dump Body	11183	\$106,000
	(Replace Unit # 13)		
23-XXX	2024 Ford F-450 XL Reg. Cab W/ Dump Body	11183	\$106,000
	(Replace Unit # 32)		
23-XXX	2024 Ford F-450 XL Reg. Cab W/ Dump Body	11183	\$106,000
	(Replace Unit # 60)		
23-XXX	2024 Ford F-450 XL Crew Cab W/ Combo Body	11183	\$113,000
\	(Replace Unit # 27)		
23-XXX	2024 Ev 450 XL Reg. Cab W/ Crane	11183	\$226,000
	(Replace Unit # 33)		
	TOTAL TRANSPORTATION	ION EQUIPMENT	\$1,431,000

DESERT WATER AGENCY - OPERATING FUND 2023 / 2024 BUDGET CAPITAL IMPROVEMENTS

w.o.		ACCOUNT	ESTIMATED
No.	DESCRIPTION	NO.	COST
METERS			
23-202-E	Encoder Receiver Transmitter (ERT) Purchas	ses 11173	\$58,000
23-202-M-01	1" Meter Purchases	11173	\$123,000
23-202-M-02	2" Meter Purchases	11173	\$58,000
23-202-M-03	3" Meter Purchases	11173	\$6,000
23-202-M-06	6" Meter Purchases	11173	\$4,000
23-202-M-15	1 1/2" Meter Purchases	11173	\$86,000
23-202-M-75	3/4" Meter Purchases	11173	\$150,000
		TOTAL METERS	\$485,000
SERVICES			
23-100-S-01	1" Service Replacements	11172	\$797,000
23-100-S-02	2" Service Replacements	11172	\$500,000
23-201-S-01	1" Invoiced Services	11172	\$55,000
23-201-S-02	2" Invoiced Services	11172	\$45,000
		TOTAL SERVICES	\$1,397,000
MISCELLANEO	us		
23-XXX	Unleaded Gasboy Fuel Dispensers	11181	\$28,000
23-XXX	Fixed Network	11184	\$1,201,000
23-XXX	Portable Generator (188kw)	11185	\$246,000
23-XXX	IT Disaster Recovery Project & Equipment	11188	\$230,000
23-XXX	Mobile Device Management Project	11188	\$69,000
23-XXX	SSO Enhancement Project	11188	\$35,000
23-XXX	Network Switch Upgrade	11188	\$69,000
23-XXX	Well Network Upgrade	11188	\$230,000
23-XXX	Phone System Replacement	11188	\$95,000
23-499	Contingency - Other	VARIOUS	\$150,000
		TOTAL MISCELLANEOUS	\$2,353,000
	TOTAL ROUTINE		\$14,110,000

DESERT WATER AGENCY - OPERATING FUND 2023 / 2024 BUDGET CAPITAL IMPROVEMENTS

W.O. No.	DE	SCRIPTION		ACCOUNT NO.	ESTIMATED COST
GENERAL PLAN					
PIPELINES					
23-699	Main Oversizing			11171	\$100,000
			тоти	AL PIPELINES	\$100,000
TOTAL GENERAL	PLAN	(\$100,000
TOTAL CAPITAL II	MPROVEMENTS 2023-20	024			\$14,210,000

2023 / 2024 Budget

OPERATING FUND

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 Operations

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

2023 / 2024	Cost of Operations	\$	44,417,400
	erve Requirement owable Reserve Balance	\$ \$	22,208,700 44,417,400
2022 / 2023	Current Reserve Balance	\$	15,467,700
2023 / 2024	Reserve Adjustment *	\$	(3,398,000)
2023 / 2024	Reserve Balance	\$	12,069,700
2023 / 2024	Minimum Target Reserve Shortfall	\$	(10,139,000)
2023 / 2024	Maximum Reserve Shortfall	\$	(32,347,700)

^{*} Proposed \$3,398,000 reduction to the Reserve for Operations in Fiscal Year 2023 / 2024

\$ 12,069,700

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 Infras	\$	272,675,307	
Minimum Res	serve Balance serve Balance	\$ \$	16,360,518 27,267,531
2022 / 2023	Current Reserve Balance	\$	2,760,000
2023 / 2024	Reserve Adjustment *	\$	-
2023 / 2024	Reserve Balance	\$	2,760,000
2023 / 2024	Minimum Reserve Shortfall	\$	(13,600,518)
2023 / 2024	Maximum Reserve Shortfall	\$	(24,507,531)

^{*} There are no excess funds available to add to the Reserve for Replacements in Fiscal Year 2023 / 2024

2023 / 2024 RESERVE FOR REPLACEMENTS

\$ 2,760,000

^{2023 / 2024} RESERVE FOR OPERATIONS

2023 / 2024 Budget

OPERATING FUND

Reserve for Disaster Response

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

System Value at 3/31/23				275,072,484
15% of Systen	า Value		\$	41,260,900
Maximum Res	serve Balance		\$	41,260,900
2022 / 2023	Current Reserve Balance		\$	2,000,000
2023 / 2024	Reserve Adjustment *		\$	-
2023 / 2024	Reserve Balance		\$	2,000,000
2023 / 2024	Maximum Reserve Shortfall		\$	(39,260,900)

^{*} There are no excess funds available to add to the Reserve for Disaster Response in Fiscal Year 2023 / 2024

2023 / 2024 RESERVE FOR DISASTER RESPONSE \$ 2,000,000

Reserve for Land Acquisitions

Reserve shall not exceed \$5,000,000

Maximum Re	serve Balance	\$ 5,000,000	
2022 / 2023	Current Reserve Balance	\$ 675,000	
2023 / 2024	Reserve Adjustment *	\$ -	
2023 / 2024	Reserve Balance	\$ 675,000	
2023 / 2024	Maximum Reserve Shortfall	\$ (4,325,000)	

^{*} There are no excess funds available to add to the Reserve for Land Acquisition in Fiscal Year 2023 / 2024

2023 / 2024 RESERVE FOR LAND ACQUISITIONS \$ 675,000

2023 / 2024 Budget

OPERATING FUND

Reserve for Regulatory Compliance

Reserve shall not exceed \$10,000,000

Maximum Re	serve Balance	\$	10,000,000
2022 / 2023	Current Reserve Balance	\$	-
2023 / 2024	Reserve Adjustment *	\$	-
2023 / 2024	Reserve Balance	\$	-
2023 / 2024	Maximum Reserve Shortfall	Ś	(10.000.000)

^{*} There are no excess funds available to add to the Reserve for Regulatory Compliance in Fiscal Year 2023 / 2024

2023 / 2024 RESERVE FOR REGULATORY COMPLIANCE \$ -

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	\$ 1,532,333	
Annual CalPE	RS Normal Contributions	\$ 1,024,125
Minimum Res	erve Requirement	\$ 5,112,916
Maximum All	owable Reserve Balance	\$ 10,225,832
2022 / 2023	Current Reserve Balance	\$ 5,000,000
2023 / 2024	Reserve Adjustment *	\$ -
2023 / 2024	Reserve Balance	\$ 5,000,000
2023 / 2024	Minimum Target Reserve Shortfall	\$ (112,916)
2023 / 2024	Maximum Reserve Shortfall	\$ (5,225,832)

^{*} There are no excess funds available to add to the Reserve for Retirement Benefits in Fiscal Year 2023 / 2024

2023 / 2024 RESERVE FOR RETIREMENT BENEFITS \$ 5,000,000

2023 / 2024 Budget

OPERATING FUND

Reserve Policy Summary

** 2023 / 2024 ** 2023 / 2024	Minimum Reserve Requirement Maximum Reserve Requirement	\$ \$	99,943,034 * 138,171,663
2023 / 2024	Projected Total Reserves	\$	22,504,700
2023 / 2024 2023 / 2024	Projected Minimum Reserve Shortfall Maximum Reserve Shortfall		(77,438,334) (115,666,963)

 $[\]ensuremath{^{*}}$ Where no minimum reserve balance is established, the maximum reserve balance is used

^{**} Reserve Policy and Reserve Requirements (Resolution No. 1302)



GENERAL FUND BUDGET 2023 / 2024



		ACTUAL		OVER	
	ACTUAL	ТО	BUDGET	(UNDER)	BUDGET
	2021-2022	3/31/2023	2022-2023	BUDGET	2023-2024
OPERATING REVENUES					
Replenishment Assessments	\$7,872,027	\$5,176,154	\$7,781,000	(\$2,604,846)	\$7,971,200
Power Sales - Whitewater Hydro	\$10,304	\$2,016	\$13,500	(\$11,484)	\$129,000
TOTAL OPERATING REVENUES	\$7,882,331	\$5,178,170	\$7,794,500	(\$2,616,330)	\$8,100,200
OPERATING EXPENSES					
SOURCE OF SUPPLY					
Watershed Management - West Fork	\$0	\$0	\$0	\$0	\$0
Whitewater Mutual Water Co	\$0	\$0	\$12,000	(\$12,000)	\$12,000
Whitewater Basin Management	\$243,415	\$0	\$250,800	(\$250,800)	\$451,200
Mission Creek Basin Management	\$261,313	\$26,447	\$536,400	(\$509,953)	\$588,000
Mission Creek - Garnett Hill Mgmt Plan	\$0	\$0	\$30,000	(\$30,000)	\$12,000
Indio Subbasin Management Plan	\$174,249	\$0	\$30,000	(\$30,000)	\$48,000
San Gorgonio Pass Management Plan	\$0	\$0	\$22,800	(\$22,800)	\$25,200
Groundwater Monitoring Wells	\$470	\$0	\$0	\$0	\$0
U.S.G.S. Water Quality Monitoring System	\$16,476	\$6,996	\$15,600	(\$8,604)	\$15,600
U.S.G.S. Stream Gauging Study	\$93,372	\$39,642	\$82,800	(\$43,158)	\$85,200
Monitoring Wells #2 & #6	\$0	\$0	\$0	\$0	\$0
Urban Water Management Plan	\$4,545	\$0	\$0	\$0	\$0
Salt Nutrient Plan	\$3,152	\$8,278	\$126,000	(\$117,722)	\$217,200
Groundwater Rights DWA/CVWD	\$21,434	\$7,268	\$240,000	(\$232,732)	\$84,000
SGMA	\$86,077	\$0	\$130,800	(\$130,800)	\$50,400
Tribal Water Rights Litigation	\$151,237	\$86,602	\$240,000	(\$153,398)	\$288,000
Lake Perris Seepage Recovery Project	\$0	\$0	\$0	\$0	\$0
Other Source of Supply Expense	\$367,202	\$0	\$0	\$0	\$1,166,400
TOTAL SOURCE OF SUPPLY	\$1,422,941	\$175,233	\$1,717,200	(\$1,541,967)	\$3,043,200
STATE WATER PROJECT EXPENSE					
Delta O.M.P.& R.	\$3,618,695	\$2,362,827	\$3,434,000	(\$1,071,173)	\$3,131,000
Transportation O.M.P.& R.	\$7,084,791	\$4,734,765	\$7,032,000	(\$2,297,235)	\$6,179,000
Variable	\$1,717,745	\$351,275	\$5,956,000	(\$5,604,725)	\$12,444,000
Off-Aqueduct Power Facilities	\$73,378	\$82,338	\$181,000	(\$98,662)	\$171,000
East Branch Enlargement	\$502,012	\$376,026	\$487,000	(\$110,974)	\$834,712
Replacement Component	\$0	\$0	\$0	\$0	\$0
Delta Conveyance (formerly CWF)	\$0	\$0	\$0	\$0	\$0
Water Purchases	\$317,139	\$257,415	\$2,483,000	(\$2,225,585)	\$0
CVWD Reimb (Delta, Var, OAP)	(\$104,164)	(\$113,344)	(\$770,900)	\$657,556	(\$1,540,100)
MWD Reimb (Delta, Trans, Var, OAP)	\$0	\$0	\$0	\$0	\$0
TOTAL STATE WTR PROJ. EXPENSE	\$13,209,596	\$8,051,302	\$18,802,100	(\$10,750,798)	\$21,219,612
WHITEWATER HYDRO EXPENSE					
Supervision & Labor	\$14,103	\$8,010	\$18,000	(\$9,990)	\$39,600
Miscellaneous/SCE	\$10,584	\$3,955	\$8,400	(\$4,445)	\$8,400
Tools & Work Equipment	\$0	\$654	\$2,400	(\$1,746)	\$2,400
Maint Structures & Improvements	\$0	\$1,000	\$1,200	(\$200)	\$1,200
Maint of Equipment	\$7,010	\$5,545	\$196,800	(\$191,255)	\$152,400
Whitewater Hydro Contract Management	\$667	\$0	\$9,600	(\$9,600)	\$9,600
TOTAL WHITEWTR HYDRO EXPENSE	\$32,364	\$19,165	\$236,400	(\$217,235)	\$213,600

		ACTUAL		OVER	
	ACTUAL 2021-2022	TO 3/31/2023	BUDGET 2022-2023	(UNDER) BUDGET	BUDGET 2023-2024
CUSTOMER ACCOUNT EXPENSE					
Meter Reading Expense	\$2,762	\$377	\$4,800	(\$4,423)	\$4,800
Uncollectible Accounts	\$0	\$0	\$0	\$0	\$0
TOTAL WHITEWTR HYDRO EXPENSE	\$2,762	\$377	\$4,800	(\$4,423)	\$4,800
ADMIN & GENERAL EXPENSE					
Salaries	\$395,931	\$368,883	\$612,000	(\$243,117)	\$553,200
Office Supplies & Expenses	\$5,156	\$7,603	\$16,800	(\$9,197)	\$18,000
Legal	\$338,817	\$140,055	\$960,000	(\$819,945)	\$612,000
State Water - Audit Fees	\$18,439	\$18,977	\$33,600	(\$14,623)	\$31,200
Engineering	\$73,532	\$27,169	\$114,000	(\$86,831)	\$108,000
Appraisals & Consultants	\$124,260	\$102,440	\$272,400	(\$169,960)	\$372,000
Auditing	\$5,895	\$11,507	\$6,000	\$5,507	\$8,400
Conferences & Seminars	\$38,222	\$26,134	\$66,000	(\$39,866)	\$44,400
Membership Dues & Subscriptions	\$112,756	\$73,182	\$134,400	(\$61,218)	\$141,600
Bay-Delta Hearings	\$83,609	\$81,965	\$102,000	(\$20,035)	\$88,800
SWC-Energy Fund	\$11,498	\$3,181	\$13,200	(\$10,019)	\$13,200
Utilities	\$58,678	\$60,980	\$72,000	(\$11,020)	\$108,000
Property & Liability Insurance	\$73,064	\$64,774	\$84,000	(\$19,226)	\$117,600
Other Employee Benefits	\$459,839	\$399,756	\$290,400	\$109,356	\$446,400
Payroll Taxes	\$52,924	\$52,036	\$46,800	\$5,236	\$50,400
Uncollectible Accounts	\$0	\$0	\$0	\$0	\$0
LAFCO Expenses	\$14,573	\$17,340	\$16,800	\$540	\$19,200
Integrated Regional Water Mgmt Plan (IRWMP)	\$20,679	\$25,160	\$40,800	(\$15,640)	\$16,800
IRWMP Conservation Program	\$2,976	\$0	\$0	\$0	\$0
Operations Center Security	\$0	\$0	\$8,400	(\$8,400)	\$12,000
Operations Center Maintenance	\$108,447	\$75,109	\$110,400	(\$35,291)	\$219,600
Directors' Fees	\$51,609	\$32,154	\$48,000	(\$15,846)	\$106,800
Public Information	\$120,504	\$109,467	\$248,400	(\$138,933)	\$231,600
Water Conservation	\$337,567	\$965,273	\$2,607,600	(\$1,642,327)	\$2,162,400
Election Expense	\$0	\$0	\$140,400	(\$140,400)	\$0
TOTAL ADMIN & GENERAL EXPENSE	\$2,514,497	\$2,663,144	\$6,044,400	(\$3,390,101)	\$5,491,200
OTHER OPERATING EXPENSES					
Depreciation	\$1,350,768	\$0	\$1,110,000	(\$1,110,000)	\$1,130,400
Direct/Indirect Costs	(\$15,156)	(\$14,944)	(\$108,000)	\$93,056	(\$72,000)
TOTAL OTHER OPERATING EXPENSES	\$1,335,612	(\$14,944)	\$1,002,000	(\$1,016,944)	\$1,058,400
TOTAL OPERATING EXPENSES	\$18,517,772	\$10,894,277	\$27,806,900	(\$16,912,623)	\$31,030,812
NET OPERATING INCOME (loss)	(\$10,635,441)	(\$5,716,107)	(\$20,012,400)	\$14,296,293	(\$22,930,612)
NON-OPERATING REVENUES					
Property Taxes	\$37,266,049	\$24,314,349	\$37,264,000	(\$12,949,651)	\$40,352,000
Interest - Invested Reserves	\$1,716,606	\$2,104,624	\$2,136,000	(\$31,376)	\$3,636,000
Supplemental Imported Water Fees	\$505,810	\$242,167	\$612,500	(\$370,333)	\$502,800
Gains/Loss Investments	(\$9,550,173)	(\$124,678)	\$173,200	(\$297,878)	(\$379,200)
Other	\$62,951	\$924	\$0	\$924	\$0
TOTAL NON-OPERATING REVENUES	\$30,001,242	\$26,537,386	\$40,185,700	(\$13,648,314)	\$44,111,600

		ACTUAL		OVER	
	ACTUAL	TO	BUDGET	(UNDER)	BUDGET
	2021-2022	3/31/2023	2022-2023	BUDGET	2023-2024
NON-OPERATING EXPENSES					
Prior Year - State Water Project	(\$92,360)	\$0	\$0	\$0	\$0
Prior Year Expenses	(\$342)	\$0	\$0	\$0	\$0
Other	\$1,420	\$0	\$0	\$0	\$0
TOTAL NON-OPERATING EXPENSES	(\$91,282)	\$0	\$0	\$0	\$0
TOTAL NET INCOME	\$19,457,082	\$20,821,279	\$20,173,300	\$647,979	\$21,180,988
APPLICATION OF COMMIT FUNDS					
Bond Service - Principle/Interest	\$1,338,949	\$282,033	\$1,344,150	(\$1,062,117)	\$1,344,650
TOTAL COMMIT FUNDS	\$1,338,949	\$282,033	\$1,344,150	(\$1,062,117)	\$1,344,650
BALANCE REMAINING	\$18,118,134	\$20,539,245	\$18,829,150	\$1,710,095	\$19,836,338
Add Back Depreciation	\$1,350,768	\$0	\$1,110,000	(\$1,110,000)	\$1,130,400
Funds Avail For Capital Additions	\$19,468,902	\$20,539,245	\$19,939,150	\$600,095	\$20,966,738
CAPITAL ADDITIONS					
Delta			\$2,028,500		\$1,810,800
Transportation			\$2,657,000		\$2,170,000
Revenue Bond Surcharge			\$1,181,000		\$1,383,000
East Branch Enlargement			\$1,565,000		\$1,838,000
Tehachapi			\$98,000		\$98,000
Delta Conveyance			\$0		\$0
Lake Perris Seepage Recovery Project			\$550,000		\$550,000
Sites Reservoir Project		~	\$910,000		\$1,300,000
Conference Room Virtual Communications System			\$27,500		\$0
Main Entrance Monument Renovation			\$11,700		\$0
HVAC Air Purification System			\$32,000		\$0
Warehouse Shelving			\$13,700		\$0
Mezzanine Remodel			\$159,700		\$0
Employee Parking Expansion			\$99,700		\$0
Submersible Pump and Hose Drop Pipe			\$15,000		\$0
TSS Monitoring Well Construction			\$0		\$69,000
Contingency			\$150,000		\$150,000
TOTAL CAPITAL ADDITIONS			\$9,498,800	•	\$9,368,800
BALANCE			\$10,440,350		\$11,597,938
TOTAL BUDGET			\$38,649,850		\$41,744,262

	2022-2023 BEGIN BAL	2022-2023 ADJUSTMENTS	2023-2024 ADDITIONS	2023-2024 DELETIONS	BALANCE
Estimated Reserve Fund Balance 6/30/23		<u>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u>			\$233,786,674
Restricted & Unrestricted Reserves:					
State Water Contract Fund	\$75,779,000		\$0	\$0	\$75,779,000
Reserve For SWP Additional Water	\$10,493,000	\$13,150,000	\$15,000,000	\$0	\$38,643,000
Reserve for Delta Conveyance	\$19,238,000	\$0	\$0	\$0	\$19,238,000
Reserve For Operations	\$7,026,350	(\$1,021,550)	\$3,796,800	\$0	\$9,801,600
Reserve For Replacements	\$8,892,800	\$1,454,000	\$0	\$5,638,740	\$4,708,060
Regulatory Compliance Reserve	\$7,765,000	\$2,235,000	\$0	\$0	\$10,000,000
Land Acquisition Reserve	\$5,000,000	\$0	\$0	\$0	\$5,000,000
Reserve For Additional Non-SWP Water	\$23,782,000	\$35,304,400	\$22,248,740	\$0	\$81,335,140
	\$157,976,150	\$51,121,850	\$41,045,540	\$5,638,740	\$244,504,800
Total Reserves - 6/30/24					(\$244,504,800)
Required for 2022/23 Carryover Items					(\$879,042)
2023-2024 Budget Balance					\$11,597,938
Unappropriated Fund Balance - 6/30/24					\$770

BUDGET AMOUNT SUMMARY

Total Operating Expense	\$31,030,812
Non-Operating Expense	\$0
Application of Committed Funds	\$1,344,650
Capital Additions	\$9,368,800
TOTAL BUDGET	\$41,744,262

DESERT WATER AGENCY GENERAL FUND BUDGET 2023 - 2024

SUMMARY OF ASSESSED VALUATIONS AND RESULTING TAX RATES

Assessed Valuations

Secured \$20,554,248,137 Unsecured \$847,122,526

Total Estimated Assessed Valuations*

\$21,401,370,663

Tax Rate	2022-2023	2023-2024
Secured	\$0.10	\$0.08
Unsecured	\$0.10	\$0.10

Estimated Revenue from Property Taxes

 Secured
 \$16,443,000

 Unsecured
 \$847,000

 SBE Unitary
 \$19,562,000

 RPTTF
 \$1,748,000

 County 1% General Purpose Allocation
 \$1,752,000

TOTAL ESTIMATED PROPERTY TAXES

\$40,352,000

^{*} Assessed values reflect a combined 2.17% delinquency and value adjustment factor for secured and unsecured valuations

DESERT WATER AGENCY GENERAL FUND BUDGET FISCAL 2023 - 2024

Estimated State Water Project Payments

-	CAPITAL				O.M.P. & R.						
2023	Revenue Bond Surcharge	Delta	Transportation	Tehachapi	East Branch Enlargement	Delta	Transportation	Variable	Off-Aqueduct Power Facilities	East Branch Enlargement	Total
July	\$696,000	\$1,042,000	\$871,000			\$246,650	\$584,350	\$1,014,500	\$12,100	\$81,500	\$4,548,100
August						\$246,650	\$584,350	\$1,014,500	\$12,100	\$81,500	\$1,939,100
Septembe				\$48,500	\$1,024,500	\$246,650	\$584,350	\$1,014,500	\$12,100	\$81,500	\$3,012,100
October						\$246,650	\$584,350	\$1,014,500	\$12,100	\$81,500	\$1,939,100
Novembe						\$246,650	\$584,300	\$1,014,500	\$12,100	\$81,500	\$1,939,050
Decembe						\$246,650	\$584,300	\$1,014,500	\$12,100	\$81,500	\$1,939,050
2024											
January	\$687,000	\$930,000	\$1,299,000			\$275,200	\$445,500	\$1,059,500	\$16,400	\$57,700	\$4,770,300
February						\$275,200	\$445,500	\$1,059,500	\$16,400	\$57,700	\$1,854,300
March				\$49,500	\$813,500	\$275,200	\$445,500	\$1,059,500	\$16,400	\$57,700	\$2,717,300
April						\$275,200	\$445,500	\$1,059,500	\$16,400	\$57,700	\$1,854,300
May						\$275,200	\$445,500	\$1,059,500	\$16,400	\$57,700	\$1,854,300
June						\$275,100	\$445,500	\$1,059,500	\$16,400	\$57,500	\$1,854,000
	\$1,383,000	\$1,972,000	\$2,170,000	\$98,000	\$1,838,000	\$3,131,000	\$6,179,000	\$12,444,000	\$171,000	\$835,000	\$30,221,000
				DWA CVWD DWA CVWD	2023 55,750 AF 128,450 AF 2024 55,750 AF 128,450 AF	being shared 2 <u>Variable</u> \$12,173,142 \$30,209,042 \$12,713,467 \$31,549,920	Delta Charge \$5,158,556 \$12,801,547 \$5,158,556	74.04% CVWI Off Aqueduct \$144,450 \$164,219 \$196,708 \$488,152	Total \$17,476,148 \$43,174,808 \$60,650,956 \$18,068,731 \$44,839,619 \$62,908,350	ta Water and Off DWA 25.96% \$4,536,808 \$11,208,180 \$15,744,988 \$4,690,643 \$11,640,365 \$16,331,008	Aqueduct Charges CVWD 74.04% \$12,939,340 \$31,966,628 \$44,905,968 \$13,378,088 \$33,199,254 \$46,577,342
STATE W	STATE WATER PROJECT TABLE A ALLOTMENTS:				TOTALS	\$123,559,306	\$32,075,996	\$91,483,310			
DWA - 38,100 A.F. + MWD Transfer 11,900 A.F. = 50,000 A.F. CVWD - 23,100 A.F. + MWD Transfer 88,100 A.F. + Tulare Transfer 9,000 A.F. = 121,100 A.F. Beginning January 1, 2010 : Berrenda-Mesa 16,000 A.F. Transfer = DWA 4,000 A.F. / CVWD 12,000 A.F. Beginning January 1, 2010 : Westlake Farms 7,000 A.F. Transfer = DWA 1,750 A.F. / CVWD 5,250 A.F. Calendar years 2023 & 2024 = DWA 55,750 A.F. / CVWD 128,450 A.F.				Less Amount Billed Direct to CVWD Amount Due To DWA ONE-HALF FOR FISCAL YEAR			(\$88,014,427) \$3,468,883 \$1,734,442				
Oute-male For FISCAL TEAR \$1,7.					Ψ1,101,112						

DESERT WATER AGENCY - GENERAL FUND 2023 / 2024 BUDGET CAPITAL IMPROVEMENTS

W.O. No.	DESCRIPTION	ACCOUNT NO.	ESTIMATED COST
ROUTINE			
MISCELLAN	EOUS		
23-XXX	TDS Monitoring Well Construction (3 Wells)	11155	\$69,000
23-499	Contingency - Other	VARIOUS	\$150,000
	тот	AL MISCELLANEOUS	\$219,000
TOTAL CAPI	TAL IMPROVEMENTS 2023-2024		\$219,000

2023 / 2024 Budget

GENERAL FUND

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

2023 DWR State	ment of Charges		
Delta Capital		\$	2,083,530
Delta OMP&F	R	\$	2,958,630
Transportatio	on Capital	\$	1,741,542
Transportatio	on OMP&R	\$	7,010,811
Variable Entit	lement	\$	7,261,633
Water System	n Revenue Bond	\$	1,391,431
Off Aqueduct		\$	144,450
Conservation	Replacement	\$	-
East Branch E	nlargement Capital	\$	843,404
East Branch E	nlargement OMP&R	\$	756,897
Tehachapi Se	cond Afterbay	\$ \$	96,300
Total 2023 Statement of Charges			24,288,628
Minimum Res	serve Requirement	\$	60,721,570
Maximum All	owable Reserve Balance	\$	145,731,768
2022 / 2022	C I D D. l		75 770 000
2022 / 2023	Current Reserve Balance	\$	75,779,000
2023 / 2024	Reserve Adjustment *	\$	-
2023 / 2024	Reserve Balance	\$	75,779,000
2023 / 2024	Minimum Target Reserve Shortfall	\$	-
2023 / 2024	Maximum Reserve Shortfall	\$	(69,952,768)

^{*} No proposed addition to the State Water Contract Fund Reserve in Fiscal Year 2023 / 2024

2023 / 2024 STATE WATER CONTRACT RESERVE \$ 75,779,000

2023 / 2024 Budget

GENERAL FUND

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	\$ 43,424,000	
Average Annu	al Charge	\$ 4,342,400
Minimum Res	erve Requirement	\$ 10,856,000
Maximum Allo	owable Reserve Balance	\$ 26,054,400
2022 / 2023	Current Reserve Balance	\$ 19,238,000
2023 / 2024	Reserve Adjustment *	\$ -
2023 / 2024	Reserve Balance	\$ 19,238,000
2023 / 2024	Minimum Target Reserve Shortfall	\$ -
2023 / 2024	Maximum Reserve Shortfall	\$ (6,816,400)

^{*} No proposed adjustment to the Reserve for Delta Conveyance Facilities in Fiscal Year 2023 / 2024

2023 / 2024 RESERVE FOR DELTA CONVEYANCE \$ 19,238,000

2023 / 2024 Budget

GENERAL FUND

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

2023 DWR Statement of Charges		
Delta Capital	\$	2,083,530
Delta OMP&R	\$	2,958,630
Transportation Capital	\$	1,741,542
Transportation OMP&R	\$	7,010,811
Variable Entitlement	\$	7,261,633
Water System Revenue Bond	\$	1,391,431
Off Aqueduct	\$	144,450
Conservation Replacement	\$	-
East Branch Enlargement Capital	\$	843,404
East Branch Enlargement OMP&R	\$	756,897
Tehachapi Second Afterbay	\$	96,300
Tehachapi Second Afterbay Total 2023 Statement of Charges	\$ \$	96,300 24,288,628
	\$ \$	
	\$ \$ \$	
Total 2023 Statement of Charges	\$	24,288,628
Total 2023 Statement of Charges Minimum Reserve Requirement Maximum Allowable Reserve Balance	\$ \$ \$	24,288,628 24,288,628 121,443,140
Total 2023 Statement of Charges Minimum Reserve Requirement Maximum Allowable Reserve Balance 2022 / 2023 Current Reserve Balance	\$ \$ \$ \$	24,288,628 24,288,628 121,443,140 23,643,000
Total 2023 Statement of Charges Minimum Reserve Requirement Maximum Allowable Reserve Balance	\$ \$ \$ \$	24,288,628 24,288,628 121,443,140
Total 2023 Statement of Charges Minimum Reserve Requirement Maximum Allowable Reserve Balance 2022 / 2023 Current Reserve Balance	\$ \$ \$ \$	24,288,628 24,288,628 121,443,140 23,643,000
Minimum Reserve Requirement Maximum Allowable Reserve Balance 2022 / 2023 Current Reserve Balance 2023 / 2024 Reserve Adjustment *	\$ \$ \$ \$	24,288,628 24,288,628 121,443,140 23,643,000 15,000,000
Minimum Reserve Requirement Maximum Allowable Reserve Balance 2022 / 2023 Current Reserve Balance 2023 / 2024 Reserve Adjustment * 2023 / 2024 Reserve Balance	\$ \$ \$ \$ \$	24,288,628 24,288,628 121,443,140 23,643,000 15,000,000

^{*} Proposed \$15,000,000 addition to the Reserve for Additional SWP Water in Fiscal Year 2023 / 2024

2023 / 2024 RESERVE FOR ADDITIONAL SWP WATER \$ 38,643,000

2023 / 2024 Budget

GENERAL FUND

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.

2023 DWR Statement of Charges	
Delta Capital	\$ 2,083,530
Delta OMP&R	\$ 2,958,630
Transportation Capital	\$ 1,741,542
Transportation OMP&R	\$ 7,010,811
Variable Entitlement	\$ 7,261,633
Water System Revenue Bond	\$ 1,391,431
Off Aqueduct	\$ 144,450
Conservation Replacement	\$ -
East Branch Enlargement Capital	\$ 843,404
East Branch Enlargement OMP&R	\$ 756,897
Tehachapi Second Afterbay	\$ 96,300
Total 2023 Statement of Charges	\$ 24,288,628
Minimum Reserve Requirement	\$ 24,288,628
Maximum Allowable Reserve Balance	\$ 121,443,140
2022 / 2023 Current Reserve Balance	\$ 59,086,400
2023 / 2024 Reserve Adjustment *	\$ 22,248,740
2023 / 2024 Reserve Balance	\$ 81,335,140
2023 / 2024 Minimum Target Reserve Shortfall	\$ -
2023 / 2024 Maximum Reserve Shortfall	\$ (40,108,000)

^{*} Proposed \$22,248,740 addition to the Reserve for Additional Non-SWP Water in Fiscal Year 2023 / 2024

2023 / 2024 RESERVE FOR ADDTINL NON-SWP WATER \$ 81,335,140

2023 / 2024 Budget

GENERAL FUND

Reserve for Operations

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

2	2023 / 2024	Cost of Operations	\$ 31,021,212
Less: 2	2023 / 2024	State Water Project Expense	\$ (21,219,612)
í	Net Cost of Op	perations	\$ 9,801,600
ı	Minimum Rese	erve Requirement	\$ 4,900,800
I	Maximum Allo	owable Reserve Balance	\$ 9,801,600
2	2022 / 2023	Current Reserve Balance	\$ 6,004,800
2	2023 / 2024	Reserve Adjustment *	\$ 3,796,800
2	2023 / 2024	Reserve Balance	\$ 9,801,600
2	2023 / 2024	Minimum Target Reserve Shortfall	\$ -
2	2023 / 2024	Maximum Reserve Shortfall	\$ -

^{*} Proposed \$3,796,800 addition to the Reserve for Operations in Fiscal Year 2023 / 2024

2023 / 2024 RESERVE FOR OPERATIONS \$ 9,801,600

2023 / 2024 Budget

GENERAL FUND

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 6/30/2022	\$ 177,314,238
Less: SWP - Transportation	\$ (73,261,366)
SWP - Delta	\$ (20,951,282)
SWP - East Branch Enlargement	\$ (26,445,703)
SWP - Water System Rev Bond	\$ (9,474,644)
SWP - Advance Water Deliveries	\$ (69,273)
SWP - Tehachapi Second Afterbay	\$ (31,367)
Net Accumulated Depreciation	\$ 47,080,603
Minimum Reserve Balance	\$ 2,824,836
Maximum Reserve Balance	\$ 4,708,060
2022 / 2023 Current Reserve Balance	\$ 10,346,800
2023 / 2024 Reserve Adjustment *	\$ (5,638,740)
2023 / 2024 Reserve Balance	\$ 4,708,060
2023 / 2024 Minimum Reserve Shortfall	\$ - -
2023 / 2024 Maximum Reserve Shortfall	\$ -

^{*} Proposed \$5,638,740 reduction to the Reserve for Replacements in Fiscal Year to align with new reserve policy maximum allowable balance.

2023 / 2024 RESERVE FOR REPLACEMENTS \$ 4,708,060

Reserve for Regulatory Compliance

Reserve shall not exceed \$10,000,000

Maximum Reserve Balance \$			10,000,000
2022 / 2023	Current Reserve Balance	\$	10,000,000
2023 / 2024	Reserve Adjustment *	\$	-
2023 / 2024	Reserve Balance	\$	10,000,000
2023 / 2024	Maximum Reserve Shortfall	\$	_

^{*} No proposed adjustment to the Reserve for Regulatory Compliance in 2023 / 2024, reserve is at maxium allowable balance.

2023 / 2024 RESERVE FOR REGULATORY COMPLIANCE \$ 10,000,000

2023 / 2024 Budget

GENERAL FUND

Reserve shall not exceed \$5,000,000

Maximum Res	serve Balance	\$	5,000,000
2022 / 2023	Current Reserve Balance	\$	5,000,000
2023 / 2024	Reserve Adjustment *	\$	-
2023 / 2024	Reserve Balance	\$	5,000,000
2023 / 2024	Maximum Reserve Shortfall	\$	-

^{*} No proposed adjustment to the Reserve for Land Acquision in 2023 / 2024, reserve is at maxium allowable balance.

2023 / 2024 RESERVE FOR LAND ACQUISITIONS \$ 5,000,000

Reserve Policy Summary

** 2023 / 2024	Minimum Reserve Requirement Maximum Reserve Requirement	\$ 142,880,462 *
** 2023 / 2024		\$ 444,182,108
2023 / 2024	Projected Total Reserves	\$ 244,504,800
2023 / 2024	Projected Minimum Reserve Shortfall	\$ (199,677,308)
2023 / 2024	Projected Maximum Reserve Shortfall	\$

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

^{**} Reserve Policy and Reserve Requirements (Resolution No. 1302)

DESERT WATER AGENCY WASTEWATER FUND BUDGET 2023 / 2024



DESERT WATER AGENCY WASTEWATER FUND 2023-2024 BUDGET WITH PRIOR YEAR COMPARISON

	ACTUAL	ACTUAL TO	BUDGET	OVER OR	BUDGET
	2021-2022	3/31/2023	2022-2023	UNDER	2023-2024
OPERATING REVENUES:					
Capacity Charges	\$1,249	\$3,421	\$26,400	(\$22,979)	\$4,800
Wastewater Service	\$1,150,064	\$769,391	\$1,215,600	(\$446,209)	\$1,275,600
Plan Check Fees/Inspection/Svc	\$700	\$0	\$3,480	(\$3,480)	\$1,160
TOTAL REVENUES	\$1,152,014	\$772,812	\$1,245,480	(\$472,668)	\$1,281,560
OPERATING EXPENSES:					
C.V.W.D. Wastewater Service	\$749,762	\$500,133	\$825,600	(\$325,467)	\$890,400
City of P.S Wastewater Service	\$110,711	\$73,670	\$112,800	(\$39,130)	\$111,600
Office Supplies & Expense	\$448	\$297	\$1,200	(\$903)	\$1,200
Meetings and Seminars	\$0	\$0	\$0	\$0	\$0
Legal	\$15,418	\$0	\$6,000	(\$6,000)	\$6,000
Engineering	\$1,511	\$0	\$3,600	(\$3,600)	\$3,600
Auditing	\$1,684	\$800	\$2,400	(\$1,600)	\$2,400
Programming	\$786	\$510	\$2,400	(\$1,890)	\$2,400
Utilities	\$11,323	\$11,554	\$10,800	\$754	\$18,000
Insurance	\$11,874	\$14,837	\$13,200	\$1,637	\$19,200
Communications Equipment	\$0	\$0	\$0	\$0	\$2,400
Maintenance of Pumps	\$8,994	\$43	\$2,400	(\$2,357)	\$3,600
Maintenance of Laterals	\$1,285	\$11,760	\$2,400	\$9,360	\$7,200
Maintenance of Lift Stations	\$70,166	\$74,984	\$138,000	(\$63,016)	\$92,400
Maintenance of Mains	\$40,575	\$104,689	\$117,600	(\$12,911)	\$142,800
Tools & Work Equipment	\$0	\$54	\$2,400	(\$2,346)	\$8,400
Transportation Expense	\$7,829	\$5,487	\$9,600	(\$4,113)	\$15,600
Regulatory Expense	\$90,974	\$0	\$0	\$0	\$0
Uncollectible Accounts	\$0	\$0	\$0	\$0	\$0
Depreciation	\$570,970	\$0	\$572,400	(\$572,400)	\$585,600
TOTAL OPERATING EXPENSE	\$1,694,312	\$798,819	\$1,822,800	(\$1,023,981)	\$1,912,800
NET INCOME FROM OPER.	(\$542,298)	(\$26,007)	(\$577,320)	\$551,313	(\$631,240)
NON-OPERATING REVENUES					
Interest Short Term	\$6,633	\$24,589	\$10,800	\$13,789	\$48,000
Contributed Revenue - Customer	\$169,050	\$0	\$0	\$0	\$0
Other Income/(Expense)	(\$22,052)	\$91	\$0	\$91	\$0
TOTAL NON-OPR. REV.	\$153,631	\$24,680	\$10,800	\$13,880	\$48,000

DESERT WATER AGENCY WASTEWATER FUND 2023-2024 BUDGET WITH PRIOR YEAR COMPARISON

	ACTUAL 2021-2022	ACTUAL TO 3/31/2023	BUDGET 2022-2023	OVER OR UNDER	BUDGET 2023-2024
NON-OPERATING EXPENSES					
Interest - General Fund Loan	\$0	\$0	\$0	\$0	\$0
Sewer Assessment Fees	\$803	\$792	\$850	(\$58)	\$850
Loss on Retirement	\$0	\$0	\$0	\$0	\$0
Prior Year Expenses	\$0	<u>\$0</u>	\$0_	\$0	\$0
TOTAL NON-OPR. EXP.	\$803	\$792	\$850	(\$58)	\$850
TOTAL NET INCOME	(\$389,471)	(\$2,119)	(\$567,370)	\$565,251	(\$584,090)
APPLICATION OF COMMIT. FUNDS					
Principal - General Fund Loan	\$0	\$0	\$0	\$0	\$0
Principal - Operating Fund Loan	\$0	\$0	\$0	\$0	\$0
TOTAL COMM. FUNDS	\$0	\$0	\$0	\$0	\$0
Balance Remaining	(\$389,471)	(\$2,119)	(\$567,370)	\$565,251	(\$584,090)
Add Back Depreciation Exp.	\$570,970	\$0	\$572,400	(\$572,400)	\$585,600
Funds Avail. Capital Add.	\$181,499	(\$2,119)	\$5,030	(\$7,149)	\$1,510
LESS CAPITAL ADDITIONS:			BUDGET		BUDGET
ELGO GAI ITAL ADDITIONS.			2022-2023		2023-2024
Cat. Cyn Force Main Monitoring Manh	nole		\$200,000		\$0
Contingency			\$15,000		\$15,000
TOTAL CAPITAL ADDITIONS			\$215,000		\$15,000
BALANCE			(\$209,970)		(\$13,490)
TOTAL BUDGET			\$2,038,650		\$1,928,650
ESTIMATED RESERVE FUND BALAN	ICE:		, ,,		, , , , , , , , , ,
Estimated Reserve Fund Balance 6/30/	23		\$1,703,584		
2023-2024 Budget Balance	20		(\$13,490)		
Required for 2022/23 Carryover Items			(\$220,878)		
Estimated Reserve Fund Balance 6/30/	24		\$1,469,216		
BUDGET AMOUNT SUMMARY:					
·			Φ4 040 000		
Total Non-operating Expenses			\$1,912,800		
Total Non-operating Expenses			\$850		
Application of Committed Funds			\$0 \$15,000		
Capital Additions TOTAL BUDGET:			\$15,000 \$1,000		
TOTAL BUDGET:			\$1,928,650		

DESERT WATER AGENCY - WASTEWATER FUND 2023 / 2024 BUDGET CAPITAL IMPROVEMENTS

W.O.			ACCOUNT	ESTIMATED
No.		DESCRIPTION	NO.	COST
ROUTINE				
MISCELLANI	EOUS			
22-499	Contingency - Other		VARIOUS	\$15,000
			TOTAL MISCELLANEOUS	\$15,000
TOTAL CAPI	TAL IMPROVEMENTS 202	3-2024		\$15,000

DESERT WATER AGENCY

Fiscal Year 2023 / 2024

Budget Highlights

Fiscal 2023 / 2024 Budget Highlights

OPERATING FUND

Revenues

Operating Revenues

Potable Water Sales

The Potable Water Sales budget of \$41,630,000 reflects a commodity rate of \$2.28/hcf for Fiscal Year 2023/2024. This includes a slight increase in water sales revenue of \$16,000.

The rate remains unchanged for the 2023/2024 fiscal year. If the Proposition 218 proceedings currently underway are successful, staff will be recommending the first scheduled rate increase be implemented with an effective date of January 1, 2024. This will provide approximately \$1.5 million in additional potable water sales revenue.

The budget includes an annual average of 23,500 active meters, with an average consumption of 542 hcf per meter.

Monthly water service charges (fixed monthly meter charge) per meter remain unchanged for Fiscal Year 2023/2024 for an estimated total of \$12.1 million, which is included in the total Water Sales Revenue.

Operating Revenue Summary

Overall, Water Sales, Power and Recycled Water Sales revenues increased \$60,400 or 0.1% as compared to the 2022/2023 budget.

Water Services

Back-up Facility Charges

Back-up Facility Charge Revenue reflects a \$289,000 decrease from the 2022/2023 budget. This decrease is attributed to the decrease in new developments applying for new water service connections.

Water Service Revenue Summary

Overall, Water Service revenues decreased \$280,000 or 10.3% as compared to the 2022/2023 budget.

TOTAL OPERATING REVENUES

Total Operating Revenues reflect an 0.5% or \$219,500 decrease as compared to the 2022/2023 budget.

Expenses

Source of Supply

Maintenance of Intakes

The Maintenance of Intakes decrease of \$242,000 is attributed to the repair of damaged caused by the 2019 Valentine's Day Storm that was included in the 2022/2023 budget.

Groundwater Replenishment

The Groundwater Replenishment expense budget reflects a \$642,000 or 11.7% increase from 2022/2023. The budget is based on projected Operating Fund water sales for 2022/2023 adjusted for anticipated system water losses based on historical production vs water sold factor. The budget reflects the proposed Replenishment Assessment Charge of \$195/AF, an increase of \$20/AF.

Source of Supply Summary

Overall, total Source of Supply expense reflects a 3.7% or \$248,000 increase from the 2022/2023 budget.

Pumping Expense

Maintenance of Pumping Equipment

The maintenance of pumping equipment reflects a \$495,000 or 112.0% increase. The increase attributed to well electrical control replacements and Well #38 pump inspection.

Power Purchases

The pumping power purchase expense reflects a \$867,000 or 24.6% increase. The increase is based on historical power use and anticipated rate increases by Southern California Edison.

Pumping Expense Summary

Overall, total Pumping Expense, reflects a \$1,062,000 or 22.3% increase as compared to the 2022/2023 budget.

Regulatory Water Treatment Expense

Chemicals & Filtering Material

The Chemicals & Filtering Material expense reflects an increase of \$119,000 or 42.6% attributed to the chemicals to supply the new chlorine injection stations added to the system and increased supply costs due to inflation and supply chain issues.

Regulatory Water Treatment Expense Summary

Overall, the total Regulatory Water Treatment expense reflects a \$180,000 or 20.6% increase as compared to the 2022/2023 budget.

Transmission & Distribution

Maintenance of Mains

The Maintenance of mains expense reflects a \$153,000 or 9.6% increase from the 2022/2023 budget. Extraordinary expense projects included in 2023/2024 include valve adjustments for City of Palm Springs repaving program (\$300k), abandoning of a 16" portion of the Farrell pipeline (\$200k), leak detection survey (\$24k) and the replacement of deteriorating piping and vaults at various well sites (\$200k). Many of these extraordinary expense items have been re-budgeted from the 2022/2023, but due to staffing and other external constraints were unable to be completed and re-budgeted in 2023/2024.

Transmission & Distribution Summary

Overall, the Transmission & Distribution expense reflects a \$149,000 or 3.4% increase in expenses as compared to the 2022/2023 budget.

Customer Account Expense

Customer Account Expense Summary

Overall, Customer Account expense reflects a \$29,000 or 2.3% increase as compared to the 2022/2023 budget.

General & Administrative Expense

Pension

The Pension expense reflects a decrease of \$42,000 or 1.4% as compared to 2022/2023. This increase includes a 4.2% COLA adjustment to payroll, a slight increase in employer contribution rate, and a \$112k (9.3%) decrease in required Unfunded Accrued Liability payments as compared to 2022/2023. For employees hired prior to 2013 (Classic), the employer contribution increased from 13.02% to 14.92%. For employees hired after January 1, 2013 (PEPRA), the employer contribution rate increased from 7.76%, to 8.00%.

The Agency's CalPERS pension plan is currently underfunded. The Agency makes annual required payments in order to pay down this Unfunded Accrued Liability (UAL). For fiscal year 2023/2024, the annual required UAL payment is \$1.2 million dollars. Beginning with the 2018/2019 budget, the Agency began contributing an additional \$1 million dollars to the Agency's UAL in order to accelerate the pay down of this liability. This will be the sixth year of additional UAL payments. UAL payments over the last five years, since the implementation of this accelerated UAL funding strategy, the Agency's has saved approximately \$7.8 million in interest payments. Given the recent changes to the market interest rates, and the accelerated UAL payments, there is approximately four years remaining in the Agency's accelerated UAL payment plan to become fully funded.

Maintenance – Operations Center

The Operations Center Maintenance expense has increased \$210,000 as compared to the 2022/2023 budget. Included in this increase is \$82,000 for the recoating of the Operations Center roof, \$31,000 for climate control equipment repairs, and \$94,000 for carpet replacements. These expenses reflect two-thirds of the total cost that is shared between the Operating and General Funds.

Transportation

The transportation expense decreased \$209,000 as compared to the 2022/2023 budget. In the 2022/2023 budget, fleet enhancements were included to meet AQMD requirements. These requirements will now satisfied by a 3-year capital plan to replace the vehicles that do not meet AQMD standards rather than retrofitting current vehicles.

Water Conservation – Turf Buyback

The Water Conservation – Turf Buyback expense decreased \$514,000 (21.8%). This decrease is primarily attributed to the scaling back of the turf buyback program from 2022/2023. Due to high demand in 2022/2023, the Board approved an original turf removal budget of \$860,000 plus an additional \$1.5 million mid fiscal year, totaling \$2.36 million for fiscal year 2022/2023. For 2023/2024, the turf removal program funded by the Operating Fund is \$1,845,000. 50% of the Agency's turf buyback program is funded by the General Fund the remaining 50% by the Operating Fund.

General & Administrative Expense Summary

Overall, the General & Administrative expense increased \$128,000 or 0.8% as compared to the 2022/2023 budget.

Regulatory Expenses

Regulatory Expenses Summary

Overall, the Regulatory Expenses increased \$49,000 or 11.4% mainly attributed to increased training needs.

Snow Creek Hydro Expense

Snow Creek Hydro Expense Summary

Overall, the Snow Creek Hydro Expense increased \$17,000 (28.2%) for the Snow Creek/Falls Creek Hydro modernization project.

Recycled Water Plant Expense

Treatment Expense

The Recycled Water Treatment expense reflects a \$776,000 or 146.4% increase as compared to the 2022/2023 budget. This increase is mainly attributed to required rehabilitation and coating for the Recycled Water Plant Splitter Structure.

Recycled Water Plant Expense Summary

Overall, the Recycled Water Plant Expense increased \$898,000 or 65.6% as compared to the 2022/2023 budget.

TOTAL EXPENSES

Total Expenses reflect a \$3,383,000 or 8.1% increase as compared to the 2022/2023 budget (\$45,419,280 vs. \$42,036,240).

Capital Additions

The 2023/2024 Capital Budget reflects a \$3.5 million decrease as compared to the 2022/2023 Capital Budget for a total of \$14,210,000.

The Agency continues to place emphasis on critical, operational infrastructure, such as pipeline and service replacements.

Major 2023/2024 Capital Budget Requests

\$4,737,000	Pipeline Replacements
\$3,600,000	Recycled Water Effluent Reservoir Roof Reconstruction
\$1,431,000	Vehicle Replacements
\$1,201,000	AMI Fixed Network (Phase 2)

Carry-Over Capital Additions

There is \$24,321,000 in prior year carry-over capital additions. These are capital projects approved by the Board in previous fiscal years and capital projects funded by customers that have not yet

been started and/or completed yet. Major DWA projects included in the carry-over amount in the 2023/2024 budget are:

\$219,000	WO # 11-125-M	Solar Invert Replacements
\$729,000	WO # 18-16116	2018/2019 Main Replacements
\$3,428,000	WO # 20-16030	30" Pipeline Replacement Avenida Caballeros
\$3,797,000	WO # 20-178-M	Accounting Software / ERP System
\$5,642,000	WO # 21-11108	2021/2022 8" Main Replacements
\$3,990,000	WO # 21-11220	2021/2022 20" Main Replacements
\$1,351,000	WO # 21-114-W-44	Pumping Plant - Well # 44
\$1,647,000	WO # 22-167-D	Palm Oasis Well

Reserves

A net reduction of \$3,398,000 is proposed to 2023/2024 Reserve for Operations to meet the revenue requirements for the 2023/2024 proposed expense and capital improvement budget.

If the Proposition 218 proceedings currently underway are successful, staff will be recommending the first schedule rate increase be implemented with an effective date of January 1, 2024. This will provide approximately \$1.5 million in additional potable water sales revenue, reducing the projected impact to reserves to \$1.9 million.

On May 25, 2023, the Finance Committee reviewed the following revision to the Agency's Reserve Policy for the Reserve for Replacements to revise the minimum target level and establish a maximum target level for the Reserve for Replacements. The following proposal, supported by the Finance Committee has been incorporated into the draft 2023/2024 budget.

Current: Approximately equal to the accumulated depreciation of the Agency's physical

plant (not including State Water Project facilities).

Proposed: Minimum target at 6% and not to exceed 10% of the Agency's infrastructure

(not including State Water Project facilities).

A copy of the Reserve Policy – Resolution No. 1187 is attached to these Budget Highlights

Fiscal 2023 / 2024 Budget Highlights

GENERAL FUND

Revenues

Operating Revenues

Groundwater Replenishment Assessment

The Groundwater Replenishment Assessment (RAC) revenue reflects a \$190,000 or 2.4% increase as compared to the 2022/2023 budget. This increase is mainly attributed to the increase in RAC rate from \$175/AF to \$195/AF.

Groundwater Replenishment revenue is based on Krieger & Stewart's estimated production in the Whitewater and Mission Creek Subbasins for private pumpers and anticipated DWA production.

Power Sales

The Whitewater Hydro budget reflects a \$116,000 or 855.6% increase in power sales due to an increase in water deliveries for the upcoming water year. The Agency's State Water Project (SWP) Table A allocation is set to 100% for the upcoming water year.

The Whitewater Hydro revenue has been adjusted since the last presentation to the Finance committee to account for the anticipated advance water deliveries from Metropolitan Water District in excess of the Agency's Table A water deliveries.

Operating Revenues Summary

Overall, Operating Revenues reflect a \$288,000 or 3.7% increase as compared to the 2022/2023 budget.

Non-Operating Revenues

Property Tax

Property Tax Revenue projections are based on a reduced Secured Assessment tax rate of \$0.08 / \$100 AV in 2023/2024 as compared to \$0.10 in 2022/2023. The Agency's Assessed Valuation increased by \$2.1 billion or 10.4%. Property tax revenues increased by \$3.1 million or 8.3% as compared to the 2022/2023 budget.

Interest - Invested Reserves

Invested Reserve Interest revenue reflects a \$1.5 million or 70.2% increase as compared to 2022/2023. This increase is attributed to the increase in bond interest rates as compared to 2022/2023 and the shift to investing more of the Agency's reserves in bonds from LAIF to take advantage of the increase in interest rates while still maintaining adequate liquid funds for cash flow purposes.

Non-Operating Revenue Summary

Overall, the Non-Operating Revenues reflect an increase of \$3,926,000 or 9.8% as compared to the 2022/2023 budget.

TOTAL REVENUES

Total General Fund Revenues reflect an increase of \$4,214,000 or 8.8% as compared to the 2022/2023 budget.

Expenses

Source of Supply

Whitewater Basin Management

Whitewater Basin Management expenses reflect a \$200,000 or 79.9% increase as compared to the 2022/2023 budget. This increase is mainly attributed to the Bureau of Land Management Right of Way grant costs for the recharge facility.

Mission Creek Basin Management

Mission Creek Basin Management expenses are estimated to be \$588,000 for 2023/2024 for DWA's share of maintenance costs per agreement with CVWD. This expense includes the costs associated with grading of the ponds for increased percolation rates.

Other Source of Supply Expense

The other Source of Supply expense budget for 2023/2024 is \$1,166,000. In years where the State Water Project allocation is greater than 50%, DWA pays a portion of Metropolitan Water District's average long-term costs to store water in Metropolitan's SWP groundwater storage program. DWA's Table A allocation is 100% for the upcoming water year. This cost is according to the Agency's agreement with Metropolitan executed in 2019. 2023/2024 will be the first year that the Agency will incur this expense.

Source of Supply Summary

Overall, Source of Supply expense increased \$1,326,000 or 77.2% as compared to the 2022/2023 budget.

State Water Project Expense

All State Water Project budgeted costs are based on the actual 2023 Department of Water Resources (DWR) invoices for July through December 2023, and per DWR Bulletin 132-22 Appendix B for January through June 2024.

Variable

State Water Project Variable OMP&R expenses increased \$6,488,000 as compared to the 2022/2023 budget. This is due to the increase allocation for deliveries to 100%.

Water Purchases

There are no additional water purchases anticipated for 2023/2024 as these purchases are only available in dry years when the water will be able to be transported (Yuba, Article 21, multi-year and Pool A).

State Water Project Expense Summary

Overall, the State Water Project (SWP) expense increased \$2,418,000 or 12.9% as compared to the 2022/2023 budget.

Whitewater Hydro Expense

Whitewater Hydro Expense Summary

Overall, Whitewater Hydro Expense decreased \$23,000 or 9.6% as compared to the 2022/2023.

Administrative & General Expense

Legal

General Legal expense reflects a \$348,000 or 36.3% decrease as compared to the 2022/2023 budget based on historical experience. This does not include legal expenses associated to cases related to source of supply.

Water Conservation

Water Conservation reflects a \$445,000 or 17.1% decrease as compared to the 2022/2023 budget primarily attributed to the scaling back of the turf buyback program from 2022/2023. Due to high demand in 2022/2023, the Board approved an original turf removal budget of \$860,000 plus an additional \$1.5 million mid fiscal year, totaling \$2.36 million for fiscal year 2022/2023. For 2023/2024, the turf removal program funded by the Operating Fund is \$1,845,000. 50% of the Agency's turf buyback program is funded by the General Fund the remaining 50% by the Operating Fund.

Fiscal 2023 / 2024 Budget Highlights: General Fund

Administrative & General Expense Summary

Overall, the Administrative & General Expense decreased \$553,000 or 9.2% as compared to the 2022/2023 budget.

TOTAL EXPENSES

Total Expenses increased \$3,224,000 or 11.6% as compared to the 2022/2023 budget.

Application of Committed Funds

Bond Service

Bond Service reflects a \$1,344,650 payment for the 2016 bond refinance, which reflects over a \$302,000 savings in 2023/2024 and a realized cumulative savings of \$3.6 million as a result of refinancing the 2007 bond issuance in 2016. Projected refinance savings are \$6.3 million.

Capital Additions

The Capital Additions budget for 2023/2024 reflects a \$130,000 or 1.4% decrease as compared to the 2022/2023 budget.

2023/2024 Major Capital Budget Requests

\$7,300,000	State Water Project
\$1,300,000	Sites Reservoir Project

\$550,000 Lake Perris Seepage Recovery Project

Carry-Over Capital Additions

There is \$879,000 in prior year, carry-over capital additions. These are capital projects approved by the Board in previous fiscal years that have not yet been started and/or completed yet. Major projects included in the carry-over amount in the 2023/2024 budget are:

\$450,000	WO # 19-161-M	Chino West Canyon Filtration Plant
\$114,000	WO # 21-134-M	Mission Creek Recharge Basin Flow Meters
\$159,700	WO # 22-187-M	Operations Center Mezzanine Remodel

Reserves

The 2023/2024 budget includes a proposed addition of \$35,407,000 to General Fund Reserves. The proposed additions to the Reserve for Additional SWP Water, Reserve for Operations, Reserve for Additional Non-SWP Water.

The funds available to add to reserves are attributed to additional tax revenue received in excess of estimated revenues, investment revenue in excess of estimates and actual expenses in 2022/2023 less than anticipated expenses, mainly attributed to the SWP Variable costs. The excess tax revenues have been included in forecasting future tax rate revenue needs and in setting the tax rate for the upcoming fiscal year.

On May 25, 2023, the Finance Committee reviewed the following revision to the Agency's Reserve Policy for the Reserve for Replacements to revise the minimum target level and establish a maximum target level for the Reserve for Replacements. The following proposal, supported by the Finance Committee has been incorporated into the draft 2023/2024 budget.

Current: Approximately equal to the accumulated depreciation of the Agency's physical

plant (not including State Water Project facilities).

Proposed: Minimum target at 6% and not to exceed 10% of the Agency's infrastructure

(not including State Water Project facilities).

A copy of the Reserve Policy – Resolution No. 1187 is attached to these Budget Highlights

Fiscal 2023 / 2024 Budget Highlights

Wastewater Fund

Revenues

Operating Revenues

Operating Revenues Summary

Overall, Operating Revenues increased \$60,000 or 4.7% as compared to 2022/2023 primarily attributed to CVWD's rate increase collected by the Agency and remitted to CVWD as a pass through.

Expenses

Operating Expenses

CVWD Wastewater Service Expense

The CVWD Wastewater Service Expense for 2023/2024 is estimated at \$890,000, which reflects monthly service charge of \$27.10 per Equivalent Dwelling Unit (EDU), an increase from \$24.98/EDU in 2022/2023. These are pass through charges collected by DWA and remitted to Coachella Valley Water District.

City of Palm Springs Wastewater Service

City of Palm Springs Wastewater Service expense for 2023/2024 is estimated at \$112,000 which reflects a monthly service charge of \$20 per EDU and a Fixture Unit (FU) charge of \$1.98/FU. These are pass through charges collected by DWA and remitted to the City of Palm Springs. There is no planned increase by the City of Palm Springs for 2023/2024.

Maintenance of Lift Stations

Maintenance of Lift Stations expense reflects a \$46,000 or 49.4% decrease as compared to the 2022/2023 budget due to Motor Control Center (MCC) maintenance for the Date Palm lift station that was budgeted for in 2022/2023 as a non-reoccuring expense.

Maintenance of Mains

Maintenance of Mains expense reflects a \$22,000 or 17.7% increase as compared to the 2022/2023.

Operating Expense Summary

Overall, Operating Expenses increased \$90,000 or 4.7% increase as compared to the 2022/2023 budget.

Capital Additions

The Capital Additions budget for 2023/2024 reflects a \$200,000 or 1,333.3% decrease as compared to the 2022/2023 budget.

2023/2024 Capital Budget Requests

\$15,000 Contingency

RESOLUTION NO. 1187

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DESERT WATER AGENCY REVISING THE AGENCY RESERVE POLICY

WHEREAS, the Board of Directors of the Desert Water Agency ("Agency") is charged with responsibility for providing an imported water supply to the areas located within the Agency's boundaries, for recharge of local groundwater supplies, for the construction, operation, maintenance, repair and replacement of facilities to treat, store, transport and deliver water to Agency customers, and for the collection and accumulation of revenues necessary to accomplish these purposes; and

WHEREAS, the implementation of Board policy over a period of many years has resulted in the accumulation of funds to be utilized for variety of Agency activities and to protect the Agency's customers and taxpayers from the financial impacts of catastrophic events, contractual obligations, and from fluctuations in Agency expenses; and

WHEREAS, the Board believes it would be helpful and prudent to formally adopt reserve categories within this policy to ensure that the Agency at all times will have sufficient funds available to meet its operating, capital, contractual and debt service obligations; and

WHEREAS, this Board also wishes to provide for the creation and/or re-allocation of certain reserve accounts in the Operating and General Funds, and to set forth in writing the Agency's policy regarding the accumulation of reserves, the purposes for which they may be expended, and the levels which the Agency should strive to maintain;

NOW THEREFORE, be it resolved that the Board of Directors of Desert Water Agency hereby provides for the creation of three types of reserve categories – Restricted, Unrestricted, and Administrative Reserves – and hereby allocates existing reserve funds as follows:

1. <u>RESTRICTED RESERVES (FUNDS)</u>

Restricted Funds – are funds that are restricted by law or contract to be used for only a specific purpose, such as contractual obligations, bond covenants, etc.

The Restricted Reserves will include, but not be limited to, the following:

- (a) State Water Contract Fund (General Fund) All revenue collected from taxes levied on real property within the Agency's boundaries to pay amounts due and owing to the State of California Department of Water Resources ("DWR") pursuant to the Agency's contract with the State ("State Water Contract") for participation in the State Water Resources Development System shall be deposited into the State Water Contract Fund. The revenues deposited into the State Water Contract Fund may be utilized only to pay the Agency's financial obligations on the State Water Contract. The Agency shall endeavor to maintain money in the State Water Contract Fund in an amount which is more than two and one-half (2-1/2) times the total of the previous year's invoices from DWR, but not more than six (6) times the total of such invoices, so that a reserve may be maintained to absorb temporary increases in charges from DWR, help to stabilize Agency tax rates, and protect against economic conditions which could result in the failure of numerous Agency taxpayers to pay their taxes.
- (b) **Delta Conveyance (Formerly CWF)** Reserve (General Fund) The Delta Conveyance Reserve is a sub-set of the State Water Contract Fund. Delta Conveyance is a \$16 billion plan being implemented by the Department of Water Resources to build one tunnel to carry fresh water from the Sacramento River to State Water Project diversion facilities in the South Delta, and to restore habitat in the Delta. The Agency is a participating contractor in the Delta Conveyance. The Agency is obligated to pay its share of the Delta Conveyance Capital & Operating costs over the next 40 years. The current projection from the Department of Water Resources for the Agency's portion of the cost of the Delta Conveyance is \$35,262,100 over the next 10 years. Revenue collected from taxes levied on real property within the Agency's boundaries will be utilized

to pay amounts due and owing to DWR per the State Water Contract (see State Water Contract Fund). The Agency will endeavor to maintain money in the Delta Conveyance Fund for current and future payments in order to smooth tax rates (rate stabilization) and protect against economic conditions, which could result in the failure of Agency taxpayers to pay their taxes. The target for this reserve will also be two and one-half (2 1/2) times the annual charges from DWR for the Agency's share of Delta Conveyance, but not more than six (6) times the annual charges for Delta Conveyance.

(c) **Bond Reserve Fund** (Operating and/or General Funds) –The Bond Reserve Fund will be utilized in the event the Agency incurs bonds or other finance debt. As bond indebtedness occurs, the following guidelines will be enforced:

This Fund is governed by bond covenants for the Agency's revenue bonds. Bond covenants require that this fund be maintained at a level sufficient to fund maximum annual debt service payments. These funds are held by the bond trustee during the term of the bonds, and are to be used in the event that the Agency is unable to meet its required semi-annual debt service obligation.

Reserve funds for each revenue bond or other form of financing issued will be used to make the last two semi-annual debt service payments for that issue. Annual interest earnings on bond reserve funds shall be applied to each year's debt service payments.

2. <u>UNRESTRICTED (DESIGNATED) RESERVES</u>

Unrestricted (Designated) Reserves – are funds, though not required by any covenant or contractual requirement, that are necessary and play a critical role in providing reliable service and funding short and long term capital projects, capital replacement projects, potential environmental obligations and responding to emergencies. Unrestricted (Designated) Reserves include, but are not limited to:

- (a) Reserve for Operations (Operating and/or General Funds) A "Reserve for Operations" is hereby created to be utilized to pay the costs of operating the Agency's facilities and operations, as the case may be, including unanticipated costs of operation. The Agency shall endeavor to maintain in each reserve for operations an amount sufficient to pay for six (6) months of normal operation, but not exceeding one year of normal operation. However, funds appropriated to any Reserve for Operations may be accessed at any time for any other Agency purpose, upon approval by the Board.
- (b) Reserve for Replacements (Operating and/or General Funds) A "Reserve for Replacements" is hereby created for the Agency's Operating and/or General Accounts to which the Board may appropriate unrestricted Agency revenues. Each Reserve for Replacements may be utilized to replace the Agency's physical plant, as needed. The Agency shall endeavor to maintain in each Reserve for Replacements an amount approximately equal to the accumulated amount of depreciation of the Agency's physical plant (not including State Water Project facilities) for the Agency's facilities and as reflected in the annual audit of the Agency presented to the Board each year. However, the funds appropriated to each Reserve for Replacements may be accessed at any time for any other Agency purpose, upon approval by the Board. Funds appropriated to a Reserve for Replacements may be invested in the same manner as other Agency surplus funds, and the earnings thereon shall be credited to the Agency's Operating and/or General Fund Accounts, as the case may be.
- (c) Reserve for Disaster Response (Operating Fund) A "Reserve for Disaster Response" is hereby created for the Agency's Operating Fund, to which the Board may appropriate unrestricted Agency revenues. The Reserve for Disaster Response may be utilized to procure such equipment and supplies, perform such repairs, employ such personnel, and take such other measures as may be necessary or appropriate in the event of a disaster or calamity requiring Agency response. The Agency shall endeavor to maintain in the Reserve for Disaster Response an amount approximately equal to 15% of the value of the Agency's net physical plant

or for the Agency's general system, as the case may be, and as reflected in the annual audit of the Agency presented to the Board each year. However, the funds appropriated to the Reserve for Disaster Response may be accessed at any time for any other Agency purpose, upon approval by the Board. Funds appropriated to a Reserve for Disaster Response may be invested in the same manner as other Agency surplus funds, and the earnings thereon shall be credited to the Agency's Operating Fund.

- (d) Land Acquisition Reserve (Operating and General Funds) A "Reserve for Land Acquisition" is hereby created for the Operating and General Funds to which the Board may appropriate unrestricted Agency revenues. The Land Acquisition Reserve may be utilized to acquire property necessary for future Agency groundwater recharge facilities, power generating facilities, well sites, reservoir sites, booster plants, water treatment facilities, lift stations, recycling facilities, and/or any other Agency operations. The Agency will endeavor to maintain the Land Acquisition Reserve in an amount not to exceed \$5,000,000 in each fund, respectively.
- (e) Reserve for Additional Water (General Fund) A "Reserve for Additional Water" is hereby created to which the Board may appropriate unrestricted Agency revenues. The Reserve for Additional Water may be utilized for the purchase of additional water, to augment the Agency's annual allocation of water pursuant to Table A of the Agency's State Water Contract, and for costs associated with the banking or transfer of any water purchased by the Agency. The Agency shall endeavor to maintain the Reserve for Additional Water in an amount which is greater than the total of the previous year's invoices from DWR pursuant to the Agency's State Water Contract, but which does not exceed five (5) times that amount. However, the funds appropriated to the Reserve for Additional Water may be accessed at any time for any other Agency purpose, upon approval by the Board. Funds appropriated to the Reserve for Additional Water may be invested in the same manner as other Agency surplus funds, and the earnings thereon shall be credited to the Agency's General Fund.

(f) Regulatory Compliance Reserve (Operating and General Fund) – A "Reserve for Regulatory Compliance" is hereby created to which the Board may appropriate unrestricted Agency revenues. The Regulatory Compliance Reserve may be utilized by the Operating and/or General Funds to comply with any regulatory legislation or requirements imposed on the Agency for groundwater and/or surface water treatment by any Federal, State or Local authority. The Agency shall endeavor to maintain the Reserve for Regulatory Compliance in an amount not to exceed \$10,000,000 per fund, respectively. However, the Funds appropriated to the Regulatory Compliance Reserve may be accessed at any time for any other Agency purpose upon approval by the Board.

3. ADMINISTRATIVE RESERVES (Operating Fund)

Administrative reserves are funds, though not required by any covenant or contractual provision, that are utilized for the administrative costs associated with personnel. Administrative Reserves include, but are not limited to:

(a) Retirement Benefits Reserve (Operating Fund) – A "Reserve for Retirement Benefits" is hereby created to be utilized to pay the cost of retiree benefits such as, but not limited to, health, dental and vision insurance premiums and PERS adjustments. The Agency shall endeavor to maintain in the Retirements Benefits Reserve a minimum of two times the actual cost from the preceding year, but not to exceed four (4) times the cost, in order to absorb any rate increases and/or the addition of new retirees. However, the funds appropriated to the Retirement Benefits Reserve may be accessed at any time for any other Agency purpose upon approval by the Board.

4. ADDITIONAL ACCOUNTS

In addition to the Restricted, Unrestricted and Administrative Accounts identified above, the Board may approve the creation of such additional accounts, whether temporary or permanent, as the Board deems necessary or appropriate, by amendment to this Resolution or by simple motion. In such event, the Board will identify the purposes for which such additional accounts are created, provide guidance as to the amount which the Agency should endeavor to main in each such account, and establish the limits and restrictions pertaining thereto.

5. PROCEDURE FOR MONITORING RESERVE LEVELS

Each year, the Agency's Finance Director, during the annual budget presentation, shall provide the Board with a report indicating the beginning and ending balance for each of the reserve funds or accounts created pursuant to this Resolution, shall document the purposes for which expenditures have been made therefrom, and shall make recommendations to replenish or augment funds or account balances as appropriate.

6. <u>EFFECTIVE DATE</u> – The policies set forth herein shall become effective on July 1, 2018 and as of that date shall replace the policies set forth in Resolution No. 926.

ADOPTED AND APPROVED this 19th day of June, 2018.

James Cioffi, President

ATTEST:

Kristin Bloomer, Secretary-Treasurer

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

JUNE 6, 2023

RE: BOARD OF DIRECTORS' FEE EVALUATION

On July 7, 2015, the Board adopted Ordinance No. 64 amending Section 1 of Ordinance No. 62 Establishing Compensation for Each Day of Service by Directors. This amendment fixed compensation at \$389.75 for each day of service until subsequently revised by ordinance.

Beginning in May 2020 and each year thereafter, agency staff perform a Board Compensation and Benefits Survey and present it to the Finance Committee in conjunction with the preparation of the budget. The Finance Committee makes a recommendation as to whether the item should be brought to the full Board for discussion and consideration of any increase.

At its May 25, 2023 meeting, the Finance Committee meeting reviewed the Board Compensation and Benefits Survey. The committee has not made a recommendation as to whether they would like to propose an increase in the fee received for each day of service. However, they requested the evaluation be provided to the full Board for discussion.

Survey Results:

According to the Board Compensation & Benefits Survey, the Agency's Other Benefits match the level of benefits as a majority of the entities surveyed, where Board Directors are provided the same benefits as employees.

The Agency's Board Directors' fee compared to surveyed Water Districts, ranges from \$139.75 (56%) to \$289.75 (290%) more per day of service.

Rate Increase Discussion:

According to California Water Code Section 20202, "the increase may not exceed an amount equal to five percent (5%), for each calendar year following the operative date of the last adjustment".

While the Finance Committee did not make a recommendation to increase the rate of pay received by Board Directors for each day of service, they did indicate they would not support an increase in excess of the most recent year Consumer Price Index amount of 4.2% provided to employees for the upcoming 2023/2024 fiscal year even though Government Code would allow for 5% per calendar year since the last adjustment.

Current Rate	\$389.75
4.2% Increase	16.37
Total Rate	\$406.12

The potential fiscal impact of a 4.2% increase would be approximately \$9,000, increasing the Agency Wide Directors' Fee Expense from \$212,000 to \$221,000.

If the Board of Directors pursued a rate increase, it must be revised by ordinance and adopted according to Water Code Sections 20200 through 20207 which includes a public hearing prior to the adoption of the ordinance.

Attachments:

- 1. Board Compensation & Benefits Survey
- 2. Ordinance No. 64
- Historical Board of Directors' Fees

DESERT WATER AGENCY

Board Compensation & Benefits Survey

May 2023

	Desert Water Agency	Santa Clarita Water Agency	Coachella Valley Water District	Cucamonga Valley Water District	Eastern Municipal Water District	Elsinore Valley Municipal Water District	Mission Springs Water District	Mojave Water Agency	Rancho CA Water District
Per Diem Meeting Rate	\$389.75	\$228.15	\$223	\$250	\$233	\$221.47	\$100	\$188.55	\$200
Maximum Meetings Per Month	10	10	10	10	10	10	10	10	10
Other Benefits	Same as offered to employees	Not Listed	Same as offered to employees	Same as offered to employees	Same as offered to employees	Same as offered to employees	Same as offered to employees	Same as offered to employees	Not Listed
	er Meeting (+/-) Month Max (+/-)		\$ 166.75 \$ 1,667.50 75%	\$ 139.75 \$ 1,397.50 56%	•	•	\$ 289.75 \$ 2,897.50 290%	'	\$ 189.75 \$ 1,897.50 95%

ORDINANCE NO. 64

AN ORDINANCE OF THE BOARD OF DIRECTORS OF DESERT WATER AGENCY AMENDING ORDINANCE NO. 62 ESTABLISHING COMPENSATION FOR EACH DAY OF SERVICE BY DIRECTORS

WHEREAS, following a public hearing in 1989, the Board of Directors of Desert Water Agency adopted an ordinance providing for increases in the compensation paid to Directors of the Agency for each day of service on behalf of the Agency, as provided by Water Code Sections 20200 through 20207; and

WHEREAS, in 2012 the Agency's Board of Directors adopted Ordinance No. 62 limiting subsequent increases in such compensation to the same percentage as the percentage increase in the compensation paid to Agency employees in order to adjust for annual changes in the cost of living, not to exceed 5% in any year; and

WHEREAS, this Board of Directors wishes to further limit the compensation paid to Directors for each day of service rendered on behalf of the Agency, below the amount authorized by law, by fixing the compensation at the amount paid in fiscal year 2014-2015 for each day of service on behalf of the Agency, until such time as the amount may be subsequently revised by ordinance hereafter adopted in the manner provided by Water Code Sections 20200 through 20207;

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of Desert Water Agency, that Section 1 of Ordinance No. 62 is revised to read as follows:

Section 1. Attendance at Board Meetings.

Pursuant to Sections 20200 through 20207 of the California Water Code of the Desert Water Agency Law, each Director of this Agency shall receive compensation in the amount of Three Hundred Eight-Nine Dollars and Seventy-Five Cents (\$389.75) per day for each day's attendance at meetings of the Board, and at Board committee meetings and Board hearings when held on days separate from Board meetings. Service at such hearings and committee meetings is hereby deemed to be at the request of the Board.

BE IT FURTHER ORDAINED that the remaining provisions of Ordinance No. 62 shall remain in effect and shall continue to apply.

ADOPTED this 7th day of July, 2015.

Craig A. Ewing, President

Board of Directors

ATTEST

Joseph K. Stuart, Secretary-Treasurer

Board of Directors

DESERT WATER AGENCY Historical Board Directors' Fee

Directors' Fee per Day of Service

Ordinance #	Effective		Rate	Increase %	Years Since
				mercase /c	Last Inc
Ordinance 16	7/23/1974	\$	50.00		
Ordinance 30	1/19/1982	\$	100.00	100.0%	7
Ordinance 39	4/18/1986	\$	105.00	5.0%	4
Ordinance 39	1/1/1987	\$	110.25	5.0%	1
Ordinance 39	1/1/1988	\$	115.76	5.0%	1
Ordinance 39	1/1/1989	\$	121.55	5.0%	1
Ordinance 39	1/1/1990	\$	127.63	5.0%	1
Ordinance 51	1/1/1991	\$	134.01	5.0%	1
Ordinance 51	1/1/1992	\$	140.71	5.0%	1
Ordinance 51	1/1/1993	\$	147.75	5.0%	1
Ordinance 51	1/1/1994	\$	155.14	5.0%	1
Ordinance 51*	1/1/1995	\$	162.90	5.0%	1
Ordinance 51*	1/1/1996	\$	171.05	5.0%	1
Ordinance 51*	1/1/1997	\$	179.61	5.0%	1
Ordinance 51*	1/1/1998	\$	188.59	5.0%	1
Ordinance 51*	1/1/1999	\$	198.02	5.0%	1
Ordinance 51*	1/1/2000	\$	207.93	5.0%	1
Ordinance 51*	1/1/2001	\$	218.33	5.0%	1
Ordinance 51*	1/1/2002	\$	229.25	5.0%	1
Ordinance 51*	1/1/2003	\$	240.72	5.0%	1
Ordinance 51*	1/1/2004	\$	252.76	5.0%	1
Ordinance 51*	1/1/2005	\$	265.40	5.0%	1
Ordinance 51*	1/1/2006	\$	278.67	5.0%	1
Ordinance 51*	1/1/2007	\$	292.61	5.0%	1
Ordinance 51*	1/1/2008	\$	307.24	5.0%	1
Ordinance 51*	1/1/2009	\$	322.16	4.9%	1
Ordinance 51*	1/1/2010	\$	338.74	5.1%	1
Ordinance 51*	1/1/2011	\$	355.68	5.0%	1
Ordinance 62	4/17/2012	\$	373.47	5.0%	1
Ordinance 64	7/7/2015	\$	389.75	4.4%	3

^{*}According to automatic 5% increase clause in Ordinance 51 and not according to a schedule listed within the Ordinance

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

JUNE 6, 2023

RE: SUBMISSION OF WATER YEAR 2021-2022 SGMA ANNUAL REPORTS FOR THE INDIO, MISSION CREEK, AND SAN GORGONIO PASS SUBBASINS

The Sustainable Groundwater Management Act (SGMA) requires Groundwater Sustainability Agencies (GSAs) in high and medium-priority basins to develop and implement a Groundwater Sustainability Plan (GSP). These GSPs provide guidance on how each groundwater basin will achieve long-term sustainability.

Following adoption of a GSP, SGMA requires GSAs to submit annual reports to the Department of Water Resources (DWR) by April 1 of each year. Annual reports provide groundwater information and progress made toward implementing the GSP during the prior water year.

Desert Water Agency is a GSA in the Indio, Mission Creek, and San Gorgonio Pass Subbasins. In order to meet the requirements as outlined by SGMA, the Desert Water Agency, along with other GSAs in each subbasin, prepared and submitted SGMA annual reports for Water Year 2021-2022 to DWR by the April 1 deadline.

Attachments:

2021-2022 SGMA Annual Reports (PowerPoint)

Indio, Mission Creek, and San Gorgonio Pass Subbasin SGMA Annual Reports for Water Year 2021-2022

BOARD OF DIRECTORS MEETING
JUNE 6, 2023

Presentation Overview

- •Sustainable Groundwater Management Act (SGMA)
- Annual Reporting Requirements under SGMA
- •WY 2021-2022 SGMA Annual Report for the Indio Subbasin
- •WY 2021-2022 SGMA Annual Report for the Mission Creek Subbasin
- •WY 2021-2022 SGMA Annual Report for the San Gorgonio Pass Subbasin

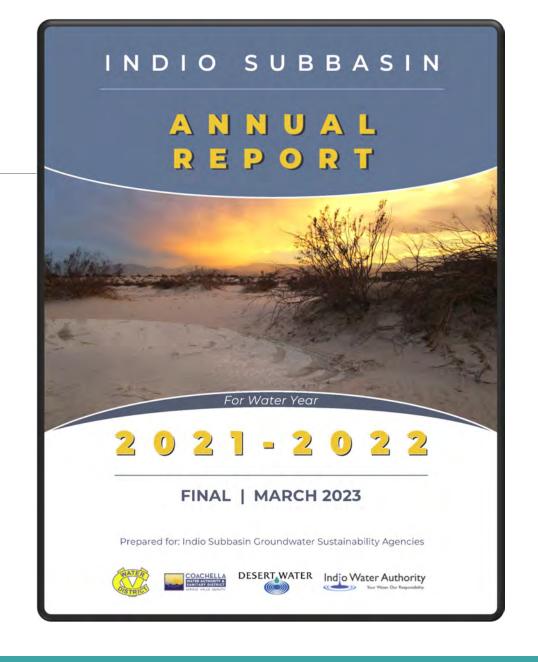
Sustainable Groundwater Management Act (SGMA)

- •Requires Groundwater Sustainability Agencies (GSAs) in high and medium-priority basins to develop and implement a Groundwater Sustainability Plan (GSP).
- •These GSPs provide guidance on how each groundwater basin will achieve long-term sustainability.
- •Once a GSP is submitted, the GSAs are required to submit annual reports to the Department of Water Resources along with GSP or Alternative Plan Updates every five years.
- Desert Water Agency is a GSA for the Indio, Mission Creek, and San Gorgonio Pass Subbasins.

Annual Reporting Requirements under SGMA

- Required to be submitted to California Department of Water Resources (CDWR) by April 1 each year
- •Summarize subbasin conditions for the previous water year (WY): For the current annual report October 1, 2021, through September 30, 2022
- •Provide detailed description and graphical representation of the conditions of the subbasin including:
 - General information about the subbasin
 - Subbasin conditions and water balance information
 - Implementation progress of projects and management actions (PMAs) identified in the Groundwater Sustainability Plan (GSP) or Alternative Plan

WY 2021-2022 SGMA Annual Report for the Indio Subbasin (ISB)

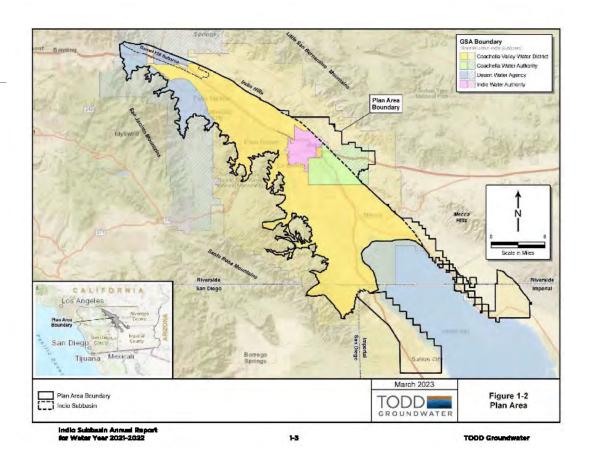


Indio Subbasin Team

- Project Consultants
 - Todd Groundwater



- Indio Subbasin Groundwater Sustainability Agencies (GSAs)
 - Coachella Valley Water District (CVWD)
 - Coachella Water Authority (CWA)
 - Desert Water Agency (DWA)
 - Indio Water Authority (IWA)





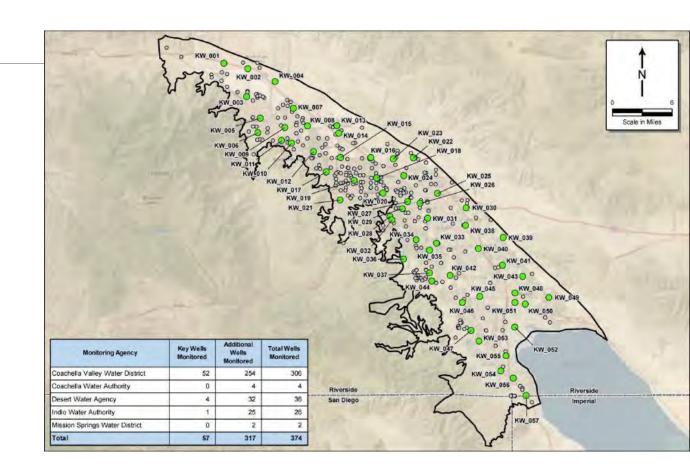






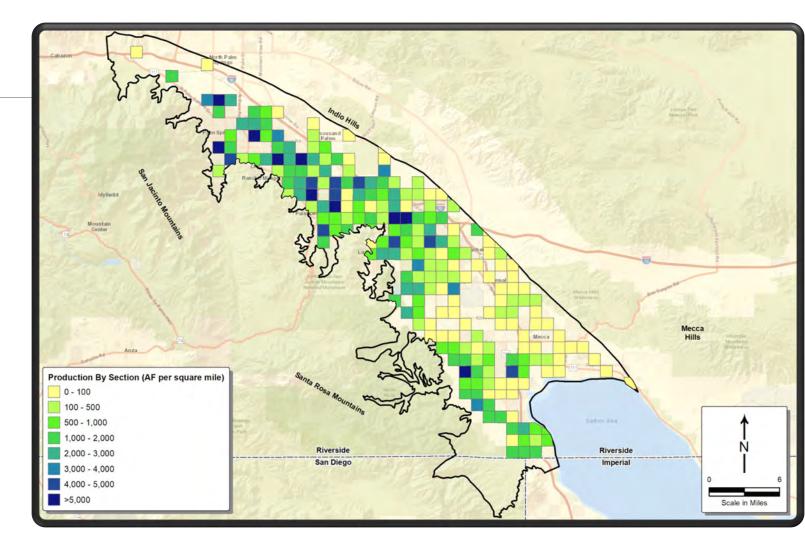
Groundwater Elevation Data

- Groundwater elevations from 374 wells
 - Contour maps
 - Change in storage maps
- The 2022 Alternative Plan Update identified 57 Key Wells to track groundwater sustainability
 - Minimum threshold (MT) established for each well
 - Current groundwater elevations were compared to the MTs
 - Levels in all Key Wells were above MTs



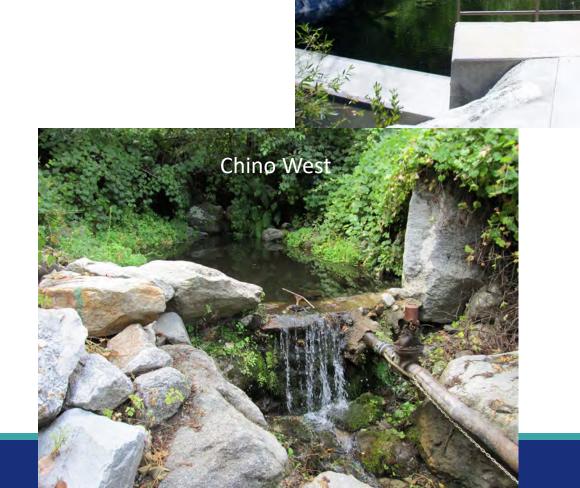
Groundwater Production

- Metered for most uses
 - Minimal pumpers not metered
 - Tribal trust lands not metered
- 282,079 AF
 - 82.5% urban
 - 16.5% agricultural
 - 0.5% industrial
 - 0.5% undetermined
- Groundwater pumping decreased
 2% from the previous water year



Surface Water Diversion for Direct Use

- 100% Metered
- DWA stream diversion
 - Snow Creek
 - Chino Creek
 - Falls Creek not in operation
- 611 AF surface water use in DWA's service area



Snow Creek

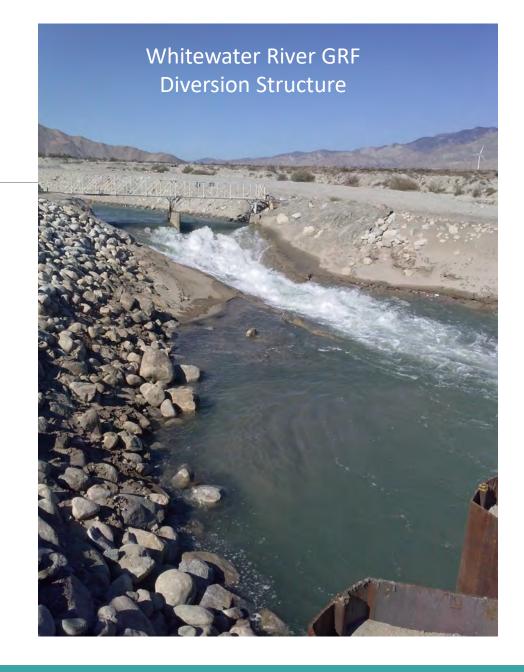
Imported Water

Direct Use

- 271,485 AF of Coachella Canal water for direct use in CVWD plan area
 - 85% agricultural
 - 15% urban

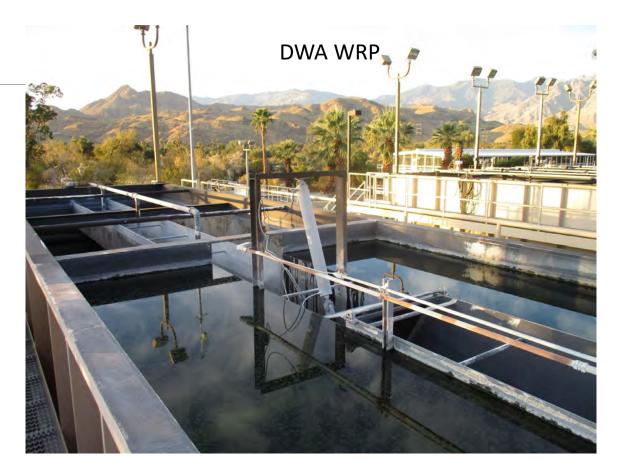
Groundwater Replenishment

- 67,438 AF imported Colorado River water for replenishment
 - 10,662 AF at Palm Desert GRF
 - 37,673 AF at Thomas E. Levy GRF
 - 19,103 AF at Whitewater River GRF



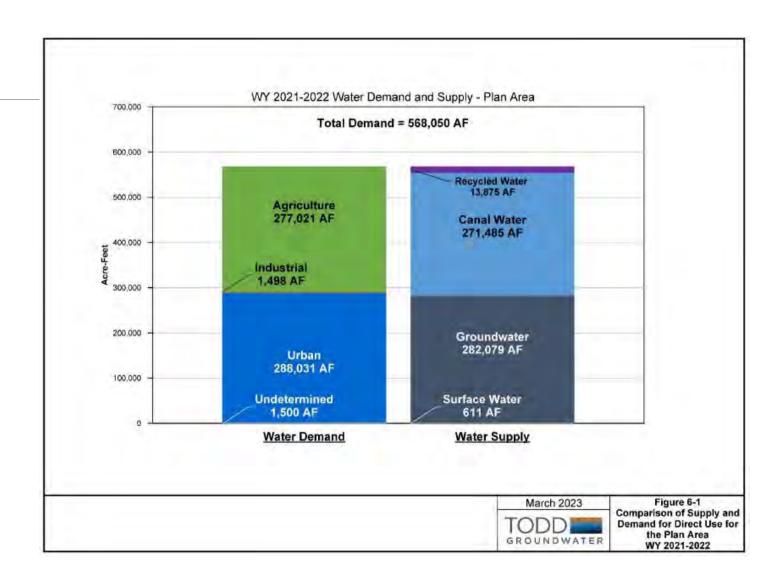
Recycled Water Production

- Three water reclamation plants (WRPs) provide recycled water to customers
 - Palm Springs WWTP/DWA WRP
 - CVWD WRP-7
 - CVWD WRP-10
- 13,875 AF recycled water produced
 - 100% urban



Total Water Use for WY 2021-2022

- Water Demand
 - Urban
 - Agricultural
 - Industrial
 - Undetermined
- Water Supply
 - Groundwater Production
 - Canal Water/Imported Water
 - Recycled Water
 - Surface Water



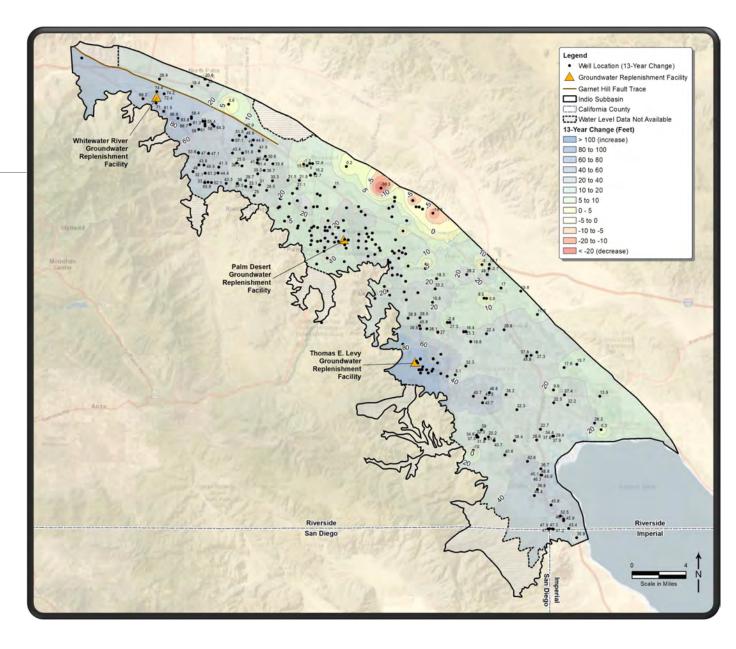
Change in Groundwater Storage for WY 2021-2022

- Comparison of Inflows and Outflows
- Inflows
 - Return Flows
 - Artificial Replenishment
 - Natural Infiltration
 - Subsurface Inflow
 - WW Percolation
- Outflows
 - Groundwater Pumping
 - Drains
 - Evaporative losses/Evapotranspiration (ET)
 - Subsurface Outflow

Component	WY 2021-2022 (AF)	
Inflows		
Return flows	156,814	
Artificial recharge	67,438	
Natural infiltration	21,269	
Subsurface inflow	11,277	
Wastewater percolation	4,893	
Total Inflow	261,691	
Outflows		
Groundwater pumping	282,079	
Drains	46,973	
Evaporative losses	1,829	
Evapotranspiration (ET)	5,041	
Subsurface Outflow	2,555	
Total Outflow	-338,477	
Change in Groundwater Storage	-76,786	

Long-Term Change in Storage

- Since 2009, the 10-year average change in storage is positive and the 20-year average is near balanced
- Over the long term, water levels have increased or stabilized
- Few very localized declines
- This is an indicator the Indio Subbasin is being sustainably managed

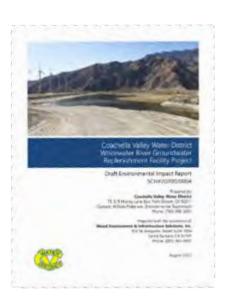


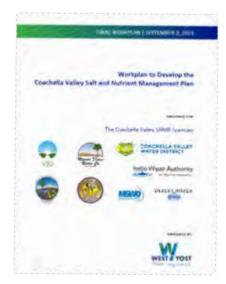
Progress Made on Projects and Management Actions (PMAs) in WY 2021-2022

- Water Conservation
 - Continued education and outreach
 - Indoor and outdoor incentive programs
- Water Supply Development
 - Contributed funds to the Lake Perris Seepage Recovery, Sites Reservoir, and Delta Conveyance Projects
- Source Substitution & Replenishment
 - Recycled Water Expansion Projects
 - Whitewater River GRF ROW grant
- Water Quality Protection
 - Coachella Valley Salt and Nutrient Management Plan (CV-SNMP) Workplan implementation









Indio Subbasin SGMA Website Information

- •To learn more, visit our website
 - www.indiosubbasinsgma.org



WY 2021-2022 SGMA Annual Report for the Mission Creek Subbasin (MCSB)



Mission Creek Subbasin Annual Report for Water Year 2021-2022

Prepared for

Coachella Valley Water District, Desert Water Agency, and Mission Springs Water District







February 2023

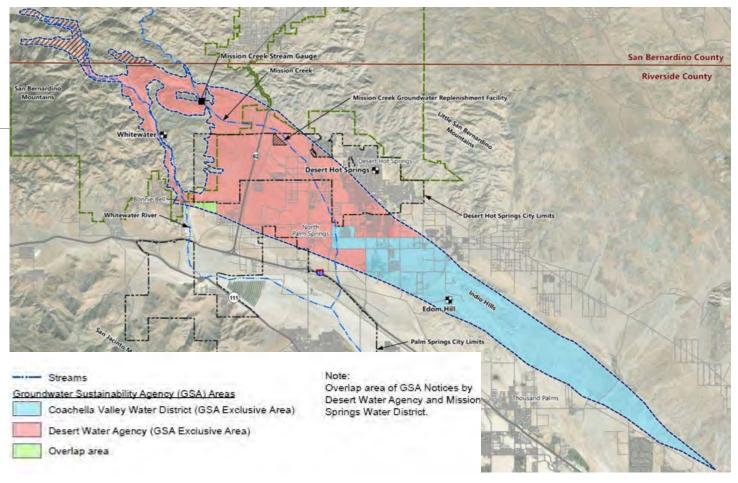
Mission Creek Subbasin Team

- Project Consultants
 - WSP (formerly Wood)



- Mission Creek Subbasin Groundwater Sustainability Agencies (GSAs)
 - Coachella Valley Water District (CVWD)
 - Desert Water Agency (DWA)
 - Management Committee includes CVWD, DWA, and Mission Springs Water District (MSWD)



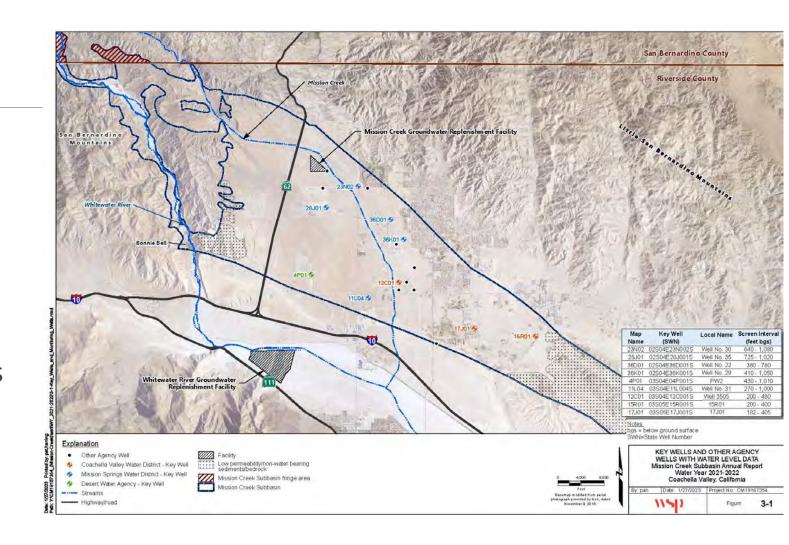






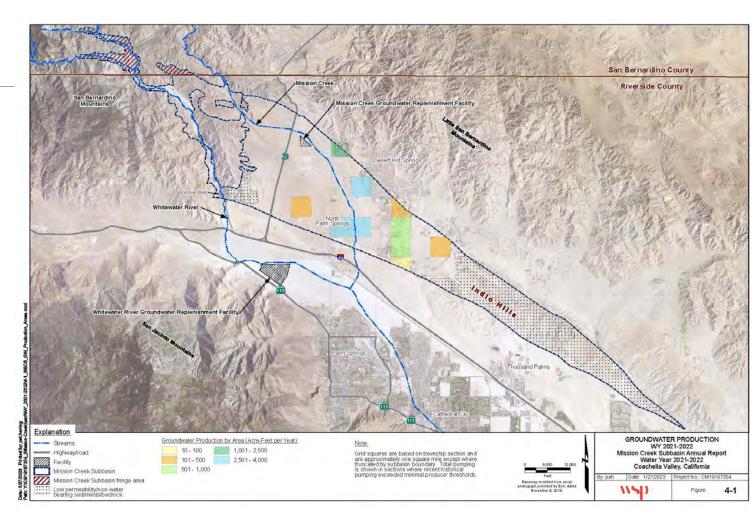
Groundwater Elevation Data

- The 2022 Alternative Plan Update identified nine Key Wells used to track groundwater sustainability
 - Current groundwater elevations were compared to the MTs
 - All levels were above the MT
- Data from nine additional wells was used to supplement the Key Wells
 - Contour maps
 - Change in storage maps



Groundwater Production

- 14,234 AF extracted from 24 wells and minimal pumpers
 - 90% urban
 - 10% agricultural, industrial, and/or undetermined
- 6,277 AF was exported from MCSB to Desert Hot Springs Subbasin by CVWD and MSWD to meet demands
- 225 AF groundwater extracted from Garnet Hill Subarea and imported into MCSB to meet demands



Additional Water Sources

- No direct use of stream flow
- No artificial recharge in WY 2021-2022
- No recycled water use
- 2,306 AF of wastewater was treated and disposed of by percolation/evaporation



Change in Groundwater Storage

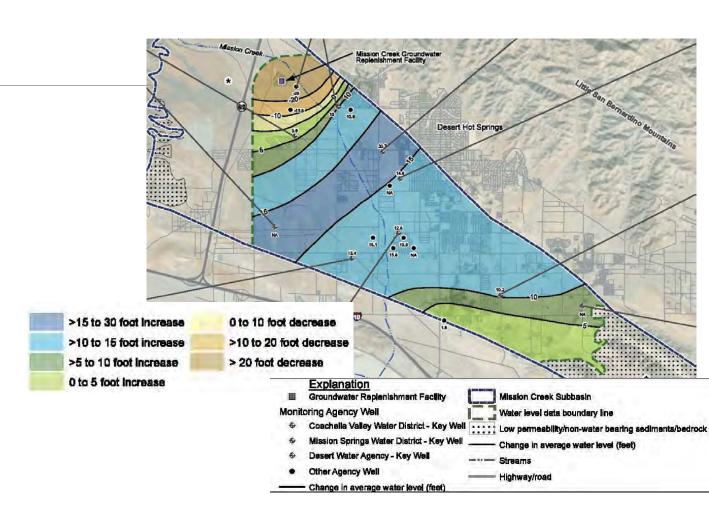
- Inflows
 - Return flow from urban, agricultural use
 - Mountain front recharge
 - Subsurface inflows
 - Artificial recharge
- Outflows
 - Groundwater pumping
 - Evaporative losses and evapotranspiration
 - Subsurface outflows

Table 7-3
Groundwater Balance in the Mission Creek Subbasin - WY 2021-2022

Component	WY 2021-2022 (AF)	
Inflows		
Natural inflows - mountain front recharge	5,700	
Subsurface inflows from adjacent subbasins	1,150	
Infiltration of applied irrigation water	1,585	
Wastewater percolation	2,306	
Septic tank percolation	849	
Artificial recharge	0	
Total Inflow	+11,590	
Outflows		
Groundwater pumping	14,234	
Evaporative losses	69	
Evapotranspiration from the shallow aquifer	950	
Subsurface outflow to adjacent subbasins	2,350	
Total Outflow	-17,603	
Change in Groundwater Storage	-6,013	

Long-Term Change in Storage

- Since WY 2008/2009, the long-term average change in storage has been positive
- Overall, water levels have increased or stabilized
- Very localized decline directly adjacent to MC-GRF resulting from temporary elevated levels associated with artificial recharge that has dissipated over time
- This is an indicator the MCSB is being sustainably managed



Progress Made on Projects and Management Actions (PMAs) in WY 2021-2022

- Water Conservation
 - Continued education and outreach
 - Indoor and outdoor incentive programs
- Water Supply
 - Began construction of RWRF in Mission Creek Subbasin in 2022
 - Continued participation in the Lake Perris Seepage and Sites Reservoir projects
- Water Quality Protection
 - Septic to sewer conversion projects
 - CV-SNMP workplan implementation
- Well Management
 - Continued development of well inventory system



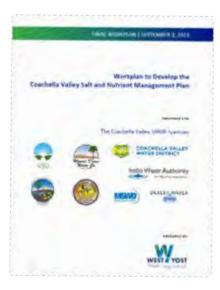


Sites Reservoir Proje



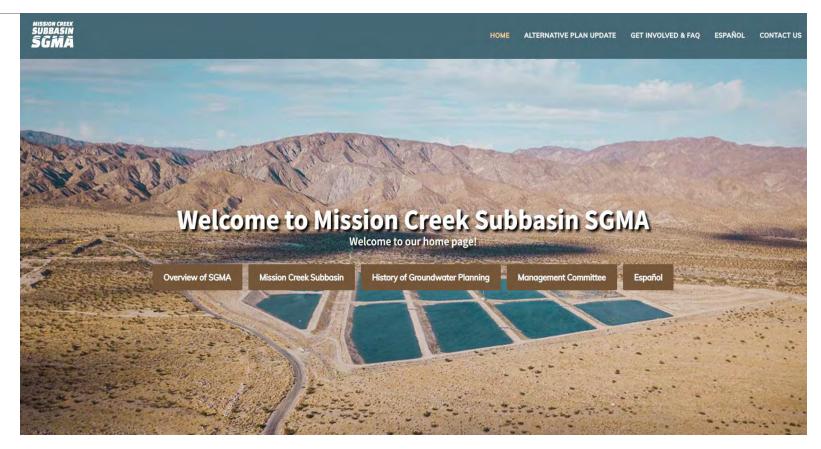






Mission Creek Subbasin SGMA Website Information

- •To learn more, visit our website
 - www.missioncreeksubbasinsgma.org



WY 2021-2022 SGMA Annual Report for the San Gorgonio Pass Subbasin (SGPSB)

SAN GORGONIO PASS SUBBASIN WY2022 ANNUAL REPORT



MARCH 2023

Prepared for:

San Gorgonio Pass Groundwater Sustainability Agency

Prepared by:

Provost & Pritchard Consulting Group Sacramento, California

San Gorgonio Pass Subbasin Team

- Project Consultants
 - Provost & Pritchard



- San Gorgonio Pass Subbasin Groundwater Sustainability Agencies (GSAs)
 - Desert Water Agency GSA
 - San Gorgonio Pass GSA
 - Verbenia GSA













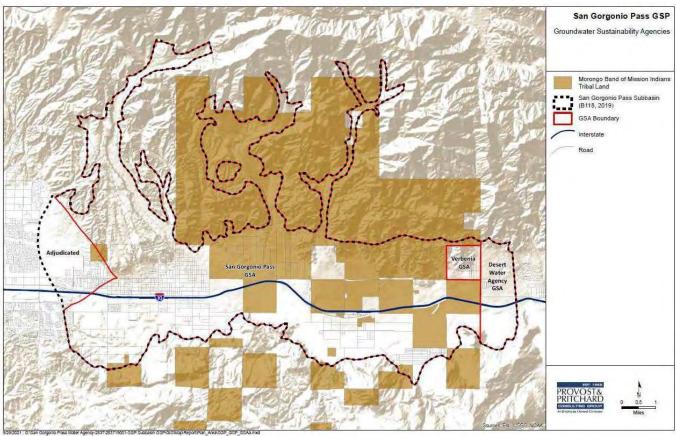
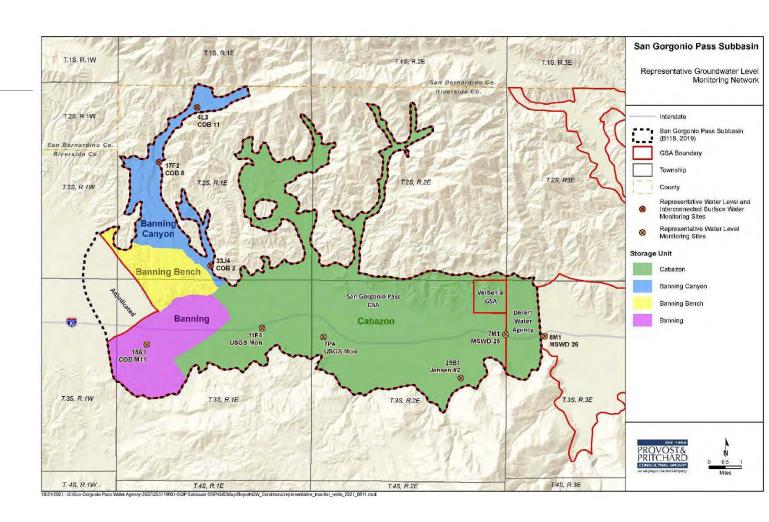


Figure 1-1 - San Gorgonio Pass Subbasin and Groundwater Sustainability Agencies

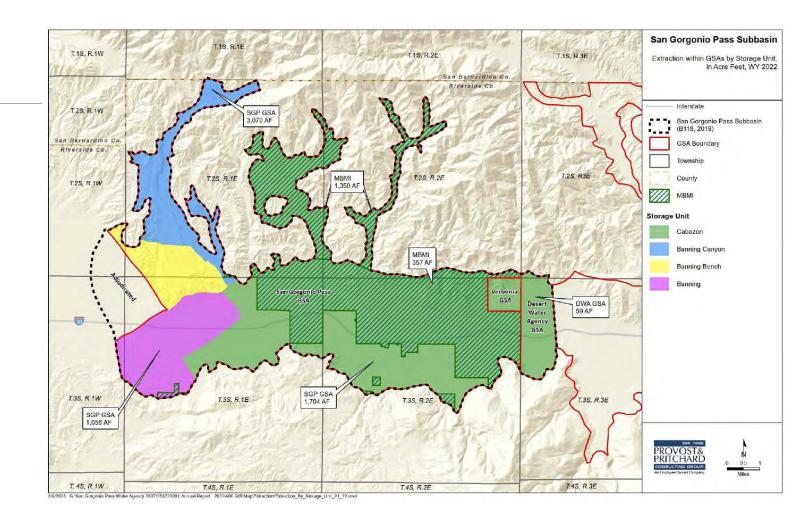
Groundwater Elevation Data

- •Water levels were collected from nine representative monitoring wells throughout the SGPSB for WY 2021-2022
 - Contour maps
 - Change in storage maps
 - Determine groundwater sustainability
 - Minimum thresholds (MT) established for each well
- •Groundwater levels for all nine wells were above the MTs



Groundwater Production

- •7,596 AF extracted during WY 2021-2022
- Banning Canyon
 - 3,070 AF
- Other Canyons
 - Estimated 1,350 AF (MBMI)
- Banning
 - 1,056 AF
- Cabazon
 - 2,120 AF
 - 59 AF in Desert Water Agency GSA Area



Total Water Use

- •7,596 AF of groundwater production
 - 82% urban/domestic
 - 18% industrial
- No other water sources/use types indicated

Table 5-1 - WY 2022 Total Water Use, San Gorgonio Pass Subbasin

Summary of Total Water Use (Acre-Feet)				
Total Water Use	WY 2022 Critical Year Type	Measurement Method	Measurement Accuracy (%)	
		Urban/Domestic		
Groundwater	6,231	Measured/Estimate	Refer to Table 3-2	
Surface Water	0	Estimate	+/- > 10%	
Total	6,231	Estimate	Unknown	
		Industrial		
Groundwater	1,365	Estimate	Refer to Table 3-2	
Surface Water	0	Estimate	Unknown	
Total	1,365	Estimate	Unknown	
		Total		
Groundwater	7,596	Measured/Estimated	Refer to Table 3-2	
Surface Water	0	Estimate	Unknown	
Total	7,596	Estimate	Unknown	

Long-Term Change in Storage

- •Recent records show a continued decrease in cumulative change in storage
- Models have a longer base period showing increase during wet periods
- Over time, trends are expected to show both increases and decreases in cumulative change in storage

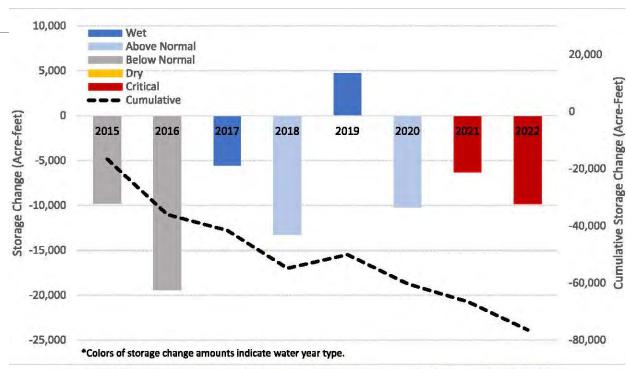


Figure 6-1 -Annual Change in Storage and Cumulative Change in Storage, 2015 to 2022*

Progress Made on Projects and Management Actions (PMAs) in WY 2021-2022

- Limited progress due to SGP GSP being submitted during WY 2021-2022
- GSAs are beginning to implement GSP elements
 - Monitoring of network wells
 - Public outreach
 - Development of implementation plans for various projects identified in the GSP
- Applied for State funding to fill data gaps identified in SGP GSP in December 2022
 - Recently recommended for funding to construct four monitoring wells in the subbasin





San Gorgonio Pass Subbasin SGMA Website Information

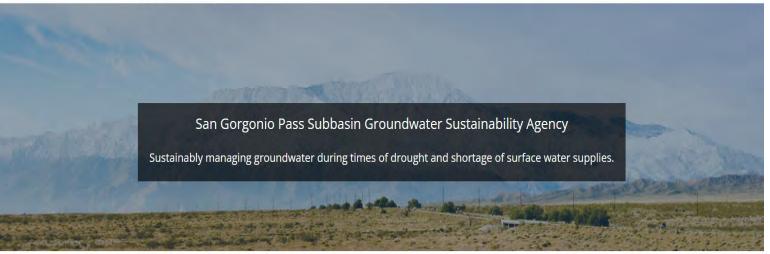
- •To learn more, visit our website
 - www.sgpgsas.org

SGPS

GSA

HOME ABOUT → GOVERNANCE MEETINGS CONTACT

CON



Local photography courtesy of Dennis Clark | Flick

Public Hearing Meetings

- Verbenia GSA: Jan 11, 2022 @ 10am
- SGP GSA: Jan 12, 2022 @ 10am

View Agenda Packets







In Summary

- •Groundwater levels, groundwater storage, and other data included in the annual reports document that the Indio and Mission Creek Subbasins are continuing to meet their respective sustainability goals and sustainability criteria.
- •In the San Gorgonio Pass Subbasin, groundwater levels were above the specific minimum threshold in all nine of the representative monitoring wells. The subbasin was recently recommended for funding to address data gaps by constructing four additional monitoring wells in the subbasin.
- •The WY 2021-2022 SGMA Annual Reports for the Indio, Mission Creek, and San Gorgonio Pass Subbasins demonstrate that Projects and Managements Actions (PMAs), as identified in each respective subbasin's GSP or Alternative Plan Update, are being implemented.

Questions?

INVESTED

DESERT WATER AGENCY STATEMENT OF CASH RECEIPTS AND EXPENDITURES

OPERATING ACCOUNT

APRIL 2023

BALANCE APRIL 1, 2023	(\$714,409		RESERVE FUNDS \$54,685,801.72
74 NE 1, 2020	(ψ7 1 +, 400		ψ04,000,001.72
WATER SALES	\$2,287,436.68		
RECYCLED WATER	37,378.59		
WASTEWATER RECEIPTS	85,956.11		
POWER SALES	1,564.61		
METERS, SERVICES, ETC.	60,100.00		
REIMBURSEMENT – GENERAL FUND	0.00		
REIMBURSEMENT – WASTEWATER FUND	0.00		
ACCOUNTS RECEIVABLE - OTHER	14,550.43		
CUSTOMER DEPOSITS – SURETY	3,718.00		
CUSTOMER DEPOSITS - CONST.	0.00		
LEASE REVENUE	4,007.58		
INTEREST RECEIVED ON INV. FDS.	231,335.96		
FRONT FOOTAGE FEES	0.00		
BOND SERVICE & RESERVE FUND INT	0.00		
MISCELLANEOUS	11,118.05		
TOTAL RECEIPTS	\$2,737,16	6.01	
PAYMENTS			
PAYROLL CHECKS	\$476,306.14		
PAYROLL TAXES	233,617.46		
ELECTRONIC TRANSFERS	174,942.81		
CHECKS UNDER \$10,000.00	337,744.09		
CHECKS OVER \$10,000.00 - SCH. #1	2,481,491.54		
CANCELLED CHECKS AND FEES	4,191.83		
TOTAL PAYMENTS	\$3,708,29	3.87	
NET INCOME	(\$97	71,127.86)	
BOND SERVICE ACCOUNT			
MONTHLY WATER SALES	\$0.00		
EXCESS RETURNED BY B/A	\$0.00		
	Ψ0.00		
BOND SERVICE FUND		\$0.00	
INVESTED RESERVE FUNDS			
FUNDS MATURED	\$3,660,043.33		
FUNDS INVESTED – SCH. #3	3,536,329.29		
	0,000,023.23		
NET TRANSFER		\$123,714.04	(\$123,714.04)
BALANCE APRIL 30, 2023		(\$1,561,823.32)	\$54,562,087.68

Operating Fund Schedule #1 - Checks Over \$10,000 DESERT WATER



April 2023

			April 2023
Check #	Name	Description	Amount
133948	Tower Energy Group	Water service supplies	\$ 23,389.15
133952	ACWA/JPIA	Workers Compensation Premium / January 2023 to March 2023	\$ 68,147.26
134009	Z&L Paving	Paving	\$ 13,478.00
134015	ACWA/JPIA	Health, dental & vision insurance premiums - May 2023	\$ 209,611.97
134020	Launa Amanda Stewart	DWA 2.0 Program & Change Management	\$ 51,537.97
134057	Cardmember Service	Purchases	\$ 20,549.47
134058	Desert Water Agency -General Fund	Ground water billing / January - March 2023	\$ 614,827.74
134059	Desert Water Agency - Wastewater	Wastewater Revenue billing / March 2023	\$ 76,638.01
134075	Air Treatment Corporation	Heat Exchanger deep cleaning	\$ 10,550.00
134079	Aquatic Informatics	Water Trax Data Management Renewal	\$ 18,708.73
134082	Backflow Apparatus & Valve	Water service supplies	\$ 13,191.94
134084	Beck Oil Inc	Fuel purchase	\$ 13,826.08
134093	Core & Main Lp	Water service supplies	\$ 15,608.40
134098	Dell Marketing LP	Dell Mobile Precision Workstation	\$ 38,311.52
134102	Down to Earth Landscaping	Landscape maintenance	\$ 37,386.87
134103	Dudek	Fema Project #147524 & #147525	\$ 113,318.25
134110	Ferguson Waterworks #1083	Water service supplies	\$ 92,346.74
134128	Mccrometer Inc	Water service supplies	\$ 23,390.52
134129	Mckeever Waterwell & Pump Inc	Water service supplies	\$ 79,463.00
134131	Mesa Energy Systems Inc	HVAC air handler repair	\$ 11,580.00
134146	Probolsky research LLC	District Wide Survey	\$ 50,000.00
134150	Regional Government Services	Consultaing Services -February 2023	\$ 16,803.20
134151	Singer Lewak LLP	IT Governance	\$ 36,366.00
134154	Southern Calif Edison	Power	\$ 271,854.78
134156	Thatcher Company of California	Water service supplies	\$ 42,953.44
134167	WSO/E Scource Company LLC	Meter Maintance Program Design	\$ 13,632.00
134168	Z&L Paving	Paving	\$ 35,523.50
134171	Mission Lakes Country Club	Grass removal rebate	\$ 161,631.00
134173	Villa Roma Owners Association	Grass removal rebate	\$ 12,006.00

Operating Fund
Schedule #1 - Checks Over \$10,000
DESERT WATER



			April 2023
134177	Canyon Villa Estates #5	Grass removal rebate	\$ 18,962.00
134187	Mountain Shadow HOA	Grass removal rebate	\$ 33,014.00
134189	City Of Palm Springs	Grass removal rebate	\$ 220,074.00
134192	Cameron Baldwin	Grass removal rebate	\$ 11,222.00
134194	Jeffrey Fairbanks	Grass removal rebate	\$ 11,588.00
Total			\$ 2,481,491.54



As of 04/30/2023

Monthly Investment Portfolio Report

AGG- Operating Fund (213426)

Dated: 05/29/2023

Security Type

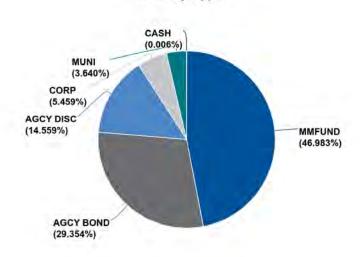


Chart calculated by: PAR Value

MMFUND

WINTER CITE								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
LAIF Money Market Fund LAIF - OP			04/30/2023	04/30/2023	25,817,322.79	25,817,322.79	25,817,322.79	
LAIF Money Market Fund			04/30/2023	04/30/2023	25,817,322.79	25,817,322.79	25,817,322.79	

AGCY BOND

Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
FEDERAL FARM CREDIT BANKS FUNDING CORP UnionBanc OP	04/29/2021	05/14/2023	04/28/2025	04/28/2025	1,000,000.00	999,500.00	928,211.00	4.399%
FEDERAL HOME LOAN BANKS UnionBanc OP	06/28/2021	06/30/2023	09/30/2024	09/30/2024	1,000,000.00	1,000,000.00	940,827.00	4.752%
FEDERAL HOME LOAN BANKS UnionBanc OP	09/30/2021	06/30/2023	09/30/2026	09/30/2026	1,000,000.00	1,000,000.00	903,530.00	4.068%
FEDERAL HOME LOAN BANKS UnionBanc OP	09/24/2021		09/13/2024	09/13/2024	1,130,000.00	1,125,513.90	1,068,695.24	4.487%
FEDERAL HOME LOAN BANKS UnionBanc OP	04/29/2022	04/29/2024	04/29/2027	04/29/2027	2,000,000.00	2,000,000.00	1,921,180.00	4.149%
FEDERAL HOME LOAN BANKS UnionBanc OP	05/24/2022	05/24/2024	05/24/2027	05/24/2027	2,000,000.00	2,000,000.00	1,929,056.00	4.257%
FEDERAL HOME LOAN BANKS UnionBanc OP	05/23/2022	05/23/2023	05/23/2025	05/23/2025	2,000,000.00	2,000,000.00	1,946,244.00	4.677%
FEDERAL HOME LOAN MORTGAGE CORP UnionBanc OP	08/20/2020	08/20/2023	08/20/2025	08/20/2025	1,000,000.00	1,000,000.00	921,996.00	4.202%
FEDERAL HOME LOAN MORTGAGE CORP UnionBanc OP	05/26/2022	05/26/2023	08/26/2024	08/26/2024	2,000,000.00	2,000,000.00	1,952,454.00	4.918%



Monthly Investment Portfolio Report

AGG- Operating Fund (213426)

As of 04/30/2023								Dated: 05/29/2023
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
FEDERAL NATIONAL MORTGAGE ASSOCIATION UnionBanc OP	06/30/2020	06/30/2023	06/30/2025	06/30/2025	1,000,000.00	1,000,000.00	927,549.00	4.257%
FEDERAL NATIONAL MORTGAGE ASSOCIATION UnionBanc OP	08/12/2020	08/12/2023	08/12/2025	08/12/2025	1,000,000.00	1,000,000.00	921,355.00	4.199%
FEDERAL NATIONAL MORTGAGE ASSOCIATION UnionBanc OP	12/16/2020	06/14/2023	06/14/2024	06/14/2024	1,000,000.00	1,000,500.00	950,032.00	4.986%
UnionBanc OP			10/04/2025	10/04/2025	16,130,000.00	16,125,513.90	15,311,129.24	4.464%
AGCY DISC								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
FEDERAL HOME LOAN BANKS UnionBanc OP	12/15/2022		06/12/2023	06/12/2023	2,000,000.00	1,955,548.33	1,988,786.00	4.574%
FEDERAL HOME LOAN BANKS UnionBanc OP	12/15/2022		05/16/2023	05/16/2023	2,000,000.00	1,962,591.11	1,996,106.00	3.956%
FEDERAL HOME LOAN BANKS UnionBanc OP	03/21/2023		09/06/2023	09/06/2023	2,000,000.00	1,957,750.00	1,964,510.00	5.034%
FEDERAL HOME LOAN BANKS UnionBanc OP	03/21/2023		08/25/2023	08/25/2023	2,000,000.00	1,960,401.11	1,967,904.00	5.003%
FEDERAL HOME LOAN BANKS UnionBanc OP			07/15/2023	07/15/2023	8,000,000.00	7,836,290.55	7,917,306.00	4.639%
CORP								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
AMAZON.COM INC UnionBanc OP	05/16/2022	03/13/2027	04/13/2027	04/13/2027	2,000,000.00	1,987,040.00	1,940,914.00	4.116%
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION UnionBanc OP	06/22/2021		12/23/2024	12/23/2024	1,000,000.00	1,000,000.00	922,680.00	5.371%
 UnionBanc OP			07/16/2026	07/16/2026	3,000,000.00	2,987,040.00	2,863,594.00	4.520%
MUNI								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
UNIVERSITY CALIF REVS UnionBanc OP	05/16/2022	03/15/2027	05/15/2027	05/15/2027	2,000,000.00	1,795,920.00	1,801,880.00	3.991%
UNIVERSITY CALIF REVS UnionBanc OP	05/16/2022	03/15/2027	05/15/2027	05/15/2027	2,000,000.00	1,795,920.00	1,801,880.00	3.991%
CASH								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
Cash UnionBanc OP			04/30/2023	04/30/2023	3,050.00	3,050.00	3,050.00	0.000%
Cash UnionBanc OP			04/30/2023	04/30/2023	3,050.00	3,050.00	3,050.00	0.000%
Summary								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
2, 55.								



As of 04/30/2023

Monthly Investment Portfolio Report

AGG- Operating Fund (213426)

Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
			05/07/2024	05/07/2024	54,950,372.79	54,565,137.24	53,714,282.03	4.488%

^{*} Grouped by: Security Type.

* Groups Sorted by: Ending Market Value + Accrued.

* Filtered By: Description ≠ "Receivable".

* Weighted by: Ending Market Value + Accrued.

DESERT WATER AGENCY STATEMENT OF CASH RECEIPTS AND EXPENDITURES

GENERAL ACCOUNT

APRIL 2023

BALANCE	APRIL 1, 2023	(\$1,130,0)	20.17)	INVESTED RESERVE FUNDS \$221,651,096.28
* INTERES GROUNI REIMBU REIMBU STATE V REIMB - POWER	RIVERSIDE COUNTY ST EARNED - INV. FUNDS DWATER REPLEN. ASSESSMENT RSEMENT - OPERATING FUND RSEMENT - CVWD MGMT AGRMT VATER PROJECT REFUNDS CVWD - WHITEWATER HYDRO SALES - WHITEWATER LANEOUS	2,187,716.14 366,929.89 625,542.67 0.00 0.00 315,033.00 5,632.17 0.00 1.42		
-	TOTAL RECEIPTS	\$3,500,8	355.29	
CHECKS CANCEL	S UNDER \$10,000.00 S OVER \$10,000.00 - SCH. #1 LED CHECKS AND FEES TOTAL PAYMENTS	874.50 902,379.00 1,062,050.75 \$1,965,3	304.2 <u>5</u>	
NET INCOM	IE	\$1,		
FUNDS I	RESERVE FUNDS MATURED NVESTED – SCH. #2 NET TRANSFER	11,019,299.00 11,415,837.87	(\$396,538.87)	\$396,538.87
BALANCE	APRIL 30, 2023	_	\$8,992.00	\$222,047,635.15
* INCLUSI	VE TO DATE		TAXES	INTEREST
	TS IN FISCAL YEAR TS IN CALENDAR YEAR		\$27,431,893.15 \$19,089,293.14	\$2,169,835.41 \$991,697.60

General Fund

Schedule #1 - Checks Over \$10,000

DESERT WATER



April 2023

Check #	Name	Description	Amount
9751	State of California Department of Water Resources	State Water Project - Transportation Charge	\$ 902,379.00
Total			\$ 902,379.00



Monthly Investment Portfolio Report As of 04/30/2023

AGG- General Fund (213428)

Dated: 05/29/2023

Security Type

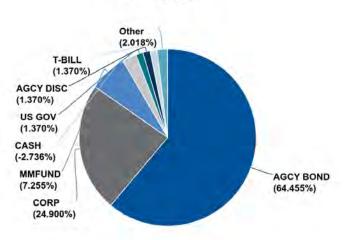


Chart calculated by: PAR Value

AGCY BOND

ACCT BOND								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
FEDERAL AGRICULTURAL MORTGAGE CORP Alamo Capital	09/14/2022		04/21/2025	04/21/2025	1,000,000.00	977,400.00	970,246.00	4.206%
FEDERAL AGRICULTURAL MORTGAGE CORP Piper Sandler	02/23/2022	08/23/2023	02/23/2027	02/23/2027	3,000,000.00	3,000,000.00	2,791,347.00	4.085%
FEDERAL FARM CREDIT BANKS FUNDING CORP Alamo Capital	08/04/2020	05/14/2023	08/04/2025	08/04/2025	3,000,000.00	3,000,005.00	2,772,729.00	4.209%
FEDERAL FARM CREDIT BANKS FUNDING CORP Alamo Capital	10/15/2020	05/14/2023	10/15/2024	10/15/2024	3,000,000.00	2,995,500.00	2,818,728.00	4.720%
FEDERAL FARM CREDIT BANKS FUNDING CORP Alamo Capital	01/05/2021	05/14/2023	04/05/2024	04/05/2024	3,000,000.00	3,000,000.00	2,870,232.00	5.059%
FEDERAL FARM CREDIT BANKS FUNDING CORP Alamo Capital	02/12/2021	05/14/2023	11/12/2024	11/12/2024	3,000,000.00	3,000,000.00	2,807,844.00	4.662%
FEDERAL FARM CREDIT BANKS FUNDING CORP UnionBanc GF	12/22/2020	05/14/2023	12/22/2025	12/22/2025	3,000,000.00	3,000,000.00	2,726,652.00	4.135%
FEDERAL FARM CREDIT BANKS FUNDING CORP Piper Sandler	10/15/2020	05/14/2023	10/15/2024	10/15/2024	3,000,000.00	3,000,000.00	2,819,976.00	4.721%
FEDERAL FARM CREDIT BANKS FUNDING CORP Piper Sandler	12/28/2020	05/14/2023	12/21/2023	12/21/2023	3,000,000.00	3,000,000.00	2,910,657.00	4.942%
FEDERAL FARM CREDIT BANKS FUNDING CORP Piper Sandler	11/05/2021	05/14/2023	10/20/2026	10/20/2026	3,000,000.00	2,988,000.00	2,717,259.00	4.074%
FEDERAL FARM CREDIT BANKS FUNDING CORP Piper Sandler	02/16/2022		02/16/2027	02/16/2027	3,000,000.00	2,999,286.00	2,797,326.00	3.722%
FEDERAL FARM CREDIT BANKS FUNDING CORP Stifel	10/16/2020	05/14/2023	03/28/2024	03/28/2024	3,000,000.00	3,000,000.00	2,873,838.00	5.052%
FEDERAL HOME LOAN BANKS Alamo Capital	04/09/2021	08/18/2023	11/18/2024	11/18/2024	3,000,000.00	2,989,263.00	2,806,491.00	4.646%
FEDERAL HOME LOAN BANKS Alamo Capital	09/30/2021	06/30/2023	09/30/2026	09/30/2026	3,000,000.00	3,000,000.00	2,708,820.00	4.067%



Monthly Investment Portfolio Report As of 04/30/2023

AGG- General Fund (213428)

Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
FEDERAL HOME LOAN BANKS Alamo Capital	12/30/2021		12/30/2024	12/30/2024	3,000,000.00	3,000,005.00	2,863,083.00	4.358%
FEDERAL HOME LOAN BANKS Alamo Capital	09/13/2022		06/14/2024	06/14/2024	1,190,000.00	1,182,431.60	1,170,244.81	4.650%
FEDERAL HOME LOAN BANKS UnionBanc GF	12/30/2020	05/14/2023	12/30/2025	12/30/2025	3,000,000.00	3,000,000.00	2,728,584.00	4.130%
FEDERAL HOME LOAN BANKS UnionBanc GF	06/28/2021	06/30/2023	09/30/2024	09/30/2024	3,000,000.00	3,000,000.00	2,822,481.00	4.752%
FEDERAL HOME LOAN BANKS UnionBanc GF	09/30/2021	06/30/2023	09/30/2026	09/30/2026	3,000,000.00	3,000,000.00	2,710,590.00	4.068%
FEDERAL HOME LOAN BANKS UnionBanc GF	04/29/2022	04/29/2024	04/29/2027	04/29/2027	3,000,000.00	3,000,000.00	2,881,770.00	4.149%
FEDERAL HOME LOAN BANKS UnionBanc GF	06/23/2022	05/14/2023	06/23/2026	06/23/2026	3,000,000.00	3,000,000.00	2,919,333.00	5.143%
FEDERAL HOME LOAN BANKS UnionBanc GF	02/28/2023	02/28/2025	02/28/2028	02/28/2028	3,000,000.00	2,999,250.00	2,992,011.00	5.061%
FEDERAL HOME LOAN BANKS UnionBanc GF	03/08/2023		03/06/2024	03/06/2024	5,000,000.00	4,998,650.00	5,014,170.00	4.900%
FEDERAL HOME LOAN BANKS Piper Sandler	01/28/2021	05/14/2023	03/28/2024	03/28/2024	3,000,000.00	3,000,000.00	2,873,049.00	5.052%
FEDERAL HOME LOAN BANKS Piper Sandler	02/26/2021	05/26/2023	11/26/2024	11/26/2024	3,000,000.00	3,000,000.00	2,804,694.00	4.626%
FEDERAL HOME LOAN BANKS Piper Sandler	02/17/2021	08/17/2023	02/17/2026	02/17/2026	3,000,000.00	3,000,000.00	2,722,179.00	4.159%
FEDERAL HOME LOAN BANKS Piper Sandler	04/22/2021	07/29/2023	04/29/2024	04/29/2024	3,000,000.00	3,000,000.00	2,864,955.00	5.035%
FEDERAL HOME LOAN BANKS Piper Sandler	09/30/2021	06/30/2023	09/30/2026	09/30/2026	3,000,000.00	3,000,000.00	2,708,820.00	4.067%
FEDERAL HOME LOAN BANKS Piper Sandler	09/30/2021	06/30/2023	09/30/2026	09/30/2026	3,000,000.00	3,000,000.00	2,711,475.00	4.069%
FEDERAL HOME LOAN BANKS Piper Sandler	04/25/2022	07/25/2023	07/25/2025	07/25/2025	3,000,000.00	3,000,000.00	2,932,443.00	4.689%
FEDERAL HOME LOAN BANKS Stifel	02/25/2021	05/25/2023	11/25/2024	11/25/2024	3,000,000.00	3,000,000.00	2,807,154.00	4.629%
FEDERAL HOME LOAN BANKS Stifel	03/30/2021	06/30/2023	09/30/2024	09/30/2024	2,000,000.00	2,000,000.00	1,884,620.00	4.753%
FEDERAL HOME LOAN BANKS Stifel	06/28/2021	06/28/2023	02/28/2024	02/28/2024	3,000,000.00	3,000,000.00	2,882,721.00	5.101%
FEDERAL HOME LOAN BANKS Stifel	04/24/2023	04/24/2024	04/24/2028	04/24/2028	3,000,000.00	3,000,000.00	2,977,389.00	5.043%
FEDERAL HOME LOAN MORTGAGE CORP Alamo Capital	09/30/2020	06/30/2023	09/30/2025	09/30/2025	3,000,000.00	3,000,000.00	2,742,969.00	4.155%
FEDERAL HOME LOAN MORTGAGE CORP Alamo Capital	05/12/2022	08/12/2023	11/12/2024	11/12/2024	3,000,000.00	3,000,000.00	2,920,164.00	4.814%
FEDERAL HOME LOAN MORTGAGE CORP UnionBanc GF	08/20/2020	08/20/2023	08/20/2025	08/20/2025	3,000,000.00	3,000,000.00	2,765,988.00	4.202%
FEDERAL HOME LOAN MORTGAGE CORP Piper Sandler	06/25/2020	06/25/2023	06/25/2025	06/25/2025	3,000,000.00	3,000,000.00	2,781,189.00	4.273%
FEDERAL HOME LOAN MORTGAGE CORP Piper Sandler	08/26/2020	05/26/2023	08/26/2024	08/26/2024	3,000,000.00	3,000,000.00	2,835,081.00	4.823%
FEDERAL HOME LOAN MORTGAGE CORP Stifel	10/28/2020	07/28/2023	10/28/2024	10/28/2024	3,000,000.00	3,000,000.00	2,815,941.00	4.694%
FEDERAL HOME LOAN MORTGAGE CORP Stifel	11/30/2020		05/30/2024	05/30/2024	3,000,000.00	3,000,000.00	2,862,060.00	4.742%
FEDERAL HOME LOAN MORTGAGE CORP Stifel	05/26/2022	05/26/2023	05/26/2027	05/26/2027	3,000,000.00	3,000,000.00	2,944,710.00	5.013%
FEDERAL HOME LOAN MORTGAGE CORP Stifel	05/03/2023	11/03/2023	05/03/2027	05/03/2027	3,000,000.00	3,000,000.00	2,989,686.00	5.447%
FEDERAL NATIONAL MORTGAGE ASSOCIATION Alamo Capital	08/25/2020		08/25/2025	08/25/2025	3,000,000.00	2,985,965.00	2,759,601.00	4.019%
FEDERAL NATIONAL MORTGAGE ASSOCIATION UnionBanc GF	07/15/2020	07/15/2023	07/15/2025	07/15/2025	3,000,000.00	3,000,000.00	2,779,815.00	4.238%



As of 04/30/2023

Monthly Investment Portfolio Report

AGG- General Fund (213428)

Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
FEDERAL NATIONAL MORTGAGE ASSOCIATION UnionBanc GF	08/12/2020	08/12/2023	08/12/2025	08/12/2025	3,000,000.00	3,000,000.00	2,764,065.00	4.199%
FEDERAL NATIONAL MORTGAGE ASSOCIATION UnionBanc GF	12/16/2020	06/14/2023	06/14/2024	06/14/2024	3,000,000.00	3,001,500.00	2,850,096.00	4.986%
FEDERAL NATIONAL MORTGAGE ASSOCIATION Piper Sandler	12/14/2020	06/14/2023	06/14/2024	06/14/2024	3,000,000.00	3,000,000.00	2,850,096.00	4.986%
			07/20/2025	07/20/2025	141,190,000.00	141,117,255.60	133,325,371.81	4.587%

CORP								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
3M CO Stifel	06/05/2020	03/15/2025	04/15/2025	04/15/2025	3,000,000.00	3,258,120.00	2,883,537.00	4.743%
APPLE INC Alamo Capital	09/16/2019	08/11/2024	09/11/2024	09/11/2024	1,000,000.00	990,552.00	966,456.00	4.348%
APPLE INC UnionBanc GF	01/27/2021	08/11/2024	09/11/2024	09/11/2024	3,000,000.00	3,150,000.00	2,899,368.00	4.348%
APPLE INC Stifel	09/24/2020	04/11/2025	05/11/2025	05/11/2025	2,000,000.00	2,055,740.00	1,878,404.00	4.274%
APPLE INC Stifel	03/26/2021	01/08/2026	02/08/2026	02/08/2026	1,000,000.00	986,200.00	912,876.00	4.047%
APPLE INC Stifel	06/21/2022	11/09/2026	02/09/2027	02/09/2027	3,000,000.00	2,953,920.00	2,939,910.00	3.924%
BANK OF NEW YORK MELLON CORP Alamo Capital	05/06/2020	03/24/2025	04/24/2025	04/24/2025	1,000,000.00	1,020,005.00	942,279.00	4.673%
BERKSHIRE HATHAWAY FINANCE CORP Stifel	02/24/2023	02/15/2027	03/15/2027	03/15/2027	3,000,000.00	2,778,750.00	2,860,284.00	3.596%
CATERPILLAR FINANCIAL SERVICES CORP Alamo Capital	12/17/2020		09/14/2023	09/14/2023	3,000,000.00	3,012,276.47	2,952,066.00	4.753%
CHEVRON CORP Stifel	07/08/2020	01/03/2024	03/03/2024	03/03/2024	3,000,000.00	3,239,700.00	2,951,748.00	4.851%
CITIBANK NA Stifel	06/24/2020	12/23/2023	01/23/2024	01/23/2024	3,000,000.00	3,297,000.00	2,964,954.00	5.281%
EXXON MOBIL CORP UnionBanc GF	08/11/2022	12/01/2025	03/01/2026	03/01/2026	3,000,000.00	2,976,180.00	2,917,140.00	4.081%
EXXON MOBIL CORP Stifel	12/15/2022	12/01/2025	03/01/2026	03/01/2026	2,000,000.00	1,928,640.00	1,944,760.00	4.081%
GUARDIAN LIFE GLOBAL FUNDING UnionBanc GF	03/03/2023		11/19/2027	11/19/2027	3,000,000.00	2,522,160.00	2,585,235.00	4.651%
JOHN DEERE CAPITAL CORP Alamo Capital	02/08/2021		01/15/2026	01/15/2026	3,000,000.00	3,000,000.00	2,730,411.00	4.240%
JOHN DEERE CAPITAL CORP Alamo Capital	04/18/2023		03/09/2027	03/09/2027	2,000,000.00	1,829,101.63	1,824,246.00	4.239%
MICROSOFT CORP Stifel	12/20/2019		05/01/2023	05/01/2023	2,000,000.00	2,034,620.00	1,999,800.00	3.534%
MICROSOFT CORP Stifel	02/10/2021	08/03/2025	11/03/2025	11/03/2025	3,000,000.00	3,337,530.00	2,928,738.00	4.129%
PROCTER & GAMBLE CO UnionBanc GF	02/24/2023		01/26/2028	01/26/2028	3,000,000.00	2,951,160.00	3,015,654.00	3.828%
TOYOTA MOTOR CREDIT CORP Alamo Capital	10/21/2019		10/07/2024	10/07/2024	1,500,000.00	1,499,994.00	1,444,858.50	4.665%
TOYOTA MOTOR CREDIT CORP Alamo Capital	07/18/2022		04/14/2025	04/14/2025	2,044,000.00	2,035,824.00	2,001,482.76	4.520%
TOYOTA MOTOR CREDIT CORP Alamo Capital	04/18/2023		04/06/2028	04/06/2028	2,000,000.00	1,799,880.37	1,790,430.00	4.276%
WALMART INC Stifel	06/18/2020	10/15/2024	12/15/2024	12/15/2024	2,000,000.00	2,173,300.00	1,945,320.00	4.404%
			10/02/2025	10/02/2025	54,544,000.00	54,830,653.46	52,279,957.26	4.329%



Monthly Investment Portfolio Report As of 04/30/2023

AGG- General Fund (213428)

710 01 0 1/00/2020								
MMFUND								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturit
LAIF Money Market Fund LAIF - GF			04/30/2023	04/30/2023	15,892,375.75	15,892,375.75	15,892,375.75	
LAIF Money Market Fund LAIF - GF			04/30/2023	04/30/2023	15,892,375.75	15,892,375.75	15,892,375.75	
AGCY DISC								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturit
FEDERAL HOME LOAN BANKS Piper Sandler	11/17/2022		05/15/2023	05/15/2023	3,000,000.00	2,934,366.67	2,994,549.00	3.908%
FEDERAL HOME LOAN BANKS Piper Sandler	11/17/2022		05/15/2023	05/15/2023	3,000,000.00	2,934,366.67	2,994,549.00	3.908%
T-BILL								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturit
UNITED STATES TREASURY Piper Sandler	02/22/2023		08/17/2023	08/17/2023	3,000,000.00	2,929,600.00	2,955,090.00	4.997%
UNITED STATES TREASURY Piper Sandler	02/22/2023		08/17/2023	08/17/2023	3,000,000.00	2,929,600.00	2,955,090.00	4.997%
US GOV								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturit
UNITED STATES TREASURY UnionBanc GF	05/27/2021		11/15/2023	11/15/2023	3,000,000.00	3,005,156.25	2,925,000.00	4.939%
UNITED STATES TREASURY UnionBanc GF	05/27/2021		11/15/2023	11/15/2023	3,000,000.00	3,005,156.25	2,925,000.00	4.939%
MUNI								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturit
CALIFORNIA ST UNIV REV Alamo Capital	09/09/2022		11/01/2026	11/01/2026	1,000,000.00	909,590.00	900,430.00	4.221%
EL CAJON CALIF UnionBanc GF	02/08/2021		04/01/2024	04/01/2024	300,000.00	302,583.00	287,649.00	5.554%
MONTEREY PK CALIF PENSION OBLIG UnionBanc GF	02/16/2021		06/01/2025	06/01/2025	400,000.00	403,156.00	368,684.00	4.869%
MONTEREY PK CALIF PENSION OBLIG UnionBanc GF	02/16/2021		06/01/2024	06/01/2024	550,000.00	552,255.00	522,142.50	5.468%
MONTEREY PK CALIF PENSION OBLIG UnionBanc GF	02/16/2021		06/01/2023	06/01/2023	450,000.00	450,643.50	448,429.50	4.179%
=			03/25/2025	03/25/2025	2,700,000.00	2,618,227.50	2,527,335.00	4.717%
CD								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
Ally Bank Piper Sandler	06/02/2022		06/02/2026	06/02/2026	245,000.00	245,000.00	235,255.37	4.487%
Capital One Bank (USA), National Association Piper Sandler	06/08/2022		06/08/2027	06/08/2027	245,000.00	245,000.00	233,623.67	4.394%



As of 04/30/2023

Description, Broker

Monthly Investment Portfolio Report

AGG- General Fund (213428)

Market Value

208,532,620.35

Original Cost

219,053,785.23

PAR Value

219,052,525.75

Dated: 05/29/2023

Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
Capital One, National Association Piper Sandler	06/08/2022		06/08/2027	06/08/2027	245,000.00	245,000.00	233,623.67	4.394%
Discover Bank Piper Sandler	06/07/2022		06/07/2027	06/07/2027	245,000.00	245,000.00	233,630.53	4.394%
JPMorgan Chase Bank, National Association Alamo Capital	02/08/2021	07/16/2023	01/16/2026	01/16/2026	250,000.00	250,000.00	225,233.75	4.484%
Morgan Stanley Bank, N.A. Piper Sandler	06/09/2022		06/09/2027	06/09/2027	245,000.00	245,000.00	232,712.27	4.393%
Morgan Stanley Private Bank, National Association Piper Sandler	06/09/2022		06/09/2027	06/09/2027	245,000.00	245,000.00	232,712.27	4.393%
Ξ			02/05/2027	02/05/2027	1,720,000.00	1,720,000.00	1,626,791.53	4.420%
CASH								
Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
Cash Stifel			04/30/2023	04/30/2023	-2,993,850.00	-2,993,850.00	-2,993,850.00	0.000%
Payable Stifel			04/30/2023	04/30/2023	-3,000,000.00	-3,000,000.00	-3,000,000.00	0.000%
 Stifel			04/30/2023	04/30/2023	-5,993,850.00	-5,993,850.00	-5,993,850.00	0.000%
Summary								

Final Maturity

06/02/2025

Next Call Date

Effective Maturity

06/02/2025

Settle Date

Yield to Maturity

4.660%

^{*} Grouped by: Security Type.

* Groups Sorted by: Ending Market Value + Accrued.

* Filtered By: Description ≠ "Receivable".

* Weighted by: Ending Market Value + Accrued.

DESERT WATER AGENCY STATEMENT OF CASH RECEIPTS AND EXPENDITURES

WASTEWATER ACCOUNT

APRIL 2023

		7 11 TAIL 2020		
BALANCE	APRIL 1, 2023	\$93,295	90	INVESTED RESERVE FUNDS \$1,494,084.01
DALANOL	AT INE 1, 2020	Ψ55,255	.50	Ψ1,494,004.01
ACCOUNTS F	RECEIVABLE - OTHER	\$0.00		
CUSTOMER D	DEPOSITS - CONSTRUCTION	0.00		
INTEREST EA	ARNED - INVESTED FUNDS	10,421.74		
WASTEWATE	R REVENUE	76,638.01		
	ACITY CHARGES	0.00		
MISCELLANE		0.00		
TOTA	AL RECEIPTS	\$87,059	.75	
PAYMENTS				
CHECKS UND	DER \$10,000.00	\$9,155.10		
	ER \$10,000.00 - SCH. #1	62,470.26		
CANCELLED	CHECKS AND FEES	0.00		
TOTA	AL PAYMENTS	\$71,625	.36	
NET INCOME		\$1	5,434.39	
INVESTED RESE	RVE FLINDS			
FUNDS MATU		\$0.00		
	STED – SCH. #2	103,421.74		
1 01100 11112		100, 121.71		
NET :	TRANSFER	·	(\$103,421.74)	\$103,421.74
BALANCE AP	RIL 30, 2023		\$5,308.55	\$1,597,505.75

Wastewater Fund

Schedule #1 - Checks Over \$10,000

DESERT_WATER



April 2023

Check #	Name	Description	n A	
3456	Coachella Valley Water District	Wastewater Revenue Billing for March 2023	\$	62,470.26
Total			\$	62,470.26



Monthly Investment Portfolio Report As of 04/30/2023

AGG- Wastewater Fund (213427)

Dated: 05/29/2023

Security Type

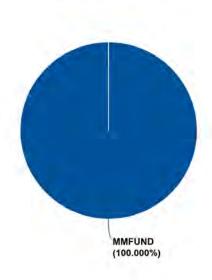


Chart calculated by: PAR Value

MMFUND

Description, Broker	Settle Date	Next Call Date	Effective Maturity	Final Maturity	PAR Value	Original Cost	Market Value	Yield to Maturity
LAIF Money Market Fund LAIF - WW			04/30/2023	04/30/2023	1,597,505.75	1,597,505.75	1,597,505.75	
LAIF Money Market Fund LAIF - WW			04/30/2023	04/30/2023	1,597,505.75	1,597,505.75	1,597,505.75	

^{*} Grouped by: Security Type. * Groups Sorted by: Ending Market Value + Accrued. * Filtered By: Description \neq "Receivable". * Weighted by: Ending Market Value + Accrued.

Investment Portfolio Reporting Requirements

as required by DWA Resolution 1273, Section VII & California Government Code Section 53646

as of **April 30, 2023**

Statement of Compliance

The Desert Water Agency portfolio is in compliance with the Agency's investment policy and guidelines for investment of Agency funds as outlined in DWA Resolution 1273.

Statement of Agency's Ability to Meet Six-Month Expenditure Requirements

Desert Water Agency has the ability to meet its expenditure requirements for the next six months.

Description of Investments

Agency Bonds

Securities issued by a government-sponsored enterprise or by a federal government department other that the U.S. Treasury.

Bank Deposits

Agency funds on deposit in the General Fund, Operating Fund and Wastewater Fund active checking accounts for use in meeting the daily cash flow requirements of the Agency.

Certificate of Deposits (CD)

Interest bearing time deposit. FDIC insured up to \$250,000 per depositor, per FDIC-insured bank.

Corporate Notes

Debt securities issued by a for-profit company.

Money Market Funds

High quality, short-term debt instruments, cash and cash equivalents. Utilized for overnight holding of investment proceeds prior to reinvesting or transferring to Agency checking accounts.

Municipal Bonds

Fixed income securities issued by states, cities, counties, special districts and other governmental entities.

Treasury Notes

Fixed income securities issued by the federal government with maturities between two and ten years backed by the full faith and credit of the United States government.

Funds Managed by Contracted Parties - LAIF

The Desert Water Agency has contracted with the California Local Agency Investment Fund (LAIF) for investment of Agency funds. LAIF is a voluntary program created by Section 16429.1 et seq. of the California Government Code. LAIF is an investment alternative for California's local governments and special districts. This program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the state Treasurer's Office professional investment staff at no additional cost to the taxpayer or ratepayer. All Agency funds invested with LAIF are available for withdrawal upon demand and may not be altered, impaired or denied in any way (California Government Code Section 16429.4).

Market Value Source

Current market values are provided by Clearwater Analytics for all investment types other than LAIF. LAIF market values are recorded at PAR value.

Esther Saenz
Finance Director
Desert Water Agency



As of 04/30/2023

Effective Maturity Distribution Summary

AGG-ALL (219610)

Dated: 05/29/2023



0 (Liquid)

DWA Fund	Account	Identifier	Description	Security Type	PAR Value Ending Eff Maturity	ective Final Maturity
General Fund	LAIF - GF	LAIFMMF	LAIF Money Market Fund	MMFUND	15,892,375.75 04/30/2023	3 04/30/2023
Operating Fund	LAIF - OP	LAIFMMF	LAIF Money Market Fund	MMFUND	25,817,322.79 04/30/2023	3 04/30/2023
Wastewater Fund	LAIF - WW	LAIFMMF	LAIF Money Market Fund	MMFUND	1,597,505.75 04/30/2023	04/30/2023
		LAIFMMF	LAIF Money Market Fund	MMFUND	43,307,204.29 04/30/2023	04/30/2023

0-1 Years

DWA Fund	Account	Identifier	Description	Security Type	PAR Value	Ending Effective Maturity	Final Maturity
General Fund					43,750,000.00	12/25/2023	12/25/2023
Operating Fund	UnionBanc OP		FEDERAL HOME LOAN BANKS	AGCY DISC	8,000,000.00	07/15/2023	07/15/2023
					51,750,000.00	11/30/2023	11/30/2023

1-2 Years

DWA Fund	Account	Identifier	Description	Security Type	PAR Value	Ending Effective Maturity	Final Maturity
General Fund					60,284,000.00	10/23/2024	10/23/2024
Operating Fund	UnionBanc OP				7,130,000.00	10/12/2024	10/12/2024
					67,414,000.00	10/22/2024	10/22/2024



Effective Maturity Distribution Summary

AGG-ALL (219610)

Dated: 05/29/2023

2-3 Years

As of 04/30/2023

DWA Fund	Account	Identifier	Description	Security Type	PAR Value	Ending Effective Maturity	Final Maturity
General Fund					47,650,000.00	10/14/2025	10/14/2025
Operating Fund	UnionBanc OP			AGCY BOND	5,000,000.00	07/02/2025	07/02/2025
					52,650,000.00	10/04/2025	10/04/2025

3-4 Years

DWA Fund	Account	Identifier	Description	Security Type	PAR Value	Ending Effective Maturity	Final Maturity
General Fund					36,245,000.00	12/08/2026	12/08/2026
Operating Fund	UnionBanc OP				5,000,000.00	03/13/2027	03/13/2027
					41,245,000.00	12/20/2026	12/20/2026

4-5 Years

DWA Fund	Account	Identifier	Description	Security Type	PAR Value	Ending Effective Maturity	Final Maturity
General Fund					21,225,000.00	11/15/2027	11/15/2027
Operating Fund	UnionBanc OP				4,000,000.00	05/20/2027	05/20/2027
					25,225,000.00	10/18/2027	10/18/2027

Summary

Account	ldentifier	Description	Security Type	PAR Value Ending Effective Maturity	Final Maturity
				281,591,204.29 02/22/2025	02/22/2025

^{*} Grouped by: Effective Maturity Distribution -> DWA Fund. * Groups Sorted by: Effective Maturity Distribution -> DWA Fund. * Filtered By: Security Type not in "CASH". * Weighted by: Ending Market Value + Accrued.

Monthly Investment Portfolio Report

Abbreviations & Definitions

Investment Type Abbreviations					
AGCY BOND	US Agency Obligation ₁				
AGCY DISC	Discounted US Agency Obligation 1 & 8				
CORP Medium Term Notes (Corporate Notes) 2					
MMFUND	Local Agency Investment Fund (LAIF) ₃ & Cash Funds in Transit ₄				
MUNI	Municipal Bonds/Local Agency Bonds ₅				
CD	Negotiable Certificates of Deposit 6				
US GOV	U.S. Treasury notes, bills bonds or other certificates of indebtedness 7				

Definitions	
Settle Date	The date of original purchase
Next Call Date	The next eligible date for the issuer to refund or call the bond or note
Effective Maturity	The most likely date that the bond will be called based on current market conditions
Final Maturity	The date the bond matures, DWA receives the full PAR value plus the final interest payment
PAR Value	The principal amount DWA will receive when a bond is either called or matures
Original Cost	The original cost to purchase the bond (includes premium/discount)
Market Value	The current value of the bond at current market rates
Yield to Maturity	The total anticipated return on a bond if the bond is held to maturity

NOTES:

- 1 DWA Investment Policy, Resolution 1273, Schedule 1, Item 2
- 2 DWA Investment Policy, Resolution 1273, Schedule 1, Item 14
- 3 DWA Investment Policy, Resolution 1273, Schedule 1, Item 9
- 4 Cash funds in transit are a result of maturities/calls/coupon payments that are held in the Agency's money market account with the broker/custodian until transferred to the Agency's bank. DWA Investment Policy, Resolution 1273, Schedule 1, Item 15
- 5 DWA Investment Policy, Resolution 1273, Schedule 1, Item 3
- 6 DWA Investment Policy, Resolution 1273, Schedule 1, Item 10
- 7 DWA Investment Policy, Resolution 1273, Schedule 1, Item 1
- 8 US Agency Obligation that does not bear an interest rate, but purchased at a discount, held to maturity and redeemed at PAR.

DESERT WATER AGENCY - OPERATING FUND COMPARATIVE EARNINGS STATEMENT

MONTH 22-23	/	THIS MONTH	/	/FIS	CAL YEAR TO DAT	E/	/VARIANCE/	,
APRIL	THIS YEAR	LAST YEAR	BUDGET	THIS YEAR	LAST YEAR	BUDGET	YTD	PCT
OPERATING REVENUES								
WATER SALES	2,725,853.75	3,374,450.09	3,303,200.00	32,032,419.11	31,913,573.54	34,212,400.00	2,179,980.89-	6-
RECLAMATION SALES	37,378.59	97,866.58	60,100.00	716,010.65	984,989.53	736,500.00	20,489.35-	. 3-
POWER SALES	1,564.61	11,500.22	9,250.00	34,306.14	74,687.37	92,500.00	58,193.86-	63-
OTHER OPER REVENUE	131,706.61	188,019.96	229,208.00		2,207,957.92		232,550.02-	
TOTAL OPER REVENUES	2,896,503.56	3,671,836.85	3,601,758.00	34,808,865.88	35,181,208.36	37,300,080.00	2,491,214.12-	7-
OPERATING EXPENSES								
SOURCE OF SUPPLY EXP	101,498.01	33,688.55	100,060.00	4,463,589.37	4,658,156.98	5,132,500.00	668,910.63-	13-
PUMPING EXPENSE	307,765.71	284,659.56	352,100.00	4,136,515.50	3,348,293.49	3,893,200.00	243,315.50	6
REGULATORY WATER TREAT	79,542.39	45,394.09	72,810.00	801,702.65	655,571.94	728,100.00	73,602.65	10
TRANS & DIST EXPENSE	324,146.96	210,243.04	359,770.00	2,819,303.12	2,347,541.09	3,597,700.00	778,396.88-	22-
CUSTOMER ACT EXPENSE	88,166.50	103,239.37	105,760.00	945,931.54	799,090.90	1,059,340.00	113,408.46-	11-
ADMIN & GEN EXPENSE	1,071,653.69		1,302,647.00	11,731,519.70	11,436,382.70	12,868,070.00	1,136,550.30-	
REGULATORY EXPENSE	47,207.72	44,938.17	35,530.00	324,879.37	327,138.69	355,300.00	30,420.63-	9 –
SNOW CREEK HYDRO EXP	2,810.96	8,820.74	5,000.00	55,294.35	49,595.21	50,000.00	5,294.35	11
RECLAMATION PLNT EXP	158,333.20	169,962.81	114,080.00	977,863.34	804,935.99	1,140,800.00	162,936.66-	14-
SUB-TOTAL	2,181,125.14	1,854,057.28	2,447,757.00	26,256,598.94	24,426,706.99	28,825,010.00	2,568,411.06-	9 –
OTHER OPER EXPENSES								
DEPRECIATION	513,457.37	512,906.34	553,900.00	5,200,861.70	5,150,464.03	5,539,000.00	338,138.30-	6-
SERVICES RENDERED	15,403.98	8,844.89	14,200.00	133,120.50	134,669.50	142,000.00	8,879.50-	6-
DIR & INDIR CST FOR WO	213,797.67-	206,958.01-	280,580.00-	- 2,402,599.15-	2,412,563.15-	2,805,800.00-	403,200.85	14-
TOTAL OPER EXPENSES	2,496,188.82	2,168,850.50	2,735,277.00	29,187,981.99	27,299,277.37	31,700,210.00	2,512,228.01-	8 –
NET INCOME FROM OPERATIONS	400,314.74	1,502,986.35	866,481.00	5,620,883.89	7,881,930.99	5,599,870.00	21,013.89	0
NON-OPERATING INCOME (NET)								
RENTS	4,007.58	14,803.70	15,775.00	51,643.51	146,231.69	157,750.00	106,106.49-	67-
INTEREST REVENUES	98,609.84	22,720.70	48,600.00	809,827.18	128,400.29	486,000.00	323,827.18	67
OTHER FUNDS	.00	.00	.00	5,822.88-	.00	.00	5,822.88-	. 0
INVESTMENT AMORT.	28,956.67	710.00-	.00	50,832.67	28,754.87	.00	50,832.67	0
OTHER REVENUES	280.00	25,350.00	.00	141,049.28	694,400.01	.00	141,049.28	0
GAINS ON RETIREMENT	1,957.35	18,552.14	6,310.00	1,957.35	18,552.14	50,480.00	48,522.65-	96-
DISCOUNTS	.00	428.05	33.00	1,410.54	705.66	330.00	1,080.54	327
PR. YEAR EXPENSES	3,575.04	.00	.00	10,803.05	959.84-	.00	10,803.05	0
OTHER EXPENSES	.00	.00	4,630.00-	- 16,517.50-	161.62-	46,300.00-	29,782.50	64-
LOSS ON RETIREMENTS	17,175.10-	13,468.12-	9,000.00-	- 17,364.64-	67,792.63-	90,000.00-	72,635.36	81-
TOTAL NON-OPER INCOME	120,211.38	68,386.47	57,088.00	1,027,818.56	948,130.57	558,260.00	469,558.56	84

TOTAL NET INCOME 520,526.12 1,571,372.82 923,569.00 6,648,702.45 8,830,061.56 6,158,130.00 490,572.45

GENERAL MANAGER'S REPORT June 6, 2023

All Valley Chambers Mixer

Desert Water Agency participated in the annual All Valley Chambers Mixer on May 17 held at the Palm Springs Air Museum.

DWA had a table with information on incentives and three assorted flavors of infused water to complement the various food booths. We also handed out Lush & Efficient books to attendees interested in following us on social media.

The event is typically attended by more than 600 people and is always a fantastic opportunity to connect with the community and share information on programs and conservation.

Desert Water Agency Closed

The Agency will be closed on Monday, June 19 in observance of Juneteenth.

SYSTEM LEAK DATA

(PERIOD BEGINNING MAY 9, 2023 THRU MAY 29, 2023)

		PIPE DIAMETER			PIPE
STREET NAME	NUMBER OF LEAKS	(INCHES)	YEAR INSTALLED	PIPE MATERIAL	CONSTRUCTION
CERRITOS RD	5	6	1959	STEEL	BARE/UNLINED
LOUELLA RD	5	6	1955	STEEL	BARE/UNLINED
SIMMS RD	3	6	1957	STEEL	BARE/UNLINED
RAMON RD	3	12	1956	STEEL	BARE/UNLINED
DEL LAGO RD	2	6	1957	STEEL	BARE/UNLINED
CLARK RD	2	6	1955	STEEL	BARE/UNLINED
LURING DR	2	4	1957	STEEL	BARE/UNLINED
TAHQUITZ CYN WY	2	8	1946	STEEL	BARE/UNLINED
HILDY LN	1	4	1958	STEEL	BARE/UNLINED
WAYNE RD	1	4	1957	STEEL	BARE/UNLINED
CERRITOS RD	1	6	1955	STEEL	BARE/UNLINED
DESERT PARK AVE	1	6	1955	STEEL	BARE/UNLINED
RACQUET CLUB RD	1	6	1958	STEEL	BARE/UNLINED
VISTA CHINO	1	20	1949	STEEL	BARE/UNLINED
ALEJO RD	1	8	1958	STEEL	BARE/UNLINED
ANDREAS RD	1	6	1958	STEEL	BARE/UNLINED
LURING DR	1	4	1946	STEEL	BARE/UNLINED
ARENAS RD	1	4	1946	STEEL	BARE/UNLINED
AVENIDA CABALLEROS	1	14	1953	STEEL	BARE/UNLINED
INDIAN CANYON DR	1	6	1951	STEEL	BARE/UNLINED
BARISTO RD	1	4	1936	STEEL	BARE/UNLINED
LUGO DR	1	6	1954	STEEL	BARE/UNLINED
PATENCIO LN	1	4	1951	STEEL	BARE/UNLINED
SANTA ROSA DR	1	4	1936	STEEL	BARE/UNLINED
RAMON RD	1	6	1955	STEEL	BARE/UNLINED
SAN LUCAS RD	1	4	1948	STEEL	BARE/UNLINED
CALLE AJO	1	4	1953	STEEL	BARE/UNLINED
CALLE SANTA ROSA	1	4	1953	STEEL	BARE/UNLINED
INDIAN CANYON DR	1	8	1938	STEEL	BARE/UNLINED
PALM CANYON DR E	1	6	1952	STEEL	BARE/UNLINED
CALIENTE DR	1	6	1956	STEEL	BARE/UNLINED
LA JOLLA RD	1	6	1955	STEEL	BARE/UNLINED
PALM CANYON DR E (SOUTH SIDE)	1	6	1955	STEEL	BARE/UNLINED

TOTAL LEAKS IN SYSTEM:

49

Streets highlighted in green are included as part of the

2020/2021 Replacement Pipeline Project

Streets highlighted in blue are being proposed as part of the

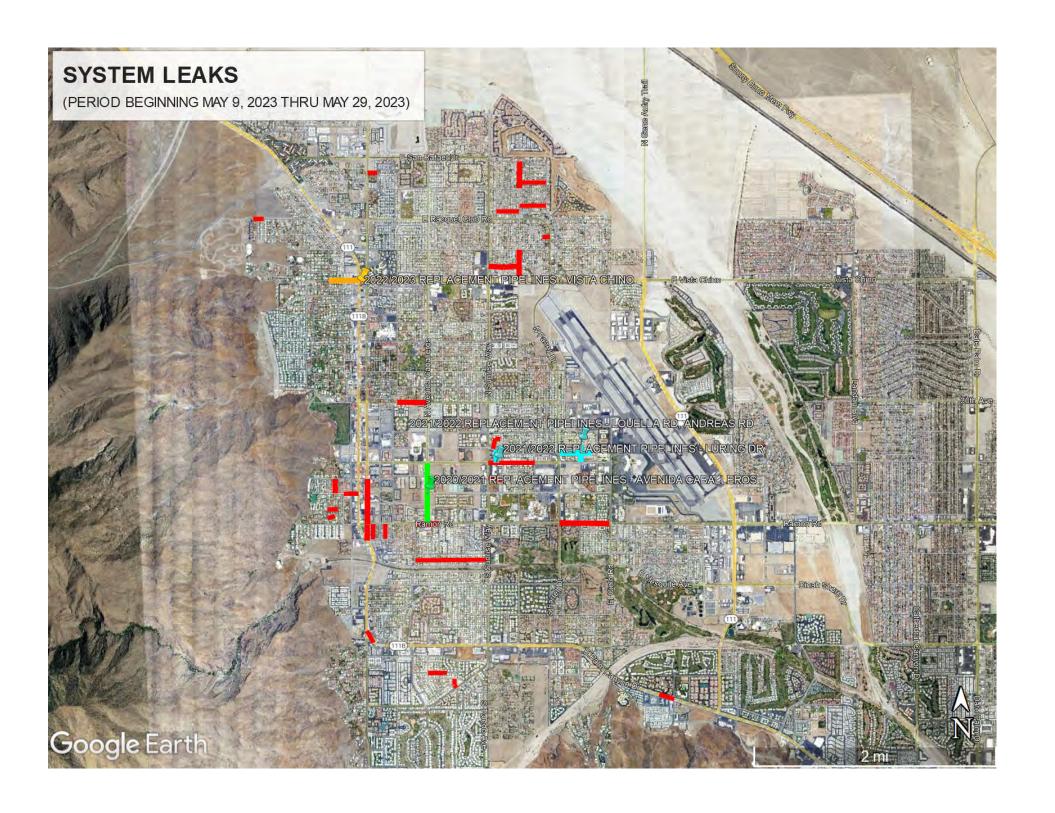
2021/2022 Replacement Pipeline Project

Streets highlighted in salmon are being proposed as part of the

2022/2023 Replacement Pipeline Project

SYSTEM INFORMATION:	
OLDEST PIPE IN THE SYSTEM (YEAR OF INSTALLATION):	1935
AVERAGE YEAR OF INSTALLATION OF UNLINED STEEL PIPE (SYSTEMWIDE):	1952
AVERAGE AGE OF UNLINED STEEL PIPE (SYSTEMWIDE):	66 YEARS
AVERAGE AGE OF PIPELINE AT THE TIME OF REPLACEMENT:	68 YEARS
TOTAL LENGTH OF PIPE IN SYSTEM OLDER THAN 70 YEARS (LINEAR FEET):	117,721
TOTAL LENGTH OF UNLINED PIPE SYSTEMWIDE (LINEAR FEET):	297,672
*AVERAGE LENGTH OF PIPE REPLACED ANNUALLY (LINEAR FEET):	15,000
PROJECTED TIME FRAME FOR 100% REPLACEMENT OF UNLINED STEEL PIPE:	16 YEARS
PROJECTED TIME FRAME FOR 100% REPLACEMENT OF PIPE OLDER THAN 70 YEARS:	9 YEARS
YEAR AGENCY TRANSITIONED TO CEMENT LINED STEEL PIPE:	1960

*PLEASE NOTE THIS FIGURE REPRESENTS THE AVERAGE LINEAR FOOTAGE OF PIPELINE REPLACED ANNUALLY GIVEN AN AVERAGE ANNUAL BUDGET OF \$3 MILLION.



General Manager's Meetings and Activities

Meetings:

05/16/23	DWA Bi-Monthly Board Meeting	DWA
05/16/23	Sites Meeting with Douglas Brown - financing	DWA
05/16/23	Meeting w/ Francis Barraza, Chief of Staff - Asm. Wallis	Conf Call
05/17/23	DCP Monthly Coordination Meeting	SAC
05/17/23	DCP Monthly Update Meeting	SAC
05/17/23	SWC Monthly Meeting	SAC
05/17/23	SWC Policy Meeting	SAC
05/18/23	SWC Monthly Board Meeting	SAC
05/18/23	Delta Conveyance Finance Authority Board Meeting	SAC
05/19/23	Site Reservoir Committee Monthly Meeting	MAX
05/24/23	Meeting w/ Nic Gauthier, Cap. Dir. for Senator Seyarto	Conf Call
05/24/23	DCP discussion with Bard Coffey with MWD	Conf Call
05/25/23	DWA Finance Committee Meeting	DWA
05/25/23	Tribal Mediation – Small Technical Committee	Conf Call
05/26/23	Prop 218 Workshop	DWA
05/30/23	Meeting with MSWD on RAC rate increase	DWA
05/31/23	DWA Executive Committee	DWA
06/01/23	Tour of Sites Reservoir Planned Facilities Sites	MAX
06/02/23	CVWD Tribal Mediation Technical Cmte Issues	Conf Call
06/02/23	SWC Update	Conf Call
06/05/23	Tribal Mediation Small Mediation Group	ACC RM
06/06/23	RGS Monthly Recap	Conf Call
06/06/23	DWA Bi-Monthly Board Meeting	DWA

Activities:

- 1) DWA Rate Study
- 2) DWA Surface Water Rights
- 3) Water Supply Planning DWA Area of Benefit
- 4) Sites Reservoir Finance
- 5) DCP Financing
- 6) Lake Perris Seepage Recovery Project Financing
- 7) Recycled Water Supply Strategic Planning
- 8) AQMD Rule 1196
- 9) DWA Digital Transformation Project
- 10) DWA Organizational Restructuring
- 11) DWA Tax Rate Analysis
- 12) Palm Springs Aerial Tramway Water Supply 2023
- 13) SWP Contract Extension Amendment
- 14) DWA Remote Meter Reading Fixed Network
- 15) State and Federal Contractors Water Authority and Delta Specific Project Committee (Standing)
- 16) Whitewater River Surface Water Recharge
- 17) Replacement Pipelines 2021-2022
- 18) DC Project Finance JPA Committee (Standing)
- 19) DWA/CVWD/MWD Operations Coordination/Article 21/Pool A/Pool B/Yuba Water (Standing)

Activities

(Cont.)

- 20) DWA/CVWD/MWD Exchange Agreement Coordination Committee (Standing)
- 21) SWP 2023 Water Supply
- 22) ACBCI Water Rights Lawsuit
- 23) Whitewater Hydro Operations Coordination with Recharge Basin O&M
- 24) Whitewater Spreading Basins BLM Permits
- 25) Delta Conveyance Project Cost Allocation
- 26) MCSB Delivery Updates
- 27) Well 6 Meaders Cleaners RWQB Meetings
- 28) SWP East Branch Enlargement Cost Allocation
- 29) RWQCB Update to the SNMP