

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
CALIFORNIA

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For the Agenda of:
July 13, 2011

APPROVED
BOARD OF DIRECTORS

To: Board of Directors
Sacramento Central Groundwater Authority

Date July 13, 2011

From: Staff

By Katherine Pule
Clerk of the Board

Subject: Adoption Of The Fiscal Year 2011-2012 Sacramento Central Groundwater Authority Budget, Fiscal Year 2011-2012 Well Protection Program Trust Fund Budget , And Authorization To Collect Annual Contributions

Contact: Darrell K. Eck, Executive Director, 874-5039

Overview

The Sacramento Central Groundwater Authority (Authority) was established to maintain the long-term sustainable yield of the Central Sacramento County Groundwater Basin (Central Basin). The Joint Powers Agreement (JPA) between the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento and the County of Sacramento creating the Authority provides the funding mechanism necessary to implement Central Sacramento County Groundwater Management Plan (Central Basin GMP). Collection of the contributions described in the JPA and adoption of the Authority's 2011-2012 fiscal year budget provide the means for the Authority to implement the Central Basin GMPs administrative programs. The JPA also provides for the operation of any Well Protection Program (WPP) that may be prescribed by the Central Basin GMP. While current economic conditions have curtailed any activity on the WPP, adoption of a budget provides an administrative means to report on the status of the fund.

Recommendations

Adopt Resolution No. 2011-01 to fund the Authority's administrative budget for fiscal year 2011-2012 and provide for the collection of the annual contributions as described in the JPA; adopt the WPP Trust Fund budget for fiscal year 2011-2012.

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BACKGROUND:

On August 29, 2006 the Cities of Folsom, Elk Grove, Rancho Cordova and Sacramento and the County of Sacramento executed a joint powers agreement creating the Sacramento Central Groundwater Authority (Authority). The purpose of the Authority is to maintain the long-term sustainable yield of the Central Basin; ensure implementation of the Basin Management Objectives (BMOs) that are prescribed by the Central Basin GMP; oversee the operation of Well Protection Program prescribed by the Central Basin GMP; manage the use of groundwater in the Central Basin and facilitate implementation of an appropriate conjunctive use program by water purveyors; coordinate efforts among those entities represented on the governing body of the joint powers authority to devise and implement strategies to safeguard groundwater quality; and work collaboratively with other entities, including other groundwater management authorities that may be formed in the County of Sacramento and adjacent political jurisdictions, in order to promote coordination of policies and activities throughout the region.

On November 8, 2006 the Board adopted the Central Basin GMP. The Central Basin GMP reviews current and future water supply and demands and contains BMOs that address the rate of groundwater extraction, groundwater elevation, land surface subsidence, surface water flows and groundwater contamination. The Central Basin GMP also contains “trigger points” and remedies to ensure full implementation of the BMOs. It also provides for the protection of private groundwater wells and establishes cooperative relationships with Sacramento County’s Environmental Management Department and other regulatory agencies to address groundwater contamination.

DISCUSSION:

The proposed 2011-2012 fiscal year budget was developed based on the program requirements (GMP Related Expenses) described in the Central Basin GMP. The budget also provides for overhead expenses (Staff Expenses) including the Executive Director, Administration Support, Legal Counsel, and Financial support. The proposed budget also includes funding for consultant services (Consultant Expenses). Based on the Board’s decision to postpone work on the Well Protection Program at the January 12, 2011 Board meeting, no funding has been recommended for the Well Protection Program (WPP) in the 2011-2012 fiscal year budget.

The proposed budget for SCGA and WPP was presented, discussed and approval recommended by the SCGA Budget Committee on May 4, 2011. Budget Committee members include Ed Crouse, Herb Niederberger, Jim Peifer, and Dave Ocnosak.

Staff recommends adoption of Resolution No. 2011-01 to fund the Authority’s administrative budget for fiscal year 2011-2012 and provide for the collection of the annual contributions as described in the JPA. Staff further recommends adoption of the aforesaid resolution for the WPP Trust Fund budget for fiscal year 2011-2012.

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Attachments:

Resolution No. 2011-01

Attachment A – The Fiscal Year 2011-2012 Authority’s Budget

Attachment B – The Fiscal Year 2011-2012 Well Protection Program Trust Fund Budget

Attachment C – The Fiscal Year 2011-2012 Annual Contribution

Attachment D – The Fiscal Year 2011-2012 Authority’s Budget Detail

Attachment E – The Fiscal Year 2011-2012 Well Protection Program Budget Detail

RESOLUTION NO. 2011-01

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
RESOLUTION ADOPTING AND ASSIGNING COSTS TO FUND SCGA'S
ADMINISTRATIVE AND PROGRAM BUDGETS FOR FISCAL YEAR 2011-2012 AND
PROVIDE FOR THE COLLECTION OF ANNUAL CONTRIBUTIONS, AND
ADOPTING AND ASSIGNING COSTS FOR FISCAL YEAR 2011-2012 FOR THE
WELL PROTECTION PROGRAM**

WHEREAS, on August 29, 2006 the Joint Powers Agreement Between the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento and the County of Sacramento Creating the Sacramento Central Groundwater Authority ("JPA") established a separate public entity identified as the Sacramento Central Groundwater Authority ("AUTHORITY") with its own Board of Directors ("BOARD"); and

WHEREAS, the AUTHORITY was created to maintain the long-term sustainable yield of the Central Basin in accordance with the Central Sacramento County Groundwater Management Plan; and

WHEREAS, the JPA provides for the collection of annual contributions to fund implementation of the Central Sacramento County Groundwater Management Plan;

WHEREAS, the JPA provides for the operation of any Well Protection Program that may be prescribed by the GMP; and

WHEREAS, the AUTHORITY's administrative budget for fiscal year 2011-2012 is specified in Attachment A. The budget includes projections of revenues, staff expenses, consultant expenses, office expenses and Groundwater Management Plan related expenses. The administrative budget is required to finance the administrative activities necessary to manage the Central Groundwater Basin; and

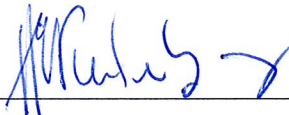
WHEREAS, the Well Protection Program Trust Fund's administrative and program budget for fiscal year 2011-2012 is specified in Attachment B. No funding is recommended for the Central Basin Well Protection Program for fiscal year 2011-2012 based on current economic conditions and pending improvement in the housing market.

NOW, THEREFORE, be it resolved by the BOARD as follows:

1. The above recitals are correct and the BOARD so finds and determines.
2. The BOARD finds and determines that:
 - a. The SCGA administrative budget for fiscal year 2011-2012 as specified in Attachment A is hereby adopted; and
 - b. The Well Protection Program Trust Fund administrative and program budget for fiscal year 2011-2012 as specified in Attachment B is hereby adopted; and
 - c. The annual contribution for the SCGA administrative budget for fiscal year 2011-2012 budget will be collected from the contributors as directed in the JPA pursuant to Appendix C; and
 - d. Billing for the annual contribution shall be mailed not later than thirty (30) days following the adoption of this resolution with payment to be made within thirty (30) days of receipt of billing.

PASSED AND ADOPTED by the BOARD at their regular board meeting on July 13, 2011.

By: _____



Chair

ATTACHMENT A - Fiscal Year 2011-2012 Authority's Budget

FUND: Sacramento Central Groundwater Authority (096B)
 ACTIVITY: Groundwater Supply Operations (0960001)
 FISCAL YEAR: 2011-12

	Actual 2008-09	Actual 2009-2010	Adopted 2010-11	Estimate 2010-11	Requested 2011-12
MEANS OF FINANCING					
Reserves:					
Prior Year Fund Balance	146,529	(56,128)	157,749	157,749	256,453
Revenues:					
Contributions from other Agencies	263,336	267,146	268,461	268,461	264,048
Interfund Charges (Transfer In / Out) reimbursement from SCGA WPP fund	0	0	0	0	0
Reserve Release	0	0	0	0	0
Interest Income	29,685	4,741	15,000	2,500	15,000
AB303 Grant		130,927		119,037	
Total Means of Financing	439,550	346,686	441,210	547,747	535,501
FINANCING USES					
Provision for Reserves	86,145	0		0	0
Interfund Charges (Transfer In / Out) reimbursement from SCGA WPP fund	0	0	0	0	0
Salaries / Benefits	246,505	188,937	308,300	291,294	264,000
Services & Supplies	0	0	0	0	0
Other Charges	162,928	0		0	0
Total Financing Uses	495,678	188,937	308,300	291,294	264,000
Encumbrance Roll to Next Fiscal Year					
ENDING FUND BALANCE	(56,128)	157,749	132,910	256,453	271,501

See Attachment D for Budget Detail

need reserve of 20% of expenditures.

52,800

ATTACHMENT B - Fiscal Year 2011-2012 Well Protection Program Budget

FUND: SCGA - Well Protection Program Trust (096C)
 ACTIVITY: Well Protection Program Operations (0961000)
 FISCAL YEAR: 2011-12

	Actual 2008-09	Actual 2009-10	Adopted 2010-11	Estimate 2010-11	Requested 2011-12
MEANS OF FINANCING					
Prior Year Fund Balance	0	0	0	0	0
Revenues:					
Contributions from other Agencies	0	0	0	0	0
Interfund Charges (Transfer In / Out)	0	0	0	0	0
Interest Income	0	0	0	0	0
Total Means of Financing	0	0	0	0	0
FINANCING USES					
Salaries / Benefits	0	0	0	0	0
Services & Supplies	0	0	0	0	0
Other Charges	0	0	0	0	0
Interfund Charges (Transfer In / Out) reimbursement to SCGA fund	0	0	0	0	0
Total Financing Uses	0	0	0	0	0
ENDING FUND BALANCE	0	0	0	0	0

See Attachment E for Budget Detail

ATTACHMENT C
Sacramento Central Groundwater Authority Funding
(2011-2012)

	Annual Contribution: Paragraph 8(d)(i)	Annual Contribution/Surface Water Paragraph 8(d)(ii)	Annual Contribution/Groundwater Paragraph 8(d)(iii)	Annual Contribution/Ag/Res Paragraph 8(d)(v)	Total Annual Contribution
Board Members					
City of Folsom	\$ 10,000.00				\$ 10,000.00
City of Rancho Cordova	\$ 10,000.00				\$ 10,000.00
City of Sacramento	\$ 10,000.00				\$ 10,000.00
City of Elk Grove	\$ 10,000.00				\$ 10,000.00
County of Sacramento	\$ 10,000.00				\$ 10,000.00
Agricultural Interests			\$ 88,493.00		\$ 88,493.00
Agriculture-Residential				\$ 3,881.00	\$ 3,881.00
Commercial/Industrial Self Supplied					
Conservation Landowners					
Public Agencies/Self Supplied					
Elk Grove Water Service			\$ 449.19		\$ 449.19
Orochumne-Hartnell Water District					
Rancho Murietta CSD		\$ 6,000.00			\$ 6,000.00
California-American Water Co.			\$ 37,917.57		\$ 37,917.57
Golden State Water Company		\$ 6,000.00	\$ 5,216.21		\$ 12,216.21
Sacramento County Water Agency		\$ 6,000.00	\$ 59,090.61		\$ 65,090.61
Sacramento Regional County Sanitation District					
Total	\$ 50,000.00	\$ 18,000.00	\$ 103,673.58	\$ 3,881.00	\$ 264,047.58
Annual Contribution/Groundwater is \$2.07/acre-foot of groundwater pumped from the basin averaged over previous three calendar years and excluding the first 5000 acre-feet					
Annual Contribution by Agriculture is 25-percent of the estimated annual pumping (as determined by SCWA) at the rate of \$2.07/acre-foot and paid out of SCWA Zone 13 funds					
Annual Contribution by Agriculture/Residential is 25-percent of the estimated annual pumping (as determined by SCWA) at the rate of \$2.07/acre-foot and paid out of SCWA Zone 13 funds					
Groundwater/Purveyors					
	Pumping Amount (acre-feet)	Exclusion (acre-feet)	Net Pumping (acre-feet)	Rate (\$/acre-foot)	Cost
Commercial/Industrial Self Supplied	0	0	0	2.07	\$ -
Public Agencies/Self Supplied	0	0	0	2.07	\$ -
Elk Grove Water Service	5,217	5000	217	2.07	\$ 449.19
Orochumne-Hartnell Water District	0	0	0	2.07	\$ -
Rancho Murietta CSD	0	0	0	2.07	\$ -
California-American Water Co.	23,318	5000	18,318	2.07	\$ 37,917.57
Golden State Water Company	8,003	5000	3,003	2.07	\$ 6,216.21
Sacramento County Water Agency - Zone 41	33,546	5000	28,546	2.07	\$ 59,090.61
Groundwater/Ag					
		25% of estimated pumping			
Agricultural Interests	171000	0.25	42750	2.07	\$ 88,493.00
Conservation Landowners	0	0.25	0	2.07	\$ -
Groundwater/Ag/Res					
Agriculture-Residential	7500	0.25	1875	2.07	\$ 3,881.00

ATTACHMENT D - Fiscal Year 2011-2012 Authority's Budget Break-down

MEANS OF FINANCING

Prior Year Fund Balance	\$	256,453
Revenues:		
Contributions from Other Agencies		
Annual Contribution	\$	50,000
Surface Water Contribution	\$	18,000
Groundwater Contribution	\$	103,674
Agricultural Contribution	\$	88,493
Ag/Res Contribution	\$	3,881
<hr/>		
Subtotal of Contributions	\$	264,048
Interest Income	\$	15,000
Total Means of Financing	\$	535,501

FINANCING USES

Salaries/Benefits	\$	-
Services & Supplies:		
Staff Expenses	\$	77,200
Consultant Expenses	\$	80,000
Office Expenses	\$	3,400
GMP Related Expenses	\$	103,400
Well Protection Program	\$	-
Reporting Expenses	\$	-
Other Charges	\$	-
Total Financing Uses	\$	264,000
ENDING FUND BALANCE	\$	271,501

ATTACHMENT E - Fiscal Year 2011-2012 Well Protection Program Budget Break-down

MEANS OF FINANCING

Prior Year Fund Balance	\$	-
Revenues:		
Well Protection Fee Collection	\$	-
Interfund Charges (Transfer In/Out)	\$	-
Interest Income	\$	-
Total Means of Financing	\$	-

FINANCING USES

Salaries/Benefits	\$	-
Services & Supplies		
Well Impact Claims	\$	-
Well Registration	\$	-
Subtotal of Services & Supplies	\$	-
Other Charges	\$	-
Interfund Charges (Transfer In/Out)		
Reimburse to SCGA Fund	\$	-
Total Financing Uses	\$	-
ENDING FUND BALANCE	\$	-