

Fiscal Year 2022/23 Assessment Package

(Production Year 2021/22)

NOVEMBER 17, 2022

WATERMASTER BOARD MEETING





BACKGROUND

- Assessment Package creates funds that will be used this fiscal year for budgeted expenses
- Assessments are based on Fiscal Year 2022/23 Amended Budget that was approved on September 8, 2022, and the total assessable 2021/22 water production from the Basin (= Budget ÷ Production)*
- OAP expenses are excluded from \$/ac-ft assessment computation
- Two digits after decimal = \$
- One digit after decimal = AF

*The budget amendments in today's agenda under Business Items A and B, if approved and adopted, will increase the budget.



PROCESS

- Production Year July 1, 2021 – June 30, 2022
- Production collected quarterly; other info collected throughout the year
- Water Activity Reports (WARs) were issued in August for verification purposes; most have been signed and returned
- Desalter Replenishment Obligation (DRO) and storage account summaries were provided to the Appropriators; DRO transfer requests have been received and storage accounts were adjusted accordingly
- Released Assessment Package draft(s), conducted 2 workshops
- Assessment Package was presented for full consideration through Pools on November 10, 2022, now being presented to Advisory Committee and Board



SPECIFICS

- Total Operating Safe Yield (OSY) of the Appropriative Pool is 40,834 AF/year
- VAs were included only if a current signed form was on file
- No Exhibit “G” physical solution transfers took place in FY 2021/22
- DYY account balance is 0.0 AF
 - Starting Balance of 22,928.8 AF
 - Storage Loss of 16.1 AF
 - No DYY Recharge
 - DYY “Take” of 17,912.7 AF by CVWD
 - DYY “Take” of 5,000.0 AF by FWC



SPECIFICS CONT.

- Desalter Replenishment Obligation (DRO)
 - This year's Total Desalter Replenishment Obligation is 27,290.4 AF
 - DRO Contribution: 10,000.0 AF
 - Remaining DRO: 17,290.4 AF
 - DRO Satisfied With:
 - Exhibit "G" Form A: 5,598.5 AF
 - Appropriators' Stored Water: 19,767.8 AF
 - Annual Rights: 1,677.8 AF
 - Residual DRO To Be Assessed: 245.9 AF




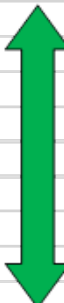

FINANCIALS

- Total FY 2022/23 “Amended” Budget to be collected through assessments is \$8,433,258 (Production Based Assessment)
- Total FY 2021/22 Assessable Production is 99,715.646 AF
- Admin = \$33.44/AF
- OBMP* = \$51.14/AF
- Σ = \$84.58/AF

*Budget Amendments, if approved and adopted, will increase OBMP assessments

- * \$60,000 Budget Amendment = \$0.60/AF increase
- * \$150,000 Budget Amendment = \$1.50/AF increase
- * Both Amendments = \$2.10/AF increase



	FY 2021/22	FY 2021/22	FY 2022/23	Amended				
	Approved	Amended	Amended	vs.				
	Budget	Budget	Budget	Amended				
Total Judgment Administration Expenses	\$ 2,200,720	\$ 2,200,720	\$ 3,625,108	\$ 1,424,388		<div style="border: 1px solid black; padding: 5px; width: fit-content;">Basis for Total Assessments</div>		
Total OBMP & Program Elements 1-9 Expenses	5,075,493	5,666,216	6,156,868	490,652				
Total Expenses	\$ 7,276,213	\$ 7,866,936	\$ 9,781,976	\$ 1,915,040				
Adjustments For Non-Production Based Assessments:						<div style="border: 1px solid black; padding: 5px; width: fit-content;">Non-Production Based Assessments</div>		
Recharge Improvements	\$ -	\$ -	\$ (358,000)	\$ (358,000)				
Debt Service	(529,029)	(529,029)	(482,302)	46,727				
Appropriative Pool - Legal Services	-	-	-	-				
Non-Agricultural Pool - Legal Services	-	-	(41,000)	(41,000)				
Agricultural Pool - Legal Services/Other	-	-	(250,000)	(250,000)				
Interest Income	(106,125)	(106,125)	(35,550)	70,575				
MWD Groundwater Storage Program	(177,430)	(177,430)	(181,866)	(4,436)				
Transfer From Reserves	0	(86,504)	0	86,504		<div style="border: 1px solid black; padding: 5px; width: fit-content;">Production Based Assessments</div>		
Total Adjustments	(812,585)	(899,088)	(1,348,718)	(449,630)				
Basis For Production Based Assessment	\$ 6,463,628	\$ 6,967,848	\$ 8,433,258	\$ 1,465,409				
	Actual	Actual	Projected					
Total Assessable Production	98,806.1	98,806.1	99,715.6	909.5				
Judgment Administration Expenses	\$ 22.27	\$ 22.27	\$ 33.44	\$ 11.17				
OBMP & Program Elements 1-9 Expenses	\$ 48.25	\$ 48.25	\$ 51.14	\$ 2.89				
Total Assessment Based Upon Production	\$ 70.52	\$ 70.52	\$ 84.58	\$ 14.06				



FINANCIALS CONT.

- Replenishment
 - Over-Production Obligation of 45.9 AF
 - Desalter Replenishment Obligation of 245.9 AF
 - Rate/AF: \$811 = \$799 (Tier 1) + \$2 (OCWD) + \$10 (TVMWD)
 - Note: Actual rate may vary depending on where water is purchased.
 - CURO volume of 1,823.7 AF
 - CURO Outstanding Obligation of \$34,847.59 (AP) + \$1,080.71 (ONAP)
 - Water was not available for purchase last year.
 - Outstanding Obligation due to change in replenishment rate.
 - MWD agreed to charge 2021 rate once available, if so, credit may be issued.
- Readiness To Serve Charges:
\$39,879.12 (5th annual RTS for 2016/17, 4th annual RTS for 2017/18)



NEXT STEPS

- If approved, invoices will be emailed to the Parties (Excess Reserve credits will be included on invoices, if applicable)
- Payments must be made to Watermaster via check, wire or ACH transfer within 30 days of the invoice date



QUESTIONS?