ADOPT FISCAL YEAR 25/26 BUDGET

Santa Clarita Valley Groundwater Sustainability Agency

June 2, 2025 Board Meeting

Item 3.2

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KEY CHANGES

Key budget changes since June 2024 budget adoption

- Certain 24/25 Costs were not called on, or were deferred
- Capital Budget Addressed by SCV Water

Today Seeking Board Approval to Adopt

- The FY 25/26 budget

BUDGET CATEGORIES

Operating Budget

- Estimated SCV Water Administrative Costs
- Estimated Consultant Costs

Revenue Categories

- Member Contributions
- Grant Reimbursement
- Additional Member Contributions

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TABLE 1. ESTIMATED SCV WATER STAFF COSTS

Administrative support,

Board packages and meetings

Financial management and audits

Grant admin

Consultant management

Contract administration and consultant management

Public outreach support

Ad Buys, website, materials

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TABLE 2. ESTIMATED SCV WATER CONSULTANT COSTS

Administration

- Previous year estimated costs slightly higher
- 25/26 proposed budget same level of effort

GSP Implementation

- Previous year estimated expenditures lower than budgeted
- Certain work not called upon, other work deferred

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HIGHLIGHTED 24/25 BUDGET ITEMS

Capital Planning and Studies $100K	Placeholder Funding if needed. Reduced from 150K to 100K. Board would be consulted before spending funds Example is feasibility study for infiltration basins
SGMA Round 2 Implementation Grant reduced from $180K to zero.	Effort captured within agency staff time, or other consultant contracts
HCM Update	Higher than expected costs Certain work advanced earlier than planned in 24/25

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HIGHLIGHTED 24/25 BUDGET ITEMS

Technical support for DWR Recommended Corrective Actions	Lower than anticipated costs as certain HCM work advanced first
Outreach for GSP 5 Year Update	50K for this FY
Initial Drafting of GSP sections	50K for this FY

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SUMMARY OF ALL TASK 1 AND 2 BUDGET ITEMS FOR 25/26

Proposed budget is $926,900

This 25/26 budget is ~100K more than last year's 25/26 estimate

Reflects some timing changes to expenses for the HCM update, initial (limited) updates of GSP text

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TABLE 3 PROPOSED OPERATING BUDGET INCLUDING ANTICIPATED REVENUE 25/26

Proposed Operating Budget: $926,900

Main Revenue Sources:

- Voluntary Contributions from SCV Water
- Member Agency Contributions
- Grants

Estimated Additional Revenue Required is $773,900

Note that SCV Water has included the $926,900 in its budget, which will be considered by its Board June 3, 2025

Under Joint Powers Agreement, SCV Water may, in its discretion, advance these funds, or provide a voluntary non reimbursable Member contribution

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CONCLUSION

Fiscal Year 2024/25 Year End Estimates are lower than expected

The Fiscal Year 2025/26 Estimated budget is similar to last year's estimate

The Grant Funded SGM Round 2 Monitoring Wells project is ongoing, and its capital budget is now is channeled through SCV Water on behalf of the SCV GSA.

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RECOMMENDATION

Adopt the proposed FY 2025/26 Operating budget detailed in the attached Tables 1, 2, and 3.

Replace the Administrative Service's Agreement's Exhibit A with Tables 1-3.

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Questions?