

The Draft FY 2023 Operating Budget & 2023-2027 Capital Improvement Budget was based on one of five scenarios presented to the Finance and Audit Committee.

### Scenario 2B

Stage 3 Water Restrictions requiring 20% reduction in water usage to 9878.51 AF. No Drought Surcharge implemented. Purchase additional water available of 7,000AF (\$2,793,000) as well as 20% available but not sold of 2,200AF (\$877,800)

	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>
	<b>ACTUAL</b>	<b>ADOPTED (AMENDED)</b>	<b>PROJECTED</b>	<b>PROPOSED</b>
Gross Revenue	\$ 28,604,200	\$ 26,175,000	\$ 32,645,500	\$ 19,071,000
Less Capacity Fees	10,651,700	6,354,000	12,296,800	1,484,000
<b>Net Revenue</b>	<b>\$ 17,952,500</b>	<b>\$ 19,821,000</b>	<b>\$ 20,348,700</b>	<b>\$ 17,587,000</b>
Gross Expenses	\$ 13,163,357	\$ 21,792,700	\$ 14,881,800	\$ 25,582,500
Less GASB 68 Pension Expense	167,500	283,000	-	222,000
Less Depreciation	2,923,539	3,000,000	3,086,900	3,025,000
<b>Net Expenses</b>	<b>\$ 10,072,318</b>	<b>\$ 18,509,700</b>	<b>\$ 11,794,900</b>	<b>\$ 22,335,500</b>
<b>Net Increase/(loss)</b>	<b>\$ 7,880,182</b>	<b>\$ 1,311,300</b>	<b>\$ 8,553,800</b>	<b>\$ (4,748,500)</b>

For this plan, the water usage was based on historical averages for production.

After review, staff has identified that, despite the Stage 3 Water Restrictions put in place by the District, water sales have continued to increase.

Based on this, the following scenario is based on the Projected 2022 sales related revenues carrying over to 2023 Proposed (rounded up to nearest \$500), no drought surcharges, and 11,000AF of water purchases.

### Scenario 4

	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>
	<b>ACTUAL</b>	<b>ADOPTED (AMENDED)</b>	<b>PROJECTED</b>	<b>PROPOSED</b>
Gross Revenue	\$ 28,928,900	\$ 26,175,000	\$ 32,645,500	\$ 21,349,500
Less Capacity Charges	10,651,700	6,354,000	12,296,800	1,484,000
<b>Net Revenue</b>	<b>\$ 18,277,200</b>	<b>\$ 19,821,000</b>	<b>\$ 20,348,700</b>	<b>\$ 19,865,500</b>
Gross Expenses	\$ 13,163,357	\$ 21,792,700	\$ 14,881,800	\$ 22,781,500
Less GASB 68 Pension Expense	167,500	283,000	-	222,000
Less Depreciation	2,923,539	3,000,000	3,086,900	3,025,000
<b>Net Expenses</b>	<b>\$ 10,072,318</b>	<b>\$ 18,509,700</b>	<b>\$ 11,794,900</b>	<b>\$ 19,534,500</b>
<b>Net Increase/(loss)</b>	<b>\$ 8,204,882</b>	<b>\$ 1,311,300</b>	<b>\$ 8,553,800</b>	<b>\$ 331,000</b>

		<b>2021 ACTUAL</b>	<b>2022 ADOPTED (AMENDED)</b>	<b>2022 PROJECTED</b>	<b>2023 PROPOSED</b>	<b>CHANGE</b> <i>(Proposed less Adopted-Amended)</i>
<b>Water Sales</b>						
01-50-510-410100	Sales	\$ 5,699,800	\$ 6,367,000	\$ 6,060,900	\$ 6,061,000	\$ (306,000)
01-50-510-410111	Drought Surcharges	-	-	-	-	-
01-50-510-410151	Agricultural Irrigation Sales	21,500	29,000	18,400	18,500	(10,500)
01-50-510-410171	Construction Sales	173,500	203,000	186,700	187,000	(16,000)
01-50-510-413011	Fixed Meter Charges	4,295,900	4,243,000	4,679,700	4,680,000	437,000
		<u>\$ 10,190,700</u>	<u>\$ 10,842,000</u>	<u>\$ 10,945,700</u>	<u>\$ 10,946,500</u>	<u>\$ 104,500</u>

		<b>2021 ACTUAL</b>	<b>2022 ADOPTED (AMENDED)</b>	<b>2022 PROJECTED</b>	<b>2023 PROPOSED</b>	<b>CHANGE</b> <i>(Proposed less Adopted-Amended)</i>
<b>Water Importation Surcharge</b>						
01-50-510-415001	SGPWA Importation Charges	\$ 3,956,200	\$ 4,349,000	\$ 4,072,200	\$ 4,072,500	\$ (276,500)

		<b>2021 ACTUAL</b>	<b>2022 ADOPTED (AMENDED)</b>	<b>2022 PROJECTED</b>	<b>2023 PROPOSED</b>	<b>CHANGE</b> <i>(Proposed less Adopted-Amended)</i>
<b>Water Pumping Energy Surcharge</b>						
01-50-510-415011	SCE Power Charges	\$ 1,872,400	\$ 2,467,000	\$ 2,227,100	\$ 2,227,500	\$ (239,500)