

Drinking Water & ELAP Fees Stakeholder Meeting



Friday, March 8, 2024 at 9:00 – 11:00am

Webcast and Zoom Meeting Only

NO PHYSICAL MEETING LOCATION

Live Webcast: <https://video.calepa.ca.gov/#/>

Drinking Water E-mail: DAS-DrinkingWaterFees@waterboards.ca.gov

AGENDA

1. Welcome and Introductions
2. FY 2022-23 SDWA Review
 - a. Revenue and Expenditures (Attachment 1A)
 - b. Program Position Data (Attachment 1B)
3. Safe Drinking Water Account Fund Condition (Attachment 2)
4. Safe Drinking Water Account Budget Cost Drivers (Attachment 3)
 - a. [FY 24-25 Budget Change Proposal-Enforcement Support for Permanent and Sustainable Drinking Water Solutions](#)
 - b. [FY 24-25 Budget Change Proposal-Information Security and Privacy Office Staffing](#)
5. Potential Drinking Water Fee Changes
 - a. Disadvantaged Community Certification
 - b. Group Quarters
6. ELAP Budget Fund Condition (Attachment 4)
7. ELAP Budget Cost Drivers (Attachment 5)
8. Potential ELAP Fee Changes
 - a. FOA Tier Adjustment
9. Open Discussion
10. Next Steps
 - a. June 14 – Drinking Water & ELAP Stakeholder Meeting

**Safe Drinking Water Account (SDWA)
Expenditures and Revenue by Program and Fiscal Year (\$000)**

Program	Expenditures			Revenue
	State Operations	Pro Rata and Supplemental Pension	Total	Revenue
FY 2022-23				
Water Systems, DW Admin and Miscellaneous	\$36,124	\$2,379	\$38,503	\$40,022
TOTAL	\$36,124	\$2,379	\$38,503	\$40,022

**Safe Drinking Water Account (SDWA)
Total Positions by Program and Classification
FY 2022-23**

Public Water Systems	
Classification	# of PYs
Associate Governmental Program Analyst	2.1
Associate Sanitary Engineer	16.9
Environmental Scientist	7.2
Management Services Technician	1
Office Technician (Typist)	0.2
Research Data Specialist II	0.5
Sanitary Engineer	6.6
Sanitary Engineering Associate	1
Senior Environmental Scientist (Spec)	0.3
Senior Environmental Scientist (Sup)	0.5
Senior Sanitary Engineer	0.6
Senior Water Resources Control Engineer	2.6
Staff Services Analyst	1.1
Water Resources Control Engineer	55.3
Total PYs	95.9

Drinking Water Admin & Miscellaneous	
Classification	# of PYs
Assistant Chief Counsel	0.3
Associate Governmental Program Analyst	5.2
Associate Sanitary Engineer	13.8
Attorney	1.0
Attorney III	1.0
Attorney IV	3.9
Environmental Scientist	7.0
Information Technology Specialist III	2.0
Management Services Technician	1.0
Office Technician (Typist)	2.8
Research Data Specialist I	1.0
Research Data Specialist II	0.5
Research Data Specialist IV (Epidemiology/Bio)	1.0
Sanitary Engineer	4.4
Senior Environmental Scientist (Spec)	0.2
Senior Environmental Scientist (Sup)	0.5
Senior Sanitary Engineer	10.5
Senior Water Resources Control Engineer	17.4
Staff Services Analyst	7.3
Staff Services Manager I	1.0
Supervising Sanitary Engineer	1.0
Supervising Water Resources Control Engineer	1.1
Water Resources Control Engineer	44.5
Total PYs	128.4

**Safe Drinking Water Account
Fund Condition
FY 2024-25 (\$000)**

Fee Program	Prior Year FY 2022-23	Current Year Projected FY 2023-24	BY No Fee Increase FY 2024-25	BY Increase FY 2024-25
BEGINNING BALANCE	\$1,062	\$2,582	\$987	\$987
Prior Year Adjustments	\$0	\$0	\$0	\$0
Adjusted Beginning Balance	\$1,062	\$2,582	\$987	\$987
Revenue				
Regulatory Fees ¹	\$39,567	\$42,493	\$40,893	\$44,982
Other Revenue ²	\$228	\$96	\$96	\$96
Delinquent Fees	\$13		\$0	\$0
Penalty Assessments - Citations	\$214		\$0	\$0
Adjustments:				
Total Revenue	\$40,022	\$42,589	\$40,989	\$45,078
Expenditures				
Water Board State Operations	\$36,123	\$41,075	\$41,930	\$41,930
Other State Operations ³	\$2,379	\$3,109	\$3,093	\$3,093
Total Expenditures	\$38,502	\$44,184	\$45,023	\$45,023
Surplus (Deficit)	\$1,520	(\$1,595)	(\$4,034)	\$55
ENDING BALANCE	\$2,582	\$987	(\$3,047)	\$1,042
Fund Reserve	6.7%	2.2%	-6.8%	2.3%

¹ Forecasted revenue is based on the estimated billing amounts for annual water fees/recycled water/enforcement fees.

² Other revenue includes investment income-surplus money investments.

³ Includes Pro Rata and Supplemental Pension expenditures.

**Safe Drinking Water Account
Budget Cost Drivers
FY 2024-25 (\$000)**

Safe Drinking Water Account (0306)	FY 2023-24 Fee Setting Budget	FY 2024-25 Governor's January Proposed Fee Setting Budget	Net Difference	Percent Change
Budget Allocation	\$42,915	\$45,023	\$2,108	4.9%

FY 2024-25 Budget Cost Drivers	Increase Amount	Percent Change
State Operations ¹	\$1,713	4.0%
24-25 Enforcement Support for Permanent and Sustainable Drinking Water Solutions	\$250	0.6%
24-25 Information Security and Privacy Office Staffing BCP	\$46	0.1%
Pro Rata	\$99	0.2%
Totals	\$2,108	4.9%

¹ Control Section Item 9800 Employee Compensation, 3.60 Retirement and Healthcare cost. Also includes FY 24-25 costs from FY 23-24 Water Supply Strategy BCP.

**Environmental Laboratory Improvement Fund
Fund Condition
FY 2024-25 (\$000)**

	Prior Year FY 2022-23	Current Year Projected FY 2023-24	BY No Fee Increase FY 2024-25	BY Increase FY 2024-25
BEGINNING BALANCE	\$83	\$1,093	\$650	\$650
Prior Year Adjustments	\$0	\$0	\$0	\$0
Adjusted Beginning Balance	\$83	\$1,093	\$650	\$650
Revenue				
Regulatory Fees ¹	\$3,640	\$4,000	\$4,000	\$4,680
Other Revenue ²	\$292	\$3	\$3	\$3
Total Revenue	\$3,932	\$4,003	\$4,003	\$4,683
Expenditures				
Water Board State Operations	\$2,529	\$4,149	\$4,459	\$4,459
Other State Operations ³	\$393	\$297	\$218	\$218
Total Expenditures	\$2,922	\$4,446	\$4,677	\$4,677
Surplus (Deficit)	\$1,010	(\$443)	(\$674)	\$6
ENDING BALANCE	\$1,093	\$650	(\$24)	\$656
Fund Reserve	37.4%	14.6%	-0.5%	14.0%

¹ Forecasted revenue is based on the estimated annual and renewal billings and out-of-state lab payments.

² Other revenue includes investment income-surplus money investments and fines & penalties.

³ Includes Pro Rata and Supplemental Pension expenditures.

Environmental Laboratory Improvement Fund
Budget Cost Drivers
FY 2024-25 (\$000)

Environmental Laboratory Improvement Fund (0179)	FY 2023-24 Fee Setting Budget	FY 2024-25 Governor's January Proposed Fee Setting Budget	Net Difference	Percent Change
Budget Allocation	\$4,657	\$4,677	\$20	0.4%

FY 2024-25 Budget Cost Drivers	Increase Amount	Percent Change
State Operations ¹	\$73	1.6%
Pro Rata	(\$53)	-1.1%
Totals	\$20	0.4%

¹ Control Section Item 9800 Employee Compensation, 3.60 Retirement and Healthcare cost.