



**Vina
Groundwater Sustainability Agency
Agenda Transmittal**

Agenda Item: 4.4

Subject: Consideration of a Resolution to Adopt The 2024-25 Fiscal Year Operating Budget for the Vina GSA

Contact: Dillon Raney

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Meeting Date: June 26, 2024

Special Agenda

Department Summary:

The Vina Groundwater Sustainability Agency (GSA) is required to develop and adopt an annual budget before the beginning of each fiscal year, requiring a supermajority vote (4/5 vote) by the Board of Directors (Board) for approval.

The annual budget is based on the five-year fee revenue projection (Attachment A) from the independent Fee Report completed and adopted on May 10, 2023. This report details the anticipated costs associated with compliance with the Sustainable Groundwater Management Act (SGMA). The budget includes the operational activities related to the Vina GSA, costs associated with SGMA compliance requirements, and the implementation of the Groundwater Sustainability Plan (GSP).

On May 8th, 2024, member agency staff presented a draft budget proposal for the 2024/25 fiscal year, seeking direction on multiple line items. Adjustments were recommended based on the current needs of the GSA, particularly higher legal defense requirements. By using last year's budget and gained operational experience, staff provided a more accurate estimate for certain line items, allowing for the removal of contingencies and inflation adjustments. Based on staff recommendations and board discussions, the board directed staff to proceed with the draft budget and incorporate board feedback.

According to the adopted Fee Report, the estimated revenue requirement for Fiscal Year 2024/25 was \$495,250, excluding funds from the Sustainable Groundwater Management (SGM) Grant Program. However, the proposed budget for FY 2024/25 is \$441,350, reflecting adjustments based on the current needs and financial strategies of the GSA.

The Vina GSA FY 2024/25 budget represents the most cost-effective approach to achieving SGMA compliance while maintaining local control over groundwater resources. The detailed budget is included as Attachment B for your review.

Staff Recommendations:

1. Approve Vina GSA FY24-25 Operations Budget (Attachment B)
2. Approve Resolution No. 2024-01 Approving the Fiscal Year 2024-25 Annual Operations Budget

Attachment A

Table 4: VINA GSA - Long Term Funding Fee Project					
Updated Five-Year Revenue Projections - GSA Operational Budget (assuming NO DWR SGMA Implementation Grant Funds)					
5-Year GSP Implementation Inflation Adjustment	0%	3%	3%	5%	5%
Proposed	Year 1	Year 2	Year 3	Year 4	Year 5
	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Cost Category-GSA Admin.					
Professional Services - Admin.					
Auditor	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Financial Services	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Legal Services	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Program Manager (w/County management)	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000
Professional Services - Admin. Sub-total	\$167,500	\$167,500	\$167,500	\$167,500	\$167,500
Office Expense					
Bank Fees	\$250	\$250	\$250	\$250	\$250
Insurance	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Outreach (per education and outreach plan)	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Website	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Supplies	\$5,000	\$2,000	\$1,500	\$1,500	\$1,500
Office Expense Sub-total	\$19,250	\$16,250	\$15,750	\$15,750	\$15,750
Professional Services - GSP Implementation	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Legal Defense Reserve	\$100,000	\$50,000	\$30,000	\$30,000	\$30,000
County Tax Roll Fee Support	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000
Contingency (10%)	\$32,075	\$26,775	\$24,725	\$24,725	\$24,725
GSA Admin. Sub-total	\$352,825	\$294,525	\$271,975	\$271,975	\$271,975
5-Year GSP Implementation Inflation Adjustment	0%	3%	3%	5%	5%
Cost Category-SGMA Compliance	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Annual Reporting (with continued DWR monitoring)	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Five Year GSP Update w/Modeling Calibrations	\$50,000	\$50,000	\$50,000	\$50,000	\$40,000
Surface-GW Interaction Modeling	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
GSA Coordination & Outreach (w/in and between GSAs)	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Data Management System Maintenance	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Long Term Financial Planning/Fees	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500
Grant Procurement	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Contingency (8%)	\$13,800	\$13,800	\$13,800	\$13,800	\$13,000
SGMA Compliance Sub-Total	\$186,300	\$186,300	\$186,300	\$186,300	\$175,500
TOTAL VGSA Administration (w/inflation adjustment)	\$352,825	\$303,361	\$288,294	\$301,892	\$315,491
TOTAL VGSA SGMA Compliance (w/inflation adjustment)	\$186,300	\$191,889	\$197,478	\$206,793	\$203,580
TOTAL VGSA Operational Budget	\$539,125	\$495,250	\$485,772	\$508,685	\$519,071

Attachment B

VINA SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY	
Fiscal Year 2024/2025 Operations Budget	
REVENUES	Recommended FY2024/2025
Proposition 218 Landowner Fees	\$441,350
DWR SGMA Round 2 Grant Funding	\$2,347,755
Rock Creek Reclamation District	\$0
TOTAL REVENUES	\$2,789,105
EXPENSES	
Cost Category-GSA Admin.	
Professional Services - Admin.	
Professional Audit Services (every 2 years, 21-22, 22-23)	\$15,000
Financial Services	\$2,500
Legal Services (excluding defense)	\$25,000
Program Manager (w/County management)	\$110,000
Professional Services - Admin. Sub-total	\$152,500
Office Expense	
Bank Fees	\$0
Insurance	\$2,000
Outreach (per education and outreach plan)	\$0
Website	\$2,000
Supplies	\$2,000
Office Expense Sub-total	\$6,000
Professional Services - GSP Implementation	\$25,000
Legal Defense Reserve	\$120,000
Legal Defense Reserve Accrued FY 23/24	\$40,000
County Tax Roll Fee Support	\$9,000
GSA Admin. Sub-total	\$352,500
SGMA Compliance - Fee Based	
Annual Report Professional Services Accrued FY 23/24	\$1,850
Long Term Financial Planning/Fees	\$87,000
SGMA Compliance Fee Based Sub-Total	\$88,850
Total Fee Based Operational Budget	\$441,350
SGMA Compliance - SGM Grant Program	
DWR SGMA Round 2 Grant Funding	\$2,347,755
Annual Reporting (with continued DWR monitoring)	
Five Year GSP Update w/Modeling Calibrations	
Surface-GW Interaction Modeling	
GSA Coordination & Outreach (w/in and between GSAs)	
Data Management System Maintenance	
SGMA Compliance - SGM Grant Program	\$2,347,755
TOTAL EXPENSES	\$2,789,105
Total Budget	\$2,789,105

VINA GROUNDWATER SUSTAINABILITY AGENCY

RESOLUTION NO. 2024-02

**RESOLUTION SETTING THE 2024-25 VINA GSA OPERATIONS FEE AND
REQUEST OF COUNTY TO COLLECT THE FEE ON THE 2025 TAX ROLL**

WHEREAS on July 26, 2023, the Vina Groundwater Sustainability Agency (Vina GSA) adopted Resolution No. 03-23 titled “Resolution Certifying the Results of a Proposition 218 Majority Protest Proceeding and Basis for Setting the Vina GSA Operations Fee.”; and

WHEREAS, also on July 26, 2023 the Vina GSA Board of Directors (“Board”) adopted Resolution No. 05-23 setting the maximum operations fee to be charged at \$3.09 per acre; and.

WHEREAS, by Resolution No. 2024-01 the Vina GSA Board of Directors adopted the 2024/25 FY annual budget on June 26, 2024.; and

WHEREAS, based on the 2024-25 annual budget, the Vina GSA intends to set the 2024/25 FY Vina GSA Operations Fee at \$2.53 per acre;

WHEREAS the Vina GSA requests Butte County (County) to collect on the County tax rolls the fee validly adopted pursuant to this Resolution and in order to be placed on the Butte County Tax Roll for fiscal year 2024/2025, the direct charge packet must be submitted to the Butte County Auditor-Controller by August 10, 2024; and,

WHEREAS the County has required as a condition of the collection of said charges that the Authority warrant the legality of said fees and defend and indemnify the County from any challenge to the legality thereof.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE VINA GROUNDWATER SUSTAINABILITY AGENCY does hereby resolve, declare and order as follows:

1. The Vina GSA requests the Auditor-Controller of the County collect the property-related fees of \$2.53 per acre on the County tax rolls.
2. The Vina GSA warrants and certifies the fees imposed by the Vina GSA, which are requested to be collected by the County on the 2024/25 Secured Property Tax bill, comply with all requirements of state law, including but not limited to the requirements of Proposition 218 including Articles XIII C and XIII D of the California Constitution.
3. The Vina GSA agrees to defend, indemnify, and hold harmless the County, the Board of Supervisors, the Director of Finance, its officers, agents and employees (the “Indemnified Parties”) from any and all claims, demands, liabilities, costs and expenses, damages, causes of action, and judgments, in any manner arising out whether the requirements of Proposition 218 and other state laws were met with respect to the imposition of fees by the Vina GSA.
4. The Vina GSA authorizes its agent to attest to the direct charge levies after verification and approval. The Vina GSA agrees to the cost of direct charges and to the statutory and procedural terms for collection on the tax.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the VINA GROUNDWATER SUSTAINABILITY AGENCY this 26th day of June 2024.

AYES:

NOES:

ABSENT:

ABSTAIN:

CERTIFICATE OF RESOLUTION

We, the undersigned, hereby certify as follows:

1. That we are the Board Chair and Secretary of the VINA GROUNDWATER SUSTAINABILITY AGENCY; and
2. That the foregoing resolution, consisting of 2 pages, including this page, is a true and correct copy of a resolution of the Board of Directors of the Vina Subbasin Groundwater Sustainability Agency, passed at the meeting of the Board of Directors held on June 26, 2024, at the City of Chico City Council Chambers, 421 Main Street, Chico, CA 95928.

IN WITNESS WHEREOF, we have signed this certificate this 26th day of June 2024, at Chico, California.

_____ Evan Tuchinsky, Chair of the Board of Directors

_____ Linda Herman, Secretary