

RESOLUTION NO. 2023-03

**A RESOLUTION OF
THE BOARD OF DIRECTORS OF MOUND BASIN
GROUNDWATER SUSTAINABILITY AGENCY
DETERMINING AND ESTABLISHING A
GROUNDWATER EXTRACTION FEE AGAINST ALL PERSONS
OPERATING GROUNDWATER EXTRACTION FACILITIES WITHIN
THE MOUND BASIN FOR THE 12th AND 13th SEMIANNUAL BILLING
PERIODS (JULY-DECEMBER 2023 AND JANUARY-JUNE 2024)**

WHEREAS, pursuant to the Sustainable Groundwater Management Act (SGMA), a Groundwater Sustainability Agency (GSA) is authorized to collect regulatory fees such as permit fees and groundwater extraction fees, among other things (Wat. Code, § 10730); and

WHEREAS, a GSA may levy these fees to fund the costs of a groundwater sustainability program, including the preparation, adoption, and amendment of a groundwater sustainability plan (GSP), and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve; and

WHEREAS, a GSA may levy these fees both pre- and post-adoption of a GSP as long as those funds collected are used for the enumerated activities set forth under Water Code section 10730; and

WHEREAS, on November 18, 2021, the Mound Basin Groundwater Sustainability Agency (Agency) adopted a GSP for the Mound Basin; and

WHEREAS, on May 22, 2023, the Agency approved a budget for Fiscal Year 2023-2024 and updated its multi-year financial projection; and

WHEREAS, after a review of the financial standing of the Agency, the Board of Directors (Board) determined the need for a groundwater extraction fee of \$97 per acre foot for (a) the 12th Semi-annual Billing Period (July – December 2023 extractions) and (b) the 13th Semi-Annual Billing Period (January – June 2024 extractions); and

WHEREAS, the Agency provided notice regarding this proposed groundwater extraction fee and the associated public meeting, as follows:

1. By publication of notice pursuant to Government Code section 6066 in the Ventura County Star on June 12, 2023, and June 21, 2023;
2. By posting notice on the website of the Agency at www.moundbasingsa.org, and on the Facebook page of the Agency at <https://www.facebook.com/moundbasingsa/>; and

3. By mailing notice to any interested party who filed a written request with the Agency for mailed notice of the public fee meeting.
4. This notice included:
 - The time and place of the meeting,
 - A general explanation of the fee under consideration; and
 - A statement that the data on which the fee is based is publicly available.
5. At least 20 days prior to the public meeting, the Agency made the data upon which the fee is based, the Agency's 2023-2024 fiscal year budget and multi-year financial projection, available to the public on the Agency's website.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Mound Basin Groundwater Sustainability Agency that a groundwater extraction fee shall be levied as follows:

1. A groundwater extraction fee of \$97 per acre foot shall be levied on all groundwater extracted from within the Agency boundary, regardless of whether that groundwater is derived from the native or an augmented supply, during (a) the 12th Semi-Annual Billing Period (July-December 2023 extractions) and (b) the 13th Semi-Annual Billing Period (January-June 2024 extractions).
2. The data upon which this groundwater extraction fee is based is attached hereto as **Exhibit A** and incorporated herein. This data is approved and adopted, and Agency staff is directed to comply with its provisions.
3. The Agency shall bill this groundwater extraction fee semiannually with billing periods covering January through June and July through December. Unless otherwise determined by the Board, the Agency shall endeavor to adopt groundwater extraction fees concurrently with its annual budgeting process.
4. The Board makes the following findings, based upon the testimony and evidence (including exhibits) presented at the public meeting regarding the groundwater extraction fee:
 - a. Revenues derived from this groundwater extraction fee will not exceed the amounts required to provide for implementation of the GSP and related administrative services.
 - b. Revenues derived from this groundwater extraction fee shall not be used for any purpose other than that for which the groundwater extraction fee is imposed.

[signature page follows]

PASSED, APPROVED, AND ADOPTED this 26th day of June 2023.


Catherine P. Keeling, Board Chair

ATTEST:

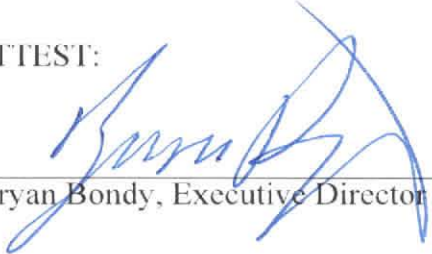

Bryan Bondy, Executive Director

EXHIBIT A

**Mound Basin Groundwater Sustainability Agency
Fiscal Year 23-24 Budget and Multi-Year Budget Projection**

Approved by the Board of Directors on May 22, 2023

	FY 2022-23 Adopted Budget	Q1 - Q3 Jul - Mar 2023 Actuals	Q4 April - June 2023 Projection	FY 22-23 Year End Projection	FY 23-24 Proposed Budget	FY 24-25 Projected Budget	FY 25-26 Projected Budget	FY 26-27 Projected Budget	FY 27-28 Projected Budget	Comments
Income										
Groundwater Extractions City of Ventura (AF)	N/A	1,572 (Jul-Dec 22)	650 (Jan-June 23)	2,222	3,000	3,000	3,000	3,000	3,000	FY 22-23 revised downward due to wet winter. Estimate for remaining years reduced 500 AFY based on updated information from City.
Groundwater Extractions Others (AF)	N/A	1,938 (Jul-Dec 22)	750 (Jan-June 23)	2,688	2,900	2,900	2,900	2,900	2,900	FY 22-23 revised downward due to wet winter.
Groundwater Extractions Total (AF)	5,645	3,510 (Jul-Dec 22)	1,400 (Jan-June 23)	4,910	5,900	5,900	5,900	5,900	5,900	FY 22-23 year end projected extractions revised downward due to wet winter.
Groundwater Extraction Fee (\$/AF)	\$ 62.00	\$ 62.00	\$ 62.00	\$ 62.00	\$ 97.00	\$ 90.00	\$ 119.00	\$ 61.50	\$ 99.00	
40001 - Groundwater Extraction Fees	\$350,000	\$217,620	\$86,800	\$304,420	\$572,300	\$531,000	\$702,100	\$362,850	\$584,100	FY 22-23 year end projected revenue revised downward due to wet winter.
41000 - Grant revenue										Applied for SGM Round 2 Implementation grant. Potential grant income is not included in budget because award is not guaranteed.
41001 - State Grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total 41000 - Grant revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
47000 - Other Revenue										
47001 - Late Fees	\$1,227	\$1,227	\$10,722	\$11,949	\$0	\$0	\$0	\$0	\$0	Late penalty and finance charges on overdue extraction fees.
Total 47000 - Other Revenue	\$1,227	\$1,227	\$10,722	\$11,949	\$0	\$0	\$0	\$0	\$0	
Total Income	\$351,227	\$218,847	\$97,522	\$316,369	\$572,300	\$531,000	\$702,100	\$362,850	\$584,100	
Gross Profit										
	\$351,227	\$218,847	\$97,522	\$316,369	\$572,300	\$531,000	\$702,100	\$362,850	\$584,100	
Expense										
52200 - Professional Services										
52240 - Prof Svcs - IT Consulting	\$1,050	\$137	\$200	\$337	\$1,103	\$1,158	\$1,216	\$1,277	\$1,341	
52250 - Prof Svcs - Groundwater/GSP Pre										
52252 - Prof Svcs - GSP Consultant										
52250 - Prof Svcs - Post GSP Adoption	\$98,374	\$52,929	\$5,000	\$57,929	\$144,069	\$95,920	\$198,784	\$184,074	\$157,824	
52270 - Prof Svcs - Accounting	\$9,481	\$3,436	\$2,000	\$5,436	\$23,798	\$10,382	\$26,675	\$11,450	\$29,409	Includes audit expenses every other year.
52275 - Prof Svcs - Admin/Clerk of Bd	\$5,097	\$4,518	\$2,500	\$7,018	\$7,350	\$7,718	\$8,103	\$8,509	\$8,934	Budget for FY 23-24 and beyond increased based on FY 22-23 year end projection.
52280 - Prof Svcs - Executive Director	\$18,375	\$8,832	\$5,000	\$13,832	\$19,294	\$20,258	\$21,271	\$22,335	\$23,452	
Total 52200 - Professional Services	\$132,376	\$69,852	\$14,700	\$84,552	\$195,614	\$135,436	\$256,050	\$227,644	\$220,960	
52500 - Legal Fees										
52501 - Legal Counsel	\$12,000	\$5,046	\$1,000	\$6,046	\$12,600	\$13,230	\$13,892	\$14,586	\$15,315	
Total 52500 - Legal Fees	\$12,000	\$5,046	\$1,000	\$6,046	\$12,600	\$13,230	\$13,892	\$14,586	\$15,315	
53000 - Office Expenses										
53010 - Public Information	\$1,325	\$0	\$1,325	\$1,325	\$1,391	\$1,461	\$1,534	\$1,610	\$1,691	
53020 - Office Supplies	\$210	\$68	\$142	\$210	\$221	\$232	\$243	\$255	\$268	
53070 Licenses, Permits & Fees	\$1,100	\$1,080	\$0	\$1,080	\$1,155	\$1,213	\$1,273	\$1,337	\$1,404	
53026 - Postage & Mailing	\$650	\$288	\$300	\$588	\$683	\$717	\$753	\$791	\$830	
53110 - Travel & Training	\$500	\$285	\$300	\$585	\$525	\$551	\$579	\$608	\$638	
53000 Office Expenses Other	\$300	\$6	\$150	\$156	\$315	\$331	\$347	\$365	\$383	
Total 53000 - Office Expenses	\$4,085	\$1,727	\$2,217	\$3,943	\$4,290	\$4,504	\$4,729	\$4,966	\$5,214	
53500 - Insurance				\$0						
53510 - Liability Insurance	\$5,361	\$5,835	\$0	\$5,835	\$6,126	\$6,433	\$6,754	\$7,092	\$7,447	
Total 53500 - Insurance	\$5,361	\$5,835	\$0	\$5,835	\$6,126	\$6,433	\$6,754	\$7,092	\$7,447	
70000 - Interest & Debt Service										
70120 - Interest Expense	\$1,238	\$216	\$0	\$216	\$0	\$0	\$0	\$0	\$0	
70130 Principal Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total 70000 - Interest & Debt Service	\$1,238	\$216	\$0	\$216	\$0	\$0	\$0	\$0	\$0	
81000 - Contingency - Non Capital Expenditures	\$21,006	\$0	\$0	\$0	\$21,863	\$15,960	\$28,142	\$25,429	\$24,894	10% of budgeted expenses
82000 Capital Expenditures										
82001 Capital Project Expenditures	\$41,694	\$0	\$0	\$0	\$43,779	\$96,298	\$1,017,864	\$0	\$0	Monitoring well construction costs increased 25% due to steep rise in drilling costs.
82002 Contingency - Capital	\$4,169	\$0	\$0	\$0	\$4,378	\$9,630	\$101,786	\$0	\$0	10% of budgeted capital expenditures
Total Expense	\$221,930	\$82,676	\$17,917	\$100,593	\$288,650	\$281,490	\$1,429,217	\$279,717	\$273,829	
Net Income	\$129,298	\$136,172	\$79,605	\$215,777	\$283,650	\$249,510	-\$727,117	\$83,133	\$310,271	

Mound Basin Groundwater Sustainability Agency
Fiscal Year 2023-24 Budget and Multi-Year Budget Projection

Approved by the Board of Directors on May 22, 2023

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Cash Flow Projections									
Beginning Cash Balance, July 1			\$ 379,703	816,165	843,223	1,117,513	287,735	574,418	
Projected Cash Inflows			\$ 537,054	315,708	555,780	599,440	566,400	451,350	
Projected Cash Outflows			\$ (100,593)	(288,650)	(281,490)	(1,429,217)	(279,717)	(273,829)	Some June expenses may actually be paid during subsequent fiscal year.
Projected Ending Cash Balance, June 30			\$ 816,165	\$ 843,223	\$ 1,117,513	\$ 287,735	\$ 574,418	\$ 751,939	
Designated for Operating Reserves			\$ 50,000	52,500	55,125	57,881	60,775	63,814	
Designated for Capital Reserves			\$ 766,165	790,313	1,062,173	230,000	511,568	690,000	Unused FY 22-23 income transferred to capital reserve. Capital reserve in FY 25-26 and beyond is for second monitoring well scheduled for construction in FY 31-32.
Total Reserves			\$ 816,165	\$ 842,813	\$ 1,117,298	\$ 287,881	\$ 572,343	\$ 753,814	
Unreserved Cash, June 30			\$ -	\$ 410	\$ 215	\$ (146)	\$ 2,075	\$ (1,875)	