

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD OF DIRECTORS MEETING**

**Agenda Title:**           **Proposed Fiscal Year 2024-25 Work Plan, Results to be Achieved and Operating Budget**

**Summary:**

This memorandum presents the proposed Fiscal Year 2024-25 Work Plan, results to be achieved, and operating budget.

The proposed Work Plan remains aligned with BAWSCA's legislated authority and its three goals: a reliable supply of high-quality water at a fair price. Major work areas include review of SFPUC's 10-year Capital Plan and Asset Management Program; initiate development of BAWSCA's Long-Term Reliable Water Supply Strategy 2050 (Strategy 2050); initiate development of Updated Regional Water Demand and Conservation Projections; provide assistance to members in meeting new State water use efficiency mandates; implement BAWSCA's core and subscription conservation programs including the new BAWSCA grant tracking tool; take action necessary to ensure that the SFPUC meets its legal and contractual water supply reliability obligations to its Wholesale Customers; engage in SFPUC's Alternative Water Supply (AWS) Plan implementation; facilitate adoption of a new Tier 2 Drought Allocation Plan (Tier 2 Plan); participate in the State Water Resources Control Board (SWRCB) Bay-Delta Water Quality Control Plan Update to ensure member agency interests are represented; participate as an intervenor on Federal Energy Regulatory Commission (FERC) proceedings associated with the licensing of New Don Pedro Reservoir; administer the Water Supply Agreement (WSA) with San Francisco to protect financial interests of the members; administer BAWSCA's revenue bonds; implement Board policy directives for management of BAWSCA's unfunded pension liability obligations; maintain a motivated, trained and effective workforce; and continue development of a plan to address BAWSCA's long-term policy and operational resilience to inform future policy decision making.

The proposed Operating Budget is \$5,614,518, which is 12.7% above the approved FY 2023-24 Operating Budget. The proposed Operating Budget represents approximately a 7-cent increase in annual cost per person in the service area for an estimated cost to the water customer of \$3 per person per year, or \$9 per household (assuming 3 persons per household). Alternatively, on a per customer account basis (all accounts for all the BAWSCA agencies combined), the proposed Operating Budget reflects an estimated cost of \$12.76 per customer account, or a 36-cent increase per customer account compared to FY 2023-24.

Analysis of five funding options are provided. The Board Policy Committee recommends funding Option 2 with a 9% assessment increase and a transfer of \$340,120 from the General Reserve.

**Board Policy Committee Action:**

The Committee voted unanimously to recommend approval of the proposed Board action.

**Recommendation:**

**That the Board approve the:**

- 1. Proposed Fiscal Year 2024-25 Work Plan and Results to be Achieved;**
- 2. Proposed Operating Budget of \$5,614,518; and**

**3. Proposed funding plan Option #2 with a 9% assessment increase and a transfer of \$340,120 from the General Reserve.**

**Discussion:**

Proposed Work Plan and Results to be Achieved:

Next year's proposed Work Plan addresses all of the anticipated issues and results to be achieved that were discussed with the Board Policy Committee in December and with the Board in January.

The Proposed FY 2024-25 Work Plan includes the following major efforts:

- Oversight of the SFPUC's WSIP, 10-Year Capital Plan Program (Capital Plan), Regional Water System (RWS) Asset Management Program, and Emergency Response.
- Implement BAWSCA's Long-Term Reliable Water Supply Strategy (Strategy), including the following actions:
  - Initiate development of Strategy 2050;
  - Initiate development of updated regional water demand and conservation projections;
  - Participate in the Bay Area Regional Reliability Partnership (BARR);
  - Participate in PureWater Peninsula potable reuse project planning; and
  - Facilitate development of other local water supply options by members.
- Support near term water supply solutions for members including:
  - Prepare the BAWSCA 2021-23 Drought Report;
  - Represent members' interests in discussions on development of, and compliance with, California's "Making Conservation a California Way of Life" requirements as appropriate;
  - Provide regional coordination to support Advanced Metering Infrastructure (AMI) implementation and data management; and
  - Implement BAWSCA's regional core and subscription conservation programs to support members and their customers.
- Take actions to protect members' water supply and financial interests in administration of the WSA including the following:
  - Monitor SFPUC's implementation of its Alternative Water Supply (AWS) Plan and engage as appropriate;
  - Facilitate final negotiations and adoption of an updated Tier 2 Plan;
  - Monitor SFPUC's unfunded pension and OPEB liabilities;
  - Protect members' water supply and financial interests in the SFPUC's required 2028 decisions;
  - Ensure correct implementation of asset classification adjustments associated with the 2018 WSA amendment;
  - Ensure correct implementation of the recent WSA amendment allowing for transfer of a paired portion of minimum purchase obligation and Individual Supply Guarantee; and

- If proposed by SFPUC, support member agencies in considering a possible new amendment to the WSA related to minimum purchase obligations
- Participate in the SWRCB's Bay Delta Water Quality Control Plan Update to ensure member agency interests are represented.
- Participate in the New Don Pedro and La Grange FERC proceedings to protect regional water supplies.
- Implement new BAWSCA grant tracking tool to support member agencies' access to grant funds.
- Support members in receiving reliable communication of water quality issues including:
  - Coordinating member participation in Joint Water Quality Committee; and
  - Relaying important water quality information to members and SFPUC, as necessary.
  - Review and act on, if necessary, State legislation affecting water quality regulations.
- Administer the WSA to protect financial interests of members.
- Administer BAWSCA's revenue bonds issued to retire capital debt owed by Wholesale Customers to San Francisco.
- Implement Board policy directives for management of BAWSCA's unfunded OPEB and pension liability obligations.
- Maintain a motivated, trained, and effective workforce.
- Continue development of a staff-led plan to address BAWSCA's long-term policy and operational resilience to inform future policy decision making.
- Implement directive to make BAWSCA Board and Policy Committee meetings available to the public via livestream.

Table 1 presents the draft proposed FY 2024-25 Work Plan and major results to be achieved. The activities are grouped according to the agency goals they support.

Table 2 lists the items that are not included in the proposed Work Plan. Any of these items could be added to the Work Plan at a later date, if needed, following further discussion with the Board concerning available resources and priorities.

#### New or Significantly Re-scoped Activities for FY 2024-25

There are two new, significantly rescoped, or expanded activities included in the proposed FY 2024-25 Work Plan. In each case, these activities relate directly to ensuring water supply reliability for the customers served by the BAWSCA members.

#### **1. Work Plan Item 2a: Initiate Development of BAWSCA's Strategy 2050 Estimated FY 2024-25 Cost: To be determined based on scoping completion**

BAWSCA's review of water supply factors and water supply planning considerations in Spring 2022 showed significant changes that warranted the need to update the existing Long-Term Reliable Water Supply Strategy (Strategy 2015). Work that followed in FY 2022-23 focused on determining if consulting assistance was needed to update the Strategy and the best process for scoping the update. In FY 2023-24, with consulting

support secured, BAWSCA began the preparation of a Scope of Work for Strategy 2050. That Scope of work will be completed in Spring 2024, and will include an estimated budget for the recommended tasks associated with the preparation of Strategy 2050,

To date, the expectation has been that development of Strategy 2050 would begin at the start of FY 2024-25, however, due to staff resources constraints, as discussed in the subsequent section “Analysis of BAWSCA Staff Resources and its impact on the Proposed FY 2024-25 Work Plan”, the proposed FY 2024-25 Work Plan assumes that major work on Strategy 2050 will begin in January 2025.

Additionally, the sources of funds for the development of Strategy 2050 will be presented as a separate item for the Board when it considers the recommended consultant contract. As done in 2009 with the prior Strategy development, staff anticipates recommending that the Strategy development be funded via a separate Water Management Charge on the member agencies, as authorized by the Water Supply Agreement. Specifically, Section 3.06.A of the Water Supply Agreement states:

*“In order to support the continuation and expansion of water conservation programs, water recycling, and development of alternative supplies within the Wholesale Customers’ service areas, the SFPUC will, if requested by BAWSCA, include the Water Management Charge in water bills sent to Wholesale Customers. The SFPUC will deliver all Water Management Charge revenue to BAWSCA monthly and shall deliver an annual accounting of Water Management Charge revenue to BAWSCA within 90 days after the end of each fiscal year.*

The use of the Water Management Charge in 2009 was well received by the member agencies for this type of purpose.

**2. Work Plan Item 2b: Initiate Development of Updated Regional Water Demand and Conservation Projections**

**Estimated FY 2024-25 Cost: \$550K**

**Estimated FY 2025-26 Cost: \$260K**

BAWSCA has coordinated regional water demand and conservation projections for its members since 2002. Since 2015, BAWSCA has completed these regional projections on five-year cycles to support regional planning efforts and to facilitate its member agencies’ preparation of State required Urban Water Management Plans (UWMP). The most recent Regional Water Demand and Conservation Projections, completed in June 2020 (2020 Demand Study), developed long-term water demand and conservation savings projections for each BAWSCA member agency through the year 2045. BAWSCA proposes to update the regional water demand and conservation projections starting in FY 2024-25 in preparation for the 2025 UWMP reporting schedule and to support an update to its Long-Term Reliable Water Supply Strategy (Strategy 2050) which is designed to quantify the water needs of the BAWSCA region and to identify projects to meet that need. It is anticipated that this project will take 18 months to complete.

BAWSCA released a Request for Proposals for consultant support for this Work Plan item. Proposals were received on February 16<sup>th</sup> and a selected consultant was recommended at the April 2024 Board Policy Committee meeting. This work will not be completed until FY 2025-26 and therefore, additional costs will need to be included in the FY 2025-26 Operating Budget.

The estimated costs provided above reflect the results of the proposal received and resulting negotiations, including the Consultant's ability to complete the demand projections as needed for UWMP purposes in FY 2024-25 as part of Phase 1, leaving the remaining sensitivity analysis and new simulations of impacts from projected future droughts and potential for future demand hardening to be completed in Phase 2 (FY 2025-26).

**Proposed FY 2024-25 Work Plan Includes Continuation of Previously Approved Multi-Year Projects**

There are three major multi-year projects included in the proposed FY 2024-25 Work Plan that were previously approved or anticipated by the Board. In each case, these activities relate directly to ensuring water supply reliability for the customers served by the BAWSCA members.

**1. Work Plan Item 3a: Prepare BAWSCA 2021-23 Drought Summary Report  
Estimated FY 2024-25 Cost: \$100K**

Following the conclusion of the 2014-17 drought, BAWSCA prepared a drought report, published in August of 2017 and made it available to the public. Given the success of the 2017 report, preparation of a 2021-23 Drought Summary Report was recommended and is included in the adopted FY 2023-24 Work Plan. A Request for Proposals for consultant services to support its preparation was released in November 2023 and a staff recommendation to secure the selected consultant was brought before the BPC in February and will be presented to the Board in March. The 2021-23 Drought Summary Report is currently anticipated to be complete by December 2024, and therefore will need to be included in the FY 2024-25 Work Plan with additional funds allocated. The total cost for the work is \$135K, of which \$35K will be spent in the latter months of FY 2023-24 and the remaining \$100K in the first half of FY 2024-25.

**2. Work Plan Item 3b: Support Members with Water Use Efficiency Legislation CII Performance Measure Requirements  
Estimated FY 2024-25 Cost: \$65K**

In August 2023, the State Water Resources Control Board (Water Board) released draft regulations to implement the 2018 water use efficiency legislation, commonly referred to as "Making Conservation a California Way of Life." The Water Board released a second draft of the regulations, reflecting feedback received from the first public comment period, on March 12, 2024. The new regulations will require significant new work requirements for BAWSCA member agencies that qualify as "urban water suppliers."<sup>1</sup>

BAWSCA and Valley Water are collaborating to develop resources to support member agencies with implementation and compliance with commercial, industrial, and institutional (CII) performance measure requirements. These resources will synthesize critical reporting requirements, deadlines, and provide key, locally specific resources in concise, easily digestible guides.

The Water Board anticipates the regulations will be finalized in Summer 2024. Given the significant work effort that will be required by agencies and the near-term reporting deadlines, some as early as 2026, BAWSCA and Valley Water decided it would be

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<sup>1</sup> Urban water supplier" means a supplier, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually.

prudent to initiate elements of this project in the latter half of FY 2023-24 that are not subject to change based on the final rules. For example, at two meetings in January 2024, BAWSCA and Valley Water presented to the members what is known about the draft regulations, the rule-making timeline, and what resources this project will produce. A survey was also conducted in late January/early February 2024 to gather baseline data about the members' current practices related to the new requirements and will be used to ensure the resources are effective and designed to meet the agencies where they currently stand.

In the Spring of FY 2023-24, the consultant team will use the survey results, together with the second draft of the regulations, which were released by the Water Board on March 12, 2024, to develop the outline and structure of the guidance documents. The second draft of the regulations are expected to offer additional insight into what is likely to remain unchanged in the final rules that, as noted above, are anticipated to be finalized and adopted by the Water Board in the Summer of 2024. Funding for the work effort to be performed in FY 2023-24 was included in the budget and Work Plan for this current fiscal year.

In FY 2024-25, work on this project is expected to include finalizing the guidance documents to reflect the adopted regulations and training sessions to introduce and disseminate the materials and educate agencies on the new requirements.

**3. Work Plan Item 4e: Facilitate Negotiation and Adoption of an Updated Tier 2 Plan  
Estimated FY 2024-25 Cost: \$130K**

Starting in FY 2021-22, the Board directed BAWSCA to facilitate negotiations to update the existing Tier 2 Plan. At its January 20, 2022 meeting, the Board authorized a professional services contract with Woodard & Curran to support BAWSCA's facilitation of negotiations among the members of the update. Progress continues with a June 2024 target for the completion of negotiations.

For FY 2024-25 work planning purposes, it is assumed that negotiations will be completed as of July 1, 2024. The work will then transition into the development and support of agency adoption efforts, along with a schedule that calls for the adoption of the Updated Tier 2 Plan by the governing body of each BAWSCA agency by December 31, 2024. Adoption package preparation efforts will include finalizing the associated contract language, preparation of materials to support adoption by the governing body of each BAWSCA agency (e.g., sample staff report, presentation, resolution), and in-person assistance for BAWSCA agencies to support governing body consideration of action. The cost shown assumes a total of \$80K for technical consulting support, as well as \$50K for legal support, totaling \$130K in FY 2024-25.

**Analysis of BAWSCA Staff Resources and Its Impact on the Proposed FY 2024-25 Work Plan:**

In preparing the Work Plan, hours for all nine BAWSCA staff members were allocated to each individual Work Plan item to ensure sufficient staff resources are available to achieve the Work Plan results. Care is taken to balance the Work Plan such that the proposed workload does not exceed staff's ability, from a time available perspective, to manage their assignments and ensure that the Work Plan results are delivered for the water customers.

The staff workload analysis for the first iteration of the preliminary Work Plan resulted in significant overloading for several of the staff members, including three staff with an estimated

workload at 150% of a Full Time Equivalent (FTE) employee or greater. An FTE is calculated as 1920 hours/year, which accounts for four weeks of vacation and sick leave.

Modifications to the Work Plan were reviewed to address this issue. For FY 2024-25 there are several major work areas with external schedule drivers, namely the Tier 2 negotiations and Regional Demand Projections, that directly impact the staff workload. To mitigate this issue in FY 2024-25, BAWSCA proposes to start one project mid-fiscal year (i. e., initiation of Strategy 2050), versus at the start of the fiscal year to better match staff availability. The resulting staff analysis identifies all staff being allocated above 100% of an FTE, but with just the CEO being allocated above 150% of an FTE. Overall, it is estimated that 21,232 staff hours, or 11 FTE, will be required to implement the proposed FY 2024-25 Work Plan. For comparison purposes, for FY 2024-25, BAWSCA has an approved staffing level of 9 FTE for a total of 17,280 working staff hours (i.e., staff time minus assumed four weeks of vacation plus sick time).

In response to feedback received from the Board Policy Committee at its February 14<sup>th</sup> meeting, a budget allowance of \$68,250 has been included in the proposed Operating Budget to support the use of an individual, through a consultant contract, that could act like an extension of staff to assist with the short term need.

Additionally, given the staffing resources constraints that have been identified, it is important to note that staff availability can be compromised if certain Work Plan items take longer to complete than planned (i. e., Tier 2 negotiations) or if new projects become a priority (e.g., a new Water Supply Agreement amendment to address the existing minimum purchase obligations), and thus one or more existing efforts must be postponed. For FY 2024-25, this staffing constraint will require close management to ensure that necessary work is completed, and the Board is kept apprised of progress.

Results of January 18, 2024 Work Plan and Budget Preparation Planning Session:

During BAWSCA's January 18, 2024 meeting, the Work Plan and Budget Preparation Planning Session was held with the Board as part of its regular meeting agenda. The focus of the planning session was to receive input from Board members on BAWSCA's long-term future challenges and possible Work Plan items for the coming fiscal year. Table 3 presents the detailed comments provided by Board members during the planning session and the staff response that was subsequently prepared. These comments and responses are reflected in the proposed FY 2024-25 Work Plan and results to be achieved.

Anticipated Future Work Plan Efforts and Potential Future Large Cost Project Expenditures:

Looking forward over the next 10 years, major areas of increased focus for BAWSCA will be:

- Developing Strategy 2050 in accordance with the scope prepared in FY 2023-24, and thereafter, implementing the Strategy 2050 recommendations to assure a reliable supply of high quality water at a fair price;
- Expanding efforts to monitor SFPUC's development of its Alternative Water Supply Program that will result in the implementation of water supply projects to meet its level of service requirements, including the multiple projects necessary to address Bay Delta Plan impacts;
- Supporting member agencies on the development of state required Urban Water Management Plans; and
- Performing regional water demand and conservation projections once every 5 years to support regional planning.

Table 4 presents a rough estimate for the outside consultant or other expenses associated with future large cost project expenditures or budget items. Increased staff or legal counsel time is not reflected in Table 4 at this time.

This information is provided to assist the Board in its deliberation of both the current funding plan for FY 2024-25 and beyond.

**Changes Made between the Preliminary and Proposed Work Plan and Operating Budget:**

Over the course of the Work Plan and Operating Budget development process, several events have resulted in the following necessary changes between the preliminary and proposed Work Plan and Operating Budget:

- The estimated budget for Work Plan Item 2b “Initiate development of updated regional water demand projections” was updated based on the proposal received and recommendation included in April BPC agenda. These changes have resulted in a \$150K increase in the proposed FY 2024-25 Operating Budget and \$5K increase in anticipated FY 2025-26 budget needed.
- The estimated budget was increased \$30K for Work Plan Item 4h related to a possible proposed minimum purchase amendment from SFPUC given recent level of activity with SFPUC and the affected member agencies.
- The estimated budget for Work Plan Item 9a “Administer the WSA to protect financial interests of members” was increased \$20k to support increased level of work related to the Regional Source Meter Testing Plan.
- Eliminated one subscription conservation program “Support Members with DSS (Demand Projection) Models” as these services are no longer relevant with new demand projection methodology. No resulting impact on proposed FY 2024-25 Operating Budget.
- “Implement BAWSCA Internship Program” under Work Plan Item #11 was removed for FY 2024-25. BAWSCA interviewed several candidates in Winter 2024, however BAWSCA was unable to secure a qualified and interested candidate for this Summer’s internship. BAWSCA is working with its partners, East Side Prep, to review what more can be done to improve student interest next year. This change resulted in a \$15K reduction in the proposed FY 2024-25 Operating Budget.

**Alternative to the Proposed Work Plan and Results to be Achieved:**

An alternative to the proposed Work Plan would be to delete the development of updated regional water demand projections. The estimated savings from deleting this item is \$550K in FY 2024-25.

This alternative is not recommended given the need for updated demand projections to support member agencies’ Urban Water Management Plans, which are due to the State by July 1, 2026, and the critical role these demand projections will play in SFPUC’s Alternative Water Supply Plan decision making and BAWSCA’s Strategy 2050.

**PROPOSED FY 2024-25 OPERATING BUDGET:**

The proposed Operating Budget of \$5,614,518 presented in Table 5 reflects the funding necessary to achieve the full Work Plan and includes an estimated pre-funding contribution for



Other Post-Employment Benefits (OPEB). This is included as a separate line item to highlight its inclusion in this ninth year of funding.

The proposed Operating Budget represents approximately a 7-cent increase in annual cost per person in the service area for an estimated cost to the water customer of \$3 per person per year, or \$9 per household (assuming 3 persons per household). Alternatively, on a per customer account basis (all customer account types for all member agencies combined), the proposed Operating Budget reflects an estimated cost of \$12.76 per customer account, or a 36-cent increase per customer account compared to FY 2023-24.

**Explanation and Alternatives for Salaries and Benefits:**

The increase for salaries and benefits of \$145,242 shown in the proposed Operating Budget is a result of a variety of changes.

Historically, BAWSCA budgets for an allowance for salary increases based on a Cost of Living Allowance (COLA) adjustment plus a merit allowance separate and in addition to the COLA adjustment such that the size of the merit allowance would permit potential salary increases of up to 5%, or to top step for the position, whichever is less.

This year the COLA adjustment, based on the December value of the Consumer Price Index for the Urban Wage Earners and Clerical Workers in the San Francisco-Oakland-San Jose area, is 2.797%. As such, the proposed Operating Budget also includes the following for all employees except the CEO:

- An increase to the top step of salaries for FY 2024-25 by 2.797% to ensure that the approved salary ranges stay competitive moving forward; and
- \$58,978 total budget allowance for salary increases, which represents a potential 5% adjustment to the actual FY 2023-24 salaries for both COLA and merit increases.

COLA increases for employees are not automatic, but can be granted by the CEO on the basis of merit. The 10-year history of salary and benefit adjustments for BAWSCA is presented in Appendix B to this memo.

A budget allowance of \$24,998 for a potential merit increase for the CEO has been included in the proposed Operating Budget. For budgeting purposes, this amount is calculated in a manner consistent with the merit increases budgeted for the CEO since FY 2017-18, when direction was provided to the CEO to provide a budget allowance for these purposes.

**Funding Considerations for the Proposed Operating Budget:**

Four principles have historically been used by BAWSCA when considering how to fund the proposed Operating Budget:

1. Budget sufficient resources to achieve the desired Work Plan results.
2. Spend only what is needed to achieve the results.
3. Apply incremental and prudent increases in assessments, as necessary.
4. Maintain a prudent General Reserve balance within Board guidelines.

The funding plan for the FY 2023-24 Operating Budget approved in May 2023 required no increase in assessments or use of the General Reserve.

In November 2023, the Board approved a transfer of \$56,752 from the General Reserve to increase the consultant contract with EKI for Strategy 2050 scope development. In January 2024, the Board approved a transfer of \$112,000 from the General Reserve to increase the consultant contract with Hanson Bridgett. Together, these changes have increased the adopted FY 2023-24 Operating Budget to \$4,983,419.

The General Reserve has a current balance of \$1,543,390, which is 31% of the adopted FY 2023-24 Operating Budget, and is within the 20% to 35% General Reserve budgetary guideline range set by the Board.

Each year, unspent funds (if available) are moved to the General Reserve to fund special needs and future budgets. Appendix K presents historical budget data including use of the General Reserve to fund special studies, fund the Operating Budget, and provide a one-time refund to the member agencies in November 2011.

At this time, it is estimated that the FY 2023-24 Operating Budget will be 90-95% expended at year end. The CEO will continue to closely review the anticipated end of year expenses over the next few months. Any post-audit excess funds will be transferred to the General Reserve in Fall 2024, however at this time for budget funding purposes, it is assumed that no funds will be available for transfer at the end of FY 2023-24.

**Funding Options and Alternatives:**

In developing funding options to address FY 2024-25 budgetary needs, BAWSCA has three distinct funding sources to consider given the proposed Work Plan items:

1. Member Agency Assessments
2. BAWSCA General Reserve
3. WSA Water Management Charge as allowed per Section 3.06.A of the WSA

Table 6 presents a range of 5 funding options based on an increase in assessments and an associated target for the General Reserve.

- **Option 1 “Target 20% Reserve to Budget Ratio”:** 7% assessment increase (\$5,177,620) and a transfer of \$436,898 from the General Reserve. This results in a General Reserve balance of \$1,106,492, which is 20% of the proposed Operating Budget.
- **Option 2 “Limit Assessment Increase to 9%”:** A 9% increase in assessments (\$5,274,398) and a transfer of \$340,120 from the General Reserve. This alternative results in a General Reserve balance of \$1,203,270, which is 21% of the proposed Operating Budget.
- **Option 3 “10% Assessment Increase and Use of General Reserve”:** A 10% increase in assessments (\$5,322,787) and a transfer of \$291,731 from the General Reserve. This alternative results in a General Reserve balance of \$1,251,659, which is 22% of the proposed Operating Budget.
- **Option 4 “Mid-Range Increase in Assessments”:** A 11.5% increase in assessments (\$5,395,370) and a transfer of \$219,148 from the General Reserve. This alternative results in a General Reserve balance of \$1,342,242, which is 24% of the proposed Operating Budget.
- **Option 5 “Fully Fund Using Assessments”:** An 16% increase in assessments (\$5,614,518) and no transfer from the General Reserve. This alternative results in a

General Reserve balance of \$1,543,390, which is 27% of the proposed Operating Budget.

Funding Option 2 has been recommended by the Board Policy Committee as it provides for a moderate increase in assessments while maintaining a General Reserve balance that is within the agency's budgetary guidelines. Table 7 provides a breakdown of assessments by member agency for both funding Option 2 and Funding Option 3.

**Table 1. Draft Proposed FY 2024-25 Work Plan and Results to Be Achieved**

(Percent of Proposed Operating Budget for Each Item Shown in Parenthesis, *New/Expanded Items Shown in Blue Italic Font*)

<b>BAWSCA OBJECTIVE &amp; PROPOSED FY 2024-25 WORK PLAN</b>	
<b>RELIABLE WATER SUPPLY</b>	
(4.9%)	<p><b>1. <u>Facility Reliability: Monitor SFPUC’s WSIP, 10-Year Capital Plan, Asset Mgmt. Program, and Emergency Response</u></b></p> <ul style="list-style-type: none"> <li>a. Monitor WSIP scope, cost, and schedule <i>including extending State oversight as necessary</i> through to completion. Press the SFPUC and the city's political leadership to meet the adopted schedule, satisfy the requirements of AB 1823, and respond promptly to BAWSCA's reasonable requests. Track WSIP projects designated as critical drought water supply components to verify they have been completed in such a fashion that they can meet their intended Level of Service (LOS) goals.</li> <li>b. Review and monitor SFPUC’s Regional 10-Year Capital Plan to ensure that identified projects and programs meet the needs of the members in a cost-effective and appropriate manner.</li> <li>c. Review &amp; monitor SFPUC's Asset Management Program to ensure ongoing long-term maintenance and protection of RWS assets.</li> <li>d. Provide assistance to members and help facilitate engagement with the SFPUC regarding emergency response matters.</li> <li>e. Engage with and track the SFPUC Capital Planning Improvements Initiative Review.</li> <li>f. Review the SFPUC 2024 State of the Water System Report.</li> </ul>
(20.9%)	<p><b>2. <u>Long-Term Supply Solutions: Implement BAWSCA’s Strategy to Ensure a Reliable, High-Quality Supply of Water is Available Where and When Needed</u></b></p> <ul style="list-style-type: none"> <li>a. <i>Initiate development of BAWSCA’s Long-Term Reliable Water Supply Strategy 2050 (Strategy 2050).</i></li> <li>b. <i>Initiate development of updated regional water demand projections “BAWSCA 2025 Regional Water Demand and Conservation Projections Project”.</i></li> <li>c. Participate in the Bay Area Regional Reliability (BARR) Partnership.</li> <li>d. Participate in the continued planning of the PureWater Peninsula potable reuse project.</li> <li>e. Facilitate development of other local water supply options including tracking and reporting to the Board on members’ efforts, identifying potential grant funding, monitoring of related policy development, etc.</li> <li>f. Use BAWSCA Reliability Model to evaluate Bay Delta Plan Voluntary Agreement impacts on reliability, the prospective benefits that new alternative water supplies may provide, and to estimate the corresponding need to ration during droughts.</li> <li>g. Facilitate use of the BAWSCA Model by members via Subscription Program.</li> </ul>
(10.7%)	<p><b>3. <u>Near-term Supply Solutions: Demand Management, Water Conservation and Drought Response</u></b></p> <ul style="list-style-type: none"> <li>a. Prepare the BAWSCA 2021-2023 Drought Report.</li> <li>b. Represent members’ interests in regional and statewide discussions on the development of and compliance with California’s “Making Water Conservation a California Way of Life” requirements as appropriate.</li> </ul>

**BAWSCA OBJECTIVE & PROPOSED FY 2024-25 WORK PLAN**

- c. Provide regional coordination to support members' AMI implementation and data management and utilization.
- d. Implement BAWSCA's core water conservation programs.
- e. Implement BAWSCA's subscription conservation rebate programs that benefit and are paid for by participating members.
- f. Engage with CalWEP & others to promote 3<sup>rd</sup> party development & administration of a leak repair & training certification program.
- g. Participate in San Mateo County's C/CAG OneWatershed pilot project.
- h. Represent members in regional and State-level discussions relative to water conservation-related regulations, grant funding opportunities, and programs where regional participation is possible.

(7.4%) **4. Take Actions to Protect Members' Water Supply and Financial Interests in WSA Administration**

- a. Monitor SFPUC's implementation of its AWS Program, including associated recommended actions, and participate as appropriate to ensure that the SFPUC can meet its water supply reliability obligations at a fair price to its Wholesale Customers.
- b. Protect members' water supply interests to ensure that the SFPUC meets its legal and contractual obligations for water supply from the Regional Water System in light of ongoing risks.
- c. Adopt a temporary extension of the existing Tier 2 Plan that expires Dec. 2024 if necessary.
- d. Facilitate final negotiations and adoption of an updated Tier 2 Plan.
- e. Protect members' water supply and financial interests in the SFPUC's required 2028 decisions.
- f. Ensure correct implementation of asset classification adjustments associated with 2018 WSA amendment.
- g. Ensure correct implementation of the recent WSA amendment allowing for the paired transfer of a portion of an agency's ISG and minimum purchase obligation.
- h. *If proposed by SFPUC, support members consideration of possible WSA amendment on to min. purchase obligations.*

(10.4%) **5. Protect Members' Interests in a Reliable Water Supply**

- a. Participate in SWRCB Bay Delta Plan Update to ensure members' interests are represented, including ongoing legal intervention.
- b. Participate in the Don Pedro Project/La Grange Project FERC licensing process to protect customers' long-term interests in Tuolumne River water supplies, including ongoing legal intervention.

(0.1%) **6. Pursue Grant Opportunities Independently and in Coordination with Regional Efforts**

- a. Pursue and use grant funds for water conservation programs and for regional supply projects and programs, including Prop 1 Integrated Regional Water Management conservation grant.
- b. Pursue, with regional partners, grant funding to support studies that aim to improve regional water supply reliability.
- c. *Implement BAWSCA grant tracking tool to support members' access to grant funds.*
- d. Investigate potential for grant funds to support the implementation of BAWSCA's Strategy.

(0.5%) **7. Reporting and Tracking of Water Supply and Conservation Activities**

- a. Complete BAWSCA FY 2023-24 Annual Survey.
- b. Complete BAWSCA FY 2023-24 Annual Water Conservation Report.

**BAWSCA OBJECTIVE & PROPOSED FY 2024-25 WORK PLAN**

c. In partnership with members, operate and maintain BAWSCA’s updated WCDB.

**HIGH QUALITY WATER**

- (0.5%) **8. Support Members in Receiving Reliable Communication of Water Quality Issues**
- a. Coordinate members participation in Joint Water Quality Committee to ensure it addresses Wholesale Customer needs.
  - b. Relay important water quality information (notices as received from SFPUC) to members when made aware of changes that have the potential to impact water quality (e.g., taste, odor, blending).
  - c. Review and act on, if necessary, State legislation affecting water quality regulations.

**FAIR PRICE**

- (11.5%) **9. Perform Matters that Members Agencies Delegated to BAWSCA in the WSA**
- a. Administer the WSA with San Francisco to protect the financial interests of members.
  - b. Administer BAWSCA’s revenue bonds issued to retire capital debt owed by the Wholesale Customers to San Francisco.

**AGENCY EFFECTIVENESS**

- (5.2%) **10. Maintain Community Allies and Contacts with Environmental Interests**
- a. Maintain close relationships with BAWSCA's local legislators and allies, and activate them, if necessary, to achieve agency goal.
  - b. Maintain a dialogue with responsible environmental and other groups, who will participate in the permitting and approval process for efforts to maintain system reliability.
  - c. Maintain effective communications with members, customers, and others to achieve results and support goals.
  - d. In conjunction with San Francisco, conduct or co-sponsor tours of the Regional Water System for selected participants.
- (14.3%) **11. Manage the Activities of the Agency Professionally and Efficiently**
- a. Implement Board policy directives for management of BAWSCA’s unfunded OPEB and pension liability obligations.
  - b. Maintain a motivated, trained, and effective Workforce.
  - c. Continue development of a staff-led plan to address BAWSCA’s long-term policy & operational resilience to inform future policy decision making.
  - d. ***Implement directive to make BAWSCA Board and Policy Committee meetings available to the public via livestream.***

**Table 2: Activities Not Included in Proposed Work Plan and Operating Budget for FY 2024-25**

**RELIABLE SUPPLY**

1. Engage in extended or complex applications for State or Federal grant funds. Application for water conservation grants will continue to be made through or with the Bay Area Water Agency Coalition, the California Water Efficiency Partnership (CalWEP) (formerly the California Urban Water Conservation Council), or other agencies.
2. Introduce major new legislation or support/oppose legislation initiated by others including legislation related to the Bay-Delta and California Water Fix. If needed, the agency could support major legislative efforts by redistributing resources, using the contingency budget, or accessing the general reserve, subject to prior Board approval.
3. Initiate new unanticipated litigation or support/oppose new unanticipated litigation initiated by others. If needed, the agency could support major litigation efforts by redistributing resources, using the contingency budget, or accessing the general reserve, subject to prior Board approval.
4. Secure outside technical expertise (i.e., geotechnical, hydrogeologic, water treatment, biological/fisheries professional services) to potentially assist in review of SFPUC’s capital projects or Bay Delta Plan.

**FAIR PRICE**

5. Develop alternative wholesale rate structures that the SFPUC might consider including a rate study applicable to the Regional Water System. Actions will be limited to facilitating communication with SFPUC, developing goals and objectives relevant to the Wholesale Customers, and addressing the potential relationship to alternative retail rate structures members might consider to stabilize water rates and water revenues.
6. Arbitrate issues related to the Water Supply Agreement.
7. Possible BAWSCA action to address the Board’s concerns regarding SFPUC’s unfunded pension and OPEB liabilities.

**HIGH WATER QUALITY**

8. Perform technical studies of water quality or San Francisco’s treatment of the water it delivers to the BAWSCA members.
9. Advocate changes to water quality regulations or the manner in which San Francisco treats water for drinking and other purposes.

**AGENCY EFFICIENCY**

10. Add resources to support additional Board, Board committee, or technical committee meetings.
11. Conduct tours of member agency facilities to acquaint Board members with potential supply projects and their neighboring jurisdictions, other than tours done in coordination with San Francisco.
12. Provide for public participation in Board and Policy Committee meetings via a hybrid-style meeting format.

**Table 3. FY 2024-25 Work Plan and Budget Planning Session – Comments and Suggested Work Plan Items for Further Consideration**

#	Board Member	Board Member Comment/Question	Staff Response
1	Smegal	How does Strategy 2050 fit into the “challenges” table?	Developing and implementing Strategy 2050 is one of the ways that BAWSCA would address future challenge #3. Future challenge #3 has been modified, as shown on the attached Table 4, to remove any confusion about the focus of this challenge. By removing the reference to “completion of Updated Demand Projections”, it is clearer that this challenge is addressed by all of BAWSCA’s water resources work related to ensuring that water is available when and where the BAWSCA agencies and their customers need it.
2	Hamilton	There seems to be a disconnect between long-term planning (on the water side) and the RHNA challenges we all face.	Comment noted. Challenge #4 speaks to reflecting member agencies’ long-term water supply needs in regional planning efforts. BAWSCA’s demand projections are developed in close coordination with its member agencies and reflect the adopted land use policies and other policies for meeting state requirements, including RHNA, for each jurisdiction. As part of the Bay-Delta process, BAWSCA has identified the potential negative impact the proposed Bay-Delta Plan would have on the ability of its member agencies to meet required RHNA targets.
3	Schneider	Is there a need for lobbying or legislative work (in regard to infrastructure)?	The proposed FY 2024-25 includes one legislative item to extend State oversight of the SFPUC’s implementation of the WSIP. Historically, BAWSCA has relied upon Mr. Wendell, a registered lobbyist, to assist in this effort. BAWSCA is currently investigating the legal requirements for a lobbyist for this limited effort and will reflect this need accordingly in the proposed Work Plan and budget.
4	Andrews	It would be beneficial to be able to flag “bad actors” (high water users, either residential or commercial)	As a regional agency, BAWSCA does not have direct access to individual water user information. BAWSCA is aware that some agencies have a practice of reviewing a certain percentage or number of their largest residential and commercial accounts and contacting, as necessary.
5	Doerr	How is demand management showing up in the “challenges” table? It is important to point out its significance.	Implementing demand management programs, including BAWSCA’s core and subscription conservation programs, is one of the ways that BAWSCA would address future challenge #3. Future challenge #3 has been modified, as shown on the attached Table 4, to remove any confusion about the focus of this challenge. By removing the reference to “completion of Updated Demand Projections”, it is clearer that this challenge is addressed by all of BAWSCA’s water resources work related to ensuring that water is available when and where the BAWSCA agencies and their customers need it.



6	Doerr	In the “challenges” table, does “protection of water supply” include future needs and infrastructure costs for new water supply?	For future challenge #11 and #12, which focus on the reliability of the facilities that are included in Regional Water System, the water supply interests being protected is the SFPUC’s ability to meet the 184 mgd Supply Assurance in the development of its 10-Year CIP (challenge #11) and asset management (challenge #12). Future challenge #2 is where oversight of SFPUC’s development and implementation of its Alternative Water Supply Program (which includes possible new supplies) is included.
7	Weed	Future challenges such as sea level rise and PFAS need to be evaluated and considered in decision making for new alternatives supplies including use of recycled water for drinking purposes.	Comment noted. BAWSCA will continue to support the inclusion of this important technical information as part of future evaluation of possible new water supplies.
8	Stevenson	Can you provide more clarification on what it means for the “representation of agencies in the Bay Delta Plan update”?	BAWSCA has worked closely with its member agencies and the SFPUC to understand the impact of the Bay Delta Plan on the Regional Water System and its ability to meet the 184 mgd Supply Assurance and SFPUC’s adopted Level of Service goals. These impacts are currently documented by the SFPUC and member agencies in their State required Urban Water Management Plans. BAWSCA relies on this information to provide comment on the Bay Delta Plan about its impact on the member agencies and their water customers.
9	Ragsdale	BAWSCA’s subscription conservation programs are great but communication to customers is a challenge. How do we better get the word out that these programs exist.	Given the variation of participation among the member agencies in BAWSCA’s subscription conservation programs, BAWSCA must primarily rely on individual member agencies to promote programs in their service areas. BAWSCA does provide support where appropriate (e.g., promotional materials, etc.) and speaks to its programs throughout the service area when the opportunity arises. Additionally, BAWSCA’s Water Management Representative meetings and the Water Resources Committee meetings provide a forum for members to share information about a myriad of water related issues, including promotion of conservation programs, especially during drought periods.
10	Vella	Please attach staff hours to each Work Plan item and provide to board.	A new Chart 1 and new Table 3 are included in this document and present the estimated allocation of staff hours and FTE by staff member and by Work Plan item for the proposed FY 2024-25 Work Plan.
1	Public Comment (Mehlinger)	Climate change and resulting sea level rise will become a larger concern the future and we should be aware of that as we plan for the future.	Comment noted. Future challenge #1 has been modified accordingly.

**Table 4. Potential Future Large Efforts**

Project Name	Cost Updates			Discussion
	FY 2023-24 (Budget as Amended)	FY 2024-25 (Proposed Budget)	FY 2025-26 & Beyond	
Develop the Long-Term Water Supply Strategy 2050, and thereafter implement Strategy recommendations to assure a reliable supply of high quality water at a fair price.	\$147K	\$767K	\$1.53M for Strategy development in FY 2025-26; does not include Strategy Implementation (which has yet to be envisioned)	BAWSCA initiated its first regional long-term planning effort in 2009, which was completed in 2015. BAWSCA has initiated an update to the Strategy with a planning horizon through 2020, and therefore the work effort is termed Strategy 2050. A Scope of Work for Strategy 2050 is being developed in FY 2023-24, and the development of Strategy 2050 will begin in FY 2024-25. Development of Strategy 2050 will be completed by the end of fiscal year 2025-26. Costs for implementing Strategy 2050 will not be known until that time.
Expand efforts to monitor SFPUC's development of its Alternative Water Supply Program that will result in the implementation of water supply projects to meet its level of service requirements, including the multiple projects necessary to address Bay Delta Plan impacts <sup>1</sup>	\$122K	\$122K	\$122K thru 2028; additional costs associated with specific projects would be determined following AWS Plan adoption by the SFPUC.	<p>The Alternative Water Supply Plan is intended by the SFPUC to be a decision-support framework document that outlines guiding principles, delivery goals (LOS), priorities, risks and tradeoffs to help the Commissioners determine how projects should continue to progress into the proposed design and CEQA phase and beyond. The final plan will be provided to the SFPUC Commission and made public in March 2024. The SFPUC will embark upon project-level CEQA for select projects following plan adoption, and moreover be ready for a decision relative to making interruptible customers permanent by 2028.</p> <p>BAWSCA will be engaged with the SFPUC in FY 2024-25 as the Plan begins its' implementation phase. From a cost perspective, much of the work will involve BAWSCA staff vs. support from consultants. However, some consultant support is envisioned for evaluating the water supply benefits of respective projects.</p> <p>Included in BAWSCA's work effort is active engagement and review and comment on the Plan Annual Reports prepared by the SFPUC.</p>

<p>Support Member Agencies on the development of their respective Urban Water Management Plans (UWMP), which the State requires be updated once every five years (the date of the last update was June 2021)</p>	<p>\$0</p>	<p>\$0K</p>	<p>\$50K (approximate) in FY 2025-26 as needed in support of agency-led UWMP updates (to be submitted to the State by June30, 2026)</p>	<p>The majority of BAWSCA member agencies are required by State Law to prepare an UWMP every five years. The last UWMP updates were due by June 30, 2021. The next UWMP updates are due to the State by June 30, 2026. During the latter portion of FY 2024-25 and into FY 2025-26 as part of the Strategy 2050 development, BAWSCA staff, with the assistance of its technical consultants and legal counsel, will develop language and technical data regarding water supply shortages (from drought period impacts to the SF RWS) and other common regional water resources information. Agencies must rely on BAWSCA for that information, which is a critical component of a complete and robust UWMP.</p>
<p>Complete a Regional Water Demand and Conservation Projections Study (refresh began in FY 2021-22)</p>	<p>\$0K</p>	<p>\$550K</p>	<p>\$260K expended in FY 2025-26 fiscal year; demand projections completed once every five-year period</p>	<p>For water supply planning purposes, as well as in support of each agency’s need to plan for adequate water supply in future years, BAWSCA performs a demand study for the service area once every five years. This work effort is highly detailed and includes projections for several key demand drivers, such as population, zoning plans, etc. BAWSCA’s last demand study was completed in June 2020 with a refresh and sensitivity analysis completed in 2022. BAWSCA intends to initiate work on an updated Demand Study starting in July of 2024. Work will continue through December of 2025. Given the success of the sensitivity analysis conducted as part of BAWSCA efforts in 2022, an enhanced sensitivity analysis will be a part of the 2025 demand study completed by BAWSCA.</p>

**Table 5. Proposed FY 2024-25 Operating Budget by Major Expenditure Category**

<b>Cost Category</b>	<b>Approved FY 2023-24 Budget (\$) <sup>(1)</sup></b>	<b>Proposed FY 2024-25 Budget (\$)</b>	<b>Change from FY 2023-24 Budget (\$)</b>
<b>Consultants/ Direct Expenditures</b>			
Reliability	1,714,552	2,102,550	387,998
Fair Pricing	272,500	337,500	65,000
Administration	175,000	140,000	(35,000)
<i>Subtotal Consultants</i>	2,162,052	2,580,050	417,998
<b>Administration</b>			
Employee Salaries & Benefits	2,231,542	2,368,143	136,601
Other Post-Emp. Benefits (net)	78,000	80,000	2,000
Operational Expenses	501,250	520,750	19,500
<i>Subtotal Administration</i>	2,810,792	2,968,893	158,101
<b>Total Operating Expenses</b>	<b>4,972,844</b>	<b>5,548,946</b>	<b>576,099</b>
<b>Capital Expenses</b>	5,000	5,000	0
<b>Budgeted Contingency</b>	2,500	57,500	55,000
<b>Regional Financing Authority</b>	2,025	2,025	0
<b>Bay Area Water Users Assn.</b>	1,050	1,050	0
<b>Grand Total Operating Budget</b>	<b>4,983,419</b>	<b>5,614,518</b>	<b>631,099</b>

Note: (1) The approved FY 2023-24 budget and funding plan reflects the changes approved by the Board on November 16, 2023 and January 18, 2024.

**Table 6. Analysis of Funding Options**

Fund Source	FY 2023-24	FY 2024-25				
	Adopted Funding Plan as of 01/18/2024	Option 1 Proposed Work Plan & 7% Assessment Increase	Option 2 Proposed Work Plan & 9% Assessment Increase	Option 3 Proposed Work Plan & 10% Assessment Increase	Option 4 Proposed Work Plan & 11.5% Assessment Increase	Option 5 Proposed Work Plan & 16% Assessment Increase
<b>Assessments</b>	\$4,838,897	\$5,177,620	\$5,274,398	\$5,322,787	\$5,395,370	\$5,614,518
<b>Transfer from/(to) General Reserve</b>	\$144,522	\$436,898	\$340,120	\$291,731	\$219,148	\$0
<b>Total Available Operating Budget/Funds</b>	\$4,983,419	\$5,614,518	\$5,614,518	\$5,614,518	\$5,614,518	\$5,614,518
<b>Potential End of FY23-24 Transfer to General Reserve</b>		\$0	\$0	\$0	\$0	\$0
<b>Estimated Year-End Reserves <sup>(1)</sup></b>	\$1,543,390	\$1,106,492	\$1,203,270	\$1,251,659	\$1,324,242	\$1,543,390
<b>General Reserve to Budget Ratio</b>	31%	20%	21%	22%	24%	27%
<b>Assessment to Budget Ratio</b>	97%	92%	94%	95%	96%	100%

**Table 7. Comparison of Assessment Increases for Funding Options 2 and 3**

Member Agencies	FY 2023-24	FY 2024-25	
	Adopted Assessments <sup>(1)</sup>	Option 2	Option 3
		Proposed Work Plan & 9% Assessment Increase	Proposed Work Plan & 10% Assessment Increase
ACWD	\$325,182	\$354,448	\$357,700
Mid-Peninsula WD	\$99,130	\$108,052	\$109,043
Brisbane	\$10,130	\$11,042	\$11,143
Burlingame	\$134,605	\$146,719	\$148,065
Coastside CWD	\$42,855	\$46,712	\$47,140
Cal Water	\$1,026,915	\$1,119,336	\$1,129,607
Daly City	\$125,655	\$136,964	\$138,221
E. Palo Alto	\$59,295	\$64,632	\$65,224
Estero	\$162,975	\$177,643	\$179,273
GVMID	\$12,635	\$13,772	\$13,898
Hayward	\$508,105	\$553,834	\$558,916
Hillsborough	\$105,550	\$115,049	\$116,105
Menlo Park	\$95,560	\$104,160	\$105,116
Millbrae	\$75,950	\$82,786	\$83,545
Milpitas	\$195,340	\$212,921	\$214,874
Mtn. View	\$307,595	\$335,278	\$338,355
North Coast CWD	\$95,095	\$103,654	\$104,605
Palo Alto	\$381,670	\$416,020	\$419,837
Purissima Hills WD	\$60,465	\$65,907	\$66,511
Redwood City	\$326,085	\$355,433	\$358,694
San Bruno	\$67,600	\$73,684	\$74,360
San Jose	\$133,230	\$145,221	\$146,553
Santa Clara	\$113,285	\$123,481	\$124,614
Stanford	\$74,595	\$81,309	\$82,054
Sunnyvale	\$271,410	\$295,837	\$298,551
<u>Westborough WD</u>	<u>\$27,985</u>	<u>\$30,504</u>	<u>\$30,783</u>
Total	\$4,838,897	\$5,274,398	\$5,322,787

## **APPENDICES**

Appendices A through J present additional detail about the proposed FY 2024-25 Work Plan and Operating Budget.

### **Appendix A: Uses of Professional Services**

Outside professional services are used to provide specialized services and augment staff:

1. Professional engineering services for: a) evaluating and monitoring SFPUC's Asset Management Program; b) evaluating and monitoring SFPUC's 10-Year Capital Improvement Program development and implementation; c) evaluating Water System Improvement Program project scopes during design and construction; d) monitoring WSIP project cost estimates, bids and schedules; e) monitoring and assessing San Francisco's performance in implementing the overall WSIP; f) assessing San Francisco's method for cost estimation, application of contingencies and addressing cost inflation during the WSIP; g) providing specific constructive recommendations for keeping the WSIP on or ahead of schedule; h) analyzing hydraulic records used by San Francisco in setting the wholesale water rates; and g) providing as needed groundwater technical assistance.
2. Water resources analysis and planning services to: a) evaluate potential water supply projects using BAWSCA's new regional water supply reliability modeling tool; and b) support BAWSCA member agency efforts to meet the new State of California "Making Water Conservation a Way of Life" requirements.
3. General legal services for BAWSCA and the RFA; specialized legal services to support administration of the Water Supply Agreement; specialized legal services for addressing matters related to water supply reliability including Restore Hetch Hetchy litigation, Bay Delta Plan Update, and FERC intervention. Legal counsel provides significant value to BAWSCA and its member agencies in the administration of the WSA given the long-history legal counsel has with BAWSCA and its predecessor agency, BAWUA. Legal counsel also provides historical context to San Francisco City Attorney, SFPUC staff, and Water Management Representatives. For example, legal counsel routinely provides critical historical legal, contractual, and other information related to BAWSCA, its member agencies, the Water Supply Agreement, and the Regional Water System. Table A-1 below provides a history of legal counsel's budget for the past 10 years.
4. Strategic counsel for identifying and addressing strategic and political issues associated with maintaining the progress of the Water System Improvement Program, assisting the Board and the CEO in developing and implementing an effective policy making process that supports implementation of the Long-Term Reliable Water Supply Strategy, providing legislative and political support, and providing advice to the CEO and the Board on other issues significant to the water customers and the effectiveness of the agency. Historically, Strategic counsel has provided long-term continuity for BAWSCA and its work to the benefit of the water users. As BAWSCA seeks the services of a new Strategic counsel, it is anticipated that BAWSCA will endeavor to recreate that long-term relationship that will continue to provide the benefit of historical context and continuity.
5. Financial advisory services to conduct specified capital financing and rate impacts analyses on a task order basis.
6. Accounting/auditing expertise to assist with implementing the Water Supply Agreement, as well as an independent auditor to prepare and review annual financial

statements. The services provided by BAWSCA’s accounting/auditing expert are critical to BAWSCA’s work in successfully overseeing the WSA and the associated auditing role that BAWSCA plays to the financial benefit of the member agencies and their customers. BAWSCA strives to develop a long-term relationship with its accounting/auditing expert to ensure the best possible outcome for the member agencies and their customers given the complexity of the WSA and the nature of the auditing activity.

Legal, strategic, financial, and engineering consultants provide professional services critical to BAWSCA’s work in achieving the agency’s goals and achieving critical results. Many of BAWSCA’s consultants have been under contract with BAWSCA since its creation, and a few of those consultants have been in place even longer, in that they served as consultants to Bay Area Water Users Association, BAWSCA’s predecessor organization.

Each year, the Board acts on each consultant contract following consideration of the annual Work Plan and Operating Budget. Information provided to the Board at that time relates to expertise, current scope of work, budget, and billing rates.

**Table A-1. Historical Legal Counsel Contract Amounts**

Fiscal Year	Contract Amount	% of Total BAWSCA Operating Budget
2014-15	\$624,000	21%
2015-16	\$586,500	18%
2016-17	\$726,000	21%
2017-18	\$669,000	18%
2018-19	\$919,000	21%
2019-20	\$819,000	18%
2020-21	\$1,006,500	23%
2021-22	\$748,499	16%
2022-23	\$856,499	18%
2023-24	\$891,000 <i>(as of 1/18/24)</i>	18% <i>(as of 1/18/24)</i>
2024-25	\$880,000 <i>(proposed)</i>	16% <i>(proposed)</i>

**Appendix B: History of Salary and Benefits Adjustments**

The information below presents the history of salary and benefits adjustments for BAWSCA staff. Where Cost of Living Adjustments (COLA) to the salary ranges are considered by the Board, BAWSCA relies on the December value for the Consumer Price Index for Urban Wage Earners and Clerical Workers in the SF-Oak-SJ area. COLA increases for employees are not automatic but can be granted by the CEO on the basis of merit.

- FY 2014-15: The Board approved a 2.60 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.



- FY 2015-16: The Board approved a 2.09 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2016-17: The Board approved a 3.15 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2017-18: The Board approved a 3.025 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2018-19: The Board approved a 3.084 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2019-20: The Board approved a 4.398 percent COLA increase to the top step for staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2020-21: The Board approved a 3.01 percent COLA increase to the top step for staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2021-22: The Board approved a 2.15 percent COLA increase to the top step for staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2022-23: The Board approved a 5.52 percent COLA increase to the top step for staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2023-24: The Board approved a 4.63 percent COLA increase to the top step for staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.

**Appendix C: Proposed Budget for the Bay Area Water Users Association (BAWUA)**

The proposed FY 2024-25 budget for BAWUA is \$1,050 and includes legal counsel support and a small operations budget allowance. This budget amount appears as a separate line item in the BAWSCA budget and is included in the BAWSCA proposed FY 2024-25 Operating Budget.

**Appendix D: Proposed Budget for the Regional Financing Authority (RFA) Budget**

The BAWSCA Board of Directors has continued to agree to fund nominal administrative costs for the RFA, at least until it becomes more actively involved and requires significant resources. Assuming a continued low level of activity in FY 2024-25, including only one planned meeting, the proposed RFA budget is \$2,025. This budget amount includes legal counsel support and a small operations budget allowance. This budget amount appears as a separate line item in the BAWSCA budget and is included in the BAWSCA proposed FY 2024-25 Operating Budget. The RFA will formally consider and adopt this budget in January 2025.

**Appendix E: Funding for Subscription Conservation Programs**

As in prior years, a portion of operating expenses would be reimbursed by agencies that participate in BAWSCA’s subscription water conservation programs. The staff time to be devoted to those programs for FY 2024-25 is estimated to be 1,807 hours. Agencies participating in subscription programs pay for associated consultant support and direct expenses. As in prior years, those consultant costs and direct expenses are included in the Operating Budget and will be repaid to BAWSCA by participating agencies over the course of FY 2024-25.

**Appendix F: Select Financial Details for BAWSCA’s Subscription Conservation Program**

Table F-1 provides select financial information for BAWSCA’s subscription conservation programs for the past five years, including BAWSCA staff costs that are reimbursed by the participating member agencies. Other costs are not included in Table F-1, for example, rebates and other costs paid directly by the participating member agencies and quantification of grant funds used. More complete details on BAWSCA’s subscription programs, cost, and level of activity are included in BAWSCA’s Annual Water Conservation Report.

**Table F-1: Select Financial Details Related to BAWSCA  
Subscription Conservation Programs for Last Five Years**

<b>Fiscal Year and Program Name</b>	<b>Direct Program Cost - Reimbursed</b>	<b>BAWSCA Staff Cost - Reimbursed</b>	<b>BAWSCA Admin. Cost - Reimbursed</b>
<b>FY 2018-19</b>			
EarthCapades	\$66,500	\$2,480	
Free Sprinkler Nozzles	\$364		
HET		\$2,495	
Large Landscape Audit	\$94,900	\$1,184	
Lawn Be Gone		\$1,200	
Lawn Be Gone Inspections	\$2,420		
Water Wise Ed. Kits	\$75,483	\$1,946	
Watersense Giveaways	\$5,672		
WaterSmart Reports	\$288,081		
Rain Barrel Rebate	\$757		
Water Loss Program	\$128,403		
<b>Total</b>	<b>\$662,580</b>	<b>\$9,305</b>	<b>\$0</b>
<b>FY 2019-20</b>			
EarthCapades	\$79,720	\$2,960	
HET		\$1,600	
Large Landscape Audit	\$110,652	\$1,332	
Lawn Be Gone		\$880	
Lawn Be Gone Inspections	\$1,018		
Water Wise Ed. Kits	\$51,397	\$1,370	
Watersense Giveaways	\$4,382		
WaterSmart Reports	\$216,429		
Rain Barrel Rebate	\$900	\$200	
Water Loss Program	\$215,917		

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Fiscal Year and Program Name	Direct Program Cost - Reimbursed	BAWSCA Staff Cost - Reimbursed	BAWSCA Admin. Cost - Reimbursed
Customer Meter Testing	\$4,570		
Smart Controller Rebate		\$1,200	
<b>Total</b>	<b>\$686,185</b>	<b>\$8,342</b>	<b>\$0</b>
<b>FY 2020-21</b>			
EarthCapades	\$95,515	\$2,200	
Large Landscape Audit	\$132,833	\$1,332	
Lawn Be Gone		\$360	
Lawn Be Gone Inspections	\$1,958		
Water Wise Ed. Kits	\$46,834	\$1,272	
Watersense Giveaways	\$2,902		
WaterSmart Reports	\$274,276		
Rain Barrel Rebate	\$400	\$390	
Water Loss Program	\$125,475		
Customer Meter Testing	\$17,280		
Smart Controller Rebate		\$1,600	
DSS Support Services	\$12,311.75		
<b>Total</b>	<b>\$711,384</b>	<b>\$5,554</b>	<b>\$0</b>
<b>FY 2021-22</b>			
EarthCapades	\$87,275	\$3,020	
Large Landscape Audit	\$169,697.50	\$1,628	
Lawn Be Gone		\$960	
Lawn Be Gone Inspections	\$3,234		
Water Wise Ed. Kits	\$68,018.51	\$1,621	
Watersense Giveaways	\$14,732.28		
WaterSmart Reports	\$293,124.64		
Rain Barrel Rebates	\$1,840	\$485	
Water Loss Program	\$239,366		
Customer Meter Testing	\$20,390		
Smart Controller Rebate		\$1,800	
DSS Support Services	\$0		
Irrigation Hardware Rebate		\$50	
<b>Total</b>	<b>\$897,677.93</b>	<b>\$9,564</b>	<b>\$0</b>
<b>FY 2022-23</b>			
EarthCapades	\$115,395	\$4,040	
Large Landscape Program	\$165,431	\$1,924	
Lawn Be Gone		\$1220	
Lawn Be Gone Inspections	\$3,422		
Water Wise Ed. Kits	\$79,327	\$1,810	
Watersense Giveaways	\$5,954		
WaterSmart Reports	\$356,505		
Rain Barrel Rebates	\$1,580	\$425	
Water Loss Program	\$167,525		
Customer Meter Testing	\$8,893		
Smart Controller Rebate		\$1,650	

Fiscal Year and Program Name	Direct Program Cost - Reimbursed	BAWSCA Staff Cost - Reimbursed	BAWSCA Admin. Cost - Reimbursed
DSS Support Services	\$0		
Irrigation Hardware Rebate		\$90	
<b>Total</b>	<b>\$904,032</b>	<b>\$11,159</b>	<b>\$0</b>

**Appendix G: Value for the Cost**

The formula for BAWSCA assessments results in equivalent cost per gallon throughout BAWSCA’s members. All BAWSCA costs are ultimately passed on to water customers through the water rates of the local city, district, or private utility. Table G-1 below provides the estimate annual cost per person (calculated as Operating Cost divided by total residential population) and per household (assuming three persons per household) for BAWSCA’s Operating Budget. Table G-1 also provides the estimate annual cost per customer account (calculated as Operating Cost divided by total number of all customer accounts for all member agencies) for BAWSCA’s Operating Budget.

**Table G-1. Historical Estimated Annual Cost of BAWSCA Operating Budget per Service Area Household**

Fiscal Year	Est. Annual Cost Per Person	Est. Annual Cost Per Household	Est. Annual Cost Per Customer Account
2014-15	\$1.70	\$5.11	\$6.87
2015-16	\$1.84	\$5.51	\$7.38
2016-17	\$1.96	\$5.88	\$7.85
2017-18	\$2.08	\$6.24	\$8.57
2018-19	\$2.34	\$7.02	\$9.66
2019-20	\$2.50	\$7.51	\$10.44
2020-21	\$2.20	\$6.59	\$9.19
2021-22	\$2.58	\$7.75	\$10.91
2022-23	\$2.56	\$7.68	\$10.75
2023-24	\$2.93	\$8.79	\$12.40
2024-25	\$3.00 (proposed)	\$9.00 (proposed)	\$12.76 (proposed)

**Appendix H: Savings Resulting from BAWSCA’s Annual Wholesale Revenue Requirement (WRR) Review**

Pursuant to Section 8.04 of the Water Supply Agreement, the Wholesale Customers delegated authority to BAWSCA to conduct the annual review of SFPUC’s calculation of the Wholesale Revenue Requirement (WRR) and the Balancing Account. Table H-1 provides the annual financial impact to the Wholesale Customers resulting from BAWSCA’s annual comprehensive review. Over the past 19 years, BAWSCA’s reviews have resulted in a total of \$47.2 million savings to the Wholesale Customers. This total includes the savings resulting from resolution

on the issues discovered by BAWSCA prior to the WSA 7.06 process and savings from settlements during the formal 7.06 process.

Note that the savings shown in Table H-1 do not include the ongoing savings resulting from any specific year's settlement. For example, the revised 525 Golden Gate operating and capital cost allocation methodology as a result of the FY 2011-12 and FY 2012-13 settlements generates an ongoing WRR savings to the Wholesale Customers in an approximate amount of \$400,000 each year from FY 2013-14 until various final debt service payment dates, and the approximate annual savings of \$1.4 million plus interest as part of the debt service allocation through FY 2039-40 resulting from the FY 2015-16 settlement.

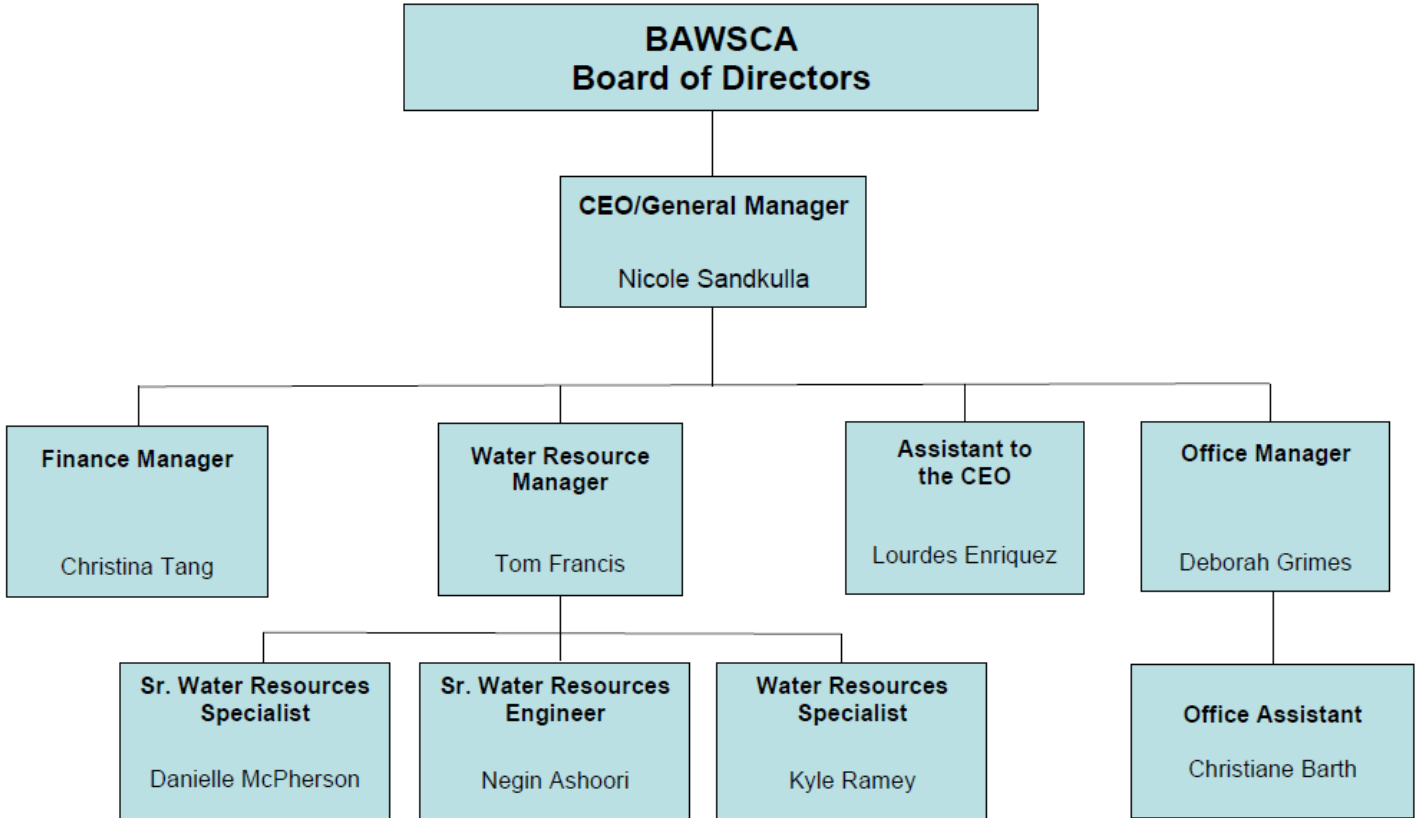
**Table H-1. Savings Resulting from BAWSCA's Annual WRR Review**

Fiscal Year	Savings to Wholesale Customers
2001-02	\$698,095
2002-03	\$1,568,857
2003-04	\$476,825
2004-05	\$5,726,908
2005-06	\$1,229,604
2006-07	\$718,267
2007-08	\$1,917,328
2008-09	\$461,670
2009-10	\$1,635,005
2010-11	\$893,914
2011-12	\$5,352,720
2012-13	\$739,965
2013-14	\$102,952
2014-15	\$11,903,057
2015-16	\$7,079,780
2016-17	\$3,987,471
2017-18	\$2,323,997
2018-19	\$95,127
2019-20	\$292,902
<b>Total</b>	<b>\$47,204,444</b>

**Appendix I: Current Organization and Staffing**

The figure below represents the current reporting relationships in the organization

**BAWSCA Organization Chart**



**Appendix J: Future Challenges Facing BAWSCA, Member Agencies, and Their Customers**

Each year, BAWSCA’s Work Plan development process starts by reviewing and updating the major activities over the next 20 to 30 years. These activities require coordinated action by BAWSCA and its member agencies to ensure a reliable supply of high-quality water at a fair price.

Table J-1 lists these activities as they were updated as part of the FY 2024-25 Work Plan development. In each case, the results identified in Table J-1 will take the form of agreements, legislation, or other legally enforceable work products. Development of these documents will result from skilled negotiations based on rigorous investigations of impacts and alternatives, costs, cost allocation, and other matters.

**Table J-1: Future Challenges Facing BAWSCA, Member Agencies, and Their Customers (Preliminary FY 2024-25)**  
**(Recommended Changes Identified in Underline, Blue, Italic Font)**

BAWSCA Goal and Associated Challenges		FY 2024-25 (Near-Term)	2025-2040 (Mid-Term)	2040-2065 (Long-Term)
<b>Reliable Supply: Ensure Long-Term Water Supply Reliability</b>				
1	Protection of member agencies' interests in long-term water supply reliability from the SF RWS and 184 MGD Supply Assurance in light of potential areas of risk, including climate change <u>and its associated impacts including sea level rise</u> , and regulatory challenges, as presented in the Long Term Vulnerability Analysis <u>and other technical studies</u> .	X	X	X
2	Protection of member agencies' interests in SFPUC development and implementation of its Alternative Water Supply Program including oversight of scope, schedule, and budget.	X	X	X
3	Protection of BAWSCA member agencies from normal and dry year supply shortages and resulting excessive economic impacts, <u>including completion of Updated Demand Projections</u> .	X	X	X
4	Reflection of member agencies' long-term water supply needs and investments in regional planning efforts.	X	X	X
5	Support member agencies in their efforts to ensure system reliability during an emergency.	X	X	X
6	Representation of member agencies in Federal relicensing of New Don Pedro to protect SF RWS water supply reliability.	X	X	
7	Representation of member agencies in Bay Delta Plan Update to protect RWS water supply reliability.	X	X	
8	Assist member agencies in complying with the State's expanding regulatory requirements related to water use efficiency and reliability.	X	X	X
9	Protection of member agencies' interests in San Francisco's December 2028 decisions including deciding whether to make San Jose and Santa Clara permanent customers.	X	X	
10	Development of a new Tier 2 Drought Allocation Plan.	X		
<b>Reliable Supply: Ensure Regional Water System Facility Reliability</b>				
11	Protection of water supply and financial interests of water customers in SFPUC's development and implementation of its 10-Year CIP.	X	X	X
12	Protection of water supply and financial interests of water customers in SFPUC's asset management program to ensure ongoing maintenance and protection of RWS assets.	X	X	X
13	Promote emergency resiliency of the SF RWS to protect interests of water customers.	X	X	X
14	Protection of water supply and financial interests of water customers in SFPUC's WSIP implementation, including extension of State oversight (exp. 12/2026) and RFA capability (exp. 1/2030).	X	X	
<b>High Quality Supply &amp; Fair Price: Enforce Water Supply Agreement (WSA)</b>				
15	Enforcement and amendment as necessary, of the WSA to ensure San Francisco meets its financial, water supply, quality, maintenance and reporting obligations.	X	X	X
16	Protection of member agencies' water supply reliability interests against threats by outside forces including efforts by others to drain Hetch Hetchy that disregard their interests in reliability, quality and cost.	X	X	X
17	Protection of water customers interests in ensuring SF maintains its Tuolumne River water rights.	X	X	X
18	Extension or renegotiation of the WSA before it expires in 2034. The WSA can be extended 2 times, for a period of 5 years each. By December 2031, SFPUC must notify Wholesale Customers of desire to extend contract.		X	X
19	Management of BAWSCA's revenue bonds in accordance with Bond Indenture and other applicable laws to ensure accountability and ultimately to reduce overall cost to regional water customers (thru 2034).	X	X	
<b>Management of Agency</b>				
20	BAWSCA CalPERS pension & OPEB liability management			X
21	Ensure Agency's near-term and long-term resiliency	X	X	X

**Appendix K: Historical BAWSCA Operating Budgets and Assessments**

BAWSCA's annual Operating Budget is developed to pay for the cost of the annual Work Plan, which is reviewed by the Committee and approved by the Board. Each year, the Work Plan is designed to achieve results that support BAWSCA's three goals – a reliable supply of high-quality water at a fair price – and to implement BAWSCA's purpose as stated in AB 2058. As a special district, BAWSCA is not like a city council or other community agency. BAWSCA is an issue-driven organization that responds to the needs of its member agencies and the water users who pay for BAWSCA's work. BAWSCA uses experienced consultants to limit fixed costs.

Three historical examples of significant annual Operating Budget increases to address one-time or unexpected issues that required BAWSCA's actions, in addition to its on-going programs, are:

- In FY 2008-09, the approved budget was 10% higher than the previous year; issues included: increased conservation efforts, new contract with SF, and WSIP oversight.
- In FY 2013-14, the approved budget was 18% higher than the previous year; issues included: long-term water supply reliability, administration of bonds to accelerate paying off capital debt to save significant money for member agencies; administration of the Water Supply Agreement; an unexpected threat from Mountain Tunnel; and monitoring the SFPUC's Capital Improvement Plan and its Asset Management Program.
- FY 2018-19, the approved budget was 14.14% higher than the previous year; issues included: Restore Hetch Hetchy litigation, Bay Delta Plan, FERC, participation in Los Vaqueros Expansion planning studies, and BAWSCA's Demand Study.

Resolution of issues also reduces budgets as shown below in FY 2010-11 (-3%), FY 2011-12 (-2%), and FY 2014-15 (-10%). Table K-1 displays the history of BAWSCA's Operating Budget, assessments, and year-end reserves for the last 10 years.



**Table K-1. Historical Annual Assessments, Budget, Reserve Balance, and Use of Reserves**

Fiscal year	Assessments	% Change	Budget	% Change	Audited Expenses	% of Budget Spent	Transfers from WSA Balance Account	Transfers from Reserve	Notes on Transfers from Reserve & WSA Balance Account	Unspent Funds Transfer to Reserve	Year-End Reserve Balance	Reserve as a % of Budget	# of Full Time Authorized Staff	Major New/Increased Work Plan Focus
2014-2015	\$2,642,653	5%	\$2,939,286	-10.39%	\$2,745,822	93.42%		\$296,436	To fund budget	\$198,781	\$225,461	8%	8	Net increase for OPEB, 10yr CIP oversight, increase legal support for Strategy, WSIP legislation
2015-2016	\$3,276,889	24%	\$3,201,679	8.93%	\$2,828,503	88.34%				\$453,246 \$352,378 <sup>(1)</sup>	\$776,620	24%	8	1st year Strategy implementation thru Operating Budget, 2014 Settlement Agmt.
2016-2017	\$3,440,734	5%	\$3,468,008	8.32%	\$2,934,077	84.60%		\$27,274	To fund budget	\$519,167	\$1,202,592	35%	8	RHH litigation, 2014 Settlement Agmt, 2018 decisions, WaterMAP
2017-2018	\$3,543,957	3%	\$3,704,572	6.82%	\$3,318,544	89.58%		\$160,615	To fund budget	\$253,892	\$1,561,144	42%	8	RHH litigation, Bay-Delta Plan, FERC
2018-2019	\$3,579,397	1%	\$4,278,585	15.49%	\$3,996,082	93.40%		\$321,688	To fund budget	\$0	\$1,115,848	26%	8	RHH litigation, Bay-Delta Plan, FERC to participate in LVE Project and to fund Demand Study
								\$177,500 \$150,000 \$50,000	Los Vaqueros Demand Study To fund budget					HB Amendment - Board approved 3/2019
2019-2020	\$3,686,779	3%	\$4,569,750	6.81%	\$4,116,485	90.08%	\$805,000	\$77,971	To fund budget	\$435,266	\$1,037,877	23%	9	Fund LVE participation, Demand Study, FERC, Bay Delta
2020-2021	\$3,686,779	0%	\$4,163,179	-8.90%	\$3,860,044	92.72%	\$197,000	\$333,900	To fund budget	\$43,727	\$996,743	24%	9	To fund contract increase for legal counsel; increased BAWSCA approved Operating Budget to offset identified approved expenses for BA funds use
								\$142,500	To fund budget					HB Amendment - Board approved 3/2021
2021-2022	\$3,871,118	5%	\$4,783,794	14.91%	\$4,400,215	91.98%	\$275,000	\$281,676	To fund budget	\$124,744	\$758,794	16%	9	To fund Demand Study
							\$71,750		To fund water conservation digital billboards					Board approved 3/17/2022
2022-2023	\$4,838,897	25%	\$4,720,885	-1.32%	\$4,297,922	91.04%	\$75,000	-\$193,012	May 2022 Board approved transfer of \$193,012 GR due to 25% increase in FY 22-23 assessments	\$665,592	\$1,046,550	22%	9	May 2022 Board approved transfer of \$193,012 to GR due to 25% assessment increase.
								\$30,000	Consultant assistance scoping update 2045 strategy					Board approved 1/19/23
								\$56,752	Consultant assistance scoping update 2045 strategy					Board approved 5/18/23
2023-2024	\$4,838,897	0%	\$4,983,419	5.56%				\$112,000	Hanson Bridgett - \$82,000 Tier 2 & \$30,000 Special Projects Member Agency - Board approved 1/18/24					HB 1st Amendment - Board approved 1/18/24

Footnotes

(1) Remaining unspent Strategy development funds transferred to General Reserve in 2015-16