



STAFF REPORT
7/10/2024

TO: Honorable Mayor and City Council Members

FROM: Ruben Ramirez, Controller

SUBJECT: Resolution No. WA-2024-02, Approving the Fiscal Year 2024-2025 Coachella Water Authority Annual Budget

STAFF RECOMMENDATION:

Adopt Resolution WA-2024-02, approving the Coachella Water Authority's annual budget and organizational structure for fiscal year 2024-2025.

BACKGROUND:

The Water Authority's revenue budget projects total revenues of approximately \$8.52 million, which represents a decrease of 7.96% over the prior fiscal year. The decrease in revenue is largely due to projected decreases in connection fees due to the slowdown in new housing construction. The water rate structure will allow the Water Authority to maintain current service levels, fund future capital projects, and maintain contracted debt service bond covenant ratios of 3.86%.

The Authority's expenditures are projected to be \$7.38 million, net of principal payments, which is 3.28% greater than last year. This is due to increases in debt service and administrative costs when compared to the prior fiscal year.

FISCAL IMPACT:

	Projected 2023-24	Budget 2024-25
<u>Beginning Net Position</u>		
Restricted	\$ 10,006,198	\$11,487,548
Unrestricted	1,690,612	2,324,924
Total Beginning Net Position	11,696,810	13,812,472
<u>Revenues</u>		
Connection Fees	1,481,350	962,875
Utility Service	6,900,000	6,900,000
Ground Water Replenishment	550,000	550,000
Interest, Grants , & Other Revenue	326,183	107,500
Total Revenue	9,257,533	8,520,375
<u>Expenditures</u>		
Operating Costs	3,447,587	3,528,517
Administrative Costs	3,236,816	3,296,901
Debt Service - Interest Payments	457,468	550,960
Total Expenditures	7,141,871	7,376,378
Surplus (Deficit)	2,115,662	1,143,997
<u>Ending Net Position</u>		
Restricted	11,487,548	12,450,423
Unrestricted	2,324,924	2,506,046
Total Ending Net Position	\$ 13,812,472	\$14,956,469

EXHIBITS:

Fiscal year 2023-24 Draft Proposed Budget