

RESOLUTION NO. 2024-1118

**RESOLUTION ADOPTING A BUDGET FOR THE
HARRIS-GALVESTON SUBSIDENCE DISTRICT FOR THE PERIOD
BEGINNING JANUARY 1, 2025, AND ENDING DECEMBER 31, 2025**

WHEREAS, Section 8801.063, Special District Local Laws Code, provides that the Harris-Galveston Subsidence District (“District”) Board shall prepare and approve an annual budget; and

WHEREAS, the General Manager, after considering the information submitted by the respective District Board committees, data developed through investigation and research, and all other relevant material made available to the District, has accordingly formulated an annual budget for the period beginning January 1, 2025, and ending December 31, 2025; and

WHEREAS, the Finance Committee, duly appointed from the Board of Directors, reviewed information relating to the financial needs of the District and recommended the adoption of the proposed budget; and

WHEREAS, after consideration of the recommended budget and after further deliberation, the Board has agreed upon the budget, attached hereto as Exhibit A, to be designated the Harris-Galveston Subsidence District Budget for the period beginning January 1, 2025, and ending December 31, 2025.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HARRIS-GALVESTON SUBSIDENCE DISTRICT THAT:

1. The budget attached hereto as Exhibit A is hereby adopted as the Harris-Galveston Subsidence District Budget for the period beginning January 1, 2025, and ending December 31, 2025.
2. It is the intent of the Board that this budget represents an estimate of its expenditures and that neither individual line items nor, in fact, the total is limiting on future Board actions.
3. The General Manager is authorized to take any and all actions reasonably necessary to implement this resolution.

AND IT IS SO ORDERED.

PASSED AND ADOPTED ON THIS 13TH DAY OF NOVEMBER, 2024.

HARRIS-GALVESTON SUBSIDENCE DISTRICT

BY: 
Chairman

ATTEST:


Secretary



FISCAL YEAR 2025 BUDGET

Resolution 2024-1118

The Harris-Galveston Subsidence District was created in 1975 to provide reasonable groundwater regulation to address concerns related to groundwater use and subsidence. Since that time, the District has taken a reasonable and inclusive approach to groundwater regulation resulting in a dramatic reduction in subsidence rates within the District. Annually, the District prepares a budget for the upcoming fiscal year. The Fiscal Year 2025 Budget presented herein will provide for the expected operational needs required to fulfill the District's mission.

NOVEMBER 13, 2024



VISION STATEMENT

The Harris-Galveston Subsidence District is the premier water management and subsidence authority in Texas. The District plays an integral role in regional water management strategies to insure the long-term viability of all water resources while protecting lives and property within the District from the impacts of subsidence.

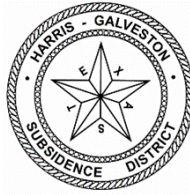
MISSION STATEMENT

The Harris-Galveston Subsidence District protects lives and property within the District from the impacts of future subsidence by providing reasonable groundwater regulation based on the best available science.

STRATEGIC GOALS

Utilizing the District's mission and strategic vision, the following goals will be the focus of the District:

- Provide reasonable groundwater regulation in support of the District mission,
- Conduct research that enhances the understanding and effective management of the Upper Gulf Coast Aquifer System to minimize subsidence within the District,
- Educate the community on the importance of water resources, the occurrence of subsidence in the region, and promoting water conservation,
- Communicate effectively with regional water providers and stakeholders
- Develop a diverse, highly-motivated, customer service focused organization while maintaining fiscal stability.



Harris - Galveston Subsidence District

TRANSMITTAL MEMORANDUM

To: Board of Directors
From: Michael J. Turco, General Manager
Date: November 13, 2024
Subject: 2025 Proposed Operating Budget

Enclosed please find the proposed operating budget for the 2025 fiscal year. The proposed budget will provide for the funding of the Harris-Galveston Subsidence District (HGSD) programs that support our mission to protect lives and property within the District from the impacts of water-level decline, aquifer compaction, and subsidence. The proposed draft 2025 budget was reviewed by the Finance Committee on two occasions in 2024 and was presented at a workshop of the Board of Directors on October 09, 2024. The Finance Committee agreed unanimously at their meeting held on October 30, 2024 to present this budget for consideration by the Board of Directors.

The Water Conservation Program (WCP) Fund will allow the District to consistently dedicate resources to effectively administer the WCP and identify effective methods to promote water conservation within the District. Revenue is generated in the WCP through the sponsorship of the program by other agencies, political subdivisions, other permittees, and the general public. WCP Fund estimated revenues are based on a conservative estimate of 27,500 sponsorships in the program. Estimated expenses, including the Gulf Coast Water Conservation Symposium and continuation of the grant program, associated with the WCP will be offset by \$1.07 million in estimated sponsor revenue resulting in an estimated end of year decrease in the WCP unrestricted fund balance to approximately \$2.71 million.

The Science and Research Fund (SRF) provides fundamental support to the District's regulatory plan by conducting scientific research that enhances the understanding and effective management of the Gulf Coast Aquifer System to prevent subsidence and ensure the long-term viability of all the water resources within the District. Multiple projects are expected in 2025 including the continuation of ongoing InSAR data analysis, focused research in alternative water availability, and the upgrade of the District subsidence monitoring network. Disincentive fee revenue will increase in 2025 as a result of the updated Disincentive Permit Fee to \$12.12 per thousand gallons as per Board Resolution 2016-994. The estimated end of year balance in the fund is expected to decrease to \$4.91 million.

The proposed General Fund (GF) budget includes \$4.68 million in revenue and \$5.13 million in expenses resulting in a decrease in fund balance, before depreciation, of about \$0.14 million. There are no increases in fees associated with the General Fund. Proposed expenses include capital improvements, additional enforcement activity, and support of the day-to-day activities of the District. Overall, estimated increases in building operations and capital outlay are due to increased costs in software licensing and capital improvements. Personnel expenses include a 2% cost of living adjustment and a change in health insurance provider which improves the benefit while reducing cost to the District.

WATER CONSERVATION PROGRAM FUND

The 2025 Water Conservation Program (WCP) Fund budget represents the objectives and necessary resources to accomplish the District’s strategic mission to promote water conservation and conduct daily operations related to the District’s Water Conservation Program.

The primary objective of the WCP Fund is to provide for the effective administration of the “H2O Lab” elementary student education program and other efforts within the program including: the groundwater credit program, the WaterMyYard program, and the water conservation grant program. The education program provides education to 3rd through 6th grade students, in Harris and Galveston Counties on subjects including: water conservation, hydrology, and subsidence. Sponsors are invoiced \$38.00 (unchanged from 2024) for each sponsorship of the program, and, in return, a groundwater credit is issued to the sponsor in the amount of 84,000 gallons. Groundwater credits earned through this program can be used to offset the District Regulatory requirement of up to 30% of a permittees total water demand and expire 20 years from the date of issuance.

Continuing the progress made in 2020 and 2022, the District open application request for Water Conservation grant applications will continue in 2025. Grants are awarded based on specified criteria in the call for applications. With a mandatory leverage of at least 1:1, to date the program has resulted in the implementation of over one million dollars of water conservation projects across the District.

The District will continue to provide turn-key tools and information to local water providers and end users to inform citizens of best water management practices through the District website and the www.smarteraboutwater.org web platform. District efforts will continue to focus on collaboration with local water authorities, municipal utility districts, and cities to develop a unified approach to the promotion of water conservation while leveraging available resources.

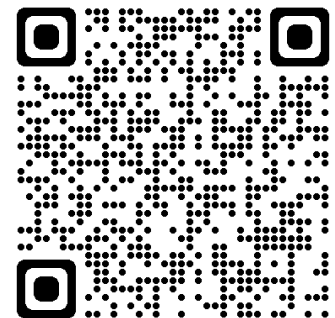
Table 1. 2025 Estimated Water Conservation Fund revenue and expenses assuming 27,500 students enrolled in program.

Budget Category	2025 Proposed Budget
WCP Income	1,045,000
WCP Interest	25,000
WCP Misc. Income	-
TOTAL REVENUES	1,070,000
WCP Educational Curriculum	852,500
WCP Office Supplies	4,000
WCP Public Information/Education	53,000
WCP Equipment	4,500
WCP Contracts	25,000
WCP Operating Supplies	1,000
WCP Maint. Of Vehicles	4,500
WCP Grant Program	200,000
Operating Transfer Out (GF payroll reimburse)	234,700
TOTAL EXPENSES \$	1,379,200
NET INCOME \$	(309,200)
ESTIMATED FUND BALANCE BOY	\$ 3,020,064
ESTIMATED FUND BALANCE EOY	\$ 2,710,864

REVENUE and EXPENSES

WCP estimated revenues are based on a conservative estimate of 27,500 program sponsorships. The 2025 WCP budget includes staff costs, operating expenses, contractual expenses, and an estimated commitment to grant program. Expenses include the cost of the elementary school education program curriculum and take-home lab kits (WCP Educational Curriculum), the availability of funds for the WCP grant program (WCP Water Conservation Grant Program), support of the District led Gulf Coast Water Conservation Symposium, and for the personnel expenses associated with the water conservation program (2 FTEs) (Table 1).

Scan this QR Code to Learn More about the Water Conservation Program



SCIENCE AND RESEARCH FUND

The Science and Research Fund was created in 2015 to purpose disincentive permit fee revenue for science and research needs in support of the District Regulatory Plan. The Science and Research Fund provides fundamental support to the District’s mandate to prevent subsidence by conducting research that enhances the understanding and effective management of the

are estimated to be \$1.56 million with expenses in contractual services accounting for more than 85% of all expenses. Personnel expenses (0.5 FTE) are included in the Science and Research Fund in 2025. The estimated balance of the fund will be about \$4.91 million at the end of 2025 (Table 2). The 5-year projection for the Science and Research Fund includes the completion of the monitoring network upgrade

Table 2. Estimated Science and Research Fund revenue and expenses, 2025-2029.

[BOY—Beginning of fiscal year; EOY—End of fiscal year]

Budget Category	Proposed 2025 Budget	Projected 2026 Budget	Projected 2027 Budget	Projected 2028 Budget	Projected 2029 Budget
Disincentive Fee Income (Permit)	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
Disincentive Fee Refunds (Permit)	\$ (30,000)	\$ (30,000)	\$ (30,000)	\$ (30,000)	\$ (30,000)
Interest	\$ 60,000	\$ 60,000	\$ 50,000	\$ 50,000	\$ 50,000
Comp. & Settlement Disincentive Fee	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Total Revenue	\$ 1,030,000	\$ 1,030,000	\$ 1,020,000	\$ 1,020,000	\$ 1,020,000
Personnel Expenses	\$ 85,363	\$ 89,631	\$ 94,113	\$ 98,818	\$ 103,759
Contractual Services	\$ 1,475,000	\$ 1,550,000	\$ 1,025,000	\$ 1,260,000	\$ 1,260,000
Total Expenses	\$ 1,560,363	\$ 1,639,631	\$ 1,119,113	\$ 1,358,818	\$ 1,363,759
Total Net Income	\$ (530,363)	\$ (609,631)	\$ (99,113)	\$ (338,818)	\$ (343,759)
Science and Research Fund Balance (BOY)	\$ 5,446,016	\$ 4,915,653	\$ 4,306,022	\$ 4,206,909	\$ 3,868,091
Science and Research Fund Balance (EOY)	\$ 4,915,653	\$ 4,306,022	\$ 4,206,909	\$ 3,868,091	\$ 3,524,331

Upper Gulf Coast Aquifer System to understand water needs, to identify aquifer vulnerability, and to ensure the long-term viability of all the water resources within the District.

Beginning in 2023, the subsidence monitoring network began a systematic update from periodic measurements at our PAM sites to continuous measurements of land surface subsidence. The upgrade to the fully continuous network continues in 2025 and will continue through 2027.

Disincentive fee annual revenue can be highly variable from year to year. Estimated disincentive fee income for the 2025 fiscal year is \$800,000. The total net revenue including compromise and settlement disincentive fee revenue and interest on investments is about \$1.03 million.

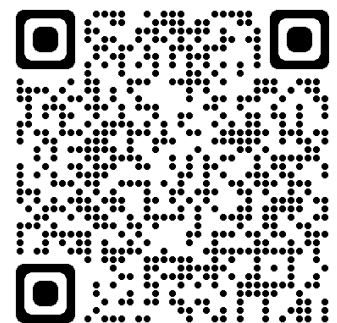
Expenses are not expected to exceed revenue in the Science and Research Fund in 2025. Total expenses

through 2027, additional science and research priorities determined as part of the regulatory plan review from 2024-2026, and other science plan objectives describe in the District Science and Research plan published in 2023.

GENERAL FUND

The General Fund provides for the day-to-day operations of the District. The District is not a taxing authority, rather, it receives all income in the General

Scan this QR Code to learn more about the 2023-2027 Science and Research Plan



Fund through the issuance of permits based on groundwater allocation and administrative fees. This legislated funding mechanism is significantly impacted by the District’s legislative mandate to reduce groundwater withdrawal. Permit fee revenue is the primary component of the overall income to the District. The District’s approved regulatory plan calls for a 30 percent reduction of groundwater withdrawal by 2025 in Regulatory Area 3.

Over the course of the 2016 fiscal year, the District worked with many of the largest permittees in the District to develop a plan to increase permit fees in an incremental manner (Figure 2.) to insure the regulatory conversion did not inhibit the District’s ability to effectively regulate groundwater within the District. The 2025 budget does not include any changes in the regular permit fee or other administrative fees associated with the General Fund.

The 2025 general fund budget includes \$4.67 million in revenue and \$5.13 million in expenses, an increase of 14.58% and 6.42%, respectively when compared to the 2024 approved budget. The resulting net income before depreciation will decrease the general fund reserve balance by an estimated amount of \$0.13 million.

REVENUES

General fund revenues (table 3) are derived primarily from the issuance of annual permit fees and application fees. Since 2023, the regular permit fee rate is

\$26.00 per million gallons of allocated groundwater. Each permittee is required to pay an application fee for new wells to be permitted or to renew a previously permitted well. Emergency application fees are applied at the permittee’s request when emergency processing is required due to well failure, loss of access to water, or if a significant economic impact would occur as a result of the normal processing period which can extend to 90 days. Although there are no changes in the fees associated with the General Fund, the Disincentive Permit Fee will increase to \$12.12 All fees in 2024 and 2025 are listed in Table 4.

Enforcement of the District Rules and Regulatory Plan generate revenue annually. Any permittee in violation of District Rules and/or the Regulatory Plan are subject to violation fees and may enter into the compromise and settlement process. Compromise and settlement revenue can be impacted by a multitude of factors and as such can exhibit variability from year to year. The 2025 budget assumes compromise and settlement revenue will be similar to the projected end of year income in 2024.

The District operates several inter-local agreements with nearby Districts. In place since 1989, the largest of these agreements is with the Fort Bend Subsidence District for operation and administrative services. In the 2016 fiscal year, due to changes in their rules and recent conversion requirements, additional staff were added and funded entirely by the Fort Bend Subsidence

Table 3. Estimated General Fund revenue by budget category, 2024-2025.

Budget Category	2024 Approved Budget	2024 Projected Year End Totals	2025 Proposed Budget	\$ Variance 2024 Approved and 2025 Proposed Budget	% Variance 2024 Approved and 2025 Proposed Budget
Permit Fees	\$ 2,900,000	\$ 3,100,000	\$ 3,261,000	\$ 361,000	11.65%
Permit Fee Refunds	(30,000)	(25,000)	(40,000)	(10,000)	40.00%
Application Fees	495,000	475,000	545,000	50,000	10.53%
Interest	54,000	100,000	129,000	75,000	75.00%
Compromise and Settlement	120,000	130,000	162,000	42,000	32.31%
FBSD Income	448,000	550,000	567,000	119,000	21.64%
Legal Recovery Fees	33,000	75,000	40,000	7,000	9.33%
Other Misc. Income	12,000	12,000	12,000	-	0.00%
TOTAL REVENUES	\$ 4,032,000	\$ 4,417,000	\$ 4,676,000	\$ 644,000	14.58%

Table 4. 2024-2025 Harris-Galveston Subsidence District fee schedule.

Description	Units	2024	2025
New Well Application Fee ⁴	per well	\$ 240.00	\$ 240.00
Emergency Well Application Fee	per well	\$ 500.00	\$ 500.00
Temporary Well Application Fee	per well	\$ 100.00	\$ 100.00
Renewal Well Application Fee	per well	\$ 60.00	\$ 60.00
Previously Permitted Well Application Fee	per well	\$ 85.00	\$ 85.00
Existing Active Well Application Fee ⁴	per well	\$ 240.00	\$ 240.00
Amendment in Allocation Fee	per well	\$ 75.00	\$ 75.00
Rebate Application Fee (Fee and/or Credit)	per well	\$ 75.00	\$ 75.00
Regular Permit Fee Rate ¹	per million gallons	\$ 26.00	\$ 26.00
Agricultural Permit Fee Rate ²	per million gallons	\$ 10.00	\$ 10.00
Disincentive Permit Fee Rate ³	per thousand gallons	\$ 11.86	\$ 12.12
¹ The minimum Regular Permit Fee is \$26 annually. ² The minimum Agricultural Permit Fee is \$10 annually. ³ The Disincentive Permit Fee rate is indexed to the City of Houston Rate for treated water (TU 91) (HGSD Resolution 2016-994). ⁴ The term "New Well" is defined as an existing well not yet permitted by the District or a well not yet drilled (Resolution 96-605)			

ence District. With the addition of the new staff, modifications to the interlocal agreement were made to redistribute the work load between staff solely dedicated to Fort Bend and District staff, resulting in fixed cost and actual cost components to the agreement. Table 3 shows the distribution of revenue sources estimated for fiscal year 2025.

EXPENSES

The 2024 General Fund budget represents the necessary recommendations to support the District’s strategic objectives and conduct daily operations. General Fund operating expenses for 2025 total about \$5.13 million, representing a 6.42% increase from the 2024 approved budget (Table 5).

In 2025, about 55% of the estimated General Fund expenses are associated with employee salaries and benefits. Another 23% is directed for professional and technical contractual services. Contractual expenses include technical and legal services necessary for the operation of the District. Table 6 shows the expected contractual expenses included in the 2025

budget. Specifically, capital improvements are included to replace and upgrade IT and administrative infrastructure (\$105,000), replacement of field vehicles (\$80,000), and building improvements (\$200,000) including updating of the office kitchen area and installation of a secure fence and controlled access for the office entries and parking area. It is expected that the regulatory plan review will be completed in 2024. Enforcement and litigation recovery expenses have been slightly increased to continue the effort to clear the back log of enforcement cases that have been designated for litigation.

The remaining categories, which include the Board of Directors, office supplies, building operation, transportation, and capital expenses comprise the remaining 22%.

Overall budgeted personnel expenses are increased by 2.65% in 2025 due to the offset between a 2.0% cost of living adjustment and additional contingency for performance based salary adjustment, promotions, and other allowances and the reduction in estimated

Table 5. Estimated General Fund expenses by budget category, 2023-2024.

Budget Category	2024 Approved Budget	2024 Projected Year End Totals	2025 Proposed Budget	\$ Variance 2024 Approved and 2025 Proposed Budget	% Variance 2024 Approved and 2025 Proposed Budget
Personnel Expenses	\$ 2,734,400	\$ 2,356,288	\$ 2,806,950	\$ 72,550	2.65%
Board Expenses	148,900	130,008	176,000	27,100	18.20%
Office Expenses	358,975	337,736	442,000	83,025	23.13%
Info and Education	80,500	63,169	84,000	3,500	4.35%
Building Operations	114,000	123,931	156,000	42,000	36.84%
Transportation Expenses	56,500	38,937	60,000	3,500	6.19%
Contractual Services	1,165,900	1,076,067	1,184,000	18,100	1.55%
Capital Outlay	165,000	138,260	385,000	220,000	133.33%
TOTAL EXPENSES	\$ 4,824,175	\$ 4,264,396	\$ 5,293,950	\$ 469,775	9.74%

health insurance costs associated with the change in health care provider and District contribution to the eye and dental insurance to employees. Labor expenses include estimated health insurance costs and resources to provide for merit-based salary increases and performance based awards for District staff. The 2025 District organizational structure can be found in figure 1.

GENERAL FUND FIVE-YEAR PROJECTION

The 2025 General Fund budget assumes an initial operating reserve of about \$5.67 million. Two restricted accounts were established in 2017 to characterize known large future capital and regulatory projects: capital assets and improvements, and regulatory planning. The capital assets and improvements account is utilized to replace fleet vehicles and replace or repair mechanical assets at the District office. The regulatory

planning account identifies the estimated cost of the joint regulatory plan review which was completed in 2024. The estimated unrestricted reserve balance in the general fund will be about \$5.4 million at the end of 2025. Overall, considering all funds, the District’s fund balance will reduce by about \$0.97 million to about \$13.2 million by the end of fiscal year 2025.

The 5-year projection shown in Table 7, accounts for the permit fee increase in 2026 to \$28 per million in allocation to continue the incremental rise in the permit fee to offset the pending conversion of Regulatory Area 3 in 2025 which will result in an estimated 30% reduction in annual revenue.

Overall the District is on firm financial ground to successfully fulfill mission objectives in 2025 and the years that follow.

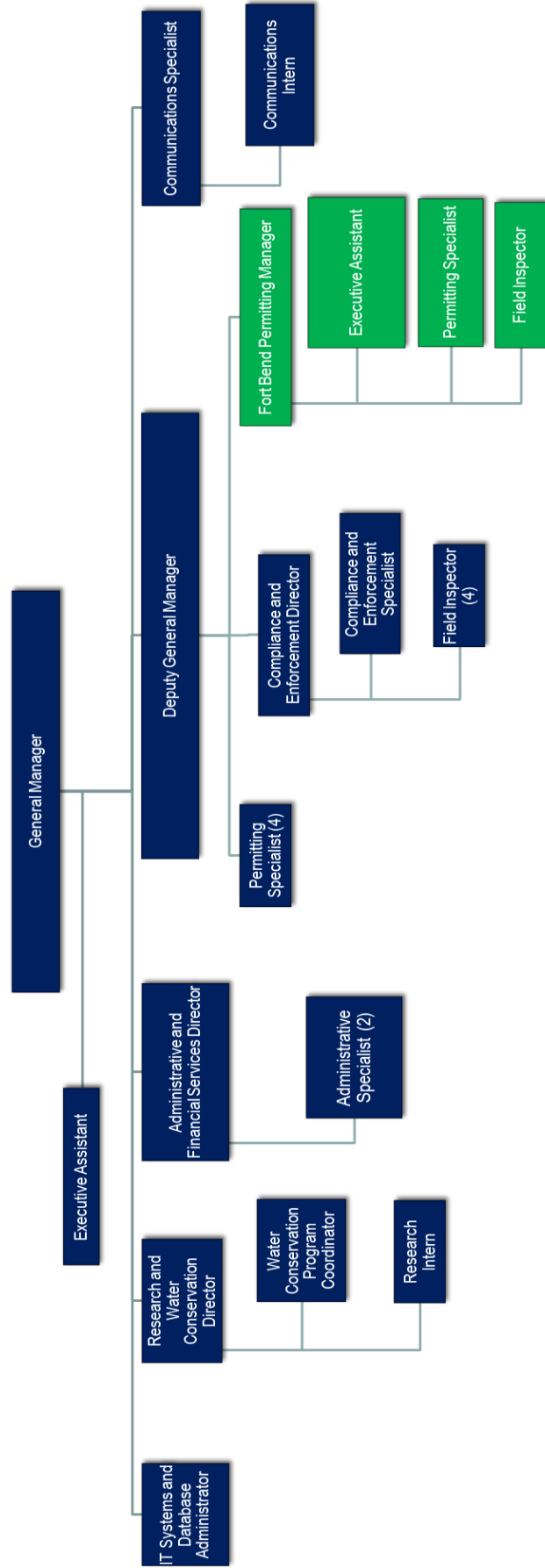


Figure 1. Organizational structure of the Harris-Galveston Subsidence District, November 2024. Positions shaded green primarily assigned to interlocal with the Fort Bend Subsidence District.

Table 6. Estimated costs of contractual services in the 2025 fiscal year General Fund budget. Contractual services include federal cooperative agreements, professional services agreements, and fee for service engagements.

Account Name	Vendor	Task	FY	Budget Amount
Audit Expense	Whitley Penn	Annual Financial Audit Services	2025	\$ 25,000.00
USGS Cooperative Agreement	USGS	Data Collection, Dissemination, and Archival	2025	\$ 321,900.00
Legal Expense	Greg Ellis Esq.	District General Counsel - Retainer @ 8k/mo	2025	\$ 96,000.00
Legal Expense	Bikerstaff, LLG, Sledge	General Legal Support (HR, Contested Case, Misc.)	2025	\$ 50,000.00
Legal Expense	Greg Ellis Esq.	Paralegal and Court Expenses	2025	\$ 135,000.00
Legal Expense	Greg Ellis Esq. (sub)	Enforcement and Litigation Recovery	2025	\$ 125,000.00
Consulting Services	Averitt/Woomer	Legislative Affairs	2025	\$ 96,000.00
Consulting Services	TBD	Technical Services	2025	\$ 75,000.00
Consulting Services	TBD	GIS Systems Support	2025	\$ 25,000.00
Consulting Services	New Edge Consulting	Cityworks Implementation, Updates, and Revisions	2025	\$ 75,000.00
Consulting Services	FNI	Regulatory Plan Implementation	2025	\$ 75,000.00
Management Services	TBD	General	2025	\$ 60,000.00
Hearing Examiner	Helen Truscott	Hearing Examiner Services	2025	\$ 24,480.00

Table 7. Projected revenue and expenses, 2025-2029.

Budget Category	2025	2026	2027	2028	2029
Permit Fees	\$ 3,221,000	\$ 3,017,775	\$ 3,065,020	\$ 3,099,098	\$ 3,361,640
Application Fees	\$ 545,000	\$ 544,937	\$ 550,947	\$ 549,455	\$ 547,569
Interest	\$ 129,000	\$ 105,902	\$ 122,980	\$ 121,720	\$ 119,901
Compromise and Settlement	\$ 162,000	\$ 162,408	\$ 163,220	\$ 164,036	\$ 164,856
FBSD Income	\$ 567,000	\$ 583,866	\$ 601,382	\$ 619,424	\$ 625,618
Legal Recovery Fees	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Other Misc. Income	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
TOTAL REVENUE	\$ 4,676,000	\$ 4,466,888	\$ 4,555,549	\$ 4,605,734	\$ 4,871,584
Personnel Expenses	\$ 2,806,950	\$ 2,905,193	\$ 3,006,875	\$ 3,112,116	\$ 3,221,040
Board Expenses	\$ 176,000	\$ 176,000	\$ 176,000	\$ 176,000	\$ 176,000
Office Expenses	\$ 442,000	\$ 446,420	\$ 450,884	\$ 455,393	\$ 459,947
Info and Education	\$ 84,000	\$ 86,520	\$ 89,116	\$ 91,789	\$ 94,543
Building Operations	\$ 156,000	\$ 157,560	\$ 159,136	\$ 160,727	\$ 162,334
Transportation Expenses	\$ 60,000	\$ 60,600	\$ 61,206	\$ 61,818	\$ 62,436
Contractual Services	\$ 1,184,000	\$ 950,000	\$ 959,500	\$ 969,095	\$ 978,786
Capital Outlay	\$ 385,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 135,000
TOTAL EXPENSES	\$ 5,293,950	\$ 4,857,293	\$ 4,977,716	\$ 5,101,938	\$ 5,290,086
Transfer IN from other fund	\$ 320,700	\$ 320,700	\$ 327,114	\$ 333,656	\$ 340,329
NET INCOME	\$ (297,250)	\$ (69,705)	\$ (95,053)	\$ (162,548)	\$ (78,173)
General Fund Balance at BOY	\$ 5,675,629	\$ 5,378,379	\$ 5,308,674	\$ 5,213,621	\$ 5,051,073
General Fund Balance at EOY	\$ 5,378,379	\$ 5,308,674	\$ 5,213,621	\$ 5,051,073	\$ 4,972,900

Table 8. Proposed 2025 General, Water Conservation, and Science and Research fund budgets.

	General Fund	Water Conservation Fund	Science and Research Fund
Revenues			
Permit Fees, net	\$ 3,221,000	\$ -	\$ -
Disincentive Fees, net	-	-	770,000
Application Fees, net	545,000	-	-
C&S Fees	162,000	-	-
C&S Disincentive Fees	-	-	200,000
Interlocal Agreement	567,000	-	-
Water Conservation Program	-	1,070,000	-
Interest	129,000	-	60,000
Legal Recovery Fees	40,000	-	-
Other Misc. Income	12,000	-	-
Total Revenues	\$ 4,676,000	\$ 1,070,000	\$ 1,030,000
Expenses			
Personnel	\$ 2,806,950	\$ 234,700	\$ 86,000
Board of Directors	176,000	-	-
Office Supplies	442,000	5,000	-
Information and Education	84,000	53,000	-
Building Operations	156,000	4,500	-
Transportation	60,000	4,500	-
Contractual Services	1,184,000	25,000	1,475,000
Contractual Services - Elem. School Prg.	-	852,500	-
WCP Grant Program	-	200,000	-
Capital Outlay	385,000	-	-
Total Expenses	\$ 5,293,950	\$ 1,379,200	\$ 1,561,000
Revenues Over (Under) Expenditures	\$ (617,950)	\$ (309,200)	\$ (531,000)
Transfer OUT to other fund	-	234,700	85,363
Transfer IN from other fund	320,700	-	-
Fund Balances - BOY	\$ 5,675,629	\$ 3,020,064	\$ 5,446,016
Fund Balances - EOY	\$ 5,378,379	\$ 2,710,864	\$ 4,915,016
Total Change in Fund Balance	\$ (297,250)	\$ (309,200)	\$ (531,000)

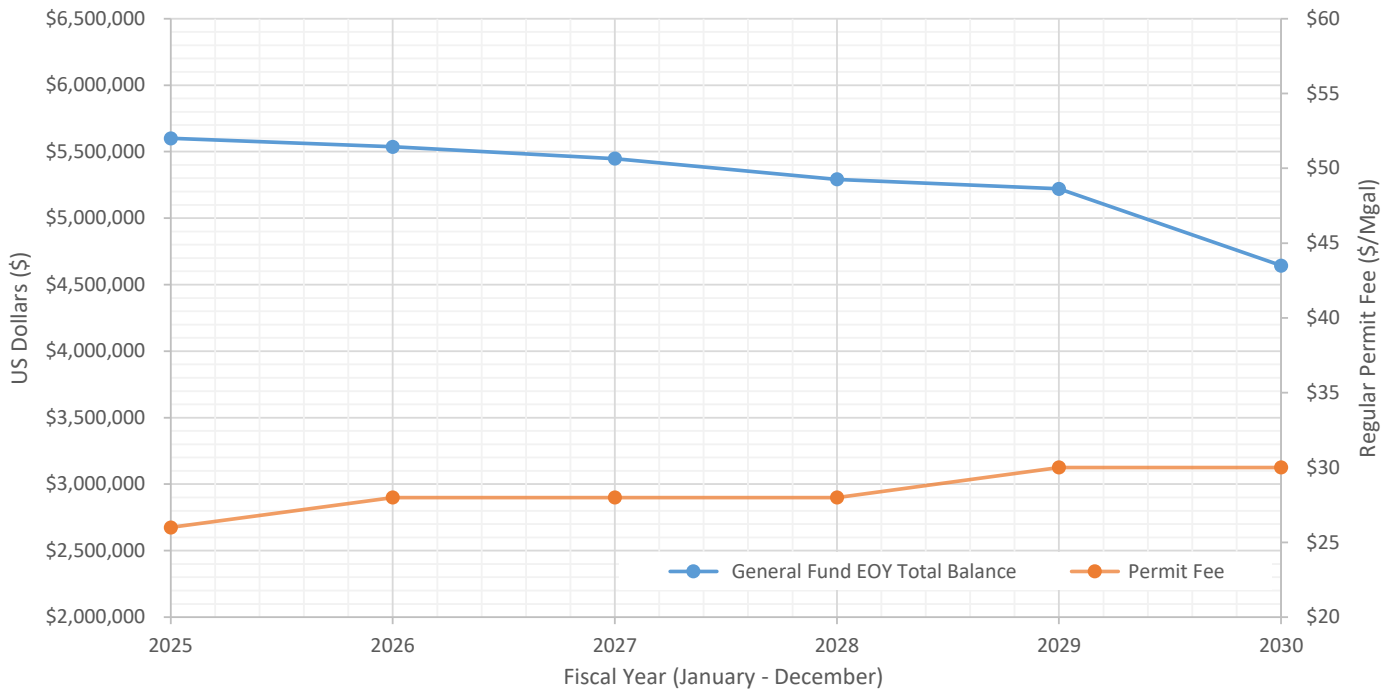


Figure 2. Projected end of year (EOY) balance of General Fund and the regular permit fee, 2025-2030.

APPENDIX

Appendix 1. Budgeted labor costs by account, 2024-2025.

Object Class No.	Description	2024		2025		Variance
		Approved Budget	Proposed Budget	Approved Budget	Proposed Budget	
511	Employee Salary and Allowances	\$ 1,985,000	\$ 2,085,000	\$ 1,985,000	\$ 2,085,000	\$ 100,000
512	Group Health Insurance - District Contribution	\$ 330,300	\$ 280,550	\$ 330,300	\$ 280,550	\$ (49,750)
513	Employee Retirement	\$ 297,800	\$ 312,800	\$ 297,800	\$ 312,800	\$ 15,000
514	Group Life Insurance	\$ 14,100	\$ 15,000	\$ 14,100	\$ 15,000	\$ 900
515	Disability Insurance	\$ 10,200	\$ 11,000	\$ 10,200	\$ 11,000	\$ 800
516	Medicare - Employer	\$ 27,700	\$ 29,400	\$ 27,700	\$ 29,400	\$ 1,700
517	Workers Compensation	\$ 16,800	\$ 18,000	\$ 16,800	\$ 18,000	\$ 1,200
518	Retirement Health Savings	\$ 52,500	\$ 55,200	\$ 52,500	\$ 55,200	\$ 2,700

NOTE: Employee Salary and Allowances includes cost of living adjustments, performance based salary adjustments, promotions, and allowances.

Appendix 2. Non-personnel budgeted expenses by account, 2024-2025.

Account	Description	2024		2025	
		Approved Budget	Proposed Budget	Budget	Variance
521	Member Per Diem	\$ 62,500	\$ 62,500	\$ -	
522	Member Travel Expense	\$ 19,300	\$ 19,300	\$ -	
523	Officer and Director Liability	\$ 8,000	\$ 8,000	\$ -	
524	Member Retirement	\$ 9,500	\$ 9,500	\$ -	
525	Medicare - Board Members	\$ 1,100	\$ 1,100	\$ -	
529	Other Board Expenditures	\$ 48,500	\$ 75,500	\$ 27,000	
531	Office Supplies	\$ 18,000	\$ 18,000	\$ -	
532	Mail and Postage	\$ 33,000	\$ 36,500	\$ 3,500	
533	IT Equipment (non-cap)	\$ 30,000	\$ 35,000	\$ 5,000	
534	IT Software	\$ 83,975	\$ 130,200	\$ 46,225	
535	Telephone	\$ 51,000	\$ 51,000	\$ -	
536	Legal Notice	\$ 90,000	\$ 90,000	\$ -	
537	Surety Bonds	\$ 500	\$ 500	\$ -	
538	Rental of Equipment	\$ 40,000	\$ 48,000	\$ 8,000	
539	Miscellaneous Supplies and Equipment	\$ 12,500	\$ 32,000	\$ 19,500	
541	Membership Dues and Subscriptions	\$ 17,000	\$ 20,000	\$ 3,000	
542	Conferences and meetings	\$ 19,000	\$ 19,000	\$ -	
543	Employee Travel Expense	\$ 32,000	\$ 32,000	\$ -	
547	Employee Training	\$ 12,500	\$ 12,500	\$ -	
551	Utilities	\$ 35,000	\$ 45,500	\$ 10,500	
552	Insurance	\$ 15,500	\$ 17,000	\$ 1,500	
553	Janitorial Services	\$ 16,000	\$ 16,000	\$ -	
554	Building Maintenance	\$ 41,000	\$ 56,000	\$ 15,000	
555	Grounds Maintenance	\$ 6,500	\$ 21,300	\$ 14,800	
561	Operating Supplies	\$ 17,000	\$ 17,000	\$ -	
562	Maintenance of Vehicles	\$ 10,000	\$ 10,000	\$ -	
563	Tolls, Parking	\$ 8,500	\$ 8,500	\$ -	
564	Insurance of Vehicles	\$ 7,000	\$ 10,000	\$ 3,000	
565	Mileage Allowance	\$ 14,000	\$ 14,000	\$ -	
571	Audit Expense	\$ 22,000	\$ 25,000	\$ 3,000	
572	USGS Cooperative Agreement	\$ 321,900	\$ 321,900	\$ -	
573	Legal Expense	\$ 381,000	\$ 406,000	\$ 25,000	
574	Consulting Expense	\$ 325,000	\$ 346,000	\$ 21,000	
575	Management Services	\$ 60,000	\$ 60,000	\$ -	
576	Hearing Examiner	\$ 21,000	\$ 24,480	\$ 3,480	
577	GPS Systems/Releveling	\$ 35,000	\$ -	\$ (35,000)	
591	Office Equipment (Cap)	\$ 25,000	\$ -	\$ (25,000)	
592	IT Equipment (Cap)	\$ 35,000	\$ 105,000	\$ 70,000	
593	Motor Vehicles (Cap)	\$ 105,000	\$ 80,000	\$ (25,000)	
594	GPS Equipment (Cap)	\$ -	\$ -	\$ -	
596	Building Improvements	\$ -	\$ 200,000	\$ 200,000	

Appendix 3. Non-personnel budgeted expenses by budget category, 2024-2025.

Account Category	Description	Approved 2024 Budget	Proposed 2025 Budget	Variance
52	Board Expenses	\$ 148,900	\$ 175,900	\$ 27,000
53	Office Expenses	\$ 358,975	\$ 441,200	\$ 82,225
54	Info and Education	\$ 80,500	\$ 83,500	\$ 3,000
55	Building Operations	\$ 114,000	\$ 155,800	\$ 41,800
56	Transportation Expenses	\$ 56,500	\$ 59,500	\$ 3,000
57	Contractual Services	\$ 1,165,900	\$ 1,183,380	\$ 17,480
59	Capital Outlay	\$ 165,000	\$ 385,000	\$ 220,000