



WEST BASIN

Municipal Water District

*Fiscal Year 2024-2025
Budget Summary*

City of El Segundo

June 2024

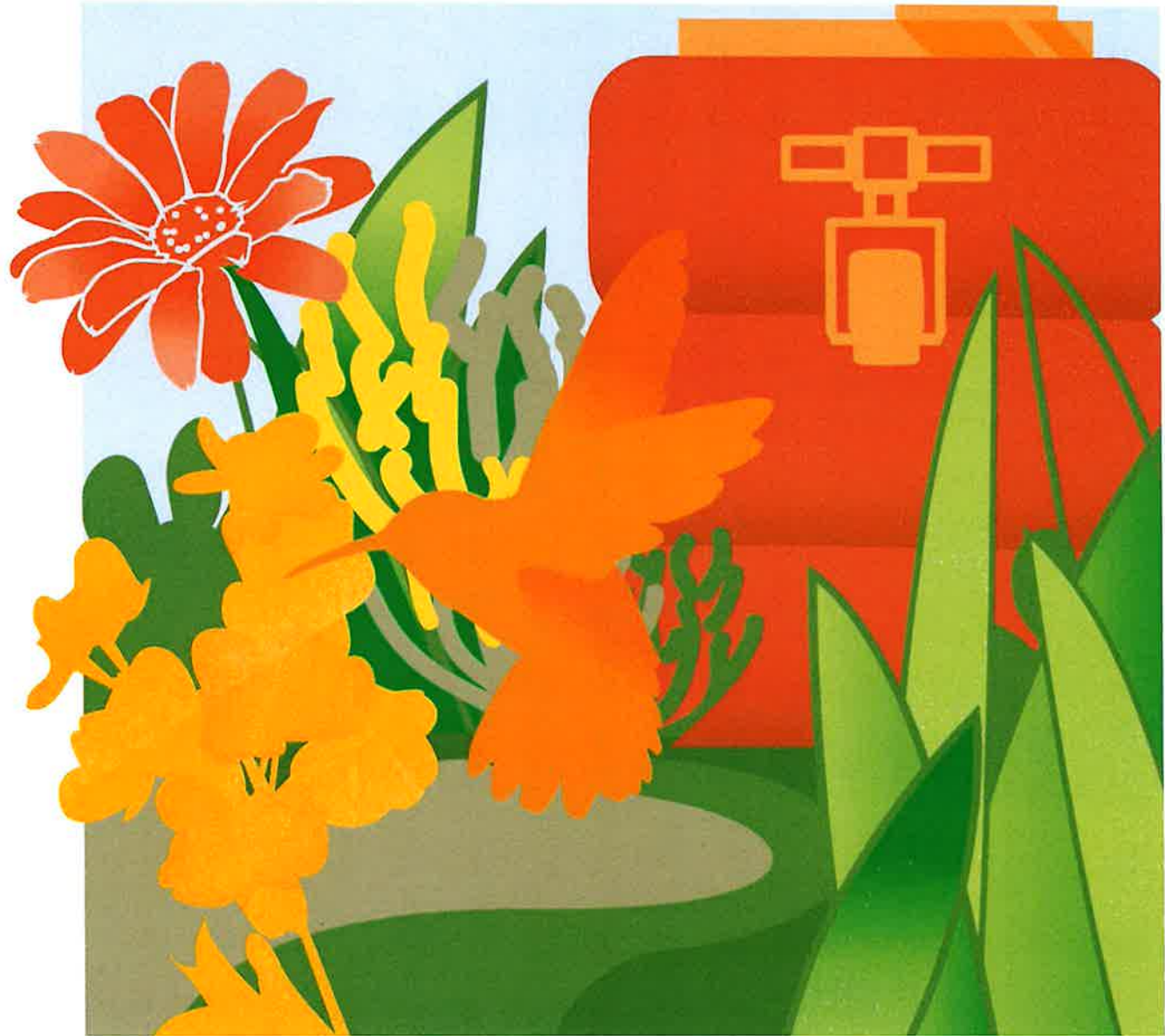
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About West Basin

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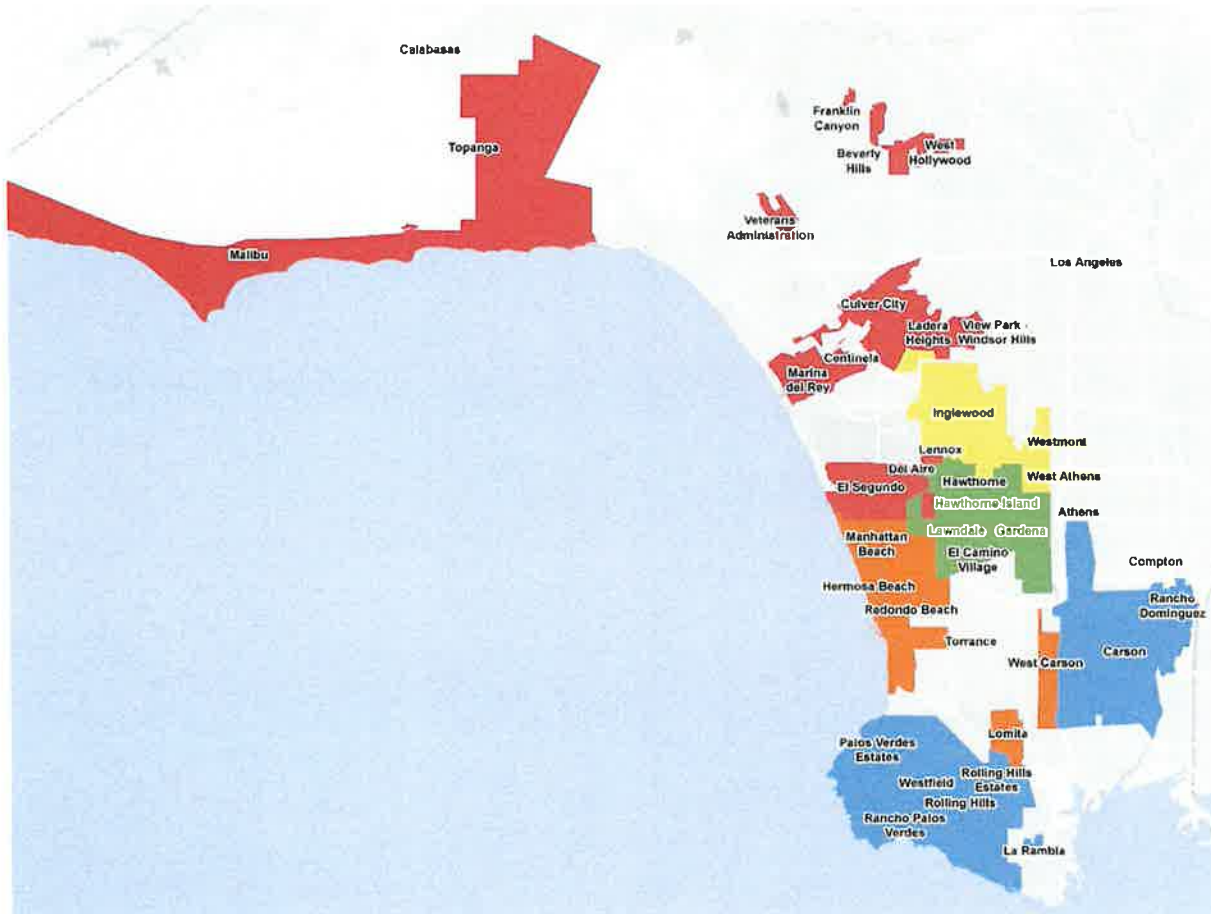


Mission



Provide a **safe** and **reliable** supply of **high-quality water** to the communities we serve.

Service Area

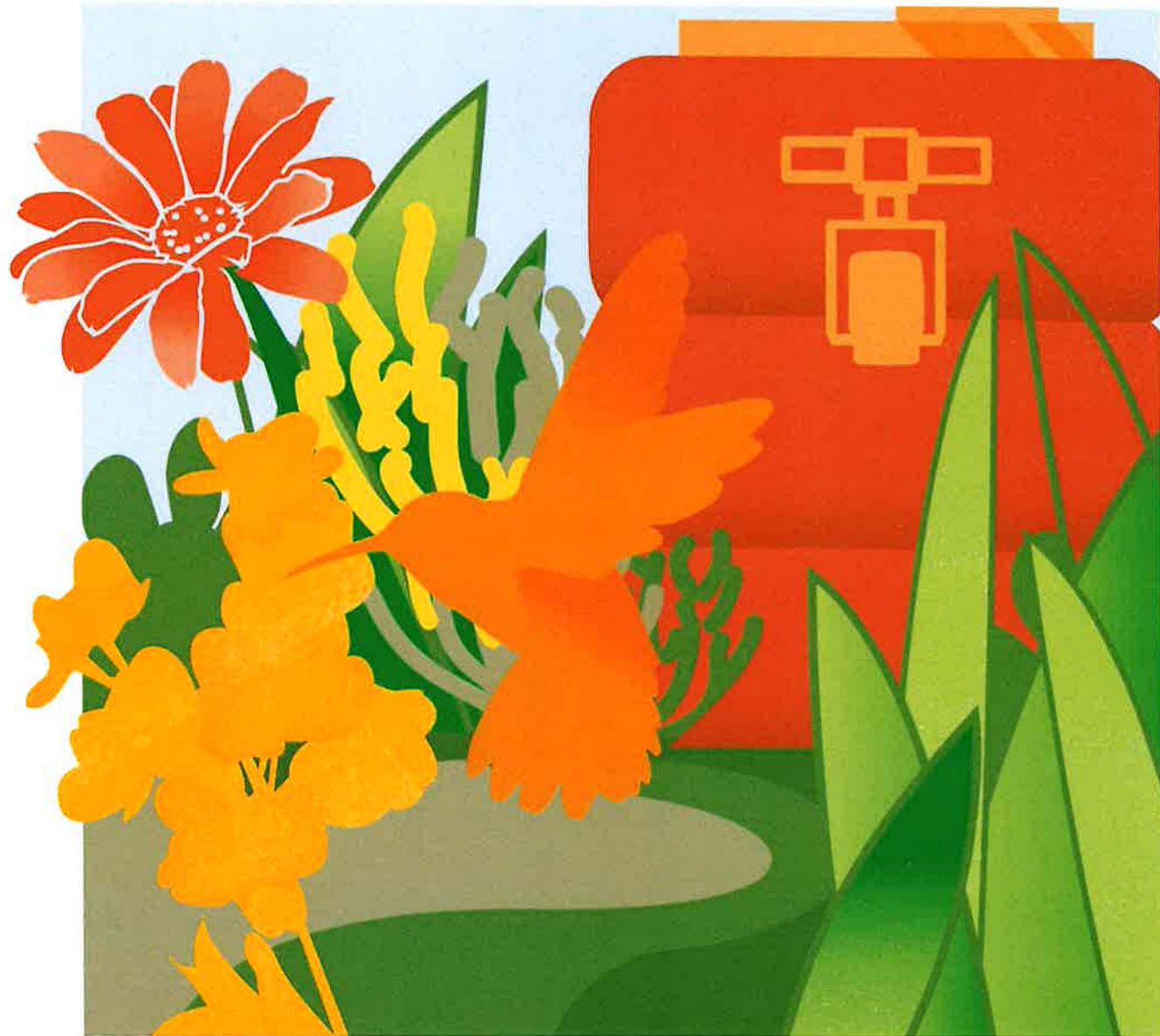


- Division I**
 Carson, Palos Verdes Estates, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, and the unincorporated LA County areas of Rancho Dominguez
- Division II**
 Inglewood, portions of the cities of Gardena and Hawthorne, and the unincorporated LA County areas of Ladera Heights, View Park-Windsor Hills, West Athens, and Westmont
- Division III**
 Hermosa Beach, Lomita, Manhattan Beach, Redondo Beach, a portion of the city of Torrance, and the unincorporated LA County area of West Carson
- Division IV**
 Culver City, El Segundo, Malibu, West Hollywood, a portion of the city of Hawthorne, and the unincorporated LA County areas of Del Aire, Marina del Rey, Topanga, and Wiseburn
- Division V**
 Lawndale, portions of the cities of Gardena and Hawthorne, and the unincorporated LA County area of El Camino Village and Lennox



What Charges Are On Your Bill

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What Charges Are On Your Bill

Charges from MWD

1. MWD Full Service Treated Volumetric Rate

2. MWD Readiness-To-Serve (RTS) Charge:

West Basin collects this charge based on volumetric rate from its retailers on behalf of MWD.

3. MWD Capacity Charge (CC):

West Basin collects this charge from its retailers on behalf of MWD. The charge for each agency is a fixed monthly rate based on the allocation formula from MWD.

What Charges Are On Your Bill

Charges from West Basin

1. West Basin's Reliability Service Charge (Assessed on potable rates)

- West Basin Potable Water Rate Formula
MWD Full Service Treated Volumetric Rate
+ MWD RTS Rate
+ West Basin Reliability Service Charge
West Basin Potable Tier 1

2. West Basin's Recycled Water Rates

- Irrigation recycled water rate
- Advanced treated recycled water rate

3. Fixed Service Charge

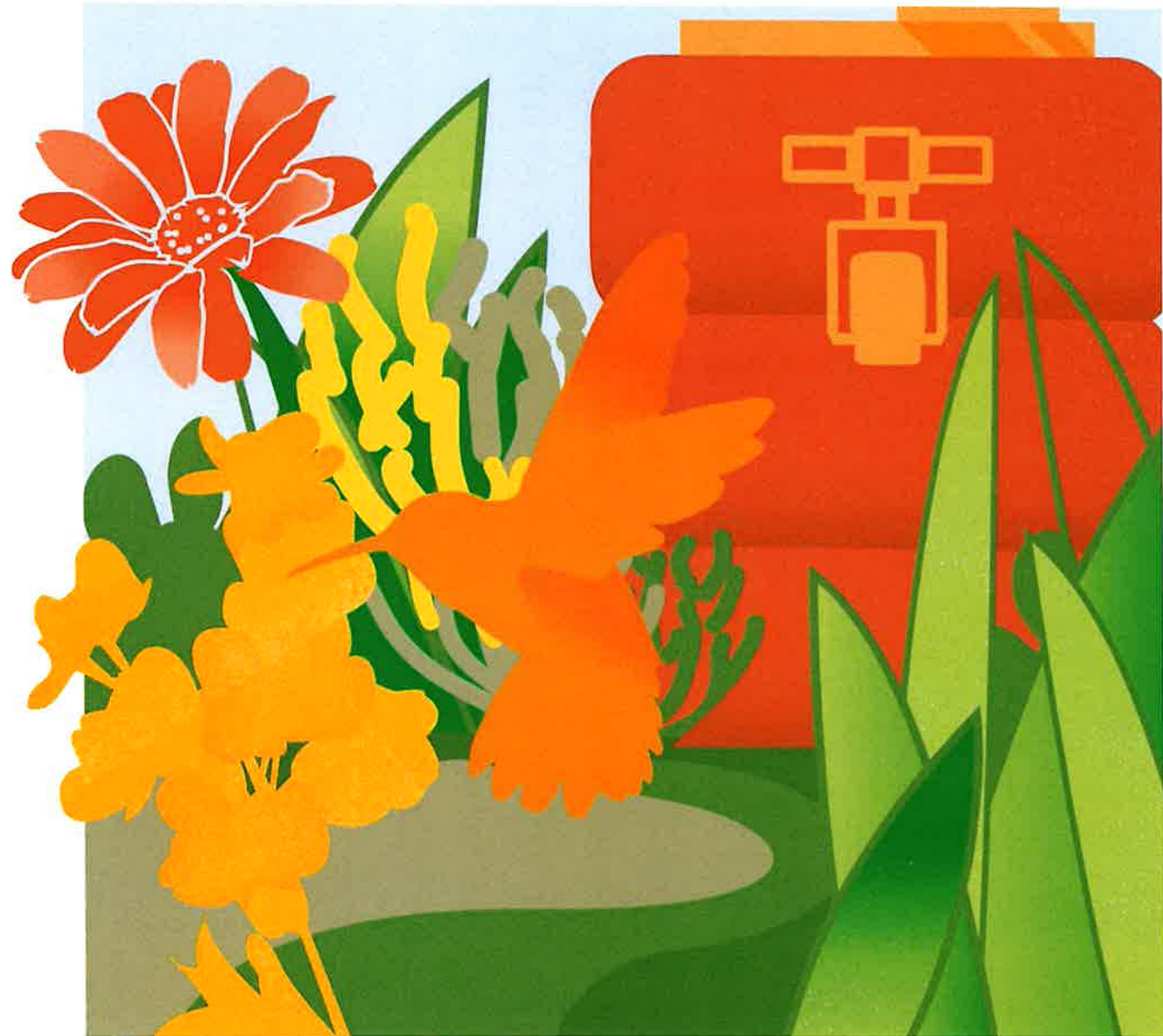
Helps fund the following reliability programs:

- Public Information and Education
- Water Policy and Resources Development



Key Budget Drivers

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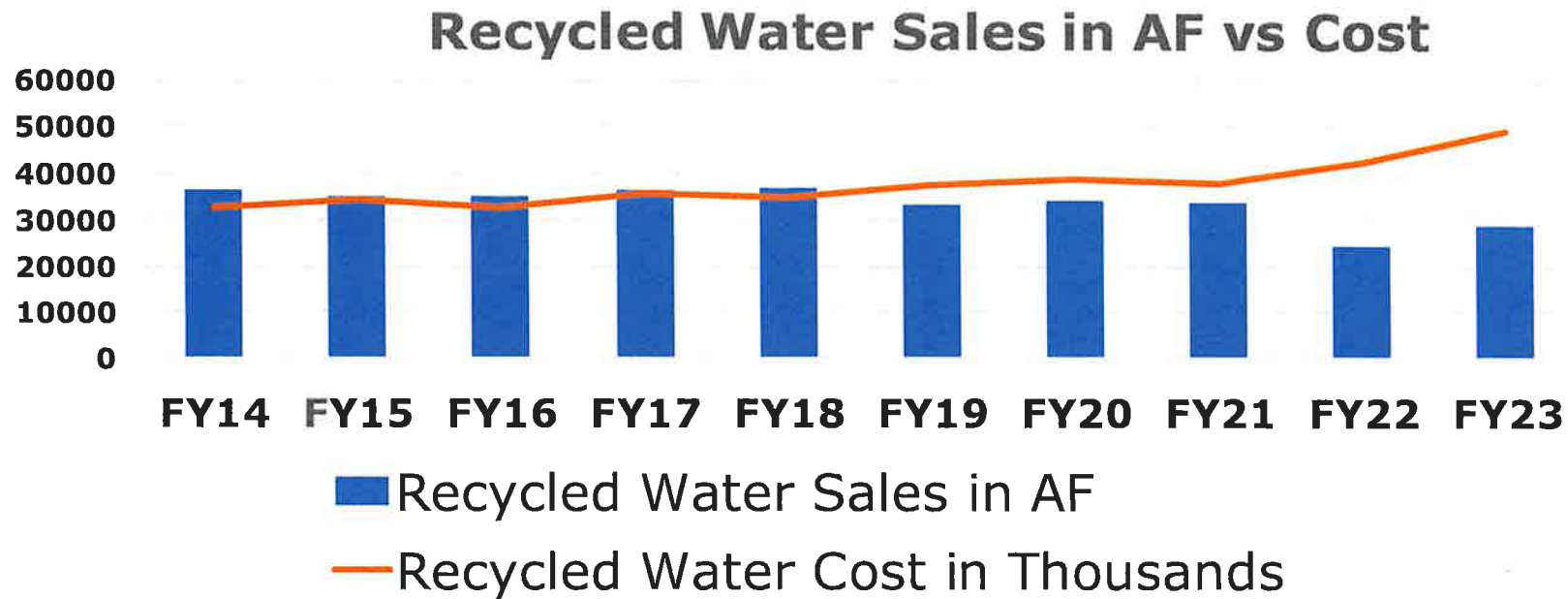


Key Budget Drivers for Fiscal Year 2024-25

1. Lower demand for potable water in FY 2022-23 and FY 2023-24 resulted in:
 - a) Lower than budgeted revenue collection of West Basin's Reliability Service Charge in both years.
 - b) Under-collection of MWD's RTS from retailers.
2. Recycled water sales were lower than budgeted. The costs of maintaining the aging facilities, chemicals, and utilities increased.
3. West Basin's Standby Charge revenue phased out through FY 2030-31.
4. Decrease in West Basin's Reserve Balance and Debt Coverage.
5. Net Revenue is not sufficient to cover CIP and R&R Costs.

Key Budget Drivers: Recycled Water Sales and Costs

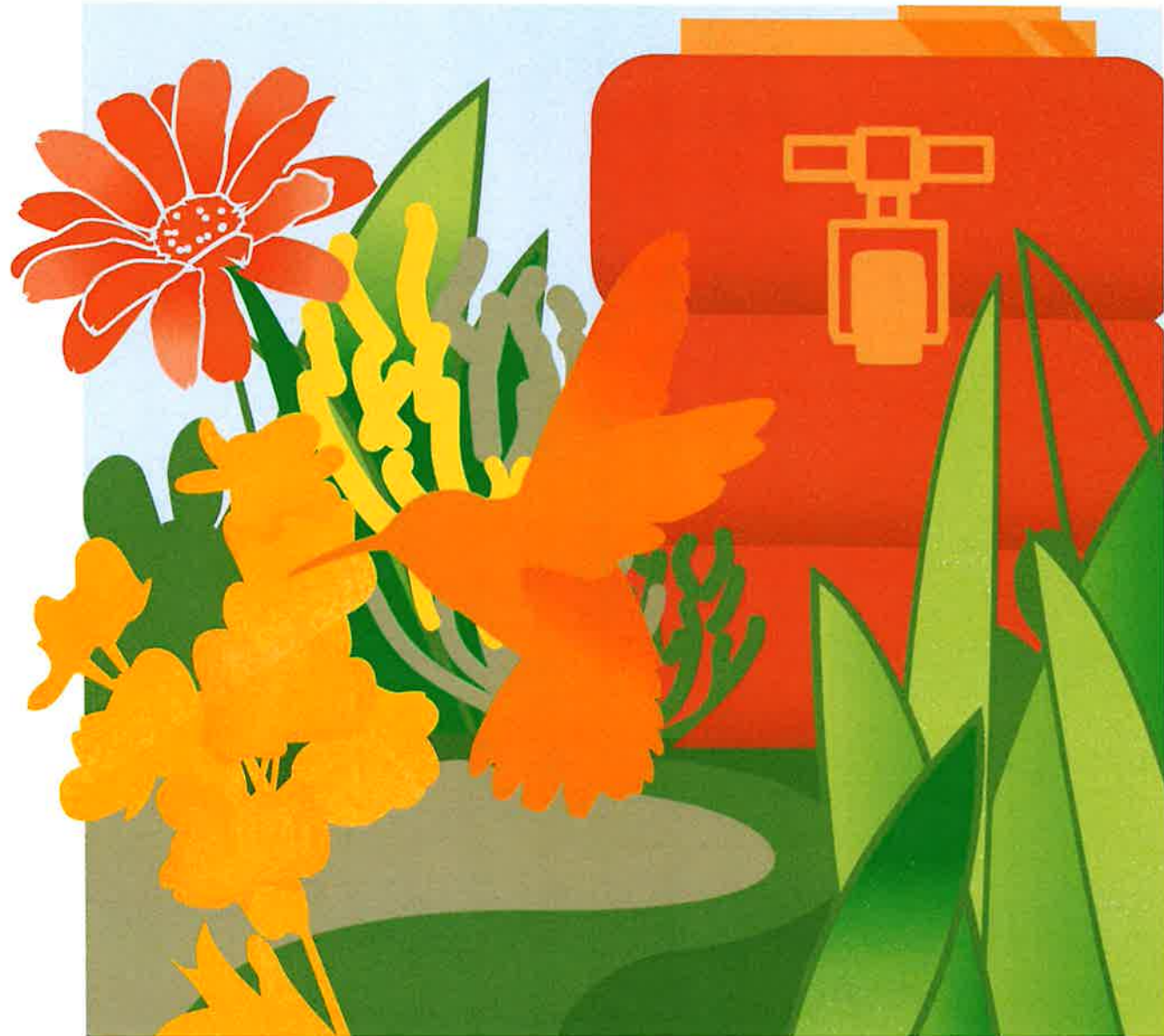
Recycled water sales and the costs of maintaining aging recycled water facilities have become more unpredictable.





Expenses

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FY 2024-25 Proposed Expenses

Category	FY 2023-24 Projection	FY 2023-24 Adopted Budget	FY 2024-25 Proposed Budget	Variance
Recycled Water Operations	\$53,851,981	\$57,519,100	\$56,204,589	(\$1,314,511)
Board Services	442,740	654,000	1,516,868	862,868
Conservation	1,951,683	3,150,455	2,447,709	(702,746)
Public Information and Education	3,511,052	4,859,793	4,956,549	96,756
Technical Planning	916,009	5,215,398	1,143,918	(4,071,480)
Water Policy & Resources Development	1,891,221	1,316,106	2,306,104	989,998
Groundwater Monitoring	11,100	60,502	20,814	(39,289)
Overhead	222,496	574,036	1,291,883	717,847
Total Expenses	\$62,798,282	\$73,349,390	\$69,888,434	(\$3,460,956)

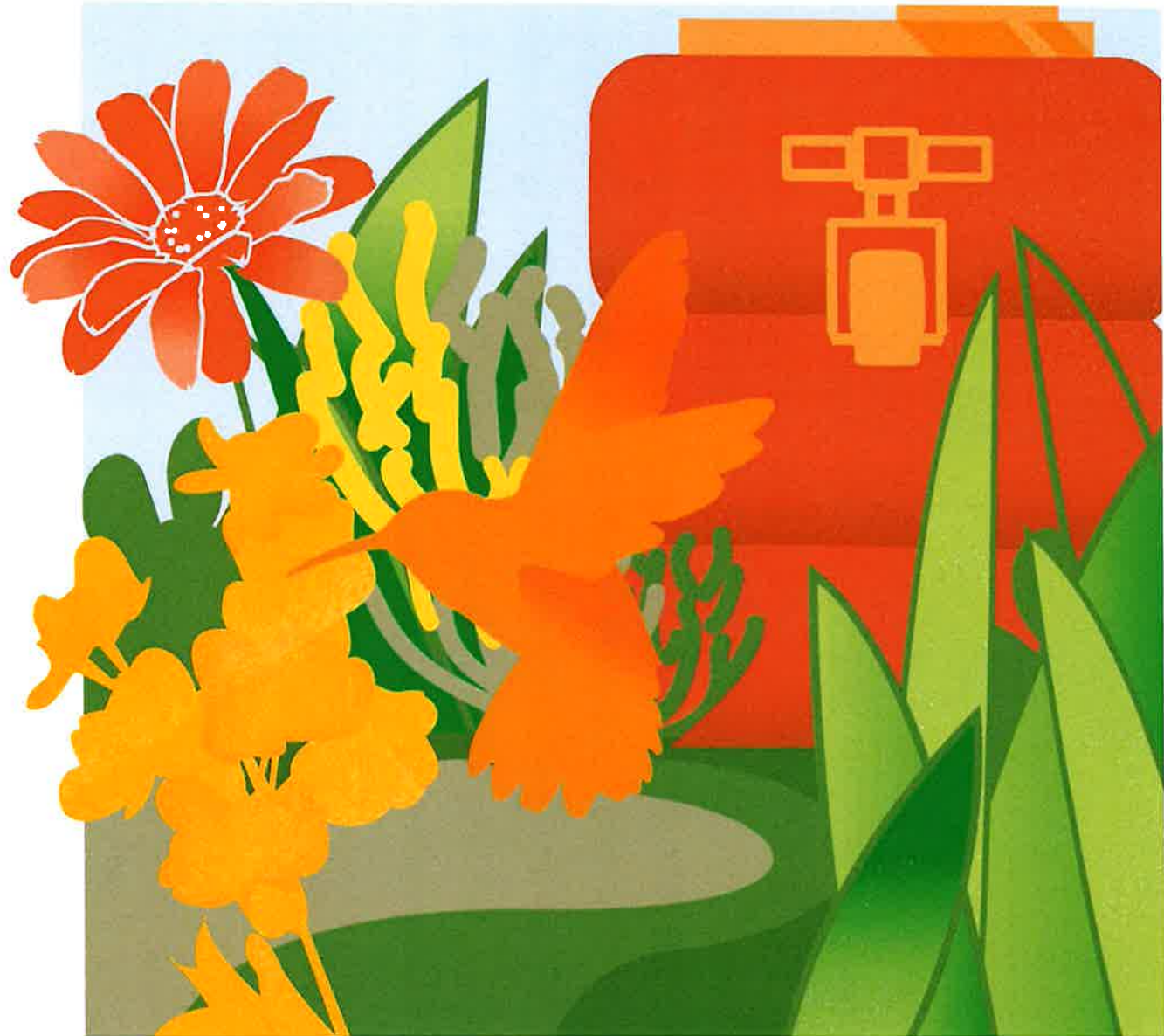
Water Use Efficiency/Conservation

- **Grass Replacement - \$500,000**
 - Rebates for residents, businesses and public agencies for grass replacement
- **Rain Barrels - \$128,000**
 - Five annual rain barrel giveaway events, one within each Division
- **Public Agency Landscape Design - \$30,000**
 - Free landscape design services for local cities and other public agencies
- **CII Water Efficiency Program - \$50,000**
- **Parkway Beautification Program- \$150,000**
- **Regional Water Efficiency Program - \$138,200**
 - Partnership with Las Virgenes MWD and LA County Waterworks to provide various water efficiency measures and resources in the northern parts of the service area



FY 2024-25 Reliability Service Charge Options

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FY 2024-25 RSC & Potable Tier 1 Rates - 4 Options

Projected retail potable sales as 80,000 AF and WRD Dominguez Gap Barrier sales as 1,800 AF

MWD Water Rate/AF	7/1/2024 - 12/31/2024 Option 1	7/1/2024 - 12/31/2024 Option 2	7/1/2024 - 12/31/2024 Option 3	7/1/2024 - 12/31/2024 Option 4
Tier 1	\$1,256	\$1,256	\$1,256	\$1,256
RTS	149	149	149	149
Total MWD Water Rate/AF	\$1,405	\$1,405	\$1,405	\$1,405
WB RSC Increase %	0%	5%	10%	15%
West Basin RSC/AF	275	289	303	316
WB Tier 1 Rate/AF	\$1,680	\$1,694	\$1,708	\$1,721

MWD Water Rate/AF	1/1/2025 - 06/30/2025 Option 1	1/1/2025 - 06/30/2025 Option 2	1/1/2025 - 06/30/2025 Option 3	1/1/2025 - 06/30/2025 Option 4
Tier 1	\$1,395	\$1,395	\$1,395	\$1,395
RTS	191	191	191	191
Total MWD Water Rate/AF	\$1,586	\$1,586	\$1,586	\$1,586
WB RSC Increase %	0%	5%	10%	15%
West Basin RSC/AF	275	289	303	316
WB Tier 1 Rate/AF	\$1,861	\$1,875	\$1,889	\$1,902

Rate Increase 1/1/25 (Compare to FY24 current rate of \$1,677/AF)	11%	11.8%	12.6%	13.4%
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West Basin Fixed Service Charges

Includes the operation costs from Public Information/Education and Water Policy.

Public Information Education	Water Policy	Total
\$4,956,549	\$2,306,103	\$7,262,652

Agency Name	3-Year Ave Potable Deliveries (AF)	Annual Charge	Monthly Charge
California American Water Co.	955	\$65,102	\$5,425
California Water Service - Dominguez	21,220	1,446,748	120,562
California Water Service - Hawthorne	3,348	228,268	19,022
California Water Service - Hermosa Redondo	9,372	638,995	53,250
California Water Service - Palos Verdes	16,574	1,130,033	94,169
City of El Segundo	6,666	454,498	37,875
City of Inglewood	6,201	422,786	35,232
City of Lomita	1,964	133,888	11,157
City of Manhattan Beach	4,356	296,975	24,748
Golden State Water	19,942	1,359,656	113,305
L.A. Co. Water Works District No. 29	8,097	552,017	46,001
WRD - Dominguez Gap Barrier	7,828	533,687	44,474
TOTAL	106,523	\$7,262,652	\$605,221



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