



April 1, 2025

Review of the Draft FY 2025-26 Financial Plan Assumptions

Sweetwater Authority FY 2025-26 Five-year Financial Plan Assumptions

Assumptions	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total Water Supply Acre Feet (AF): (a)	<u>17,100</u>	<u>17,400</u>	<u>17,500</u>	<u>17,600</u>	<u>17,700</u>	<u>17,800</u>
National City Wells (AF) (b)	1,000	1,700	1,900	1,900	1,900	1,900
Reynold Desal Plant (AF) (c)	5,000	6,600	7,000	7,000	8,000	8,000
Sweetwater Reservoir (AF) (d)	9,800	7,750	7,250	6,050	4,500	4,500
Purchased Raw Water (AF) (d)	1,300	1,300	1,300	2,600	3,250	3,350
Purchased Treated Water (AF)	0	50	50	50	50	50
SDCWA Average Raw Water Rate \$/AF	\$1,496	\$1,819	\$1,946	\$2,063	\$2,187	\$2,318
SDCWA Raw Water Rate Increase (e)	7.7%	21.6%	7%	6%	6%	6%
SDCWA/MWD Fixed Charges Increase (e)	22.1%	8.1%	7%	6%	6%	6%
SDCWA/MWD Fixed Charges	\$4,153,560	\$4,286,000	\$4,586,000	\$4,861,000	\$5,153,000	\$5,462,000
Power, Chemicals & Fuel Increase		Budget	2%	2%	2%	2%
Salary Increases-Exempt Employee MOU's (f)		3%	3%	3%	3%	3%
Salary Increases-Non-exempt Employee MOU (f)		4.5%	4.5%	3%	3%	3%
CalPERS Employer Contribution Rate		10.500%	10.2%	10.0%	9.7%	9.5%
CalPERS Employer UAL Payment		\$4,749,579	\$5,072,000	\$5,329,000	\$5,842,000	\$5,982,000
Employee Health Insurance Premium Increase		Budget	3%	3%	3%	3%
General Operating Expenses Increase		Budget	1%	1%	1%	1%

2026 Water Rate Study



Major Capital Projects

Project funding to be considered for options other than water rate revenue:

- Reservoir Capacity Restoration
- Perdue Clearwell Rehabilitation
- Nitrate Removal System at Desalination Facility
- PFAS Treatment Program
- Sweetwater Dam and South Dike Improvements



Recommendation

Staff recommends that the Governing Board review the FY 2025-26 Five-year Financial Plan Assumptions and provide input for staff to incorporate into the Draft FY 2025-26 Five-year Financial Plan.

