



Fiscal Year 2023/24 and 2024/25



## MISSION

Inland Empire Utilities Agency is committed to meeting the needs of the region by providing essential services in a regionally planned and cost effective manner while safeguarding public health, promoting economic development and protecting the environment.

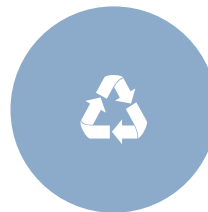
### Key Areas of Service:



Securing and supplying imported water.



Collecting and treating wastewater.



Producing high-quality, renewable resources such as recycled water, compost and energy.



Promoting sustainable use of groundwater and development of local water supplies.

## VISION

To become a world class leader in water management and environmental stewardship, including water quality, water-use efficiency, recycled water, and renewable energy, in order to enhance and preserve the quality of life throughout the region.

# BUSINESS GOALS

The IEUA Board and management have committed to six broad policy goals designed to move the Agency forward in executing its mission and attaining its vision:



## IEUA STRUCTURE AND SERVICE AREA

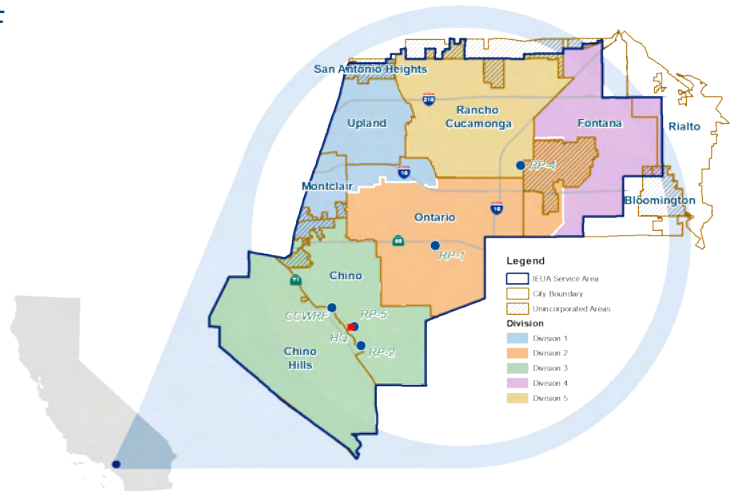
The Inland Empire Utilities Agency is governed by a five-member Board of Directors who are elected to four-year staggered terms by registered voters within their divisions as defined by the division boundary map below. IEUA is responsible for serving approximately 935,000 residents over a 242-square mile area in western San Bernardino County.

### BOARD OF DIRECTORS

- Marco Tule  
*President - Division 1*
- Steven J. Elie  
*Vice President - Division 3*
- Jasmin A. Hall  
*Secretary/Treasurer - Division 4*
- Michael Camacho  
*Director - Division 5*
- Paul Hofer  
*Director - Division 2*

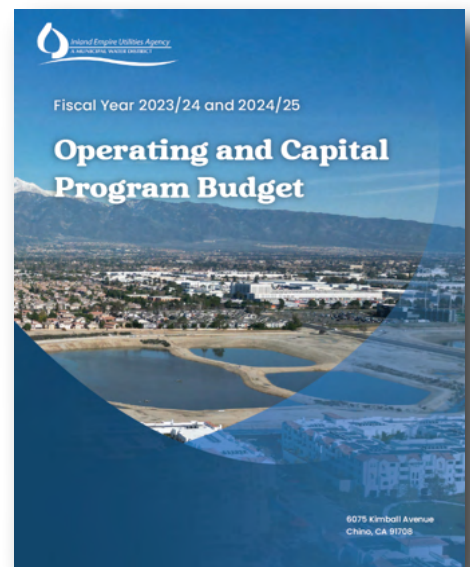
### SENIOR LEADERSHIP STAFF

- Shivaji Deshmukh  
*General Manager*
- Christiana Daisy  
*Deputy General Manager*
- Kristine Day  
*Assistant General Manager*
- Randy Lee  
*Director of Finance*
- Jean Cihigoyenetché  
*General Counsel*



## BUDGET PRIORITIES

- 1 Staffing
- 2 Cost-Efficient Operations
- 3 Full Cost of Service Rates
- 4 Optimize Low Interest Debt & Grants
- 5 Timely Upkeep of Agency Assets
- 6 Transparency

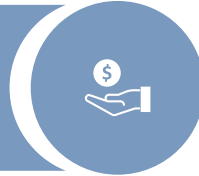


# FY 2022/23 ACCOMPLISHMENTS



Approval of a second agreement with the U.S. Environmental Protection Agency (EPA) for a Water Infrastructure Finance & Innovation Act (WIFIA) loan for \$120 million.

Secured two SRF loans totaling nearly \$15 million in support of the ongoing Recharge Master Plan Update (RMPU) projects.



Received Laboratory accreditation to perform PFAS Analysis.

## FISCAL RESPONSIBILITY

Sustainable cost containment continues to be the foundation of the Fiscal Year 2023/24 and 2024/25 budgets. To mitigate future rate increases, the Agency remains committed to cost containment and optimizing grant funding and low-interest loans to support capital investments in the region. The Agency is committed to safeguarding its fiscal health through organizational efficiency and the adoption of balanced multi-year budgets and rates. The Agency supports open and transparent communication with its partner agencies and the communities it serves.

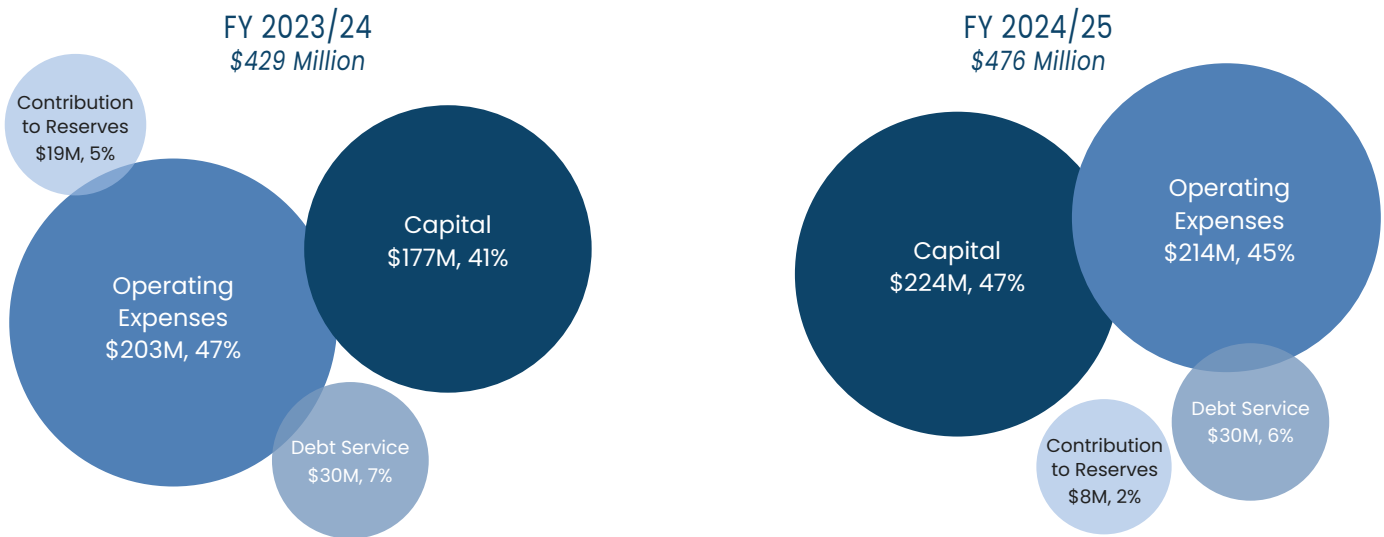
## ADOPTED RATES

Adopted Rates	Units	FY 2023/24 Adopted	FY 2024/25 Adopted
<b>Wastewater</b>			
EDU Volumetric Rate	Monthly EDU	\$23.39	\$24.79
Connection Fee	Monthly EDU	\$8,132	\$8,620
<b>Recycled Water</b>			
Direct Sales	AF	\$510	\$465
Recharge Sales	AF	\$660	\$665
Fixed Cost Recovery	n/a	\$2.4M	\$5.0M
<b>Imported Water</b>			
Tier 1 Untreated Water	AF	\$855	\$903
Water Resources & Water Use Efficiency	MEU	\$1.12	\$1.14
Water Connection Fee	MEU	\$1,896	\$1,953



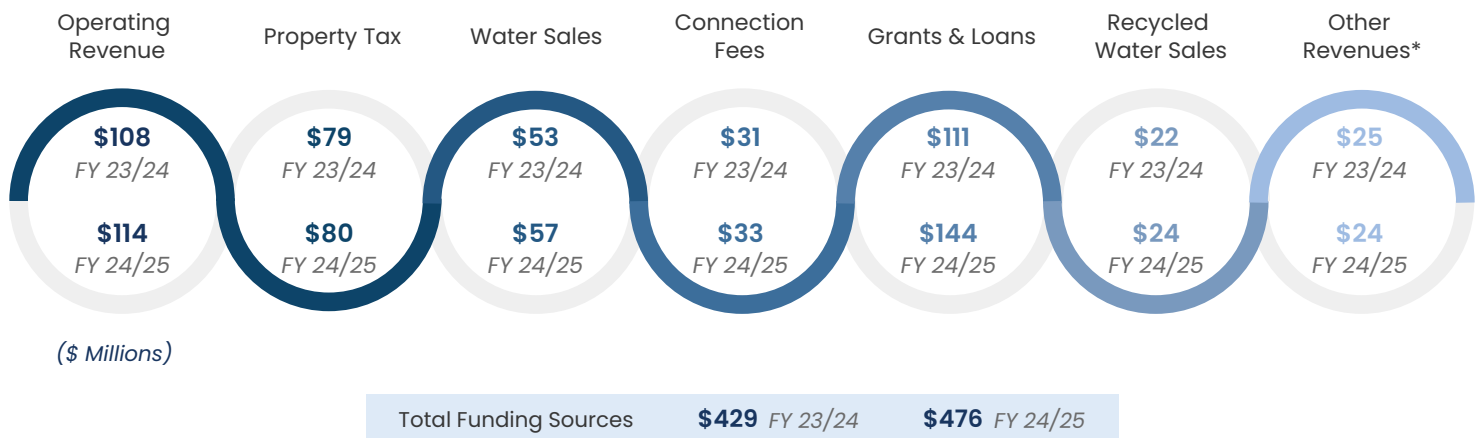
# FYs 2023/24 & 2024/25 BIENNIAL BUDGET

Total uses of funds include the operational, capital, and debt service expenditures for all Agency programs necessary to support the Agency's mission to provide reliable essential services in a regionally planned and cost-effective manner. Over the two-year budget period, the total Uses of Funds increase is primarily a result of higher capital project expenditures. Additionally, inflationary cost increases for chemicals and energy, increased construction project related expenses, and increased staffing to support new construction were key factors in the Budget. The Agency will continue to pursue the most cost-effective financing to implement the TYCIP, including federal and state loans and grant funding opportunities.



## TOTAL REVENUES & OTHER FUNDING SOURCES

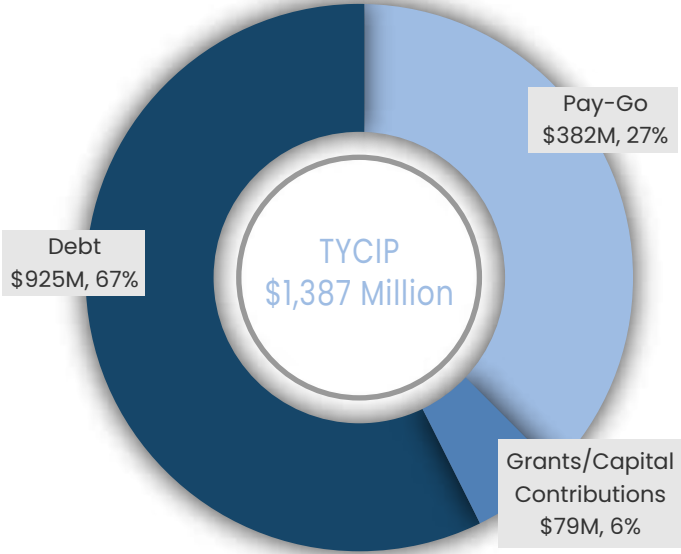
Over the next two fiscal years, revenues remain relatively stable with grant and loan proceeds, operating revenues, and water sales accounting for the projected increase in FY 2024/25. The grant and loan increase is mainly due to additional federal and state grant and loan proceeds associated with major projects such as the Regional Water Recycling Plant No. 5 (RP-5) Solids and Liquid Treatment Expansion (RP-5 Expansion projects), RP-1 Thickening Building & Acid Phase Digester, Advanced Water Purification Facility, and the Replenishing Facilities. Increases to operating and water sales revenues are mainly due increases in potable water (pass-through) rates, projected area growth increasing the number of connections, treatments services, and recycled water sales.



\*Other revenues include: contract cost reimbursements from the Inland Empire Regional Composting Authority, Chino Basin Watermaster, and Chino Basin Desalter Authority; interest, lease, and other miscellaneous revenues.

# CAPITAL IMPROVEMENT PLAN

The FY 2023/24 to FY 2032/33 Ten Year Capital Improvement Plan (TYCIP) includes critical replacement & rehabilitation (R&R) of Agency assets necessary to meet reliability and regulatory requirements, expansion of existing facilities, infrastructure to meet increased service demands from future growth projected by member agencies, and investment in the Regional Composting Authority. Loans and grants are leveraged as an important funding source of the Agency’s Capital Improvement Plan in combination with pay-go which includes contributions from outside parties, connection fees, user charges, property taxes, and fund reserves. Low interest federal and state loans are the primary sources of new debt financing, including a second Water Infrastructure and Financing Innovation Act (WIFIA) for \$120 million secured in 2022 for Regional Wastewater Improvement projects.



## CAPITAL PROJECTS BY FUND ( \$ Millions )

Program	FY 2023/24	FY 2024/25
Wastewater Capital	\$113.1	\$130.2
Wastewater Operations	33.7	45.2
Recycled Water	15.6	23.8
Non-Reclaimable Wastewater	5.1	16.0
Administrative Services	4.2	6.4
Water Resources	3.5	1.0
Recharge Water	2.1	0.9
<b>Total</b>	<b>\$177.3</b>	<b>\$223.5</b>

# MAJOR CAPITAL PROJECTS PLANNED OVER THE NEXT 10 YEARS



Total Project Budget **\$785 million**





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*Photo taken by Brent Ritzinger*