

ANNUAL FINANCIAL REPORT

CENTRAL VALLEY PROJECT IMPROVEMENT ACT Public Law 102-575, Title XXXIV

Revenues and Expenditures for the Periods:

October 1, 1999 - September 30, 2000 (Actual)

October 1, 2001 - September 30, 2002 (Projected)

September 2001

**Bureau of Reclamation
United States Department of the Interior**

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CENTRAL VALLEY PROJECT IMPROVEMENT ACT
ANNUAL FINANCIAL REPORT

SUMMARY

Subsection 3407(f) of the Central Valley Project Improvement Act (Title XXXIV of Public Law 102-575) provides for an annual financial report to the Senate Committee on Energy and Natural Resources, the Committee on Appropriations of the Senate, the House Committee on Resources, and the Committee on Appropriations of the House of Representatives. The annual financial report is to describe all Restoration Fund revenues and expenditures during the prior fiscal year and projected Restoration Fund revenues and expenditures during the next upcoming fiscal year.

This report is the eighth annual financial report prepared pursuant to Subsection 3407(f) of the Central Valley Project Improvement Act (CVPIA) and covers fiscal year 2000 actual revenues and expenditures and fiscal year 2002 projected revenues and expenditures. For purposes of this report revenues are actual collections processed, and expenditures are obligations incurred. Schedules 1 through 4 provide summary information on fiscal year 2000 Restoration Fund revenues and expenditures. Schedules 5 through 8 provide summary information on projected fiscal year 2002 Restoration Fund revenues and expenditures.

This report does not include the Water and Related Resources Appropriations Account or State of California cost share information. These two funding sources are in addition to the Restoration Fund, and with the Restoration Fund compose the annual CVPIA program. Each funding source is considered in allocating the Restoration Fund to individual CVPIA activities, and CVPIA funding is in turn coordinated with the CALFED Bay-Delta Program to best ensure compatibility with and to complement CALFED initiatives. Overlapping CVPIA and CALFED areas are integrated as a way of using the strengths of both programs to maximize performance and meet program objectives. It is anticipated that these processes will result in a broad-based ecosystem management strategy wherein all parties join together in a partnership in their efforts toward mitigation and restoration of the environment.

Fiscal Year 2000

Fiscal year 2000 Restoration Fund revenues totaled \$47,563,261. Fiscal year 2000 Restoration Fund expenditures were \$42,084,930. The fiscal year 2000 Restoration Fund balance, \$20,618,928 (fiscal year 1999 carryover \$15,708,883 + fiscal year 2000 revenues exceeding expenditures by \$5,478,331 + return of non-federal contributions erroneously collected in prior years totaling \$568,286) was carried over into the fiscal year 2001 program. Schedule 1 summarizes fiscal year 2000 Restoration Fund revenues and expenditures, including the carryover from fiscal year 1999, and the Restoration Fund balance at September 30, 2000. Schedules 2 and 3 provide detailed information on fiscal year 2000 revenues, including power payments, and water (irrigation, and municipal and industrial) payments by water service area. Schedule 4 lists the fish and wildlife restoration activities funded during fiscal year 2000 and the amounts attributable to each activity.

Fiscal Year 2001

Fiscal year 2001 Restoration Fund revenues and expenditures are being compiled and reviewed at this time. Revenues and expenditures are expected to be \$38,382,000. Detailed fiscal year 2001 information will be in the next annual financial report.

Fiscal Year 2002

For fiscal year 2002, Restoration Fund revenues are projected to be \$55,039,000. Schedule 5 shows the projected revenue sources for fiscal year 2002 by authorizing subsection of the CVPIA.

Revenues:

Friant Division Surcharges	\$ 9,836,000
Tiered Water Revenues	300,000
Transfer Water Revenues	15,000
M&I Surcharges	1,000
Restoration Payments	<u>44,887,000</u>
Total Projected Restoration Fund Revenues for Fiscal Year 2002	<u>\$55,039,000</u>

The Restoration Fund revenues attributable to Project Water are projected by applying the applicable Restoration Fund rate to the projected paid fiscal year 2002 water deliveries. Annual Project Water delivery projections are updated annually under the Project's Irrigation and M&I water ratesetting policies. These projections serve as the primary basis for projecting Restoration Fund revenues.

The Friant Division Surcharge rate for fiscal year 2002 remains at \$7 per acre-foot. Tiered Water rates specified in the contracts for delivered Project Water are based on percentages of contractors total Project Water entitlements and the difference between full cost and cost of service rates. Transfer Water Revenues are based on projected acre-feet subject times a projected difference between full cost and cost of service rates. The M&I Surcharge rate equates to a 1992 Consumer Price Index Urban (CPIU) indexed rate of \$25 per acre-foot of Project Water subject to this charge. The Restoration Payment rates for Project Water equate to a 1992 CPIU indexed rate of \$6 per acre-foot for irrigation water and \$12 per acre-foot for M&I water. These CPIU indexed rates are adjusted annually. No other Restoration Fund revenues are projected for fiscal year 2002, as provisions for such other charges are not anticipated to provide Restoration Funds in fiscal year 2002.

The fiscal year 2002 Restoration Fund appropriation of \$55,039,000 is shown in schedule 8. The schedule lists the fish and wildlife restoration activities projected to be funded during the fiscal year and the amounts attributable to each activity.

**Central Valley Project Improvement Act
Restoration Fund Revenues and Expenditures
for Fiscal Year 2000**

Revenues	<u>Fiscal Year 2000</u>
<u>Non-Discretionary Revenues</u>	
Pre-Renewal Charges (Subsection 3404(c)(3))	\$0
Tiered Water Revenues (Subsection 3405(d))	0
Transfer Water Revenues (Subsection 3405(a)(1)(B))	24,429
Friant Division Surcharges (Subsection 3406(c)(1)) – See Schedule 2	10,439,549
M&I Surcharges (Subsection 3407(d)(2)(A))	<u>555</u>
Subtotal - Non-Discretionary Revenues	\$10,464,533
<u>Discretionary Revenues</u>	
Restoration Payments (Subsection 3407(c) & (d)) – See Schedule 3	<u>37,098,728</u>
Total Restoration Fund Revenues	\$47,563,261
 Expenditures	
Expenditures (Subsections 3406 & 3408) – See Schedule 4	<u>42,084,930</u>
Excess of Restoration Fund Revenues over Expenditures for Fiscal Year 2000	\$5,478,331
 Contributions	
Non-Federal Contributions (Subsection 3407(a)) /1	(568,286)
Restoration Fund Balance at September 30, 1999	<u>15,708,883</u>
Restoration Fund Balance at September 30, 2000 /2	<u><u>\$20,618,928</u></u>

/1 Non-Federal Contributions collected in error on FY 1996 Warren Act water were returned to water contractors in FY 2000.

/2 Congress directed unappropriated collections in FY 1999 and FY 2000.

**Central Valley Project Improvement Act
Friant Division Surcharges (Subsection 3406(c)(1))
for Fiscal Year 2000**

<u>WATER SALES REVENUES (\$)</u>			
<u>SERVICE AREA</u>	<u>IRRIGATION</u>	<u>M&I</u>	<u>TOTAL</u>
FRIANT-KERN CANAL	\$8,123,191	\$642,373	\$8,765,564
CROSS VALLEY CANAL	0	0	0
MADERA CANAL	1,633,643	0	1,633,643
FRIANT DAM	39,350	992	40,342
MENDOTA POOL	0	0	0
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Total	<u>\$9,796,184</u>	<u>\$643,365</u>	<u>\$10,439,549</u>

Central Valley Project Improvement Act
Restoration Payments (Subsection 3407(c) & (d))
for Fiscal Year 2000

WATER SALES REVENUES (\$)

<u>SERVICE AREA</u>	<u>IRRIGATION</u>	<u>M&I</u>	<u>TOTAL</u>
FOLSOM			
Folsom Dam & Reservoir	\$0	\$668,628	\$668,628
Folsom-South Canal	0	44,601	44,601
Sugar Pine Dam & Reservoir	0	11,986	11,986
Sly Park Dam & Reservoir	31,150	178,505	209,655
Total Folsom	31,150	903,720	934,870
TRACY			
Contra Costa Canal	2,470	1,443,969	1,446,439
Delta-Mendota Canal	1,250,199	145,925	1,396,124
San Luis Canal-Tracy	734,758	44,191	778,949
New Melones Dam & Reservoir	(137,396)	117,994	(19,402)
San Felipe Unit	309,616	1,098,367	1,407,983
Total Tracy	2,159,647	2,850,446	5,010,093
FRESNO			
San Luis Canal-Fresno	4,097,994	219,326	4,317,320
Friant Dam	43,392	2,353	45,745
Friant-Kern Canal	8,580,908	1,527,776	10,108,684
Cross Valley Canal	839,547	0	839,547
Madera Canal	1,745,180	0	1,745,180
Delta-Mendota Pool	330,361	13,313	343,674
Buchanan Unit	170,400	0	170,400
Hidden Unit	0	0	0
Total Fresno	15,807,782	1,762,768	17,570,550
SHASTA			
Clear Creek Unit	0	24,342	24,342
Shasta Dam & Reservoir	0	48,845	48,845
Spring Creek Conduit	0	73,052	73,052
Cow Creek Unit	13,376	57,964	71,340
Toyon Pipeline	0	32,243	32,243
Sacramento River - Shasta	6,582	10,390	16,972
Total Shasta	19,958	246,836	266,794

Central Valley Project Improvement Act
Restoration Payments (Subsection 3407(c) & (d))
for Fiscal Year 2000

WATER SALES REVENUES (\$)

<u>SERVICE AREA</u>	<u>IRRIGATION</u>	<u>M&I</u>	<u>TOTAL</u>
WILLOWS			
Corning Canal	0	714	714
Tehama-Colusa Canal	0	2,425	2,425
Black Butte Dam & Reservoir	559	2,153	2,712
Colusa Basin Drain	156,319	0	156,319
Feather River	109,155	0	109,155
Sacramento River - Willows	980,477	75,440	1,055,917
Total Willows	<u>1,246,510</u>	<u>80,732</u>	<u>1,327,242</u>
Restoration Payments			
Irrigation and M&I	<u>\$19,265,047</u>	<u>\$5,844,502</u>	<u>\$25,109,549</u>

Restoration Payment - Irrigation	\$19,265,047
Restoration Payment - M&I	5,844,502
Restoration Payment - Power	11,989,179
Total	<u>\$37,098,728</u>

**Central Valley Project Improvement Act
Restoration Payments (Subsection 3407(c) & (d))
Projected versus Actual
for Fiscal Year 2000**

WATER SALES REVENUES (\$)

<u>SERVICE AREA</u>	<u>PROJECTED</u>	<u>ACTUAL</u>	<u>DIFFERENCE</u>
Black Butte Dam & Reservoir	\$1,130	\$2,712	\$1,582
Buchanan Unit	169,594	170,400	806
Clear Creek Unit	21,199	24,342	3,143
Colusa Basin Drain	92,570	156,319	63,749
Contra Costa Canal	1,494,544	1,446,439	(48,105)
Corning Canal	283	714	431
Cow Creek Unit	70,664	71,340	676
Cross Valley Canal	142,755	839,547	696,792
Delta-Mendota Canal	1,640,048	1,396,124	(243,924)
Delta-Mendota Pool	335,491	343,674	8,183
Feather River	70,664	109,155	38,491
Folsom Dam & Reservoir	527,153	668,628	141,475
Folsom-South Canal	28,266	44,601	16,335
Friant Dam	26,216	45,745	19,529
Friant-Kern Canal	6,581,292	10,108,684	3,527,392
Hidden Unit	169,594	0	(169,594)
Madera Canal	1,440,032	1,745,180	305,148
New Melones Dam & Reservoir	356,853	(19,402)	(376,255)
Sacramento River - Shasta	82,917	16,972	(65,945)
Sacramento River - Willows	904,205	1,055,917	151,712
San Felipe Unit	1,331,133	1,407,983	76,850
San Luis Canal-Fresno	5,902,211	4,317,320	(1,584,891)
San Luis Canal-Tracy	924,214	778,949	(145,265)
Shasta Dam & Reservoir	39,148	48,845	9,697
Sly Park Dam & Reservoir	289,722	209,655	(80,067)
Spring Creek Conduit	64,460	73,052	8,592
Sugar Pine Dam & Reservoir	9,893	11,986	2,093
Tehama-Colusa Canal	1,766	2,425	659
Toyon Pipeline	31,262	32,243	981
Restoration Payments - Water	\$22,749,279	\$25,109,549	\$2,360,270
Restoration Payments - Water (Irrigation and M&I)		\$25,109,549	
Restoration Payment - Power		11,989,179	
Total		\$37,098,728	

**Central Valley Project Improvement Act
Expenditures (Obligations) for Fiscal Year 2000**

<u>FISH AND WILDLIFE RESTORATION ACTIVITIES</u>	<u>SUBSECTION</u>	<u>AMOUNT (\$)</u>
Habitat Restoration, Improvement, & Acquisition		
Anadromous Fish Program	3406(b)(1)	6,754,980
Other CVP Impacts	3406(b)(1) Other	2,341,519
Dedicated Project Yield	3406(b)(2)	827,967
Water Acquisition	3406(b)(3)	5,821,582
Evaluate Project Operations	3406(b)(9)(19)	61,675
Stanislaus River Basin Water Needs	3406(c)	68,669
San Joaquin Basin Action Plan	3406(d)	3,443,624
Refuge Water Supply	3406(d)(1-4)	451,464
Refuge Wheeling	3406(d)(5)	5,982,644
Private Wetlands Investigation	3406(d)(6)	11,660
Ecosystem/Water Operations Study	3406(g)	4,763,334
Land Retirement	3408(h)	6,113,801
Other Fish and Wildlife Restoration Activities		
Coleman National Fish Hatchery & Keswick Mods	3406(b)(11)	192,030
Clear Creek Restoration	3406(b)(12)	1,133,238
Spawning Gravel	3406(b)(13)	66,302
CVP Project Assessment/Monitoring Program	3406(b)(16)	868,778
Unscreened Diversions	3406(b)(21)	2,202,509
Flood Agr Lands for Waterfowl/Yld Enhmt	3406(b)(22)	979,154
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Total Expenditures (Obligations) Fiscal Year 2000		<u>\$42,084,930</u>

**Central Valley Project Improvement Act
Projected Restoration Fund Revenues and Expenditures
for Fiscal Year 2002**

Revenues	<u>Fiscal Year 2002</u>
Pre-Renewal Charges (Subsection 3404(c)(3))	\$0 /1
Tiered Water Revenues (Subsection 3405(d))	300,000
Transfer Water Revenues (Subsection 3405(a)(1)(B))	15,000
Friant Division Surcharges (Subsection 3406(c)(1)) -- See Schedule 6	9,836,000
M&I Surcharges (Subsection 3407(d)(2)(A))	1,000 /2
Restoration Payments (Subsection 3407(c) & (d)) -- See Schedule 7	<u>44,887,000</u>
Total Projected Restoration Fund Revenues	\$55,039,000
Expenditures	
Expenditures (Subsections 3406 & 3408) -- See Schedule 8	55,039,000
Contributions	
Non-Federal Contributions (Subsection 3407(a))	<u>0 /3</u>
FY 2002 Projected Revenues over (under) Expenditures	\$0
Restoration Fund Balance projected at September 30, 2001	<u>20,618,928</u>
Restoration Fund Balance Projected at September 30, 2002	<u><u>\$20,618,928</u></u>

/1 Pre-Renewal Charges of less than \$1,000 from one contractor (Elk Creek CSD) are expected.

/2 M&I Surcharges have been about \$1,000 per year from one contractor (U.S. Forest Service).
FY 2002 M&I Surcharges are expected to continue at this rate.

/3 Non-Federal Contributions (Subsection 3407(a)) are not projected until a historic basis for projecting such receipts is available.

**Central Valley Project Improvement Act
Projected Friant Division Surcharges (Subsection 3406(c)(1))
for Fiscal Year 2002**

<u>WATER SALES REVENUES (\$)</u>			
<u>SERVICE AREA</u>	<u>IRRIGATION</u>	<u>M&I</u>	<u>TOTAL</u>
FRIANT-KERN CANAL	\$7,366,925	\$419,405	\$7,786,330
MADERA CANAL	2,001,307	0	2,001,307
FRIANT DAM	47,040	1,323	48,363
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Total	<u>\$9,415,272</u>	<u>\$420,728</u>	<u>\$9,836,000</u>

Central Valley Project Improvement Act
Projected Restoration Payments (Subsection 3407(c) & (d))
for Fiscal Year 2002

WATER SALES REVENUES (\$)

<u>SERVICE AREA</u>	<u>IRRIGATION</u>	<u>M&I</u>	<u>TOTAL</u>
FOLSOM			
Folsom Dam & Reservoir	\$0	\$634,563	\$634,563
Folsom-South Canal	0	154,392	154,392
Sugar Pine Dam & Reservoir	94,311	11,724	106,035
Sly Park Dam & Reservoir	34,357	268,819	303,176
Total Folsom	128,668	1,069,498	1,198,166
TRACY			
Contra Costa Canal	3,502	1,250,024	1,253,526
Delta-Mendota Canal	1,590,469	118,684	1,709,153
San Luis Canal-Tracy	928,942	5,839	934,781
New Melones Dam & Reservoir	0	0	0
San Felipe Unit	296,620	1,375,174	1,671,794
Total Tracy	2,819,533	2,749,721	5,569,254
FRESNO			
San Luis Canal-Fresno	6,265,138	206,588	6,471,726
Friant Dam	50,180	2,823	53,003
Friant-Kern Canal	7,785,497	894,795	8,680,292
Cross Valley Canal	213,428	0	213,428
Madera Canal	2,134,880	0	2,134,880
Delta-Mendota Pool	376,825	0	376,825
Buchanan Unit	179,213	0	179,213
Hidden Unit	179,213	0	179,213
Total Fresno	17,184,374	1,104,206	18,288,580
SHASTA			
Clear Creek Unit	0	23,268	23,268
Shasta Dam & Reservoir	0	41,443	41,443
Spring Creek Conduit	0	79,809	79,809
Cow Creek Unit	0	70,356	70,356
Toyon Pipeline	0	36,634	36,634
Sacramento River - Shasta	75,926	114,233	190,159
Total Shasta	75,926	365,743	441,669

**Central Valley Project Improvement Act
Projected Restoration Payments (Subsection 3407(c) & (d))
for Fiscal Year 2002**

WATER SALES REVENUES (\$)

SERVICE AREA	<u>IRRIGATION</u>	<u>M&I</u>	<u>TOTAL</u>
WILLOWS			
Corning Canal	0	0	0
Tehama-Colusa Canal	0	1,688	1,688
Black Butte Dam & Reservoir	582	1,180	1,762
Colusa Basin Drain	49,015	0	49,015
Feather River	73,843	0	73,843
Sacramento River - Willows	1,760,599	0	1,760,599
Total Willows	<u>1,884,039</u>	<u>2,868</u>	<u>1,886,907</u>
 Restoration Payments			
Irrigation and M&I	<u>\$22,092,540</u>	<u>\$5,292,036</u>	<u>\$27,384,576</u>
 Restoration Payment - Irrigation	 \$22,092,540		
Restoration Payment - M&I	5,292,036		
Restoration Payment - Power	17,502,424		
Total	<u>\$44,887,000</u>		

**Central Valley Project Improvement Act
Projected Expenditures (Obligations) for Fiscal Year 2002**

<u>FISH AND WILDLIFE RESTORATION ACTIVITIES</u>	<u>SUBSECTION</u>	<u>AMOUNT (\$)</u>
Habitat Restoration, Improvement, & Acquisition		
Anadromous Fish Program	3406(b)(1)	\$7,000,000
Other CVP Impacts	3406(b)(1) Other	3,000,000
Dedicated Project Yield	3406(b)(2)	900,000
Water Acquisition	3406(b)(3)	6,620,000
Flow Fluctuation Study / Reservoir Storage	3406(b)(9)&(19)	250,000
Refuge Water Supply/Conveyance	3406(d)(1),(2), & (5)	14,242,000
Ecosystem/Water Operations Study	3406(g)	3,502,000
Land Retirement	3408(h)	3,025,000
Other Fish and Wildlife Restoration Activities		
Tracy Pumping Plant	3406(b)(4)	10,000,000
Clear Creek Restoration	3406(b)(12)	1,000,000
Spawning Gravel / Riparian Habitat	3406(b)(13)	1,000,000
CVP Project Assessment/Monitoring Program	3406(b)(16)	1,000,000
Anadromous Fish Screening Program	3406(b)(21)	3,000,000
Flood Agr Lands for Waterfowl/Yld Enhancement	3406(b)(22)	<u>500,000</u>
Total Projected Expenditures (Obligations) Fiscal Year 2002		<u>\$55,039,000</u>