



2014 - 2015 FYE Budget Summary
Projected Fee Increase 32.00%
Combined Core & Subscription Program Budget
Major Assumptions

Revenues

- 1) Fee Increase on General Dues - see attachment for fees by agency. 32.00%
- 2) SGA Service Fees represents 50% cost sharing. (excluding staffing allocated to WEP)
- 3) SGA Service Fees related to GASB 68 represent expected SGA funds needed from SGA set aside GASB 68 funds. Current allocation to SGA is 39% using an estimated historical liability for the side fund.
- 4) Subscription Program core revenues represent fees earned by RWA Core for providing subscription based services.
- 5) IRWMP designation funding pays for expenses from the remaining IRWMP carryover from the Program.
- 6) Powerhouse Science Center (PSC) represents a unique opportunity to become a partner with PSC to inform and educate the public on water issues that affect our region. Members represents contributions from members. Other funding comes from grants and from WEP.
- 7) Other represents interest income and holiday social revenues. Also includes an unexpected USBR 1994 ARWRI refund of \$12,120 in FY14.
- 8) Subscription Program represents revenues for subscription services from the Water Efficiency Program, Prop 50, Prop 84, Legislative Advocacy and the USBR Controller grants. These subscription based programs are subject to approval by the individual participants. The revenues are included for total estimate purposes. Adopting the fiscal year 2014-2015 budget does not approve the subscription based programs.

Expenses

- 1) Staffing costs include the WEP Project Manager. Includes a retired annuitant that is strictly used for SGA.
- 2) Staff is allocated 50/50 to SGA and RWA, excluding the WEP position and the project assistant. The project assistant splits time between SGA, WEP and RWA below-the-green line projects. RWA FTE is 3.7; SGA FTE is 2.3, for a total of 6 FTE. Of the RWA 3.7 FTE, WEP represents 1.6 FTE. Staffing costs projected within salary range for positions and includes a 5% increase.
- 3) Office costs reflect anticipated hard dollar costs increases. For FY16 and beyond, office costs generally assume 3% increases unless specific increases have been identified for FY16-FY19.
- 4) Professional fees include audit, actuarial, PR, accounting, legal, regional water issues, and management fees.
- 5) Other includes office equipment purchases, a new server in FY14 and IRWMP expenses.
- 6) Core Project Expenses include IRWMP expenses and Powerhouse Science Center expenses.
- 7) Subscription Program represents the direct consulting and hard costs for these subscription programs as well as the staff and office costs for the programs. These costs have been included in the program budget only to show the cash flow effect on these programs. However, on a consolidated basis (see Summary Table), these costs are not included in both budgets in order to avoid double counting costs.

Revenues in excess of Expenses//Expenses in excess of Revenues

- 1) On a combined basis, revenues exceed expenses in for three reasons: building up funding to pay the GASB 68 liability; collecting Powerhouse Science Center payments over 5 years and paying them over 15 years; and increase in operating and membership dues reserve due to increase in expenses. The subscription program has expenses in excess of revenues relates and is paid for by the subscription based programs reserves. For the detail of the effect, please refer to the Core Budget as well as the Summary Split Table. The subscription based programs pay for office and staffing costs. The staffing and office costs are part of core program costs, yet a portion is paid for by subscriptions by design. The full cost of the WEP project manager position and a portion of the project assistant position are paid for by the subscription programs but the cost of these positions is included in the Core Program.

Designations/Restrictions

- 1) The Operating fund is approximately 4.0 months for FYE 14-15 when the \$125K additional regional water issue costs are not included in the calculation (as directed by Executive Committee).
- 2) The designations and restrictions are broken out by type and subtotaled by core and subscription services. The total change in cash from Projected FY14 to Proposed FY15 by subtotal reflect the departmental effect on each designation and restriction group.
- 3) The Pension plan accounting designation are funds set aside in anticipation of the required accounting changes for pension plans. This accounting change will require RWA to reflect the expected liability in the accounting records. While RWA has annually been paying for pension obligations as required, the current amortization information strongly suggests that additional funding is needed. The exact liability in the year of implementation is unknown. The June 30, 2012 report estimates this amount at approximately \$410,000.



Regional Water Authority
BUILDING ALLIANCES IN NORTHERN CALIFORNIA

2014 - 2015 FYE Budget Summary
Projected Fee Increase 32.00%
Core only program - includes WEP staffing

	Actual FY13	Budget FY14	Projected FY14	Proposed FY15	Comments
Revenues					
Dues	\$ 475,793	\$ 498,400	\$ 494,700	\$ 644,900	Rate increase to cover added costs. 32.00%
SGA Service Fee	\$ 431,055	\$ 506,050	\$ 494,950	\$ 499,400	Based upon shared costs.
SGA Service Fee - GASB 68	\$ 26,600	\$ -	\$ -	\$ 87,800	SGA's portion of expected pension liability costs
Subscription Programs					
WEP	\$ 178,703	\$ 235,800	\$ 199,700	\$ 212,000	Cost reimbursement fees from WEP subscription program
Other	\$ 24,551	\$ 42,400	\$ 29,520	\$ 30,000	Cost reimbursement fees from subscription program
IRWMP - designation funding		\$ -	\$ 20,000	\$ 40,000	Funding from remaining IRWMP advance from program budget
Powerhouse Science Center - Members	\$ -	\$ -	\$ -	\$ 60,000	Powerhouse Science Center - Member payment
Powerhouse Science Center - Other			\$ -	\$ 55,000	PSC - grant funding and WEP funding
Other	\$ 10,154	\$ 11,700	\$ 20,800	\$ 8,600	Interest, holiday social revenues, and a one time USBR ARWRI refund
Total Revenues	\$ 1,146,856	\$ 1,294,350	\$ 1,259,670	\$ 1,637,700	
Expenses					
Staff	\$ 902,234	\$ 935,800	\$ 926,500	\$ 950,100	Includes 6 FTEs; payment of side fund in FY13
Office	\$ 100,967	\$ 119,800	\$ 113,000	\$ 115,800	General 3% cost increases assumed unless specifically identified increase
Professional Fees	\$ 116,996	\$ 190,100	\$ 170,100	\$ 295,800	Audit, actuarial, PR, accounting, legal, regional water issues assistance
Core Project Expenses	\$ -	\$ -	\$ 20,000	\$ 106,700	Powerhouse & IRWMP programs
Other	\$ 2,745	\$ 15,000	\$ 15,400	\$ 2,500	Office Furniture, new server in FY14, also Powerhouse Science Center
Total Expenses	\$ 1,122,942	\$ 1,260,700	\$ 1,245,000	\$ 1,470,900	
Core Revenues > Expenses (A)	\$ 23,914	\$ 33,650	\$ 14,670	\$ 166,800	Excludes Subscription programs
Cash, beginning	\$ 527,431	\$ 591,579	\$ 639,037	\$ 653,707	
Source (Use) of Funds (A)	\$ 23,914	\$ 33,650	\$ 14,670	\$ 166,800	
IRWMP From Program	\$ 87,692	\$ -	\$ -	\$ -	Moving remaining IRWMP funds to the core program
Net change	\$ 111,606	\$ 33,650	\$ 14,670	\$ 166,800	
Cash, ending	\$ 639,037	\$ 625,229	\$ 653,707	\$ 820,507	
DESIGNATIONS					Increase (decrease) in Cash
Designations					
Operating Fund	\$ 378,800	\$ 372,600	\$ 338,900	\$ 398,600	\$ 59,700
Membership Dues Fund	\$ 71,400	\$ 74,800	\$ 74,200	\$ 96,700	\$ 22,500
Subscription Program Stabilization	\$ 24,400	\$ 27,800	\$ 22,900	\$ 24,200	\$ 1,300
Pension Plan Accounting Changes	\$ 40,000	\$ 150,000	\$ 150,000	\$ 225,000	\$ 75,000
IRWMP Program	\$ 87,692	\$ -	\$ 67,692	\$ 27,692	\$ (40,000) From Program Budget
Powerhouse Science Center	\$ -	\$ -	\$ -	\$ 48,300	\$ 48,300
Non-designated cash	\$ 36,745	\$ 29	\$ 15	\$ 15	\$ -
Subtotal core cash	\$ 639,037	\$ 625,229	\$ 653,707	\$ 820,507	\$ 166,800



**2014 - 2015 FYE Budget Summary
Program only**

Subscription Programs		Actual FY13	Budget FY14	Projected FY14	Proposed FY15	
Revenues		\$ 2,297,522	\$ 8,522,900	\$ 7,961,400	\$ 7,831,000	
Expenses - Direct Program		\$ 2,046,944	\$ 8,457,100	\$ 7,853,057	\$ 7,632,350	
WEP Expenses - Allocated Program (C)		\$ 178,703	\$ 235,800	\$ 199,700	\$ 212,000	
Other Expenses - Allocated Program		\$ 24,551	\$ 42,400	\$ 29,520	\$ 30,000	
		\$ 2,250,198	\$ 8,735,300	\$ 8,082,277	\$ 7,874,350	
Net subscription income (loss) (B)		<u>\$ 47,324</u>	<u>\$ (212,400)</u>	<u>\$ (120,877)</u>	<u>\$ (43,350)</u>	
Cash, beginning		\$ 499,279	\$ 465,779	\$ 447,727	\$ 326,850	
Source (Use) of Funds		\$ 47,324	\$ (212,400)	\$ (120,877)	\$ (43,350)	
Advance adjustments		\$ (11,184)				
IRWMP to Core Program		\$ (87,692)	\$ -	\$ -	\$ -	
Cash, ending		<u>\$ 447,727</u>	<u>\$ 253,379</u>	<u>\$ 326,850</u>	<u>\$ 283,500</u>	
						Increase (decrease) in Cash (FY14 to FY15)
Restrictions and advances						
Prop 50 grant Management		\$ 28,704	\$ 14,110	\$ 15,384	\$ 384	\$ (15,000)
ARBCUP grant implementation		\$ 17,944	\$ 1,264	\$ -	\$ -	\$ -
PR program		\$ 35,813	\$ -	\$ -	\$ -	\$ -
Prop 84 Grant Management		\$ 73,503	\$ 135,900	\$ 58,503	\$ 43,503	\$ (15,000)
USBR Meter Grant (2012)		\$ 21,850	\$ 11,900	\$ 10,350	\$ -	\$ (10,350)
USBR Meter Grant (2013)		\$ -	\$ -	\$ 7,200	\$ 2,700	\$ (4,500)
Water Efficiency Program - Cat 1		\$ 276,425	\$ 52,410	\$ 241,925	\$ 236,925	\$ (5,000)
Water Efficiency Program - Cat 2		\$ (6,512)	\$ (11,185)	\$ (6,512)	\$ (12)	\$ 6,500
		<u>\$ 447,727</u>	<u>\$ 204,399</u>	<u>\$ 326,850</u>	<u>\$ 283,500</u>	<u>\$ (43,350)</u>

Reconcile Summary Split to Summary Table		Projected FY14	Proposed FY15	
Core Program Income (Loss)	(A)	\$ 14,670	\$ 166,800	
Subscription Program Income (loss)	(B)	<u>\$ (120,877)</u>	<u>\$ (43,350)</u>	
RWA Total	(D)	<u>\$ (106,207)</u>	<u>\$ 123,450</u>	See Summary Combined Table



2014 - 2015 FYE Budget Summary
Projected Fee Increase 32.00%
Combined Core & Subscription Program Budget

	Projected FY14	Proposed FY15	Comments
Revenues			
Dues	\$ 494,700	\$ 644,900	Projected rate increase 32.00%
SGA Service Fee	\$ 494,950	\$ 499,400	Based upon shared costs.
SGA Service Fee - GASB 68	\$ -	\$ 87,800	SGA's share of pension liability
Powerhouse Science Center RWA Member:	\$ -	\$ 60,000	Powerhouse Science Center (collected over 5 years)
Powerhouse Science Center - Other	\$ -	\$ 55,000	Powerhouse Science Center (collected over 5 years)
IRWMP designation funding	\$ 20,000	\$ 40,000	
Other	\$ 20,800	\$ 8,600	Interest, holiday social
Subscription Program	\$ 7,961,400	\$ 7,831,000	Prop 50, Prop 84, WEP, Legislative Advocacy
Total Revenues	\$ 8,991,850	\$ 9,226,700	
Expenses			
Staff	\$ 926,500	\$ 950,100	Includes all staffing costs.
Office	\$ 113,000	\$ 115,800	General 3% cost increases assumed
Professional Fees	\$ 170,100	\$ 295,800	Audit, PR, accounting, legal, actuary, newsletter, water issues
Core Project Expenses	\$ 20,000	\$ 106,700	IRWMP & Powerhouse Science Center
Other expenses	\$ 15,400	\$ 2,500	Office equipment, new server
Subscription Program	\$ 7,853,057	\$ 7,632,350	Prop 50, Prop 84, WEP, Legislative Advocacy
Total Expenses	\$ 9,098,057	\$ 9,103,250	
Revenues net of Expenses (D)	\$ (106,207)	\$ 123,450	Some funding by subscription programs. See (D) on split summary to follow reconciliation of separate budgets to overall budget
Cash, beginning	\$ 1,086,764	\$ 980,557	
Source (Use) of Funds	\$ (106,207)	\$ 123,450	
Cash, ending	\$ 980,557	\$ 1,104,007	
DESIGNATIONS/RESTRICTIONS/ADVANCES			
<i>Designations</i>			
Operating Fund	\$ 338,900	\$ 398,600	\$ 59,700
Membership Dues Fund	\$ 74,200	\$ 96,700	\$ 22,500
Subscription Program Stabilization	\$ 22,900	\$ 24,200	\$ 1,300
Pension Plan Accounting Changes	\$ 150,000	\$ 225,000	\$ 75,000
IRWMP Program	\$ 67,692	\$ 27,692	\$ (40,000)
Powerhouse Science Center	\$ -	\$ 48,300	\$ 48,300
Non-designated cash	\$ 15	\$ 15	\$ -
Subtotal core cash	\$ 653,707	\$ 820,507	\$ 166,800
<i>Restrictions and advances</i>			
Prop 50 Grant Management	\$ 15,384	\$ 384	\$ (15,000)
ARBCUP grant implementation	\$ -	\$ -	\$ -
Prop 84 Grant application/management	\$ 58,503	\$ 43,503	\$ (15,000)
2012 USBR Meter grant program	\$ 10,350	\$ -	\$ (10,350)
2013 USBR Meter grant program	\$ 7,200	\$ 2,700	\$ (4,500)
Water Efficiency Program - Cat 1	\$ 241,925	\$ 236,925	\$ (5,000)
Water Efficiency Program - Cat 2	\$ (6,512)	\$ (12)	\$ 6,500
Subtotal program restrictions	\$ 326,850	\$ 283,500	\$ (43,350)
Total Cash Designations/Restrictions	\$ 980,557	\$ 1,104,007	\$ 123,450

% increase in fees: actual & projected FY15					32.00%			20.00%	5.00%	5.00%	5.00%
% increase in fees: actual & projected FY14		5.00%			5.00%			5.00%	5.00%	5.00%	5.00%
% increase in expenses		3.00%			3.00%			3.00%	3.00%	3.00%	3.00%
% increase in staff expenses		0.00%			5.00%			5.00%	5.00%	5.00%	5.00%
Total FTE	5	6		6	6			6	6	6	6
RWA FTE	3	3.7		3.7	3.7			3.7	3.7	3.7	3.7

RWA PROPOSED FY' 2014-2015 BUDGET PROJECTION

5-Year Projection

	RWA FY 13 Actual Per Audit	RWA FY 14 Budget	RWA FY 14 Actual at Jan. 14	RWA Total FY 14 Projected		RWA FY 15 Budget	Notes		RWA Projected FY 16	RWA Projected FY 17	RWA Projected FY 18	RWA Projected FY 19
ANNUAL REVENUES			rounded									
OPERATING REVENUES/Designations												
General Assessments/Fees	\$ 451,793	\$ 474,400	\$ 469,500	\$ 469,500		\$ 619,700	1		\$ 743,600	\$ 780,800	\$ 819,800	\$ 860,800
Associate Membership Fee	\$ 24,000	\$ 24,000	\$ 25,200	\$ 25,200		\$ 25,200	2		\$ 25,200	\$ 25,200	\$ 25,200	\$ 25,200
SGA Service Agreement Fee	\$ 431,055	\$ 506,050	\$ 265,500	\$ 494,950		\$ 499,400	3		\$ 517,100	\$ 551,950	\$ 579,050	\$ 620,300
SGA Service Agreement Fee - GASB 68	\$ 26,600	\$ -	\$ -	\$ -		\$ 87,800	3a		\$ 29,300	\$ 29,300	\$ 13,700	\$ -
WEP Subscription Prog	\$ 178,703	\$ 235,800	\$ 108,168	\$ 199,700		\$ 212,000	4		\$ 207,500	\$ 217,400	\$ 227,900	\$ 238,900
Subscription Program - other	\$ 24,551	\$ 42,400	\$ 14,575	\$ 29,520		\$ 30,000	4		\$ 10,000	\$ -	\$ -	\$ -
IRWMP - From Designation			\$ 11,395	\$ 20,000		\$ 40,000	40		\$ 27,692	\$ -	\$ -	\$ -
Powerhouse Science Center - Members	\$ -	\$ -	\$ -	\$ -		\$ 60,000	5		\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Powerhouse Science Center - Other Fund	\$ -	\$ -	\$ -	\$ -		\$ 55,000	5		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Miscellaneous Revenues	\$ 6,433	\$ 8,000	\$ 17,660	\$ 18,100		\$ 6,000	6		\$ 7,200	\$ 7,600	\$ 8,000	\$ 8,400
Interest Income	\$ 3,721	\$ 3,700	\$ 1,600	\$ 2,700		\$ 2,600	7		\$ 3,700	\$ 5,900	\$ 6,600	\$ 7,400
TOTAL REVENUE	\$ 1,146,856	\$ 1,294,350	\$ 913,598	\$ 1,259,670		\$ 1,637,700			\$ 1,636,292	\$ 1,683,150	\$ 1,745,250	\$ 1,826,000
STAFF EXPENSES (General):												
Staff Salaries/Wages - 100%	\$ 537,395	\$ 593,000	\$ 338,400	\$ 576,800		\$ 605,600	8		\$ 635,900	\$ 667,700	\$ 701,100	\$ 736,200
Retired Annuitant (SGA projects)	\$ 4,015	\$ -	\$ 14,800	\$ 21,000		\$ 10,000	8a		\$ -	\$ -	\$ -	\$ -
Benefits	\$ 240,972	\$ 277,000	\$ 132,400	\$ 267,200		\$ 269,600	9		\$ 294,400	\$ 332,400	\$ 350,900	\$ 383,500
Pension Plan	\$ 69,141	\$ -	\$ -	\$ -		\$ -	10		\$ -	\$ -	\$ -	\$ -
Payroll Taxes	\$ 37,388	\$ 47,400	\$ 22,200	\$ 46,100		\$ 48,400	11		\$ 50,900	\$ 53,400	\$ 56,100	\$ 58,900
Travel/Meals/Conferences	\$ 11,504	\$ 14,400	\$ 5,386	\$ 12,400		\$ 13,000	12		\$ 13,400	\$ 13,800	\$ 14,200	\$ 14,600
Professional Development/Training	\$ 1,819	\$ 4,000	\$ 300	\$ 3,000		\$ 3,500	13		\$ 3,600	\$ 3,700	\$ 3,800	\$ 3,900
TOTAL GENERAL STAFF EXPENSES	\$ 902,234	\$ 935,800	\$ 513,486	\$ 926,500		\$ 950,100			\$ 998,200	\$ 1,071,000	\$ 1,126,100	\$ 1,197,100

% increase in fees: actual & projected FY15				32.00%		20.00%	5.00%	5.00%	5.00%
% increase in fees: actual & projected FY14		5.00%		5.00%		5.00%	5.00%	5.00%	
% increase in expenses		3.00%		3.00%		3.00%	3.00%	3.00%	3.00%
% increase in staff expenses		0.00%		5.00%		5.00%	5.00%	5.00%	5.00%
Total FTE	5	6		6		6	6	6	6
RWA FTE	3	3.7		3.7		3.7	3.7	3.7	3.7

RWA PROPOSED FY' 2014-2015 BUDGET PROJECTION

5-Year Projection

	RWA FY 13 Actual Per Audit	RWA FY 14 Budget	RWA FY 14 Actual at Jan. 14	RWA Total FY 14 Projected		RWA FY 15 Budget	Notes		RWA Projected FY 16	RWA Projected FY 17	RWA Projected FY 18	RWA Projected FY 19
OFFICE EXPENSES:												
Rent & Utilities Contract	\$ 19,497	\$ 25,000	\$ 14,600	\$ 25,000		\$ 25,000	14		\$ 25,000	\$ 25,000	\$ 27,500	\$ 27,500
General Liability Insurance	\$ 24,128	\$ 25,000	\$ 24,100	\$ 24,500		\$ 25,000	15		\$ 25,800	\$ 26,600	\$ 27,400	\$ 28,200
Office Maintenance	\$ 1,000	\$ 3,000	\$ -	\$ 3,000		\$ 3,000	16		\$ 3,100	\$ 3,200	\$ 3,300	\$ 3,400
Postage and Postal Meter	\$ 2,507	\$ 3,100	\$ 1,800	\$ 2,900		\$ 3,100	17		\$ 3,200	\$ 3,300	\$ 3,400	\$ 3,500
Telephone/internet/web hosting	\$ 9,326	\$ 10,500	\$ 5,100	\$ 10,200		\$ 11,000	18		\$ 11,300	\$ 11,600	\$ 11,900	\$ 12,300
Meetings & Annual Banquet	\$ 10,768	\$ 15,000	\$ 10,200	\$ 13,000		\$ 13,000	19		\$ 13,400	\$ 13,800	\$ 14,200	\$ 14,600
Printing/Supplies	\$ 14,045	\$ 18,000	\$ 7,900	\$ 16,400		\$ 17,000	20		\$ 17,500	\$ 18,000	\$ 18,500	\$ 19,100
Dues & Subscriptions	\$ 7,184	\$ 8,200	\$ 4,700	\$ 7,500		\$ 7,700	21		\$ 7,900	\$ 8,100	\$ 8,300	\$ 8,500
Computer hardware/software	\$ 6,161	\$ 5,000	\$ 400	\$ 5,000		\$ 5,000	22		\$ 5,200	\$ 5,400	\$ 5,600	\$ 5,800
Computer maintenance	\$ 6,351	\$ 7,000	\$ 2,100	\$ 5,500		\$ 6,000	23		\$ 6,200	\$ 6,400	\$ 6,600	\$ 6,800
TOTAL OFFICE EXPENSE	\$ 100,967	\$ 119,800	\$ 70,900	\$ 113,000		\$ 115,800			\$ 118,600	\$ 121,400	\$ 126,700	\$ 129,700
PROFESSIONAL FEES												
RWA Legal	\$ 44,424	\$ 50,000	\$ 16,700	\$ 45,000		\$ 70,000	24		\$ 72,100	\$ 74,300	\$ 76,500	\$ 78,800
RWA/SGA Audit	\$ 16,900	\$ 17,400	\$ 17,400	\$ 17,400		\$ 18,000	25		\$ 18,500	\$ 19,100	\$ 19,700	\$ 20,300
ADP Payroll Services/banking	\$ 2,396	\$ 2,700	\$ 1,200	\$ 2,700		\$ 2,800	26		\$ 2,900	\$ 3,000	\$ 3,100	\$ 3,200
RWA Consultants	\$ 53,276	\$ 120,000	\$ 26,900	\$ 105,000		\$ 205,000	27		\$ 217,200	\$ 217,700	\$ 231,200	\$ 231,100
TOTAL PROFESSIONAL FEES	\$ 116,996	\$ 190,100	\$ 62,200	\$ 170,100		\$ 295,800			\$ 310,700	\$ 314,100	\$ 330,500	\$ 333,400
OTHER EXPENSES												
Office furniture & Fixed Assets - Net	\$ 2,745	\$ 2,000	\$ 2,300	\$ 2,300		\$ 2,500	28		\$ 2,600	\$ 2,700	\$ 2,800	\$ 2,900
New Server	\$ -	\$ 13,000	\$ 13,100	\$ 13,100		\$ -	28		\$ -	\$ -	\$ -	\$ 15,000
TOTAL OTHER EXPENSES	\$ 2,745	\$ 15,000	\$ 15,400	\$ 15,400		\$ 2,500			\$ 2,600	\$ 2,700	\$ 2,800	\$ 17,900
CORE PROJECT EXPENSES												
IRWMP Follow On Program	\$ -	\$ -	\$ 11,395	\$ 20,000		\$ 40,000	40		\$ 27,692	\$ -	\$ -	\$ -
Powerhouse Science Center	\$ -	\$ -	\$ -	\$ -		\$ 66,700	32		\$ 16,700	\$ 16,700	\$ 16,700	\$ 16,700
TOTAL Core Project Expenses	\$ -	\$ -	\$ 11,395	\$ 20,000		\$ 106,700			\$ 44,392	\$ 16,700	\$ 16,700	\$ 16,700
TOTAL EXPENSES	\$ 1,122,942	\$ 1,260,700	\$ 673,381	\$ 1,245,000		\$ 1,470,900	29		\$ 1,474,492	\$ 1,525,900	\$ 1,602,800	\$ 1,694,800
Net Income (Loss) - Total	\$ 23,914	\$ 33,650	\$ 240,217	\$ 14,670		\$ 166,800	30		\$ 161,800	\$ 157,250	\$ 142,450	\$ 131,200

% increase in fees: actual & projected FY15				32.00%		20.00%	5.00%	5.00%	5.00%	5.00%
% increase in fees: actual & projected FY14		5.00%		5.00%		5.00%	5.00%	5.00%	5.00%	5.00%
% increase in expenses		3.00%		3.00%		3.00%	3.00%	3.00%	3.00%	3.00%
% increase in staff expenses		0.00%		5.00%		5.00%	5.00%	5.00%	5.00%	5.00%
Total FTE	5	6		6		6	6	6	6	6
RWA FTE	3	3.7		3.7		3.7	3.7	3.7	3.7	3.7

RWA PROPOSED FY' 2014-2015 BUDGET PROJECTION

5-Year Projection

	RWA FY 13 Actual Per Audit	RWA FY 14 Budget	RWA FY 14 Actual at Jan. 14	RWA Total FY 14 Projected		RWA FY 15 Budget	Notes		RWA Projected FY 16	RWA Projected FY 17	RWA Projected FY 18	RWA Projected FY 19
CALCULATED CASH RESERVES												
CASH available, Beginning	\$ 527,431	\$ 591,579	\$ 639,037	\$ 639,037		\$ 653,707	31		\$ 820,507	\$ 982,307	\$ 1,139,557	\$ 1,282,007
SOURCE (USE) OF FUNDS	\$ 23,914	\$ 33,650	\$ 240,217	\$ 14,670		\$ 166,800	30		\$ 161,800	\$ 157,250	\$ 142,450	\$ 131,200
IRWMP from PROGRAM	\$ 87,692	\$ -		\$ -		\$ -	40		\$ -	\$ -	\$ -	\$ -
CASH available, Ending	\$ 639,037	\$ 625,229	\$ 879,254	\$ 653,707		\$ 820,507	33		\$ 982,307	\$ 1,139,557	\$ 1,282,007	\$ 1,413,207
Operating Fund (4 to 6 months)	\$ 378,800	\$ 372,600	\$ 224,500	\$ 338,900	3.3	\$ 398,600	34	3.5	\$ 448,600	\$ 477,100	\$ 529,200	\$ 604,900
Membership Dues Stabilization @ 15%	\$ 71,400	\$ 74,800	\$ 74,200	\$ 74,200	0.7	\$ 96,700	35	0.8	\$ 115,300	\$ 120,900	\$ 126,800	\$ 132,900
Subscription Progr. Stabilization @ 10%	\$ 24,400	\$ 27,800	\$ 27,800	\$ 22,900	0.2	\$ 24,200	36	0.2	\$ 21,800	\$ 21,700	\$ 22,800	\$ 23,900
Pension Plan Accounting Change	\$ 40,000	\$ 150,000	\$ 40,000	\$ 150,000		\$ 225,000	39		\$ 300,000	\$ 375,000	\$ 410,000	\$ 410,000
IRWMP Designated Fund	\$ 87,692	\$ -	\$ 76,297	\$ 67,692		\$ 27,692	40		\$ -	\$ -	\$ -	\$ -
Powerhouse Science Center	\$ -	\$ -	\$ -	\$ -		\$ 48,300	38		\$ 96,600	\$ 144,900	\$ 193,200	\$ 241,500
Non-designated Cash	\$ 36,745	\$ 29	\$ 436,457	\$ 15	0	\$ 15	37	0	\$ 7	\$ (43)	\$ 7	\$ 7
Total Cash in bank	\$ 639,037	\$ 625,229	\$ 879,254	\$ 653,707		\$ 820,507	33		\$ 982,307	\$ 1,139,557	\$ 1,282,007	\$ 1,413,207
# of months core + non-designated cash covers expenses	4.4	3.6		3.3		3.9	41		3.8	3.8	4.0	4.3

RWA
FY 2014-2015 BUDGET PROJECTION NOTES
CORE ONLY

- 1 Assumes a 32% increase in RWA general fees due to additional consulting expenses to help staff keep on top of regional water issues affecting its members.
- 2 On May 15, 2003 the RWA Board approved a "RWA Associate" membership class. There are currently three associate members.
- 3 Administrative fees due to RWA from Sacramento Groundwater Authority (SGA) for management, office and program services. Calculated as operating expenses, plus SGA asset/office equipment purchases, minus RWA legal and RWA only consulting fees.
- 3a Administrative fees due to RWA from Sacramento Groundwater Authority (SGA) for GASB 68 related to pension plan. (see note 39)
- 4 Represents projected cash/fees earned by RWA from managing subscription based programs.
- 5 The Powerhouse Science Center will be a premier venue for science education and information in northern California. The Regional Water Authority was presented with a unique opportunity to become a partner with the Center in informing and educating the public on water issues that affect our region. RWA will be entering into a 15-year agreement with the Center to sponsor and guide the content development for two exhibits (\$250K each). The payments will be collected from members over the next 5 years at \$60K per year, placed in a designation and will be paid out over 15 years. For the water detective exhibit, the California Water Awareness Campaign will contribute \$100K on RWA's behalf. Additionally, a Prop 84 WEP grant will fund \$50K and the WEP program will fund another \$50K at \$5K per year over 10 years.
- 6 Miscellaneous revenues include revenues collected for the December holiday social, cash discounts from CalCard for paying on time, and a one time USBR ARWRI refund (FY14) from a 1994 project in the amount of \$12,120.
- 7 Interest income from the RWA Local Agency Investment Fund (LAIF) account. Reflects rise in earnings due to interest earned from the Powerhouse designation and GASB 68 pension designation. Timing of pension payment is unknown and will affect a decline in interest income when paid.
- 8 Staff salaries include a total of six full time positions, split between the organizations, with a total of 2.3 FTEs for SGA. Salaries in FY13 were lower than budgeted due to the vacant position for the WEP program manager through October. A salary survey was recently completed and staff salaries are implemented per the recently amended RWA employee compensation policy 400.2.

RWA
FY 2014-2015 BUDGET PROJECTION NOTES
CORE ONLY

- 8a Includes hours for an SGA retired annuitant \$20k in FY14 and \$10K in FY15 (reimbursed in SGA service agreement line item).
- 9 Benefits include employer and employee PERS, medical, vision and dental care, disability insurance, OPEB and workers' compensation for the six staff members. FY 2014 budget anticipates an increase in medical costs of 10%, other costs at 3% and OPEB costs. Retiree medical payments are now paid for through the CERBT Trust. Benefits are lower in FY13 due to the vacant position for the WEP program manager through October.
- 10 In fiscal year 2013, RWA paid off its side fund in the amount of \$69,141. The side fund was calculated by CalPERS when RWA was combined with the risk pool of employers with less than 100 employees. This side fund has been amortized over several years and has been included as part of the annual required pension contribution. RWA paid off this side fund and eliminated the 7.5% charge that RWA was incurring on the side fund amount. See note 39 in regards to a new GASB rule in regards to pension plan obligations.
- 11 Payroll taxes for six staff members.
- 12 Travel and conferences.
- 13 Includes computer training and other professional development classes.
- 14 In accordance with ACWA/JPIA lease. RWA's lease has been renegotiated and the monthly amount is the same as prior to the negotiation and includes full use of the Board room.
- 15 Minimal increase in costs for property and liability coverage obtained through ACWA JPIA forecasted for the coming year.
- 16 Includes costs for office maintenance needs.
- 17 Reflects mailing activities and cost of postage machine rental.
- 18 Includes telephone and conference call costs, web hosting for the website and internet service costs.
- 19 Miscellaneous meeting charges including food/refreshments. In house preparation of refreshments for board meetings has lowered the expenses in this category. Includes cost of the annual holiday social event.
- 20 Includes supplies, printing, copier maintenance and copier lease costs.

RWA
FY 2014-2015 BUDGET PROJECTION NOTES
CORE ONLY

- 21 Dues include ACWA, AWWA, CSDA, Water Education Foundation and Sacramento Metro Chamber of Commerce. Subscriptions include Wavelength legislative service, Business Journal and Sacramento Bee.
- 22 Acquisition of new hardware/software to replace aging and out-of-date components.
- 23 General computer maintenance service.
- 24 Legal expenses in support of general RWA board meetings, resolutions, regulatory analyses, and services related to contracts. Expanded RWA involvement in external issues necessitate increased legal fees out into the future.
- 25 Audit fees are set by the awarded proposal.
- 26 Payroll service costs for 6 employees.
- 27 Fees for public relations, communications, outreach services, (media relations, meeting facilitation, engineering support, strategic planning, workshop facilitation), HR services, accounting and budgeting support, and actuarial valuations (GASB 68 and 45). An additional \$125K has been added to help relieve the RWA staff's overwhelming workload that has increased over the past few years. These additional \$125K in consulting and legal fees will help staff keep on top of regional water issues affecting its members.
- 28 Included a new server in FY14. The old server was over 10 years old and had been experiencing multiple outages. Also includes furniture.
- 29 Represents total operating expenses, excluding subscription based program expenses. The operating fund designation is based upon four to six months of operating expenses excluding core project expenses.
- 30 Represents the difference between total funds received versus total expenses during the year for the core program. Does not include the subscription based programs.
- 31 Beginning cash reflects cash related to the core programs.
- 32 Reflects expected annual payment to Powerhouse science center. Payment in FY15 expected to be higher by the grant funding activity costs from WEP Prop 84 grant funds. Payment is \$50K for the Water Detective and \$16,700 for Muddy Waters.
- 33 Total cash. The designations are detailed in footnotes 34-40.

RWA
FY 2014-2015 BUDGET PROJECTION NOTES
CORE ONLY

- 34 Represents the operating fund designation to pay for operating expenditures. Per policy, this fund range target is four to six months of operating expenses, not including Core Project expenses and \$125,000 in regional water consulting assistance as directed by the Executive Committee. FY14 & FY15 target expects to be lower, in large part due to setting aside funds for the pension plan unfunded liability.
- 35 Represents membership dues designation according to suggested policy at 15% of anticipated membership dues.
- 36 Represents the subscription program designation according to suggested policy at 10% of expected management fees and indirect office costs.
- 37 Represents cash over and above designation policies, if any. Funds can be used to pay outstanding year end payables.
- 38 RWA will be entering into a 15-year agreement with the Center to sponsor and guide the content development for two exhibits (\$250K each). The payments will be collected from members over the next 5 years, placed in a designation and will be paid out over 15 years. The California Water Awareness Campaign had contributed \$100K on RWA's behalf. Additionally, a Prop 84 WEP grant will fund \$50K and the WEP program will fund another \$50K (over 10 years).
- 39 GASB 68 implementation year is FY15 and will require an actuarial analysis. In anticipation of GASB 68 and PEPRA, CalPERS is now providing estimated unfunded liabilities for pooled agency members, such as RWA. The total estimate for RWA is \$410,000 based upon CalPERS June 30, 2012 report. This estimate will be calculated differently than the GASB 68 liability. However, this estimate does represent CalPERS estimation of RWA's unfunded liability. The designation balance of \$40,000K in FY13 and \$110k in FY14 (for a total of \$150K designation in FY14 and an additional \$75K per year in each subsequent year) is set aside for the estimated unfunded liability related to the pension plan. RWA will continue to pay the currently calculated annually required contribution for FY14 and FY15 and likely recognize a liability on the books in FY15. RWA has begun to set aside funds in anticipation of funding of the liability in addition to RWA's annual required contributions. Timing of the payment is unknown at this time but could be partially paid in FY16.
- 40 The subscription program ended in FY14 with the remaining funds were assigned to RWA core to be used only for purposes related to updating or maintaining the IRWMP as a RWA Core Project activity.
- 41 Per policy, the target range for this fund is four to six months of operating expenses, which does not include Core Project expenses. The EC directed staff to temporarily exclude the \$125,000 in new additional costs related to regional water issues consulting and legal assistance for FY15.

FY' 2014-2015 Program Budget Projection											
	RWA FY 13 Actual Per Audit	Approved RWA Budget FY 14	RWA FY 14 Actual at Jan. 2014	RWA Projected FY 14	RWA FY 15 Proposed Budget	Notes	RWA Projected FY 16	RWA Projected FY 17	RWA Projected FY 18	RWA Projected FY 19	
REVENUES/GRANTS/AGREEMENTS			rounded								
Proposition 50 grant management	\$ 22,685	\$ 10,000	\$ -	\$ 10,000	\$ 10,000	1	\$ 21,000	\$ -	\$ -	\$ -	
Prop. 50 Reimbursements from DWR	\$ 210,984	\$ 2,000,000	\$ 845,600	\$ 2,000,000	\$ 2,000,000	1,3	\$ 2,650,000	\$ -	\$ -	\$ -	
ARBCUP (\$22 mil Prop 13) grant implementation	\$ -	\$ -	\$ -	\$ -	\$ -	2	\$ -	\$ -	\$ -	\$ -	
Proposition 84 grant management	\$ 24,092	\$ -	\$ 4,700	\$ -	\$ -	4	\$ -	\$ -	\$ -	\$ -	
Proposition 84 reimbursements from DWR	\$ 545,501	\$ 5,150,000	\$ 998,000	\$ 5,150,000	\$ 5,150,000	5	\$ 5,150,000	\$ -	\$ -	\$ -	
IRWMP follow-on program (Grant & fees)	\$ 350,469	\$ -	\$ -	\$ -	\$ -	6	\$ -	\$ -	\$ -	\$ -	
USBR CalFed Meter 2012	\$ 3,326	\$ -	\$ -	\$ -	\$ 1,500	7	\$ -	\$ -	\$ -	\$ -	
USBR CalFed Meter 2013	\$ -	\$ -	\$ 10,200	\$ 10,200	\$ -	8	\$ 2,000	\$ -	\$ -	\$ -	
Public Relations Program	\$ 110,157	\$ -	\$ -	\$ -	\$ -	9	\$ -	\$ -	\$ -	\$ -	
Regional Tools Assessment	\$ 17,054	\$ -	\$ 28,700	\$ 82,900	\$ -	14	\$ -	\$ -	\$ -	\$ -	
Government Relations Contract Lobbyist	\$ -	\$ -	\$ -	\$ -	\$ 120,000	22	\$ 123,600	\$ 127,300	\$ 131,100	\$ 135,000	
Water Efficiency Program Admin. Fees (Cat.1)	\$ 403,859	\$ 391,500	\$ 413,500	\$ 413,500	\$ 406,000	10	\$ 406,000	\$ 406,000	\$ 406,000	\$ 406,000	
Water Efficiency Grant Revenues (Cat. 2)	\$ 609,395	\$ 971,400	\$ 164,100	\$ 294,800	\$ 143,500	11	\$ -	\$ -	\$ -	\$ -	
TOTAL PROGRAM REVENUE	\$ 2,297,522	\$ 8,522,900	\$ 2,464,800	\$ 7,961,400	\$ 7,831,000		\$ 8,352,600	\$ 533,300	\$ 537,100	\$ 541,000	
PROGRAM EXPENSES											
Proposition 50 grant management	\$ 14,747	\$ 18,000	\$ 3,900	\$ 18,000	\$ 18,000	1	\$ 21,000	\$ -	\$ -	\$ -	
Prop. 50 payments to Member Agencies	\$ 210,992	\$ 2,000,000	\$ 170,600	\$ 2,000,000	\$ 2,000,000	1,3	\$ 2,650,000	\$ -	\$ -	\$ -	
ARBCUP (\$22 mil Prop 13) grant implementation	\$ -	\$ 16,400	\$ -	\$ 16,744	\$ -	2	\$ -	\$ -	\$ -	\$ -	
Proposition 84 implementation grant management	\$ 1,500	\$ -	\$ -	\$ -	\$ -	4	\$ -	\$ -	\$ -	\$ -	
Proposition 84 payments to Member Agencies	\$ 545,501	\$ 5,150,000	\$ 900	\$ 5,150,000	\$ 5,150,000	5	\$ 5,150,000	\$ -	\$ -	\$ -	
IRWMP follow-on program	\$ 260,116	\$ -	\$ -	\$ -	\$ -	6	\$ -	\$ -	\$ -	\$ -	
USBR CalFed Meter 2012	\$ 446	\$ -	\$ 500	\$ 6,000	\$ 7,850	7	\$ -	\$ -	\$ -	\$ -	
USBR CalFed Meter 2013	\$ -	\$ 500	\$ -	\$ 500	\$ 500	8	\$ 4,700	\$ -	\$ -	\$ -	
Public Relations Program	\$ 110,158	\$ -	\$ 34,400	\$ 35,813	\$ -	9	\$ -	\$ -	\$ -	\$ -	
Regional Tools Assessment	\$ 17,054	\$ -	\$ 28,700	\$ 82,900	\$ -	14	\$ -	\$ -	\$ -	\$ -	
Government Relations Contract Lobbyist	\$ -	\$ -	\$ -	\$ -	\$ 120,000	22	\$ 123,600	\$ 127,300	\$ 131,100	\$ 135,000	
Water Efficiency Program Admin. (Cat.1)	\$ 323,616	\$ 329,800	\$ 72,800	\$ 271,900	\$ 213,000	12	\$ 203,500	\$ 193,600	\$ 183,100	\$ 172,100	
Water Efficiency Program Admin. (Cat. 2)	\$ 562,814	\$ 942,400	\$ 139,400	\$ 271,200	\$ 123,000	11	\$ -	\$ -	\$ -	\$ -	
Staffing and Office Program Management	\$ 203,254	\$ 278,200	\$ 122,743	\$ 229,220	\$ 242,000	13	\$ 217,500	\$ 217,400	\$ 227,900	\$ 238,900	
TOTAL PROGRAM EXPENSES	\$ 2,250,198	\$ 8,735,300	\$ 573,943	\$ 8,082,277	\$ 7,874,350		\$ 8,370,300	\$ 538,300	\$ 542,100	\$ 546,000	
Net Income (Loss), net of programs	\$ 47,324	\$ (212,400)	\$ 1,890,857	\$ (120,877)	\$ (43,350)	15	\$ (17,700)	\$ (5,000)	\$ (5,000)	\$ (5,000)	

FY' 2014-2015 Program Budget Projection												
	RWA FY 13 Actual Per Audit	Approved RWA Budget FY 14	RWA FY 14 Actual at Jan. 2014	RWA Projected FY 14		RWA FY 15 Proposed Budget	Notes		RWA Projected FY 16	RWA Projected FY 17	RWA Projected FY 18	RWA Projected FY 19
CASH RESERVES												
Beginning reserves	\$ 499,279	\$ 465,779	\$ 447,727	\$ 447,727		\$ 326,850	16		\$ 283,500	\$ 265,800	\$ 260,800	\$ 255,800
SOURCE (USE) OF FUNDS	\$ 47,324	\$ (212,400)	\$ 1,890,857	\$ (120,877)		\$ (43,350)	15		\$ (17,700)	\$ (5,000)	\$ (5,000)	\$ (5,000)
ADVANCE ADJUSTMENTS	\$ (11,184)						18					
IRWMP to CORE PROGRAM	\$ (87,692)											
CASH RESERVES, Ending	\$ 447,727	\$ 253,379	\$ 2,338,584	\$ 326,850		\$ 283,500	17		\$ 265,800	\$ 260,800	\$ 255,800	\$ 250,800
Subscription Program Designations/Advanced Revenues												
ARBCUP (\$22 mil Prop 13) grant implementation	\$ 17,944	\$ 1,264	\$ 17,424	\$ -		\$ -	19		\$ -	\$ -	\$ -	\$ -
Water Efficiency Program - Category 1	\$ 276,425	\$ 52,410	\$ 522,702	\$ 241,925		\$ 236,925	20		\$ 231,925	\$ 226,925	\$ 221,925	\$ 216,925
Water Efficiency Program - Category 2	\$ (6,512)	\$ (11,185)	\$ 4,443	\$ (6,512)		\$ (12)	20		\$ (12)	\$ (12)	\$ (12)	\$ (12)
Subtotal - Designations	\$ 287,857	\$ 42,489	\$ 544,569	\$ 235,413		\$ 236,913	17		\$ 231,913	\$ 226,913	\$ 221,913	\$ 216,913
Advanced Revenues (recognized as income when expenses are incurred)												
Public Relations Program	\$ 35,813	\$ -	\$ 1,413	\$ -		\$ -			\$ -	\$ -	\$ -	\$ -
USBR CALFED Meter Grant 2012	\$ 21,850	\$ 11,900	\$ 18,100	\$ 10,350		\$ -			\$ -	\$ -	\$ -	\$ -
USBR CALFED Meter Grant 2013	\$ -	\$ -	\$ 9,160	\$ 7,200		\$ 2,700			\$ -	\$ -	\$ -	\$ -
Prop 84 Grant Management	\$ 73,503	\$ 135,900	\$ 1,068,918	\$ 58,503		\$ 43,503			\$ 33,503	\$ 33,503	\$ 33,503	\$ 33,503
Prop 50 Grant Management	\$ 28,704	\$ 14,110	\$ 696,424	\$ 15,384		\$ 384			\$ 384	\$ 384	\$ 384	\$ 384
Subtotal - Advances	\$ 159,870	\$ 161,910	\$ 1,794,015	\$ 91,437		\$ 46,587	21		\$ 33,887	\$ 33,887	\$ 33,887	\$ 33,887
Total	\$ 447,727	\$ 204,399	\$ 2,338,584	\$ 326,850		\$ 283,500			\$ 265,800	\$ 260,800	\$ 255,800	\$ 250,800

RWA PROGRAM
FY 2014-2015 BUDGET PROJECTION NOTES

- 1 The American River Basin Integrated Regional Water Management Plan, developed jointly by the Regional Water Authority (RWA) and the Freeport Regional Water Authority (FRWA) in June 2006, was among seven projects recommended for funding statewide in a two-step grant process through Proposition 50. The \$25 million grant helped fund key elements of the plan, including a suite of 14 infrastructure projects. The grant is scheduled to wrap up in FY15 and any remaining funds will be returned to the participants.
- 2 Prop 13 grant administration fees for the \$22 million ARBCUP grant. Program revenues of \$268,280 were collected in October 2002, so no new revenues are reflected for the program. The program was completed on June 30, 2009. However, five years of annual project updates are required. In FY12, \$10,311 were reimbursed to project participants from ARBCUP Phase 1, because those funds were determined to be surplus to the project. The balance of funds will remain as a designation until the reporting requirement ends in 2014. Also see Note 19 below.
- 3 Department of Water Resources grant proceeds earned by participating agencies, but administered through RWA. These funds are then paid to members as received.
- 4 This is for RWA's grant management expenses in administering a \$16.03 million award from the Prop 84 Implementation Grant Program. The project commenced in FY 2012. Staff estimated a total project management expense of \$183,287, the remainder is expected to be collected by the end of FY 2013. Funds will be designated for use in Prop 84 Implementation Grant Management until program requirements are completed. Projects are expected to be completed in 2016 with up to 10 years of post-project performance monitoring required.
- 5 The Proposition 84 grant reimbursements from DWR and disbursements to member agencies.
- 6 IRWMP Implementation Program. This is the ARBCA "follow-on" program. \$11,758 was deposited into the program budget in March 2004 as carryover from ARBCA Phase II. An additional \$319,500 was collected from FY04 through FY 06 as part of the local cost-share requirement with COE and a program management expenses fee for RWA staff and legal counsel. Of the \$319,500, \$57,000 was collected for the successful \$500,000 Prop. 50 Planning Grant. These funds for the application were mostly expended on consulting services in FY 05. FY 07 program fees totaling \$170K were collected in late FY06 and early FY07. In FY11 revenues were collected from an assessment to participants as part of local share for a USBR system optimization grant awarded to San Juan WD on behalf of RWA in August 2010 and a DWR Prop 84 planning grant awarded in early 2011 to update the IRWMP. Revenues and expenses for FY 12 and FY 13 are primarily to fund consultants to complete work on the IRWMP update and reimbursement from the grants. The remaining funds are being assigned to RWA core projects to be used only for purposes related to updating or maintaining the IRWMP.

- 7 The 2012 USBR CALFED grant was awarded to Sacramento Suburban Water District in 2012. RWA prepared the grant application, with SSWD acting as the applicant for a regional \$1 million grant to install water meters. Other participants include the City of Sacramento, City of West Sacramento, and Sacramento County Water Agency. The grant will expire by September 30, 2014. RWA is acting as the grant manager including ensuring participants comply with contract terms, prepare quarter reports and prepare reimbursement invoices. Actual reimbursement for grant expenses (e.g., contractors) were distributed directly to SSWD, then out to participants. The funds collected here are for grant management expenses only, and include some funding for SSWD expenses as incurred (e.g., distributing checks to participants, single audit requirement, etc.).
- 8 The 2013 USBR CALFED grant was awarded to Sacramento Suburban Water District in 2013. RWA prepared the grant application, with SSWD acting as the applicant for a regional \$500,000 grant to install water meters. Other participants include the City of Sacramento and Sacramento County Water Agency. The grant will expire by September 30, 2015. RWA is acting as the grant manager including ensuring participants comply with contract terms, prepare quarter reports and prepare reimbursement invoices. Actual reimbursement for grant expenses (e.g., contractors) were distributed directly to SSWD, then out to participants. The funds collected here are for grant management expenses only, and include some funding for SSWD expenses as incurred (e.g., distributing checks to participants, single audit requirement, etc.).
- 9 The development of a public relations below-the-green-line effort was started in early 2011. The effort included the hiring of a public relations/public affairs consulting firm to augment and support RWA's legislative advocacy effort. The program is continuing and has been moved to the RWA core budget.
- 10 Anticipated revenues from the Water Efficiency (WEP) Program for Category I. WEP budget still under development. These fees reflect similar revenue as in FY14.
- 11 WEP Category II revenue and expenses are not projected in future fiscal years due to the uncertainty of the subscription program amounts. The subscription programs are approved as the opportunity or need arises for the program.
- 12 These WEP costs represent direct costs for the program, including Category 1 expenses and consultants. WEP budget still under development and therefore reflect same total costs as in FY14. Costs associated with allocated office costs are reflected in the staffing and office program management expenses in footnote 13.
- 13 The cost of staffing and office associated with the subscription programs (including WEP) is included to reflect the cashflow effect to the programs. It also represents the amount of money earned by the Core Program for the services they provide. Effectively, these dollars generate cash to the core program by using internal staff as RWA effectively is a consultant to these programs. For FY13 and beyond, the budget adds a project assistant at 60% time, for a total of 1.6 FTEs for WEP.

- 14 A new \$100,000 grant from the California Water Foundation's Resources Legacy Fund is focused on helping improve the sustainability of the greater Sacramento regional water supply. This grant will allow RWA to evaluate hydrologic modeling needs in support of the IRWMP for the Lower American River Basin. During the year ending June 30, 2013, RWA embarked on a regional tools assessment ("Regional Tools") program using these grant funds. This project is expected to be completed in FY14.
- 15 Net revenues (loss). Losses are typically a result of timing differences from funds collected in one fiscal year but spent in the next fiscal year. These "losses" are funded from carryover restricted cash designations from previous years.
- 16 Since subscription programs often collect monies in one fiscal cycle, but may not expend or use the funds until future fiscal cycles, these cash resources are reflected in this section to determine the amount of impact the subscription program has to overall available resources.
- 17 Represents the remaining net cash amounts reserved for subscription programs to fulfill future program obligations.
- 18 Advance adjustments are timing differences between cashflow effect of advances received or used versus accrual effect as recorded in the audited financial statements. Grant management fees are collected in advance of grant expenses. Because these fees can be returned back to members if not used, the accounting records will only reflect revenue when expenses are incurred, which often result in a zero net income. The remaining unused fees are used in later years which uses the advance balance from the prior year.
- 19 This reserve section sets aside these funds for this program in future years. The final ARBCUP reporting will be in FY14, with any remaining funds being distributed back out to project participants in proportion to how they paid in on the program.
- 20 Represents the cumulative funds in excess of revenues for the Water Efficiency Program. Starting in FY15, \$5K per year for 10 years is being allocated from WEP Cat 1 to Powerhouse Science Center as one of the funding sources for Water Detective.
- 21 Advances are not considered revenue from an accounting perspective. However, as expenses are incurred for these program, the cash advances are used and affect cash balances. The balances represent remaining unspent cash for each of the programs.
- 22 Represents a new program to hire a contract lobbyist to help with state legislative issues.