



## 2016 - 2017 FYE Budget Summary

**Projected Fee Increase 11.00%**

**Combined Core & Subscription Program Budget**

**Major Assumptions - See Budget notes for other Budget assumptions**

### Revenues

- 1) Fee Increase on General Dues - see attachment for fees by agency. 11.00%
- 2) SGA Service Fees represents 50% cost sharing excluding staffing allocated to WEP, the water policy retired annuitant, and the SGA retired annuitant.
- 3) SGA Service Fees pay the unfunded pension liability and represents an allocation to SGA of 39% using an estimated blended rate from each component of the liability. This allocation percentage is based upon CalPERS estimates.
- 4) Subscription Program core revenues contribute 16% towards Core operations and represent fees earned by RWA for providing staff consulting services and allocated office costs to the subscription programs.
- 5) IRWMP designation funding pays for expenses from the remaining IRWMP carryover from the former subscription program. The designation continues to fund the program in FY17. In future years, dues will need to be raised to pay for ongoing IRWMP projects.
- 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 RWA's region and beyond. Members represents contributions from membership. Other funding came from a grant in FY15 and from WEP.
- 7) Other represents interest income and holiday social revenues.
- 8) Subscription Program represents revenues for subscription services from the Water Efficiency Program, Prop 50, Prop 84, IRWM, 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 cash flow estimate purposes. Adopting the fiscal year 2016-2017 budget does not approve the subscription based programs.

### Expenses

- 1) Staffing costs include the WEP Project Manager. Also includes a retired annuitant that is strictly used for SGA.
- 2) Staff is allocated 50/50 to SGA and RWA, excluding the WEP position, the project assistant and the water policy staff. The project assistant splits time between SGA, WEP and RWA subscription projects. With the addition of a new water policy staff member, RWA's FTE is 4.8; SGA FTE is 2.2, for a total of 7 FTE and does not include the three annuitants. Of the RWA 4.8 FTE, WEP represents 1.5 FTE. Staffing costs projected within salary range for positions and includes a 5% increase for merit and a 2% shift in PERS pick up from the employer to the employee, for a total proposed increase of up to 7%.
- 3) Staffing expenses reflect an anticipated \$225,000 payment for the unfunded PERS liability. The payment will be made by 6-30-16. The payment amount currently assumes that SGA will contribute \$87,600 towards this unfunded liability.
- 4) Staffing expenses also reflect hiring the water policy consultant to begin in the second quarter of FY17. The funding for this position for FY17 is anticipated to partially come from the strategic plan fund in FY17.
- 5) For FY17 and beyond, office costs generally assume 3% increases unless specific increases have been identified, such as the office lease.
- 6) Professional fees include audit, actuarial, PR, accounting, legal, and regional water issues. It also includes \$50,000 consulting fees for the FY17 for helping the new staff person transition to help the implementation of the strategic plan.



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Projected Fee Increase **11.00%**

Combined Core & Subscription Program Budget

Major Assumptions - See Budget notes for other Budget assumptions

- 7) Other includes office equipment purchases.
- 8) Core Project Expenses include IRWMP expenses and Powerhouse Science Center expenses.
- 9) Subscription Program represents the direct consulting and expenses for these subscription programs as well as the staff and office costs for the programs. These costs have been included in the program budget 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, expenses are projected to exceed revenues by \$172,000, mainly due to subscription expenses exceeding subscription fees. RWA continues to set aside \$42,000 per year to pay off the unfunded pension liability.
- 2) Core revenues are projected to exceed core expenses by approximately \$74,200.
- 3) The subscription program projects expenses in excess of revenues. These fees are set aside in the appropriate subscription designation to be used in future periods for the related programs. 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. Most of 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. 10% of the WEP project manager position is paid for by RWA core dues beginning in FY17.

### Designations/Restrictions

- 1) The Operating fund is capped at approximately 4 months for FYE 16-17. The current budget proposal caps the operating fund at 4 months so that the strategic fund can be used to help implement the strategic plan in future years.
- 2) The designations and restrictions are broken out by type and subtotaled by core and subscription services. The total change in cash from Projected FY16 to Proposed FY17 by subtotal reflect the departmental effect on each designation and restriction group.
- 3) The Pension plan accounting designation is for the unfunded pension plan payment to be made in FY16. The June 30, 2014 report estimates this amount at June 30, 2016 at approximately \$302,700, not reflecting any potential early payments. The final total payment amount will depend upon the timing of partial payments over time since unpaid balances accrue additional interest costs of 7.5% per annum.
- 4) IRWMP designation fund is the remaining funds transferred from the subscription program to fund IRWMP activity. The fund is expected to expend funds in FY17 and the remaining funds in FY18.
- 5) The Strategic Plan outlined hiring a water policy consultant to implement RWA's regional water voice on important water legislation that impacts members and the region. The first step of this implementation plan included hiring a retired annuitant. The Strategic Plan designation will allow RWA to hire a new staff position in FY 17.



**2016 - 2017 FYE Budget Summary**  
**Projected Fee Increase**  
**Combined Core & Subscription Program Budget**  
**See Budget and Program Notes for Budget Assumptions**

**11.00%**

	Projected FY16	Proposed FY17	Change from Prior Year	Comments
<b>Revenues</b>				
Dues	\$ 751,400	\$ 834,000	\$ 82,600	Projected rate increase 11.00%
SGA Service Fee	\$ 514,600	\$ 560,300	\$ 45,700	Based upon shared costs
SGA - Unfunded Pension Liability	\$ 87,600	\$ -	\$ (87,600)	Share of pension liability estimated at 39%. Timing of payment anticipated to be made in FY16.
Powerhouse Science - RWA Members	\$ 63,200	\$ 60,000	\$ (3,200)	Powerhouse Science Center collected from members over 5 years
Powerhouse Science Center - Other	\$ 5,000	\$ 5,000	\$ -	Powerhouse Science Center from WEP collected over 10 years
IRWMP designation funding	\$ 50,000	\$ 25,000	\$ (25,000)	Funds IRWMP activities from the carry over designation and adds another \$25K in FY17
Other	\$ 9,800	\$ 11,500	\$ 1,700	Interest, holiday social
Subscription Program	\$ 18,320,400	\$ 6,504,900	\$ (11,815,500)	Prop 50, Prop 84, WEP, Water Meter grants and retrofits, Legislative Advocacy
<b>Total Revenues</b>	<b>\$ 19,802,000</b>	<b>\$ 8,000,700</b>	<b>\$ (11,801,300)</b>	
<b>Expenses</b>				
Staff	\$ 1,207,400	\$ 1,260,300	\$ 52,900	All staff costs, includes water policy staff in Q2. Includes \$225,000 payment to CalPERS for unfunded pension in FY16.
Office	\$ 125,200	\$ 127,500	\$ 2,300	General 3% cost increases assumed
Professional Fees	\$ 248,500	\$ 254,500	\$ 6,000	Audit, PR, accounting, legal, actuary, water issues, full year water policy consultant and public relations
Core Project Expenses	\$ 42,800	\$ 55,000	\$ 12,200	IRWMP & Powerhouse Science Center
Other expenses	\$ 12,500	\$ 2,600	\$ (9,900)	Office equipment
Subscription Program	\$ 17,883,200	\$ 6,472,800	\$ (11,410,400)	Prop 50, Prop 84, WEP, Legislative Advocacy, USBR meter programs
<b>Total Expenses</b>	<b>\$ 19,519,600</b>	<b>\$ 8,172,700</b>	<b>\$ (11,346,900)</b>	
<b>Revenues net of Expenses (D)</b>	<b>\$ 282,400</b>	<b>\$ (172,000)</b>	<b>\$ (454,400)</b>	
<b>Cash, beginning</b>	<b>\$ 1,542,565</b>	<b>\$ 1,824,965</b>	<b>\$ 282,400</b>	
Source (Use) of Funds	\$ 282,400	\$ (172,000)	\$ (454,400)	
<b>Cash, ending</b>	<b>\$ 1,824,965</b>	<b>\$ 1,652,965</b>	<b>\$ (172,000)</b>	
<b>DESIGNATIONS/RESTRICTIONS/ADVANCES</b>			Increase (decrease) in Cash	
<i>Designations</i>				
Operating Fund	\$ 456,200	\$ 534,300	\$ 78,100	
Membership Dues Fund	\$ 112,700	\$ 125,100	\$ 12,400	
Subscription Program Stabilization	\$ 26,000	\$ 27,800	\$ 1,800	
Pension Plan Unfunded Liability	\$ 42,000	\$ 42,000	\$ -	
IRWMP Program	\$ 38,511	\$ 8,511	\$ (30,000)	
Powerhouse Science Center	\$ 103,910	\$ 143,910	\$ 40,000	
Strategic Plan Fund	\$ 200,015	\$ 96,915	\$ (103,100)	
Non-designated cash	\$ -	\$ 75,000	\$ 75,000	
<b>Subtotal core cash</b>	<b>\$ 979,336</b>	<b>\$ 1,053,536</b>	<b>\$ 74,200</b>	
<i>Restrictions and advances</i>				
2015 IRWM Grant	\$ 7,000	\$ 20,000	\$ 13,000	
Prop 50 grant Management	\$ 21,750	\$ 15,250	\$ (6,500)	
Prop 84 Grant Management	\$ 111,652	\$ 96,652	\$ (15,000)	
2014 Drought Grant Management	\$ 60,000	\$ 40,000	\$ (20,000)	
USBR Meter Grant (2012)	\$ (37)	\$ (37)	\$ -	
USBR Meter Grant (2013)	\$ 38	\$ 38	\$ -	
USBR Meter Grant (2014)	\$ 26,904	\$ 4	\$ (26,900)	
USBR CalFed WaterSmart Meter (2014)	\$ 24,798	\$ 998	\$ (23,800)	
USBR CalFed Retrofits (2014)	\$ 182,042	\$ 1,242	\$ (180,800)	
Government Relations Contract Lobbyist	\$ 70,000	\$ 70,000	\$ -	
SRCS	\$ 3,323	\$ 3,323	\$ -	
Water Efficiency Program - Cat 1	\$ 482,759	\$ 496,559	\$ 13,800	
Water Efficiency Program - Cat 2	\$ (144,600)	\$ (144,600)	\$ -	
<b>Subtotal program restrictions</b>	<b>\$ 845,629</b>	<b>\$ 599,429</b>	<b>\$ (246,200)</b>	
<b>Total Cash Designations/Restrictions</b>	<b>\$ 1,824,965</b>	<b>\$ 1,652,965</b>	<b>\$ (172,000)</b>	



**2016 - 2017 FYE Budget Summary**

**Projected Fee Increase**

**11.00%**

**Summary Core only program - includes WEP staffing**

**See Budget Notes for Budget assumptions**

	Actual FY15	Budget FY16	Projected FY16	Proposed FY17	Comments
<b>Revenues</b>					
Dues	\$ 653,915	\$ 748,000	\$ 751,400	\$ 834,000	Rate increase to cover added costs and anticipated in FY16 Budget process
SGA Service Fee	\$ 475,522	\$ 527,900	\$ 514,600	\$ 560,300	Based upon shared costs.
SGA Service Fee - GASB 68	\$ -	\$ 33,000	\$ 87,600	\$ -	SGA's portion of expected pension liability costs @ 39%.
Subscription Programs					
WEP (C)	\$ 211,471	\$ 224,800	\$ 204,900	\$ 202,400	Cost reimbursement fees from WEP subscription program
Other (C)	\$ 38,972	\$ 55,900	\$ 55,000	\$ 75,900	Cost reimbursement fees from other subscription programs
IRWMP - designation funding	\$ 7,847	\$ 30,000	\$ 50,000	\$ 25,000	Funding from IRWMP advance from program budget
Powerhouse Science Center - Members	\$ 61,660	\$ 60,000	\$ 63,200	\$ 60,000	Powerhouse Science Center - Member payment
Powerhouse Science Center - Other	\$ 49,050	\$ 5,000	\$ 5,000	\$ 5,000	Grant funding in FY15 and WEP funding in FY16 & FY17
Other	\$ 8,885	\$ 8,800	\$ 9,800	\$ 11,500	Interest, holiday social revenues
<b>Total Revenues</b>	<b>\$ 1,507,322</b>	<b>\$ 1,693,400</b>	<b>\$ 1,741,500</b>	<b>\$ 1,774,100</b>	
<b>Expenses</b>					
Staff	\$ 927,681	\$ 1,216,500	\$ 1,207,400	\$ 1,260,300	Includes 7 FTEs. Includes CalPERS payment for unfunded liability in FY16
Office	\$ 95,687	\$ 126,800	\$ 125,200	\$ 127,500	General 3% cost increases assumed unless specifically identified increase
Professional Fees	\$ 203,682	\$ 323,400	\$ 248,500	\$ 254,500	Audit, actuarial, PR, accounting, legal, regional water issues assistance
Core Project Expenses	\$ 57,847	\$ 55,000	\$ 42,800	\$ 55,000	Powerhouse & IRWMP programs
Other	\$ -	\$ 2,600	\$ 12,500	\$ 2,600	Office Furniture
<b>Total Expenses</b>	<b>\$ 1,284,897</b>	<b>\$ 1,724,300</b>	<b>\$ 1,636,400</b>	<b>\$ 1,699,900</b>	
<b>Core Revenue less Expenses (A)</b>	<b>\$ 222,425</b>	<b>\$ (30,900)</b>	<b>\$ 105,100</b>	<b>\$ 74,200</b>	Excludes Subscription programs. Positive result = core revenues < expenses; negative amount = expenses > revenues
<b>Cash, beginning</b>	\$ 651,811	\$ 985,718	\$ 874,236	\$ 979,336	
Source (Use) of Funds (A)	\$ 222,425	\$ (30,900)	\$ 105,100	\$ 74,200	
Net change	\$ 222,425	\$ (30,900)	\$ 105,100	\$ 74,200	
<b>Cash, ending</b>	<b>\$ 874,236</b>	<b>\$ 954,818</b>	<b>\$ 979,336</b>	<b>\$ 1,053,536</b>	
<b>DESIGNATIONS</b>					
Designations					
Operating Fund	\$ 411,500	\$ 481,400	\$ 456,200	\$ 534,300	\$ 78,100
Membership Dues Fund	\$ 98,100	\$ 112,200	\$ 112,700	\$ 125,100	\$ 12,400
Subscription Program Stabilization	\$ 27,900	\$ 28,100	\$ 26,000	\$ 27,800	\$ 1,800
Pension Plan Unfunded Liability	\$ 126,000	\$ 75,000	\$ 42,000	\$ 42,000	\$ -
IRWMP Program	\$ 56,311	\$ 16,358	\$ 38,511	\$ 8,511	\$ (30,000)
Powerhouse Science Center	\$ 60,710	\$ 100,300	\$ 103,910	\$ 143,910	\$ 40,000
Strategic Plan Fund	\$ -	\$ 141,460	\$ 200,015	\$ 96,915	\$ (103,100)
Non-designated cash	\$ 93,715	\$ -	\$ -	\$ 75,000	\$ 75,000
<b>Subtotal core cash</b>	<b>\$ 874,236</b>	<b>\$ 954,818</b>	<b>\$ 979,336</b>	<b>\$ 1,053,536</b>	<b>\$ 74,200</b>



**2016 - 2017 FYE Budget Summary**  
**Summary Program only**  
**See Program Notes for Budget Assumptions**

<b>Subscription Programs</b>		Actual FY15	Budget FY16	Projected FY16	Proposed FY17	
Revenues		\$ 5,748,862	\$ 17,096,000	\$ 18,320,400	\$ 6,504,900	Prop 84, IRWMP, Drought, Gov't Advocacy & WEP in FY17
Expenses - Direct Program		\$ 5,493,142	\$ 16,788,200	\$ 17,883,200	\$ 6,472,800	Prop 50, Prop 84, WEP, CalFed Meter Prog; Government Advocacy in FY16
WEP Expenses - Allocated Program	(C)	\$ 211,471	\$ 224,800	\$ 204,900	\$ 202,400	Prop 50, Prop 84, WEP, CalFed Meter Prog; Government Advocacy
Other Expenses - Allocated Program	(C)	\$ 38,972	\$ 55,900	\$ 55,000	\$ 75,900	Staffing and office costs allocated to subscription programs - WEP
		\$ 5,743,585	\$ 17,068,900	\$ 18,143,100	\$ 6,751,100	Staffing and office costs allocated to other subscription programs
Net subscription income (loss)	(B)	<u>\$ 5,277</u>	<u>\$ 27,100</u>	<u>\$ 177,300</u>	<u>\$ (246,200)</u>	
<b>Cash, beginning</b>		\$ 401,826	\$ 511,904	\$ 668,329	\$ 845,629	
Source (Use) of Funds		\$ 5,277	\$ 27,100	\$ 177,300	\$ (246,200)	
Advance adjustments		\$ 261,226	\$ -	\$ -	\$ -	Adjusting for cash used versus accrual accounting of costs
<b>Cash, ending</b>		<u>\$ 668,329</u>	<u>\$ 539,004</u>	<u>\$ 845,629</u>	<u>\$ 599,429</u>	
						Increase (decrease) in Cash (FY16 to FY17)
<b>Restrictions and advances</b>						
2015 IRWM Grant		\$ -	\$ -	\$ 7,000	\$ 20,000	\$ 13,000
Prop 50 grant Management		\$ 6,850	\$ 14,598	\$ 21,750	\$ 15,250	\$ (6,500)
Prop 84 Grant Management		\$ 118,952	\$ 85,594	\$ 111,652	\$ 96,652	\$ (15,000)
2014 Drought Grant Management		\$ -	\$ 54,979	\$ 60,000	\$ 40,000	\$ (20,000)
USBR Meter Grant (2012)		\$ 7,963	\$ 260	\$ (37)	\$ (37)	\$ -
USBR Meter Grant (2013)		\$ 10,238	\$ 25	\$ 38	\$ 38	\$ -
USBR Meter Grant (2014)		\$ 11,304	\$ 11,100	\$ 26,904	\$ 4	\$ (26,900)
USBR CalFed WaterSmart Meter (2014)		\$ 8,198	\$ 11,100	\$ 24,798	\$ 998	\$ (23,800)
USBR CalFed Retrofits (2014)		\$ 159,642	\$ 2,400	\$ 182,042	\$ 1,242	\$ (180,800)
Government Relations Contract Lobbyist		\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ -
SRCSD		\$ 3,323	\$ -	\$ 3,323	\$ 3,323	\$ -
Water Efficiency Program - Cat 1		\$ 320,259	\$ 307,324	\$ 482,759	\$ 496,559	\$ 13,800
Water Efficiency Program - Cat 2		\$ (48,400)	\$ (18,376)	\$ (144,600)	\$ (144,600)	\$ -
		<u>\$ 668,329</u>	<u>\$ 539,004</u>	<u>\$ 845,629</u>	<u>\$ 599,429</u>	<u>\$ (246,200)</u>

Reconcile Summary Split to Summary Table			Projected FY16		Proposed FY17	
Core Program Income (Loss)	(A)		\$ 105,100	(A)	\$ 74,200	
Subscription Program Income (loss)	(B)		\$ 177,300	(B)	\$ (246,200)	
<b>RWA Total</b>	(D)		<u>\$ 282,400</u>	(D)	<u>\$ (172,000)</u>	See Summary Combined Table

**RWA PROPOSED FY 2016-2017 BUDGET PROJECTION**

% increase in fees: actual & projected FY16 general				11%			10%	8%	8%	8%
% increase in fees: actual & projected FY15 associate/affiliate			10%	8%			8%	8%	8%	8%
% increase in fees: actual & projected FY16 associate/affiliate				2%			2%	2%	2%	2%
% increase in staff expenses										
% increase expenses				3%			3%	3%	3%	3%
Total FTE	6	6	6	7			7	7	7	7
RWA FTE	3.7	3.7	3.8	4.8			4.8	4.8	4.8	4.8

See Budget Projection Notes for Budget Assumptions

	FY 15	Approved	FY 16	Total		FY 17	Notes	Projected	Projected	Projected	Projected
	Actual	FY 16	Actual at	FY 16		Proposed		FY 18	FY 19	FY 20	FY 21
	Per Audit	Budget	Jan. 16	Projected		Budget					
<b>ANNUAL REVENUES</b>											
<b>OPERATING REVENUES/Designations</b>											
General Assessments/Fees	\$ 619,715	\$ 713,800	\$ 713,814	\$ 713,800		\$ 792,800	1	\$ 872,100	\$ 941,900	\$ 1,017,300	\$ 1,098,700
Associate Membership Fee	\$ 31,200	\$ 31,200	\$ 31,200	\$ 31,200		\$ 34,800	2	\$ 34,800	\$ 34,800	\$ 34,800	\$ 34,800
Affiliate Membership Fee	\$ 3,000	\$ 3,000	\$ 6,375	\$ 6,400		\$ 6,400	3	\$ 6,500	\$ 6,600	\$ 6,700	\$ 6,800
SGA Service Agreement Fee	\$ 475,522	\$ 527,900	\$ 259,528	\$ 514,600		\$ 560,300	4	\$ 593,200	\$ 629,400	\$ 672,500	\$ 692,400
SGA Service Agreement Fee - Pension Plan	\$ -	\$ 33,000	\$ -	\$ 87,600		\$ -	5	\$ -	\$ -	\$ -	\$ -
WEP Subscription Prog	\$ 211,471	\$ 224,800	\$ 118,313	\$ 204,900		\$ 202,400	6	\$ 194,500	\$ 203,400	\$ 212,700	\$ 222,700
Subscription Program - other	\$ 38,972	\$ 55,900	\$ 24,303	\$ 55,000		\$ 75,900	6	\$ 26,500	\$ 8,000	\$ 8,000	\$ 8,000
IRWMP - From Designation	\$ 7,847	\$ 30,000	\$ 6,200	\$ 50,000		\$ 25,000	41	\$ 8,500	\$ -	\$ -	\$ -
Powerhouse Science Center - Members	\$ 61,660	\$ 60,000	\$ 63,165	\$ 63,200		\$ 60,000	7	\$ 60,000	\$ 60,000	\$ 60,000	\$ -
Powerhouse Science Center - Other Funding	\$ 49,050	\$ 5,000	\$ 5,000	\$ 5,000		\$ 5,000	7	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Miscellaneous Revenues	\$ 5,560	\$ 5,600	\$ 5,817	\$ 6,600		\$ 7,300	8	\$ 7,500	\$ 7,700	\$ 7,900	\$ 8,100
Interest Income	\$ 3,325	\$ 3,200	\$ 1,208	\$ 3,200		\$ 4,200	9	\$ 6,100	\$ 8,400	\$ 8,600	\$ 8,800
<b>TOTAL REVENUE</b>	<b>\$ 1,507,322</b>	<b>\$ 1,693,400</b>	<b>\$ 1,234,923</b>	<b>\$ 1,741,500</b>		<b>\$ 1,774,100</b>		<b>\$ 1,814,700</b>	<b>\$ 1,905,200</b>	<b>\$ 2,033,500</b>	<b>\$ 2,085,300</b>
<b>STAFF EXPENSES (General):</b>											
Staff Salaries/Wages - 100%	\$ 604,775	\$ 648,400	\$ 369,553	\$ 647,500		\$ 783,800	10	\$ 860,500	\$ 912,000	\$ 957,500	\$ 1,005,200
Retired Annuitant (SGA projects)	\$ 15,837	\$ 10,000	\$ -	\$ -		\$ 10,000	11	\$ -	\$ -	\$ -	\$ -
Benefits	\$ 248,547	\$ 260,500	\$ 141,337	\$ 262,400		\$ 341,000	12	\$ 362,400	\$ 379,300	\$ 404,100	\$ 426,900
Pension Plan	\$ -	\$ 225,000	\$ -	\$ 225,000		\$ 42,000	13	\$ 42,000	\$ 25,000	\$ 25,000	\$ 25,000
Payroll Taxes	\$ 42,541	\$ 51,900	\$ 22,049	\$ 52,400		\$ 62,700	14	\$ 68,800	\$ 73,000	\$ 76,600	\$ 80,400
Travel/Meals/Conferences	\$ 12,420	\$ 15,500	\$ 4,143	\$ 15,100		\$ 15,600	15	\$ 16,100	\$ 16,600	\$ 17,100	\$ 17,600
Professional Development/Training	\$ 3,561	\$ 5,200	\$ -	\$ 5,000		\$ 5,200	16	\$ 5,400	\$ 5,600	\$ 5,800	\$ 6,000
<b>TOTAL GENERAL STAFF EXPENSES</b>	<b>\$ 927,681</b>	<b>\$ 1,216,500</b>	<b>\$ 537,082</b>	<b>\$ 1,207,400</b>		<b>\$ 1,260,300</b>		<b>\$ 1,355,200</b>	<b>\$ 1,411,500</b>	<b>\$ 1,486,100</b>	<b>\$ 1,561,100</b>
<b>OFFICE EXPENSES:</b>											
Rent & Utilities Contract	\$ 19,497	\$ 25,000	\$ 14,564	\$ 25,000		\$ 25,000	17	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000
General Liability Insurance	\$ 23,242	\$ 25,000	\$ 23,461	\$ 25,000		\$ 25,000	18	\$ 25,800	\$ 26,600	\$ 27,400	\$ 28,200
Office Maintenance	\$ -	\$ 3,100	\$ -	\$ 3,000		\$ 3,100	19	\$ 3,200	\$ 3,300	\$ 3,400	\$ 3,500
Postage and Postal Meter	\$ 2,513	\$ 3,100	\$ 504	\$ 3,000		\$ 3,100	20	\$ 3,200	\$ 3,300	\$ 3,400	\$ 3,500
Telephone/internet/web hosting	\$ 9,811	\$ 11,300	\$ 5,530	\$ 11,000		\$ 11,300	21	\$ 11,600	\$ 11,900	\$ 12,300	\$ 12,700
Meetings & Annual Banquet	\$ 8,805	\$ 13,400	\$ 8,656	\$ 13,100		\$ 13,500	22	\$ 13,900	\$ 14,300	\$ 14,700	\$ 15,100
Printing/Supplies	\$ 15,774	\$ 25,800	\$ 6,561	\$ 25,600		\$ 26,400	23	\$ 27,200	\$ 28,000	\$ 28,800	\$ 29,700
Dues & Subscriptions	\$ 5,877	\$ 7,700	\$ 6,318	\$ 7,500		\$ 7,700	24	\$ 7,900	\$ 8,100	\$ 8,300	\$ 8,500
Computer hardware/software	\$ 4,802	\$ 5,200	\$ -	\$ 5,000		\$ 5,200	25	\$ 5,400	\$ 5,600	\$ 5,800	\$ 6,000
Computer maintenance	\$ 5,366	\$ 7,200	\$ 2,441	\$ 7,000		\$ 7,200	26	\$ 7,400	\$ 7,600	\$ 7,800	\$ 8,000
<b>TOTAL OFFICE EXPENSE</b>	<b>\$ 95,687</b>	<b>\$ 126,800</b>	<b>\$ 68,035</b>	<b>\$ 125,200</b>		<b>\$ 127,500</b>		<b>\$ 130,600</b>	<b>\$ 158,700</b>	<b>\$ 161,900</b>	<b>\$ 165,200</b>

**RWA PROPOSED FY 2016-2017 BUDGET PROJECTION**

% increase in fees: actual & projected FY16 general					11%			10%	8%	8%	8%
% increase in fees: actual & projected FY15 associate/affiliate			10%		8%			8%	8%	8%	8%
% increase in fees: actual & projected FY16 associate/affiliate					2%			2%	2%	2%	2%
% increase in staff expenses											
% increase expenses					3%			3%	3%	3%	3%
Total FTE	6	6	6	6	7	7	7	7	7	7	7
RWA FTE	3.7	3.7	3.8	3.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8

See Budget Projection Notes for Budget Assumptions

<b>PROFESSIONAL FEES</b>											
RWA Legal	\$ 67,668	\$ 80,000	\$ 21,566	\$ 70,000	\$ 70,000	27	\$ 73,500	\$ 77,200	\$ 81,100	\$ 85,200	
RWA/SGA Audit	\$ 17,950	\$ 21,500	\$ 18,500	\$ 18,500	\$ 19,100	28	\$ 25,200	\$ 27,700	\$ 29,100	\$ 30,600	
ADP Payroll Services/banking	\$ 1,458	\$ 1,900	\$ 922	\$ 1,800	\$ 1,900	29	\$ 2,000	\$ 2,100	\$ 2,200	\$ 2,300	
RWA Consultants	\$ 116,606	\$ 220,000	\$ 81,330	\$ 158,200	\$ 163,500	30	\$ 140,100	\$ 130,400	\$ 165,000	\$ 143,400	
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 203,682</b>	<b>\$ 323,400</b>	<b>\$ 122,318</b>	<b>\$ 248,500</b>	<b>\$ 254,500</b>		<b>\$ 240,800</b>	<b>\$ 237,400</b>	<b>\$ 277,400</b>	<b>\$ 261,500</b>	
<b>OTHER EXPENSES</b>											
Office furniture & Fixed Assets - Net	\$ -	\$ 2,600	\$ -	\$ 2,500	\$ 2,600	31	\$ 2,700	\$ 2,800	\$ 2,900	\$ 3,000	
New Server / website overhaul	\$ -	\$ -	\$ -	\$ 10,000	\$ -	31	\$ -	\$ -	\$ 15,000	\$ -	
<b>TOTAL OTHER EXPENSES</b>	<b>\$ -</b>	<b>\$ 2,600</b>	<b>\$ -</b>	<b>\$ 12,500</b>	<b>\$ 2,600</b>		<b>\$ 2,700</b>	<b>\$ 2,800</b>	<b>\$ 17,900</b>	<b>\$ 3,000</b>	
<b>CORE PROJECT EXPENSES</b>											
IRWMP Follow On Program	\$ 7,847	\$ 30,000	\$ 6,198	\$ 17,800	\$ 30,000	41	\$ 16,400	\$ 20,000	\$ 20,000	\$ 20,000	
Powerhouse Science Center	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	32	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	
<b>TOTAL Core Project Expenses</b>	<b>\$ 57,847</b>	<b>\$ 55,000</b>	<b>\$ 31,198</b>	<b>\$ 42,800</b>	<b>\$ 55,000</b>		<b>\$ 41,400</b>	<b>\$ 45,000</b>	<b>\$ 45,000</b>	<b>\$ 45,000</b>	
<b>TOTAL EXPENSES</b>	<b>\$ 1,284,897</b>	<b>\$ 1,724,300</b>	<b>\$ 758,633</b>	<b>\$ 1,636,400</b>	<b>\$ 1,699,900</b>	<b>33</b>	<b>\$ 1,770,700</b>	<b>\$ 1,855,400</b>	<b>\$ 1,988,300</b>	<b>\$ 2,035,800</b>	
<b>Net Income (Loss) - Total</b>	<b>\$ 222,425</b>	<b>\$ (30,900)</b>	<b>\$ 476,290</b>	<b>\$ 105,100</b>	<b>\$ 74,200</b>	<b>34</b>	<b>\$ 44,000</b>	<b>\$ 49,800</b>	<b>\$ 45,200</b>	<b>\$ 49,500</b>	
<b>CALCULATED CASH RESERVES</b>											
<b>CASH available, Beginning</b>	<b>\$ 651,811</b>	<b>\$ 985,718</b>	<b>\$ 874,236</b>	<b>\$ 874,236</b>	<b>\$ 979,336</b>	<b>35</b>	<b>\$ 1,053,536</b>	<b>\$ 1,097,536</b>	<b>\$ 1,147,336</b>	<b>\$ 1,192,536</b>	
<b>SOURCE (USE) OF FUNDS</b>	<b>\$ 222,425</b>	<b>\$ (30,900)</b>	<b>\$ 476,290</b>	<b>\$ 105,100</b>	<b>\$ 74,200</b>	<b>34</b>	<b>\$ 44,000</b>	<b>\$ 49,800</b>	<b>\$ 45,200</b>	<b>\$ 49,500</b>	
<b>CASH available, Ending</b>	<b>\$ 874,236</b>	<b>\$ 954,818</b>	<b>\$ 1,350,526</b>	<b>\$ 979,336</b>	<b>\$ 1,053,536</b>	<b>36</b>	<b>\$ 1,097,536</b>	<b>\$ 1,147,336</b>	<b>\$ 1,192,536</b>	<b>\$ 1,242,036</b>	
<b>Operating Fund (4 to 6 months)</b>	<b>\$ 411,500</b>	<b>\$ 481,400</b>	<b>\$ 363,700</b>	<b>\$ 456,200</b>	<b>\$ 534,300</b>	<b>37</b>	<b>\$ 562,400</b>	<b>\$ 729,800</b>	<b>\$ 722,700</b>	<b>\$ 779,000</b>	
<b>Membership Dues Stabilization @ 15%</b>	<b>\$ 98,100</b>	<b>\$ 112,200</b>	<b>\$ 112,700</b>	<b>\$ 112,700</b>	<b>\$ 125,100</b>	<b>38</b>	<b>\$ 137,000</b>	<b>\$ 147,500</b>	<b>\$ 158,800</b>	<b>\$ 171,000</b>	
<b>Subscription Prog. Stabilization @ 10%</b>	<b>\$ 27,900</b>	<b>\$ 28,100</b>	<b>\$ 14,300</b>	<b>\$ 26,000</b>	<b>\$ 27,800</b>	<b>39</b>	<b>\$ 22,100</b>	<b>\$ 21,100</b>	<b>\$ 22,100</b>	<b>\$ 23,100</b>	
<b>Pension Plan Unfunded Liability</b>	<b>\$ 126,000</b>	<b>\$ 75,000</b>	<b>\$ 201,000</b>	<b>\$ 42,000</b>	<b>\$ 42,000</b>	<b>40</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	
<b>IRWMP Designated Fund</b>	<b>\$ 56,311</b>	<b>\$ 16,358</b>	<b>\$ 50,113</b>	<b>\$ 38,511</b>	<b>\$ 8,511</b>	<b>41</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Powerhouse Science Center Fund</b>	<b>\$ 60,710</b>	<b>\$ 100,300</b>	<b>\$ 103,875</b>	<b>\$ 103,910</b>	<b>\$ 143,910</b>	<b>42</b>	<b>\$ 183,910</b>	<b>\$ 223,910</b>	<b>\$ 263,910</b>	<b>\$ 243,910</b>	
<b>Strategic Plan Fund</b>	<b>\$ -</b>	<b>\$ 141,460</b>	<b>\$ -</b>	<b>\$ 200,015</b>	<b>\$ 96,915</b>	<b>43</b>	<b>\$ 67,126</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Non-designated Cash</b>	<b>\$ 93,715</b>	<b>\$ -</b>	<b>\$ 504,838</b>	<b>\$ -</b>	<b>\$ 75,000</b>	<b>44</b>	<b>\$ 100,000</b>	<b>\$ 26</b>	<b>\$ 26</b>	<b>\$ 26</b>	
<b>Total Cash in bank</b>	<b>\$ 874,236</b>	<b>\$ 954,818</b>	<b>\$ 1,350,526</b>	<b>\$ 979,336</b>	<b>\$ 1,053,536</b>	<b>36</b>	<b>\$ 1,097,536</b>	<b>\$ 1,147,336</b>	<b>\$ 1,192,536</b>	<b>\$ 1,242,036</b>	
<b># of months core + non-designated cash covers expenses</b>	<b>4.7</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.6</b>	<b>45</b>	<b>4.7</b>	<b>4.9</b>	<b>4.5</b>	<b>4.8</b>	

**RWA**  
**FY 2016-2017 BUDGET PROJECTION NOTES**  
**CORE ONLY**

- 1 Assumes an 11% increase in RWA general fees due to partially paying for the new water policy position as well as continued set aside of CalPERS unfunded liability for future payment.
- 2 There are currently four associate members. The fee increase for associates equals the percentage increase for the general membership.
- 3 On May 15, 2014, the RWA Board approved a "RWA Affiliate" membership class. The purpose of the Affiliate membership will help to promote communication between water managers and the community and to support RWA's efforts to educate and inform the public.
- 4 Administrative fees due to RWA from Sacramento Groundwater Authority (SGA) for management, office and program services. Calculated as shared operating expenses, plus SGA asset/office equipment purchases, minus RWA legal, RWA only consulting fees, plus SGA only costs paid by RWA.
- 5 Administrative fees due to RWA from Sacramento Groundwater Authority (SGA) for allocated pension plan liabilities. (see note 40). This amount represents 39% of the unfunded liability allocated to SGA as estimated by CalPERS.
- 6 Represents projected cash/fees earned by RWA from managing subscription based programs. The WEP subscription component represents fees that cover staffing, benefits, and office overhead costs.
- 7 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 entered 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 and 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 helped fund \$50K and the WEP program will fund another \$50K at \$5K per year over 10 years.
- 8 Miscellaneous revenues include revenues collected for the December holiday social and cash discounts from CalCard for paying on time.
- 9 Interest income from the RWA Local Agency Investment Fund (LAIF) account.



**RWA**  
**FY 2016-2017 BUDGET PROJECTION NOTES**  
**CORE ONLY**

- 10 Staff salaries include a total of seven full time positions, split between the organizations, with a total of 2.2 FTEs for SGA. The FTE count does not include the retired annuitants. This year's salaries reflect an increase of 7% to account for merit increases, which accounts for the shifting of classic employees paying 2% of their CalPERS contribution, and follows compensation policy 400.2. Per direction from the board when implementing the strategic plan, there is a new water policy staff position with a planned start date in the second quarter of FY17.
- 11 Includes hourly rate plus benefits for an SGA retired annuitant reimbursed by SGA.
- 12 Benefits include employer PERS, medical, vision, dental, disability insurance, OPEB and workers' compensation for the seven staff members. FY 2017 budget anticipates an increase in medical costs of 7.5%, other costs at 3% and OPEB costs at 100% increase in anticipation of new experience ratings and a lower discount rate. Reflects employees paying 2% of their CalPERS contribution (from 0% to 2%) in FY16 so RWA's contribution drops from 7% to 5%. For FY17 and FY18, the projection includes employees picking up an additional 2% per year CalPERS. In FY18, an additional 1% pick up is forecasted, so that by FY18, classic employees pay their 7% share of CalPERS contribution.
- 13 Represents the estimated 100% payment of the allocated unfunded pension liability to RWA over several years, with an installment payment in FY2016. After FY16, the projected payments reflects the estimated funding calculation for prior unfunded costs now only allocated to RWA. See note 40 for additional details.
- 14 Payroll taxes for seven staff members. Payroll taxes for the retired annuitant are included in the retired annuitant costs.
- 15 Travel and conferences.
- 16 Includes computer training and other professional development classes.
- 17 In accordance with ACWA/JPIA lease. The current lease expires in FY18.
- 18 No increase in costs for property and liability coverage obtained through ACWA JPIA forecasted for the coming year.
- 19 Includes costs for office maintenance needs.
- 20 Reflects mailing activities and cost of postage machine rental.
- 21 Includes telephone and conference call costs, web hosting for the website and internet service costs.

**RWA**  
**FY 2016-2017 BUDGET PROJECTION NOTES**  
**CORE ONLY**

- 22 Miscellaneous meeting charges including food/refreshments. In house preparation of refreshments for board meetings has lowered the expenses in this category compared to prior years. Includes cost of the annual holiday social event.
- 23 Includes supplies, printing, copier maintenance and copier lease costs.
- 24 Dues include ACWA, AWWA, CSDA, Water Education Foundation and Sacramento Metro Chamber of Commerce. Subscriptions include Wavelength legislative service, Business Journal and Sacramento Bee.
- 25 Acquisition of new hardware/software to replace aging and out-of-date components.
- 26 General computer maintenance service.
- 27 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. Additionally, on November 13, 2014, the RWA Board approved a legal services contract with Best, Best & Krieger for assistance with the CALPERS pension benefits issue. The CALPERS issue should be completed by June 30, 2016.
- 28 Audit fees are set by the awarded proposal.
- 29 Payroll service costs for 7 employees, three retired annuitants, plus commercial banking fees.
- 30 Fees for public relations, communications, outreach services (media relations, meeting facilitation, engineering support, workshop facilitation), HR services, accounting and budgeting support, and actuarial valuations (GASB 68 and 75). For FY16, \$100,000 was budgeted for the water policy consulting services to help relieve the RWA staff's overwhelming workload that has increased over the past few years. RWA plans on using the retired annuitant through FY17 to help assist the new staff member and is budgeted at \$50,000.
- 31 Includes furniture. Anticipates a possible replacement of the server in FY20 and website overhaul in FY16.
- 32 Reflects expected annual payment to Powerhouse science center. The initial payment was made in FY15 for \$50k and was funded from the WEP Prop 84 grant funds.
- 33 Represents total operating expenses, excluding subscription based direct program expenses. The operating fund designation is based upon four to six months of operating expenses excluding core project expenses and any one-time large, non-recurring expenses.
- 34 Represents the difference between total funds received versus total expenses during the year for the core program.

**RWA**  
**FY 2016-2017 BUDGET PROJECTION NOTES**  
**CORE ONLY**

- 35 Beginning cash reflects cash related to the core programs. Audited accrual cash balance are converted to cash basis to account for cash impact on core and subscription programs.
- 36 Total cash. The designations are detailed in footnotes 37-44.
- 37 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 non-recurring one-time expenses, such as the CalPERS Pension lump sum payments. For FY16 through FY18, the operating designation was set at a maximum of 4 months in order to fund the Strategic Plan Fund designation. For FY17, the Strategic Plan Fund designation will start to be used to fund the new staff member and will be depleted by FY19. See note 43.
- 38 Represents membership dues designation according to policy at 15% of anticipated membership dues.
- 39 Represents the subscription program designation according to policy at 10% of expected management fees and indirect office costs.
- 40 The total estimate for the unfunded pension liability for RWA at June 30, 2016 is approximately \$302,700 based upon CalPERS June 30, 2014 report and does not include the expected \$225,000 payment. Beginning in FY17, RWA is anticipated to pay just the RWA portion. Each year the unpaid balance continues to accrue interest at the expected investment rate of 7.5%, thereby increasing the liability cost until fully funded. The payment in FY16 to CalPERS does assume contributions from SGA in FY15 and FY16.
- 41 This subscription program ended in FY14 with the remaining funds assigned to RWA core to be used only for purposes related to updating or maintaining the IRWMP as a RWA Core Project activity. Expenses are currently being funded by the remaining designation. This designation will be fully utilized by FY18 and future rate increases will need to account for funding this program.
- 42 RWA entered into a 15-year agreement with the Powerhouse Science 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 will be contributing \$100K on RWA's behalf. Additionally, a Prop 84 WEP grant funded \$50K in FY15 and the WEP program will fund another \$50K (over 10 years).

**RWA**  
**FY 2016-2017 BUDGET PROJECTION NOTES**  
**CORE ONLY**

- 43 The strategic plan outlined staffing a water policy consultant to implement RWA's regional water voice on important water legislation that impacts members and the region. The first step of this implementation plan included hiring a retired annuitant in FY16 to develop the program. The program has proved to be successful and will be staffed by a full-time person (for 9 months) to fully implement the strategic plan goals. This designation will be drawn down by the end of FY19.
- 44 Represents cash over and above designation policies, if any. Funds can be used to pay outstanding year end payables.
- 45 Per policy, the target range for this fund is four to six months of operating expenses, which does not include Core Project expenses and one-time non-recurring costs, such as the pension plan unfunded liability payments. In anticipation of fully implementing the strategic plan and funding the water policy position in future years, the operating designation maximum for FY16-18 is targeted at four months, with the balance of additional funds being set aside in the strategic plan designation. The strategic fund plan will be drawn down by the end of FY19.

Regional Water Authority See Budget Projection Notes for Budget Assumptions			FY' 2016-2017 Program Budget Projection									
	Total FY15 Actual	RWA Budget FY 16	FY 16 Actual at Jan. 2016	Projected FY 16		FY 17 Proposed Budget	Notes		Projected FY 18	Projected FY 19	Projected FY 20	Projected FY 21
<b>REVENUES/GRANTS/AGREEMENTS</b>												
Proposition 50 Grant Management Fees	\$ 17,400	\$ 30,000	\$ 27,793	\$ 30,000		\$ -	1,2		\$ -	\$ -	\$ -	\$ -
Prop. 50 Grant Awards	\$ 189,439	\$ 4,435,000	\$ -	\$ 5,090,000		\$ -	2		\$ -	\$ -	\$ -	\$ -
2015 IRWM Grant Application	\$ -	\$ -	\$ 30,000	\$ 30,000		\$ -	3		\$ -	\$ -	\$ -	\$ -
2015 IRWM Grant Management Fees	\$ -	\$ -	\$ -	\$ 20,000		\$ 45,000	3		\$ -	\$ -	\$ -	\$ -
2014 Drought Application Fees	\$ 120,000	\$ -	\$ -	\$ -		\$ -	4		\$ -	\$ -	\$ -	\$ -
2014 Drought Grant Management Fees	\$ -	\$ 75,000	\$ 37,200	\$ 75,000		\$ -	5		\$ -	\$ -	\$ -	\$ -
2014 Drought Grant Reimbursements from DWR	\$ 2,619,292	\$ 6,765,000	\$ -	\$ 6,765,000		\$ 2,000,000	6		\$ 1,000,000	\$ -	\$ -	\$ -
Proposition 84 grant management	\$ 11,096	\$ -	\$ 7,693	\$ 7,700		\$ -	7		\$ -	\$ -	\$ -	\$ -
Proposition 84 reimbursements from DWR	\$ 1,404,109	\$ 4,750,000	\$ -	\$ 4,750,000		\$ 3,798,300	8		\$ -	\$ -	\$ -	\$ -
USBR CalFed Meter 2012 fees	\$ 8,297	\$ -	\$ -	\$ -		\$ -	9		\$ -	\$ -	\$ -	\$ -
USBR CalFed Meter 2013 fees	\$ 3,288	\$ -	\$ -	\$ -		\$ -	10		\$ -	\$ -	\$ -	\$ -
USBR CalFed Meter 2014 fees	\$ 1,120	\$ -	\$ 6,212	\$ 18,600		\$ -	11		\$ -	\$ -	\$ -	\$ -
USBR CalFed WaterSmart Meter 2014 Fees	\$ 1,120	\$ -	\$ 9,318	\$ 18,600		\$ -	12		\$ -	\$ -	\$ -	\$ -
USBR CalFed Retrofits 2014 Fees	\$ 358	\$ -	\$ 221,880	\$ 221,900		\$ -	13		\$ -	\$ -	\$ -	\$ -
Labor Compliance Revenues	\$ 25,969	\$ -	\$ 3,790	\$ 3,800		\$ -	14		\$ -	\$ -	\$ -	\$ -
Government Relations Contract Lobbyist Fees	\$ 60,000	\$ 130,000	\$ 130,000	\$ 130,000		\$ 130,000	16		\$ 133,900	\$ 137,900	\$ 142,000	\$ 146,300
Water Efficiency Program Admin. Fees (Cat.1)	\$ 594,595	\$ 411,000	\$ 572,733	\$ 580,300		\$ 431,600	17		\$ 431,600	\$ 431,600	\$ 431,600	\$ 431,600
Water Efficiency Grant Revenues (Cat. 2)	\$ 691,365	\$ 500,000	\$ 80,934	\$ 574,800		\$ 100,000	18		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Water Efficiency Program Admin. Fees (Cat. 2)	\$ 1,414	\$ -	\$ -	\$ 4,700		\$ -	18		\$ -	\$ -	\$ -	\$ -
<b>TOTAL PROGRAM REVENUE</b>	<b>\$ 5,748,862</b>	<b>\$ 17,096,000</b>	<b>\$ 1,127,553</b>	<b>\$ 18,320,400</b>		<b>\$ 6,504,900</b>			<b>\$ 1,665,500</b>	<b>\$ 669,500</b>	<b>\$ 673,600</b>	<b>\$ 677,900</b>
<b>PROGRAM EXPENSES</b>												
Proposition 50 Grant Management	\$ 10,681	\$ 15,000	\$ 1,820	\$ 10,000		\$ 5,000	1,2		\$ -	\$ -	\$ -	\$ -
Prop. 50 Grant Payments	\$ 189,439	\$ 4,435,000	\$ -	\$ 5,090,000		\$ -	2		\$ -	\$ -	\$ -	\$ -
2015 IRWM Grant Application Expenses	\$ -	\$ -	\$ 29,996	\$ 30,000		\$ -	3		\$ -	\$ -	\$ -	\$ -
2015 IRWM Grant Management Expenses	\$ -	\$ -	\$ 3,000	\$ 3,000		\$ -	3		\$ -	\$ -	\$ -	\$ -
2014 Drought Application	\$ 87,039	\$ -	\$ -	\$ -		\$ -	4		\$ -	\$ -	\$ -	\$ -
2014 Drought Grant Management	\$ 8,505	\$ -	\$ -	\$ -		\$ -	5		\$ -	\$ -	\$ -	\$ -
2014 Drought Grant Disbursements from DWR	\$ 2,619,292	\$ 6,765,000	\$ -	\$ 6,765,000		\$ 2,000,000	6		\$ 1,000,000	\$ -	\$ -	\$ -
Proposition 84 implementation grant management	\$ -	\$ -	\$ -	\$ -		\$ -	7		\$ -	\$ -	\$ -	\$ -
Proposition 84 payments to Member Agencies	\$ 1,404,109	\$ 4,750,000	\$ -	\$ 4,750,000		\$ 3,798,300	8		\$ -	\$ -	\$ -	\$ -
USBR CalFed Meter 2012	\$ 5,016	\$ -	\$ 7,963	\$ 8,000		\$ -	9		\$ -	\$ -	\$ -	\$ -
USBR CalFed Meter 2013	\$ -	\$ 7,000	\$ -	\$ 6,500		\$ -	10		\$ -	\$ -	\$ -	\$ -
USBR CalFed Meter 2014	\$ -	\$ -	\$ -	\$ -		\$ 24,400	11		\$ -	\$ -	\$ -	\$ -
USBR CalFed WaterSmart Meter 2014	\$ -	\$ -	\$ -	\$ -		\$ 21,300	12		\$ -	\$ -	\$ -	\$ -
USBR CalFed Retrofits 2014	\$ -	\$ -	\$ 198,293	\$ 198,300		\$ 178,400	13		\$ -	\$ -	\$ -	\$ -
Labor Compliance	\$ 25,969	\$ -	\$ 3,790	\$ 3,800		\$ -	14		\$ -	\$ -	\$ -	\$ -
Government Relations Contract Lobbyist & Fees	\$ 60,000	\$ 130,000	\$ 72,194	\$ 130,000		\$ 130,000	16		\$ 133,900	\$ 137,900	\$ 142,000	\$ 146,300
Water Efficiency Program Admin. (Cat.1)	\$ 255,084	\$ 202,200	\$ 144,694	\$ 226,500		\$ 231,400	17		\$ 222,000	\$ 212,200	\$ 201,900	\$ 191,100
Water Efficiency Grant Payments (Cat. 2)	\$ 272,579	\$ 484,000	\$ 85,751	\$ 273,400		\$ 84,000	18		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Water Efficiency Program Admin. (Cat. 2)	\$ 555,429	\$ -	\$ 124,933	\$ 388,700		\$ -	18		\$ -	\$ -	\$ -	\$ -
Staffing and Office Program Management	\$ 250,443	\$ 280,700	\$ 142,616	\$ 259,900		\$ 278,300	19		\$ 221,000	\$ 211,400	\$ 220,700	\$ 230,700
<b>TOTAL PROGRAM EXPENSES</b>	<b>\$ 5,743,585</b>	<b>\$ 17,068,900</b>	<b>\$ 812,050</b>	<b>\$ 18,143,100</b>		<b>\$ 6,751,100</b>			<b>\$ 1,676,900</b>	<b>\$ 661,500</b>	<b>\$ 664,600</b>	<b>\$ 668,100</b>
<b>Net Income (Loss)</b>	<b>\$ 5,277</b>	<b>\$ 27,100</b>	<b>\$ 315,503</b>	<b>\$ 177,300</b>		<b>\$ (246,200)</b>	<b>20</b>		<b>\$ (11,400)</b>	<b>\$ 8,000</b>	<b>\$ 9,000</b>	<b>\$ 9,800</b>

Regional Water Authority See Budget Projection Notes for Budget Assumptions				FY' 2016-2017 Program Budget Projection								
	Total FY15 Actual	RWA Budget FY 16	FY 16 Actual at Jan. 2016	Projected FY 16		FY 17 Proposed Budget	Notes		Projected FY 18	Projected FY 19	Projected FY 20	Projected FY 21
<b>CASH RESERVES</b>												
Beginning reserves	\$ 401,826	\$ 511,904	\$ 668,329	\$ 668,329		\$ 845,629	21		\$ 599,429	\$ 588,029	\$ 596,029	\$ 605,029
<b>SOURCE (USE) OF FUNDS</b>	\$ 5,277	\$ 27,100	\$ 315,503	\$ 177,300		\$ (246,200)	20		\$ (11,400)	\$ 8,000	\$ 9,000	\$ 9,800
<b>ADVANCE ADJUSTMENTS</b>	\$ 261,226	\$ -	\$ -	\$ -		\$ -	22		\$ -	\$ -	\$ -	\$ -
<b>CASH RESERVES, Ending</b>	\$ 668,329	\$ 539,004	\$ 983,832	\$ 845,629		\$ 599,429	23		\$ 588,029	\$ 596,029	\$ 605,029	\$ 614,829
<b>Subscription Program Designations/Advanced Revenues</b>												
Water Efficiency Program - Category 1	\$ 320,259	\$ 307,324	\$ 638,315	\$ 482,759		\$ 496,559	24		\$ 511,659	\$ 527,659	\$ 544,659	\$ 562,459
Water Efficiency Program - Category 2	\$ (48,400)	\$ (18,376)	\$ (186,480)	\$ (144,600)		\$ (144,600)	24		\$ (144,600)	\$ (144,600)	\$ (144,600)	\$ (144,600)
<b>Subtotal - Designations</b>	\$ 271,859	\$ 288,948	\$ 451,835	\$ 338,159		\$ 351,959	23		\$ 367,059	\$ 383,059	\$ 400,059	\$ 417,859
<b>Advanced Revenues (recognized as income when expenses are incurred)</b>												
2015 IRWM Grant	\$ -	\$ -	\$ -	\$ 7,000		\$ 20,000			\$ 10,000	\$ 8,500	\$ 7,000	\$ 5,500
USBR CALFED Meters 2012	\$ 7,963	\$ 260	\$ -	\$ (37)		\$ (37)			\$ (37)	\$ (37)	\$ (37)	\$ (37)
USBR CALFED Meters 2013	\$ 10,238	\$ 25	\$ 7,318	\$ 38		\$ 38			\$ 38	\$ 38	\$ 38	\$ 38
USBR CALFED Meter Grant 2014	\$ 11,304	\$ 11,100	\$ 16,166	\$ 26,904		\$ 4			\$ 4	\$ 4	\$ 4	\$ 4
USBR CalFed WaterSmart Meter 2014	\$ 8,198	\$ 11,100	\$ 16,616	\$ 24,798		\$ 998			\$ 998	\$ 998	\$ 998	\$ 998
USBR CalFed Retrofits 2014	\$ 159,642	\$ 2,400	\$ 182,669	\$ 182,042		\$ 1,242			\$ 1,242	\$ 1,242	\$ 1,242	\$ 1,242
Government Relations Contract Lobbyist	\$ 70,000	\$ 70,000	\$ 127,806	\$ 70,000		\$ 70,000			\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Prop 84 Grant Management	\$ 118,952	\$ 85,594	\$ 119,045	\$ 111,652		\$ 96,652			\$ 91,652	\$ 89,152	\$ 86,652	\$ 84,152
Prop 50 Grant Management	\$ 6,850	\$ 14,598	\$ 29,673	\$ 21,750		\$ 15,250			\$ 13,750	\$ 12,250	\$ 10,750	\$ 9,250
2014 Drought Management	\$ -	\$ 54,979	\$ 29,377	\$ 60,000		\$ 40,000			\$ 30,000	\$ 27,500	\$ 25,000	\$ 22,500
SRCSA	\$ 3,323	\$ -	\$ 3,323	\$ 3,323		\$ 3,323			\$ 3,323	\$ 3,323	\$ 3,323	\$ 3,323
<b>Subtotal - Advances</b>	\$ 396,470	\$ 250,056	\$ 531,993	\$ 507,470		\$ 247,470	25		\$ 220,970	\$ 212,970	\$ 204,970	\$ 196,970
<b>Total</b>	\$ 668,329	\$ 539,004	\$ 983,828	\$ 845,629		\$ 599,429			\$ 588,029	\$ 596,029	\$ 605,029	\$ 614,829

**RWA PROGRAM**  
**FY 2016-2017 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 was scheduled to wrap up in FY15, but is now extended into FY16 and any remaining funds will be returned to the participants.
- 2 Department of Water Resources grant proceeds earned by participating agencies, but administered through RWA. These funds are then paid to members as received.
- 3 The IRWM application fees and expenses equaled \$30,000. RWA was awarded the grant and will collect fees for program management beginning in FY16 and into FY17.
- 4 This 2014 Drought grant application was entered into by 12 agencies to help the region maintain water supply when drought conditions persist. The grant was awarded to RWA. (see note 5)
- 5 RWA received a final recommendation on November 12, 2014 from the Department of Water Resources (DWR) for a \$9.765 million award from the 2014 Integrated Regional Water Management Drought Grant funded through Proposition 84. These fees are for RWA's grant management expenses in administering the grant award. The grant partially funds 17 projects by 12 different agencies that will help the region maintain water supply during a drought. The DWR funding agreement was completed in July 2015.
- 6 The 2014 drought grant reimbursements from DWR and disbursements to member agencies.
- 7 These fees are 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 approximately \$183,300, the remainder was collected in FY 2016. Funds will be designated for use in Prop 84 Implementation Grant Management until program requirements are completed. Projects are expected to be completed in 2018 with up to 10 years of post-project performance monitoring required.
- 8 The Proposition 84 grant reimbursements from DWR and disbursements to member agencies.

- 9 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. RWA was acting as the grant manager including ensuring participants comply with contract terms, prepare quarterly 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 were for grant management expenses only, and include some funding for SSWD expenses as incurred (e.g., distributing checks to participants, single audit requirement, etc.). This grant was completed in FY15.
- 10 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. RWA is acting as the grant manager including ensuring participants comply with contract terms, prepare quarterly 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.). This grant was completed in December, 2015.
- 11 Early in 2014, RWA was notified by the Bureau of Reclamation of three successful grant applications. RWA prepared the applications and submitted them through Sacramento Suburban Water District, because RWA is not considered an eligible applicant. The first of the applications is for a meter grant through the Calfed Bay-Delta grant program. The award is for \$300,000. Agencies receiving a portion of the grants are SSWD, City of Sacramento, and the City of West Sacramento. RWA is acting as the grant manager including ensuring participants comply with contract terms, prepare quarterly reports and prepare reimbursement invoices. Actual reimbursement for grant expenses (e.g., contractors) are 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.). This project will be completed in FY17.
- 12 The second of three grant applications from the USBR is the WaterSMART Meter grant for residential water meter installations. The award is for \$300,000. Agencies receiving a portion of the grants are SSWD and the City of Sacramento. RWA is acting as the grant manager including ensuring participants comply with contract terms, prepare quarterly reports and prepare reimbursement invoices. Actual reimbursement for grant expenses (e.g., contractors) are 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.). This project will be completed in FY17.



- 13 The USBR CalFed Retrofit grant was one of the three successful grant applications. One application for a direct install indoor efficient fixtures was also submitted through SSWD to the CalFed Bay-Delta grant program. This award is for \$300,000 and will be used to expand the direct install program, which is funded through a Proposition 84 grant from the Department of Water Resources. Many agencies in the region will benefit from this grant award. RWA is acting as the grant manager including ensuring participants comply with contract terms, prepare quarterly reports and prepare reimbursement invoices. Actual reimbursement for grant expenses (e.g., contractors) are 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.). This project will be completed in FY17.
- 14 The RWA Labor Compliance Project (LCP) was developed by RWA to provide recipients of Prop 84 grant funds awarded through the ARB IRWMP with a compliance option if they do not have an existing DIR-approved LCP or do not want to expend the resources to apply to DIR for and to administer their own LCP.
- 16 Represents the program to hire a contract lobbyist to help with state legislative issues.
- 17 Anticipated revenues and direct costs for the program from the Water Efficiency (WEP) Program for Category I. WEP budget still under development. These fees reflect a proposed 5% increase.
- 18 WEP Category II revenue and expenses are projected for WEP Prop 84 grant, the Prop 50 grant, and the SRCSD incentives program. The subscription programs are approved as the opportunity or need arises for the program.
- 19 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. This activity generates cash to the core program by using RWA staff. Effectively, RWA is a consultant to these programs. The WEP budget includes the WEP project manager at 90% and the project assistant at 60% time, for a total of 1.5 FTEs for WEP.
- 20 Net revenues (loss). Any revenues in excess of expenses are typically set aside in designations to be used in future periods. 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.
- 21 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.

- 22 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.
- 23 Represents the remaining net cash amounts reserved for subscription programs to fulfill future program obligations.
- 24 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.
- 25 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.

## RWA 2016-2017 Fee Schedule

RWA Annual Dues - Updated Connections

Fee increase:

11.00%

Agency	Type	2013 Connections	2015 Connections	2015-2016 Annual Dues (A)	Proposed RWA 2016-2017 Annual Dues using updated Connections (B)	Powerhouse Science Center (PSC)
California American Water	Large	60,122	61,531	\$ 55,537	\$ 61,646	\$ 4,885
Carmichael Water District	Medium	11,889	11,893	\$ 19,617	\$ 21,288	\$ 1,842
Citrus Heights Water District	Medium	19,619	19,789	\$ 32,371	\$ 35,422	\$ 3,178
City of Folsom	Medium	19,405	20,424	\$ 32,018	\$ 36,559	\$ 3,038
City of Lincoln	Medium	17,503	17,983	\$ 28,880	\$ 32,190	\$ 1,620
City of Roseville	Large	40,844	42,063	\$ 55,537	\$ 61,646	\$ 4,885
City of Sacramento/Dept. of Utilities	Large	137,606	135,830	\$ 55,537	\$ 61,646	\$ 4,885
City of West Sacramento	Medium	14,503	15,318	\$ 23,930	\$ 27,419	\$ 1,908
City of Yuba City	Medium	18,000	18,652	\$ 29,700	\$ 33,387	\$ 2,824
Del Paso Manor Water District	Small	1,797	1,797	\$ 4,800	\$ 5,300	\$ 415
El Dorado Irrigation District	Large	40,785	40,074	\$ 55,537	\$ 61,646	\$ 4,885
Elk Grove Water District	Medium	12,220	12,301	\$ 20,163	\$ 22,019	\$ 1,754
Fair Oaks Water District	Medium	13,736	13,894	\$ 22,664	\$ 24,870	\$ 2,190
Golden State Water Company	Medium	16,300	16,525	\$ 26,895	\$ 29,580	\$ 2,414
Orange Vale Water Company	Small	5,751	5,752	\$ 7,120	\$ 7,903	\$ 626
Placer County Water Agency	Large	30,529	35,394	\$ 55,537	\$ 61,646	\$ 4,885
Rancho Murrieta CSD	Small	2,614	2,619	\$ 7,120	\$ 7,903	\$ 618
Rio Linda/Elverta Water District	Small	4,617	4,620	\$ 7,120	\$ 7,903	\$ 626
Sacramento County Water Agency	Large	50,466	52,768	\$ 55,537	\$ 61,646	\$ 4,885
Sacramento Suburban Water District	Large	45,831	46,414	\$ 55,537	\$ 61,646	\$ 4,885
San Juan Water District (10,070 FY04; 10,561 FY13)	Large	22,001	22,001	\$ 55,537	\$ 61,646	\$ 1,733
Woodland-Davis Clean Water Agency	Small	-	-	\$ 7,120	\$ 7,903	\$ 626
<b>TOTALS</b>		<b>586,138</b>	<b>597,642</b>	<b>\$ 713,814</b>	<b>\$ 792,816</b>	<b>\$ 59,607</b>

RWA Associate Members	2015-2016 Annual Dues	2016-2017 Annual Dues	PSC
El Dorado County Water Agency	\$ 4,200	\$ 4,700	\$ 537
Sacramento Area Flood Control Agency	\$ 6,000	\$ 6,700	\$ 756
Sacramento Municipal Utilities District	\$ 10,500	\$ 11,700	\$ 1,340
SRCS	\$ 10,500	\$ 11,700	\$ 1,340
<b>ASSOCIATE MEMBER TOTALS</b>	<b>\$ 31,200</b>	<b>\$ 34,800</b>	<b>\$ 3,973</b>

Notes:

- (1) Retail connection are used to scale the agency size. Information derived from information received from members.
- (2) All agencies fees for FY 2017 rates represent an increase in total dues from FY2016. Decreases in fees are a result of reallocating fees according to revised connection info.
- (3) Wholesale water suppliers (i.e. San Juan WD) are included in "large" utility group, regardless of the actual number of retail connections, as a more accurate indication of "true" utility size.
- (4) RWA Associates pay an annual fee equal to 0.1% of the entity's annual operating budget, rounded up to the next even thousand dollars.

**Powerhouse Science Center**

- (1) Collect \$60,000 per year for 5 years; (2) SJWD adjusted to retail connections only; (3) \$50,000 Prop 84 grant funding applied; (4) \$5,000 WEP funding over 10 years; (5) \$100,000 contribution from California Water Awareness Campaign.