



2021 - 2022 FYE Budget Summary

Projected Fee Increase **0.00%**

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. 0.00%
- 2) SGA Service Fees represents 50% cost sharing excluding staffing allocated to WEP, Major projects/Resilience, 90% of legislative program manager, 80% of the Project Assistant, and RWA only costs.
- 3) WEP represents approximately 20% towards Core operations which provides for WEP Manager, 60% of the Project Assistant, and admin support.
- 4) Subscription Program/Grants - Staff Reimbursements which contribute approximately 10% towards Core operations and represent fees earned by RWA for providing staff consulting services and allocated office costs to the subscription programs.
These revenues come from Regional Water Bank, Prop 84, Prop 1, Drought grant, USBR Interties, CalFed Meter Grant, Water transfers and Bonneville P&G grant. These subscriptions based programs are subject to approval by the program participants. Revenues are included for total cash flow estimate purposes.
- 5) Subscription Program revenues for Major Projects/Resilience programs support the Strategic Affairs Manager position and allocated program costs.
- 6) Adopting the fiscal year 2021-2022 budget does not approve any of the subscription based programs.

Expenses

- 1) Staffing costs include the WEP and Major Projects/Resilience program staff.
- 2) Staff is allocated 50/50 to SGA and RWA, excluding the WEP position, the Strategic Affairs position, the project assistant and water advocacy staff.
The Project Assistant splits time between SGA, WEP and RWA subscription projects. With the addition of an annuitant/Associate Program Manager for SGA and SGA's 10% contribution towards RWA's Legislative Manager position, RWA has 5.7 FTEs and SGA has 3.3 FTEs.
RWA's Legislative Manager position, RWA has 5.7 FTEs and SGA has 3.3 FTE.
- 3) Staffing costs are projected within the salary ranges in accordance with RWA policy. Since FY19, employees pay their entire employee PERS cost.
- 4) Staffing expenses include additional annual payments to pay the unfunded PERS pension liability over a four year period beginning FY19.
The additional pension plan liability payment can be expected to significantly fluctuate from year to year (both positive and negative swings) since RWA is paying it over four years versus the longer time horizon outlined by CalPERS.
- 5) For FY21/22, the WEP project manager is to be fully funded by WEP dues.
- 6) Office costs generally assume a maximum of 3% increases unless specific increases have been identified, such as the office lease.
- 7) Professional fees include audit, actuarial, PR, accounting, legal, human resources, regional water issues and \$23,500 in general consulting.
- 8) Other includes office furniture and computer equipment purchases.



2021 - 2022 FYE Budget Summary

Projected Fee Increase 0.00%

Combined Core & Subscription Program Budget

Major Assumptions - See Budget notes for other Budget assumptions

- 9) Core Project Expenses includes Powerhouse Science Center expense of \$25,000 and \$10,000 in IRWM consulting fees.
- 10) Subscription Pass Thru 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), the staffing and office costs are not included in both budgets in order to avoid double counting.

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

- 1) Core expenses are expected to exceed revenues by approximately \$276,219. The difference will be paid from the Powerhouse Science Fund at \$25,000 with the remainder being paid from prior year savings.
- 2) The WEP program projects expenses in excess of revenues by approximately \$57,595. The difference will be paid from WEP reserves.
- 3) Subscription Pass-Thru expenses exceeds revenues by \$202,500. This is the result of advanced funding for these programs in the prior year. For this purpose, these advanced funds have been designated as restricted funds.

Designations/Restrictions

- 1) The Operating fund is projected to be 4.6 months at the end of FY21/22 with 0% fee increase.
- 2) In FY21/22, a designation has been set aside for a possible office relocation in FY22/23.
- 3) The designations and restrictions are broken out by type and subtotaled by core and subscription services. The total change in cash from Projected FY20/21 to Proposed FY21/22 by subtotal reflect the departmental effect on each designation and restriction group.
- 4) Unrestricted cash is the remaining balance after all restricted and designated funds have been made. For the most part, this amount represents the residual amount leftover after rounding the Operation fund to the nearest tenth.

FY23 and beyond

- 1) RWA dues have been projected at 3% in the near term and 5% further out. These estimates assume \$50,000 annual staff reimbursements from program/grants which can fluctuate from year to year.
- 2) The unfunded pension plan liability additional annual payments is based upon RWA's policy. These annual payments can expect to fluctuate significantly, positive or negative, due to the shorter time frame for paying down this liability.
- 3) RWA can expect to incur additional integrated water management costs which are forecasted to be approximately \$10K per year.
- 4) The budget assumes that the current membership remains stable.
- 5) Budget estimated numbers are based on current information. Therefore, budget results cannot be assured.



2021 - 2022 FYE Budget Summary
Projected Fee Increase
Combined Core & Subscription Program Budget

0.00%

	Audited FY20	Approved FY21	Projected FY21	Proposed FY22	Change from Prior Year	Comments
Revenues						
Dues	\$ 1,048,114	\$ 1,055,800	\$ 1,044,382	\$ 1,053,470	\$ 9,088	0% rate increase; change is from member withdrawal
SGA Service Fee	\$ 521,405	\$ 661,850	\$ 575,000	\$ 794,363	\$ 219,363	Based upon shared costs and new SGA position (1.0 FTE)
Other	\$ 101,505	\$ 50,000	\$ 42,518	\$ 29,400	\$ (13,118)	Interest, holiday social, other reimbursements (credit card, insurance, etc.)
Subscription Program	\$ 373,555	\$ 172,500	\$ 611,300	\$ 405,979	\$ (205,320)	Water Efficiency Program, Major Projects/Resilience Program, Regional Water Prop 84, Prop 1 IRWM, 2015 IRWM, 2014 Drought, 2018 CalFED, and Water
Total Revenues	\$ 2,044,579	\$ 1,940,150	\$ 2,273,200	\$ 2,283,212	\$ 10,012	
Expenses						
Staff and Benefits	\$ 1,347,899	\$ 1,511,629	\$ 1,518,521	\$ 1,849,767	\$ 331,247	All staff costs, including additional pension plan liability payment
Office	\$ 136,757	\$ 162,300	\$ 125,700	\$ 213,314	\$ 87,614	General 3% cost increases assumed and some specific cost increases
Professional Fees	\$ 443,870	\$ 403,600	\$ 376,570	\$ 451,350	\$ 74,780	Audit, PR, accounting, legal, actuary, human resources, water advocacy
Other expenses	\$ 35,143	\$ 23,000	\$ 30,731	\$ 10,000	\$ (20,731)	Office equipment
Core Project Expenses	\$ 25,000	\$ 35,000	\$ 25,000	\$ 35,000	\$ 10,000	IRWM and Powerhouse Science Center
Total Expenses	\$ 1,988,669	\$ 2,135,529	\$ 2,076,522	\$ 2,559,431	\$ 482,910	
Revenues net of Expenses	\$ 55,910	\$ (195,379)	\$ 196,678	\$ (276,219)	\$ (472,897)	
Cash, beginning	\$ 1,798,645	\$ 1,854,555	\$ 1,854,555	\$ 2,051,233	\$ 196,678	
Source (Use) of Funds	\$ 55,910	\$ (195,379)	\$ 196,678	\$ (276,219)	\$ (472,897)	
Cash, ending	\$ 1,854,555	\$ 1,659,176	\$ 2,051,233	\$ 1,775,013	\$ (276,219)	
					Increase (decrease) in Cash	
DESIGNATIONS/RESTRICTIONS/ADVANCES						
<i>Designations</i>						
Operating Fund	\$ 600,943	\$ 719,340	\$ 615,217	\$ 663,193	\$ 47,975	
Membership Dues Fund	\$ 156,100	\$ 157,200	\$ 155,800	\$ 157,100	\$ 1,300	
Subscription Program Stabilization	\$ 23,526	\$ 15,010	\$ 19,426	\$ 21,354	\$ 1,928	
Major Projects/Resilience Program	\$ -	\$ -	\$ 253,000			
Powerhouse Science Center	\$ 161,053	\$ 136,053	\$ 136,053	\$ 111,053	\$ (25,000)	
Office Relocation	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000	
RWA Restricted Program/Advances	\$ 344,005	\$ -	\$ 202,500	\$ 246,000		
WEP Restricted Program/Advances	\$ 568,928	\$ -	\$ 608,928	\$ 551,333		
Non-designated cash	\$ -	\$ 236,487	\$ (5,391)	\$ 4,981	\$ 10,372	
Subtotal core cash	\$ 1,854,555	\$ 1,264,090	\$ 1,985,533	\$ 1,775,014	\$ 56,575	

% increase in fees:	0%	3%	3%	5%	5%
% increase in expenses	3%	3%	3%	3%	3%

RWA PROPOSED FY' 2021-2022 BUDGET PROJECTION

5-Year Projection

	RWA FY 20 Per Audit	RWA FY 21 Approved Budget	RWA Total FY 21 Projected	RWA FY 22 Proposed Budget	Notes	RWA Projected FY 23 Budget	RWA Projected FY 24 Budget	RWA Projected FY 25 Budget	RWA Projected FY 26 Budget
ANNUAL REVENUES									
OPERATING REVENUES									
General Assessments/Dues	\$ 985,715	\$ 990,700	\$ 980,738	\$ 989,826	1	\$ 1,019,500	\$ 1,050,100	\$ 1,102,600	\$ 1,157,700
Associate Membership Dues	\$ 54,899	\$ 57,600	\$ 57,644	\$ 57,644	2	\$ 59,373	\$ 61,200	\$ 63,000	\$ 64,900
Affiliate Membership Dues	\$ 7,500	\$ 7,500	\$ 6,000	\$ 6,000	3	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
SGA Service Agreement Fee	\$ 521,405	\$ 661,850	\$ 575,000	\$ 794,363	4	\$ 877,301	\$ 912,102	\$ 945,728	\$ 979,742
WEP Subscription Program	\$ 235,261	\$ 150,100	\$ 194,261	\$ 213,538	5	\$ 222,924	\$ 233,551	\$ 244,851	\$ 256,819
Subscription Program/Grant - Staff Reimburse	\$ 138,294		\$ 81,039	\$ 109,791	5	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Subscription Program - Major Projects/Resilie	\$ -	\$ -	\$ 336,000	\$ 82,650	5	\$ 319,500	\$ 330,000	\$ 340,500	\$ 352,000
Misc. Revenues	\$ 44,692	\$ 8,000	\$ 10,518	\$ 8,200	6	\$ 8,400	\$ 8,700	\$ 9,000	\$ 9,300
Interest Income	\$ 56,813	\$ 42,000	\$ 32,000	\$ 21,200	7	\$ 14,500	\$ 12,100	\$ 10,000	\$ 8,000
TOTAL REVENUE	\$ 2,044,579	\$ 1,917,750	\$ 2,273,200	\$ 2,283,212		\$ 2,577,498	\$ 2,663,753	\$ 2,771,679	\$ 2,884,461
STAFF EXPENSES (General):									
Staff Salaries/Wages - 100%	\$ 936,914	\$ 1,015,462	\$ 1,039,158	\$ 1,229,339	8	\$ 1,329,025	\$ 1,384,653	\$ 1,432,059	\$ 1,481,800
Benefits	\$ 298,301	\$ 349,704	\$ 352,030	\$ 432,931	9	\$ 484,633	\$ 511,544	\$ 540,643	\$ 570,757
Pension Plan Unfunded Liability	\$ 15,000	\$ 36,700	\$ 36,700	\$ 36,700	10	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Payroll Taxes	\$ 74,953	\$ 70,863	\$ 83,133	\$ 98,347	11	\$ 106,322	\$ 110,772	\$ 114,565	\$ 118,544
Travel/Meals/Conferences	\$ 21,728	\$ 31,500	\$ 4,500	\$ 42,450	12	\$ 43,700	\$ 45,000	\$ 46,400	\$ 47,800
Professional Development/Training	\$ 1,003	\$ 7,400	\$ 3,000	\$ 10,000	13	\$ 10,300	\$ 10,600	\$ 10,900	\$ 11,200
TOTAL GENERAL STAFF EXPENSES	\$ 1,347,899	\$ 1,511,629	\$ 1,518,521	\$ 1,849,767		\$ 2,003,980	\$ 2,092,570	\$ 2,174,567	\$ 2,260,101
OFFICE EXPENSES:									
Rent & Utilities Contract	\$ 31,784	\$ 35,600	\$ 35,600	\$ 52,000	14	\$ 65,600	\$ 67,250	\$ 67,250	\$ 67,250
General Liability Insurance	\$ 30,334	\$ 38,000	\$ 32,000	\$ 33,000	15	\$ 39,150	\$ 40,325	\$ 41,525	\$ 42,775
Office Maintenance	\$ -	\$ 700	\$ 2,750	\$ 800	16	\$ 900	\$ 1,000	\$ 1,100	\$ 1,200
Postage and Postal Meter	\$ 2,814	\$ 3,000	\$ 1,200	\$ 3,400	17	\$ 3,100	\$ 3,200	\$ 3,300	\$ 3,400
Telephone/internet/web hosting	\$ 12,263	\$ 13,300	\$ 9,000	\$ 10,000	18	\$ 10,500	\$ 11,000	\$ 11,500	\$ 12,000
Meetings & Annual Banquet/20th Anniversary	\$ 13,228	\$ 13,800	\$ 750	\$ 38,214	19	\$ 17,650	\$ 18,200	\$ 18,750	\$ 19,300
Printing/Supplies	\$ 15,147	\$ 21,800	\$ 5,000	\$ 23,900	20	\$ 24,600	\$ 25,350	\$ 26,100	\$ 26,900
Dues & Subscriptions	\$ 12,913	\$ 11,900	\$ 13,500	\$ 25,000	21	\$ 25,750	\$ 26,525	\$ 27,325	\$ 28,145
Computer hardware/software	\$ -	\$ 5,800	\$ 5,600	\$ 6,000	22	\$ 6,200	\$ 6,400	\$ 6,600	\$ 6,800
Computer maintenance	\$ 18,274	\$ 18,400	\$ 20,300	\$ 21,000	23	\$ 22,000	\$ 22,700	\$ 23,350	\$ 24,000
TOTAL OFFICE EXPENSE	\$ 136,757	\$ 162,300	\$ 125,700	\$ 213,314		\$ 215,450	\$ 221,950	\$ 226,800	\$ 231,770

% increase in fees:						0%	3%	3%	5%	5%
% increase in expenses						3%	3%	3%	3%	3%
RWA PROPOSED FY' 2021-2022 BUDGET PROJECTION						5-Year Projection				
	RWA FY 20 Per Audit	RWA FY 21 Approved Budget	RWA Total FY 21 Projected	RWA FY 22 Proposed Budget	Notes	RWA Projected FY 23 Budget	RWA Projected FY 24 Budget	RWA Projected FY 25 Budget	RWA Projected FY 26 Budget	
PROFESSIONAL FEES										
RWA Legal	\$ 73,105	\$ 65,000	\$ 42,000	\$ 72,250	24	\$ 71,650	\$ 75,250	\$ 79,000	\$ 83,000	
RWA/SGA Audit	\$ 28,450	\$ 28,100	\$ 29,220	\$ 28,700	25	\$ 29,300	\$ 34,000	\$ 35,000	\$ 36,000	
ADP Payroll Services/banking	\$ 2,375	\$ 2,800	\$ 3,000	\$ 3,400	26	\$ 3,600	\$ 3,800	\$ 4,000	\$ 4,200	
RWA Consultants	\$ 339,940	\$ 307,700	\$ 302,350	\$ 347,000	27	\$ 360,300	\$ 362,300	\$ 369,100	\$ 369,100	
TOTAL PROFESSIONAL FEES	\$ 443,870	\$ 403,600	\$ 376,570	\$ 451,350		\$ 464,850	\$ 475,350	\$ 487,100	\$ 492,300	
OTHER EXPENSES										
Office furniture & Fixed Assets - Net	\$ 6,488	\$ 3,000	\$ 10,303	\$ 10,000	28	\$ 3,500	\$ 3,750	\$ 4,000	\$ 4,250	
Office Move	\$ 28,655	\$ -		\$ -	28	\$ 40,000	\$ -	\$ -	\$ -	
New Server		\$ 20,000	\$ 20,428	\$ -	28			\$ -	\$ -	
TOTAL Other Expenses	\$ 35,143	\$ 23,000	\$ 30,731	\$ 10,000		\$ 43,500	\$ 3,750	\$ 4,000	\$ 4,250	
CORE PROJECT EXPENSES										
IRWM	\$ -	\$ 10,000	\$ -	\$ 10,000	29	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	
Powerhouse Science Center	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	29	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	
Total Core Project Expenses	\$ 25,000	\$ 35,000	\$ 25,000	\$ 35,000		\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	
TOTAL EXPENSES	\$ 1,988,669	\$ 2,135,529	\$ 2,076,522	\$ 2,559,431	30	\$ 2,762,780	\$ 2,828,619	\$ 2,927,467	\$ 3,023,421	
Net Income (Loss) - Total	\$ 55,910	\$ (217,779)	\$ 196,678	\$ (276,219)	31	\$ (185,282)	\$ (164,866)	\$ (155,788)	\$ (138,960)	
Total source (used) funds	\$ 55,910	\$ (217,779)	\$ 196,678	\$ (276,219)	31	\$ (185,282)	\$ (164,866)	\$ (155,788)	\$ (138,960)	
CALCULATED CASH RESERVES										
CASH available, Beginning	\$ 1,798,645	\$ 1,854,555	\$ 1,854,555	\$ 2,051,233	32	\$ 1,775,014	\$ 1,589,732	\$ 1,424,866	\$ 1,269,078	
SOURCE (USE) OF FUNDS	\$ 55,910	\$ (217,779)	\$ 196,678	\$ (276,219)	31	\$ (185,282)	\$ (164,866)	\$ (155,788)	\$ (138,960)	
CASH available, Ending	\$ 1,854,555	\$ 1,636,776	\$ 2,051,233	\$ 1,775,014	33	\$ 1,589,732	\$ 1,424,866	\$ 1,269,078	\$ 1,130,118	
Operating Fund (4 to 6 months)	\$ 600,943	\$ 719,340	\$ 615,217	\$ 663,193	34	\$ 817,295	\$ 752,607	\$ 710,432	\$ 696,690	
Membership Dues Stabilization @ 15%	\$ 156,100	\$ 157,200	\$ 155,800	\$ 157,100	35	\$ 161,831	\$ 166,695	\$ 174,840	\$ 183,390	
Subscription Progr. Stabilization @ 10%	\$ 23,526	\$ 15,010	\$ 19,426	\$ 21,354	36	\$ 22,292	\$ 23,355	\$ 24,485	\$ 25,682	
Powerhouse Science Center Fund	\$ 161,053	\$ 136,053	\$ 136,053	\$ 111,053	37	\$ 86,053	\$ 61,053	\$ 36,053		
Office Relocation	\$ -	\$ -	\$ -	\$ 20,000	38		\$ -	\$ -	\$ -	
Major Projects/Res. Program	\$ -	\$ -	\$ 253,000	\$ -	39					
RWA Restricted/Program Advances	\$ 344,005		\$ 202,500	\$ 246,000	40					
WEP Restricted/Program Advances	\$ 568,928		\$ 608,928	\$ 551,333	41	\$ 484,243	\$ 407,103	\$ 319,463	\$ 220,873	
Unrestricted Cash	\$ -	\$ 236,487	\$ (5,391)	\$ 4,981		\$ 18,018	\$ 14,053	\$ 3,805	\$ 3,483	
Total Cash in bank	\$ 1,854,555	\$ 1,264,090	\$ 1,985,533	\$ 1,775,014	33	\$ 1,589,732	\$ 1,424,866	\$ 1,269,078	\$ 1,130,118	
# of months core + non-designated cash covers expenses	5.0	6.0	5.0	4.6	34	5.3	4.8	4.4	4.2	

From RWA Non-Staff expense worksheet
 Shared SGA consulting

Budget Line	Projected FY21	Projected FY22	Projected FY23	Projected FY24	Projected FY25	Projected FY26
Lobbyist	\$123,600	\$125,000	\$128,000	\$132,000	\$135,000	\$135,000
Public Outreach	\$90,000	\$120,000	\$115,000	\$120,000	\$125,000	\$125,000
Budget/audit support	\$62,000	\$65,000	\$67,600	\$69,600	\$71,600	\$71,600
Actuarial Services	\$4,000	\$8,500	\$4,200	\$8,900	\$4,500	\$4,500
Human Resources	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Consulting Expenses - General	\$23,100	\$23,500	\$25,500	\$26,800	\$28,000	\$28,000
Salary survey/Recruiting	\$0		\$15,000	\$0		
Total RWA	\$307,700	\$347,000	\$360,300	\$362,300	\$369,100	\$369,100
Shared 1/2 to SGA	\$47,050	\$51,000	\$58,650	\$55,150	\$54,550	\$54,550

RWA
FY 2021-2022 BUDGET PROJECTION NOTES
CORE ONLY

- 1 Assumes a 0% increase in RWA general fees and includes continued additional payment of CalPERS unfunded liability.
- 2 There are five associate members.
- 3 The Affiliate membership helps 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, SGA only PERS, and SGA only costs paid by RWA.
- 5 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.
- 6 Miscellaneous revenues include Holiday Social payments, Insurance Reimbursements and cash discounts from CalCard.
- 7 Interest income from the RWA Local Agency Investment Fund (LAIF) account.
- 8 Staff salaries include a total of nine full time positions and a retired annuitant for SGA, split between the organizations, with a total of 3.3 FTEs for SGA. Employees pay their entire CalPERS contribution.
- 9 Benefits include employer PERS, medical, vision, dental, disability insurance, OPEB and workers' compensation for the seven full-time staff members. FY 2022 budget anticipates an increase in medical costs of 6.5%, other costs at 3% and OPEB costs to fund explicit and implicit subsidy and using the implicit credit subsidy from current employees as calculated by the actuaries.
- 10 Represents the payment of the allocated unfunded pension liability to RWA over four years, with an installment payment in FY2022. The estimated 6.30.19 unfunded balance for RWA is approximately \$109,177. The \$36,700 per year reflects interest carry to pay the liability. These payments are over and above the required payments required unfunded liability payments which are included in the benefit budget.
- 11 Payroll taxes for ten staff members. Payroll taxes for the retired annuitant are included in the retired annuitant costs.
- 12 Travel and conferences.
- 13 Includes computer training and other professional development classes.

RWA
FY 2021-2022 BUDGET PROJECTION NOTES
CORE ONLY

- 14 The RWA Board approved a new 7 year lease that will started August, 2018. The lease terms includes two years at \$1.00 square foot and increases for three years at \$1.10 square foot, with an option to renew another two years for \$1.15 per square foot.
- 15 Property and liability coverage obtained through ACWA JPIA.
- 16 Includes costs for office maintenance needs.
- 17 Reflects mailing activities and cost of postage machine rental.
- 18 Includes conference call costs, web hosting for the website, and internet service costs.
- 19 Miscellaneous meeting charges including food/refreshments. Includes cost of the annual holiday social and RWA 20th Anniversary
- 20 Includes supplies, printing, copier maintenance and copier lease costs.
- 21 Dues include ACWA, AWWA, CSDA, Water Education Foundation and Sacramento Metro Chamber of Commerce. Subscriptions include Wavelength legislative service, Business Journal, and the Capitol Morning Report.
- 22 Acquisition of new hardware/software to replace aging and out-of-date components.
- 23 VOIP phone and 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.
- 25 Audit fees are set by the awarded proposal by Gilbert Associates, Inc.
- 26 Payroll service costs for 9 employees, one retired annuitant, plus commercial banking fees.
- 27 Fees for public relations, communications, outreach services (media relations, meeting facilitation, engineering support, workshop facilitation), HR services, accounting and budgeting support, water policy advocacy, and actuarial valuations (GASB 68 and 75).
- 28 Includes furniture and office equipment in FY22.
- 29 Reflects a placeholder for IRWM unplanned costs and expected annual payment to Powerhouse science center at \$25K per year. (15 years total) Payments to the Powerhouse should be completed by 2030.

RWA
FY 2021-2022 BUDGET PROJECTION NOTES
CORE ONLY

- 30 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, net of SGA reimbursements, and any one-time large, non-recurring expenses.
- 31 Represents the difference between total funds received versus total expenses during the year for the core program.
- 32 Beginning cash reflects cash related to the core programs. Audited accrual cash balance is converted to cash basis to account for cash impact on core and subscription programs.
- 33 Total cash. The designations are detailed in footnotes 34-42
- 34 Per policy, this fund range target is four to six months of operating expenses net of SGA expected reimbursements, not including Core Project expenses and non-recurring one-time expense.
- 35 Represents membership dues designation according to policy at 15% of anticipated membership dues.
- 36 Represents the subscription program designation according to policy at 10% of expected management fees and indirect office costs.
- 37 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 were collected from members over 5 years, placed in a designation and will be paid out over 15 years. The California Water Awareness Campaign contributed \$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).
- 38 These funds are being designated for a possible office move to a new location during FY23.
- 39 In FY21, two new subscription programs (Major Projects and Resilience Program) were approved by the Board and included the hiring of a Strategic Affairs Manager to serve both programs. The position was filled in February 2021 with program funds collected in advance for the first year. This designation is to earmark those funds until the beginning of the following fiscal year.
- 40 Represents funds collected in advance for RWA's Water Bank Program.
- 41 Represents program reserves and funds collected in advance for the Water Efficiency Program.
- 42 Represents cash over and above designation policies, if any.

Regional Water Authority
Program Summary Budget

	RWA FY20 Audit	RWA FY 21 Budget	RWA FY 21 Projected	FY 22 Proposed Budget	Notes	Projected FY23	Projected FY24	Projected FY25	Projected FY26
WATER EFFICIENCY PROGRAM (WEP)									
Water Efficiency Program Admin. Fees (Cat.1)	\$ 403,593	\$ 455,173	\$ 455,173	\$ 448,110	10	\$ 448,110	\$ 448,110	\$ 448,110	\$ 448,110
Water Efficiency Grant Revenues (Cat. 2)	\$ 166,728	\$ 350,000	\$ 100,000	\$ 250,000	11	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Water Efficiency Program Admin. Fees	\$ 75,462	\$ 82,980	\$ 40,000	\$ -	12	\$ -	\$ -	\$ -	\$ -
Total WEP Revenues	\$ 645,783	\$ 888,153	\$ 595,173	\$ 698,110		\$ 698,110	\$ 698,110	\$ 698,110	\$ 698,110
WEP Expenses									
Water Efficiency Program Admin. (Cat.1)	\$ 456,206	\$ 505,705	\$ 455,173	\$ 505,705	10	\$ 515,200	\$ 525,250	\$ 535,750	\$ 546,700
Water Efficiency Grant Payments (Cat. 2)	\$ 127,435	\$ 350,000	\$ 100,000	\$ 250,000	11	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Total WEP Expenses	\$ 583,641	\$ 855,705	\$ 555,173	\$ 755,705		\$ 765,200	\$ 775,250	\$ 785,750	\$ 796,700
Net Income (Loss)	\$ 62,142	\$ 32,448	\$ 40,000	\$ (57,595)	14	\$ (67,090)	\$ (77,140)	\$ (87,640)	\$ (98,590)

	RWA FY20 Audit	RWA FY 21 Budget	RWA FY 21 Projected	FY 22 Proposed Budget	Notes	Projected FY23	Projected FY24	Projected FY25	Projected FY26
STAFF TIME REIMBURSEMENT									
2015 IRWM Grant Management Fees (RWA R3)	\$ 11,495	\$ 9,000	\$ 11,871	\$ 11,871	1	\$ -	\$ -	\$ -	\$ -
2015 IRWM Grant Management Fees (WEP R3)	\$ 41,414	\$ -	\$ -	\$ -	1	\$ -	\$ -	\$ -	\$ -
Regional Water Bank Phase 1	\$ -	\$ 600	\$ 9,000	\$ 4,000	2	\$ -	\$ -	\$ -	\$ -
Regional Water Bank Phase 2	\$ -	\$ -	\$ 4,000	\$ 20,000	2	\$ 6,000	\$ -	\$ -	\$ -
2014 Drought Grant Management Fees	\$ 2,684	\$ 1,886	\$ 1,886	\$ 10,953	3	\$ -	\$ -	\$ -	\$ -
2014 Drought Grant Management Fees (WEP)	\$ 9,916				3				
Proposition 84 Grant Management	\$ 21,458	\$ -	\$ -	\$ -	4	\$ -	\$ -	\$ -	\$ -
Aquifer Storage and Recovery (ASR)	\$ 4,750	\$ 5,960	\$ -	\$ -	5	\$ -	\$ -	\$ -	\$ -
2018 Calfed Meter Grant Management Fees (WEP)	\$ 1,837	\$ -	\$ -	\$ -	8	\$ -	\$ -	\$ -	\$ -
USBR Interties	\$ 4,560	\$ 2,000	\$ 3,600	\$ 3,150	15	\$ -	\$ -	\$ -	\$ -
Prop 1 IRWM Grant Application	\$ 20,795	\$ -	\$ -	\$ -	17	\$ -	\$ -	\$ -	\$ -
Prop 1 Round 1 GM (PM)	\$ -	\$ -	\$ 10,000	\$ 36,397	17	\$ 36,397	\$ 10,000	\$ -	\$ -
2020 Water Transfer	\$ 19,385	\$ 17,963	\$ 25,681	\$ -	18	\$ -	\$ -	\$ -	\$ -
2021 Water Transfer			\$ 15,000	\$ 18,420	18				
Bonneville Grant				\$ 5,000	19				
Total Staff Time Reimbursement	\$ 138,294	\$ 37,409	\$ 81,039	\$ 109,791		\$ 42,397	\$ 10,000	\$ -	\$ -

Program Summary Budget (Cont'd)

	RWA FY20 Audit	RWA FY 21 Budget	RWA FY 21 Projected	FY 22 Proposed Budget	Notes	Projected FY23	Projected FY24	Projected FY25	Projected FY26
REVENUES - PASS THRU									
2015 IRWM Grant Pass Through (RWA R3)	\$ 120,283	\$ 657,000	\$ 136,800	\$ 65,700	2				
2015 IRWM Grant Pass Through (WEP R3)		\$ 287,043	\$ 150,576	\$ 66,604	1				
Regional Water Bank Phase 1	\$ 179,753	\$ 313,247	\$ 313,247		2				
Regional Water Bank Phase 2		\$ -	\$ 527,500	\$ 647,500	2				
2014 Drought Grant Reimbursements from DWR	\$ 110,788	\$ 532,250	\$ 1,413,478	\$ 237,024	3				
Proposition 84 Reimbursements from DWR	\$ 2,777,818	\$ 59,046			5				
Aquifer Storage and Recovery (ASR)	\$ 55,233	\$ -	\$ -	\$ -	6	\$ -	\$ -	\$ -	\$ -
Labor Compliance Revenues		\$ 5,000			7				
2018 Calfed Meter Grant Pass Through (WEP)		\$ 468,000	\$ 468,000	\$ -	9				
Landscape Imagery Project	\$ 15,117	\$ -			16				
Land IQ Analysis		\$ 44,500			17				
Rachio Controllor Program		\$ 150,000	\$ -	\$ -	18	\$ -	\$ -	\$ -	
Prop 1 Round 1 PT		\$ -	\$ -	\$ 1,864,500	19	\$ 3,106,478	\$ 1,206,696		
Prop 1 Round 1 WEP PT		\$ -	\$ -	\$ 1,222,000	19	\$ 596,352	\$ -		
Bonneville Grant		\$ -	\$ -	\$ 242,000	20				
TOTAL PROGRAM REVENUE	\$ 3,258,992	\$ 2,516,086	\$ 3,009,601	\$ 4,345,328		\$ 3,702,830	\$ 1,206,696	\$ -	\$ -
EXPENSES - PASS THRU									
2015 IRWM Grant Pass Through (RWA R3)	\$ 120,283	\$ 657,000	\$ 136,800	\$ 65,700	1				
2015 IRWM Grant Pass Through (WEP R3)		\$ 287,043	\$ 150,576	\$ 66,604	1				
2015 IRWM Grant Manage Expenses (WEP R3)		\$ -	\$ -	\$ -	1				
Regional Water Bank Phase 1	\$ 179,753	\$ 313,247	\$ 313,247		2				
Regional Water Bank Phase 2			\$ 79,000	\$ 850,000	2	\$ 246,000			
2014 Drought Grant Disbursements from DWR	\$ 110,788	\$ 532,250	\$ 1,413,478	\$ 237,024	3				
Proposition 84 payments to Member Agencies	\$ 2,777,818	\$ 59,046			5				
Aquifer Storage and Recovery (ASR)	\$ 55,233	\$ -			6				
Labor Compliance Expenses		\$ 5,000			7				
2018 Calfed Meter Grant Pass Through (WEP)		\$ 468,000	\$ 468,000		8				
Landscape Imagery Project	\$ 15,117	\$ -			16				
Land IQ Analysis		\$ 44,500			17				
Rachio Controllor Program		\$ 150,000			18				
Prop 1 Round 1 PT		\$ -	\$ -	\$ 1,864,500	19	\$ 3,106,478	\$ 1,206,696		
Prop 1 Round 1 WEP PT		\$ -	\$ -	\$ 1,222,000	19	\$ 596,352	\$ -		
Bonneville Grant				\$ 242,000	20				
TOTAL PROGRAM EXPENSES	\$ 3,258,992	\$ 2,516,086	\$ 2,561,101	\$ 4,547,828		\$ 3,948,830	\$ 1,206,696	\$ -	\$ -
Net Income (Loss)	\$ -	\$ -	\$ 448,500	\$ (202,500)	13	\$ (246,000)	\$ -	\$ -	\$ -

RWA
FY 2021-2022 BUDGET PROJECTION NOTES
PROGRAM ONLY

- 1 RWA was awarded the IRWM grant and collected fees for program management. This IRWM grant through DWR developed and executed a funding agreement for the \$1.757 million grant award from the 2015 Proposition 84 Integrated Regional Water Management Implementation Grant to support four priority projects in the region, including a regional water efficiency grant.
- 2 The Regional Reliability Plan was a subscription project launched in FY17 to fund consultant support to develop the plan, which will include an update to the RWA Integrated Regional Water Management Plan. In FY20, the project transitioned to the Regional Water Bank, Phase 1 and in FY21, the beginning of Regional Water Bank Phase 2.
- 3 RWA received a \$9.765 million award from Department of Water Resources (DWR) 2014 Integrated Regional Water Management Drought Grant funded through Proposition 84. 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 and the grant is expected to be completed in FY20 with with up to 3 years of post-project performance monitoring required.
- 4 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 by June 30, 2019 with up to 3 years of post-project performance monitoring required.
- 5 The Proposition 84 grant reimbursements from DWR and disbursements to member agencies.
- 6 In FY19, several RWA member agencies requested that RWA develop a subscription-based project aimed at collected information to determine the feasibility of an expanded aquifer storage and recovery (ASR) program in the region. If the program is launched revenues and expenses are expected to be collected and expended by early FY21.
- 7 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.
- 8 The 2018 Calfed Water Meter Installation project was awarded on September 21, 2018. RWA prepared the application and submitted them through the Sacramento Suburban Water District (SSWD) because RWA is not considered an eligible applicant. The participating agencies include the SSWD, the City of Sacramento and Sacramento County Water Agency. The project duration is to run through March 31, 2020.

RWA
FY 2021-2022 BUDGET PROJECTION NOTES
PROGRAM ONLY

- 9 RWA will manage the 2018 CalFed Meter Grant Management Fees on behalf of SSWD. Fees will be collected from SSWD, City of Sacramento, and SCWA for management of the grant.
- 10 Anticipated revenues and direct costs for the program from the Water Efficiency (WEP) Program for Category I. WEP budget still under development.
- 11 WEP Category II revenue and expenses are projected for the SRCSD incentives program. The subscription programs are approved as the opportunity or need arises for the program.
- 12 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 60% and the project assistant at 60% time, for a total of 1.2 FTEs for WEP.
- 13 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.
- 14 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.
- 15 In FY18, RWA assisted San Juan Water District and Sacramento County Water Agency in securing a \$300K Reclamation grant to construct interties to assist during drought conditions. SJWD is the grant recipient. RWA will assist in managing the grant on behalf of the agencies. Funds for RWA staff support are being collected in FY19 and will be expended in FY19 and FY20.
- 16 RWA has partnered with the Sacramento Area Council of Governments (SACOG) to collect aerial imagery for the purpose of conducting local and regional water supply planning and evaluating current and future legislative and regulatory proposals related to water efficiency.
- 17 Land IQ Analysis project includes 5 participating agencies to cover the cost of their portion of analyzing aerial imagery based landscape water budgets to evaluate current and future legislative and regulatory proposals related to water efficiency. Each agency cost is \$8500 for a total of \$42,500, plus \$2000 that all agencies will contribute towards training, and an additional \$10,000 in training being paid for by WEP for a total project cost of \$54,500 to be complete in FY21.

RWA
FY 2021-2022 BUDGET PROJECTION NOTES
PROGRAM ONLY

- 18 In partnership with Bay Area Water Supply & Conservation Agency, Rachio will assist with the implementation of RWA's Regional Smart Controller Water Program for all member agencies. Funds will be collected from agencies in advance and then returned upon reimbursement from DWR grant in FY21.
- 19 On November 4, 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014. Proposition 1 authorized \$510 million in Integrated Regional Water Management (IRWM) funding. Funds are allocated to 12 hydrologic region-based Funding Areas including the Sacramento Region.
- 20 This grant, executed in 2021, will upgrade the landscape areas of commercial, industrial, institutional (CII) properties in the riparian zone and surrounding watershed of the North American River Subbasin which drains to the Lower American River through a variety of interventions including conversion of turfgrass to native and low water use plant material (including trees), installation of high efficiency irrigation equipment , and the creation of site-specific landscape budgets.

**RWA
FY2021-2022 DUES**

	2020 Retail Connections	First 3,000 Connections	3,001-7,000 Connections		Proposed FY22 Dues	Current FY21 Dues	Difference	Percent Change		
Small agencies		\$2.20	\$1.10							
Del Paso Manor WD	1,801	\$ 3,962			\$ 3,962	\$ 6,386	\$ (2,424)	-38%		
Rancho Murrieta CSD	2,723	\$ 5,991			\$ 5,991	\$ 9,628	\$ (3,637)	-38%		
Orange Vale WC	5,685	\$ 6,600	\$ 2,954		\$ 9,554	\$ 9,968	\$ (414)	-4%		
		Up to 30,000 Connections								
Medium agencies		\$2.20								
Carmichael WD	11,703	\$ 25,747			\$ 25,747	\$ 25,729	\$ 18	0%		
Elk Grove WD	13,153	\$ 28,937			\$ 28,937	\$ 28,063	\$ 874	3%		
Fair Oaks WD	14,390	\$ 31,658			\$ 31,658	\$ 31,330	\$ 328	1%		
City of West Sacramento (1)	15,417	\$ 33,917			\$ 30,526	\$ 33,935	\$ (3,409)	-10%		
Golden State WC	17,097	\$ 37,613			\$ 37,613	\$ 37,530	\$ 83	0%		
City of Lincoln	19,661	\$ 43,254			\$ 43,254	\$ 41,741	\$ 1,513	4%		
Yuba City (1)	19,220	\$ 42,284			\$ 38,056	\$ 42,181	\$ (4,125)	-10%		
Citrus Heights WD	19,991	\$ 43,980			\$ 43,980	\$ 43,861	\$ 119	0%		
City of Folsom	22,268	\$ 48,990			\$ 48,990	\$ 48,378	\$ 612	1%		
		Up to 30,000 Connections	Up to 40,000	Up to 50,000	Up to 60,000	Over 60,000				
Large agencies		\$2.20	\$1.10	\$0.55	\$0.28	\$0.07				
San Juan WD (2)	10,679	\$ 66,000			\$ 66,000	\$ 77,751	\$ (11,751)	-15%		
Placer County WA	38,571	\$ 66,000	\$ 9,428		\$ 75,428	\$ 77,751	\$ (2,323)	-3%		
El Dorado ID	42,384	\$ 66,000	\$ 11,000	\$ 1,311	\$ 78,311	\$ 77,751	\$ 560	1%		
City of Roseville	46,278	\$ 66,000	\$ 11,000	\$ 3,453	\$ 80,453	\$ 77,751	\$ 2,701	3%		
Sacramento Suburban WD	46,573	\$ 66,000	\$ 11,000	\$ 3,615	\$ 80,615	\$ 77,751	\$ 2,864	4%		
Sacramento County WA	58,283	\$ 66,000	\$ 11,000	\$ 5,500	\$ 2,278	\$ 84,778	\$ 7,026	9%		
CA American Water	66,236	\$ 66,000	\$ 11,000	\$ 5,500	\$ 2,750	\$ 85,250	\$ 7,499	10%		
City of Sacramento	142,946	\$ 66,000	\$ 11,000	\$ 5,500	\$ 2,750	\$ 5,474	\$ 90,724	\$ 77,751	\$ 12,973	17%
	615,059	\$ 880,937	\$ 78,383	\$ 24,880	\$ 7,778	\$ 5,474	\$ 989,826	\$ 980,741		

(1) Agency is outside of core American River Basin region, so it receives a 10% discount on its dues after they are calculated based on # of connections.

(2) San Juan Water District Wholesale is a community services district that provides drinking water to 160,000 people in portions of Sacramento and Placer Counties, so it is treated as the minimum size of a large member agency.

RWA Associate Members	Proposed 2021-22 Annual Dues	Current 2020-21 Annual Dues
El Dorado County Water Agency	\$ 5,840	\$ 5,840
Placer County	\$ 14,492	\$ 14,492
Sacramento Area Flood Control Agency	\$ 8,328	\$ 8,328
Sacramento Municipal Utilities District	\$ 14,492	\$ 14,492
SRCS	\$ 14,492	\$ 14,492
ASSOCIATE MEMBER TOTALS	\$ 57,644	\$ 57,644