



FREQUENTLY ASKED QUESTIONS ABOUT THE MOJAVE WATER AGENCY

Q.: What is the Mojave Water Agency?

A.: The Mojave Water Agency is one of 29 State Water Contractors with access to supplemental water from the California Aqueduct. According to state law, the MWA is charged with the responsibility to “do any and every act necessary to be done so that sufficient water may be available for any present or future beneficial use of the lands and inhabitants” within its jurisdiction.

Q.: Why is it needed?

A.: Portions of the areas served by the MWA are experiencing groundwater overdraft. That is, more groundwater is used each year than is replaced by nature through rain and snowmelt. A plan to deal with this problem has been approved by the trial court and must be administered by a regional authority. The alternative would, in all probability, result in growth limitations and other economic hardships.

Q.: What are its boundaries?

A.: The MWA serves nearly 5,000 square miles of the Mojave Desert in San Bernardino County. This region includes the communities of Adelanto, Apple Valley, Baldy Mesa, Barstow, Daggett, El Mirage, Flamingo Heights, Grandview, Helendale, Hesperia, Hinkley, Johnson Valley, Joshua Tree, Landers, Lenwood, Lucerne Valley, Newberry Springs, Oak Hills, Oro Grande, Phelan, Pinon Hills, Pioneertown, Silver Lakes, Spring Valley Lake, Summit Valley, Victorville, Yermo, and Yucca Valley.

Q.: Why do we have to pay taxes to the MWA?

A.: The MWA property taxes, collected on the county tax rolls, consist of two types of assessments. This money is mostly used for the MWA to pay debt service and maintenance in connection with the State Water Project (California Aqueduct). One tax is permanently set at 11¼ cents per \$100 of assessed valuation on land only. The second tax, levied to supplement the first assessment and also to fund MWA administration, is set each year. It is currently set at 5½ cents per \$100 of assessed valuation on land and improvements.

Q.: What does the MWA do for us?

A.: Since 1991 the MWA has been regularly importing water from the California Aqueduct to recharge the groundwater basins from which local water companies and other well owners derive water for all uses: domestic, agricultural, industrial, and recreational.

Q.: How can I learn more about the Mojave Water Agency?

A.: You can visit the Mojave Water Agency Website at: www.mojavewater.org, on the Agency’s Facebook page at <http://www.facebook.com/mojavewater>, or call (760) 946-7000 during business hours.

Mojave Water Agency is ***M.W.A.*** — ***M***aking ***W***ater ***A***vailable

Mojave Water Agency



BUDGET
Fiscal Year
2013/2014
Adopted June 27, 2013

BUDGET

Fiscal Year

2013/2014

INTRODUCTION	3
PROPOSED FISCAL YEAR 2013/2014 BUDGET	5
Background	6
Budget Preparation	6
Review & Control	8
Organization Chart	9
ANALYSIS OF REVENUES AND EXPENDITURES	10
Revenue Projections	11
Expenditure Projections	13
Cash Balance Projection	17
CAPITAL BUDGET	18
5 Year Capital Projects Budget	18
Project Descriptions	19
OPERATING BUDGET	22
Budget Detail Combined	22
Departmental Initiatives/Budgets	24
Departmental Initiatives Descriptions	38

Budget Statement

The Mojave Water Agency Fiscal Year 2013/2014 budget well positions the Agency to respond to new challenges of evolving state water policy, and changing economic and environmental conditions. This budget reflects the Agency's continued commitment to sound water resource management, strategic capital investment, collaborative partnerships, and conservation to ensure a sustainable water supply for today and tomorrow.



Mojave Water Agency
Fiscal Year 2013-2014 Budget



LETTER OF INTRODUCTION

Members of the Board of Directors:

As the new global economy continues to evolve, we find ourselves with few guarantees except that of continuous change. We view yesterday's accomplishments with a sense of great satisfaction, but recognize that we must continue to courageously forge ahead to create new opportunities to secure a reliable water supply as we face a myriad of emerging challenges. The Fiscal Year 2013/2014 Budget implements policies from the Board to further diversify the Agency's water portfolio through water market opportunities, capital investment, groundwater storage, conservation and resource management. These initiatives will be driven by a science-based platform and administered with foresight and sound fiscal management, innovation, and integrated planning as we work collaboratively with our region's stakeholders to leverage valuable resources.

Despite the recent economic storm, the Agency has emerged fiscally strong and presents a balanced budget with healthy reserves while completing capital projects, launching planning efforts; securing federal and state funding, advancing conservation programs, and developing strategic partnerships. Milestones of the past fiscal year include: Completion of the Regional Recharge and Recovery Project (R3 Project); construction start-up of the new operations facility and the collaboration with San Bernardino County on the opening of the High Desert Interpretive Center;; the Joshua Basin Water Groundwater Recharge Project; a bid award for the construction of the Ames/Reche Basin Recharge Project; initiation of an update of the 2004 Integrated Regional Water Management Plan and the Salt Nutrient Management Plan; completion of a study of the Centro and Baja Subareas; addition of 60,000 acre-feet of storage water as a result of the exchange program with Metropolitan Water District; and a robust Cash for Grass program that removed 5.1 million square feet of turf saving the region 869 acre-feet of water annually.

The Agency's primary source of income is property tax. Conservative projections by Beacon Economics and HdL Companies indicate a modest rebound with both estimating a .9 percent increase in values for the coming year. Beacon further projects a two to three percent increase the following year, and a three to four percent increase in later years. In addition, a change in the statewide water market relative to the sale of surplus water could result in an additional tool for the Agency to respond to future financial risk.

The improving economic climate and potential water market opportunities come at a critical time when the Agency must address challenges including undetermined future costs associated with the Bay Delta Conservation Plan (BDCP) and policy discussions aimed at reducing reliance on the Delta, as well as increasing costs for aging statewide

State Water Project infrastructure requiring more maintenance and full replacement. Additionally, new projects and programs resulting from the update of the Integrated Regional Water Management Plan also will require new funding sources.

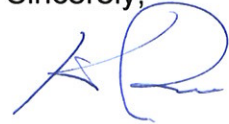
While emerging state water policy and programs will dramatically affect MWA and all State Water Contractors, the Agency is positioned to respond to a variety of scenarios. We enjoy this position as a result of fiscally responsible investments and sound financial projections. Moreover, policy decisions made by the Board of Directors to strategically invest in infrastructure, groundwater banking and conservation have resulted in region-wide resource management efficiencies reducing demand, as well as per capita consumption, and enhancing water supply reliability.

Charting our progress toward ensuring a reliable water supply are several of the key performance metrics for the Agency's financial investments contained within the Agency's Urban Water Management Plan (UWMP) that was adopted by the Board in June 2012. These performance metrics require the Agency to plan for a long-term sustainable supply of water to meet growing demands for the next twenty-years. In addition to meeting the long-term demands, the Agency must also demonstrate that it is able to withstand single and multiple year droughts or an interruption of supply from the Delta. The Agency's water storage balance is sufficient to meet all these requirements and to withstand a three year outage from the State Water Project system, thereby reducing our reliance on the Delta.

The Fiscal Year 2013/2014 Budget concludes an era with the completion of the R3 and other strategic projects as outlined above. It also blazes a trail for the future with the update of the 2004 Integrated Regional Water Management Plan while maintaining our commitment to conservation and improved water resource management. These combined efforts, developed through region-wide collaboration, achieve reduced reliance on the Delta in the Mojave Desert region. As we stand at this vantage point looking forward to the new challenges that await us we can be confident that we are well positioned to face the uncertainties that lay ahead.

We wish to express our appreciation to all members of the departments who assisted and contributed to the preparation of this budget. Credit must also be given to the Board of Directors for setting the strategic direction for the Agency that is supported by this budget. Their continued oversight and support were essential in the preparation of the Fiscal Year 2013/2014 Budget.

Sincerely,



Kirby Brill
General Manager



Kathy Cortner
Chief Financial Officer

PROPOSED FISCAL YEAR 2013/2014 BUDGET



	FY 2012/2013 Budget	FY 2012/2013 Projected	Variance Fav (Unfav)	% of Budget @ 100% of Year	FY 2013/2014 Budget	Budget vs.Budget Variance	FY 2014/2015 Budget
Beginning Cash Reserves	\$ 33,633,096	\$ 35,508,068	\$ 1,874,972		\$ 35,812,384	\$ 2,179,288	\$ 33,278,112
Revenues							
Water Sales (net of Reliability Assessment)	4,969,700	3,212,451	(1,757,249)	65%	4,070,190	(899,510)	4,200,418
Reliability Assessment (25%)	2,580,300	2,326,566	(253,734)	90%	2,326,860	(253,440)	2,580,564
Pre-Purchase Program In/(Out) *	(2,283,400)	(1,984,500)	298,900	87%	(2,563,600)	(280,200)	(2,690,272)
MWA 1 - 11.5¢	9,945,418	10,564,267	618,849	106%	9,985,259	39,841	10,194,950
MWA 2 (a) 3¢	8,064,298	8,412,655	348,357	104%	8,322,969	258,671	8,497,751
MWA 2 (b) 2.5¢	6,720,249	7,028,838	308,589	105%	6,935,807	215,558	7,081,459
General Property Tax	2,294,747	2,855,030	560,283	124%	2,495,052	200,305	2,504,166
ID M Property Tax Assessment	1,935,689	2,566,225	630,536	133%	2,523,074	587,385	2,576,058
ID M Debt Service Support	814,063	814,063	-	100%	813,688	(375)	813,250
Interest	165,666	160,000	(5,666)	97%	318,776	153,110	279,183
Grants	5,041,878	5,419,967	378,089	107%	3,650,500	(1,391,378)	620,000
Financing Proceeds (Hydro Plant)	3,450,000	-	(3,450,000)	0%	-	(3,450,000)	322,606
Miscellaneous	2,000	2,000	-	100%	2,000	-	2,000
Total Revenues	\$ 43,700,608	\$ 41,377,562	\$ (2,323,046)	95%	\$ 38,880,575	\$ (4,820,033)	\$ 36,982,133
Expenditures							
DWR Min OMP&R	7,484,756	7,475,375	9,381	100%	7,699,636	(214,880)	7,853,629
DWR Bond and Capital	7,050,969	7,075,442	(24,473)	100%	7,287,705	(236,736)	7,433,459
SWC Member Allocation	210,000	210,000	-	100%	210,000	-	210,000
SWP Contractors Authority	57,000	58,452	(1,452)	103%	57,000	-	57,000
Tax Collection Exp	139,636	127,222	12,414	91%	123,000	16,636	123,000
Water Purchases	3,764,216	3,480,372	283,844	92%	1,826,676	1,937,540	1,869,840
Departmental Expenses	10,340,640	8,068,625	2,272,015	78%	11,155,335	(814,695)	10,437,118
DWR Loans	807,364	807,364	-	100%	807,364	-	404,328
ID M	3,200,625	3,168,542	32,083	99%	3,168,125	32,500	3,167,500
ID M Reserve Fund Release	-	-	-	0%	-	-	-
Dudley Ridge	2,296,400	2,295,263	1,137	100%	2,296,575	(175)	2,596,033
Berrenda Mesa	1,913,106	1,896,773	16,333	99%	1,895,606	17,500	1,885,381
Capital	11,144,638	6,409,816	4,734,822	58%	4,887,825	6,256,813	980,000
Total Expenditures A/R & A/P Adj.	\$ 48,409,350	\$ 41,073,246	\$ 7,336,104	85%	\$ 41,414,847	\$ 6,994,503	\$ 37,017,288
Ending Cash Reserves	\$ 28,924,354	\$ 35,812,384	\$ 6,888,030		\$ 33,278,112	\$ 4,353,758	\$ 33,242,957

Background

Mojave Water Agency was formed by popular vote in 1960, when residents, concerned about the overdraft of the region's aquifers, agreed to become part of the State Water Project (SWP) and secure a source of supplemental water for the region. Section 1.5 of the Mojave Water Agency Law states that:

"...the purpose of the agency shall be to do any and every act necessary to be done so that sufficient water may be available for any present or future beneficial use of the land and inhabitants of the agency..."

The Agency's adopted mission, which is very similar, reads: *"to manage the region's water resources for the common benefit to assure stability in the sustained use by the citizens we serve."*

California's economy, as well as most of the nation's, has been in troubled times. The housing market had been declining in sales of new and existing homes, many more homes went into foreclosure because of sub-prime lending practices, and overall, property values were declining. This has had an effect on the Agency's major source of revenue, property taxes, used to pay for the costs of the State Water Project system as well as overall administration of the Agency. Fortunately, because of past fiscal conservatism, the Agency has been able to weather through the economic downturn. Recent indicators are that the Agency will begin to see recovery in its property taxes. This past year, actual receipts came in 5% higher than budgeted. As we look forward, assessed values will continue to increase. Given the open space in the Agency's boundary, it is likely that values will pick up pace at a much greater pace when development returns to the area.

Budget Preparation

In order to better prepare for meeting present and future water demands, Mojave Water Agency adopted its Strategic Plan in 2002 and the Integrated Water Resources Plan in 2005. The Strategic Plan contains the Agency's Vision and Mission Statements, defines our goals as a public agency, and establishes our culture as an organization of individuals. The primary purpose of the Strategic Plan is to provide the framework and focus for the Agency that will facilitate the organization fulfilling its legislative mandate – *"...to do any and every act necessary to be done so that sufficient water may be available for any present or future beneficial use of the land and inhabitants of the agency..."* The Strategic Plan forms our response to the challenges that we must address in managing this vital resource by providing a venue to develop specific goals and objectives for the organization, including "Key Elements" or concepts, management plans, and programs that require action by the Agency. The Integrated Water Resources Plan sets out the major initiatives necessary to assure stability in the sustained water use by the citizens we serve. The plans and major initiatives that are necessary to carry out this goal are the foundation for the capital projects included in the budget now and into the next five year's planning efforts.

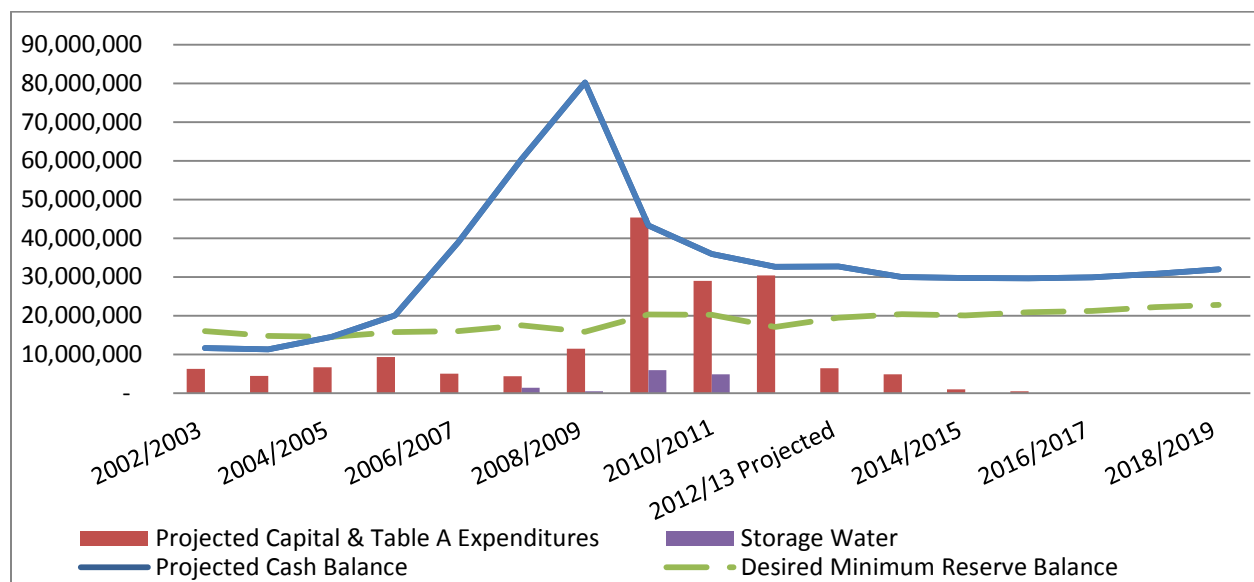
Linking important objectives with necessary resources requires a process that identifies Goals and Key Elements of those goals at the very beginning of the budget process. For this reason, each year the budget process begins with re-assessing the Key Elements and confirming that all the projects in progress and planned truly reflect the goals of the Agency and the Board of Directors, which reflect the needs of the Stakeholders and Community, and reflect any fiscal constraints revealed through the budget process.

The goals identified in the Strategic Plan are:

- Goal 1: Develop sound fiscal and organizational policies that allow the Agency to be effective, innovative and responsive.
- Goal 2: Manage SWP entitlement to meet future demands while maintaining independence during periods of water shortages.
- Goal 3: Coordinate efforts to maintain adequate water quality so that groundwater is safe for drinking and other beneficial uses.
- Goal 4: Develop public awareness so that individuals and stakeholder organizations support our efforts and understand their role in contributing to the Agency's mission.
- Goal 5: Advance understanding of basin hydrogeology to support efficient management of water resources.
- Goal 6: Promote efficient use of the region's water resources through regional conservation programs.

Major Key Elements identified as necessary in achieving the goals above and included in this years' budget are listed in the sections titled "Capital Projects" and "Departmental Initiatives/Budgets".

The Agency begins the Fiscal Year 2013/2014 year in a strong cash position. This is the result of the incline in the housing market since 2003 that brought in tax revenues in excess of what was expected at an average 28% per year increase, while at the same time expenditures saw modest increases of only 9%. The recent housing and economic downturn tax revenues wiped out a portion of this gain (28%). Going into the future, the Agency will see a small growth in assessed values that is likely to pick up speed when building returns to the high desert.



Review & Control

The budget is a management tool intended to aid in the planning efforts of the Agency and to serve as a control in expenditures to ensure the fiscal health or financial future of the agency. When managed properly, public trust is developed and maintained. To aid in the management of the budget, certain “rules” or “controls” have been established that require appropriate levels of approval on the expenditure of Agency funds as well as reporting requirements of financial information to the Board and the public.

Once the budget is approved, financial statements are issued to report the results of operations which include the budget amounts to measure the performance, efficiency, and planning. This report is provided to both the Personnel, Finance & Security Committee of the Board on a monthly basis, as well as to the full Board on a quarterly basis and provides a check and balance of the expenditure of public funds.

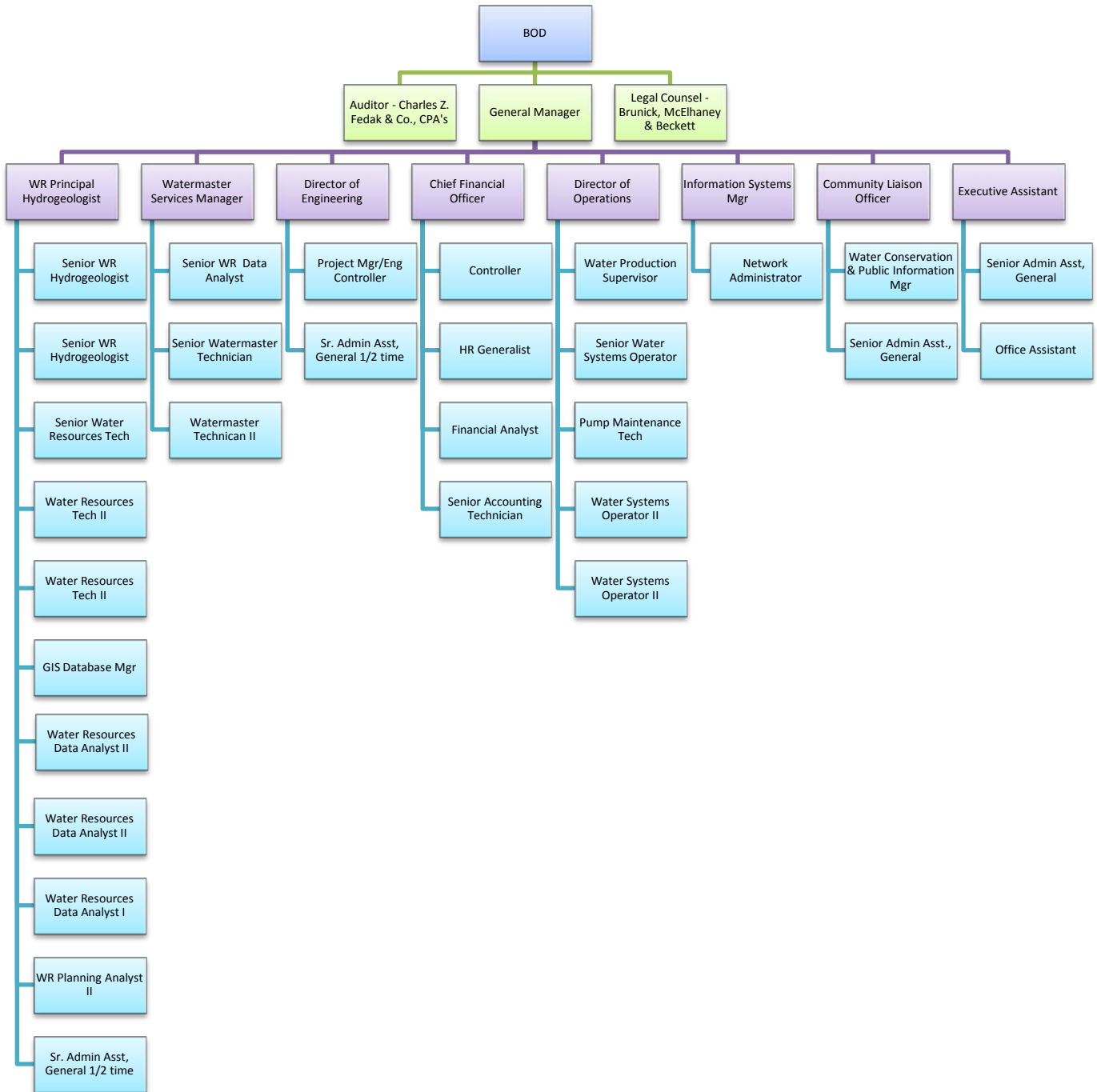
In addition to reporting the results of operations each month, spending limits have been established in the Agency Purchasing Policy as follows:

- ❖ Over \$25,000 Requires Board approval
- ❖ Over \$ 5,000 Requires General Manager approval
- ❖ Over \$ 2,000 Requires either Assistant General Manager or Chief Financial Officer approval
- ❖ Over \$ 1,000 Requires approval of Director of Engineering, Director of Operations, Information Systems Manager, Community Liaison Officer, Watermaster Services Manager, or the Executive Assistant to the General Manager
- ❖ Up to \$ 1,000 Requires approval of any exempt employee.

Once the budget is adopted, managers are expected to stay within the constraints of the departmental budgets they submitted. Line items in the department budget can be modified during the year; however the total departmental budget cannot be exceeded without the Chief Financial Officer and General Manager’s approval.

In addition, the budget provides the annual authorization for positions, employee pay and benefits. The Fiscal year 2013/2014 Budget includes a 3% adjustment in pay ranges (increasing potential future pay, not to be confused with actual pay raises), a merit pool amount of 3% that will be allocated to employees based on performance (historically set at 5%) plus a 2% one time salary adjustment. In addition, employees will increase the contribution into their Public Employees’ Retirement System (PERS) benefit by another 2%, bringing the total contribution by employees to 6%. The following page is the organization chart for the Fiscal Year 2013/2014 with approved positions.

Organization Chart



ANALYSIS OF REVENUES AND EXPENDITURES

The Agency has three major funds to pay for the operating, non-operating, capital and Department of Water Resources expenditures. Below is a pictorial view of these funds, the major revenues provided and the corresponding expenditures allowed by each funding source. The funds are organized in order of how restrictive they are, with the most restrictive being on the left. As is demonstrated with the arrows, revenues cannot flow from left to right, however they can flow from right to left. This is an important concept included in the future cash flows that is discussed under Tax Receipts and State Water Project/Department of Water Resources Fixed Costs in the SWP Fund.

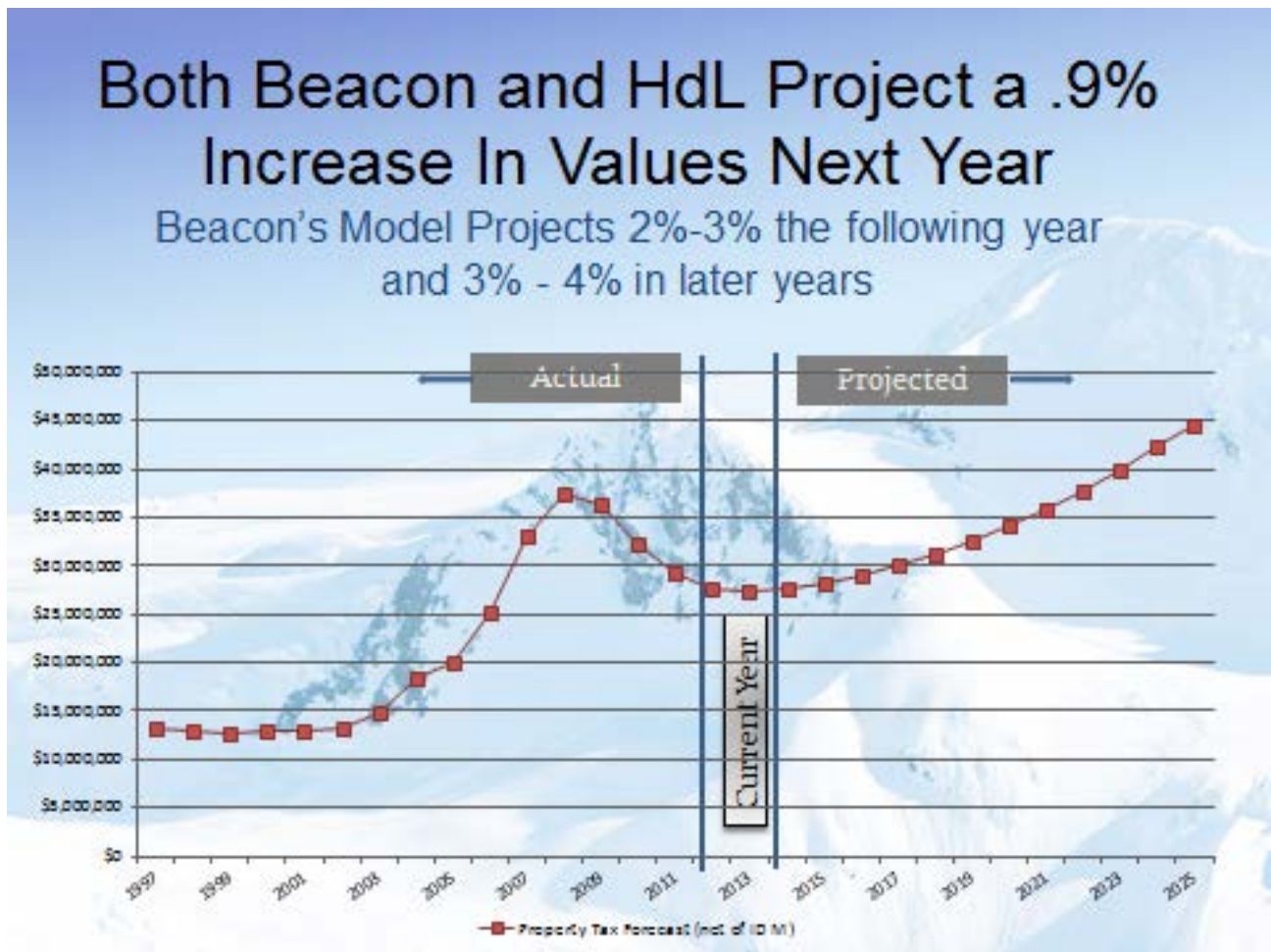


Revenue Projections

Tax Receipts

Assessed values are projected to increase by .9% in fiscal year 2013/2014. Future years are anticipated to increase at a moderate pace (see chart below). Last year the Agency hired two firms to assist in the property tax projections. First, HdL was hired to provide the short-term 1-2 year outlook based on actual data received that will be going into the values prepared by the County Assessor. Second, Beacon Economics was hired to provide a long-term forecast.

Because of the uncertainty in RDA, the amount budgeted for RDA pass-thru tax is not projected to be received (historically about \$400k).



Grants

The Agency was successful in obtaining a State Proposition 50 grant to be used toward the Regional Recharge and Recovery (R³ or R-cubed) project, water conservation, and invasive species removal from the Mojave River.

During fiscal year 2009/2010, the Agency was the recipient of both Title XVI funds (\$11.3 million) and Challenge funds (\$3.8 million) as a result of the American Recovery and Reinvestment Act (stimulus funds). Both grants are administered by the U.S. Bureau of Reclamation and are for the R³ and Oro Grande Recharge projects, respectively.

It is anticipated that the agency will receive \$3.6 million in grant funds during the fiscal year 2013/2014.

Grant & Sponsorship Status on Current Projects

Project	Grant/Sponsor	Amount	Funding Received	Remaining Grant
Regional Recharge & Recovery	Prop 50	\$ 24,500,000	\$ 22,050,000	\$ 2,450,000
Regional Recharge & Recovery	USBR Title XVI (ARRA)	\$ 11,265,000	\$ 10,812,864	\$ 452,136
Oro Grande	USBR Challenge (ARRA)	\$ 3,456,600	\$ 3,456,600	\$ -
Oro Grande	Victorville Sponsorship	\$ 3,155,918	\$ 2,455,918	\$ 700,000
Water Conservation Incentive Program	Prop 84	\$ 2,000,000	\$ -	\$ 2,000,000
		\$ 44,377,518	\$ 38,775,382	\$ 5,602,136

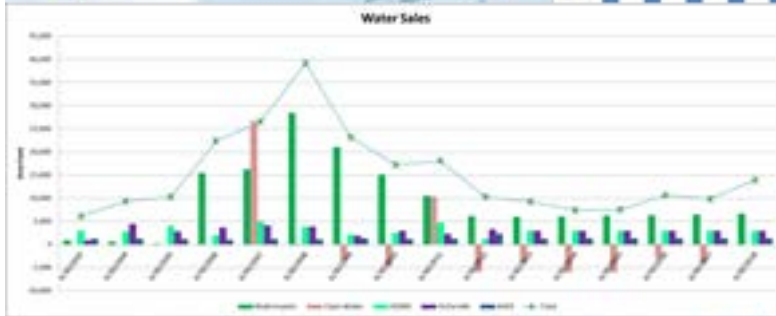
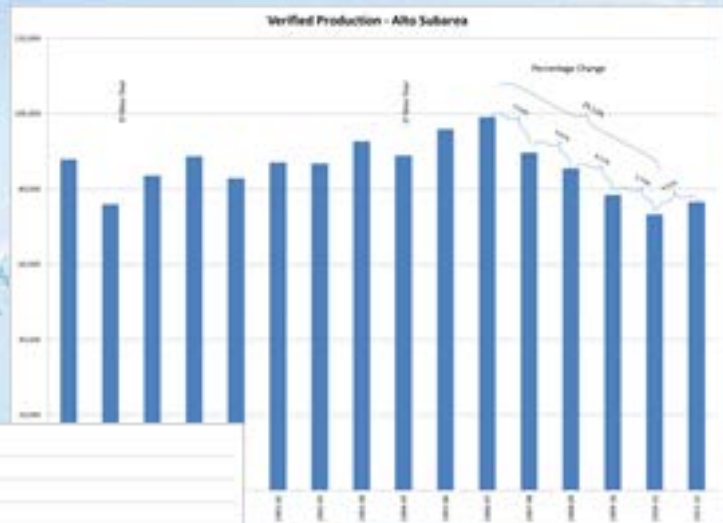
Water Sales

Over the past several years, Replacement Water Obligations to the Watermaster has been in decline since the height in 2007/2008. While it is uncertain why these obligations have declined, it is believed that a portion of this reduction is the result of the Agency's successful Water Conservation Incentive Program and a portion has to do with the lack of building as well as the number of foreclosed homes in the area, both as a result of the current economy. Below is the trend in total pumping in the Alto Subarea, where the majority of the Replacement Obligations occur.

It is anticipated that water sales will normalize in 2013/2014, but will still remain lower than the peak billed in 2007/2008. In addition, the Agency offered agencies to pre-purchase water out of inventory in order to be able to purchase all the water available through the State Water Project. Over the next few years, these agencies will be able to call on that water, which reduces water sales further (see next page).

No anticipation in increased water sales nor purchases over the immediate planning horizon

- Verified production is down from peak, however starting to see a slight increase
- Carryover water will keep production down for the next few years
- Also have water available from the pre-purchase program that will drive sales down



Expenditure Projections

State Water Project/Department of Water Resources Fixed Costs

The Department of Water Resources (DWR) Fixed Costs are difficult to anticipate, due entirely to the unknowns on the State Water Project system as a result of recent court rulings on the Delta smelt and salmon, aging levee infrastructure plus potential additional environmental threats to the water supply. However, over the past few of years the Agency has seen a steady increase in costs. One reason for a recent increase in the capital portion of the fixed cost is the shortening of the financing period for the replacement of aging infrastructure. The existing contracts State Water Project Contractors have with DWR are set to expire in 2035. While negotiations are under way to extend the contracts, DWR will not issue debt beyond the year 2032 until they are finalized. This has resulted in the financing of major infrastructure for shorter and shorter periods, which is causing the increase in annual debt service payments.

In addition to the capital portion of the fixed costs, the Agency must also pay for minimum operation and maintenance of the system. DWR has changed its methodology for projecting what

the future minimum costs will be by smoothing future years based on the three prior years' actuals.

Below is a graph depicting the property taxes used to pay for SWP costs as well as historical actual and future estimated costs. Any excess revenues in this fund are available to purchase additional storage water.



DWR Variable Costs (water purchases)

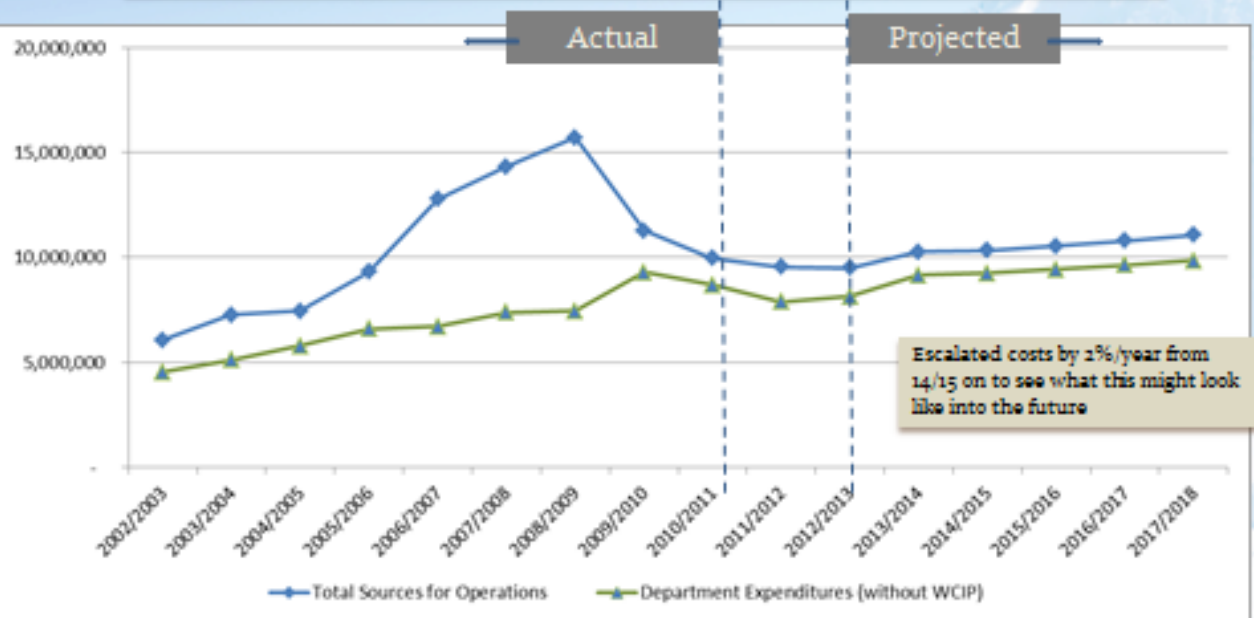
Allocations for 2013 from the State Water Project System are just 35%. The Agency will be purchasing a portion of the water available to it and returning water to Metropolitan Water District under the exchange agreement the Agency has with them.

Departmental Expenditures

The major initiatives included in the Fiscal Year 2013/2014 Budget are included in the section of this budget titled “Operating Budget” as well as a description of each of the projects immediately following the project listings. The next page shows a graphical representation of the ongoing revenues and expenditures demonstrating a sustainable future. This excludes one-time revenues and expenditures.

Preliminary 5 year conservative outlook for operational expenses remain below projected revenues

Excludes Cash for Grass as well as the offsetting revenues from Prop 84



Capital Expenditures

The capital projects included in the fiscal year 2013/2014 budget are itemized in the section titled “Capital Projects”.

The Agency has invested over \$160 million in capital projects over the past five years. The major projects are winding down with only \$4.9 million planned in 2013/2014. Most of the effort going forward will be in the development of the updated Integrated Regional Water Management Plan, the source of the Agency’s planned capital improvement projects and programs.

Debt Service

The Agency has 6 outstanding debt issuances. They are:

1. ID M – In 1990, a portion of the Agency voted in favor of forming Improvement District “M” and to incur bonded indebtedness for the construction of the Morongo Basin pipeline extension to bring water from the California Aqueduct in Hesperia to Yucca Valley. In fiscal year 2013/2014, debt service is \$3,200,625, with a portion of the debt collected on the tax

roll from the property owners in that area and the balance collected from the project participants as follows:

- a. Hi-Desert Water District 59%
 - b. Joshua Basin Water District 27%
 - c. Bighorn-Desert View Water Agency 9%
 - d. San Bernardino County No. 70 1%
 - e. Mojave Water Agency 4%
2. Loan from the California Department of Water Resources to finance the Rock Springs Groundwater Recharge construction costs. The annual debt service payment is \$333,241.
 3. Loan from the California Department of Water Resources to finance the Mojave River Pipeline Groundwater Recharge construction costs. The annual debt service payment is \$294,577.
 4. Loan from the California Department of Water Resources to finance the Yucca Valley Groundwater Recharge construction costs. The annual debt service payment is \$99,117..
 5. In 1997, the Agency issued debt for the purchase of 25,000 acre feet of Table A entitlement from the Berrenda Mesa Water District at a total cost of \$25 million, increasing the total Table A entitlement of the Agency to 75,800 acre feet. This debt is paid with MWA 1 and 2(a) property tax revenue as approved by the courts through a validation action. The debt service for fiscal year 2011/2012 is \$1,913,106.
 6. In 2009, Agency issued COP's for additional 14,000 acre feet of Table A entitlement water from the Dudley Ridge Water District for a total cost of \$73.5 million, increasing the total Table A entitlement of the Agency to 89,800 (7,000 acre feet transfer in 2010, 3,000 in 2015 and the final 4,000 in 2020). The debt service for fiscal year 2013/2014 is \$2,296,400.

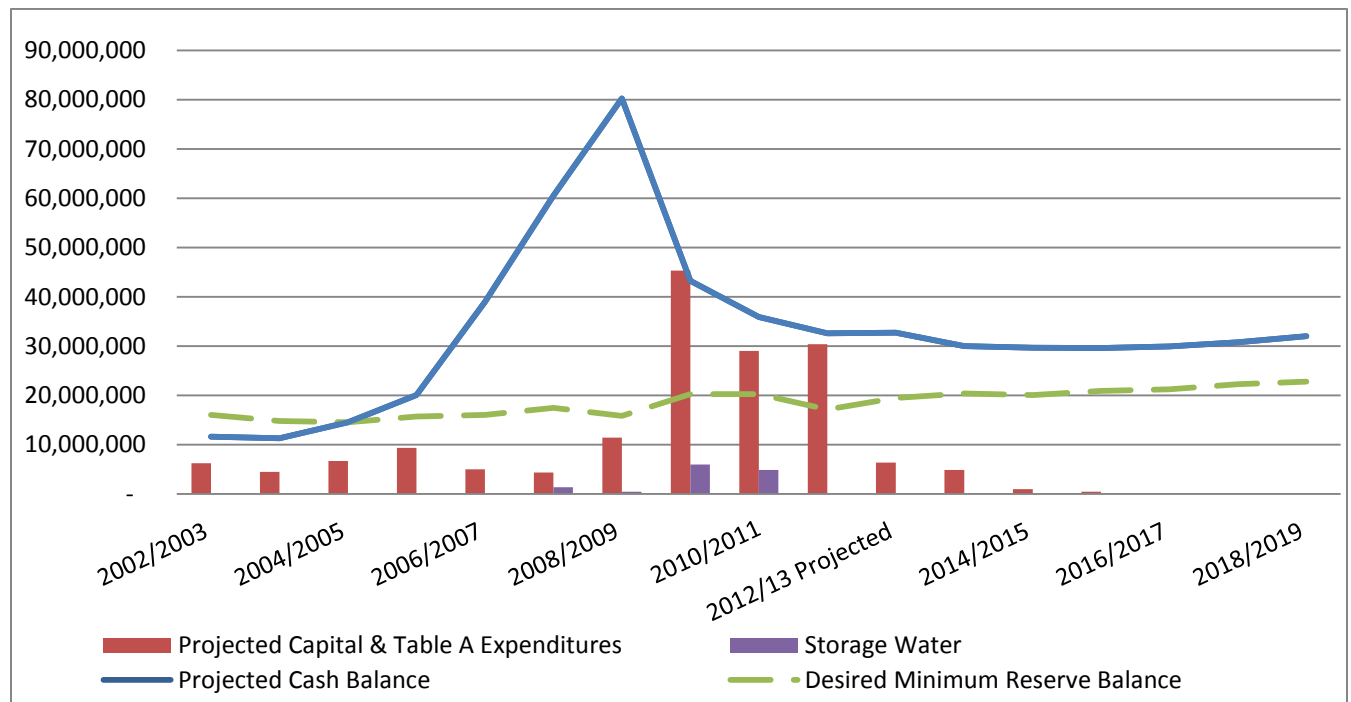
Cash Balance Projection

The Agency utilizes a Cash Flow Risk Model to aid in determining the affordability of major capital projects. The model projects out five years of the capital needs of the Agency.

In order to determine affordability, it is necessary to have a benchmark to measure projected cash balances against. The benchmark used by the agency is the desired minimum reserves, shown below as the dotted line. The projected cash balance is the solid line. The bars represent the capital projects and storage water that will be spent in each of the next five years. This is included to show the relationship of the fluctuation in cash balance as the Agency embarks on large capital projects.

The two points the Agency manages are the (1) low point in the solid cash trend line to ensure it does not fall below the minimum reserve requirement and (2) the trend line on the back end of the low point to ensure an upslope recovery at the end of the large capital projects.

Since ID M monies are restricted solely for the debt service payment on the Morongo Basin Pipeline project, those monies have been excluded from this analysis.



5 YEAR CAPITAL PROJECT BUDGET

Project Name	Actual Project Costs thru 12/31/2012	FY 2012/2013 Projected	FY 2013/2014	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	Thereafter	Total Project Cost
Regional Recharge & Recovery Project	53,892,395	53,892,395	100,000						\$ 53,992,395
Operations Center	802,580	3,053,903	1,051,850						4,105,753
Oro Grande North Recharge	9,026,477	9,026,477	615,000						9,641,477
Ames/Reche Basin Recharge	510,098	666,073	225,975						892,048
Rock Springs Valve Replacement	-	100,000	100,000						200,000
Antelope Wash Recharge	-	-	-	550,000	450,000				1,000,000
Joshua Basin Water District Recharge Project	350,000	350,000	650,000						1,000,000
River Land Acquisition	-	30,000	300,000						330,000
Newberry Springs Monitoring Wells	-	-	-				1,000,000		1,000,000
L-T Data Storage (iSCSI)	-	275,000	20,000	60,000					355,000
Network Hardware Replacement	-	-	20,000	20,000	20,000				60,000
Helendale Outlet	-	-	50,000	250,000					300,000
Finance System	361,543	361,543	25,000						386,543
Ooster/L.A. County Underflow (Phelan CSD)	-	-	200,000				1,000,000		1,200,000
Oeste Recharge	-	-	-				1,000,000		1,000,000
Lenwood Refurbishment	16,857	25,000	265,000						290,000
Integrated Regional Water Mgmt Plan			1,125,000	50,000					1,175,000
WR Ranger Replacement			50,000						50,000
Eng Ranger Replacement			-	50,000					50,000
Grading Tractor			50,000						50,000
Aerial Lift			40,000						40,000
Total	\$ 64,959,950	\$ 67,780,391	\$ 4,887,825	\$ 980,000	\$ 470,000	\$ -	\$ -	\$ 3,000,000	\$ 77,118,216

Fiscal year 2013/2014 Project Descriptions

Linking important objectives with necessary resources requires a process that identifies Goals and Key Elements of those goals at the very beginning of the budget process. For this reason, each year the budget process begins with re-assessing the Key Elements and confirming that all the projects in progress and planned truly reflect the goals of the Agency and the Board of Directors, the needs of the Stakeholders and Community, and any fiscal constraints revealed through the budget process.

The goals identified in the Strategic Plan are:

- Goal 1: Develop sound fiscal and organizational policies that allow the Agency to be effective, innovative and responsive.
- Goal 2: Manage SWP entitlement to meet future demands while maintaining independence during periods of water shortages.
- Goal 3: Coordinate efforts to maintain adequate water quality so that groundwater is safe for drinking and other beneficial uses.
- Goal 4: Develop public awareness so that individuals and stakeholder organizations support our efforts and understand their role in contributing to the Agency's mission.
- Goal 5: Advance understanding of basin hydrogeology to support efficient management of water resources.
- Goal 6: Promote efficient use of the region's water resources through regional conservation programs.

Regional Recharge & Recovery Project (Project 359): Goal 2

This project was completed in previous fiscal year. Funding this year is for costs associated with full project start-up and related costs, contract close-outs, mitigation requirements and permit compliance and project related close-outs.

Central Operations Facility and High Desert Interpretive Center(Project 394): Goal 1

The Operations Center is under construction at 9620 Deep Creek Road, Apple Valley. Upon completion, the project will be the activity center for the Operations and Maintenance Department for water deliveries, including an operations building with the new SCADA System integrated for Agency-wide control and monitoring, and a warehouse building. The project also includes a joint effort with the County of San Bernardino for construction of their High Desert Interpretive Center.

Oro Grande North Recharge (Project 370): Goal 2

During this fiscal year the project will continue operating. These costs are for continued efforts with the County of San Bernardino Flood Control District to develop a joint-use detention and recharge basin in the Oro Grande Wash. In addition, costs will be incurred to obtain permits and comply with permit terms and conditions, and continue with ongoing mitigation measures. Two existing monitoring wells will require modification to accommodate the construction of the detention basin. Costs are included for extending the existing pipeline outlet in the wash to connect to the detention basin inlet.

Ames/Reche Basin Recharge (Project 296): Goal 2

This work is in partnership with Bighorn Desert-View Water Agency for a conjunctive use groundwater recharge basin in the Ames/Reche basin. The purpose is to bring the basin into balance. Currently, the basin is used by Bighorn Desert-View Water Agency, Hi-Desert Water District and the County of San Bernardino. The project will be overseen and owned by the Mojave Water Agency.

Rock Springs Valve Replacement (Project 315): Goal 2

Replace Rock Springs Road (RSR) 48" isolation valve. For many years the sleeve valve at the RSR Flow Control Facility (FCF) has not operated correctly. The valve would "stick" open when closing. The only way to stop the flow of water when the valve would stick open would be to close the isolation valve during high flows. This repeated action has damaged the isolation valve beyond repair. The sleeve valve has been replaced within the last two years and now we need to replace the damaged isolation valve. The isolation valve has been repaired three times in the past 14 years, an inspection was performed during the last repair that found many problems that if repaired will surely fail in the future. The sleeve valve by nature does not have a positive shut off, without the ability to shut off the isolation valve we would have a constant "drip" of up to 300 gallons per minute. This amount of water on a continuous basis could generate a "wetlands" area which would not be desired.

Antelope Wash Recharge (Project 318): Goal 2

Construction of a recharge basin located in the Antelope Wash in southern Hesperia. The project can provide groundwater recharge from City of Hesperia wells. The Hesperia Master Plan of Drainage identifies a 65-acre site for a storm water detention basin in the Antelope Valley Wash south of Rancho Road. In addition to storm water detention, the site will be able to accommodate groundwater recharge making this a "dual use" facility (storm flow and recharge). The Morongo Basin Pipeline passes by this area and would be the source of recharge water.

Joshua Basin Recharge (Project 330) : Goal 2

This item covers the Mojave Water Agency contribution towards the construction of the Joshua Basin Recharge Project in their service area. All construction activities will be coordinated by Joshua Basin Recharge Project, no action will be required by Agency staff.

River Land Acquisition (Project 342): Goal 1

Professional services and costs associated with obtaining easements and land purchase for future recharge efforts in the Mojave River.

Newberry Springs Monitoring Wells (Project 356): Goal 2

This project is for the future construction of Monitoring Wells located in Newberry Springs.

Long Term Storage (iSCI) (Project 374): Goal 1

As part of the overall technology strategy it is necessary to continually monitor the volume of electronic data that is either, originated at, modified by, or delivered for archival purposes to the Mojave Water Agency. Provision for expanding volumes and their security is addressed through this ongoing project in support of the Agency Storage Area Network (SAN).

Network Hardware Replacement (Project 377) Goal 1

Provides funding for network infrastructure such as routers, switches, patch panels etc., as needed for the next fiscal year.

Helendale Outlet (Project 384): Goal 2

Helendale Outlet will be an outlet from the Mojave River pipeline into the Mojave River, to create a recharge site within the Mojave River near the Helendale area.

Finance System (Project 388): Goal 1

This item provides funds for the development of a Long-Term Financial Risk Model to aid in anticipating future risks and potential risk mitigation measures.

Oeste/L.A. County Underflow (Phelan CSD): Goal 2

Study being conducted in preparation for the ongoing adjudication proceedings in Antelope Valley, including investigation of the western Mojave Water Agency boundary along the Oeste Subarea (Los Angeles and San Bernardino County border). This work consists of funding scientific investigations to more accurately define the hydrogeologic boundary and groundwater underflow conditions between the MWA Service Area (San Bernardino County) and the Antelope Valley (Los Angeles County).

Oeste Recharge: Goal 2

Scientific investigation to locate a suitable artificial recharge site for use in the Oeste Subarea.

Lenwood Recharge Refurbishment (Project 345): Goal 2

Presently, the Lenwood Recharge Ponds only allow for off-channel recharge of imported water. The ponds also require maintenance following recharging. The objective of the project would include modifications to the current recharge pond configuration to allow on channel recharge. This may include additional pipe, earthwork and control systems that would tie-in to existing facilities at the Lenwood Recharge Site. Having the ability to deliver imported water directly to the existing river channel would increase the amount of water rechargeable at the Lenwood Site. In addition to the increase in capacity, the requirement for maintenance of the recharge area in the river channel would not be required.

Integrated Regional Water Management Plan (Project 391): Goal 2

The Regional Water Management Plan was last updated in 2005. The Agency is required to update the plan per the Proposition 84 Grant Agreement for the Joshua Basin Recharge Project, the Hi Desert Water District Wastewater Project, and the Agency's Water Conservation Incentive Program. In order to comply with the Grant Agreement, to be able to compete for future State grants, and to bring the Plan up to meet current State IRWM law, the Agency will use these budgetary funds to complete an update to its IRWM Plan in 2014.

BUDGET DETAIL COMBINED

Summary	Acct	Description	2010/2011 Actual	FY 2011/12 Actual	FY 2012/13 Budget	Actual YTD 12/31/12	FY 2012/13 Projected	FY 2013/14 Budget	FY 2014/15 Budget	
DWR (Fund 600)	5215	State Water Project Minimum OMP&R	7,438,159	7,073,986	7,484,756	3,845,035	7,475,375	7,699,636	7,853,629	
	1111	State Water Project Bond & Capital	6,009,913	5,373,596	7,050,969	2,578,284	7,075,442	7,287,705	7,433,459	
		Subtotal	13,448,072	12,447,582	14,535,725	6,423,319	14,550,817	14,987,341	15,287,088	
SWC Member Allocation (Fund 600)	5731	Legal Fees	26,149	10,588	20,000	6,500	20,000	20,000	20,000	
	5219	SWC Member Allocation	204,980	21,518	190,000	136,266	190,000	190,000	190,000	
		Subtotal	231,129	32,106	210,000	142,766	210,000	210,000	210,000	
SWP Contractors Authority (Fund 600)	5220	DSPC	29,179	24,303	30,000	-	24,303	30,000	30,000	
	5221	Member Dues	2,565	3,066	3,000	6,943	6,943	3,000	3,000	
	5222	Municipal Water Quality Investigation	23,452	(1,448)	24,000	27,206	27,206	24,000	24,000	
		Subtotal	55,196	25,921	57,000	34,149	58,452	57,000	57,000	
Water Purchase (Fund 300 & 600)	1455	Inventory	4,902,468	(125,971)	1,105,958	(664,090)	1,618,959	62,215	12,555	
	5211	COGS: Variable Trans. & Off Aqueduct	3,831,384	2,309,580	2,658,258	548,402	1,861,413	1,764,461	1,857,285	
		Subtotal	8,733,852	2,183,609	3,764,216	(115,688)	3,480,372	1,826,676	1,869,840	
Departmental Expenses (Fund 100)	5600	Salaries	2,795,690	2,752,776	2,800,754	1,344,528	2,689,056	2,893,815	2,980,629	
	5612	Overtime	28,649	38,596	39,138	24,705	49,410	48,500	49,505	
	5613	Health Insurance-Cafeteria	415,314	402,038	410,040	190,770	381,540	416,160	416,160	
	5614	Payroll Taxes	89,796	86,972	93,112	43,284	86,568	95,980	98,860	
	5615	Misc. Benefit	28,634	14,400	22,125	3,000	6,000	26,250	26,498	
	5616	Workers' Compensation Expense	127,195	51,358	59,065	44,845	89,690	66,990	69,000	
	5618	Health Insurance Expenses	89,069	82,176	72,051	44,677	89,354	77,260	78,577	
	5620	Health Expense Reimbursement	76,876	43,916	51,000	23,629	43,958	51,000	51,000	
	5621	Retirement Contribtn	8,470	9,544	10,605	5,301	10,602	11,700	11,700	
	5623	PERS: Employees	860,476	829,690	806,096	365,236	730,472	694,280	747,389	
		SUBTOTAL WAGES & BENEFITS	4,520,169	4,311,466	4,363,986	2,089,975	4,176,650	4,381,935	4,529,318	
		5900	Director Fees	117,436	117,080	150,000	42,199	101,278	150,000	150,000
		5910	Dir. Health Insurance Premium	107,984	115,395	113,000	62,903	125,806	130,000	130,000
		5911	In Lieu of Retirement	5,015	5,481	6,000	2,144	4,288	6,000	6,000
		5912	Dir. Health Expense	2,951	2,641	10,125	945	3,890	-	-
		5920	Dir. Reimb.HealthExp:MWA Pd	-	415	-	-	-	-	-
		5935	Dir. Legislative Travel	398	-	15,000	-	-	15,000	15,000
		5936	Dir. Conferences	8,480	10,833	21,000	1,940	3,880	-	-
		5940	Dir. Travel: Other	3,602	6,082	8,750	1,300	2,600	29,750	29,750
		5960	Travel Drs. In	13,604	14,650	15,000	6,008	12,016	15,000	15,000
		5617	Employee Relations	2,508	1,341	2,500	-	-	5,000	5,000
		5622	OPEB	170,040	211,434	110,000	58,032	116,064	120,000	120,000
		5700	Office Rent	-	-	-	-	-	-	-
		5701	Equip. Lease/Rent	60,282	56,121	62,000	22,292	44,584	62,000	62,000
		5702	Safety Supplies	6,835	13,446	12,000	4,072	8,894	16,000	16,000
		5703	Recruiting Expense	2,667	-	10,000	5,198	15,396	5,000	5,000
		5704	Temporary Services	44,817	-	15,000	12,180	17,180	-	-
		5705	Building & Equipment Maintenance	129,916	131,559	260,000	61,487	122,974	209,500	209,500
		5706	Utilities	301,778	177,525	595,000	142,602	522,040	1,077,000	1,077,000
		5707	Photo Expense	-	-	-	-	-	1,500	1,500
		5708	Postage & Mailing Costs	7,685	8,250	7,000	1,183	2,366	5,000	5,000
		5709	Office Supplies & Expenses	33,694	31,415	40,700	19,198	38,396	40,750	40,750
		5710	Small Tools	9,647	9,286	26,000	654	1,832	24,000	24,000
		5711	Books & Subscriptions	1,795	2,248	4,750	440	1,102	4,050	4,050
		5712	Telephone	124,667	131,136	137,000	55,586	130,583	135,000	135,000
		5713	Printing	851	285	1,000	392	784	1,000	1,000
		5720	Computer Licenses & Maintenance	383,830	326,725	281,500	87,242	276,500	305,000	305,000
		5721	Data Collections	268,238	143,093	265,000	57,079	265,000	250,000	250,000
		5722	Insurance	221,767	250,437	280,000	263,752	263,752	285,000	285,000
		5724	Licenses/Dues & Fees	93,043	80,311	93,250	55,637	88,011	97,000	96,000
		5725	Auto Expenses	83,704	94,646	88,000	40,053	82,205	94,500	94,500

BUDGET DETAIL COMBINED (Continued)

Departmental Expenses (Fund 100) (Continued)	5726	Travel Expenses	50,806	51,971	43,500	22,985	44,389	59,750	59,750
	5728	Education & Training	20,579	18,564	27,000	475	3,450	33,500	33,500
	5729	Consulting	753,907	300,607	483,000	157,326	404,740	787,500	787,500
	5731	Legal	95,212	89,125	100,000	58,912	167,824	115,000	115,000
	5732	Legislative Advocacy	134,372	136,191	145,000	51,255	102,510	145,000	145,000
	5733	Audit & Accounting	40,165	31,338	39,000	18,768	37,536	40,000	-
	5734	Environmental	-	-	-	-	-	75,000	75,000
	5735	Water Quality	-	-	-	-	-	25,000	25,000
	5736	Engineering, General	-	-	-	-	-	-	-
	5737	USGS	34,560	521,040	340,410	144,255	340,410	350,000	350,000
	5741	Aerial Photos	89,700	(14,850)	60,000	24,000	60,000	25,000	25,000
	5742	Public Relations	42,732	67,452	82,000	21,061	42,122	113,500	113,500
	5743	Water Conservation	1,006,752	304,881	1,876,500	141,283	282,566	1,500,000	600,000
	5800	Election Costs	533	-	108,000	-	108,000	-	108,000
	5801	IDM: 4% Debt Service Support	32,487	32,525	32,600	-	32,600	32,600	-
	5803	MW A 25% Watermaster Support	274,542	325,364	338,770	-	338,770	340,000	340,000
	5805	Contingency	150,000	-	-	-	-	2,500	2,500
	5810	Other Expenses	232,204	52,167	56,000	6,910	15,440	46,000	46,000
		Total Before Transfers Out	9,685,954	8,169,676	10,725,341	3,741,723	8,408,428	11,155,335	10,437,118
		5610 Labor Transfers Out	(479,153)	(351,388)	(150,498)	(54,215)	(54,215)	-	-
	5744 Overhead Burden Out	(819,542)	(564,130)	(234,203)	(285,591)	(285,591)	-	-	
	Total Capital Labor & OH Out	(1,298,695)	(915,518)	(384,701)	(339,806)	(339,806)	-	-	
	TOTAL NET DEPT EXPENSES:	8,387,259	7,254,158	10,340,640	3,401,917	8,068,622	11,155,335	10,437,118	
Tax Collection Exp (All Funds)	5820	General Fund	9,129	18,334	16,636	8,929	17,858	13,635	13,635
	5820	Debt Service Fund	32,777	2,992	35,000	1,078	35,000	35,000	35,000
	5820	SWP Fund	61,370	45,142	80,000	23,442	66,364	66,365	66,364
	5820	ID M	6,529	4,965	8,000	3,034	8,000	8,000	8,000
		Subtotal	109,805	71,433	139,636	36,483	127,222	123,000	122,999
DWR Loans (Fund 300)	5850	Interest Expense	118,860	93,967	80,429	21,462	80,429	59,226	40,646
	2635-39	Principal Pmt - 860-880	675,847	695,813	726,935	360,758	726,935	748,138	363,682
		Subtotal	794,707	789,780	807,364	382,220	807,364	807,364	404,328
ID M (Fund 800)	5850	Interest Expense	1,430,333	1,339,083	1,275,625	220,625	1,243,542	1,143,125	1,037,500
	2627	Principal Pmt	1,750,000	1,840,000	1,925,000	1,925,000	1,925,000	2,025,000	2,130,000
	5810	Reserve Fund Release	353,838	903,229	-	-	-	-	-
		Subtotal	3,534,171	4,082,312	3,200,625	2,145,625	3,168,542	3,168,125	3,167,500
COP-Dudley Ridge (Fund 300)	5853	Interest Expense	1,862,725	1,853,638	1,841,400	767,250	1,840,263	1,826,575	1,811,033
	2623	Principal Pmt	435,000	445,000	455,000	-	455,000	470,000	785,000
		Subtotal	2,297,725	2,298,638	2,296,400	767,250	2,295,263	2,296,575	2,596,033
COP-Berrenda Mesa (Fund 600)	5850	Interest Expense	757,031	719,052	688,106	118,768	671,773	615,606	550,381
	2630	Principal Pmt	1,150,000	1,190,000	1,225,000	1,225,000	1,225,000	1,280,000	1,335,000
		Subtotal	1,907,031	1,909,052	1,913,106	1,343,768	1,896,773	1,895,606	1,885,381

DEPARTMENTAL INITIATIVES/BUDGETS

**Administration (AD)
Dept #10**

		FY 10/11 Actual	FY 11/12 Actual	FY 12/13 Budget	Actual YTD as of 12/31/2012	FY 12/13 Projected	FY 13/14 Budget	FY 14/15 Budget
	EXPENSES:							
5600	Dept Wages	867,181	843,843	853,328	438,251	876,502	832,670	857,650
5612	Dept Overtime	1,026	159	4,000	482	964	2,500	2,575
5613	Health Insurance - Cafeteria	115,715	110,160	110,160	55,080	110,160	110,160	110,160
5614	Payroll Taxes	30,037	26,618	27,941	14,310	28,620	27,340	28,160
5615	Misc Benefit	17,234	7,939	6,000	3,000	6,000	6,000	6,000
5616	Workers Compensation Expense	17,731	5,756	5,885	5,532	11,064	6,340	6,530
5618	Health Insurance - ACWA	40,842	40,329	19,177	18,594	37,188	20,090	20,090
5620	Health Ins Reimb - FSA	23,181	13,482	13,500	1,612	3,224	13,500	13,500
5621	Deferred Comp Contributions GM	8,470	9,544	10,605	5,301	10,602	11,700	11,700
5623	PERS Retirement	276,345	259,411	245,559	117,204	234,408	198,950	237,199
	Dept Benefits	-	-	-	-	-	-	-
	TOTAL WAGES & BENEFITS	1,397,762	1,317,241	1,296,155	659,366	1,318,732	1,229,250	1,293,564
5900	Director Fees	117,436	117,080	150,000	42,199	101,278	150,000	150,000
5910	Directors Pooled Health	107,984	115,395	113,000	62,903	125,806	130,000	130,000
5911	In Lieu of Retirement	5,015	5,481	6,000	2,144	4,288	6,000	6,000
5912	Dir. Health Expense	2,951	2,641	10,125	945	3,890	-	-
5925	Dir: Books and Sbuscription		415	-	-	-	-	-
5935	Dir. Legislative Travel	398	-	15,000	-	-	15,000	15,000
5936	Director's Conferences	8,480	10,833	21,000	1,940	3,880	-	-
5940	Dir. Other/Discretionary/Conferences	3,602	6,082	8,750	1,300	2,600	29,750	29,750
5960	Travel Drs. In	13,604	14,650	15,000	6,008	12,016	15,000	15,000
5617	Employee Relations	2,508	1,341	2,500	-	-	5,000	5,000
5622	OPEB	170,040	211,434	110,000	58,032	116,064	120,000	120,000
5700	Office Rent	-	-	-	-	-	-	-
5701	Equip. Lease/Rent	56,838	55,903	47,000	21,671	43,342	47,000	47,000
5702	Safety Supplies	3,046	3,133	3,000	3,454	6,908	7,000	7,000
5703	Recruiting Expense	-	-	10,000	5,198	10,396	5,000	5,000
5704	Temporary Services	-	-	-	12,180	12,180	-	-
5705	Building Maintenance & Expense	60,751	59,767	5,000	510	1,020	1,000	1,000
5706	Utilities	91,713	165,540	195,000	57,100	137,040	150,000	150,000
5708	Postage & Mailing Costs	7,609	8,250	7,000	1,183	2,366	5,000	5,000
5709	Office Supplies & Expenses	33,694	31,415	40,000	19,198	38,396	40,000	40,000

Administration (AD)
Dept #10

		FY 10/11 Actual	FY 11/12 Actual	FY 12/13 Budget	Actual YTD as of 12/31/2012	FY 12/13 Projected	FY 13/14 Budget	FY 14/15 Budget
	EXPENSES:							
5711	Books & Subscriptions	995	1,134	2,000	259	518	1,800	1,800
5712	Telephone	111,106	116,921	119,000	48,528	116,467	117,000	117,000
5713	Printing	44	285	1,000	392	784	1,000	1,000
5720	Computer & Equipment Maintenance	9,673	-	-	-	-	-	-
5722	Insurance	221,767	250,437	280,000	263,752	263,752	285,000	285,000
5724	Licenses/Dues & Fees (ACWA, LAFCO & Misc)	75,042	70,692	75,000	48,783	75,000	75,000	75,000
5725	Auto Expenses	6,501	3,013	4,500	2,693	5,386	6,000	6,000
5726	Travel Expenses	32,546	35,028	30,000	10,859	24,718	30,000	30,000
5728	Education & Training	4,523	219	-	-	-	5,000	5,000
5729	Consulting	223,059	171,573	213,000	64,870	204,740	250,000	250,000
5731	Legal	95,212	89,125	100,000	58,912	167,824	115,000	115,000
5733	Audit & Accounting	40,165	31,338	39,000	18,768	37,536	40,000	-
5800	Election Cost	533	-	108,000	-	108,000	-	108,000
5801	IDM: 4% Debt Service Support	32,487	32,525	32,600	-	32,600	32,600	-
5803	MVA 25% Watermaster Support	274,542	325,364	338,770	-	338,770	340,000	340,000
5805	Contingency	150,000	-	-	-	-	-	-
5810	Other Expenses (trustee fees)	232,202	45,542	45,000	6,678	13,356	35,000	35,000
	NON-LABOR EXP	2,196,066	1,982,556	2,146,245	820,459	2,010,921	2,059,150	2,094,550
	TOTAL DEPT EXPENSES	3,593,828	3,299,797	3,442,400	1,479,825	3,329,653	3,288,400	3,388,114
5610	Labor Transfers to Capital	(3,894)	-	-	-	-	-	-
5744	Overhead Burden to Capital	(58,528)	-	-	-	-	-	-
	Total Capital Labor & OH Out	(62,422)	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	3,531,406	3,299,797	3,442,400	1,479,825	3,329,653	3,288,400	3,388,114

Administration (AD)
Dept #10

		Department Admin.	SWP Special Projects 288	Finance Model	2014 Total
	EXPENSES:				
5600	Dept Wages	832,670			832,670
5612	Dept Overtime	2,500			2,500
5613	Health Insurance - Cafeteria	110,160			110,160
5614	Payroll Taxes	27,340			27,340
5615	Misc Benefit	6,000			6,000
5616	Workers Compensation Expense	6,340			6,340
5618	Health Insurance - ACWA	20,090			20,090
5620	Health Ins Reimb - FSA	13,500			13,500
5621	Deferred Comp Contributions GM	11,700			11,700
5623	PERS Retirement	198,950			198,950
	Dept Benefits	-			-
	TOTAL WAGES & BENEFITS	1,229,250	-	-	1,229,250
5900	Director Fees	150,000			150,000
5910	Directors Pooled Health	130,000			130,000
5911	In Lieu of Retirement	6,000			6,000
5912	Dir. Health Expense	-			-
5925	Dir: Books and Sbuscription	-			-
5935	Dir. Legislative Travel	15,000			15,000
5936	Director's Conferences	-			-
5940	Dir. Other/Discretionary/Conferences	29,750			29,750
5960	Travel Drs. In	15,000			15,000
5617	Employee Relations	5,000			5,000
5622	OPEB	120,000			120,000
5700	Office Rent	-			-
5701	Equip. Lease/Rent	47,000			47,000
5702	Safety Supplies	7,000			7,000
5703	Recruiting Expense	5,000			5,000
5704	Temporary Services	-			-
5705	Building Maintenance & Expense	1,000			1,000
5706	Utilities	150,000			150,000
5707	Photo Expense	-			-
5708	Postage & Mailing Costs	5,000			5,000
5709	Office Supplies & Expenses	40,000			40,000
5710	Small Tools	-			-

Administration (AD)

Dept #10

		Department Admin.	SWP Special Projects 288	Finance Model	2014 Total
	EXPENSES:				
5711	Books & Subscriptions	1,800			1,800
5712	Telephone	117,000			117,000
5713	Printing	1,000			1,000
5720	Computer & Equipment Maintenance	-			-
5722	Insurance	285,000			285,000
5724	Licenses/Dues & Fees (ACWA, LAFCO & Misc)	75,000			75,000
5725	Auto Expenses	6,000			6,000
5726	Travel Expenses	30,000			30,000
5728	Education & Training	5,000			5,000
5729	Consulting	70,000	130,000	50,000	250,000
5731	Legal	115,000			115,000
5733	Audit & Accounting	40,000			40,000
5800	Election Cost	-			-
5801	IDM: 4% Debt Service Support	32,600			32,600
5803	MWA 25% Watermaster Support	340,000			340,000
5805	Contingency	-			-
5810	Other Expenses (trustee fees)	35,000			35,000
	NON-LABOR EXP	1,879,150	130,000	50,000	2,059,150
	TOTAL DEPT EXPENSES	3,108,400	130,000	50,000	3,288,400
5610	Labor Transfers to Capital	-			-
5744	Overhead Burden to Capital	-			-
	Total Capital Labor & OH Out	-	-	-	-
	TOTAL NET DEPT EXPENSES:	3,108,400	130,000	50,000	3,288,400

Information Technology (IT)

Dept #20

		FY 10/11 Actual	FY 11/12 Actual	FY12/13 Budget	Actual YTD as of 12/31/2012	FY 12/13 Projected	FY13/14 Budget	FY14/15 Budget
	EXPENSES:							
5600	Dept Wages	196,846	190,602	195,014	98,081	196,162	204,405	210,537
5612	Dept Overtime	13,800	14,324	8,500	9,549	19,098	15,000	15,000
5613	Health Insurance - Cafeteria	24,668	24,480	24,480	12,240	24,480	24,480	24,480
5614	Payroll Taxes	5,870	5,933	6,365	3,145	6,290	6,635	6,834
5615	Misc Benefit	-	-	-	-	-	-	-
5616	Workers Compensation Expense	2,392	1,154	1,180	1,089	2,178	1,295	1,334
5618	Health Insurance - ACWA	4,993	4,381	5,137	2,933	5,866	5,330	5,330
5620	Health Ins Reimb - FSA	2,333	1,500	3,000	1,850	3,000	3,000	3,000
5621	Deferred Comp Contributions	-	-	-	-	-	-	-
5623	PERS Retirement	58,330	57,659	56,117	27,228	54,456	52,755	54,338
	Dept Benefits	-	-	-	-	-	-	-
	TOTAL WAGES & BENEFITS	309,232	300,033	299,793	156,115	311,530	312,900	320,853
5701	Equip. Lease/Rent	1,058	218	-	-	-	-	-
5704	Temporary Services	24,000	-	15,000	-	-	-	-
5709	Office Supplies & Expenses	-	-	700	-	-	750	750
5710	Small Tools	-	1,610	1,500	-	-	1,000	1,000
5711	Books & Subscriptions	-	-	500	-	-	-	-
5720	Computer & Equipment Maintenance	359,492	323,725	275,000	87,242	275,000	300,000	300,000
5724	Licenses/Dues & Fees	2,970	-	3,500	2,281	4,562	5,000	5,000
5725	Auto Expenses	-	-	-	-	-	-	-
5726	Travel Expenses	3,302	494	1,000	4,581	4,581	7,500	7,500
5728	Education & Training	-	8,991	7,500	-	-	15,000	15,000
5729	Consulting	40,686	-	25,000	-	-	12,500	12,500
5741	Aerial Photos	89,700	(14,850)	60,000	24,000	60,000	25,000	25,000
5805	Contingency	-	-	-	-	-	2,500	2,500
5810	Other Expenses	-	-	1,000	14	28	1,000	1,000
	NON-LABOR EXP	521,208	320,188	390,700	118,118	344,171	370,250	370,250
	TOTAL DEPARTMENT EXPENSES	830,440	620,221	690,493	274,233	655,701	683,150	691,103
5610	Labor Transfers to Capital	-	-	-	-	-	-	-
5744	Overhead Burden to Capital	-	-	-	-	-	-	-
	Total Capital Labor & OH Out	-	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	830,440	620,221	690,493	274,233	655,701	683,150	691,103

Information Technology (IT)				
Dept #20				
		Department Admin.	Aerial Photos	2014 Total
	EXPENSES:		450	
5600	Dept Wages	204,405		204,405
5612	Dept Overtime	15,000		15,000
5613	Health Insurance - Cafeteria	24,480		24,480
5614	Payroll Taxes	6,635		6,635
5615	Misc Benefit	-		-
5616	Workers Compensation Expense	1,295		1,295
5618	Health Insurance - ACWA	5,330		5,330
5620	Health Ins Reimb - FSA	3,000		3,000
5621	Deferred Comp Contributions	-		-
5623	PERS Retirement	52,755		52,755
	Dept Benefits	-		-
	TOTAL WAGES & BENEFITS	312,900		312,900
5701	Equip. Lease/Rent	-		-
5704	Temporary Services	-		-
5709	Office Supplies & Expenses	750		750
5710	Small Tools	1,000		1,000
5711	Books & Subscriptions	-		-
5720	Computer & Equipment Maintenance	300,000		300,000
5724	Licenses/Dues & Fees	5,000		5,000
5725	Auto Expenses	-		-
5726	Travel Expenses	7,500		7,500
5728	Education & Training	15,000		15,000
5729	Consulting	12,500		12,500
5741	Aerial Photos	-	25,000	25,000
5805	Contingency	2,500		2,500
5810	Other Expenses	1,000		1,000
	NON-LABOR EXP	345,250	25,000	370,250
	TOTAL DEPARTMENT EXPENSES	658,150	25,000	683,150
5610	Labor Transfers to Capital	-	-	-
5744	Overhead Burden to Capital	-	-	-
	Total Capital Labor & OH Out	-	-	-
	TOTAL NET DEPT EXPENSES:	658,150	25,000	683,150

Public Information (PI)

Dept #30

		FY 10/11	FY 11/12	FY 12/13	Actual YTD as of	FY 12/13	FY 13/14	FY 14/15
	EXPENSES:	Actual	Actual	Budget	12/31/2012	Projected	Budget	Budget
5600	Dept Wages	233,036	217,302	205,974	74,465	148,930	232,940	239,928
5612	Dept Overtime	1,308	915	2,100	289	578	1,000	1,030
5613	Health Insurance - Cafeteria	37,003	35,779	36,720	13,174	26,348	36,720	36,720
5614	Payroll Taxes	7,027	7,343	7,038	2,257	4,514	7,820	8,055
5615	Misc Benefit	6,046	5,538	6,000	-	-	6,000	6,000
5616	Workers Compensation Expense	3,705	2,860	2,920	1,781	3,562	3,635	3,744
5618	Health Insurance - ACWA	6,570	5,815	8,286	2,620	5,240	8,280	8,528
5620	Health Ins Reimb - FSA	6,106	3,217	4,500	1,615	3,230	4,500	4,500
5621	Deferred Comp Contributions	-	-	-	-	-	-	-
5623	PERS Retirement	70,877	67,564	59,297	18,859	37,718	45,845	47,220
	Dept Benefits	-	-	-	-	-	-	-
	TOTAL WAGES & BENEFITS	371,678	346,333	332,835	115,060	230,120	346,740	355,725
5707	Photo Expense	-	-	-	-	-	1,500	1,500
5711	Books & Subscriptions	318	501	500	42	84	500	500
5713	Printing	33	-	-	-	-	-	-
5720	Computer & Equipment Maintenance	1,700	-	-	-	-	-	-
5724	Licenses/Dues & Fees	9,664	6,035	10,000	2,966	5,932	10,000	10,000
5725	Auto Expenses	193	-	-	-	-	-	-
5726	Travel Expenses	7,605	5,019	5,000	1,962	3,924	7,500	7,500
5728	Education & Training	150	98	2,000	330	660	2,000	2,000
5729	Consulting	16,112	-	20,000	-	-	20,000	20,000
5732	Legislative Advocacy	134,372	136,191	145,000	51,255	102,510	145,000	145,000
5742	Public Relations	42,732	67,452	82,000	21,061	42,122	113,500	113,500
5743	Water Conservation	1,006,752	304,881	1,876,500	141,283	282,566	1,500,000	600,000
	NON-LABOR EXP	1,219,631	520,177	2,141,000	218,899	437,798	1,800,000	900,000
	TOTAL DEPARTMENT EXPENSE	1,591,309	866,510	2,473,835	333,959	667,918	2,146,740	1,255,725
5610	Labor Transfers to Capital	-	-	-	-	-	-	-
5744	Overhead Burden to Capital	-	-	-	-	-	-	-
	Total Capital Labor & OH Out	-	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	1,591,309	866,510	2,473,835	333,959	667,918	2,146,740	1,255,725

Public Information (PI)

Dept #30

		Department Admin.	VVCC SP 201	Newsletter 209	PI Supp. 226	Lewis Ctr SP 233	MEEC 235	Fac.Tours 243
	EXPENSES:							
5600	Dept Wages	232,940						
5612	Dept Overtime	1,000						
5613	Health Insurance - Cafeteria	36,720						
5614	Payroll Taxes	7,820						
5615	Misc Benefit	6,000						
5616	Workers Compensation Expense	3,635						
5618	Health Insurance - ACWA	8,280						
5620	Health Ins Reimb - FSA	4,500						
5621	Deferred Comp Contributions	-						
5623	PERS Retirement	45,845						
	Dept Benefits	-						
	TOTAL WAGES & BENEFITS	346,740	-	-	-	-	-	-
5707	Photo Expense	1,500						
5711	Books & Subscriptions	500						
5713	Printing	-		-				
5720	Computer & Equipment Maintenance	-						
5724	Licenses/Dues & Fees	10,000						
5725	Auto Expenses	-						
5726	Travel Expenses	7,500						
5728	Education & Training	2,000						
5729	Consulting	20,000						
5732	Legislative Advocacy	145,000						
5742	Public Relations	10,000		1,000	90,000			7,500
5743	Water Conservation	115,200	8,000			8,000	4,500	
	NON-LABOR EXP	311,700	8,000	1,000	90,000	8,000	4,500	7,500
	TOTAL DEPARTMENT EXPENSES	658,440	8,000	1,000	90,000	8,000	4,500	7,500
5610	Labor Transfers to Captial							
5744	Overhead Burden to Capital							
	Total Capital Labor & OH Out	-	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	658,440	8,000	1,000	90,000	8,000	4,500	7,500

Public Information (PI)											
Dept #30											
		Annual Water Symposium	Barstow SP	MDRCD SP	Copper Mt. SP	AWAC	Demo Gard	County Conf.	WCIP	Regional Legislative Prog.	2014 Total
	EXPENSES:	259	268	290	291	305	344	381	386	392	
5600	Dept Wages										232,940
5612	Dept Overtime										1,000
5613	Health Insurance - Cafeteria										36,720
5614	Payroll Taxes										7,820
5615	Misc Benefit										6,000
5616	Workers Compensation Expense										3,635
5618	Health Insurance - ACWA										8,280
5620	Health Ins Reimb - FSA										4,500
5621	Deferred Comp Contributions										-
5623	PERS Retirement										45,845
	Dept Benefits										-
	TOTAL WAGES & BENEFITS	-	-	-	-	-	-	-	-	-	346,740
5707	Photo Expense										1,500
5711	Books & Subscriptions										500
5713	Printing										-
5720	Computer & Equipment Maintenance										-
5724	Licenses/Dues & Fees										10,000
5725	Auto Expenses										-
5726	Travel Expenses										7,500
5728	Education & Training										2,000
5729	Consulting										20,000
5732	Legislative Advocacy									-	145,000
5742	Public Relations	-						5,000			113,500
5743	Water Conservation	15,000	17,000	8,000	8,000	91,800	24,000		1,200,500		1,500,000
	NON-LABOR EXP	15,000	17,000	8,000	8,000	91,800	24,000	5,000	1,200,500	-	1,800,000
	TOTAL DEPARTMENT EXPENSES	15,000	17,000	8,000	8,000	91,800	24,000	5,000	1,200,500	-	2,146,740
5610	Labor Transfers to Capital										
5744	Overhead Burden to Capital										
	Total Capital Labor & OH Out	-	-	-	-	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	15,000	17,000	8,000	8,000	91,800	24,000	5,000	1,200,500	-	2,146,740

Engineering (ENG)								
Dept #40								
		FY 10/11 Actual	FY 11/12 Actual	FY 12/13 Budget	Actual YTD as of 12/31/2012	FY 12/13 Projected	FY 13/14 Budget	FY 14/15 Budget
	EXPENSES:							
5600	Dept Wages	274,197	279,244	285,896	142,855	285,710	298,675	307,635
5612	Dept Overtime	5,156	3,021	5,513	-	-	-	-
5613	Health Insurance - Cafeteria	32,672	36,720	36,720	18,360	36,720	36,720	36,720
5614	Payroll Taxes	7,162	8,650	9,356	4,476	8,952	9,725	10,017
5615	Misc Benefit	-	-	-	-	-	-	-
5616	Workers Compensation Expense	4,577	2,860	7,690	2,902	5,804	3,635	3,744
5618	Health Insurance - ACWA	5,977	5,753	8,187	3,894	7,788	8,745	8,920
5620	Health Ins Reimb - FSA	4,927	4,500	4,500	4,027	8,054	4,500	4,500
5621	Deferred Comp Contributions	-	-	-	-	-	-	-
5623	PERS Retirement	71,582	84,089	82,271	39,808	79,616	77,085	79,398
	Dept Benefits	-	-	-	-	-	-	-
	TOTAL WAGES & BENEFITS	406,250	424,837	440,133	216,322	432,644	439,085	450,934
5702	Safety Supplies	-	215	500	-	-	500	500
5703	Recruiting Expense	2,322	-	-	-	-	-	-
5704	Temporary Services	10,322	-	-	-	-	-	-
5711	Books & Subscriptions	300	-	250	-	-	250	250
5713	Printing	161	-	-	-	-	-	-
5724	Licenses/Dues & Fees	1,240	630	750	1,121	1,121	500	500
5725	Auto Expenses	12,506	12,166	13,500	5,248	12,595	13,500	13,500
5726	Travel Expenses	515	1,068	500	323	646	750	750
	NON-LABOR EXP	27,366	14,079	15,500	6,692	14,362	15,500	15,500
	TOTAL DEPT EXPENSES	433,616	438,916	455,633	223,014	447,006	454,585	466,434
5610	Labor Transfers to Capital	(282,433)	(190,255)	(75,498)	(32,334)	(32,334)	-	-
5744	Overhead Burden to Capital	(452,493)	(304,408)	(114,203)	(157,607)	(157,607)	-	-
	Total Capital Labor & OH Out	(734,926)	(494,663)	(189,701)	(189,941)	(189,941)	-	-
	TOTAL NET DEPT EXPENSES:	(301,310)	(55,747)	265,932	33,073	257,065	454,585	466,434

Operation & Maintenance (OM)

Dept #50

	EXPENSES:	FY 10/11 Actual	FY 11/12 Actual	FY 12/13 Budget	Actual YTD as of 12/31/2012	FY 12/13 Projected	FY 13/14 Budget	FY 14/15 Budget
5600	Dept Wages	373,314	391,748	423,165	198,195	396,390	471,435	485,578
5612	Dept Overtime	4,535	18,529	8,000	14,385	28,770	20,000	20,600
5613	Health Insurance - Cafeteria	59,600	61,200	67,320	30,600	61,200	73,440	73,440
5614	Payroll Taxes	12,584	12,346	14,224	6,571	13,142	15,800	16,274
5615	Misc Benefit	-	-	4,125	-	-	8,250	8,498
5616	Workers Compensation Expense	42,444	17,351	19,525	16,435	32,870	25,830	26,605
5618	Health Insurance - ACWA	10,231	9,277	12,938	6,258	12,516	15,060	15,361
5620	Health Ins Reimb - FSA	8,769	6,000	9,000	4,975	9,950	9,000	9,000
5621	Deferred Comp Contributions	-	-	-	-	-	-	-
5623	PERS Retirement	122,143	115,516	121,818	53,756	107,512	109,365	112,646
	Dept Benefits	-	-	-	-	-	-	-
	TOTAL WAGES & BENEFITS	633,620	631,967	680,115	331,175	662,350	748,180	768,002
5701	Equip. Lease/Rent	2,386	-	15,000	621	1,242	15,000	15,000
5702	Safety Supplies	1,527	8,291	7,000	618	1,236	7,000	7,000
5705	Building Maintenance & Expense	69,165	71,792	255,000	60,977	121,954	208,500	208,500
5706	Utilities	210,065	11,985	400,000	85,502	385,000	927,000	927,000
5710	Small Tools	7,710	6,405	22,000	566	1,132	22,000	22,000
5711	Books & Subscriptions	-	314	1,000	-	-	1,000	1,000
5712	Telephone	13,561	14,215	18,000	7,058	14,116	18,000	18,000
5720	Computer & Equipment Maintenance	4,577	-	5,000	-	-	5,000	5,000
5724	Licenses/Dues & Fees	2,656	1,671	2,500	198	396	2,500	2,500
5725	Auto Expenses	42,249	62,334	50,000	23,160	46,320	55,000	55,000
5726	Travel Expenses	466	3,042	2,000	25	50	2,000	2,000
5728	Education & Training	1,110	1,290	7,500	145	290	7,500	7,500
5729	Consulting	11,419	8,475	25,000	-	-	180,000	180,000
5734	Environmental	-	-	-	-	-	75,000	75,000
5735	Water Quality	-	-	-	-	-	25,000	25,000
5810	Other Expenses	2	-	-	28	56	-	-
	NON-LABOR EXP	367,720	189,814	810,000	178,898	571,792	1,550,500	1,550,500
	TOTAL DEPARTMENT EXPENSES	1,001,340	821,781	1,490,115	510,073	1,234,142	2,298,680	2,318,502
5610	Labor Transfers to Capital	(136,634)	(138,673)	(50,000)	(21,643)	(21,643)	-	-
5744	Overhead Burden to Capital	(218,614)	(223,220)	(80,000)	(126,986)	(126,986)	-	-
	Total Capital Labor & OH Out	(355,248)	(361,893)	(130,000)	(148,629)	(148,629)	-	-
	TOTAL NET DEPT EXPENSES:	646,092	459,888	1,360,115	361,444	1,085,513	2,298,680	2,318,502

Operation & Maintenance (OM)
Dept #50

	EXPENSES:	Department Admin.	R3 359A	Oro Grande 370A	Rock Springs Security Services 393	Morongo Pipeline 840	Mojave River Pipeline 87A	2014 TOTAL
5600	Dept Wages	471,435						471,435
5612	Dept Overtime	20,000						20,000
5613	Health Insurance - Cafeteria	73,440						73,440
5614	Payroll Taxes	15,800						15,800
5615	Misc Benefit	8,250						8,250
5616	Workers Compensation Expense	25,830						25,830
5618	Health Insurance - ACWA	15,060						15,060
5620	Health Ins Reimb - FSA	9,000						9,000
5621	Deferred Comp Contributions	-						-
5623	PERS Retirement	109,365						109,365
	Dept Benefits	-						-
	TOTAL WAGES & BENEFITS	748,180	-	-	-	-	-	748,180
5701	Equip. Lease/Rent	15,000						15,000
5702	Safety Supplies	7,000						7,000
5705	Building Maintenance & Expense	35,000	60,000	3,500		70,000	40,000	208,500
5706	Utilities	120,000	600,000	12,000		180,000	15,000	927,000
5710	Small Tools	22,000						22,000
5711	Books & Subscriptions	1,000						1,000
5712	Telephone	18,000						18,000
5720	Computer & Equipment Maintenance	5,000						5,000
5724	Licenses/Dues & Fees	2,500						2,500
5725	Auto Expenses	55,000						55,000
5726	Travel Expenses	2,000						2,000
5728	Education & Training	7,500						7,500
5729	Consulting	75,000	25,000		15,000	45,000	20,000	180,000
5734	Environmental	-	75,000					75,000
5735	Water Quality	-	25,000					25,000
5810	Other Expenses	-						-
	NON-LABOR EXP	365,000	785,000	15,500	15,000	295,000	75,000	1,550,500
	TOTAL DEPARTMENT EXPENSES	1,113,180	785,000	15,500	15,000	295,000	75,000	2,298,680
5610	Labor Transfers to Capital	-						-
5744	Overhead Burden to Capital	-						-
	Total Capital Labor & OH Out	-			-	-	-	-
	TOTAL NET DEPT EXPENSES:	1,113,180			15,000	295,000	75,000	2,298,680

**Water Resource (WR) Dept
Dept #60**

		FY 10/11	FY 11/12	FY 12/13	Actual YTD as of 12/31/2012	FY 12/13 Projected	FY 13/14 Budget	FY 14/15 Budget
	EXPENSES:	Actual	Actual	Budget				
5600	Dept Wages	851,116	830,037	837,377	392,681	785,362	853,690	879,301
5612	Dept Overtime	2,824	1,648	11,025	-	-	10,000	10,300
5613	Health Insurance - Cafeteria	145,656	133,699	134,640	61,316	122,632	134,640	134,640
5614	Payroll Taxes	27,116	26,082	28,188	12,525	25,050	28,660	29,520
5615	Misc Benefit	5,354	923	6,000	-	-	6,000	6,000
5616	Workers Compensation Expense	56,346	21,377	21,865	17,106	34,212	26,255	27,043
5618	Health Insurance - ACWA	20,456	16,621	18,326	10,378	20,756	19,755	20,348
5620	Health Ins Reimb - FSA	31,560	15,217	16,500	9,550	16,500	16,500	16,500
5623	PERS Retirement	261,199	245,451	241,034	108,381	216,762	210,280	216,588
	TOTAL WAGES & BENEFITS	1,401,627	1,291,055	1,314,955	611,937	1,221,274	1,305,780	1,340,240
5702	Safety Supplies	2,262	1,807	1,500	-	750	1,500	1,500
5703	Recruiting Expense	-	-	-	-	5,000	-	-
5704	Temporary Services	10,495	-	-	-	5,000	-	-
5708	Postage & Mailing Costs	76	-	-	-	-	-	-
5710	Small Tools	1,937	1,271	2,500	88	700	1,000	1,000
5711	Books & Subscriptions	182	299	500	139	500	500	500
5713	Printing	131	-	-	-	-	-	-
5720	Computer & Equipment Maintenance	8,388	3,000	1,500	-	1,500	-	-
5721	Data Collections	268,238	143,093	265,000	57,079	265,000	250,000	250,000
5724	Licenses/Dues & Fees	1,471	1,283	1,500	288	1,000	4,000	3,000
5725	Auto Expenses	22,255	17,133	20,000	8,952	17,904	20,000	20,000
5726	Travel Expenses	6,372	7,320	5,000	5,235	10,470	12,000	12,000
5728	Education & Training	14,796	7,966	10,000	-	2,500	4,000	4,000
5729	Consulting	462,631	120,559	200,000	92,456	200,000	325,000	325,000
5737	USGS	34,560	521,040	340,410	144,255	340,410	350,000	350,000
5810	Other Expenses	-	6,625	10,000	190	2,000	10,000	10,000
	NON-LABOR EXP	833,794	831,396	857,910	308,682	852,734	978,000	977,000
	TOTAL DEPT EXPENSES	2,235,421	2,122,451	2,172,865	920,619	2,074,008	2,283,780	2,317,240
5610	Labor Transfers to Capital	(56,192)	(22,460)	(25,000)	(238)	(238)	-	-
5744	Overhead Burden to Capital	(89,907)	(36,502)	(40,000)	(998)	(998)	-	-
	Total Capital Labor & OH Out	(146,099)	(58,962)	(65,000)	(1,236)	(1,236)	-	-
	TOTAL NET DEPT EXPENSES:	2,089,322	2,063,489	2,107,865	919,383	2,072,772	2,283,780	2,317,240

**Water Resource (WR) Dept
Dept #60**

		Dept. Admin	USGS Coop. 230	Data Coll. 310	Special Projects 336	Spec. Proj./Env. 400	Bureau of Reclamation 403	2013 TOTAL
	EXPENSES:							
5600	Dept Wages	853,690						853,690
5612	Dept Overtime	10,000						10,000
5613	Health Insurance - Cafeteria	134,640						134,640
5614	Payroll Taxes	28,660						28,660
5615	Misc Benefit	6,000						6,000
5616	Workers Compensation Expense	26,255						26,255
5618	Health Insurance - ACWA	19,755						19,755
5620	Health Ins Reimb - FSA	16,500						16,500
5623	PERS Retirement	210,280						210,280
	TOTAL WAGES & BENEFITS	1,305,780	-	-	-	-	-	1,305,780
5702	Safety Supplies	1,500						1,500
5703	Recruiting Expense	-						-
5704	Temporary Services	-						-
5708	Postage & Mailing Costs	-						-
5710	Small Tools	1,000						1,000
5711	Books & Subscriptions	500						500
5713	Printing	-						-
5720	Computer & Equipment Maintenance	-						-
5721	Data Collections	-	-	250,000				250,000
5724	Licenses/Dues & Fees	4,000						4,000
5725	Auto Expenses	20,000						20,000
5726	Travel Expenses	12,000						12,000
5728	Education & Training	4,000						4,000
5729	Consulting	100,000			75,000	100,000	50,000	325,000
5737	USGS	-	350,000					350,000
5810	Other Expenses	10,000						10,000
	NON-LABOR EXP	153,000	350,000	250,000	75,000	100,000	50,000	978,000
	TOTAL DEPT EXPENSES	1,458,780	350,000	250,000	75,000	100,000	50,000	2,283,780
5610	Labor Transfers to Captial							-
5744	Overhead Burden to Capital							-
	Total Capital Labor & OH Out	-	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	1,458,780	350,000	250,000	75,000	100,000	50,000	2,283,780

Fiscal year 2013/2014 Departmental Initiatives Descriptions

Linking important objectives with necessary resources requires a process that identifies Goals and Key Elements of those goals at the very beginning of the budget process. For this reason, each year the budget process begins with re-assessing the Key Elements and confirming that all the projects in progress and planned truly reflect the goals of the Agency and the Board of Directors, the needs of the Stakeholders and Community, and any fiscal constraints revealed through the budget process.

The goals identified in the Strategic Plan are:

- Goal 1: Develop sound fiscal and organizational policies that allow the Agency to be effective, innovative and responsive.
- Goal 2: Manage SWP entitlement to meet future demands while maintaining independence during periods of water shortages.
- Goal 3: Coordinate efforts to maintain adequate water quality so that groundwater is safe for drinking and other beneficial uses.
- Goal 4: Develop public awareness so that individuals and stakeholder organizations support our efforts and understand their role in contributing to the Agency's mission.
- Goal 5: Advance understanding of basin hydrogeology to support efficient management of water resources.
- Goal 6: Promote efficient use of the region's water resources through regional conservation programs.

SWP Special Projects (Project 290): Goal 2

Consulting services potentially needed to address policy and legal issues associated with the State Water Contract.

Finance Model: Goal 2

This item provides funding for the development of a Long-Term Financial Risk Model to aid in anticipating future risks and potential risk mitigation measures.

Aerial Photos (Project 450): Goal 5

This project deals with the acquisition of digital imagery used for the purpose of verifying information collected as part of the adjudication. Printed and digital images are acquired for the entire adjudicated boundaries using third party aircraft and camera equipment.

VVCC Strategic Partnership (Project 201): Goal 4

MWA enjoys a relationship with Victor Valley College (VVC) through which VVC provides services and programs designed to help better stewardship of our water resources. These services and programs designed to help increase stewardship of our water resources. These services and programs reach constituents that otherwise would not be reached by MWA, and VVCC provides information and skills not provided by MWA. The Agency has agreed to provide financial assistance for implementation and completion of identified projects; technical assistance toward development of projects; coordinate assistance by other Strategic Partnerships with whom MWA has and who have expertise to assist.

Agency Newsletter (Project 209): Goal 4

MWA produces a bi-monthly e-newsletter that announces Agency programs, Board actions, conservation tips, and events. A new format will include water industry issues, as well as opportunities to participate in surveys and quizzes via links to the Agency website.

Public Information Support (Project 226): Goal 4

All costs and labor incurred through a variety of public information endeavors, including but not limited to: consulting fees for specialized services including graphic arts, photography and videography, etc., as well as costs associated with development of publications, public information specific advertising, purchase of outreach materials, unanticipated advertising, and costs for events that don't have their own job code, such as the Newly Elected Officials Orientation.

Lewis Center Strategic Partnership (Project 233): Goal 4

Mojave Water Agency enjoys a relationship with Lewis Center for Educational Research (LCER) through which LCER provides services and programs designed to help increase stewardship of our water resource. These services and programs reach constituents that otherwise would not be reached by MWA, and LCER provides information and skills not provided by MWA. The Agency has agreed to provide financial assistance for implementation and completion of identified projects; technical assistance toward development of the projects; coordinate assistance by other Strategic Partnerships with whom MWA has arrangements and who have expertise to assist.

Mojave Environmental Education Coalition (Project 235): Goal 4

Goal 4

The Mojave Environmental Education Coalition (MEEC) provides a forum for disseminating information about the environment of the Mojave Desert to the public. The Agency will contribute information and resources to the MEEC to the extent that appropriate information can be developed and disseminated to the public in support of the Agency's mission.

Facility Tours (Project 243): Goal 4

Bi-annual tours are provided to the public and stakeholder community to reinforce understanding of the Agency and its function. Tours are conducted at local Agency facilities, such as pipeline and recharge sites. These tours provide the participants with a sense of the scope of the programs that involve MWA, and provide understanding of the Agency and its relationship to the State Water Project.

Annual Water Symposium (Project 259): Goal 4

This new program will highlight key water issues facing the Mojave region serve to further reinforce integrated planning and regional planning to develop long-range solutions to ensure a sustainable water supply, as well as reinforce the benefits of water conservation.

Barstow Strategic Partnership (Project 268): Goal 4

Mojave Water Agency enjoys a relationship with Barstow Community College (BCC) through which BCC provides services and programs designed to help increase stewardship of our water resources. These services and programs reach constituents that otherwise would not be reached by MWA, and BCC provides information and skills not provided by MWA. The Agency has agreed to provide financial assistance for implementation and completion of identified projects; technical assistance toward development of the projects; coordinate assistance by other Strategic Partnerships with whom MWA has arrangements and who have expertise to assist.

MDRCD Strategic Partnership (Project 290): Goal 4

Mojave Water Agency enjoys a relationship with Mojave Desert Resource Conservation District (MDRCD) through which MDRCD provides services and programs designed to help better stewardship of our water resources. These services and programs reach constituents that would otherwise not be reached by MWA, and MDRCD provides information and skills not provided by MWA. MWA has agreed to provide financial assistance for implementation and completion of identified projects; technical assistance toward development of the projects; coordinate assistance by other Strategic Partnerships with whom MWA has arrangements and who have expertise to assist.

Copper Mountain Strategic Partnership (Project 296): Goal 4

MWA enjoys a relationship with Copper Mountain Community College (CMCC) through which CMCC provides services and programs designed to help increase stewardship of our water resources. These services and programs reach constituents that would otherwise not be reached by MWA, and CMCC provides information and skills not provided by MWA. The Agency has agreed to provide financial assistance for implementation and completion of identified projects; technical assistance toward development of the projects; coordinate assistance by other Strategic Partnerships with whom MWA has arrangements and who have expertise to assist.

AWAC (Project 305): Goal 4

MWA continues to provide leadership to the broad based water coalition known as the Alliance for Water Awareness and Conservation (AWAC). AWAC was formed in 2003 to combine the knowledge and resources of a variety of public and private organizations.

Demonstration Garden (Project 344): Goal 6

MWA has a demonstration garden that displays more than 35 different plant species that will survive and thrive in a desert climate. The Demonstration Garden is open to the public for self-guided tours, and the Agency provides a bibliography describing each of the plants contained in the garden.

County Conference (Project 381): Goal 4

MWA is co-sponsor of the San Bernardino County's Annual Water Conference that brings together water professionals and policy makers to address regional and statewide water issues.

Water Conservation Incentive Program WCIP (Project 381): Goal 6

In cooperation with the Alliance for Water Awareness and Conservation, and Niagara Conservation, MWA has implemented the WCIP, a regional program offering a variety of incentives to customers of retail water agencies. The Program offers cash, vouchers and rebates to help achieve 20% reduction in per capita water consumption by the year 2020

Regional Recharge and Recovery (Project 359):Goal 2

The project includes a well field in the Upper Mojave Basin along the river located between Rock Spring Road and Bear Valley Road, an east-west pipeline of approximately nine miles; several pump stations and tanks, and several turnouts. This project is a regional project and will benefit the areas of greater Victor Valley. The money in this years budget will cover costs for inspection services for reservoirs, ongoing permitting compliance costs, energy consumption costs, and general operations and maintenance of the facility.

Oro Grande North Recharge (Project 370): Goal 2

The project includes using the existing 395 aqueduct turnout for the siphon facility, over three miles of pipeline, and a recharge site located in the Oro Grande Wash near Victorville. The

money in this year's budget will cover costs for ongoing permitting compliance, energy consumption costs, and general operations and maintenance of the facility.

Rock Springs Security Services (Project 393): Goal 1

Security services will be provided during the delivery of water at the Rock Springs Facility. This will minimize the risk exposure by enforcing people to stay out of the active flow channel while water is being delivered.

Morongo Basin Pipeline Maintenance (Project 840): Goal 2

The money in this year's budget will cover costs for inspection services for reservoirs, energy consumption costs, and general operations and maintenance of the facility.

Mojave River Pipeline-Expense (Project 870A): Goal 2

The money in this year's budget will cover costs for energy consumption costs, and general operations and maintenance of the facility..

USGS Cooperative (Project 230): The United States Geological Survey is a key partner in the data gathering effort to support resource management in the Mojave Desert. Through a cooperative agreement with the USGS, MWA receives services that include surface water monitoring/sampling, well monitoring, water quality sampling and various other support functions over the course of the year. In most cases, the work is done through a cost sharing arrangement.

Data Collection Project 310): Goal 5

Costs associated with water quality sampling, groundwater monitoring, weather station data, and etcetera. Funds will also be for monitoring stations maintenance, special data collection projects, and small-directed studies where specific data are needed.

Special Projects (Project 336):

This represents money set aside for unanticipated small projects that may arise throughout the fiscal year which that will need expenditures of materials and/or outside services

Special Projects – Environmental (Project 400): Goal 5

Provides funding for consultant support for miscellaneous water supply project, specialized hydrogeologic studies or California Environmental Quality Act (CEQA) analysis needed to support projects. Money set aside this year includes continues work on the Invasive Species project maintenance for weed removal from the Mojave River.

Bureau of Reclamation (Project 403): Goal 1

Available matching grant funds for potential projects performed within the Agency's boundary by the United States Bureau of Reclamation if Federal Bureau funds are available. Past work has included studies on the amount of water saved as a result of the invasive species removal.