

Mojave Water Agency

Adopted May 1, 2014

**Fiscal Year
2014/2015**



The Mojave Water Agency Year 2014/2015 Budget represents a new era for the Agency following more than a decade of significant capital investment. Building on the successful completion of a number of major infrastructure projects, this budget reflects the Agency's commitment to innovative water resource management and endeavors to leverage new opportunities that the changing state water landscape brings.

BUDGET

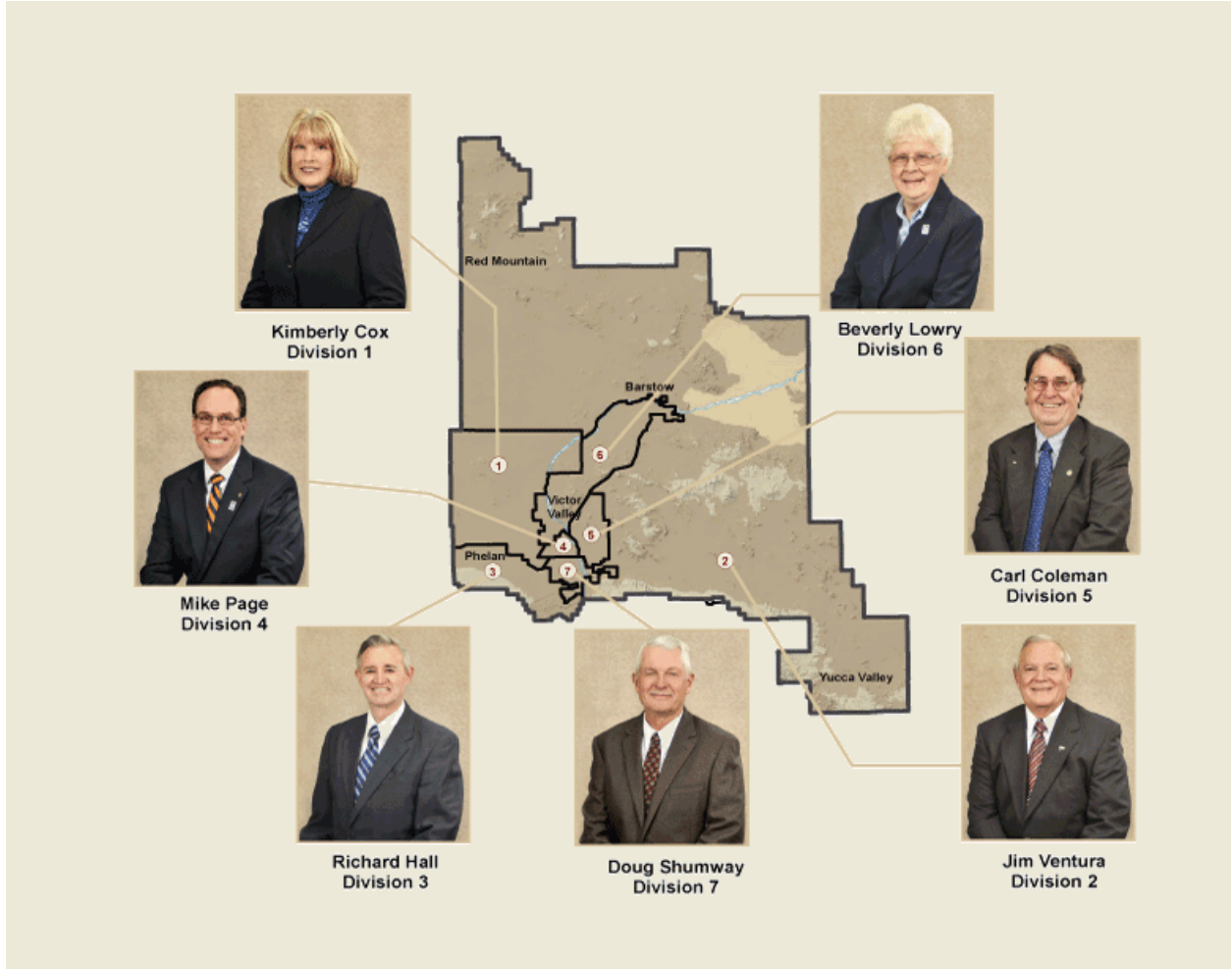
Fiscal Year

2014/2015

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Mojave Water Agency Fiscal Year 2014-2015 Budget

Board of Directors





LETTER OF INTRODUCTION

Members of the Board of Directors:

California's ongoing drought brings both great challenge and opportunity to address needed change to statewide water policy including water sales and groundwater management. The region's ability to withstand the drought is the result of a more than decade of Board policies that reflect sound fiscal investment, integrated planning, collaboration, aggressive conservation, science-based decision making, and efficient use of State Water Project (SWP) resources. Collectively, these actions have served to drought proof and position the region to more effectively leverage resources, despite zero allocation from the SWP. The Fiscal Year 2014/2015 Budget builds on MWA's strong foundation, implementing initiatives designed to ensure continued regional sustainability for the region, and positions the Agency to further evolve its procedures and processes to fully capture merging opportunities in the state's shifting water paradigm.

Last year, the Agency began 2013-2014 with a balanced budget with healthy reserves totaling some \$36 million. Key milestones include the startup of the Regional Recharge and Recovery project, preliminary development of a Baja Sustainability Plan, continued progress of the Integrated Regional Water Management Plan and Salt Nutrient Management Plan, completion of the Ames/Reche Basin Recharge Project, continued success of the Cash for Grass program resulting in the cumulative removal of some 6.2 million square feet of turf, conversion of new financial software, and initiation of a new financial model for the organization.

As the Agency moves forward into the new fiscal year, an improving economic climate provides confidence to move forward with initiatives identified in this year's budget. Property tax continues to be the Agency's primary source of income. Projections by HDL and Beacon Economics bode well for the area's local economy with both firms anticipating continued growth in assessed valuation. HDL Companies report an active real estate market. California foreclosure rates dipped to a four-year low in the 4th quarter of 2013. Homes sale prices from 2012 to 2013 increased among the incorporated cities in the MWA region on average by 21.8%. Beacon Economics estimates a 3 to 3.5% increase in 2014/2015 and expects that trend to continue beyond 2015 with a trend of 4.5% growth for the long-term. Among the indicators are employment growth, increased consumer spending, new construction activity, and a growing labor market.

Today we enjoy a position of stability. Reflecting on the past year's achievements, it is clear that the Agency's strength lies in its sound fiscal management and foresight. Last year's water sale took advantage of the current water market and generated \$16 million in revenue. These funds are reflected in the new budget.

The 2014/2015 Fiscal Year Budget totals \$41 million with a projected reserve balance of \$55.5 million, enabling the Agency to complete capital projects identified under the 2004 IRWMP and begin preparation for projects currently identified in the ongoing 2014 IRWMP effort. Among the budgeted capital projects are expansion of R³, Lenwood Recharge Refurbishment, Oro Grande Recharge, and the Helendale Outlet project.

As the Agency endeavors to capture new emerging opportunities, a number of programs and initiatives are included in the FY 2014/2015 budget to accomplish this end. These programs and initiatives include: a SCADA Upgrade for the Morongo Basin Pipeline and the Mojave River Pipeline, River Land Acquisition for future recharge sites along the Mojave River, feasibility study of the Alto Regional Aquifer for off river recharge, feasibility study for the Reoperation of Forks Dam/Groundwater Recharge Supply, Baja Sustainability Water Purchase Program, Cash for Grass Commercial Program, and funding for small water systems support for disadvantaged communities.

Looking to the future, the Agency continues to face a number of undetermined future costs related to the Bay Delta Conservation Plan, the Water Bond, and contract negotiations with the Department of Water Resources. Current drought conditions have heightened water policy discussions on state regulation of groundwater supplies that will dramatically affect our region. This brings opportunity to tell MWA's story of groundwater management success, help develop statewide sustainable groundwater management policies, and redefine "reduced reliance on the Sacramento Delta."

The task before us will require a shift from our current operating model that has focused heavily on needed capital investment. Now, the Agency must adopt practices to achieve greater flexibility to quickly respond to evolving state policies and opportunities that this changing environment brings. However, we stand ready with a new financial model that calculates various hydrological and financial conditions, a growing science data base, and greater community collaboration and integrated planning that will produce more innovative solutions and new partnerships.

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.

Sincerely,



Kirby Brill
General Manager



Kathy Cortner
Chief Financial Officer

PROPOSED FISCAL YEAR 2014/2015 BUDGET

	FY 2013/2014 Budget	FY 2013/2014 Projected	Variance Fav (Unfav)	% of Budget @ 100% of Year	FY 2014/2015 Budget	Budget vs. Budget Variance	FY 2015/2016 Budget
Beginning Cash Reserves	\$ 35,812,384	\$ 36,083,276	\$ 270,892		\$ 55,507,649	\$ 19,695,265	\$ 52,418,135
<u>Revenues</u>							
Water Sales (net of Reliability Assessment)	4,070,190	3,776,230	(293,960)	93%	4,040,207	(29,983)	4,556,030
Reliability Assessment	2,326,860	1,726,542	(600,318)	74%	1,907,700	(419,160)	2,476,148
SWP Water Pool Sales	-	16,426,784	16,426,784	100%	-	-	-
Pre-Purchase Program In/(Out) *	(2,563,600)	(749,973)	1,813,627	29%	(1,000,000)	1,563,600	(1,000,000)
MWA 1 - 11.5¢	9,985,259	10,600,000	614,741	106%	9,960,493	(24,766)	10,730,439
MWA 2 (a) 3¢	8,322,969	8,625,000	302,031	104%	8,631,386	308,417	9,298,592
MWA 2 (b) 2.5¢	6,935,807	7,175,000	239,193	103%	7,192,821	257,014	7,748,826
General Property Tax	2,495,052	2,700,000	204,948	108%	2,700,000	204,948	2,781,000
ID M Property Tax Assessment	2,523,074	2,600,000	76,926	103%	2,488,825	(34,249)	2,681,211
ID M Debt Service Support	813,688	813,688	-	100%	813,250	(438)	812,688
Interest	318,776	100,000	(218,776)	31%	161,854	(156,922)	221,035
Grants	3,650,500	3,060,413	(590,087)	84%	1,000,000	(2,650,500)	-
Project Sponsorships / Local Funding	-	322,606	322,606	0%	-	-	-
Miscellaneous	2,000	22,000	20,000	1100%	22,000	20,000	22,000
Total Revenues	\$ 38,880,575	\$ 57,198,290	\$ 18,317,715	147%	\$ 37,918,536	\$ (962,039)	\$ 40,327,969
<u>Expenditures</u>							
DWR Min OMP&R	7,699,636	7,914,040	(214,404)	103%	7,853,629	(153,993)	8,246,310
DWR Bond and Capital	7,287,705	6,765,976	521,729	93%	7,433,459	(145,754)	7,805,132
SWC Member Allocation	210,000	188,467	21,533	90%	216,000	(6,000)	216,000
SWP Contractors Authority	57,000	35,963	21,037	63%	56,000	1,000	56,000
Tax Collection Exp	123,000	123,000	-	100%	123,000	-	123,000
Water Purchases	1,826,676	1,034,476	792,200	57%	1,536,380	290,296	2,329,368
Departmental Expenses	11,155,335	9,581,746	1,573,589	86%	12,087,723	(932,388)	11,256,608
CalPers Side Fund Liability Payment	-	1,383,588	(1,383,588)	-	-	-	-
DWR Loans	807,364	807,364	-	100%	404,328	403,036	350,365
ID M	3,168,125	3,168,125	-	100%	3,167,500	625	3,161,625
Dudley Ridge	2,296,575	2,296,575	-	100%	2,596,033	(299,458)	2,594,533
Berrenda Mesa	1,895,606	1,950,606	(55,000)	103%	1,885,381	10,225	1,895,506
Capital	4,887,825	2,523,991	2,363,834	52%	3,648,617	1,239,208	2,288,617
Total Expenditures	\$ 41,414,847	\$ 37,773,917	\$ 3,640,930	91%	\$ 41,008,050	\$ 406,797	\$ 40,323,064
A/R & A/P Adj.		\$ -					
Ending Cash Reserves	\$ 33,278,112	\$ 55,507,649	\$ 22,229,537		\$ 52,418,135	\$ 19,140,023	\$ 52,423,040

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 is seeing recovery in its property taxes. This past year, actual receipts came in 5% higher than budgeted. As we look forward, assessed values are projected to continue to increase. These projections are provided by Beacon Economics, which the Agency hires to aid in projecting out 5 years of values. Also, 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 2006, which the Agency revisits each year and updates as part of the budget preparation. Over the past several years, the Agency has been carrying out the projects identified in the 2006 Water Management Plan. The 2014 year marked the completion of those projects and a new phase of study, planning, and design begins. The Agency is coming out of a capital intensive period and is now planning its response to the new Integrated Regional Water Management Plan priorities.

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".

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.

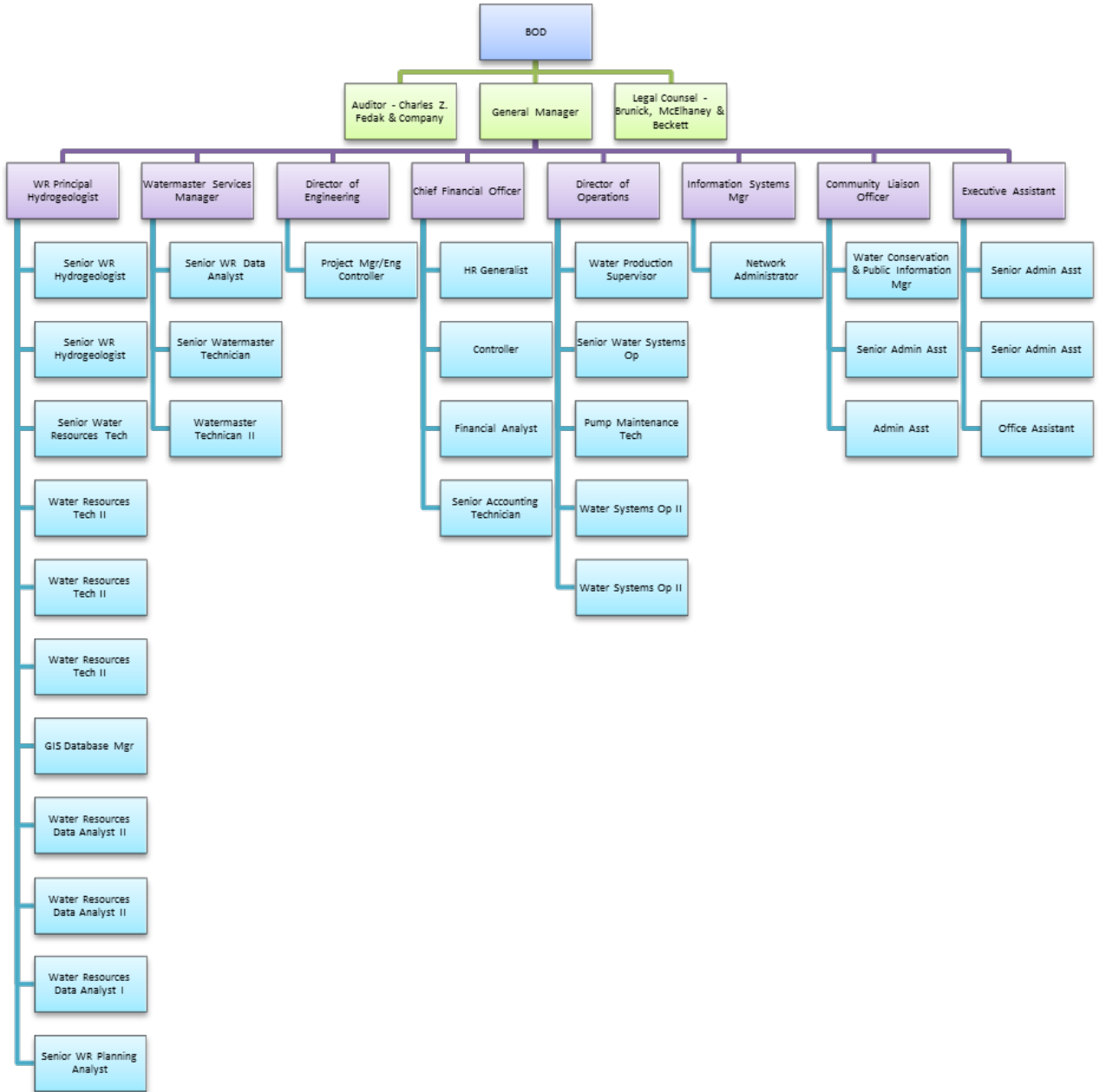
In addition to reporting the results of operations each month, spending limits have been established in the Agency Purchasing Policy as follows:

- ❖ 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 2014/2015 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 5% that will be allocated to employees based on performance. 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 100% of their share. The following page is the organization chart for the Fiscal Year 2014/2015 with approved positions.

Organization Chart



ANALYSIS OF REVENUES AND EXPENDITURES

Financial Direction

The 2014 year marked the completion of those projects carried out in the 2006 Water Management Plan. The financial direction of the agency now shifts into a new phase of study, planning, and design. The Agency is coming out of a capital intensive period and is now planning its response to the new Integrated Regional Water Management Plan priorities.

As this

In addition to this challenge are a number of other challenges that the Agency's Board will confront. Some of the challenges identified by management are the following:

- A Statewide drought
- The future costs associated with the Delta fix
- State Water Bond
- A greater emphasis on water quality

In the midst of these challenges are opportunities that the Agency can use against these challenges. These opportunities are:

- Greater flexibility in the water market
- Renewed focus on groundwater management
- Greater need to plan and share resources
- Increased regional collaboration
- Public policy urgency on water supply
- A Recovering local economy
- Continued cultural shift to conservation

With all these challenges and opportunities in mind, the Agency determined that there is a need for a dynamic financial model to assist Management in planning the Agency's future. During Fiscal Year 2014, the Agency contracted with Raftelis Financial Consultants to develop a dynamic financial model. The model allows Management to forecast the effects of various financial and hydrological variables on the Agency.

A variable included in the plan is the ability to utilize a water leasing module. In 2014, the Agency participated in a 2-year demonstration program called the "Multi-Year Water Pool Program". Through this program, the Agency was able to sell its carryover water and generate \$16.4 million in revenue. It is important to note that it is unknown whether similar programs will exist in the future, but the Agency is optimistic in thinking that similar opportunities will be available.

The Agency's investment in a dynamic financial model puts Management in the position of being able to plan now for the future risks the Agency will face. This model sheds some light on the various tools, other than property tax rates, that the Agency can use when facing the challenges ahead.

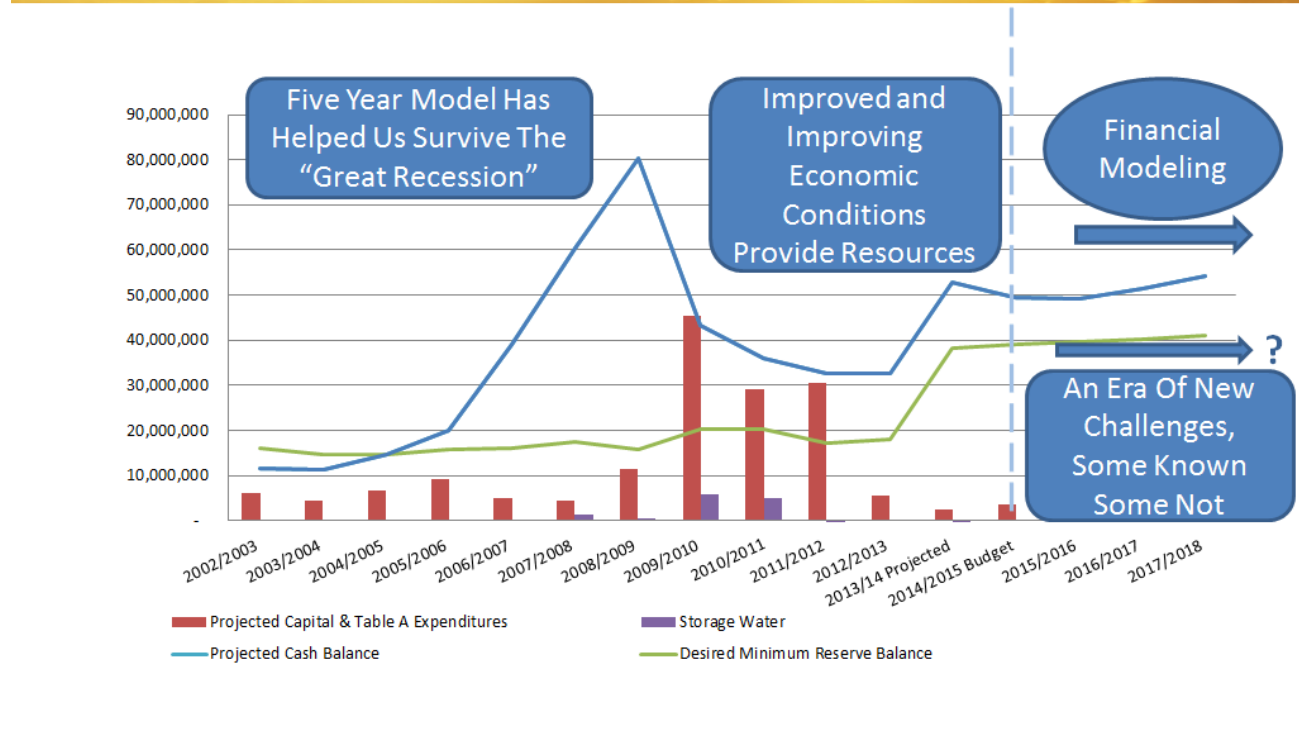
Additionally, the Agency continues to utilize a Five-Year Cash Flow Risk Model to aid in determining the short-term financial position of the Agency. The model projects out five years of the capital needs of the Agency.

In order to determine Project 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 green line. In 2014, the Agency updated its reserve policy. As a result, the reserve for 2014 increased to approximately \$38 million. The projected cash balance is the blue 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 comes off a capital intensive period and into a period of planning and design for the next round of 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 IDM monies are restricted solely for the debt service payment on the Morongo Basin Pipeline project, those monies have been excluded from this analysis.

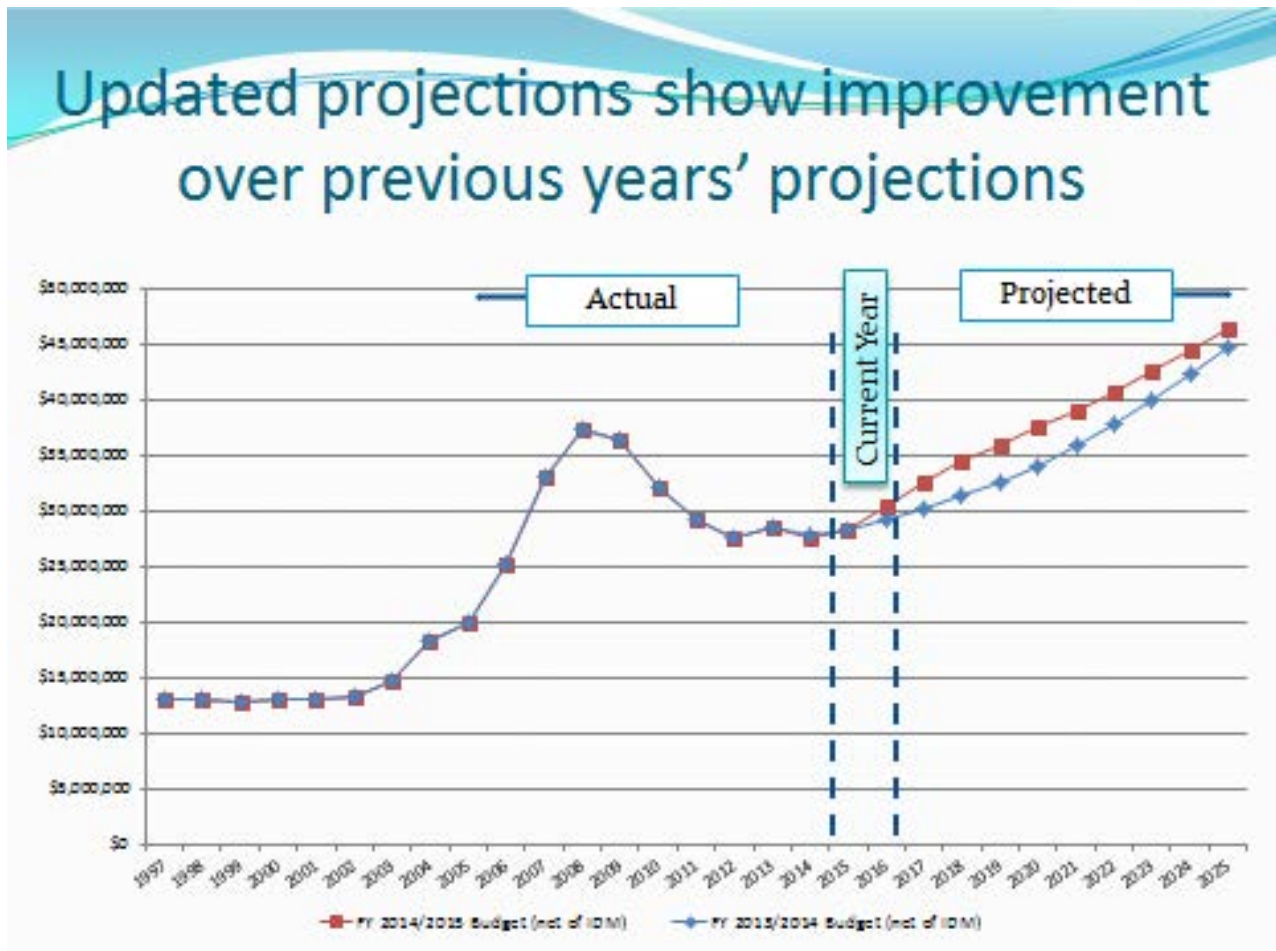
Continuation Of Successful Strategies To Ensure A Sustainable Future



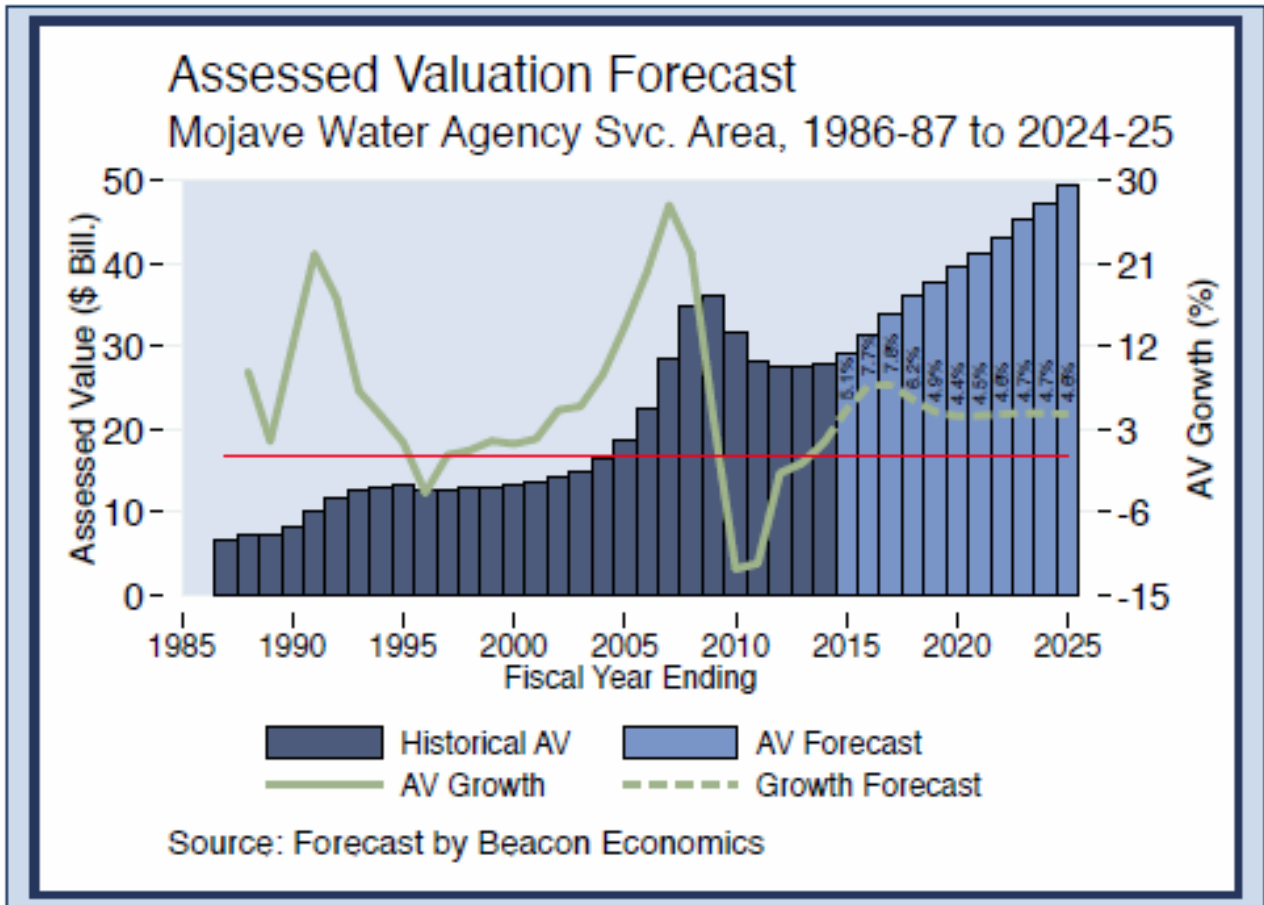
Revenue Projections

Tax Receipts

Assessed values are estimated to increase by 2.85% in fiscal year 2014/2015. Future years are anticipated to increase at a moderate pace (see chart below). The Agency uses two firms to assist in the property tax projections. First, HdL provides the short-term 1 year outlook based on actual data received that will be going into the values prepared by the County Assessor. Second, Beacon Economics provides a long-term forecast. Based on improving economic conditions, the future long-term forecast is looking better than at first thought last year. Because of the demographics and open space in the Agency



As stated in their report, "...Beacon Economics is confident that assessed valuation in the MWA area will gradually improve in the years ahead. As property values continue to rise, Prop. 13 increases will begin to kick in. In addition, new and existing home sales will bolster the local AV base as more homes transact at higher prices. And, new stock will come on line in the coming years as well which will expand the property tax base further. The forecasted growth of 3%-4% in MWA AV is not spectacular, but the worst is certainly behind us." Below is a graphical representation of the Beacon forecast of future assessed values.



Grants

During fiscal year 2009/2010, the Agency was the recipient of both Title XVI funds and Challenge funds 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. These grants have been spent as the R3 and Oro Grande projects are completed. The Agency was also successful in receiving the Prop 84 grants for Water Conservation Incentive programs of which approximately \$1.4 million remain to be spent in fiscal years 14/15 and 15/16.

Future sources of grant funding and local participation will play a considerable role in the implementation of the new Integrated Regional Water Management Plan as they have in the past.

Project	Grant/Sponsor	Amount	Funding Received	Remaining Grant
Regional Recharge & Recovery	Prop 50	\$ 24,500,000.00	\$ 24,500,000.00	\$ -
Regional Recharge & Recovery	USBR Title XVI (ARRA)	\$ 10,997,055.66	\$ 10,997,055.66	\$ -
Oro Grande	Victorville Sponsorship	\$ 2,488,417.58	\$ 2,455,917.58	\$ 32,500.00
Water Conservation Incentive Program	Prop 84	\$ 2,000,000.00	\$ 601,039.55	\$ 1,398,960.45
		\$ 39,985,473.24	\$ 38,554,012.79	\$ 1,431,460.45

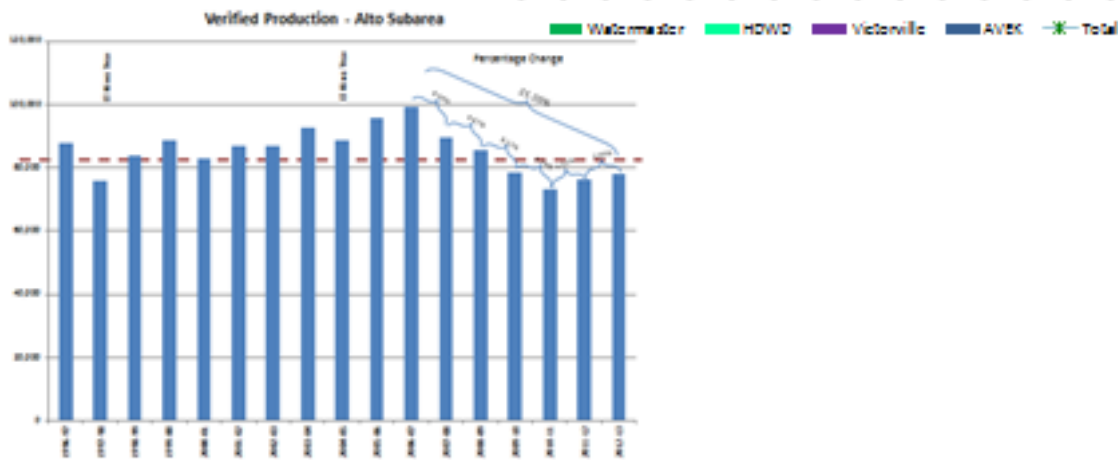
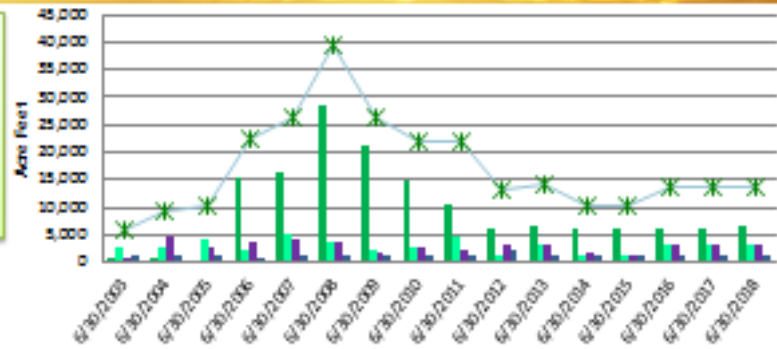
Water Sales

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. Verified production has seen a slight increases over the last couple of years. However, as water producers carry over water to future years, actual sales or Replacement Water Obligations is anticipated to remain flat.

Water sales are down due to the 0% allocation in State Water Project water, as a couple of customers pay as that water is delivered. As the Agency continues to develop more recharge basins, it is possible that hard annual demands on the State Water Project system will be reduced to negligible amounts. It is anticipated that sales will stabilize over the next few years.

Water Sales Down in Acre-Feet With 0% Allocation

- However, R3 Rates keeping dollars constant
- Slight increase in verified production in water year 12-13
- Also have water available from pre-purchase program that will potentially drive sales down



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 in prior years. Over the next few years, these agencies will be able to call on that water, which reduces water sales further. Most agencies that have pre-paid and pre-stored water in the basin are currently holding onto their amounts, presumably for future economic hardships on their individual agencies.

Expenditure Projections

State Water Project/Department of Water Resources Fixed Costs

The Department of Water Resources (DWR) Fixed Costs are difficult to anticipate, due largely to the unknowns on the State Water Project system as a result of recent court rulings on the Delta smelt and salmon, aging infrastructure plus potential additional environmental threats to the water supply. However, over the past few 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 2035 until they are finalized. This

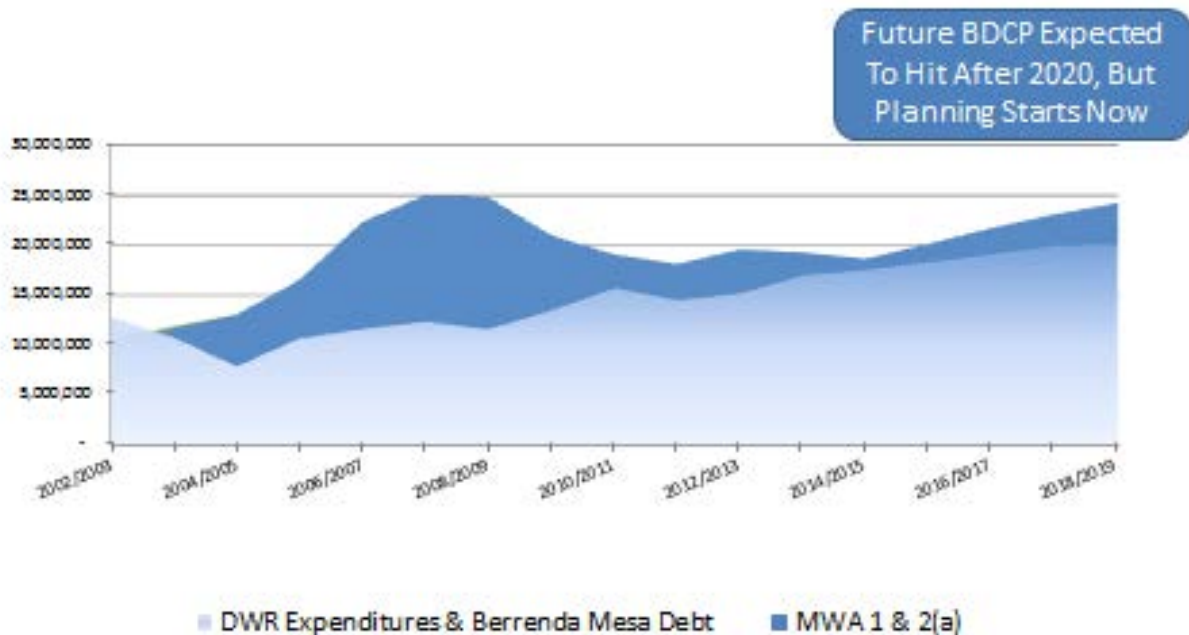
has resulted in the financing of major infrastructure for shorter and shorter periods, which is causing the increase in annual debt service payments.

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. However, asset replacements may not always be capitalized and can temporarily increase the costs during large repair and replacement projects.

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.

A future potential cost for the Agency is the potential Bay Delta Conservation Plan. While it will be years before the Agency anticipates any of those costs, the planning and projection work has begun and will be incorporated into the Agency's new Financial Model.

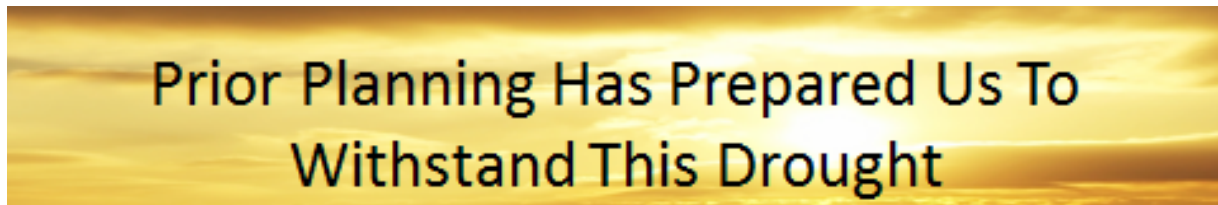
Current DWR Projections Show Ongoing Expenses Below Projected Revenues



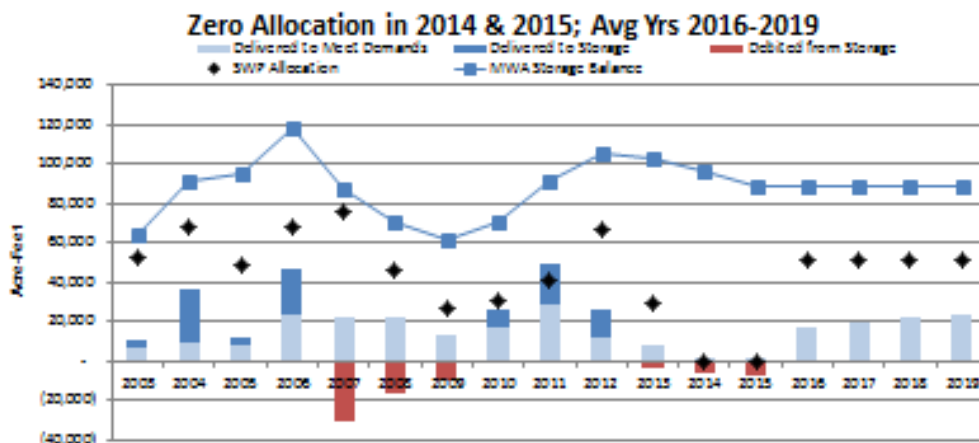
DWR Variable Costs (water purchases)

Allocations for 2014 from the State Water Project System are at 0%. Allocations from the State Water Project System for 2015 are unknown. The Agency currently maintains approximately 3,800 acre feet of water in carryover. The budget assumes that future allocations plus carryover water will be sufficient to support water sales demand.

Through conservative planning, the Agency has put itself in a strong position despite of being at 0% allocation. In the past, Management has planned for the possibility of a 0% allocation and started to build up a bank of water in order to mitigate threats to water supply. This tone at the top has put us in a strong position even in as we face a draught. As we draw down on water reserves, the Agency will be looking to replenish these draw downs in order to maintain a healthy water reserve. The following graph shows our water inventory balances as well as the effect of the 0% allocation on reserves.



- With water sales down, and zero percent allocation for first half of year, water purchases are also down, however prior planning will sustain us



Future State Water Project Costs (Delta Habitat Conservation and Conveyance Program)

The Delta Habitat Conservation and Conveyance Program (“DHCCP”) and the Bay Delta Conservation Plan (“BDCP”) are programs consisting of joint efforts by agencies of the federal government and the State of California and local agencies to fund and plan habitat conservation and water supply activities in the Sacramento San Joaquin River Delta/San Francisco Bay Estuary (the “Bay Delta”), including certain water conveyance options with respect to certain water conservation and conveyance facilities.

Pursuant to the MOA, 50% of the DHCCP and BDCP planning, preliminary design, and environmental compliance (the "Planning Phase") costs were allocated to SLDMWA, with the remaining 50% of such costs being allocated to DWR (the "State Share"). DWR's current estimate of the DHCCP Planning Phase costs through the currently expected issuance of a record of determination (the "ROD") in late 2014 is approximately \$240,000,000. To assist DWR in funding the State Share of the Planning Phase costs, the Agency and certain other State Water Project contractors entered into certain agreements (the "Supplemental Funding Agreements") with DWR to fund on a pay-as-you-go basis, the State Share. The Agency contributed approximately \$2.7 million as its share of the State Share toward the Planning Phase costs.

Pursuant to the Supplemental Funding Agreement, the Agency's pay-as-you-go contribution already paid under the Supplemental Funding Agreement is expected to be refunded if and when DWR issues revenue bonds for construction of the Isolated Facility. Until such date, the Agency expects to pay its share of the costs to finance Pre-Construction Phase costs through the levy of *ad valorem* taxes pursuant to the MWA Law.

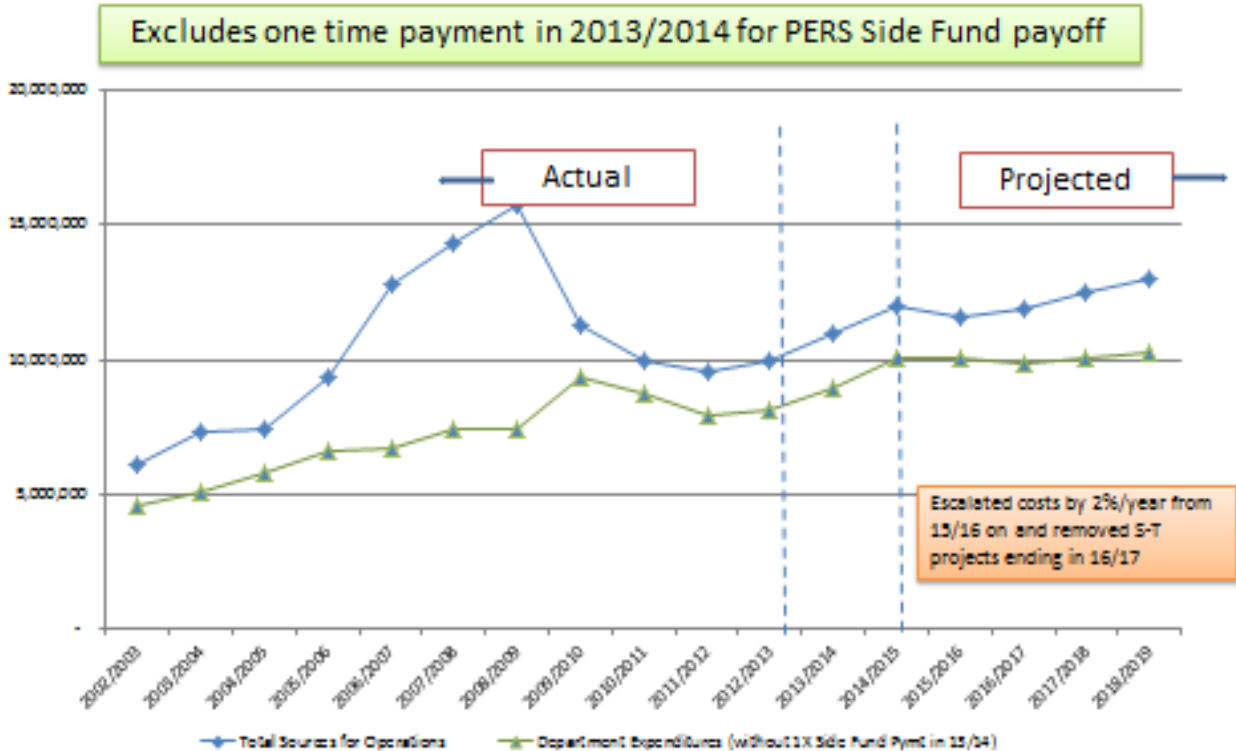
In anticipation of these future costs, the Agency contracted with Raftelis Financial Consultants in order to develop a comprehensive financial model. The financial model allows the Agency to understand the effects of certain risk on the Agency's finances. The Agency has been using the financial model to determine how to best use the tools we have available in order to mitigate the future risks the Agency will face.

The financial model puts the Agency in a strong position to start the process of planning for these risks now, rather than being faced with the monumental task of dealing with these risks when they occur in the future.

Departmental Expenditures

The major initiatives included in the Fiscal Year 2014/2015 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 Outlook For Operational Expenses Remain Below Projected Revenues



Capital Expenditures

The capital projects included in the fiscal year 2014/2015 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 \$3.6 million planned in 2014/2015. Future capital projects are a direct result of the Integrated Regional Water Management Plan, the source of the Agency’s planned capital improvement projects and programs. A majority of fiscal year 2014/2015 capital expenses will be for the feasibility, planning, and design of the various new projects from the Integrated Regional Water Management Plan.

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 \$3,201,875, 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 loan was paid off in April 2014. The final annual debt service payment was \$343,275.
 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 \$302,765.
 4. Loan from the California Department of Water Resources to finance the Yucca Valley Groundwater Recharge construction costs. The annual debt service payment is \$102,098..
 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 2013/2014 is \$1,914,806. In 2014, the Agency began the process of refunding the 2004 COPs to reduce the annual cost, however, the debt service schedule is not yet known. The 2004 COP debt service schedule is still enforceable until the Refunding is complete.
 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 2014/2015 is \$2,297,750.

5 YEAR CAPITAL PROJECT BUDGET

Project Name	FY 2013/2014 Projected	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	Thereafter	Total Project Cost
Regional Recharge & Recovery Project	40,000	735,000	525,000				29,000,000	30,300,000
SCADA Upgrade - Morongo Basin and Mojave River Pipelines		225,000						225,000
Antelope Wash Recharge							950,000	950,000
River Land Acquisition		100,000						100,000
Mojave River Pipeline Casia Cla Valve replacement		34,000						34,000
Helendale Outlet		110,000	345,000	280,000				735,000
Lenwood Refurbishment	50,000	260,000						310,000
Oro Grande Wash Recharge	15,000	282,500						297,500
Reoperation of Forks Dam/Ground Water Recharge Supply		300,000	300,000	300,000	300,000			1,200,000
Alto Regional Aquifer Off River Recharge Basins		175,000	500,000		250,000		11,195,000	12,120,000
Bandicoot Basin Recharge Project		100,000	225,000	850,000	825,000			2,000,000
Ames/Means Recharge	330,000							330,000
Joshua Basin Conservation Project	650,000							650,000
Warren Vista Press. Reduction	49,365							49,365
Oeste/L.A. County Underflow (Phelan CSD)		313,617					1,000,000	1,627,234
Small Systems - Baja Sustainability Water Purchase Program		500,000					1,000,000	1,500,000
Oeste Recharge							1,000,000	1,000,000
Newberry Springs Monitoring Wells							1,000,000	1,000,000
Integrated Regional Water Management Plan	702,394	50,000						752,394
Operations Center	520,000							520,000
L-T Data Storage		275,000	60,000	60,000				395,000
Network Hardware Replacement		20,000	20,000					60,000
Vehicles & Equipment	147,232	168,500						315,732
Total	\$2,523,991	\$3,648,617	\$2,288,617	\$1,490,000	\$1,375,000	\$	\$45,145,000	\$56,471,225

Fiscal year 2014/2015 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 projects Phase 1 has been constructed and started operation in the last fiscal year.. Costs for this next fiscal year are related to long term operational issues.

Zone 1 Reservoir Outlet Modification: [Goal 2](#)

Add an outlet to the Zone 1 reservoir that will improve circulation and mixing of chlorinated water before being pumped into Zone 2 for delivery to turnouts.

Air Entrainment Study: [Goal 2](#)

The R3 water being delivered to Victorville is causing a noticeable amount of air bubbles at the customers tap. The issue is being studied and alternative operational scenarios are being tried that may help reduce the customer complaints to Victorville. Additional technical studies/testing and public education may be necessary if operational fixes prove ineffective.

R3 Phase II Expansion: [Goal 2](#)

Design and construct the ultimate planned R3 facility capacity. This includes additional wells with pipeline extensions, Zone 1 storage reservoir, booster pumps, and electrical control systems.

Zone 2 Reservoir Interior Coating: Goal 2

This is the existing 5 MG reservoir being leased from Victorville for use in the R3 system. The inspection of the interior coating after the first year of operation indicates that additional coating repair is necessary to extend the life of the interior coating up to 10 more years before full replacement will be required.

Backup Chlorinator at the Zone 2 Booster Pump Station: Goal 2

The entire R3 delivery system is dependent on one chlorinator. Failure of this chlorinator would result in the stopping of all R3 deliveries until repairs to the chlorinator can be made. A backup chlorinator would provide system redundancy to help ensure deliveries could continue in the event the chlorinator breaks down.

Landscaping at Well #1: This is mitigation work that was agreed to around Well #1 that is still yet to be completed.

Deep Creek Hydro for the Operations Center and R3 Wells: Goal 2

Discharges at Deep Creek into the Mojave River for groundwater recharge has significant pressure available which is capable of producing electricity if passed through a turbine. Several alternatives are being investigated to supply power directly to the Operations Facility and to the R3 Wells. Ultimately these investigations may lead to the design and construction of hydroelectric generation at the Deep Creek Outlet.

SCADA Upgrade – Morongo Basin Pipeline & Mojave River Pipeline: Goal 2

The existing SCADA system is older and needs upgrading. With the construction of R3 and Oro Grande Wash Projects, a new SCADA system has been installed which can be expanded to incorporate the Morongo Basin and Mojave River Pipelines. The SCADA system on the Morongo Pipeline was installed in 2000 and the Mojave River Pipeline's initial installation began in 1997. Both SCADA systems have equipment that is no longer supported by the manufacturer. The item also includes money to move the SCADA systems from the current Rock Springs warehouse to the Operations Facility at Deep Creek.

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.

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.

Mojave River Pipeline Cassia Rd. Cla-Valve Replacement: Goal 2

This is the by-pass flow control valve which low flows to the High Desert Power Project. The valve has failed and we have made “temporary” repairs until the valve can be replaced.

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.

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.

Oro Grande Wash 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.

Reoperation of Forks Dam/Groundwater Recharge Supply: [Goal 5](#)

This fiscal year's budget includes feasibility studies to begin determining the process/schedule, costs, legal issues, environmental/permitting issues for possible reoperation of the Army Corp of Engineers flood control dam at the headwaters of the Mojave River (Forks Dam). The reoperation would ultimately result in greater groundwater recharge of flood waters in the Mojave River to groundwater basin influenced by the Mojave River from Alto to Baja.

Alto Regional Aquifer Off River Recharge Area: [Goal 2](#)

This fiscal year's budget includes feasibility studies and investigative studies to identify land for off river recharge. Once appropriate land is identified initiation of the process for land acquisition will begin.

Bandicoot Basin Recharge Project (formally called Cedar Street): [Goal 2](#)

This budget includes the determination of the type/size of recharge facility which can be incorporated into the San Bernardino County's Flood Control detention basin currently being designed and planned for construction. This will require coordination with the County in the preparation of design plans and operation of groundwater recharge inside the future detention basin. Ultimately this may lead to acquisition of land and construction of facilities that will allow groundwater recharge of State Water Project water into the detention basin.

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 hydro geologic boundary and groundwater underflow conditions between the MWA Service Area (San Bernardino County) and the Antelope Valley (Los Angeles County).

Small Systems: [Goal 3 and 4](#)

As identified by stakeholders during the Integrated Regional Water Management (IRWM) Plan process, there was an overwhelming agreement to help and support Disadvantaged Communities (DACs) and a Small Systems Program is being developed to support and assist DACs. In the IRWM Plan process, this objective was ranked as a high importance and a high urgency project. This program is being developed with input from stakeholders and California Rural Water Association (CRWA) with the scope of this program to provide guidance/assistance with grant applications, performing needs assessments and providing specific training to DACs applying for state and/or federal funding related to improving water management practices.

Baja Sustainability Water Purchase Program: [Goal 1, 4 and 6](#)

As a result of the current IRWMP process and community outreach, a lot of interest was generated in the Baja Subarea regarding achieving sustainable water and land use activities. The MWA has partnered with the Mojave Desert Resource Conservation District, the Natural Resources Conservation Service and the Bureau of Reclamation to develop a suite of possible projects for the Baja Subarea in an effort to stabilize the natural resources in the region. The project team will work closely with community members and stakeholders to prioritize efforts in the region and look for opportunities and partnerships to implement projects.

Integrated Regional Water Management Plan: [Goal 2](#)

The Integrated Regional Water Management (IRWM) Plan is being updated with significant stakeholder input and will be the source of the Agency's planned capital improvement projects and programs. The IRWM Plan will set a vision for the next 10-plus years of water management in the High Desert. 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.

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.

BUDGET DETAIL COMBINED

Summary	Acct	Description	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Budget	Actual YTD 12/31/13	FY 2013/14 Projected	FY 2014/15 Budget	FY 2015/16 Budget	
DWR (Fund 600)	5215	State Water Project Minimum OMP&R	7,073,986	8,155,260	7,699,636	4,293,093	7,914,040	7,853,629	8,246,310	
	1111	State Water Project Bond & Capital	5,373,596	4,879,116	7,287,705	3,017,517	6,765,976	7,433,459	7,805,132	
		Subtotal	12,447,582	13,034,376	14,987,341	7,310,610	14,680,016	15,287,088	16,051,442	
SWC Member Allocation (Fund 600)	5731	Legal Fees	10,588	11,452	20,000	295	26,000	26,000	26,000	
	5219	SWC Member Allocation	21,518	138,132	190,000	162,467	162,467	190,000	190,000	
		Subtotal	32,106	149,584	210,000	162,762	188,467	216,000	216,000	
SWP Contractors Authority (Fund 600)	5220	DSPC	24,303	-	30,000	-	-	20,000	20,000	
	5221	Member Dues	3,066	6,943	3,000	11,148	11,148	11,000	11,000	
	5222	Municipal Water Quality Investigation	(1,448)	27,206	24,000	24,815	24,815	25,000	25,000	
		Subtotal	25,921	34,149	57,000	35,963	35,963	56,000	56,000	
Water Purchase (Fund 300 & 600)	1455	Inventory	(125,971)	127,883	62,215	75,619	(252,467)	90,623	387,758	
	5211	COGS: Variable Trans. & Off Aqueduct	2,309,580	2,000,941	1,764,461	344,056	1,286,943	1,445,757	1,941,610	
		Subtotal	2,183,609	2,128,824	1,826,676	419,675	1,034,476	1,536,380	2,329,368	
Departmental Expenses (Fund 100)	5600	Salaries	2,752,776	2,690,461	2,893,815	1,401,283	2,802,566	3,117,934	3,211,472	
	5612	Overtime	38,596	42,217	48,500	7,634	27,600	56,700	57,951	
	5613	Health Insurance-Cafeteria	402,038	374,716	416,160	188,518	377,036	426,193	426,193	
	5614	Payroll Taxes	86,972	89,313	95,980	48,537	97,074	102,571	105,648	
	5615	Misc. Benefit	14,400	9,461	26,250	9,000	18,000	26,251	26,499	
	5616	Workers' Compensation Expense	51,358	59,149	66,990	41,633	83,266	71,941	74,100	
	5618	Health Insurance Expenses	82,176	91,051	77,260	43,002	86,004	91,779	93,107	
	5620	Health Expense Reimbursement	43,916	46,774	51,000	24,285	56,194	54,000	54,000	
	5621	Retirement Contribution	9,544	10,920	11,700	5,983	11,966	14,600	14,600	
	5623	PERS: Employees	829,690	604,311	694,280	299,675	599,350	693,872	714,688	
		SUBTOTAL WAGES & BENEFITS	4,311,466	4,018,373	4,381,935	2,069,550	4,159,056	4,655,841	4,778,258	
		5900	Director Fees	117,080	111,333	150,000	55,487	115,000	150,000	150,000
		5910	Dir. Health Insurance Premium	115,395	126,837	130,000	54,779	119,254	130,000	130,000
		5911	In Lieu of Retirement	5,481	5,003	6,000	1,979	3,958	5,000	5,000
		5912	Dir. Health Expense	2,641	7,419	-	-	-	-	-
		5920	Dir. Reimb.HealthExp:MWA Pd	415	-	-	-	-	-	-
		5935	Dir. Legislative Travel	-	-	15,000	-	15,000	15,000	15,000
		5936	Dir. Conferences	10,833	7,880	-	-	-	-	-
		5940	Dir. Travel: Conferences & Expenses	6,082	4,785	29,750	13,208	29,750	29,750	29,750
		5960	Travel Drs. In	14,650	13,904	15,000	1,563	3,126	15,000	15,000
		5617	Employee Relations	1,341	4,623	5,000	4,286	5,000	5,000	5,000
		5622	OPEB	211,434	70,453	120,000	61,785	216,418	189,197	194,965
		5700	Office Rent	-	-	-	-	-	-	-
		5701	Equip. Lease/Rent	56,121	52,900	62,000	29,435	56,534	70,000	70,000
		5702	Safety Supplies	13,446	9,065	16,000	2,499	13,642	13,500	13,500
		5703	Recruiting Expense	-	17,650	5,000	1,887	3,774	7,500	7,500
		5704	Temporary Services	-	14,420	-	-	-	15,000	15,000
		5705	Building & Equipment Maintenance	131,559	155,452	209,500	109,769	219,538	218,000	218,000
		5706	Utilities	177,525	566,955	1,077,000	530,521	1,104,438	1,255,000	1,255,000
		5707	Photo Expense	-	305	1,500	209	418	-	-
		5708	Postage & Mailing Costs	8,250	5,613	5,000	2,082	4,164	5,000	5,000
		5709	Office Supplies & Expenses	31,415	36,568	40,750	13,091	26,182	35,750	35,750
		5710	Small Tools	9,286	9,592	24,000	1,722	24,594	25,500	25,500
		5711	Books & Subscriptions	2,248	1,874	4,050	809	3,282	12,120	12,120
	5712	Telephone	131,136	130,821	135,000	55,520	110,520	122,000	122,000	
	5713	Printing	285	5,331	1,000	324	648	5,500	5,500	
	5720	Computer Licenses & Maintenance	326,725	240,972	305,000	84,773	312,659	327,300	327,300	
	5721	Data Collections	143,093	126,494	250,000	68,237	136,474	225,000	225,000	
	5722	Insurance	250,437	301,223	285,000	295,059	295,059	300,000	300,000	
	5724	Licenses/Dues & Fees	80,311	81,254	97,000	66,073	89,512	96,700	100,700	
	5725	Auto Expenses	94,646	87,364	94,500	38,734	77,468	99,500	99,500	

BUDGET DETAIL COMBINED (Continued)

Departmental Expenses (Fund 100) (Continued)	5726	Travel Expenses	51,971	52,299	59,750	27,858	64,332	73,500	73,500
	5728	Education & Training	18,564	8,801	33,500	8,303	21,304	37,000	37,000
	5729	Consulting	300,607	645,385	787,500	107,211	457,484	1,112,500	1,112,500
	5731	Legal	89,125	124,120	115,000	23,357	102,818	115,000	115,000
	5732	Legislative Advocacy	136,191	135,065	145,000	61,450	122,900	145,000	145,000
	5733	Audit & Accounting	31,338	33,373	40,000	17,911	35,822	40,000	40,000
	5734	Environmental	-	-	75,000	-	75,000	35,000	35,000
	5735	Water Quality	-	-	25,000	22,357	44,714	55,000	55,000
	5736	Engineering, General	-	-	-	1,000	1,000	1,000	1,000
	5737	USGS	521,040	271,318	350,000	81,201	410,000	410,000	400,000
	5741	Aerial Photos	(14,850)	45,280	25,000	23,318	25,000	65,000	65,000
	5742	Public Relations	67,452	64,054	113,500	32,968	65,936	113,500	113,500
	5743	Water Conservation	304,881	436,598	1,500,000	293,934	587,868	1,295,300	450,000
	5800	Election Costs	-	73,663	-	-	-	108,000	-
	5801	IDM: 4% Debt Service Support	32,525	32,563	32,600	-	32,600	32,600	32,600
	5803	MVA 25% Watermaster Support	325,364	311,498	340,000	-	340,000	351,665	351,665
	5805	Contingency	-	-	2,500	-	2,500	2,500	2,500
	5810	Other Expenses	52,167	59,548	46,000	6,758	47,000	67,000	67,000
	Total Before Transfers Out	8,169,676	8,508,028	11,155,335	4,271,007	9,581,746	12,087,723	11,256,608	
5610	Labor Transfers Out	(351,388)	(54,214)	-	-	-	-	-	
5744	Overhead Burden Out	(564,130)	(285,590)	-	-	-	-	-	
	Total Capital Labor & OH Out	(915,518)	(339,804)	-	-	-	-	-	
	TOTAL NET DEPT EXPENSES:	7,254,158	8,168,224	11,155,335	4,271,007	9,581,746	12,087,723	11,256,608	
Tax Collection Exp (All Funds)	5820	General Fund	18,334	18,719	13,635	9,405	13,636	13,636	13,636
	5820	Debt Service Fund	2,992	2,292	35,000	1,236	35,000	35,000	35,000
	5820	SWP Fund	45,142	15,008	66,365	24,240	66,364	66,364	66,364
	5820	ID M	4,965	6,210	8,000	3,112	8,000	8,000	8,000
		Subtotal	71,433	42,229	123,000	37,993	123,000	123,000	123,000
DWR Loans (Fund 300)	5850	Interest Expense	93,967	75,169	59,226	32,404	59,226	40,646	30,344
	2700	Principal Pmt - 860-880	695,813	748,139	748,138	371,278	748,138	363,682	320,021
		Subtotal	789,780	823,308	807,364	403,682	807,364	404,328	350,365
ID M (Fund 800)	5850	Interest Expense	1,339,083	1,243,542	1,143,125	613,750	1,143,125	1,037,500	926,625
	2627	Principal Pmt	1,840,000	2,025,000	2,025,000	2,025,000	2,025,000	2,130,000	2,235,000
	5810	Reserve Fund Release	903,229	-	-	-	-	-	-
		Subtotal	4,082,312	3,268,542	3,168,125	2,638,750	3,168,125	3,167,500	3,161,625
COP-Dudley Ridge (Fund 300)	5853	Interest Expense	1,853,638	1,840,263	1,826,575	913,875	1,826,575	1,811,033	1,779,533
	2623	Principal Pmt	445,000	470,000	470,000	-	470,000	785,000	815,000
		Subtotal	2,298,638	2,310,263	2,296,575	913,875	2,296,575	2,596,033	2,594,533
COP-Berrenda Mesa (Fund 600)	5850	Interest Expense	719,052	671,773	615,606	331,803	670,606	550,381	495,506
	2630	Principal Pmt	1,190,000	1,280,000	1,280,000	1,280,000	1,280,000	1,335,000	1,400,000
		Subtotal	1,909,052	1,951,773	1,895,606	1,611,803	1,950,606	1,885,381	1,895,506

DEPARTMENTAL INITIATIVES/BUDGETS

Administration (AD)

Dept #10

	EXPENSES:	FY 11/12 Actual	FY 12/13 Actual	FY 13/14 Budget	Actual YTD as of 12/31/2013	FY 13/14 Projected	FY 14/15 Budget	FY 15/16 Budget
5600	Dept Wages	843,843	833,111	832,670	444,127	888,254	923,871	951,587
5612	Dept Overtime	159	945	2,500	84	2,500	10,000	10,300
5613	Health Insurance - Cafeteria	110,160	101,092	110,160	44,700	89,400	107,953	107,953
5614	Payroll Taxes	26,618	27,988	27,340	15,246	30,492	29,715	30,606
5615	Misc Benefit	7,939	5,999	6,000	3,000	6,000	6,000	6,000
5616	Workers Compensation Expense	5,756	7,201	6,340	3,321	6,642	6,988	7,198
5618	Health Insurance - ACWA	40,329	40,300	20,090	22,583	45,166	35,524	35,524
5620	Health Ins Reimb - FSA	13,482	13,428	13,500	2,938	13,500	15,000	15,000
5621	Deferred Comp Contributions GM	9,544	10,920	11,700	5,983	11,966	14,600	14,600
5623	PERS Retirement	259,411	185,178	198,950	86,735	173,470	200,858	206,884
	Dept Benefits	-	-	-	-	-	-	-
	TOTAL WAGES & BENEFITS	1,317,241	1,226,162	1,229,250	628,717	1,267,390	1,350,509	1,385,652
5900	Director Fees	117,080	111,333	150,000	55,487	115,000	150,000	150,000
5910	Directors Pooled Health	115,395	126,837	130,000	54,779	119,254	130,000	130,000
5911	In Lieu of Retirement	5,481	5,003	6,000	1,979	3,958	5,000	5,000
5912	Dir. Health Expense	2,641	7,419	-	-	-	-	-
5925	Dir: Books and Sbuscription	415	-	-	-	-	-	-
5935	Dir. Legislative Travel	-	-	15,000	-	15,000	15,000	15,000
5936	Director's Conferences	10,833	7,880	-	-	-	-	-
5940	Dir. Other: Conferences & Expenses	6,082	4,785	29,750	13,208	29,750	29,750	29,750
5960	Travel Drs. In	14,650	13,904	15,000	1,563	3,126	15,000	15,000
5617	Employee Relations	1,341	4,623	5,000	4,286	5,000	5,000	5,000
5622	OPEB	211,434	70,453	120,000	61,785	216,418	189,197	194,965
5700	Office Rent	-	-	-	-	-	-	-
5701	Equip. Lease/Rent	55,903	52,280	47,000	28,036	53,736	55,000	55,000
5702	Safety Supplies	3,133	5,662	7,000	2,321	4,642	5,000	5,000
5703	Recruiting Expense	-	17,528	5,000	1,887	3,774	5,000	5,000
5704	Temporary Services	-	14,420	-	-	-	-	-
5705	Building Maintenance & Expense	59,767	3,992	1,000	902	1,804	2,000	2,000
5706	Utilities	165,540	133,495	150,000	88,719	177,438	180,000	180,000
5707	Photo Expense	-	-	-	-	-	-	-
5708	Postage & Mailing Costs	8,250	5,613	5,000	2,082	4,164	5,000	5,000
5709	Office Supplies & Expenses	31,415	35,767	40,000	13,091	26,182	35,000	35,000

Administration (AD)
Dept #10

	EXPENSES:	FY 11/12 Actual	FY 12/13 Actual	FY 13/14 Budget	Actual YTD as of 12/31/2013	FY 13/14 Projected	FY 14/15 Budget	FY 15/16 Budget
5710	Small Tools					-		-
5711	Books & Subscriptions	1,134	508	1,800	431	862	1,000	1,000
5712	Telephone	116,921	113,492	117,000	53,510	107,020	117,000	117,000
5713	Printing	285	743	1,000	324	648	1,000	1,000
5722	Insurance	250,437	301,223	285,000	295,059	295,059	300,000	300,000
5724	Licenses/Dues & Fees (ACWA,LAFCO & Misc)	70,692	65,896	75,000	61,317	75,000	75,000	75,000
5725	Auto Expenses	3,013	5,515	6,000	2,039	4,078	5,000	5,000
5726	Travel Expenses	35,028	33,077	30,000	18,977	37,954	35,000	35,000
5728	Education & Training	219	3,664	5,000	3,686	5,000	5,000	5,000
5729	Consulting	171,573	239,037	250,000	34,719	200,000	260,000	260,000
5731	Legal	89,125	124,120	115,000	23,357	102,818	115,000	115,000
5733	Audit & Accounting	31,338	33,373	40,000	17,911	35,822	40,000	40,000
5800	Election Cost	-	73,663	-	-	-	108,000	-
5801	IDM: 4% Debt Service Support	32,525	32,563	32,600	-	32,600	32,600	32,600
5803	MVA 50% Watermaster Support	325,364	311,498	340,000	-	340,000	351,665	351,665
5810	Other Expenses (trustee fees)	45,542	59,251	35,000	6,758	41,000	56,000	56,000
	NON-LABOR EXP	1,982,556	2,024,863	2,059,150	848,213	2,057,107	2,328,212	2,225,980
	TOTAL DEPT EXPENSES	3,299,797	3,251,025	3,288,400	1,476,930	3,324,497	3,678,721	3,611,632
5610	Labor Transfers to Capital	-	-	-	-	-	-	-
5744	Overhead Burden to Capital	-	-	-	-	-	-	-
	Total Capital Labor & OH Out	-	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	3,299,797	3,251,025	3,288,400	1,476,930	3,324,497	3,678,721	3,611,632

Administration (AD)
Dept #10

	EXPENSES:	Department Admin.	SWP Special Projects 288	Doc Scanning	Finance Model	2015 Total
5600	Dept Wages	923,871				923,871
5612	Dept Overtime	10,000				10,000
5613	Health Insurance - Cafeteria	107,953				107,953
5614	Payroll Taxes	29,715				29,715
5615	Misc Benefit	6,000				6,000
5616	Workers Compensation Expense	6,988				6,988
5618	Health Insurance - ACWA	35,524				35,524
5620	Health Ins Reimb - FSA	15,000				15,000
5621	Deferred Comp Contributions GM	14,600				14,600
5623	PERS Retirement	200,858				200,858
	Dept Benefits	-				-
	TOTAL WAGES & BENEFITS	1,350,509	-		-	1,350,509
5900	Director Fees	150,000				150,000
5910	Directors Pooled Health	130,000				130,000
5911	In Lieu of Retirement	5,000				5,000
5912	Dir. Health Expense	-				-
5925	Dir: Books and Sbuscription	-				-
5935	Dir. Legislative Travel	15,000				15,000
5936	Director's Conferences	-				-
5940	Dir. Other: Conferences & Expenses	29,750				29,750
5960	Travel Drs. In	15,000				15,000
5617	Employee Relations	5,000				5,000
5622	OPEB	189,197				189,197
5700	Office Rent	-				-
5701	Equip. Lease/Rent	55,000				55,000
5702	Safety Supplies	5,000				5,000
5703	Recruiting Expense	5,000				5,000
5704	Temporary Services	-				-
5705	Building Maintenance & Expense	2,000				2,000
5706	Utilities	180,000				180,000
5707	Photo Expense	-				-
5708	Postage & Mailing Costs	5,000				5,000
5709	Office Supplies & Expenses	35,000				35,000

Administration (AD)
Dept #10

		Department Admin.	SWP Special Projects 288	Doc Scanning	Finance Model	2015 Total
	EXPENSES:					
5710	Small Tools	-				-
5711	Books & Subscriptions	1,000				1,000
5712	Telephone	117,000				117,000
5713	Printing	1,000				1,000
5722	Insurance	300,000				300,000
5724	Licenses/Dues & Fees (ACWA,LAFCO & Misc)	75,000				75,000
5725	Auto Expenses	5,000				5,000
5726	Travel Expenses	35,000				35,000
5728	Education & Training	5,000				5,000
5729	Consulting	200,000	40,000	10,000	10,000	260,000
5731	Legal	115,000				115,000
5733	Audit & Accounting	40,000				40,000
5800	Election Cost	108,000				108,000
5801	IDM: 4% Debt Service Support	32,600				32,600
5803	MVA 50% Watermaster Support	351,665				351,665
5810	Other Expenses (trustee fees)	56,000				56,000
	NON-LABOR EXP	2,268,212	40,000	10,000	10,000	2,328,212
	TOTAL DEPT EXPENSES	3,618,721	40,000	10,000	10,000	3,678,721
5610	Labor Transfers to Capital	-				-
5744	Overhead Burden to Capital	-				-
	Total Capital Labor & OH Out	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	3,618,721	40,000	10,000	10,000	3,678,721

Information Technology (IT)								
Dept #20								
		FY 11/12 Actual	FY 12/13 Actual	FY13/14 Budget	Actual YTD as of 12/31/2013	FY 13/14 Projected	FY14/15 Budget	FY15/16 Budget
	EXPENSES:							
5600	Dept Wages	190,602	191,610	204,405	102,026	204,052	212,623	219,002
5612	Dept Overtime	14,324	13,843	15,000	3,114	6,228	15,000	15,000
5613	Health Insurance - Cafeteria	24,480	24,480	24,480	12,240	24,480	24,480	24,480
5614	Payroll Taxes	5,933	6,517	6,635	3,500	7,000	6,876	7,082
5616	Workers Compensation Expense	1,154	1,412	1,295	666	1,332	1,294	1,333
5618	Health Insurance - ACWA	4,381	5,634	5,330	2,217	4,434	5,377	5,377
5620	Health Ins Reimb - FSA	1,500	3,000	3,000	1,808	3,616	3,000	3,000
5621	Deferred Comp Contributions	-	-	-	-	-	-	-
5623	PERS Retirement	57,659	46,110	52,755	23,820	47,640	53,741	55,353
	Dept Benefits			-		-	-	-
	TOTAL WAGES & BENEFITS	300,033	292,606	312,900	149,391	298,782	322,391	330,627
5709	Office Supplies & Expenses	-	744	750	-	-	750	750
5710	Small Tools	1,610	413	1,000	-	1,000	1,000	1,000
5711	Books & Subscriptions	-	40	-	60	120	120	120
5720	Computer & Equipment Maintenance	323,725	233,459	300,000	81,028	305,559	300,000	300,000
5724	Licenses/Dues & Fees	-	2,378	5,000	-	5,000	5,000	5,000
5726	Travel Expenses	494	4,429	7,500	-	7,500	8,000	8,000
5728	Education & Training	8,991	99	15,000	2,696	5,392	20,000	20,000
5729	Consulting	-	25,000	12,500	-	12,500	12,500	12,500
5741	Aerial Photos	(14,850)	45,280	25,000	23,318	25,000	65,000	65,000
5805	Contingency			2,500	-	2,500	2,500	2,500
5810	Other Expenses		65	1,000	-	1,000	1,000	1,000
	NON-LABOR EXP	320,188	312,860	370,250	107,102	365,571	415,870	415,870
	TOTAL DEPARTMENT EXPENSES	620,221	605,466	683,150	256,493	664,353	738,261	746,497
5610	Labor Transfers to Capital	-	-	-	-	-	-	-
5744	Overhead Burden to Capital	-	-	-	-	-	-	-
	Total Capital Labor & OH Out	-	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	620,221	605,466	683,150	256,493	664,353	738,261	746,497

Information Technology (IT)					
Dept #20					
		Department Admin.	GIS	Aerial Photos	2015 Total
	EXPENSES:		376	450	
5600	Dept Wages	212,623			212,623
5612	Dept Overtime	15,000			15,000
5613	Health Insurance - Cafeteria	24,480			24,480
5614	Payroll Taxes	6,876			6,876
5616	Workers Compensation Expense	1,294			1,294
5618	Health Insurance - ACWA	5,377			5,377
5620	Health Ins Reimb - FSA	3,000			3,000
5621	Deferred Comp Contributions	-			-
5623	PERS Retirement	53,741			53,741
	Dept Benefits	-			-
	TOTAL WAGES & BENEFITS	322,391	-		322,391
5709	Office Supplies & Expenses	750			750
5710	Small Tools	1,000			1,000
5711	Books & Subscriptions	120			120
5720	Computer & Equipment Maintenance	250,000	50,000		300,000
5724	Licenses/Dues & Fees	5,000			5,000
5726	Travel Expenses	8,000			8,000
5728	Education & Training	20,000			20,000
5729	Consulting	12,500			12,500
5741	Aerial Photos	-		65,000	65,000
5805	Contingency	2,500			2,500
5810	Other Expenses	1,000			1,000
	NON-LABOR EXP	300,870	50,000	65,000	415,870
	TOTAL DEPARTMENT EXPENSES	623,261	50,000	65,000	738,261
5610	Labor Transfers to Capital	-	-	-	-
5744	Overhead Burden to Capital	-	-	-	-
	Total Capital Labor & OH Out	-	-	-	-
	TOTAL NET DEPT EXPENSES:	623,261	50,000	65,000	738,261

Public Information (PI)

Dept #30

		FY 11/12	FY 12/13	FY 13/14	Actual YTD as of 12/31/2013	FY 13/14 Projected	FY 14/15 Budget	FY 15/16 Budget
	EXPENSES:	Actual	Actual	Budget				
5600	Dept Wages	217,302	166,997	232,940	95,320	190,640	269,538	277,624
5612	Dept Overtime	915	1,789	1,000	864	1,728	1,700	1,751
5613	Health Insurance - Cafeteria	35,779	27,767	36,720	15,769	31,538	48,960	48,960
5614	Payroll Taxes	7,343	5,577	7,820	2,885	5,770	9,236	9,513
5615	Misc Benefit	5,538	3,462	6,000	3,000	6,000	6,000	6,000
5616	Workers Compensation Expense	2,860	2,317	3,635	1,424	2,848	4,282	4,410
5618	Health Insurance - ACWA	5,815	5,237	8,280	2,345	4,690	8,698	8,959
5620	Health Ins Reimb - FSA	3,217	3,404	4,500	2,423	4,846	6,000	6,000
5623	PERS Retirement	67,564	30,076	45,845	12,900	25,800	35,846	36,921
	TOTAL WAGES & BENEFITS	346,333	246,626	346,740	136,930	273,860	390,260	400,138
5707	Photo Expense	-	305	1,500	209	418	-	-
5711	Books & Subscriptions	501	843	500	275	550	1,000	1,000
5713	Printing	-	134	-	-	-	4,500	4,500
5720	Computer & Equipment Maintenance	-	280	-	195	-	800	800
5724	Licenses/Dues & Fees	6,035	10,255	10,000	2,309	4,618	10,000	10,000
5725	Auto Expenses	-	134	-	109	218	-	-
5726	Travel Expenses	5,019	5,756	7,500	1,191	2,382	7,500	7,500
5728	Education & Training	98	1,525	2,000	636	1,272	2,000	2,000
5729	Consulting	-	-	20,000	-	20,000	20,000	20,000
5731	Legal	-	-	-	-	-	-	-
5732	Legislative Advocacy	136,191	134,117	145,000	61,450	122,900	145,000	145,000
5742	Public Relations	67,452	62,739	113,500	32,968	65,936	113,500	113,500
5743	Water Conservation	304,881	436,598	1,500,000	293,934	587,868	1,295,300	450,000
	NON-LABOR EXP	520,177	652,686	1,800,000	393,276	806,162	1,599,600	754,300
	TOTAL DEPARTMENT EXPENSE	866,510	899,312	2,146,740	530,206	1,080,022	1,989,860	1,154,438
5610	Labor Transfers to Capital	-	-	-	-	-	-	-
5744	Overhead Burden to Capital	-	-	-	-	-	-	-
	Total Capital Labor & OH Out	-	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	866,510	899,312	2,146,740	530,206	1,080,022	1,989,860	1,154,438

Public Information (PI)

Dept #30

		Department	VVCC SP	Newsletter	PI Supp.	Limited Strategic Partnerships	Lewis Ctr SP	MEEC	Fac.Tours
	EXPENSES:	Admin.	201	209	226		233	235	243
5600	Dept Wages	269,538							
5612	Dept Overtime	1,700							
5613	Health Insurance - Cafeteria	48,960							
5614	Payroll Taxes	9,236							
5615	Misc Benefit	6,000							
5616	Workers Compensation Expense	4,282							
5618	Health Insurance - ACWA	8,698							
5620	Health Ins Reimb - FSA	6,000							
5623	PERS Retirement	35,846							
	TOTAL WAGES & BENEFITS	390,260	-	-	-		-	-	-
5707	Photo Expense								
5711	Books & Subscriptions	1,000							
5713	Printing	4,500		-					
5720	Computer & Equipment Maintenance	800							
5724	Licenses/Dues & Fees	10,000							
5725	Auto Expenses	-							
5726	Travel Expenses	7,500							
5728	Education & Training	2,000							
5729	Consulting	20,000							
5731	Legal	-							
5732	Legislative Advocacy	145,000							
5742	Public Relations	10,000		1,000	90,000				7,500
5743	Water Conservation	-	8,000			61,500	8,000	8,000	
	NON-LABOR EXP	200,800	8,000	1,000	90,000	61,500	8,000	8,000	7,500
	TOTAL DEPARTMENT EXPENSES	591,060	8,000	1,000	90,000	61,500	8,000	8,000	7,500
5610	Labor Transfers to Captial								
5744	Overhead Burden to Capital								
	Total Capital Labor & OH Out	-	-	-	-		-	-	-
	TOTAL NET DEPT EXPENSES:	591,060	8,000	1,000	90,000	61,500	8,000	8,000	7,500

Public Information (PI)

Dept #30

		Department	Annual Water Symposium	Barstow SP	MDRCD SP	Copper Mt. SP	AWAC	Demo Gard	County Conf.	WCIP	2015 Total
	EXPENSES:	Admin.	259	268	290	291	305	344	381	386	Total
5600	Dept Wages	269,538									269,538
5612	Dept Overtime	1,700									1,700
5613	Health Insurance - Cafeteria	48,960									48,960
5614	Payroll Taxes	9,236									9,236
5615	Misc Benefit	6,000									6,000
5616	Workers Compensation Expense	4,282									4,282
5618	Health Insurance - ACWA	8,698									8,698
5620	Health Ins Reimb - FSA	6,000									6,000
5623	PERS Retirement	35,846									35,846
	TOTAL WAGES & BENEFITS	390,260	-	-	-	-	-	-	-	-	390,260
5707	Photo Expense										-
5711	Books & Subscriptions	1,000									1,000
5713	Printing	4,500									4,500
5720	Computer & Equipment Maintenance	800									800
5724	Licenses/Dues & Fees	10,000									10,000
5725	Auto Expenses	-									-
5726	Travel Expenses	7,500									7,500
5728	Education & Training	2,000									2,000
5729	Consulting	20,000									20,000
5731	Legal	-									-
5732	Legislative Advocacy	145,000									145,000
5742	Public Relations	10,000	-						5,000		113,500
5743	Water Conservation	-	15,000	12,000	8,000	8,000	91,800	75,000		1,000,000	1,295,300
	NON-LABOR EXP	200,800	15,000	12,000	8,000	8,000	91,800	75,000	5,000	1,000,000	1,599,600
	TOTAL DEPARTMENT EXPENSES	591,060	15,000	12,000	8,000	8,000	91,800	75,000	5,000	1,000,000	1,989,860
5610	Labor Transfers to Capital										
5744	Overhead Burden to Capital										
	Total Capital Labor & OH Out	-	-	-	-	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	591,060	15,000	12,000	8,000	8,000	91,800	75,000	5,000	1,000,000	1,989,860

Engineering (ENG)								
Dept #40								
		FY 11/12 Actual	FY 12/13 Actual	FY 13/14 Budget	Actual YTD as of 12/31/2013	FY 13/14 Projected	FY 14/15 Budget	FY 15/16 Budget
	EXPENSES:							
5600	Dept Wages	279,244	289,799	298,675	127,524	255,048	255,765	263,438
5612	Dept Overtime	3,021	-	-	-	-	-	-
5613	Health Insurance - Cafeteria	36,720	36,720	36,720	17,889	35,778	24,480	24,480
5614	Payroll Taxes	8,650	9,268	9,725	5,028	10,056	8,127	8,371
5616	Workers Compensation Expense	2,860	3,810	3,635	1,424	2,848	2,988	3,078
5618	Health Insurance - ACWA	5,753	7,617	8,745	2,669	5,338	5,718	5,832
5620	Health Ins Reimb - FSA	4,500	4,500	4,500	2,819	5,638	3,000	3,000
5623	PERS Retirement	84,089	67,430	77,085	34,840	69,680	64,633	66,572
	Dept Benefits			-			-	-
	TOTAL WAGES & BENEFITS	424,837	419,144	439,085	192,193	384,386	364,711	374,771
5702	Safety Supplies	215		500	-	500		-
5703	Recruiting Expense	-	25	-	-	-	-	-
5705	Building Maintenance & Expense		9,904	-	-	-	-	-
5711	Books & Subscriptions	-		250	-	250	8,500	8,500
5724	Licenses/Dues & Fees	630	1,121	500	817	1,634	1,200	1,200
5725	Auto Expenses	12,166	11,317	13,500	7,050	14,100	14,500	14,500
5726	Travel Expenses	1,068	517	750	2,100	4,200	6,000	6,000
5729	Consulting	-	53,242	-	3,000	6,000	25,000	25,000
5736	Engineering, General			-	1,000	1,000	1,000	1,000
	NON-LABOR EXP	14,079	76,126	15,500	13,967	27,684	56,200	56,200
	TOTAL DEPT EXPENSES	438,916	495,270	454,585	206,160	412,070	420,911	430,971
5610	Labor Transfers to Capital	(190,255)	(32,334)	-		-	-	-
5744	Overhead Burden to Capital	(304,408)	(157,607)	-		-	-	-
	Total Capital Labor & OH Out	(494,663)	(189,941)	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	(55,747)	305,329	454,585	206,160	412,070	420,911	430,971

Operation & Maintenance (OM)								
Dept #50								
	EXPENSES:	FY 11/12 Actual	FY 12/13 Actual	FY 13/14 Budget	Actual YTD as of 12/31/2013	FY 13/14 Projected	FY 14/15 Budget	FY 15/16 Budget
5600	Dept Wages	391,748	400,971	471,435	194,040	388,080	483,634	498,143
5612	Dept Overtime	18,529	23,000	20,000	3,572	7,144	20,000	20,600
5613	Health Insurance - Cafeteria	61,200	61,200	73,440	30,600	61,200	73,440	73,440
5614	Payroll Taxes	12,346	13,598	15,800	6,661	13,322	16,155	16,640
5615	Misc Benefit	-	-	8,250	-	-	8,251	8,499
5616	Workers Compensation Expense	17,351	21,816	25,830	16,295	32,590	25,830	26,605
5618	Health Insurance - ACWA	9,277	12,074	15,060	4,706	9,412	14,091	14,373
5620	Health Ins Reimb - FSA	6,000	7,500	9,000	4,854	9,708	9,000	9,000
5623	PERS Retirement	115,516	91,395	109,365	43,754	87,508	114,730	118,172
	Dept Benefits	-	-	-	-	-	-	-
	TOTAL WAGES & BENEFITS	631,967	631,554	748,180	304,482	608,964	765,131	785,472
5701	Equip. Lease/Rent	-	620	15,000	1,399	2,798	15,000	15,000
5702	Safety Supplies	8,291	2,029	7,000	-	7,000	7,000	7,000
5703	Recruiting Expense	-	-	-	-	-	-	-
5704	Temporary Services	-	-	-	-	-	-	-
5705	Building Maintenance & Expense	71,792	140,603	208,500	108,867	217,734	216,000	216,000
5706	Utilities	11,985	433,460	927,000	441,802	927,000	1,075,000	1,075,000
5710	Small Tools	6,405	8,175	22,000	925	22,000	22,000	22,000
5711	Books & Subscriptions	314	-	1,000	-	1,000	1,000	1,000
5712	Telephone	14,215	17,329	18,000	2,010	3,500	5,000	5,000
5720	Computer & Equipment Maintenance	-	3,078	5,000	3,204	6,408	6,500	6,500
5721	Data Collections	-	261	-	-	-	-	-
5724	Licenses/Dues & Fees	1,671	700	2,500	282	564	1,500	5,500
5725	Auto Expenses	62,334	53,744	55,000	19,985	39,970	60,000	60,000
5726	Travel Expenses	3,042	214	2,000	442	2,000	2,000	2,000
5728	Education & Training	1,290	290	7,500	215	7,500	5,000	5,000
5729	Consulting	8,475	10,148	180,000	-	80,000	95,000	95,000
5734	Environmental	-	-	75,000	-	75,000	35,000	35,000
5735	Water Quality	-	-	25,000	22,357	44,714	55,000	55,000
	NON-LABOR EXP	189,814	670,767	1,550,500	601,488	1,437,188	1,601,000	1,605,000
	TOTAL DEPARTMENT EXPENSES	821,781	1,302,321	2,298,680	905,970	2,046,152	2,366,131	2,390,472
5610	Labor Transfers to Capital	(138,673)	(21,643)	-	-	-	-	-
5744	Overhead Burden to Capital	(223,220)	(126,986)	-	-	-	-	-
	Total Capital Labor & OH Out	(361,893)	(148,629)	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	459,888	1,153,692	2,298,680	905,970	2,046,152	2,366,131	2,390,472

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	2015 TOTAL
5600	Dept Wages	483,634						483,634
5612	Dept Overtime	20,000						20,000
5613	Health Insurance - Cafeteria	73,440						73,440
5614	Payroll Taxes	16,155						16,155
5615	Misc Benefit	8,251						8,251
5616	Workers Compensation Expense	25,830						25,830
5618	Health Insurance - ACWA	14,091						14,091
5620	Health Ins Reimb - FSA	9,000						9,000
5623	PERS Retirement	114,730						114,730
	Dept Benefits	-						-
	TOTAL WAGES & BENEFITS	765,131	-	-	-	-	-	765,131
5701	Equip. Lease/Rent	15,000						15,000
5702	Safety Supplies	7,000						7,000
5703	Recruiting Expense	-						-
5704	Temporary Services	-						-
5705	Building Maintenance & Expense	216,000	-	-				216,000
5706	Utilities	-	1,000,000	3,000		60,000	12,000	1,075,000
5710	Small Tools	22,000				-	-	22,000
5711	Books & Subscriptions	1,000						1,000
5712	Telephone	5,000						5,000
5720	Computer & Equipment Maintenance	6,500				-	-	6,500
5721	Data Collections	-	-					-
5724	Licenses/Dues & Fees	1,500						1,500
5725	Auto Expenses	60,000						60,000
5726	Travel Expenses	2,000						2,000
5728	Education & Training	5,000						5,000
5729	Consulting	40,000	30,000		25,000			95,000
5734	Environmental	35,000						35,000
5735	Water Quality	-	55,000					55,000
	NON-LABOR EXP	416,000	1,085,000	3,000	25,000	60,000	12,000	1,601,000
	TOTAL DEPARTMENT EXPENSES	1,181,131	1,085,000	3,000	25,000	60,000	12,000	2,366,131
5610	Labor Transfers to Capital	-						-
5744	Overhead Burden to Capital	-						-
	Total Capital Labor & OH Out	-			-	-	-	-
	TOTAL NET DEPT EXPENSES:	1,181,131	1,085,000	3,000	25,000	60,000	12,000	2,366,131

Water Resource (WR) Dept								
Dept #60								
		FY 11/12	FY 12/13	FY 13/14	Actual YTD	FY 13/14	FY 14/15	FY 15/16
	EXPENSES:	Actual	Actual	Budget	as of	Projected	Budget	Budget
					12/31/2013			
5600	Dept Wages	830,037	807,973	853,690	438,246	876,492	972,503	1,001,678
5612	Dept Overtime	1,648	2,640	10,000	-	10,000	10,000	10,300
5613	Health Insurance - Cafeteria	133,699	123,457	134,640	67,320	134,640	146,880	146,880
5614	Payroll Taxes	26,082	26,365	28,660	15,217	30,434	32,462	33,436
5615	Misc Benefit	923		6,000	3,000	6,000	6,000	6,000
5616	Workers Compensation Expense	21,377	22,593	26,255	18,503	37,006	30,559	31,476
5618	Health Insurance - ACWA	16,621	20,189	19,755	8,482	16,964	22,371	23,042
5620	Health Ins Reimb - FSA	15,217	14,942	16,500	9,443	18,886	18,000	18,000
5623	PERS Retirement	245,451	184,122	210,280	97,626	195,252	224,064	230,786
	TOTAL WAGES & BENEFITS	1,291,055	1,202,281	1,305,780	657,837	1,325,674	1,462,839	1,501,598
5702	Safety Supplies	1,807	1,374	1,500	178	1,500	1,500	1,500
5703	Recruiting Expense	-	97	-	-	-	2,500	2,500
5704	Temporary Services	-		-	-	-	15,000	15,000
5710	Small Tools	1,271	1,004	1,000	797	1,594	2,500	2,500
5711	Books & Subscriptions	299	483	500	43	500	500	500
5713	Printing	-	4,454	-		-	-	-
5720	Computer & Equipment Maintenance	3,000	172	-	346	692	20,000	20,000
5721	Data Collections	143,093	126,233	250,000	68,237	136,474	225,000	225,000
5724	Licenses/Dues & Fees	1,283	904	4,000	1,348	2,696	4,000	4,000
5725	Auto Expenses	17,133	16,654	20,000	9,551	19,102	20,000	20,000
5726	Travel Expenses	7,320	8,306	12,000	5,148	10,296	15,000	15,000
5728	Education & Training	7,966	3,223	4,000	1,070	2,140	5,000	5,000
5729	Consulting	120,559	317,958	325,000	69,492	138,984	700,000	700,000
5737	USGS	521,040	271,318	350,000	81,201	410,000	410,000	400,000
5810	Other Expenses	6,625	190	10,000	-	5,000	10,000	10,000
	NON-LABOR EXP	831,396	752,370	978,000	237,411	728,978	1,431,000	1,421,000
	TOTAL DEPT EXPENSES	2,122,451	1,954,651	2,283,780	895,248	2,054,652	2,893,839	2,922,598
5610	Labor Transfers to Captial	(22,460)	(237)	-		-	-	-
5744	Overhead Burden to Capital	(36,502)	(997)	-				
	Total Capital Labor & OH Out	(58,962)	(1,234)	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	2,063,489	1,953,417	2,283,780	895,248	2,054,652	2,893,839	2,922,598

Water Resource (WR) Dept Dept #60						
	EXPENSES:	Dept. Admin	USGS Coop. 230	Data Coll. 310	Special Projects 336	Small Systems
5600	Dept Wages	972,503				
5612	Dept Overtime	10,000				
5613	Health Insurance - Cafeteria	146,880				
5614	Payroll Taxes	32,462				
5615	Misc Benefit	6,000				
5616	Workers Compensation Expense	30,559				
5618	Health Insurance - ACWA	22,371				
5620	Health Ins Reimb - FSA	18,000				
5623	PERS Retirement	224,064				
	TOTAL WAGES & BENEFITS	1,462,839	-	-	-	
5702	Safety Supplies	1,500				
5703	Recruiting Expense	2,500				
5704	Temporary Services	15,000				
5710	Small Tools	2,500				
5711	Books & Subscriptions	500				
5713	Printing	-				
5720	Computer & Equipment Maintenance	20,000				
5721	Data Collections	-		225,000		
5724	Licenses/Dues & Fees	4,000				
5725	Auto Expenses	20,000				
5726	Travel Expenses	15,000				
5728	Education & Training	5,000				
5729	Consulting	-			150,000	200,000
5737	USGS	-	410,000			
5810	Other Expenses	10,000				
	NON-LABOR EXP	96,000	410,000	225,000	150,000	200,000
	TOTAL DEPT EXPENSES	1,558,839	410,000	225,000	150,000	200,000
5610	Labor Transfers to Captial					
5744	Overhead Burden to Capital					
	Total Capital Labor & OH Out	-	-	-		
	TOTAL NET DEPT EXPENSES:	1,558,839	410,000	225,000	150,000	200,000

Water Resource (WR) Dept Dept #60						
	EXPENSES:	Baja Sustainability	UWMP 390	Spec. Proj./Env. 400	Bureau of Reclamation 403	2015 TOTAL
5600	Dept Wages					972,503
5612	Dept Overtime					10,000
5613	Health Insurance - Cafeteria					146,880
5614	Payroll Taxes					32,462
5615	Misc Benefit					6,000
5616	Workers Compensation Expense					30,559
5618	Health Insurance - ACWA					22,371
5620	Health Ins Reimb - FSA					18,000
5623	PERS Retirement					224,064
	TOTAL WAGES & BENEFITS		-	-	-	1,462,839
5702	Safety Supplies					1,500
5703	Recruiting Expense					2,500
5704	Temporary Services					15,000
5710	Small Tools					2,500
5711	Books & Subscriptions					500
5713	Printing					-
5720	Computer & Equipment Maintenance					20,000
5721	Data Collections					225,000
5724	Licenses/Dues & Fees					4,000
5725	Auto Expenses					20,000
5726	Travel Expenses					15,000
5728	Education & Training					5,000
5729	Consulting	150,000	50,000	100,000	50,000	700,000
5737	USGS					410,000
5810	Other Expenses					10,000
	NON-LABOR EXP	150,000	50,000	100,000	50,000	1,431,000
	TOTAL DEPT EXPENSES	150,000	50,000	100,000	50,000	2,893,839
5610	Labor Transfers to Capital					-
5744	Overhead Burden to Capital					-
	Total Capital Labor & OH Out		-	-	-	-
	TOTAL NET DEPT EXPENSES:	150,000	50,000	100,000	50,000	2,893,839

Fiscal year 2014/2015 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.

Document Scanning: Goal 1

This item is the continuation of the Agency's document scanning to relieve physical file storage and continue digital document retention.

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.

GIS (Project 376): Goal 1, 2 & 5

Mobile communication devices such as Smart Phones & Tablet PC's as well as relevant GIS software applications will be employed throughout the Water Resources & Operations Departments over the coming year that will allow for the development of more efficient methods of data collection and analysis resulting in a more accurate information stream from which decisions can be made to improve the Agency's responsiveness to requests made by its Board of Directors, Partners & Constituents.

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.

Limited Strategic Partnerships (Project 227): Goal 4 & 6

This new funding category offers MWA new education and conservation opportunities for special projects that are limited in scope or duration. These projects include demonstration gardens, school projects related to resource conservation, and more.

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

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

Goal 4

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 to further reinforce the benefits of integrated, 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, MWA implemented the WCIP, a regional program offering a variety of incentives to customers of retail water agencies ranging from turf removal to installation of dual flush, low flow toilets. The Program offers cash, vouchers and rebates to reduce per capita water consumption by 20 percent by the year 2020.

Regional Recharge and Recovery (Project 359A): 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 year's 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 370A): 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 393A): 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): Goals 3 and 5

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): Goals 3 and 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): Goals 3 and 5

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

Small Systems (Project 406): Goals 3 and 4

As identified by stakeholders during the Integrated Regional Water Management (IRWM) Plan process, there was an overwhelming agreement to help and support Disadvantaged Communities (DACs) and a Small Systems Program is being developed to support and assist DACs. In the IRWM Plan process, this objective was ranked as a high importance and a high urgency project. This program is being developed with input from stakeholders and California Rural Water Association (CRWA) with the scope of this program to provide guidance/assistance with grant applications, performing needs assessments and providing specific training to DACs applying for state and/or federal funding related to improving water management practices.

Baja Sustainability (Project 407): Goals 1, 4 and 6

As a result of the current IRWMP process and community outreach, a lot of interest was generated in the Baja Subarea regarding achieving sustainable water and land use activities. The MWA has partnered with the Mojave Desert Resource Conservation District, the Natural Resources Conservation Service and the Bureau of Reclamation to develop a suite of possible projects for the Baja Subarea in an effort to stabilize the natural resources in the region. The project team will work closely with community members and stakeholders to prioritize efforts in the region and look for opportunities and partnerships to implement projects.

UWMP (Project 390): Goals 1, 2, 4 and 6

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). 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 is required to complete an update of the UWMP every five years, due to DWR in years ending in 0 and 5.

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.

Mojave Water Agency

Fiscal Year Budget 2015/2016

Adopted May 14, 2015

California's changing world has ushered in a new era in the water industry requiring water agencies to be responsive to a variety of new challenges. The 2015/2016 Fiscal Year Budget enhances the Agency's science platform enabling MWA to build on its strategic capital program, and respond to demands for high quality data to continue to develop plans and programs to ensure a sustainable water supply for the region.



We're securing water for today and tomorrow...

BUDGET

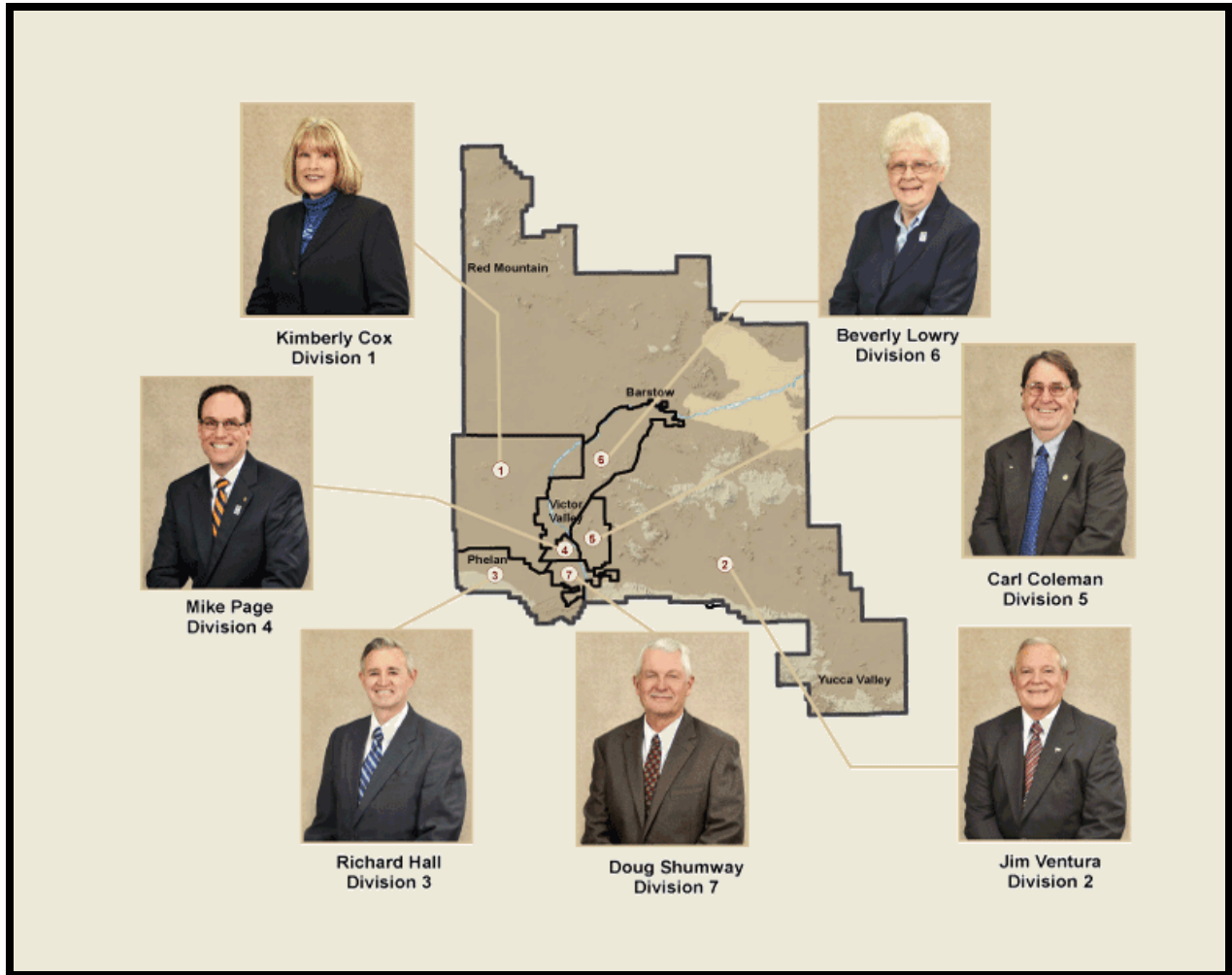
Fiscal Year

2015/2016

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Mojave Water Agency Fiscal Year 2015-2016 Budget

Board of Directors





LETTER OF INTRODUCTION

Members of the Board of Directors:

California's current drought conditions continue to grab its share of headlines, placing a laser sharp focus on the State's finite resources creating a greater sense of urgency to develop innovative and cost-effective solutions in a water world that has rapidly changed. Population growth, climate change, environmental law, and regional and global economic conditions, bring new challenges and great uncertainty. Unprecedented action by Governor Jerry Brown on April 1, 2015 imposed, for the first time in California history, a sweeping set of mandatory drought restrictions calling for a 25% reduction in water use by next year. This action follows Brown's 2014 historic new groundwater regulations that will require agencies to enhance basin management and demonstrate long-term sustainability. Our new world will require bold actions with a greater reliance on science to optimize natural, capital, and community and employee resources to respond to these challenges. The Fiscal Year 2015/2016 Budget reflects the Agency's efforts to leverage previous investments made by the Agency to build a scientific foundation that is evidenced by successful integrated planning efforts, key capital projects, and conservation and education programs.

Last fiscal year's \$41 million budget included a projected reserve balance of \$52.4 million that included completion of the Integrated Regional Water Management Plan, Salt Nutrient Management Plan, inception of the Baja Area-Wide Plan, commencement of a feasibility study for the Deep Creek Hydroelectric Turbine, launch of the Small Systems/Disadvantaged Communities Program, continued success of the Cash for Grass program resulting in the cumulative removal of 7.2 million square feet of turf, as well as the kickoff of a large scale Cash for Grass Program and a new Weather Based Irrigation Controller Education Program.

As the Agency prepares to meet the myriad of new challenges, the region's economic climate continues to improve. Property tax continues to serve as the Agency's primary source of income. Beacon Economics forecasts continued growth in 2015-2016 through 2023 with faster growth over the next two years and average growth of 4.5 % to 5.3% thereafter, pointing to the continued improvement in the housing market. Among the indicators are a growing labor market and employment growth, increased consumer spending, and new construction activity. HdL Companies also report improved growth in the local economy. The Agency is experiencing its second consecutive year of positive growth following four years of negative change that began in the 2009-2010 Fiscal Year. Forecasted improvements in MWA revenues include an increase of \$1.78 million in property tax revenue, or 5.74% over last year's budget.

The 2015/2016 Budget totals some \$47.3million with a projected reserve balance of \$48.6 million. Programs and initiatives identified in the FY 2015/2016 budget include capital projects, planning efforts, feasibility studies, and enhanced community partnerships to begin carrying out new directives identified in the recently adopted

Integrated Regional Water Management Plan. Activities and projects include the development of the 2015 Urban Water Management Plan, construction of scientifically advanced monitoring wells in Oeste, construction of the Lenwood Recharge Basin Bypass Pipeline Project, completion of the feasibility study for the Deep Creek Hydroelectric Turbine, feasibility study for the Reoperation of Forks Dam/Groundwater Recharge Supply, continued efforts with the Small Systems/Disadvantaged Communities Program, increased effort in the State Water Project, and expansion of the Agency's Strategic Partners Program.

As evidenced by this year's key initiatives, the Agency is shifting its focus of capital investment to a greater refinement of our planning practices, an increased investment in the Agency's science data platform, investment in technology, increased collaboration with city and county planning staffs to address the new groundwater mandates and water quality regulations, current and subsequent mandatory drought regulations, uncertainty related to the Bay Delta Conservation Plan, and contract negotiations with the Department of Water Resources for potential modifications to the State Water Project Contract.

These ongoing and new challenges have not caught the Agency by surprise. We have laid the groundwork with our sound financial policies, integrated planning, and outreach efforts that have created a growing conservation community that is both informed and engaged.

With change as our new constant, we must rely on improved tools to provide accurate, scientific data to more effectively manage our resources. The implementation of the new financial model will continue to help guide our efforts as we calculate various hydrological and financial conditions to develop new plans and programs. Additionally, continued investment in technology will strengthen the Agency's science foundation that underlies our decisions that will likely become an increasingly important element in planning the growth of communities. As our workforce changes, we must also invest in human resources to enhance our level of expertise to meet the new environmental, regulatory, and resource challenges in our new world.

The future holds great challenges and opportunities. It is with confidence that we present the 2015/2016 Fiscal Year Budget. We wish to express our appreciation to all staff members who contributed to the preparation of the budget, and for the Agency's entire team that daily implement the Agency's mission. Lastly, we acknowledge the foresight of the Board of Directors that has well positioned the Agency to meet the challenges of our new world.

Sincerely,



Kirby Brill
General Manager



Kathy Cortner
Chief Financial Officer

PROPOSED FISCAL YEAR 2015/2016 BUDGET

	FY 2014/2015 Budget	FY 2014/2015 Projected	Variance Fav (Unfav)	FY 2015/2016 Budget	Budget vs. Budget Variance	FY 2016/2017 Budget
Beginning Cash Reserves	\$ 55,507,649	\$ 55,909,007	\$ 401,358	\$ 55,662,596	\$ 154,947	\$ 48,897,811
<u>Revenues</u>						
Water Sales (net of Reliability Assessment)	4,040,207	3,439,514	(600,693)	4,080,861	40,654	4,233,797
Reliability Assessment	1,907,700	1,987,426	79,726	2,390,776	483,076	2,645,010
Pre-Purchase Program In/(Out) *	(1,000,000)	(567,021)	432,979	(190,000)	810,000	(190,000)
MWA 1 - 11.5¢	9,960,493	10,350,000	389,507	10,284,372	323,879	11,051,586
MWA 2 (a) 3¢	8,631,386	8,900,000	268,614	9,190,417	559,031	9,876,023
MWA 2 (b) 2.5¢	7,192,821	7,400,000	207,179	7,658,681	465,860	8,230,019
General Property Tax	2,700,000	3,000,000	300,000	2,916,386	216,386	3,001,436
ID M Property Tax Assessment	2,488,825	2,600,000	111,175	2,701,657	212,832	2,903,200
ID M Debt Service Support	813,250	813,250	-	813,250	-	812,688
Interest	161,854	161,854	-	198,210	36,356	167,871
Grants	1,000,000	1,000,000	-	460,000	(540,000)	760,000
Miscellaneous	22,000	180,000	158,000	22,000	-	22,000
Total Revenues	\$ 37,918,536	\$ 39,265,023	\$ 1,346,487	\$ 40,526,610	\$ 2,608,074	\$ 43,513,630
<u>Expenditures</u>						
DWR Min OMP&R	7,853,629	8,883,867	(1,030,238)	9,098,838	(1,245,209)	8,756,537
DWR Bond and Capital	7,433,459	7,173,595	259,864	7,872,540	(439,081)	7,783,149
SWC Member Allocation	216,000	173,467	42,533	216,000	-	216,000
SWP Contractors Authority	56,000	38,526	17,474	56,000	-	56,000
Tax Collection Exp	123,000	105,980	17,020	123,000	-	123,000
Water Purchases	1,536,380	1,789,440	(253,060)	3,033,180	(1,496,800)	3,000,570
Departmental Expenses	12,087,723	11,136,690	951,033	12,294,912	(207,189)	12,160,185
DWR Loans	404,328	1,739,581	(1,335,253)	-	404,328	-
ID M	3,167,500	3,167,500	-	3,161,625	5,875	3,155,291
Dudley Ridge	2,596,033	2,596,033	-	2,594,533	1,500	2,596,817
Berrenda Mesa	1,885,381	1,470,000	415,381	1,919,267	(33,886)	1,907,667
Capital	3,648,617	1,236,755	2,411,862	6,921,500	(3,272,883)	3,805,000
Total Expenditures	\$ 41,008,050	\$ 39,511,434	\$ 1,496,616	\$ 47,291,395	\$ (6,283,345)	\$ 43,560,216
A/R & A/P Adj.		\$ -				
Ending Cash Reserves	\$ 52,418,135	\$ 55,662,596	\$ 3,244,461	\$ 48,897,811	\$ (3,520,324)	\$ 48,851,225

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 was able to weather through the economic downturn. Recent indicators are that the Agency is seeing recovery in its property taxes. As we look forward, assessed values are projected to continue to increase. These projections are provided by Beacon Economics, which the Agency hires to aid in projecting out 5 years of values. Also, given the open space in the Agency's boundary, it is likely that values will pick up at a 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 2006, which the Agency revisits each year and updates as part of the budget preparation. Over the past several years, the Agency carried out the projects identified in the 2006 Water Management Plan. The Agency is coming out of a capital intensive period and is now planning projects identified in the new 2014 Integrated Regional Water Management Plan.

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".

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.

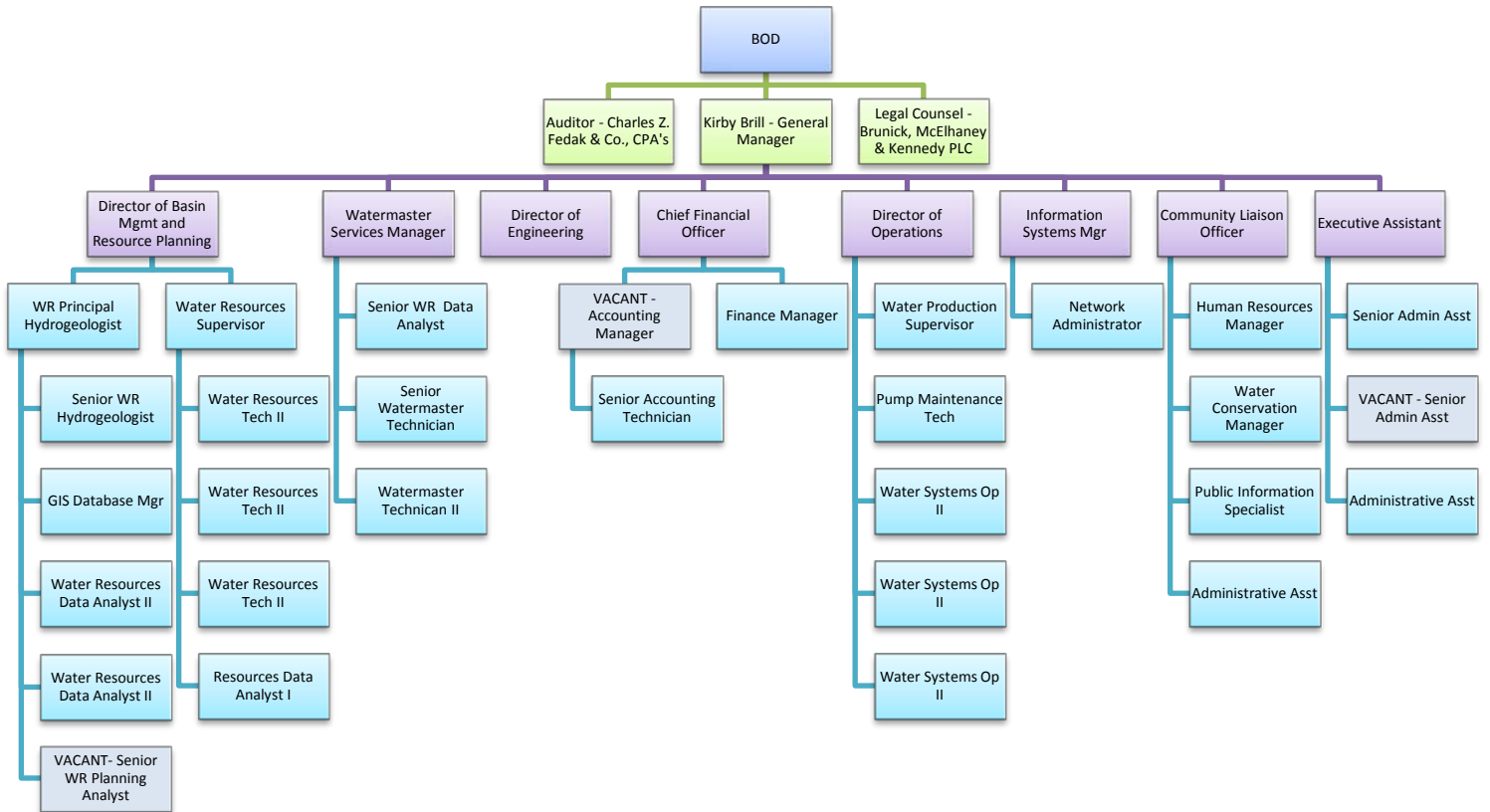
In addition to reporting the results of operations each month, spending limits have been established in the Agency Purchasing Policy as follows:

- ❖ 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 employee pay. The Fiscal year 2015/2016 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 5% that will be allocated to employees based on performance. In addition, employees now contribute 100% of their share of retirement benefits. The following pages include the organization chart for the Fiscal Year 2014/2015 as well as a list of positions and salary ranges reflecting the adjustment in ranges.

Organization Chart



Salary Ranges and Titles

Effective: July 1, 2015 (Fiscal 2015/2016)															
Grade	Monthly Rate				Bottom to Mid	Bottom to Top	Bottom to Max	3.00%		Min % to Grade	Max % to Grade	Annual Rate			Non-Comp*
	Compounding			Non-Comp*				Compounding				Non-Comp*			
	Bottom	Mid	Top	Max				Bottom	Mid			Top	Max		
Non-Exempt															
1	2,727	3,273	3,818	4,200	20%	40%	54%		n/a	n/a	32,724	39,276	45,816	50,400	
2	3,011	3,613	4,216	4,638	20%	40%	54%		110.4%	110.4%	36,132	43,356	50,592	55,656	
3	3,295	3,954	4,612	5,073	20%	40%	54%		109.4%	109.4%	39,540	47,448	55,344	60,876	
4	3,637	4,363	5,091	5,600	20%	40%	54%		110.4%	110.4%	43,644	52,356	61,092	67,200	
5	4,063	4,978	5,891	6,480	23%	45%	59%		111.7%	115.7%	48,756	59,736	70,692	77,760	
6	4,730	5,795	6,860	7,546	23%	45%	60%		116.4%	116.5%	56,760	69,540	82,320	90,552	
7	5,454	6,818	8,181	8,999	25%	50%	65%		115.3%	119.3%	65,448	81,816	98,172	107,988	
Exempt															
10	4,691	5,864	7,036	7,740	25%	50%	65%		n/a	n/a	56,292	70,368	84,432	92,880	
11	5,324	6,788	8,252	9,077	27%	55%	70%		113.5%	117.3%	63,888	81,456	99,024	108,924	
12	6,083	7,757	9,430	10,373	28%	55%	71%		114.3%	114.3%	72,996	93,084	113,160	124,476	
13	7,006	8,934	10,861	11,947	28%	55%	71%		115.2%	115.2%	84,072	107,208	130,332	143,364	
14	7,919	10,294	12,670	13,937	30%	60%	76%		113.0%	116.7%	95,028	123,528	152,040	167,244	
15	9,230	11,998	14,768	16,245	30%	60%	76%		116.6%	116.6%	110,760	143,976	177,216	194,940	
Non-Exempt															
1	2,727	3,273	3,818	4,200							32,724	39,276	45,816	50,400	
2	3,011	3,613	4,216	4,638							36,132	43,356	50,592	55,656	
3	3,295	3,954	4,612	5,073							39,540	47,448	55,344	60,876	
4	3,637	4,363	5,091	5,600							43,644	52,356	61,092	67,200	
5	4,063	4,978	5,891	6,480							48,756	59,736	70,692	77,760	
6	4,730	5,795	6,860	7,546							56,760	69,540	82,320	90,552	
7	5,454	6,818	8,181	8,999							65,448	81,816	98,172	107,988	
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13	7,006	8,934	10,861	11,947							84,072	107,208	130,332	143,364	
14	7,919	10,294	12,670	13,937							95,028	123,528	152,040	167,244	
15	9,230	11,998	14,768	16,245							110,760	143,976	177,216	194,940	

* Non-Compounding compensation is earned each year. Following the annual performance evaluation, employees increase or decrease in pay will be determined based on the performance evaluation score percent multiplied by the Top of the range.

ANALYSIS OF REVENUES AND EXPENDITURES

Financial Direction

The 2014 year marked the completion of those projects carried out in the 2006 Water Management Plan. The financial direction of the agency now shifted into a new phase of study, planning, and design. The Agency is now planning out its response to the 2014 Integrated Regional Water Management Plan priorities.

In addition to this challenge are a number of other challenges that the Agency's Board will confront. Some of the challenges identified by management are the following:

- A Continued Statewide Drought
- Greater Pressures on MWA relating to Land Use
- Cost and timing of the Delta fix to MWA
- A greater emphasis on water quality
- Inevitability of rising water costs
- An increasingly competitive Grant Arena
- The 2014 Urban Water Management Plan
- Groundwater Regulation
- Continued trend of greater water efficiencies
- Greater Expectations out of MWA

In the midst of these challenges are opportunities that the Agency can use against these challenges. These opportunities are:

- Greater flexibility in the water market
- Continued focus on groundwater management
- Greater need to plan and share resources
- Increased regional collaboration
- Public policy urgency on water supply
- A Recovering local economy
- Continued cultural shift to conservation

With all these challenges and opportunities in mind, the Agency determined that there is a need for a dynamic financial model to assist Management in planning the Agency's future. During Fiscal Year 2014, the Agency contracted with Raftelis Financial Consultants to develop a dynamic financial model. The model has allowed Management to forecast and assess the risks associated with various financial and hydrological scenarios, including water markets (sales of annual State Water Project water to other State Water Project contractors), assessed value changes (utilizing Beacon Economics for long range forecasting), declining water demands, capital projects, water allocations, and so on.

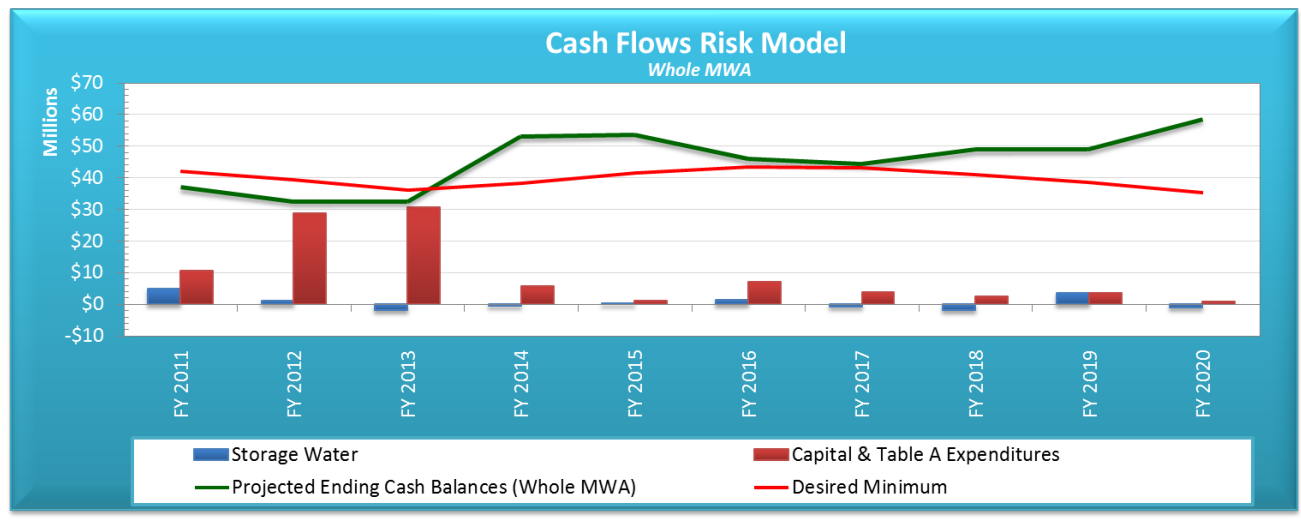
The Agency's investment in this dynamic financial model puts Management in the position of being able to plan now for the future risks the Agency will face. This model sheds some light on the various tools, other than property tax rates, that the Agency can use when facing the challenges ahead.

In order to determine Project 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 red line. These reserve figures represent the Agency's reserve policy which was updated in 2014. This policy will continue to be monitored and updated in order to reflect the needs of the Agency as the world in which we operate evolves.

The beginning reserve balance for 2015/2016 is estimated to be \$54.2 million. The projected cash balance is the green line with 2015/2016 projected to end at approximately \$47.5 million.* 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 comes off a capital intensive period and into a period of planning and design for the next round of projects.

The two points the Agency manages are the (1) low point in the green 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 IDM monies are restricted solely for the debt service payment on the Morongo Basin Pipeline project, those monies have been excluded from this analysis.*

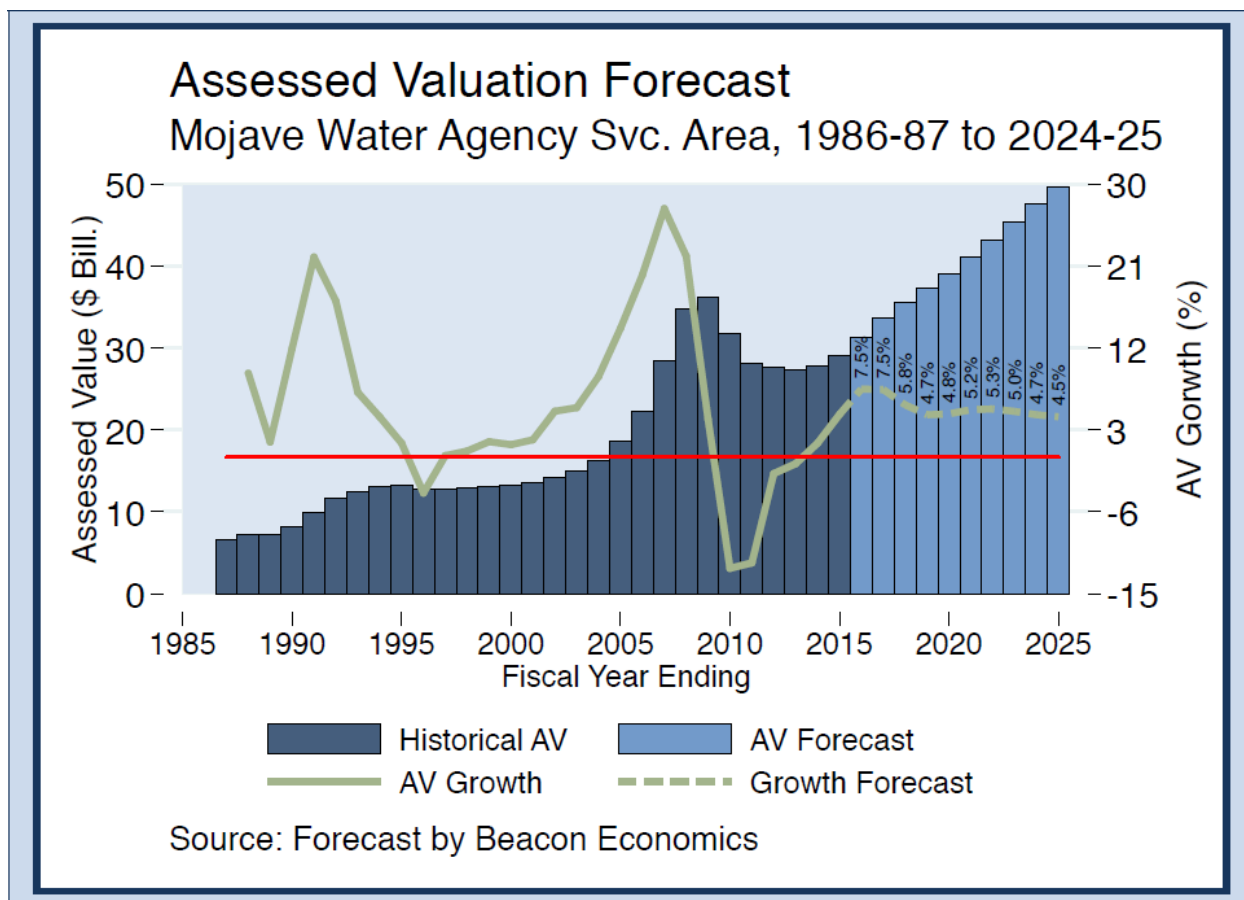


Revenue Projections

Tax Receipts

The MWA economic outlook is currently positive with trends pointing towards faster growth in the next two years before trending back to an average. Assessed values are estimated to increase by 7.5% in fiscal year 2015/2016. The Agency uses two firms to assist in the property tax projections. First, HdL provides the short-term 1 year outlook based on actual data received that will be going into the values prepared by the County Assessor. Second, Beacon Economics provides a long-term forecast.

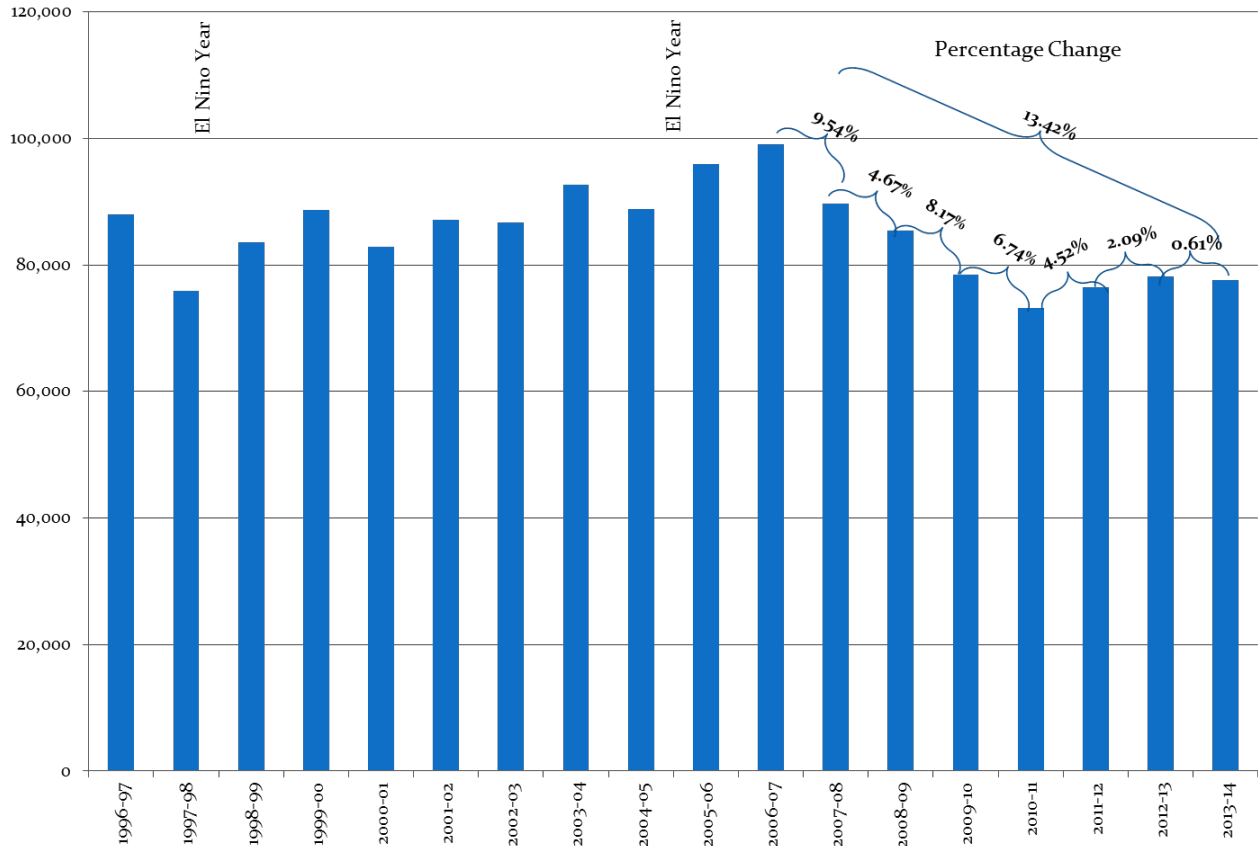
As stated in their report, "While we have seen marked improvements in the real estate market in the MWA area, as well as across the state, we are calling for faster growth over the next 2 years before trending back down toward historically average growth trends in the 4.5% to 5.3% range per year beyond 2018-19." Below is a graphical representation of the Beacon forecast of future assessed values.



Water Sales

Over the past several years, Replacement Water Obligations to the Watermaster have been in decline since the height in 2007/2008. Part of these declines are attributable to the Agency's successful Water Conservation Incentive Program, most notably its "Cash-for-Grass" program where over 7 million square feet of turf have been removed. Below is the trend in total pumping in the Alto Subarea, where the majority of the Replacement Obligations occur. Verified production has seen slight increases over the last couple of years but remain flat. As water producers carry over water to future years, actual sales or Replacement Water Obligations is anticipated to remain flat. In addition, water sales for other customers with direct delivery are down due to the low allocation in State Water Project water as we continue through another drought year.

Verified Production - Alto Subarea



Expenditure Projections

State Water Project/Department of Water Resources Fixed Costs

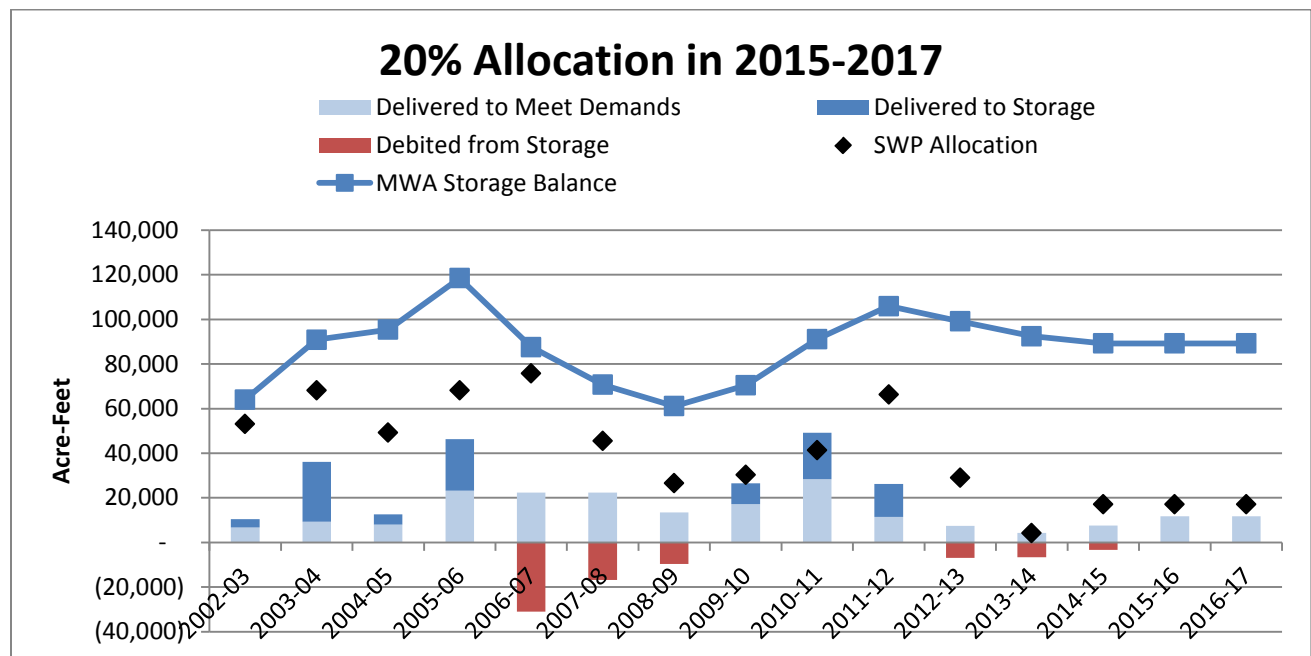
The Department of Water Resources (DWR) Fixed Costs are difficult to anticipate, due largely to the unknowns on the State Water Project system as a result of recent court rulings on the Delta smelt and salmon, aging infrastructure plus potential additional environmental threats to the water supply. However, over the past few 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 the environmental review of a contract extension is under way to, DWR will not issue debt beyond the year 2035 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 2015, all State Water Contractors saw material increases in their projected 2015 Statement of Charges. Concerns were vocalized and the Department of Water Resources took on many steps to reduce costs and issue a "Re-Bill of the 2015 Statement of Charges". It is expected that the State Water Contractors will continue to see increased costs in the future.

DWR Variable Costs (water purchases)

The current allocation for 2015 from the State Water Project System is at 20%. Allocations from the State Water Project System for 2016 and beyond are unknown. The budget assumes that future allocations plus carryover water will be sufficient to support water sales demand.

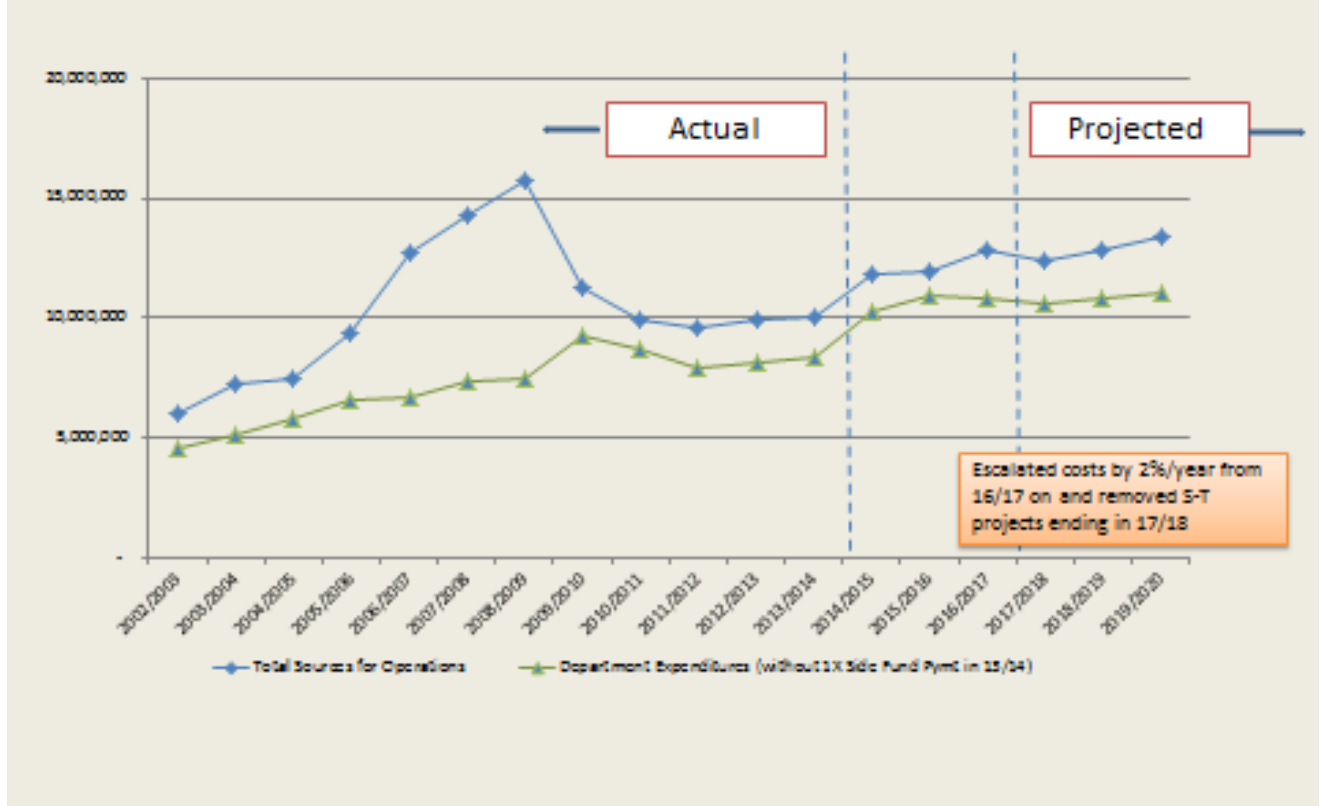
Through conservative planning, the Agency has put itself in a strong position despite of ongoing drought. In the past, Management has planned for the possibility of a 0% allocation and started to build up a bank of water in order to mitigate threats to water supply. This tone at the top has put the Agency in a strong position to endure the hardships of the drought. As we draw down on water reserves, the Agency will be looking to replenish these draw downs in order to maintain a healthy water reserve. The following graph depicts the projection of water inventory balances over the next two fiscal years.



Departmental Expenditures

The major initiatives included in the Fiscal Year 2015/2016 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 Outlook For Operational Expenses Remain Below Projected Revenues



Capital Expenditures

The capital projects included in the fiscal year 2015/2016 budget are itemized in the section titled “Capital Projects”.

The Agency has invested over \$160 million in capital projects over the past five years. Many projects are now in the planning phase as the Agency enters a new era of capital projects. Future capital projects are a direct result of the Integrated Regional Water Management Plan, the source of the Agency’s planned capital improvement projects and programs. A majority of fiscal year 2015/2016 capital expenses will be for the feasibility, planning, and design of the various new projects from the Integrated Regional Water Management Plan.

Debt Service

The Agency has three outstanding debt issuances. Two of the five outstanding debts have been paid off as of April 2015. The outstanding debts are as follows:

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 2015/2016, debt service will be \$3,169,625, 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. 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 2004 COPs were refunded in 2014 to reduce the annual cost. The annual Debt Service for the 2014 COPs for Fiscal Year 2015/16 will be \$1,919,267.
3. 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 2015/2016 will be \$2,594,533.

5 YEAR CAPITAL PROJECT BUDGET

Project Name	FY 2014/2015 Projected	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020	Thereafter	Total Project Cost
Regional Recharge & Recovery Project	190,955							29,190,955
Zone 1 Reservoir and Pipeline Modifications		200,000	200,000	1,750,000	1,750,000	-	29,000,000	3,900,000
Turnout #8 Booster Pump		205,000						205,000
Deep Creek Hydroelectric Project	50,000	450,000	150,000	-	-	-	8,250,000	8,900,000
SCADA Upgrade - Morongo Basin and Mojave River F	9,475	215,000	-	-	-	-		224,475
Antelope Wash Recharge	50,000	450,000	300,000	-	850,000	850,000		2,500,000
River Land Acquisition	-	1,000,000	1,000,000	-	-	-		2,000,000
Alto Regional Aquifer Off River Recharge Basins	-	1,375,000	1,300,000	-	250,000	-	11,195,000	14,120,000
Mojave River Pipeline Casia Cla Valve replacement	-	34,000	-	-	-	-		34,000
Helendale Outlet	-	110,000	45,000	305,000	275,000	-		735,000
Lenwood Refurbishment	20,000	360,000	-	-	-	-		380,000
Oro Grande Wash Recharge	282,500	32,500	-	-	-	-		315,000
Reoperation of Forks Dam/Ground Water Recharge S	-	300,000	300,000	300,000	300,000	-		1,200,000
395 Turnout Recharge Pond	-	60,000	450,000	-	-	-		510,000
Bandicoot Basin Recharge Project	30,000	150,000	-	-	-	-	3,720,000	3,900,000
Oeste/L.A. County Underflow (Phelan CSD)	160,000	-	-	-	-	-	1,000,000	1,160,000
Water Purchase Program	-	750,000	-	-	-	-	1,000,000	1,750,000
Oeste Monitoring Well	-	900,000	-	-	-	-	1,000,000	1,900,000
Integrated Regional Water Management Plan	146,826	-	-	-	-	-		146,826
Operations Center		125,000	-	-	-	-		125,000
L-T Data Storage	150,000	125,000	60,000	60,000	-	-		395,000
Network Hardware Replacement	20,000	20,000	-	-	-	-		40,000
Vehicles & Equipment	127,000	60,000	-	-	-	-		187,000
	\$ 1,236,755	\$ 6,921,500	\$ 3,805,000	\$ 2,415,000	\$ 3,425,000	\$ 850,000	\$ 55,165,000	\$ 73,818,255

Fiscal year 2015/2016 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):

R³ Phase 1 is in operation. Costs for this next fiscal year are related to long term operational issues.

Zone 1 Reservoir and Pipeline Modifications: [Goal 2](#)

Add a second 2.65 MG reservoir south of the existing 2.65 MG reservoir. This additional storage capacity will add operational flexibility to allow continued maximization of well pumping during off peak power rates. Add site piping and tank outlets that will connect to the new reservoir as well as improve circulation and mixing of chlorinated water before being pumped into Zone 2 for delivery to turnouts.

Turnout #6 Booster Pump: [Goal 2](#)

The R³ water being delivered to Victorville from the Zone 2 reservoir through turnout #6 currently requires the City of Victorville to lower water levels in their existing reservoirs. MWA operations are receiving alarms when the City reservoir levels are too high causing water to flow backwards through turnout #6 which means the valve to turnout #6 must be closed. Adding a booster pump at turnout #6 would allow the City to operate fully utilizing the storage capacity of their reservoirs and result in fewer alarms and manual operation.

Deep Creek Hydroelectric Project: [Goal 2](#)

The Deep Creek Hydroelectric Project is located just south of the Central Operations Facility. An existing 48" pipeline outlets just south of the Deep Creek Central Operations Facility into the Mojave River. The Deep Creek pipeline, flow control valve vault, and graded dirt pad were designed and constructed to accommodate a hydroelectric turbine and building at this location. The proposed 1.1 MW (approximated) hydroelectric project is currently going through feasibility studies and completion of the required interconnection applications with SCE.

SCADA Upgrade – Morongo Basin Pipeline & Mojave River Pipeline: [Goal 2](#)

The existing SCADA system is older and needs upgrading. With the construction of R3 and Oro Grande Wash Projects, a new SCADA system has been installed which can be expanded to incorporate the Morongo Basin and Mojave River Pipelines. The SCADA system on the Morongo Pipeline was installed in 2000 and the Mojave River Pipeline's initial installation began in 1997. Both SCADA systems have equipment that is no longer supported by the manufacturer. The item also includes money to move the SCADA systems from the current Rock Springs warehouse to the Operations Facility at Deep Creek.

Antelope Wash Recharge (Project 318) [Goal 2](#)

Feasibility study and preliminary designs of a groundwater recharge basin located in the Antelope Wash in southern Hesperia. The Hesperia Master Plan of Drainage identifies a storm water detention basin in the Antelope Valley Wash south of Ranchero Road. The detention basin site will be able to accommodate groundwater recharge making this a "dual use" facility (storm flow and recharge). The Morongo Basin Pipeline passes through this area and would be the source of recharge water.

River Land Acquisition (Project 342): [Goal 1](#)

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

Alto Regional Aquifer Off River Recharge Basins [Goal 2](#)

This fiscal year's budget includes feasibility studies and investigative studies to identify land for future off river recharge. Once appropriate land is identified initiation of the process for land acquisition will begin.

Mojave River Pipeline Cassia Rd. Cla-Valve Replacement: [Goal 2](#)

This is the by-pass flow control valve which low flows to the High Desert Power Project. The valve has failed and we have made "temporary" repairs until the valve can be replaced.

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.

Lenwood Recharge Refurbishment (Project 345): [Goal 2](#)

Presently, the Lenwood Recharge Ponds only allow for off-river recharge of imported water. The project would include modifications to the current recharge pond and pipeline configuration to allow recharge into the Mojave River aquifer. This includes additional pipeline, earthwork and control systems that would modify the existing facilities at the Lenwood Recharge Site.

Oro Grande Wash 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 may 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.

Reoperation of Forks Dam/Groundwater Recharge Supply: [Goal 5](#)

This fiscal year's budget includes feasibility studies to begin determining the process/schedule, costs, legal issues, environmental/permitting issues for possible reoperation of the Army Corp of Engineers flood control dam at the headwaters of the Mojave River (Forks Dam). The reoperation would ultimately result in greater groundwater recharge of flood waters in the Mojave River to groundwater basin influenced by the Mojave River from Alto to Baja or would be used to store State Water Project Water that could be released and/or recharged into the local groundwater aquifers.

395 Turnout Recharge Pond: [Goal 2](#)

This fiscal year's budget includes a feasibility study/preliminary design for a potential off river groundwater recharge pond located on the MWA property adjacent to the 395 turnout. This location is upstream of the well pumping depression in South West Victorville. Turnout and pipeline capacity already exists for this proposed recharge pond site. This could operate along with the recharge area in the Oro Grande Wash.

Bandicoot Basin Recharge Project (formally called Cedar Street): [Goal 2](#)

This budget includes the determination of the type/size of recharge facility which can be incorporated into the San Bernardino County's Flood Control detention basin currently being designed and planned for construction. This will require coordination with the County in the preparation of design plans and operation of groundwater recharge inside the future detention basin. Ultimately this may lead to acquisition of land and construction of facilities that will allow groundwater recharge of State Water Project water into the detention basin.

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 hydro geologic boundary and groundwater underflow conditions between the MWA Service Area (San Bernardino County) and the Antelope Valley (Los Angeles County).

Water Purchase Program: [Goal 1, 4 and 6](#)

As a result of the current IRWMP process and community outreach, a lot of interest was generated in the Baja Subarea regarding achieving sustainable water and land use activities. The MWA has partnered with the Mojave Desert Resource Conservation District, the Natural Resources Conservation Service and the Bureau of Reclamation to develop a suite of possible projects for the Baja Subarea in an effort to stabilize the natural resources in the region. The project team will work closely with community members and stakeholders to prioritize efforts in the region and look for opportunities and partnerships to implement projects.

Oeste Monitoring Well: [Goal 1, 4 and 6](#)

Scientific study and installation of a sophisticated monitoring well designed to assist with the identification of a potential future recharge site in and around the Oeste Subarea.

Operations Center: [Goal 2](#)

Construction of a heavy equipment prefabricated steel parking shelter at the southwest corner of the Operations Center parking area at Deep Creek. This shelter is needed to help secure and protect parked heavy equipment used for operation and maintenance of the Agency's facilities.

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.

BUDGET DETAIL COMBINED

Summary	Acct	Description	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	Actual YTD 12/31/14	FY 2014/15 Projected	FY 2015/16 Budget	FY 2016/17 Budget
DWR (Fund 600)	5215	State Water Project Minimum OMP&R	8,155,260	7,896,915	7,853,629	4,293,093	8,883,867	9,098,838	8,756,537
	1111	State Water Project Bond & Capital	4,879,116	5,099,385	7,433,459	3,017,517	7,173,595	7,872,540	7,783,149
		Subtotal	13,034,376	12,996,300	15,287,088	7,310,610	16,057,462	16,971,378	16,539,686
SWC Member Allocation (Fund 600)	5731	Legal Fees	11,452	939	26,000	32	1,000	26,000	26,000
	5219	SWC Member Allocation	138,132	172,467	190,000	162,467	172,467	190,000	190,000
		Subtotal	149,584	173,406	216,000	162,499	173,467	216,000	216,000
SWP Contractors Authority (Fund 600)	5220	DSPC	-	-	20,000	-	-	20,000	20,000
	5221	Member Dues	6,943	11,148	11,000	11,148	11,316	11,000	11,000
	5222	Municipal Water Quality Investigation	27,206	24,815	25,000	24,815	27,210	25,000	25,000
		Subtotal	34,149	35,963	56,000	35,963	38,526	56,000	56,000
Water Purchase (Fund 300 & 600)	1455	Inventory	127,883	(1,110,415)	90,623	75,619	338,863	1,388,672	1,242,175
	5211	COGS: Variable Trans. & Off Aqueduct	2,000,941	1,476,015	1,445,757	344,056	1,450,577	1,644,508	1,758,395
			2,128,824	365,600	1,536,380	419,675	1,789,440	3,033,180	3,000,570
Departmental Expenses (Fund 100)	5600	Salaries	2,690,461	2,907,099	3,117,934	1,465,833	2,949,336	3,072,871	3,165,057
	5612	Overtime	42,217	20,083	56,700	10,282	56,700	51,700	52,801
	5613	Health Insurance-Cafeteria	374,716	390,950	426,193	172,122	384,956	413,953	413,953
	5614	Payroll Taxes	89,313	87,971	102,571	46,161	96,994	100,126	103,129
	5615	Misc. Benefit	9,461	18,000	26,251	6,230	25,789	26,251	26,499
	5616	Workers' Compensation Expense	59,149	54,963	71,941	43,050	77,000	70,447	72,561
	5618	Health Insurance Expenses	91,051	90,428	91,779	32,020	85,952	88,180	89,512
	5620	Health Expense Reimbursement	46,774	50,731	54,000	22,382	51,218	52,500	52,500
	5621	Retirement Contribution	10,920	11,947	14,600	6,638	14,600	15,185	15,185
	5623	PERS: Employees	604,311	557,484	693,872	238,916	560,208	509,609	524,898
		SUBTOTAL WAGES & BENEFITS	4,018,373	4,189,656	4,655,841	2,043,634	4,302,753	4,400,822	4,516,095
	5900	Director Fees	111,333	115,284	150,000	56,026	150,000	150,000	150,000
	5910	Dir. Health Insurance Premium	126,837	89,410	130,000	39,505	130,000	130,000	130,000
	5911	In Lieu of Retirement	5,003	4,068	5,000	1,869	5,000	5,000	5,000
	5912	Dir. Health Expense	7,419	2,274	-	-	-	-	-
	5920	Dir. Reimb.HealthExp:MWA Pd	-	-	-	-	-	-	-
	5935	Dir. Legislative Travel	-	164	15,000	-	15,000	15,000	15,000
	5936	Dir. Conferences	7,880	-	-	-	-	-	-
	5940	Dir. Travel: Conferences & Expenses	4,785	16,373	29,750	6,746	29,750	29,750	29,750
	5960	Travel Drs. In	13,904	16,218	15,000	7,360	14,720	21,000	21,000
	5617	Employee Relations	4,623	6,462	5,000	1,972	5,000	15,000	15,000
	5622	OPEB	70,453	111,032	189,197	61,579	189,197	194,965	194,965
	5700	Office Rent	-	-	-	-	-	-	-
	5701	Equip. Lease/Rent	52,900	60,491	70,000	28,656	70,000	70,000	70,000
	5702	Safety Supplies	9,065	11,845	13,500	3,192	13,500	13,500	13,500
	5703	Recruiting Expense	17,650	4,253	7,500	1,242	5,000	10,000	10,000
	5704	Temporary Services	14,420	-	15,000	19,950	32,690	-	-
	5705	Building & Equipment Maintenance	155,452	204,202	218,000	104,951	219,000	220,000	220,000
	5706	Utilities	566,955	942,238	1,255,000	641,807	1,342,720	1,375,000	1,375,000
	5707	Photo Expense	305	973	-	-	-	-	-
	5708	Postage & Mailing Costs	5,613	3,218	5,000	3,236	5,000	5,000	5,000
	5709	Office Supplies & Expenses	36,568	27,418	35,750	18,269	35,065	35,750	35,750
	5710	Small Tools	9,592	12,818	25,500	3,856	25,500	31,500	31,500
	5711	Books & Subscriptions	1,874	2,297	12,120	2,347	12,000	12,000	12,000
	5712	Telephone	130,821	115,938	122,000	38,085	87,270	95,000	95,000
	5713	Printing	5,331	1,342	5,500	-	4,500	4,500	4,500
	5720	Computer Licenses & Maintenance	240,972	274,113	327,300	226,183	277,300	295,800	290,800
	5721	Data Collections	126,494	160,138	225,000	62,626	225,000	185,000	185,000
	5722	Insurance	301,223	297,582	300,000	177,861	300,000	305,000	305,000
	5724	Licenses/Dues & Fees	81,254	97,777	96,700	64,496	96,244	99,500	99,500
	5725	Auto Expenses	87,364	101,222	99,500	49,624	126,168	109,500	109,500

BUDGET DETAIL COMBINED (Continued)

Departmental Expenses (Fund 100) (Continued)	5726	Travel Expenses	52,299	62,694	73,500	20,981	58,730	85,000	85,000
	5728	Education & Training	8,801	14,116	37,000	9,849	25,818	43,000	43,000
	5729	Consulting	645,385	248,718	1,112,500	203,029	1,037,500	1,475,000	1,295,000
	5731	Legal	124,119	80,739	115,000	45,988	115,000	115,000	115,000
	5732	Legislative Advocacy	135,065	133,401	145,000	50,273	145,000	145,000	145,000
	5733	Audit & Accounting	33,373	36,017	40,000	14,030	40,000	40,000	40,000
	5734	Environmental	-	-	35,000	-	35,000	60,000	60,000
	5735	Water Quality	-	29,921	55,000	4,613	55,000	55,000	55,000
	5736	Engineering, General	-	1,000	1,000	-	1,000	16,000	16,000
	5737	USGS	271,318	391,405	410,000	74,035	410,000	420,000	350,000
	5741	Aerial Photos	45,280	27,318	65,000	57,000	65,000	75,000	75,000
	5742	Public Relations	64,054	88,402	113,500	36,987	113,500	123,500	123,500
	5743	Water Conservation	436,598	766,680	1,295,300	462,841	870,000	1,365,000	1,365,000
	5800	Election Costs	73,663	-	108,000	-	-	-	-
	5801	IDM: 4% Debt Service Support	32,563	32,547	32,600	-	32,600	32,600	32,600
	5803	MWA 25% Watermaster Support	311,498	333,716	351,665	-	351,665	352,225	352,225
	5805	Contingency	-	-	2,500	-	-	2,500	2,500
	5810	Other Expenses	59,548	17,018	67,000	12,739	62,500	61,500	66,500
		Total Before Transfers Out	8,508,027	9,132,498	12,087,723	4,657,437	11,136,690	12,294,912	12,160,185
	5610	Labor Transfers Out	(54,214)	-	-	-	-	-	-
5744	Overhead Burden Out	(285,590)	-	-	-	-	-	-	
	Total Capital Labor & OH Out	(339,804)	-	-	-	-	-	-	
	TOTAL NET DEPT EXPENSES:	8,168,223	9,132,498	12,087,723	4,657,437	11,136,690	12,294,912	12,160,185	
Tax Collection Exp (All Funds)	5820	General Fund	18,719	19,540	13,635	9,405	13,636	13,636	13,636
	5820	Debt Service Fund	2,292	2,734	35,000	1,236	35,000	35,000	35,000
	5820	SWP Fund	15,008	15,586	66,365	24,240	49,344	66,364	66,364
	5820	ID M	6,210	6,224	8,000	3,112	8,000	8,000	8,000
		Subtotal	42,229	44,084	123,000	37,993	105,980	123,000	123,000
DWR Loans (Fund 300)	5850	Interest Expense	75,169	53,752	40,646	32,404	40,646	-	-
	2700	Principal Pmt - 860-880	748,139	384,455	363,682	371,278	363,682	-	-
		Subtotal	823,308	438,207	404,328	403,682	404,328	-	-
ID M (Fund 800)	5850	Interest Expense	1,243,542	1,143,125	1,037,500	613,750	1,037,500	926,625	810,291
	2627	Principal Pmt	2,025,000	2,130,000	2,130,000	2,025,000	2,130,000	2,235,000	2,345,000
		Subtotal	3,268,542	3,273,125	3,167,500	2,638,750	3,167,500	3,161,625	3,155,291
COP-Dudley Ridge (Fund 300)	5853	Interest Expense	1,840,263	1,826,575	1,811,033	913,875	1,811,033	1,779,533	1,746,817
	2623	Principal Pmt	470,000	785,000	785,000	-	785,000	815,000	850,000
		Subtotal	2,310,263	2,611,575	2,596,033	913,875	2,596,033	2,594,533	2,596,817
COP-Berrenda Mesa (Fund 600)	5854	Interest Expense	671,773	455,368	550,381	331,803	357,504	639,267	587,667
	2640	Principal Pmt	1,280,000	1,589,345	1,335,000	1,280,000	1,470,000	1,280,000	1,320,000
		Subtotal	1,951,773	2,044,713	1,885,381	1,611,803	1,827,504	1,919,267	1,907,667

DEPARTMENTAL INITIATIVES/BUDGETS

Administration (AD)

Dept #10

	EXPENSES:	FY 12/13 Actual	FY 13/14 Actual	FY 14/15 Budget	Actual YTD as of 12/31/2014	FY 14/15 Projected	FY 15/16 Budget	FY 16/17 Budget
5600	Dept Wages	833,111	915,689	923,871	434,589	869,178	874,047	900,268
5612	Dept Overtime	945	323	10,000	133	10,000	10,000	10,300
5613	Health Insurance - Cafeteria	101,092	105,291	107,953	47,695	95,390	95,713	95,713
5614	Payroll Taxes	27,988	29,187	29,715	14,132	28,264	27,889	28,726
5615	Misc Benefit	5,999	6,000	6,000	2,769	6,000	6,000	6,000
5616	Workers Compensation Expense	7,201	4,384	6,988	3,406	6,812	6,341	6,531
5618	Health Insurance - ACWA	40,300	39,542	35,524	11,867	35,524	33,235	33,235
5620	Health Ins Reimb - FSA	13,428	16,186	15,000	6,375	15,000	13,500	13,500
5621	Deferred Comp Contributions GM	10,920	11,947	14,600	6,638	14,600	15,185	15,185
5623	PERS Retirement	185,178	163,876	200,858	71,460	142,920	139,583	143,770
	Dept Benefits			-		-	-	-
	TOTAL WAGES & BENEFITS	1,226,162	1,292,425	1,350,509	599,064	1,223,688	1,221,493	1,253,228
5900	Director Fees	111,333	115,284	150,000	56,026	150,000	150,000	150,000
5910	Directors Pooled Health	126,837	89,410	130,000	39,505	130,000	130,000	130,000
5911	In Lieu of Retirement	5,003	4,068	5,000	1,869	5,000	5,000	5,000
5935	Dir. Legislative Travel		164	15,000		15,000	15,000	15,000
5940	Dir. Other: Conferences & Expenses	4,785	16,373	29,750	6,746	29,750	29,750	29,750
5960	Travel Drs. In	13,904	16,218	15,000	7,360	14,720	21,000	21,000
5617	Employee Relations	4,623	6,462	5,000	1,972	5,000		-
5622	OPEB	70,453	111,032	189,197	61,579	189,197	194,965	194,965
5701	Equip. Lease/Rent	52,280	54,576	55,000	21,575	55,000	55,000	55,000
5702	Safety Supplies	5,662	8,930	5,000	395	5,000	5,000	5,000
5703	Recruiting Expense	17,528	4,253	5,000	1,242	5,000	5,000	5,000
5704	Temporary Services	14,420	-	-	19,950	32,690	-	-
5705	Building Maintenance & Expense	3,992	4,463	2,000	2,068	3,000	4,000	4,000
5706	Utilities	133,495	152,564	180,000	60,447	180,000	175,000	175,000
5708	Postage & Mailing Costs	5,613	3,218	5,000	3,236	5,000	5,000	5,000
5709	Office Supplies & Expenses	35,767	27,418	35,000	18,204	35,000	35,000	35,000
5711	Books & Subscriptions	508	1,035	1,000	151	1,000	1,000	1,000

Administration (AD)

Dept #10

		FY 12/13 Actual	FY 13/14 Actual	FY 14/15 Budget	Actual YTD as of 12/31/2014	FY 14/15 Projected	FY 15/16 Budget	FY 16/17 Budget
	EXPENSES:							
5712	Telephone	113,492	108,680	117,000	34,279	82,270	90,000	90,000
5722	Insurance	301,223	297,582	300,000	177,861	300,000	305,000	305,000
5724	Licenses/Dues & Fees (ACWA, LAFCO & Misc)	65,896	76,105	75,000	56,725	75,000	75,000	75,000
5725	Auto Expenses	5,515	3,735	5,000	3,132	5,000	5,000	5,000
5726	Travel Expenses	33,077	41,398	35,000	11,240	35,000	42,000	42,000
5728	Education & Training	3,664	3,686	5,000	1,125	5,000	5,000	5,000
5729	Consulting	239,037	133,982	260,000	64,210	185,000	160,000	160,000
5731	Legal	124,119	80,739	115,000	45,988	115,000	115,000	115,000
5733	Audit & Accounting	33,373	36,017	40,000	14,030	40,000	40,000	40,000
5801	IDM: 4% Debt Service Support	32,563	32,547	32,600		32,600	32,600	32,600
5803	MWA 50% Watermaster Support	311,498	333,716	351,665		351,665	352,225	352,225
5810	Other Expenses (trustee fees)	59,251	15,772	56,000	9,372	56,000	56,000	56,000
	NON-LABOR EXP	2,024,862	1,790,519	2,328,212	720,287	2,142,892	2,108,540	2,108,540
	TOTAL DEPT EXPENSES	3,251,024	3,082,944	3,678,721	1,319,351	3,366,580	3,330,033	3,361,768
5610	Labor Transfers to Capital	-	-	-	-	-	-	-
5744	Overhead Burden to Capital	-	-	-	-	-	-	-
	Total Capital Labor & OH Out	-	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	3,251,024	3,082,944	3,678,721	1,319,351	3,366,580	3,330,033	3,361,768

Administration (AD)
Dept #10

		Department Admin.	Doc Scanning	Finance Model	2016 Total
	EXPENSES:				
5600	Dept Wages	874,047			874,047
5612	Dept Overtime	10,000			10,000
5613	Health Insurance - Cafeteria	95,713			95,713
5614	Payroll Taxes	27,889			27,889
5615	Misc Benefit	6,000			6,000
5616	Workers Compensation Expense	6,341			6,341
5618	Health Insurance - ACWA	33,235			33,235
5620	Health Ins Reimb - FSA	13,500			13,500
5621	Deferred Comp Contributions GM	15,185			15,185
5623	PERS Retirement	139,583			139,583
	Dept Benefits	-			-
	TOTAL WAGES & BENEFITS	1,221,493		-	1,221,493
5900	Director Fees	150,000			150,000
5910	Directors Pooled Health	130,000			130,000
5911	In Lieu of Retirement	5,000			5,000
5935	Dir. Legislative Travel	15,000			15,000
5940	Dir. Other: Conferences & Expenses	29,750			29,750
5960	Travel Drs. In	21,000			21,000
5617	Employee Relations	-			-
5622	OPEB	194,965			194,965
5701	Equip. Lease/Rent	55,000			55,000
5702	Safety Supplies	5,000			5,000
5703	Recruiting Expense	5,000			5,000
5704	Temporary Services	-			-
5705	Building Maintenance & Expense	4,000			4,000
5706	Utilities	175,000			175,000
5708	Postage & Mailing Costs	5,000			5,000
5709	Office Supplies & Expenses	35,000			35,000
5711	Books & Subscriptions	1,000			1,000

Administration (AD)
Dept #10

		Department Admin.	Doc Scanning	Finance Model	2016 Total
	EXPENSES:				
5712	Telephone	90,000			90,000
5722	Insurance	305,000			305,000
5724	Licenses/Dues & Fees (ACWA,LAFCO & Misc)	75,000			75,000
5725	Auto Expenses	5,000			5,000
5726	Travel Expenses	42,000			42,000
5728	Education & Training	5,000			5,000
5729	Consulting	125,000	10,000	25,000	160,000
5731	Legal	115,000			115,000
5733	Audit & Accounting	40,000			40,000
5801	IDM: 4% Debt Service Support	32,600			32,600
5803	MWA 50% Watermaster Support	352,225			352,225
5810	Other Expenses (trustee fees)	56,000			56,000
	NON-LABOR EXP	2,073,540	10,000	25,000	2,108,540
	TOTAL DEPT EXPENSES	3,295,033	10,000	25,000	3,330,033
5610	Labor Transfers to Capital	-			-
5744	Overhead Burden to Capital	-			-
	Total Capital Labor & OH Out	-	-	-	-
	TOTAL NET DEPT EXPENSES:	3,295,033	10,000	25,000	3,330,033

Information Technology (IT)

Dept #20

		FY 12/13 Actual	FY 13/14 Actual	FY14/15 Budget	Actual YTD as of 12/31/2014	FY 14/15 Projected	FY15/16 Budget	FY16/17 Budget
	EXPENSES:							
5600	Dept Wages	191,610	203,740	212,623	105,655	211,310	221,577	228,224
5612	Dept Overtime	13,843	8,284	15,000	4,660	15,000	15,000	15,000
5613	Health Insurance - Cafeteria	24,480	24,480	24,480	11,298	24,480	24,480	24,480
5614	Payroll Taxes	6,517	5,661	6,876	3,188	6,876	7,050	7,262
5616	Workers Compensation Expense	1,412	879	1,294	651	1,294	1,294	1,333
5618	Health Insurance - ACWA	5,634	5,359	5,377	2,178	5,377	5,471	5,471
5620	Health Ins Reimb - FSA	3,000	2,909	3,000	1,396	3,000	3,000	3,000
5621	Deferred Comp Contributions			-		-	-	-
5623	PERS Retirement	46,110	43,434	53,741	19,024	53,741	41,421	42,664
	Dept Benefits			-		-	-	-
	TOTAL WAGES & BENEFITS	292,606	294,746	312,900	148,050	321,078	319,293	327,434
5709	Office Supplies & Expenses	744	-	750		-	750	750
5710	Small Tools	413	233	1,000		1,000	1,000	1,000
5711	Books & Subscriptions	40	60	120		-		-
5720	Computer & Equipment Maintenance	233,459	249,604	300,000	223,636	265,000	285,000	285,000
5724	Licenses/Dues & Fees	2,378	2,687	5,000		2,500	5,000	5,000
5726	Travel Expenses	4,429	887	8,000	4,417	6,500	15,000	15,000
5728	Education & Training	99	5,541	20,000	5,336	10,672	25,000	25,000
5729	Consulting	25,000	-	12,500		12,500	25,000	25,000
5741	Aerial Photos	45,280	27,318	65,000	57,000	65,000	75,000	75,000
5805	Contingency		-	2,500		-	2,500	2,500
5810	Other Expenses	65	103	1,000		-	500	500
	NON-LABOR EXP	312,860	286,433	370,250	290,389	363,172	434,750	434,750
	TOTAL DEPARTMENT EXPENSES	605,466	581,179	683,150	438,439	684,250	754,043	762,184
5610	Labor Transfers to Capital	-		-	-		-	-
5744	Overhead Burden to Capital	-		-	-		-	-
	Total Capital Labor & OH Out	-		-	-		-	-
	TOTAL NET DEPT EXPENSES:	605,466	581,179	683,150	438,439	684,250	754,043	762,184

Information Technology (IT)					
Dept #20					
		Department Admin.	GIS	Aerial Photos	2016 Total
	EXPENSES:		376	450	
5600	Dept Wages	221,577			221,577
5612	Dept Overtime	15,000			15,000
5613	Health Insurance - Cafeteria	24,480			24,480
5614	Payroll Taxes	7,050			7,050
5616	Workers Compensation Expense	1,294			1,294
5618	Health Insurance - ACWA	5,471			5,471
5620	Health Ins Reimb - FSA	3,000			3,000
5621	Deferred Comp Contributions	-			-
5623	PERS Retirement	41,421			41,421
	Dept Benefits	-			-
	TOTAL WAGES & BENEFITS	319,293	-		319,293
5709	Office Supplies & Expenses	750			750
5710	Small Tools	1,000			1,000
5711	Books & Subscriptions	-			-
5720	Computer & Equipment Maintenance	235,000	50,000		285,000
5724	Licenses/Dues & Fees	5,000			5,000
5726	Travel Expenses	15,000			15,000
5728	Education & Training	25,000			25,000
5729	Consulting	-		25,000	-
5741	Aerial Photos	-		75,000	75,000
5805	Contingency	2,500			2,500
5810	Other Expenses	500			500
	NON-LABOR EXP	284,750	50,000	100,000	409,750
	TOTAL DEPARTMENT EXPENSES	604,043	50,000	100,000	729,043
5610	Labor Transfers to Capital	-	-	-	-
5744	Overhead Burden to Capital	-	-	-	-
	Total Capital Labor & OH Out	-	-	-	-
	TOTAL NET DEPT EXPENSES:	604,043	50,000	100,000	729,043

Community Outreach & Employee Relations (PI)

Dept #30

		FY 12/13	FY 13/14	FY 14/15	Actual YTD as of	FY 14/15	FY 15/16	FY 16/17
	EXPENSES:	Actual	Actual	Budget	12/31/2014	Projected	Budget	Budget
5600	Dept Wages	166,997	216,903	269,538	138,660	269,538	366,403	377,395
5612	Dept Overtime	1,789	1,928	1,700	850	1,700	1,700	1,751
5613	Health Insurance - Cafeteria	27,767	35,210	48,960	13,540	48,960	61,200	61,200
5614	Payroll Taxes	5,577	5,309	9,236	4,010	9,236	12,281	12,649
5615	Misc Benefit	3,462	6,000	6,000	692	6,000	6,000	6,000
5616	Workers Compensation Expense	2,317	1,880	4,282	1,601	4,282	4,929	5,077
5618	Health Insurance - ACWA	5,237	6,164	8,698	3,008	8,698	11,156	11,491
5620	Health Ins Reimb - FSA	3,404	4,454	6,000	1,788	6,000	7,500	7,500
5623	PERS Retirement	30,076	26,159	35,846	15,232	35,846	46,489	47,884
	TOTAL WAGES & BENEFITS	246,626	304,007	390,260	179,381	390,260	517,658	530,947
5617	Employee Relations			-	-		15,000	15,000
5707	Photo Expense	305	973	-		-	-	-
5709	Office Supplies & Expenses			-	65	65	-	-
5710	Small Tools			-		-	5,000	5,000
5711	Books & Subscriptions	843	779	1,000	442	1,000	1,000	1,000
5713	Printing	134	-	4,500		4,500	4,500	4,500
5720	Computer & Equipment Maintenance	280	195	800		800	800	800
5724	Licenses/Dues & Fees	10,255	8,544	10,000	3,158	10,000	10,000	10,000
5725	Auto Expenses	134	417	-	944	944	-	-
5726	Travel Expenses	5,756	4,411	7,500	2,363	4,726	10,000	10,000
5728	Education & Training	1,525	971	2,000	356	2,000	3,000	3,000
5729	Consulting		-	20,000		20,000	20,000	20,000
5732	Legislative Advocacy	134,117	133,401	145,000	50,273	145,000	145,000	145,000
5742	Public Relations	62,739	87,295	113,500	36,987	113,500	123,500	123,500
5743	Water Conservation	436,598	766,680	1,295,300	462,841	870,000	1,365,000	1,365,000
	NON-LABOR EXP	652,686	1,003,666	1,599,600	557,429	1,172,535	1,687,800	1,687,800
	TOTAL DEPARTMENT EXPENSE	899,312	1,307,673	1,989,860	736,810	1,562,795	2,205,458	2,218,747
5610	Labor Transfers to Capital			-			-	-
5744	Overhead Burden to Capital			-			-	-
	Total Capital Labor & OH Out			-	-		-	-
	TOTAL NET DEPT EXPENSES:	899,312	1,307,673	1,989,860	736,810	1,562,795	2,205,458	2,218,747

Community Outreach & Employee Relations (PI)

Dept #30

		Department	Newsletter	Community Relations	Limited Strategic Partnerships	Fac.Tours	Annual Water Symposium
	EXPENSES:	Admin.	209	226	227	243	259
5600	Dept Wages	366,403					
5612	Dept Overtime	1,700					
5613	Health Insurance - Cafeteria	61,200					
5614	Payroll Taxes	12,281					
5615	Misc Benefit	6,000					
5616	Workers Compensation Expense	4,929					
5618	Health Insurance - ACWA	11,156					
5620	Health Ins Reimb - FSA	7,500					
5623	PERS Retirement	46,489					
	TOTAL WAGES & BENEFITS	517,658	-	-		-	-
5617	Employee Relations	15,000					
5707	Photo Expense	-					
5709	Office Supplies & Expenses	-					
5710	Small Tools	5,000					
5711	Books & Subscriptions	1,000					
5713	Printing	4,500	-				
5720	Computer & Equipment Maintenance	800					
5724	Licenses/Dues & Fees	10,000					
5725	Auto Expenses	-					
5726	Travel Expenses	10,000					
5728	Education & Training	3,000					
5729	Consulting	20,000					
5732	Legislative Advocacy	145,000					
5742	Public Relations	5,000	1,000	90,000		7,500	15,000
5743	Water Conservation	-			200,000		
	NON-LABOR EXP	204,300	1,000	90,000	200,000	7,500	15,000
	TOTAL DEPARTMENT EXPENSES	721,958	1,000	90,000	200,000	7,500	15,000
5610	Labor Transfers to Capital						
5744	Overhead Burden to Capital						
	Total Capital Labor & OH Out	-	-	-		-	-
	TOTAL NET DEPT EXPENSES:	721,958	1,000	90,000	200,000	7,500	15,000

Community Outreach & Employee Relations (PI)

Dept #30

		Department	AWAC	Demo Gard	County Conf.	WCIP	2016
	EXPENSES:	Admin.	305	344	381	386	Total
5600	Dept Wages	366,403					366,403
5612	Dept Overtime	1,700					1,700
5613	Health Insurance - Cafeteria	61,200					61,200
5614	Payroll Taxes	12,281					12,281
5615	Misc Benefit	6,000					6,000
5616	Workers Compensation Expense	4,929					4,929
5618	Health Insurance - ACWA	11,156					11,156
5620	Health Ins Reimb - FSA	7,500					7,500
5623	PERS Retirement	46,489					46,489
	TOTAL WAGES & BENEFITS	517,658	-	-	-	-	517,658
5617	Employee Relations	15,000					
5707	Photo Expense	-					-
5709	Office Supplies & Expenses	-					-
5710	Small Tools	5,000					5,000
5711	Books & Subscriptions	1,000					1,000
5713	Printing	4,500					4,500
5720	Computer & Equipment Maintenance	800					800
5724	Licenses/Dues & Fees	10,000					10,000
5725	Auto Expenses	-					-
5726	Travel Expenses	10,000					10,000
5728	Education & Training	3,000					3,000
5729	Consulting	20,000					20,000
5732	Legislative Advocacy	145,000					145,000
5742	Public Relations	5,000			5,000		123,500
5743	Water Conservation	-	90,000	75,000		1,000,000	1,365,000
	NON-LABOR EXP	204,300	90,000	75,000	5,000	1,000,000	1,687,800
	TOTAL DEPARTMENT EXPENSES	721,958	90,000	75,000	5,000	1,000,000	2,205,458
5610	Labor Transfers to Captial						
5744	Overhead Burden to Capital						
	Total Capital Labor & OH Out	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	721,958	90,000	75,000	5,000	1,000,000	2,205,458

Engineering (ENG)								
Dept #40								
		FY 12/13 Actual	FY 13/14 Actual	FY 14/15 Budget	Actual YTD as of 12/31/2014	FY 14/15 Projected	FY 15/16 Budget	FY 16/17 Budget
	EXPENSES:							
5600	Dept Wages	289,799	236,610	255,765	127,862	225,000	112,155	115,520
5612	Dept Overtime	-		-		-		-
5613	Health Insurance - Cafeteria	36,720	24,009	24,480	11,298	24,480	12,240	12,240
5614	Payroll Taxes	9,268	8,459	8,127	3,969	8,127	3,576	3,683
5616	Workers Compensation Expense	3,810	1,880	2,988	1,052	2,988	1,494	1,539
5618	Health Insurance - ACWA	7,617	5,694	5,718	1,985	5,718	2,270	2,315
5620	Health Ins Reimb - FSA	4,500	2,717	3,000	1,442	3,000	1,500	1,500
5623	PERS Retirement	67,430	60,934	64,633	23,097	64,633	21,045	21,676
	Dept Benefits			-				-
	TOTAL WAGES & BENEFITS	419,144	340,303	364,711	170,705	333,946	154,280	158,473
5702	Safety Supplies		90			-		-
5703	Recruiting Expense	25		-		-		-
5704	Temporary Services			-		-	-	-
5705	Building Maintenance & Expense	9,904	(575)	-		-		-
5711	Books & Subscriptions			8,500	1,600	8,500	8,500	8,500
5724	Licenses/Dues & Fees	1,121	1,946	1,200	2,321	4,000	4,000	4,000
5725	Auto Expenses	11,317	18,068	14,500	5,274	14,500	14,500	14,500
5726	Travel Expenses	517	4,439	6,000	452	6,000	6,000	6,000
5729	Consulting	53,242	19,000	25,000	-	25,000	45,000	45,000
5736	Engineering, General		1,000	1,000	-	1,000	16,000	16,000
	NON-LABOR EXP	76,126	43,968	56,200	9,647	59,000	94,000	94,000
	TOTAL DEPT EXPENSES	495,270	384,271	420,911	180,352	392,946	248,280	252,473
5610	Labor Transfers to Capital	(32,334)		-		-	-	-
5744	Overhead Burden to Capital	(157,607)		-		-	-	-
	Total Capital Labor & OH Out	(189,941)	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	305,329	384,271	420,911	180,352	392,946	248,280	252,473

Operation & Maintenance (OM)								
Dept #50								
	EXPENSES:	FY 12/13 Actual	FY 13/14 Actual	FY 14/15 Budget	Actual YTD as of 12/31/2014	FY 14/15 Projected	FY 15/16 Budget	FY 16/17 Budget
5600	Dept Wages	400,971	430,933	483,634	213,729	483,634	473,168	487,363
5612	Dept Overtime	23,000	9,166	20,000	4,299	20,000	20,000	20,600
5613	Health Insurance - Cafeteria	61,200	67,320	73,440	29,188	73,440	73,440	73,440
5614	Payroll Taxes	13,598	12,363	16,155	6,694	16,155	15,683	16,153
5615	Misc Benefit			8,251		8,251	8,251	8,499
5616	Workers Compensation Expense	21,816	21,511	25,830	18,443	25,830	25,830	26,605
5618	Health Insurance - ACWA	12,074	12,807	14,091	4,710	14,091	13,031	13,292
5620	Health Ins Reimb - FSA	7,500	8,306	9,000	3,772	9,000	9,000	9,000
5623	PERS Retirement	91,395	84,730	114,730	35,934	114,730	83,052	85,544
	Dept Benefits			-		-	-	-
	TOTAL WAGES & BENEFITS	631,554	647,136	765,131	316,769	765,131	721,455	740,496
5701	Equip. Lease/Rent	620	5,915	15,000	7,081	15,000	15,000	15,000
5702	Safety Supplies	2,029	1,992	7,000	1,989	7,000	7,000	7,000
5703	Recruiting Expense			-		-		-
5704	Temporary Services			-		-		-
5705	Building Maintenance & Expense	140,603	200,314	216,000	102,883	216,000	216,000	216,000
5706	Utilities	433,460	789,674	1,075,000	581,360	1,162,720	1,200,000	1,200,000
5710	Small Tools	8,175	6,492	22,000	2,316	22,000	22,000	22,000
5711	Books & Subscriptions			1,000		1,000	1,000	1,000
5712	Telephone	17,329	7,258	5,000	3,806	5,000	5,000	5,000
5720	Computer & Equipment Maintenance	3,078	3,599	6,500	457	6,500	5,000	5,000
5721	Data Collections	261	683	-		-		-
5724	Licenses/Dues & Fees	700	561	1,500	670	1,500	1,500	1,500
5725	Auto Expenses	53,744	54,858	60,000	17,412	60,000	60,000	60,000
5726	Travel Expenses	214	497	2,000	257	2,000	2,000	2,000
5728	Education & Training	290	2,165	5,000	1,459	5,000	5,000	5,000
5729	Consulting	10,148	29,300	95,000	19,056	95,000	75,000	75,000
5734	Environmental		-	35,000		35,000	60,000	60,000
5735	Water Quality		29,921	55,000	4,613	55,000	55,000	55,000
	NON-LABOR EXP	670,767	1,133,229	1,601,000	743,359	1,688,720	1,729,500	1,729,500
	TOTAL DEPARTMENT EXPENSES	1,302,321	1,780,365	2,366,131	1,060,128	2,453,851	2,450,955	2,469,996
5610	Labor Transfers to Capital	(21,643)		-		-	-	-
5744	Overhead Burden to Capital	(126,986)		-		-	-	-
	Total Capital Labor & OH Out	(148,629)	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	1,153,692	1,780,365	2,366,131	1,060,128	2,453,851	2,450,955	2,469,996

**Operation & Maintenance (OM)
Dept #50**

	EXPENSES:	Department Admin.	R3 359A	Oro Grande 370A	Rock Springs Security Services 393	Morongo Pipeline 840	Ames Reche	2016 TOTAL
5600	Dept Wages	473,168						473,168
5612	Dept Overtime	20,000						20,000
5613	Health Insurance - Cafeteria	73,440						73,440
5614	Payroll Taxes	15,683						15,683
5615	Misc Benefit	8,251						8,251
5616	Workers Compensation Expense	25,830						25,830
5618	Health Insurance - ACWA	13,031						13,031
5620	Health Ins Reimb - FSA	9,000						9,000
5623	PERS Retirement	83,052						83,052
	Dept Benefits	-						-
	TOTAL WAGES & BENEFITS	721,455	-	-	-	-	-	721,455
5701	Equip. Lease/Rent	15,000						15,000
5702	Safety Supplies	7,000						7,000
5703	Recruiting Expense	-						-
5704	Temporary Services	-						-
5705	Building Maintenance & Expense	216,000	-	-				216,000
5706	Utilities	-	1,000,000			200,000	-	1,200,000
5710	Small Tools	22,000				-	-	22,000
5711	Books & Subscriptions	1,000						1,000
5712	Telephone	5,000						5,000
5720	Computer & Equipment Maintenance	5,000				-	-	5,000
5721	Data Collections	-	-					-
5724	Licenses/Dues & Fees	1,500						1,500
5725	Auto Expenses	60,000						60,000
5726	Travel Expenses	2,000						2,000
5728	Education & Training	5,000						5,000
5729	Consulting	40,000	10,000		15,000		10,000	75,000
5734	Environmental	-	35,000	10,000			15,000	60,000
5735	Water Quality	-	55,000					55,000
	NON-LABOR EXP	379,500	1,100,000	10,000	15,000	200,000	25,000	1,729,500
	TOTAL DEPARTMENT EXPENSES	1,100,955	1,100,000	10,000	15,000	200,000	25,000	2,450,955
5610	Labor Transfers to Capital	-						-
5744	Overhead Burden to Capital	-						-
	Total Capital Labor & OH Out	-			-	-	-	-
	TOTAL NET DEPT EXPENSES:	1,100,955	1,100,000	10,000	15,000	200,000	25,000	2,450,955

Water Resource (WR) Dept								
Dept #60								
		FY 12/13 Actual	FY 13/14 Actual	FY 14/15 Budget	Actual YTD as of 12/31/2014	FY 14/15 Projected	FY 15/16 Budget	FY 16/17 Budget
	EXPENSES:							
5600	Dept Wages	807,973	903,224	972,503	445,338	890,676	1,025,521	1,056,287
5612	Dept Overtime	2,640	382	10,000	340	10,000	5,000	5,150
5613	Health Insurance - Cafeteria	123,457	134,640	146,880	59,103	118,206	146,880	146,880
5614	Payroll Taxes	26,365	26,992	32,462	14,168	28,336	33,647	34,656
5615	Misc Benefit		6,000	6,000	2,769	5,538	6,000	6,000
5616	Workers Compensation Expense	22,593	24,429	30,559	17,897	35,794	30,559	31,476
5618	Health Insurance - ACWA	20,189	20,862	22,371	8,272	16,544	23,017	23,708
5620	Health Ins Reimb - FSA	14,942	16,159	18,000	7,609	15,218	18,000	18,000
5623	PERS Retirement	184,122	178,351	224,064	74,169	148,338	178,019	183,360
	TOTAL WAGES & BENEFITS	1,202,281	1,311,039	1,462,839	629,665	1,268,650	1,466,643	1,505,517
5702	Safety Supplies	1,374	833	1,500	808	1,500	1,500	1,500
5703	Recruiting Expense	97	-	2,500		-	5,000	5,000
5704	Temporary Services			15,000		-		-
5710	Small Tools	1,004	6,093	2,500	1,540	2,500	3,500	3,500
5711	Books & Subscriptions	483	423	500	154	500	500	500
5713	Printing	4,454		-		-		-
5720	Computer & Equipment Maintenance	172	14,346	20,000	2,090	5,000	5,000	
5721	Data Collections	126,233	159,455	225,000	62,626	225,000	185,000	185,000
5724	Licenses/Dues & Fees	904	7,934	4,000	1,622	3,244	4,000	4,000
5725	Auto Expenses	16,654	24,144	20,000	22,862	45,724	30,000	30,000
5726	Travel Expenses	8,306	11,062	15,000	2,252	4,504	10,000	10,000
5728	Education & Training	3,223	1,753	5,000	1,573	3,146	5,000	5,000
5729	Consulting	317,958	66,436	700,000	119,763	700,000	1,150,000	970,000
5737	USGS	271,318	391,405	410,000	74,035	410,000	420,000	350,000
5810	Other Expenses	190	1,143	10,000	3,367	6,500	5,000	10,000
	NON-LABOR EXP	752,370	685,027	1,431,000	292,692	1,407,618	1,824,500	1,574,500
	TOTAL DEPT EXPENSES	1,954,651	1,996,066	2,893,839	922,357	2,676,268	3,291,143	3,080,017
5610	Labor Transfers to Capital	(237)		-		-	-	-
5744	Overhead Burden to Capital	(997)		-		-	-	-
	Total Capital Labor & OH Out	(1,234)	-	-	-	-	-	-
	TOTAL NET DEPT EXPENSES:	1,953,417	1,996,066	2,893,839	922,357	2,676,268	3,291,143	3,080,017

Water Resource (WR) Dept

Dept #60

		Dept. Admin	USGS Coop. 230	Data Coll. 310	Special Projects 336	Small Systems 406
	EXPENSES:					
5600	Dept Wages	1,025,521				
5612	Dept Overtime	5,000				
5613	Health Insurance - Cafeteria	146,880				
5614	Payroll Taxes	33,647				
5615	Misc Benefit	6,000				
5616	Workers Compensation Expense	30,559				
5618	Health Insurance - ACWA	23,017				
5620	Health Ins Reimb - FSA	18,000				
5623	PERS Retirement	178,019				
	TOTAL WAGES & BENEFITS	1,466,643	-	-	-	
5702	Safety Supplies	1,500				
5703	Recruiting Expense	5,000				
5704	Temporary Services	-				
5710	Small Tools	3,500				
5711	Books & Subscriptions	500				
5713	Printing	-				
5720	Computer & Equipment Maintenance	5,000				
5721	Data Collections	-		185,000		
5724	Licenses/Dues & Fees	4,000				
5725	Auto Expenses	30,000				
5726	Travel Expenses	10,000				
5728	Education & Training	5,000				
5729	Consulting	-			275,000	300,000
5737	USGS	-	420,000			
5810	Other Expenses	5,000				
	NON-LABOR EXP	69,500	420,000	185,000	275,000	300,000
	TOTAL DEPT EXPENSES	1,536,143	420,000	185,000	275,000	300,000
5610	Labor Transfers to Captial					
5744	Overhead Burden to Capital					
	Total Capital Labor & OH Out	-	-	-		
	TOTAL NET DEPT EXPENSES:	1,536,143	420,000	185,000	275,000	300,000

Water Resource (WR) Dept							
Dept #60							
	EXPENSES:	Dept. Admin	Baja Sustainability 407	UWMP 390	Spec. Proj./Env. 400	Bureau of Reclamation 403	2016 TOTAL
5600	Dept Wages	1,025,521					1,025,521
5612	Dept Overtime	5,000					5,000
5613	Health Insurance - Cafeteria	146,880					146,880
5614	Payroll Taxes	33,647					33,647
5615	Misc Benefit	6,000					6,000
5616	Workers Compensation Expense	30,559					30,559
5618	Health Insurance - ACWA	23,017					23,017
5620	Health Ins Reimb - FSA	18,000					18,000
5623	PERS Retirement	178,019					178,019
	TOTAL WAGES & BENEFITS	1,466,643		-	-	-	1,466,643
5702	Safety Supplies	1,500					1,500
5703	Recruiting Expense	5,000					5,000
5704	Temporary Services	-					-
5710	Small Tools	3,500					3,500
5711	Books & Subscriptions	500					500
5713	Printing	-					-
5720	Computer & Equipment Maintenance	5,000					5,000
5721	Data Collections	-					185,000
5724	Licenses/Dues & Fees	4,000					4,000
5725	Auto Expenses	30,000					30,000
5726	Travel Expenses	10,000					10,000
5728	Education & Training	5,000					5,000
5729	Consulting	-	50,000	250,000	175,000	100,000	1,150,000
5737	USGS	-					420,000
5810	Other Expenses	5,000					5,000
	NON-LABOR EXP	69,500	50,000	250,000	175,000	100,000	1,824,500
	TOTAL DEPT EXPENSES	1,536,143	50,000	250,000	175,000	100,000	3,291,143
5610	Labor Transfers to Captial						-
5744	Overhead Burden to Capital						-
	Total Capital Labor & OH Out	-		-	-	-	-
	TOTAL NET DEPT EXPENSES:	1,536,143	50,000	250,000	175,000	100,000	3,291,143

Fiscal year 2015/2016 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.

Document Scanning: Goal 1

This item is the continuation of the Agency's document scanning to relieve physical file storage and continue digital document retention.

Finance Model: Goal 2

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

GIS (Project 376): Goal 1, 2 & 5

Mobile communication devices such as Smart Phones & Tablet PC's as well as relevant GIS software applications will be employed throughout the Water Resources & Operations Departments over the coming year that will allow for the development of more efficient methods of data collection and analysis resulting in a more accurate information stream from which decisions can be made to improve the Agency's responsiveness to requests made by its Board of Directors, Partners & Constituents.

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.

Agency Newsletter (Project 209): Goal 4

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

Community Relations (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.

Limited Strategic Partnerships (Project 227): Goal 4 & 6

This new funding category offers MWA new education and conservation opportunities for special projects that are limited in scope or duration. These projects include demonstration gardens, school projects related to resource conservation, and more.

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

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 386): Goal 6

In cooperation with the Alliance for Water Awareness and Conservation, MWA implemented the WCIP, a regional program offering a variety of incentives to customers of retail water agencies ranging from turf removal to installation of dual flush, low flow toilets. The Program offers cash, vouchers and rebates to reduce per capita water consumption to meet state mandates.

Regional Recharge and Recovery (Project 359A): 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 year's 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 370A): 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 393A): 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): Goals 3 and 5

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): Goals 3 and 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): Goals 3 and 5

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

Small Systems (Project 406): Goals 3 and 4

As identified by stakeholders during the Integrated Regional Water Management (IRWM) Plan process, there was an overwhelming agreement to help and support Disadvantaged Communities (DACs) and a Small Systems Program is being developed to support and assist DACs. In the IRWM Plan process, this objective was ranked as a high importance and a high urgency project. This program is being developed with input from stakeholders and California Rural Water Association (CRWA) with the scope of this program to provide guidance/assistance with grant applications, performing needs assessments and providing specific training to DACs applying for state and/or federal funding related to improving water management practices.

Baja Area-Wide Plan(Project 407): Goals 1, 4 and 6

As a result of the current IRWMP process and community outreach, a lot of interest was generated in the Baja Subarea regarding achieving sustainable water and land use activities. The MWA has partnered with the Mojave Desert Resource Conservation District, the Natural Resources Conservation Service and the Bureau of Reclamation to develop a suite of possible projects for the Baja Subarea in an effort to stabilize the natural resources in the region. The project team will work closely with community members and stakeholders to prioritize efforts in the region and look for opportunities and partnerships to implement projects.

UWMP (Project 390): Goals 1, 2, 4 and 6

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). 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 is required to complete an update of the UWMP every five years, due to DWR in years ending in 0 and 5.

Special Projects – Environmental (Project 400): Goal 5

Provides funding for consultant support for miscellaneous water supply project, specialized hydrogeological 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.